Creating a Performance Counseling and Disciplinary Process

Creating a Performance Management (PM) System

1) Start with Organizational Purpose

The purpose of the PM system is to align the employee's performance with the goals of the organization. It will help to ensure initial person/job match, competency growth, and to detect and remedy performance problems. Focus on planning, enabling, appraising, and rewarding employee performance. An effective PM system helps an employer meet the following objectives: (1) Assess Potential; (2) Identify Training Needs; (3) Assist HR Planning; (4) Identify & Correct Poor Performance; (5) Validate Hiring Tests; and (6) Motivate Employees.

Potential	Training Need	Assist HR	Performance	Validate	Motivate

2) Organization Strategy

STAGE 1 (PLANNING): Strategy drives work which drives goals. Managing employee PM includes Planning work and setting expectations, monitoring and measuring performance, developing the capacity to perform, periodically rating performance, and recognizing and rewarding great performance. Planning is the next step to ensure the Goals and Competencies are identified per employee. (1) Goals are short and long-term tasks that focuses an employee's attention. Goal setting can have far-reaching consequences for your organization. Goals must be communicated and agreed upon from both parties. (2) Competencies are observable, measurable patterns of skills, knowledge, abilities, behaviors, and other characteristics needed to perform successfully. Competencies will be the basis of training and development.

Goals—Must be S.M.A.R.T.	Competencies- Expected values

STAGE 2 (EXECUTION): The focus is on the employee performing the job. Whirks Best Practice involves assistance to the employee in the form of one and one informal coaching (documented) with a formal evaluation review session at least twice a year. This entire process is predicated on feedback from the employee's manager throughout the entire timeline. To be effective in this stage, feedback and coaching will be provided frequently and will always be accompanied by improvement suggestions.
The formal review phase should NEVER be a surprise party for the employee!!!

Resources	Coaching	Feedback

STAGE 3 (APPRAISAL): Starting after the performance period ends, a formal review is conducted. The employee's success in reaching the above goals is assessed, competencies measured, written comments developed to explain ratings, and suggestions provided for improvement. Criteria will be job related, specific, and communicated in advance to the employee.

* A performance appraisal system is nondiscriminatory if it is both valid and reliable. (1) Valid-Factors used are both representative of the job and relevant to the job. (Example- Reviewing an admin job on error rates in memos will be Valid—ability to lift heavy loads will not be Valid. (2) Reliable- Provides consistent data about employee's regardless who conducts the review.

Valid	Reliable

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* Multiple types of performance appraisals to choose from depending on number and industry.

Whirks Best Practice for PM templates that are most useful and productive are the ones that aligns the employee's performance with the goals of the organization. An effective PM system must address the following objectives: assess potential, identify training needs, identify and correct poor performance, validate hiring tests, and motivates employees.

Templates-
- Make sure the employee knows what they are being evaluated on – this will allow them to focus on desired behaviors and would increase their confidence in the evaluation process
- Train the raters – show them how to use the evaluation grid, and make them aware of common rater errors so they can consciously aim to avoid them
- Keep it simple – for the sake of both the rater and the ratee, we aren't looking to add more stress to anyone
- FEEDBACK – always, always, always give your employees feedback after an evaluation!

Helpful Tips for Managers-
Seek to see performance at the individual level and ask team leaders about their own future actions and decisions with respect to each individual. Ask leaders what they'd do with their team members, not what they think of them. Here are 4 questions that we ask our managers:
1. Given what I know of the person's performance, and if it were my money, I would award this person the highest possible compensation increase and bonus.
2. Given what I know of this person' behavior, I would always want him or her on my team.
3. This person is at risk for low performance
4. This person is ready for increased responsibilities.
5. I would or would not rehire this person.

STAGE 4 (DECISION): The information developed and gathered in the last stage will be used to help make decisions that will affect the employee. These decisions will pertain to pay raises, training, career plans, formal identification of problems, and retention. Looking at Hungry, Humble, or Smart one by one are not novel or smart powerful ideas but what makes them unique is not the individual attributes themselves, but rather the required combination of all three. If one is missing in a team member, teamwork becomes significantly more difficult, and sometimes not possible.

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(1) Identify Performance Problems

Task Performance
Low quality, inefficiency, customer complaints

Team Player
Complaints, uncooperative, unhelpful

Counter-Productivity
Policy violations, theft, sabotage, substance abuse

(2) Assess Causes

Task Performance
Lack of ability, knowledge, skills, or motivation

Team Player
Lack of cohesion, boredom, employee personality

Counter-Productivity
Ignorance of policies, poor work ethic, stress

(3) Develop Corrective Actions

Task Performance
Training; job design or transfer, incentives

Team Player
Team-building exercises, transfer, coaching

Counter-Productivity
Explain policies clearly, reprimands, suspension

(4) Develop and Discuss Clear Consequences for Continued Problems

(5) Document Incident, Corrective Actions, & Consequences

(6) Termination if Problems Not Resolved