

Show Me the Money: Funding Data Governance – A Canadian Government Case Study Using a Practical Strategy to Costing the Work of Data



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Immigration, Refugees
and Citizenship Canada

Immigration, Réfugiés
et Citoyenneté Canada

Canada

Overview

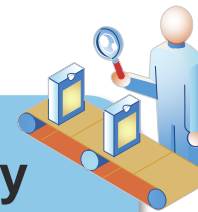
- 1) Introduction
- 2) The Demand is Real
- 3) Getting Buy-In
- 4) You Get What You Pay for
- 5) An IRCC Case Study: Our Framework
- 6) The Result
- 7) Conclusion: Lessons Learned

Introduction

IRCC has a vested interest in improving its use of data.

Evidence-based decision-making means managing data as a critical corporate asset, and it should be costed as such.

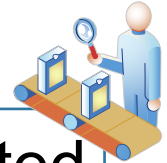
A Problem versus An Opportunity
How does the Public Sector determine the cost of managing data?



The Demand is Real

Better Data

Data needs have led to the establishment of CDOs



2015

- Government of Canada Agenda committed to evidence-based decision-making

2018

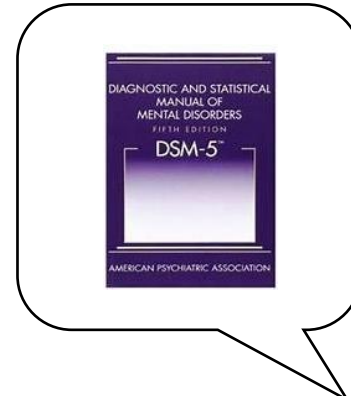
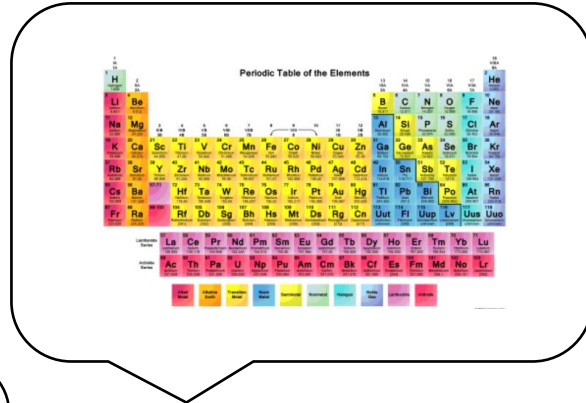
- Publication of a Data Strategy Roadmap for the Federal Public Service

2021

- Data is a Government of Canada priority

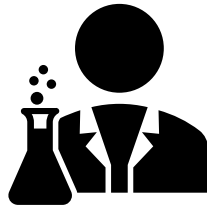
Getting Buy-In

Standards Help Us Speak the Same Language...



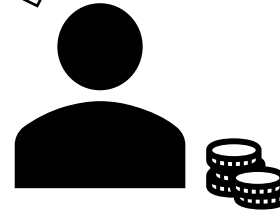
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National Item Identification Number	6304



Chemist

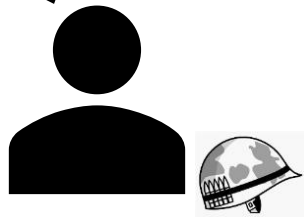
GAAP
Generally accepted accounting principles



Accountant



Psychiatrist



Military Personnel

...But Standards Require Investment.

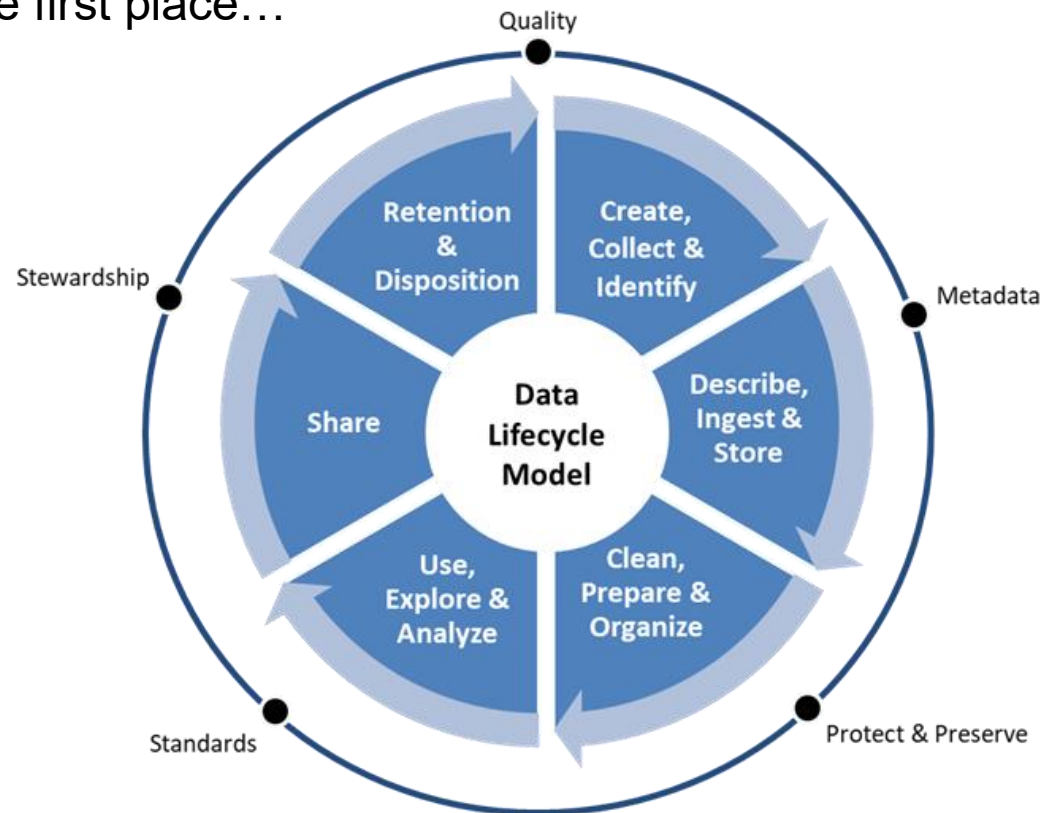
You Get What You Pay For

Total Cost of Ownership (I)

Costing data comprises much more than just those activities that are associated with collecting it in the first place...

Examples of Hidden Costs:

- Data Stewardship
- Data Governance
- Business Glossaries
- Master Data Model
- Master Data Management
- Data Quality Assessments
- IT Security
- Data Retention
- Data Disposition



Context is King

Total Cost of Ownership (II)

Think about how the military accounts for the cost of owning large physical assets like airplanes, warships, and tanks, which can last decades.

- Full lifecycle cost includes the price of the asset itself, fueling, storing, maintaining, staffing, disposal, etc.



In other words, all activities that interface with these assets, throughout the entirety of their respective lifecycles, are accounted for.

We must treat data the same way.

Data-Works Costing Framework

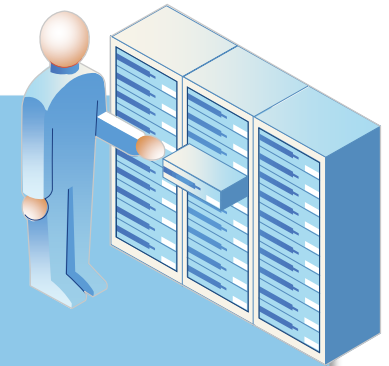
The Solution:

IRCC developed a tool, the **Data-Works Costing Framework**, to assess the Data-Works Cost (DWC) within any initiative, project, program, or policy within IRCC.

The Tool

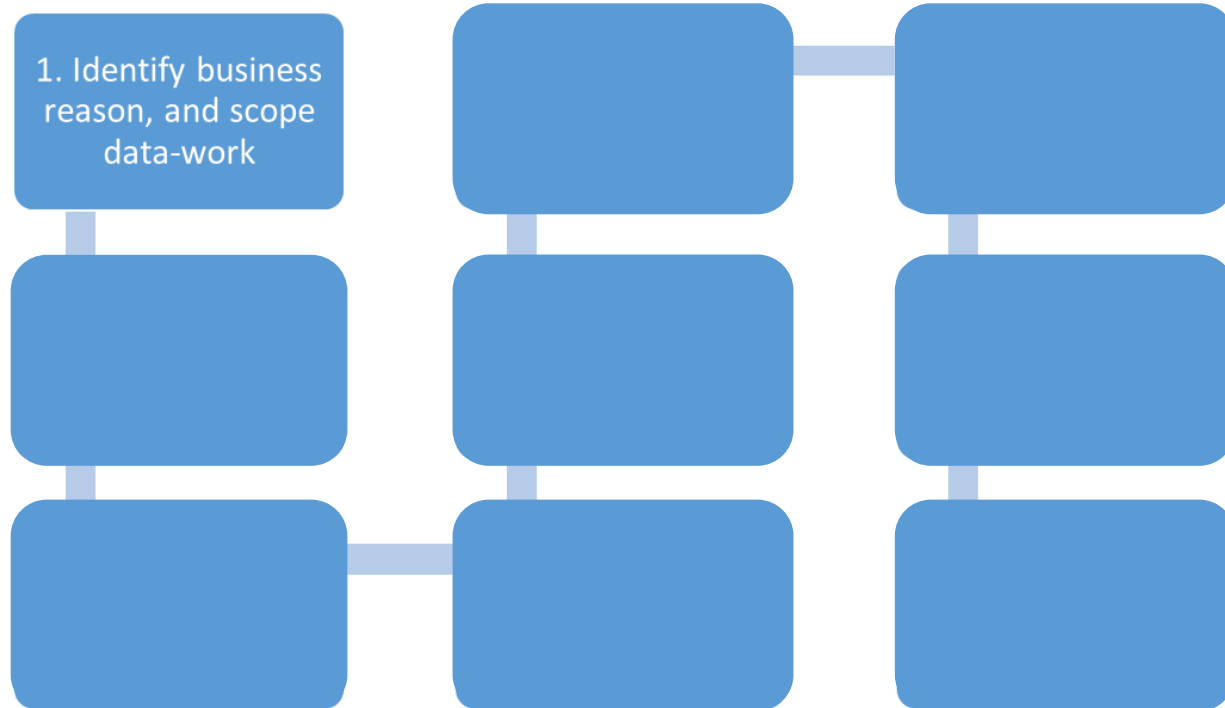
The Data-Works Costing Framework:

- Better identifies and defines data-work activities within the organization;
- Better explains and substantiates the data work related to government initiatives, projects, programs, and policies to finance professionals using an **Activity-Based Costing (ABC) Model**;
- Better assesses how data is approached, perceived, used, and needed, thus allowing the associated work or practices to be costed.



Data-Works Costing Framework

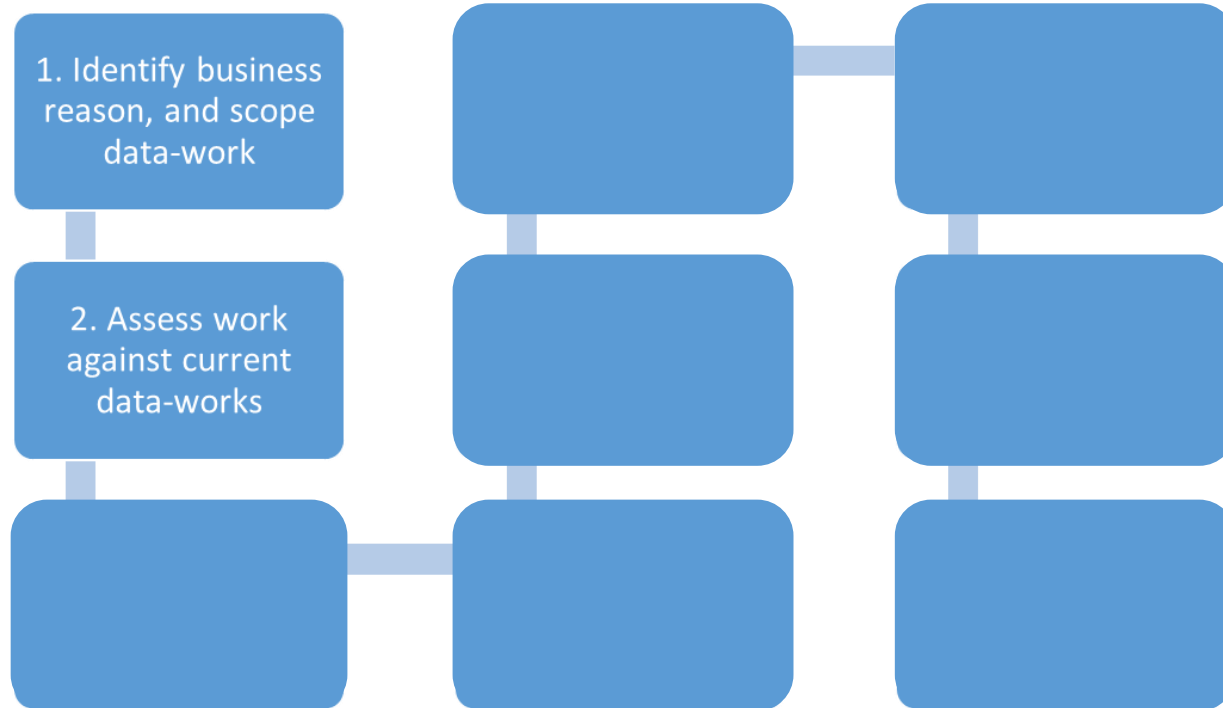
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Data-Works Costing Framework

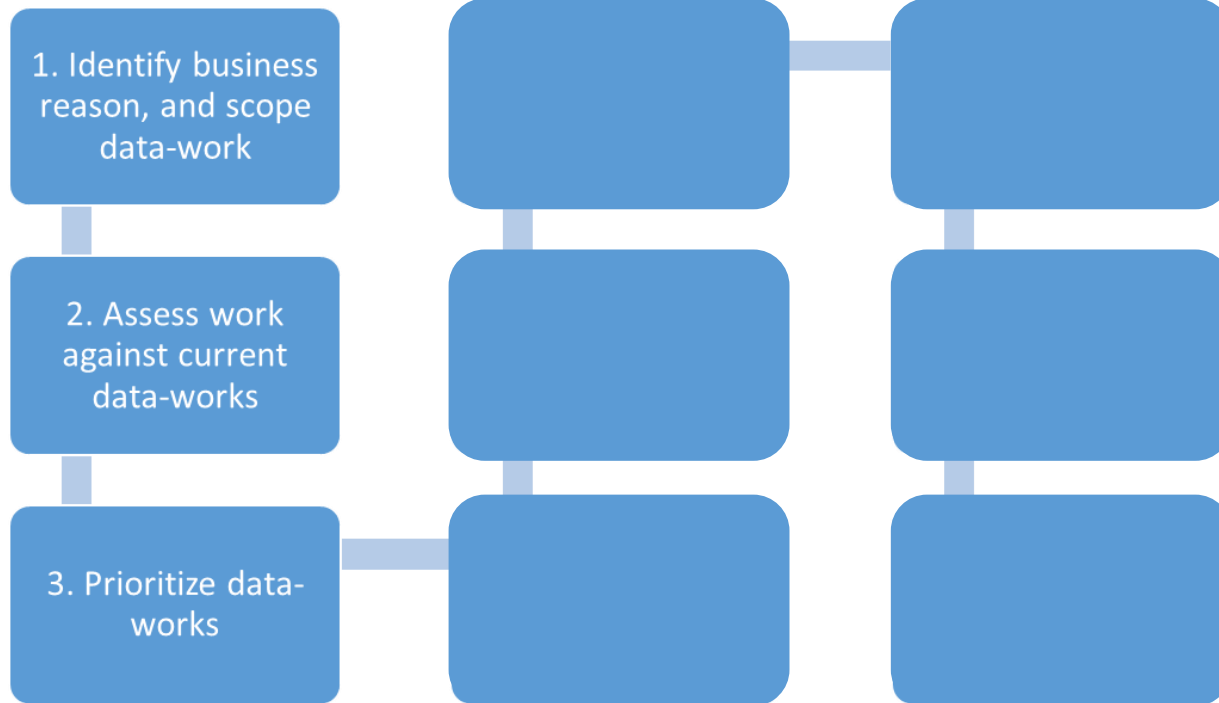
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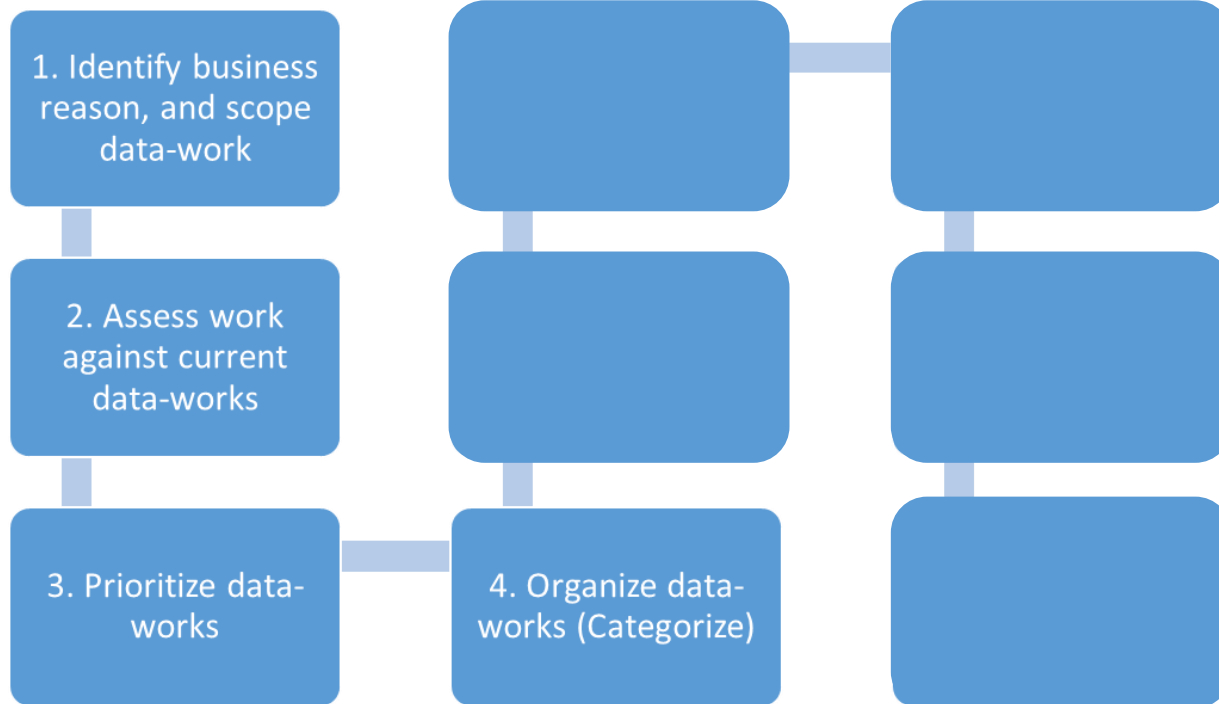
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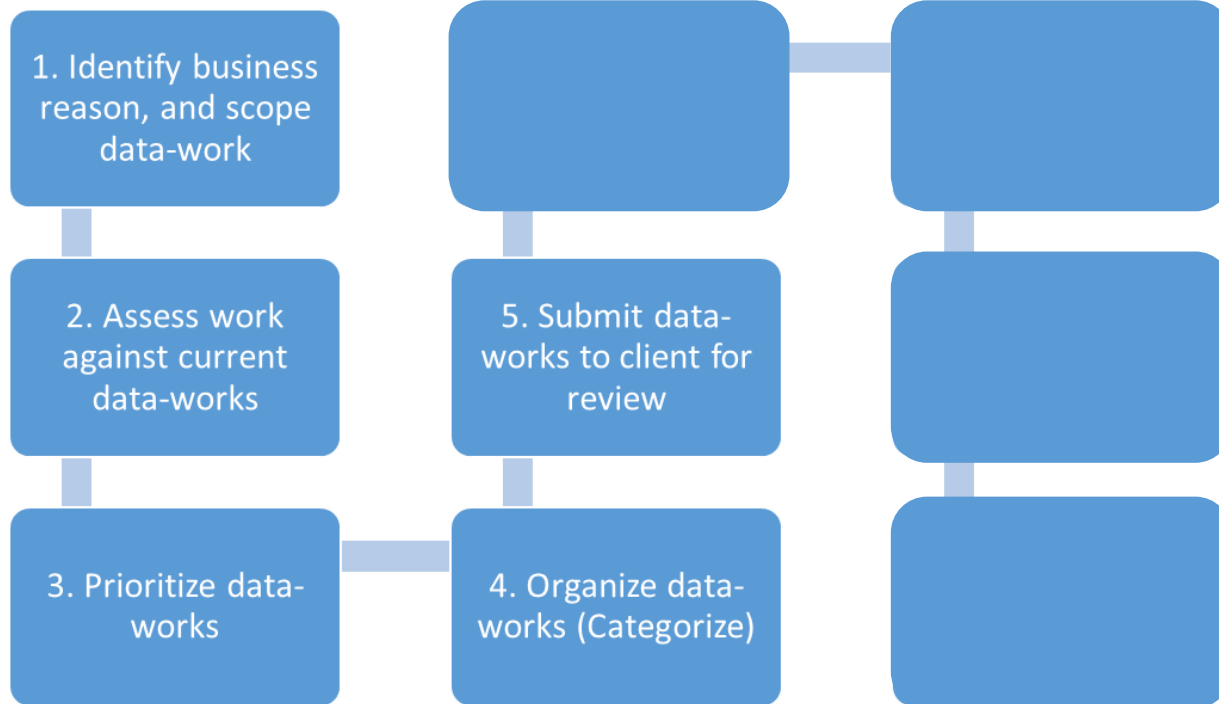
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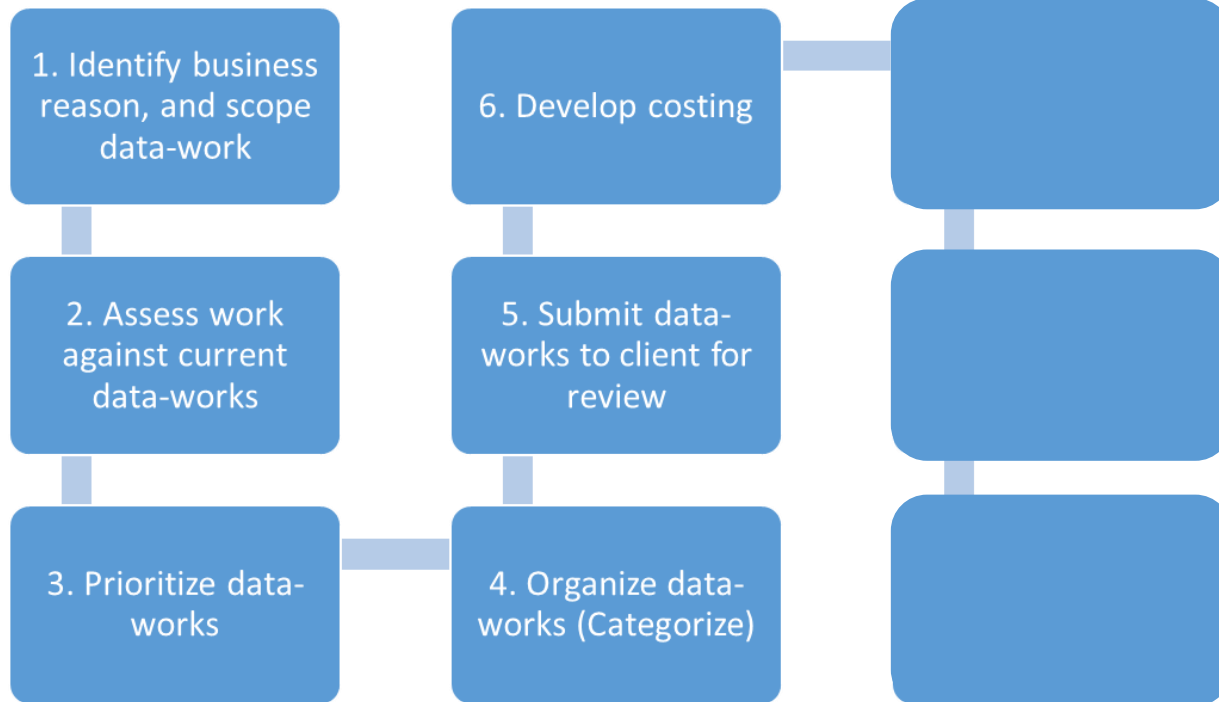
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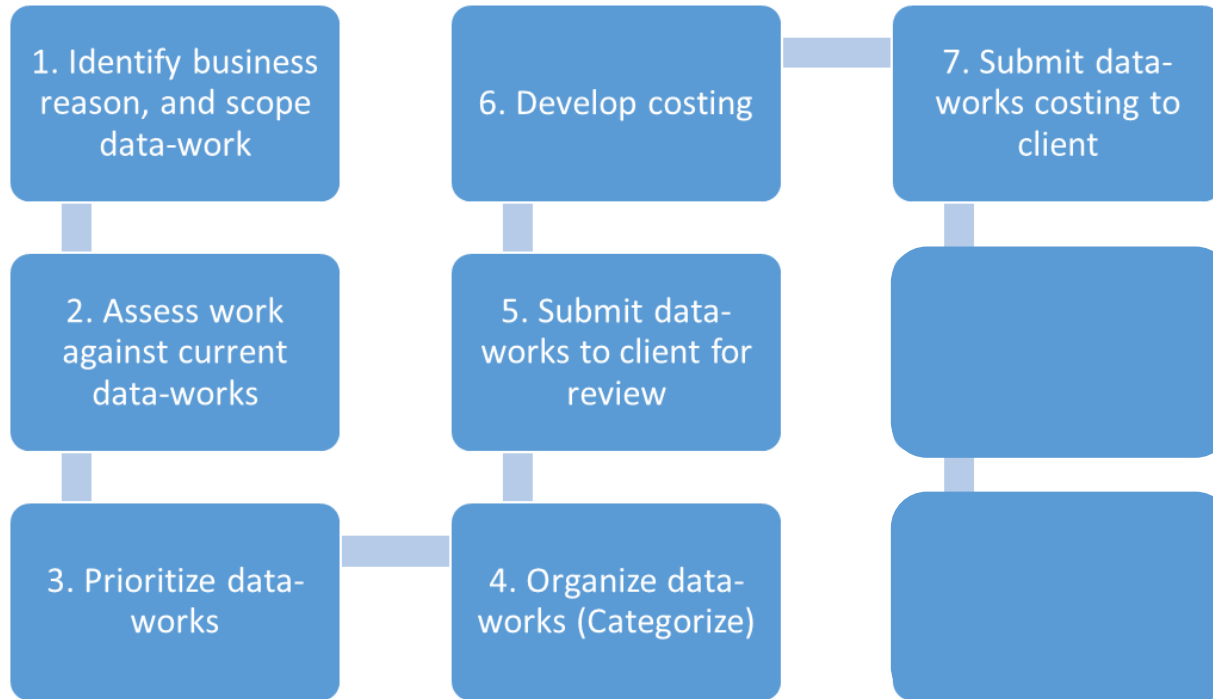
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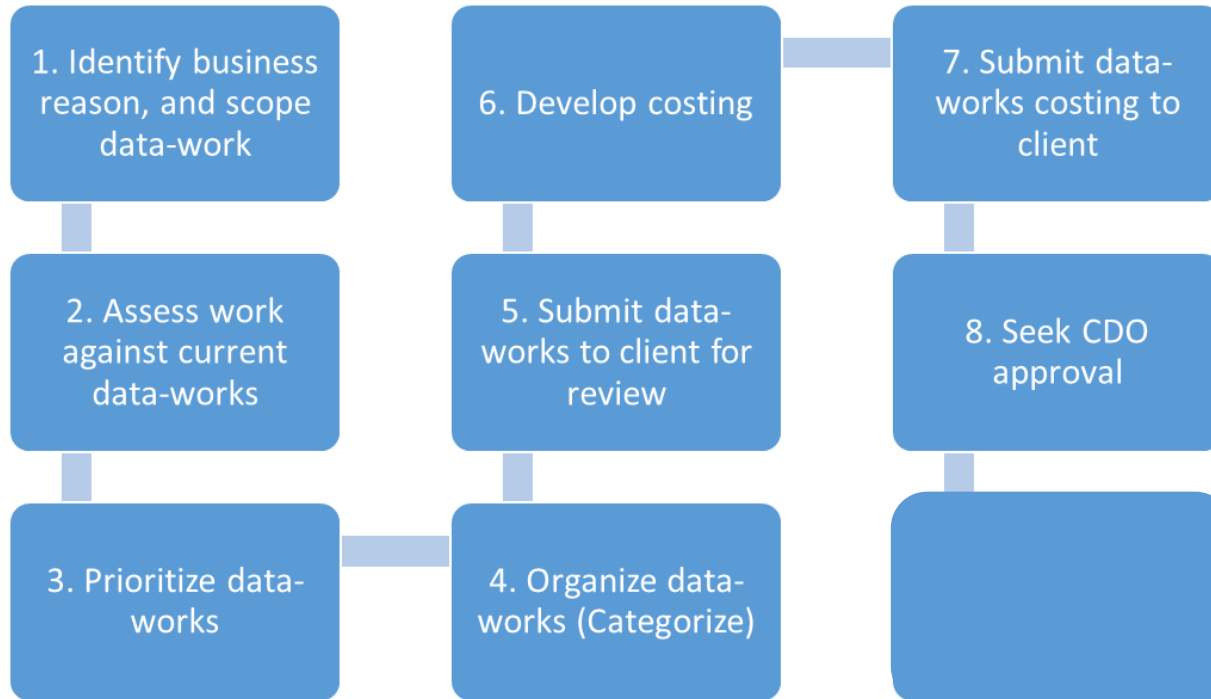
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Data-Works Costing Framework

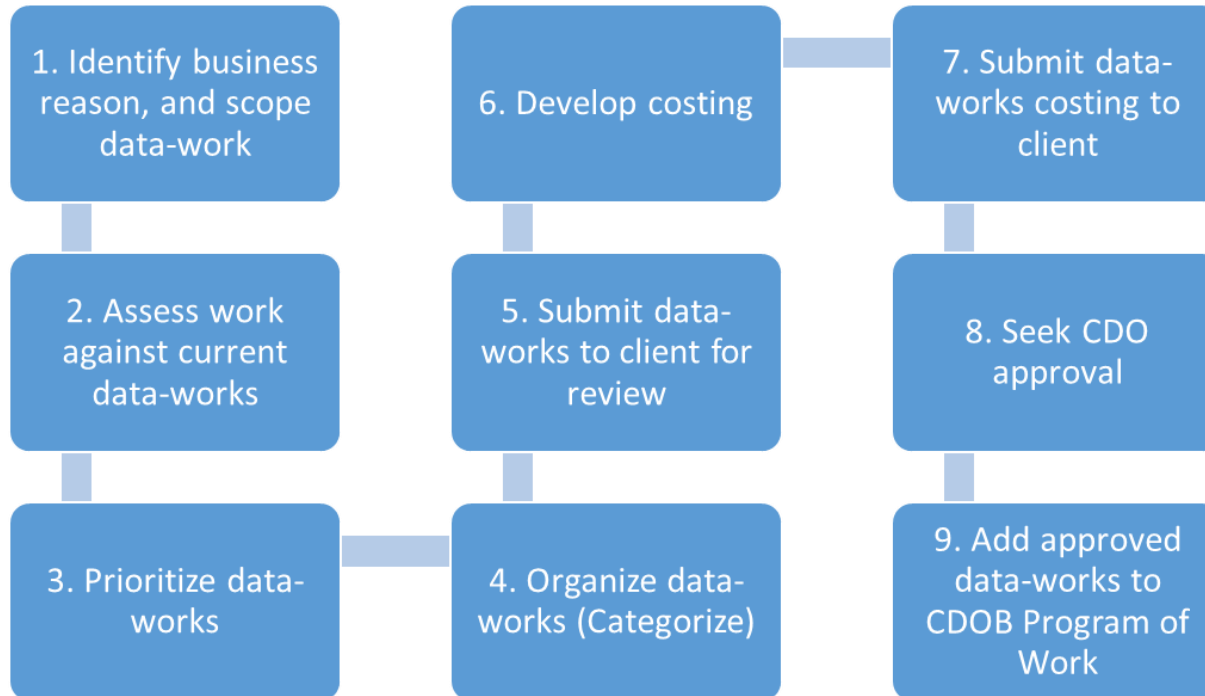
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Data-Works Costing Framework

START



FINISH

Data-Works Costing Framework

An example of a Data-Works Costing Formula:

$$\text{DWC} = \left[\frac{\text{FTE} \times \text{Level}}{t} \right] \times \text{DWSA}$$

DWC – Data-Works Cost

FTE – number of Full Time Equivalent Employees (FTEs)

Level – Annualized salary cost for each FTE level

DWSA – Data-Works Sub-Activity

t – Time period over which the process is measured

The Result

The Data Works Costing Framework...

1

Provides a **clear costing estimation** for all requested data-work

2

Bridges the gap between data and finance

3

Enables an **agile response** for budgetary submissions