

# Creathorn's Law

Metrics Shape Behaviour to Achieve Goals



# About the Practitioner

- ▶ I developed Creathorn's Law and the related frameworks over more than 30 years of hands-on work leading sales turnarounds, product launches, and performance improvements.
- ▶ In my 5<sup>th</sup> decade of work experience, I still bring the same energy, analytical rigour, and pattern recognition to every engagement.
- ▶ These are not training programmes or off-the-shelf templates. The real learning happens through doing the work together.



Martin Creathorn  
Founder & Practitioner  
Punkfrog AB



# Why Metrics Fail

## The Category Error In Metrics

- ▶ Organisations often assume measuring the goal drives the goal.
- ▶ The act of measurement may trigger action, but it does not guide it.
- ▶ Metrics may cover only part of what drives the goal.
- ▶ Metrics are often chosen for convenience or familiarity.

Result

*Limited impact on outcomes,  
sometimes actively counterproductive*



# Metrics Shape Behaviour

- ▶ Metrics define how performance is evaluated.
- ▶ People adjust behaviour to improve measured performance.
- ▶ Optimisation occurs against the metric, not necessarily the underlying goal.



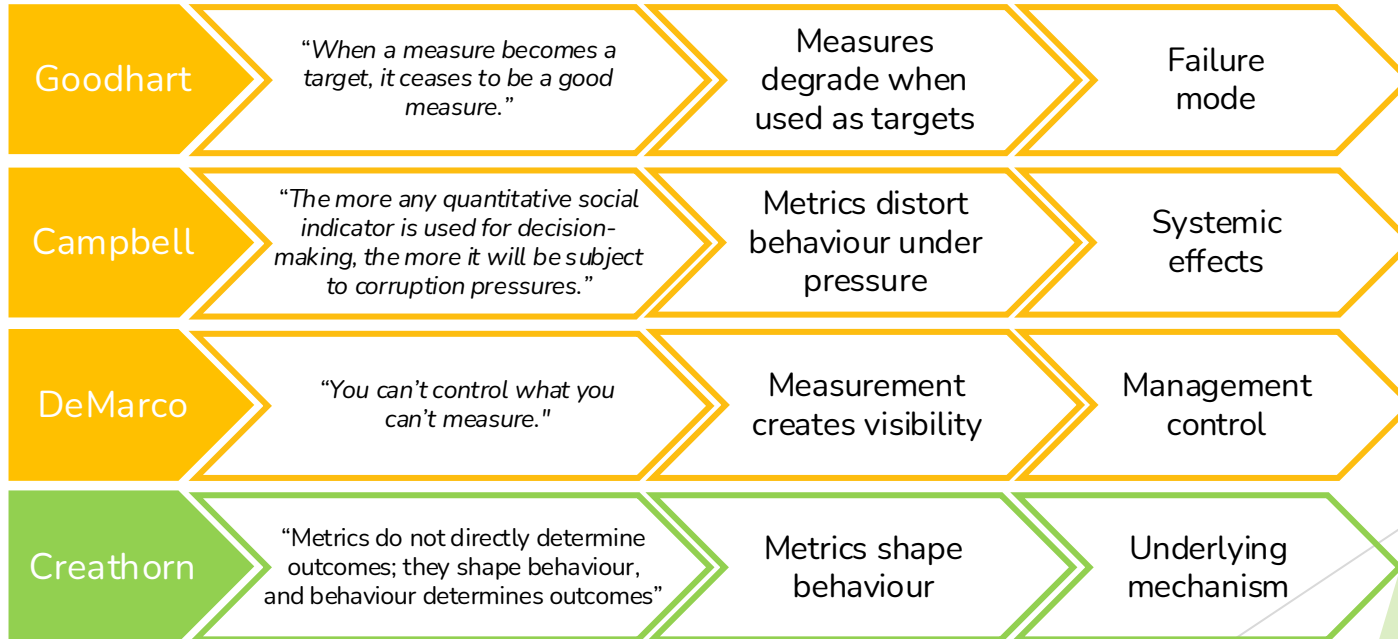
# Creathorn's Law

“Metrics do not directly determine outcomes; they shape **behaviour**, and behaviour determines outcomes”

- ▶ Metrics influence outcomes indirectly.
- ▶ Behaviour is the primary causal pathway.



# Relation to Existing Metric Laws



# Example: Sales Metrics

## Business Growth and Salary Bonus

### Revenue-only Metric

- ▶ Metric
  - ▶ Revenue
- ▶ Behaviour:
  - ▶ Maximise sales volume
  - ▶ Discounting
  - ▶ Short-term focus
- ▶ Outcome
  - ▶ Margin ↓
  - ▶ Long-term value ↓

### Behaviour-aligned Metric

- ▶ Metric
  - ▶ Revenue + Margin
- ▶ Behaviour:
  - ▶ Balanced decisions
  - ▶ Value-based sales
  - ▶ Long-term focus
- ▶ Outcome
  - ▶ Sustainable performance
  - ▶ 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, a lagging metric, and a direct link to personal financial reward.



# Implications for Metric Design

- ▶ Metrics function as behavioural signals.
- ▶ Identify desired behaviours before defining metrics.
- ▶ Map behaviour-to-outcome pathways.
- ▶ Ask what attributes can be measured that promote only *positive* behaviour.
- ▶ Corollary to Creathorn's Law
  - ▶ 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.



# Make your metrics work for you, and not against you.

- Contact us to explore how Creathorn's Law can be applied in your organisation.
- [enquiry@punkfrog.se](mailto:enquiry@punkfrog.se)



# Related Frameworks

- ▶ Performance Metric Framework
  - ▶ A behaviour-first approach to designing performance metrics.
- ▶ Punkfrog Sales Process
  - ▶ A structured funnel process for effective & efficient sales execution.
- ▶ Effective Meeting Culture
  - ▶ Structuring meetings to produce decisions, alignment, and action.

