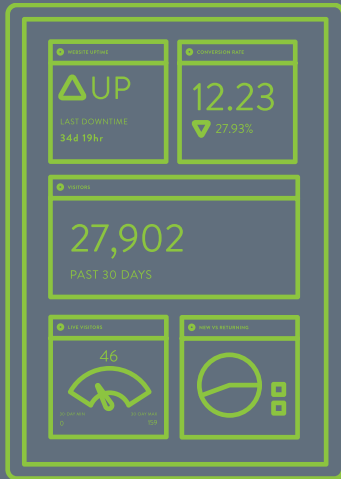# GECKOBOARD

DATA DASHBOARDS: BEST PRACTICES

Your guide to understanding the concepts around building an effective data dashboard that will keep you informed and your company moving forward.

INTRODUCTION

The last decade has seen a major shift in the way businesses are built. Gone are the days when only a select few gatekeepers had access to the data that shapes the activities of an organisation. Increasingly, employees at all levels are gaining access to empowering tools and developing the kind of skills that can give them the most recent data. Data that can instantly offer them new insights into how they, their team and the company as a whole are performing.

This is a game-changer. As more and more data sources become accessible, businesses of all sizes and sectors are going through somewhat of an existential crisis as they seek to understand the opportunities and pitfalls these new insights bring.

Real-time data communication dashboards have quickly positioned themselves at the very frontline of this data revolution. They're the immediate interface through which data is now communicated and shared throughout organisations. This means they're also placed at the very core of the issues faced by businesses when they set out to become more data-driven, transform their cultures and innovate their processes.

In this guide, we're going to look at ideas and processes that come straight from our community that can help you build better, more effective dashboards for your organisation.

This guide will help you to identify which stage you're at in the journey of becoming more data-driven, and as a part of that, how to get the most out of your dashboard.

TABLE OF CONTENTS

1. WHERE SHOULD YOU START?

> "In a big company, there's a distance between the person who knows that they need information, and the person who can deliver it... in between they both need to work out exactly what that information should be.

- David Ferguson, VP Communications Technology, Pearson

Effective dashboards are powerful tools that make imperative statements as to what a company or team consider to be valuable. The process of sourcing and communicating that data can spark discussions that at times can strike right at the core of the business and its purpose.

New discussions may need to be had. Honest discussions are a must. You'll most likely need to invest some time in building new processes that can fundamentally support a culture of transparency and communication fluency. Effective dashboards are not built overnight but the effects on the organisation can be transformational.

So what ultimately motivates people to press on through these challenges?

In reality, the problems that data dashboards can solve are not all that tangible from the outset. That's why the first step towards building an effective dashboard is to take a step back and **identify why you're building a dashboard in the first place.**

Here are some of the most common problems and what a dashboard can do to help:

PROBLEM	SOLUTION
Key business metrics are abstract or difficult for employees to digest	Simple, standardised visualisations that anybody can understand
Employees feel lost or need guidance	Communicate business goals to rally around that show progress
Reporting key metrics is time-consuming	Build one simple dashboard that updates automatically as data changes
Logging in to access information across multiple platforms is a pain or security risk	Bring together the most useful data from different services into one place
Trends cannot be identified easily across systems	Bring data from multiple sources into one space to instantly get a better context

Every business is different, but the issues created by the democratisation of data seem to be universal. Understanding the problems that effective data communication can solve is an important first step that can help you identify the data you will need access to, keep you focused and give you the motivation to persevere.

2. THE EVOLUTION OF A DASHBOARD

" We started out with one dashboard and tried to fit many things onto it. But a few months ago, we started to set up more dashboards to focus on more specific areas. "

- Adrian Young-San Roessler, Product Manager, Podio

Businesses are fluid environments; projects, people, objectives and the tools you use are constantly evolving. Your dashboard should be evolving with the rest of the business, if not driving the evolution itself.

Good business dashboards are a reflection of where your team or business is at, and as such, your dashboard is unlikely to stay the same for very long. Understanding that your dashboard is not fixed in stone - that it can (and should) change organically over time - is one of the keys to keeping it up-to-date and relevant.

2.1. FRAMEWORK: THE FIVE STAGES OF DASHBOARD EVOLUTION

The Five Stages of Dashboard Evolution is a framework for understanding where you sit in the journey of reaching dashboard enlightenment. You should see this framework as a reference to guide you in the process of creating and using dashboards to support your data-driven efforts. Some stages may apply to you and some not, but the most important thing to remember is that this is a process not a panacea. Effective dashboards don't happen overnight, and it's extremely rare to arrive at a 'perfect' dashboard immediately.

Let's see then. Where are you on this scale?

1

CURIOSITY

2

PLAY

3

CLUTTER

4

CLEAN UP

5

FOCUS
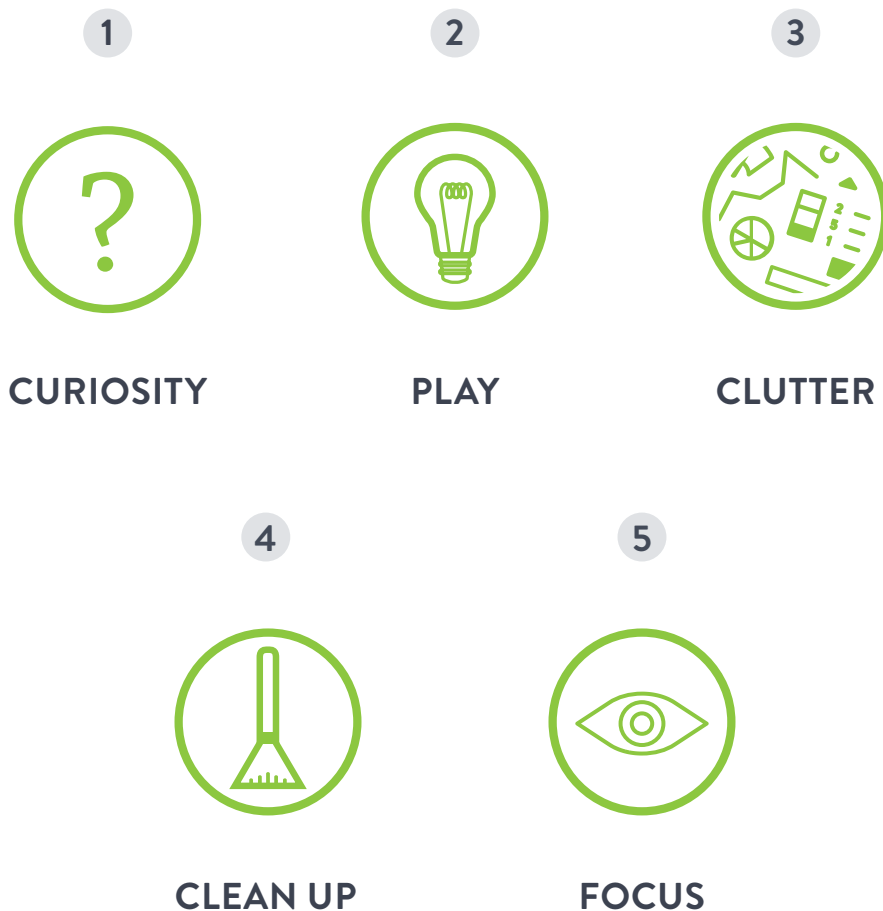
STAGE 1: CURIOSITY

At this stage you have identified the need to start moving into a more data-driven environment. You and the members of your team are willing to start understanding what kind of data you should be tracking, and how you go about analysing that data. At this point it's not very clear how many tools you'll need to use. You're mainly in research mode and you're eager to learn about how other organisations do things.

STAGE 2: PLAY

You're already tracking some data and have some understanding of analytics. You've spent some time tracking and analysing data as well as testing different reporting tools. You're trying out different business intelligence (BI) tools and you're setting up your first dashboard. The business recognises the importance of starting to act on the data collected and the potential benefits of sharing those insights with the rest of the organisation.

STAGE 3: CLUTTER

As your dashboards are shared with colleagues, you start receiving requests from other teams to either add some metrics to the current dashboard or to build specific dashboards. At first, these requests may be added to your dashboard spontaneously, but you'll soon realise that some of the metrics are not truly actionable. You now have a cluttered dashboard that needs rethinking.

STAGE 4: CLEAN UP

You and your team have decide to look at your business goals and carefully chose the metrics that align with those goals. You display these metrics on your dashboards, which immediately communicate the purpose of each dashboard. You're focused on understanding the actionable metrics for specific individuals, teams and the entire organisation.

STAGE 5: FOCUS

At this stage you and your team feel very confident about the metrics you're tracking. You're starting to see changes in culture, people are more focused and you can see more conversations happening around the numbers you're displaying on your dashboard. You may have your dashboards on big screens on the wall around the office or use it on multiple devices.

Still not sure where you fit in on this scale? That's okay. The first step is to start the conversation with your team, don't try to rush things. Exploration and experimentation is key. Need to bring in a fresh pair of eyes or some fresh thinking? Get in touch with our support team - they'll be happy to help you figure things out.

2.2. HOW TO SPEED UP THE EVOLUTION OF YOUR DASHBOARD

The best way to get the most out of your dashboard is to really take the time to think about your key metrics. To feel confident about what you're monitoring and enabling people to focus on those numbers is a big part of the journey.

Start identifying what matters to your business by asking the following question:

Are the metrics I'm measuring changing my behaviour or the behaviour of people in my organisation?

If the value of the metrics that you're currently monitoring suddenly changed dramatically, how would that change your actions?

If the answer is that it wouldn't, it's very likely that you're not tracking actionable metrics.

"

Start from the end and look at what's important.

First, you need to decide what the metrics are that you want to monitor and that you want to increase or decrease, then you only follow those metrics... don't clutter up your mental model of where your company stands with metrics that are either non-actionable or not important.

Focus on a few metrics that are actionable and that you can affect, and once you do that, you just follow those.

- Noam Nelka, Analyst, BillGuard

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3. DECIDING WHAT MATTERS: GOOD VS. BAD METRICS
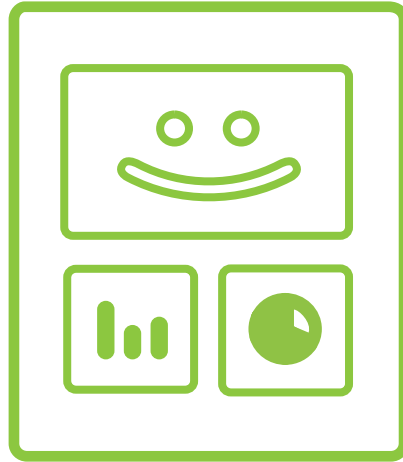
A dashboard is only as good as the actions it generates - it's not just there to look pretty. Understanding which metrics can have the most tangible impact on your business will ultimately drive the value your organisation gets from a dashboard.

In [Lean Analytics](), Alistair Croll and Ben Yoskovitz introduce a framework for deciding whether the metrics you're tracking are good metrics or bad metrics.

The distinction is crucial. Aligning activities around bad metrics can, at best, reduce the effectiveness of your dashboard, and in worst-case scenario, increase the chances of leading your team away from what matters and preventing you from achieving your business goals.

Let's avoid being misguided by bad metrics by defining the characteristics of a *good* metric. According to Alistair and Ben, a *'Good'* metric is:

1. UNDERSTANDABLE

A metric should be understood by everybody who has access to it. Can you explain the metric to a stranger, and will they be able to understand how you're doing?

2. COMPARATIVE

Metrics should ideally be able to be compared over periods of time or against industry benchmarks. E.g. Active users this month.

3. A RATIO OR RATE

Absolute numbers can be useful, but rates and ratios generally provide a bigger context. E.g. Percentage of users who are active this month.

4. BEHAVIOR-CHANGING

Can someone take meaningful action based on how the metric changes? If not, then this metric may simply be noise.

Ask:
How do the metrics you're tracking compare against these four simple criteria?

4. HOW TO KEEP YOUR DASHBOARDS UP-TO-DATE AND RELEVANT

SALES

27,902

PAST 30 DAYS

Out of inspiration? The following tips may help you discover processes that can work for you.

REVIEW YOUR DASHBOARD REGULARLY

Set aside a dedicated slot of time every week (or other business cycle) to review the content of your dashboard(s). For each metric ask yourself, 'is this still relevant to where I am today?' If not, delete it. Less is more!

NEW PROJECT? NEW DASHBOARD.

As new projects or phases come online, build dashboards into your planning process. What are the key metrics you'll be reporting or trying to improve? Build and improve your dashboard early on to make it effective as quickly as possible.

NO INTEGRATION AVAILABLE? USE A SPREADSHEET.

If the integration you need isn't available, don't forget spreadsheets. Connect directly to Excel or Google Spreadsheets and get your data onto a dashboard quickly by using the tools you already know.

GET YOUR TEAM INVOLVED

Once you're comfortable with getting your dashboard to display data the way you like, make building your dashboard a collaborative process by email others in your team to ask what data they want to see on a dashboard.

PUT YOUR DASHBOARD AT THE CENTER OF ATTENTION

If you display your dashboard(s) on the wall, consider running your daily standups or reviews next to your dashboard to spark data-driven conversations and trigger informed questions.

5. ADDITIONAL RESOURCES

[Lean Analytics FREE online workshop](#)

Alistair and Ben presented an all-day workshop in conjunction with Geckoboard in London. The workshop is available online. With energy, humour, and a disarming bluntness they'll take you through the concepts of their book, Lean Analytics.

In this workshop you'll learn about:

- Lean Startup, analytics fundamentals, and data-driven mindset

- Find the one metric that matters to you

- Different metrics for different business models

- Learn how to draw a line in the sand, so you know it's time to move forward

- How to apply Lean Analytics principles to larger enterprises and established products

Interviews with Data Driven Professionals

Geckoboard regularly talks to entrepreneurs and data-driven professionals who share their experience using data to grow their businesses and change their culture.

Free access to interviews [here.](#)

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