

Module 6: How to Develop a Performance Improvement Plan

It's been six months since you brought a new customer support agent onto your team—and things aren't going well. The new agent consistently receives negative feedback ratings from customers. They often leave support tickets unanswered for one or even two weeks. They leave work early, turn in projects late, and put in the minimum effort to resolve customer problems or help customers find the information they need.

You've conducted one-on-ones with this employee every other week since they were hired. You've talked to them, given them feedback, told them what to stop doing, and coached them on what to start doing. They don't seem to hear you. Or maybe they don't care? You don't know. You're frustrated, exasperated, and left wondering, *"What should I do?"*

Click on the first lesson below—or the *"Start eLearning"* button above—when you're ready to begin.



What Is a PIP—and Why Is It Powerful?



What are the Contents of a PIP?

Do's and Don'ts





Summary



Knowledge Check

What Is a PIP—and Why Is It Powerful?



A **performance improvement plan**—or PIP, for short—is one tool that you can use to help underperforming employees address recurring performance issues. A PIP works by raising awareness about the issue, clarifying performance expectations, and giving the team member concrete action steps and timelines to resolve it.

In this lesson, you'll learn everything you need to know to develop an effective PIP, including:

- What is a PIP—and why is it powerful?
- What are the contents of a PIP?
- What are some do's and don'ts to improve the outcomes of a PIP?





How to Develop a Performance Improvement Plan

Watch this video to learn what a performance improvement plan (PIP) is, what its goals are, and how to develop one.

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What Is a PIP—and Why Is It Powerful?

A PIP, or performance improvement plan, is a formal document that outlines recurring performance issues along with specific action steps an employee can take to address them. A PIP is valuable because it:

1

Facilitates conversation. A PIP starts a conversation. It encourages the team member and manager to talk about a performance issue and explore the root cause of it. Together, the team manager and team member answer the question: *“What’s going on—and why?”* The team member should have input on a PIP, too.

2

Clarifies expectations. Second, a PIP notifies an employee of unmet performance expectations. It clarifies what is expected of the employee moving forward, and it communicates how their work behaviors must change.

3

Sets goals and establishes support. Finally, a PIP establishes what goals must be met, and when they must be achieved. It even identifies what additional training, support, or other resources are required for the employee to succeed.



A PIP is *not* meant to be used as disciplinary action. A PIP does provide documentation in case the employee fails to improve performance, and disciplinary action is required. However, the ideal result of a PIP is that the employee becomes aware of the problem and adjusts their behavior accordingly.



A PIP is a wake-up call, and it shouldn't be taken lightly. It indicates that there's a serious issue that requires the employee to make some major changes. Managers should be up front about any repercussions the employee may face if they don't improve their performance. But they should also express their commitment to coaching the employee and supporting them to get where they need to be.



Complete the content above before moving on.

What are the Contents of a PIP?



So, what should you include in your PIP? How should you format it, and what are its contents? You can format your PIP as a written document, outline, table, or spreadsheet based on your preference. No matter what format you choose, just include the following sections:

Current Performance

Start by defining the exact performance issue or concern that the team member needs to address. **What's the problem?** Be as specific as possible. For example, you might say:

- *Michael's monthly average for customer support satisfaction rates fell below 50% for January, February, and March.*
- *Emma repeatedly leaves customer support tickets unanswered and unresolved for three business days or longer [cite examples with details].*
- *Alonso missed two project deadlines [insert details about the project, the dates of the deadlines, and the dates that the projects were completed].*

Expected Performance

Next, clarify your expectations for the employee's role and performance. **What's the standard, or what's expected of them?** Again, try to be specific. So, in this section, you might expand by saying:

- *Customer support agents are expected to meet a monthly average for customer support satisfaction rates of 90% or higher.*
- *Customer support agents are expected to respond to customers within one business day.*
- *Employees are expected to manage different project timelines and workloads effectively, prioritise tasks, communicate and address roadblocks, and meet project deadlines.*

Comparing what's written in the first two sections of the PIP should clearly demonstrate the unmet performance expectation.

Corrective Actions —

Now that you've highlighted the gap in the employee's performance, the next step is to list corrective actions the employee can take to resolve it. **What can they do to improve?**

Corrective actions should be concrete, specific, and practical. They should focus on behaviours that the employee can start, stop, or change.

For example, you might identify actions like:

- *Michael needs to ask for help when he doesn't know the answer to a customer question, use more screen recordings or screenshots to illustrate complicated directions, and consult the response templates when dealing with unhappy customers or customer complaints.*
- *Emma needs to respond to all customer emails within one business day—even if it means letting a customer know that she is working on the problem and will be back with an answer by X time on X day.*
- *Alonso needs to use time blocking on his calendar, write weekly and daily to-do lists, incorporate project management software into his workflow, and reach out to his project manager as soon as he foresees a problem with making a deadline.*

This section is a great opportunity to get the employee's input and work together to brainstorm solutions. Make filling out this section of the PIP a collaborative effort.

Support Required —

Also, include a section that addresses the support required to improve performance. Again, this is a good opportunity to ask for your employee's input. What can you do to better support the employee, or what additional resources do they need to succeed?

For example, you might write:

- *Michael needs to be cc'd on X colleague's responses to customers to see more examples of how customer complaints or frustrations are handled effectively.*
- *Emma needs a better system for marking and tracking unresolved customer support tickets.*
- *Alonso needs additional training on how to use X project management software.*

Review Date and Notes —

After that, create a section that addresses when you and the employee will check back in to review their progress, discuss any challenges, and ensure they're on track. This review date should happen before the final deadline for achievement of the goals outlined in the PIP.

For example, if you decide the employee should be able to implement the changes outlined by the PIP within one month, then you might write the following in the review date section:

- *Michael/Emma/Alonso is scheduled to meet with their supervisor in two weeks on X date/time to review progress, talk about challenges, and make any other necessary plan adjustments.*

Extended deadlines or more challenging performance improvement goals may require you to meet multiple times for feedback and review.

Deadline —

Finally, the best goals are time-bound. So, establish a deadline by which the changes and actions outlined by the PIP should be implemented successfully.

- *Expected performance should be achieved in X weeks or by X date.*



Sign and date the document. Leave a space for both the employee and the supervisor to sign and date the document, indicating that the employee has been notified of the performance issue, knows what they must do to improve their performance, and understands that the employer may take disciplinary action if the performance expectations outlined by the PIP remain unmet.

Discuss the Consequences

In some cases, a PIP may be a last resort for an employee to improve their performance before facing disciplinary action—or even termination. Be open and up front about the consequences. For example, you should tell your team member if their PIP is a corrective action required to maintain employment. Understanding the consequences may give an employee the motivation they need to take a PIP seriously, dig in, and step up their game.



Complete the content above before moving on.

Do's and Don'ts



Consider these do's and don'ts to produce better outcomes from a performance improvement plan:

Do address issues directly and immediately. Give respectful and constructive feedback regularly.

Don't ignore performance issues, delay talking about them, or beat around the bush. Don't expect employees to know about a problem if you haven't communicated it to them.

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Do meet with the employee in private.

Don't call out an employee in public or talk about their performance issue with anyone

who doesn't need to know about it.

Do some digging to better understand the root cause of a problem.

Don't assume that you know everything about the situation.

Do make it collaborative. Ask for the employee's input on why they aren't meeting an expectation, what actions they could take, and what support they need.

Don't make it one-sided. You'll be more likely to get the employee's buy-in from a conversation—not a lecture.

Do gather and review relevant documents like an employee's performance metrics, past performance reviews, and job description or expectations. Use them to help you focus your PIP on data and observed behaviours.

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Don't base a PIP on character traits or perceived personality flaws. Also, don't develop a PIP for a single or isolated incident —focus on recurring issues.

practical directions that the employee can follow to get back on track.



Complete the content above before moving on.

Summary



A performance improvement plan (PIP) plays an integral role in communicating and correcting individual performance issues. It's an effective tool to use with employees who are consistently underperforming or failing to meet the expectations established for their role. Altogether, a PIP should:

- Define the current performance issue
- Clarify expectations for future performance
- List specific actions the employee can take to improve performance
- Identify what additional support is required
- Set review dates to check in and monitor employee progress
- Establish a deadline for achieving the goals outlined in the PIP

A PIP is *not* intended to be used for disciplinary action or to address isolated incidents. It is intended to be a collaborative process in which the supervisor and team member both brainstorm steps the individual can take to improve their performance as well as what additional support they need to succeed.



Review your PIP for bias. Managers should try to reduce bias from their performance improvement plans and discussions by

using neutral and descriptive language—not negative or insulting language. The plan should focus on behaviour—not character. Goals should be attainable and tied to the employee’s direct job responsibilities. Finally, there should be evidence or documentation of an issue. Don’t let your frustration with an employee cloud your judgment about their performance.

CONTINUE

Lesson 5 of 5

Knowledge Check



Module 6: Review Question

Question

01/01

Rohan has met with a subordinate, Corey, to work on a PIP together. Their conversation was constructive, and they've come up with a practical list of corrective actions for Corey to take. Rohan and Corey both sign the PIP before ending the meeting. What is Rohan's next step?

- Rohan's role is now over—it's up to Corey to implement the changes.
- Rohan should meet with Corey on the agreed-upon deadline to assess whether or not he's achieved the goals outlined by the PIP.
- Rohan should monitor Corey's progress and give feedback at a predetermined review date.
- Take disciplinary action if Corey's performance doesn't improve in six months.