

HR Insights

Brought to you by the insurance professionals at
Employco USA, Inc.

Performance Improvement Plans

It can be difficult for management to understand why an employee may be excelling in one area of a job, while underperforming in another. Many employers have found performance improvement plans (PIPs) to be a great tool when trying to identify and resolve employee behavior or performance issues. PIPs are typically implemented when an employee has developed a pattern of performance issues that may be affecting their individual success, or that of their department or company. Although it may be difficult to discuss PIPs with employees, it can be helpful to highlight the necessary support and resources a PIP offers to help them overcome difficulties and improve their work performance.

When Should PIPs Be Used?

A PIP should be implemented when an employee consistently performs poorly or behaves inappropriately. For example, if an employee is consistently late for work, missing due dates or conducts themselves in an improper manner, a PIP may be a necessary initiative. Although it may be easy to identify where an employee falls short of expectations, it can be difficult to identify the root cause of the problem. For instance, issues in an individual's personal life, conflicts at work, or even management style may all be the reasons for performance issues.

How Can PIPs Improve Performance?

PIPs can give employees the opportunity to correct any behavioral or performance issues that may be affecting their overall success. By providing employees with achievable and timely goals, employees are given the opportunity to be more engaged at work. The facilitator of the PIP should meet regularly with the individual throughout the

process to provide feedback that can keep the employee motivated and productive.

Benefits of PIPs

Although PIPs are centered around employee work performance, there are a variety of benefits for both the employee and the company. Organizations have reported the following benefits as a result of implementing PIPs:

- Increased productivity
- Greater quality of work
- Deepened relationships between management and the employee
- Greater job fulfillment

Tips for Creating a Successful PIP

A PIP is a collaborative process between management and the employee. Before implementing the plan, leadership should have a meeting with the individual to discuss the details. Encourage leadership to perform the following action items when creating a PIP with the employee:

- **Highlight positives.** Emphasize the employee's accomplishments, and how their work has contributed to the company's success.
- **Identify the specific issue.** Ensure the employee has a clear understanding of the

issues that have led to the creation of the PIP. Look past the surface-level issues to identify the real root of the problem.

- **Allow for feedback.** Allow the individual a chance to comment on any of the issues identified to keep an open line of communication.
- **Set a timeline and expectations.** Create measurable goals for the employee to achieve over an expanded timeline. Employees should leave the initial PIP meeting with a clear understanding of what is expected of them.
- **Identify support systems.** Be sure to explain and identify who will be helping them through the PIP, along with any additional resources or training that may be useful.
- **Feedback plan.** Discuss who will be providing feedback for the employee throughout the PIP, and how often they will meet. The meetings are a way to check on progress, but can also keep employees motivated throughout the process.
- **Discuss consequences.** Employees should be well-informed of any consequences that may result from the PIP—whether that be demotion, a transfer or termination.

HR representatives should review the PIP and assist supervisors when administering the plan to ensure fairness for the employee, and avoid any possible biases within the plan.

Contact Us

For more information about performance improvement plans, contact Employco USA, Inc. today.