

Research update...

Few firms tackle poor performance successfully

by Louisa Peacock

More than 80% of companies employ staff who fail to meet deadlines or show a poor attitude to work, new research by *Personnel Today's* sister publication *Employment Review* has revealed.

Four-fifths of respondents to a performance management survey, covering 139 companies with a combined total of 300,000 staff, have experienced under-performance to some extent, while one in 10 have confirmed it is a considerable problem.

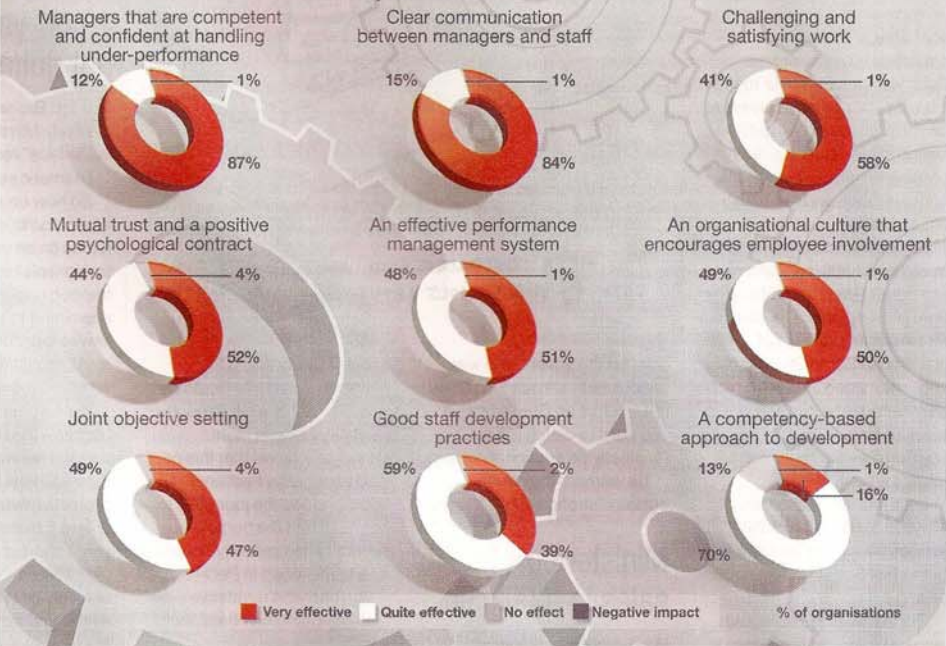
Yet just 8% claimed the organisation's policies and procedures to tackle poor performance have been successful.

So what can organisations do to tackle under-performance head-on?

The survey findings suggest the key to solving poor performance is communication, coupled with clarity about expectations and objectives, early intervention, and ensuring managers have a clear view of the underlying problem before applying a solution.

Companies stressed the importance of ensuring the under-performing employee understands and acknowledges there is a problem and accepts some responsibility for achieving a resolution. Depending on the cause, provision of support through training or coaching and regular contact with the

Effective methods to deter under-performance



stat of the week

87%

of organisations cite competent managers as the most effective tool to deter under-performance

Source: *Employment Review*

line manager is also a persistent theme.

Of a series of measures designed to improve performance (see graphic above), by far the most effective was having competent and confident managers to handle poor-performing employees.

Clear communication between managers and staff came a close second, followed by the ability to provide challenging work.

Recurring under-performance

Eight out of 10 organisations (81%) confirmed that agreeing an improvement plan with the employee would be the first step to

take for a first-time under-performer.

More than two-thirds (68%) of companies would jointly agree to more regular, informal performance reviews.

However, when dealing with systematic under-performance, more than one-third of respondents would resort directly to the disciplinary procedure (38%).

Some 118 respondents (94%) have disciplined at least one employee for under-performance in the past two years.

For more information, go to www.xperthr.co.uk

INFLATION

CPI annual inflation – the government's target measure – was 2.1% in December 2007, unchanged from November. Large downward contributions affecting inflation came from smaller increases to gas and electricity bills and falling furniture and furnishings prices. The largest upward contributions affecting the rate were from food and non-alcoholic beverages, clothing and footwear. RPI inflation fell to 4% in December, down from 4.3% in November.

→ www.statistics.gov.uk

JOB CREATION

More than 46,000 jobs were created across the UK's 21 key industries in December, up 4% year on year. This was also up from 44,000 jobs in November 2007. The retailing and wholesaling sector was the top performer last month in absolute terms, providing 9,700 new job creations. The leisure and recreation sector also performed well, creating over 7,000 new jobs, compared to 5,300 last December.

→ www.mandis.co.uk
→ www.adecco.co.uk

ONLINE RECRUITMENT

Online recruitment activity in the UK rose sharply in December, as the Monster Employment Index added five points, continuing its upward growth trend. The index increased to a level of 174 points last month, partly due to greater online job availability in the marketing, PR and media, and financial services sectors. The index is a monthly analysis of millions of online job opportunities culled from a large selection of corporate career sites and job boards.

→ <http://monsterworldwide.com>

WAGES

Average starting salaries awarded to successful candidates placed in permanent jobs rose for a 53rd successive month in December to 58.2 (on a scale where 50 means no change), according to the latest *Report on Jobs* by the Recruitment and Employment Confederation and professional services firm KPMG. Hourly rates of pay for staff in temporary/contract employment also rose to 57.6, linked to the recent rise in the national minimum wage.

→ www.rec.uk.com
→ www.kpmg.co.uk