**What is a performance improvement plan?**

A performance improvement plan (PIP) is a way to give struggling employees the opportunity to succeed while still holding them accountable for past performance. PIPs may be used to address either failures to meet specific job performance-related issues or behavior-related concerns. PIPs may lead to several different outcomes, including improvement in overall performance, the recognition of a skills or training gap, or possible employment actions such as transfer, demotion or termination.

**Essential Components of a PIP**

* Employee’s Information
* Relevant Dates
* Description of performance gap
* Description of expected and actual performance
* Plan of action
* Description of consequences if goals are not met
* Signature of the manager and the employee

**Steps to develop a PIP**

* Identify the performance or behavior that needs improvement.
* Provide specific examples of the poor performance or behavior.
* Discuss reasons that could be causing this behavior. Search for any tools, resources, or understanding that may help the employee improve.
* Create an action plan for improvement with set goals for the employee.
* Review action plan with Human Resources
* Determine a time to review the employee’s progress in the plan.
* Communicate any consequences that may occur if the employee does not meet the goals identified in the PIP.
* Determine the timeline for the PIP and set check-in times.

**Facilitating a PIP Discussion Meeting**

* Establish expectations and goals for the meeting.
* Let them know you’ve got their best interest at heart.
* Talk through challenges and victories.
* Let them know what they’re doing well, not just what needs improvement. When you recognize an employee's hard work, you empower them to continue the effort.
* Acknowledge the potential you see in the employee. (They may not even recognize this themselves!)
* Provide examples of the behavior or performance in question. Always provide examples and provide documentation if possible.
* Avoid vagueness or ambiguity.
* When you give feedback, you always want to let the employee know how they can improve. Don’t just say, “Be better.” Give the employee something specific, measurable, attainable, realistic and timely (SMART).
* Define the impact of the critiqued action or behavior.
* Don’t leave it at, “this is bad behavior.” Explain how this behavior impacts the company, employees, customers, or prospects.
* Allow time for the employee to respond.
* Take time to hear how they see the issue. Did they interpret it the same way as you or the supervisor did? Be careful to guide the conversation so it does not turn into an argument.
* Identify next steps.
* How can they improve? How can you help them reach these goals (training, resources, etc.)? Make the meeting about where the employee is headed rather than focusing on the past.
* Explain the consequences that may occur if the employee does not meet the goals.
* Establish a time for a follow-up meeting to evaluate progress and goals.
* Share the final document and follow-up plan with Human Resources.