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Got growth?

Know when to fire poor performers

Use concrete performance criteria to determine employees' value

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Can you remember anyone you fired too soon? I can't.

I avoid the decision to fire for as long as I possibly can. It is not about being afraid, it is about being right. Replacing someone with knowledge and experience is time-consuming and expensive.

Deep down inside, everybody wants to be good at what they do. I've never met anyone whose goal in life was to be average or mediocre. Of course there are people who act as if mediocrity is what they aspire to, which simply means they're doing something they don't really care about. And that, my colleagues, is your first hint of when to fire under-performers.

The clearer you can be about what you expect from others, the more likely they are to tackle the task or turn down the job.

An effective, efficient staff is a must-have for creating profitable growth, yet it's the staff piece that gets businesses into trouble. From Raytheon to Red Robin, a bad customer experience is extremely costly. The impact of a poor performer is catastrophic and can spread throughout your organization like the plague.

On the other hand, how do you know when the value of a poor performer is outweighed by the costs of his or her failure to perform? This Catch-22 is alive and well inside every business regardless of size or industry.

Guidelines

Design jobs to serve the needs of your business, not around the people you have to do the work.

Push people to learn and grow, to get outside their comfort zones and be creative. When you start with business needs, designing objective performance criteria becomes easy.

For example, if a need is to increase the accuracy of order fulfillment and you hire or assign someone to that job, measuring his or her performance becomes a simple task. How many errors did we have last week? How many errors did we have this week? Is that an acceptable error rate?

If you are responsible for staff in your organization, regardless of your position or authority, you must hold them accountable for basic performance goals.

Without clear guidelines of expectation coupled with accountability, performance is measured moment to moment and perceptions are built on emotion and assumption. Judging the value an employee brings to the bottom line, profits or losses, becomes open to interpretation -- not the most effective way to run a business.

Hold people accountable. Make sure every individual knows what is expected of them and measure their performance against those expectations on a regular basis.

Use facts, not assumptions. If client satisfaction is a criterion, measure it with surveys and customer feedback mechanisms. Don't go by the handful of complaints you get from vocal customers or on personal conversations with customers you enjoy talking to.

In California, state government provides volumes of legal and technical data on when and how to terminate someone. While the data is designed to protect the employee, as it should be, the employer must deal with the cost of that employee while trying to get adequate productivity to justify his or her overhead.

The task of firing an employee is one of the most unpleasant responsibilities managers, senior staff and chief executive officers must fulfill. The offensiveness of the task is rarely offset by the reason for termination.

As the boss, when you fire someone you have a dramatic impact on their life as well as the lives of others you might not even know. For those of us who have experience with this duty, reluctance to act causes stress in ourselves, the individual in question, and everyone that person works with both inside and outside the organization.

For this reason, having a clear understanding of when to act and why is often the difference between a successful organization with a positive culture and a struggling organization that exudes tension and negativity.

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