

MAST
Human Resource Management

5. Evaluation, Discipline and Termination

Sarah L. Fogleman

Former Extension Agricultural Economist

sarahfogleman@gmail.com

Knowledge for Life



Ultimately, all managers should strive for “satisfied” employees

- Employee Satisfaction is a function of four core dimensions (*Hackman and Lawler*)
 - Feedback
 - Autonomy
 - Variety
 - Task Identity
- Feedback is the only dimension over which employers have total control. Ironically, it is also the dimension that, research shows, managers most frequently fail.

Knowledge for Life



- **Formal Feedback**--typically accomplished during a regular review period and consist of a “closed door” meeting between an employee and his/her manager
- **Informal Feedback**--varies in time and duration and is frequently casual and relates to a timely topic
- **Business Feedback**--the communication of business or unit performance: e.g., conception rates and cost per head.



Performance Appraisals

- Are times to...
 - formally compliment employees on areas in which they excel
 - determine areas in which employees can improve or grow
 - designate performance objectives and goals for the next evaluation period
- Should be conducted for everyone within a business
 - new employees should be evaluated at least monthly for at least the first six months of tenure
 - existing employees should be evaluated at least annually



Three Functions of a Performance Appraisal

- Determine areas in which the employee can improve or develop
- Reward employees for areas in which they excel
- Designate performance objectives and goals for the next evaluation period

Knowledge for Life



New Employees

- Regular evaluations for first few months
 - establishes reviews as standard business procedure designed to help the employee and the business improve
 - helps “nip things in the bud”

Much easier to correct mistakes than habits

Knowledge for Life



Established Employees

- Try not to link performance appraisals with bonus time or raises
 - focus on training and improvement--not monetary rewards
- Employees must be involved in the process
- The employee must take responsibility for improvement
- The employees must have the opportunity to evaluate the manager

Knowledge for Life



Before conducting performance evaluations, ask the following questions:

- Does every employee understand...
 - what the job is, what it takes to be successful in that job, and what the consequences are if expectations are not met?
- Do employees have the skills and tools necessary to fulfill the job requirements?
- Do employees know that performance evaluations are designed, not to punish, but to improve the overall business performance?
- Do employees have a chance to evaluate the people evaluating them?

Knowledge for Life



What is the link between performance evaluations and bonuses or raises?

- Raises and bonuses should always be based on performance
- Performance appraisals (formal and informal) should occur much more frequently than raises
- Managers should avoid conducting performance appraisals and giving raises at the same time.
 - Keep the focus of the performance appraisal on improving performance
 - Then reward top-performing employees with raises and advancement

Knowledge for Life



Discipline and Termination

- Although discipline is always difficult, a manager owes it to the problem employee, to the business, and mainly to the other employees to enforce a fair disciplinary system.
- The function of Discipline is to...
 - monitor and manage overall employee performance
 - lead poor performing employees to improve through a progressive approach

Knowledge for Life



Progressive Discipline

This is an increasing process that may be used to correct problems. Usually the oral warning will change the problem behavior.

1. **Oral warning.** Discuss the problem behavior with the employee in a private interview. Your goal is to end the interview positively with the employee agreeing to change. Be specific about steps the employee must take to show improvement.
2. **Written warning.** If a second incident arises within a short period of time (such as six weeks), issue a written notice. Give the employee a copy and put another copy in the employee's personnel file. Hold another private interview and seek agreement to change.

Knowledge for Life



Progressive Discipline (Cont'd)

Source: Bitsch, Stup, and Fogleman

3. **Decision-making suspension.** Give the employee a one-day (or more) period of leave. The leave may be paid or unpaid. The purpose of the leave is for the employee to decide whether to change his behavior or to find a different job.
4. **Termination.** If the employee decides to return and another incident occurs, then termination is necessary. If no incidents occur in an extended period of time, such as one year, the employee's file should be purged of the disciplinary records.

Knowledge for Life



Discipline Problems?

What must be done

- Vocal and written warnings and citations
 - Communicate what was done wrong
 - Communicate what must be done to improve
 - Communicate further actions
 - Communicate consequences



Termination

- Always terminate “For Cause” even if you work in an “At-Will” state
 - Termination causes should always stem from the job description
- Always document reasons for discipline...these will eventually become your reasons for termination
- Never threaten termination unless you are ready to follow through
- Remember that this is a delicate situation and treat it as such



Questions?

Sarah Fogleman
sarahfogleman@gmail.com

Knowledge for Life

