

# Personnel & Ethics II: How to Address Employee Underperformance Based on a Company's Disciplinary Policy

National Association of Elevator Contractors



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# About this Study Guide

This guide is intended to supplement your individualized Skillsoft learning by providing materials and examples specific to the vertical transport industry.

This document contains a disciplinary policy that outlines the grounds for progressive disciplinary measures from a company, and an example of an employee who may be subject to this policy due to underperforming.

Information included in this study guide is intended for educational purposes only. Check with your company for specific guidelines.

# Disciplinary Policy

ABC Company regards its employees as its most valuable resource. Employees contribute to the efficient and effective functioning of the organization. When performance requirements are not met or an employee's conduct is not in compliance with company or departmental policy, prompt, fair disciplinary action may become necessary.

Most infractions or performance problems will be dealt with through progressive discipline, however, employment at ABC is at will, which means that either the company or the employee can terminate the employment relationship at any time for any reason. Progressive discipline may include warnings, suspension, and in cases where a third written warning is issued, involuntary termination. In some cases, severe infractions may warrant immediate suspension without pay while an investigation concerning the circumstances surrounding an incident is conducted. If the investigation supports the charge that the infraction occurred, involuntary termination may be necessary.

The following will be grounds for progressive discipline:

1. Failure or inability to perform assigned duties.
2. Excessive tardiness or absenteeism.
3. Activities detrimental to customers/clients, other employees, the company or self.
4. Verbal abuse directed toward a Manager or Supervisor.
5. Failure to request a "virus" check on software or diskettes by Information
6. Systems staff prior to being loaded onto a company-provided personal computer.

An employee involved in one of the following activities may be suspended immediately without pay. During the suspension, the Human Resource Department will conduct an investigation regarding the incident.

1. Consumption of alcohol or illegal drugs or being under the influence of alcohol or drugs while at work for ABC whether at the main site or out in the field. Refusing to participate in chemical dependency treatment and complete chemical dependency counseling or a rehabilitation program. After completing chemical dependency counseling or a rehabilitation program, is found to be under the influence of illegal drugs, alcohol, or non-prescribed drugs at work a second time.
2. Selling illegal drugs on company property.
3. Sleeping while on duty.
4. Theft of company supplies or equipment.
5. Insubordination.
6. Physical abuse directed toward a Manager or Supervisor.
7. Grossly inappropriate behavior detrimental or hazardous to a customer or co-worker.
8. Absence for three consecutive days without notifying a Manager or Supervisor.
9. Breach of confidentiality concerning sensitive company operating information.

The infractions listed in this policy are not exhaustive and are subject to unilateral changes. Progressive disciplinary measures may be dispensed with at the Company's discretion depending upon the nature of the infraction.

# Example of Underperforming Employee

Mr. Challenge has been an accounts receivable clerk for six months for the ABC Elevator Supply Company. His overall performance during the first three introductory months was above average to good. In the last two months his performance has declined and receivables have been increasing. His attention to detail and organization have also lessened. Evidence which supports this decline includes:

1. A DSO increase to 57 DSO from the standard of 45
2. Monthly statements for delinquent, bad debt and total outstanding retainage have had four errors in the last two months resulting in an overstated AR.

Based on the company policy and what you have learned from other education sources in this program, describe the steps to be taken to improve performance.

## Actions

1. Meet with the employee and discuss the data regarding declining performance.
2. Ask him to identify possible contributing causes including Special Causes which are out of his control (weather, economy etc), Common Causes ( a cause that is part of the internal system such as invalid system, tools, work environment), and causes in his work approach.

(Note: if employee indicates a personal situation is contributing to performance decline, refer him to the company Employee Assistance Program.)

3. Commit to address special and common causes within your control.
4. Focus on job tasks of the employee that need improvement and together identify strategies for improvement.
5. Set goals to be reached and timeline: 1) return to DSO of 45 days in two months, 2) and zero error rate on reports.
6. Identify next step if employee does not meet goals, which according to policy, is discharge.