Data Governance KPIs

February 28, 2012
Goals

- **Background**
- **Present some ideas for KPI monitoring**
- **Initiate dialogue and discussion**
- **Discuss some keys to success**
• Schweitzer-Mauduit International, Inc.

• Manufactures and sells paper and reconstituted tobacco products to the tobacco industry, as well as specialized paper products for use in various applications.

• Operates in two segments, Paper and Reconstituted Tobacco

• Founded in 1520, SWM is a premier specialty company and global leader of engineered solutions for the tobacco industry worldwide.
  • SWM is the largest cigarette paper manufacturer in the world
  • 2800+ global employees

• Sell products directly to customers in approximately 90 countries.

• Founded in 1995 and is headquartered in Alpharetta, Georgia
History

1520
Papeteries de Malaucène, near Avignon in Provence, France, operates from 1520 until 2009.

1806
The Eagle Mill in Massachusetts, U.S.A., begins operations. It is the first of four mills in what is later called the Lee group of mills.

1827
Papeteries de Mauduit in Quimperlé, Brittany, France, begins producing fine writing papers in 1827 and cigarette papers in 1855.

1854

1941
The Spotswood Mill in New Jersey, U.S.A., begins producing cigarette papers.

1963
Le Tabac Reconstitué (now LTR Industries) in Spay, France, is owned jointly by SWM and SEITA, formerly the French tobacco monopoly.

1995
SWM becomes an independent public company after a spin-off by Kimberly-Clark Corporation.

1998
SWM acquires Companhia Industrial do Papel Pirelli (now SWM do Brasil), located near Rio de Janeiro, Brazil.

SWM acquires Ingefico, S.A. (now Papeteries de Saint-Gironas), located in France.

2004
SWM acquires P.T. Kinsari Paper Indonesia (now SWM Indonesia) in Medan, Sumatra, Indonesia.

PDM Philippines Industries, Inc. acquires the tobacco-related paper manufacturing assets of KCPI, San Pedro, Laguna, Philippines.

SWM and China National Tobacco Corporation form a 50/50 joint venture in Jiangmen, Guangdong province, China.

2007
SWM acquires Newberry Operation in South Carolina, U.S.A.

SWM purchases the minority interest in LTR Industries S.A. from SEITA, giving SWM 100% ownership.

2009
SWM reports much improved earnings.

Base paper franchise delivers strong recovery, posting a small profit.

Divestiture of the French finished tipping business to address major structural viability issues.

2010
SWM excels in safety performance, including a 10-fold reduction in the number of lost-time accidents since 2005.

Planned $117 million facility addition in Philippines will add about 30,000 metric tons annual Reconstituted Tobacco Leaf capacity.

SWM is investing $25 million for the expansion of its LIP footprint into Europe.
Importance of history to data governance approaches

- Growth through acquisition

- Autonomous, independent mills, product lines and approaches

- Very embedded ways of doing things .... 1500s !!!!!

- Very little policies / governance on SWM wide initiatives.

- 2 instances of Oracle, Cognos - - Nothing standardized or consistent
Data, process and systems autonomy
Data governance goals

- **Improve with applications and projects …** not a stand alone project
  - Change management issue too complex to address enterprise wide
  - Too time consuming to do stand alone
  - Difficult to relate by customers

- **Try to integrate with existing initiatives**
  - Lean Six Sigma
    - “AS IS” / “TO BE” - - Cost of non compliance.. Multiple formats, excel reporting, etc.

- **Involve finance in calculations for benefits, plans**
  - We are the end of it all…. Inconsistency causes us the most pain
  - Partner to calculate the benefits
  - Probably the #1 success criteria

The most common objective of Data Governance programs is to standardize data definitions across an enterprise…. “actually more”
Data Governance is really part of building a Quality Culture
Data governance goals and approach

- Appoint global “process champions”
  - Process and data standardization
  - 5 in total
    - Forecast to cash
    - Finance
    - Supply chain
    - HR
    - Manufacturing

- Standardize, simplify and improve
Metrics and KPIs
Data Governance Focus Areas

Data Quality
Information Integration & Flow
Data Definitions
Risk & Controls
Security
Privacy
Access Management
Compliance
Support for SOA and MDM
Executive Decisionmaking
• Break the Data Governance Policy into discrete subparts.
  
  ▪ Establish Data Governance for each subpart of The Policy.
  
  ▪ Create Scorecards for Objectives that involve multiple processes. These will be used in Management Reviews.
  
  ▪ Establish Metrics requirements within Operating Procedures that support each Objective.
  
  ▪ When feasible, consider establishing Dashboard requirements within Production Procedures, Work Instructions, or Process, Material and Product Specifications for critical Metrics.
Be careful with metrics.....

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How do we measure SUCCESS
KPI #1:
- Do customers / users not fall asleep….. Can we get time to talk about this?

#1 – The “Rolling of the eyes” metric.
KPI#2

- Does any one have it as even a part of their job?

#2 – The “Does anybody REALLY want to work on this” metric
KPI #3
- Can the CEO explain why it’s important in 2 sentences or less?

#3 – The “Elevator speech” metric
KPI #4

- *Training – is there any time dedicated to education on the CONCEPT… first*
Do dogs understand the concept of time?
KPI #4

- *Training – is there any time dedicated to education on the CONCEPT… first*
KPI #5
- *Training – and the procedures also.*
KPI #6

- Can you quantify what data governance is?
  - How many files, records, fields etc…
KPI #7

- Can you prioritize?... Core data elements and “non-essential” ...

#7– The “Juggle ONLY what you can “ metric
Summary

#1 – The “Rolling of the eyes” metric.
#2 – The “Does anybody REALLY want to work on this” metric
#3 – The “Elevator speech” metric
#4 – The “…Doggone Concept” metric
#5 – The “…How do I “ metric
#6 – The “Numbers are Fun” metric
#7 – The “Juggle ONLY what you can “ metric
KPI #8  If you build it will they come?

#8– The “Field of Dreams” metric
Thank you

Questions and comments
What if data governance controls and strategies were part of SOX?

- Visibility, attention, commitment,