

MANAGING PERFORMANCE

Setting targets and objectives

The biggest failure on the part of employers when managing performance is in not setting clear performance criteria/expectations from the outset. The job description and person specification is a useful tool in doing this but objectives, duties and roles should be reviewed regularly by means of appraisals or performance reviews.

If no job description, person specification or appraisal is used or the objectives for the position change before an appraisal is due, meet with the employee to discuss the change in their duties, targets, expectations or objectives and confirm these in writing

Always ensure that the duties, targets, expectations or objectives are reasonable and are within the employee's capabilities. Setting unrealistic standards may expose you to constructive dismissal and/or discrimination claims. If an employee expresses their concern about new objectives, arrange for either internal or external training to be given and to carry out regular performance reviews to ensure the employee is given every opportunity to adapt to the change. If the employee fails to do so, without reasonable explanation, you may have to take disciplinary action (see below).

Appraisals/Performance Reviews

As explained above, appraisals are a useful tool when setting and changing the standards and duties expected of an employee. However, even if these do not change, they are a very helpful way of monitoring an employee's performance and whether they have any concerns or training needs. If the employee's manager is concerned about the employee's performance an appraisal is often seen as an easier way of addressing concerns, rather than going straight to a disciplinary process.

Appraisals should be carried out using a standard form developed by the company to suit its needs and should be a two way process. The employee should be given the opportunity to complete their part of the form first and then a meeting should be held with the employee in order to go through their responses, respond appropriately and raise any of the company's concerns about the employee's performance. If further action or concerns have been raised, there should be a place on the form to set improvements or further action (e.g. training) required and set a timetable for that to take place. This should then be reviewed at the appropriate time to ensure the improvements or further action has taken place and that the issues have been rectified. If they have not it may be appropriate to proceed to the disciplinary process.

Evidence of poor performance

Always ensure you keep documentary evidence (if possible) of an employee's poor performance. This may be as simple as a record of sales figures or it may require keeping copies of documents upon which an employee has made an error. It may require you to take statements from the employee's colleagues or the company's customers if the performance is related to an employee's personal characteristics, e.g. their poor telephone manner.

Taking disciplinary action

If the employee's performance has not improved as a result of informal discussions or through the use of the appraisal/performance review process above, the company may feel it is appropriate to take disciplinary action. Be aware it is not normally appropriate to dismiss an employee for poor performance without prior warnings unless that poor performance is so serious that it warrants gross misconduct. If you have any doubt as to whether this is the case, call the HR Helpline for further advice.

You should first write to the employee inviting them to attend a disciplinary meeting, making it clear what concerns you have about their poor performance. The employee will have the right to be accompanied by a colleague or trade union official at the meeting.

At the disciplinary meeting you should set out the reasons why the company considers the employee's performance has fallen below an acceptable standard. If you have followed the procedure set out above, you should be able to get the employee to acknowledge that he was aware of and understood these standards and had had the opportunity to improve before a formal process was started. You should invite the employee to provide an explanation for the poor performance. Consider whether this explanation requires further investigation e.g. another employee or department's failure to abide by company procedures. Consider whether changes in procedure or providing training to the employee will rectify the situation. Whether or not further action can be taken, if an informal process has also been followed, you should be safe to issue a verbal or written warning. If the poor performance is very serious or concerning, you may be justified in issuing a final written warning but if you are in any doubt, call the HR Helpline. Make it clear to the employee what is expected of the employee in order to improve and set a reasonable time limit within which that improvement must take place. Explain that if the improvement does not take place within the set time limit, the company will proceed to the next stage of the disciplinary procedure (whatever that may be).

Confirm the warning in writing. The letter should give the employee the right to appeal.

If no improvement takes place within the set time limit, you should repeat the above process and if the employee's explanation for failure to improve is unsatisfactory you can issue the next appropriate sanction, whether this be a written warning, final written warning or dismissal. If the next sanction is dismissal, telephone the HR Helpline to discuss your risks of liability.