The 3 steps to tackling under-performance

the right way

Delicate situations like raising performance issues with a team member require more thought and preparation than one may think. Like most workplace matters, you must ensure you *make the right decision for your business* while also *treating team members respectfully and honestly.*

In order to address the problem in a way that's both compliant and fair, you must make sure you know what underperformance means.

→ What is underperformance?

Underperformance is when an employee's work is below the required standards expected from the company. For example:

- The work they complete is poor quality or below expectations

- They fail to keep up with their performance targets or professional goals

- They consistently miss deadlines

- They are not able to contribute to their team's work (if that's required by their role)

Often though, noticing a team member is falling behind is not enough.

When it comes to performance issues, **we often tend to look the other way**. We hold off facing the problem until it has reached such a scale that only extreme measures, like dismissing a team member, will do.

If you think that's the direction you're going, stop. There are many ways you can turn this around — for the sake of your business and of your team.

In this guide, we'll walk you through the **3 steps to overcoming underperformance problems** — so that you can fix the immediate issue, but you also arm your team with what they need to do their best work going forward.

Underperformance or misconduct?

Underperformance and misconduct are two different things:

- Underperformance is about not meeting the standards expected.

- Misconduct is inappropriate behaviour that goes against company policies and norms.

The wrong way to deal with underperformance

Sara Mirza
HR Advisor at CharlieHR
CIPD Level 7

As an HR Advisor at CharlieHR, I've helped many customers course correct performance management processes that were putting their company at risk.

These are the **most common mistakes** we've seen when it comes to performance management:

- **Procrastinating instead of facing performance problems head-on**. You've noticed a team member is falling behind — still you're reluctant to face the issue. Maybe you hope you will be proved wrong, or that the team member in question will get back on track without your direct intervention. However, the longer you wait, the more the issue will escalate into something that could potentially hurt your business.

- **Failing to identify the root cause of underperformance**: if you don't find the reason behind poor performance, you won't be able to solve the problem in a way that's fair on your employee and effective in the long term. And you're likely to fall into the same problem all over again.

- Letting the performance issue build up until it gets to such a point that **dismissing the team member** seems the only way out.

- If you haven't given the dismissed employee a chance to improve their performance and get back on track, you'll **risk legal action for unfair dismissal**.

- As an outcome, having to spend time and resources on **re-hiring for that role**.

If you recognise yourself in any of these stages, **you are still able to course correct**. In the next session we will walk you through the three steps you should follow to get ahead of performance issues in a way that is compliant and fair on your team.

charlie

The 3 steps to tackling underperformance — the right way

Every performance issue is different and should be addressed on a case-by-case basis. However, there are **three steps you should always follow** if you want to get to the bottom of the problem:

1. **Find the cause behind underperformance**

2. **Tackle the root cause of underperformance**

3. **Set up the right appraisal processes to prevent future performance problems**

Managing underperformance correctly is key if you want to **build a culture where people can thrive and deliver their best results**:

- You'll be able to make **fair and rational decisions** backed by facts, not emotions.

- Your team will **be more motivated**, knowing you recognise and reward hard work fairly.

- Your business will be **protected from unfair dismissal charges** and subsequent legal actions.

Step 1.

Finding the cause behind underperformance

Most companies look at underperformance as a problem in itself, while in most cases it's just the tip of the iceberg.

If someone in your team has been missing targets, or their work standards have declined, **you have the responsibility to look into why that is**:

• Do they know what's expected of them?

• Are they receiving the right feedback at the right time?

• Are they motivated and happy with their role and their career prospects?

• Do they have all the resources they need to do their best work?

• Have they had all the training they need to meet expectations?

• Are there any personal circumstances that may have negatively impacted their productivity recently?

When going through the possible reasons behind underperformance, you have to make sure you look at them as objectively as possible — you must remove from the process any **bias you may have about your team member**.

In this sense, it can be particularly useful to have someone external from the company (ideally an HR expert) to help you achieve this.

With Charlie's HR Advice, you get a dedicated advisor to look after your specific case and help you:

1. **Paint an impartial picture of the situation**, one that's unbiased and free from workplace politics.

2. **Clarify any doubts with your team member** in a purposeful and understanding way, asking the right questions to find out why they're struggling.

3. **Identify and define the underlying problem** that's causing your team member to underperform.

This process is key to solving your performance problem in a way that's rational, compliant and fair on your team.

"

How someone does their work is just as important as the work they do – and you owe it to your team to help them become better at that."

Ben Gateley
CEO & Co-Founder @ CharlieHR

Step 2.

Tackle the root cause behind underperformance

It's important to stress that the objective of that initial research stage is not to find a reason to dismiss your team member. As an employer, you have the **responsibility to do anything that's in your power to help them improve their performance**.

So, once you're sure you know what's causing your team member to underperform, you'll have to **tackle that root cause** and help them get back on track.

This, of course, will mean different things depending on the problem you've identified.

If you've never gone through a performance improvement process before, you may want to **have an HR advisor help you ensure that**:

- Your efforts are truly effective and will have a **sustainable impact** on your employee's performance.

- The process you follow will **protect you from any eventual legal actions**, in case you find that dismissing your team member is inevitable.

These are some of the ways we help our HR Advice customers tackle the issues that are causing an employee to underperform:

Cont.

charlie

- We **list all the steps you should take** to help your team member improve their performance. These may include:

  - Improving the feedback exchange between manager and employee.

  - Setting up ad-hoc training.

  - Offering flexible working arrangements or mental health support.

  - Creating a comprehensive **Performance Improvement Plan**.

- We make sure you **only dismiss people when it's strictly necessary** and when it's the **right thing to do from a legal point of view**.

- Whatever solution we identify together, your advisor will **guide you through the process from start to finish**.

Want to find out how HR Advice can help with your specific underperformance case?

Book a free call with us

What is a Performance Improvement Plan?

A Performance Improvement Plan (PIP) is a formal document outlining any performance issues as well as the goals a team member has to achieve to meet your performance standards. It usually includes a timeline, by the end of which the employee is expected to have met all the improvement goals. If the goals aren't met, this will likely result in a formal action or dismissal.

As the employer, it is your responsibility to provide all the tools and training your team member needs to meet their PIP goals. You also must ensure that line managers are trained on how to run PIPs in a way that's fair and objective.

Our HR Advisors can **help you create a PIP that is bespoke to your and your team member's needs**. This includes:

- Writing specific and relevant goals to measure the improvement in your team member's performance.

- Defining a timeframe for their PIP, including how often you will check on your employee's progress.

- Professional advice on how to assess your team member's performance throughout and at the end of their PIP.

- If your team member's performance hasn't improved at the end of their PIP, we'll help you go through a fair and compliant dismissal process.

Need help building a PIP?

Talk to the HR Advice team today

Step 3.

Preventing performance issues from happening again

Whatever the outcome of this performance improvement process, you'll want to make sure you won't need to go through it again.

From our experience of helping customers at Charlie, we found that, in a striking majority of cases, underperformance problems are caused by long-standing issues in the way companies manage **performance processes, hiring** and **probation periods**.

As much as a daunting task, **if you perfect these three processes, you'll be very unlikely to have performance problems in the future.**

Sara Mirza
HR Advisor at CharlieHR
CIPD Level 7

"
In order to actually effect action, people need a specific and clear understanding of the behaviours we're asking them to adopt."

Here are some examples of how you can achieve this:

➡ Setting up the right appraisal processes for your company

A large percentage of performance problems are caused by **not having good appraisal processes in place**.

- Do your team members have a clear understanding of what is expected of them?

- Do they know what to achieve to progress in their roles?

- Do they have regular conversations with their managers to check on their progress and exchange feedback?

- Do you offer them clear touchpoints where they can expect a pay raise or promotion?

If you're unsure about any of the above, that means you're not giving your team what they need to do their best work — no surprise they're underperforming!

Rethinking the way you manage performance and progression at your company can be very hard work — but also extremely rewarding for your team and your business, once you get it right.

If you don't have experience building appraisal processes, and can't afford a full-time HR hire, you can get **unlimited and personalised support for only £299** per month with Charlie's HR Advice.

Cont.

Your dedicated HR advisor can help you:

- Understand what **type of appraisal process** is right for your company — is it monthly check-ins, quarterly reviews, 360 feedback?

- Set up an efficient **performance review process** with Charlie's Reviews. They'll walk you through how to use our reviews software to make meaningful 1-1 conversations happen, even when remote.

- Build a **progression framework** to give your team a clear idea of what their career could look like in your company. This includes:

  - The possible roles and titles across the business

  - Which roles each team member can progress to

  - What someone has to do to progress to each role

Need to build new performance reviews processes at your company?

Speak to our HR Advice team today

➡ Building a solid and fair hiring process

Hiring the wrong person for the job will almost certainly result in performance problems in the long run.

Charlie's HR advisors can help you **find and fix any flaws in your current hiring process** — so you're sure you always hire the right candidate.

In particular, they'll help you:

- Decide what stages to include in your hiring process, depending on your team size and on the seniority of the roles you're hiring for.

- Set up an efficient selection process to test candidates' skills and their affinity with your company culture.

- Avoid bias in your hiring process, so that you always pick the right candidate and build a diverse and inclusive team.

Need to revamp your hiring process?

Speak to our HR Advice team today

➡ Using probation periods effectively

At Charlie, we like to think about probation periods as extended interviews. This is your chance to check if a new joiner can perform at the standard they've been hired for. And it's *their* chance to ensure they like the way you work and are comfortable with what's expected of them.

As HR advisors, we often see companies having serious performance issues as a result of **not making the most of probation periods**.

As part of our HR Advice service, we can help you avoid that. Your advisor will tell you:

- **What to look for during probation periods** — how to spot any warning signs and how to test your new team member's skills and motivation.

- What type of **check-ins** to do during probation periods and what questions to ask.

- How to give **constructive feedback** to help your new joiner start off on the right foot.

Not sure how to make the most of probation periods?

Speak to our HR Advice team today

charlie

Getting performance right — so your team can thrive

Far from being your employees' problem, performance is something you are responsible for — you have the power and liability to make it right. And it's a **big responsibility**.

How you deal with underperformance will have a huge impact on the morale and wellbeing of your team, and on the future of your business.

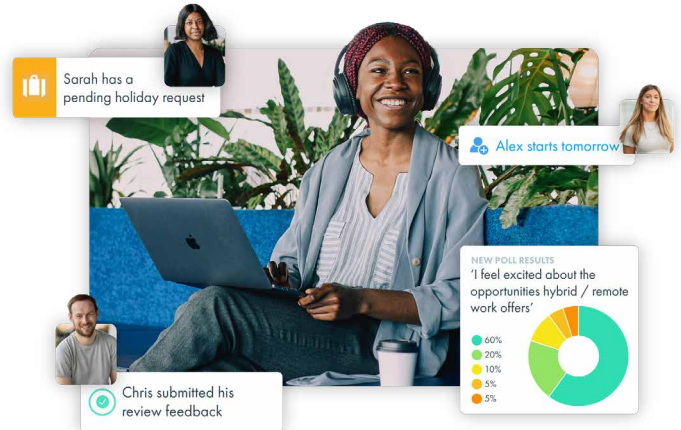It's at times like these that you need **expert advice**.

charlie

CharlieHR

Charlie makes HR effortless

Bring clarity to HR chaos. Automate your HR tasks and get the time, headspace and tools you need to build an engaged and high-performing team.

- **Automate your HR. All of it.**
  From hard work to clockwork – Charlie saves you hours on HR tasks, every single week. Set it up once, never touch it again.

- **Harness the power of your people.**
  Less guesswork, more impact. Get reliable, proven tools that help you maximise your team's potential (without maximising your workload).

- **Plan, measure and report on your impact.**
  From behind the scenes, to centre stage. Identify action areas, drive real change and then report on the results.

Try for free

HR advice

One-to-one People support that delivers real impact

HR Advice is a bespoke support service that helps small companies and startups achieve their People goals.

- **Get fully compliant (and competitive)**
  Work with our advisors to upgrade your policies and contracts while creating a progressive company handbook that enables high-impact work.

- **Craft a culture that unlocks performance**
  Tap into the industry expertise you need to build a truly fulfilling work environment, where your team always feels supported and engaged.

- **Be ready for any HR challenge**
  Get unlimited support with whatever HR challenge you're facing (all while levelling up your skills for the future).

Your HR advice team

Book a free call