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The Peter Principle

How to beat the Peter Principle



By F. John Reh

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In the 1969 book [The Peter Principle](#) authors Dr. Laurence J. Peter and Raymond Hull proposed the theory that workers in a hierarchical structure get promoted to the level at which they are incompetent and that they remain at that level for the remainder of their career. By extrapolation, this means that almost everyone in a management level position is incompetent. If they weren't incompetent, they would have been promoted. While there is ample evidence to support The Peter Principle theory, it does not have to be the case.

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What Is The Peter Principle?

In the simplest terms, The Peter Principle is a theory that individuals in a hierarchy who do a good job are promoted to the next level. If they are competent, they are promoted again to the next higher level. If they are not

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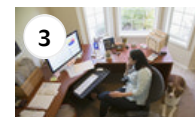
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other had to wait a couple of years until a similar position opened. He was not incompetent - far from it - he just needed a spot to open up higher in the hierarchy.

- The individual may have been in a higher position and chose to step down a level. Many superior sales people get promoted to Sales Manager only to discover that they don't like management and were happier in sales. They step back into their previous role, where they were competent and very successful.
- The individual was unprepared for the position into which they were promoted, but has worked hard to develop the skills need to be successful at their new level. They may once have been a Peter Principle example, but they are no longer.

competent, they are not promoted and they remain at that level. Thus, people stop getting promotions and remain one level above the last level at which they were competent.

While this phenomenon is clearly true in many cases, it is not always accurate.

- The individual may not have been promoted because there was no opening above. Two senior research scientists were peers and just about equal in age, experience, and talent. One was promoted to Department Manager. The

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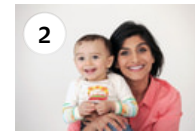
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How Can I Beat The Peter Principle?

In the article Inverse Promotions , we learn that "There is such pressure in American business to move "upward" that employees continue to win promotions until they reach a level where they simply cannot do the work required of that position. These employees end up desperately unhappy,

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You're Done! struggling to survive and at the same time costing the company money in lost productivity, lowered morale, and less innovation." Because of the high cost of lost productivity, lowered morale, and less innovation smart managers look for ways to beat The Peter Principle.

There are three ways to beat The Peter Principle: promote better, demote, and train.

It may be foolish to suggest that we can promote better, given the amount of time and effort that we put into [asking the right questions](#) and choosing the right people, but there is always room for improvement.

Demoting people who have reached their level of incompetence may sound harsh, but it is often the only way. And it can be a win-win situation, because the individual who is at their level of incompetence isn't happy there and would probably welcome an opportunity to return to what they did well provided there was a face saving way to do it. That face saving way, of course, is [Inverse Promotions, as described in this article](#).

Training is always a good choice. If you have promoted an individual and discover that they are not competent at that level, additional training and/or mentoring may give them the tools they need to succeed. Marcia Reynolds, author of "Wander Woman: How High-Achieving Women Find Contentment and Direction" claims that you can't "really measure the truth of the Peter Principle without analyzing the training the person has had for the position they have moved into, especially if it's a promotion. With each promotion the person has to give up some of the things they have done before and take on new tasks, responsibilities and perspectives (including work values). What they did before will not ensure their success in the present. However, if the person doesn't get good mentoring, training and a manager who can support the shift, they are not given the tools to succeed. They could be competent if given the chance."

Bottom Line

Before you give up on someone as a walking example of the Peter Principle, make sure you've done everything you can to help them succeed at their new level. Training, mentoring, and good leadership may be all they need to once again become a competent, rising star in your organization.



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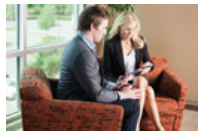
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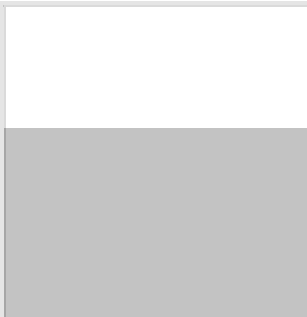
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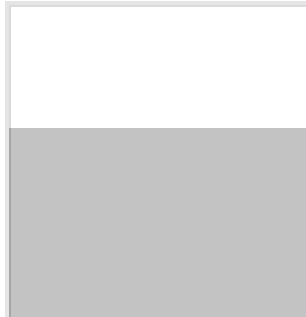
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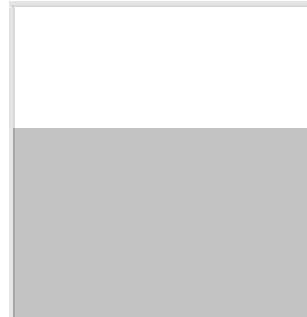
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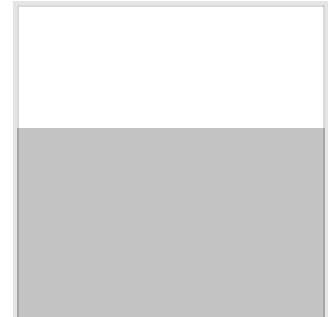
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