THE PROBLEM WITH EXCEL DASHBOARDS

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People who use Excel for data analysis are using dashboards more than ever — and for good reason:

Excel dashboard use is increasing because:

- Excel's modern features support it better than ever
    a. Dynamic arrays, LET, XLOOKUP, slicers, data model, Power Query, PivotTables, and interactive charts make building dashboards easier and faster.
    b. Integration with Power BI, SharePoint, and Office 365 online means dashboards can be shared and refreshed seamlessly.
- Managers and clients demand visual summaries
    a. Dashboards communicate KPIs, trends, and exceptions at a glance — far more effectively than tables or raw data dumps.
    b. There's a growing expectation of interactive, self-serve reports.
- Excel is the go-to tool for quick, flexible dashboards
    a. Compared to building apps or web tools, Excel dashboards are fast to prototype and update.
    b. Many analysts use Excel as a front-end to data from databases, APIs, or Power BI datasets.

Excel dashboards are on the rise, driven by better tooling and increasing demand for data visualization and fast decision-making.

However, dashboard users need to be aware of something:
Dashboards can appear sophisticated and are often visually pleasing to the eye – nothing wrong with a little pizzazz to jazz up data that is otherwise as boring as watching paint dry.

But the real question is – how many people actually USE them frequently; how valuable are they REALLY; and most importantly, are they worth the cost and effort to build and maintain? Perhaps their real value is to software vendors and consultants who are trying to promote their wares, rather than to the audience being sold.

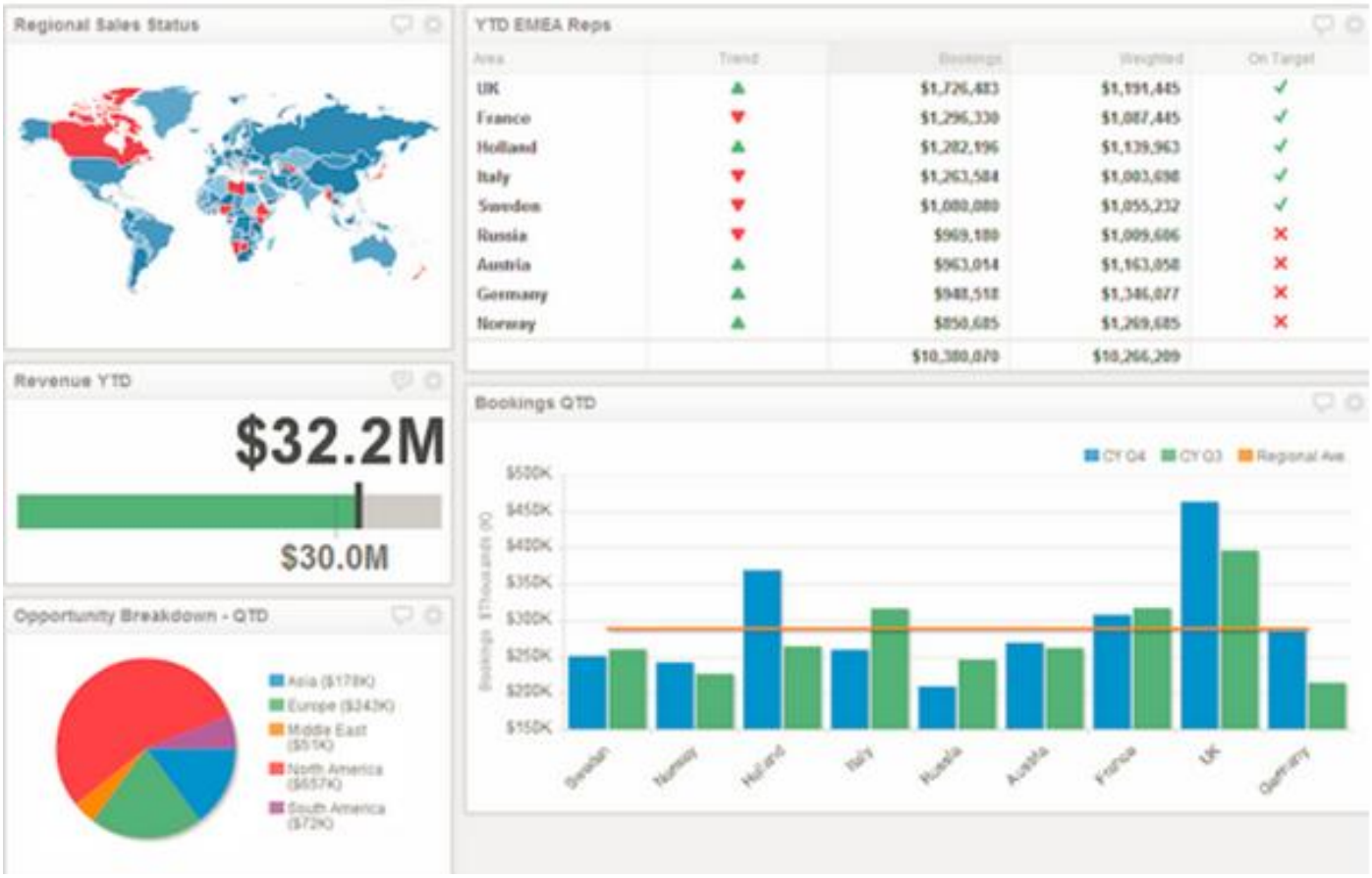
Dashboards, whether built in Excel or a dedicated business intelligence software app, tend to be either incredibly simplistic or complex. If the former, then they're not really that useful. If the latter, the information becomes overwhelming and people can't or don't want to use them.

That's not to say the information the dashboards are intending to convey is useless; far from it. It's the packaging that can be the problem. Dashboards are meant to help reveal hidden insights within tons of data; they're intended to make things easier and more informative to users, even motivate users to become more productive. Unfortunately sometimes, it's the opposite that happens.

There are a number of reasons for this. Users may not be able to correctly interpret the results in a dashboard because they know little or nothing about how the dashboard was actually constructed. Beyond communicating high-level performance analytics, gleaning real insights from them across wide user communities can be at best, difficult, and at worst, misleading. Maybe a small segment of users, i.e. those

advanced enough who have sufficient knowledge about how the dashboard was built, can get something meaningful from a dashboard but that leaves the majority of users scratching their heads.

Take a look at the relatively simple dashboard on the next page:



It looks pretty good, doesn't it?
There's a world map showing regional data. There's a table showing EMEA country data with trend and target icons. There's a single horizontal bar chart, pie chart, and standard bar chart comparing quarterly data. Overall, it appears rather impressive.

There's just one problem.

Readers will only spend a (very) limited time trying to decipher this dashboard; perhaps just 30 seconds or so. That wouldn't be enough time to gain anything meaningful out of the data. You would have to spend several minutes in order to come up with any significant insights. Would most users do that? Would any?

If there are particular insights that the dashboard is meant to convey, why not just provide those insights right off the bat? It's unlikely that a dashboard is meant to be interpreted differently depending on who the user is. The snazzy pictures are nice but the insights are what the audience will find useful. The effort and cost involved in building dashboards can be significant, not to mention the ongoing cost of maintenance and support, especially with respect to enterprise-wide dedicated data visualization products.

It's basically just common-sense: the K.I.S.S. prinicple reigns supreme. Users are thinking: "*Just give me the key insights and, if I want, the core data that supports the conclusions so I can validate the insights myself.*"

Dashboards are useful devices for conveying necessary business information to stakeholders, but let's not over-complicate them; focus on the key, actionable insights that the users need and want.

A knowledgeable Excel user can construct a dashboard with nicely-presentable, and easily-explainable charts, pivot tables, data tables, slicers, and other information that the consumers of the dashboard would find meaningful and relevant to their data reporting/analysis needs.

Microsoft does have it's own dedicated data visualization tool, called Power BI that can take dashboards up from Excel by several notches. Power BI has more more chart types which are easier to implement and manage than with Excel. Both Power BI and Excel share the same data import and transformation tool Power Query. Power BI is more robust than Excel for data visualization but is certainly not a replacement for Excel. There is a separate document/post on the webpage: Excel vs. Power BI to understand the pros and cons.