



PETRA PEOPLE

HOW TO AVOID THE PAIN ASSOCIATED
WITH FIRING AN EMPLOYEE



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LIFE LESSONS for BUSINESS OWNERS

Think back to the last time you fired an employee. How did it make you feel? How did it make the employee feel? If it was a painful experience for you and/or the employee, you may need to address some foundational issues with your organization's processes related to hiring, managing, and firing employees. With the right processes in place, firing employees can be an infrequent event, and when it does happen, it can be a relatively pain-free experience for everyone involved.

Recently, one of my clients shared an email from an employee who was fired for underperformance. The terminated employee wrote, "I'm very thankful and grateful for my entire time with [company name] and this wonderful opportunity I've had to work with the best! Wishing you all the best!" The employee's reaction was a good indication that my client had the right processes in place for hiring, managing, and firing employees.

To understand what systems and processes your organization may need, let's consider the common reasons for firing an employee: lack of performance, bad cultural fit, or strategic decision.

LACK OF PERFORMANCE

Probably the most common situation leading to termination is when an employee consistently underperforms. Every job requires employees to do or produce something. To avoid a painful termination for poor performance, make sure the following systems and processes are in place:

1. All job descriptions (scorecards) clearly define quantitatively the expectations of each position.
2. Employees have access (daily or weekly) to their performance metrics and they understand how to impact those metrics.
3. When an employee is underperforming, they receive timely and clear communication about the issue and they are provided appropriate coaching and/or training around the issue.
4. Employees meet with their supervisors on a regular basis to have an opportunity to discuss any performance issues. I recommend these meetings occur at least every two weeks, if not weekly.
5. All conversations about underperformance and the associated coaching are documented, with clear next steps to improve their performance.

Avoid these common mistakes when it comes to employee performance:

1. Measuring employees with metrics they can't control. For example, a salesperson may be responsible for closed business contracts, but they can't control how much of that is converted into revenue by operations.
2. A lack of proper tools, processes, and management oversight to support employees in meeting their performance goals. Make sure you're measuring the management team, too. The management team is ultimately responsible for the productivity of all team members. Underperforming team members could be an indication of underperforming managers.
3. Using a traditional annual performance review to communicate performance issues. A year is too long to wait for discussing performance. In today's fast-paced world, employees require (and deserve) feedback at least every two weeks.
4. Confusing communications about performance, like, "You're a valuable employee, but you need to increase your output." Separate criticism and praise into different conversations. Be clear about the outcome of consistent underperformance: "If you continue to miss your production numbers for the next two weeks, I will terminate your employment."
5. Setting unrealistic goals (stretch goals) and/or creating a competition between employees. All employees are unique and must be coached based on their specific strengths and weaknesses. A new employee has a different set of performance metrics than a 20-year veteran has.
6. Using negative reinforcement techniques and/or not using positive reinforcement techniques. A complete lack of any reinforcement (negative or positive) can be even worse.

BAD CULTURAL FIT

Many times, when an organization has an employee who doesn't fit the culture, it's an indication that the hiring process didn't screen them properly. But occasionally, an employee who was once a cultural fit will change over time. It is important to measure and manage for cultural fit as much as for performance. Here are some systems and processes that will help you avoid having to fire for culture:

1. Your organization has a clearly defined and communicated set of core values (the rules that drive your company and define how you work and make decisions) and a core purpose (why you exist as a business). Together, these form the foundation of your culture, and they must be "alive" within your organization – not just posters on the wall.
2. Hiring, managing, and firing are based on the core values and core purpose. The hiring process specifically screens candidates for core values. Unlike productivity skills, it's harder to teach core values – they are innate to a person's being.
3. All job descriptions (scorecards) include behavioral expectations based on the core values. These behavioral expectations should be reviewed between supervisor and direct report during weekly or bi-weekly meetings.

Avoid the following common mistakes related to cultural fit:

1. Not having enough interviews with multiple people to really understand a candidate's core values and possible cultural fit. TheTopGrading hiring process is one of the best for identifying candidates for cultural fit.
2. If you have any concerns about a candidate's cultural fit, don't hire them. Steve Satterwhite, author of *Above the Line: How the Golden Rule Rules the Bottom Line* and an expert on building culture, has a saying about candidates: "If there is any doubt, there is no doubt." A recent Harvard Business Review article by Nicole Torres, "It's Better to Avoid a Toxic Employee Than Hire a Superstar," confirmed that it's more valuable in the hiring process to keep out the bad apples than it is to hire rock stars.

STRATEGIC DECISION

The final category of terminations is when leadership makes a strategic decision that requires eliminating positions. In this situation, it's critical that the organization has a plan to transition the impacted employees in a fair and caring way. This situation has the most potential of the three to turn into a painful experience for the employee. To avoid unnecessary pain, make sure your organization follows these steps:

1. Clearly communicate the reason behind the decision, and if possible, include the affected team members in the decision-making process. They may have solutions that the leadership team hasn't even considered.
2. Have a transition plan and resources in place that provide employees with an opportunity to find a new position within your organization or at another firm.
3. Remember that, ultimately, the organization has a responsibility to shareholders, customers, and employees when making strategic decisions.

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While firing employees is an inevitable part of business, with proper systems and processes in place, the frequency and pain associated with firing can be minimized. Steve Satterwhite says that all human beings are A-players; some people may just not be A-players in your organization. So if you do have to fire an employee, remember that all human beings are A-players and deserve to be treated as such.

This article originally appeared on Recruiter.com.

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The Petra Experience is like a Mental Marathon of focused effort to create a specific set of priorities and a planned process to achieve them... as a team.

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