

Data: Are you making the most of your firm's key strategic asset?



Lawrence Watkins, Director, DW Reporting

Teaser: Is a lack of data governance costing your business?

When you take a moment to think about it, managing your daily life requires an enormous amount of data. From bank details to train times, from your frequent flyer account number to your multitude of passwords for your apps on your ever growing collections of devices.

There is an expectation that the data we rely on in our daily life is accurate, well governed and secure.

In a business environment we talk about the governance of data and business information, but what do we really mean?

Data Governance refers to the overall management of the availability, integrity, usability, and security of the data employed in an enterprise. An initial step in the implementation of an enterprise data governance program involves defining the owners and custodians of the data assets.

The business entities that define this key corporate asset may vary in participation and influence, but they share common goals of corporate data policy definition, policy enforcement, and communication. A key factor in a successful data governance policy is that the firm as a whole has a unified desire to create a strong governance framework. If data governance is driven solely by IT, there is the potential for lack of wider business involvement and ultimately data governance failure. For “shared decision making,” data governance must work collaboratively across business units and at all levels of seniority.

An effective data governance program, designed to help manage data appropriately and securely throughout your enterprise, should address the business processes used to collect, analyse, and disseminate information. Such a program can help an organisation eliminate errors, create opportunities for automation, reduce duplicative efforts, and decrease reliance on manual data entry.

Without governance standards and quality controls, different departments are essentially speaking different languages and cannot share information fluently or coherently. An effective data governance program breaks down barriers to collaboration by initiating a conversation between representatives from different functional areas about how to best use and manage data.

Addressing issues such as accuracy, accessibility, integrity, timeliness, redundancy, consistency, privacy, and completeness require different business units to work together to achieve these fundamental pillars of a successful data governance policy.

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There are some very tangible benefits to a strong data governance policy;

- Increases the use and trust of data as a corporate asset.
- Ensuring regulatory compliance.
- Making data consistent across business entities so that decision makers can make confident decisions based on the data.
- Stronger alignment between business functions through better data.
- More coherent business information improves the firms ability to both enhance new revenue opportunities as well as deliver their services more cost effectively.

Examples in the legal environment where a lack of data quality, integrity and accessibility occur are common. The impact felt from the lack of a working data governance solution can be felt in many ways:-

- A poor understanding of clients. The ability to provide clients with timely business metrics is failing due to the siloed nature of departmental data repositories.
- Low insight into potential upsell and cross sell opportunities. The ability apply contextual intelligence to financial metrics are laborious due to inaccessible data storage systems.
- Low visibility into the true costs incurred in delivering service. Different data stores holding different values for the same matter, client or fee earner.
- Reduced opportunities to changing the business strategically. An overall lack of data growth management resulting in the loss of insight, value extraction and dissemination.
- Poor user perception. Exposing data in well-designed visualisations only to find that the data is duplicated, inaccurate and inconsistent.
- System Performance issues. Your data warehouse loading data throughout the working day due to poor data architecture and source system retrieval challenges.

Data is the raw material to create information. Facts about your business are created, captured and stored as data. Therefore information should be seen as a high-value asset of any business. As with other high-value assets within a business they require a comprehensive management and governance strategy.

Law firms are not immune from the vast amounts of valuable data that is being captured and external data that can be consumed. Data as a corporate asset will only grow in size and importance in the coming months and years.

The failure to manage and govern this key asset across the business entities will deny decision-makers the information they need to drive the business forward in a challenging market.

As other firms grasp the nettle and develop their data governance frameworks, the inability to gain competitive advantage from clean, accessible, consistent and useful data will be keenly felt.

Is it time for you to think about your data governance policy?

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ABOUT DW REPORTING

Based in London, DW Reporting is an independent finance systems, business intelligence and reporting consultancy that specialises in practice management and reporting/management information solutions within the UK and international legal sector. With backgrounds working for international law firms such as Hogan Lovells, Mayer Brown, RPC, Simmons & Simmons, Olswangs and BLP, our team of consultants are able to provide a unique blend of agnostic system and legal market expertise in a single service. Our extensive knowledge of the legal financial and management information landscape, ensures that we are able to advise, guide, assist and enable law firm teams in the successful delivery of business change and growth within increasingly complex business environments.

We are #drivenbydata – identification, integration, transformation, management and visualisation.

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