

Handling Performance Management/Conflict Resolution

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Today's Objectives

- Ensure your organization has objective standards in place
- Learn how to help your employees become successful by managing their performance *effectively*
- Determine when & **HOW** to take corrective action
- Dealing with Difficult Conversations

What is Performance Management?

Performance management is an ***ongoing*** process of communication between a supervisor and an employee that occurs ***throughout*** the year, in support of accomplishing the strategic objectives of the organization.



Performance Management Tips

- Remain objective in the process
- Ensure the Managers are firm in their discussions
 - Employee should feel Manager supports them
- As HR professional these discussions (if involved) can go different each time
 - Think through different scenarios prior to meeting



What is a Performance Review?

- Performance Review is a formal assessment in which managers evaluate an employee's work **performance**, identify strengths and weaknesses, offer feedback, and set goals for future **performance**.



Performance Review Trends

- More companies doing away with annual performance reviews
 - 2017 91%
 - 2016 94%
- More companies conducting more frequent check ins than yearly – at least quarterly
 - 2017 50%
 - 2016 42%
- Why are companies doing this?
 - 95% of Managers are dissatisfied with formal annual performance reviews
 - 90% HR Professionals feel that reviews aren't accurate
 - Supervisors find process time consuming and don't motivate employees

<https://www.youtube.com/watch?v=gdp4sPviV74>

Performance Management

- ***Performance Management*** should be about:
 - Developing and growing their employees
 - Happening often and not just at annual review
 - Manager's job should be about spending time with employees
- Employers should ensure:
 - Managers have tools in place to assist employees being successful
 - Needs to keep in mind all employees learn different



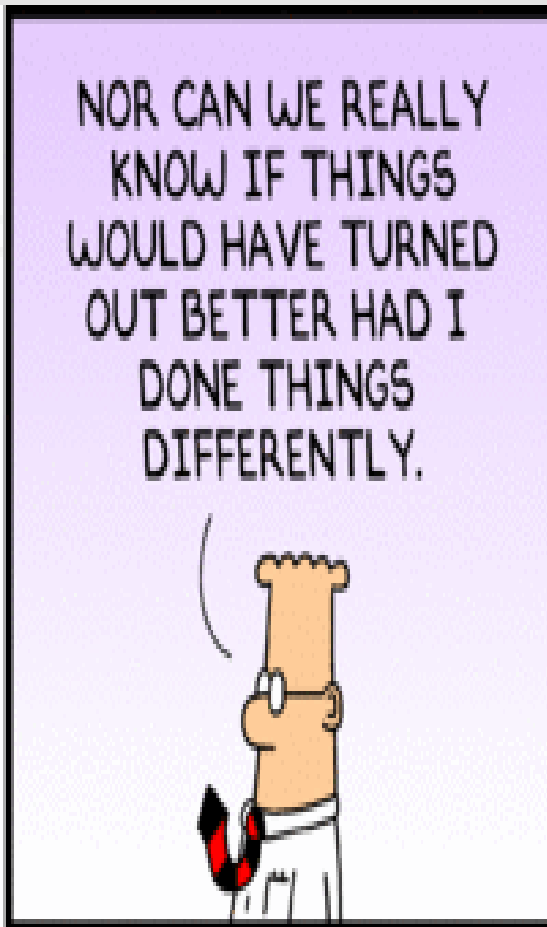
What is Performance Management?

- An employee must understand the organization's goals and how his/her performance is tied to them
- **Performance = Technical AND Behavioral**

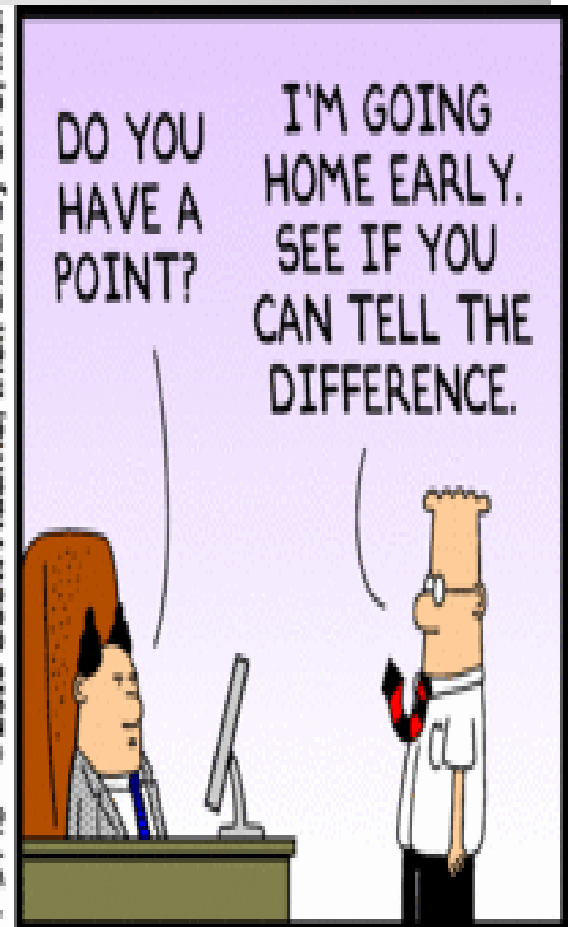




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Performance Management

Five Key Components

- **Planning**
 - *Orientation, Job Descriptions*
- **Monitoring**
 - *Feedback during Coaching and Counseling*
- **Developing**
 - *Progressive Corrective Measures*
- **Rating**
 - *Annual, Bi-Annual or Monthly Performance Check Ins*
- **Rewarding**
 - *It's not just about money anymore....*

DEPARTMENT Orientation

The basics.....

- *Who should I ask for?*
- *Who should I ask questions?*
- *Where should I park?*
- *What should I wear?*
- *Where should I report?*
- *Safety*
- *Assign a 'buddy'*
- *Touch base OFTEN*



Having a sense of belonging is very important to the new employee.

Why on-boarding programs fail...



No one is directly responsible—get them a buddy system

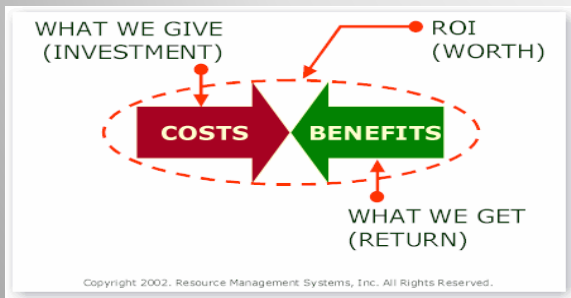
Viewed as a checklist or “orientation paperwork”

Limited management interest or involvement

Material introduced is never reinforced later

What's the ROI

- Lower costs
- Lower employee turnover
- Time efficiency
- Establish goals and expectations
- Promote the organization!



***This is everyone's role
– not just the HR
Department***

Performance Management



Key Points to Remember

- **Creating Objective Standards**
 - Objectives need to be:
 - Measurable
 - Timeline
 - Attainable and realistic
- For example – employee must achieve a sales goals in terms of dollar amounts or new customers
- Expecting an employee to achieve a billion dollars in sales within 60 days is unrealistic

Key Points to Remember

- **Setting Performance Goals**

- Communicate to employees where they stand on performance
 - **Strengths** – help prepare them for additional responsibilities within current or promotional opportunities
- **Specific** goals are clearly defined
- **Measurable** goals are easy to track, such as increase productivity by 20 percent
- **Attainable** goals can be achieved in the near term
- **Results-oriented** goals measure outcomes rather than activities
- **Time-sensitive** goals set a completion date, such as within 90 days

Key Points to Remember

- Initial **counseling** sessions are not considered **corrective action**, but should be documented in your notes.
- Steps in corrective action: oral warning, written warning, suspension, and termination
- Be **consistent** and follow organization policy
- **GOAL**: Help employees **correct** problems
- Protect yourself and the organization by **documenting** corrective action actions

Coaching for Peak Performance

- Most employees are **not** exactly like you.
- Coaching is **NOT** a popularity contest.
- Coaching poor performers will not be easy or fun.
- Changing employee performance isn't your responsibility—it IS the employee's choice.
- **YOUR** responsibility is communicating expectations and holding them accountable.



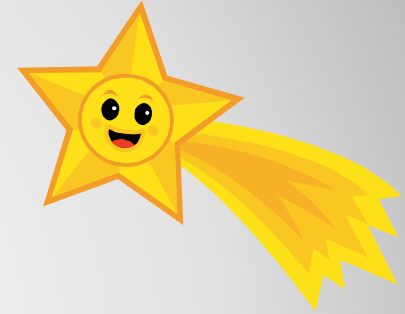
The Power of Coaching

One of the keys to creating a winning, positive climate is to spend time with your team.

- Asking questions/**listening** to responses
- Being **visible**
- Visiting with employees
- **Celebrating** recent successes
- Being **consistent**



Super Stars, Middle Stars, & Falling Stars



Most teams are composed of three performance groups:

- **Super stars**-really outstanding performers
- **Middle stars**-solid, average employees
- **Falling stars**-below average performers or those with behavior problems

What Do All the Stars Need?

Consistency!



FREQUENT INCONSISTENCIES

- An above average (*or even average*) performance review that is contradictory to employee's **actual** performance level
- Touting teamwork and then implementing incentives that actually **pit** employees against each other
- Acting like a peer one day, the “**boss**” the next

Coaching the Super Stars

- Get them involved in decision making
- Delegate higher level work to them
- Encourage them to teach their peers
- Provide training to get them to the next level



Coaching the Super Stars

- Have them fill in for you in your absence
- “Stretch” them
- Celebrate their successes
- Give them positive feedback
- Promote them when opportunities arise



Coaching the Super Stars

Don't:

- Micro-manage them
- Ignore them because they're "good"
- Overload them with work
- Prevent them from moving up



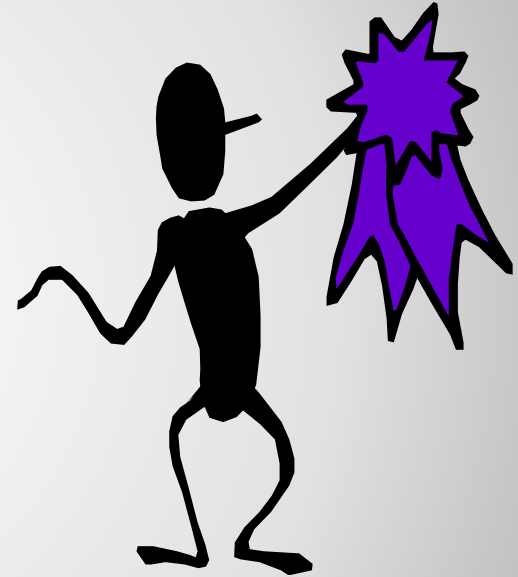
Coaching the Middle Stars

- Build their confidence by increasing responsibilities
- Give frequent and accurate feedback
- Teach them how to set goals and hold them accountable for those goals



Coaching the Middle Stars

- Acknowledge them doing good things
- Pair them with a super star
- Create rewards that appeal to *their* values



Coaching the Middle Stars

Don't:

- Assume they know how to get to the next level
- Be content with a “passable” level of performance (*they can always improve!*)



Coaching the Falling Stars

- The employee is responsible for maintaining his/her performance
- The manager's job is to point out any discrepancies
- Provide the employee tools to be successful.



Coaching the Falling Stars

- Ensure the employee understands the goals/behavior that are expected
- Check in often with the employee – work and personal
- Ensure you understand employee's needs to be successful



PROGRESSIVE

CORRECTIVE ACTION



Why Progressive Corrective Action?

- Establishes expectations and predictability
- Applies consequences fairly and consistently
- Corrects inappropriate behavior and poor performance
- Protects against complaints and lawsuits

Tells the story when you document appropriately!



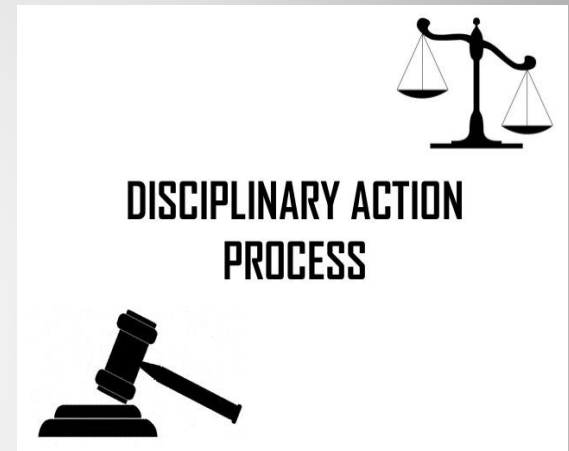
Goal of Correction Action

To **correct** the performance or behavior problem



Corrective Action Steps

- Coaching & counseling
- Oral (Verbal) warning
- Written warning
- Suspension (or Final Written)
- Termination



Oral Warnings

- Meet **privately** and state the problem clearly
- **Listen** to the employee's explanation
- Be sure the employee understands the rule and next corrective action step
- Agree on an action plan
- Document the conversation



Written Warnings

- For repeated or serious problems
- State the facts clearly and objectively
- Include an action plan for improvement
- Sign and have the employee sign
- Give the employee a copy and file a copy
- Document conversation



Suspension/Final Written Warning

- Consult with HR
- Meet with the employee
- Sign the forms
- Meet with the employee again after suspension
- Follow up

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Termination

- Last step in corrective action or for very serious violations
- Seek advice from HR and/or CEO
- Investigate carefully
- Meet with the employee
- Document the meeting in a signed report



Discipline and the Law

- EEO laws
- Consistency and fairness
- Retaliation
- Wrongful discharge



Laws Affecting Corrective Action

- **Title VII** prohibits employers from terminating employment based on race, color, religion, gender and national origin.
- **Pregnancy Discrimination Act** (PDA), an amendment to Title VII, prohibits termination of employment based on pregnancy and childbirth.
- **Americans with Disabilities Act** (ADA) prohibits employers from terminating employment based on disability.
- **Age Discrimination in Employment Act** (ADEA) prohibits employers from terminating employment based on age 40 and over.

Laws Affecting Involuntary Terminations

- **Uniformed Services Employment and Reemployment Rights Act (USERRA)** prohibits employers from terminating employment based on military service.
- **Family and Medical Leave Act (FMLA)** prohibits employers from terminating employment based on the serious medical condition of employee, spouse, child, parent or for birth or adoption of child.
- ***Note: The employment-at-will doctrine*** (not a law) *pertains to the employer's right to terminate the employment relationship at any time, for any reason, with or without notice, as long as the employer is not violating any oral or written contracts, public policy, or covenant of good faith and fair dealing.*

The Top 10 Reasons Supervisors Fail to Take Disciplinary Action

- The problem will go away.
- The problem's not that serious.
- The employee promised to retire (*each of the last four years*).
- They convince employee to transfer.
- They don't have the time.
- The employee's brother is a lawyer.
- The employee's mother knows Jesse Ventura.
- The employee will call the union.
- The other employees will hate them.
- They don't know the disciplinary process.

Corrective Action



Some guidelines to consider are:

- Thoroughly **investigate** the situation which includes obtaining the employee's explanation or response prior to administering discipline.
- **Document** the process and results of your investigation.
- It is acceptable to repeat a step if you feel that it will correct the problem.

Completing an Investigation

- Act immediately
- Gather facts from the parties and/or witnesses directly involved
- Avoid getting or using opinions
- Back up subjective information with documentation, if at all possible
- Get the best evidence possible
- Prepare individual documents recapping the information provided by each of the parties and/or witnesses
- Preserve documentation



Fast-acting



Consistency

- Discipline all similar offenses in the same way
- Make corrective action appropriate to the offense
- Give the employee an opportunity to correct the problem



Performance Improvement Session Steps

Gain agreement that there is a problem.

Example:

"Because this is important, I need your agreement to solve this problem and get your attendance on track with expectations. Do you agree that you need to fix this problem?"



Performance Improvement Session Steps

State the specific consequences the employee will face if the problem continues.



Performance Improvement Session Steps

Discuss action items to resolve the issue with the employee.

Example:

"So, specifically, what are you going to do to solve the problem and make sure we do not have this discussion again?"

Performance Improvement Session Steps

Reinforce the employee's commitment and close the session.

Example:

"I'm glad you understand the severity of this problem and that you realize this is a serious issue that requires your immediate attention. I expect that you will solve this problem and be here for your scheduled days of work. Are we in agreement? Thanks. I want you to know I'm counting on you."

Performance Improvement Session Steps

Follow up, immediately, with written notes from the session and summarize the employee's plan action.

Example:

"John, thank you for your renewed commitment to eliminate unscheduled absenteeism. I know that I can count on you to be here."

Performance Improvement Session Steps

Monitor the agreed-upon action plan to ensure the problem is corrected.

- If the performance or behavior improves, recognize the employee's success.
- If the problem persists, consider more serious steps, including possible termination.

Looking at Yourself First

- How do YOU emotionally respond to conflict?
 - Stress level
 - Emotions
 - Non-Verbal communication

Effective Conflict Management

=

Emotionally Intelligent Leader
(We ALL lead---we don't all manage)

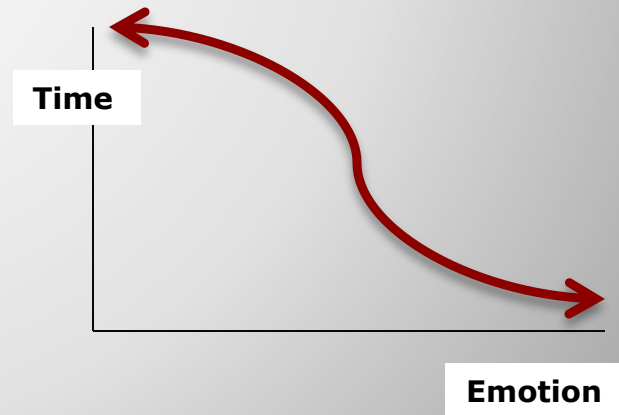
Handling Difficult Conversations

- Difficult conversations are a fact of life
- It is the supervisor's responsibility and accountability to tackle these to maintain ***employee engagement*** and ***productivity***
- It is important to handle them early
"NIP IT IN THE BUD"
- Remember *YOUR* style and modify



Process for Handling Difficult Reactions

1. Acknowledge and invite viewpoints
2. Explore the issues
3. Look for agreement
4. Evaluate potential solutions
5. Agree on the way forward



Do You Need Advice?

- Support may be needed (*especially if you are a new in your role*)
- Seek advice from colleagues or mentors
- Critical that confidentiality is maintained
- Utilize HR as a resource



GATHER THE INFORMATION

- Take time to gather facts and evidence
"I need more information"
- Do **NOT** rely on hearsay
- Check out the **FACTS**
- Get a balanced view of the situation—talk to **ALL** parties involved



Clarify the Message

- What do you want to achieve?
- What do you want them to start doing, stop doing and change?
- Prepare potential solutions to discuss
- How much are you willing to compromise?

Prepare for the Potential Response

- Consider the various points of view
- How may they see it?
- What barriers and resistance are you likely to encounter?
- Consider how YOUR own body reacts to conflict
 - Identify your warning signs
 - What is likely to “hook” you into an unproductive response?

The Most Difficult Conversations for Leaders

- Managing behavioral issues (23%)
- Poor performance (20%)
- Personal hygiene (20%)
- Absence and tardiness (6%)
- Communicating change (5%)
- An individual with personal difficulties (3%)



**100 staff
were
surveyed in
2012**

Guidelines for the Termination Meeting

Before the termination meeting:

- Have written notes for what to communicate.
- Time the meeting carefully.
- Hold the discussion in private.
- Schedule a conference room in advance, if necessary.
- Consider having a representative from Human Resources or another manager in the room.

Guidelines for the Termination Meeting (cont'd)

During the termination meeting:

- Avoid small talk.
- Remain calm.
- Clearly state the reason for the termination.
- Avoid personal references or accusations.
- Make it clear that the employee is terminated and there is no negotiation.
- Be prepared for the employee's reaction.
- Discuss all issues that need to be "closed" (*benefits, final paycheck, company property, etc.*).
- Copy of the separation notice??
- Walk employee to the exit of the building if security is not available?? Not Always.....

Sample Scenario

- Barry is new at quality control. He completed three weeks of training, but he has already made two major errors that cost the company \$3000.
- He's obviously upset and discouraged over his shaky start.
- If you were Barry's supervisor, what questions would you ask.....and to whom?

QUESTIONS



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