Managing poor performance

This item covers managing poor performance & how to avoid the set-up-to-fail syndrome. Performance management systems are designed to get the best out of people in the workplace. However, although they provide a foundation for constructing a positive employment relationship, this needs to be supplemented by work at a personal and emotional level to ensure that the individual feels supported and encouraged.

These so-called 'soft skills' can make a major difference to staff performance - motivating and encouraging high level performance or - if not properly handled – de-motivating staff leading to poor performance, high turnover and, in the worst cases, allegations of bullying.

Research (The Set-Up-To-Fail Syndrome: How Good Managers Cause Great People to Fail by Jean-Francois Manzoni and Jean-Louis Barsoux, Harvard Business School Press, 2002) has confirmed that poor performance at work is often the result of negative behaviour by managers themselves, which is then mirrored by employees. This is the 'set-up-to-fail' syndrome - whereby otherwise effective managers can inadvertently cause good employees to fail.

This briefing summarises:

- How and why the set-up-to-fail syndrome develops
- How this links in to claims of discrimination or bullying
- How to avoid the set-up-to-fail syndrome
- How to tackle the problem of the syndrome

Why does the set-up-to-fail syndrome develop?

The syndrome arises as a consequence of a number of paradoxical, unconscious processes.

- Managers typically respond to perceived low performers with more control and less support than they give to perceived high performers.
- Although the manager intends to be supportive, it is experienced by the employee as controlling and inhibiting.
- The manager notices evidence which confirms their view of the poor performer more than that which does not.
- Employees tend to label managers and make early judgements about whether they are in the in- or out-group.
- The manager's behaviour confirms to them that they are part of the out-group. The employee becomes hyper-sensitised to the manager's communications in a way that the manager does not understand.
- The level of mistrust and loss of confidence adversely impacts on their performance.
The employee disengages from the manager and may engage in oppositional behaviour.

The manager's perceptions are therefore reinforced by the behaviour of the employee and the cycle begins again.

**The manager's perceptions**

The research shows that managers will tend to form judgements about staff performance fairly quickly. This may arise from day to day supervision or as a result of a single incident which leads the manager to categorise them as a 'lower performer'.

Managers then change their behaviour depending on whether they perceive an employee to be a higher or a lower performer.

Typically, higher performers are given more challenging tasks and benefit from a richer relationship, spending more time in discussion with their manager.

Perceived weaker performers, however, are given more structured and mundane tasks which the manager will then monitor more closely. Managers choose more controlling behaviours towards perceived poor performers and are aware that they are doing so. Discussion is much more structured around specific tasks - what, how and by when.

The manager will tend to push his/her own recommendations on how the job should be done and monitor the outcomes more closely. They will be more ready to intervene and to pick up on unfavourable information. They become more distant, physically and emotionally, in the belief that this will motivate the employee to 'pull their socks up'.

Managers also start to change their perceptions in a way which conforms to their new label. The same behaviours by perceived higher and lower performers are interpreted differently.

For example, working long hours is viewed as being slow and unable to prioritise whereas the same behaviour with a high performer is viewed as being dedicated and taking responsibility.

While a manager might believe their approach to perceived weaker performers is supportive and helpful, in reality it can be de-motivating, and as a result the weaker performer begins to live down to expectations.

In addition, the manager's true perceptions and attitudes leak out -employees pick up on subtle, non-verbal signals that their manager gives out. They take note of the choices offered and controls applied and the subtle ways in which the manager responds to different people. Using these subtle signals, studies have shown that employees can, in fact, read the mind of the manager. They are able to feel under-confidence in spite of a manager’s conscious efforts not to show it.

**The poor performer's perceptions**

A person becomes a perceived poor performer for a variety of reasons, not all of them linked to actual performance.
Typically weaker performers will 'retreat into themselves', largely because their conversations with their manager have become negative.

In addition, the weaker performer will try to avoid making his image any worse in the eyes of the manager by nodding rather than asking for clarification when s/he doesn't understand advice or instructions. They are also more likely to cover up problems and volunteer less information, having learnt that sharing problems causes the manager to leap into often unnecessary action.

Furthermore, the weaker performer may also withdraw intellectually from the job s/he is doing. Employees treated as weaker performers frequently experience a loss of drive, enthusiasm or initiative. Tired of being rebuffed or ignored they lose the will to fight for their ideas.

Along with the erosion of self-confidence - which, according to the researchers, can happen very quickly - comes a negative impact on the rest of the work team.

Lack of faith in lower performers leads managers to overload perceived better performers. The team is also likely to experience performance problems, particularly if the work requires collaboration between team members. If some members have lost enthusiasm or become passive contributors then the team's overall ability to deliver will suffer.

**The vicious cycle**

Ultimately manager and employees become caught in a self-fulfilling process: the manager gets the behaviour and performance outcomes s/he expects from perceived weaker performers. This is seen as justification for the manager's assessment of the employee so the manager sees no reason to re-examine what's going on and their contribution to the process.

While most managers do try to be even-handed, their unconscious mental biases tend to get in the way. In pressurised environments, frequently facing time and resource constraints, a manager is likely to process information in a way which confirms his/her initial labels of staff, and this avoids the need to probe any deeper.

Nor is the labelling process limited to managers. Employees also tend to interpret their manager's behaviour differently, depending on whether their initial impression is that this is or is likely to be a 'great boss' or an 'impossible boss'. Events are seen through this lens and this can equally set the person up to fail.

In this way subordinates are equally capable of fuelling the cycle of mistrust by engaging in withdrawal or confrontational behaviour. It is the unconscious collusion of both the manager and the employee that makes the syndrome so damaging.

**How does the syndrome link to discrimination and bullying?**

The destructive the cycle described above can easily give rise to claims of discrimination or of bullying.

- Differences in the manager's behaviour towards poor and good performers can be perceived as being arbitrary.
- Perceptions of poor performers can be based on stereotypical thinking
- Close supervision is uncomfortable and can be seen as bullying
- Employees bring prejudices about manager behaviour which equates management with bullying
- Differences in management style can clash with the employee's expectations
- Because no-one sees the causal chain, each party is convinced the other initiated the problem and sees this as being personally motivated
- Disfavoured employees may 'stand up' to the manager as a way of asserting their personal freedom which managers perceive as insubordination
- Standing up to the other side becomes a matter of workplace identity and gives rise to a pattern of confrontational behaviour
- The fact that each side sees things differently keeps the causal chain going and creates powerful, negative dynamics.

The set-up-to-fail syndrome is not the cause of discrimination and bullying in the workplace, neither is it an excuse for unacceptable behaviour. It is an explanation of how normal behaviours can inadvertently cause under performance and de-motivation.

The operation of the syndrome can explain why, if the situation is not addressed, such allegations might occur, and it gives insight into how both managers and employees can restore a more productive relationship when things start to go wrong.

**How to avoid the set-up-to-fail syndrome**

Managers moving into a new position need to define acceptable standards of performance as quickly as possible. You need to make clear to employees what your expectations are and where the boundaries lie.

Some managers are afraid of coming across early on in their job as micro-managers - and hence tend to delegate heavily, observe how things work and then adjust their degree of involvement as they gather more information. This approach is a mistake. Early involvement and guidance by the new boss is not intrinsically threatening for employees because the actions have not been triggered by performance shortcomings.

Managers should work to distinguish between the person and their performance in the work context. This will reduce employee anxiety and defensiveness associated with feedback from the manager. Avoid 'premature closure'. The fact that an employee struggles in a particular area doesn't mean s/he will always do so. Under performance can have many root causes, such as lack of confidence, lack of skills, lack of understanding or lack of effort. The problem is that by the time your employee has improved, your mind could be already made up and the improvement goes unregistered.

Large problems usually start small and can often be resolved quickly if one of the parties initiates a discussion. The longer you wait to intervene, the more often employees will have repeated the mistakes and hence the more exasperated and less productive you will be, and the more threatening the intervention will be for your employee.

Reframe the activity of giving feedback as a two-way performance-related discussion where you and your employee both want the same thing - a successful professional relationship and
if possible a pleasant personal interaction. Make the session less threatening by approaching it as an opportunity to test your understanding of the facts and validate your inferences. Ask rather than tell.

**The twin pillars of a learning environment**

To avoid falling into the set-up-to-fail trap, managers need to establish the twin pillars of a learning environment:

- The upward pillar ensures employees feel confident reporting problems and asking for help

Remember that perceived weaker performers will tend to shy away from reporting problems and asking for help. As a result you are likely to discover the problem late, leaving you little choice other than drastic intervention and forceful directions. This only reinforces your employee's belief they are better off when you're not fully informed. One of the ways to prevent triggering and fuelling this is for employees to feel comfortable enough in approaching you with problems or to ask for help.

- The downward pillar ensures employees do not feel threatened by you and hence are more willing to accept and act on your feedback.

Work to establish a clear distinction between the employee's performance and the employee as a person. Don't jump to hasty conclusions about employee performance. Spend time discussing favourable outcomes. Face up to your own shortcomings.

**Establishing an open dialogue with employees**

The first requirement of an open dialogue is the ability to listen. This does not always come naturally as culturally most of us are programmed to voice our opinions and beliefs rather than listen to those of others, and when we do hear what others say, we are quick to make judgements. Use active listening techniques - such as checking understanding, probing and summarising - to ensure that you demonstrate to the other person that you are listening.

Secondly, ask employees to help you in improving the situation by giving you feedback on your management techniques. Some managers are likely to find threatening the idea of asking their employees for help - particularly those for whom they have less consideration. Won't it be seen as a sign of weakness? While this may have been true not so long ago, it is less common today, and in some organisations 360 degree feedback is being encouraged.

**Tackling the problem of set-up-to-fail**

The first step in solving any problem is to recognise that one exists.

The set-up-to-fail syndrome is both self-fulfilling and self-reinforcing - which tends to conceal both the manager's responsibility in the process and some of the key psychological and social mechanisms involved. As a manager, you will only develop the openness of mind required to increase the probability of a successful intervention if you are willing to accept that in a case of poor performance you are probably part of the problem.
You will need to have a full discussion with the weak employee, but before that you will need a serious preparation phase. This has two basic objectives:

- Firstly to allow you to work on mentally re-framing the discussion in a broader, more flexible way. Try to consider as many angles as possible, and avoid looking at the potential exchange within the frame of mind: s/he either does it my way, or I will have to discipline him/her.
- Secondly, to give you time to collect the evidence and develop the openness of mind that will allow you to convince your employee that the feedback and communication process is fair.

Use self-questioning to separate personal feelings from objective reality.

Try to prepare yourself mentally to be open to the employee's views, including the possibility the employee will challenge the 'evidence' about performance levels. Ask yourself these searching questions:

- Were our interactions always so difficult?
- Has something changed in the relationship?
- Was the employee always this bad? In fact, is s/he really as bad as I believe?
- What hard evidence do I have to support this view? In precisely which areas is the employee weak?

In thinking through these issues, try to look at things from the employee's point of view. Ask yourself: What are the things this employee does well?

Recognise that you are likely to have your own blind spots and prejudices:

- Could there be other factors, aside from performance that led me to label this person a weaker performer?
- How did we reach this point?
- To what extent has my behaviour contributed?

Examining your thoughts and feelings in this way is a crucial first step. It allows you to see your own defensive mechanisms and to screen out some of the emotional frameworks which may be interfering with your judgements.

**Maintaining a 'fair process'**

One of the cornerstones to success is the principle of fair process. This is not about having a fair outcome, as in a conflict situation this will be different for each party. The question is: was the process that led to the outcome fair?

This is a crucial distinction. An increasing body of research evidence shows when people perceive a process as fair, they are more willing to accept its outcome even when it is unfavourable to them.

People seem to take into account the following five dimensions when assessing whether a process was fair:
- Were their views heard? Was there some effort to gather and take their views into account?
- Are the decisions and rules applied consistently?
- Did they receive timely feedback?
- Was the decision based on sound facts and reasoning?
- Was communication during and after the process sufficient sincere and genuine?

**Six steps to resolving the issue**

**First**, you need to create the right context for the discussion. You should agree a meeting date, but it would be both unfair to the employee and probably ineffective to hold the meeting on the spot. If you have been preparing for the meeting for a few days you will have had a chance to gather your thoughts, examine the evidence, think about the evolution of the relationship and mentally frame the meeting in broad and flexible terms.

Your employee has yet to go through these steps and should be given some time to gather and examine his/her thoughts. You should be very clear in explaining exactly why you are arranging the meeting and what you expect to be the outcome. You may want to describe it to your employee as a discussion rather than a feedback session. It would not be helpful for this to be part of a formal disciplinary or capability procedure, but you would need to document the outcome of the meeting.

To help your employee prepare for the meeting, you could suggest s/he gives some thought to a few questions, for example:

- How successfully do the two of us work together?
- How good are our communications and overall relationship?
- Which aspects of your job do you find easiest?
- Which are you most comfortable with?
- And which do you find most difficult?
- To what extent do I help you perform?
- Are there things I do that make life more difficult for you?
- Overall what can we do to improve your performance, my performance, our joint performance and our relationship?

**Secondly** you must come to an agreement with your employee on the symptoms of the problem.

**Third**, manager and employee together need to arrive at a common understanding of what might be causing the weak performance in certain areas. This step assumes your employee will be willing to participate in a genuine discussion of his/her strengths and weaknesses. Very few people will see themselves as perfect and in no need of any improvement. However, some employees do overestimate the quality of their work performance and are unaware of their weaknesses. A major reason for this is likely to be that their previous managers have been reluctant to confront the employee's shortcomings. In the absence of past negative feedback an employee could be genuinely shocked by your feedback and tempted to reject it as biased and personal.
Fourth, manager and employee reach a joint agreement on the performance objectives and their relationship going forward.

Fifth, manager and employee build on the conversation they have just had to agree more open communication for the future.

Sixth the manager must follow through on the agreements made. You and your employee will have agreed to make certain changes, perform certain actions and/or reach certain performance targets by a given date. The onus is on you as the manager to ensure maximum high quality communication occurs during the period of the agreement.

At the end of the period you must also review with your employee how well s/he doing against the agreed adjectives. Ideally the agreed objectives will be specific enough and the communication process during the contract period effective enough that both parties will agree on the assessment of the outcomes. A fair process should also increase the likelihood that your employee will be honest in his/her self-appraisal.

**Potential outcomes**

The probability of achieving any particular outcome is difficult to predict, since it depends on many factors. But whatever the outcome, there's always some return on the manager's investment:

- In the best case scenario the intervention leads to a mixture of coaching, training, job redesign and a clearing of the air; as a result the employee's performance improves, the relationship improves and the costs associated with the syndrome go away - or at least decrease measurably.
- A less typical outcome is the scenario in which performance improves but the relationship does not.
- The alternative scenario is one where an employee's performance improves only marginally, but because s/he received an honest and open hearing from the manager, the relationship becomes more productive.

**When performance fails to improve**

Among under performing staff there will be some who fail to raise their performance standards and/or are unable to acknowledge and address their own weaknesses. Any intervention can succeed only if both parties really want to make an effort to deliver on the agreement. Where this is not the case, there are two possible answers.

One view is that as long as an employee meets minimum performance standards there can be no expectation that they should develop further. The organisation does not require staff with aspirations to develop and improve. If staff are happy to be doing an adequate job at their level, the organisation should let them get on with it.

The alternative view is that we live in a world where performance requirements for organisations are constantly being raised and the same is true for individuals. What's more, the individual's lack of aspiration has an impact on his/her manager, peers, employees and
other team members. Managers should therefore work hard at helping employees develop their skills, competencies and self-confidence.

There is obviously a tension between the two, and organisations need to be clear why they might take one view or another.

If, in spite of all these efforts an employee is not willing or able to raise their game the manager will need to take decisive action. This would require the manager to prepare for a formal disciplinary or capability procedure which could result in transfer or dismissal.

The decision to take formal action is never easy, and represents a failure to recover the situation. However, where the manager has given the employee a chance and a fair process was respected the impact on work colleagues will be lessened.

Experience suggests that most people when treated well want to do a good job. If you try to sit down and talk, if you give people a chance, and if you include your own responsibility in the discussion, the outcome is rarely disappointing. However, in some situations the skills gap is such that it is impossible to bridge, or the attitudes are so deeply entrenched that efforts to improve the situation are likely to be futile. In these situations managers have a responsibility to initiate formal procedures designed to resolve the issue.

**Formal procedures**

Formal procedures are helpful in taking the situation out of the hands of the respective parties and reaching a decision on the way forward.

The manager has the option of taking action under the disciplinary (or capability) procedure, the employee has the option of raising the issue through the grievance procedure.

On occasions, mediation can be beneficial as a means of attempting to resolve the situation, but this needs to be managed carefully to ensure that formal procedures are not compromised. Mediation can be perceived as being a way of avoiding the issue and adding to the harm suffered.

Employment legislation has now introduced a statutory grievance and disciplinary procedure for employers with the expectation that internal procedures should be completed before a tribunal application can be considered. In disciplinary or capability cases a tribunal would need to be satisfied that procedures had been followed correctly.

In some situations, a legally binding compromise agreement can be reached which settles a dispute which could be the subject of a tribunal case. This is legally binding provided prescribed independent legal advice has been taken. Although this is a possible way of resolving cases, there are many pitfalls to avoid and expert advice should always be sought.

Where the application of formal procedures do not result in a separation of the parties, awareness of the dynamics of the set-up-to-fail syndrome and the insights it brings into the situation of the other party, can help to restore trust and productive working over time.
