

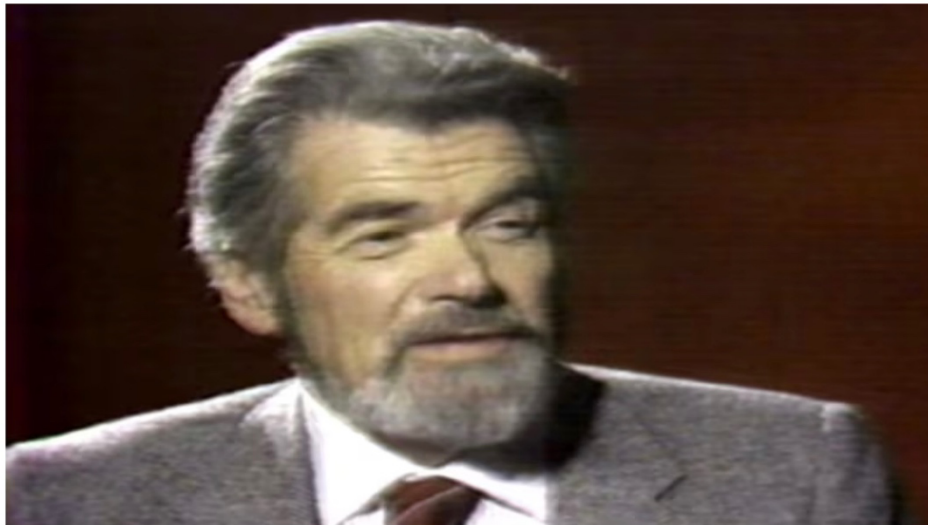
British Columbia

## Born in Vancouver, the Peter Principle explains why your boss is incompetent. Here's why it still resonates

Principle named after B.C. educator was created as satire but has long been part of business lexicon



Jon Azpiri · CBC News · Posted: Jan 02, 2025 8:00 AM CST | Last Updated: January 2



Laurence J. Peter, seen here in a 1984 interview with CBC News, was the co-author of the 1969 best-seller *The Peter Principle*, which mocked corporate culture. (CBC)

Outside Vancouver's Metro Theatre is a plaque commemorating a play that at least two people thought was terrible.

It describes how writer Raymond Hull was complaining about the atrocious production he had been watching while standing in the theatre's lobby during an intermission.

A tall stranger who was also in the lobby then tried to explain to him how such an awful play made it to the stage.

The stranger, Laurence J. Peter, told Hull that every employee tends to rise to his level of incompetence. Workers, he argued, keep getting promoted until they are in over their heads.

The conversation in the lobby, which occurred sometime in the early-to-mid 1960s, sparked both men's imaginations and ultimately gave birth to their 1969 best-seller *The Peter Principle: Why Things Always Go Wrong*.

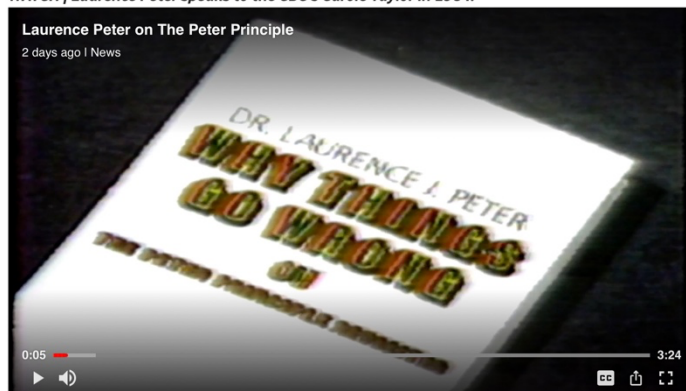
*The Peter Principle* skewered corporate culture decades before the comic strip *Dilbert* and the TV series *The Office* became pop culture hits.

It sold millions of copies, and the term "Peter Principle" has entered the lexicon, particularly in business circles, to describe organizational dysfunction.

"I'm never sure whether our world is run by idiots who are sincere or wise guys who are putting us on," Peter told CBC News in 1984.

### **WATCH | Laurence Peter speaks to the CBC's Carole Taylor in 1984:**

WATCH | Laurence Peter speaks to the CBC's Carole Taylor in 1984:



Vancouver-born Laurence Peter, author of *The Peter Principle*, talks to CBC's Carole Taylor in a 1984 interview about 'how people are promoted to their level of incompetence.'

<https://www.cbc.ca/player/play/video/9.6601055>

While the book was written as satire, researchers have looked into whether there is truth to Peter and Hull's treatise, and what can be done to prevent workers from rising to their level of incompetence.

## **'The cream rises until it sours'**

Peter was born in Vancouver in 1919 and worked as a teacher in the city for more than two decades, before becoming an education professor at the University of British Columbia and later the University of Southern California.

On the opening page of *The Peter Principle*, he writes that he learned early in his career as an educator that "a fair number of teachers, school principals, and superintendents appeared to be unaware of their professional responsibilities, and incompetent in executing their duties."

- **Out-of-office emails are getting a refresh — and helping employees set work-life boundaries**

He concluded that workers get promoted to the point where they are no longer efficient — "the cream that rises to the top turns sour."

"In time, every post tends to be occupied by an employee who is incompetent to carry out its duties," he wrote, adding that "work is accomplished by those employees who have not yet reached their level of incompetence."



Laurence Peter and Raymond Hull collaborated on *The Peter Principle* after watching a play they thought was awful at Vancouver's Metro Theatre. (Ben Nelms/CBC)

## **'Peter Principle problem' proves perplexing, posits professor**

A [2018 study](#) looked at data from more than 50,000 sales workers at 214 firms and "found evidence consistent with the 'Peter Principle.'"

It found organizations were more likely to promote top sales staff into managerial positions even if the most productive worker wasn't necessarily the best candidate.

Study co-author Kelly Shue, a professor of finance at the Yale School of Management, told CBC News that the Peter Principle is rooted in some logic as rewarding top performers with promotions can give employees a goal to strive for.

"I think many firms, thanks to Laurence J. Peter's work, are aware of this Peter Principle problem," Shue said. "They are aware that by promoting the top sales worker, they may not be getting the best manager. And I think they do it anyway in order to motivate people to work hard."

Shue [co-authored a paper published in 2024](#) that she says illustrates how hard it can be to combat the Peter Principle.

Some organizations, she says, have tried to tackle the Peter Principle problem by focusing less on a worker's past performance and more on their potential. They use what's called the "nine-box method" to evaluate prospective leaders, using a three-by-three grid that weighs an employee's accomplishments and their future potential.

The grid system leads to its own problems, Shue says, as preconceived notions can cloud employers' judgment.



A copy of The Peter Principle by Laurence Peter and Raymond Hull. The book was rejected by more than a dozen publishers before becoming a best-seller. (Jon Azpiri/CBC)

"We were looking through the data and what we noted was just an enormous gender gap in the ratings of potential for women," Shue said.

"Women were actually getting slightly higher performance ratings within the nine-box system, but they were getting sharply lower potential ratings. So it seems like potential is something very difficult to forecast, but it's an area where various biases can sneak in."

A [2009 study by Italian researchers](#) offered a more radical approach to the Peter Principle problem. It found that companies may be better served by leaving things to chance and promoting people "at random."

- **Forget quiet quitting: the latest work trend is 2 or more jobs — without any bosses knowing**

Shue says some organizations counter the Peter Principle through a "dual track" approach that allows for high performers to advance their careers without necessarily having to climb the corporate ladder.

She says some science-based companies have had success with this approach.

"They allow for these career progression tracks in which you become a senior scientist and you're acknowledged for your contributions through a change in titles and compensation, but it doesn't necessarily transfer this person into a management function," Shue said.

### **Peter's name lives on**

The plaque outside the Metro Theatre, which was installed by the Vancouver Public Library, describes *The Peter Principle* as "one of the most famous non-fiction books written in British Columbia."

Its success, however, was anything but assured.

Peter and Hull's manuscript was rejected by more than a dozen publishers.

"I thought I had reached my level of incompetence," Peter told the Toronto Star in 1984.

When the book was published in 1969 it became an immediate best-seller — suggesting that the Peter Principle may also exist in the publishing industry.



A plaque, tagged with spray paint, outside Vancouver's Metro Theatre says The Peter Principle is 'one of the most famous non-fiction books written in British Columbia.' (Jon Azpiri/CBC)

*The Peter Principle* is subtitled *Why Things Always Go Wrong*, but Peter didn't believe failure was inevitable. His satire wasn't rooted in pessimism, but rather a genuine search for explanations and results.

"The purpose of my books is not to proclaim that I know all the answers, or plan to save the world; but by writing these stories, the idea is to turn people on to thinking in terms of solutions, rather than in terms of escalating problems," he told the Vancouver Sun in 1974.

Peter died at the age of 70 in January 1990 — just a few months before the death of Edward A. Murphy Jr., the U.S. aerospace engineer known for Murphy's Law, which is often stated as "anything that can go wrong will go wrong."

Both of their names live on in the English language as ways to describe how well intentioned plans can fall prey to unintended consequences.

So what advice did Peter have for those who — through merit or through the Peter Principle — find themselves in leadership roles?

A 1976 Vancouver Sun article quoted Peter offering this advice from U.S. writer and humorist James Boren to a group of local administrative professionals: "When in charge, ponder. When in trouble, delegate. And when in doubt, mumble."

## ABOUT THE AUTHOR

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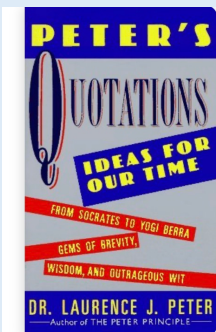


[Jon Azpiri](#)

*Jon Azpiri is a reporter and copy editor based in Vancouver, B.C. Email him with story tips at [jon.azpiri@cbc.ca](mailto:jon.azpiri@cbc.ca).*

<https://www.cbc.ca/news/canada/british-columbia/peter-principle-vancouver-history-1.7415994>

I wonder how many copies of *The Peter Principle* got dropped anonymously on managers' desks? Fairly and unfairly? We loved it when the book came out. Laurence Peter also put out a delightful book of quotations along similar lines:



*"If a cluttered desk is a sign of a cluttered mind, of what, then, is an empty desk a sign?"*

*"Speak when you are angry, and you'll make the best speech you'll ever regret."*

*"There are two kinds of failures: those who thought and never did, and those who did and never thought"*

*"The man who says he is willing to meet you halfway is usually a poor judge of distance."*

In schools, it all comes to a head in who leaves the classroom to become an administrator: VP-Principal-Superintendent-Director. The motives are not always—often, most of the time?—the best. Teachers escaping teaching, kids, the classroom. Ego, self-image. Money. Power (often exercised clumsily if not callously). Or, the best motive I can come up with: When a school is humming along well, with people of all ages as happy as they can be, it is immensely satisfying to feel one has had a role in this as “central” as anyone can be, with one’s task to keep it going like this. I would only add that any administrator should only leave the classroom reluctantly. Sadly, we have made running schools, selling schooling, even more fraught with corporate image fraud and grief than teaching, given impossible expectations and outcomes to deliver. TJB