Don't be **Blindsided** by Data Risk

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Blindsided by Data Risk

A look at the root causes

2

Waste is a Huge Problem

Time spent on validation is an added tax

3

Lean Governance

Value and quality at the lowest cost

4

Constantly Test for Quality

Why you should test at every step in the Data Factory

5

Enterprise Risk Management

It's all about data quality

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Listen to Your Data

What your data says about quality and risk

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3 Lines of Defense Model

Empowering the 3LOD with effective Data Governance

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Data Governance Funding

Risk Management initiatives can fund Data Governance

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Data Waste is a **Huge** Problem

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Introducing the **Lean** Data Factory

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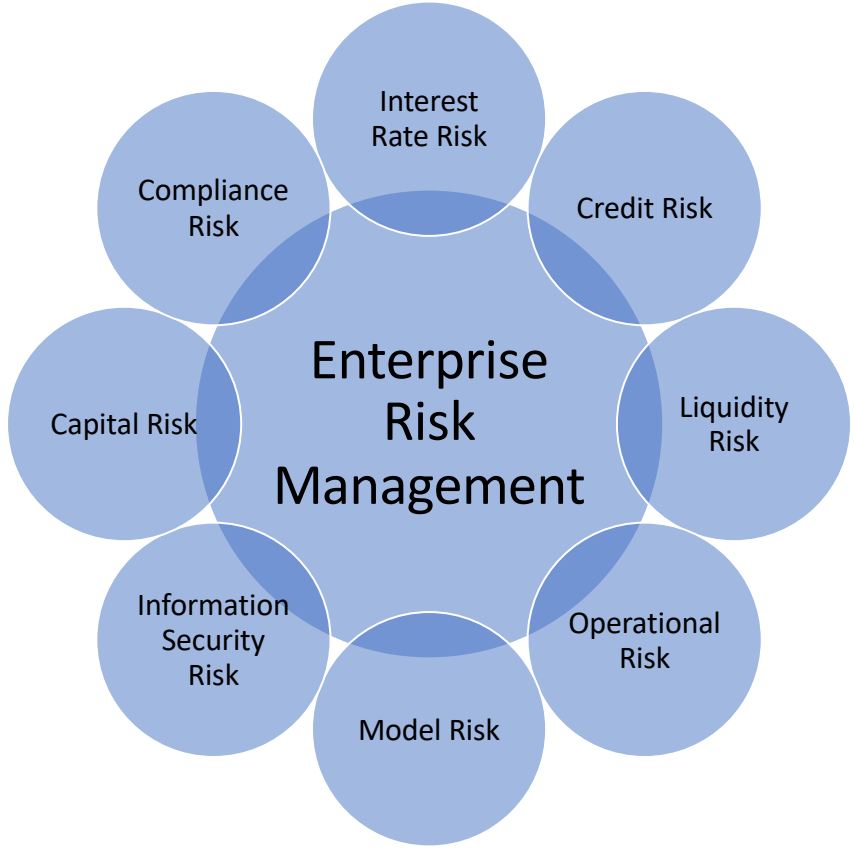
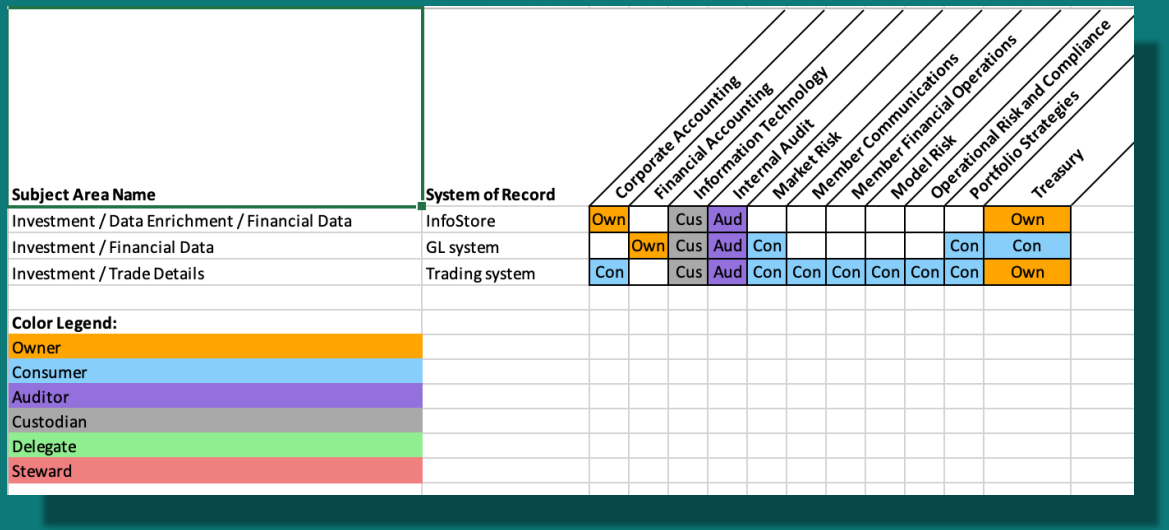
Why not build **quality testing** into our data processes?

Data Quality can **make or break** your Enterprise Risk Management



Awareness means knowing **WHO**



Subject Area Name	System of Record	Corporate Accounting	Financial Accounting	Information Technology	Internal Audit	Market Risk	Member Communications	Member Financial Operations	Model Risk	Operational Risk and Compliance	Portfolio Strategies	Treasury
Investment / Data Enrichment / Financial Data	InfoStore	Own		Cus	Aud							Own
Investment / Financial Data	GL system		Own	Cus	Aud	Con					Con	Con
Investment / Trade Details	Trading system	Con		Cus	Aud	Con	Con	Con	Con	Con	Con	Own

Color Legend:
Owner
Consumer
Auditor
Custodian
Delegate
Steward

is responsible for **WHAT**

Are you listening to your data?

- Data QC results
- Exception reporting
- Operational metrics
- Recurring problems

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$1 million PENALTY

Authorizing invalid transactions and internal control failures

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$3 million PENALTY

Overstated income and understated liabilities

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$10 million PENALTY

Accused of exposing confidential data

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What caused the failures?

- Lack of awareness
- Ineffective controls
- Quality testing
- Bad data

Regulators see Data Governance as critical to Enterprise Risk Management

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Must-Haves

- Definitions & relationships
- Security implications
- Where data resides
- Who is responsible

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Must-Haves

- Data consumers
- Data retention
- State of quality
- Structured & Unstructured

It’s time to
break the silos
between Data
Governance
and ERM

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Take your performance to **new levels** by working together

Key Objectives

- Turn data from a liability to an asset
- Avoid issues with regulators
- Protect your public image
- Stop wasting resources on bad data
- No more being blindsided!

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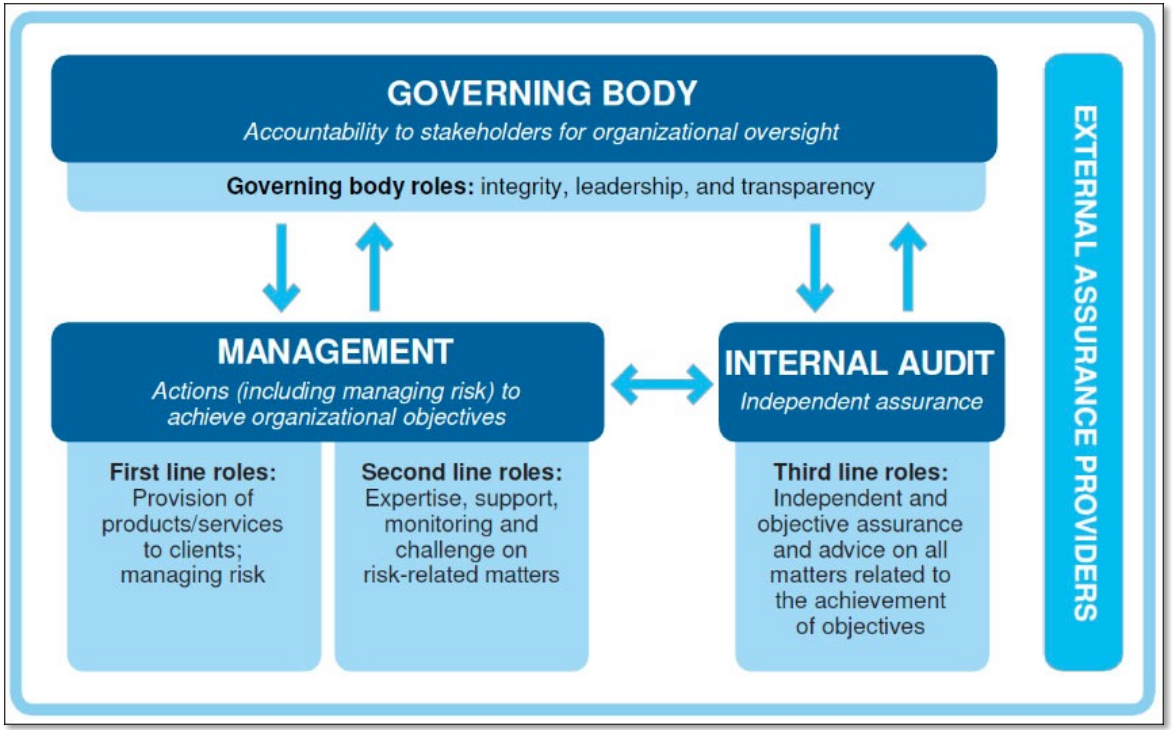
An industry approach to **early detection** and risk mitigation



3 Lines of Defense Model *courtesy of journalofaccountancy.com*

Management & Operations

- Clear data definitions
- Timely quality controls
- Data source awareness
- Automated reconciliations
- Reduce data copies

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Risk Mgmt. & Compliance

- Operational metrics
- Data quality dashboards
- Evidence of reconciliation
- Clear responsibility

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Internal Audit

- Ownership and accountability
- True subject matter experts
- State of data quality
- Source of most errors
- Confidential and PII data

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Data Quality is at the **center** of an effective ERM Approach

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A good plan starts with **assessing your data risk**

QUICK ASSESSMENT	
Data Management Functions (AB 2016-04)	**Risk Management Activities (AB 2020-06)**
Governance, Metadata	Data categorization (grouping), stakeholder assignments, glossary and definitions, coordination, mapping (terms, subject areas, etc.).
User Developed Applications and Models	Identification, categorization, risk weighting, mitigating control implementation, elimination
Architecture, Modeling, Integration, Design	Mapping from business glossary to data sources, application data mapping, lineage, relationship mapping
Storage, Availability, Operations	Business continuity planning includes data, life cycle management, data base management, storage, backup and recovery; change control includes data testing, SAAS included in processess
Data Security	Security classification, encryption, access control, monitoring
Documents and Content	Security classification and retention for unstructured data, e-discovery, crown jewel data loss prevention (DLP)
Master, Reference, Warehousing, BI	Information sources, known copies, lineage, ease of access to data, data modeling, business intelligence and reporting
Data Quality	Accuracy, consistency, availability, timeliness

Go to https://metagovernance.com/risktooldetailpage

Please contact us for more information

or visit *www.metagovernance.com*

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