

## Data Risk Services

### Adopt a “Data Smart” strategy to optimize the digital journey

#### Preserving, enhancing, and creating value from your company’s data assets

To stay competitive in the increasingly digital world, companies are finding new ways to track customers and information across their business ecosystems. Due to the rapid proliferation of data, new architectures and mining techniques, companies must re-evaluate how they manage risks across the data value chain. This includes data acquisition, retention, and protection, as well as data use and consumption through advanced or novel channels.

Digital transformation presents opportunities as well as challenges for companies, especially their Chief Information Officers (CIOs), as they navigate business needs around new data and related technologies. Traditionally, CIOs have focused on the governance and optimization of systems with limited attention on the data that flow through them. Similar rigor, including governance, standards, and ROI analyses applied to technology must now be extended to the underlying data assets.

The CIO must forge forward—not by directing the use of data by lines of business—but by playing the roles of trusted operator, change instigator, and business co-creator.



Trusted operators deliver operational discipline by focusing on cost, operational efficiency, and performance reliability



Change instigators lead technology-enabled business transformation and focus on supporting business strategy



Business co-creators focus on business strategy and enabling change to ensure effective execution of the strategy

Source: CIO Value Delivery Patterns: The CIO can drive value by strategically deploying the company's data assets. Deloitte's 2016-2017 Global CIO Survey.

#### What is Data Risk and why is it important now?

In the last decade, companies have been inundated with market events emanating from regulatory and cyber pressures, forcing reactive approaches to managing data assets. Managing Data Risk preserves and enhances value from these data assets. As the use of data science becomes more ubiquitous, companies have a compelling need and opportunity to address the associated risks to their data assets.

In the past 12 months, questions asked to us around preserving value of data assets have become prevalent within the C-Suite. Highlighted in the next column are the most relevant questions and related themes.



#### Six questions and emerging themes

##### 01 How can we preserve the value of our data?

Explore culture and ethics around the acquisition of new datasets and use those datasets to create value.

##### 02 How do we manage and assign ownership of data?

Determine accountability for data in the Cloud or Fog, and ownership of data assets and models across the ecosystem, including third parties.

##### 03 How can we optimize the data lifecycle?

Consider leveraging Data Smart technology (e.g., Blockchain) to streamline operations and elevate the cyber defense posture.

##### 04 How do we safeguard our data and brand?

Anticipation and mitigation of risks to the company's data and reputation, and applying bot controls and advanced surveillance methods to analyze data movement.

##### 05 How do we classify and align data across the organization?

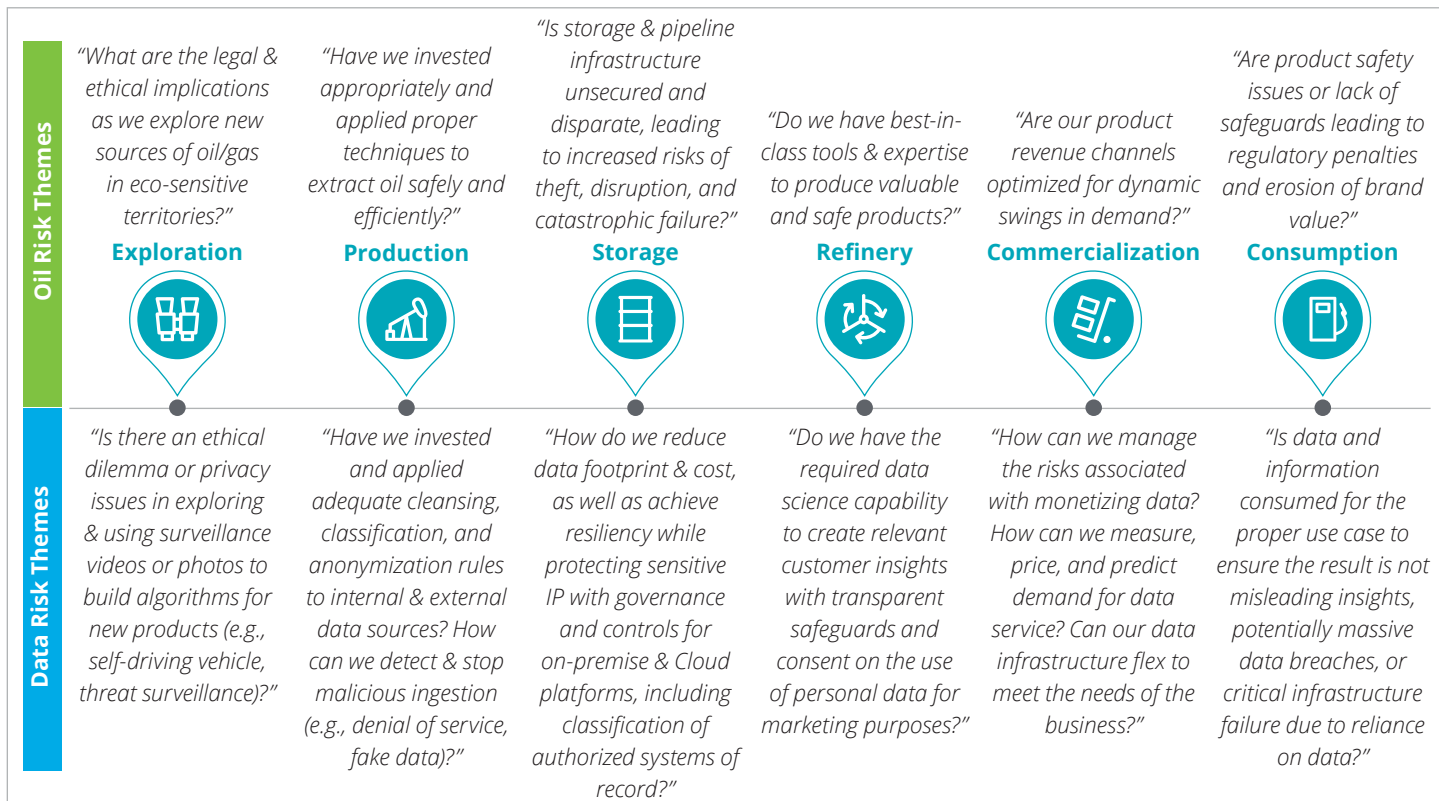
Alignment of business, data, and technology architecture to ensure interoperability, and refining risk management to drive digital transformation.

##### 06 How do we manage risks associated with creating value from data?

Seek methods to monetize data and develop data science talent, interest, and platforms.

## How can companies tackle the emerging risks and opportunities with data assets and their value chain?

The preceding questions and emerging themes support the notion that there is value in understanding the data value chain. An intuitive way to grasp data risk and value generation is by using the analogy of an oil refining process. Similar to oil, data asset utility and value can be generated, enhanced, and preserved through a risk-intelligent information value chain.



"Data is growing in both volume and value. Properly managed, it can drive competitive advantage, separating organizations that treat analytics as a collection of good intentions from those that industrialize it by committing to disciplined, deliberate platforms, governance, and delivery models."

— Industrialized Analytics, DU Top Tech Trends 2016, DU Press

### How do companies start the journey to manage Data Risk?

Many organizations have already embarked on efforts to manage their risks by improving data management, adopting advanced analytics techniques, and leveraging cognitive technologies.

A challenge, however, is that lines of business and individual domains have tended to adopt their own processes and standards for using data—rather than those by a broader governance initiative. This has led to strategic and operational inefficiencies, such as duplication of systems, multiple data standards, and inability to monetize data. Furthermore, this lack of enterprise alignment exacerbates the difficulties in addressing data risks that threaten the confidentiality, integrity, and availability of data.

To effectively drive a shared vision of analytics industrialization, a company should anchor its data initiatives around a holistic capability framework. Deloitte's Data Risk Framework is comprised of detailed capability components to help combat risks and realize the opportunities in generating value from data assets.

By integrating the Data Risk Framework components throughout all company aspects, leadership has the ability to pivot from ad-hoc data usage to become Data Smart.

### Deloitte's Data Risk Framework



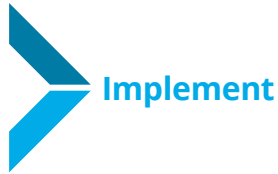
A multi-dimensional framework to mitigate current & emerging risks, evaluate existing capabilities, and develop a roadmap toward becoming Data Smart.

## How can Deloitte assist you?

Deloitte's Data Risk Services are strategically deployable in your company based on current data capabilities and desired end state of maturity. We can help you address risks at every information lifecycle stage—from discovery to value creation—with the use of advanced analytics to help you preserve your data assets in an increasingly complex digital landscape.



We can assist you to develop risk-intelligent strategies by factoring data confidentiality, integrity, and availability considerations into every aspect of planning and execution of information management roadmaps, as well as organizational and operating model design



We can help you enhance and operationalize data governance and policies through technology and process transformation to establish secure, vigilant, and resilient information architecture that meets the enterprise needs



We can help monitor your key risk indicators, continuously assessing Data Risk exposure using advanced analytics and automated surveillance over behavioral and machine-generated signals

Our team can tailor our services to your unique business needs. Please reach out to one or more of our leaders to begin a conversation.

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