

The Trouble With People

This is not a romcom.

A Series On The Future Of People (at work)

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Drawing on experiences and insights

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This is not a romcom although corporate life is not short of comedians – just not the sort that would make you laugh out loud.

„There are two kinds of people, those who do the work and those who take the credit. Try to be in the first group; there is less competition

there.” - Advice from Motilal Nehru to his granddaughter Indira Gandhi née Nehru

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With People**

**The Peter Principle
and Other Corporate
Diseases**

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The Trouble With People, Article 2: The Peter Principle and Other Corporate Diseases

Misplacing People as an Art Form

People are difficult and precarious assets to manage as they are but misplacing them in an organization makes it much worse. We remember the Peter Principle – managers promoted to their level of incompetence, then neither moved down nor out.

But there's also the habit of appointing people to positions precisely because of what they cannot do. The ulterior motive? Often the career interest of the boss, fearing to be eclipsed and replaced. Only proximity to retirement or an unassailable position as owner may get the company's interests back into play – beyond the necessary fig leaf.

The Delusion of Congruent Interests

Not every case stems from genuine fear for one's position. Delusion about own grandeur is never 100% (the occasional Trumpian aside). There's almost always nagging self-doubt somewhere, but around this, a strong belief regularly emerges: that personal interest and organizational interest are not just broadly congruent but identical.

There Is No Cure But There Is Therapy

How to solve this while preserving motivation? First, hire the best people and pay them well. Getting pay off the radar was once fashionable advice – but that was when the compensation radar screen was considerably smaller.

With philosophers few and far between in corporate ranks, there's no complete cure, but there is therapy. **Devolution** is key: give people maximum responsibility for their work and their colleagues' contributions. Remember the „Andon cord“ from Toyota's Production System – it can be applied figuratively. Such processes are far more effective than anything an internal (let alone external) auditor could do.

As for evaluation, devolution is useful but cannot stand alone. The gap between ideal and real worlds needs checks and balances – effective without being obtrusive. Forget the self-serving remuneration committees for boards, which have become bywords for mutual benefit over common good.