WHEN A DASHBOARD ISN'T ENOUGH

ClearPoint Strategy
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Dashboards are great tools for dealing with big data sets—they allow you to quickly visualize, slice and dice, and drill down. But dashboards are just one tool in your management toolkit. **Dashboards present a snapshot of data from one point in time.** As managers, we need to interpret that information, analyze it, plan our response, and then follow up. In other words, we need to manage. **So, when do you need more than a dashboard?**

1 WHEN YOU NEED MANAGEMENT INSIGHT

You know a goal was missed, but you don't know why.

While dashboards are excellent tools for showing data analytics in visually appealing ways, they can't tell you the backstory. That's where management insight comes in. Insight is what separates good managers from great ones. Great managers understand the broader context of the data reported by dashboards, and can translate that data into knowledge that drives effective decision-making.

Not only can management insight help you stay on path, you can augment the quantitative information (a missed goal) with the qualitative information that surrounds it (a goal was missed; here are all of the working parts to that goal; and we're taking these steps to course-correct). **With the ability to manage projects and notes in the same place as your charts, you'll be able to work with all your evidence so you can reevaluate, plan, and meet future goals.**

2 WHEN YOU NEED AN EARLY WARNING SYSTEM

The only thing worse than bad news is bad news too late.

Your management team needs a heads-up when bad news is inevitable. Unfortunately, unless you understand the cause and effect relationship between your objectives, measures, and initiatives, you're going to be stuck in a reactive mode as you careen toward chaos.

Dashboards show you what's happening right now. But sometimes, you need to understand what will happen in the future. That's where leading indicators come into play. By balancing leading indicators (measures that help you predict issues) with lagging indicators (measures that show you what's gone wrong or right), you'll be able to see when conditions are going to get difficult and have a bit of time to plan for and anticipate them.

To make an early warning system work, you'll need managerial accountability for your indicators. Leading and lagging indicators aren't enough—you need to be able to look at both types of indicators and understand what is causing them to move in any direction, whether it is overall economic conditions or something specific to your organization.

3 WHEN YOU NEED CONTEXT

If you don't know your history, you're doomed to repeat it.

"Were we red on this indicator last month?"
"Why are we in the same place this month?"
"What's different about this month?"
"What are we doing about it?"
"Are our changes helping?"

These questions are imperative to ask, but you won't be able to find the answers in your dashboard report. Real-time data is useful, but strategy is driven by aggregate data plus analysis. You need a map—a tool or several tools that can show you where you were last month, what you were planning on doing about it then, and the result. By having a contextual guide, you'll be able to spot previous points of contention, roadblocks, and opportunities, and maneuver them with more prowess.

You might be able to delegate the analysis of some of your measures to an analyst, but these measures should link to objectives or goals for your organization. You can't delegate the analysis needed to understand your progress toward achieving your goals—this requires broad thinking and leadership experience.

4 WHEN YOU'RE LOOKING AT WIDE DATA

Looking at the big picture requires a special lens.

While driving, if you only focus on what's directly in front of you, you run the risk of missing the truck that's about to sideswipe you. The same is true for businesses: you need information that's compiled from across your company, not just from data sources that are immediately available (in your office, department, or on your floor) so you can see the whole picture of what's going on in your organization. The same information that's difficult to gather across the organization can be even more difficult to organize strategically if and when it's compiled.

Dashboards are useful tools for presenting big data—you can slice and dice small pieces of data numerous ways and still find new things to talk about. However, management reviews hinge on wide data—data that lives in source systems across the company, plus emails, management insights, and other factors. It's important to recognize that a dashboard may not have a wide-enough scope; wide data needs to be able to be linked contextually, not just presented independently.

Some organizations try to have multiple dashboards: one for financials, one for customers or stakeholders, one for operations, and one for HR. These disconnected dashboards will result in a disconnected organization because you will be making decisions independent of each function and not optimizing decisions for the entire organization.

5 WHEN YOU NEED TO SEE ACTION ITEMS

How do we know we've met all of our commitments?

Have you convened a meeting to talk about progress only to realize you don't remember what changes you committed to during the last meeting? Questions like "What did we commit to last time?" and "Have we met our commitments?" can't be answered solely with a dashboard. Why? Action items aren't captured there. They typically live in a project management system or are simply captured on paper—neither way fits into the capabilities of a dashboard. This means that after your management review meeting, the action items are either forgotten or not reviewed.

It's important not to underestimate these unfinished tasks and reminders. They are like spark plugs: action items incite new projects, change behaviors, and get your business operating on all cylinders. Your team can't afford to forget about them. Obviously, most work happens outside of meetings—that's why you need to make sure you accomplish the work you agree to in the strategic discussion meetings.

6 WHEN YOU NEED STRATEGIC LINKAGE

Are we on progress to meet our long-term strategic goals?

Strategy should be at the core of every major business decision. But strategy is a long-term game—it shouldn't change based on the last hour's, day's, or even month's operational results. Dashboards are optimized to show these real-time operational metrics. While these measures are critical to track, strategic measures offer a long-term view. For example, while a measure might be "green" based on the dashboard's formula, it might be "yellow" for a long-term strategy. Only with a linkage to the strategy does this make sense. Strategic linkage gives you the details about how all the pieces fit together, what can go wrong, and how to increase performance—ultimately helping you answer the question "Are we doing the right things?" not just "Are we doing things right?"

Another way to put this: **make sure your goals are linked throughout the entire organization, among departments, divisions, and the whole enterprise.** You should not have some departments working to expand services while you have an organization goal of focusing your activities.

7 WHEN YOU NEED ORGANIZATIONAL AND PROJECT ALIGNMENT

Are you putting your money where your mouth is?

Even if you have a nice dashboard with pretty measures, you need to link your projects and budget to it to make sure you're putting your effort and spending where your strategy is. Dashboards typically fall short when they're focused on the measures and not seeing the entire picture of your organization. For example, a dashboard alone can't help you answer the following questions:

- Are your projects linked to your goals?
- Are they on track and on budget?
- Are you accomplishing what you hoped with the project?

For high-level goal setting (and reaching), you need to take into consideration more qualitative and quantitative data than a dashboard can offer. You need to look at your projects and your budget and make sure that your measurement system tells the full story of the strategy of your organization.

CAN YOU HELP YOUR ORGANIZATION GAIN MOMENTUM FASTER?

In order to help your business move from Point A to Point B, you need to manage the whole company, not just one or two components.

Now that you know more about when a dashboard isn't enough, you can make decisions about installing the other parts necessary for a well-oiled machine.

To find out more about what parts are available and how they can rev up your business, click here to talk with a ClearPoint expert.

LET'S TALK