



Expert blog

The value of an active data quality policy

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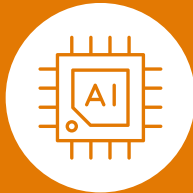
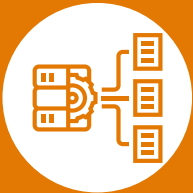
17-02-2023





Introduction

Data is seen by most organizations as an important raw material. It is often even referred to as the most valuable asset. Yet research shows that 50% of organizations do not have an active data quality policy. With all the consequences: many data issues, high costs, process disruptions and dissatisfied customers. In this blog we discuss the value of an active data policy and provide practical tips from organizations that already work with this.





What is data quality management (DQM)?



Data quality management (DQM) is in fact the operational implementation of the vision and the data policy.

What are the data definitions?

Who has what role in acquiring and processing data?

How is the substantive quality of data safeguarded?

What is done if the quality of data does not meet expectations?

Organizations have often included in their policy that they want to become more data-driven. They would like to use tools such as data analytics and AI for this. This only makes sense if the basis is in order: the data must be available, reliable, usable and up-to-date. Active DQM is indispensable for this.





Reactive data quality management

Almost every organization recognizes that good data is a basic facility. Still we know that most of the organizations have regular problems with the availability of data. At the same time, organizations also regularly have the opposite problem, that data is redundant and therefore not always usable.

In practice, a lot of time and money is therefore invested in resolving data quality (DQ) issues. For example, data analysts often spend more than half of their time cleaning and structuring the data they have to work with. In the operation, DQ issues can lead to hidden costs, not only directly for duplication of effort in data management or detecting and correcting incorrect data. The indirect costs for downtimes in the primary processes, loss of customers and damage to image can be much higher. The actual costs for DQ issues are therefore difficult to estimate

To measure is to know

It is therefore costly to correct data reactively. A best-practice is therefore to set up an improvement cycle for data corrections. Register DQ issues in a way that fits your organization. Record the (direct) costs for analysis and recovery and note the solution. This creates insight into the costs and you can fall back on established knowledge and experience.



Active data quality management

Most organizations we visit during our consults have an active data quality policy. These organizations make it clear to their employees the importance of good data, and the responsibility for this is clearly allocated and employees are also trained and addressed in this regard. This way you prevent the beautiful function and process descriptions from becoming a paper tiger. Most organizations already pay a lot of attention to the input of data. Facts are entered and checked as close as possible to the source. Consistency of data is ensured by automated validation and processing of the data. These are the most important measures that are usually taken to improve data quality guarantees.

Data conscious organizations also check the quality of the stored data, for example with periodic reports or a (near) real-time DQ dashboard. They recognize issues faster, can often analyze and solve them without time pressure and can avoid extra costs due to disruptions in the primary business process. The best results are achieved if data from multiple sources can be combined in a separate data analytics environment (data lake). This way, inconsistencies between systems can be found and operational systems are not burdened. Data conscious organizations also realize that once data is entered, multiple purposes can serve. They actively pursue a policy to be able to share data properly, for example by recording and sharing clear and usable data definitions. For organizations that have a policy to become more data-driven, it is necessary to share data and they will have to take action to facilitate this.

Finally, in most cases there is still a lot to be gained by ensuring that the data also keeps up with the times. Archiving and deleting data is sometimes a bit of a neglected child. It is not only good for daily work and for data analytics that the dataset is up-to-date. In the context of legislation and regulations, it is also important that this is properly arranged. Think, for example, of the AVG and "the right to forget to become".





The value of active DQM

Data is widely seen by organizations as the new gold. It is clear that significant costs are incurred to ensure high data quality. The hidden costs for poor data quality can be even higher. For organizations with active data quality management, cost control is therefore not the most important driver. They mainly invest in the value of readily available, reliable and up-to-date data, so that the data can be shared internally and externally with confidence. This ultimately pays off in fewer disruptions to operational business processes and a better experience for the customer.



Want to improve your data quality?
Please contact the experts at Squadra for
further information.