Data Quality Capability Assessment for Financial Institutions

Your essential first step in transforming data quality

Regulatory and business imperatives make it essential to have a coherent, enterprise-wide approach to data quality management in place. No financial institutions can afford to risk the penalties of neglecting this area – or to miss out on the benefits of doing it properly. But in order to tackle data quality issues effectively, organizations first need to know where they currently stand. Capgemini’s Data Quality Capability Assessment service is a valuable first step in preparing to operationalize data quality management. Tailored to each client but using a set of tools and processes, it efficiently identifies what processes and platforms need to be established or modified, produces a roadmap for making these changes, and at the same time raises the organization’s awareness of the importance of doing so.
Data quality is vital to the business

Companies often encounter regulatory and business issues without appreciating that they arise from poor underlying data. For example, incomplete data can make credit assessment unreliable and hamper debt recovery. It can also cause difficulty in exchanging data between organizational units and producing consolidated reports. Companies may unwittingly be accepting unnecessary costs and even risking heavy regulatory penalties as a result of poor-quality data.

On the other hand, high data quality brings major opportunities, such as the ability to make better-informed decisions that will drive competitive advantage, and to cross-sell and up-sell more effectively using customer profiling data.

In order to manage the threats and profit from the opportunities, organizations need a baseline: that is, an understanding of their maturity with respect to data quality. Without this, it is impossible to know what actions to take to improve data quality – either as a general strategy or in response to an external impetus such as a requirement from a regulator.

Why quality must start with an assessment of maturity

Understanding the need for high-quality data is different from achieving the goal. To date, most quality initiatives have been organized on an application-specific basis, but now, increasingly stringent regulations across the US, Europe and other regions dictate a coherent data quality management approach that operates right across the enterprise to improve the quality of all its data.

Introducing an approach like this requires a lot of time, money and effort, and can involve a program lasting several years. Before embarking on such a major investment, it makes sense for an organization to evaluate its current state with respect to data quality. An exercise like this also helps senior management to form a clearer idea about what is involved in putting together a data quality program, what the value of such a program is, and the capabilities needed to run it. Capgemini offers a service that can help with all these aspects.

The solution: Capgemini’s Data Quality Capability Assessment

This assessment gives a comprehensive picture of an organization’s current data quality management capability and processes, making it possible to identify any gaps between that current picture and the organization’s target state. Typically we find that data quality activities are occurring in specific silos, and are limited to certain dimensions of data quality.

This is an invaluable aid to raising awareness of data quality issues among business, operations and technology stakeholders. With this awareness, they will be much more willing to get behind what is likely to be a multi-year data quality program. The quality assessment also provides the basis for creating the necessary statements of vision and goals, and a roadmap for reaching those goals.
What happens in a Data Quality Capability Assessment?

We tailor the assessment to individual clients’ needs, but the following objectives are normally part of it:

- Define the target state, in close collaboration with client leadership.
- Understand the current state of data quality processes and identify the gaps against the target state.
- Define a best-practice approach for assessment of the maturity of data quality activities, and for remediation as needed.
- Identify initiatives required to improve the overall data quality process to the point where it can support future business needs and regulatory mandates.
- Create an implementation roadmap for carrying out these initiatives in order to fill the gaps identified earlier.
- Establish a governance process for implementation of data quality initiatives identified.

The assessment should be viewed as part of a wider initiative to prepare for the journey towards enterprise-wide data quality management. Figure 1 shows it in this context. When we do a Data Quality Capability Assessment, we address all the key areas mentioned in the diagram. Capability assessment within a given key area, such as data quality strategy, also includes assessment of business and technology strategy, and is done in line with the organization’s overall data strategy.

Figure 1: Capgemini’s Data Quality Capability Assessment is part of the journey towards data quality management
Why Capgemini?

Capgemini’s approach to Data Quality Capability Assessment is based on the EDM Council process. It also incorporates practical assessment tools implemented by our consulting team, drawing on their extensive and varied hands-on experience in data quality management and operationalizing overall data management.

Capgemini has developed and matured tools and best practices that enable clients to achieve success faster and with better quality. The Scorecard Template and Scorecard Form (Figure 2) are integral parts of our assessment process.

Figure 2: Populated scorecard

These tools and accelerators have proved to be very effective aids to assessing data quality capability maturity for our clients. Having taken this initial step, they are in a strong position to start implementing a data quality program, following the roadmap that we have developed together.

1 http://www.edmcouncil.org/dcam