

What are leading indicators and why do I need them?

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If you have any questions on this topic or you would like to be a contributor to future ServiceNow best practice content, please [contact us](#).

Leading indicators are metrics to measure performance or progress on activities that need to be done to achieve a goal. **Lagging indicators** are metrics that indicate whether the goal is achieved or not. In another words, the leading indicator predicts the likelihood of achieving a goal, while the lagging indicator simply measures the goal.

For example, the percentage of people wearing hard hats on a building site is a leading indicator of safety because it is a predictive measurement. The number of accidents on a building site is a lagging indicator of safety, indicating an output measurement.

What makes an indicator leading versus lagging?

Leading indicators are:	Lagging indicators are:
<ul style="list-style-type: none"> • Input oriented – These measure the progress made on the inputs or actions required to achieve a desired goal. • Easy to influence – The team or person responsible can see the impact of their efforts daily. • Hard to measure – Data required for these indicators are often not collected, so they can be hard to measure without a conscious effort to collect data. • Prospective – These help evaluate the future performance on goals. 	<ul style="list-style-type: none"> • Output oriented – These measure the progress made on the final output or goal. • Hard to influence – It takes time for the team's or person's efforts to make an impact or move the indicator. • Easy to measure – Data required for these indicators is typically already being collected, so it is easy to measure. • Retrospective – These help evaluate how you've done in the past.
<p>Example: The average number of miles walked every day</p>	<p>Example: The percentage a person's body weight changes</p>

Why should I define leading indicators to measure performance?

Leading indicators make the critical activities that are required to reach the goal measurable. They help:

- Build consensus on prioritizing the right activities
- Highlight where you may need additional investment
- Provide real-time feedback on your progress
- Indicate when you may need to make a course correction step

If you're only using lagging indicators, you may miss out on additional opportunities to meet and exceed your goals.

Note: The same indicator can act as a leading or lagging indicator, depending on its audience's goals. Using the example as above, the percentage of people wearing hard hats on a building site is a leading indicator of safety *and* a lagging indicator of safety guideline effectiveness.

What are leading indicators and why do I need them? (Continued)

How should I define leading indicators for tracking ServiceNow performance? Follow the process below:



Examples of leading and lagging indicators for tracking ServiceNow performance:

Lagging indicators	Leading indicators
Faster mean time to resolution (MTTR)	Incident/Problem/Request average response time Average close time of incidents/problem/requests Average resolution time of incidents/problem/requests Number of incidents/problem/requests closed per agent per week # of incidents/problem/requests resolved on first contact % of incidents/problem/requests closed same day opened % of incidents/problem/requests resolved on first contact
Faster new hire time to productivity	Satisfaction ratings for new hire onboarding trainings Completion rate for new hire training Average time to provide all equipment Average time to complete all legal and compliance requirements Average time to conduct background checks
Reduced average case-handling time	% of cases closed on first contact % of repeated cases % of customer agents who received training % of unresolved cases every week
Improved customer and agent satisfaction	% of agents who completed training Adoption rate of fulfillment processes Attrition rate of customer agents % of cases closed on first contact
Improved self-service adoption	Self-service abandon rate # of Knowledge articles % of consumers who are aware of self-service % decrease in support calls per week

Related resources

- [Customer Success Center – Performance measurement and analytics](#)
- [Product Docs – ServiceNow’s Analytics and Reporting Solutions](#)
- [Now Community – Learn about ServiceNow’s Performance Analytics](#)
- [Success Template – Top KPIs to measure value from ServiceNow](#)