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INTRODUCTION TO DATA GOVERNANCE AND STEWARDSHIP

Best Practices to Improve the Quality of Your Customer Data

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Why data governance and stewardship?

With all the time and effort put into creating a centralized source of customer information comes the challenge of making sure this data is put to good use across the company. And it is a big challenge. Irrelevant or inaccurate data reduces employee productivity, hampers customer engagement, and can give your competition the upper hand.

Typical data issues, such as incomplete records, out-of-date or obsolete information, and duplicates, erode trust in enterprise systems and affect key business functions. To realize the full value of technology investments like the Salesforce platform, you need to have policies and processes in place to make sure you're collecting the right data, managing it effectively, and ensuring that it is reliable and relevant. This is where data governance and stewardship come into the picture.

$700 billion a year in potential sales is lost due to bad data.[1]

The right framework for handling data will not only make the job of the data steward more efficient, but it also serves to keep marketing and sales efforts running smoothly:

- *Customer data drives campaign and sales strategy, helping you get the most from your resources.*
- *The ability to target customers reliably and effectively creates an advantage over the competition.*
- *Better data improves finance, customer service and support, and operational functions, which means increased customer satisfaction.*

Simply put, the right data allows you to understand, adapt, focus, and execute with surgical precision. Creating a governance and stewardship plan helps care for your data, so that it becomes an asset instead of a liability. In this paper, we'll show you how to get started by assessing the current state of your data, and then building a framework for governance. We'll also describe the key stewardship activities you should consider to make data an integral part of your organization.

Defining the Terms

While many might assume that governance and stewardship are synonymous, there are nuances that are important to understand.

Governance

Establishes rules and policies to ensure reliable and effective customer data. These rules define processes and protocol to ensure usability, quality, and policy compliance of the data asset.

Stewardship

Puts tactical roles and activities into effect to ensure adherence and support of the data governance plan. It includes assigning people to uphold the plan, and developing strategy for monitoring and maintenance of customer data.

Chapter One

ASSESS THE STATE OF YOUR DATA

Before developing a governance and stewardship plan, it's important that you gain a deep understanding of the current condition of data in your organization. Some key questions and research will clarify where you'll need to focus your energy initially, as well as where you can improve in the future. It's also important to understand how data is or is not managed, so you can help eliminate bad behaviors and promote best practices. A few simple questions will allow you to assess your organization's current approach to data.

1 Who is using customer data?

Get a clear idea of who uses customer information within your organization, so you can provide data that best suits their needs. Run reports to see who created and last modified data, as well as how often they are viewing it. Make note of where users access data, since it's important to understand how different teams put data to use.

2 What are the business needs for data?

Before becoming mired in technical needs and process, it's important to think about and discuss business needs and priorities for data. You can get helpful data quality information by going straight to those who use it most. This includes simple shadowing of users, discussions, or even polling them for specific pain points and thoughts on processes. Talk to end users to understand data needs within different departments, and to discover issues that governance and stewardship can address. Learning what users know now, what they need to know, and what they wish they knew will help identify gaps and map future goals.

3 Which data is used the most?

As you look at your CRM system, check which fields are most complete for each record type and which fields are most frequently modified. This will help identify which data is actually being used.

Next, it's important to find out what users are doing with that data. Are they sending it to other systems, warehouses, or applications? For each data field, which business tasks and processes does it inform on a regular basis? For example, do opportunity values get extracted to another location to help drive sales commission numbers?

40%

of all business initiatives fail to achieve their targeted benefits due to poor data quality.[2]

4 How is the data being used?

Not every use of data is fully tracked by technology. Users can offer information on when they export, manipulate, or load data, and how they make use of it from there. Hold more interviews to identify data that is relevant for these uses. Map out these processes in order to know how future changes may impact these users.

TIP: Create a data quality score that measures key attributes to identify data that needs attention.

Measuring Your Data Quality

Review and segment data based on the following attributes that determine quality and usefulness:

Age: Time elapsed since date last modified

Completeness: Percentage of records that include key data fields

Usage: Time since last used in reports or other applications

Accuracy: Matches against a trusted source

Consistency: Field formatting and spelling is the same across records (state or province, phone, country, and so on)

Duplication: Amount of identical or very similar records that vary in quality

Chapter Two

DEVELOP YOUR GOVERNANCE PLAN

Now that you've assessed the current state of your data, you have a solid groundwork for putting together a data governance plan. Consider the following as sections or pieces of the plan. The key, always, is to maintain a balance between protocol and flexibility, and to empower users to feel a sense of ownership of data standards and quality.

Data Definitions

Develop and apply standards for naming and organizing data. Consider how data is captured or entered into the database, and then create a workflow for verifying and approving records as they enter the system. Define the stages a record passes through during its lifetime; make sure to give thought to business usage and which groups own certain kinds of data, even down to the field level, when developing definitions. Also, define data types — including master, reference, and transactional — to be applied in usage, permissions, and stewardship activities.

Quality Standards

Set appropriate standards for data quality, including the ability to measure or score records. As you did in your assessment, put a value on age, completeness, usage, accuracy, consistency, and duplication, along with any other quality or value metrics specific to your business. With an emphasis on the sustainability of your plan, think about how you can incorporate visible data quality measurements within your applications to help users support the standards.

For different types of records, define the must-have and optional information. For example, lead records could require name, email, account or company, title, and country, while optional fields might include phone, address, company size, and department or job function.

Account Record Creation: Locked Down or Open?

Many companies lock down account creation to maintain data quality, meaning any new account record must begin with a request to data stewards. But the larger the company, the more unwieldy this process becomes. A more flexible and informed creation process allows end users to enter or amend a record after searching the organization's existing data, as well as a third-party reference to find the most accurate and complete record.

Meanwhile, technology that blocks creation of duplicates or alerts an admin when duplicate records are entered help give data stewards the control and confidence to deliver data quality without having to impose restrictions.

Roles & Ownership

Team members involved in governance and stewardship should know their roles, the time that's allotted for this work, and how they'll be held responsible. Detail where decision-making power resides for the different types of data in your system. Consider the RACI model to outline who is:

Responsible *owns the data*

Accountable *must sign off on or approve changes*

Consulted *can provide information and support*

Informed *needs to be notified, but not consulted*

Security & Permissions

Assign consistent and appropriate levels of privacy, confidentiality, and verified access to comply with regulatory, legal, and contractual obligations. Outline which fields are most relevant for different groups of users, and which need to be restricted or hidden. Note that your data access requirements may look slightly different than your actual organizational hierarchy.

Quality Control Process

This last section of your governance plan focuses on the stewardship function. Outline the structure of a quality control process, including frequency, scope, owners, and checks. Include methods for cleansing, de-duping, blocking duplicates, merging, and adding to records. Create a policy for data retention and archival, supported by metrics that can be tracked using simple dashboards.

How Master Data Management Tools Improve Salesforce Performance

Master Data Management (MDM) focuses on the consistency of data across systems and applications. MDM tools provide:

- *Record creation assistance*
- *Record maintenance across systems*
- *Integration management*
- *Regulatory and compliance enforcement*
- *Enterprise-wide visibility*

Salesforce's open API platform is designed from the ground up to easily work with MDM tools. Many organizations make Salesforce their customer master in order to take advantage of the platform's security, flexibility, and cloud-based scalability.

Follow the 80/20 Rule

Don't get bogged down in pursuit of 100% accurate data; instead, first focus on high-value records to get the most from your investment. Often, companies using Salesforce find the traditional 80/20 rule applies to their data, meaning 80% of their revenue can be tied back to 20% of their customer database. Determine the 20% of data that is most valuable to the organization, making sure that your governance plan focuses on improving that data before tackling the remaining information in your CRM.

Chapter Three

IMPLEMENT YOUR GOVERNANCE PLAN

Creating a well-informed data governance plan is an important step toward getting the most from your customer information. But a system is only as strong as those who carry it out. The everyday stewards of your data must apply these policies going forward. At the same time, it's crucial to stress the importance of caring for data across your organization. Stewardship includes assigning the parts each team member and each departmental group has to play in improving customer data, and finding ways to ensure that it remains strong long after the initial push. Here are the key aspects of data stewardship.

Make data entry and management easy.

To get the most out of your data, you need to encourage users to make sure any and all customer information is entered correctly into the system. This starts with an easy-to-use data entry interface, and dashboards or scoring methods that provide metrics showing the data's value. In order to motivate your users to take part in data stewardship, make sure you establish goals that are reachable and easily tracked. Consider adding a field to records with an icon or score to display its quality. This can also encourage users to add detail or include additional data from a trusted source. Look into ways you can reduce free-form data entry with tools that enter information quickly and easily. An automated data-acquisition strategy that makes use of trusted data providers reduces entry errors, resulting in more standardized, complete information.

What Can I Manage Internally vs Relying on Data Providers?

Many companies spend significant time and resources gathering data, such as industry information, that third-party data partners are better prepared to provide. Determine which data to manage internally and which can be outsourced.

Internally sourced:

- *Proprietary financial data*
- *Legally sensitive data, like social security or payment numbers*
- *Data unique to your organization, such as internal product SKUs*

Externally sourced:

- *Business card data*
- *Company profiles and locations*
- *Industry classification details*
- *Corporate hierarchy mapping*

Keep data lean and effective with regular housekeeping.

It's important to keep only current and relevant data in the system to realize its full value. Plan for data cleanups on a regular basis and create a schedule. There are five basic steps to cleansing your data:

STEP 1 Standardize your data.

Making sure data fields are uniform takes some effort, but it will make a big difference when searching and segmenting records. The most common problems are formatting differences, such as the inconsistent use of country and state fields. You can resolve these differences automatically with the Mass Update Addresses tool. Make sure to update the country first, and then state. Other standardization tasks include dealing with the most common spelling mistakes, addressing area code issues, resolving ISO (country) code confusion, and removing inaccurate values. The use of pick lists for standard fields (state, country, and so on) will help to eliminate manual errors at the point of entry.

STEP 2 Eliminate duplicates.

Start by examining duplicates across record types, such as comparing inbound leads against existing leads and contacts. As you get ready to merge duplicates, there should be a well-defined process in place to ensure that once dupes are identified, they can be merged with the surviving record and become the master. Take a proactive approach by putting a tool in place to detect and prevent duplicates at the point of entry.

Look to Tools for Help

For Sales Cloud customers using Professional Edition or higher, Data.com Duplicate Alerts and Blocking is provided as a standard CRM feature to help ensure that new duplicate records are kept to a minimum. Customers can also opt for paid tools — several options are available on the Salesforce AppExchange.

STEP 3 Compare your data against a referential data source.

Use a high-quality and complete third-party data source to check the accuracy of your data and enrich your records with any missing values. Based on how trusted the source is and what rules you have in place, you can set up a trigger to either append or overwrite fields, so you have the most current and accurate data available. If possible, use an automated tool to avoid the resource-intensive manual loading and preparation required to match data against "offline files."

STEP 4 Create rules and schedule automatic cleanings.

Deploy built-in Salesforce features to create rules that flag or block duplicate data. You can also use automated tools, such as Data.com Clean, which will regularly check, update, and enrich your customer records against a trusted data source, ensuring accuracy and completeness.

STEP 5 Track, report, and learn.

Make sure that you have a reporting plan, so that all incoming and edited data can be tracked. This will help your company monitor performance and continually improve your processes. Build dashboards and reports that help you see gaps in data quality and prioritize stewardship efforts.

66%

of companies lack a coherent, centralized approach to data quality.[3]

Be flexible with your plan.

Make sure that your data rules and approvals make it easy for users to enter the right data in a timely fashion. Having too many, or having poorly planned timing of implementation, can lead to either frustration or bad data entry. Likewise, security and access management are important to consider, but don't make them so restrictive that they hamper user productivity or collaboration. Data governance should be a learning process, honing in on the best way to continuously improve data. Review your governance plan and stewardship responsibilities regularly, and allow for adjustments or changes.

As you implement your governance plan, remember to take into account the following:

Stewardship can't be all manual.

There are still many organizations that rely heavily on manual processes for data stewardship and quality control. While a degree of hands-on work is necessary — and recommended — there are a growing number of technology solutions and applications that can be combined to make your data function more efficiently, giving you better control while providing added value.

Stewardship needs to be shared across your organization.

While you may have specific people or groups designated as "data stewards," the overall management and maintenance of data needs to be a shared responsibility that involves everyone who uses it. Data stewards should make sure that governance is working, data quality is improving, and the organization is getting maximum value from its data. If stewards are treated as housekeepers, whose job is to clean up the messes created by enterprise application users, you'll find yourself stuck with systems that fall short on refining processes and improving the way people work.

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CONCLUSION

When managed and utilized correctly, data can be the most valuable and lasting asset a company owns. Maintaining good data means investing time and resources in governance and stewardship. This is an investment that will pay for itself many times over, because better data practices allow you to create efficiency and effectiveness throughout your organization.

ABOUT SALESFORCE AND DATA.COM

Salesforce.com is the enterprise cloud-computing leader. Our social and mobile cloud technologies, including our flagship sales force automation and CRM application, Sales Cloud, help companies connect with customers, partners, and employees in an entirely new way.

Salesforce Data.com is the premier source of business-complete contact and account data, providing the best customer data directly inside the number one sales application, Salesforce Sales Cloud. Data.com consists of the following:

> Data.com Clean enables organizations to keep their Salesforce leads, contacts, and accounts current and complete by updating and enriching their existing records on demand or on a scheduled basis.
>
> Data.com Prospector provides comprehensive capabilities for Sales Reps and marketers to easily target new accounts and find decision makers, including the ability to add new records in a standardized format to a Salesforce CRM instance with the click of a button instead of manual data entry.

See how Sales Cloud and Data.com can help you.

LEARN MORE

Sales Cloud Users: Install the free Data.com Assessment App from the Salesforce AppExchange to check the health of your customer data.

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