IDC PERSPECTIVE

Turning "No" into "Yes" — Shifting from Data Governance to Data Enablement at Cox Automotive

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EXECUTIVE SNAPSHOT

FIGURE 1

Executive Snapshot: Data Enablement at Cox Automotive

Data governance has become associated with "no." No, you cannot have access to that data; no, those two data sets cannot be integrated; no, that data cannot be found; and, no, we don't have that data. As part of a corporate strategic initiative to begin combining 24 different data-driven brands, Cox Automotive also tackled the data governance issue, instead calling it "data enablement" and becoming the "yes" team, delivering the right data to the right person at the right time.

Key Takeaways

- This document provides insight into how Cox Automotive is delivering the right data to the right people at the right time, and in the way the data is needed — enabling data scientists, analysts, and product engineers in fostering innovation and delivering greater value to Cox Automotive and its customers.

- Data governance is now mandatory and must be aligned with business strategies to secure investment and demonstrate value. The data enablement team at Cox Automotive is working within a corporate strategic initiative to integrate 24 unique brands, aligning their efforts with brand integration priorities.

- Data enablement begins with reconciliation of data definitions, terms, policies, security, and management practices, not technology. Technology is only a part of data enablement solutions.

Recommended Actions

- Get executive buy-in for a data enablement program because it will require a commitment for investment; identify champions to help evangelize adoption because it will change the way people work and change is difficult, even when it is for good.

- Start with initiatives that are smaller in scope but deliver real business value for quick wins. Demonstrate success through metrics that can be measured, benchmarked, and monitored throughout. Metrics should be related to the business objectives of the initiative and employee productivity.

- Balance IT and business group involvement to foster a deeper collective understanding of the business needs, desired outcomes, and IT constraints, resulting in a true connection and partnership between business and IT in solution design, development, and deployment.

Source: IDC, 2018

SITUATION OVERVIEW

Data governance has a bad rap, and at Cox Automotive, the data team was aware of the reputation of governance and did not want to become known as the "no" team. Cox Automotive is in the midst of a profound digital transformation (DX), integrating 24 brands to deliver innovative solutions across to automotive manufacturers, buyers, dealers, and insurers of automobiles – a network of 40,000+ clients across 5 continents. Data is the lifeblood of digital transformation, flowing across organizational and geographic boundaries, in and through the enterprise to deliver insights and drive actions. Cox Automotive needed to figure out how to maintain control of data assets while also enable the sharing of data across brands to provide its data scientists, analysts, and product engineers timely access to the data needed to enhance products and services and deliver efficiently in the marketplace. In response to this need, the "data enablement" team was created to be the "yes" team: enabling business processes, team member activities, and delivery of products and insights using shared data.

While data governance is of concern for organizations that already are or will be subject to regional or global regulations, increasingly many organizations have started to realize the value of their data and that, as an asset, it needs to be protected, managed, and maintained so that value can be realized. Data governance processes, policies, roles, and technologies that enable this value are being challenged by the growing complexities of modern data environments; the number of different types of data, and sensitivities in data that organizations are dealing with is increasing, exacerbated by the fact that data no longer sits within the four walls of a corporate datacenter but is distributed in hybrid cloud environments, regionally and globally.

Data Enablement: Turning No into Yes

Cox Automotive delivers data-driven products and services in the automotive industry, covering the life cycle of vehicles once off the assembly line, from the manufacturer to sales and service, dealership operations, inventory, marketing, warranty management, lending, and aftermarket sales. Cox Automotive delivers these solutions to 40,000 clients worldwide across 24 different brands, such as Autotrader, Dealertrack, Manheim, Kelley Blue Book, vAuto, and Dealer.com. In 2015, Cox Automotive began an initiative to strategically consolidate areas that make the most sense together and will deliver the greatest value and foster innovation.

This consolidation requires the alignment of data definitions, terms, policies, security, management, and usage practices before data integration can begin. The goal is to deliver new insights across brands, creating new innovative products and services as a result of the integration. This was a daunting task for the data enablement team because in addition to aligning across 24 brands, many inconsistencies existed within individual brands as well. The data enablement team faced an ocean, but attempting to boil it would result in failure, not just for the data enablement team but also for the strategic initiative of using data to drive product advances.

The goal of the Cox Automotive data enablement team is to deliver the right data to the right people at the right time, and in the way that it is needed. This goal was born out of the need to empower team members, including data scientists, analysts, and product engineers with data so that better products and services could be delivered to clients – to become the data "yes" team instead of the "no" team.

Team Structure

The data enablement team likens themselves to a large warehouse store that continues to expand and has shelves filled with data products that team members can choose from and provide the necessary product (data) acquisition capabilities for those team members to be enabled with data. One part of the data enablement team is focused on building the store, in this case, an enterprise data sharing platform in the cloud. Another part of the team is focused on filling the shelves with strategic data assets discovered across the brands, curated for consumption by team members.

The data enablement team is aligned with the corporate Cox Automotive entity, providing them with oversight across all brands to discover what data exists and where. The team also has connections to cross-functional subject matter experts (SMEs) located within the brands. These SMEs can be engaged depending on the specific project and data domains in scope. There is a corporate-level governance board that looks across business, brand, market, and data domains to prioritize consolidation and integration efforts and help with any roadblocks that may be encountered within the projects.

Enabling Cox Automotive with Data

To avoid boiling the ocean, the data enablement team began by focusing on the most valuable data entities that had cross-divisional benefits. Closely aligned with the business, the team focused on the biggest pain points, strategically applying efforts to business-relevant problems that if solved, would have a positive impact on the business.

Within each initiative, the data enablement team started top down with the appropriate executives and directors of the business units in scope to gain buy-in for data discovery and cataloging. The SMEs are engaged to help identify people within the brands that have the most stake in the ground and will benefit the most from a positive outcome. The data enablement team, along with the SMEs that are engaged, setup focus groups, hold workshops, and conduct interviews with business unit stakeholders to uncover the pain points and data entities that are part of business processes that are in scope. Many pain points can be attributed to inconsistent data terminology, definition, semantics, and people's understanding of what the data means and how to use it in context. A focus of the data enablement workshops and collaboration is in defining consistent vocabulary, terminology, and definitions and that the meaning of data entities is captured as data knowledge and populated in a data catalog. Such pain points can be expected when trying to share data across brands, but in one specific initiative, the Cox Automotive data enablement team discovered inconsistencies in how volume metrics were defined, understood, and used within a single brand. Rather than try to reconcile all volume metrics, the team prioritized the most important volume metrics for reconciliation, accelerating reconciliation to deliver results faster.

The data enablement team has been given the necessary executive support that allows for the ramp-up and teardown of each project team depending on scope and objectives. Even though Cox Automotive is taking a top-down approach to data, it is filling the store one shelf at a time, with each data enablement product demonstrating real business value, demonstrated through metrics. Similar to a warehouse store analogy, the data enablement team is tracking metrics on how many shelves are full, the number of assets available and queryable, and the number of users consuming the assets. Users are also potential suppliers of assets and as such are also being tracked as part of measuring adoption. The team is also beginning to measure and publish data quality, context, and understandability metrics that are uncovering gaps and opening opportunities for conversations with the business on how to improve data quality to close the gaps.

Data Enablement Technical Environment

Data governance and enablement is an organizational discipline, not a technology. It requires a vision, people, process, policy, and technology. Too often technology is sought after as the answer to data governance and enablement problems, but it is only part of the solution. In organizations that have been successful with data enablement initiatives, IT is invited into the early discussions to get a deeper understanding of business needs and as a contributor of technical knowledge and ideas on where and how data is stored and protected.

There are numerous applications and data silos spread across the 24 different brands of Cox Automotive that historically operated independently. As technology works to unify those systems, the enablement team must be cognizant that valuable data exists in relational databases, streaming data sets, and the undesired but inevitable spreadsheets and desktop databases created by users for specific operational and analytical use cases.

The Cox Automotive warehouse store and shelves are being built in Amazon Web Services, leveraging S3, Glue, Redshift, and EMR. Intelligence about where the data came from, what it means, who can have access to it, when it was last updated, and why it is strategically important is being managed in a Collibra data catalog within a deployment of the Collibra Data Governance Center software solution. The Collibra Data Governance Center is a suite of capabilities and products used for data enablement, including:

- Business Glossary
- Collibra Catalog
- Data Dictionary
- Data Helpdesk
- Policy Manager
- Reference Data Management
- Data Stewardship

The Collibra Catalog product is the most recent addition to the center, released in 2017. Collibra Catalog is able to catalog data, reports, algorithms, models, and any other type of asset relevant to analytics. The goal of the catalog is to help get the user to actionable analysis more efficiently and effectively by providing a location where assets can be easily discovered. Cox Automotive was one of the first customers to beta test and deploy the generally available version of the Collibra Catalog, replacing a robust spreadsheet solution that Cox Automotive had created.

Data catalog software has been in high demand in recent months because data is at the heart of digital transformation, which requires intelligence about the data itself, and regional regulations such as GDPR are driving a need for data intelligence to prove compliance. Data catalogs are a part of what IDC calls data intelligence software, and it helps answer the five Ws of data: where is the data, who has access to it, why is it being kept, what does it mean, and when was it last updated, plus how it is being used.

Data catalogs are not new, according to a recent IDC survey of 225 data professionals in which spreadsheets, custom-built solutions, and centrally available documents made up the majority of data catalog implementations. Commercial software was in the minority, ranked between email and word of mouth. The demand for solutions that can automate the discovery and cataloging of data has risen, because solutions that require manual maintenance of data intelligence are not effective.

ADVICE FOR THE TECHNOLOGY BUYER

Organizations looking to implement data enablement initiatives can learn from the following best practices developed by Cox Automotive:

- **It may seem cliché, but get executive buy-in for the program.** Cox Automotive has been successful because of the support and commitment of its senior leadership team. Successful implementation of data enablement is a culture shift that will change the way people work with data, and as a result, support is needed from the top down. It will also require investment for which immediate return on investment may not be quantifiable, but value will be demonstrable.

- **Align with business strategies, and understand what executives need to be successful and what is expected of a data enablement program.** Cox Automotive's strategy to integrate brands to drive product innovation required a focus on enabling shared data across brands. Return on investment will be easier to qualify and quantify in terms that the business understands, aligned with business goals and objectives.

- **Demonstrate value early and often.** Identify problems that, if solved, would have an impact on the business, whether removing a pain point, improving the bottom line, or enabling revenue growth. Early initiatives needs to have a smaller scope to limit the number of stakeholders and to improve the opportunity for faster decision making, fewer conflicts, and shorter implementation times.

- **Establish metrics to measure improvements.** The number of data assets available through the program, the number of users utilizing the assets, the quality of data curated within the program, and ultimately, the number of requests submitted to the data enablement team are examples of metrics that Cox Automotive has quantified. Measuring how long it takes for employees to find, prepare, and analyze data is another metric that will show improvement as data enablement takes hold. Related to this are metrics that measure effectiveness of the program: how often employees are successful in their work with data should begin to increase, and the amount of reuse of already curated data sets and existing analytics assets should also increase if these assets are discoverable in a catalog. What isn't measured cannot be improved.

- **Include IT from the beginning.** Technology is only part of the data enablement solution. Cox Automotive focused first on data definitions, semantics, and context but included technology in those conversations. IDC research has also shown that organizations that have placed importance on collaboration among IT and business on vision, people, and process are leaders in early stages of data governance maturity, whereas those that have placed more emphasis on technology alone are laggards.

- **Don't get too academic.** Theories and methodologies are important but practicality also needs to be understood. Find a balance between the two extremes to focus on what is relevant and avoid boiling the ocean.

- **Don't be the "no" team.** Data enablement is about being the "yes" team. Focus on what is required to deliver the right data to the right person at the best time. When users realize the data enablement team is there to help and not hinder, adoption of the program will improve and it will be easier to demonstrate value. Develop a customer success mindset, where the data enablement team works actively to help its stakeholders succeed.

- **Communicate, communicate, communicate.** Make sure the organization knows that the data enablement team exists and understands the benefits. Make sure executives and line-of-business leaders are aware and talking about data assets and outcomes of data-driven business initiatives.

Related Research

- *IDC PlanScape: Data Intelligence Software for Data Governance* (IDC #US41714817, August 2018)
- *IDC PeerScape: Practices to Revitalize Data Governance in the Data-Driven Enterprise* (IDC #US44118318, July 2018)
- *Worldwide Data Integration and Integrity Software Market Shares, 2017: The Year of Data Intelligence* (IDC #US43555618, June 2018)
- *Worldwide Data Integration and Integrity Software Forecast, 2018-2022* (IDC #US43555318, June 2018)
- *Data Integration and Integrity End-User Survey Results: Alternatives, Deployment, and Data Intelligence* (IDC #US42074117, March 2018)
- *IDC MaturityScape Benchmark: Data Governance in the United States, 2017* (IDC #US41714617, February 2017)

Synopsis

This IDC Perspective guides CIOs and senior IT executives who are implementing data governance in the digital transformation (DX) era — where data is the lifeblood of the DX platform and needs to be accessible, accurate, timely, and protected. This document highlights Atlanta, Georgia-based Cox Automotive, which is undergoing an enterprisewide digital transformation to deliver innovative solutions to a network of 40,000 customers across five continents.

"Strong data governance is mandatory in the era of digital transformation, as the different types of data and sensitivities in data that organizations deal with are increasing. Furthermore, data no longer sits within the four walls of a corporate datacenter but is distributed in hybrid cloud environments, regionally and globally," says Stewart Bond, director of Data Integration and Integrity Software research at IDC. "In many organizations, the data governance team is seen as a roadblock to progress, but with the right mix of vision, people, process, policy, and technology, the data governance team can be transformed into a data enablement team: delivering the right data to the right resource at the right time."

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