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Special Edition

# Use data “offensively” by leveraging data intelligence

- Interview with Gautam Kher by Ryuichi Matsushita -

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## Executive Summary

*Amid globally growing recognition of data governance’s importance, including among Japanese financial institutions, we talked to Gautam Kher of Collibra, the data intelligence company, about the future of the industry.*

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### Gautam Kher

*VP, Worldwide Channels and VP, APAC  
Collibra*

VP, Worldwide Channels, and VP, APAC, at Collibra since January 2019. Prior to joining Collibra in 2017, he worked as an investment banking analyst at JP Morgan Securities, a divisional COO and chief of staff at CEB, an associate at Booz Allen Hamilton, a vice president at GoodData, chief revenue officer at HIRABL, and an adviser to the CEO of nineindustries, which he cofounded. Anniversary of the Internet from DARPA, and the Brandeis Award for work in privacy.

### Ryuichi Matsushita

*General Manger  
Global Financial Solution Business Department, NRI*

General Manger of NRI’s Global Financial Solution Business Department since 2017. Previously headed NRI Singapore’s financial systems business following a stint at iVision Shanghai, a joint venture between NRI and Mitsubishi Corporation. He has been with NRI since 1992.



## Data governance today

**Ryuichi Matsushita:** Collibra’s leading-edge platform helps the world’s top companies unlock the value of their data and turn it into a strategic, competitive asset. At the beginning of this year, it joined the ranks of the “unicorns” [privately held startups valued at US\$1bn or more]. Given the excitement surrounding Collibra, I feel like companies’ mindset with respect to customer data is changing dramatically.

**Gautam Kher:** Many organizations throughout the world are beginning to realize data is a strategic asset.

**Matsushita:** Data’s importance has long been common knowledge, but the information considered important in the past tended to have scarcity value, like new or little-known information.

**Kher:** To add to your point, one of the most integral and foundational elements of data governance is a strong data culture. Culture is at the center of the concept that data can truly transform organizations.

**Matsushita:** I believe one catalyst behind the current widespread recognition of data governance’s importance is the EU’s General Data Protection Regulation (GDPR), the main focus of which is protecting personal data and the rights of the individuals who own the data, as well as safely and accurately sharing data.



**Kher:** I agree. Today we believe that trust and privacy matter more than ever, and not just because of this rapidly evolving regulation that’s coming out. More importantly, it’s about companies’ protecting their brands. Companies are being entrusted with people’s data, so it must be governed well.

**Matsushita:** Personal data protection regulations like the GDPR are being adopted worldwide. Japan enacted its Act on the Protection of Personal Information in 2003, ahead of the GDPR. What’s Collibra doing in response to such regulations from the standpoint of data governance and privacy best practices?

**Kher:** In the current regulatory environment, it’s incumbent on our customers to put in place governance processes and procedures for important data. What we see our

customers doing from a best practices perspective is, first, establishing those key governance and privacy that need to be put in place; second, creating a personal data culture as I mentioned earlier; third, ensuring that personal data is kept safe.

Collibra is allowing our customers to take a more sustainable approach to compliance. That means they can more easily complete their data inventories and their mappings, support incident response management and monitor privacy-by-design. We see three main benefits of this approach: regulatory compliance, data protection and innovation.

## How to implement data governance cross-organizationally

**Matsushita:** Fostering a sound data culture seems like a huge challenge. Many Japanese financial institutions have launched data management programs to comply with Basel rules on risk management and/or worldwide laws against money laundering and terrorism financing. So far, these programs are confined to a single



organizational unit dedicated exclusively to data management. To foster a data culture, financial institutions would have to extend data management across their entire organization. It feels like they are having difficulty doing so. Do you have any advice?

**Kher:** I can offer a few pointers. First, establish concrete success metrics. Quantifying success is hard when it comes to risk and compliance, but it can be done by finding examples of what would be the cost to the bank if the data management process did not exist.

Second, find an advocate in the business who sees the value of managing and governing data more effectively. Such individuals are often found in business units that consume data or provide data for regulatory compliance purposes. As stakeholders in risk and compliance processes, they understand the processes' importance.

Third, start small when making such a transition. And start with a problem you're trying to solve. Once you succeed in an established model, the next step is how to replicate that success, how to take it back up to the overall strategy.

**Matsushita:** Among the major European and US financial institutions you’re familiar with, are there any data governance best practices that would be instructive for other financial institutions?



**Kher:** In the banking sector, we’re seeing a very federated approach to data sharing. A federated approach combines a common set of terms or standards at the enterprise level with flexibility at the individual business unit level. For example, the asset management unit may have different rules than the retail banking unit. Granting such flexibility makes it easier to change the culture because each business unit feels it’s contributing to that change.

**Matsushita:** Are there any particularly impressive case studies among your financial institution customers?

**Kher:** Yes, many. In the financial services sector, we have seven of the top European/US 10 banks as customers.

One of the largest financial services institutions in the world is currently using Collibra to create a data registry. The data registry is being shared across the entire bank, so different stakeholders—bank business line owners, analysts, data scientists—may collaborate on the data sets in the registry.

The data registry has enabled the bank to improve the sharing of its data assets. More importantly, the bank is now using such data sharing to inform what new products to launch, like credit cards. Sharing information across business units has also enabled the bank to work on optimizing the customer experience by looking at the retail branch experience versus the mobile app experience. This bank is using data to improve not only its revenue but also the customer experience.

## The future of data: data intelligence

**Matsushita:** In May of this year, Collibra hosted Data Citizens 2019 in New York. As its main theme, the event posed the question, “What’s the future of data?” One of Collibra’s answers was “data intelligence.” Please elaborate.

**Kher:** For us, data intelligence means allowing any data citizen—i.e., a producer or

consumer of data—to uncover and extract value that is hidden in their data. The goal is to empower everyone to use data to solve their complex problems, implement new ideas and ultimately drive growth in their businesses.

**Matsushita:** The mainstream discussion around data governance is shifting toward how to use data.

**Kher:** We’re very excited about that trend and trying to lead it. With this data intelligence approach, the focus is going to be on increasing trust to encourage collaboration, share that context and ultimately prioritize solving the right business problems.

**Matsushita:** How much of a role do AI and machine learning play in advancing data intelligence in your products?

**Kher:** AI and ML are a significant area of investment for Collibra. They provide data citizens with automation and recommendations to do their jobs more effectively. AI and ML in our products are really about creating a better data consumption experience and ultimately driving the use of that data for better insights.

**Matsushita:** Companies are now using data governance for not only “defensive” purposes such as regulatory compliance and risk management but also “offensively” to generate new revenue opportunities. What’s driving this shift?

**Kher:** I think there are many business factors behind it. The first is personal data. For banks, personal data is effectively customer records. Banks are looking at how to use personal data to improve the customer experience. The banking sector is becoming even more competitive with respect to customer experience. Providing the best customer experience is one way for banks to drive brand loyalty. Banks are all trying to extract new insights from data.

A second factor is the rise of analytics functions and data science communities in banks. Banks continue to make large investments in data science and the infrastructure that supports it. However, banks’ data scientists often spend lots of time just finding the data they want to use, figuring out how to access it, gaining access through proper channels and then manipulating the data. Creating an environment where highly reliable source data is readily available for immediate use is crucially important.

**Matsushita:** So, increasing data scientists’ productivity is a key to using data more offensively.

**Kher:** Right. A third factor is that many mature banks are trying to seize new opportunities in the market. They continue to seek new ways to continue to increase market share and improve their growth, whether by leveraging blockchain technology or improving the mobile banking experience for their customers. As they look to seize these new opportunities, data is central to making those decisions and big investments. They need to know whether they can trust the data and the insights gleaned from that data.

**Matsushita:** It sounds like the desire to know the customer is a major driver of data use.



**Kher:** Yes, banks are especially focused on customer experience and customer interaction. Historically, their data usage has been all about production of data. Where is the data produced? How is it produced? How is it being managed? Today, however, more and more people inside the bank want to consume that data. They want to consume it more quickly to make faster business decisions. So, there is a natural shift toward “offensive” data usage.

## Rapidly growing interest in data governance in Asia/Pacific region

**Matsushita:** Last year, Collibra opened a Melbourne office, its first in the APAC region. What’s your outlook for your business in the region, including Japan?

**Kher:** We feel APAC is pretty close to Europe and the US in terms of the maturity of companies’ thinking around managing personal data. We see a real openness and readiness to build data intelligence capabilities. The reason we started in Australia was the maturity of many of the companies there, very similar to the US and Europe in terms of the processes they are looking to put in place. This year, we have seen rapid acceleration in interest in data governance and data management across the entire region, particularly in Japan, Singapore, Hong Kong and India. We believe such interest is partly driven by companies wanting to avoid the kinds of missteps they have seen large European or US multinationals make.

**Matsushita:** We feel interest in data governance is surging in Japan.

**Kher:** In Japan, we think some of it began with Prime Minister Abe’s comments at the World Economic Forum in January.

**Matsushita:** Yes, his message that digital data is the new economic growth engine made headlines.

**Kher:** Speaking to people in the Japanese banking sector, we think there is a desire to bring in best practices from the US and Europe to start to move beyond just regulatory compliance and really think about other ways to use data intelligence to drive value.

**Matsushita:** I agree. In response to such demand, we hope to continue collaborating with Collibra to spread data governance in the Japanese and APAC markets.

**Kher:** Our experience in working with NRI has been very positive. We’re also very excited by the global presence that NRI brings. We look forward to partnering more broadly, whether in Europe, the US, Japan or elsewhere in APAC.

**Matsushita:** Thank you for an enlightening conversation.





## about NRI

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