Managing poor performance

What needs to be in place so I can effectively manage poor performance?

A Farm Policy Manual gives you a sound base to work from when you need to deal with poor performance. The manual should cover all your policies and procedures as well as the behaviour and results you expect from staff (e.g. the farm code of conduct).

Each employee must have an Employment Agreement which should refer to the Farm Policy Manual. When they sign the Employment Agreement they have agreed to abide by the farm “rules”.

The more clarity there is about the farm rules, the easier it is for everyone to follow them and to know when they are being broken. Right from recruitment and orientation, you can be emphasising the importance of high standards, and then reinforcing them at performance review time.

How do I manage poor performance?

Here are some steps you can follow to manage poor performance:

- As soon as you are aware of poor performance talk to the person about it, highlighting which of the farm rules have been broken and exactly how you expect them to improve. Ask them for their point of view and then decide whether this discussion will be enough to change the behaviour. If it is, no more needs to be done, although a brief note in your diary about the discussion is a good idea. Most issues can be dealt with in this way.
- If your initial discussion suggests there is a more serious problem, or the problem persists, you will need to initiate a more formal performance management process. Once again you need to fairly and clearly discuss the issue with the person, but this time make it clear that if their performance does not improve by a certain date they will be under performance management which could result in disciplinary action, such as a warning. Take thorough notes during the discussion and give a copy to the employee to keep after they have signed and dated it.
- You also need to discuss what you can do as an employer to assist them to perform to the required level, for instance, training, coaching or a buddy. The onus is on the employer to provide the employee with every opportunity to succeed in their role.
If the performance has not improved by the agreed date, it may be appropriate to issue a warning. This should set out the expected improvements and a date, and a signed and dated copy should be given to the employee.

Dismissal is the action of last resort. In the case of performance-related issues, it is generally only possible to dismiss an employee after two to three warnings. There needs to be clear evidence that the employee understood that their performance was not acceptable, they were given appropriate coaching and support to assist them to improve, and they understood the consequences of continuing to under perform.

How can I ensure the process I use is lawful?

To be lawful, disciplinary action or dismissal must be fair and reasonable. This means that:

- You as the employer must have good reason for the dismissal or disciplinary action, and
- You as the employer must follow a fair process in reaching and implementing your decision.

The Department of Labour website has very useful further information here: Department of Labour - solving problems

In all cases of dismissing an employee, legal advice should be sought before any action is taken.

Tips for performance management:

Many people feel uncomfortable about performance management. Here are some tips that will help you get it right:

- Get onto it straight away. The more you delay, the less impact you will have on your employee’s behaviour.
- Be firm but fair. It is your business that is suffering, but you also need to give your employee a chance to explain their behaviour and then to improve.
- Be very specific about the improvements you expect and the process you are following.
- Monitor the employee to make sure they are improving and support them to do this.