

Executive Dashboards –
Keeping “CXOs” in the Know

Ignorance is no longer an option

Why Dashboards are Critical for CXO's



Recent reports show that CEO turnover is on the rise and increasing at a faster rate than ever before. CEOs are being replaced for a variety of reasons including poor performance, inappropriate office relationships and, most notably, financial misconduct.

This emerging trend follows a slew of high-profile corporate wrongdoing scandals. Earlier this year, for example, a jury found former WorldCom CEO Bernard J. Ebbers guilty for his role in the well-publicized fraud case of 2001. Ebbers' legal defense claimed he knew nothing about the law breaking that went on at his company and blamed the fraud on underlings. Whether or not this argument holds true – and it certainly did not sway the jury – Ebbers' conviction provides compelling evidence that ignorance is no longer an option, or an excuse, for today's CEOs.

Making certain that CEOs, and all CXOs, are kept apprised of what's happening in their company is no small task in today's business landscape. The business processes employed in the 21st century generate an astonishing quantity of data, which is gathered and stored in disparate systems across several locations. The challenge facing business organizations is how to consolidate that data, then extract and deliver useful information to key decision makers.

In the business world, executives must react and make decisions based on the data they receive about the company's performance and operations. It is imperative that the data be presented to all key decision makers in a way that allows them to rely on their finely tuned business instincts to make quick, yet accurate decisions. Fortunately for companies and their executives, there are effective ways to do just that.



Converting raw data into graphical depictions

For most people, data trends and exceptions to those trends are much easier to understand when they are presented visually. Information presented in a visual format allows users to more quickly perceive patterns or properties that they may not have anticipated and, consequently, to draw valuable conclusions more intuitively, holistically and rapidly.

The process of converting raw or numerical tabular data into a graphical depiction is known as data visualization. The premise behind data visualization is that looking directly at rows and rows of numbers and other data sets is rarely the best way to understand the data. One of the main goals of data visualization is to support decision-making through the use of properly designed graphical representations of information.

Data visualization technology has recently experienced a rapid evolution from simple charts and graphs to powerful and visually appealing “executive dashboards.” These dashboards replace drab, static tabular information with dynamic platforms. Similar to a dashboard on a vehicle, executive dashboards employ data visualization techniques to organize and present information graphically, making it easy to understand at a glance. Increasingly, businesses are using dashboards to graphically display actual performance compared against target performance goals for topics such as sales numbers, customer satisfaction rates, employee performance assessments, merchandise and inventory levels, network performance, Web site hits, and so on.

What a dashboard looks like and how it functions depends entirely on the business that uses it. For instance, a financial services organization might want graphs showing current stock prices or graphs that display how different portfolios compare against each other. A manufacturer might implement a dashboard that tracks whether various plant processes are within targeted time or performance parameters.

Executive dashboards also use flexible graphical interfaces to provide customized views based on roles within a company. For example, the CFO would prefer a view displaying benchmarks and other performance indicators, while the CMO would be more interested in how marketing dollars are spent.

Staying in the Driver’s Seat

The simple fact of the matter, and an important consideration for all businesses in the market for an executive dashboard system, is that not all dashboards are created equal. Best results are generated from high-performance server based dashboard solutions that integrate data into a dynamic display. When dealing with the data visualization aspects of dashboards, information is better understood when the presentation is clean, instead of sloppy; sharp, instead of pixelated; and sophisticated, instead of crude. Visual appeal shouldn’t be a “nice bonus,” it should be a standard component of the dashboard and should act as a representation of the overall quality of the system to its users.

The proper use of color constitutes an important function in well-designed dashboards. One example of a way in which color-use can enhance the functionality of a dashboard is through using a display that looks similar to a series of stoplights. This display might track key performance indicators such as daily sales or hourly factory output. If all systems show green, the situation is fine. If one turns red, there is a problem that needs immediate resolution and the decision-maker can dig into that problem area without getting bogged down with departments that are working fine.

Properly designed executive dashboards also offer robust and innovative data visualization solutions—including interactive maps that lend tremendous geographic relevance to data. Mapping applications can be incorporated in a dashboard to display, for example, which states have the highest sales and which ones need improvement—then drill down into the states, cities, zip codes and even individual store sites.



Below are some additional features to look for when comparing dynamic dashboard applications:

- ♦ Produce images in Macromedia® FLASH, SVG, PNG, JPEG, PDF, EPS, TIFF, WBMP
- ♦ Integrate easily with any Web application server
- ♦ Generate charts, graphs and maps that are truly Section 508 Compliant (Section 508 is an amendment to the Rehabilitation Act that makes electronic and information technology accessible to the blind and visually impaired)
- ♦ Ability to contain a variety of charts, graphs and maps images fed with on-demand dynamic data
- ♦ Create text boxes, callout notes, popup text, and drill down capabilities
- ♦ Made for rapid deployment
- ♦ Flexibility, scalability and speed
- ♦ Data visualization in various chart types including bar, line, pie, radar, XY, time, bubble and stock graphs, and others
- ♦ Ability for users to layer multiple graphs on top of each other

Once a business knows what to look for in an executive dashboard, the trick is finding the right product that will allow for all these capabilities. Dashboards must be carefully selected while keeping in mind the ultimate goal of delivering accurate, timely and relevant data to decision makers in a format which is instantly understandable.

Data visualization has never been this good; decision-making has never been this straightforward

If a company is committed to having data visualization of the highest quality and utilizing only the most effectively designed executive dashboard system, then such a company would be wise to look at Corda Technologies' CenterView™ executive dashboard.

Corda's dashboard can connect to virtually any and all data sources or silos that already exist within an organization. It can connect to multiple sources at once and drive real-time data from those sources to the dashboard. It is also designed to be able to scale with a business as it grows and expands, in terms of groups, departments, etc. All these benefits give companies an effective way to communicate strategy by aligning resources and making KPIs more broadly available to the decision makers who need actionable data the most. The dashboard helps CXOs pinpoint areas of concern or special interest by focusing on trends, variations and exceptions, consequently reducing costs, improving results and enabling organizational change when necessary. Data visualization solutions such as Corda's CenterView executive dashboard takes the guesswork out of decision-making and fulfill all the functions and requirements necessary to keep CXOs "in the know" about the performance and operations of their company.

Improve communication; save time; take the guesswork out of business

Once CXOs and their companies have made the decision to adopt an executive dashboard into their internal workings, there are several ways in which the dashboard will effect improvement and progress. The following are the key areas where CXOs can expect to see concrete benefits from use of an executive dashboard:

I. Executive dashboards improve communication within organizations.

CXOs are confronted on a daily basis with the overwhelming task of communicating with employees at various levels and in various departments. Each CXO receives information from a number of sources, including analysts, department heads, and others. It can be a complicated process to keep all these channels of communication from becoming crossed and confused, but use of an executive dashboard dramatically simplifies this process.

In many instances, a dashboard can reduce or completely eliminate the need for confusing conversation and instead allows CXOs to get straight, simple answers to questions at the click of a mouse. For example, instead of having to spend untold hours discussing the performance of branches or stores with several employees, CXOs can access the data that illustrates how certain locations or even geographic regions are faring based on the key performance indicators that an executive dashboard provides. CXOs don't have to rely on anyone physically telling them how the company is progressing because they are able to find out for themselves exactly what is going on throughout the organization. Information can travel from the bottom to the top, as well as horizontally, in an organized and logical fashion.



In this sense, executive dashboards make obsolete the argument of Bernard Ebbers' defense team, namely that he was not apprised of what was happening inside his company. But in making such an argument obsolete executive dashboards give CXOs a reasonable and manageable way to understand the workings of their business at all different levels. This allows board members to legitimately hold CXOs accountable for knowing the important information about how the company is functioning without giving them a task that is nearly impossible in its scope.

Executive dashboards also improve communication because they give CXOs the most up-to-date information, due to their real-time enterprise capabilities. Executives at large companies do not need to wonder whether the figures before them are the most recent or current information available. With executive dashboards they can rest assured that the data is as up-to-date as possible.

Furthermore, all that real-time information can go on the road with CXOs via Blackberries, PDAs, or other mobile devices. Thus, CXOs can get updated data from their company whether they are waiting to catch a plane in the airport, sitting in a meeting, in the middle of a business lunch, or during a game of golf. Not only does an executive dashboard improve communication by making data easier to comprehend and more up-to-date, it also makes it more accessible.

It is also important to note that executive dashboards aren't necessarily for executives only. Clearly, CXOs need different information than, for example, a sales manager or a mid-level manager. Any employee who regularly receives spreadsheets or database reports is a candidate for a dashboard.

A CXO would want a "30,000 foot" view of their responsibilities, and if they have a question or concern, they would either drill down in to more detailed data or contact appropriate subordinates. Subordinates also need access to the accurate information for their level of responsibility if they want to be in a position to respond to inquiries from the executive level.

In the midst of improving communication for CXOs and their subordinates, executive dashboards still keep a firm hold on rights management. They are absolutely secure in terms of limiting the amount of access individuals have based on their role within the organization. Thus, CXOs can enjoy the benefits of increased access to the data they need in order to make critical decisions for their company without worrying that such data is falling into the wrong hands.

2. Executive dashboards save time and manpower for companies.

Organizations and decision makers need the power to recognize and quickly capitalize on trends. Executive dashboards' real-time enterprise capabilities allow this to happen, expediting the process of creating charts and graphs to the point where updated information is available instantaneously. For example, before one company installed an interactive manufacturing dashboard to track package delivery failures it took 83 person-hours per week to generate the report on this data. The results were compiled in an enormous report consisting of 1,250 printed pages. After implementation of the dashboard, it took one single person-hour per week to generate the same report.

Part of the reason why executive dashboards can so dramatically expedite this process is due to their cross-platform capabilities. Reports for CXOs generally need to reliably handle massive amounts of data from a variety of sources and systems and turn it into meaningful information. The challenge of this task should not be underestimated, as a typical large company will use as many as 68 different data sets. Data dissemination is greatly enhanced when interactive data visualization solutions, such as executive dashboards, are implemented to provide enterprise-wide access to dashboards for all of the data users and consumers. Additionally, the distribution of this information can be accomplished—without changing existing databases—across networks and the Internet using only a Web browser.

Consequently, CXOs can expect to obtain reports compiled in a fraction of the time, keeping them more up-to-date and saving their employees dozens of hours of valuable time.



3. Executive dashboards take the guesswork out of business.

CXOs who rely on important data to aid them in the process of making key decisions for their companies can depend on executive dashboards to deliver that data not only in a timely fashion but also with a keen attention to the relevance of the data. With an executive dashboard, CXOs can view the key performance indicators for their company with the click of a mouse. They don't have to sift through pages of confusing or complicated numbers to find the figures that they need. Rather, they can see those figures and data represented in a way that is clear, precise, and makes sense. This ability is invaluable for busy executives with only a limited amount of time and attention to devote to each of the numerous important decisions that come across their desk on a regular basis.

Furthermore, executive dashboards often go one step further and help CXOs by giving them clear-cut signals as to what is going well in the company and what needs to be fixed. Executive dashboards can provide explicit markers, such as green lights or red flags, which pinpoint successes or problems within the company. CXOs don't necessarily need to take the time to personally identify such problems when the dashboard does the work for them. Instead of spending valuable energy and efforts on the task of coming to such conclusions, CXOs can rely on the executive dashboard to provide them with the information they need about the operation and performance of their company in order to act in the correct manner and make appropriate decisions.

A partner to human expertise

CXOs and all those making key decisions for businesses should keep in mind that executive dashboards provide them with the data necessary to be informed and apprised of the workings of their company. They do not necessarily provide executives analysis of such data. CXOs are employed fundamentally for their ability to look at trends and patterns and use their knowledge and expertise to make the right decision for the company. The human element of decision-making is a vital part of business activity and should never be minimized or forgotten. While an executive dashboard acquires, compiles, and presents data to CXOs, it cannot give answers as to what that data ultimately means for the company or how it should affect decisions. Rather, it is an invaluable tool that can aid, expedite, and simplify the decision-making process as a partner to the human expertise of high-level CXOs.

For all the reasons stated above, executive dashboards provide the best way to ensure that CXOs are always kept "in the know." In an age where executives are increasingly being held to the fire for company performance and profit, it is more critical than ever that CXOs have their finger on the very pulse of their organization. Dashboard systems, such as Corda's CenterView executive dashboard, give them this capability. It is, therefore, in the best interest of companies and their executives to select and implement an executive dashboard system of the highest caliber. The benefits to the CXOs and the entire organization will be numerous and significant.