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White Paper

How CDOs can drive the innovation agenda

Where data & AI come to LIFE

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How CDOs can drive the innovation agenda

Organizations have an immense amount of data at their fingertips. But how much is too much? The variety and volume of information can easily overwhelm conventional management methods.

Many firms need help turning their growing data hoard into a source of meaningful innovation. To keep pace with rapid technical, social and economic change, effective data management is essential to keeping up the momentum.

Maintaining relevance is a digital imperative in this era of abrupt pivots in customer preferences, investor sentiment and macroeconomic trends.

Boards increasingly enlist Chief Data Officers (CDOs) to address these complex challenges. Data must be democratized across people, processes and systems to foster genuine, scalable innovation. This requires liberating data from silos and providing effortless access to extensive data storesin multiple legacy repositories and applications.

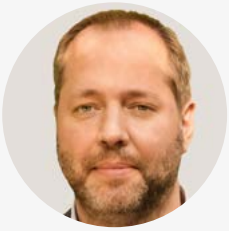
Modernizing data management with cloud-based solutions is critical to this transformative journey.

What's holding organizations back?

Innovation can take many forms: developing new products, reducing costs, improving operational efficiency, designing new services, developing personalized marketing offers or elevating the customer experience (CX).

Each of these demands data and analytics — but first they require trust in the data itself. Are datasets fully understood and complete? Do they meet the highest standards of quality? Are they up-to-date, accurate, compliant and secure?

Meet the expert



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Four common pitfalls stop organizations from establishing trust and fully leveraging their data:

Pitfall 1: Prioritizing technology over business value
Legacy IT landscapes and blind adaptation of new trends can lead to isolated technology-focused decisions. Instead, organizations should shift their focus to value-driven, enterprise-wide initiatives that prioritize the business value of potential projects against strategic objectives. This approach fuels value and customer centricity while fostering an integrated change and use case management process.

Pitfall 2: Missing the big picture
Organizations are structured into logical clusters that can create conflicting interests, and it's easy to fall into the trap of launching isolated initiatives that optimize silos instead of breaking them down. A cross-domain vision is vital to achieving operationalization. The aim should be to deconstruct complexity into manageable, prioritized use cases based on their value-add and feasibility, thereby fostering a shared data ecosystem.

Pitfall 3: Taking a top-down approach
Many organizations roll out data initiatives from the top down, neglecting employees' needs and expertise. This approach can breed confusion, demotivation, denial and resistance. Success hinges on enhancing the workforce's roles, skills, capabilities and mindset through early change management and comprehensive communication.

Pitfall 4: Clinging to legacy applications
Legacy applications and contracts, redundancy and outdated data storage systems can handcuff enterprise and solution architects, preventing them from considering the business's future needs.

Barriers like data fragmentation, poor governance and low data literacy can hinder organizations' efforts to harness their data for innovation. It's a complex landscape that underscores the need for a guiding framework to enable organizations to plot their unique path to success.

Deloitte and Informatica helped a global FMCG brand derive better insight and identify new revenue streams as a direct result of improved data management.

Although the destination may seem straightforward, the nuances of each organization – their industry sector, ecosystem, ongoing and planned data initiatives, cultural context and maturity level – differ vastly.

The approach to transformation must be bespoke, empowering organizations to unearth the hidden opportunities within their data and secure a competitive edge.

Innovation Case Study 1: Financial Services

One of Deloitte's clients, a significant player in the finance industry, was keen on **improving asset performance** and **identifying key financial drivers.**

Under the leadership of their CDO, they collaborated with Deloitte's team to create a groundbreaking digital replica of their asset portfolio. It amalgamated the power of machine learning, analytics, real-world data and comprehensive asset and planning datasets to mimic past performances and events accurately.

As a **simulation, it served multiple purposes,** acting as a reliable predictive tool, enabling the client to identify their most valuable assets and establish predictive maintenance schedules. Furthermore, it allowed the team to modify various elements in the digital environment, understand potential real-world impacts and gain valuable recommendations on enhancing operational capabilities.

The result was an innovative approach to asset management built on data. This pioneering simulation **revolutionized the client's asset management strategy** and also served as a shining example in the industry. It demonstrated the immense potential of leveraging data and technology to drive innovation.

Innovation Case Study 2: FMCG

Our client, a global Fast-Moving Consumer Goods (FMCG) giant, wanted to tap into their extensive customer data repositories and inspire the creation of new targeted products and services. They **understood the potential power of their data,** but harnessing it for innovation was a challenge.

Deloitte equipped them with a robust toolkit, including secure data storage, high-quality data processing with efficient ETL techniques,[1] and sophisticated reporting and Business Intelligence (BI) capabilities.

We initiated **bespoke data transformation lab sessions**, bringing together a unique mix of global analytics and FMCG experts. During these sessions, we delved into state-of-the-art data monetization techniques and cutting-edge business models. This enriched discussion used Deloitte's Data Transformation Map framework to define a clear, actionable roadmap for the organization.

By engaging with our toolkit and framework, the client could manage their data more efficiently and **unlock new potential for innovation.** The understanding gleaned from their customer data led to developing and identifying new revenue streams.

It's testament to the remarkable potential of effectively managed data to drive innovation and illustrates how Deloitte's Data Transformation Map can **pave the way to significant advancements** and new opportunities.

[1]ETL (extract, transform. Load)

How CDOs can release data's innovation potential

The CDO is pivotal in unlocking an organization's innovative potential. Their responsibilities often involve transforming existing business models and customer insights into operational improvements.

Ensuring alignment with board directives and clarifying how data can strengthen the organization's digital vision is essential. While the digital strategy outlines broader business objectives, CDOs must actualize them by overhauling technical architecture and processes — and identifying which areas require fundamental transformation.

In this context, an AI-powered data management cloud becomes a strategic asset. This cutting-edge technology facilitates organizations' transition toward a data-centric model, furnishing them with the necessary tools to conceive innovative products and services while delivering exceptional customer experiences.

To support CDOs through this journey, Deloitte and Informatica have joined forces through Deloitte's CDO Smart Services offering. This unique proposition leverages the robust capabilities of the Informatica Intelligent Data Management Cloud (IDMC) to bolster strategy and process-related functions specific to individual businesses. Designed with efficiency in mind, IDMC effectively tackles the complexities associated with dispersed and fragmented data, empowering enterprises to harness their data across any platform and cloud.

Whether your organization is in the nascent stages of establishing a CDO function or is looking to advance its data journey, Deloitte and Informatica are dedicated to helping CDOs extract maximum business value from their enterprise assets.

Deloitte helped one financial services firm create a digital replica of its asset portfolio, which accurately visualized the impact of past events and trends in overall performance.

Technology is not enough

While advanced tools are crucial, practical application is the key to success. It requires a comprehensive understanding of diverse scenarios for superior data management within an enterprise. With external expert assistance, Chief Data Officers can pinpoint specific cases where data can be exploited to its full capacity and foster targeted strategic innovation.

Equally essential is the democratization of data across the organization. By providing business users with data accessibility, CDOs enable them to generate trusted insights independently. However, this extends beyond data accessibility; it's about developing a system that harmonizes this liberty with mandatory data security and integrity. The result is a pervasive, enriched, innovative capacity across the business.

Nevertheless, improving data access without enhancing the skills to comprehend and apply it is an exercise in futility. It is crucial to improve data literacy and cultivate a data-centric culture. CDOs play a pivotal role in creating an environment where data is available, comprehended and effectively utilized. This helps ensure that data-derived insights are employed to find innovative solutions.

Automation is an indispensable component. It brings unmatched efficiency to data management and frees organizations from the intricate, time-consuming tasks of data handling, permitting more focus on turning insights into inventions.

The final ingredient is a cooperative data platform that facilitates shared learning from the experiences of different departments and business units. It should provide an environment for collective wisdom, catalyzing innovative applications that propel the organization forward.

Together, these strategies form a cohesive plan that aids CDOs in unlocking their data's full innovative potential.

Charting the course of data transformation

The journey to becoming a data-driven enterprise can be intimidating, considering the volume and diversity of data in various formats stored in different locations. To manage this complexity and assist enterprises in deriving value from their data, Deloitte has developed the Data Transformation Map[2] framework.

Visualized as a subway map, the framework depicts the interconnected aspects of business, organization and technology and the path each must follow to achieve a data-centric enterprise. Each subway line represents a key business pillar and their interactions are integral to the transformation's success.

There are seven lines:

1. **The Digital Roadmap Line**
   Outlines the organization's strategic journey
2. **The Value Line**
   Highlights the steps necessary to maximize business value from data
3. **The Data Line**
   Covers data governance and management to ensure trust and quality
4. **The Organization Line**
   Represents the prerequisites for fostering a data-centric culture
5. **The Enterprise Architecture Management Line**
   Lists technical requirements for housing data and delivering it to applications, systems and platforms
6. **The Security Line**
   Ensures data protection and privacy
7. **The Platform Line**
   Establishes the capabilities necessary for data democratization, maximizing the use of analytics across the business and discovering innovation opportunities

[2]For more on Deloitte's Data Transformation Tube Map, visit the webpage here

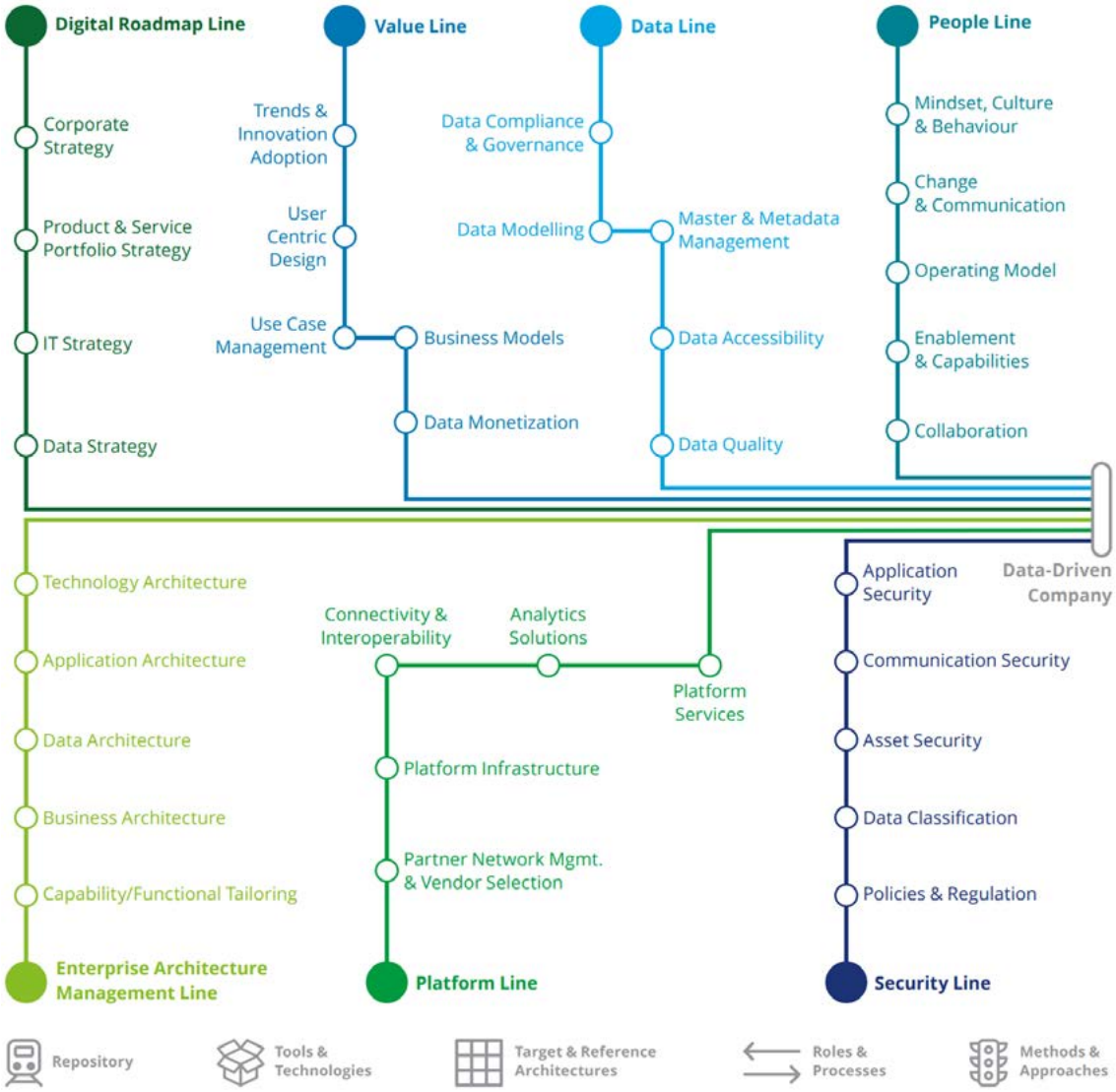

Figure 1: Deloitte's roadmap to data-driven innovation[3]

Transformation demands a customized approach that aligns with each organization's distinctive needs and objectives. Deloitte's Data Transformation Map framework enables this by providing a collection of adaptable assets such as methodological toolboxes, procedural models and modular solution patterns. These can be specific to each CDO's specific goals for promoting innovation across the enterprise.

[3]Transformation towards a Data-Driven Business

This framework has driven the success of numerous client projects at Deloitte. Once projects are finalized, their outcomes — including the technologies deployed, target architectures developed, roles involved and processes implemented — are recorded and stored in an enterprise repository. This repository serves as a valuable reference for future projects.

Furthermore, the Data Transformation Map framework incorporates insights from client projects, scientific research and established norms and standards like DAMA DMBOK[4], ISO 9001[5], ISO 27001, and TOGAF[6].

Innovation Case Study 3: Tech Sector

Silicon Valley-based KLA is a Fortune 500 company that creates process controls and yield management systems for leading semiconductor manufacturers like Intel and Samsung. With the business growing quickly, the company's physicists, engineers, data scientists and business executives needed **real-time insight** to predict and meet demand.

The legacy on-premises data warehouse performed well under normal conditions but struggled during critical periods of peak demand. Data silos were another issue, with some business units using separate systems.

To make data consistently available for vital analytics, KLA's data team searched for a cloud platform that could **scale on demand and connect to any on-premises or cloud data source.** They chose an integrated, cloud-native solution combining Informatica Cloud Data Integration and Informatica Cloud Mass Ingestion with Snowflake Data Cloud.

By **combining multiple data sources in the cloud** for analysis – including SAP ERP and SAP CRM, among other sales and manufacturing systems – KLA can now **generate more detailed and user-friendly reports.** Across the business, different teams can better predict demand for the firm's technically complex and often bespoke product groups.

[4]DMBoK (data management body of knowledge)
[5]ISO quality management standards 9001 and 27001
[6]TOGAF (The Open Group's enterprise architecture standard)

The coming wave of AI-driven transformation

Data has rapidly become the essential stimulant and catalyst for business innovation. Effective data management will be the linchpin to harnessing its long-term potential.

The raft of generative AI projects moving from proof of concept to eventual launch offers a glimpse of the industrial transformation to come. When all these new GenAI products and services are ready for rollout, data will be the resource for everything they do.

If AI really is the future, getting data management systems and practices in order today is mission critical.

But there is no one-size-fits-all for transforming a data architecture.
It demands a tailored data management strategy encompassing the entire data lifecycle — from sourcing to analysis to eventual deletion — enabling a unified strategic approach.

By supporting the shift towards cloud-based data management, Deloitte and Informatica are effectively equipping organizations to be more agile and responsive to dynamic customer needs. Forward-thinking CDOs who capitalize on the chance to modernize their organization's data management strategies today could find themselves leading their businesses toward market dominance.

Data transformation labs from Deloitte

Data transformation labs bring Deloitte's Data Transformation Map framework to life and applies it to real-world problems. Designed to be engaging and interactive, these labs take a tailored modular approach to help organizations from any industry and at any level of maturity address their data management challenges. Their aim is to help you overcome barriers to innovation at scale.

What can you expect from a data transformation lab?

A data transformation lab helps jump start any data initiative. It offers a safe space to be creative, address organizational barriers to change, and express aspirations for your future state. To ensure your business extracts maximum value from bringing key decision-makers together, we support you across the entire lifecycle — from identifying the appropriate attendees to defining actionable next steps.

Before the lab session we work closely with you to understand your AI and Analytics journey to date, your key drivers, and the challenges that are currently impeding your progress. This allows us to tailor the lab for maximum value.

During the lab we offer industry insights, thought leadership and engaging interactive exercises designed to help you understand the key barriers to scaling. The sessions focus on the specific foundational capabilities required to scale, the areas where you can add value and defining actions for Data Transformation scaling.

Post-lab, you will receive a comprehensive output deck that includes an executive summary, clearly defined next steps related to each module, a write-up of exercise outcomes and your personalized roadmap for building momentum towards innovation.

Data Transformation Labs are part of the CDO Smart Services offering from Deloitte and Informatica. It leverages the power of Informatica Intelligent Data Management (IDMC). And this gives CDOs a skilled team and technology platform that's primed to assess, prioritize and address barriers to fully leveraging your organization's data.

Want to know more?

To find out more, contact Deloitte's expert,

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Or contact us **here**.

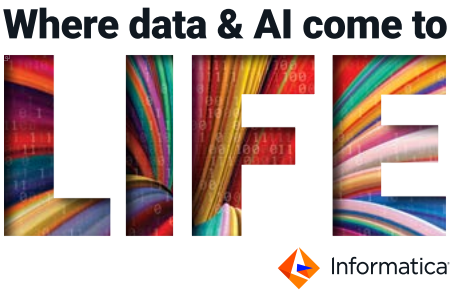
About Deloitte

Data is more than just the numbers and files you move around. When you manage your data the right way, you can unlock insights that help you better understand and run your business. Together with Informatica, Deloitte can help you take control of your biggest data needs from integration, quality, and management, to data governance and security. We'll deliver smart data that gleans powerful insights and unlocks potential you never knew existed. Let us know where you want to go, and we'll help you transform and modernize your enterprise with the right technology and without any downtime. We'll disrupt the way you manage your data—without disrupting your day-to-day—so you can see the bigger picture.

Learn more at **www.deloitte.com**

About Us

Informatica (NYSE: INFA) brings data and AI to life by empowering businesses to realize the transformative power of their most critical assets. When properly unlocked, data becomes a living and trusted resource that is democratized across your organization, turning chaos into clarity. Through the Informatica Intelligent Data Management Cloud™, companies are breathing life into their data to drive bigger ideas, create improved processes, and reduce costs. Powered by CLAIRE®, our AI engine, it's the only cloud dedicated to managing data of any type, pattern, complexity, or workload across any location — all on a single platform.



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