

Performance Management

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What Lies Beneath Low Performance

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We know them well — employees whose work never seems to be up to par. They don't take direction well and may need constant hand-holding. Tasks are completed late and the quality of their work often is poor. Sometimes, a bad attitude and disruptive work habits are also present: They come in late, leave early and generally are difficult to deal with. At first glance, the best course of action for these individuals' performance management plans would be to weed them out. But perhaps not.

Showing low-performing employees the door may be the right decision in certain circumstances, but an alternative may be better for the individual and the organization. Before making a final judgment about a low performer, talent managers need to take a close look at the specific root causes of the subpar performance.

Is it due to lack of engagement with tasks, skill gaps in critical areas or perhaps a focus on the wrong priorities? In the vast majority of cases, some kind of talent management failure by the organization contributes to an employee's poor performance.

Consider, for example, an employee who has been hard at work on a key project, operating on guidance from his manager that he should "drop everything" and focus on project delivery. However, several months later, realizing that critical deliverables were left unfinished, the manager identifies this employee as a low performer. But are they? Or were they just placed in a difficult position that limited their opportunity for success?

By identifying the root causes of low performance, talent managers have the opportunity to call upon solutions and best practices to remedy the situation. In the aforementioned example, perhaps the problem was a breakdown in communication between employee and manager. Or perhaps this manager expects all of her employees to proactively handle multiple tasks at once, and this employee lacks that particular skill.

Once these root causes are identified, the right solutions can be employed to transform a low performer into a strong contributor to organizational goals.

Leading Causes of Low Performance

A closer examination of low performance reveals a number of common causes. They include:

- **Lack of engagement:** Employees may become disengaged for a variety of reasons. Perhaps they're confused by their roles in the company or by specific tasks they're expected to handle. They may not have a clear idea of what's expected of them or feel that they are part of a team. Consequently, they may either work on the wrong activities or simply not work hard because they don't see the point in making the extra effort.
- **Skill gaps:** Another type of low performance is caused by skill gaps. An employee may try to do the right thing, but can't because he or she is missing core or task-specific skills. This often is the case when a new manager who was a top performer in a previous position is promoted but not properly coached on the leadership skills needed to successfully manage a team.
- **Wrong focus or wrong tasks:** This is slightly different from the disengaged employee example. In some cases, talent managers may find employees are working really hard and putting in the extra time and effort to achieve excellence. But due to lack of guidance or the wrong direction, they work on projects or activities that do not relate directly or indirectly to the goals and objectives of the business.

Inevitably, there are going to be instances in which poor performance results from a lack of fit with the organization or culture. In these cases, management out of the organization may be the right decision, but it is important to do more than just show low performers the door.

Instead, talent managers need to provide comprehensive feedback to recruiters so similar mistakes can be avoided in the future. This approach enables the organization to turn a hiring mistake into a process that will improve success rates for new hires.

Build a Culture of Performance Improvement

With a firm understanding of these root causes for low performance, organizations also need to build a true performance culture that sets up all employees for success. This approach has two important components: the proactive changes talent managers can make to organizational culture to avoid poor performance before it starts, and reactive steps to rehabilitate poor performance once it appears.

Organizations can do a lot to avoid poor performance if they understand how to align individual and group productivity with overall goals and objectives; foster a sense of teamwork, even when teams are geographically dispersed; and ensure measuring progress and performance are a seamless part of employees' daily work activities.

For example, if low performers suffer from a lack of engagement, perhaps they need to be integrated more effectively into connected corporate communities that provide support and assistance when needed. Many employees underperform when they feel they are working in isolation. Innovative technology solutions can enable employees to tap into community-based knowledge and experiences that are relevant to their job functions and activities. People can connect, exchange ideas and insights, and learn in formal or informal environments using wikis, blogs, discussion forums and team spaces, as well as real-time e-learning and online collaboration tools.

If employees are confused about what they should be working on or are working diligently but on the wrong tasks, perhaps talent managers need better alignment between strategic goals and objectives and day-to-day job functions and activities. Leaders need a process that can be easily and efficiently refined, adjusted and used to align employee activities across traditional and cross-functional hierarchies.

The communication process is incredibly important. Consider the example of an employee identified as a high potential in the organization. This individual was asked to take on a new role in the organization, and a year later he was transferred again. These moves were only vaguely explained as, "We'd like you to get some experience with different roles," and the employee began to feel like he wasn't seen as successful because his responsibilities kept changing.

His performance declined as he became less engaged, and only in the exit interview did the employee discover the various changes in role were not due to his failure to perform. In fact, he was in a formal development program for high potentials focused on creating well-rounded leaders by assigning them job rotations.

Proactive approaches to close individual skill gaps also are key. Employees need a better understanding of the specific competencies required for particular job roles and a way to proactively close those gaps. Whether the plan involves formal training or more informal experiences such as coaching or mentoring, this process is essential to grow the talent needed to manage a company and respond to market opportunities and customer requirements now and in the future. Talent managers might be surprised how often a low performer's attitude or motivation is not the problem, but lack of preparation and efficient access to knowledge and expertise is.

Reactive Approaches

In many organizations, a formal performance improvement plan (PIP) is the favored response to low performance. Unfortunately, too many organizations have used the PIP as a way to formally document an employee's failures and justify dismissal. To be effective, rather than just punitive, PIPs need to focus on performance improvement.

PIPs can be incredibly effective to clearly communicate what needs improvement. But while today's PIPs work just fine when there is a behavior that needs to be corrected — such as tardiness — they don't work as well in cases such as the overextended employee discussed earlier. This employee — the one who dropped everything to complete the important project — will just repeat history if placed on a standard PIP that lists tasks that should be accomplished.

Instead, the PIP should place emphasis on improved and regular communication between the employee and manager. Instead of just stating, "Complete projects X, Y and Z by this date," the PIP also should include a commitment to regular check-ins with the manager to discuss prioritization and re-prioritization when new demands emerge, definition of a new notification process when projects fall behind or other changes that will help mitigate employee pitfalls.

A Unified Approach to Performance Improvement

In the past, talent managers might have been inclined to say the big issue with low performers is not so much individual accountability; rather, it is about establishing the right processes at the organizational level to guide and support employees across the life cycle. People management processes should be presented to the employee in a unified way to effectively manage employees from the moment they are hired, through promotions or job changes, until they leave the company.

In addition to managing formal performance reviews and PIPs, the most effective solutions also will include ways to support the proactive culture change discussed above. This includes the ability to seamlessly incorporate learning and skill development, facilitate teamwork and encourage alignment and communication between employees and managers. That way, performance problems are avoided before they surface. If talent managers try to correct low performers after they become low performers, it may be too late. 