

Business Driven PMO Executive Dashboarding

Primer

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We have all heard the adage, “a picture is worth a thousand words.” When developing executive dashboards for the leadership team, this is a good philosophy to adopt. Executives served by PMOs of all shapes and sizes will invariably want information from the PMO. And as all project environments are inherently rich in data in the form of plans, schedules, and reports as well as application and tool data, the hunt for information is a target rich safari. In PMO executive dashboarding research conducted by BOT International, two observations from PMOs of a wide variety of PMO types consistently manifest themselves; (1) executives want PMO dashboards that support decision making, that are simple, that provide contextual information not just application or tool data, that are not overloaded with too much detail, and that are prepared in support of the leadership team review and decision making process which is typically monthly for operational management and quarterly for strategic matters and (2) the dashboards that the executives are getting from their PMOs do not meet these requirements.

Problem

There are not one but several problems that PMOs face when developing effective executive dashboards for the leadership team. To start, a common view on the purpose of a PMO executive dashboard or set of dashboards needs to be well grounded with all involved in the process, not just the executives viewing the dashboards but all those that contribute to and prepare the executive dashboards. For example, the purpose of a PMO executive dashboard is not to push a function key or click on an URL hyperlink and access data and graphics in real time. The purpose of the executive dashboard is to serve an end. Usually, this end that is being served is to provide the leadership team with the information that they need in order to engage in discussions, thought, and decision making.

Once the purpose of the executive dashboard is clearly understood, then a sensible discussion of what a dashboard actually is can be entertained. Regrettably, there is a common misconception that a PMO executive dashboard is some kind of graphical image that is produced from a project portfolio management (PPM) tool in real-time, 24 by 7. For most organizations served by a PMO, this mindset of a

real-time executive dashboard is just another example of the poor business acumen that is on display within the project management community.

Case in point, for most PMOs it is considered a resounded success if the project managers and project participants enter their data into the PPM system or time tracking tool by the end of week, Friday at 5pm, without having to be reminded, chased down, or threatened to do so. So, if the data that is being entered into these PPM tools is entered once a week, by end of day Friday, then how real-time are those PPM tool graphics? Sure, users can access the PPM tool at any time and press a function key or click on an URL hyperlink to look at a dashboard graphic at any time, but the dashboard itself is not a real-time, up to the minute, representation of executive information. To the contrary, the PPM report or graphic is not real-time at all, that is unless project managers and all involved in projects sit by their PCs to enter data with the passing of each and every minute of the day.

More to the point, however, is the fact that busy executives and members of the leadership team served by the PMO do not use these PPM tools each and every moment of the day. In fact, and to the contrary, many executives will not even login to such a PPM tool. The idea that viewing graphics and reports contained within a PPM tool is a behavior that executives exhibit on a minute by minute, 24 by 7, real-time, basis is highly misguided.

Another area of misconception is the idea that PMO executive dashboards are, or should be, rendered to the user automatically through the use of a PPM tool with the simple touch of a key on the executive's PC. That an executive can login to a PPM tool and click on a function key or hyperlink that renders a graphic of some kind is not of debate. That such a graphic is what the executive wants in terms of executive information that provides a context to the data and a call to action for the leadership team is of debate.

For most PMOs, not all of course, executives don't want to just view the data and graphics that happen to be contained within a PPM tool at a particular point in time, they want report period information that serves the report period needs and activities such as meetings, reviews, discussions, thinking and decision making that they along with the peers engage in. So, while tool vendors and technical administrators of PPM applications may speak of real-time, automated dashboarding, due to the nature of the management of projects, programs, and portfolios as a highly collaborative and projectized activity as opposed to a transactional work environment, the notion of a real-time, 24 by 7, fully automated, PMO executive dashboard is both incorrect business thinking and not helpful in providing executives with what they need and want.

Solution

The solution to for establishing effective PMO executive dashboards is twofold. First, it is essential to recognize that there are three kinds of dashboards that all PMOs have. And second, it is imperative to establish a PMO executive dashboarding policy that clearly states the purpose of the PMO executive dashboards in terms of the needs that the dashboards seek to satisfy, the intended users of the dashboards, the process by which the dashboards are prepared, the frequency of preparation of the dashboards, where the data such as PPM application data comes from, where supporting contextual information comes from, and what the dashboard graphically icons such as red, amber, green smiley faces, trend lines, and caution signs and red alerts mean. Let's first consider the three kinds of dashboards that all PMOs have.

One kind of dashboard is the graphical view of real-time application data from the PPM application. This is a dashboard and it has its own context and business use case. Those involved in the day to day management of projects, programs, and portfolios can manipulate the available data in the PPM tool.

A second kind of dashboard is the set of automated business intelligence reports and analytics that provide comprehensive detail that can be accessed at any time. These preformatted reports and graphics can provide a consistent view into data contained with the PPM tool thereby alleviating the need of casual users to query and manipulate the data in the PPM tool from scratch each time they seek to satisfy an informational need.

The third kind of dashboard is the "one picture tells all" contextualized dashboard that is periodically prepared for the leadership team in support of their review, discussions, thoughts, and decision making. In essence, this dashboard is content not an application and not an automated report. And the purpose of this dashboard is to provide the filter, context, and call to action that by design must be report period data, like a scorecard or school grade, where it is clear to all viewing the dashboard how the projects are in terms of a status, how the projects are progressing in terms of a context, and what leadership team actions and actions are needed in terms of a call to action. This content style dashboard is prepared for the leadership team on a periodic basis that is aligned to and that supports the leadership team meetings such as monthly operational updates and quarterly strategic reviews.

All three of these PMO Dashboard views are correct and PMOs have and need each of them. Once this is recognized by those serving the leadership team, then a PMO executive dashboard policy

can be put in place and the process of creating dashboards for the leadership team can commence. As with any business policy, there is no one policy approach that is universally correct for every business. In the case of the PMO dashboard policy, each PMO will need to draft and craft its own unique approach. Some common policy elements will include:

- Stating the purpose of the dashboard
- Identifying the key needs that the dashboard seeks to meet
- Identifying the users of the dashboard
- Identifying the preparers of the dashboard and those responsible for providing input
- Identifying where the dashboard data comes from such as a PPM tool
- Identifying where contextual information and management judgment comes from such as project status reports, minutes of meetings, and other sources of knowledge
- Defining the frequency of update for the dashboards
- Defining the meaning of any and all graphical icons, symbols, timelines, and shapes
- Identifying areas within the dashboard where additional data may be accessed such as mouse-over information, drill downs, and URL hyperlinks to supporting informational resources such as PPM tools, team sites, status reports and other helpful areas

PMO executive dashboards can be prepared in a number of ways. As shown in Figure 1, for many

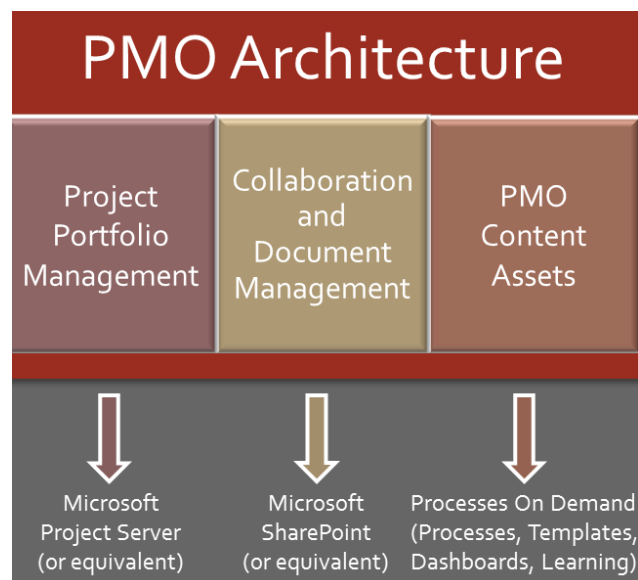


Figure 1: PMO Architecture

organizations it can be very helpful for the PMO to establish a PMO architecture that consists of three high-level components; (1) a PPM tool such as Microsoft Project Server, (2) a collaboration platform such as Microsoft SharePoint, and (3) a PMO Content Asset framework such as Processes On Demand by BOT International. The PMO architecture provides the context for all users of the infrastructure, applications, collaboration platforms and repositories, and supporting PMO content such as processes, templates, dashboards, supporting subject matter expert knowledge needed to effectively manage projects and project-related work.

The PMO content asset component of the PMO architecture is where the leadership team and constituents of the PMO will find all of the non-application kinds of information and knowledge that exists within the PMO. And one of these pieces of non-application information is the manually prepared PMO Executive Dashboard for the given report period as shown in Figure 2.

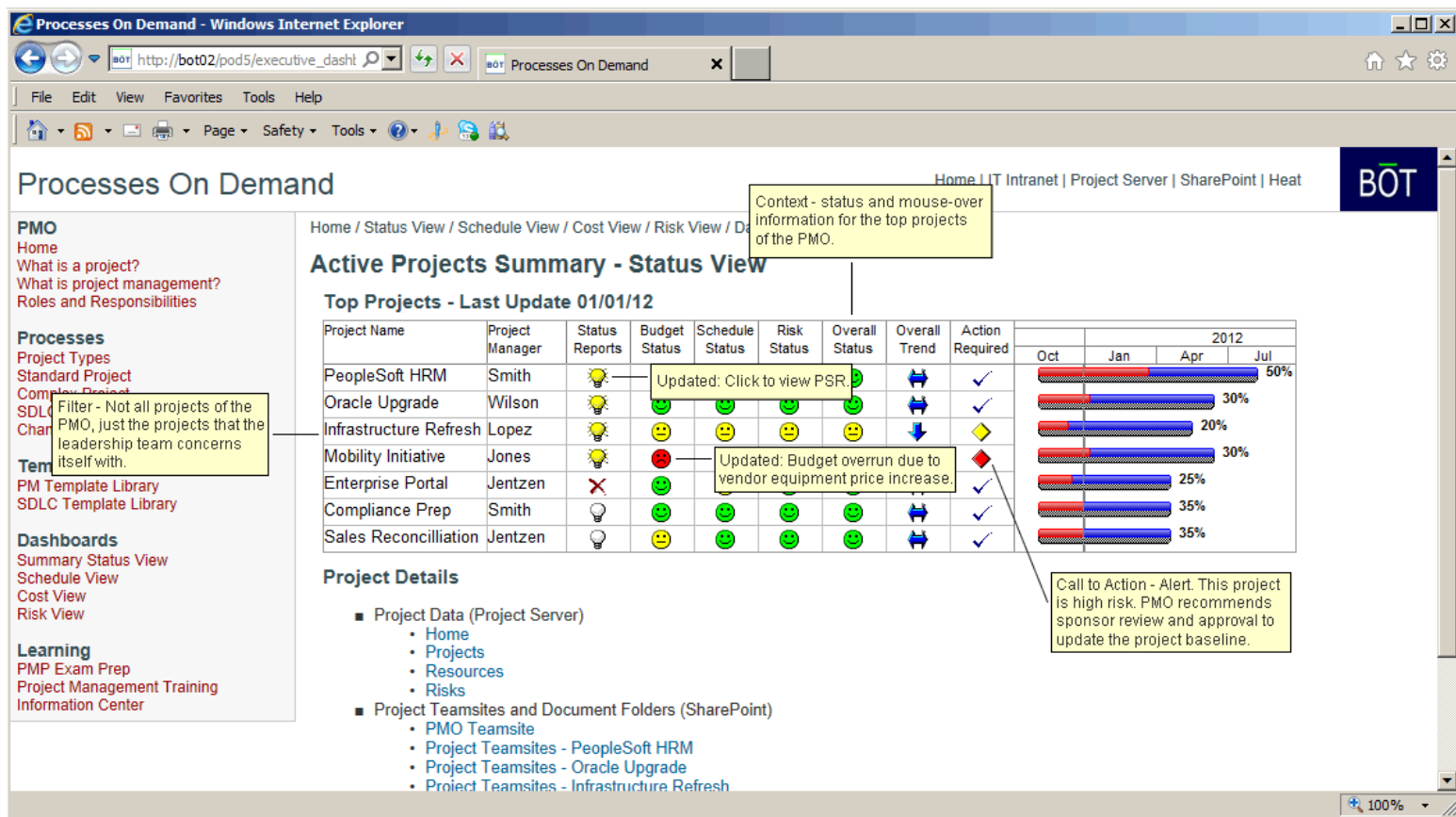


Figure 2: PMO Executive Dashboard

The purpose of the PMO Executive Dashboard is not merely intended to show data that may exist in a PPM application or tool, but rather to provide to the leadership team summarized and filtered

knowledge that provides a business context and a leadership team call to action for the projects of the PMO that the leadership team concerns itself with. While many technical specialists may scoff at the idea of manually preparing an executive dashboard, this mindset is misguided. The leadership team needs and expects the PMO to provide report period analysis, commentary, judgment, and recommendations for their consideration. Naturally, whatever information that is on hand and that may exist within a PPM application will be used as source input for the report period executive dashboard, but the PMO will need to extend upon that data with contextual information, insights, and analysis.

Answers to leadership team questions such as:

- What does the information mean?
- What are the causes of the changes in the data?
- What can be done to alter current trends?
- How valid in terms of timeliness, truthfulness, and accuracy is the data?
- What are the risks associated with management options?
- What additional information is needed?

The answers to these questions, as provided by the manually prepared, report period PMO Executive Dashboard provides the leadership team with the information and analysis that they need in order to quickly and accurately review information, engage in discussions, and make effective decisions. In this context and business use case, the PMO Executive Dashboard is very much a content asset, not a feature contained within or real-time graphic rendered by a vendor PPM application.

Suggested References for PMO Executive Dashboarding:

- Chapter 6: Executive Reporting - Keeping it Simple, of *Business Driven PMO Setup - Practical Insights, Techniques and Case Examples for Ensuring Success* (Perry, 2009) published by J. Ross Publishing
- PMO Podcasts (<http://www.thepmopodcast.com>)
 - The PMO Podcast: Episode 158 - Executive Reporting, Keeping it Simple
 - The PMO Podcast: Episode 42 - PMO Dashboarding
 - The PMO Podcast: Episode 10 - PMO Dashboards