

Clearing the Deadwood

How do you do one of the dirtiest of jobs—firing an employee—without creating a mess?

By PAUL M. CONNOLLY

It's hard enough to find and train the people necessary for business success. But firing people who are wrong for your business, which is just as important, is tougher. You'd probably have little trouble firing someone for flagrant misbehavior, such as theft, or firing a fairly new employee who just isn't working out. However, facing the fact that someone you selected and have worked with is no longer useful to your firm is quite different. Firing employees who don't provide the service you need requires special skills to avoid a messy situation.

If you regularly follow good performance-management principles, termination won't be much of a surprise to an in-

creasingly uncooperative or unable to get along with customers or co-workers. Maybe the person no longer feels challenged by the work, but no other work is available. Maybe he or she has developed personal problems that are influencing job performance. Perhaps the person is an excellent employee whom you no longer can afford to keep.

One of the most difficult situations to handle involves the formerly effective employee whose personal problems—divorce, alcohol, drugs, physical disability, or other—have affected job performance. As an employer you may have certain legal responsibilities. Additionally, there is an implicit agreement between employer and

Strong personal feelings commonly develop among the entire staff in small companies—that's part of what many people like best about working in small firms. If you fire an employee from a small staff, you could affect adversely the morale of the entire company and disrupt valuable productivity. If you decide just to leave an undesirable situation alone, you risk setting a bad example for everyone else. You also will be acting unfairly to your productive employees since, very likely, they are as unhappy about the problem employee as you are. Finally, if you try to make the employee's situation so uncomfortable that he or she leaves, you could spark a discrimination lawsuit.

Tough on any turf

The difficulty in dealing with terminations has its roots in both business and emotional reasons. From the business point of view, you don't want to risk office productivity unless absolutely necessary. Whether or not an employee must be terminated just isn't always that clear cut. In a small business you may believe that because everyone wears so many hats it's just a question of redefining the problem employee's role. Emotional aspects complicate termination decisions. You simply may like the problem person, or maybe he or she is a relative. You think the person is trying hard—what more should you ask? Perhaps you view the problem as just another challenge of running a small business and think you can turn the problem person around with a little more effort.

None of these by itself is sufficient reason for keeping an employee. But how do you handle the tough termination process? Keeping in mind that a business can't afford to carry employees who no longer are effective helps. It also helps to acknowledge that termination is a hard reality, and that you and the employee probably will be miserable. The biggest help, however, is practice in effectively handling such potentially tense situations. Principles for conducting effective termination meetings are described in Figure 1.

Pretermination thinking

The termination process begins before the termination meeting. Before calling an employee in to hear the bad news, you must know what your responsibilities as an employer are. State unemployment offices provide information on legal and administrative requirements.

You must also be as sure as possible that your decision to fire is the right one.

While deadwood can drain the life from any company, a small business is usually more vulnerable

effective employee. Ongoing performance counseling and appraisal efforts should include documenting—however informally—critical work activities and conversations. This documentation serves as both a motivational tool for the employee and legal protection for your firm. Firing an employee is the ultimate punishment and has its place only as a last resort, after corrective efforts prove futile.

Several situations can trigger your need to terminate an employee, and each requires different handling. Maybe you made a mistake in hiring the person in the first place. Or your business has changed and the person hasn't developed in line with new needs. It could be that the person is

employee to work out mutually desired objectives. Your responsibility is greater in hardship cases, and delicate, appropriate handling is even more important.

Smaller firms mean bigger problems

While deadwood can drain the life from any company, a small business is usually more vulnerable. In large companies, an undesirable employee can be referred to the personnel department for new placement or outplacement. In a small business, handling an undesirable employee is not as impersonal or easy. Usually the options are either to fire the employee, put up with him or her and make the best of the situation (i.e., do nothing), or think up ways to make the person decide to leave. None of these strategies is effective; each one can cause discomfort, disruption, and, possibly, legal trouble.

Paul M. Connolly is a senior consultant at Management Division Systems, Darien, Conn.

Review your documentation on the employee's job performance (this is documentation you should have been doing all along) and make sure you have as much objective information as possible. Write down specific examples of actions the employee took (or didn't take) that illustrate why the employee was not effective. Later, if the employee acts surprised at being fired and asks for reasons, you'll be able to say more than "because I've made up my mind." Make sure before you fire, too, that you've attempted to correct the employee's problems through performance counseling.

The final pre-meeting responsibility is to plan your approach thoroughly. First, decide what type of, and how much, help you want to offer the employee, if any. Second, prepare yourself to handle various emotional responses to your news that the employee is fired. You may be faced with anger, denial, shock, promises to change, crying, or even threats. Fear of facing these outbursts is usually why people avoid confrontation in the first place. Practice in dealing with each possible response helps.

The best way to respond to an emotional outburst is to acknowledge the emotion and its intensity, then instigate a less emotional discussion of the topic. For example,

if the fired employee responds by getting angry, you might say, "Bill, I can see you're very angry, and I can understand that. I'm upset about this, too. But none of this is going to help the situation. Let's be constructive and discuss how you can find another job as quickly and easily as possible. I'm prepared to offer you . . ." then list the things you're willing to do to help. If the employee denies your interpretation of matters, say, "Sue, I can see that you disagree with my view of things. Let's take some examples. Remember . . ." then describe as objectively as you can one or two of the incidents that helped you come to your decision. If the employee responds by crying, say, "I know you're upset, and I am too. But it's something that has to be done, and I'm firmly convinced it will be the best for both of us in the long run." Of course you can say no such thing unless you really believe it.

Don't be surprised if the employee's reaction is one of consensus and relief. You should practice handling those reactions, too, so you won't be led into offering a better severance package than you intended.

How to conduct the meeting

Conduct the termination meeting in a

private place so you will not be interrupted. Plan enough time for the meeting. Its length is no indication of its effectiveness—the meeting can take as little as three minutes, but it also can take more than an hour.

Begin the meeting by simply stating the fact that you decided you must let the employee go. It's best to be honest and direct so there are no misunderstandings. Then state the reasons for your decision. Be impersonal: Cite ineffective job behaviors, not personal characteristics, as the reasons for termination. It is best to give one or two reasons, without too much detail. If you are asked for further explanation, refer to the incident descriptions in your folder. In the case of the good employee whom you can't afford to keep, again, simply be honest about the facts.

Express your gratitude for the employee's efforts and your regret about the need to fire him or her. Skip this step if you can't be sincere about it. Insincerity is transparent and will threaten the person's self-esteem.

Offer whatever assistance you wish to provide. Typically this assistance includes providing a fair reference or writing a termination letter outlining the reasons for your decision. Perhaps you are willing to call someone who might have an appropriate opportunity. In the case of the good employee you really didn't want to lose, the assistance might include use of office resources for a certain period of time.

Next, perform any required administrative tasks. Discuss terms of severance pay and the date benefits will cease. Some states require that one or both of you sign certain forms for unemployment compensation to be paid.

Finally, ask the former employee to gather personal belongings and leave. Although this may seem coldhearted, in reality one will do much work until the former employee is gone. The end of the last day in the workweek is the best time for the termination meeting—the amount of time wasted is minimized and the opportunity for "water-cooler whispers" is diminished. The weekend lapse enables the rest of the employees to get used to the fact that someone was fired and to put the action in perspective.

Under no circumstances should you change your mind about the termination during the meeting. The time for having second thoughts passed as soon as you informed the employee of your decision.

A main principle to keep in mind throughout the termination meeting is that it's important to protect the self-esteem of

Figure 1—How to conduct an effective termination meeting

Before the meeting

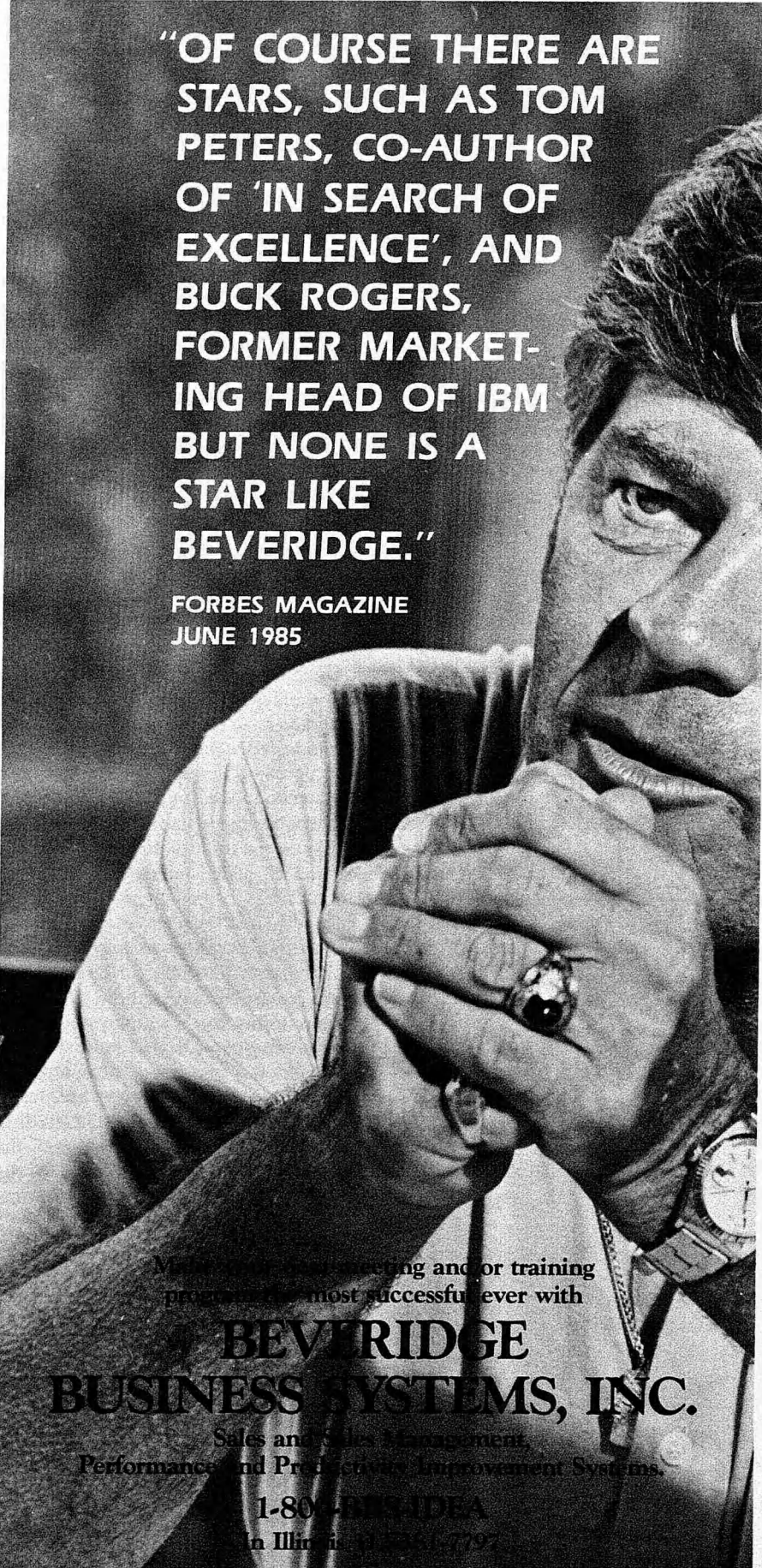
- Know your legal responsibilities.
- Document important job actions and conversations as thoroughly as is practical.
- Make attempts to correct problems through performance counseling.
- Be as sure as possible that your decision to fire is the right one.
- Plan your approach thoroughly.

During the meeting

- Conduct the meeting in a private place.
- State your decision.
- State your reasons.
- Express gratitude (skip if you can't be sincere).
- Offer assistance you wish to provide.
- Perform administrative tasks.
- Ask employee to leave. (The meeting should take place at the end of the last day of the workweek.)
- Don't weaken or go back on your decision.
- Protect the employee's self-esteem throughout the meeting.

After the meeting

- Maintain your self-esteem.
- Protect yourself from guilt by reviewing facts.
- Help other employees cope by being honest.
- Avoid negative public statements about the fired employee's personal characteristics.
- Hire new employees on a probationary basis.
- Don't second-guess yourself.



"OF COURSE THERE ARE STARS, SUCH AS TOM PETERS, CO-AUTHOR OF 'IN SEARCH OF EXCELLENCE', AND BUCK ROGERS, FORMER MARKETING HEAD OF IBM BUT NONE IS A STAR LIKE BEVERIDGE."

**FORBES MAGAZINE
JUNE 1985**

With our consulting and/or training programs, the most successful ever with

BEVERIDGE BUSINESS SYSTEMS, INC.

Sales and Sales Management,
Performance and Productivity Improvement Systems.

1-800-BE-IDEA

In Illinois, call 312-779-7797

the employee. Attacking a person's self-esteem almost guarantees a hostile response—including filing a lawsuit. Remember that an employee's inability to get along with certain people or to perform a certain set of activities doesn't make that employee worthless—he or she merely is in the wrong job.

Now that it's over...

When the meeting is over and the employee is gone, don't think of yourself as an ogre. Maintain *your* self-esteem. Your objective reasons for the termination may not prevent pangs of guilt. If you do feel guilty, flip through the folder of incident descriptions that helped you make up your mind about the firing in the first place. Also, think about other difficult decisions you made in the past to promote business success.

On Monday morning be as honest with the rest of your employees as you were with the fired employee. They may be fearful of their own job security, and you should address that. Don't say anything against the former employee as a person—doing so has no benefit and is unprofessional. If you think it necessary, state the reasons why the employee was terminated. You might add that you found firing the employee difficult and that you made the decision after careful consideration. If you are honest about the problem situation and state job-specific reasons for the termination, most employees will accept your decision.

When you hire a replacement for the terminated employee, hire with an understanding that employment is probationary for three or six months. This way, if the new employee doesn't work out, letting him or her go will not be difficult.

Above all, don't look back on the former situation and second-guess yourself. Be satisfied that you evaluated the situation fairly and objectively, and that you made the best decision you could, given the information and circumstances at the time. If you completed the termination process with minimal company disruption and minimal damage to the former employee's self-esteem, then you also can congratulate yourself for minimizing the interpersonal grief involved in a bad situation.

