

BEYOND THE RAG STATUS

Green Dashboards, Red Outcomes

A Practitioner's Perspective on Why Programme Status Reports Consistently Mislead Senior Leaders



Green Dashboards, Red Outcomes

Leadership · No. 65

Originally written October 2012 | Re-edited and re-rendered for the WhereBeyond Edition, 2025

“The dashboard is green not because the programme is healthy, but because the cost of reporting it as anything else exceeds the cost of the programme failing.”

1. The Paradox in Plain Sight

There is a phenomenon in programme management so pervasive that it has become almost invisible: the programme whose status reports show green right up until the moment it fails. Not amber. Not a cautious yellow trending towards concern. Green — on track, on budget, risks managed, milestones achieved — until, quite suddenly, the programme is in crisis and the leadership team is asking how nobody saw it coming.

The answer, almost invariably, is that people did see it coming. The programme team knew. The delivery managers knew. In many cases, the programme’s own risk register contained the seeds of the eventual failure, buried in carefully worded entries that technically disclosed the exposure without conveying its severity. The information existed. It simply never reached the people who needed to act on it in a form they could recognise as urgent.

This is not a failure of reporting mechanics. It is a systemic condition — a predictable outcome of the way organisations structure the relationship between those who deliver programmes and those who govern them. Understanding why it happens, and what it would take to fix it, requires looking beyond the dashboard to the organisational forces that shape what appears on it.

2. The Mechanics of Misrepresentation

Programme status reporting, in most organisations, follows a chain. The workstream leads report to the programme manager. The programme manager consolidates and reports to the programme board or steering committee. The steering committee’s output feeds into portfolio-level reporting, which reaches the executive team. At each link in this chain, the information undergoes a transformation that is rarely deliberate but is almost always in the same direction: towards optimism.

The reasons are structural, not conspiratorial. At each level, the person reporting faces a set of incentives that favour understating risk and overstating progress.

No single actor in the reporting chain intends to mislead. Each makes a locally rational decision to present the most favourable interpretation the data will support. The cumulative effect is a systematic divergence between reported status and actual condition.

The workstream lead who reports amber rather than green invites scrutiny, additional reporting requirements, and the implicit suggestion that they are not managing their remit effectively. The programme manager who escalates a red status to the steering committee risks being perceived as unable to control the programme. The steering committee chair who reports portfolio concerns to the executive team risks triggering interventions that may be politically unwelcome or operationally disruptive.

At every level, the path of least resistance is to present the situation as managed, to frame problems as challenges being addressed, and to defer bad news in the hope that the situation will improve before the next reporting cycle. The result is a reporting system that functions as an optimism amplifier — each link adding a small positive bias that compounds into a fundamental misrepresentation of reality by the time the information reaches the executive suite.

3. The RAG Problem

The Red-Amber-Green status indicator deserves particular scrutiny, because it is both the most widely used reporting mechanism in programme management and the most consistently misleading.

The appeal of RAG is obvious: it reduces complex, multidimensional programme status to a single signal that a busy executive can absorb in seconds. But this compression is itself the problem. A programme that is on budget but losing key staff is not the same as a programme that is on schedule but delivering poor quality, which is not the same as a programme that is technically on track but facing mounting stakeholder resistance. RAG conflates all of these into a single colour, and the choice of colour is left to the judgement of the programme manager — the person with the strongest incentive to choose green.

The definitions of red, amber, and green are, in most organisations, remarkably vague. Amber typically means something like “at risk but recoverable” — a category so broad that it can accommodate almost any situation short of outright catastrophe. The result is that amber becomes the default for any programme experiencing difficulty, and green becomes the default for any programme not yet in difficulty. Red is reserved for situations so severe that they can no longer be contained within the programme — by which point, the opportunity for early intervention has long passed.

RAG Status	What It Is Supposed to Mean	What It Actually Means
Green	On track; no significant concerns	Nothing has gone wrong that I cannot explain away
Amber	At risk but recoverable with action	Something is wrong but I believe I can fix it before anyone notices
Red	Off track; requires escalation	The situation is so bad that concealment is no longer possible

The organisations that have moved beyond RAG — and there are a growing number, particularly in sectors where programme failure carries regulatory consequences — have done so not because they found a better traffic light system but because they recognised that compressing programme health into a single indicator is inherently misleading. The replacement is typically a multi-dimensional assessment that separates schedule confidence from budget confidence from benefits confidence from stakeholder readiness.

This is harder to read at a glance, which is precisely the point: programme status should not be readable at a glance, because programmes are not simple enough for glance-level assessment.

4. The Cultural Foundations

The structural incentives that drive optimistic reporting are reinforced by cultural norms that run deep in most organisations.

The first is what might be called the competence assumption: the belief that a good programme manager should be able to manage any problem within their remit, and that escalation represents a failure of competence rather than a healthy exercise of governance. In organisations where this belief is strong — and it is strong in most — programme managers face intense pressure to absorb problems rather than surface them. The dashboard stays green because the programme manager's professional identity is invested in keeping it green.

The second is the shoot-the-messenger dynamic. In many organisations, the person who brings bad news about a programme is treated as though they are responsible for the bad news. Programme managers who report honestly about programme difficulties find themselves subjected to increased scrutiny, additional governance requirements, and in some cases replacement — not because they caused the problems, but because they disclosed them. The lesson is learned quickly and transmitted effectively: honest reporting is career-limiting.

The third is the sunk cost dynamic. As a programme progresses and investment accumulates, the organisational appetite for hearing that the programme is in trouble diminishes in proportion to the money already spent. A programme that has consumed tens of millions in investment is not merely a delivery vehicle — it is a political commitment. Reporting it as red is not just a status update; it is an implicit challenge to the decisions that authorised the investment, which means it is a challenge to the people who made those decisions. The larger the programme, the stronger the forces that keep the dashboard green.

5. What Leaders Must Change

The reporting paradox is, at its root, a leadership problem. The dashboard is green not because programme managers are dishonest, but because the system in which they operate rewards optimism and punishes candour. Fixing the system requires leaders to change the conditions, not merely demand better reports.

This starts with separating programme health from programme manager performance. As long as a red status is perceived as a negative reflection on the programme manager, rational programme managers will avoid reporting red. Leaders who want honest reporting must make it explicitly safe to deliver — not through policy statements, but through visible behaviour. The first programme manager who reports a genuine red status and is thanked for it, supported through the recovery, and promoted afterwards sends a signal that no governance framework can match.

It continues with investing in independent assurance. The conflict of interest inherent in self-reporting is well understood in financial governance — no organisation would accept a financial audit conducted by the finance team being audited. Yet this is precisely what

most programme reporting represents: a self-assessment by the people responsible for the programme's success. Independent programme assurance — conducted by people with no stake in the programme's status — is the single most effective mechanism for breaking the optimism cycle.

“The organisations that receive honest programme reporting are not the ones with the best reporting templates. They are the ones where telling the truth about a programme is safer than concealing it.”

And it requires accepting that early bad news is not a governance failure but a governance success. A programme that reports amber at month three and triggers a course correction is a programme whose governance is working. A programme that reports green for eighteen months and then collapses is a programme whose governance has been comprehensively defeated. The distinction between these outcomes is not in the quality of the programme management. It is in the quality of the leadership environment.

6. The Reporting That Would Actually Help

The alternative to the green dashboard is not a red dashboard. It is a reporting regime that provides leaders with genuine insight into the trajectory of their programmes.

Such a regime would replace the single RAG indicator with a structured assessment across the dimensions that actually determine programme outcomes: delivery confidence (are we building what we said we would?), benefits confidence (will what we build produce the value we promised?), organisational readiness (is the organisation prepared to absorb the change?), and sustainability (will the changes stick after the programme closes?).

It would require programme teams to report not just status but trajectory — not just where the programme is, but where it is heading and why. A programme can be on track today and heading for failure, or off track today and recovering. Status and trajectory are different things, and the distinction is critical for governance decisions.

It would build in formal mechanisms for independent challenge — structured peer reviews, gateway assessments, or external assurance — at defined points in the programme lifecycle, so that the leadership team has at least one source of information that is not filtered through the programme team's incentive structure.

And it would recognise that the most valuable reporting is often qualitative rather than quantitative. A programme manager's honest assessment of the three things keeping them awake at night is typically more informative than a hundred-page status pack. Creating space for that kind of reporting — and demonstrating that it is valued — is a leadership responsibility that no reporting template can discharge.

7. The Leadership Imperative

The programme reporting paradox will not be solved by better dashboards, more granular metrics, or additional reporting requirements. These responses address the symptom while reinforcing the cause. More reporting requirements increase the burden on programme teams without changing the incentives that drive optimistic reporting. Better dashboards make the misrepresentation more visually appealing without making it more honest.

The paradox will be solved when leaders recognise that the problem is not the report but the conditions under which it is produced. When honest reporting is rewarded, when independent assurance is resourced, when the governance conversation shifts from retrospective review to prospective steering, and when the organisation's senior leaders demonstrate through their behaviour that they prefer uncomfortable truths to comfortable fictions – then the dashboard will start to tell the truth.

Until then, the dashboards will remain green, the programmes will continue to fail unexpectedly, and the post-mortem will continue to ask how nobody saw it coming. The answer will continue to be the same: everybody saw it coming. The reporting system simply ensured that the people who could have acted never received the signal.