What Leading and Lagging Metrics Do You Use?

Recognize that there are two types of metrics, leading and lagging. Both are useful. To better understand the difference, ask yourself if you are operating within the organization as doctors or coroners? Are you taking a pulse of the organization or performing a postmortem on last month's performance? In most organizations, the reality is that everyone is focused on the postmortems. Often, the reason for the postmortem focus is those numbers are the most readily available from current reports. They are easy to identify and it is the quickest way to satisfy the demand for metrics. Lagging metrics are like looking in the car's rearview mirror; they only tell you where you have been and not where you are headed.

Ideally as a rule of thumb, you should have two leading metrics for every lagging metric. Leading metrics are performance drivers. Utilizing them allows you the opportunity to make preemptive actions to improve your chances of meeting the desired outcomes or lagging metrics. Leading metrics often measure activities or even processes.

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Jeff Shiver, CMRP, CPMM, CRL, RCM2 Practitioner
Managing Principal