



Creathorn's Law: How Metrics Shape Behaviour — and Why That Matters

Most organisations understand that they need to track metrics in order to know what is happening. Yet without a clear understanding of how metrics actually work, many people simply go through the motions. They are compelled to measure but have never been trained in how to set metrics properly. As a result, it is easy to fall back on familiar lead or lag metrics based on goals. Failure, in many cases, is almost a foregone conclusion.

Our brains deal with complexity by filtering out what is not important or urgent. The key challenge — and the focus of all my frameworks — is how to identify and focus on what is truly important.

I am an engineer by trade and have always approached problems analytically. Early in my career I was exposed to structured thinking through Kepner-Tregoe training and later through continuous improvement work. I continued to design metrics intuitively until the turning point came in 2015 while working as a management consultant; for the first time I had to articulate my thought process. Instead of measuring partial goals, I wanted the client to measure their “ability to reach the goal”. When I started documenting my frameworks in February 2026, I realised that the basis for my metrics was shaping behaviour — and that insight crystallised into Creathorn's Law.

Creathorn's Law

Organisations often assume that simply measuring the goal will drive the goal. This is a fundamental category error.

The act of measurement may trigger action, but it does not *guide* it. Furthermore, a single metric usually covers only part of what actually drives the goal, and metrics are often chosen for convenience or familiarity rather than true relevance. The result is limited impact on outcomes — and sometimes actively counterproductive behaviour.

The issue is compounded by the fact that metrics define what counts as good performance. People naturally adjust their behaviour to improve the numbers they are measured on. As a result, optimisation occurs against the metric itself — not necessarily against the underlying goal.

Creathorn's Law therefore states: “Metrics do not directly determine outcomes; they shape behaviour, and behaviour determines outcomes.”

My original intuition (“measure the ability to reach the goal”) was correct. Metrics influence outcomes indirectly. Behaviour is the primary causal pathway.

Creathorn's Law complements several well-known observations about metrics:-



- Goodhart's Law points out that when a measure becomes a target, it ceases to be a good measure.
- Campbell's Law warns that the more any quantitative social indicator is used for decision-making, the more it will be subject to corruption pressures.
- DeMarco observed that you can't control what you can't measure.

While these laws describe important failure modes or limitations, Creathorn's Law explains the underlying mechanism that makes them happen. It shifts the focus from "metrics are dangerous" to "metrics are powerful behavioural design tools."

Common Approaches and Their Limitations

Many practitioners believe the solution is simply to replace lag metrics (which measure outcomes after they have occurred) with lead metrics (which measure the behaviours or activities supposed to drive those outcomes). Popular modern frameworks such as OKRs follow the same logic. This is a step in the right direction.

However, Creathorn's Law shows this is not sufficient on its own. Even lead metrics can distort behaviour if they are not deliberately designed to encourage the right behaviour. The law forces a deeper question: does the chosen metric actually promote the behaviour we want, or will people still optimise against the measure itself?

Example: Sales Metrics and Salary Bonus

A real case illustrates the law in action — and shows how easily things can go badly wrong.

At XYZ Inc sales growth was the stated corporate objective, so the performance of the sales teams — and their salary bonuses — was based on a revenue-only metric.

Sales teams responded by maximising sales volume. They offered heavy discounts and focused on short-term wins. With lower margins, more customers wanted to buy, so total revenue grew — exactly what management wanted. The outcome was lower margins and reduced long-term customer value.

Companies live off margins, not revenue. Management were forced to change the sales metric to revenue-plus-margin. The measured performance balanced revenue with profitability, so sales teams made more balanced decisions, focused on value-based selling, and protected long-term relationships. The outcome was sustainable performance and higher long-term value.

The metric did not directly create profit. It shaped the behaviour that produced — or destroyed — profit.

This case was a perfect storm of bad practice: a poorly chosen goal ("beware what you measure ..."), a lagging metric, and a direct link to personal financial reward.



Practical Implications

Metrics function as behavioural signals.

The practical implication is clear: identify the desired behaviours before defining any metrics. Map the behaviour-to-outcome pathways. Ask what attributes can be measured that promote only positive behaviour.

A useful corollary to Creathorn's Law is this: "The metric must deliberately measure and promote positive behaviour that aligns with the ability to achieve the goals — and it must not create unwanted side effects."

Misaligned metrics produce unintended behavioural optimisation. Creathorn's Law reminds us that we must deliberately design metrics, so they shape the desired behaviour rather than unintended behaviour.

In Practice

The Performance Metric Framework turns Creathorn's Law into a practical step-by-step process. It aligns behaviour with desired outcomes, reduces unintended consequences, and supports accountability and sustainable improvement.

However, metrics are not guarantees. Designing effective metrics requires serious effort, critical thinking, and continuous adaptation. A metric that encourages behaviour undermining success has failed. The framework provides structure, not immunity.

How to Get Started

If your current metrics seem to be shaping the wrong behaviour, or if you are looking for metrics that better support your strategic goals, the frameworks described here may be useful.

You are welcome to get in touch at enquiry@punkfrog.se if you would like to explore how Creathorn's Law and the related frameworks could be applied in your own organisation.

Martin Creathorn, April 2026

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