

THE CHIEF DATA OFFICER (CDO) ROLE & RESPONSIBILITIES



You'll be hard-pressed to find a successful organization that is not data-driven in some capacity. In the [era of big data](#), becoming data-driven is an imperative. Whether data is collected from customers, clients, internal processes, financials, etc., a business can use their data to:

- Improve product performance
- Strengthen their competitive edge

The prevalence of technology in business makes the collection of data easier than ever, but with all that data comes great responsibility.

That's where the Chief Data Officer (CDO) comes in. Let's take a look at this role.

What's a Chief Data Officer?

The Chief Data Officer (CDO) first appeared in the early 2000s. Originally, the role was focused on data governance and compliance, but now the CDO utilizes data to drive business outcomes.

An integral member of the [C-suite](#), the CDO (not to be confused with Chief Digital Officer) has many data-related functions, including:

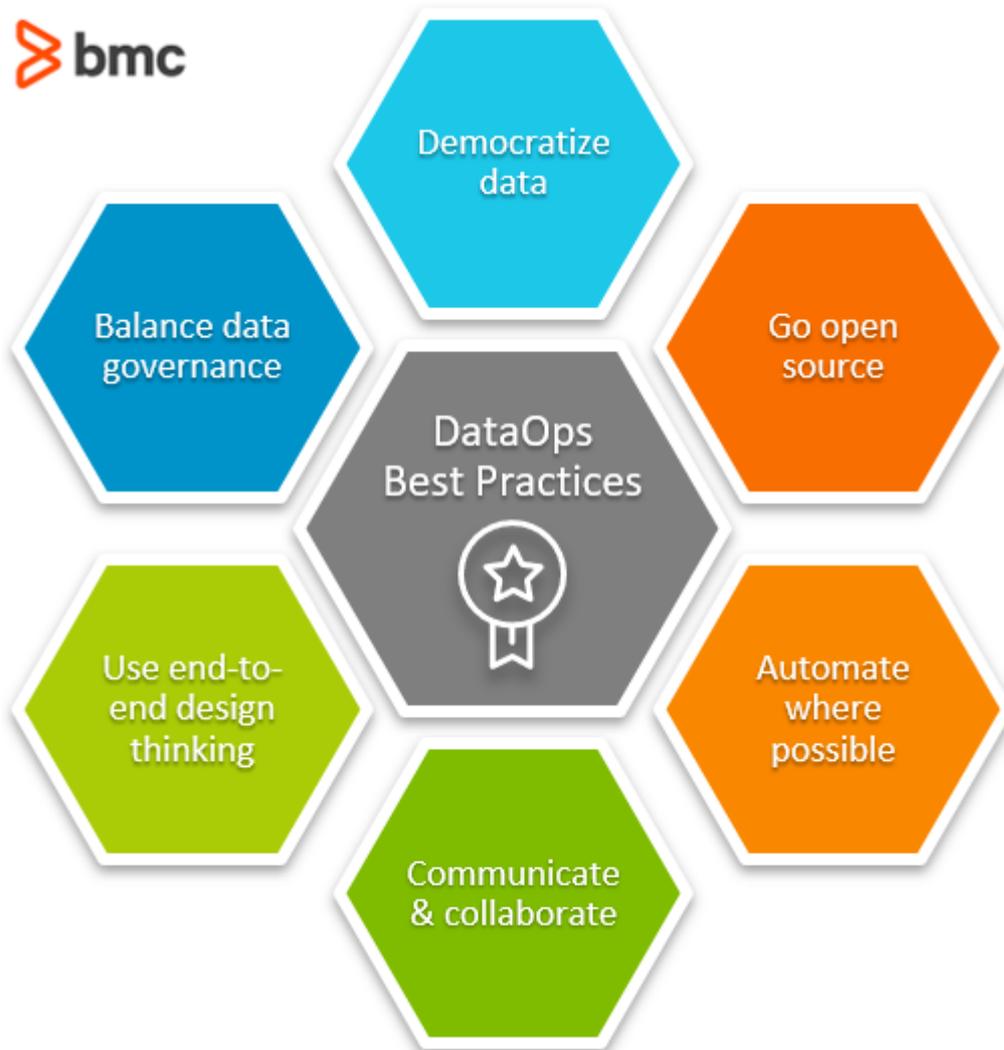
- Overseeing data management, data analytics, and data governance
- Ensuring data quality
- Spearheading data and information strategy

The CDO leads the utilization and governance of data across an organization. As CDO, you're an executive that understands strategy as well as how to use data to drive a business in the desired

direction. The best CDOs are then able to justify that direction to investors and stakeholders.

A Chief Data Officer supports good data operations, or DataOps. DataOps is an emerging concept that takes a process-oriented, automated, and collaborative approach to designing, implementing, and managing data workflows and a distributed data architecture.

([Learn more: DataOps Explained.](#))



Chief Data Officer summary

We'll look at more specific tasks in a moment, but here's a brief summary. A successful CDO will:

- Create a data management system that facilitates the secure collection and processing of data.
- Establish a culture within your organization that normalizes sharing this data and making informed decisions on how to improve future business outcomes.
- Implement proper data analytics to identify and, hopefully, reduce pain points at all stages of the business process, increasing not only profit, but also trust in the eyes of stakeholders and clients.

Hierarchy of the CDO

When updating the company org-chart, it might seem like a no-brainer to have the CDO report to the [Chief Information Officer \(CIO\)](#), but that is not the case.

In fact, it's probably best to have the CDO report directly to the CEO or the COO. That's for a couple reasons:

- The CIO and the CDO have to work in conjunction, as a team, so it can be harmful to have one report to the other
- The CDO is not actually a tech position—the CDO's responsibility is not focused solely on technology.

Key roles/responsibilities of a Chief Data Officer

To succeed as CDO, you will need to utilize your data management experience, C-level credibility, understanding of business, and [numerous soft skills](#). The details of the position will depend largely on the organization, but these six areas are something that every CDO must focus on.

Data as an asset

Every organization collects data [in some form](#). As CDO, you have the responsibility to take that data and turn it into value for the company. After all, data on its own isn't valuable.

One way to do this is to utilize data collected to inform business practices and increase revenue or cut costs. When looking at the data, consider what it is telling you. What benefits do each type of data generate for your organization?

Data can and should be used to stay ahead of the competition, drive revenue, optimize process, and reduce costs. It tells you how things are working—and how they *could* be working. Regular collection of data allows organizations to:

- See potential gaps or anomalies
- Predict consumer behavior

Speaking of customers, you could also decide how to monetize data. If taking this path, it's important to consider the best way to do so while making sure you are remaining ethical and doing right by your customer base.

(Explore [data monetization strategies](#) for companies.)

Governance

[Data governance](#) will be a very important part of your role as CDO. Primarily, you will be responsible for protecting your organization's data from interference, theft, corruption, and loss. Governing data includes creating strategic data access policies, both internally and externally.

- Keep up with ever-changing data protection regulations.
- Avoid data breaches by ensuring that everyone who can access information is authorized.
- Put measures to protect stored data and data that is being transmitted.

As CDO, you will be responsible for driving data security awareness across the organization by outlining and enforcing rules, rights, and accountabilities. It is helpful if a set of standards is in place in regard to naming, abbreviation, acronyms, etc. Consistency in these areas will help data to be easily catalogued and make sure that employees can find the data they are looking for without wasting time.

Crucially, you will need to [keep data ethics](#) at the forefront of your operation. This includes

- Protecting collected data from leaks.
- Being aware of the intentions of anyone who might want to purchase your data.
- Ensuring your own organization is using data ethically.

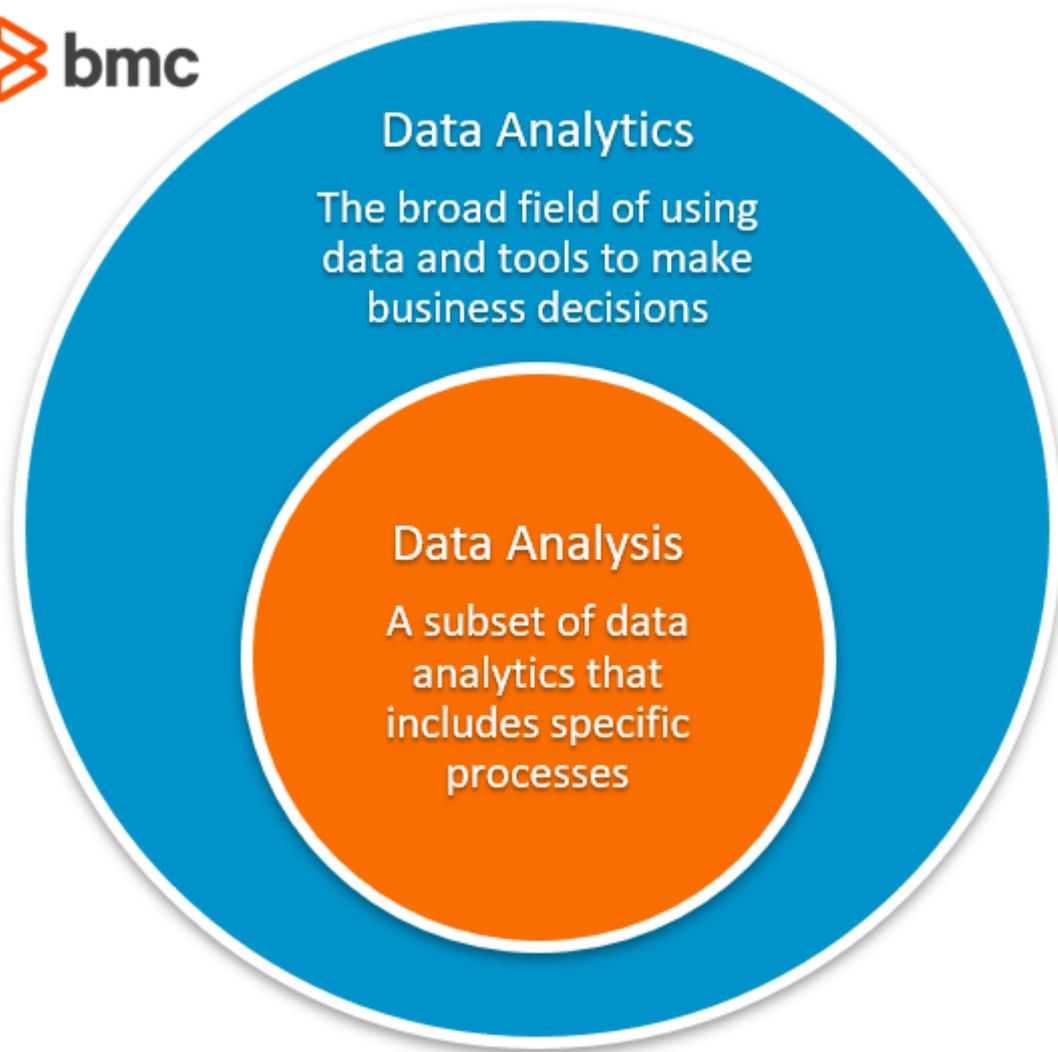
Analytics

It will be hard to turn data into an asset without [data analytics](#). As CDO, you will drive what this looks like by:

- Leading the design of the [data architecture](#) and analytics infrastructure
- Developing a system to conduct analysis in a way that gives meaning to the data.

Automate data collection and processing and create algorithms to make the analytics process consistent and pain-free. A good analytics system will enable business leaders to present the data in a way that informs business operations by reporting on products, customers, operations, and markets.

With a solid data management strategy, correlations and causations will become clear over a period of time and it will put your organization in a place to optimize performance by being better informed when making decisions.



Data Analytics

The broad field of using data and tools to make business decisions

Data Analysis

A subset of data analytics that includes specific processes

Reporting

Analytics are nothing without transparent reporting. Comprehensive and accurate reports can help you to see what happened in the past and anticipate what will happen in the future, communicating this information to various stakeholders.

Business leaders, investors, and even clients are interested in how things are going with your organization, and reports can help them to make plans for the future. Many reports can be automated so departments don't have to worry about this extra step.

But, the CDO must continue to initiate new reports that look at the data in a different way. A solid reporting system can reveal:

- How much was produced/earned
- What has been the most successful and under what circumstances
- How to reproduce or improve upon desired results
- What isn't working or could be working better

Furthermore, reports are valuable for both internal and external purposes and they help to ensure compliance and accountability among staff.

Collaboration

Teamwork skills are essential for anyone in the C-suite, and especially for the CDO. Since the data informs specifically what happens in each business unit, as CDO you will have to work closely with the other members of the C-suite to ensure that their departments actually:

- Understand the data
- Utilize it to make real change

For example, if your organization has a [Chief Transformation Officer](#), they will be hard-pressed to initiate forward movement and innovation without the data to back up their strategy.

In addition to sharing analytics and findings with fellow members of the C-suite, you should also be working alongside the members of your own team to make sure algorithms and reporting are running smoothly.

Communication & storytelling

As CDO, you will need to be an expert communicator.

So often, it will be up to you to communicate the data findings to folks from other departments who may not have analytic minds. That means you'll have to present results in a visual and user-friendly way so that non-data-minded folks can understand its importance and implication.

When talking with other members of the C-suite, you will need to stress the importance of data collection and analytics and how your data vision is a critical part of growth strategy. Data drives business outcomes, and in order for data to be valued and properly utilized, business unit leaders need to understand and respect the data.

Beyond the C-suite, it will be up to you to create and foster a data culture within the organization by infusing data literacy into every business unit. That means you will be communicating best practices and fostering a culture of data sharing. If folks stop feeling territorial about their data, team leaders can data collection and reports, removing any bottleneck for a data specialist.

Chief Data Officers support data-driven businesses

Becoming a data-driven business is a key tenet of an Autonomous Digital Enterprise (ADE). An ADE is any organization that embraces intelligent, tech-enabled systems across every facet of the business to thrive during seismic changes.

(Find out how to [become an ADE](#).)

Related reading

- [BMC Business of IT Blog](#)
- [BMC Machine Learning & Big Data Blog](#)
- [Data Management vs Data Governance: An Introduction](#)
- [3 Keys to Building Resilient Data Pipelines](#)
- [4 Essential Leadership Qualities for CIOs](#)
- [Data Engineer vs Data Scientist: What's the Difference?](#)