

# Dealing With an Underperforming Employee

By Doug Fleener

I recently worked with the owner of a store who was struggling with a long-term employee. The person has worked for their family owned business for a long time but over the past year the person's performance has fallen short of the owner's expectations. I think that all owners and managers would benefit from asking themselves the questions I asked him.

**1. Have you have told the employee in no uncertain terms that he is falling short of your expectations?**

Here's the best way to benchmark it. Have you sat the employee down in a private setting and had a conversation that was uncomfortable for both you and the employee? If not, your employee probably doesn't know how you really feel about his performance. You've probably hinted or made small comments but that won't work. The only way to fix employee issues is by having open and honest conversations, no matter how difficult they can be.

**2. Have you told the employee what specific level of performance you expect from him and when?**

In all fairness to the employee, this should be articulated as either a measurement or an observable behavior within a certain timeframe. You can't just say something like, "I really need you to do a better job" without defining exactly what you mean. Some issues are pretty easy to define, like the employee who is constantly late for work. The expected behavior is that he is to be on the floor ready to begin work by the start of his shift. Others can be a little more challenging, like a person who you feel is not putting forth enough effort with customers. Your expected level of performance might be that you want to see a 10% increase in sales within 30 days or an increase from 1.0 to 1.25 in their units per transaction (UPT) within 90 days.

**3. Have you stated clearly what the consequences are for not meeting the expected level of performance within the stated timeframe?**

Believe it or not, this is one step that a lot of managers skip but without a consequence the employee is unlikely to meet your expectations. The owner of the jewelry store asked if using an incentive would be better. Personally, I would rather reward someone than impose a consequence, BUT I don't believe in rewarding someone for simply meeting the level of expectations. If you have an employee who is constantly late for work are you going to give her \$10 every day she's on time? Of course not. Reward your employees for going above and beyond the expectation but have consequences for constantly falling short.

**4. Have you asked the employee what he needs from you to help him meet the expectation?**

One of my goals as a manager was that if I had to eventually let someone go, I know deep down inside that I did everything I could to help the person.

**5. Once you take the above actions, you need to follow up with the employee at the end of the timeframe and either congratulate him for meeting your expectations or follow through on the stated consequences.**

Here's what I eventually told the owner of the jewelry store. Either take the necessary steps to fix the problem or accept it, but being frustrated about it will change absolutely nothing. So let me ask, anyone on your staff frustrating you?

**About the author:** Doug Fleener is founder of the Dynamic Experiences Group. He is a veteran retailer with more than 25 years of hands-on retail experience with world-class retailers including Bose Corporation and The Sharper Image. He has also owned and operated his own specialty stores. His new book, *The Profitable Retailer: 56 surprisingly simple and effective lessons to boost your sales and profits* published by Acanthus Publishing is available at [www.theprofitableretailer.com](http://www.theprofitableretailer.com) or at Amazon.com.

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Fleener also shares his knowledge of experience based retailing in a series of custom key notes and workshops designed for stores, businesses, corporations, non-profits, and trade associations of all sizes. His casual style and quick wit make him not just a crowd pleaser but also an incredible motivator, encouraging people to take action and deliver extraordinary experiences to customers and employees alike. Learn more at [www.dougfleener.com](http://www.dougfleener.com).