

Corrective Actions

Three disciplinary actions, of ANY kind, will result in immediate termination, but get six and you're promoted to supervisor.

By Dan Zahlis

This business practice may sound hypocritical, even unorthodox, but it is common across the business landscape. Many will be tempted to assert the administrative law implications of such a policy, but there is a much larger risk resulting from this business practice: "It's the culture, stupid!"

Several years ago, we were involved in a national beta test of Active Agenda with a company with one of the world's most recognized brand names. While conducting the initial needs analysis, we reached the subject of corrective, or disciplinary action. The human resources manager was eager to notify us that they had a very strong disciplinary policy in place and that "three disciplinary actions, of ANY kind, would result in immediate termination." This organization obviously was protecting its hard-earned brand with clear employee expectations and well-established boundaries.

Our next series of questions centered on the process used to manage their disciplinary program. The human resources manager left to retrieve the "Write-up Binder." She soon returned carrying a binder that would violate NIOSH lifting guidelines. As she crossed the room, she was glowing with pride over this tangible illustration of her contribution to the strength of their brand.

She slammed the binder on the table and quickly began to explain the disciplinary process. "Every employee at the supervisor level or higher can write up an employee for a violation of the work rules listed in the employee handbook. The write-ups are progressive, beginning with

a counseling notice, then a verbal warning and then a written warning before termination. The write-ups are made on a small form that is sent to the human resources department, where they are taped to the next available vacancy in the binder, three write-ups per page."

My mind quickly began to process the math. Based on company policy, each page (front and back) represented two terminations. This place must have employed the entire town at one time or another! I began to wonder if the employees had ever received a copy of the employee handbook.

We immediately hired a temporary employee to key the employee work rules into the Corrective Action Situations module and then we gave her the "Write-up Binder." A couple of days later (about a \$250 investment), she had entered all of the write-ups into the Corrective Actions module. What we learned was that not only did this business fail to terminate employees after three infractions, they were promoting employees to supervisor after six.

As we revealed the news to a packed room of supervisors and managers, several supervisors acknowledged had been keeping their own files, as had two mid-level managers.

When the updated charts were revealed the next day, the disciplinary actions were dominated by "final written warnings," then "verbal warnings" and lagging way behind were "counseling notices."

Labor attorneys reading this story will cringe at the implications of such a policy and the inconsistency

of practice. Causes of action will be dancing in the plaintiff attorney's head (especially with a big brand name!). Worse yet, thoughts of helplessness, frustration, anger and retaliation were dancing in the employees' heads (we know because we talked to them).

Lawyers are a nuisance to be sure, but the real cost of ineffective corrective action processes is on the production floor. The real cost is hidden in numbers like yield, shrink, waste and lost time.

What Gets Measured

The Corrective Actions module measures the type, nature and frequency of disciplinary action across an enterprise. Proactive use of the module can provide those issuing discipline with the quantitative tools required to adhere to stated policies in advance of taking action.

What Gets Done

Corrective action gets applied early and consistently across an enterprise. Policies get managed with consistency and cultures get strengthened by the virtues of fairness and reasonableness. Best of all, the right people get promoted to the ranks of supervisor, a level of the workforce with a tremendous opportunity to impact performance.

This Month's Links:

Demo: <http://demo.activeagenda.net/list.php?mdl=cor>

Wiki: http://activeagenda.net/documentation/index.php?title=Corrective_Actions_Module

Forum: <http://activeagenda.net/discussions/viewforum.php?f=39> **OH**