

A blurred photograph of an office interior with large windows. Several people in business attire are visible, their forms softened to create a sense of movement and activity. The overall color palette is a cool, professional blue.

EMPLOYEE AND LABOR RELATIONS
INSTRUCTOR'S MANUAL

SHRM[®]

SOCIETY FOR HUMAN
RESOURCE MANAGEMENT

Managing and Responding to
Poor Employee Performance

By Angela T. Hall, J.D., Ph.D.

PROJECT TEAM

Author: Angela T. Hall, J.D., Ph.D.
SHRM project contributor: Bill Schaefer, SPHR, CEBS
External contributor: Sharon H. Leonard
Copy editing: Courtney J. Cornelius, copy editor
Design: Jihee K. Lombardi, graphic designer

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SHRM Academic Initiatives

1800 Duke Street, Alexandria, VA 22314, USA

Phone: (800) 283-7476 Fax: (703) 535-6432

Web: www.shrm.org/education/hreducation

Managing and Responding to Poor Employee Performance

OVERVIEW

This integrated learning module with optional cases provides a comprehensive review of employee disciplinary issues and procedures. Students will learn the intricacies of navigating employee discipline and performance issues and will receive a primer on legal, practical and psychological (e.g., perceived violation of the psychological contract between employer and employee) issues they should be aware of when counseling or disciplining an employee with performance concerns.

AUDIENCE

This module is designed for advanced undergraduate and graduate courses on special topics in human resource management. Students should have a basic knowledge of employee performance and appraisal principles before beginning this module.

DURATION OF MODULE

This module will take 150 minutes to complete and is designed to be taught over three 50-minute sessions.

LEARNING OBJECTIVES

At the conclusion of this learning module, students will:

- Learn discipline terminology.
- Be able to identify which disciplinary procedures are appropriate to use in specific situations.
- Know how to write a Performance Improvement Plan (PIP).
- Know how to impose employee discipline.
- Know how to conduct an employee discharge.

TOPICS

The topics covered in this learning module include:

- Strategies for dealing with poor-performing employees (including a discussion of common performance issues like poor task performance, poor contextual performance, absenteeism, tardiness, etc.).
- Verbal counseling.

- Progressive disciplinary processes.
- Employment-at-will versus due-process employees.
- Strategies for dealing with employee discipline in unionized and non-unionized settings.
- The effects of employee disciplinary action on witness or “bystander” co-workers.
- PIPs.
- Legal issues in employee disciplinary actions.
- Handling employee discharge.
- Alternatives to traditional disciplinary procedures/actions.

OPTIONAL CASES

The module includes four optional cases that will highlight important issues involving employee discipline:

1. “Smiling Clowns, Inc.” involves a low-performing clown. In this case, students are presented with a scenario in which informal methods for resolving performance issues are most appropriate. Estimated time to complete: 20 minutes.
2. In “City Hospital,” students must draft a PIP for a low-performing accountant who works at a public hospital. Estimated time to complete: 20 minutes.
3. In “Death Becomes You,” students face issues involving workplace violence and employee termination. Estimated time to complete: 15 minutes.
4. The final case, “Sierra Rain Organics, Inc.,” involves a variety of performance issues relating to a long-term employee. Estimated time to complete: 15 minutes.



Please note that these cases were not included in the calculation of time it will take to complete the module. Instructors should add the appropriate time to include these optional case studies.

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REQUIRED TEXT

DelPo, A., & Guerin, L. (2009). *Dealing with problem employees. A legal guide*. Berkeley, CA: Nolo.

PRESENTATION OF INFORMATION

This learning module begins with an introduction to employee performance and a discussion of common performance deficiencies. Because employment-at-will and due-process employees are subject to different disciplinary processes, a discussion of these two employee categories is included.

This learning module progresses from non-disciplinary mechanisms (e.g., informal counseling and PIPs) to disciplinary processes. Disciplinary procedures are discussed from least severe (verbal counseling) to most severe (termination). Progressive discipline is also discussed.

The learning module concludes with a discussion of current topics on employee discipline, including the importance of documentation, outcomes of disciplinary actions (e.g., employee separation), legal issues relating to employee disciplinary actions and employee discharges.

Session 1 (50 minutes)

Before presenting this first session, assign Chapter 1 in *Dealing with Problem Employees* by DelPo and Guerin.

Topic	Instructor Actions	Method and Media	Duration
Introduction	Introduce student to the topic of employee discipline. <ul style="list-style-type: none"> ▪ Title page ▪ Purpose ▪ Learning objectives ▪ Module outline ▪ Session outline 	Slides 1-6	5 minutes
Employee Performance	Employee performance defined. <ul style="list-style-type: none"> ▪ Task performance ▪ Contextual performance ▪ Organizational citizenship behavior ▪ Emotional labor ▪ Strategies to maximize performance 	Slides 7-9	6 minutes
Common Performance Deficiencies	Absenteeism Tardiness Poor attitude/insubordination Poor task performance Poor contextual performance	Slide 10	4 minutes
Informal Verbal Counseling	Situations when informal verbal counseling is appropriate Tips for conducting informal verbal counseling	Slides 11-12	2 minutes
Performance Improvement Plan (PIP)	PIP defined PIP generally not considered discipline Sample PIP	Slides 13-15	5 minutes
At-will vs. Due Process Employees	At-will defined Exceptions to at-will: <ul style="list-style-type: none"> ▪ Protected class ▪ Public policy ▪ Implied contract Due process defined Just cause	Slides 15-16	3 minutes
Optional Student Activity	Break into groups of 2-3 and make a list of three employee performance/conduct issues that should result in verbal counseling and three employee performance/conduct issues that should result in harsher discipline, including termination. For the sake of this exercise, assume that the employee is a cashier at a grocery store.	Slides 17-18, including sample student answers in "Notes" section and Slide 18.	5 minutes
Review	Wrap-up, questions, comments	Slide 19	15 minutes
Homework Assignment	Assign Chapters 3 and 4 in <i>Dealing with Problem Employees</i> by DelPo and Guerin.	Slide 20	
Optional Homework Assignment	Assign reading materials (roles) for optional case study "Smiling Clowns, Inc." and/or optional case study "City Hospital."		

Session 2 (50 minutes)

Topic	Instructor Actions	Method and Media	Duration
Note: If both optional case activities are conducted, time will exceed 50 minutes.			
Session Outline	Present session outline	Slide 21	2 minutes
Review	Review main topics discussed in Section 1	Slide 22	2 minutes
Discipline Options	Oral warning Written warning Probation Suspension Leave with/without pay Demotion Termination with right to rehire Termination without right to rehire	Slides 23-25	5 minutes
Progressive Discipline	Progressive discipline defined Examples of a progressive discipline system Discussion of when progressive discipline is not followed	Slides 26-27	3 minutes
Disciplinary Processes	Mediation Arbitration Med-arb Employer tribunals Federal and state statutorily mandated procedures	Slides 28-29	3 minutes
Alternatives to Traditional Disciplinary Processes	Informal verbal counseling Training/retraining PIPs Employee assistance program (EAP)	Slide 30	5 minutes
Optional Case Activity	Smiling Clowns, Inc.	Slides 31-32. Student roles and detailed teaching notes provided in Appendix 2.	20 minutes
Optional Case Activity	City Hospital	Slides 33-35. Student roles and detailed teaching notes provided in Appendix 3.	20 minutes
Review	Wrap-up, questions, comments	Slide 36	10 minutes
Homework Assignment	Assign Chapter 9 in <i>Dealing with Problem Employees</i> by DelPo and Guerin.	Slide 37	
Optional Homework Assignment	Assign reading materials (roles) for optional case "Sierra Rain Organics, Inc." and/or optional case "Death Becomes You."		

Session 3 (50 minutes)

Topic	Instructor Actions	Method and Media	Duration
Note: If optional case activities are conducted, time will exceed 50 minutes.			
Outline	Present session outline	Slide 38	2 minutes
Review	Review materials from Session 2	Slide 39	5 minutes
Importance of Documentation	Litigation avoidance	Slides 23-25	5 minutes
Progressive Discipline	Progressive discipline defined Examples of a progressive discipline system Discussion of when progressive discipline is not followed	Slide 40	3 minutes
Possible Outcomes of Disciplinary Actions	Employee development Employee resentment Employee separation Employee withdrawal Bystander reactions	Slides 41-42	5 minutes
Legal Issues in Employee Disciplinary Actions	Civil rights laws <ul style="list-style-type: none"> ▪ Protected class Whistleblower protection Contractual rights <ul style="list-style-type: none"> ▪ Expressed ▪ Implied Unionized workplaces Collective bargaining agreement (Slide 44)	Slides 43-44	5 minutes
Handling Employee Discharges	Introduction Tips on handling discharges Importance of fairness Security measures	Slides 45-48	3 minutes
Optional Case Activity	Death Becomes You	Slides 49-50. Student roles and detailed teaching notes provided in Appendix 4.	15 Minutes
Optional Case Activity	Sierra Rain Organics, Inc.	Slides 51-52. Student roles and detailed teaching notes provided in Appendix 5.	15 Minutes
Review	Wrap-up, questions, comments	Slide 53	12 Minutes

APPENDIX 1: Suggested Reading for Instructors and Students*

Atwater, L. Waldman, D., Carey, J., & Cartier, P. (2001). Recipient and observer reactions to discipline: Are managers experiencing wishful thinking? *Journal of Organizational Behavior*, 22, 249-270.

Carlson, D., & Frone, M. (2003). Relation of behavioral and psychological involvement to a new four-factor conceptualization of work-family interference. *Journal of Business and Psychology*, 17, 515-535.

Carrell, M., & Heavrin, C. (2007). *Labor relations and collective bargaining* (8th edition). Upper Saddle River, NJ: Prentice Hall.

Covington, R. (2009). *Employment law in a nutshell*. Chapter 2. St Paul, MN: West Publishing.

Falcone, P. (1997). The fundamentals of progressive discipline. *HR Focus*, 42, 90-94.

Falcone, P. (2000). A blueprint for progressive discipline. *HR Focus*, 77, 3-7.

Felton, T. (2009 January). Best practices in documenting employee discipline. *Workforce Management*.

Grandey, A. (2000). Emotional regulation in the workplace: A new way to conceptualize emotional labor. *Journal of Occupational Health and Psychology*, 5, 95-110.

Longenecker, C.O., & Post, F. (1994). The management termination trap. *Business Horizons*, May-June, 71-79.

Longenecker, C.O., Sims, H.P., Jr., & Gioia, D.A. (1987). Behind the mask: The politics of employee appraisal. *Academy of Management Executive*, 2, 672-678.

Locke, E., & Latham, G. (1990). *A theory of goal setting and task performance*. Englewood Cliffs, NJ: Prentice-Hall, Inc.

Lieber, L. (2009). How to manage terminations and layoffs in a recession. *Employment Relations Today*, 36, 95.

Lind, E.A., Greenberg, J., Scott, K.S., & Welchans, T.D. (2000). The winding road from employee complainant. Situational and psychological determinants of wrongful termination claims. *Administrative Science Quarterly*, 45, 557-590.

Muhl, C. (January 2001). The employment-at-will doctrine: Three major exceptions. *Monthly Labor Review*, 3-11.

Organ, D. Podasakoff, P.M., & MacKenzie, S. (2006). *Organizational citizenship behavior: Its nature, antecedents and consequences*. Thousand Oaks, CA: Sage.

Ross, W.H., & Conlon, D.E. (2000). Hybrid forms of third-party dispute resolution: Theoretical implications of combining mediation and arbitration. *Academy of Management Review*, 25, 416-427.

Rudy, J. (2002). What they don't know won't hurt them: Defending employment-at-will in light of findings that employees believe they possess just cause protection. *Berkeley Journal of Employment and Labor Law*, 23, 307-343.

Thompson, L. (2005). *Mind and heart of the negotiator* (3rd edition). Upper Saddle River, NJ: Prentice-Hall.

* Module content that is relevant to the suggested readings is noted on the "Notes" section of the appropriate PowerPoint slide.

APPENDIX 2:

Smiling Clowns, Inc.

TEACHING NOTES

Purpose

This case provides students with an introduction to addressing employee performance issues. This case can be used to discuss low-performing employees and strategies to address their behavior. The complexity of the issues involved in this case is low to moderate.

This case is about an employee named Angela Watson. Angela has been working for Smiling Clowns, Inc., for a number of years. Recently, her performance has drastically decreased in quality.

This case provides a scenario in which formal discipline measures are probably not necessary at this time. Rather, informal options such as the referral to an employee assistance program (EAP), informal verbal counseling and retraining would be more appropriate.

Setting

Smiling Clowns, Inc. provides live entertainment for children's parties, corporate functions and other private events. Smiling Clowns has approximately 75 employees, many of whom work part time. The majority of the employees work as clowns, but the company also employs jugglers, magicians and balloon artists.

Background

Angela Watson wanted to be an entertainer her entire life. She majored in theater in college and trained under Bobo, one of the most famous clowns on the East Coast. Although Angela does not make much money, she normally enjoys her work and sees herself doing this line of work for the foreseeable future.

When she first started working for Smiling Clowns, Angela told her employer that she would go to Balloon School on weekends to learn how to make balloon animals. Angela considers herself more as a thespian, though, and thinks that making balloons is beneath her. Consequently, she has been putting this off, but she is looking forward to attending Clown Camp during the summer so she can fine-tune her clown skills.

Angela seems depressed recently. She has been fighting with her spouse, especially since her husband was laid off from work last March. Money is now very tight in Angela's household. Angela also recently learned that her mother has cancer. To make matters worse, her beloved cat ran away last week. Normally, Angela can put on a smiling face when at work, but lately, this has been hard to do. On Sunday, Angela broke into tears at a child's birthday party. Although the parents still tipped

Angela, she sensed that they were not happy with her performance.

News of this incident made its way back to her employer. Angela's immediate supervisor, Chris, called her to his office to discuss the incident. Chris likes Angela and knows she is a good worker who is going through a tough time. Chris would like to meet with Angela to discuss her low performance (including tardiness and leaving parties early) and ways to improve it.

ROLES

Angela Watson, employee

Chris Thompson, supervisor

SETUP

Separate the class into groups of two. One member will assume Angela's role and the other member will assume Chris' role.

TIME ALLOTTED

Allot 15 minutes for students to complete this case. Five minutes should be spent on discussion. To expedite this activity, roles (and related reading materials) may be assigned prior to class.

STUDENT OUTCOME

Students are asked to develop a written plan to improve performance. Students may elect to use the attached sample PIP, but given the nature of this case (e.g., small company, short history of poor performance), a less formal written plan is probably more appropriate.

Possible outcomes that could be reached between the employee and employer:

1. PIP

Sample goals: Angela will reduce client complaints. She will arrive on time to assignments 100 percent of the time. Angela will not leave assignments early. Angela will receive a 4.5 or better average on client satisfaction surveys.

2. Additional assignments

Angela will be given extra assignments so she can make extra money to relieve financial stressors.

3. Additional training

Angela will be given additional training (including Balloon School) so she will have additional skills. This will expand the types of assignments she can take.

In addition, Chris should refer Angela to the company's EAP to help her resolve some of her personal problems, although it would not be advisable to compel her to call as a condition of continued employment.

ADDITIONAL DEBRIEFING QUESTIONS

1. Why do you think Angela's performance is suffering?
Problems in Angela's personal life seem to be affecting her performance.
2. How is *emotional labor* relevant to this case?
Angela must engage in emotional labor as a clown in that she must act happy even when she is not.
3. Do you think that Angela is a "salvageable" employee?
From the facts provided in this case, it appears that Angela is salvageable at this time. However, Chris should underscore that some of her behaviors are unacceptable (e.g., leaving early from assignments, being late for assignments) and will not be tolerated in the future.

SMILING CLOWNS, INC.: ROLE OF ANGELA WATSON, EMPLOYEE

Setting

Smiling Clowns, Inc., is a family-owned business with 75 employees, many of whom are part-time workers. This business provides entertainment in the form of clowns, magicians and balloon artists for children's birthday parties, corporate functions and other private events.

Background

You have wanted to be an entertainer your entire life. You majored in theater in college and trained under Bobo, one of the most famous clowns on the East Coast. Although you do not make much money, you normally enjoy your work and see yourself doing this line of work for the foreseeable future.

When you first started working at Smiling Clowns, Inc., you promised your employer that you would go to Balloon School on weekends to learn how to make balloon animals. You consider yourself a thespian, though, and you think that making balloons is beneath you. So, you've been putting this off. You are looking forward to possibly attending Clown Camp during the summer so you can fine-tune your clown skills.

Recently, you have been depressed. You have been fighting with your husband, especially since he was laid off from work last March. Money is very tight in your household. You also recently learned that your mother had cancer, and to make matters worse, your beloved cat ran away last week. Normally you can put on a smiling face when at work, but that has been harder to do lately. Also, you have been having a hard time getting started in the morning, and you have been 10 to 15 minutes late to your last few assignments.

On Sunday, you broke into tears at a child's birthday party for no apparent reason. Although the parents still tipped you, you sensed that they were not happy with your performance. Because you were extremely upset, you left the party early.

A few days after each event, your company mails a satisfaction survey to clients to assess your performance. The scale for the survey is "1" (poor) to "5" (excellent). For years, you have been averaging 4.8 or better, but you don't know what your scores have been lately.

You received a call today from your boss, Chris. Chris wants to meet with you to discuss your performance. He knows your job performance has been suffering, and he wants to meet with you to come up with a written plan with respect to how you can improve. You really do love your job, and you want to work with Chris to come up with a plan to keep your job.

Assignment

You and Chris meet to come up with a written plan to improve your performance.

SMILING CLOWNS, INC.: ROLE OF CHRIS THOMPSON, SUPERVISOR

Setting

Smiling Clowns, Inc., is a family-owned business with 75 employees, many of whom are part-time workers. This business provides entertainment in the form of clowns, magicians and balloon artists for children’s birthday parties, corporate functions and other private events.

Background

You have a five-year employee, Angela, who you once thought was one the best clowns you have ever seen. She majored in theater in college and trained under Bobo, one of the most famous clowns on the East Coast.

You would like for Angela to expand her skills, and you have been pushing her to go to Balloon School so she can expand the types of parties she can do.

Recently, Angela seems down in the dumps. This is really unlike Angela, who is normally full of energy and well-liked by clients. Recently you have received some complaints from clients about Angela. You mail a satisfaction survey to clients about a week after each performance. The survey allows clients to rate the performer from “1” (poor) to “5” (excellent). Normally, Angela’s scores are nearly perfect 5s. However, her scores have recently dropped off dramatically. You have also learned that Angela has been late to several parties.

You want to keep Angela on as an employee, so you schedule a meeting with her to come up with a plan to resolve Angela’s performance issues.

Assignment

You and Angela meet to come up with a written plan to improve her performance.

SMILING CLOWNS, INC.: SAMPLE PERFORMANCE IMPROVEMENT PLAN

Performance Standard	Performance Issue/Concern	Action and/or Support Provided (e.g., Training, Retraining)	Deadline for Attaining Goal	Outcome (Results and/or Accomplishments and Completion/Attainment Date)
Client Satisfaction Survey	Average score in May and June was 3.5	Average score for July and August to be 4.5 or higher	August 31	

APPENDIX 3: City Hospital

TEACHING NOTES

Purpose

In this case, students learn how to write a Performance Improvement Plan (PIP).

Setting

City Hospital is a public, 500-bed hospital located in a major northern U.S. city. The hospital caters to many indigent clients, but it is known for its strong medical residency program and research conducted in conjunction with the medical school.

Roles

Maria Rawls, employee

Juan Gonzalez, immediate supervisor

Connie Grant, manager

Gary Tibbitts, human resource manager

Background

Maria Rawls has been working in the accounting department of City Hospital for 18 months. Before that, she worked as an accountant in her uncle's small accounting firm.

While at City Hospital, Maria's performance evaluations have been low to average. So far, she has received three periodic performance evaluations and a 2 percent raise that was given to all employees. Maria, however, did not receive a merit raise that was awarded to some of the higher-performing employees in her department.

Maria has not been able to keep up with the procedures involved with the new accounting software the hospital recently purchased. She has fallen behind with her work despite working late. Maria must frequently consult the operating manual for the accounting software, although none of her co-workers seem to be having the same problems learning the new software.

Maria's previous supervisor at City Hospital seemed more willing to work with Maria and overlook some of her performance deficiencies. Maria's new supervisor, Juan Gonzalez, appears to have more stringent standards and has come to the HR department requesting assistance with respect to resolving Maria's performance issues.

Assignment

Students are to prepare a PIP for Maria using the attached template.

Setup

Separate students into groups of four. Assign each member a role (Maria Rawls, Juan Gonzalez, Connie Grant and Gary Tibbitts).

Time allotted

Allot 15 minutes to conduct this case. Five of those minutes should be allotted for discussion. To expedite this activity, roles (and related reading materials) may be assigned prior to class.

Student outcome

Students are asked to develop a written PIP using the template provided.

PIP goals should include:

1. Reducing error rate to the department average or lower.
2. Learning the new accounting software.
3. Increased timeliness of all reports.

Additional debriefing discussion questions

1. Was the PIP given to Maria appropriate?

It was probably legally defensible because she did have performance deficiencies.

There is nothing in the facts of the case to suggest that Juan was engaging in illegal discrimination against Maria (although the facts suggest that he might not like her). However, it would have been a better practice for Maria to have received the PIP during her performance appraisal meeting, not after.

2. Could Juan compel Maria to get her CPA designation?

No, he could not legally do so unless it was a precondition of employment.

However, provided that the employer pays for the training, Maria could be compelled to attend additional training as a condition for continued employment.

CITY HOSPITAL: ROLE OF MARIA RAWLS, EMPLOYEE

Setting

City Hospital is a public, 500-bed hospital located in a major northern U.S. city. This hospital caters to many indigent clients, but it is known for its strong medical residency program and research conducted in conjunction with the medical school.

Background

You have been working at City Hospital for 18 months. This is your first job after completing your Master of Accountancy degree at State University. You are taking the Certified Public Accountant (CPA) examination in stages and have already completed two sections. Thus far, you have passed one section and failed one section.

Accounting has never been your passion, but you wanted a stable profession. While you were working on your degree, you were employed part-time as an accountant in your uncle's small accounting firm.

You got along really well with your previous boss at City Hospital. She gave you work she knew that you could handle, even though your official job description could have required you to perform additional (and unfamiliar to you) tasks. However, your new boss, Juan, is not as easy going, and he passes out assignments based on some system you have not figured out. You don't like Juan, and you think that he is out to get you. Also, you are having a hard time learning the new accounting software that was recently installed by the hospital.

Earlier this week, you had a meeting with Juan to go over your recent performance appraisal. During this meeting, Juan highlighted that you were late with 5 percent of your weekly reports and that you had an error rate that was 2.5 percent higher than the rest of the department. He also noted that you have not fully learned the new accounting software. Moreover, he commented that it seems as though you are taking a long time to obtain your CPA designation.

Today, Juan tells you that he wants to meet with you, his immediate supervisor (Connie Grant, the manager of the accounting department) and the HR manager (Gary Tibbitts) to discuss putting you on a PIP. Needless to say, you are quite upset about being put on a PIP, but you realize you have no choice but to go along with it until you can find another job.

Assignment

You, Juan, Connie and Gary jointly develop a PIP using the template provided.

CITY HOSPITAL; ROLE OF JUAN GONZALEZ, ACCOUNTING SUPERVISOR

Setting

City Hospital is a public, 500-bed hospital located in a major northern U.S. city. This hospital caters to many indigent clients, but it is known for its strong medical residency program and research conducted in conjunction with the medical school.

Background

You have been working at City Hospital for four months now. You came to work for City Hospital after working in a big accounting firm for 12 years. Overall, you think that most of the workers are satisfactory, although you do not think they have the same drive and passion for accounting you saw when you were working at the big accounting firm.

You recently gave a performance appraisal to Maria Rawls, and it was not good. You commented that she was late with 5 percent of her weekly reports and had an error rate that was 2.5 percent higher than the rest of the department, and you noted that she had not fully learned the new accounting software. Moreover, it bothers you that she has not obtained her CPA designation yet.

Today, you tell Maria that you want her to meet with you, your immediate supervisor (Connie Grant, the manager of the accounting department) and the HR manager (Gary Tibbitts) to discuss putting Maria on a PIP.

Assignment

You, Maria, Connie and Gary jointly develop a PIP using the template provided.

CITY HOSPITAL: ROLE OF CONNIE GRANT, ACCOUNTING MANAGER

Setting

City Hospital is a public, 500-bed hospital located in a major northern U.S. city. This hospital caters to many indigent clients, but it is known for its strong medical residency program and research conducted in conjunction with the medical school.

Background

You have been working at City Hospital for nine years. You know there are some low performers in the department, but your department gets the job done. There are more than 20 people in the department, and you don't have day-to-day contact with many of them. Thus, you rely heavily on your two accounting supervisors, Arden Winters and Juan Gonzalez.

Juan recently gave a performance appraisal to one employee (Maria Rawls), and it was not good. He highlighted that she was late with 5 percent of her weekly reports and had an error rate that was 2.5 percent higher than the rest of the department. He also noted that Maria had not fully learned the new accounting software. Moreover, it bothers Juan that she has not obtained her CPA designation yet.

Last week, Juan approached you and said that he wanted to give Maria a written warning based on her performance. You think this is too extreme, so you suggested a PIP. You are not extremely comfortable with the PIP, but you think that this will be the only way to appease Juan. You wonder why Juan did not raise the issue of a PIP when he reviewed Maria's performance appraisal with her. You sense that Juan does not like Maria, but you have no evidence to suggest that he has acted inappropriately toward her or treated her unfairly. You personally question Juan's motives, but per hospital policy, Juan is entitled to request that Maria be issued a PIP due to low performance.

Assignment

You, Juan, Maria and Gary Tibbitts (the HR manager) jointly develop a PIP using the template provided.

CITY HOSPITAL; ROLE OF GARY TIBBITTS, HUMAN RESOURCE MANAGER

Setting

City Hospital is a public, 500- bed hospital located in a major northern U.S. city. This hospital caters to many indigent clients, but it is known for its strong medical residency program and research conducted in conjunction with the medical school.

Background

You are the manager of the human resource department, and you have held that position for three years. The hospital has hundreds of employees. You personally know only a small percentage of them.

Juan Gonzalez (accounting supervisor) recently gave a performance appraisal to one employee (Maria Rawls), and it was not good. He highlighted that she was late with 5 percent of her weekly reports and had an error rate that was 2.5 percent higher than the rest of the department. He also noted that Maria had not fully learned the new accounting software.

In addition, you were told by Juan's immediate supervisor, Connie Grant, that it bothers Juan that Maria has not obtained her CPA designation yet. Moreover, Connie told you that Juan wanted Maria to receive a written warning, but that Connie suggested a PIP instead. You and Connie are not 100 percent comfortable with the idea of giving Maria a PIP. You and Connie question why Juan did not raise the possibility of a PIP during his recent meeting with Maria to review her performance. You have doubts about Juan's motives, but per hospital policy, Juan is entitled to request that Maria be issued a PIP due to low performance.

Connie ultimately convinces you that giving Maria a PIP will be the only way to keep Juan happy. Connie relies on Juan and her other accounting supervisor, so she will do everything in her power to keep him happy.

Assignment

You, Juan, Maria and Connie jointly develop a PIP using the template provided.

CITY HOSPITAL: SAMPLE PERFORMANCE IMPROVEMENT PLAN

Performance Standard	Performance Issue/Concern	Action and/or Support Provided (e.g., Training, Retraining)	Deadline for Attaining Goal	Outcome (Results and/or Accomplishments and Completion/Attainment Date)
Error Rate	Error rate of employee was 2.5% higher than department average	Reduce error rate to department average or lower	Three months from date of this PIP	

APPENDIX 4:

Death Becomes You

TEACHING NOTES

Purpose

In this case, students address the issue of how to conduct a termination.

Setting

The setting is a special effects company that provides props for film and television shows.

Roles

Wes King, supervisor

Stephen Carpenter, manager

Mari Wu, human resource manager

Background

The employee at issue works in the props fabrication department. Department members are known for their artistry and creativity, in addition to their technical and mechanical expertise. They are considered to be some of the best in their field. The culture of the department is quite informal, and co-workers are known for their playful banter and pranks.

Over time, the pranks and statements of one employee escalate, and members of the department, including his supervisor, become alarmed. It is decided that this employee must be terminated.

Setup

Separate the class into groups of three and assign each group member one of the roles (Wes King, Stephen Carpenter and Mari Wu).

Time allotted

Allot 12 minutes to conduct the case. Three of those minutes should be allotted for discussion. To expedite this activity, roles (and related reading materials) may be assigned prior to class.

Assignment

The supervisor, manager and human resource manager must meet to write a termination letter to the employee. They must also decide how to handle the termination (e.g., at the end of the day, with security, etc.). A sample termination letter is provided.

Additional outcomes

1. Students should decide that termination must be immediate with no right to rehire.
2. Security or law enforcement should be present when the employee is escorted from the building.
3. The employee's building access should be restricted, passwords should be changed, and any corporate credit cards issued to the employee should be immediately canceled.

DEATH BECOMES YOU: ROLE OF WES KING, SUPERVISOR

Setting

The setting is a special effects company that provides props for film and television shows.

Background

You are the supervisor in the props fabrication department. This is a terrific place to work. You love horror movies, and you get to work on props and animatronics used in actual films. Department members are known for their artistry and creativity, in addition to their technical and mechanical expertise. They are considered to be some of the best in their field. The culture of the department is quite informal, and co-workers are known for their playful banter and pranks.

Over time, the pranks and statements of one employee, Eddie Gabel, escalate. After you verbally admonished him for his repeated tardiness, he fabricated a working guillotine out of scrap materials and said he would like to use the guillotine on you. About a week later, you spoke to him about reducing his scrap rate. Later that day, he put a prop of a severed hand on your desk. After seeing the prop, you asked him what was bothering him. Eddie replied, “You are bothering me. I wish you were dead.”

You have received complaints from other workers that Eddie is moody and that he often tells them that he could kill you and get away with it. You have heard from other employees that Eddie’s wife recently filed for divorce and that he just received notification that the bank has initiated foreclosure proceedings against him.

Today Eddie ran into your office with a gun, pushed you down, put the gun to your head and said that he was going to kill you. After you finally pushed him off you, you realized the gun was a starter pistol. (You know from your industry safety training class, though, that a point-blank shot to the head with a starter pistol can be deadly.) As he ran out of your office, Eddie said, “Next time it will be a real gun.”

After this incident, you immediately contacted your supervisor, Stephen Carpenter, and HR manager, Mari Wu. The decision is made to terminate Eddie.

Assignment

You, your supervisor and the HR manager must meet to write a termination letter to the employee. You must also decide how to handle the termination (e.g., at the end of the day, with security, etc.).

DEATH BECOMES YOU: ROLE OF STEPHEN CARPENTER, MANAGER

Setting

The setting is a special effects company that provides props for film and television shows.

Background

You are the manager in the props fabrication department. This is a terrific place to work. You love horror movies, and you get to work on props and animatronics used in actual films. You majored in film studies and art in college. This is your dream job.

Department members are known for their artistry and creativity, in addition to their technical and mechanical expertise. They are considered to be some of the best in their field. The culture of the department is quite informal, and co-workers are known for their playful banter and pranks.

However, over time, the pranks and statements of one employee, Eddie Gabel, escalate.

You have received complaints from other workers that Eddie is moody and that he tells them that he could kill his supervisor, Wes King, and get away with it. Wes told you last week that Eddie's behavior was increasingly disturbing and possibly violent.

Today, Eddie ran into Wes' office with a prop gun, pushed Wes to the floor and put a starter pistol to his head. Wes did not realize that the gun was a starter pistol until after he pushed Eddie off him. As he ran out the door, Eddie said that next time it would be a real gun.

From the safety class that all employees were required to take, you know that when fired at point-blank range to someone's head, a starter pistol can be deadly.

After conferring with Wes and the HR manager, Mari Wu, it was decided to terminate Eddie's employment. You personally think that this is good idea, not only because your employer has a zero-tolerance policy on workplace violence, but also because Eddie's presence and erratic behavior have been negatively affecting the morale of the other employees.

Assignment

You, Wes and Mari must meet to write a termination letter to the employee. You must also decide how to handle the termination (e.g., at the end of the day, with security, etc.).

DEATH BECOMES YOU: ROLE OF MARI WU, HUMAN RESOURCE MANAGER

Setting

The setting is a special effects company that provides props for film and television shows.

Background

You have been the human resource manager for this company for two years. You never thought you would work in an organization with such interesting, creative and sometimes eccentric people. However, you like the fast-paced energy that permeates through the organization.

The employee at issue, Eddie Gabel, works in the props fabrication department. Department members there are known for their artistry and creativity, in addition to their technical and mechanical expertise. They are considered to be some of the best in their field. The culture of the department is quite informal, and workers there are known for their playful banter and pranks.

However, Eddie's pranks and statements begin to escalate beyond acceptable. Today, Eddie ran into his immediate supervisor's office with a prop gun, pushed him down and put the gun to his head. As he ran out the door, Eddie said that next time it would be a real gun.

You were contacted immediately after the incident. Your organization has a zero-tolerance policy concerning workplace violence: All threats and other acts of violence result in immediate termination. Thus, the decision is made to terminate Eddie.

Assignment

You, Eddie's supervisor and the department manager must meet to write a termination letter to the employee. You must also decide how to handle the termination (e.g., at the end of the day, with security, etc.).

DEATH BECOMES YOU: SAMPLE TERMINATION LETTER

Dear Mr. Gabel:

On August 10, 2010, you assaulted your immediate supervisor, Wes King. Specifically, you forced Mr. King to the ground and placed a starter pistol to his head. Your actions were reckless and dangerous. Such behavior could have caused serious bodily harm to Mr. King and possibly to you as well.

You have made repeated threats of violence directed to Mr. King. This type of behavior is not tolerated in our company.

As such, we have no choice but to terminate you immediately. You are not permitted to return to the company premises. If you have any questions regarding continuation of company benefits, you may phone or e-mail the HR department.

Sincerely,

Mari Wu
Human Resource Manager

APPENDIX 5:

Sierra Rain Organics

TEACHING MATERIALS

Purpose

This case involves multiple issues in employee discipline. Students must sort through fact and speculation to decide whether an employee should be disciplined or fired. From the wording of the scenario, students may reach different (yet feasible) results.

Setting

The setting is a fast-growing company that makes handmade, organic and earth-friendly consumer products. Sierra Rain Organics began as a local maker of handmade products that were sold primarily in boutiques, gift shops and specialty stores. With the recent consumer demand for organic products, Sierra Rain has grown rapidly, and it has repositioned itself as a leading manufacturer of wood and organic products in the region.

Roles

Corey Williams, supervisor

Robert Royle, manager

Jessica Johnson, human resource manager

Background

Anthony Wilson is a long-time employee of Sierra Rain Organics. Over time, Anthony's behavior has grown more and more outrageous. Anthony is frequently tardy and absent, but recently, Anthony's immediate supervisor learned that Anthony has been assigning his own work to less senior employees. Anthony's supervisor suspects that Anthony has been coming to work under the influence of alcohol and that Anthony has been possibly falsifying his time sheet.

Setup

Separate the class into groups of three and assign each group member one of the roles.

Time allotted

Allot 12 minutes to conduct the case. Three of those minutes should be used for discussion. To expedite this activity, roles and related reading materials may be assigned prior to class.

Assignment

Students must sort through fact and speculation to decide if Anthony should be disciplined or fired. From the wording of the scenario, students may reach different (yet feasible) results.

Student outcomes

Student outcomes will vary, but there is insufficient evidence to warrant termination. Examples of possible outcomes are:

1. Monitoring Anthony's attendance.
2. Conducting an investigation into the missing tools.
3. Sending Anthony for an alcohol/drug screen.
4. Counseling/warning Anthony that he is not allowed to delegate his assignments to other workers.
5. Developing a PIP.
6. Other employee discipline that could be supported by the available evidence.

Additional debriefing questions

1. How do you handle a difficult employee like Anthony?

This question mirrors the first question asked at the beginning of Session 1. Some possible answers are:

- a. Communicate performance expectations.
- b. Don't allow poor conduct to slide. In this scenario, it seems as though the employer tolerated Anthony's poor behavior for a long time but never addressed it with Anthony.
- c. Keep records. From the scenario, it does not seem that Anthony's supervisor was good at keeping attendance records.

SIERRA RAIN ORGANICS: ROLE OF COREY WILLIAMS, SUPERVISOR

Setting

The setting is a fast-growing company that makes handmade, organic and earth-friendly consumer products. Sierra Rain began as a local maker of handmade products that were sold primarily in boutiques, gift shops and specialty stores. With the recent consumer demand for organic products, Sierra Rain has grown rapidly, and it has repositioned itself as a leading manufacturer of wood and organic products in the region.

Background

You have worked for Sierra Rain Organics for two years. Previously, you worked for its competitor, Holly Mist, Inc. You are committed to being earth-friendly and are happy to be working for a company that manufactures such products.

Ever since you came to Sierra Rain, Anthony Wilson has been a thorn in your side. Anthony is eccentric, but the founder likes him because of his new product development ideas, which are very good. Anthony came up with the idea of the Rock Family produce line, colored rocks that people collect. The Rock Family line seems ridiculous to you, but the product is popular with kids and is making the company a bundle of money. However, Anthony is frequently late, makes odd comments when you walk by and calls you “dude.”

Recently, Anthony’s unprofessional behavior has escalated. He missed one day of work last week, and he was absent two days this week. Earlier today, a new employee told you that Anthony had been giving him work to do in an effort to “train” him and “get him prepared for company advancement.” You think that Anthony is out of line to give co-workers assignments. Moreover, you don’t think that Anthony’s behaviors are altruistic. Rather, you think that Anthony is just plain lazy and that he will try to get out of work he does not like to do at any cost.

When you last saw Anthony, he was in the restroom drinking something out of a small bottle. When you asked him what he was drinking, he said, “Oh, this is my youth elixir!” You have heard rumors that Anthony drinks alcoholic beverages at work and that he likes to indulge in marijuana off-hours. However, you have never sent him for a drug/alcohol screening, although you have sent other employees for such screenings in the past.

The final straw occurred this afternoon, when you were conducting an inventory and found that some tools and materials last used by Anthony were missing.

You would like to have Anthony fired, but you really do not know if there is enough evidence for HR to support his dismissal.

Assignment

Meet with your manager, Robert Royle, and HR manager, Jessica Johnson, to determine what, if any, discipline should be imposed on Anthony.

SIERRA RAIN ORGANICS: ROLE OF ROBERT ROYLE, MANAGER

Setting

The setting is a fast-growing company that makes handmade, organic and earth-friendly consumer products. Sierra Rain began as a local maker of handmade products that were sold primarily in boutiques, gift shops and specialty stores. With the recent consumer demand for organic products, Sierra Rain has grown rapidly, and it has repositioned itself as a leading manufacturer of wood and organic products in the region.

Background

You have worked for Sierra Rain Organics since it began operations 17 years ago. The president and founder is your cousin. You have been close friends since childhood.

Seventeen years ago, the company was simply a manufacturer of handmade wood products. However, over time, the company has grown and is now leading manufacturer of wood and organic products in the region.

Anthony Wilson is a long-time employee of Sierra Rain. While you admit that he is a bit eccentric, you and the founder like him because of his new product development ideas, which are very good. He came up with the idea of the Rock Family line, collectible colored rocks. This product line is very popular with kids and has been making the company a bundle of money.

You know that Anthony's immediate supervisor, Corey Williams, whom you supervise, does not like Anthony. He frequently comes to you to discuss Anthony's "performance" issues, like being occasionally late and missing a day here or there. However, you do not think that Anthony is late or absent any more than the other employees who report to Corey.

Today, Corey made some more serious accusations against Anthony. He suggested that Anthony might have stolen some tools and/or materials from the workplace, but he had no proof. Also, he said that Anthony might drink on the job, but once again, Corey had no proof.

Corey wants to meet with you and the HR manager, Jessica Johnston, to discuss whether Anthony should be fired. You think that the idea of firing Anthony is rash and premature, but you agree to the meeting.

Assignment

Meet with Corey Williams and Jessica Johnson to determine what, if any, discipline should be imposed on Anthony.

SIERRA RAIN ORGANICS: ROLE OF JESSICA JOHNSON, HUMAN RESOURCE MANAGER

Setting

The setting is a fast-growing company that makes handmade, organic and earth-friendly consumer products. Seventeen years ago, the company was simply a manufacturer of handmade wood products. However, over time, the company has grown and repositioned itself as a leading manufacturer of wood and organic products in the region.

Background

You are the HR manager for Sierra Rain Organics. Sierra Rain is a medium-sized company of 550 employees, but just five years ago it was a “mom and pop” enterprise with only 50 employees, most of whom were related to the president and founder.

A long-time company employee, Anthony Wilson, has been brought to your attention by his supervisor, Corey Williams. You know that Corey doesn't like Anthony. Corey frequently comes to you to discuss Anthony's “performance” issues, like being occasionally late and missing a day here or there. However, you do not think that Anthony is late or absent any more than the other employees who report to Corey.

Today, Corey made some more serious accusations against Anthony. He suggested that Anthony might have stolen some tools and/or materials from the workplace, but he had no proof. Also, he said that Anthony might drink on the job, but once again, he had no proof.

Corey wants to meet with you and his immediate supervisor, Robert Royle, to discuss whether Anthony should be fired. You think this is premature, but you agree to the meeting.

Assignment

Meet with Corey Williams and Robert Royle to determine what, if any, discipline should be imposed on Anthony.

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1800 Duke Street
Alexandria, VA 22314-3499