



Dashboards

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Many boards spend a huge portion of their meetings reviewing reports. And when we ask what they are looking for in all that information, frequently they do not know.

When you review the financials, what is important to consider? When you review your program successes, what do you want to know? What are the key indicators in all those reports?

Use It Today

On your car's dashboard, the gauges do not tell you the exact temperature of your engine, nor the exact amount of voltage the alternator is sending to your battery. You will not learn how many gallons of gas are in your tank.

Your car's dashboard tells you whether the engine is hot or cold, whether the battery is charging or not, and whether your gas tank is "almost full" or "almost empty." It provides you with key indicators of critical information, so you can make effective decisions quickly.

That is what your organization's dashboard will do. The key indicators your board wants to consider every time they meet will be easily reviewed at a glance on your organization's dashboard.

How to Create Your Dashboard

There are two simple steps in creating your dashboard.

1. Discuss what key indicators the board feels are important to consider every month.
2. Have those indicators provided as an at-a-glance cover page to the reports the board already receives.

The indicators may be financial. They may be program-related. They may monitor progress on certain key projects.

The important first step is that your board have the discussion. What is it important for us to know? What are we concerned about? What information is so critical that we shouldn't have to dig in the reports to find it?

Example:

When it comes to reviewing the financials, some board members are more adept than others. But all board members are concerned about the finances.

Step 1:

"When it comes to the finances of the organization, what worries you? What indicators would you want to watch?"

A board member may not know what a debt/equity ratio is, but he/she will certainly understand enough about debt to be able to say, "I am worried that we have so much debt, and I am not sure if we have the wherewithal to cover that debt."

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Step 2:

From there, a simple graphic can show, "Here's how much debt we have, and here is how we are doing in paying that down, compared to last year. And here is how much equity we have to balance against that debt."

From that simple chart, the financially savvy board members don't have to rummage through the financials to figure out the debt/equity ratio. And the financially unsophisticated board members can finally understand the organization's situation regarding debt!

The same can be done for your mission and your programs. Again, ask, "What do we want to know?" It may be numbers of people who have attended a particular performance, compared with other performances that year, or compared with last year. It could be advance ticket sales. It could be number of visiting artists this year compared to last year. Or it could be anything that is important in measuring raw data for the mission.

(And if you are feeling particularly feisty, try asking those questions about your vision for the community! How will you measure that success?)

The Advantages

There are a number of advantages to using a dashboard as the "Executive Summary" for your reports.

1. Effectiveness: Key indicators are not buried in mountains of data, but easy to monitor.
2. Quick: By saving time in digging through reports for pertinent information, the board has more time to focus on leading and guiding the organization's mission.
3. Easy to Understand: The dashboard is presented in a language (or visuals) that is familiar and understandable, specifically answering what board members have said they want to know.
4. Not "Instead Of," but "In Addition To": Those who still want to examine the meat of the reports can do so. The dashboard is a cover page, like an Executive Summary. For those who require more detail, those details are still in the reports.
5. Forcing the Discussion: One of the biggest advantages to using a dashboard is the discussion that precedes the development of that system (a discussion you may want to review each year, to consider changes in what the board is monitoring). The discussion forces the question, "Is this report really necessary at all? Do we really need to know all this? Why do we receive all this information anyway?"

Most boards receive information the staff thinks the board needs. Having board members discuss what information they themselves need will be revealing. You may end up trashing some reports as superfluous, and you may end up adding some reports you have never received before. Unless you have discussed the question, "What information does the board need, to be able to lead and guide the organization on behalf of the community?" you cannot know if the information you are receiving is good or bad for your needs. The alternative is unfortunately the way most boards operate - reading the same reports, year after year, simply because "that's the way we do things!"

One Final Word About Reviewing Reports

The amount of time you spend reviewing what has already happened - the past - is time spent talking about something you can do nothing about.

The past is gone.

The present is a blip, quickly becoming the past.

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The only thing about which your board has any control is the future.

If your board wants to create significant, visionary improvement in your community, you will begin focusing your time and your attention on that future. You will use reports about the past to assess the present, and to be proactive about the future. Any discussion beyond that is wasting precious time that could be spent creating the future of your community.

And that future is where the board's power lies.

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