

MARKLUND
HUMAN RESOURCES POLICY AND PROCEDURE

POLICY NO. 3.5

PAGE 1 OF 7

SUBJECT: DEVELOPMENTAL ACTION

DEPARTMENTS AFFECTED: ALL

APPROVED BY:

ORIGINALLY ISSUED: 7-16-93

REV EFF. DATES: 6-11-98;1-18-02;4-25-04;4-9-20

PURPOSE: The purpose is to assist supervisors when handling employee performance problems in a way that will benefit both the organization and the employee. Marklund takes the position that supervisors cannot really control an employee's behavior; they can only influence it. The employee is responsible for his/her own actions. This policy is intended to help employees take responsibility for their own actions and meet performance standards.

This policy is also designed to ensure that employees who do not correct their problem behavior understand the consequences of their actions and to provide a fair process before terminating the employment relationship.

POLICY: Marklund maintains high performance standards for employees in all positions as a means of fulfilling the organization's commitment to excellent service. At the same time, the organization respects the dignity of each employee and attempts to make reasonable efforts to assist employees in meeting and exceeding standards. When an employee's performance or behavior problem occurs, the corrective/disciplinary action should be based on both of these values: Marklund quality standards and respect for the employee.

There are two normal forms of corrective/disciplinary action:

- Progressive Action – A step-by-step process for dealing with moderately serious problems.
- Immediate Action – For dealing swiftly with very serious violations of Marklund policy.

However, since the circumstances in every case are different and no written policy can encompass all possible situations, Marklund reserves the right to modify the process or to take other appropriate corrective/disciplinary action based on the circumstance in each individual case. The examples of unacceptable behavior mentioned in this policy are intended only as general guidelines, not as an all-inclusive list of actions which may lead to corrective/disciplinary action.

PROCEDURE:

I. Progressive Action – For moderately serious problems

Supervisors should use progressive action to deal with problems in an employee's job performance or behaviors which involve significant or moderately serious violations of Marklund policy. Some examples of these problems are: an employee who consistently arrives late to work, an employee who displays sullen or uncooperative behavior towards clients or other employees, or an employee who does not meet quality standards for their job.

The progressive form of corrective/disciplinary action includes four possible steps. Not only do these four steps give employees several opportunities to correct their problems, but they also give employees ample warning that they are in trouble before they are subject to discharge.

Supervisors should consult with the Director of Human Resources before adding or deleting any steps in this process.

Each of the four steps in the progressive approach is explained below. It is important for supervisors to remember that when using this approach, they need to work closely with their employees on a day to day basis. Even though it is the employees' responsibility to correct performance problems, they need regular feedback and encouragement from their supervisors.

Employees on formal developmental action (i.e., a first or second written warning) are not normally eligible for a transfer or promotion for six months after the date of the write-up.

A. Initial Interview/Verbal Warning

If a supervisor observes that an employee is failing in a significant way to perform their job satisfactorily, the supervisor should begin corrective/disciplinary action.

- The first thing to do is to discuss the problem with the department manager/director and make sure they agree that corrective/disciplinary action is appropriate. The employee's page performance history should be considered, as well as recent incidents.
- They arrange a time to meet privately with the employee and discuss the problem. If you have not done so at the time when problems occurred, jot down some notes before the meeting citing specific examples of the employee's performance or behavior that are not acceptable.
- During the interview with the employee, first point out some positive things about the employee's job performance. Then explain to the employee the reason for the interview. Using the notes mentioned above, cite specific examples of what the problem is. Encourage the employee to talk about their problem, and if possible, to explain why it might be occurring. Once the problem is clearly understood, encourage the employee to discuss what needs to be done to correct it. The object is to gain the employee's agreement to solve the problem.
- The next step is to assist the employee in setting up a specific plan for correcting the problem. This plan must include what the employee needs to do, how the supervisor will assist the employee in achieving this, and a time frame within which the employee will achieve an agreed upon level of improvement, usually 30 days, depending on the situation. Also, schedule a follow-up interview with the employee to coincide with the end of the period agreed upon for improvement.
- Rather than issue a threat of more serious discipline to come, remind the employee of their responsibility to meet the agreed upon standards and thank them for their commitment to do so.
- After the interview is complete, write a brief report of what took place on the form provided. Place it in the employee's department file and give a copy to the employee. Remember, a verbal warning does not go into the employee's permanent personnel file.

B. First Follow-up Interview/First Written Warning

If the employee corrects the problem by the follow-up interview, the supervisor should still conduct the interview. Use it as an opportunity to congratulate the employee on their progress. However, if the employee does not come up with the standards by the follow-up interview, then the supervisor will have to continue with the next step – the First Written Warning.

- Before the follow-up interview, the supervisor should discuss the problem again with the department manager. During this discussion they prepare side one of the First Written Warning form. The form should be filled out as completely as possible.
- Although both the supervisor and the department manager should be present at the interview, the department manager usually directs the actual interview. During the interview, review the documentation on side one of the forms and point out the employee's failure to live up to the original agreement. Make sure the employee has a clear understanding of exactly what is the level of performance expected.
- Side two should be completed together in the meeting. The manager should ask for the employee's input about the problem and assist the employee in setting objectives and making a definite plan to overcome the problem. This plan should include what the employee needs to do, how the supervisor will assist the employee in achieving this, and a time frame with which the employee will reach an agreed upon level of improvement. Employees should ordinarily be given 15 to 30 days to correct the problem depending on circumstances.
- Then set up a time and date for another follow-up interview. This follow-up interview should coincide with the period given to the employee for improvement.
- Explain to the employee the First Written Warning is the second step in Marklund's Developmental Action Policy and review the remaining steps in the policy with the employee. It is important that they understand that you want to work with them to correct the problem, but they must also realize what will happen if the problem is not corrected.
- At the end of the interview, encourage the employee to write any further comments in the space provided on the form. When all the participants have signed the form in the appropriate space, both the employee and the departmental file should get a copy of the form with the original going to the Human Resources Department for placement in the employee's permanent personnel file.

C. (Optional) Performance Improvement Plan – PIP

A Performance Improvement Plan can be used to define serious areas of concern, gaps in work performance, reiterate Marklund's expectations, and the employee the opportunity to demonstrate improvement and commitment. A PIP can be used for a performance or behavioral issues, and issues related to goals, quality of work or quantity of work. If a manager or supervisor would like to implement a PIP, HR must be involved in each step (implementation, progress meetings, and conclusion)

- The plan template and FAQs can be found at the end of this policy, and should be used to develop the Performance Improvement Plan.
- The plan should include specific examples of behavior or unacceptable performance and include dates and description of details.
- The objectives and goals in the plan need to be specific and measurable, and should include details of what the supervisor will do to help the employee meet those goals.
- The plan should include a schedule of meetings that the employee and supervisor will use to check on the progress of the plan and to help coach the employee.
- The plan should also include details of consequences if plan objectives are not met.

D. Second Follow-up Interview/Second Written Warning

If the employee corrects the problem before the second follow-up interview, conduct the interview and use it as an opportunity to congratulate them on their progress. However, if the employee has not corrected the problem by this time, a second written warning must be given. One option at this point is to suspend the employee without pay. If the employee is suspended, the department manager is to alert the facility Administrator and the Human Resources Director.

- Before the follow-up interview is scheduled to take place, the employee's supervisor and department manager get together and prepare side one of the Second Writing Warning form.
- After the form is filled out but before the interview, the department manager must contact the Human Resources Director to discuss the employee's problem, what has been done so far to correct it, and the proposed corrective/disciplinary action.
- Once again, the department manager directs this interview with the employee; however, the employee's supervisor should participate. Discuss the problem and how specifically the employee has failed to correct it.
- Discuss what the employee needs to do to correct the problem and once again specify the standards the employee must meet, along with a timetable for meeting these goals. (**Note:** In general, a period of up to 15 days is appropriate at this time). The supervisor should reemphasize their commitment to help the employee meet these goals.
- Then, set up a time and date for another follow-up interview. This follow-up interview should coincide with the time given to the employee for improvement.
- Also, at this point the employee must be warned that this is the next to the last step in the Developmental Action Policy. It is very important that the employee understand that if necessary improvements are not made before the next interview, discharge will follow.
- At the end of this interview, give the employee an opportunity to voice any comments and write them in the space provided on the form. Then, all the participants in the interview sign the Second Written Counseling form, and the original is put in the employer's file, a copy is put in the departmental file and a copy is given to the employee.

E. Third Follow-up Interview/Third Written Counseling and Discharge

If the employee corrects the problem before the third follow-up interview, use it as an opportunity to congratulate them on their accomplishment and to encourage them to maintain the performance standards. However, if the employee has not corrected the problem by the time of the third follow-up interview, they will normally be discharged. Before the employee is to be discharged, the department manager must alert the facility administrator who will, in turn, advise the Director of Human Resources.

- Before the meeting, the department manager and supervisor get together to fill out the Status Change Form.
- The department manager then discusses the matter with the Director of Human Resources and the Chief Executive Officer or Chief Financial Officer, if appropriate.
- A representative from Human Resources should be present at their follow-up interview. The department manager or director should review the events leading up to this point with the employee. Make sure the employee understands the reason for the discharge.

- At this point, the employee should be given a chance to voice their comments and make any notations they wish in the space provided on the Status Change Form. If the Human Resources representative determines the employee raises a significant doubt that the termination is fair and appropriate, the Human Resources Director may decide at that time to suspend the employee pending the completion of a more thorough investigation. This investigation should not take more than one additional day.
- If the termination stands, the employee is then asked to turn in any Marklund property. The receipt of that property should be listed on the termination status form. All participants are required to sign the immediate action form. The original goes into the employee's personnel record, and a copy goes to the employee.

F. Recurrence of a Problem after Temporary Improvement

If the employee improves and meets performance standards during the time period specified in a corrective disciplinary interview, they should be commended and encouraged to maintain or improve on this level at the conclusion of the period. However, if the same problem recurs within twelve months of their last interview, the progressive action will normally pick up with the next step in order.

G. Occurrence of a Different Problem

If an employee has had written warning within the last twelve months and develops a problem of a different nature (e.g. an employee who was interviewed for not performing up to job standards now develops an attendance problem), it may be appropriate to deal with the new problem by repeating the most recent step level of corrective/disciplinary action, rather than going on to the next step or starting over at Step 1.

II. Immediate Action – For Very Serious Violations

Corrective/Disciplinary policy is designed to deal with those situations when an employee seriously violated Marklund policy. The immediate action approach consists of strong and swift disciplinary action – to let them and other employees know that their actions will not be tolerated – and in some cases, to help them correct problem behavior.

The following are some examples of behavior that may be grounds for such action:

- Client abuse or serious breach of client relations.
- Use or possession of alcohol or controlled substances on Marklund grounds, or being under the influence of any of the above when reporting to work or while on the job.
- Divulging confidential information about clients, Marklund, or other employees to any unauthorized person.
- Serious insubordination.
- Theft or unauthorized removal of Marklund property, another employee's property, or client's property.
- Defacing Marklund or employee's property.
- Falsifying time worked or falsifying information for personnel record.
- Verbal or physical fighting with, or assault upon, a client, fellow employee, supervisor, consultant, or visitor.

- Refusal to cooperate in a Marklund investigation, including refusal to submit to and investigative or diagnostic test.
- Possession of a weapon on Marklund property.
- Gross violation of a safety rule or client's care procedure.
- Sleeping on the job.

The above list is intended only to illustrate the types of behavior that are grounds for immediate disciplinary action and is not intended to be an all-inclusive list.

A. Suspension or Discharge

The immediate action form of corrective/disciplinary action has only two alternatives – suspension or discharge. Whether the employee is suspended or discharged depends primarily on the seriousness of their action and on their overall job record. If their offense is not extremely serious or if the employee has a long record of good job performance prior to this one incident, they should normally be suspended, depending on the circumstances. Prior to imposition of a suspension or termination, an investigation should be conducted. If the conduct is so serious or disruptive that it requires immediate action, the employee should be suspended and sent home pending completion of the investigation. The supervisor should then consult the department manager and the Director of Human Resources to decide which action is appropriate.

Employees receiving suspensions as a result of immediate action are not normally eligible for transfer or promotions for a period of six months from the date of the write-up.

If the supervisor cannot reach the department manager and the Director of Human Resources, the employee must be suspended, not terminated. In this situation, the supervisor should inform the employee that they have committed a serious violation of Marklund policy, send them home immediately, and tell them the department manager will be in touch with them. Then, once the matter has been discussed with the Director of Human Resources, the decision will be made whether to suspend or discharge the employee.

B. Suspension Procedure

- If an employee is to be suspended without pay for violating Marklund policy, act quickly. Contact the department manager and the Director of Human Resources to discuss the matter with them to verify that suspension is the correct response to the employee's actions.
- The next step is to inform the employee. In a private place, tell them what they did wrong, that they are being suspended without pay, and when they should return to work. One to three days is usually appropriate. Then, make sure that they leave Marklund grounds immediately.
- Once the employee has left, fill out the first section of a Suspension Form ("reason for suspension") as completely as possible. Keep the form to discuss with the employee when they return to work.
- When the employee returns to work, the supervisor and the department manager should go over the suspension form with them. Make it clear that they came very close to being discharged and that if they repeat the action **or again violate Marklund policy in any way**, they are subject to termination.

- Give the employee a chance to voice any comments they have about the incident and to write them in the space provided on the form. Once this is done, all participants sign the form and the form is put into the employee's departmental and personnel files.

C. Discharge Procedure

- The first thing to do is discuss the matter with the department manager who then contacts the Human Resources Director who will advise the CFO or CEO of the pending discharge.
- Once the employee's discharge is approved, the supervisor and the department manager get together and complete a status form. All applicable arts should be filled out as completely as possible.
- As soon as the status form is complete, the department manager should hold the final interview with the employee. A Human Resources Representative should also be present at the termination interview.
- The employee must be told exactly why they are being discharged, and then they should be given the opportunity to voice their opinions and allowed to write any comments in the space provided on the status form.
- If the Human Resources Director determines that the employee raises significant doubt that the termination is fair and appropriate, the director may suspend the employee until further investigation is conducted. This further investigation should take no longer than one additional day.
- If the termination stands, the employee is then asked to turn in any Marklund property. The receipt of that property should be listed on the termination status form. All participants are required to sign the immediate action form. The original goes into the employee's personnel record, and a copy goes to the employee.
- Any employee that receives a disciplinary discharge will not normally be eligible for rehire at Marklund without the collective approval of the Director of Human Resources and the CEO or CFO. A terminated employee will also not normally be allowed to volunteer for Marklund without prior approval of the Director of Human Resources and the CEO or CFO of Marklund.

Performance Improvement Plan (PIP) Frequently Asked Questions

PIP Plan format can be found in “Forms-Top 10” in the Common Drive

What is the purpose of a PIP?

The purpose of a Performance Improvement Plan (PIP) is to define serious areas of concern, gaps in work performance, reiterate Marklund’s expectations, and the employee the opportunity to demonstrate improvement and commitment.

At what point in the Developmental Action process do I implement a PIP?

- If a PIP is implemented, it should be between a 1st and 2nd warning.

How do I determine if a PIP is warranted?

- If there is an actual performance or behavioral issue.
- If you are committed to help the employee succeed.
- Issues related to goals, quality of work, quantity of work or quality of work are appropriate for a PIP. Insubordination is NOT appropriate for a PIP.
- Did the employee receive proper training? Rule out a training issue.

What details are important to include in the plan?

- Specifics regarding the unacceptable performance, dates and detailed explanations.
- Specific and measurable objectives that are achievable, relevant and include timelines
- Guidance on what the manager will do or provide to assist the employee in achieving these goals, such as additional resources, training or coaching.
- Details on how often the manager and employee will meet to discuss progress.
- Clearly stated consequences for not meeting the objectives of the plan.

What else do I need to do as a manager?

- Ensure that all progress meetings are scheduled up front and occur on time.
- Include HR in each step of the process (implementation, progress meetings, conclusion)

PIP Plan format can be found in “Forms – Top 10” in the Common Drive