



Four Steps To Effective Performance Management For Hospitality Employers

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Getting the most out of employees has always challenged employers, and hospitality employers are no different in this regard. It is particularly difficult in today's highly regulated business environment with changing employee attitudes. But, in the hospitality industry, squeezing out the very best performance from employees can dramatically impact guest satisfaction and ultimately profitability.

Performance management is not just about dealing with poor performers. Instead, as explained in more detail in his article, it is a holistic process that begins with getting the right people, setting employee expectations, coaching employees to deliver efficient, high quality service and terminating the employment of the poor performers or employees who do not fit into the organization.

Rather than reacting and finding ways to get a poor performer to do a better job after a problem surfaces, hospitality employers should look at performance management as beginning when a job opening is created. Hospitality employers should invest in the preliminary activities of recruiting, screening, orienting, training, setting expectations and creating effective performance evaluation systems. The ultimate goal is to get high-performing employees and to avoid disciplining and discharging poor performers. Achieving this lofty goal will be best for the organization and will help to avoid or at least minimize exposure to expensive employment litigation.

Step 1: Getting The Right People

In sports, the coaches with the best records are usually the best recruiters. The same thing applies to the workplace. If you get the best talent, you have to spend less time "coaching" their performance. Getting the right personnel starts with your recruiting efforts. It continues through the screening and in-person interviewing stages. This part of the process involves using criminal, credit, motor vehicle, education and/or other background checks that are legal and appropriate for

credit, motor vehicle, education and/or other background checks that are legal and appropriate for the position you are seeking to fill. Background checks are especially important for employers in the hospitality industry. It also continues through the introductory period of employment during which you are trying to figure out whether you made a good decision to hire a new employee.

Step 2: Setting Expectations

Once a selected applicant becomes your employee, provide that person with a thorough orientation to your organization and their role and how that person will fit into your culture. Tell the person about your guests, values, benefits, rules and expectations for successful performance. The more precisely you articulate these expectations, the more likely the person is to meet and hopefully exceed your expectations and those of your guests. This orientation stage is important in getting the new employee enthused and positive about the opportunity to work with you. As the saying goes: "You never get a second chance to make a first impression."

As part of the orientation process, you will need to complete all of the basic employment forms and to provide the new employee with a detailed employee handbook. That is also the time to execute any employment agreements or restrictive covenants that may contain confidentiality or non-competition provisions. Having these documents in place will convey the image that you operate your business in a professional manner and that you expect employees to act professionally, too. The orientation process also is the time to educate employees about the various rules, regulations, procedures and guest service standards that are unique to your operation or industry.

During the course of an employee's employment, you also will issue policies or directives relating to different matters of significance. Clearly articulating your expectations in writing will help ensure that employees are aligned with your expectations and, hopefully, prevent employees from straying outside the bounds of acceptable performance and conduct. Having these written policies in place will also become important if litigation arises.

In addition to just issuing policies, hospitality employers need to train employees and managers about their policies and procedures. Thorough training can make the difference in whether your guests are treated to two-star or five-star service. Any training should be documented by requiring attendees to complete sign-in rosters and/or individual Acknowledgement Of Training forms to be retained in the employees' personnel files.

You also will provide employees with on-the-job training opportunities to work with high performers so they can learn to do their jobs better. Again, as with clear policy direction, on-the-job training can

so they can learn to do their jobs better. Again, as with clear policy direction, on-the-job training can help employees succeed in their jobs to deliver the quality of service you expect and minimize the need for negative performance counseling, discipline or even termination of employment.

Step 3: Performance Coaching

If you get the first two steps right, then your job of performance “coaching” becomes easier. But even with high performers, you need to have pre-existing mechanisms in place to periodically review and “tune-up” performance. Of course, these same mechanisms need to be in place so that you can deal with improving the performance of the mediocre or poor performers as well. The most basic mechanisms for performance coaching are progressive discipline procedures and periodic performance evaluations.

In addition to annual or semi-annual performance evaluations, hospitality employers can use checklists, inspection reports, guest service surveys and/or other similar means to give employees feedback on a daily basis. These forms of feedback can have virtually instantaneous impact on identifying and improving performance issues.

Although progressive discipline is not required and should not be promised, most employers want to try to rehabilitate employees before terminating their employment, in part because of the high cost of recruiting, selecting and on-boarding new employees. To be effective, discipline needs to be timely, objective, impartial, consistent and appropriate for the circumstances. Progressive discipline also may help avoid legal liability. In an ideal world, employees do not engage in misconduct or poor performance and therefore you do not have to invoke discipline or even discharge to correct their behaviors.

Where discipline has not been necessary, formal performance evaluation systems can help you fine-tune employee performance. Employees want the feedback and having such a system in place allows you to offer constructive input without the employee feeling threatened. The process also can provide an opportunity for you to offer additional training, guidance and other types of support to help the employee perform better. Additionally, performance evaluation allows employers to more effectively gauge the morale of the workforce and to identify areas in which the employer might need to make changes. Finally, a good performance evaluation system also will allow you to assess your bench strength and plan for orderly succession of roles.

Other more sophisticated systems for performance coaching can include, among other things, 360 degree reviews, individual coaching either from within or outside of the organization and even professional interventions.

Step 4: Getting Rid Of The Poor Performers

If all of your attempts to set expectations and rehabilitate poor performers fail, the last resort is transitioning poor performers out of the organization. Effective termination of employees helps to eliminate poor performers and sends a message to the remaining employees that they must meet your expectations or suffer the same consequences. When done correctly, termination of poor performers or those who engage in misconduct may also help a hospitality employer avoid legal claims.

When dealing with performance-related terminations, employers should use progressive discipline – but they should not promise it. Start with constructive coaching and, if that is not effective in improving the employee’s performance, memorialize subsequent conversations in writing. Disciplinary memos should cover, among other things, a specific description of the problem, actions to be taken by the employee to improve, assistance to be provided by the employer to help the employee improve and a clear statement of the consequences. Written disciplinary warnings should end with “Repetition of this conduct, failure to follow any of our normal work rules or rules of conduct or to meet our standards of performance will result in further disciplinary action, up to and including immediate termination of your employment.”

Placing the under-performing employee on a written Last Chance Agreement or a Performance Improvement Plan or even on a suspension without pay can be effective in rehabilitating an employee before termination is required. Although termination of employment is the most negative of the performance management tools, its utility cannot be denied.

Conclusion

Rather than reacting and finding ways to get a poor performer to do a better job after a problem surfaces, you should look at performance management as beginning when a job opening is created. Invest in the preliminary activities of recruiting, screening, orienting, training, setting expectations and creating effective performance evaluation systems. The ultimate goal is to get high-performing employees and to avoid disciplining and discharging poor performers. Achieving this lofty goal will be best for your business and help to avoid or at least minimize your exposure to expensive employment litigation.

This article was first published in *Hotel Executive*.

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