

S E C T I O N

Counseling

CHAPTER 5

Why Counsel Troublesome People?

BASED ON YOUR COACHING, you can boost both individual and department or division performance. But that hard work can be undone by just one staff member who doesn't carry his or her weight. The individual's work output may be poor or below standard. Due dates may be missed, affecting the work of others down the line. The employee may lack initiative and seem uninterested in the job, behaving as if every workday were a blue Monday. Or he or she may be continually late or absent, *by coincidence*, almost every Friday.

Managers should begin to counsel the employee to turn around his or her performance, but increasingly many move swiftly to termination without any effort to change work behavior. Why does this happen? These managers work for companies with an at-will employment policy, and they mistakenly believe that their employees consequently have no due-process rights. They don't realize that not providing documented warnings and a reason for firing an employee can cause the individual to assume that he or she is being fired for an unlawful reason. Disgruntled, such an employee will seek out a lawyer unless offered a severance package or other reason for not charging some form of discrimination. Consequently, even managers with reason to fire employees can lose in court if the employee makes a good enough case.

Even in companies with an at-will policy, managers are wiser to intervene in the event of problem behavior, hold well-documented counseling meetings, and make an effort to turn around the situation—if, for no other reason, than to justify subsequent termination in the event that there is no change in performance.

There is another reason for intervention as soon as a performance problem is evident. Poor performance can affect others' work within the department or the work of the group as a whole. And there are still other reasons that managers should immediately act to improve job performance; these include:

- *Lost Productivity.* A poor performer produces only about one-third the work of average workers.
- *Lost Business.* Problem performers aren't likely to extend themselves to get or keep an account or to handle difficult customers tactfully.
- *Lost Time.* Poor performers take up a disproportionate amount of supervisory time, as much as 50 percent. This means that there isn't much time left for the rest of the staff, including time to coach them.
- *Lost Talent.* Many of your best workers, as they lose respect for you and begin to doubt the fairness of your evaluations, will job-hunt; your less productive workers will stay, but as they are no longer afraid of you, they may try to get away with the same stuff as your troublesome employees.
- *Lost Self-Esteem—Yours.* As you firefight to make up for shortfalls in the problem performer's work, you may become angry and frustrated and burnt out. In time, you may lose your self-confidence. This could affect your own job performance and others' perception of you.

And lastly, consider this: a problem employee may in fact have much to offer—if good counseling helps the individual turn around his or her performance. That's talent saved, not lost!

Failure to Take Action

Given these consequences, you have to wonder why managers don't take action before a performance problem escalates to these serious levels. Numerous explanations are given, besides a misunderstanding of at-will. They range from overidentification with the employee's feelings to lack of faith in the human resources department to support the manager's actions, to reluctance to play judge and jury over another's career. Let's look here at three key reasons why:

Fear

Managers worry that they will lose control of the discussion as the employee cries or gets angry, that the effort will end in the employee being fired, and that ultimately they will find themselves in court, defending their actions. Such fear is understandable. Articles in the press citing six-figure awards to plaintiffs in lawsuits about unfair discharge are more than enough to scare a manager with a problem performer, particularly if that individual is a member of a protected work group. It's a lot easier to engage in wishful thinking that the performance problem will resolve itself; either the problem will disappear or the employee will leave on his or her own. But neither happens very often.

If it helps you as a manager to confront a long-term employee about a performance problem, and counsel the individual to turn his or her work around, think of what you must do as a version of tough love—what I call “tough-love supervision.” Tough love is a nationwide program designed to aid troubled teens and their parents. It's a program that encourages young people to take responsibility for their behavior. And three of tough love's ground rules can be adapted to counseling:

1. The goal is to remedy poor performance, not to demean a person. Annoyance is directed at the work and not at the employee.
2. It is based on a genuine desire to see the individual do better. If you keep this positive attitude in mind, you won't feel as if you are destroying another person's career by bringing up performance faults. You are actually helping the individual.
3. It seeks to achieve agreement with the problem performer and help you build together an action plan to turn the employee's performance around.

Crisis Management

Another reason performance problems aren't addressed has to do with today's leaner organizations. With so much to do and so little time in which to get it done, managers can become so accustomed to crisis management that they aren't as aware as they might otherwise be of everything happening around them. Problems that they should notice go unnoticed—until someone or some incident brings it starkly to their attention. Even then, however, they may do nothing. They make the mistake of not doing anything because they see counseling as too time-

intensive. They think it is easier to fill the performance gap themselves, although, given their schedules and the importance of their organization's strategic intent, it is a terrible waste of their time to do the undone work of one of their employees.

Lack of Training

Although training in counseling skills would enable a manager to resolve individual performance problems that diminish the productivity of the entire department, few companies give new supervisors or managers or team leaders the instruction they need to help them with troubling or troubled employees. This is unfortunate because counseling is a responsibility and, like most managerial responsibilities, can be mastered with training and experience.

A Definition of Counseling

The semantics associated with counseling may actually be more complex than the process itself. Some describe counseling as an ongoing process for development, and they describe coaching as a means of addressing specific performance problems. There are others who consider counseling as one element of coaching (they throw mentoring into the coaching pot, too).

Does it really matter what we call one process or the other? Not really. But it is important that you be clear about the purpose of each process as you use it. When we talk about counseling, we are referring to a nonpunitive disciplinary process, the most important step of which is one-on-one meetings with the problem employee in which your purpose is to get the employee to acknowledge the difference between actual performance and expected performance; identify the source of the problem; and develop an action plan to bring performance up to minimum expectations, if not higher. The secret to good counseling is in the communication process, and that entails the following three practices:

1. *Communicate openly, directly, and honestly.* Don't be ambivalent about telling an employee that he isn't doing the job that you want done. If you hem and haw about a performance problem, talking around the topic rather than being clear about its nature and seriousness, you leave the employee with the mistaken notion that you aren't really concerned about the situation and that there is no need to change his behavior. At

the least you leave the employee confused, at worst you leave yourself open later to a lawsuit based on your failure to make absolutely clear to the employee the problem with his performance and the implications of a continuation of that behavior.

You need to make clear that you're talking not only about the effect on work itself and the standards by which the individual's performance is being measured (your expectations of the employee) but also the consequences of continuing poor performance, like being denied a raise or, worse, the start of progressive disciplinary action, which ends in termination if the problem continues.

2. *Practice active listening.* In particular, you want to learn how to use silence to encourage the employee to talk about what is happening in the workplace, the problems she is having, and what she will do to achieve the results you want. Certainly, you don't want to dominate the conversation, lecturing the individual about her performance problems. Rather, you want to create a dialogue in which you speak only about one-fifth of the time, thereby practicing the 20/80 rule. Setting a conversational tone also minimizes the likelihood of the discussion turning into a confrontation while increasing the likelihood that you and the problem employee, together, will come up with a workable action plan for turning her performance around.

3. *Probe and question.* The key to one-on-one counseling is, first, to ask open-ended questions that will identify possible causes of the problem performance, then to ask more pointed questions to determine the specific cause. You can then follow up with a closed-ended question to confirm your conclusion: "Although you say you have a clear idea of your responsibilities, isn't it true that you have a hard time prioritizing your assignments?"

If you consider these three skills, it should be evident why all three are so important to counseling: they enable you to make clear to a problem performer that she is accountable for a certain level of performance, that you are not receiving that level of performance, and that you expect that improvement. When you practice all three at once, you create a supportive environment in which a problem performer feels free to open up to you and discuss what is behind his or her misbehavior or performance deficiencies. Then, together, without demoralizing the employee, you can both define areas for improvement and agree on an action plan for achieving that improvement.

If your communication style already is a combination of assertiveness, active listening, and probing, then you are fortunate. But if you aren't there yet, don't worry. Developing a counseling style is something that can easily be learned. Listening and probing skills come with practice; and assertiveness comes with self-confidence, with practice, and with documentation that supports your comments about the employee's performance.

The Need for Counseling

If you are fortunate, you won't have to apply your counseling skills frequently. After all, many shortfalls in performance can be handled during the performance-appraisal process, at one of the three or four meetings you hold during the year. If you've planned your appraisal reviews correctly, you've set aside an hour or more for each of your employees and therefore have sufficient time not only to identify their accomplishments but also to discuss failures in their performance and create action plans to ensure that they will reach the standards for their job or meet their goals by the end of the year.

Generally, in appraisal interviews you will be discussing situations like an employee's failure to follow up with a vendor on an order (an oversight), a staff member's reluctance to fully utilize the new office technology (need for additional training), or an employee's failure to complete a market research report on schedule (work overload, need for a temp). Unless these problems are part of a pattern, they usually can be remedied through some coaching in the form of training or redirection.

Performance problems that demand counseling include continuing poor work quality or quantity, frequently missed deadlines, disorganization, chronic tardiness or absenteeism, frequent and lengthy disappearances from the workstation, lack of initiative or even a total lack of interest, with the employee seemingly wishing to be anywhere other than at work, lack of cooperation, and even insubordination.

Some of these problems will be found to stem from skill deficiencies, others from repetitive or dull jobs, still others from post-downsizing depression or grief, or burnout, or frustration about being asked to do the impossible without the equipment, funds, or time to get the assignment done, a condition in many of today's downsized companies. Other performance problems—like making disparaging remarks about the company, the boss, or work to others within and, worse, outside the organization, like customers; refusal to follow instructions; minimum

output but maximum complaints about department policies or procedures; or sulkiness or uncooperativeness—may stem from an attitude problem rooted in a conflict with you, a peer, or corporate policies or procedures.

Finally, many performance problems can be traced to personal problems in the employee's life, from financial difficulties to divorce, to a chronically ill child or parent, to an emotional problem, to substance abuse. A study by the National Institute on Drug Abuse found that substance abusers are late three times more often than the average worker, sixteen times more likely to be absent, four times more likely to have workplace accidents, and three times more likely to use health-care benefits.

Let's look at a situation in which there was a need for counseling, but the manager was unaware of it until it was brought to his attention—by staff, peers, and his boss through a 360-degree feedback program.

CHARLIE: HOW 360-DEGREE FEEDBACK OPENED HIS EYES

Charlie is the manager of an office supplies warehouse on the East Coast. In an organization that had severely downsized the year before, he was so busy fighting fires that he was blind to the existence of a problem others saw, a situation not unique in today's fast-paced companies. Charlie got the first inklings of a problem after his company instituted a 360-degree feedback program in which managers get feedback from various individuals, from their boss to their staff members to peers to customers. His boss, staff members, and even some peers gave him low marks for developing his employees.

A 360-degree feedback program has various purposes. At Charlie's company, it was designed for developmental purposes. Consequently, managers were encouraged to go to those who gave them feedback to get a better understanding of the conclusions and create self-improvement plans to increase their management skills. When Charlie met with some of his peers, he found them reluctant to explain why he had received such poor ratings as someone who helped to train and develop his workers. Charlie felt that he had done a "pretty good job": two of his employees had even been chosen by these very peers for jobs in their departments. Depressed by the loud silence with which his query had been greeted, he asked his best friend, Pete, why he had gotten 2s and 3s, on a scale of 1 (worst) to 5 (outstanding), from his managerial buddies.

Summing Up Gloria

Pete wasn't so reticent with Charlie: "It's Gloria," he said. "Everyone else in the plant is working himself or herself to death, yet Gloria sits outside your office and reads romance novels or the newspaper in the morning, runs around spreading rumors, refuses to help others because she says she's too 'busy,' and complains about the organization to anyone who will listen, from colleagues to customers, yet we all know that you haven't done anything about it. You probably don't know what's happening because you keep your door closed all day."

Charlie didn't know how to answer. He kept his door closed because the noise outside his small office made it hard to concentrate otherwise. But each time he stepped out and saw Gloria, she seemed very busy. "Gloria has worked for me for ten years," he explained. "She has her peculiarities, but I can count on her when the chips are down," he answered.

"I don't know," Pete replied. "You asked, and I told you."

As Charlie drove away from the office that night, he thought about Pete's comments. Clearly, Pete wasn't aware of Gloria's strengths. Yes, he concluded, Pete was wrong. He'd ask his staff members the next day what they thought of his assistant to prove that Pete was mistaken.

Reinforcing Pete's Assessment

That is exactly what Charlie did. When Gloria went to lunch, he brought Michael, Richard, Joe, and Barbara into his office and asked them about the 360-degree feedback they had given him. They all had nice things to say about Charlie until it came to the question of developing employees.

"We all think you are great," said Barbara.

"Yeah," Michael agreed. "Sure," said Richard. Joe, a longtime member of Charlie's department, didn't speak.

"Okay, Joe," Charlie said. "I've never known you to be speechless. So what's wrong?"

At first Joe denied any problem, but under Charlie's prompting Joe finally told him, "It's Gloria, Charlie. I've known Gloria as long as you have, but her attitude bothers me. And your failure to notice it bothers me even more."

When Charlie looked at the faces of his other staff members, he could see that they were in agreement. At that point, he had to leave his crew

to meet with his own boss about his evaluation. Ed had been Charlie's boss for less than a year, and the two had often come to blows initially as Ed, a tough, task-oriented manager, adjusted to Charlie's more people-oriented work style.

Charlie expected lots of feedback from Ed, but actually Ed had only one complaint. Yes, you guessed it—Gloria. It seemed that Gloria had been rude on the phone to one of the firm's biggest clients. "I know that it's important to you to be liked by your people," Ed said, "and I might not be as concerned about how my people feel about me so long as I know I have their respect. But I can't understand your support for Gloria. There have been some meetings in which she has spoken out in a very disrespectful manner toward you. How can you put up with her?"

"I spoke to her . . ." Charlie started to say, then stopped. It suddenly occurred to him that he had spoken many times to Gloria about her behavior and attitude, and over the short term there had been improvements. And then the problems began again. Because he had worked with her so long, knew her husband and kids, and even went to ball games with the family in the summer, he no longer had an objective eye on the problem.

Asking the Tough, Self-Analytical Questions

As the case study shows, it was time for Charlie to ask himself some tough questions about Gloria (questions that you should be asking about the members of your staff):

- *Am I making allowances?* In Charlie's case, it was true that Gloria knew how he operated and often anticipated his needs, but it also was true that she had to be told to do some things more than once, refused to take on new responsibilities as the department became more electronic and the work had to be given to other secretaries as overtime, and would testily let him and anyone else who called Monday mornings know that she wasn't happy to have to work for a living.

- *Do I feel angry?* As Charlie watched Gloria slip away from her desk to gossip with the new temp, although she knew he needed the report she was retyping by 3:00 P.M., had several pages to go, and it was already 2:30 P.M., he had to admit that he was angry. If the report was to be done on time, he would have to take some of the pages and type them himself.

“It wasn’t the first time,” Charlie thought. Suddenly he realized that he was being taken advantage of. “No wonder I go home frustrated because I haven’t done as much as I could—I’m doing some of Gloria’s work,” he realized.

- *Have I used my own busy schedule as an excuse to avoid confronting the problem?* While Charlie certainly didn’t deliberately use his workload as an excuse not to sit down with Gloria and discuss some incident or other when she was out of line or didn’t perform as she should, he had postponed meeting with her time and time again. He would tell himself that he would bring up the matter during the next appraisal review, but at the review he would either touch only lightly on the matter or ignore it in his rush to complete the review.

- *Am I acting more like a father or mother or a personal counselor than a boss?* Relationship-oriented managers like Charlie establish a rapport with employees that is part of what makes them effective. However, in a close relationship, employees may share personal problems with a manager that sometimes encourage the manager to offer personal advice that could aggravate the employment dilemma. In these circumstances, it is better that the individual see a professional counselor (think psychologist, psychiatrist, family counselor, or financial counselor) who can help the employee get to the true nature of his dilemma. The manager may listen and express concern, but he shouldn’t let the circumstances inhibit him from his primary responsibility: improving the employee’s performance at work.

As he considered his behavior with Gloria, Charlie had to admit that his chats with Gloria had made him aware that her husband, Jerry, was having work problems, and this had most likely made him go a little easier on her than he would otherwise have done. He certainly had said nothing about her frequent phone calls to Jerry or her long conversations on the phone. Like a father, he had gruffly reminded her of the costs, but he hadn’t said anything about their effect on Gloria’s productivity or the ability of customers to get through to the sales department or, most important, her work performance as a whole.

- *Are staff members angry or jealous?* Charlie didn’t have to think hard about this question. While Joe alone had spoken up, and then only after some prodding from Charlie, Charlie knew that Michael, Richard, and Barbara, as well as Joe, were annoyed. Over lunch, they probably asked each other, “How come good old Charlie lets Gloria goof off but runs us ragged?”

- *Is the situation becoming the topic of conversation?* Unfortunately, Charlie didn't have to think too hard to answer this question, either. It was yes. His 360-degree rating made that evident. If he didn't correct Gloria's performance, he would be judged poorly not only by his staff members but by his peers as well. Even his boss had grown tired of hearing Charlie defend Gloria.

Once Charlie accepted the existence of a problem, his next step was to visit Human Resources to discuss what he would have to do to turn around Gloria's performance.

Understanding Counseling

When we think about counseling, we usually think of the one-on-one meetings with employees regarding their performance shortcomings. Actually, counseling involves more than that. Counseling is a process, and that process is a part of most corporate performance management efforts.

Most organizations have two counseling tracks: one for performance problems, another for rule violations and other misconduct. The existence of two tracks reflects the fact that rule violations are a more serious issue than job-performance shortcomings; besides, poor job performance is not necessarily a deliberate act by the employee and can often be corrected with either training or positive reinforcement. Since the purpose of this book is to help you boost the performance of your employees, counseling for improving job performance and increasing individual and organizational effectiveness is the focus of this section of the book. Before we continue with that discussion, however, let's take a brief look at the procedure companies often use for handling rule violations or other misconduct.

Counseling Misconduct Cases

Counseling for rule violations or other misconduct differs from performance counseling in that it begins immediately with a verbal warning. This is followed by a written warning if the violation or other offense is repeated. Depending on the nature of the offense, the employee may be suspended without pay for a specific period to rethink his or her behavior. A repetition of the rule violation thereafter is followed immediately by termination.

Specifically, as the following list indicates, disciplinary counseling is

at most a five-step process. The actual number of steps depends on the seriousness of the conduct, the work history of the employee, and how the employee responds to the initial steps, or warnings.

The Five-Step Disciplinary Process

Step 1. Issue a verbal warning. The verbal warning is usually used when the misconduct is minor or it is the employee's first offense. It lets the employee know that you are aware of what she has done and that you expect her not to repeat the offense.

Step 2. Issue a written warning. If the verbal warning isn't heeded and the employee repeats the violation, or if the offense demands more than a verbal warning but not a reprimand, then you might want to issue a written warning in memo form. A copy is given to the employee and one is placed in his personnel file.

Step 3. Reprimand the employee. Often this reprimand won't be given by you but rather by your own boss or someone in your firm's Human Resources Department. The message here is clear: another repeat of the incident, and the employee will be suspended or terminated, depending on the nature of the offense.

Step 4. Suspend the employee. This action is taken in the event of repeated misconduct or a serious offense. Sometimes the employee is paid while he is away from work, sometimes he is not—the nature of the situation often determines that. The employee is expected to use the time away from work to do some soul searching about his desire to stay with the firm and, as an integral part of that, his future conduct.

Step 5. Terminate the employee. If the problem still continues, then the employee is terminated. Generally no thought is given to a demotion since the assumption is that the employee is at fault, as opposed to the case of a poor performer who has tried to turn her job performance around but can't quite do it. Depending on the misconduct, termination may actually be the first step and not the last step in disciplining a problem performer—for instance, in cases like extreme violation of safety rules or theft.

A serious violation of corporate policy demands immediate firing. All that is needed is that you have the right person and credible evidence that he or she has done something in violation of policy or state or federal law, like theft, fraud, falsifying documents, and assault. Violation of any of the provisions of the Sarbanes-Oxley Act (SARBOX) of 2001 may

not be foremost in your mind when we talk about termination for fraud, but deliberate discrepancies in expense or income reports are covered by SARBOX and consequently cause for immediate action not only to protect you but also your organization. Whatever the violation, it is essential that you work with the human resources director to obtain all the facts and make an informed decision. As a manager, it is vital that you investigate any illegal matters immediately.

The Four-Step Performance Counseling Process

Performance-improvement counseling involves four steps: verbal counseling, a written warning, demotion or transfer, and termination.

Step 1. Verbal Counseling

Most often, counseling takes the form of sit-down meetings with employees over a period of time, but it can also consist of a simple, spontaneous remark to an employee, such as, “Hope, you should be at your desk now, shouldn’t you?” or “Sam, I thought we agreed that you would have that report on my desk by noon?” Frequent informal remarks can also signal the need for a sit-down meeting.

Both informal and formal counseling should be documented. That notation would include your observation and remark and the date and time of the incident. There is no question that documentation is critical not only in counseling but also in any efforts to boost employee performance. In the case of counseling, your notations can suggest the beginnings of a pattern of poor performance. Reviewed prior to an appraisal meeting, they may even enable you to avoid counseling entirely by nipping a potential problem in the bud, before it blossoms.

If you need to counsel an employee, you are better positioned, with the documentation you have kept, to prove to the employee that there is, indeed, a problem despite the employee’s arguments to the contrary. And arguments you will hear can range from “I used to be that way but I’ve recently improved,” to “You don’t understand how hard I have to work,” to my favorite, “You are right about my strengths but totally wrong about these problems.”

Step 2. A Written Warning

Most corporate progressive-discipline programs demand that employees be issued a warning before they are moved to more severe discipline, like

a demotion or termination, if the counseling sessions aren't working. The warning is usually presented in a written memo. Upon the employee's receipt of the memo, you and he would meet again to review the employee's plans to improve his or her performance. This meeting with the employee would be documented and, along with a copy of the warning, the description of the meeting would be placed in the employee's personnel file. At this point, it should be made as clear as possible to the troubled or troubling employee that a continuation of the problem could mean separation from the company.

Step 3. Demotion or Transfer

A demotion or transfer is not a cop-out in instances when the employee's performance isn't his or her fault and, for whatever reason, training or extra direction from you will have no effect. Here's a case in point:

MITCH: HANDLING A NON-TEAM PLAYER

Mitch was hired as a marketing researcher before his department reorganized into teams. Over time, it became evident that Mitch wasn't a team player and was much more productive working on his own than in a group setting. He would try but invariably he would become frustrated by the time spent as a part of the product group. He would go off by himself and complete the team's project on his own. His efforts were excellent, but frequently their implementation went poorly because of a lack of buy-in from the team's members, who resented being left out of the problem solving.

Mitch was fortunate because his boss was able to transfer him to a position, at his current salary and level, in which Mitch could work pretty much alone, analyzing others' research on prospective joint ventures before consideration by senior management. But often transferring an employee who doesn't perform as required is not a viable option for a boss. If, for example, an opportunity for a transfer to another job or another department doesn't exist, then a manager may have no option but to demote the employee or to terminate him.

When the situation allows for a decrease in the person's responsibilities and subsequent lowering of grade level and pay, then you may want to demote the staff member rather than terminate if corporate policy

gives you such an option. Even though a lower grade can be demoralizing to the individual over the short term, it is better than being terminated. Termination is really your only other option because retaining an employee despite a failure to fully do the job is unfair to other staff members with the same job who must meet the higher standards.

Step 4. Termination

The numerous wrongful termination lawsuits and multimillion-dollar judgments may worry you so much that you would rather tolerate poor performance than fire the staff member, but one of your responsibilities as a manager is to identify employees who are not working up to standard and correct their performance shortcomings. If an employee continues to make repeated mistakes or fails to satisfy department goals or standards, or to act as if he or she would prefer to work elsewhere, then you are justified in letting that individual go.

Keeping on the employee will only create further management headaches for you, as the efficiency and effectiveness of the group are pulled down by the poor performance or attitude of the unrepentant sub-performer. In terminating the employee, just be sure that you have documented your attempts to turn the employee's performance around. It will also help you if you stay in touch with Human Resources during the counseling process to ensure that you don't fall into any legal pitfalls (see Chapter 8).

Preparing for a Counseling Interview

Let's return now to Charlie, whom we left as he was on his way to the Human Resources Department to discuss his problems with Gloria.

CHARLIE: HE SETS UP A COUNSELING INTERVIEW

After meeting with Human Resources to understand better the company's policies and procedures for counseling a poor performer, Charlie called Gloria into his office to discuss with her the client's complaint about her and other problems with her performance. He didn't blame the need to counsel her on his boss or anyone else. He was up front with her, taking responsibility not only for his failure to act sooner but also for the decision to meet with her to develop an action plan to overcome whatever performance problems existed. She was resistant

but agreed to discuss the matter further with him. So he scheduled a counseling interview with her. And thus Charlie began the counseling process with Gloria. (Counseling worked with Gloria, for those who would like to know. But, as Charlie admitted, it wasn't easy.)

Contrary to the impression that management textbooks seem to give, counseling interviews aren't a cinch. These one-on-one meetings have five goals, which are listed below (and reiterated and expanded in Chapter 6, where they form the core of the chapter), and they aren't successful unless all five are achieved.

1. Win the employee's agreement that there is a need for change.
2. Identify the cause of the problem.
3. Agree on the specific actions that the employee will take to improve his or her performance.
4. Follow up regularly with the employee to ensure that he or she is reaching the goals you both have set.
5. Recognize the employee's accomplishments to reinforce continued correct behavior.

During your interviews, there is a sixth issue that you should address as well. It isn't frequently mentioned, but it is important. You must make a determination as to whether the effort is really worth it. Not only should you consider the problem employee's track record with your company, his or her motivation and willingness to change, and worth to the organization (the talents the individual could bring to the department if he or she worked to standard or beyond), but also the worth of your time spent counseling the individual.

If the problem with the employee is so deeply rooted that you honestly doubt you will succeed, or if counseling will demand more effort than you have the time to give and you know you are unlikely to follow through to see if the employee does make an effort to turn around his or her performance, then it may be better to consider your two other options before investing too much time in one-on-one counseling: either transferring the employee to another area within your organization where this person can perform more effectively, or terminating him or her. At the very least, you may want to shorten the amount of time you

give to counseling—from, say, two months to one month. And if there is no improvement, then you may terminate the individual.

Most companies don't specify the amount of counseling required before a warning is issued or the employee is terminated. The option is usually yours, although you should discuss the person's background and any actions you would like to take with Human Resources to be sure that you are on safe legal grounds (in particular, have the documentation to justify your decision). Think of it this way: You don't want to spend so much time on a lost cause that you won't have counseling time to give to other sub-performers with greater potential for improvement or, for that matter, enough coaching time to provide to those average employees who could become outstanding performers. Furthermore, you don't want to distract yourself from projects that are of bottom-line importance to the department. Remember, counseling does not always work to bring around the employee; see the following case study.

LEN: WHEN COUNSELING FAILS

When Len took over the circulation department of a major magazine publisher, he found that he had inherited a major performance problem in the person of a forty-nine-year-old, ten-year veteran with the department, Phyllis. He also had to reorganize the department to handle work associated with the firm's decision to publish a major new magazine. Len had to ask himself if he could turn Phyllis's performance around after two other managers had failed to do so and still give the restructuring all the attention it would need to ensure good customer service to the magazine's charter subscribers.

Corporate historians reported that a problem with Phyllis's performance had been evident after she had been with the company only six months. Her then-supervisor, Bert, had done little about her missed deadlines, poor paperwork, and other work shortcomings. Bert "didn't like to make waves," which meant, among other things, that everyone in the department got the same rating, a 3, meaning that all met standard, which Phyllis's performance certainly did not. After five years with the company, Bert moved on to another job in another company.

After working with Phyllis for a few weeks, Bert's successor, Todd, decided to do something about her performance. Keeping careful documentation of her performance, Todd was able to demonstrate to Phyllis that she did not deserve a rating higher than a 2. That was the rating Todd gave her the first year the two worked together. Phyllis promised

Todd that she would improve, and together they set intermediate standards as a first step toward Phyllis's performing at the same level as everyone else in the department.

The effort seemed to work. In six months, Phyllis had met the intermediate standards. Renewal mailings went out on schedule. Invoices didn't have errors on them. Phyllis came in bright and eager each morning and stayed until after 5:00 P.M. to be sure that the paperwork was in order. When the firm had a special supplement to mail, Phyllis even worked through lunch for several weeks to help, something previously unheard of. Todd was pleased with Phyllis's performance. While her performance wasn't at the same level as that of her co-workers, the change in her attitude was so dramatic that Todd decided to give her a 4 to continue to motivate her the second year the two worked together.

Resuming Old, Bad Habits

Immediately thereafter, Phyllis's performance began to decline. She always had an excuse, but Todd knew the truth: Phyllis had slipped back into her old habits. He was about to begin counseling again, and was even considering putting Phyllis on warning, when he was offered a new position in the magazine's New York office. Before Todd left, he had an opportunity to talk to Woody, his replacement; Woody promised to put an end to her cavalier attitude toward her work while the rest of the department worked itself to exhaustion. And Woody did try—at first.

Woody began meeting with Phyllis once every two weeks to check on her work, and once again she responded positively. But as the department's workload increased, Woody had less time for Phyllis. Once again, this led to a decline in her performance. Woody recognized what was happening. As long as someone kept at her, Phyllis would do the work as she should. But if you turned your back for even a few days, her performance declined.

Woody knew that he should begin the counseling process with the intent of terminating her if there was no significant, long-term improvement, but he felt that he didn't have sufficient time to hold the counseling sessions, document the meetings, issue the warning memo, and so forth. He worried about Phyllis going to court over a decision to terminate her after she had been with the company seven years and had received 3s and even a 4 most of that time. In the end, Woody chose to give Phyllis a 2 each year, which, according to the firm's appraisal program, meant that she "met some standards but not all." Since a 2 still meant a raise, albeit a very small one, Phyllis did virtually

nothing in the three years before Len replaced Woody as head of the department.

Len Lowers the Boom

When Len looked at Woody's evaluations, he couldn't understand why Phyllis hadn't been terminated sooner. He knew the department would be assuming even more work in the near future, and everyone would have to pull his or her weight to get the work done. Phyllis would drag down the group's effectiveness and efficiency, and Len decided to act immediately. With the support of Human Resources, he met with Phyllis and told her that the department's role in the company's expansion made it imperative that everyone do his or her full share. He placed her on warning, which was justifiable on the basis of past appraisals submitted by Woody. No one in the department was allowed to perform at a 2 and stay, he said. Phyllis had one month to meet the work standards by which her peers were measured. Further, if her performance declined at any point thereafter, she would be terminated immediately.

This happened two months later. Phyllis had tried to play the same game with Len that she had played with Todd and Woody, but Len wouldn't have it. He knew that he would have had to keep meeting indefinitely with Phyllis to get a full day's work from her. And he didn't have the time. No manager with a problem performer has that kind of time.

After reviewing Phyllis's history with the company, Len had answered the question all managers must ask themselves before they begin counseling a problem performer: Is it worth the effort? In Phyllis's case, the answer was no. What about any problem performers on your staff? Keep in mind that time is a very important asset today, as important as your best performers. You can't become such a nurturing manager that you fail your first responsibility: to get the job done.