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# Information Governance as a Holistic Approach to Managing and Leveraging Information

BeyeNetwork Custom Research Report
Prepared for IBM Corporation
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# Information Governance as a Holistic Approach to Managing and Leveraging Information

## Table of Contents

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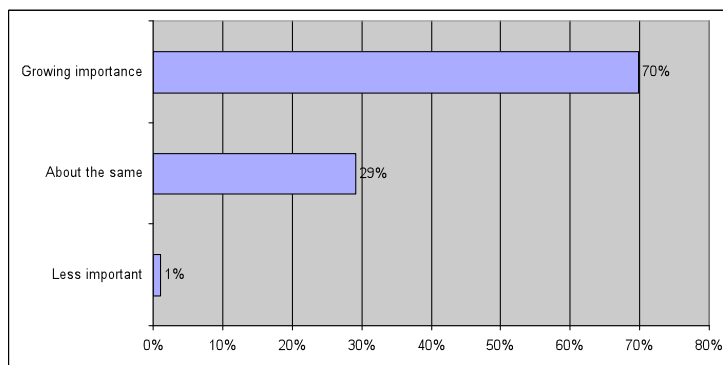## Executive Summary of Key Findings

This report presents the results of an online survey on information governance (IG) developed and sponsored by IBM. The goal is to understand how the marketplace views IG in several major areas in the context of IBM's definition of IG: *Information governance is a holistic approach to managing and leveraging information for business benefits and encompasses information quality, information protection and information life cycle management.* IBM positions information quality, protection and life cycle management as the three core management disciplines within its IG infrastructure. They also serve as entry points for implementing an IG program.

Over 400 BeyeNetwork subscribers took the survey. A majority are from North America, primarily the U.S. Company size in annual revenue is relatively evenly split among categories, enabling the survey results to capture the perspectives of all size companies, from small (less than $10 million) to very large (more than $10 billion). 10% of respondents identified job titles in top management (CEO, COO, President, etc.); adding CIO, CTO, or IT Director positions brings senior management to 16%.

Two-thirds of respondents are already implementing or plan to implement an IG program within the next 18 months. Larger companies are more likely to be involved in IG, but even among the smallest companies, half are involved or planning to be. In line with critical business concerns, almost half of respondents include data quality in the scope of their IG efforts and this is the area where they are most likely to invest money this year and next.

Over 40% also indicated that their IG scope is enterprise wide and the number of organizations spending money on enterprise-wide IG projects will grow by almost 50% in 2011 over 2010. Thirty-eight percent (38%) of respondents have already established IG leadership roles within their organizations.

Seventy percent (70%) of respondents see IG growing in importance over the next three to five years in order to achieve business success. Only 1% of respondents see IG becoming less important in this time frame. This growing importance is supported by the business problems respondents have experienced and the high value they place on the ability of their IG efforts to solve these problems.

*Goal: Understand how current market views information governance*

*Over 400 respondents representing all size companies*

*65% of respondents are implementing or plan to implement IG within 18 months*

*Organizations spending on enterprise-wide IG up 50% in 2011*

*IG will grow in importance over next 3 to 5 years*



Importance of information governance will grow over the next 3 to 5 years

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*IG has high value for executives; top concerns are confidence in the information and data quality*

Respondents are clear on the significant business value of IG from the perspective of both business and IT executives, especially in the ability to increase confidence in information for decision making and improve data quality. These are the two top business concerns for respondents as well as the top two that respondents felt could be better addressed with a comprehensive IG program. Almost 70% of survey organizations have experienced data quality issues over the past three years. High quality data is a critical foundation for achieving goals such as increased revenue opportunities through better customer profiling.

*Other critical concerns: better manage risk and ensure compliance*

Other business values supported by IG include the ability to better manage business risk and ensure compliance through effective security, auditing and retention of data. 46% of respondents have experienced audit failure over the past three years and 64% have experienced data retention and archiving issues.

*IG is a key foundation*

Respondents are specific about the need for IG as the foundation for successful implementation of a wide variety of information-related projects, including business intelligence, master data management (MDM), analytics and data warehousing. Almost half of respondents view IG and MDM as symbiotic.

*Low priority, lack of perceived value, cost and complexity are barriers*

The biggest barrier to implementation is the fact that IG has a lower priority than other projects. Inability to communicate the value of the effort, cost and complexity are also major barriers for more than 30% of respondents.

*Competitive advantage and other long-term benefits*

Although getting an IG effort underway can be daunting, the cost of not doing so is high. The key is to start small in the area of most critical need: information quality, information protection or information life cycle management. IG is clearly a way to gain competitive advantage and reap significant long-term benefits.

## Introduction

**What is Information Governance?**

*Information can be a strategic asset or a liability*

Organizations increasingly want to view the information they own as a valuable asset that can be used to develop significant competitive advantage. Instead, information often becomes a corporate liability, especially if the information is of poor quality and has inadequate security protections. We all read almost every day about a company that has lost data or had it stolen, been fined for late or inaccurate financial disclosures, aggravated customers through misclassifying information or lost money because of lax internal controls.

*Information governance ensures trusted information for decisions*

Information governance (IG) is all about turning information from a potential liability into a trusted, strategic asset. Accomplishing this requires a governance program geared to proactively manage information and ensure its quality, security and trustworthiness as the basis for making effective business decisions.

*IBM has focused on governance for a long time*

IBM Corporation has focused on the need for IG for many years, and has developed a definition and a maturity model for organizations implementing IG. Much of this has evolved from work done by IBM's Information Governance Council, a collaborative effort between IBM and over 50 other large organizations. (See Appendix A for more information.)

*IBM's definition of IG*

Let's start with IBM's definition of IG: **Information governance is a holistic approach to managing and leveraging information for business benefits and encompasses information quality, information protection and information life cycle management.**

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Taking a *holistic approach* means looking at information in an organic way and acknowledging that the flow of information across the enterprise and between enterprises—the entire information supply chain—is an interrelated system that needs comprehensive management. Addressing only subsets of information flow will not be effective in achieving the overall goal because problems anywhere in the system can affect other parts of the system. Thus, poor quality data in one area may make any use of that data suspect and reduce confidence in business decisions based on the data. If you can't trust some of the data, can you trust *any* of the data? Particularly if it isn't clear how the data is related or integrated.

*Governance leverages
information to achieve
operational goals*

IG is more than just managing the information. It also strives to *leverage* information for business benefit. It ties effective information management to achieving a wide variety of organizational goals, such as increasing confidence in information for decision making, lowering operational costs and business risk, and increasing revenue opportunities, among many others.
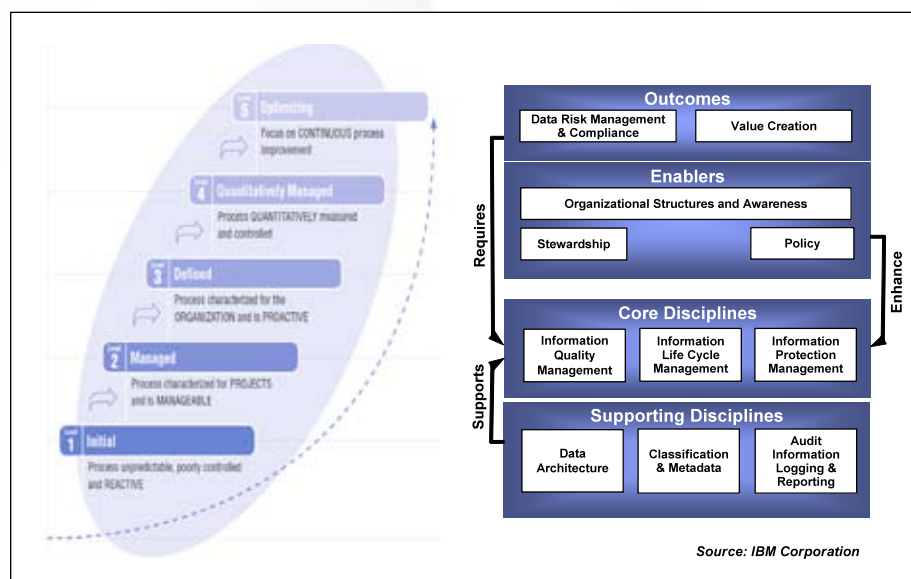


Figure 1. IBM's Information Governance Maturity Model

*Quality, protection and life
cycle management are core
disciplines*

*Information quality, protection* and *life cycle management* are the three core management disciplines within IBM's IG infrastructure:
- *Information quality* includes the discovery, architecture and metadata classification of data.
- *Information protection* includes the security, auditing and privacy of data.
- *Information life cycle management* includes the collection, creation, storage, optimization, processing, archiving and deleting of data.

*Organizations assess current
and desired maturity level in
11 components*

Let's now look at IBM's IG maturity model. There are five maturity levels (see Figure 1, left), ranging from level 1 Initial (process unpredictable, poorly controlled and reactive) to level 5 Optimizing (focus on continuous process improvement). There are also 11 functional components of an IG platform (Figure 1, right). An organization assesses its current maturity level in each component and decides how it can move to the next level of maturity, if appropriate.

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To make IG easier to implement and targeted to an organization's most critical needs, IBM positions each of the three core disciplines as an entry point to IG. Thus, an organization can choose to start implementing IG in the area of information quality, information protection or information life cycle management.

*IG is the foundation for MDM and BI*

It is important to note that IBM considers master data management (MDM) an information management project or application like business intelligence (BI). MDM and BI are not integral components of IG; rather, IG is the foundation that supports the successful implementation of MDM and BI (see Figure 2).
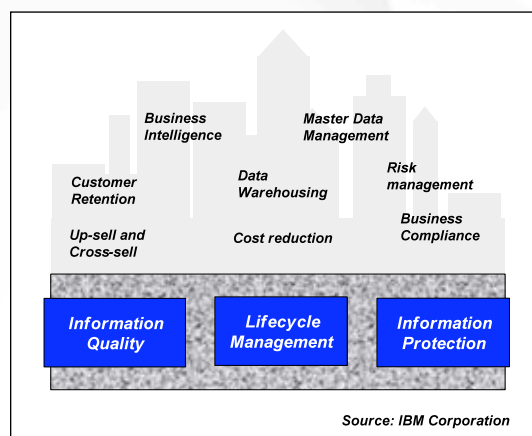


Source: IBM Corporation

Figure 2. Information governance is the foundation for information management projects

**About this Report**

*Results of an online survey to capture current views on IG*

This report presents and analyzes the results of an online survey on IG. The survey was developed and sponsored by IBM and conducted by the BeyeNetwork across its 45,000 subscribers. The objective of the survey was to understand how the marketplace views IG in several major areas: the critical business problems driving companies to implement IG, the current implementation status of IG, the business value of IG, and barriers to implementation. The survey was available between March 15 and May 31, 2010. The survey questions and a chart of the results for each question are included in Appendix B for reference.

# Survey Overview

**Respondent Profile**

*407 respondents, majority are from North America*

A total of 407 people responded to the survey. A majority of respondents were from North America (67%) and most of those (92% or 62% of the total) were from the United States. The next largest groups represented Europe (21%) and Asia (7%). Australia/New Zealand, South America, and Africa each had 3% or fewer respondents.

*Company revenue evenly spread among categories*

In terms of annual revenue, respondent companies were relatively evenly distributed across all revenue categories, enabling the survey results to capture the perspective of organizations of all sizes. Small companies (less than $10 million) represented 22% of respondents and large companies ($1 billion to $10 billion) represented 21%. Sixteen percent (16%) to 17% of respondents represented each of the other categories: $10 to $99 million, $100 to $999 million and very large organizations of more than $10 billion.

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The three primary industries most heavily represented were computer software, hardware, services, VAR (21%); consulting/business integrator (20%); and accounting, banking, financial services, insurance, real estate, legal (18%). This is not surprising considering the target audience for the survey. Government was represented by 6%, healthcare and manufacturing by 5% each, and all other industries were 4% or less.

*More than 50% are in DW, database management, consulting or top management jobs*

In line with this industry profile and the target audience, the most popular job titles were data warehouse (DW) positions (17%) and database management and consultant/integrator positions (14% each). Another 10% of respondents identified job titles in top management (CEO, COO, President, etc.). These four job areas accounted for over half (55%) of respondents. CIO/CTO/IT Director, applications management, MIS, and business analyst positions followed with 6–8% each.

### Definition of Information Governance

*A majority (55%) of respondents agree with IBM's definition*

Respondents were asked to describe areas where their organizational definition of IG differed from that of IBM. Of those who answered this question, over half (55%) said the definitions were essentially the same. Another 26% said their definition/scope for IG was narrower and only 2% said broader. Nine percent (9%) of organizations have no definition for IG.

*Another 29% have definitions with a narrower scope*

In terms of narrower scope, examples are definitions that exclude information protection or life cycle management, those in which IG is not holistic or enterprise wide, and those that focus at the data level rather than information. Organizations with broader scopes included MDM or customer relationship management (CRM) in their definitions of IG.

### Information Governance and MDM

*Most respondents see IG and MDM as symbiotic or that MDM requires IG*

A vast majority (80%) of respondents agree with IBM's assessment of the relationship between IG and MDM. Almost half view IG and MDM as symbiotic. That is, each one gains an advantage from the existence of the other. Another 32% believe that MDM requires IG as a foundation. Only 20% say that IG requires MDM or that there is no relationship. (See Figure 3).
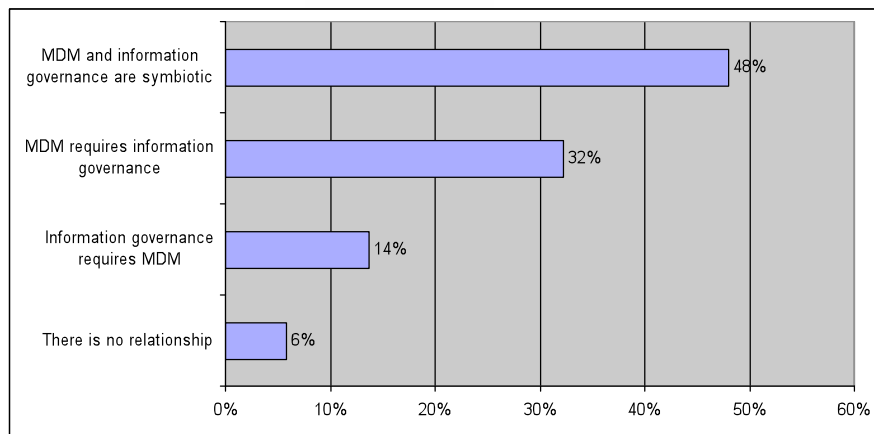


Figure 3. The relationship between MDM and IG                    329 respondents

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# Business Drivers for Information Governance

## Overall Areas of Concern

To identify potential business problems that are pushing companies to implement IG programs, the survey asked respondents to indicate areas of concern for their organizations today. Respondents were then asked to indicate which of these areas of concern could be better addressed with a comprehensive IG program (see Figure 4).

The top two areas of concern were the need to *increase confidence in information as the basis for decision making* (59% of respondents) *and to improve data quality/trusted information* (57%). These were also the top two areas that respondents felt could be better addressed with a compre-hensive IG program (56% and 65%, respectively). In fact, these were the only issues that scored over 50% on both questions. These two issues—improving data quality and increasing confidence in information on which decisions are based—are closely related and surface consistently as major concerns throughout the survey. Successfully addressing both issues is fundamental to an IG program.

Three cost issues also ranked high as areas of concern: the need to *lower operational costs* (56%), *increase profitability* (49%), and *increase revenue opportunities* (48%). However, the number of respondents who thought that an IG program could effectively address these issues was lower by 13% to 17% for each. This could mean that many respondents do not believe an IG program has the ability to significantly affect the organization's bottom line. This finding may also be related to respondents' assessment of the barriers to implementing IG, such as the cost of the program, discussed in a later section of the report.

*Areas where IG can help*

*Top concerns: Data quality and confidence in the information on which business decisions are based*

*Cost issues are key, less affected by IG*

| Potential business drivers for Information Governance | Area of concern today | Area that can be better addressed with Information Governance |
|---|---|---|
| **Increasing confidence in information for decision making** | **59%** | **56%** |
| **Improving data quality/trusted information** | **57%** | **65%** |
| **Lowering operational costs** | 56% | **39%** |
| **Fulfilling compliance/regulatory requirements** | 50% | **46%** |
| **Increasing profitability** | 49% | **36%** |
| Increasing revenue opportunities | 48% | **33%** |
| Lowering business risk | 48% | **46%** |
| Leveraging more value from existing info/technology investments | **45%** | **50%** |
| Establishing best practices/policies for managing info as a whole | **45%** | **47%** |
| Better risk visibility | 40% | **42%** |
| Enabling master data management solutions | 40% | **50%** |
| Discovering/understanding what data exists/how used/lineages | **39%** | **49%** |
| Managing data growth | 38% | **42%** |
| Meeting audit requirements | 38% | **43%** |
| Improving visibility within/across business units | 37% | **47%** |
| Justifying continued investment in information mgmt. projects | 28% | **33%** |
| Improving and optimizing system/data performance | 28% | **33%** |
| Reducing data breaches | 22% | **34%** |
| Correlating and coordinating data-related events | 21% | **29%** |
| *Respondents* | *310* | *289* |

Figure 4. Areas of concern today and areas that can be better addressed by information governance (respondents could check any that apply)

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**Lowering business risk is also critical**

**MDM issues can be better addressed with IG**

**Correlating data-related events is a future concern**

**69% of all respondents have experienced data quality issues**

Two additional, and related, areas that scored 48% or higher as issues of concern *were fulfilling compliance and regulatory requirements* (50%) *and lowering business risk* (48%).

For some areas, the number of respondents who thought that an IG program could help address the issue was higher by more than 10% than the number that considered it an area of concern: *enabling MDM solutions, discovering/understanding what data exists/how used/lineages, improving visibility within/across business units, and reducing data breaches.*

It is also important to note that *at least a third of all respondents* thought IG could positively affect all but one of these business issues. The ability to correlate and coordinate data-related events scored lowest on both questions, indicating that this may be more of an emerging future issue than one of great concern now.

**Specific Business Problems**
Respondents were also asked about their experiences with specific problems over the past three years in these areas: data quality issues, information breaches (which relate to the need for information protection), and life cycle management issues. Data quality received the most attention, with a whopping 69% of all respondents stating that their organizations had experienced specific problems in this area. Over two-thirds of these (71%) acknowledged problems associated with poor data quality in particular. All of the specific data quality problems listed in the survey were experienced by at least 50% of these respondents (see Figure 5).
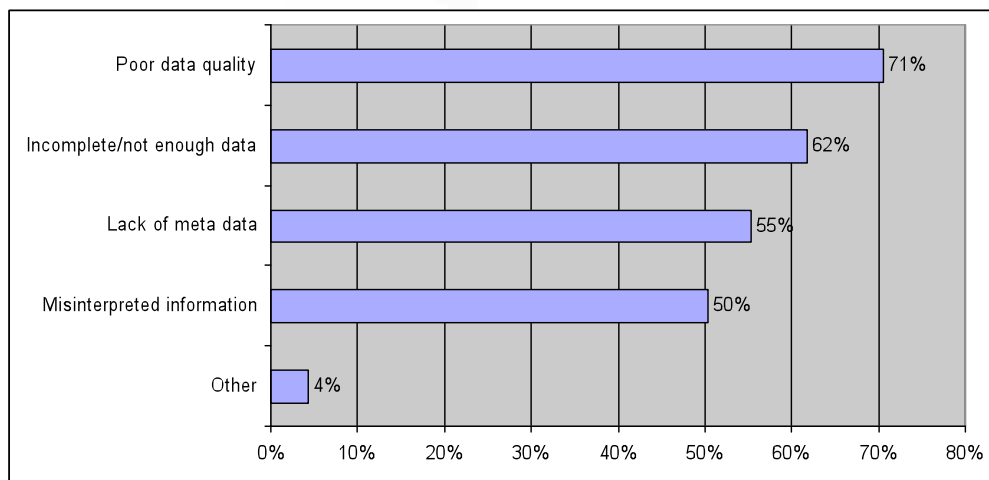


Figure 5.  Types of data quality problems experienced over the past three years (respondents could check any that apply)
282 respondents

**This supports data quality as a top business concern**

This illustrates why data quality is a major area of concern and highlights the significance of the fact that almost two-thirds of survey participants see a comprehensive and successful IG program enabling their organization to better address this business issue, as discussed earlier.

**Information life cycle issues experienced by 60% of all respondents**

Information life cycle issues, experienced by 60% of all respondents, were close on the heels of data quality. Almost two-thirds cited data retention/archiving problems, 54% have had problems managing substantial data growth, and more than a third have experienced performance degradation.

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Information breaches were experienced by 39% of all respondents in the last three years. These included audit failure (46%), unauthorized access/theft (42%) and privacy issues (32%). As shown in Figure 4, reducing data breaches is viewed as an area of concern by only 22% of respondents.

## Current Status of Information Governance

### Implementation Status and Scope

A key question in the survey asked respondents if their organizations were currently implementing or planning to implement an IG project (see Figure 6). The impressive news is that almost two-thirds of those who answered this question are either currently implementing an IG project (30%) or plan to implement one within the next 18 months (35%). A majority of those planning to implement IG will do so within the next year. On the other hand, the fact that a third of respondents have no plans for an IG program at this time may highlight the difficulty of getting an IG effort started given the broad scope required and the significant barriers to entry (discussed below). How quickly these companies can get IG underway will be a key development to watch going forward.
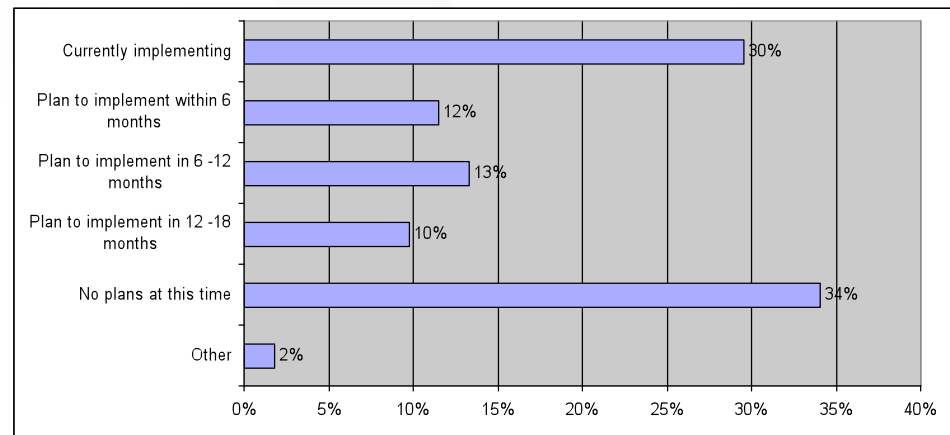
*65% of respondents are implementing or plan to implement an IG program within 18 months*



Figure 6. Current implementation status of information governance projects                338 respondents

*Large organizations more likely to be implementing IG*

If we break down implementation status by revenue categories, larger organizations ($100 million or more) are more likely to be currently implementing an IG project or planning one within the next 18 months and less likely to have no plans in this area, which is not surprising.

*50% of small companies are implementing or planning IG*

This can be clearly seen if we break down each revenue category by implementation status (see Figure 7). It is interesting to note that even among small companies (less than $10 million), half are implementing or planning to implement an IG project. This percent goes up with company size, with at least 70% of companies of $1 billion or more involved in an IG project.

| Annual revenue | Currently implementing | Plan within 6 mos | Plan within 6-12 mos | Plan within 12-18 mos | No plans | Other | |
|---|---|---|---|---|---|---|---|
| Less than $10 million | 23% | 9% | 9% | 10% | 47% | 3% | 100% |
| $10 - $99 million | 20% | 13% | 17% | 9% | 41% | 0% | 100% |
| $100 - $999 million | 31% | 12% | 19% | 10% | 28% | 0% | 100% |
| $1 billion - $10 billion | 37% | 12% | 14% | 8% | 26% | 3% | 100% |
| More than $10 billion | 37% | 10% | 10% | 13% | 27% | 3% | 100% |

Figure 7. Company size (annual revenue) broken down by implementation status

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*Almost half of IG efforts include information quality in the scope; over 40% are enterprise wide*

Respondents with IG projects underway or planned were also asked to identify the scope of their organization's IG effort (see Figure 8). Again, *information quality* is a major focal point for IG (48% of respondents). Surprisingly, an impressive number (43%) indicated that their IG effort includes an enterprise project that addresses all four of the scope areas listed—information quality, information protection, information life cycle, and MDM. This supports the premise that IG needs to be implemented enterprise wide and that MDM is an important related project that can enhance the overall IG effort.
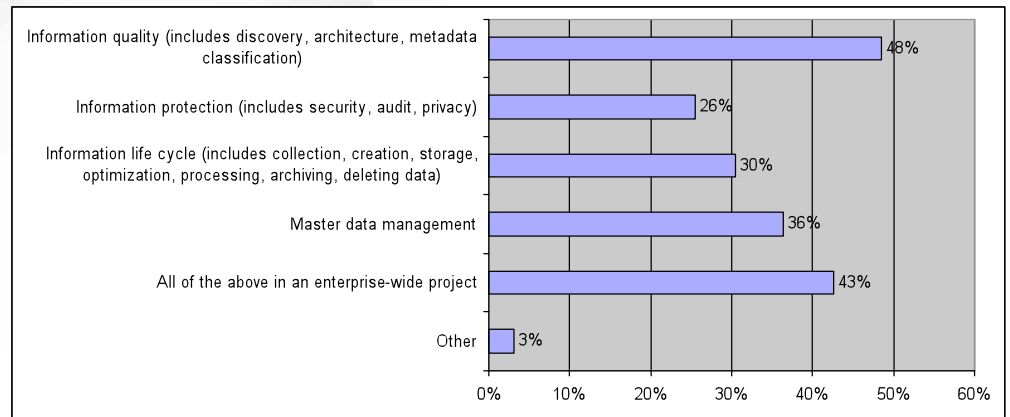


Figure 8. Scope of information governance project (respondents could check any that apply)          223 respondents

*Vast majority think MDM, BI, analytics and DW projects require IG to be successful*

A majority of respondents see an IG program as a requirement for successful implementation of a wide variety of information-related projects (see Figure 9). Over 75% believe that both MDM and BI projects require IG to be successful. Over two-thirds identified business analytics and optimization and data warehousing. Just over half see business process management and CRM also requiring IG for success. Content management was below 50%, but not far at 44%. This indicates that this is most likely a newer project focus for most organizations; the expectation is that it will grow in importance over the next few years as organizations strive to bring unstructured data and information under the governance umbrella.
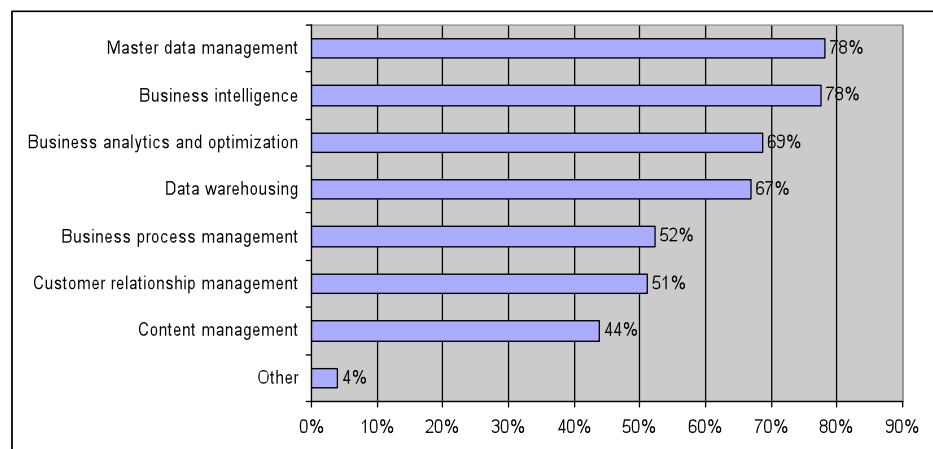


Figure 9.  Information-related projects that require information governance to be successful          223 respondents
          (respondents could check any that apply)

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In summary, survey results highlight how important IG is as a foundation for future success in implementing information-related projects. The goal is to enable new applications to take advantage of the significant benefits of an IG infrastructure.

One indicator of how far along an organization is in implementing IG is what roles are in place today that relate to the IG effort. Over half of respondents have information architects, just under half have information security officers, and 42% have data quality officers/stewards. A particularly encouraging sign is the fact that 38% have *IG leaders* in place. Other roles include auditor (36%), information policy officer (21%) and librarian (5%).

**Budget for Information Governance**
In both 2010 and 2011, the major IG area where organizations will be most likely to spend/invest money is information quality (43% in 2010, 36% in 2011; see Figure 10.) MDM is next with about 33% in both years. Spending for an enterprise-wide project including all areas becomes a much more important priority in 2011, growing almost 50% (31% in 2011 versus 21% in 2010).

Spending on information quality most likely goes down in 2011 because many organizations are addressing it in 2010 and will move further along the maturity scale to focus on other areas of IG.
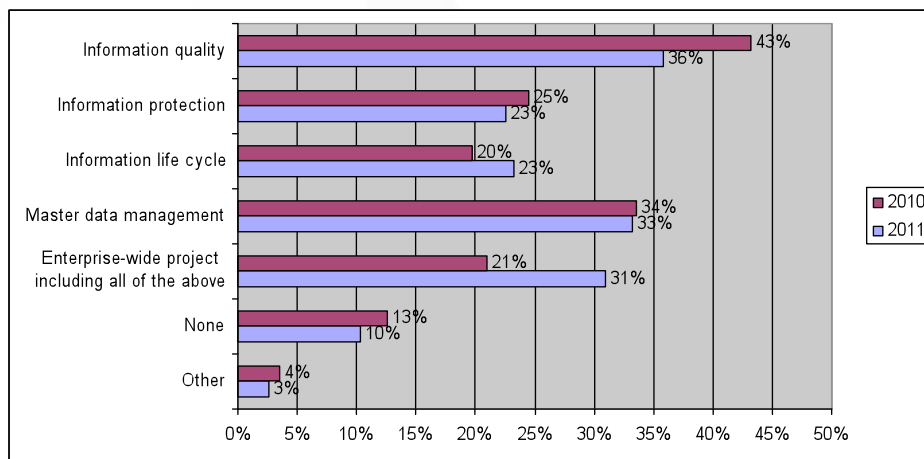


Figure 10. IG areas where organizations are most likely to spend/invest money in 2010, 2011          310 respondents

Respondents were asked to indicate the budgeted amount their organizations will spend on IG-related projects in both 2010 and 2011 (See Figure 11). In general, the number of organizations with budgets for IG of $250,000 or more will grow in 2011 over 2010 and the number with budgets at the lower end (under $250,000) will shrink. The number planning to spend more than $1 million will go up by 27%, the number planning to spend $500,000-$1 million will stay the same, and the number spending $250,000-499,000 will increase by 21%. Those in the $100,000-249,000 bracket will drop by 10%, those spending $50,000-99,999 will increase by 14% and those spending under $50,000 will go down by 17%. This indicates that companies will most likely increase their budgets for IG over time as their IG programs evolve and grow in scope. An organization tends to stick with an effort for which it consistently spends every year.

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Figure 11. Budget for information governance-related projects          297 respondents (2010)/290 respondents (2011)

*Increasing confidence in information is top value for business execs*

### Business Value of Information Governance

Respondents were asked to assess the value of IG in achieving specific benefits from the perspectives of business and IT executives (see Figures 12 and 13). Each group of executives was given a subset of the areas of concern addressed earlier in the report to rate on a scale of 1 to 5 (1 = not at all valuable and 5 = essential).

Areas where more than 50% of business executives see the highest value for IG (rated "very valuable" or "essential," 4 or 5) are:

- Increasing confidence in information for decision making (66%)
- Fulfilling compliance and regulatory requirements (58%)
- Leveraging more value from existing information/technology investments (54%)
- Improving visibility within and across business units (52%)
- Lowering business risk (51%)
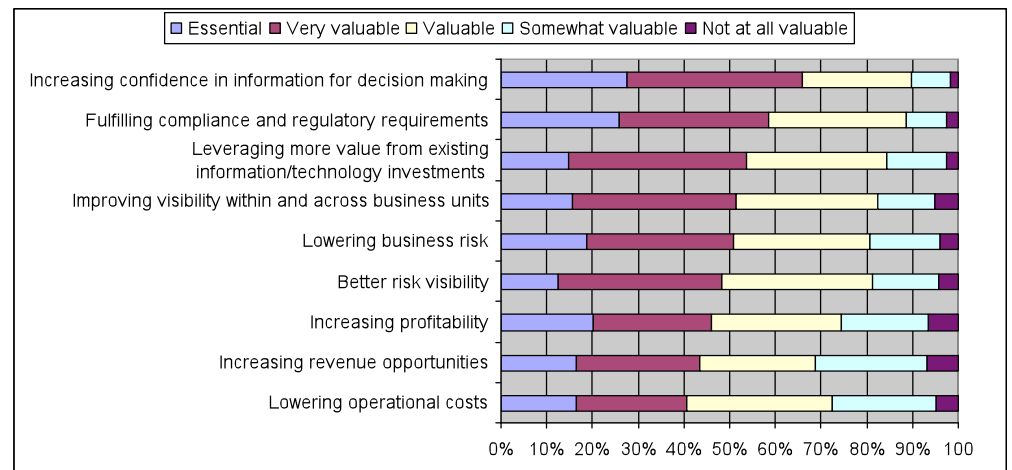


Figure 12. Value of information governance to business executives          327 respondents

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*69% of business execs see value of IG in every area*

Better risk visibility was close behind with 49%. In fact, IG was rated "valuable" or better (3, 4 or 5) from the business executive's point of view by 69% or more of respondents in *every area*. The area of highest value, increasing confidence in information for decision making, scores almost 90% when a rating of "valuable" (3) is included.

It is important to note that these ratings are consistent with the relative assessments by respondents of what areas could be better addressed with IG.

*Improving data quality is top value for IT execs*

Areas where IT executives see the highest value for IG (rated "very valuable" or "essential," 4 or 5), include:

- Improving data quality/trusted information (67%)
- Reducing data breaches (56%)
- Meeting audit requirements (55%)
- Establishing best practices (54%)
- Discovering/understanding what data exists/how used/lineages (53%)

Enabling MDM solutions was rated "very valuable" or "essential" (4 or 5) by almost half (47%). Of the remaining areas, only correlating and coordinating data-related events fell below 40% (38%).
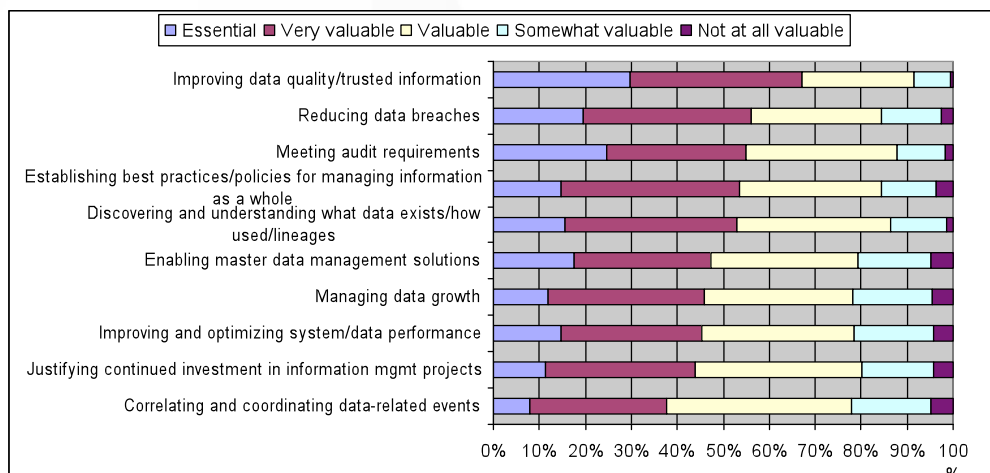


Figure 13. Value of information governance to IT executives                    328 respondents

*78% of IT execs see value of IG in every area*

Again, if we also include respondents who rated each area "valuable" (3), IG was rated valuable or better from the IT executive's point of view by 78% or more of respondents in every one of these areas.

*Companies can achieve significant benefits with IG*

The bottom line is that, overall, survey respondents believe that an organization can achieve significant benefits in all of these areas by implementing an IG program.

*Data quality is again most important based on job role*

When respondents were asked what aspects of IG were most important to them based on their own job role, data quality was mentioned by 70%. Almost half indicated that MDM and information life cycle management were important (49% and 47% respectively). Information protection was relatively less important (33%).

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Respondents overwhelmingly (70%) see IG growing in importance over the next three to five years in relation to business success. 29% see the level of importance remaining the same and only 1% see it becoming less important.

**Barriers to Implementation**

*Major obstacles are
low priority, inability
to communicate value,
cost, complexity*

A key to achieving success with IG is the ability to identify, address and overcome real or perceived barriers to implementation. Respondents identified the following as major obstacles within their own organizations:

- IG has a low priority (43%)
- Inability to communicate the business value of IG (38%)
- Cost (38%)
- IG is perceived as too complex (31%)

It is possible that these are all interrelated as well. The inability to articulate the business value of IG to offset concerns about cost and perceived complexity could very well lead to giving IG a low priority.

*Over 70% view all barriers
as at least somewhat of
a deterrent*

Not knowing where to start with IG was less of an issue, rated major by only 21%. However, if we look at the total number of respondents that consider each of these a barrier at any level, the numbers get very high. At least 73% of all respondents view all of these as either major obstacles or somewhat of a deterrent to implementing IG.
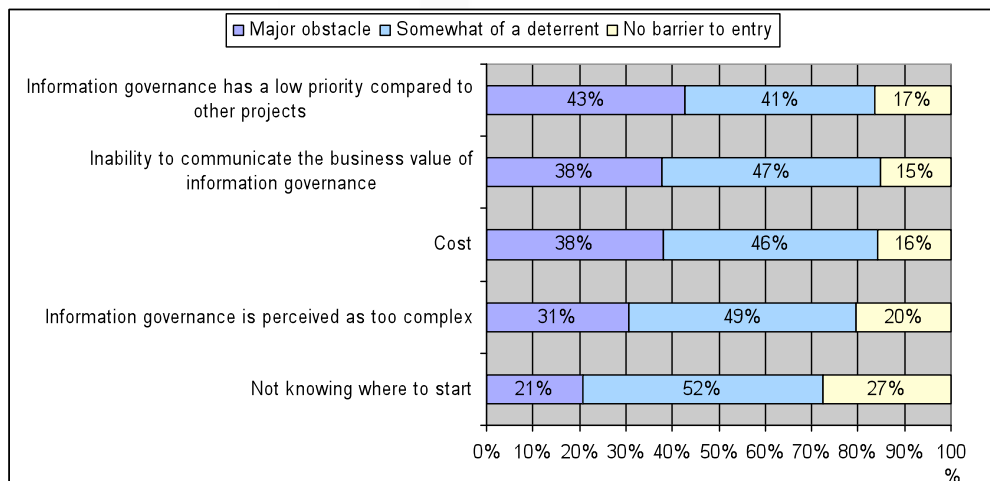


Figure 14. The biggest barriers to implementing an information governance project          303 respondents

*Other barriers are organiza-
tional, management support,
lack of technical skill*

Respondents also had the opportunity to specify other barriers they have experienced to implementing an IG program. The three that were most often mentioned were organizational issues (7% of respondents), management support issues and a lack of training/skills/knowledge in IG (2% each). Figure 15 indicates how serious respondents consider these barriers.

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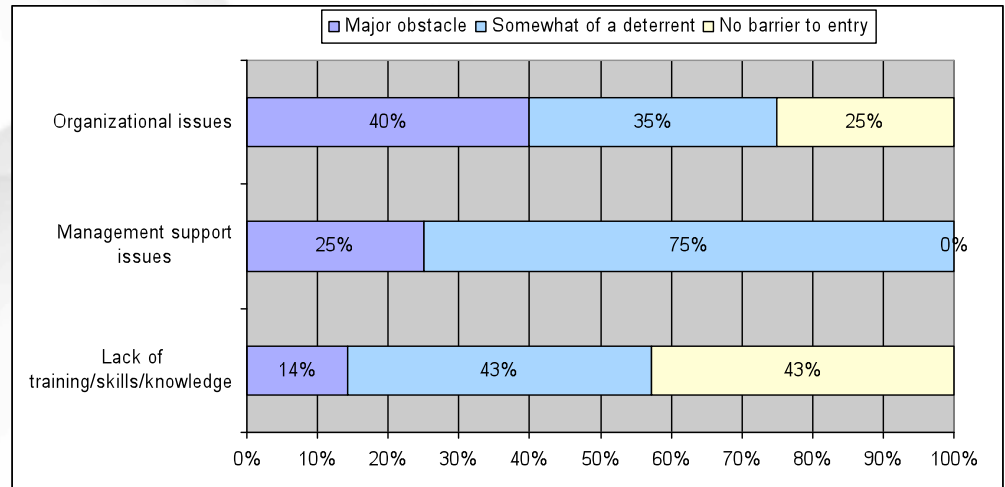


Figure 15. Other barriers to implementing an information governance project          38 respondents

## Conclusions

*The cost of bad business decisions is high*

Organizations of all sizes face significant business challenges—an increasingly dynamic business environment, fierce competition and the need to do more with less. The cost of inefficiency and bad business decisions based on poor quality data is high. Organizations that cannot make the best decisions possible may face the prospect of going out of business in today's economy.

*IG is a valuable foundation*

It is clear from the survey results that organizations across the board understand that a comprehensive IG program can contribute significant value as a foundation on which to address a wide range of business problems. Top on the list are improving data quality and increasing the confidence in information for decision making, both of which are critical to making effective business decisions.

*Implementing IG can be daunting*

Many organizations are spending money implementing at least some components of IG in spite of the difficult roadblocks that exist. However, it is notable that one-third of survey respondents currently have *no plans* to pursue IG at all *within the next 18 months*. On the one hand, it is not surprising given the potentially immense scope of an IG effort. This may be one reason why IG gets a low priority within some organizations. It may seem easier to just give up rather than tackle such a big project.

*IG is a way to achieve competitive advantage and long-term benefits*

On the other hand, implementing IG is a way to gain competitive advantage with the potential to reap long-term benefits. A vast majority of survey respondents view an IG platform as a *requirement* for successful implementation of many key information-related projects.

*Start small with an entry point that addresses your most critical needs*

There are steps an organization can take to begin to achieve the benefits. The Information Governance Council's recommendation is to choose one of the three entry points to begin implementing IG: information quality, protection or life cycle management, wherever there is the most pressing need. Getting started will be worth it in the long run. It will create a solid foundation for and increase confidence in the business decisions your organization makes every day.

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## About the Author

Judith R. Davis is a leading researcher and expert with more than 30 years of experience in the business application of information technology. Her current focus is business intelligence and related products and technologies to optimize decision-making across the enterprise. Judy has functioned as both a consultant and analyst and has worked extensively with major vendors and end users. She has also authored many research studies, white papers and articles for industry media organizations and leading technology providers.

## Appendix A: IBM Information Governance Council

*Data Governance Council formed in 2004*

In 2004, IBM formed the Data Governance Council with 40 leading corporations, institutions and technology solution providers to develop a framework for implementing data governance at the enterprise level:

*Goal: to define a quality control discipline for organizational information*

*Data governance is a quality control discipline for assessing, managing, using, improving, monitoring, maintaining and protecting organizational information. Effective data governance enhances the quality, availability, integrity, and protection of a company's data by fostering cross-organizational collaboration and structured policy-making. Data governance balances factional silos with organizational interest, directly impacting the four factors every organization cares about most: increasing revenue, lowering costs, reducing risks and increasing data confidence. It is an outcome-oriented approach to treating data as a balance sheet: assets (business value) versus liabilities (business risks).*[1]

A key milestone was the development in 2006 of the Data Governance Maturity Model, which is included in the Introduction section of this report.

*Name changed to Information Governance Council in 2010*

In 2010, IBM changed the name to the Information Governance Council to highlight the need for governance not just at the data level, but at the information, or business decision, level within an organization. The maturity model was also expanded to include content management, or management of unstructured data.

*Currently there are 55 members of the Council*

Members of the Council now number 55 and include Abbott Labs, American Express, Bank of America, Bank of Tokyo-Mitsubishi UFJ, Bank of Montreal, Bell Canada, BMO Financial Group, Citibank, Deutsche Bank, Discover Financial, Kasikornbank, MasterCard, Nordea Bank, Wachovia, Washington Mutual, and the World Bank among others. IBM plays a facilitator role and the work of the Council is driven by its members.

For more information about the Information Governance Council, visit www.infogovcommunity.com

[1] Adapted from a presentation made by Steven Adler, chair of the Information Governance Council at IBM's 2008 Information on Demand conference.

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## Appendix B: Survey Questions and Results

1. Please select the region of the world or the country you live in.  **407 respondents**

North America — 67%
Europe — 21%
Asia — 7%
Australia/New Zealand — 3%
South America — 2%
Africa — 0%

2. What is the approximate revenue of your organization?  **403 respondents**

More than $10 billion — 17%
$1 billion - $10 billion — 22%
$100 - $999 million — 17%
$10 - $99 million — 16%
Less than $10 million — 21%
Don't know — 7%

3. What is the primary industry of your organization?  **405 respondents**

Aerospace, Defense — 1%
Accounting, Banking, Financial Services, Insurance, Real Estate, Legal — 18%
Agriculture, Mining, Construction, Architecture, Engineering — 1%
Communications, Telecommunications, Cable — 4%
Computer Software, Hardware, Services, VAR — 21%
Consulting/Business Integrator — 20%
Education — 3%
Government (Federal, State, Local, Military) — 6%
Healthcare, Medical, Pharmaceutical, Biotech, Biomed — 5%
Manufacturing, Chemicals — 5%
Media, Publishing, Advertising, PR, Marketing — 2%
Retail, Consumer Packaged Goods, Distribution, Trade, Wholesale — 4%
Transportation, Logistics — 3%
Travel, Hospitality, Recreation, Entertainment — 1%
Utilities, Petroleum, Oil, Energy — 3%
Other — 1%

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4. What is your job title?  405 respondents

| Job Title | Percentage |
|---|---|
| CEO, COO, President, Partner, Owner, Vice President | 10% |
| Sales and Marketing Management (CMO, Director, Mgr, Administrator) | 5% |
| Finance and Budgeting (CFO, Compliance, Director, Mgr, Controller) | 2% |
| CIO, CTO | 2% |
| MIS Director, Manager, Planner | 7% |
| IT Director | 5% |
| Database Management (Mgr, Architect, DBA, Specialist) | 14% |
| Applications Management (Mgr, Project Mgr, Leader) | 8% |
| DW Mgr, Architect, Analyst | 17% |
| Applications Developer, Programmer, Technician, Software Engineer | 5% |
| Systems Admin. (Specialist, Network Engr., Sys. Engr., Ops, Security, Audit) | 1% |
| Website Admin/Dev (Web Master, Designer, Developer) | 0% |
| Business Analyst | 6% |
| Consultants, System Integrators | 14% |
| Trainer, Educator, Professor | 1% |
| Other | 3% |

0%  2%  4%  6%  8%  10%  12%  14%  16%  18%

5. Are you a member of the IBM Information Governance Council
(formerly IBM Data Governance Council)?  407 respondents

| | Percentage |
|---|---|
| Yes | 2% |
| Would like more information on how to join | 23% |
| No | 75% |

0%  10%  20%  30%  40%  50%  60%  70%  80%
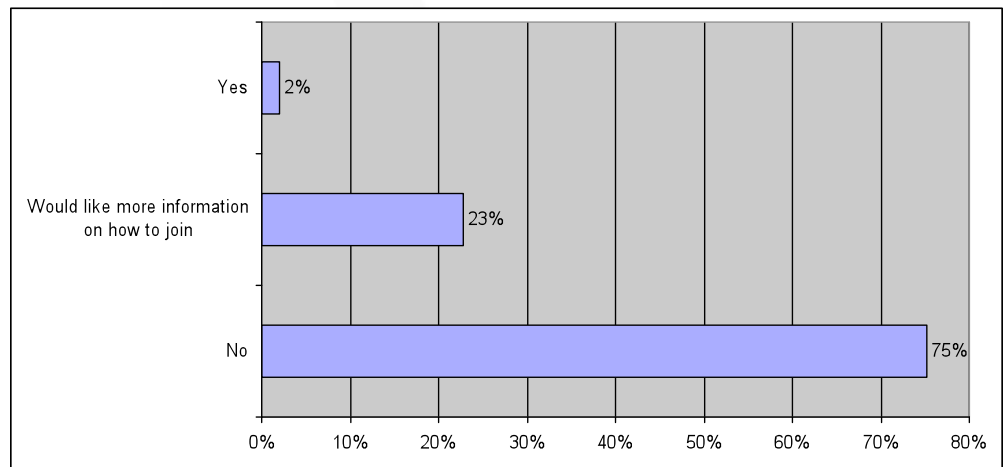
6. Are you currently implementing or planning to implement
an information governance-related project?  338 respondents

| | Percentage |
|---|---|
| Currently implementing | 30% |
| Plan to implement within 6 months | 12% |
| Plan to implement in 6 -12 months | 13% |
| Plan to implement in 12 -18 months | 10% |
| No plans at this time | 34% |
| Other | 2% |

0%  5%  10%  15%  20%  25%  30%  35%  40%
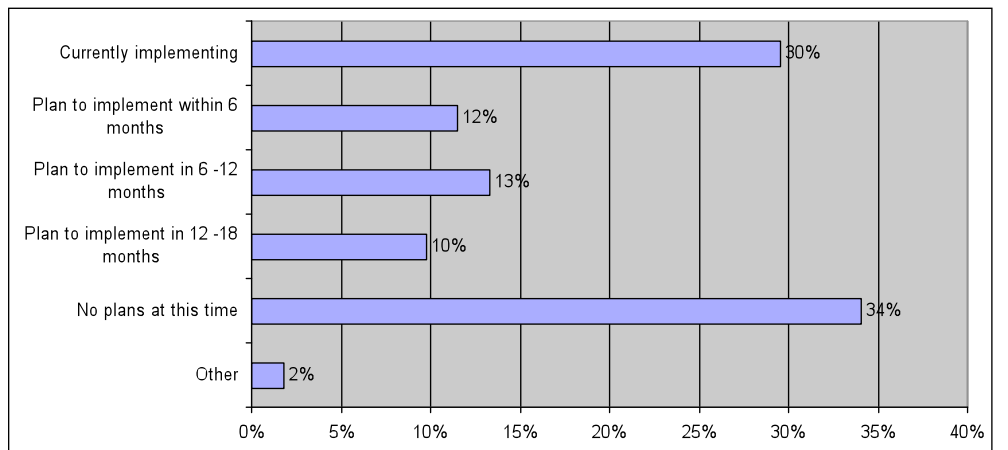
7. What is the scope of your information governance project?
(Please check all that apply.)

223 respondents



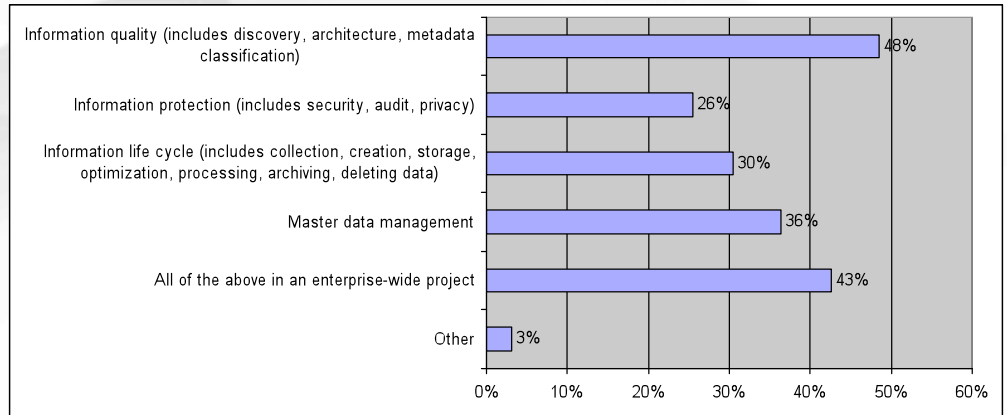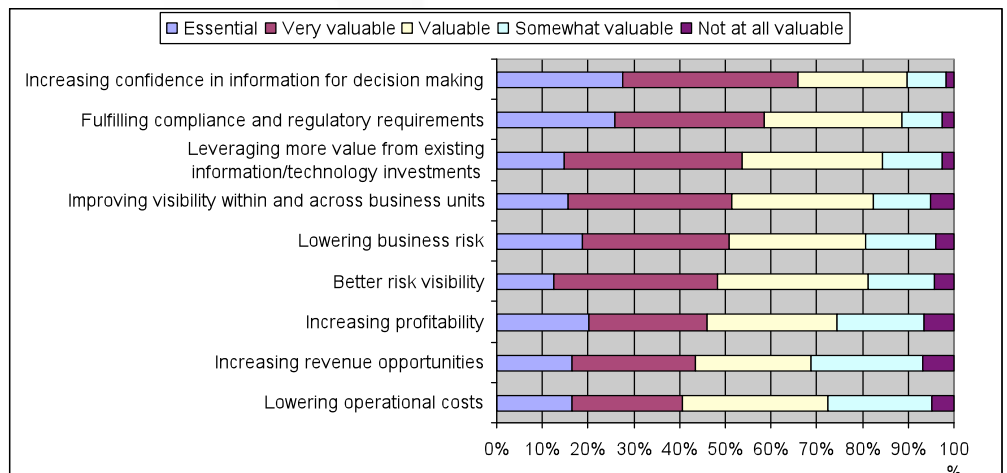| Category | Percentage |
|---|---|
| Information quality (includes discovery, architecture, metadata classification) | 48% |
| Information protection (includes security, audit, privacy) | 26% |
| Information life cycle (includes collection, creation, storage, optimization, processing, archiving, deleting data) | 30% |
| Master data management | 36% |
| All of the above in an enterprise-wide project | 43% |
| Other | 3% |

8. How valuable do your business executives consider information governance
to be in the following areas? (Please rate each answer on a scale of 1-5;
1=not at all valuable; 5=essential.

327 respondents



Legend: Essential, Very valuable, Valuable, Somewhat valuable, Not at all valuable

Categories:
- Increasing confidence in information for decision making
- Fulfilling compliance and regulatory requirements
- Leveraging more value from existing information/technology investments
- Improving visibility within and across business units
- Lowering business risk
- Better risk visibility
- Increasing profitability
- Increasing revenue opportunities
- Lowering operational costs

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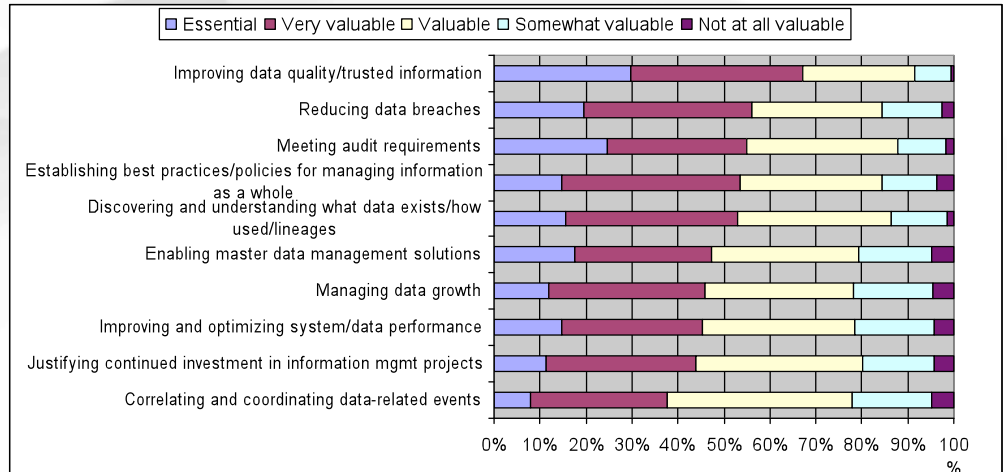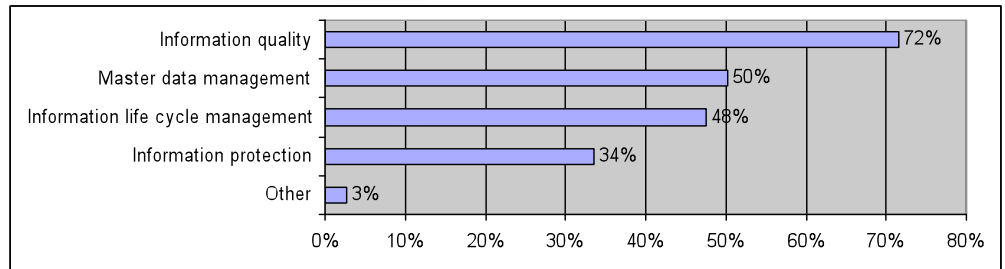9. How valuable do your IT executives think information governance is in following areas?
   (Please rate each answer on a scale of 1-5; 1=not at all valuable; 5=essential.)   328 respondents



10. Based on your job role, what aspects of information governance
    are most important to you? (Please check all that apply.)   334 respondents



11. Which of the following platforms are used to store the main information
    resources in your organization? (Please check all that apply.)   322 respondents

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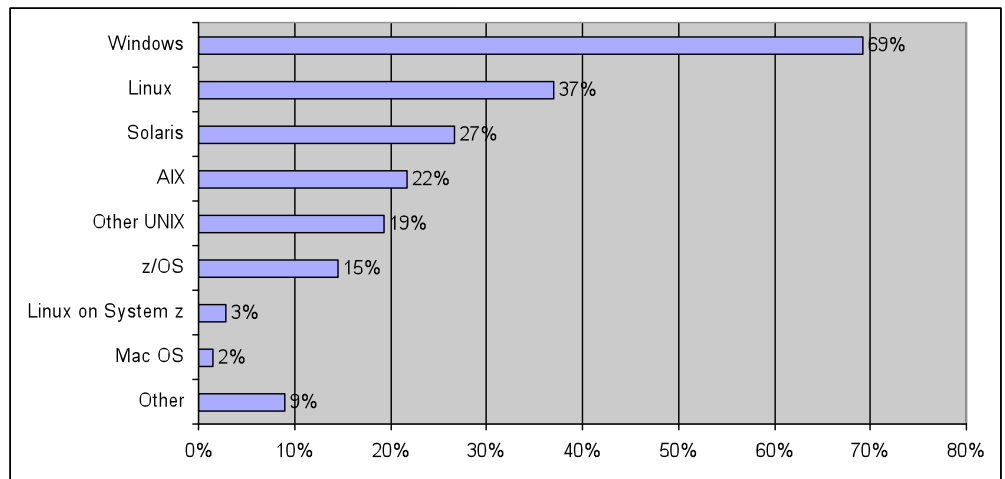
12. What in your view is the relationship between information governance and master data management?

329 respondents
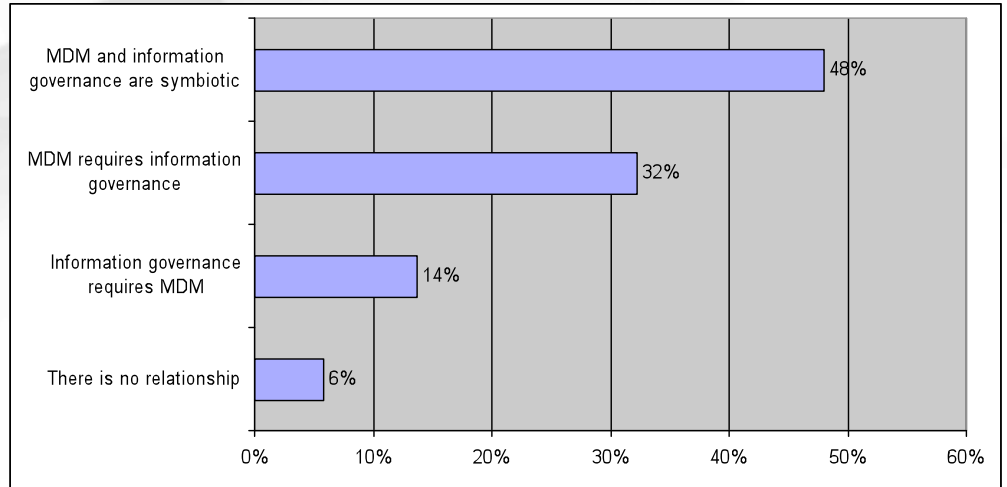


13. In your opinion, which of the following information-related projects requires information governance to be successful? (Please check all that apply.)

329 respondents

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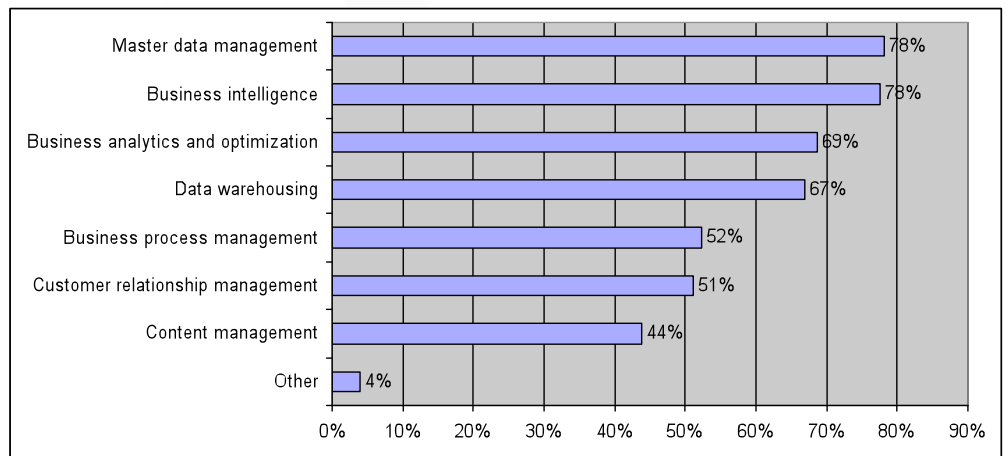
14. How valuable would it be to correlate, monitor and instrument data-related
events as part of an information governance solution?　326 respondents
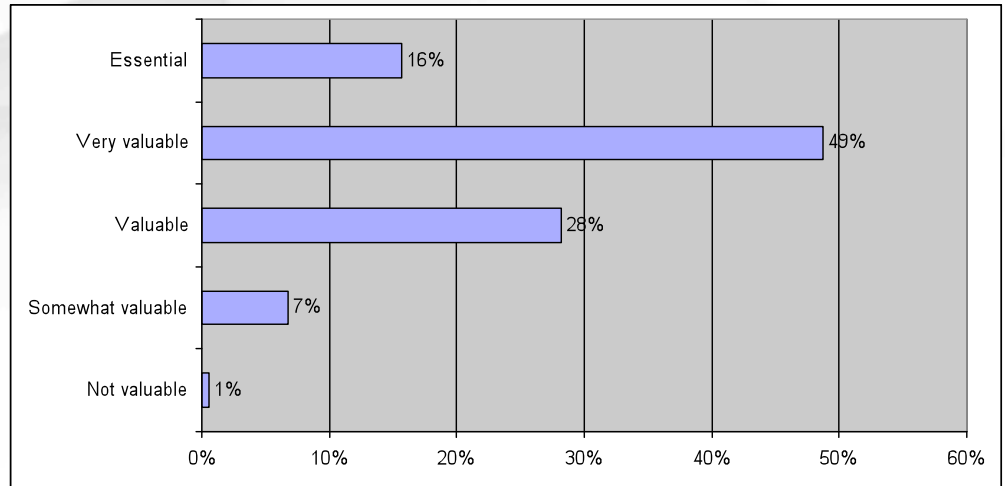


15/16. In which of the following information governance areas will you
most likely be spending/investing money in 2010/2011? (Check all that apply.)　310 respondents

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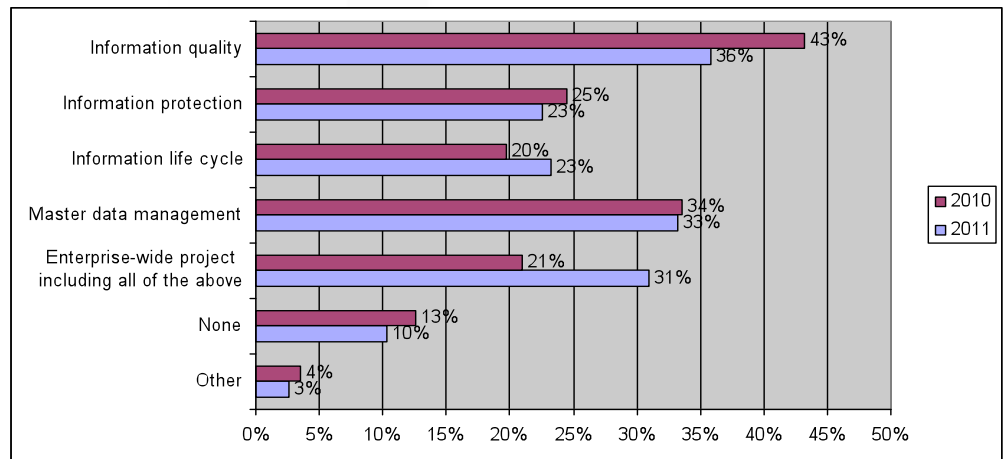
17. What is the budgeted amount your organization
will spend for information governance-related projects
in U.S. dollars in the next two years?)          297 respondents (2010)/290 respondents (2011)
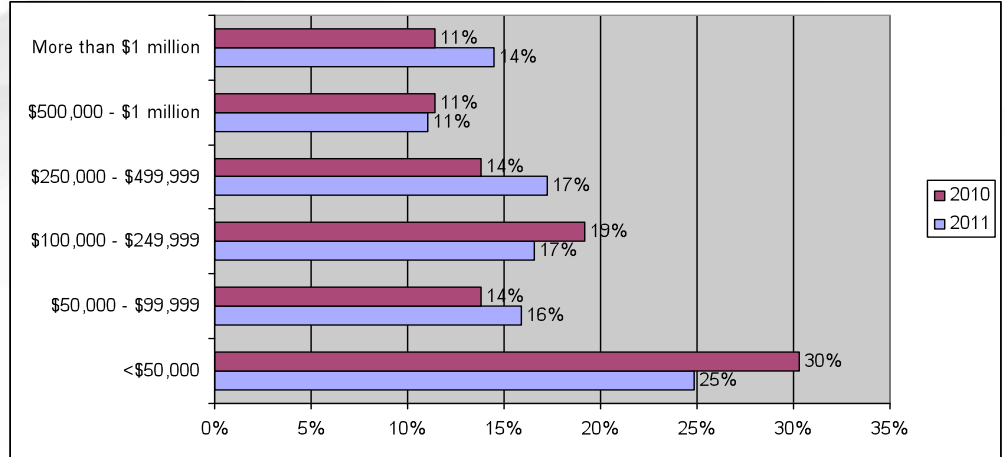


18. When considering an information governance project, what does your
organization view as the biggest barriers to entry? (Please rate each
answer on a scale of 1-3; 1=no barrier to entry 3=major obstacle to adoption.)          303 respondents

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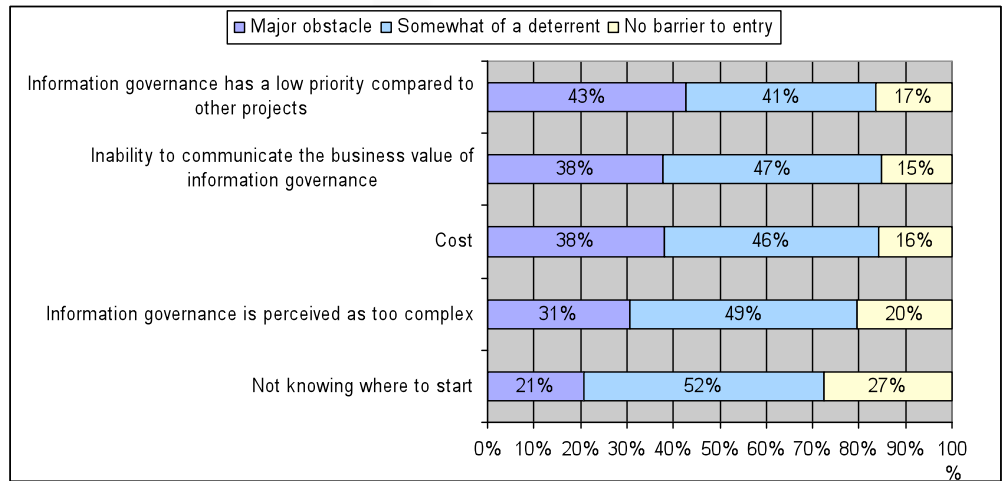
19. If you selected "other" in question 19, please specify what other barriers to entry you encounter.

38 respondents

Legend: ■ Major obstacle ■ Somewhat of a deterrent □ No barrier to entry

| Category | Major obstacle | Somewhat of a deterrent | No barrier to entry |
|---|---|---|---|
| Organizational issues | 40% | 35% | 25% |
| Management support issues | 25% | 75% | 0% |
| Lack of training/skills/knowledge | 14% | 43% | 43% |
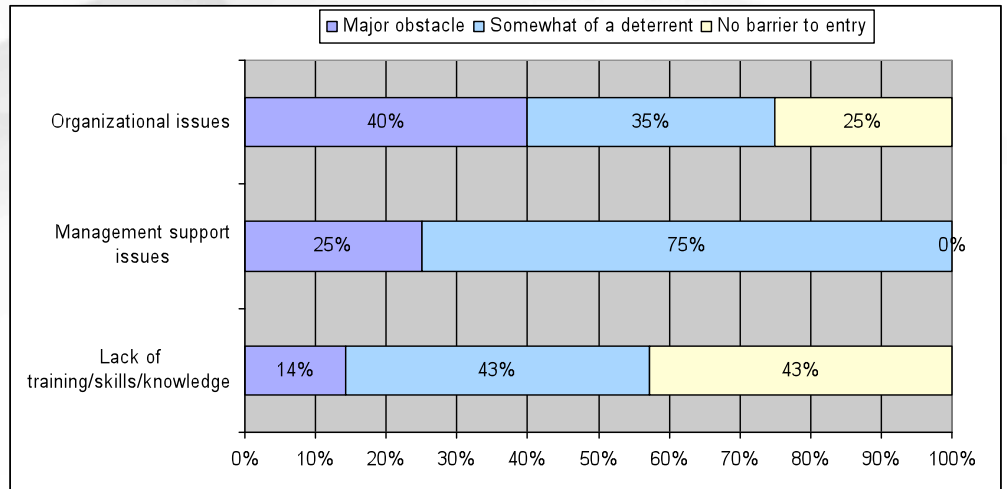
20. If your organization has experienced information breaches in the last three years, what was the nature of the breach(es)? (Please check all that apply.)

158 respondents

| Category | Percentage |
|---|---|
| Audit failure | 46% |
| Unauthorized access/theft (physical and electronic) | 42% |
| Privacy | 32% |
| Other | 6% |

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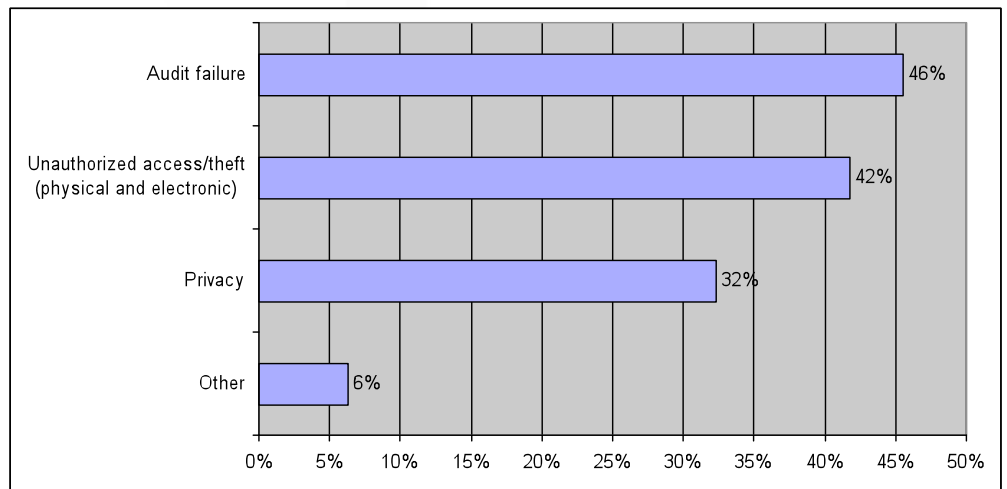
21. If your organization has experienced data quality issues in the last three years, what was the nature of the problem(s)? (Please check all that apply.)  **282 respondents**



| | % |
|---|---|
| Poor data quality | 71% |
| Incomplete/not enough data | 62% |
| Lack of meta data | 55% |
| Misinterpreted information | 50% |
| Other | 4% |
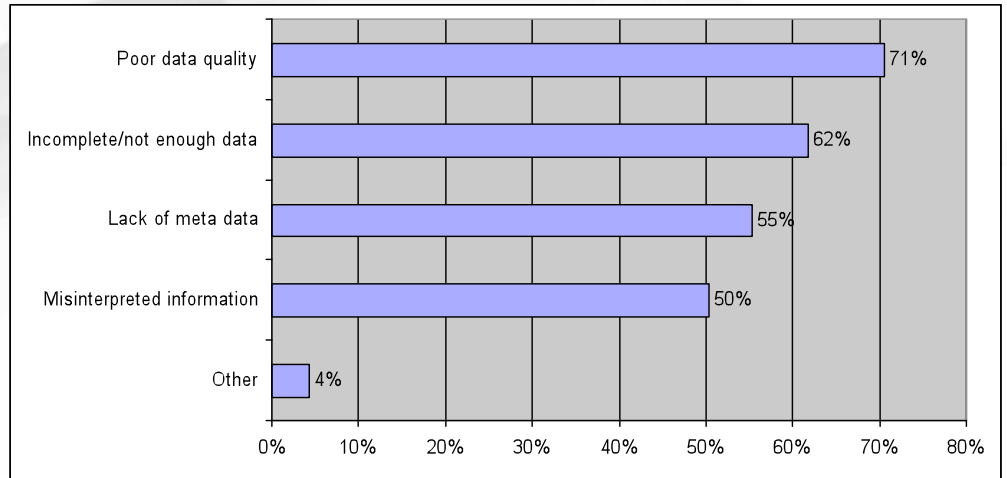
22. If your organization has experienced information life cycle issues in the last three years, what was the nature of the problem(s)? (Please check all that apply.)  **246 respondents**



| | % |
|---|---|
| Data retention/archiving | 64% |
| Managing substantial data growth | 54% |
| Performance degradation | 37% |
| Other | 5% |

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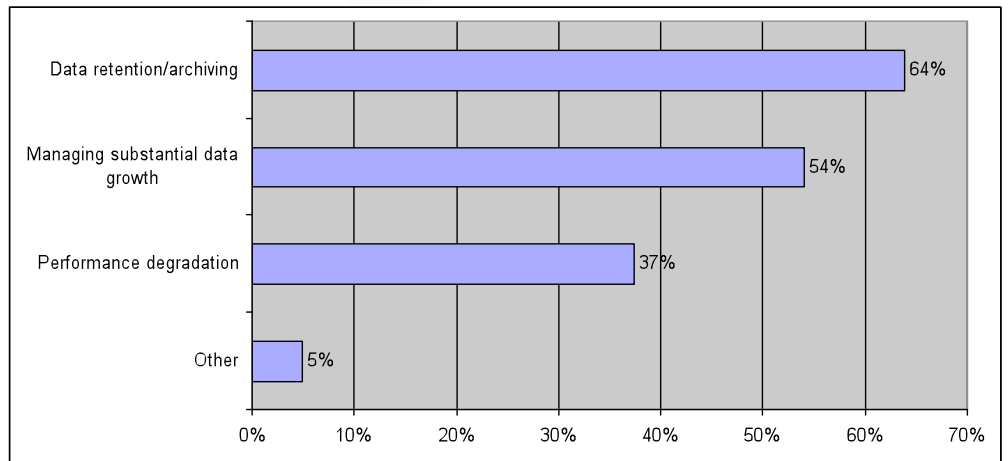
23. Within your organization which of the following roles are in place
    in relation to information governance? (Please check all that apply.)      266 respondents



24. How you see the importance of information governance changing over
    the next 3 to 5 years in relation to business success within your organization?      291 respondents

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**25.** Which of the following are areas of concern for your organization today?
(Please check all that apply.)

310 respondents

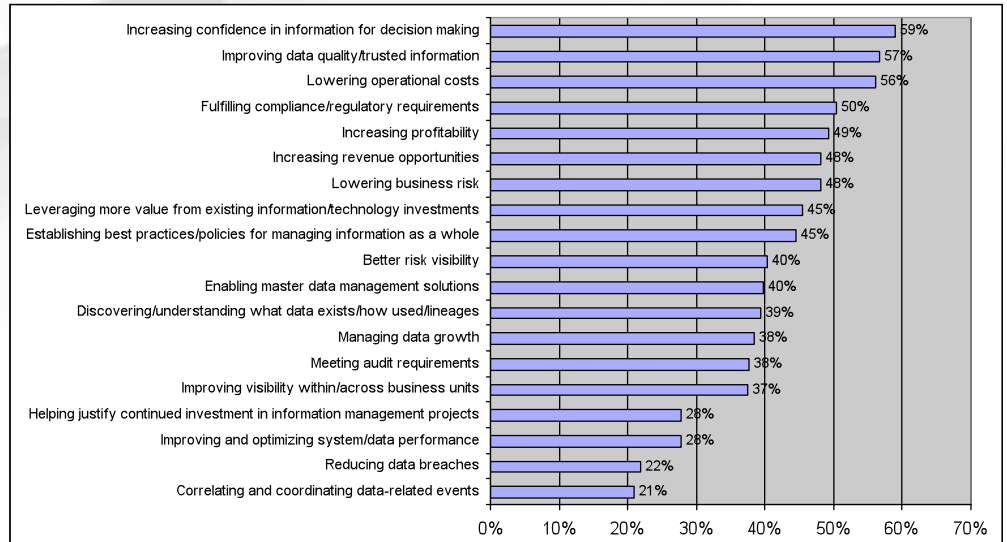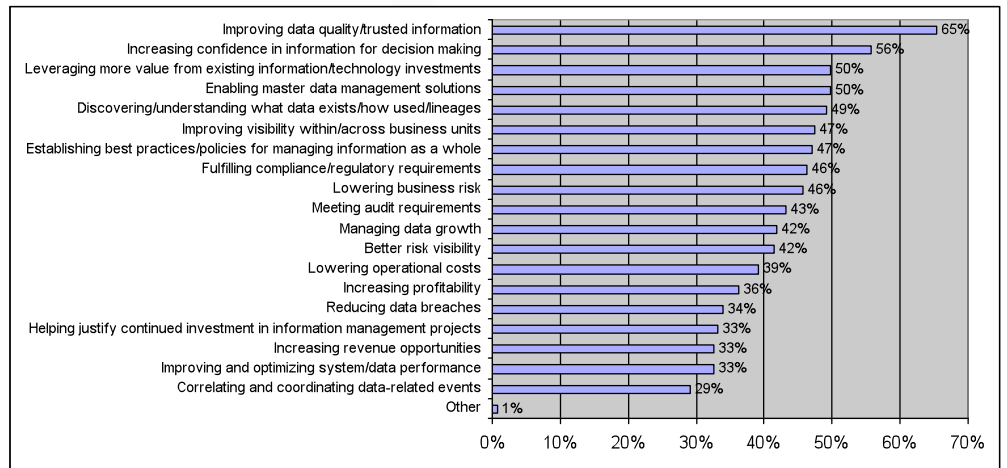| Area | % |
|---|---|
| Increasing confidence in information for decision making | 59% |
| Improving data quality/trusted information | 57% |
| Lowering operational costs | 56% |
| Fulfilling compliance/regulatory requirements | 50% |
| Increasing profitability | 49% |
| Increasing revenue opportunities | 48% |
| Lowering business risk | 48% |
| Leveraging more value from existing information/technology investments | 45% |
| Establishing best practices/policies for managing information as a whole | 45% |
| Better risk visibility | 40% |
| Enabling master data management solutions | 40% |
| Discovering/understanding what data exists/how used/lineages | 39% |
| Managing data growth | 38% |
| Meeting audit requirements | 38% |
| Improving visibility within/across business units | 37% |
| Helping justify continued investment in information management projects | 28% |
| Improving and optimizing system/data performance | 28% |
| Reducing data breaches | 22% |
| Correlating and coordinating data-related events | 21% |

**26.** Which of the following are areas could be better addressed with
a comprehensive information governance program?

289 respondents

| Area | % |
|---|---|
| Improving data quality/trusted information | 65% |
| Increasing confidence in information for decision making | 56% |
| Leveraging more value from existing information/technology investments | 50% |
| Enabling master data management solutions | 50% |
| Discovering/understanding what data exists/how used/lineages | 49% |
| Improving visibility within/across business units | 47% |
| Establishing best practices/policies for managing information as a whole | 47% |
| Fulfilling compliance/regulatory requirements | 46% |
| Lowering business risk | 46% |
| Meeting audit requirements | 43% |
| Managing data growth | 42% |
| Better risk visibility | 42% |
| Lowering operational costs | 39% |
| Increasing profitability | 36% |
| Reducing data breaches | 34% |
| Helping justify continued investment in information management projects | 33% |
| Increasing revenue opportunities | 33% |
| Improving and optimizing system/data performance | 33% |
| Correlating and coordinating data-related events | 29% |
| Other | 1% |

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27. Please describe areas where your organization's definition of information governance differs from the one presented here: Information governance is a holistic approach to managing and leveraging information for business benefits and encompasses information quality, information protection and information life cycle management.

89 respondents

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