HOW TO MEASURE
ENTERPRISE INFORMATION MANAGEMENT PROGRESS

EIM scorecards assess and communicate status of the program **By Maria Villar**

Increasingly, companies are embarking on a comprehensive enterprise information management program to address the growing demands on data coming from regulators, lawmakers and internal business executives. The goals of these programs include higher data quality, more transparency and control, faster access to information, and better insight into internal operations and customers. Compounding the situation is the growing volume of data and the increasing knowledge required to handle the sophisticated data technologies.

While these demands can be handled separately, the best companies are realizing the same customer, product and financial data would be involved in multiple programs, often with conflicting priorities and schedules. Individual data management programs with unique tools, processes and people are also expensive and each require the involvement of the same key personnel who might well be subject matter experts because of their specialized knowledge of the data and the processes used to create it.

Hence, the business value of an EIM program is the coordination, prioritization and implementation of a broad set of business and IT initiatives that plan and manage critical data holistically and efficiently across the company. A sound EIM program has the following components:

Data strategy: The company's vision and goals for the data environment are best represented by a comprehensive data strategy. The strategy includes the technical and business direction for the critical data of the company. Because it is aligned with the company's business goals, every change to the corporate strategy requires that the EIM be re-evaluated.

Enterprise governance: Governing data requires data definitions, standards, policies and controls. Included in governance are the various forums for decision-making as well as the responsible roles and the people accountable for the data programs.

Metrics/controls: Agreed-upon goals to be achieved by the EIM program are measured to ensure success.

Data quality: Programs that continuously measure and improve data quality dimensions, such as accuracy, validity, completeness, timeliness and consistency, demonstrate the value of the EIM program.

Skills: Hiring and training skilled information management professionals, in both IT and the business, to carry out the data initiatives is foundational to enterprise governance.

Enterprise data services: Enterprise data services are common tools and methodologies available to business and IT users of data and encapsulate best practices, facilitate reuse and contain costs. Examples of these services include metadata services, search/create/delete processes, ad hoc reports and data mart development. An often-overlooked set of services is the internal communication forums necessary to keep employees informed on the EIM program.

Trusted data sources: High quality, certified, common data sources are to be used across the company, including master data and the enterprise data warehouse.

An EIM program is broad by its very nature. EIM is a collection of multiphase, multiyear initiatives where responsibilities, processes and technology help create change. Core funding and a dedicated team are necessary to implement the components of the program and manage its progress.

An EIM Scorecard

How should progress be measured and communicated to senior management and to those who are funding the data

FIGURE 1: COMPONENTS OF AN EIM PROGRAM
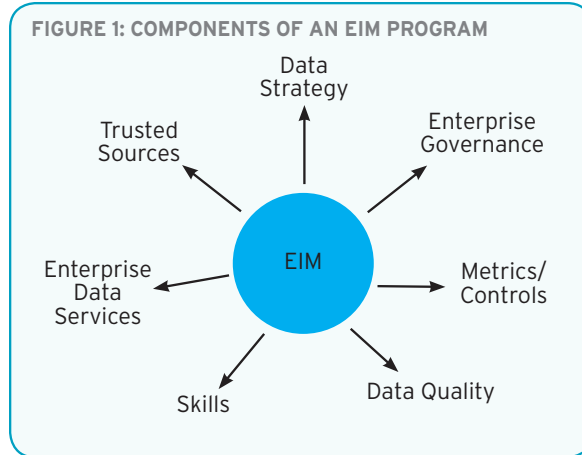
scorecard is also an effective technique for measuring the business data steward's effectiveness.

Scorecard Metrics

As in the balanced scorecard KPI project, selecting the right metrics is critical. Determining the appropriate targets requires collaboration across the various owners of the metrics and the EIM program owner. Metrics should be easy to understand and reasonably easy to track. EIM scorecard metrics can be defined in the following categories (also see the figure on page 25).

1. Data infrastructure metrics measure the progress toward the technical data strategy vision. Because most companies

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programs? An EIM scorecard is one solution.

Similar to a balanced scorecard with key performance indicators, an EIM scorecard is implemented annually to measure progress against the EIM strategy and its various components. Once an overall EIM scorecard is established, individual scorecards can be developed outlining the contribution of various groups to the year-end metrics. A scorecard can be created for a local department, function or project that ties to the overall year-end enterprise metrics. If your organization has business data stewards, then develop scorecards at a business data steward level. A

have legacy duplicate data that drives data quality issues, data integration issues and costs, reducing these data stores and using corporate-approved trusted data is an indicator of progress. Additionally, target to reduce the total cost of the hardware, software and resources of the data infrastructure of the company to improve utilization and efficiency.

2. Data control metrics define new data standards, policies and processes that are necessary to manage data effectively. When new controls are defined, affected departments must comply in a certain time frame with supporting plans. Data control metrics measure compliance plans as well as any

FIGURE 2: EIM SCORECARD

Category	Objective	Measurements
Data Infrastructure	• Reduce duplicate legacy databases • Increase master data usage • Decrease total cost of data ownership (TCO)	• Total databases reduced • New systems implemented with master data • Percent reduction in TCO
Data Controls	• Increase compliance to data standards • Increase metadata completeness and usage	• Internal compliance testing results • Metadata completeness score • Percent of critical data in metadata repository
Organization	• Increase data skills and accountability • Certify business data steward • Increase employee training in DM • Increase data governance maturity	• Number of data skills hired • Number of certified business data stewards • Percent of employees trained • Data governance maturity survey
Issue Management	• Track resolution of high impact data issues • Trend data issue categories, address hot spots	• Track audit data issues • Track security data issues • Track operational data incidents
Data Quality	• Increase data quality	• Individual projects data quality improvement metrics
Financials and Costs	• Track project costs and ROI to budget • Track data governance costs and ROI to budget	• Individual project budget to actuals • Total budget to actuals • Total ROI to actuals

compliance testing results. The completeness of the enterprise metadata repository can also be measured in this category. All important data stores should have an entry in the repository with minimum information established by the EIM governance program.

3. The organization maturity metric measures the progression in training, skill development and role staffing. Any EIM strategy necessitates new skills and responsibilities in data management. Consider using one of the industry information management maturity tools to baseline the current data capabilities of the company and establish an annual improvement plan. The maturity tool can be administered internally or through a consulting company and includes a survey of internal stakeholders.

4. Issue management, such as logging data issues consistently across the company and addressing the high impact issues, is a critical barometer for management. Data issues that arise from internal audits, security testing or operational incidents are of special concern to the company and should be monitored via the scorecard. Logging issues in a consistent fashion also allows visibility into trends and the ability to identify hot spots to be improved on an annual basis.

5. Data quality improvement is a fundamental component of an EIM strategy. During the first year, the company would most likely baseline the dimensions of quality that need improvement. In subsequent years, projects are funded and more dimensions of data quality can be slated for improvement. This metric measures the year-end improvement plans against a set target. If possible, create an aggregate score of data quality for the firm, because too many metrics are often confusing.

6. Financial/cost improvements are at the heart of a scorecard. Clearly, no scorecard is complete without a set of financial or cost metrics that validate a solid ROI. Tracking individual project costs as well the overall business case for EIM would be included in this metric.

Each metric category has an assigned owner. The owner is the person or organization in the best position to affect change. The owner is accountable for establishing the baseline metrics as well as the year-end improvement targets and plans. The EIM program manager owns driving the scorecard planning and reporting process. Creating quarterly or monthly interim metrics, where possible, provides management with early warning signs if the metrics go off track and provides an opportunity for remediation. It is highly recommended to automate the collection of the metrics, especially if interim metrics are necessary.

Communicating the progress of data initiatives to business leaders and executives is challenging and requires a clear and concise format. The EIM scorecard is emerging as an effective tracking format that provide a consistent mechanism to show yearly progress and communicate results.

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