

Subject Performance Management Program		No. 282	Page 1 of 8
Prepared By Corporate Human Resources	Prior Issue Date 07/01/13	Issue Date 02/01/14	

GENERAL

It is the role and responsibility of Beaumont leaders to coach and mentor employees to help them to achieve their best, and to address behaviors that are inconsistent or contradictory to these interests or the interests of Beaumont Health System. It is the role and responsibility of employees to understand and to demonstrate the Beaumont Standards in their daily interactions with others in the workplace, including but not limited to patients, families and fellow coworkers. Furthermore, it is expected that employees will perform their jobs in a manner consistent with the responsibilities, standards and expectations established for the position they hold and the policies, standards and work rules of their department and the health system. Employees who fail to perform in a manner consistent with these expectations will be subject to the Performance Management Program.

SCOPE

All staff level regular employees are subject to the Performance Management Program based on the guidelines outlined in this policy when their behavior and/or performance is inconsistent with the expectations and standards of the organization. Probationary and contingent staff are considered at-will and therefore not subject to the Performance Management policy.

**Management
Employees**

Management employees are considered to have at-will status with the organization. In general, they are subject to the Performance Management Program based on the guidelines outlined in this policy for staff level employees. However, based on the level, type, or seriousness of their failure to perform consistently with Beaumont Standards and/or leadership competencies, management employees may or may not be subject to a Performance Plan. Significant performance concerns and/or issues may result in removal from their leadership position or termination of employment.

DEFINITIONS**Performance
Improvement
Plan**

When a Performance Improvement Plan (PIP) is determined to be appropriate, the Performance Improvement Plan document will be used to inform the employee of the performance deficiency and to impress upon him/her that the behavior(s) must be corrected and improved performance is expected to be sustained. A Performance Improvement Plan is intended to be a constructive approach to improving employee performance for the mutual benefit of the employee and the organization. In most cases, each plan will be accompanied by a 30-day evaluation period.

Beaumont[®] | HEALTH SYSTEM

Subject Performance Management Program		No. 282	Page 2 of 8
Prepared By Corporate Human Resources	Prior Issue Date 07/01/13	Issue Date 02/01/14	

DEFINITIONS

Performance Improvement Plan (cont'd)

A Performance Improvement Plan will serve to establish the expectation for improved performance in the short term and to reinforce the expectation for employees to demonstrate a high level of continuous, sustained, improved performance over the term of their employment with the health system.

Suspension

Suspension is time off from work without pay. Suspensions applied to exempt employees must be in full day increments for one or more workdays, but less than a full workweek.

An employee who is charged or convicted of a felony may be suspended without pay or subject to termination depending on the circumstances. If the employee is re-instated, the employee will not receive payment for wages lost during suspension.

A suspension must be issued in consultation with Human Resources and the appropriate Administrator. However, when in the judgment of the supervisor, there is some question as to how to handle an immediate violation, or the violation is of major consequence, the employee in question may be immediately suspended while the matter is being investigated. This suspension is considered to be without pay, unless the results of the investigation indicate the employee is not at fault. In this case, the health system may be responsible for reimbursing the employee for lost wages during the suspension.

It should be noted that an employee in an active suspension stage will not be eligible for a base pay increase or any approved divisional incentive payout. For further details, refer to Compensation Program Policy No. 210.

Termination

Termination or discharge occurs when an employee is terminated from employment. This may occur as a result of a gross violation of health system policy that is serious enough to warrant immediate discharge. Termination may also occur in response to an employee's failure to demonstrate sustained improvement either during or after a formal Performance Improvement review period. In addition, if an employee receives two (2) suspensions in an eighteen (18) month period it will result in termination. All terminations must be reviewed by Human Resources and approved by the appropriate Administrator prior to the termination taking place.

Beaumont® | HEALTH SYSTEM

Subject Performance Management Program		No. 282	Page 3 of 8
Prepared By Corporate Human Resources	Prior Issue Date 07/01/13	Issue Date 02/01/14	

JUST CULTURE¹

The health system recognizes that human error does occur, even among the most conscientious professionals practicing the highest level of care. The occurrence of an error or near-miss at the point of care may be indicative of defects in associated systems and processes. To prevent future, and similar errors the related systems and processes must also be evaluated and improved. Identification and reporting of errors are essential steps in this improvement process.

Managers, in the application of the Performance Management Program, have a duty to manage employee performance and behavior and promote patient safety through the application of "Just Culture" principles, including (a) recognizing that human error may occur, (b) encouraging identification and reporting of errors, (c) investigating and identifying the cause of such errors, (d) participating in the process of system/process improvement, where necessary for the purpose of improved patient safety, (e) coaching employees on the risks of their behavioral choices and (f) avoiding inappropriate punitive reactions to errors.

The investigation of employee involvement in all safety related errors and near-misses, regardless of the outcome, must include the manager, and Human Resources to determine the duty that was breached and the type of error that was made or the at-risk behavior that was demonstrated. Incidents determined to be caused by the failure of a system or process will be addressed via the event review teams at each division. Employees involved/engaged in at risk behaviors will be coached as to the nature of that behavior and expected to refrain from such behavior in the future.

Incidents that are a result of an employees' repetitive human errors or repetitive at-risk behaviors whose cause does not originate within the work system, will be addressed through the application of the Performance Management Program along with those incidents determined to be caused by willful disregard of an established process or system, or by an employee's reckless behavior.

ADMINISTRATION OF THE PERFORMANCE MANAGEMENT PROGRAM

Beaumont recognizes that employees must balance personal and organizational values with:

- The duty to avoid causing unjustifiable risk or harm
- The duty to produce an outcome
- The duty to follow a procedural rule

Subject Performance Management Program		No. 282	Page 4 of 8
Prepared By Corporate Human Resources	Prior Issue Date 07/01/13	Issue Date 02/01/14	

**ADMINISTRATION OF
THE PERFORMANCE MANAGEMENT
PROGRAM (cont'd)**

To this end, Beaumont believes in a consistent, fair, systemic approach to managing behaviors that facilitate a culture that balances a non-punitive learning environment with the equally important need to hold staff accountable for their actions. Beaumont takes the position that all employees are fallible human beings and will make mistakes. As part of the normal investigative process, the manager will determine the type of breach/behavior that led to the event in question and will distinguish between blameworthy and blameless actions. The event will be assessed objectively using a systematic approach based on three classifications of behaviors/actions:

- 1) **Human Error** – Slip, lapse or mistake; unintended error and a product of a current system design
- 2) **At-Risk-Behavior** – A choice; the risk is not recognized, risk of the deviation deemed minimal or believed justified.
- 3) **Reckless Behavior** – Intentional risk taking; knows risk associated with action but consciously disregards the risk.

Additionally, managers will determine whether the breach by the employee falls under:

- 1) **The Duty to Produce an Outcome**
(Attendance/Tardiness, Follow Beaumont Standards, etc.)
- 2) **The Duty to Follow a Procedural Rule** (Unexcused Absence, Dept. Policies, etc.)
- 3) **The Duty to Avoid Unjustifiable Risk or Harm**
(Neglect of Duty, Confidentiality, Improper Conduct, etc.)

It is the role and responsibility of Beaumont leaders to coach and mentor employees to help them achieve their best and to address behaviors that are inconsistent or contradictory to the interest of the organization, our workforce, and the patients and families we serve and care for. The following will serve to outline the process and to provide guidelines for the administration of the Performance Management Program.

In all instances where the manager wishes to initiate a PIP, they must do so in consultation with their respective Human Resources department prior to issuance of a plan.

Beaumont[®] | HEALTH SYSTEM

Subject Performance Management Program		No. 282	Page 5 of 8
Prepared By Corporate Human Resources	Prior Issue Date 07/01/13	Issue Date 02/01/14	

ADMINISTRATION OF THE PERFORMANCE MANAGEMENT PROGRAM (cont'd)

A Counseling Record is recognized as a valuable performance management tool for the purpose of bringing performance or behavioral issues to the attention of employees. A Counseling is appropriate to utilize to address employees' at-risk behaviors that may or may not have already been previously addressed through a prior coaching session with the supervisor. A Counseling is required prior to progressing through a Performance Improvement Plan for repetitive at-risk behavior. Counseling records, where used, will serve as documentation of an expectation for improvement and will continue to be maintained solely in the employee's department work record/file. Counseling records are not subject to review under the grievance process.

PERFORMANCE PLAN LEVELS

Level I - Performance Improvement Plan

Employees will be subject to a formal written Performance Improvement Plan for failure to perform in a manner consistent with the standards and expectations of the organization, their department and/or the specific requirements of their position. Managers will document the performance/behavioral concerns and expectations for improvement on the Performance Improvement Plan form.

For most performance issues, managers will initiate a 30-day evaluation period by documenting the performance issue(s) on a Performance Improvement Plan form. During this 30-day period, managers should monitor the progress on the performance issues to ensure a satisfactory achievement of the plan expectations. Employees who have demonstrated the required improvement will conclude their formal evaluation period.

However, it should be noted that a Performance Improvement Plan is intended to serve as a reminder to the employee of the organization's expectation for continued sustained improvement. Therefore, employees placed in a PIP are expected to improve and sustain their performance at the level stated for the duration of the plan and beyond.

Employees who do not demonstrate an appropriate level of improvement during or at the conclusion of the 30-day evaluation period may be progressed to Level II of Performance Management which will result in a second action plan and 30-day evaluation period, or termination of employment.

Beaumont[®] | HEALTH SYSTEM

Subject Performance Management Program		No. 282	Page 6 of 8
Prepared By Corporate Human Resources	Prior Issue Date 07/01/13	Issue Date 02/01/14	

Level I – Performance Improvement Plan (cont'd)

The following will serve to summarize the types of violations, performance and behavioral concerns that would generally be addressed in a **Level I Performance Improvement Plan**. It should be noted that these are general guidelines and not intended to be exhaustive or all inclusive of violations, performance or behavioral concerns that may be addressed in a **PIP**:

- Repetitive human error
- Repetitive at-risk behaviors
- Poor Job Performance (in quantity and/or quality)*
- Behavior contrary or inconsistent with the Beaumont Standards
- Attendance/Tardiness
- Unexcused Absence

*Poor Job Performance includes, but is not limited to: below standard work in quality or quantity, inappropriate behavior, dress code, nicotine free environment violation, department codes and fire/health regulation violations, extended lunch/break periods, absence from the department without permission, failure to report injuries and failure to use safety devices and personal protective equipment.

Level II - Performance Improvement Plan

Employees may be subject to a **Level II PIP** for progressive performance/behavioral issues or a first offense of a gross violation of health system rules, behavioral or performance standards. Level II should include a written PIP and 30-day evaluation period. Depending on circumstances, **these violations may also be accompanied by an unpaid suspension of one to five days in duration**. Failure to demonstrate improved; sustained performance/behavior may result in Level III – termination of employment.

The following will serve to summarize the types of violations, performance and behavioral concerns that would generally be addressed in a **Level II PIP**. It should be noted that these are general guidelines and are not intended to be exhaustive or all inclusive of violations, performance and behavioral concerns that may be addressed at this level.

- Repetitive human error
- Repetitive at-risk behavior
- Progressive/previously addressed performance issues
- Neglect of Duty

Subject Performance Management Program		No. 282	Page 7 of 8
Prepared By Corporate Human Resources	Prior Issue Date 07/01/13	Issue Date 02/01/14	

Level II - Performance Improvement Plan (cont'd)

- More serious behavior contrary or inconsistent with service to patients, families and coworkers
- More serious behavioral violations contrary or inconsistent with Beaumont Standards
- Attendance/Tardiness
- Unexcused Absence (with suspension)

Level III – Termination of Employment

Employees may be terminated from employment either during or after the formal review period in Level I or Level II for failure to meet and sustain required improvement in behavior and/or performance or for additional violations of policy.

An employee may also be discharged without a PIP, if a serious violation of policy has occurred. The following will serve to summarize the types of violations, performance and behavioral concerns that would generally be addressed in **Level III – Termination of Employment**. It should be noted that these are general guidelines and are not intended to be exhaustive or all inclusive of violations, performance and behavioral concerns that may be addressed at this level:

- Theft
- Willful Damage to Health System Property
- Inappropriate/Unauthorized Access, Utilization or Revealing Confidential Information*
- Falsifying/Misrepresentation of Work Records/Intentional Time Card Violation/Collusion*
- Conflict of Interest
- Falsifying Employment Application
- Outside Criminal Activities
- Gross Neglect of Duty*
- Involvement in Illegal Activities in the Workplace*
- Sexual Harassment*
- Improper Conduct Toward Patients, Visitors, Employees or Supervisors*
- Working But Impaired by Alcohol or Drugs**
- Possession or Use of Alcohol or Illegal Drugs
- Possession of Firearms or Other Weapons on Health System Property
- Attendance/Tardiness
- Unexcused Absence
- Failure to improve or sustain performance as outlined in Level I and/or Level II Performance Improvement Plans

Beaumont® | HEALTH SYSTEM

Subject Performance Management Program		No. 282	Page 8 of 8
Prepared By Corporate Human Resources	Prior Issue Date 07/01/13	Issue Date 02/01/14	

Level III – Termination of Employment (cont'd)

- * Based upon the investigation, health system leadership may determine that Suspension as a lesser discipline is the appropriate action to be taken.
- ** Failure to Report to the Occupational Health Service or Emergency Department when directed may result in Immediate Discharge.

All Performance Improvement Plans (Levels I, II and III) must be reviewed and signed by the employee, the supervisor and/or the department manager and sent to Human Resources for inclusion in the employee's Human Resource record. The employee's signature acknowledges the form has been reviewed with him/her but does not necessarily indicate agreement. Copies should be maintained in departmental files.

An employee, who perceives a misapplication of this policy and feels he/she has been unfairly treated, shall have sole and exclusive remedy through the Employee Grievance Procedure (Policy No. 284). In any given situation, the decision of the Grievance Council on the propriety of the use of the Program for Performance Management is final and binding.

INQUIRIES

Any questions pertaining to the Performance Management Program should be directed to the appropriate Divisional Human Resources department.

¹Reference: Just Culture Community. (2008). Just Culture for Healthcare Managers. Plano, TX: Outcomes Engineering, LLC.

¹Reference: Just Culture Algorithm (attached)