



How CDOs can enable the intelligent enterprise

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In an age characterized by constant change, changing things can be surprisingly hard.

Just over half of respondents in a recent McKinsey Global Survey said their companies' transformations accomplished most or all of their performance goals, and only 12 percent said they sustained those goals for more than three years.¹ For most organizations, committing time, effort and investment to a major program with a high risk of failure is an obvious deterrent.

The fear is well-founded. Toys 'R Us and Staples flubbed their respective shifts into e-commerce. Sears and Kmart invested heavily in big data initiatives that didn't deliver. It's happening again under digital transformation. But with the new age of artificial intelligence (AI) in full swing, any business that can't transform into a data-centric operation is likely to fail.

That shifts the spotlight onto chief data officers (CDOs). Boards want their businesses to be driven by predictive and adaptive insights. They want to evolve into organizations that can make course corrections dynamically in response to changes in the market or customer behavior.

The objective is an intelligent enterprise where data is the essential business asset. How can CDOs help them achieve it – and avoid becoming another cautionary tale of transformation gone wrong?

By managing that asset with finance-like rigor. Businesses need to treat data like money. Modernizing **data management** and ensuring trust in the organization's internal and external data is the way to do it.

Meet the expert



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¹McKinsey & Company, How to implement transformations for long-term impact

From a trickle to a deluge

The growth of online shopping during the 1990s created steady streams of personal and transactional data. Advancements in technology during the 2000s allowed for the sorting and analysis of this data, resulting in the Big Data surge. This created a need for new methods to efficiently manage and store a significant amount of collected data.

Data lakes emerged as the initial solution, but they quickly became data swamps – overwhelmed by volume, complicated by format variety and riddled with information of uncertain origin and quality.

Data mesh and **data fabric** have since emerged as successor technologies, but better tools are only part of the equation. Business leaders now understand that data leadership must evolve as well.

This has had two significant outcomes:

- 1 Boards have seen the power of analytics and assigned dedicated C-level executives to leverage company data for maximum business value. CDOs are now at the helm of strategies designed to transform businesses into insight-led, intelligent enterprises.
- 2 As data's value has grown, its governance has evolved. Where once this was strictly an IT function focused on cataloging, **data governance** now needs to propel operations and processes that rely on analytics. That requires data management systems capable of enabling collaboration, dismantling silos and spreading the ability to generate insights beyond data science and IT.

To fulfill their expanding role, CDOs need data management capabilities that can liberate and democratize company data. Where data lakes left them with what amounts to warehouses full of boxes, the goal now is to create a single library with an index – one that IT and non-IT users across the organization can use independently with confidence.



Chief data mediator

While there may come a day when the CDO role reverts to that of chief data librarian, it requires senior-level empowerment and a deft ability to negotiate. Significant barriers to overcome go beyond typical organizational inertia and resistance to change.

One of the biggest is that the business typically owns the data while IT manages it. Their priorities are different, creating an organizational tension that must be addressed.

CDOs often find themselves playing coach and mediator. On one side, they must demonstrate to CIOs and IT how democratizing data access can support commercial objectives and enhance how tech teams are perceived as value creators. Conversely, they must convince business teams and departments to open their siloed data stores and simultaneously accept new data-driven tools and processes.

How can CDOs lead diverse commercial, IT and data science teams through these complexities and sensitivities, ensuring data is being leveraged fully and valuable insights are being generated widely?

Part of the answer lies in the person. Successful CDOs need to be leaders capable of evangelizing and convincing a wide range of internal stakeholders. That requires C-level skills and aptitudes and often needs expert outside support throughout a phased change project.

We're really talking about the challenge of establishing trust amongst a diverse audience. The task becomes easier if everyone on both sides of the IT/commercial divide feels confident that every dataset they share or use is secure, maintained at the highest level of quality, has a known **lineage** and is only used in strict compliance.



Ensuring trust in the organization's internal and external data is vital to the CDO's position as a senior business leader.

Treat data like money

In business, everyone understands the primacy of cash. CDOs can leverage that shared understanding by applying finance-like rigor to data management and custody. Treat data in a repository like money in the bank. Keep it locked up and secure. Know who all the counterparties are in any exchange. Be able to say with confidence that everyone with access to a vault is following company and regulatory rules to the letter and, very importantly, the data meets the required quality and governance standards.

That, in a nutshell, is what modern data management is all about. Turning that approach into reality won't be simple, but there are five principles CDOs can use as a guide:

Advice for CDOs



Set failure standards. It is essential to establish a maximum acceptable level for failure by setting failure standards. For instance, if you search an HR training database for staff with a particular certification, you can set a failure standard of 20%. This means that you should be able to identify 80% of your staffing needs for a project in that database. If you can't, you may need to gather more data, use more recent data or undergo another round of training.



Define the desired business outcome and know who benefits. Using the same HR training database, the obvious beneficiaries are the managers who can use it to see who has what education, experience and qualifications. But then there may be other indirect beneficiaries like finance, who could deliver more accurate forecasts if they had access to individual day rates rather than just using different bands.



Take an iterative approach. Agile is all the rage in management, but it is not the answer in data management. Data models and master table structures need to be fixed and reliable. What you can do is take an iterative approach where datasets are modified according to different use cases.



Focus on culture. Data-driven businesses need to make decisions based on analysis and insights drawn from data. Therefore, adopting new technologies, systems and processes horizontally and vertically across the company is necessary. As a result, CDOs should focus on creating a data-centric business culture, which requires patience, training, executive-level sponsorship and time.



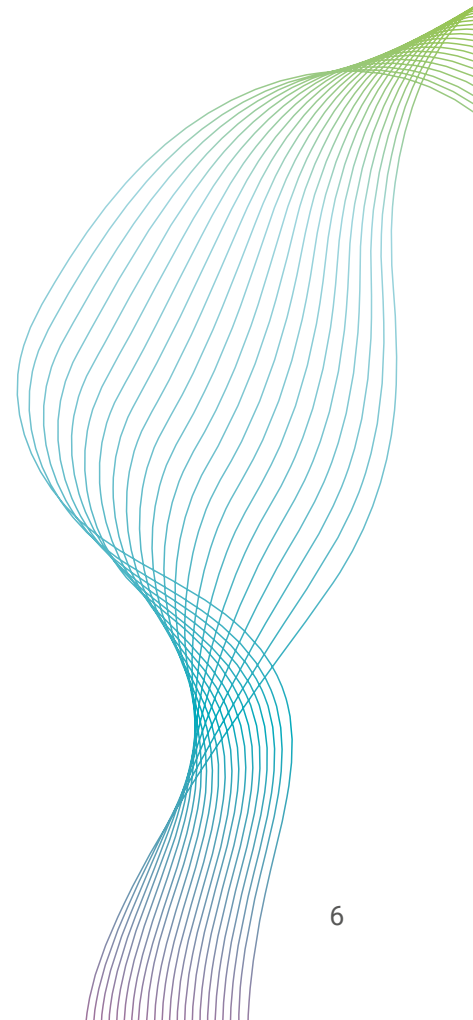
Look at the best integration technologies. On this final point, AI-powered data management becomes vital to the CDO's strategic toolkit. This advanced technology nudges organizations towards becoming more data-driven, establishing trust and equipping diverse business users with the necessary tools to generate their insights.

Supporting CDOs on the journey

Sophisticated tools are important, but knowing how and where to use them effectively determines success or failure. This requires a deep understanding of the varied use cases for improved data management within the organization.

Deloitte and Informatica are working together to help CDOs lead their firms to intelligent enterprise status through Deloitte's CDO Smart Services. It leverages the power of the **Informatica Intelligent Data Management Cloud (IDMC)** to support the strategy and process-related functions specific to your business. Designed to efficiently tackle the complex challenges presented by dispersed and fragmented data, IDMC equips enterprises to innovate with their data across any platform and cloud.

Whether your organization is building a CDO function or looking to take the next step in its intelligent enterprise journey, Deloitte and Informatica are helping CDOs reshape their organizations and derive more value from enterprise data assets.





Want to know more?

To find out more, contact Deloitte's expert,

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About Informatica

Informatica (NYSE: INFA) brings data and AI to life by empowering businesses to realize the transformative power of their most critical assets. When properly unlocked, data becomes a living and trusted resource that is democratized across your organization, turning chaos into clarity. Through the Informatica Intelligent Data Management Cloud™, companies are breathing life into their data to drive bigger ideas, create improved processes, and reduce costs. Powered by CLAIRE®, our AI engine, it's the only cloud dedicated to managing data of any type, pattern, complexity, or workload across any location — all on a single platform.

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About Deloitte

Data is more than just the numbers and files you move around. When you manage your data the right way, you can unlock insights that help you better understand and run your business. Together with Informatica, Deloitte can help you take control of your biggest data needs from integration, quality, and management, to data governance and security. We'll deliver smart data that gleans powerful insights and unlocks potential you never knew existed. Let us know where you want to go, and we'll help you transform and modernize your enterprise with the right technology and without any downtime. We'll disrupt the way you manage your data—without disrupting your day-to-day—so you can see the bigger picture.

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IN09_1023_4635

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