

MAKING BAD EMPLOYEES GOOD

By Preston Ingalls

Managers occasionally find themselves having to confront a personnel issue within their organizations. They know it needs to be addressed, and yet they find great displeasure in confronting the employee with the issue. Worse yet, they know that if they can't turn difficult employees around, they may have to terminate them. This leads to another series of challenges and potential legal issues.

Good news: Most employees with performance problems can be turned around. After all, the company has already made a significant investment in each employee, and losing that investment along with all of their acquired knowledge would indeed be a loss.

This is where a Performance Improvement Plan (PIP) becomes invaluable. A PIP provides a structured agreement as to the issues, the impact of those issues, and a corrective plan with follow-up activities to correct the issues. It is very important that this process is well documented. Even if a manager knows the end results will be termination, he or she should always be able to document a factually solid, rational reason, regardless of whether the employment is at will.

A PIP allows a manager to set out, in clear and obvious language, what the employee is expected to change. One of the challenges many organizations have is that people do not always know what is expected of them or receive feedback as to how well they are (or are not) meeting those expectations. Many employees with behavioral problems can be turned if they receive the right guidance, as well as clear roles and responsibilities, and clear consequences. After all, employees want to be successful in their jobs.

WHAT'S IN A PIP?

A PIP provides information that is often missing or vague with employees. In their 1990 book, *Improving Performance: Managing the White Space*, Geary Rummler and Alan Brache discussed the six factors that influence individual performance. Figure 1 illustrates those six performance factors.

The six factors break down as follows:

- **Factor One: Performance Specifications.** Do the individuals clearly understand their roles and responsibilities as part of the expectations for their job? Has someone outlined, in clear language, what they need to do, how well it is to be done, and how they will be measured at doing it? If they do not have a clear understanding of the job requirements and what constitutes successful outcomes, then their supervisors and managers have failed.
- **Factor Two: Support and Resources.** Has the employee received the necessary material, time, tools, and support to accomplish the job that was detailed in the Performance

Specifications? If their managers tell them to do a good job but rush them due to pressures of time, then their choice may be to do it fast rather than do it right. Managers can send mixed messages and fail to understand why employees are unable to do what is needed. It is a manager's job to ensure that employees have what they need to accomplish the job.



- **Factor Four: Individual Capacity.** Does the employee have the mental, physical, and emotional capacity to do the job well? Or does management have the wrong person in the right job? Although this is less of a factor than the others, it must be considered when repeated failures occur.
- **Factor Five: Consequences.** Has management provided rewards and recognition for above average performance? Has it provided consequences in the event that employees choose not to perform as expected? Often there are few, if any, positive consequences for employees to do their jobs right and few, if any, penalties if they choose not to do their jobs. The old adage, "what gets rewarded gets repeated," is true for most people.
- **Factor Six: Skills and Knowledge.** Does the person have the needed skills and knowledge to perform the job to the level that is expected? Has management provided them with the required training and education as to what to do, when to do it, and how well it is to be done?

ABOUT the
AUTHOR

Preston Ingalls is the president and CEO of TBR Strategies, LLC, a Raleigh, North Carolina-based maintenance and reliability consulting firm specializing in the construction and oil and gas industries. For more information, please visit www.tbr-strategies.com. If you are interested in a PIP document, please e-mail your request to pingalls@tbr-strategies.com.

Figure 2

Performance Improvement Plan

Employee Name: Charlie Smith	Job Title: Mechanic
Department: Equipment Division	Date: June 6, 2008

Issues: Employee fails to complete tasks in a timely manner which often results in low priority work being accomplished, while high priority work remains incomplete and overtime is incurred. In some cases overtime has been worked without supervisory permission. Employee fails to communicate with the Equipment Manager and does not document tasks well. Employee has had quality issues with leveling site resulting in cut-backs and often fails to show up promptly at the assigned start time.

The following Performance Improvement Plan sets forth objectives that you must accomplish in order to bring your performance up to normal acceptable standards. The plan is as follows:

Goals	Action Plan
1. Complete job assignments on a timely basis.	<ul style="list-style-type: none"> Complete a 1-day seminar or class in time management within the next 30 days (Company will pay for course) Avoid side training and distractions Complete assignments within allocated time from Planner
2. Communicate more effectively.	<ul style="list-style-type: none"> Participate in weekly Equipment Division Team Meetings Review job estimates with Planner

3. Justify overtime

Targeted Date for Improvement: August 7, 2008

Expected results (measures):

- Attendance at a one-day Time Management seminar within 30 days
- Planned work completed within 20% of the Planner's estimate
- 100% attendance at department weekly meetings
- Participated in estimating 100% of all planned jobs with the Planner
- Verbal participation in team meetings
- Zero call-backs (re-do or repetitive repairs) within 60 days
- 100% of all items on work order completed and noted with comments
- Additional work requested generated from inspections of assigned work
- 100% of all estimated job averages documented with reasons
- 100% of all time sheets turned in by Monday
- Active on job site at 9:00AM every day
- 100% of all overtime approved by supervisor

You have 60 days from today to meet these objectives. I will meet with you every other week over the next 60 days to discuss your progress. Our first meeting will be on June 23rd at 10AM, the second meeting will be on June 27th at 10AM, the third meeting will be July 11th at 10AM, the fourth meeting will be July 25th at 10AM and the final meeting to review completion of this plan will be August 7th at 10AM. All meetings will be in my office.

In addition to meeting the specific objectives outlined in this plan, during this 60 day period, and then thereafter on an ongoing basis, you must demonstrate a commitment to your job and to the Company's values. This commitment must be reflected by continuing to perform your job in a satisfactory fashion, and it must also include working with creativity and a positive attitude.

If you fail to make the required improvement in the areas identified, you will be terminated at the end of your plan period. However, the Company reserves the right to terminate your employment during the period if it becomes clear you are not making sufficient progress, or for business reasons unrelated to your performance (e.g. misconduct, lack of work). If you make the required improvement, you must continue to perform at a satisfactory level after the performance plan period ends, or you will be terminated.

I acknowledge these performance issues and agree to participate in this Performance Improvement Plan.

Employee Signature: Charlie Smith	Date: June 7, 2008
Supervisor Signature: David McWaters	

Employee has achieved the required improvement(s) described above.
 Employee has not achieved the required improvement(s) described above.

Progress at review dates (Use additional sheets as necessary):

before it is rolled out to the employee. The following steps should be taken in implementing a PIP:

- Describe the issues and areas for performance improvement, as well as the importance of improving.
- Ask for the employee's opinion as to why the problem has occurred, and listen to the answers.
- Explain the impact or consequence of the employee's actions or inactions.
- Tell the employee the performance that is to be improved, along with the standards or criteria that will be measured.
- State how management will provide resources and support to make the employee successful with the change.
- Establish meeting dates to review progress, as well as a deadline for correction.
- State in clear language what the consequences will be if the standards or criteria are not met by a given date.
- Give a summary of the key action items and agree on the go-forward steps.
- Offer support and express confidence in the employee being able to make the change.

Figure 2 shows an actual PIP document used to turn around an employee (name changed) with a variety of problems. It starts with a summary of the deficiencies or issues.

It is vital that the session end on a positive note by reassuring the employee that he or she is valuable to the organization and can change. It is important to allow them to retain their self-respect and know that management has confidence in their ability to become productive again.

As the document illustrates, management must cover all six performance factors by making sure employees know what they are supposed to do and how well they will have to do it; ensuring that training has been identified and required; scheduling coaching and feedback that will identify barriers and review progress; providing management support; identifying consequences; and reassuring the employee that they have the ability and capacity to become a fruitful and productive contributor again.

When an employee fails, management fails. Converting a marginal employee into a good one is easier than finding and training a new one. ♦



Wish you had the answers to getting more out of your equipment and paying less to do so?

You do.

If reducing your maintenance costs by 25-30% while improving uptime appeals to you, call us today.

TBR STRATEGIES

(919) 341-1387
www.tbr-strategies.com