Employees with lagging performance can sometimes be turned around. But talent leaders have to evaluate whether it’s worth the time and resource investment to do so.

Patrick Sweeney
If an employee is not working out, how much time, energy and effort should talent managers spend trying to turn the situation around? The short answer is: not much. A more thoughtful answer is: as much as it takes to give the individual every opportunity to change.

At the end of the day, it is not a manager’s responsibility to fix an employee. The manager can set the stage for success and guide the employee’s performance. But it is the employee’s responsibility to step up or step out.

To turn a failing employee’s performance around takes a lot of work. There has to be clarity about the underlying issues, a no-holds-barred understanding of expectations and a thorough commitment on both parts.

Most of this has to do with performance. But much of it has to do with feelings — most managers don’t like to let someone go. There are always those nagging questions: Have I done everything possible to turn the situation around? Was there something I could have recognized earlier?

So what happens when an employee starts dropping the ball consistently? Can a manager turn the situation around when someone’s performance — and attitude — starts to wane?

“My initial reaction is, ‘Why would you spend a lot of time on your worst employees?’” said Barbara Kogen, vice president of organizational development and performance at rental car company Avis Budget Group. “But then, it really depends on what you’re trying to fix.”

If a manager is trying to address a skill and the person is capable, there are straightforward actions to take. Kogen said it may be the individual did not receive the appropriate training to develop a particular skill. Or, he or she was not on-boarded as well as possible. In those instances, talent managers can set clear, measurable expectations with time frames and benchmarks to measure success.

If a manager is trying to address an attitude, however, turning the problem around is up to the individual.

“I’ve spoken to sales managers who admitted to spending most of their time trying to turn around poor performers,” said Edward Siciliano, chief sales officer for financial firm Marlin Business Services. “That begs several questions: Is that really what we should be doing? Is that where our time is best spent? Are we focusing on what we need to do to make the organization succeed?”

When it comes to poor performers who have a negative attitude, Siciliano said managers need to have the courage and fortitude to let them go. “If you’re interested in upgrading, you need to be fine letting your worst-performing employees with the worst attitudes go, so that you can upgrade the entire organization.”

For those who have the right attitude but miss the mark because they can’t do something or don’t know how to do something, Siciliano said managers should put in the effort to work with them to try to save the situation.

“After all, when we hired them, we saw the potential, and it is detrimental to our organization to have high attrition,” he said. “I want our managers to save those situations if they can. And the majority of those underperformers who have the right attitude, but are just missing something in their skill set, end up making it.”

For the people who are put on performance improvement plans, the situation often can be saved by outlining steps for corrective action, then coaching and
Seven Ways to Use Rewards to Fix Employees

Using an effective rewards and incentives program can help to fix poor-performing employees. Follow these steps:

1. Understand why the employee is having issues. Communication is the first step. Incentives or rewards will not engage problem individuals if they are struggling in other areas, so identify the root of the problem. Why is the employee struggling or not living up to expectations? Is it a lack of skills that can be solved with training? Is the employee’s personality creating obstacles to learning or improving? Are personal problems creeping into the office and causing performance issues?

2. Know the corporate culture. To build an effective rewards and incentives program, know employees and understand the culture in which they work. Many variables contribute to corporate culture, and demographics is one of the biggest factors. If an employee falls outside of the core demographics, he or she may not feel engaged with other employees or company business methods. Continuous training and interoffice gatherings, social or business related, can help alleviate feelings of not fitting in with peers.

3. Customize programs. In general, trying to execute a one-size-fits-all program is a recipe for failure. This is especially true in a diverse workplace. Knowing employees’ interests and hobbies helps. Do they like to travel, golf or ski? Are they shoppers or homebodies? By matching rewards to their interests, talent managers can create a more personalized approach to demonstrate caring and motivate employees after a program ends.

4. Communicate. Regardless of the type of rewards program, maintain continuous communication. Don’t rely on the prize to motivate an employee throughout the process. For some, the prize may seem too far from reach; remind employees that their small, daily efforts can have a huge impact. Utilizing the right communication methods can be the fine line between success and failure. Asking for feedback lets talent managers know if the program is reaching its intended audience and can help when planning the next program.

5. Know when to make changes. If the aforementioned steps have been taken and employees are still not productive, they may be complacent from doing the same tasks for years or be bored by a lack of stimulating challenges. Offer them a different role, perhaps one featuring newer experiences to remind them what they liked about the company in the first place. This is worth trying because it can be less costly to reposition employees than to replace them. If there is no immediate opening, developing a career path could make them more engaged in their current job.

6. Know when to get help. There are times when managers might be in over their heads. Managing an effective rewards program with constant communication takes a lot of work, and seeking external assistance can help hit established targets.

7. Know when to call it quits. A toxic employee can greatly impact the morale and productivity of an entire team, rendering an incentive or rewards program useless. Knowing when to terminate could be the best thing for the employee and the company long term. Much like personal relationships, opening new doors can lead to a happier environment for everyone.

Jennifer Vecchi is the manager of incentives and recognition programs at Atlas Travel Meetings & Incentives in Milford, Mass. She can be reached at editor@talentmgt.com.

measuring progress. But Siciliano said talent managers have to weigh the impact on the entire team if they spend too much time with a poor performer. “Are you lowering the bar for the entire organization? Is that the best use of your time? Ultimately, if someone just doesn’t want to step up to the plate or really doesn’t have what it takes, it is best for them and the organization that you act swiftly and take them out of the organization.”

Managers who want to give an underperforming employee a chance to turn the situation around must let the person know the gravity of the situation. Expectations have to be clear, timelines set and progress measured. Then the results will set the stage for the outcome.

Understanding the Issue

Before corrective action can be taken, a manager has to determine the issue and understand what is causing it.

“What is the real issue?” Avis’ Kogen said. “Is it someone who is in the wrong job to begin with? Or is this something that has developed over time?”

If it is a hiring mistake, the manager needs to reflect on what happened. Did the applicant look good in the interview? Was the company able to determine whether the individual possessed the core competencies required to succeed in the job? Was the appropriate training provided? Was the manager available to serve as a coach when needed? If it was a hiring mistake, the manager owns that responsibility, to learn the lesson so the mistake does not occur again. Otherwise, the manager will cause harm to the next person hired and to the organization.

On the other hand, if the individual was brought on board, doing well and then performance fell, there is more involved. A straightforward, honest conversation with the individual is the starting place to uncover what might be going on. The results of
that conversation will depend on many factors, including the individual’s level of self-awareness. Can the individual talk openly, without defensiveness, about a personal or team issue that is affecting him or her at work? Is it personal or because of an inability to perform a particular task? Either way, uncovering the core issue can inform much of how the manager proceeds.

**Finding a Solution**

If the mistake was in hiring the wrong person, then management has its work cut out. The entire hiring process may need to be reviewed and possibly revamped to help minimize the cost of a bad hire, for the individual and for the organization, so such a mistake does not happen again. Has the job description been updated? Are the competencies clearly understood? Is the interview process thorough, targeted and consistent? Was a personality assessment incorporated to uncover the applicant’s inherent motivations and personality characteristics as they relate to the workplace?

On the other hand, if the employee’s performance has fallen off inexplicably, the focus shifts to the individual. The manager will need to have a conversation with the individual to discuss his or her performance. Managers need to be clear about their expectations, how the individual has not met those expectations, and how the situation can be turned around with definite deadlines and clear consequences.

“That’s why my examples of areas that need improvement are very concrete,” Kogen said. “It is important to be clear and understood. I will often ask someone who is on a get-well program to repeat what they’ve heard and tell me how they plan to go about accomplishing what needs to be done. It is very easy for one person to say something and another person to hear something completely different.”

This is an opportunity for growth. Perhaps the employee didn’t realize how his or her performance was affecting the team, and this conversation could be a wake-up call. But other times, it may just be delaying the inevitable. It’s up to the manager to provide that opportunity and encourage, coach and be there, but the employee makes the ultimate decision to either step up or out. Managers have to realize that by the time an individual is put on a performance improvement plan, the odds might not be in the employee’s favor, and the final employment decision is theirs.

Managers working with an employee on a performance improvement plan need to:

- Clearly discuss performance and why it needs to improve.
- Outline expectations.
- Clarify the resources that will be available to help turn performance around.
- Give opportunities for check-ins to measure improvement.
- Be honest about consequences if expectations are not met by the deadline.

““The individual is driving it,” Kogen said. “I let them know that I’ll be with them, but in the passenger seat. I am happy to help in any way I can, but at the end of the day, you have to drive it yourself.”

“It is important that the individual completely understands they are accountable for the outcome. You must be clear about what is expected and what you will do to help. If we agree upon a weekly meeting to assess progress, it is up to them to come back to me every week. If I have to go looking for them, they are sending a strong message. And if they don’t show up, that’s all I need to know.”

That approach creates a sense of shared responsibility.

**The Takeaway**

In any situation where an employee doesn’t succeed to his or her fullest potential, it is up to the manager to take a step back, assess the situation and use it as a developmental exercise for the future. What did this experience say about the manager? Are there lessons from this experience?

These questions can help managers uncover things about themselves that they might need to improve. It is a time to evaluate process and management style to identify areas of potential growth. Such an experience can give managers, and their companies, the opportunity to:

- Evaluate their hiring process and put more rigor into effective job matching.
- Assess their on-boarding and training processes to determine if there are any gaps.
- Provide more resources to managers for coaching.
- Help managers collaborate more closely with their teams.
- Grow management bench strength.

Authentic managers find learning opportunities in everything they do. What is most important is for managers to seize these opportunities and make the most of them, so that employees and potential employees — and ultimately the entire company — are empowered for the future.

---

Patrick Sweeney is president of Caliper, a human resources consulting firm. He can be reached at editor@talentmgt.com.