

## **Dashboarding for Dollars:**

### ***An Examination of Technology in Business Performance Management***

by Lena L. West

Perhaps you've heard of the concept of dashboarding to evaluate and maximize business performance. Dashboards have different aliases, sometimes being referred to as scorecards, balanced scorecards and even project metrics. However, they all essentially accomplish a similar objective – to give the reader a quick snapshot of the business by compiling key indicators or metrics into a database for analysis. Most dashboards are used to reveal both positive and negative trends in a business. This information is invaluable in being able to determine, at a glance, what's going on with the business and make turn-on-a-dime, educated decisions. It really is the difference between keeping your head above water and eating your competition for lunch.

Depending on whom you speak to, the answer varies about what key indicators make up a solid dashboard. Many business experts state that sales, accounts receivable, accounts payable, cash-on-hand and even the number of proposals and inquiries, comprise an effective dashboard. The problem with that is these business experts don't understand the inner-workings of your company. They are not in the trenches with you and your staff. How can they possibly tell you what's an important metric to measure? They really can't.

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Serial entrepreneur, Norm Brodsky, and CEO of Brooklyn-based CitiStorage, an archival storage and retrieval company, selected his key indicator to be the number of new storage boxes on the shelves at his storage facility. This is the one critical number that he scrutinizes daily. In fact, it's so important that CitiStorage's staff rewards program is directly tied to the increase in this number.

The question remains: who can tell you which metrics are critical in your business? It's a safe bet that the sources that can tell you which business indicators are important in your organization are the same people who are focused on other

responsibilities and cannot take the time to evaluate potential indicators – whether that is you or other management personnel.

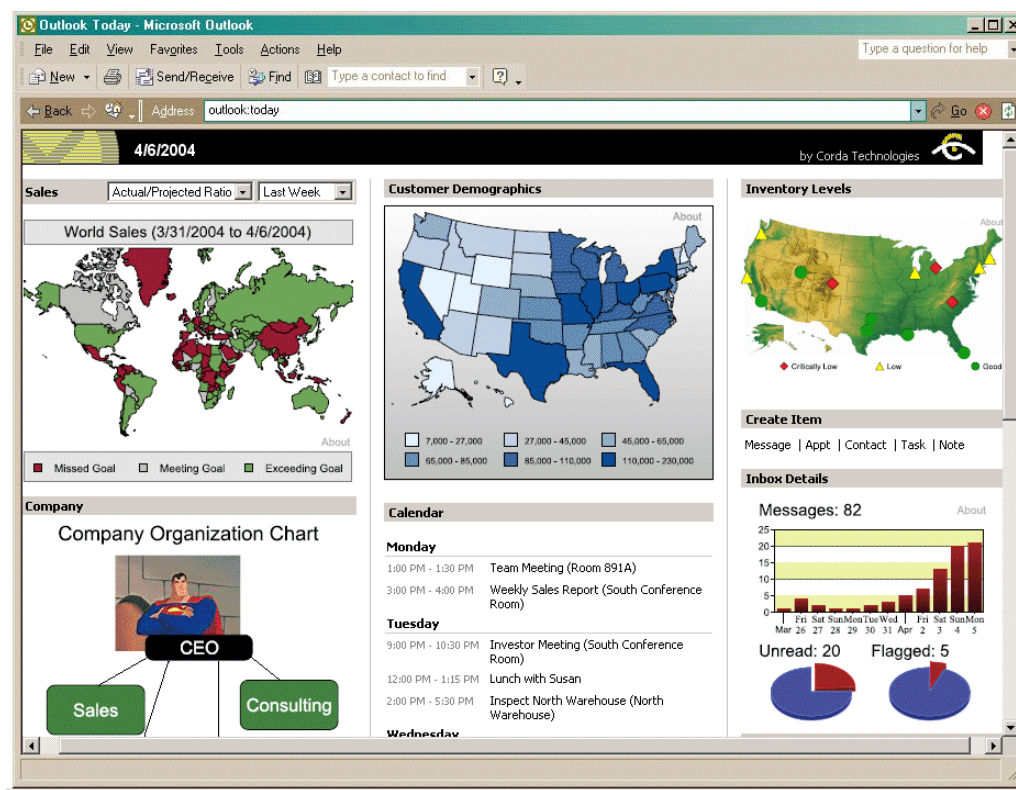
Do you give up and put the best practice of dashboarding on the back burner? Do you divert your company's collective attention away from day-to-day, keep-the-doors-open operations to focus on populating an electronic scorecard? Thanks to technology, you don't have to make a choice. Enter industry dashboards, or IndEx Dashboards, pioneered by BPM Partners in Stamford, CT.

Industry dashboards are, for the most part, dashboard databases that are pre-populated with key indicators by industry. The thought being that firms in the same industry engage in very similar business practices and would probably look to similar information

to make key decisions. For example, all hospitals are concerned with mortality rates and most investment firms are focused on total portfolio value. On the surface, industry dashboards appear to be the smaller organization's answer to the complex process of composing and maintaining a dashboard. They come pre-filled with data your industry considers critical (which might actually give you some ideas), they are customizable for your company's custom indicators and the interface is very user-friendly so, the learning curve is minimized.

But, caveat emptor (buyer beware). Industry dashboards work well in smaller scale environments. For larger organizations, the pre-populated indicators might be too rigid and the opportunities for customization may be too small. Additionally, if your company is growing, you need to determine if it's best to use a cost-effective solution like industry dashboards or make a case for the return on investment of a more customized system that will grow with the business.

Whatever you decide, know that dashboarding is a best practice, straight-forward means of remaining more competitive and jump-starting your company's economic engine. Now with various options appealing to businesses of all sizes, dashboarding is – thankfully – no longer reserved for the big guys.



Screenshot from a typical industry dashboard courtesy of Inf@Vis of InfoVis.net

Lena L. West is the Founder & CEO of xynoMedia Technology, a technology consulting firm that specializes in helping businesses owners who feel like hostages to technology. Download your free copy of *The Technology Planning & Strategy Workbook* at <http://www.xynomedia.com> © 2004 Lena L. West. All rights reserved.