

DO BUSINESSES NEED A CHIEF DATA OFFICER?

As the volume of data that businesses have to deal with increases, do they need a chief data officer as well as a chief information officer – and can the same person perform both roles?

Francisco Castillo, senior vice-president and CIO at Maynilad Water Services, defines data management as a distributed function, depending on the nature of the data.

The water and wastewater services provider, which serves nine million people in the west of metropolitan Manila, has identified data “owners” in its organization.

“IT is the provider of infrastructure. It sets governance rules for the usage of the data across the different applications,” says Castillo.

The organization does not currently have a role similar to that of chief data officer (CDO). Instead, each data owner acts as its own CDO. The need for enhanced business intelligence was so apparent at Maynilad Water Services that Castillo did not have to build a business case.

“Different users had different versions of the same data circulating in Excel, to the point that we had

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serious doubts on the veracity of the data. That was four years ago,” says Castillo.

The IT team embarked on two major projects to address that need. The first, implemented in 2012, extracts data from the transactional systems – mainly enterprise resource planning (ERP) on financial, commercial, logistics and asset information – and produces a set of standard reports and dashboards for users’ consumption.

The second project, started in 2012, is a repository of technical data from the different devices in the field. “It has not finished yet, nor do we foresee it ever will, as more data and users add to and enrich it,” says Castillo.

Balancing act

Ken Soh, CIO at BH Global Corporation, had limited knowledge about the role and responsibilities of a CDO when he was appointed one in his previous job. He had been serving as CIO for over two years before he took on the additional CDO role. BH Global provides supply chain management, design and manufacturing systems, as well as engineering services to the marine and off-shore, and oil and gas industries.

When he was CDO at his previous employer, the focus was on both digital and paper data. It covered the full spectrum of data management, from data acquisition to retention. In some Asian corporations, the CDO is a business person, but Soh believes the advantage of having a CIO double up as CDO is that it gives the role a more digital emphasis, which is important if the organization has decided to move towards becoming a digital enterprise.

BH Global is not looking to fill a CDO role in the short term, but is filling the data management responsibilities on a need-to-have basis. One example is that to comply with Singapore’s Personal Data Protection Act (PDPA), Soh was appointed data protection officer (DPO) with a PDPA committee structure under him.

“We recently implemented a data visualization platform to allow businesses to see their financial positions as recent as one business day before,” he says. “The project was led by group IT as there was a rich element of digital data involved.”

“THERE ARE NO HARD-AND-FAST RULES FOR CHIEF DATA OFFICERS IN THE ASIAN COMMERCIAL SECTORS” Ken Soh, BH Global

Soh also leads analytics and compliance projects. “There are no hard-and-fast rules for CDOs in the Asian commercial sectors,” he says. “There usually isn’t a rigid structure around that role.”

Leong Mun Kew, deputy director, Institute of Systems Science (ISS) at the National University of Singapore (NUS), experienced data management responsibilities from a different angle. Established in 1981, the ISS at NUS provides graduate education, professional development courses, consultancy and research

services. It aims to develop infocom leaders and drive business and organizational innovation.

Leong was previously CDO for a government agency, but he is unsure if many private companies in the region have that role with similar terms and responsibilities.

“[Asian businesses] usually have somebody looking after privacy and data management, mostly where mandated by law and regulations,” he says. “It is unusual to centralize data accountability to one person.”

Echoing Maynilad Water Services’ Castillo, Leong says business unit heads are usually accountable for data in Asian companies. It is crucial to distinguish between the activities that CDOs perform and what they are accountable for, he adds.

According to Leong’s understanding, CDOs are accountable for the data administration and standards of their organization, but this is more strategic and less procedural. The primary role of CDOs is to ensure that the organization’s data fulfils its strategic and long-term requirements, he says. “In short, the CDO’s role is to ensure that data is not a bottleneck for proper decision-making.”

Leong points out that what the CDO and CIO do today depends on business requirements. He has seen many CIOs in Asia take on the role of CDO as well, since they have a strategic responsibility in their portfolio.

“Where the CIO is more of an IT head, then the CDO function is often with the business units,” he says. ■

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Asian businesses vote on analytics

In 2013, management consultancy, technology and outsourcing services provider Accenture polled 400 analytics practitioners in the markets of Indonesia, Malaysia, Singapore, Thailand and the Philippines and discovered the following:

- 11% are far advanced in the adoption cycle, saying they routinely use analytics very successfully as part of an integrated enterprise-wide approach.
- 74% describe their senior management team’s

attitudes to analytics and fact-based decision-making as “totally committed” or “highly committed”.

- 62% say they have a chief data officer, and 46% say that position was established at least 12 months ago.
- 19% say they are “very” satisfied with the outcomes they have realized from their analytics investment.
- 67% of respondents identify “outcome from data” as a key analytics challenge.

Source: Analytics in Action, Accenture, 2013.