□□ Project Dashboard

What Is It?

The Project Dashboard is the application that allows you to track the financial performance of a project. It does so by providing the project teams with simple yet powerful KPIs on Labor and Expenses.

Key Concepts

Margin

Margin is a term used in both business and finance to refer to the difference between the price of a good or service and the amount of money required to produce it. It is the amount of money that remains in your pocket once you have delivered a service.

Margin is usually expressed in percentage. Ex: if you sell a product or service for $1,000 with a 40% margin, you earn $400.

In Conduite, margins apply to many things:

- Labor (though Daily Rates)
- Budgets
- Contracts
- Projects

Margin Types

Margin Type	Description
Margin at Signature ($/%)	The margin computed at the time a contract is signed (provided by the associated Budget Builder). For a project this is a static value.

Margin Type	Description
Margin Objective ($/%)	The margin objective that is set for a project. At the beginning of a project that value equals the Margin at Signature. But it can evolve overtime (up or down). In Conduite, setting a margin objective is the primary way to steer the performance of a project.
Expected Margin ($/%)	The margin that we expect to make on a project at any given time based on what was spent and what we think we need to spend to finish the work.

Daily Rates

The Daily Rate is the cost of a staff member for one day of work. Each person in your company has a different daily rate. For the sake of simplicity Conduite assigns a daily rate for each role of your company (developer, project manager, designer, domain expert, ...). Daily rates are needed for all the roles that you want to include in your budgets.

The Daily Rate can be expressed in two ways:

- **Unloaded** - This corresponds to the cost of the employee role for the company.
- **Loaded** - This corresponds to the cost of the employee role including the margin you want to make. This is the amount that you charge your clients.

In other words, the difference between the loaded and unloaded rates is your margin. The amount of margin you add to the Unloaded Rates is specific to your organization and to the contracting mechanisms between your clients (ex: government contracts often have specific rules for rates calculation).

The daily rates are combined in a summary table a **Rates Card** that specifies:

- Role
- Unloaded Rate
- Margin
- Loaded Rate

Labor

In a budget, labor refers to the cost of all the employees needed to execute a contract. In Conduite that cost is computed based on the Daily Rates and the number of days needed.

Expenses / Direct Costs

In a budget or contract, the expenses (or direct costs) refer to all the non labor costs that are needed to execute the contract. For example:

- Travel and accommodation
- Software licences
- Hosting fees
- Equipment
- 3rd party service

These items are usually charged *at cost* to the client. Therefore you cannot specify a margin for direct costs.

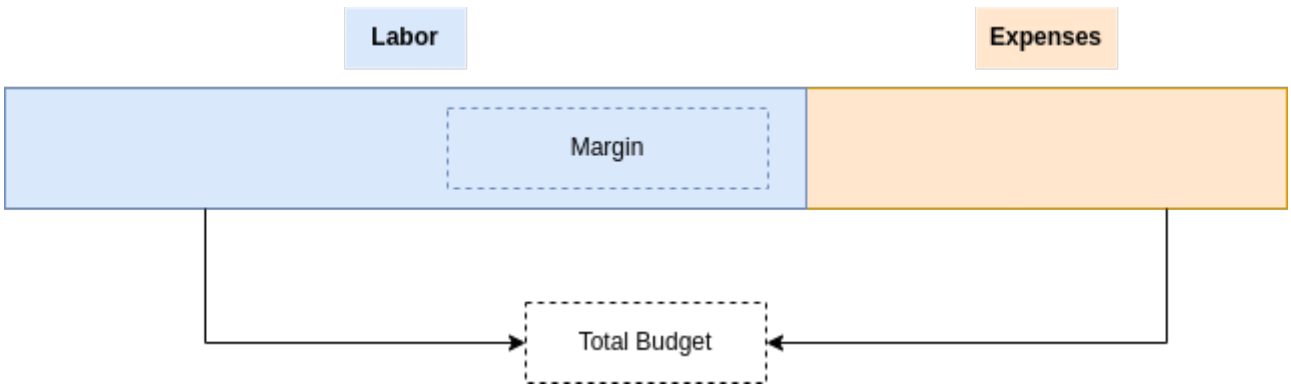
Budget

A budget refers to a financial plan that outlines the expected labor costs and expenses associated with the project or service being provided under a contract. The budget is usually an integral part of the contract and serves as a basis for determining the financial obligations of each party involved.

Conduite works with budgets that have the following (simple) structure:

- Labor
- Expenses / Direct Costs

The Budget Builder computes the margin for labor (value and %) automatically. The margin on labor is the margin of your contract.



Capacity

Capacity refers to the amount of work your team can execute at any given time. It is measured in days. Capacity is planned for each team member individually.

Availability

The total amount of days a team member can work in a given month. Someone working full time will have a capacity of ~20 days per month, considering that s/he will not take vacation days and that there are no holidays in that month.

Allocations

The fact of allocating a certain number of working days to a staff member to work on something.

Remaining

The number days that a staff member can still work based on his/her availability and allocations.

$$Remaining = Availability - Allocation$$

- **Remaining > 0** - The staff member can still be allocated work.
- **Remaining = 0** - The staff member is *at capacity,* i.e. you have allocated work to the level of his/her availability.
- **Remaining < 0** - The staff member is over booked, i.e. you have allocated more days that s/he can actually work.

Contract

In Conduite, a contract represents opportunities that has been won and signed. It is defined by:

Attribute	Description
Timelines	The start and end date planned at the time of signature
Scope of Work	A description of the purpose of the contract and of the main activities.
Labor - Amount	The monetary amount representing the labor involved in the execution of the contract.

Attribute	Description
Labor - Margin at signature	The margin that we expect to make on labor based on the planning assumptions at the time of signature. This is the reference value for the execution of the contract.
Expenses / direct costs - Amount	The monetary amount representing the expenses / direct costs involved in the execution of the contract.

All of these attributes are computed in the Budget Builder.

Project

A project is a temporary organizational artifact that corresponds to the execution of the scope of work defined in a contract by a group of people. Project are always associated to a contract and by extension to a Budget Builder.

Projects are defined similarly to contracts (labor and expenses), but account for all types of margins:

- Margin at Signature
- Margin Objective
- Expected Margin

In a nutshell, the performance of a project is the difference between the margin objective and the expected margin.

Project Report Out (PRO)

The Project Report Out is a project update that Project Managers send on a regular basis. In Conduite, they are expected to send it twice a month on every 2nd and 4th Thursday.

The PRO is sent from the Project Dashboard of a project and contains the main project KPIs as well as narrative components that detail was was done in the previous and upcoming project periods.

Field	Description
Project ID	This is a unique identifier for the project. This is the ID of the Google Spreadsheet file. This field is preloaded.

Field	Description
Project Name	The name of the project This field is preloaded.
Project Status	A traffic light indicator that reflects the current overall status of the project. **Tip:** Make sure to set a clear definition for each color in order to have consistence across PROs and projects.
Labor - Execution Rate	The current Execution Rate of the project. This field is preloaded.
Labor - Execution Efficiency	The current Execution Efficiency of the project. This field is preloaded.
Expenses - Margin Accrued	The current Accrued Margin on expenses of the project. This field is preloaded.
What happened in the last 2 weeks?	A summary of what has been done in the last 2 weeks or since the last PRO was submitted. **Tip:** Make sure to include any context that helps understand the values of the project KPIs.
What is planned for the next 2 weeks?	A summary that details what the project team expects to do in the next 2 weeks. **Tip:** Make sure to include any strategy adjustment details.

Key Performance Indicators

Main KPIs

Labor - Execution Rate

The Execution Rate (%EX) is a financial indicator that tells you how much (%) budget you've spent to date related to the amount you think you need to execute the project, i.e. Expected Execution Budget.

$$\%EX = \frac{spent}{EB_E} = \frac{spent}{spent + remaining}$$

It is not (exactly) an indicator of progress of execution of project activities, i.e. it does not tell us if the project is close to completion. Ex: the last activity of the project is a one week training.

This activity represents 30% of the budget but only one week of work.

Labor - Execution Efficiency

The Execution Efficiency (EE) is a KPI that tells you whether your team is on track to be in budget or not. In other words, whether the team will meet its Margin Objective on labor.

It compares how much labor you would have spent of the Execution Budget (EB) based on your current Execution Rate (%EX) to what you a have spent to date.

$$EE = \frac{EB \times \%EX}{spent}$$

> Project teams should manage their project to achieve and Execution Efficiency 100% or above.

> Because it is a percentage, you can instantly assess the financial health of a project, regardless of the Margin Objective.

> It is the main KPI that allows you to trigger adjustments of strategy and/or objectives (client approach, margin, scope, ...).

Interpretation

- **EE < 100%** - The team will spent more money than expected and the margin generated will be lower than the objective.
- **EE = 100%** - The team will spent as much as expected.
- **EE > 100%** - The team will spent less money than expected and the margin generated will be above the objective.

Examples

Let's consider a project that has a Labor budget (LB) of $1,000 and a Margin Objective (MO) of 40%. The resulting Execution Budget (EB) is:

$$EB = LB - MO_{labor}$$

$$= \$1000 - (\$1000 \times 40\%) = \$600$$

Let's consider the following scenarios:

	Scenario 1	Scenario 2	Scenario 3
spent	$200	$150	$400
remaining	$300	$550	$190
Execution Rate (%EX)	$\%EX = \frac{spent}{spent + remaining} = \frac{200}{200+300} = 40\%$	$\%EX = \frac{spent}{spent + remaining} = \frac{150}{150+550} = 21\%$	$\%EX = \frac{spent}{spent + remaining} = \frac{400}{400+190} = 68\%$
Execution Efficiency (EE)	$EE = \frac{EB \times \%EX}{spent} = \frac{\$600 \times 40\%}{200} = 120\%$	$EE = \frac{EB \times \%EX}{spent} = \frac{\$600 \times 21\%}{150} = 86\%$	$EE = \frac{EB \times \%EX}{spent} = \frac{\$600 \times 68\%}{400} = 102\%$

Let's analyze these numbers and discuss possible actions:

	EE	Status	Possible Actions

Scenario 1	120%	□□	• Increase the Margin Objective *The team wants to bank the extra margin* • Invest the additional margin *The team decides to do more for the client*
Scenario 2	86%	□□	• Decrease the Margin Objective *The team considers it will not be able to make for the lost margin* • Decrease the scope *Convince the client to do less work in order to decrease the remaining costs* • Ask for extra budget *In order to completely or partially make for the lost margin* • New working approach *In order to increase the efficiency of the team and make up all or part of the lost margin*

Scenario 3	102%	◫	• Nothing *The team is executing as planned*

Intermediate KPIs

Labor - Execution Budget

The Execution Budget (EB) is the amount of money for Labor that the project team has to execute the project. It is equal to the total Labor (LB) amount of the contract to which we subtract the Margin Objective (MO) of the labor component.



$$EB = LB - MO_{labor}$$

Because the Margin Objective might change during the course of execution, the Execution Budget can also change. In any case, the project team's objective should always be to spend less or equal than that amount.

Labor - Expected Execution Budget

The Expected Execution Budget (EB_E) is the amount of labor that the project team plans to spend to execute a project. It is based on what has been spent to date and the amount it has forecasted to execute the remaining scope.

$$EB_E = spent + remaining$$

At the beginning of a project the Expected Execution Budget is equal to the Execution Budget. But as the project is executed the Expected Execution Budget can, at any given time, be lower or higher than the Execution Budget:

- **Higher** - The team will spent more money than expected and the margin generated will be lower than the objective.
- **Lower** - The team will spent less money than expected and the margin generated will be above the objective.

Labor - Expected Margin

The Expected Margin (%EM) is the computed from the Expected Execution Budget (EB_E) and labor (LB) amount of a contract.

$$\%EM_{labor} = 1 - \frac{EB_E}{LB}$$

$$\$EM_{labor} = LB \times \%EM_{labor}$$

It can differ from the Margin Objective (%MO) depending on how the project is going.

Interpretation

- **%EM >= %MO** - The team will spent less money than expected. In such situations Execution Efficiency is >= 100%.
- **%EM <= %MO** - The team will spent more money than expected. In such situations Execution Efficiency is <= 100%.

Using The Application

Typical Workflow

Project Setup

These steps are performed once at the beginning of the project.

1. You fill in the Project Sheet with the financial data from the contract and/or the Budget Builder.
2. You fill in the Contact List with the contact information of the most important project stakeholders.
3. You update the Labor and Expenses Tracking tabs with the initial data from the Budget Builder.
4. You make sure that the Rates tab has the correct Unloaded Rates.

Project Execution

These steps are executed on a regular basis by the Project Manager in order to update the project resourcing and financials.

1. **Dashboard Tab**
   - The Project Manager updates the Current Month.
2. **Labor Tracking Tab**
   - The Project Manager pulls the spent time from your time tracking system and updates the spent column of the Labor Tracking Time.
   - The Project Manager updates the resourcing for the future periods.
   - The project Manager looks at the KPIs (in particular %EX, EE) and decides how to adjust (or not) the project execution strategy. This can lead to an update of the Margin Objective for Labor.
3. **Expenses tab**
   - The Project Manager updates the spent amount since the beginning of the project for each expense item.
   - The Project Manager updates the estimated amounts to be spent on each expense item until the end of the project.
4. **Dashboard Tab**
   - The Project Manager looks at the consolidated performance of the his/her project.
   - S/He can decide to adjust the execution strategy and eventually update the Margin Objectives.
5. **Project Report Out**
   - The Project Manager sends a Project Report Out (□□ Conduite Addon) and provides context on the current values of the project KPIs and strategy adjustments.

Structure & Features

Project Sheet

This tab contains project administrative information as well as all the financial configuration.

Project Section

Attribute	Description
Project Name	The name of the project.
Client	The name of the client.
Project Manager Email	The email of the Project Manager. This is required to receive the PRO Update.
Task Management Tool	The link to the task management tool (Asana, Trello, Basecamp, ...) used to coordinate work on the project.
Budget Builder	The link to the Budget Builder. This is required to automatically seed the financial sections of this sheet. See the Seed From Budget Builder menu option.

Planning Section

Attribute	Description
Period Type	Choose whether the project is planned over months or weeks.
Period Start	The number of the month or week on which the project execution starts (ex: May is 5, last week of the year is 52).

Contract Financials Section

This section contains the financial data as per the contract or the Budget Builder. This is the baseline data at the moment the project starts (or at the signature of the contract).

> These values are **not** expected to change during the execution of the project (unless there was a data entry error).

Attribute	Description
Contract - Value	The total value of the contract. *Computed Field*
Contract - Margin (%)	The overall margin percentage of the contract at signature *Computed Field*
Contract - Margin ($)	The overall margin value of the contract at signature *Computed Field*

Attribute	Description
Labor - Value	The amount of the labor component of the contract.
Labor - Margin (%)	The margin percentage on the labor component of the contract.
Labor - Margin ($)	The margin value on the labor component of the contract. *Computed Field*
Expenses / Direct Costs - Value	The amount of the expenses component of the contract.
Expenses / Direct Costs - Margin (%)	The margin percentage on the expenses component of the contract.
Expenses / Direct Costs - Margin ($)	The margin value on the expenses component of the contract. *Computed Field*

Financial Objective Section

This section defines the Margin Objectives for both Labor and Expenses / Direct Costs.

> The Margin Objectives (%) **are expected** to change during the execution of the project as the project strategy is adjusted.

Attribute	Description
Labor - Margin Objective (%)	The Margin Objective percentage on Labor.
Labor - Margin Objective ($)	The Margin Objective amount on Labor. *Computed Field*
Labor - Execution Budget	The value of the Execution Budget. *Computed Field*
Expenses / Direct Costs - Margin Objective (%)	The Margin Objective percentage on Expenses / Direct Costs.
Expenses / Direct Costs - Margin Objective ($)	The Margin Objective amount on Expenses / Direct Costs. *Computed Field*

Contact List

This tab contains the contact information of the main project stakeholders. It notably important to identify the Project Manager on the client side.

Attribute	Description

Name	The name of the stakeholder.
Email	The email of the stakeholder.
Role	The role of the stakeholder in the project
SPoC	Is that stakeholder the Single Point of Contact on the client side?

Labor Tracking

This tab allows you to track the amount of labor spent and forecasted for each staff member allocated to the project. One line corresponds to a staff member.

Attribute	**Description**
Staff	The name of the staff member allocated to the project.
Role	The role of the staff member.
Unloaded Rate	The Unloaded Rate associated to the role of the staff member. □□*Computed Field*
Spent (h)	The number of hours spent on the project **to date** by the staff member. This comes from your time tracking system. > Make sure that the period types are up-to-date.
Spent ($)	The monetary value of the hours spent **to date** by the staff member on the project (function of the Unloaded Rate). □□*Computed Field*
Remaining ($)	The monetary value of the number of remaining days planned for the *Forecast* period (function of the Unloaded Rate). > Make sure that the period types are up-to-date. □□*Computed Field*
Periods	The number of days planned for the staff member on the project. Each period has a type: • Past - Period that is in the past • Current - The current period • Forecast - Period in the future Only the Forecast periods and taken into consideration to compute the remaining work. > Make sure to keep the period types always up-to-date.

It also provides the labor related KPIs:

- Budget Tracking
  - Expected Execution Budget
  - Execution Rate
  - Execution Efficiency
- Margin Tracking
  - Expected Margin ($, %)

Adding An Staff Member

In order to add an staff member you simply need to:

1. Insert a row where ever you want in the table (*Right Click > Insert row above / below*).
2. Copy the formulas for the computed fields.

Validation conditions will be copied automatically.

Expenses Tracking

This tab allows you to track the invoicing of Expenses / Direct Costs. One line corresponds to one expense item.

Attribute	Description
Workstream	The workstream to which this expense is related.
Item	The name of the expense item.
Unit Cost - Sold	The Unitary Cost of the expense item as charged to the client.
Margin	The percentage of margin done on the expense item.
Invoiced	The number of items invoiced **to date**. Make sure that the period types are up-to-date.
Remaining	The number of items remaining to invoice as per the current and forecasted periods. Make sure that the period types are up-to-date.
Periods	The number of items that are expected to be invoiced for each period. Make sure that the period types are up-to-date.

It also provides the expenses related KPIs:

- Margin Accrual
  - Accrued Margin ($, %)
  - Margin Accrual Efficiency
- Expected Margin ($, %)
- Invoiced
  - Invoiced
  - Invoicing Rate

Adding An Expense Item

In order to add an expense item you simply need to:

1. Insert a row where ever you want in the table (*Right Click > Insert row above / below*).
2. Copy the formulas for the computed fields.

Validation conditions will be copied automatically.

Performance

> This is a read-only (protected) tab. Do not modify it.

This tab is a consolidated view of the financial performance of the project based on the overall Expected Margin of the project (also broken down for Labor and Expenses / Direct Costs). It compares it to the current margin objective and margin at the time of contract signature.

This view is useful to understand how the project is doing based on initial objectives.

Rates

> This is a read-only (protected) tab. Do not modify it.

This tab contains the list of Unloaded Rate for each role at your organization.

Configuration

> This is a hidden and read-only (protected tab). This tab should remain hidden. Do not modify it.

This tab contains the ID of the Conduite configuration file and other computed configuration parameters.

Conduite Menu

Seed From Budget Builder

This menu item allows you to seed the Project Sheet tab financial and planning sections with the data from the Budget Builder. This feature requires you to specify the link to the Budget Builder file.

Submit Project Report Out

This menu item opens the sidebar and allows you to submit a Project Report Out (PRO) form. This is usually done by the Project Manager. It is preloaded with the data from the Project Dashboard.

> Make sure to update the Project Dashboard with the most up-to-date data before submitting a PRO.

> Do **not** edit the preloaded fields.

The PRO will be added to the PRO Database and an email will be sent to the user submitting the PRO from, Project Manager and any other person specified in the Conduite Global Configuration File. That email also contains the resourcing forecast from the Labor Tracking tab.

Help

This menu item opens the sidebar and loads this help page.

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