Many healthcare organization leaders are spending 80 percent of their time on the 5 percent of employees who are not meeting expectations. Although we wish the low performers would leave our organizations, they are tenacious. They know from experience that they can outlast the latest “change initiative” if they just hang on a little longer.

Once after I had coached a manager on how to address a low-performer situation, I checked back to see how the conversation had gone. “Well,” she told me, “he convinced me that I was the problem!”

Indeed, when leaders tolerate low performers, they are drained of energy that could be better spent inspiring the middle- and high-performing employees who drive long-term sustainable results in an organization. In any change initiative, an organization eventually hits a psychological “wall,” where high and middle performers perceive the performance gap between themselves and low performers as unfair. They slow down, pace themselves, and results slow down with them, negatively affecting the entire organization.

Once that occurs, leaders lose faith in their organization’s ability to create and sustain long-term gains and turn to a new “program of the month.” The real solution to moving organizational performance long-term lies with employees: using specific conversations to re-recruit high performers, develop middle performers, and hold low performers accountable (“It’s up or out!”).

Inevitably, this solution creates an uncomfortable gap as low performers become more isolated from better-performing employees. Low performers improve or leave, which unlocks the full potential of the organization as it moves over the wall toward peak performance.

Preparing for High-Middle-Low Conversations

The first step in preparing for high-middle-low conversations is to categorize your staff into high, middle, and low performance groups. A useful tool is a staff differentiation worksheet that defines each type of employee with specific characteristics across five traits: professionalism, teamwork, knowledge and competence, communication, and safety awareness. These traits include behaviors such as how well an employee adheres to policies, demonstrates commitment to the work unit and organization, strives for continued professional development, and comes to work with a positive attitude.

Basically, high performers are people who bring solutions. Middle performers can identify the problem but may lack the experience or self-confidence to bring solutions. Low performers tend to blame others for the problem. They act like renters instead of owners.

Many organizations use their employee and physician behavior standards as a starting point for defining what constitutes high, middle, and low performance. If high-middle-low conversations will take place organizationwide, it is useful for your senior management team to come to consensus about what high, middle, and low performing employees look like.

Also, I suggest that leaders rate themselves. The best leaders are always willing to perform an honest self-assessment. Are you a high, middle, or low performer? What actions will you take as a result?
Often, leaders using this exercise to rank their employees ask, “What if I have an employee who is technically excellent, but nobody wants to work with him or her?” To qualify as a high performer, an individual must be excellent both technically and as a team member. In fact, I would even suggest that you terminate employees who get results but do not role model your organization’s standards of behavior, because they are so damaging to overall employee morale.

**Have the Conversations**

After you have ranked your employees, use an employee tracking log to track the name, rating (H–M–L), initial meeting date, and follow-up date/comments. Always begin by holding meetings with high performers first, middle performers next, and low performers last. Ordering the meetings in this way accomplishes a few things. High performers, for example, can dispel fear about the meetings when other employees ask why the boss wanted to meet with them. Perhaps most important, leaders report that they feel energized and fortified for those difficult low-performer conversations once they have enjoyed so many positive conversations with employees they value.

High-middle-low conversations are not evaluations tied to pay, so they should not take place at evaluation time. However, by repeating these meetings twice a year, conversations can complement staff evaluations so employees get the more frequent feedback they seek from managers. Leaders can help employees—especially middle performers—understand that these 15-minute meetings are opportunities for recognition, coaching, and professional development.

The objectives and outcomes are distinct for each type of conversation.

**High-performer conversations.** Re-recruit your best performers by giving specific positive feedback about what they do well, their accomplishments, and examples of positive attitude. Share information about where the organization is going, and ask if there is anything you can do for them to make their job better.

**Middle-performer conversations.** Use a support-coach-support technique. The overall tone of the meeting must be positive. Begin by reassuring these individuals that you value their contributions and that your goal is to retain them as valuable employees. Thank them for what they do well. Then identify and discuss one specific area for development—something you would like them to improve. Complete the conversation by reaffirming their good qualities and expressing your appreciation.

**Low-performer conversations.** Do not start the meeting out on a positive note. Use the DESK approach:

> **Describe** what has been observed.
> **Evaluate** how you feel.
> **Show** what needs to be done.
> **Ensure** that employees know the consequences of the continued poor performance.

Because low performers are so skilled at excuses, guilt, and indignation, these conversations can be difficult for managers. Be calm, objective, and clear about consequences if performance does not improve by a date you specify. Then follow through and take action.

**Leading to Excellence**

Do high-middle-low conversations really work to improve organizational performance? Perhaps Ken Buser, CEO of All Saints Hospital in Racine, Wis., says it best: “There’s no doubt about the impact these conversations have had on what we’ve accomplished,” he notes. “It’s a credit to our leadership team, who evidence their commitment to excellence in their interactions with people every single day.”

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