

TOP 5 TIPS FOR EFFECTIVE DASHBOARDS



A dashboard is a tool that provides important information needed to make a specific decision and is displayed on one screen in a concise and visual manner. Dashboards are quickly becoming the standard tool busy executives choose to manage businesses. As a result, dashboard design must be accomplished in a way that provides the critical data needed to make those decisions.

Here are five tips to creating effective dashboards:

- Choose dashboards that matter
- Select metrics that aid in decision making
- Keep data in dashboards current
- Don't overwhelm, keep it to the point
- Make it simple to use and easy to access

1 CHOOSE DASHBOARDS THAT MATTER

Select Dashboards that matter by identifying the core business objectives. Each user will have their own business goals and objectives based on their responsibilities in the organization. To be sure you are addressing the most important ones include the user in your design efforts. This will ensure that they are getting the tools they need to make better business decisions.

Presentation matters when designing dashboards. Some data is best presented in a data list format and others are better when viewed graphically. Statistical data is often better when presented in graphical form and pie charts are a common solution for this type of data. Customer, vendor, or employee lists are often best presented in a list. Get the users feedback when deciding on the form.

2 SELECT METRICS THAT AID IN DECISION MAKING

Key performance indicators and metrics are used to summarize data that represents progress toward a specific goal. Customer satisfaction percentages, gross margin percentages, and inventory turn over ratios are examples of metrics that can be monitored to closely manage business performance.

Choosing the right metrics to monitor is important and must be relevant to the task at hand. To be relevant, metrics must aid in the decision making process and contain actionable data. Just make sure the data exists so that it can support the decisions that need to be made.

3 KEEP DATA IN DASHBOARDS CURRENT

If the data isn't current then it loses relevancy and users lose confidence in it. That doesn't mean that the data must be real time. Last month's data may be good enough to inform this month's decision. Decide how up to date data needs to be in order to be relevant and select the appropriate timeframe (daily, monthly, quarterly, or yearly, etc.).

Periodically review the metrics being used. As business needs and goals

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change so should the metrics that support these changes. For example, the number of new customers may be an important metric to a young company that is looking to grow rapidly, but as the firm matures customer satisfaction percentages may be more appropriate.

4 DON'T OVERWHELM, KEEP IT TO THE POINT

To create dashboards that everyone loves and uses only include the data that is necessary to inform the decision. A cluttered presentation overwhelms and confuses so don't include unnecessary graphics. Images should visually represent the data in a clear and meaningful manner. No more, no less.

It is better to have fewer, more impactful, dashboard elements than having too many. If additional information is needed provide drill down capability that allows the user to expand sections to view the details.

5 MAKE IT SIMPLE TO USE AND EASY TO ACCESS

If dashboards are hard to access and are not simple to use they will be ignored. There are many tools out there that provide easy access and allow for the design of a simple presentation. For example, cloud based dashboards provide anywhere, anytime access to the business analytics that firms need.

To be more effective, make dashboards part of your full business system strategy and pull data automatically from other systems. For ERP and CRM, a system like NetSuite provides standard functionality for creating dashboards that can be used by any department in the organization and is fully integrated with ERP and CRM data.

The budgeting, forecasting, and corporate performance management system Adaptive Insights also provides dashboard tools that can be used to create and manage dashboards quickly and easily.

These tools also provide the needed security that protects your data while at the same time allowing access by those who need the data most.

About the Author

Martin Begley, CISA, is Director of Management Consulting Services at Business Solution Partners and is a Certified Information Systems Auditor (CISA). He specializes in helping small and mid-sized businesses meet their strategic goals through designing, implementing, and executing performance management strategies, technology solutions, and corporate policies and procedures. You can follow him on LinkedIn at [linkedin.com/in/martinbegley](https://www.linkedin.com/in/martinbegley)

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