



HR's Role in Performance Management

SHRM State Conference  
May 1, 2019



Presented by:  
  
Associated Enterprises

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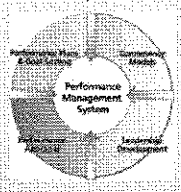
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HR's Role in Performance Management

- Monitoring the system – "gate-keeper"
- Serve as the sounding board and/or coach
- Ensure compliance
- Recordkeeping



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Evaluation Categories:

- New Hire (Probationary Period)
  - 30-60-90 Day Progress Reports
- Six-month (end of Probation)
- Annual
- Transfer to New Position

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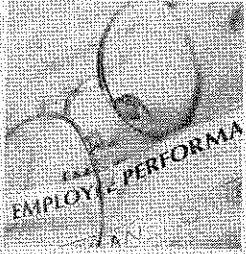
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Appraisal Forms

- Define performance expectations
- Describe measurement tools
- Use a rating system
- Cover specific examples
- Set measurable goals




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From the Employee's Point of View...  
We rate them somewhere on this scale:

WELL BELOW REQUIREMENTS	BELOW REQUIREMENTS	MEET REQUIREMENTS	EXCEEDS REQUIREMENTS	FAR EXCEEDS REQUIREMENTS
F	D	C	B	A

They see this:

We need to shift the perception to:

WELL BELOW REQUIREMENTS	BELOW REQUIREMENTS	MEET REQUIREMENTS	EXCEEDS REQUIREMENTS	FAR EXCEEDS REQUIREMENTS
D	C	A	A+	A++

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Evaluation Markers for Competencies:

At Risk	Developing	Proficient	Advanced	Master
Position is of risk. May impact future in role if not corrected immediately.	Working to improve this area. Not currently job threatening but rather an area to improve.	Acceptable level.	Exceeds other similarly profiled than others.	Expert. Demonstrated ability to teach others or find/create training for this competency.

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### The Performance Appraisal Do's and Don'ts



- Do review all documentation from the prior year.
- Do not try to evaluate something that is inferred, assumed, or implied. Instead, compare actual results to expected results.
- Do not omit the essential or exaggerate the trivial. Keep specific events in perspective so that one good or bad episode does not take on disproportionate importance.
- Do not force performance evaluations to a comfortable middle ground for convenience.

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### Pitfalls to Avoid

- Halo Effect
- Horns Effect
- Recency Effect
- Mediocrity Effect




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### Pitfalls:

#### Mediocrity

▶ Lack of Differentiation – everyone gets rated the same



▶ "Central Tendency" – everyone gets rated in the middle

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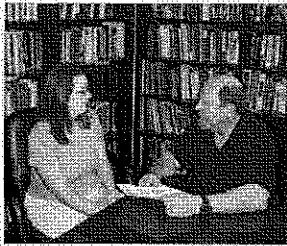


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### Addressing Conduct Problems Before Resorting to Discipline

- Be specific
- Give clear expectations
- Develop a remedial plan
- Provide necessary support



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### Poor Performance

- You have the right to terminate for poor performance, BUT:
  - Exhaust other possibilities before resorting to termination
  - Document performance for all employees



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### Misconduct versus Poor Performance

- **Misconduct: Breaking rules that govern employee conduct**
  - Examples: Fighting, theft, insubordination, threats, substance abuse, etc.



- **Poor performance: Inability to perform at an acceptable level**
  - Reasons: Lack of adequate knowledge, skills or ability; lack of clear goals or desire

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### Poor Attendance and Tardiness

- Make sure employees understand attendance policies and procedures
- Distinguish between excused and unexcused absences
- Interpret and apply the rules reasonably and fairly
- Document all absences and lateness



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### Attendance and Tardiness: Legal Considerations

- Family and Medical Leave Act
- Title VII
- Montana Maternity Leave Act
- Americans with Disabilities Act
- Workers' compensation laws



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### Dishonesty

- Dishonest behavior must be work related
- Make sure you have solid evidence
- Recognize that dishonesty comes in many forms
- Have employees sign a code of ethics



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### Insubordination

You must be able to prove that:

- The employee understood the order & the order wasn't illegal
- The order was important & the employee was required to comply
- The insubordination was intentional

#### **GUIDANCE TIPS:**

- Focus on the most serious offenses
- Consider alternatives before moving to termination
- Make sure the behavior is documented



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### Threats to Workplace Safety

- Drug and alcohol policy violations
- Reckless behavior
- Be sure to document all incidents
- You CANNOT fire a worker for:
  - Complaining about safety issues
  - Cooperating with OSHA inspectors
  - Refusing to perform a dangerous job that puts safety at risk



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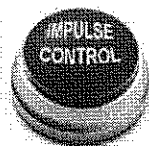
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### Discipline & Termination

- If corrective action becomes necessary, did you...
  - Give notice to the employee?
  - Engage in due process?
  - Issue equal treatment?
  - Apply the correct penalty?
  - Avoid a "knee jerk" termination?



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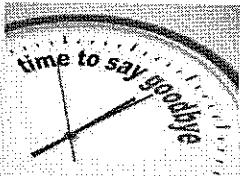
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### Immediate Termination?



- Not a good idea in Montana
- Remember – an employer needs “good cause”
- *Better idea – suspend pending investigation*

▶ Montana is the only state that does not recognize “at-will employment.”

▶ Found at Mont. Code Ann. §§39-2-901 to -915

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### Bullet Proof Steps in Documentation



1. Describe Company Expectations
2. Describe The Behavior That Must Change
3. Include the Employee's Explanation of Why Expectations Are Not Being Met
4. Detail the Action Plan and Goals

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### Exit Process

#### Termination Checklist

- Reason for Leaving
- Termination Date
- Eligibility for Rehire



#### Exit Interview

- Return of Company Property/Equipment
- Benefits
- Company's Internal Grievance Policy Issued
- Final Pay
- Employee signs acknowledgement

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Internal Grievance Policy

COMPLAINT

- Employees in Probationary Employment Period DO NOT have access
- Departing Employee must receive a copy of the policy
- Have Employee sign acknowledgement of receipt
- If cannot meet face-to-face, mail with "Proof of Mailing" date **within 7 days of termination**

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Termination Checklist

Exit Interview Checklist:

- Accrued unused vacation time (if so, how many days)
- Last Paycheck
- Info processed
- COBRA Letter and explanation
- Liability Insurance Conversion Form
- Medical Withdrawal/Return Information
- Return of Company Property
- Employee Handbook
- Key's and/or remote access code to building/office
- Personal Calling
- Company Credit Cards
- Any Other Items
- Outstanding Expense Reports/Advances
- Employee given copy of company Internal Grievance Procedure

Please a correct record of the items we discussed and the items that were returned to me or by me.

Signature of Departing Employee \_\_\_\_\_ Date Signed \_\_\_\_\_

Human Resources \_\_\_\_\_ Date Signed \_\_\_\_\_

TERMINATION OF EMPLOYMENT

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