

When asked why he had the nickname “Give ‘em hell Harry,” President Truman replied, “I don’t give them hell, I just tell them the truth and they think it’s hell.”

## Leaders need their managers to look the key statistics in the eye

Tracking the critical numbers can meet with resistance, sometimes stiff resistance, from your managers. But if they stick to it, leaders will find how showing how the numbers tick up is powerful motivation.

A national survey by Van Mell Associates and B2BCFO® learned that having a dashboard was the second most important planning technique after systematically asking good questions.

### How to get started

There are many ways to chart management data; the next page is one example. Here are some tips:

- Begin with information you already have
- Don’t repeat the financials
- Include each department in some way
- Keep text to a minimum
- Stick to one page
- Put some effort into its appearance

The dashboard should relate only to your biggest goals, those to which everyone contributes. The first few versions can bring to the surface confusion about terminology and the implications of the metrics. It might take three or four months to get everyone used to it.

### Who manages it?

This can be a development opportunity for a junior manager, but they’ll need coaching and strong spreadsheeting, charting and presentation skills. The managers shouldn’t feel the person controlling the dashboard is controlling their work.

They should also know what the information means. Because the CFO is running the financials, it can be better to have someone else do the dashboard.

### Updates and discipline

The dashboard is meant to raise questions, not provide answers. Basic questions are, How can we make these numbers improve? Why did it change? Why *didn’t* it change? How do these two metrics relate? How do these match industry benchmarks?

Gathering updates monthly can be hard, so set up a reminder two weeks ahead of the monthly review meeting and provide a simple way for each manager to input data. The “dashboarder” will still need to chase down data. But in time peer pressure will overcome tardiness.

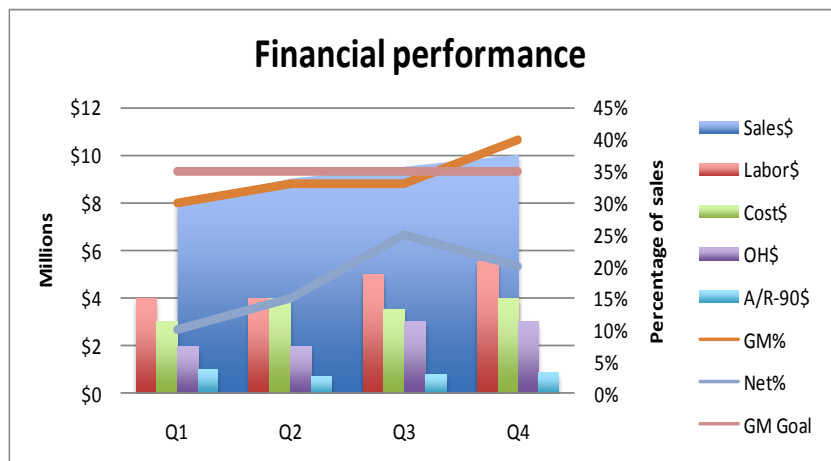
Monthly reviews are essential: bi-monthly meetings don’t work. Without this discipline, you’ll lose momentum, benefit and credibility.

### Growing sophistication

After three or four months, as people see they contribute publicly to success, you can make the dashboard more complex. The chart below overlays a lot of information, using two axes and a goal line. Samples can be dull, so picture it with your numbers.

### What’s the one key number?

We’re often asked if there is one number that’s more important than any other. There isn’t. This idea is a trap: a basic reality of management is the need to balance and rebalance things every day. The dashboard doesn’t automate success: but it makes your questions smarter and smarter.



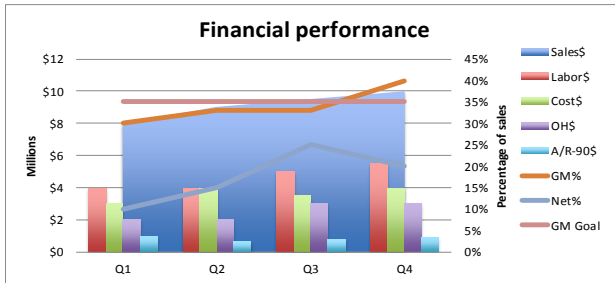


## ACME WIDGET Co. DASHBOARD FOR MARCH, 2010

We've had a great month at Acme Widget! We're making steady progress toward our goals in every single department. All of our managers are geniuses!

There are three things I'd like to focus on in April: 1) Improve the Prospect:Proposal conversion rate, 2) Get ahead of the Fall marketing campaign by drafting that plan and 3) Accelerate the sales of stale inventory (i.e., that's > 180 days). Reminder: Our next monthly review meeting is April 17th.

### Finance



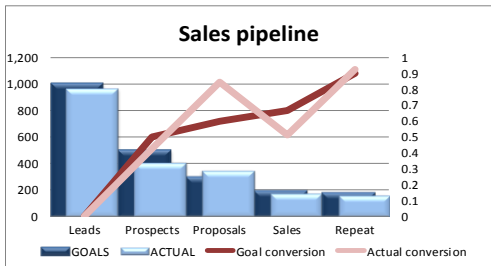
Refer to financial statements for further information

### Employee of the month!

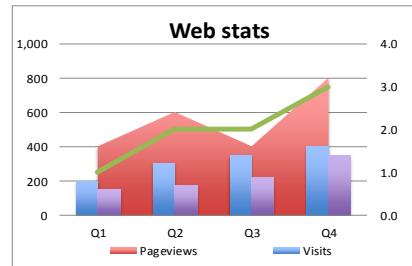


Veronic Lac (7 years!)

### Marketing & Sales



The Leads:Prospects conversion rate is 11% better than a year ago. What should our Proposals:Sales conversion be?



Note effect SEO effort in Q3 has paid off. Sally did a great job identifying new blog content!

### Operations

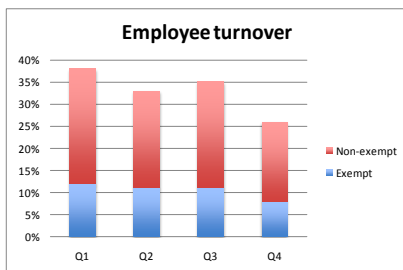
Production			
Type of Operation	Current	Goal (days)	
Production time	4	4	
Time WIP	2	1	
Days in inventory	9	7	
Average payment time	43	29	
IT Work Ticket time	3	1	

Now running Cost/Benefit on ERP upgrade.  
Should we add another IT tech in Q12011?  
Note: 1 day in inventory = \$2,300 in interest expense.

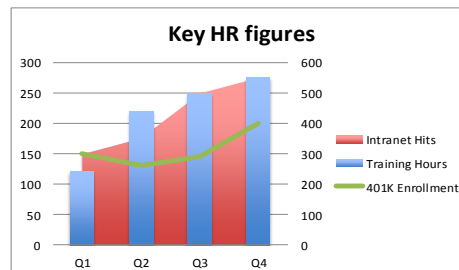
Customer Service			
Type of Operation	Current	Goal (days)	
Avg. customer response ti	2	1	
Avg. # of returns/month	17	10	

New phone system will help, but online service real solution  
The quality training seems to have paid off. Repeat next year?

### Human Resources



Note spike in DL in Finance chart: paid off in lower turnover. We need to reset goals to be far lower.



We can clearly see steady effectiveness of revamped intranet. Should add 401(k) online functionality in Q1 next year.