Data Governance for Financial Services

Benefits

- Ensure compliance and increase visibility to continuously changing Federal Financial Service regulatory requirements

- Improve enterprise agility to risk management and risk mitigation

- Shorten ramp up time on projects and initiatives by providing proven data governance methodologies, framework and best practices

- Gain business efficiencies across enterprise risk aggregation and reporting, regulatory compliance and information technology

Typical Duration

- 4 to 16 weeks dependent upon scope

Overview

Informatica's Data Governance (DG) Consulting Service for the Financial Services industry provides the resources to develop an agile, sustainable, business-driven Data Governance strategy. Informatica Professional Services (IPS) will provide direction by identifying strategic business priorities, classifying enterprise risk exposure, improving internal data quality reporting and data sharing, and strengthening risk management; thereby enhancing your organization's ability to better address stress and crisis situations in compliance with Federal regulatory requirements. Our DG consulting service will work with your team to assess high-level business requirements and DG program capabilities, define DG program roles and activities and an operating framework, including designing DG processes and policies and best practices. The ultimate goal of IPS consulting is to provide guidance to your organization in order to sustain and improve data governance and data quality initiatives for proactive risk management to support major technology and governance challenges as mandated in the federal financial regulations (including Basel Committee's principles for Effective Risk Data Aggregation (BCBS-239), Dodd-Frank, Solvency and CCAR).

The major benefits of robust data governance strategy are to improve data accountability, traceability and availability of reliable and accurate data for enterprise risk aggregation and reporting. Our approach promotes rapid adoption of data governance principles and best practices across the organization for better decision support and positions the financial service organization to better adapt to the evolving financial regulatory landscape by treating data as an organizational asset.
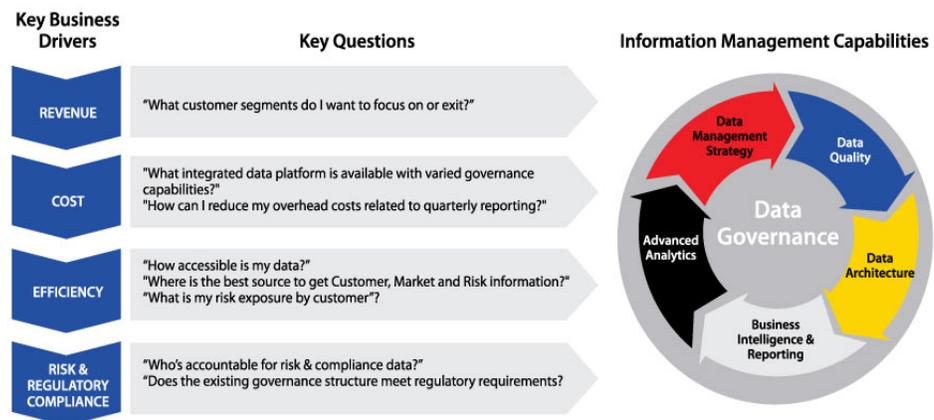
Development of a DG strategy in the Financial Services industry is inherently a data integration and risk aggregation challenge. However, accountability for managing increasing volumes, types and sources of digital information and using the data

appropriately needs to be defined by a DG organization that can work across traditional data silos and manage cultural changes regarding how data policies are created and enforced. The overwhelming growth in the volume and types of data has far outpaced most organizations' ability to maintain reliable, integrated, and accurate data. In order to increase the value and minimize the risk of poor data quality a coherent and agile DG strategy is needed both to enrich the data for business purposes as well as reduce costs in maintaining it.

We can help! IPS Consulting Service will bring proven techniques and thought partnership to help your DG Leader secure an actionable roadmap and help obtain the alignment and executive endorsement to sustain an enduring program. We know what it takes to transform an organization from an ad-hoc reactive culture of data to a highly effective, embedded and predictive function that can ensure proactive risk management. We will design strategies, align business and IT functions, measure enterprise risk exposure, develop a plan to aggregate different risk domains and risk types, and build executive level support for the DG program. We can help in developing strategies aimed at making sure that the aggregation of data is matured enough to monitor risks proactively, and more importantly, report on them accurately in a timely fashion. Our tailored strategy will streamline day-to-day operations for ongoing regulatory requests and reports, and ultimately shift the corporate culture from one of departmental data silos to a more holistic and collaborative enterprise data perspective.

How Can We Help You?

Data Governance (DG) Maturity Assessment

If you are in the initial stage of investment in a data strategy and are eager to assess the maturity level of your DG initiatives, want to strengthen the alignment between business and IT organizations that are instrumental in creating, collecting and using data, and to obtain executive endorsement to improve DG strategy initiatives to support risk aggregation and risk reporting and regulatory mandates.

Objectives and Benefits of a DG Maturity Assessment

- Assess the current state maturity of the enterprise DG program—People, Process, Technology and Culture
- Attain a common understanding and value proposition of DG program initiatives
- Identify critical issues, key initiatives, business drivers, and business partners and stakeholders
- Assess maturity of enterprise risk management capabilities to understand potential barriers and accelerators to support federal financial regulations such as Basel Committee's Principles for Risk Data Aggregation (BCBS-239), Dodd-Frank, CCAR, and Solvency, etc.
- Gain an understanding of the quality, compliance and risk exposure of your enterprise data assets
- Identify gaps in strategic key initiatives to support optimal Capital Planning, Capital Adequacy Tests and effective Risk Aggregation to comply with financial regulations and requirements
- Improve and enhance organizational practice for effective, automated and robust risk reporting to support risk oversight functions
- Become acquainted with DG best practices to resolve data quality issues and improve data management processes
- Develop a tactical as well as long-term strategic roadmap that supports enterprise-wide business and IT initiatives

Figure 1 shows a progression of five DG maturity stages as an organization shifts from fragmented and IT-driven data management culture to a holistic business-driven capability. IPS Consulting Services will assess your current stage of DG initiatives and maturity and accelerate progress to your desired target state.

The DG Maturity Assessment is an opportunity to obtain a high degree of visibility and transparency into your organization's DG capabilities and discover opportunities to prioritize business initiatives, mitigate risk, and comply with regulatory mandates. It will offer valuable insights, best practices and recommendations to make a convincing business justification either for implementing a DG program or for making changes to
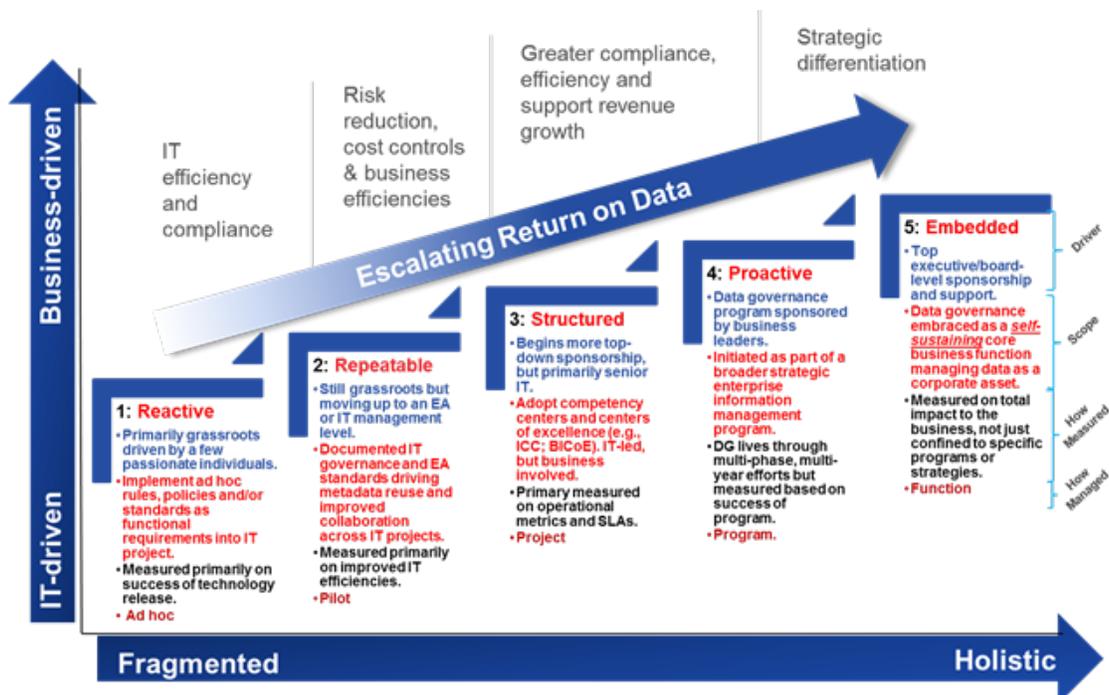
Figure 1, Data Governance Maturity Stages – from IT-driven data management to business driven capabilities

your current DG initiatives. No matter the prevailing governance climate within the organization, we can help management drive the discussions, decisions and ultimately obtain alignment and executive sponsorship for the DG program. We link the pain points, regulatory and risk requirements and opportunities to the key strategic business drivers to help the stakeholders understand the business value of a DG program. We show how the proposed governance program will accelerate the time to deploy solutions, reduce cost and risks related to data quality issues, increase compliance and confidence in data assets while reducing data complexity across the organization.

Data Governance (DG) Strategy & Accelerator

If you have already initiated a DG Program but are looking for guidance in developing a sustainable and successful DG strategy to enhance your enterprise risk management platform and comply with changing business environments and regulatory expectations. If you are planning to support further enablement and enforcement of the program to improve maturity of your decision support capabilities.

Objectives and Benefits of a DG Strategy & Accelerator

- Accelerate the initiation of your DG program; balance people, process and technology to support changing business needs and continuously changing federal financial regulatory mandates with an industry leader
- Refine the DG organization structure, clear ownership, accountability and responsibilities of the risk domains required to support the roadmap plan
- Improve processes for robust data quality discovery, profiling, and auditing specifically designed to allow data analysts and data stewards to identify, measure, prioritize and increase awareness of data issues and anomalies
- Provide proactive data quality monitoring to ensure an agile response to regulatory and solvency data-quality errors as well as errors that require immediate attention
- Enforce data policies and standards with governance process workflows to realize tangible benefits
- Define auditable and certified data traceability to support Basel recommended risk data aggregation(BCBS-239) process and reporting
- Provide end-to-end data lineage analysis and reporting to satisfy audit requests from regulators and comply with solvency data-transparency and documentation requirements

- Introduce data-quality dashboards for data owners and line-of-business stakeholders to provide visibility and measure success of ongoing regulatory and solvency data quality performance
- Develop a business glossary for data stewards to manage and maintain business terms and definitions of data used for lending, solvency and underwriting, and to allow non-technical business users access to those definitions from their desktops
- Define a robust and automated risk data aggregation plan and effective risk reporting framework across enterprise risk domains
- Define concentration of risks and correlation across lines-of-business and achieve greater convergence of finance and risk reporting and data needs
- Rationalize and standardize silos applications, systems, tools, reports and dashboards

The DG Strategy & Accelerator is for the DG Leader who needs support from a proven industry leader to help implement a DG program and accelerate time to value for a specific enterprise initiative. In many cases, our customers have successfully obtained business case approval for data governance and there is a well-documented Enterprise Information Management (EIM) vision and strategy. Yet, what is missing is an effective DG roadmap including a plan, organization model and tactical execution steps.

Informatica will partner closely with you to understand the expected outcomes for the engagement and to identify the key stakeholders to interview in order for us to gain an understanding of your current environment, strategic vision and future needs. "Walking the shop floor" will provide valuable information to help identify the key opportunities, challenges and pain-points. We will facilitate sessions with your key business and IT stakeholders in order to develop and align your organization's target state model. We will finalize the recommendations and target operating model with the roles and responsibilities in support of future initiatives.

Lastly, we will co-present to your executive sponsors in order to seek endorsement for the business justification for your DG program. Working side by side with your team, Informatica IPS consultants will understand your current environment, strategic vision, challenges, and data usage in order to develop an approach to transform your data into trusted assets, transform your people into effective collaborators, and transform your processes into seamless flows.

DG Consulting Service - Key Program Activities/or Deliverables may include:	DG Maturity Assessment	DG Strategy & Accelerator
Duration	3-4 weeks dependent on scope	12-16 weeks dependent on scope
• High level assessment of the Business objectives, Drivers, Vision and Mission of establishing DG program	✓	✓
• Review, update or define Executive Endorsement Presentation & Delivery	✓	✓
• Review industry recommended Enterprise Business & Risk Domains; cross functional collaboration between risk domains and IT	✓	✓
• Review awareness and acclimatization of DG best practices and regulatory recommendations around Financial Service industry	✓	✓
• **DG Organization Structure**		
o Assessment of DG ownership & accountability matrix, DG roles, responsibilities and skills	✓	✓
o Define and operationalize DG leadership committee and stewardship council including Data Quality (DQ) stewardship process		✓
• **DG & DQ Policy, Process & Technology Framework**		
o Review inventories of Master, Meta, & Reference data management policy & process – KDE Identification, business glossary & data definitions, technical standards & business rules	✓	✓
o Define, operationalize & implement data management process using Informatica software – define KDEs, business glossary and technical data definitions, technical standards and business rules for the KDEs		✓
o Review data taxonomies and process to capture data sourcing and data lineage for traceability	✓	✓
o Define and document authoritative data source, data transformation hierarchy (customer, counterparty, etc.), data lineage and traceability for data aggregation and reporting		✓
o High level assessment of DQ Process – Data Discovery and Profiling, Data Monitoring and Audit, Issue Remediation, Performance Reporting	✓	✓
o Operationalize DQ lifecycle process – data discovery and profiling, proactive data monitoring and audit, reporting metrics and KPIs based on DQ dimensions, DQ scorecard and reporting dashboards		✓
o Define common DQ process workflows - DQ issue management prioritization and remediation, exception handling and change management		✓
• **High Level DG Recommendations and Roadmap**		
o Strategic initiative heat map and short term ("Quick Tactical Wins") road map	✓	✓
o Long term DG road map; DG strategy and process recommendations next steps – how to leverage and scale the framework - Migration strategy, Communication plan, Training plan, PMO handoff		✓

Our approach addresses a number of common challenges repeatedly encountered in operationalizing DG programs in any financial service institution:

- Lack of leadership involvement and sponsorship
- Lack of "Single and Holistic Version of the Truth" to support the customer identification process, KYC (Know Your Customer) process and AML (Anti-Money Laundering)
- Inadequate controls, ownership and accountability throughout the data lifecycle, including risk domains, data quality and controls
- Insufficient documentation and enforcement of policies, standards and processes
- Lack of counterparty identification, legacy hierarchies and relationships to risk instruments
- Persistent data quality errors from sources and existing data management processes
- Missing data traceability and lineage with uniform conventions
- Multiple data silos and systems with duplicate or redundant data, inefficient and error prone manual data processing
- Insufficient integration of risk, finance and treasury systems, processes and metrics to capture a complete view of enterprise level risks
- Lack of enterprise risk data aggregation capabilities and risk reporting practice during base and stress scenarios
- Limitations in capital adequacy stress testing, capital planning scenario analysis and emerging risk identification

Why Informatica is the Right Choice

Top 3 Differentiators for Informatica

- The only vendor enabling you to "Define once, govern anywhere." With Informatica, DG policies have teeth by enabling business policies and rules to be defined once, and ensuring they are applied consistently anywhere
- Embedded data stewardship enables collaboration across the entire platform, not just within specific tools and use cases. A market-leading data management platform supports all core data governance process across the spectrum of DG tenets (DQ, MDM, DM, DA, etc.)
- Practical and actionable DG thought leadership and best practices drive customer success as well as set the direction for innovative product capabilities

About Informatica

Informatica is a leading independent software provider focused on delivering transformative innovation for the future of all things data. Organizations around the world rely on Informatica to realize their information potential and drive top business imperatives. More than 5,800 enterprises depend on Informatica to fully leverage their information assets residing on-premise, in the Cloud and on the internet, including social networks.

Learn More

Do It Right the First Time

Contact Informatica Professional Services at ips@informatica.com

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