Build Your Key Metrics Dashboard:

A Handbook for Leaders

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Introduction

To build a successful business that consistently grows impact and profit requires devoted measurement to a set of key metrics that diagnose the health of the business.

This eBook will help you choose the essential numbers to track on a regular basis. It's good to start with around twelve metrics. More than that will be unwieldy as you're getting started. Less than that will mean you miss important areas of discovery. The numbers these metrics reveal, tracked over time, will tell an invaluable story to help you know exactly what to do next to move the needle on your business.

The Four Essential Measures

As you start tracking key metrics, you will discover areas that need more attention. Let this be an invitation to explore the factors, or leading indicators, that produce an improved result. This means you will likely discover more than 12 metrics that need monthly, weekly, and sometimes daily attention, but 12 metrics is a good place to start.

We will explore the **Four Essential Measures**:

1. Metrics that measure <u>mission</u>.

2. Metrics that measure <u>scale</u>.

3. Metrics that measure <u>profit</u>.

4. Metrics that measure <u>cash flow</u>.

Once you select the metrics, you will decide which ones need daily, weekly, and monthly tracking. Next, this handbook will show you how to create Key Metric Dashboards for your company.

Objectives

The core objectives of this handbook are as follows:

1. Cultivate a rich exploration of the many ways your company might measure mission, growth, profit, and cash flow.
2. Select 12+ key measures that demonstrate the health and progress of your company.
3. Build weekly and monthly dashboards you can use ongoing in your company.
4. Use this handbook to have inspiring, though-provoking conversations with your team to build a culture around these four important areas of measurement.

Why Measure?

We measure the Four Essential Measures -- mission, scale, profit, and cash -- because we wholeheartedly believe in the value of generating these outcomes through our business. Because an edict of any Force for Good Company is to ***measure what matters***, we must ensure each of these elements is truly being generated in a quantifiable way ongoing.

When you take the time to clarify and quantify what success looks like for the Four Essential Measures, you develop a deeper understanding of how to drive innovative systems that result in what's most important to your company's success.

Implementing the discipline of daily, weekly, and monthly tracking of key metrics is the first step to building a **Culture of Innovation**. Teams that are in the habit of together deciding which metrics are most essential take the first step in building a team culture capable of identifying opportunities for improvement and making the changes necessary to produce new results.

Related Resources

As a companion to this guide are these worksheets, which you can use as you walk through this handbook:

- **Select Key Metrics & Set Initial Goals Worksheet**
- **Values-Infused Systems Worksheet**
- **The Monthly Dashboard Template**
- **The Weekly Dashboard Template**
- **The Daily Dashboard Template**

These tools can be found at www.aforceforgood/biz/tools/key-metrics.

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How to Use This Guidebook

A great place to start is by walking through the guidebook, following the instructions, and using the companion worksheets. But resist doing this work in a vacuum. The sooner you can start involving your team, the better.

Here are ways to expand the conversation and help you build a Culture of Innovation:

- Work through this handbook over a series of meetings with your Leadership Team.
- Lead a series of company-wide Town Halls on the topic of measurements that

matter. Invite everyone from the company to suggest ways to measure mission, scale, and profit.

- Invite each department or team in your company to use this handbook to create a dashboard specific to their function.

This process will naturally lead your team to understand the following:

- Your company and its leaders care about both mission and profit.
- Why growth is so important, in whatever stage your business is currently.
- The connection between an individual team member's role and the success of the company.
- What any member of the team can do to make a meaningful contribution to the company and its mission.

FIRST - Select Key Metrics & Initial Goals

This section will look at the Four Essential Measures: mission, scale, profit, and cash.

- Each section provides a guide to help you first brainstorm all the possible ways you might measure each essential element.
- This rich process will help you and your team think more expansively and more specifically about the results and outcomes you hope to create.
- After brainstorming possible metrics, you will choose three key metrics for each Essential Measure.

Mission Metrics

Mission Metrics help you measure the active presence and commitment of these elements:

- Inception Story
- Core Purpose
- Core Values
- Vision
- Long-Term Impact Goal

Without specific ways to measure or demonstrate that these essential elements are integrated into every aspect of your business, they become afterthoughts or words on a page that carry little or no real meaning.

The critical mark of a Force for Good business is its commitment to not just profit, but also purpose. In balanced measure.

Since we take great care to define what profitability looks like and means in a company, we must also afford our mission the same clarity and measured focus.

Let's look at each of the five essential mission elements and explore specific ways you might measure their active, helpful presence in your business.

Use Part 1 of the Select Key Metrics & Set Initial Goals Worksheet to log your responses as you read through each section below. You can download this worksheet at www.aforceforgood/biz/tools/key-metrics.

Inception Story Measurement

Every inception story makes promises about why the company began and what it hopes to deliver to customers and the world. Use these questions to help you brainstorm and clarify specific ways you would like to see the promises of your Inception Story carried out:

1. What are the promises embedded in your Inception Story?
2. What would it look like for the promises of your Inception Story to be alive and well in the company every day, every week, and every year?
3. What would people in the company be doing (specifically) that would demonstrate the promises of your Inception Story?
4. What do you wish every person in the company would do every day that embodies the promises of your Inception Story? Be specific.
5. If the company leaders were to embody, demonstrate, and lead through the intentions and promises of your Inception Story, what would they do every month?
6. To align with the intention and promises inherent in your Inception Story, what are specific ways each function of your business would demonstrate its commitment? Examples of your functional areas might include the following:
    - Research & Development
    - Product & Service Operations
    - Marketing
    - Sales
    - Quality Assurance
    - Human Resources
    - Finance & Legal
    - Technology, Equipment & Facilities
7. Identify the top three measures of your Inception Story. Which three measures most demonstrate the intention and commitment your Inception Story represents?

Side Note

What if you did a company-wide Town Hall (in person or Zoom) where you posed these questions to everyone on your team? Invite everyone to share or submit their answers to the questions in small groups and then with the larger group.

This will teach your team the Inception Story and create new, indelible ideas about what the story stands for, how it is meant to be relayed every day, and how each person can be an ambassador of your company.

Rolling out metrics related to “what you stand for” and your “mission” will mean something entirely new to employees who might otherwise resist reporting metrics. This conversation helps team members understand why numbers and metrics are valuable to building a great company.

Core Purpose Measurement

Your Core Purpose articulates the fundamental reason your company exists. It speaks to the daily impact and transformation you strive to deliver to constituents. Use the questions below to spark clarity in defining what it would look like to have your Core Present active in your business ongoing:

1. What are the promises embedded in your Core Purpose?
2. What new results and outcomes do you hope your constituents will experience from working with your company?
3. What would people in the company be doing (specifically) that would demonstrate alignment with your Core Purpose?
4. What is something you wish every single person in the company would do every single day that embodies the intention of your Core Purpose?
5. If the company's leaders were to embody, demonstrate, and lead with the intention of furthering and elevating your Core Purpose, what would they do every month?
6. To align with the intention and commitments inherent in your Core Purpose, what are specific ways each function of your business would demonstrate its commitment? Examples of your functional areas might include the following:
    - Research & Development
    - Product & Service Operations
    - Marketing
    - Sales
    - Quality Assurance
    - Human Resources
    - Finance & Legal
    - Technology, Equipment & Facilities
7. Identify your top three measures of Core Purpose. Which three measures most demonstrate the intention and commitment your Vision represents?

You may find that many Core Purpose measures are similar or even the same as the Inception Story measures from the section above. This is absolutely fine. This demonstrates resounding confirmation of those activities or outcomes that are the most important expressions of your Mission. That said, the more ideas you can generate of “what your mission looks like” will help you and your team breathe these deep intentions more regularly into your company.

Vision Measurement

Your Vision paints the picture of a future, altruistic world where the challenges faced by your constituents have been solved. It articulates the future possibilities of what could, over one hundred years or more, be created through your business.

Every day, through the promises of your Inception Story and Core Purpose, your business intends to move toward the brighter future depicted in your company’s Vision. Vision metrics help you track and demonstrate real progress toward that inspired future.

Use the questions below to spark clarity in defining what it would look like to have your Core Purpose active in your business ongoing:

1. What would it look like to make progress toward your Vision? What new results and outcomes do you hope to create as you advance your Vision?
    a. What new results would you look for today?
    b. What new results would you look for this week?
    c. What new results would you look for this month?
    d. What new results would you look for this year?
    e. What new results would you look for this decade?
2. What would people in the company be doing (specifically) that would demonstrate alignment with your Vision?
3. What is something you wish every single person in the company would do every single day that embodies the intention of your Vision?
4. If the company’s leaders were to embody, demonstrate, and lead with the intention of furthering and elevating your Vision, what would they do every week, month, and year?
5. To align with the intention and commitments inherent in your Vision, what are specific ways each function of your business would demonstrate its commitment? Examples of your functional areas might include the following:
    - Research & Development
    - Product & Service Operations
    - Marketing
    - Sales

- Quality Assurance
- Human Resources
- Finance & Legal
- Technology, Equipment & Facilities

6. Identify your top three measures of Vision. Which three measures most demonstrate the intention and commitment your Vision represents?

Again, you might discover overlap in measuring Vision with Inception Story and Core Purpose. Notice that these overlap areas guide you towards the essential activities and outcomes your company most cherishes.

Also, notice how these questions help paint a picture of the culture you can intentionally create within your business. Contemplate how these new measures will stand out as a unique aspect of your business. Notice how attention to these measures will create community within your company, dedicated to what you stand for.

Also, recognize how these specific metrics will help everyone on the team understand more tangibly the deeper intention behind the words of your Mission. See how these measures make your Mission less theoretical and more accessible.

Core Values Measurement

Core Values are the qualities and convictions you and everyone on your team must uphold, in order to bring to life your Core Purpose and Vision. While many qualities are good to have on a team or in a company, there are 3-5 you choose to develop with sincere attention and focus intentionality.

You choose them because your Core Purpose and Vision cannot happen without them.

Given how important these 3-5 qualities are, the discipline of finding ways to grow them into the everyday behaviors of your team is critical. Fostering your Core Values into your company's culture is one of your greatest leadership responsibilities.

Measuring Core Values helps you predict the success of your company. When the activities and behaviors associated with your Core Values are running strong, fulfilling your Core Purpose, Vision, and Impact Goal is automatic.

For each of your Core Values, ask yourself these questions:

1. What would people in the company be doing (specifically) that would demonstrate alignment with this Core value? What behaviors and actions embody this Core Value?

2. What do you wish every person in the company would do every day that embodies this Core Value?
3. If the leaders of the company were to embody, demonstrate, and lead with this Core Value, what would they do every week, month, and year?
4. In order to align with this Core Value, what are specific ways each function of your business would demonstrate its commitment? Examples of your functional areas might include the following:
    - Research & Development
    - Product & Service Operations
    - Marketing
    - Sales
    - Quality Assurance
    - Human Resources
    - Finance & Legal
    - Technology, Equipment & Facilities
5. Identify your top three measures of this Core Value. Which three measures most demonstrate the intention and commitment of this Core Value?

** To explore further ways to integrate Core Values into your business, refer to the **Core Values-Infused Systems Worksheet** available at www.aforceforgood/biz/tools/key-metrics.*

Long-Term Impact Goal Measurement

Your Long-Term Impact Goal represents a company-wide measurable milestone your company intends to manifest as a measure of breakthrough progress in manifesting the Vision. This Impact Goal becomes the "Mount Everest Goal" everyone on the organization is dedicated to actualizing.

A Long-Term Impact Goal usually lives at roughly a 10-year horizon, giving it enough distance into the future to enable the team to think expansively about what is possible, while also having it be near enough that it feels driven to achieve.

Every Impact Goal should be measurable and easily trackable so that every week and month the team can measure progress towards success.

A well-chosen Impact Goal lives at the intersection between:

- Mission – what the company stands for.
- Scale – the needed level of scale to produce breakthrough progress on the Vision.

- Profit – what drives the financial strength and sustainability of the company.

To help you select key metrics associated with measuring progress on your Impact Goal, ask yourself these questions:

1. What would progress look like in 1 year, 3 years, and 10 years? For each of these time horizons, write down what goals you would like to achieve on your way to your Impact Goal?
2. What would people in the company be doing (specifically) that would generate progress on your Impact Goal? What repeated, ongoing behaviors and actions will be necessary to achieve this goal?
3. What is something you wish every single person in the company would do every single day to facilitate this Impact Goal?
4. What would the leaders of the company do every week, month, and year to ensure this Impact Goal is achieved?
5. What specific activities will be needed by each functional area of your company to ensure the Impact Goal occurs. Examples of your functional areas might include the following:
    - Research & Development
    - Product & Service Operations
    - Marketing
    - Sales
    - Quality Assurance
    - Human Resources
    - Finance & Legal
    - Technology, Equipment & Facilities
6. Identify your top three measures of your Impact Goal. Which three measures most demonstrate the progress and make possible the actualization of this goal?

Example: Allumé Mission Metrics

Using Allumé as an example, here are a few ways we measured our mission:

- **Number of patients served** – Bringing medically fragile patients home from the hospital or helping a family who didn't previously receive at-home nursing care was a direct measure of our desire to increase the total number of medically fragile patients receiving care in Connecticut.

- **Number of hours delivered** – For some patients delivered eight, others twelve, others twenty-three hours in a day. The level of impact we could deliver was 100% a measure of the number of hours we were helping a family care for their medically fragile loved ones.
- **Schedule Utilization** – Because we wanted to be great at filling as many schedules as possible to support patients and families, we tracked the total hours filled for each patient weekly. This way we knew which patients had full schedules, where there were clinician call-outs, and where there were significant scheduling gaps.
- **Thank you cards** – Because our core purpose was to surround not just patients with Remarkable Care™, but also our team members, we implemented a weekly process where administrative team members sent out thank you cards acknowledging our clinicians in the field.
- **Progress on the "Allumé Star"** – We had an image of 20 programs envisioned to boost our culture over time, which we had posted throughout the company as the Allumé Star. We implemented one new program each quarter, adding to the star. Each week we would measure progress on the program we were implementing.
- **Commitment to Conducting Rituals** – We would track and hold the team accountable for scheduling and participating in the important rituals of our culture, including daily huddles, weekly dashboards, monthly dashboards, monthly town hall meetings, monthly employee acknowledgment awards, quarterly strategic planning meeting, and annual strategic planning retreat. More on this in **Part Four of A Force for Good**.

Choose Three Mission Metrics & Goals

Now that you have explored measuring alignment and integration of the company Inception Story, Core Purpose, Vision, Core Values, and Long-Term Impact Goal, choose three metrics you believe will powerfully illustrate how your business is doing with implementing its Mission. **These will be metrics you will track weekly and monthly to measure progress.**

In the table below, write down the **Three Mission Metrics** you selected and then:

1. Measure where are you currently. For last month and for the last year, how would you measure?
2. What is your monthly and annual goal for each metric in 12 months?
3. What is your monthly and annual goal for each metric in 3 years?
4. What is your monthly and annual goal for each metric in 10 years?

	Current		12-Month Goals		3-Year Goals		10-Year Goals	
The Measure	Last Month	Last 12 Months	Per Month	Per Year	Per Month	Per Year	Per Month	Per Year

Reflect for a moment on how dramatically your businesses would be positively affected by amplifying the results of these three measures.

Scale Metrics

In this handbook, **scale** refers to growing the number of customers and revenue. There are two primary reasons to grow your business in these ways:

1. **Scale is a measure of the positive impact your company intends to deliver to the world.** To fulfill your Core Purpose and Vision requires a certain level of scale.
2. **Scale is a measure of prosperity.** There is a certain scale you need to break-even (cover all your costs) and another level you need to achieve the level of profit needed for you and all of your constituents to thrive.

Like Mission, scale can be measured in many ways. Here are just a few:

- **Customers** – The number of new customers, retained customers, loyal customers.
- **Revenue** – The amount of sales overall, sales per customer, sales per product.
- **Prospects** – The number of suspects, prospects, offers, and closed sales.
- **Marketing** – The number of email subscribers, social media followers, lead conversions, and inbound requests.

Use Part 2 of the Select Key Metrics & Set Initial Goals Worksheet to log your responses as you read through each section below. You can download this worksheet at www.aforceforgood/biz/tools/key-metrics.

Scaling Positive Impact

What is your vision for creating good in the world? What is the level of reach you hope to achieve over the next 10 years? Aside from simply having more customers, more revenues, and more profit, you also have a vision of how many people you would like to serve.

Whether you are a local bakery that longs to serve customers within 30 square miles, an online media company that wants to reach 1,000,000 readers, a pharmaceutical company driven to launch four new products that serve women's health, or an international franchise that aims to grow presence in 20 countries over the next decade; you have a picture in your mind of how many customers you hope to serve over the next ten years.

Use these questions to help you consider and measure how you might measure progress of scaling positive impact:

1. What is your Long-Term Impact Goal?
2. What metric(s) would you use to track growth and progress on this goal?
3. Would increasing the number of customers represent an increased positive impact delivered by your company? Is it important for your business to increase its number of customers to fulfill its Core Purpose, Vision, and Long-Term Impact Goal?
    - Are there specific customers you most want to reach?
    - Are there specific products or services you would like customers to utilize? Are there specific offerings you wish more customers would procure because you know it will bring them the greatest positive results?
4. Would increasing the level of relationship or length of service improve customer outcomes? (For example, customers who use your product for at least six months have the best outcomes; or customers who use your Tier 1 Service Package empowers them to have the best customer experience.)
    - Would you like to grow the number of customers who use your product for a specific length of time or more?
    - Would you like to grow the number of customers who enroll in a particular flagship product or service?
    - Is there another way you measure a higher-level relationship with customers?
5. Would you like to increase the number of customers who achieve a certain result by using your products or services? What would that result be? How would you measure the number of customers who achieve that result?
6. You might be planning to add new functions to your existing platform, or you plan to build new products or services over the next decade, hoping to positively impact customers?
    - Would launching new products be a measure of expanding positive impact?
    - Would improving new products or services be a measure of expanding positive impact?
7. You might be planning to add new stores, territories, states, or countries, bringing positive impact to a larger geography over time. How might expansion of territory be a measure of impact for your company?
8. You may serve a specific market or industry today but plan to expand into other markets in the coming decade. How might market or industry expansion be a measure of impact for your company?
9. Some businesses grow impact through important relationships. For example, you might expand impact by signing an agreement with new franchisees, resellers, distributors, acquisitions, investors, or affiliates. How might the expansion of strategic relationships represent an expansion of positive impact?

Scaling Prosperity

In addition to growing positive impact, the other reason to scale is to generate prosperity.

Prosperity refers to a successful, flourishing, or thriving condition in your business.

A <u>Prosperous Business</u> possesses these attributes:

- It can pay its people fairly and competitively.
- It can invest in the <u>right</u> and <u>best</u> people for each job function.
- It can invest in <u>enough</u> people to do the work of the company.
- It can invest in the tools, systems, technology, equipment, and real estate needed to fulfill the promises made by the mission.
- It can pay its Founder back for all her investments and generate a healthy return according to her Definition of Thriving.
- It can pay all of its lenders back with interest.
- It can pay all of its financial investors back with an above-market return on investment.

With that said, how many products and services do you need to sell in order for you to pass these thresholds:

1. **Break-even** – Where you generate enough gross profit from sales of services and products to cover all of your operations costs.
2. **Scaling** – Where you generate enough gross profit from sales of services and products to re-invest into hiring the right and best people, hiring enough people to manage the workload, expanding marketing programs to generate more customers, and implementing the tools, system, and technology needed to fulfill your mission.
3. **Prospering** – Where you have the right people, systems, technology, and equipment in place AND generate enough gross profit to continue to grow 10-20%+ annually while also generating desirable returns for both the Founder and Investors.

Because every company scales, or grows uniquely, it is the job of you and your team to determine which growth metrics are most meaningful to your business. Examples might be:

- # Customers
- # New Customer
- # Customers Retained over X Months/Years
- # Products/Services Sold
- # Specific High-Profit-Margin Products/Services Sold
- $ Revenue
- $ Revenue Per Customer Per Month/Year
- $ Revenue Per Product Per Month/Year

- # Agreements, Partnerships, Affiliates, Franchisees Per Month/Year
- # Suspects, Prospects, Offers, and Closed Sales (Enrollment Funnel)
- # email subscribers, social media followers, lead conversions, customer referrals, and inbound requests (marketing activities).
- # New Hires, # A+ Hires, # Employees, # Direct Service Providers who aid in scaling
- # of New Technology Implementations (that foster scaling the company)
- # of System Improvements (that foster scaling the company)
- # offices, plants, buildings, machines, or widgets (that foster scaling the company)

When selecting your key measures of scaling prosperity, consider these questions:

1. **Which metrics best measure increased scale?** (For example, #Customers, $Revenues, #Units Sold, etc.)
2. **Which metrics measure the key activities that lead to increased scale?** (For example, #suspects, #prospects, #offers, #new customers, #opt-ins, #social media followers, etc.)
3. **Where are your key levers you can press? What amplifies scale?** (#social media ads, #facebook posts, #outbound sales calls, #post-sale upsell calls, #virtual informational classes, etc.)
4. **Where are your key constraints you can improve? What holds back growth? And how could you measure progress on neutralizing or freeing this risk?** A key growth constraint might be that you can't hire and retain enough service providers, or you can't get enough of a specific raw material, or you can't build enough product because you need another factory, or you can't get meetings with they key decision-makers of your customers.

Use the above questions to foster generative discussions with members of your team about how you see scaling prosperity in your company.

Example: Allume Scaling Metrics

At Allume, below are some of the critical metrics we used to measure scale. Notice they align scaling positive impact with business prosperity.

- **Number of patients brought home from the hospital** – Because of the nurse workforce shortage, medically complex patients often cannot leave the hospital until a team of 2-3 nurses are hired and ready to care for them around the clock at home. Each new patient represents an average of 400 hours per month or 21,000 hours per year. Each new patient brought home demonstrated real progress in scaling billable hours.
- **Total number of patients we care for** – One of our main jobs is to keep our medically fragile patients safe at home. Our goal is to keep as many as we can safely serve for as long as possible, without visits to the hospital. Again, each

patient kept on service represents a significant volume in sales, thus tracking the number of patients we care for empowers everyone on the team to see progress over time. We also appreciate it is not a financial metric, but rather a service metric. The team is much more able to commit heart and soul to caring for patients, rather than growing revenues.

- **Number of patients in the community who receive access** – There is a huge waiting list of hundreds of medically complex children and adults not receiving care in our state. We track not just the number of complex care patients we provide direct care, but all of the patients in the state who receive care. It is important to us as a company to know that a constantly growing number of medically complex individuals are receiving the in-home care they need. Our advocacy work helps make this expansion possible.
- **Clinician hires** – Each month we aim to hire, orient, onboard, and train 10-15 nurses, so that we can prepare them to serve a new patient anxious to come home from the hospital.

Choose Three Scale Metrics & Goals

Now that you have explored both scaling positive impact and prosperity, choose three metrics you believe will powerfully illustrate how your business is doing with growth and scale. **These will be metrics you will track weekly and monthly to measure progress.**

In the table below, write down the **Three Scale Metrics** you selected and then:

1. Measure where are you currently. For last month and for the last year, how would you measure?
2. What is your monthly and annual goal for each metric in 12 months?
3. What is your monthly and annual goal for each metric in 3 years?
4. What is your monthly and annual goal for each metric in 10 years?

	Current		12-Month Goals		3-Year Goals		10-Year Goals	
The Measure	Last Month	Last 12 Months	Per Month	Per Year	Per Month	Per Year	Per Month	Per Year

Reflect for a moment on how dramatically your businesses would be positively affected by amplifying the results of these three measures.

Profit Metrics

Usually, profitability is measured monthly by looking at the Profit & Loss Statement --

including **revenue, gross profit, operations expenses, operating profit, and net income** -- which is usually run monthly, as it is difficult to assemble on a weekly basis. Some aspects of this data you may want to track weekly and even daily, however.

Each of these is explored below.

Use Part 3 of the Select Key Metrics & Set Initial Goals Worksheet to log your responses as you read through each section below. You can download this worksheet at www.aforceforgood/biz/tools/key-metrics.

Revenue Drivers

Revenue, also referred to as sales or turnover, is the total amount of money a company generates from its primary operations within a specific period. It represents a company's income through the sale of goods, provision of services, or any other business activities.

Revenue can come from various sources, including the sale of products, fees for services rendered, royalties, rent, interest, and other forms of income. It is an essential component of a company's financial performance and is typically reported on the profit & loss statement.

Revenue is different from profit, as profit represents the amount of money left over after deducting all expenses from revenue. Revenue reflects the top-line figure, while profit indicates the bottom-line figure.

It's worth noting that revenue does not include any deductions for taxes, operating expenses, or costs associated with producing or delivering the goods or services. These expenses are considered separately to calculate the company's net income or profit.

Revenue is certainly a driver of profitability, and thus it is a good metric to review regularly as an indicator of profit. While it may be difficult to create a full profit & loss statement weekly, it makes sense to measure revenues in some simplified way weekly. This is because a full month is way too much time to let go by without having a pulse on this important profit driver.

You might want to look weekly at some of these:
- Total revenues
- Revenues by product/service
- Unit volume total
- Unit volume by product/service

Consider the information that is most valuable and actionable to you and which information is easiest to acquire?
1. Is it more tangible for your team to think about adding $10K in revenue this week

or selling 10 more widgets?
2. Is your team more comfortable discussing the number of units sold or dollars booked?
3. Are you more comfortable being transparent about unit volume or revenue with your team?
4. Which type of metric do you feel more free to be transparent with your whole team? (Some types of company cultures do better talking about services or products delivered, rather than dollars sold.)

Choose the primary metric(s) you would like to track weekly and monthly that represents (or is) revenue.

Cost of Goods Sold (COGs) Drivers

Cost of goods sold (COGS), also known as the cost of sales or cost of revenue, is the direct cost incurred by a company in producing or acquiring the goods or services sold during a specific period. It represents the expenses directly associated with producing, purchasing, or delivering the products or services that generate revenue.

The cost of goods sold includes several components, such as:

- **Direct Material Costs:** The cost of raw materials or components used in production.
- **Direct Labor Costs:** The wages or salaries of the employees directly involved in the manufacturing or production of goods or the delivery of services.
- **Manufacturing Overhead:** Indirect costs related to the production process, such as utilities, rent, equipment maintenance, and other expenses not directly tied to raw materials or labor.
- **Freight and Shipping Costs:** The expenses incurred in transporting the goods from the supplier to the company or from the company to the customer.

To calculate the cost of goods sold, the company typically begins with an opening inventory of goods available for sale, adds the cost of goods purchased or produced during the period, and subtracts the ending inventory. The resulting figure represents the cost of the goods sold during that period.

COGs are part of a typical monthly profit & loss statement. Again, waiting a full month to monitor the factors most influential on COGs should be measured weekly and sometimes daily.

Here are examples of COGs-related measures you might measure weekly:
- Payroll costs for direct service providers
- Overtime costs for direct service providers
- Inventory levels

- Work in progress
- Price per unit for critical raw materials that fluctuate and affect profitability
- Downtime of equipment
- Capacity and utilization
- Shipping costs
- Packaging costs

Which COGs measurements most drive profitability in your company? Which costs could you reduce? Which systems or processes could you improve to lower costs?

Choose the primary metric(s) you would like to track weekly and monthly that drives COGs.

Operations Expense Drivers

Operations expenses, also known as operating expenses or OPEX, refer to the costs incurred by a business or organization in its day-to-day operations to generate revenue and sustain its ongoing activities. These expenses are essential for the functioning and maintenance of the business and are not directly associated with the production of goods or services.

Operations expenses typically include various categories of costs, such as:

- **Salaries and wages:** The compensation paid to employees for their work, including regular salaries, hourly wages, bonuses, and benefits.

- **Rent and utilities:** The costs associated with leasing or renting office or retail space, including rent payments, property taxes, insurance, and utility bills (electricity, water, heating, etc.).

- **Office supplies and equipment:** Expenses related to purchasing and maintaining office supplies, such as stationery, printers, computers, software licenses, and other necessary equipment.

- **Communication and technology:** Costs associated with telecommunication services, internet connectivity, mobile devices, software subscriptions, and IT infrastructure.

- **Marketing and advertising:** Expenses incurred to promote the business and its products or services, including advertising campaigns, marketing materials, website development, and public relations activities.

- **Travel and entertainment:** Costs related to business travel, accommodation, meals, client entertainment, and other expenses incurred during business-related trips.

- **Professional services:** Fees paid to external consultants, legal advisors, accountants, auditors, and other professionals who provide specialized services to the business.

- **Maintenance and repairs:** Expenditures to maintain and repair equipment, machinery, vehicles, and facilities, ensuring their proper functioning and longevity.

- **Insurance:** Premiums paid to protect the business from potential risks and liabilities, such as property insurance, liability insurance, workers' compensation, and business interruption insurance.

- **Depreciation and amortization:** Allocation of the costs of long-term assets over their estimated useful lives, reflecting the gradual wear and tear or obsolescence of these assets.

Operations expenses are an essential component of a company's overall budget and are necessary for sustaining day-to-day operations, maintaining infrastructure, supporting employees, and promoting growth. Proper management and control of these expenses are crucial for ensuring the financial health and long-term viability of the business.

Operating expenses are part of the monthly Profit & Loss Statement. However, there may be critical expenses that you would like to track on a weekly, or even daily basis. Consider these questions and use the Choose Your Key Metrics Worksheet (www.aforceforgood/biz/tools/key-metrics) to help you choose specific metrics to track more frequently to drive down costs and increase profit:

1. Review the list above of components that make up operating expenses. Brainstorm a list of 8-10 ways you could reduce costs to improve profitability?
2. What factors keep your operating expenses higher than you'd like? What strategies could you employ to reduce these costs?
3. What are process or system improvements you could make to lower operating expenses?
4. Review your ideas from above and identify the 3-4 ways you could most dramatically reduce operations expenses. What would have the biggest impact? Which ways are most accessible for your to improve?
5. How would you measure weekly progress on the above three strategies or improvements? Which operations expense metrics would you need to track and review monthly, weekly, and possibly daily to ensure these areas improve?

Choose the primary metric(s) you would like to track weekly and monthly that

represents (or is) revenue.

COGs versus Operating Expenses

As a side note, it is important to understand the distinctions between COGs and Operating Expenses. Cost of Goods Sold (COGS) and operating expenses are two distinct categories of expenses in a company's financial statements. The main difference between them lies in the nature of the expenses and the specific activities they relate to

• COGS represents the direct costs associated with producing or acquiring the goods or services that a company sells to generate revenue. • COGS includes expenses directly attributable to the production or procurement of goods, such as raw materials, direct labor costs, and manufacturing overhead costs. • COGS is deducted from revenue to calculate gross profit. It reflects the direct costs that are directly linked to the production or acquisition of goods.	• Operating expenses, also known as OPEX, represent the costs incurred in the day-to-day operations of a business that are not directly tied to the production of goods. • Operating expenses include a wide range of costs required to run the business, such as salaries and wages, rent, utilities, marketing expenses, office supplies, insurance, maintenance, and other general administrative costs. • Operating expenses are not directly associated with the production of goods or services but are necessary to sustain the ongoing operations of the business. • Operating expenses are deducted from gross profit (after deducting COGS) to calculate operating income or operating profit. They represent the expenses incurred in running and managing the company's operations.

In summary, the key difference between COGS and operating expenses lies in their relationship to the production or acquisition of goods. COGS specifically represents the direct costs associated with producing or acquiring the goods sold by a company, while operating expenses encompass the broader range of costs incurred in the day-to-day operations of the business that are not directly tied to production.

Profitability Measures & Ratios

Gross Profit

Gross profit is a financial metric that represents the amount of money a company earns from its revenue after deducting the direct costs associated with producing or delivering its products or services. It is calculated by subtracting the cost of goods sold (COGS) from the total revenue generated during a specific period.

The formula for calculating gross profit is as follows:

Gross Profit = Total Revenue - Cost of Goods Sold

Operating Profit & EBITDA

Operating profit, also known as **operating income** or **operating earnings**, is a financial metric that represents the profitability of a company's core operations before interest, taxes, and non-operating expenses are taken into account. It is derived by subtracting the operating expenses from the gross profit.

The formula for calculating operating profit is as follows:

Operating Profit = Gross Profit - Operating Expenses

By deducting operating expenses from the gross profit, the operating profit reveals the profitability of a company's core operations. It reflects the company's ability to generate profits from its primary activities without considering external factors like interest payments, taxes, and non-operating gains or losses.

Similar to operating profit is **EBITDA**, which stands for Earnings Before Interest, Taxes, Depreciation, and Amortization. It is a financial metric that provides a measure of a company's operating performance and profitability by excluding certain non-operating expenses and accounting practices.

The components of EBITDA are as follows:

- **Earnings:** It refers to the net income or profit generated by a company after deducting all operating expenses, interest expenses, and taxes.
- **Before:** This term indicates that EBITDA is calculated before considering the following items.
- **Interest:** Interest expense represents the cost of borrowing money or servicing debt. By excluding interest expenses, EBITDA focuses solely on the operating

performance of a company, irrespective of its capital structure or financing decisions.

- **Taxes:** Income taxes are excluded from EBITDA to provide a clearer view of a company's operating performance, as tax rates and tax structures can vary significantly across jurisdictions and impact net income.

- **Depreciation:** Depreciation refers to the systematic allocation of the cost of tangible assets over their estimated useful lives. It represents the wear and tear, obsolescence, or deterioration of physical assets. By excluding depreciation, EBITDA eliminates the impact of non-cash expenses on profitability.

- **Amortization:** Amortization, similar to depreciation, represents the allocation of the cost of intangible assets over their estimated useful lives. Intangible assets include intellectual property, patents, copyrights, trademarks, and goodwill. By excluding amortization, EBITDA removes the impact of non-cash expenses related to intangible assets.

While there are similarities between Operating Income and EBITDA, there are also key differences in their calculation and scope.

• EBITDA provides a broader measure of a company's profitability by excluding interest, taxes, depreciation, and amortization. It focuses solely on the operational performance of a company and is often used to evaluate its ability to generate earnings from core operations. • EBITDA is often used in financial analysis to compare the operating performance and profitability of companies, especially when comparing organizations with different capital structures or accounting practices. It is useful for evaluating cash flow generation and for assessing the operational efficiency of a company. • EBITDA has limitations as it excludes important expenses like interest, taxes, and non-cash expenses. It may not provide a	• Operating income represents the profitability of a company's core operations after accounting for all operating expenses. It provides a measure of the company's ability to generate profit from its primary business activities. • Operating income is a valuable metric for assessing a company's profitability and performance at the operating level. It helps evaluate the effectiveness of a company's core operations, cost management, and pricing strategies. • While operating income provides a more comprehensive view of a company's profitability than EBITDA, it still does not account for all expenses and factors that may impact a company's financial performance. It is essential to analyze other aspects such as

complete picture of a company's financial health, especially in industries with high capital expenditures or heavy debt burdens. It is important to consider other financial metrics and factors when analyzing a company's overall financial performance.	interest expenses, taxes, and non-operating gains or losses to obtain a more complete understanding.

In summary, EBITDA and operating income are both useful metrics for evaluating a company's profitability and operating performance. EBITDA provides a broader measure of profitability by excluding interest, taxes, depreciation, and amortization, while operating income focuses on the profitability of core operations after deducting all operating expenses.

Net Income

Net income, also referred to as **net profit**, **net earnings**, or **bottom line**, is a key financial metric that represents the residual profit remaining after deducting all expenses, including operating expenses, interest, taxes, and non-operating expenses from the total revenue generated by a company during a specific period.

Net income is calculated using the following formula:

Net Income = Total Revenue - Total Expenses

- **Total Revenue:** This represents the total amount of revenue generated by a company from its primary business activities, such as sales of goods or services. It includes both operating revenue and non-operating revenue, such as gains from investments or other sources.

- **Total Expenses:** These are the costs and expenditures incurred by a company during the period. They include various categories of expenses, such as operating expenses (salaries, rent, utilities, marketing, etc.), interest expenses, taxes, and non-operating expenses like losses from investments or write-offs.

By subtracting total expenses from total revenue, net income provides a measure of the profitability of a company's operations after considering all costs and expenses. It indicates the amount of profit or loss generated by the company during the given period.

Net income is a crucial metric for evaluating a company's financial performance and is often used by investors, analysts, and stakeholders to assess the profitability and overall health of the business. It serves as an indicator of the company's ability to generate profits from its core operations and is reported on the income statement as a key line item.

Profitability Ratios

Profitability ratios typically assess a company's financial performance over a longer period, such as quarterly or annually, as they require data from the income statement and balance sheet. However, it is uncommon to analyze profitability ratios on a weekly basis due to the short time frame. Nonetheless, if you want to monitor financial performance on a weekly basis, you may consider using the following indicators, which provide insights into different aspects of profitability:

- **Gross Profit Margin:** This ratio measures the percentage of revenue that remains after deducting the cost of goods sold. It helps assess the efficiency of production and pricing strategies. The formula is:

  Gross Profit Margin = (Gross Profit / Revenue) * 100

- **Operating Profit Margin:** This ratio indicates the percentage of revenue that is left after deducting both the cost of goods sold and operating expenses. It reflects the profitability of the company's core operations. The formula is:

  Operating Profit Margin = (Operating Profit / Revenue) * 100

- **Net Profit Margin:** This ratio represents the percentage of revenue remaining after deducting all expenses, including taxes and interest. It provides an overview of the company's overall profitability. The formula is:

  Net Profit Margin = (Net Profit / Revenue) * 100

- **Return on Assets (ROA):** This ratio measures the profitability of a company's assets by indicating the percentage of net income generated in relation to the total assets employed. The formula is:

  ROA = (Net Profit / Total Assets) * 100

- **Return on Equity (ROE):** This ratio assesses the profitability in relation to the shareholders' equity, indicating the percentage of net income generated as a return on the shareholders' investment. The formula is:

  ROE = (Net Profit / Shareholders' Equity) * 100

While these ratios are commonly used for longer-term analysis, they can still provide insights when calculated on a weekly basis to identify trends or changes in profitability over shorter periods. However, it's important to keep in mind that weekly fluctuations in these ratios may not necessarily indicate significant changes in the company's overall profitability, as they can be influenced by various factors such as timing of expenses, seasonality, or irregular transactions.

Choose Three Profit Metrics & Ratios

Now that you have explored profit, choose three metrics you believe will powerfully grow profitability most dramatically in your organization. **These will be metrics you will track weekly and monthly to measure progress.**

In the table below, write down the **Three Profit Metrics** you selected and then:

1. Measure where are you currently. For last month and for the last year, how would you measure?
2. What is your monthly and annual goal for each metric in 12 months?
3. What is your monthly and annual goal for each metric in 3 years?
4. What is your monthly and annual goal for each metric in 10 years?

	Current		12-Month Goals		3-Year Goals		10-Year Goals	
The Measure	Last Month	Last 12 Months	Per Month	Per Year	Per Month	Per Year	Per Month	Per Year

Reflect for a moment on how dramatically your businesses would be positively affected by amplifying the results of these three measures.

Cash Flow Metrics

Cash flow refers to the movement of money in and out of a business over a specific period. It represents the inflow and outflow of cash resulting from various activities, including operating, investing, and financing activities.

- **Operating Activities:** Cash flows from operating activities involve the day-to-day business operations, such as revenue generation from sales and the payment of operating expenses. This category includes cash received from customers, cash paid to suppliers and employees, and other operating expenses.
- **Investing Activities:** Cash flows from investing activities pertain to the buying or selling of long-term assets, such as property, plant, equipment, or investments. Examples include cash spent on purchasing new equipment or cash received

from an investment or asset sale.

- **Financing Activities:** Cash flows from financing activities are related to the financing of the business. This includes activities such as borrowing or repaying loans, issuing or repurchasing company stock, or paying dividends to shareholders. It also includes cash received from investors or lenders and cash paid to shareholders or lenders.

The **net cash flow** is determined by summing the cash flows from these three categories. A positive net cash flow indicates that more cash is coming into the business than going out, while a negative net cash flow implies that more cash is leaving the business than coming in.

Use Part 4 of the Select Key Metrics & Set Initial Goals Worksheet to log your responses as you read through each section below. You can download this worksheet at www.aforceforgood/biz/tools/key-metrics.

Monitoring cash flow is crucial for businesses to ensure they have enough liquidity to cover expenses, investments, and debt obligations. Cash flow analysis helps assess a company's financial health, ability to meet short-term obligations, and overall cash management efficiency.

By reviewing the Cash Flow Statement monthly, you will see these drivers in action, and by building the 13-Week Cash Flow Forecast ongoing, you can predict your cash flow to ensure you always remain cash positive.

Several factors increase cash flow for a business:

1. **Increasing Sales:** Generating higher revenue by increasing sales volume or implementing effective pricing strategies can lead to increased cash inflow.

2. **Improving Accounts Receivable Management:** Implementing efficient invoicing and collection processes can help accelerate cash inflow by reducing the time it takes for customers to pay outstanding invoices.

3. **Managing Inventory:** Optimizing inventory levels to avoid overstocking or stockouts can free up cash that would otherwise be tied up in excess inventory.

4. **Negotiating Supplier Terms:** Negotiating favorable terms with suppliers, such as extended payment terms or discounts for early payment, can help manage cash outflow.

5. **Controlling Expenses:** Careful management of expenses, including identifying cost-saving opportunities and implementing cost-control measures, can help reduce cash outflow.

6. **Managing Accounts Payable:** Taking advantage of available payment terms and avoiding late payment penalties can help manage cash outflow to suppliers and other creditors.

7. **Improving Operational Efficiency:** Streamlining business processes, improving productivity, and eliminating waste can contribute to cost savings and increase cash flow.

8. **Managing Capital Expenditures:** Evaluating and prioritizing capital expenditures to ensure they align with business needs and generate a positive return on investment can help control cash outflow.

9. **Obtaining Financing or Capital Infusion:** Accessing external sources of funding, such as loans, lines of credit, or equity investments, can inject additional cash into the business.

Consider your specific business and which activities accelerate and decelerate cash flow. Identify those items that you would like to improve to increase weekly and monthly cash flow and measure them weekly.

The act of updating the 13-Week Cash Flow Forecast is the best way to ensure awareness of and control over Cash Flow, but you might also elect to measure important drivers each week and month. Here are a few simple examples:

- Weekly cash balance
- Weekly outflows
- Weekly inflows
- Accounts Receivable Balance
- Accounts Payables Balance

In addition to the above, what other measures might you review and improve to increase cash flow over time?

1. **Which metrics best measure <u>increased cash flow</u>?** (For example, cash balance, changes in cash, cash inflows, cash outflows, accounts receivable balance, etc.)
2. **Which metrics measure <u>the key activities that lead to increased cash</u>?** (For example, reduced costs, better pricing, higher sales of more profitable services, lowered inventory, reaching out to customers requesting payment, etc.)
3. **Where are your <u>key levers</u> you can press? What amplifies cash?** (Increased avg price, increased sales to existing customers, faster turnaround times, etc.)
4. **Where are your <u>key constraints</u> you can improve? What holds back cash flow? And how could you measure progress on neutralizing or freeing this risk?** Negotiating better pricing, payment terms, developing more profitable product mix, and negotiating expensive debt are all possible strategies.

Choose Three Cash Flow Metrics & Goals

Now that you have explored cash flow, choose three metrics you believe will powerfully grow cash flow most dramatically in your organization. **These will be metrics you will track weekly and monthly to measure progress.**

In the table below, write down the **Three Cash Flow Metrics** you selected and then:

1. Measure where are you currently. For last month and for the last year, how would you measure?
2. What is your monthly and annual goal for each metric in 12 months?
3. What is your monthly and annual goal for each metric in 3 years?
4. What is your monthly and annual goal for each metric in 10 years?

	Current		12-Month Goals		3-Year Goals		10-Year Goals	
The Measure	Last Month	Last 12 Months	Per Month	Per Year	Per Month	Per Year	Per Month	Per Year

Reflect for a moment on how dramatically your businesses would be positively affected by amplifying the results of these three measures.

SECOND - Choose Tracking Ownership & Frequency

Now that you have explored the Four Essential Measures – Mission, Scale, Profit, and Cash Flow – it is time to select which measures you and your team will commit to collecting weekly and/or monthly.

Use Part 5 of the Select Key Metrics & Set Initial Goals Worksheet to log your responses as you read through the questions below. You can download this worksheet at www.aforceforgood/biz/tools/key-metrics.

1. Review all of the measures you selected and list the critical chosen metrics.
2. Notice which metrics repeat themselves in various sections, as these might be key metrics.
3. Denote which metrics are “lagging” or outcome measures, like revenue or profit.
4. Denote which metrics are “leading” or process measures, like # of sales calls.
5. Select 12+ measures that will most effectively diagnose what is happening in the business and elucidate what you can do to improve results (in mission, scale, profit and cash flow).

6. For each, make these four decisions:
    a. The **frequency** of tracking this metric (monthly, weekly, and in some cases even daily)
    b. Select an **owner** of the measure. Who will be responsible for collecting this data and reporting it to the team on the selected frequency?
    c. The **method** of data collection. How will the owner collect this data? Specify exactly what this person must do to obtain and report the data. And how much time will this take? (If the method takes too long, you may need to find a better data collection method or an easier measure to track.)
    d. Set **initial goals**. What would progress look like? Where do you want to be 3-6 months from now? Set monthly, weekly, and daily goals for each metric.

THIRD - Create Dashboards & Initial Goals

In this section, you will create the three physical dashboards where you will track the metrics you and your team plan to review monthly, weekly, and daily.

Some businesses will only construct a weekly and monthly, and opt-out of a daily dashboard, especially initially. This is entirely up to you. Balancing the amount of time your team spends collecting and reporting data, with the value it brings to improving mission, scale, profit, and cash flow is the constant balance you, as a leader, must find.

Again, this handbook was built with the specific intention of building a set of company-wide dashboards to help you lead the overall business, however, these instructions could also be used for each functional department of your company to create their own meaningful monthly, weekly, and daily dashboards.

The Monthly Dashboard

As a reminder, it is recommended your team prepares and reviews these Five Critical Reports monthly:

1. Profit & Loss Statement
2. Balance Sheet
3. Aging Accounts Receivable
4. Cash Flow Statement
5. 13-Week Cash Flow Projection

In addition to these reports, you should prepare a Monthly Dashboard with the 12+ most critical metrics driving and constricting your business. In the section above, you selected which metrics to track monthly, the owner who will collect them, and the collection method.

It is time to put the selected 12+ metrics into the **Monthly Dashboard Template**, so you can begin tracking data every month. The basic template is below and can be found at www.aforceforgood/biz/tools/key-metrics.

Monthly Dashboard Template

Metric	M-Mission S-Scale P-Profit C-Cash	Owner	Monthly Goal	Month 1	Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	Month 8	Month 9	Month 10	Month 11	Month 12

Go ahead and create your Monthly Dashboard now.

- For each measure, choose which drivers it supports – **Mission, Scale, Profit, and/or Cash**. It is possible for a metric to support just one, some, or all of the Four Essential Measures.
- Designate the **owner**, or person responsible for collecting the monthly data.
- Fill in the **monthly goal** for each metric.
- Complete **Month 1**, using last month's date and data.

The Weekly Dashboard

In the section above, you selected which metrics to track weekly, the owner who will collect them, and the collection method.

It is time to put the selected 12+ metrics into the **Weekly Dashboard Template**, so you can begin tracking data every week. The template is below and can be found at www.aforceforgood/biz/tools/key-metrics.

Weekly Dashboard Template

Metric	M-Mission S-Scale P-Profit C-Cash	Owner	Monthly Goal	Week 1	Week 2	Week 3	Week 4	Week 5	Week 6	Week 7	Week 8	Week 9	Week 10	Week 11	Week 12	Week 13

Go ahead and create your Weekly Dashboard now.

- For each measure, choose which drivers it supports – **Mission, Scale, Profit, and/or Cash**. It is possible for a metric to support just one, some, or all of the Four Essential Measures.
- Designate the **owner**, or person responsible for collecting the monthly data.
- Fill in the **weekly goal** for each metric.
- Complete **Week 1**, filling in last week's date and data.

The Daily Dashboard

Unlike the Monthly and Weekly Dashboards recommended for all businesses, the Daily Dashboard may or may not be appropriate for your business. A Daily Dashboard might also be developed over time, as you discover the drivers that need amplified attention, and would be worth collecting and reviewing daily.

In the section above, you selected which metrics to track weekly, the owner who will collect them, and the collection method.

If you plan to collect and review a Daily Dashboard, it is time to put the selected metrics (which might be far fewer than 12) into the **Daily Dashboard Template**, so you can begin tracking data every week. The basic template is below and can be found at www.aforceforgood/biz/tools/key-metrics.

Daily Dashboard Template

Metric	M-Mission S-Scale P-Profit C-Cash	Owner	Monthly Goal	Day 1	Day 2	Day 3	Day 4	Day 5	Day 6	Day 7	Day 8	Day 9	Day 10	Day 11	Day 12	Day 13	Day 14	Day 15	Day 16	Day 17	Day 18	Day 19	Day 20	Day 21	Day 22	Day 23	Day 24	Day 25	Day 26	Day 27	Day 28	Day 29	Day 30

Go ahead and create your Daily Dashboard now.

- For each measure, choose which drivers it supports – **Mission, Scale, Profit, and/or Cash**. It is possible for a metric to support just one, some, or all of the Four Essential Measures.
- Designate the **owner**, or person responsible for collecting the daily data.
- Fill in the **daily goal** for each metric.
- Complete **Day 1**, filling in yesterday's date and using yesterday's data.

FOURTH – Review & Innovate On Schedule

Storing & Reporting on Data

A best practice is to store your Monthly, Weekly, and Daily Dashboards on a shared drive on shared spreadsheets, where multiple people can enter the data simultaneously. Google Sheets are an excellent tool for this. Miscrosoft SharePoint also does the job. You might also like to consider a dashboard platform like Domo, Adverity, or Nineto.io.

If you use a spreadsheet like Google Sheets, I like to track data for a whole year, or ongoing. Each column represents a new month, week, or day. It is very useful to quickly review trends with your team when it is compiled into a spreadsheet this way, and reviewed ongoing.

Schedule Monthly, Weekly, and Daily Reviews

If you have already implemented the full Force for Good System, you already know about (and have hopefully implemented), the Rituals of Innovation, which include the following:

- Daily Huddle
- Weekly MIG Session (Most Important Goal Session)
- Month Dashboard Meeting

Review of the Daily, Weekly, and Monthly Dashboards are included in the agendas of the above sessions. To learn more about the Six Rituals of Innovation, go to www.aforceforgood/biz/tools/6rituals.

If you have not already implemented the full Force for Good System and the Six Rituals of Innovation, then I recommend you go ahead and start that important process by scheduling daily, weekly, and monthly dashboard meetings.

Daily Dashboard Meetings

If you plan to do a Daily Dashboard, schedule a quick, 15-minute Daily Huddle every working day for the next year. Invite team members who could most benefit and act upon the data in the Daily Dashboard.

Every day:
- Data owners collect and report their data into the Daily Dashboard, prior to the Daily Dashboard Meeting.
- Review data from yesterday.
- Decipher what affected yesterday's results (positive or negative).
- Notice trends from the last week and month.
- Choose specific actions to take today to improve today's results.

Weekly Dashboard Meetings

Schedule 30-minute meetings every week for 12 months. Again, invite team members who could most benefit from knowing the data and taking the necessary steps to improve the data each week.

In addition to the Weekly Dashboard, the **13-Week Cash Flow Forecast** should also be reviewed at this weekly meeting.

Every week:
- Data owners collect and report their data into the Weekly Dashboard and 13-Week Cash Flow Forecast before the Weekly Dashboard Meeting.
- Review data from last week.
- Decipher what affected last week's results (positive or negative).
- Notice trends from the last weeks and months.
- Choose specific actions to take this week to improve this week's results and ensure there is plenty of cash.

Monthly Dashboard Meetings

Schedule 60-minute meetings every month for the upcoming 12 months. Invite your Leadership Team and anyone else who could most benefit from knowing the data, analyzing what it means, and innovating new ways to render improved outcomes each month.

Also, in this monthly meeting, you will review the Five Critical Reports: **Profit & Loss**

Statement, Balance Sheet, Aging Accounts Receivable, Cash Flow Statement, and 13-Week Cashflow Forecast.

Every month:

- Data owners collect and report their data into the Weekly Dashboard and the Five Critical Reports before the Weekly Dashboard Meeting.
- Review data from last month.
- Decipher what affected last month's results (positive or negative).
- Notice trends from the last weeks and months.
- Choose specific actions to take this week to improve this month's results and ensure there is plenty of cash.

As you implement the full Force for Good System and the Six Rituals, you will add other specific activities to these daily, weekly, and monthly meetings. But reviewing Dashboard data, and the Five Critical Reports, is a great place to begin these important rituals.

Next Steps

You have now completed the journey of selecting the key metrics to watch monthly, weekly, and daily in your business!

This is an important step in accelerating impact, scale, and profit.

Commit to monthly, weekly, and daily meetings to ensure you and team are empowered to make progress ongoing.