

The Bottom 10

Some time ago, I listened to a webcast presented by the Society for Human Resource Management (SHRM). Jack Welch, Chairman and CEO of General Electric from 1981 to 2001, and now a management lecturer at corporate meetings, seminars and retreats, presented some of his thoughts on the current state of HR. Mr. Welch talked about the significant indicators of a successful enterprise, from the openness of the decision making mechanisms to the artful and creative programs around recruitment, retention, and general employee engagement. He had a number of wonderful insights into organizational behavior.

What was missing for me was an acknowledgement that not every enterprise is in business to make a profit. Actually, according to many of our faculty and senior leaders, academic medicine is not a “business” at all. A subject open for debate, but not in this article. In the course of the discussion, he passed along three cardinal rules that really apply to every organization, no matter what its focus, product, or flaws.

His three simple giveaways were: Listen; Keep confidences; Tell it straight.

Around the same time, I was moved and captivated (as were so many of us) by the story of Randy Pausch, the professor at Carnegie Mellon University who was then battling pancreatic cancer. The students selected Dr. Pausch to deliver the final lecture before commencement that year, and the resulting talk, broadcast on TV and web sites, inspired millions of people around the world.

Most impressive to me was his exhortation – one directed at the individual rather than the organization – that in order to be successful, live a good life, leave a lasting legacy, etc., one must “Tell the truth.... All the time”. These six words, he believed, were words to live by.

So, here were two men, about as different in personality and experience as they could be, and both were singing from the same hymnal. Be honest. If there was a sure-fire training and development session for leaders, managers, and human resources practitioners that could provide this simple lesson and make it stick, wouldn't our lives at work be much more fulfilling and engaging?

Welch and many others believe that, relative to performance and engagement, there are three tiers of employees. “The Top 70 Percent” are generally focused and resourceful; they know their roles, they believe they provide value, and they are enthusiastic about the goals and objectives they are expected to meet. We must spend time and resources on rewards, recognition and retention of this group.

“The Middle 20 Percent” (not mathematically of course) are just not sure there’s a win for them in the organization. They are often torn between the top 70 and the bottom 10 percent when pressed for an estimation of what’s right or wrong with the organization. Many HR leaders believe that this 20 percent should receive the most attention – move them to the top 70 and you strengthen the workforce; allow them to drift to the bottom 10, and they drain resources sorely needed for the work at hand.

“The Bottom 10 Percent” are those people whose performance or behavior or both have created a place for them at the bottom of the “people chain”. In most of our organizations, these unfortunate people do not know they are “the bottom 10.” We can recite the reasons why they are unaware of where they stand with their managers, HR, and other institutional colleagues. The most important reasons are performance evaluation systems that have no breadth for measuring attitude and addressing behaviors, managers who are not prepared to handle the tough conversations, leadership that shuffles uncomfortably when encountering conflict, and administrators who do not understand the real cost of workarounds or “up-staffing” to get the job done.

What if tomorrow we began to apply those tips provided by Mr. Welch and Dr. Pausch to this group of employees in particular? What are the additional resources we need? Could we then establish communications that enabled our managers and our human resources staff to talk frankly and confidentially with them about insufficient or inadequate skills, lost enthusiasm, apathy, or anger in ways that respectfully asked for investment? Then, what if we listened to their answers and honestly told them our conclusions? What if we do the unthinkable – terminate employment?

Twenty-plus years of experience tells me that if this were so easy to do, we would have all done it by now. No one wants to be the catalyst or the decision maker about someone’s livelihood and career. This is particularly true in the aftermath of the economic downturn and the continuing softening of the labor market. Yet thinning resources, coupled with the need for new generations of workers to be rewarded and recognized for their motivation and their contributions, make it imperative that we somehow address the Bottom 10.

So, where is the most appropriate place to begin? We have discussed performance evaluation systems, and most of us have reasonable success with them. If the problem begins in the department with the supervisor or faculty manager, are the systems in place adequate, or can we find a way to add depth to the existing system that will allow us to deal honestly with these problems?

It is estimated that we spend 60 to 70 percent of HR staff time focusing employee relations efforts on the individuals in the Bottom 10. In some extreme cases, for short periods of time, that percentage can approach 90. This is a significant allocation of your professional resources in time and salary.

In a very real sense, HR has been moving to the forefront in strategic planning, change engineering, and organizational development. More than ever, HR is emerging as a leadership

voice in our organizations; it is fair to say that in many organizations, we had been considered simply a “service” division.

One of Mr. Welch’s final remarks was that HR should “get out of the picnic, birthday and insurance business and suit up for the big game.” In spite of the credibility we have gained and the strides we’ve made, that job is still near to impossible in many of our institutions. Hampering the effort with time-consuming and fractious employee relations issues that repeat and repeat is frustrating and unworthy of our skill and our profession. And our reputation as the office that “never lets us fire” anyone prevents many middle level managers from trusting that we understand the “big picture” at all.

If we consider hallmarks of success to be our honest dealings with everyone, then we must be honest with ourselves first. In many of our institutions, there is not enough energy, time or stomach for leading the charge toward a culture where the “whole truth” is the rule. If this is OUR truth, then our work at least might be to help our leaders do the nearly impossible and practically difficult work of initiating small changes in that direction. The imperative is this: People know when actions and words exist at odds with one another.

But, while we work to address the issue, why not start with a simple exercise? A wise boss once told me that in dealing with any problem the first question you ask should be the one you ask yourself: “Who owns this problem?” In employee relations troubles, the answer is that the poor performer, the supervisor, and perhaps the department itself are the owners. Unless we are dealing with an issue that has legal, regulatory or contractual implications, it is likely that the most helpful action we can take is to consult with them about the problem, offer our considered opinion about next steps, and then -- give the problem back!

Often, we will deal with the same manager or administrator about the same employee again and again. Next time, when you are talking with a manager who is complaining about the same individual for the seventh time, ask this question: “And what did s/he say when you told him/her?”

I’ve found that this method of handing the ball back to the passer at least stops the headlong rush toward tossing the problem into your already filled and busy hands. Conversation stops for a moment, there might be a sputter or two, and then you will usually hear all the reasons why this won’t work, hasn’t worked, can’t work, etc. This speech is most often heated and accompanied by much anxiety lest you think them incapable of managing the situation.

Without judgment or rancor, ask whether or not the manager would like you to relay his or her words directly to the subject. Make certain they understand that your remarks in that meeting with the employee will be specifically attributed to them with reference to the manager’s comments or complaints. This is not a threat; rather, it is a way of placing honesty at the center of the relationship. Your motive is to alleviate the problem by offering possible solutions to the problem’s owners. This is a good point at which to remind the manager of the policy and process involved in disciplinary action (or whatever you have named your process). Pay particular attention to how much time it might take and what actions (or lack thereof) might complicate the process and the outcome.

In my experience, one of two things happens next. Either the manager disclaims and denies that the problem is as bad as you are making it, and asks you not to take matters further. Or, in rare cases, they give you permission to go ahead.

If the first situation occurs, as a conclusion to your meeting, let the manager know that the problem will likely not be addressed again by you or the rest of the HR staff until they are ready to follow through with openness and honesty about the impact and result of the performance or behavior. If they have not come to that point of action, HR is effectively disabled from resolving the problem. (Obviously if regulatory or legal issues exist, you must manage the issue accordingly.)

If the manager allows the meeting and permits you to discuss all the issues they have presented, lay out your plan, allow them to participate to the extent they are comfortable, and ensure that HR is present at any additional or follow-on meetings. Your organization's process should function well from here.

A word of caution, in either event you and your staff should also be comfortable (or at least capable) of managing conflict. If you are not, talk with your training and development folks; there are some great programs and literature out there.

How are you dealing with the Bottom 10?

One to read:

Jack, Straight from the Gut, ([ISBN 0-446-69068-6](#))

One to read and watch:

Pausch, Randy; Zaslow, Jeffrey (2008-04-08). *The Last Lecture*. Hyperion. [ISBN 1401323251](#). <http://www.thelastlecture.com/>.

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