

HOW TO.....MANAGE EMPLOYEE PERFORMANCE EFFECTIVELY

Why is employee performance important?

When employees perform at their best, they will be engaged in what your organisation is trying to achieve. They will be more willing to 'go the extra mile', and this will enable you to serve your customers well and make a profit.

Poor employee performance will mean your company, and the people in it, will not be as good as they can be (and probably not as good as your competitors). This will:

- increase the amount of money spent to correct these
- affect the reliability and quality of the service provided to customers, which in turn will mean less revenue
- affect morale (as it may be seen that an individual who is under performing is letting the rest of the team down); and if morale is low other individuals may also under perform, or even leave which impacts on your ability to serve your customers, and will ultimately increase your costs and reduce revenue

Effective performance management

This is about creating a culture that encourages the continuous improvement of employees' skills, behaviour, and overall contribution to the business.

It's not just about dealing with poor performers or the paper work you complete.

Good Performance

I like to describe 'performance' as 'the sum of capability and attitude'.

To be a 'good performer' an employee needs the required skills (capability), and the appropriate mindset (attitude) to use these skills effectively.

If you've got an employee who's not performing well, you should explore which one of these elements is missing and why.

Poor Performance v's Misconduct

Poor performance must not be confused with misconduct, which is about 'inappropriate' behaviour breaching company rules; or Gross misconduct, which is a 'single act of misconduct that amounts to a breach of trust and confidence, and immediately renders the employee unsuitable for further employment'.

The consequences of ineffective performance management

This can create a poor reputation for you as an employer.

Poor performance management can damage the working relationship. This may generate a high number of grievances, which will be time-consuming to deal with.

It can also impact on the employment relationship; which may eventually result in the individual leaving. This may lead to a constructive dismissal claim, incurring costs of an employment tribunal; and possibly compensation to the ex-employee or job back.

HOW TO.....MANAGE EMPLOYEE PERFORMANCE EFFECTIVELY (Cont'd)

Manager's Checklist for effective employee performance management

Ensure your employee:

- ✓ knows and understands what is expected of them
- ✓ has the skills and ability to deliver these expectations
- ✓ Is supported to develop the capability to meet these expectations
- ✓ Is given regular feedback on their performance

Make sure you:

- ✓ Set sensible and achievable tasks and targets
- ✓ Understand the impact of your own behaviour on the people you manage
- ✓ Identify and display positive behaviours so that you are always leading by example

Manager's Checklist for dealing with poor employee performance

Ensure your employee has been:

- ✓ Made aware there is an issue with their performance, and the improvements required
- ✓ Given sufficient time to improve (This will depend upon their post, and how long the company can reasonably wait for such an improvement)
- ✓ Given appropriate support to improve
- ✓ Provided with regular reviews to monitor and discuss their progress
- ✓ Informed that if their performance does not improve you may have to consider disciplinary action

Taking disciplinary action

If you feel you have to take disciplinary action make sure you follow your policy, which should meet the ACAS Code of practice

Record keeping

It is vital to keep written records relating to a situation of poor-performance, and any subsequent disciplinary issue, should the case be taken to an employment tribunal. Examples include:

- ✓ Copies of any letters to and from the employee
- ✓ Notes of any meetings
- ✓ Any relevant Emails and / or notes of telephone calls
- ✓ Documents that show support the employee has received

NB: This is not an exhaustive list but gives an indication of the type of documents you will need to retain.

I hope you found this guide useful. Contact me at Karen@KDHRsolutions.com if you would like more information.