

COACHING VERSUS DISCIPLINE IN A PRODUCTION ENVIRONMENT

by Michael Harris

BUSINESS
CONSULTANTS

DEEP
TECHNOLOGISTS





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As a front line supervisor in today's warehouse environment, disciplining underperforming associates is a fact of life and necessary to ensure all associates are meeting expectations. However, there is a right and a wrong way to discipline underperforming associates. Unfortunately, many supervisors choose the wrong path. Instead of looking at discipline as a chance to coach an associate, most look at it as something that can only be done negatively. This problem seems especially common in operations that have implemented engineered labor standards.

In this paper, we will discuss how coaching and training can be more effective than disciplining when it comes to running a distribution center with high efficiency and morale.



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IDENTIFYING THE ROOT CAUSE

It is very common in warehouses with standards to find the management team disciplining an underperforming associate based solely on his performance percent—for example, John only achieved 80% of his target for the week. Whether it's a union letter or another formal write up, there is typically no detail on what circumstances caused the subpar performance. For example, was it because an environmental condition was not present, i.e., a wheel on John's picking cart is broken? Or was it due to something John is or is not doing? In either case, little work is typically done to find the root cause leading to this low performance. Instead, the written warning simply states that the associate only met 80% of his 100% target.

The issue stems from the workload placed on today's frontline supervisor (i.e., larger ratio of associates per supervisor, increased amount of clerical work, etc.). Instead of spending time on the floor managing the operation, technology has enabled supervisors to try and manage from behind a computer. So, instead of identifying the root cause of the issue, the supervisor is only looking at symptoms to make a diagnosis. If an associate is not achieving his standard, all the supervisor sees from the computer screen is a percentage—or overall "score." The supervisor does not understand the root cause. In order to diagnose the problem, supervisors should turn to observing the environment and surroundings along with the preferred work methods to identify first-hand what is causing subpar performance.

Let's assume that it is determined the worker had the ideal environment and surroundings in which to perform the work. The supervisor would then look to the preferred work methods to ensure they were being followed. Preferred work methods are important because they are the building blocks of the standards. The methods for each function guide associates through the process of completing their jobs in the most efficient way possible. If an associate is not following the key methods of his given function, there is a high probability that he will not meet an acceptable level of performance over the course of a night or a week. His performance percent will reflect this and the supervisor can then pin-point where and who to work with while reviewing previous shift or real-time performance. In this way, the performance reporting from the standard should be viewed as a symptom and not the problem itself.

THE IMPORTANCE OF A "HANDS ON" APPROACH

Once the supervisor has pin-pointed an associate who is struggling, the supervisor must spend time in the warehouse observing the associate's behaviors. This is where the front line supervisor's knowledge of the methods comes into play. Assuming that the supervisor has strong knowledge and understanding of the preferred work methods, the supervisor's observations should focus on where the associate is lacking specific to the preferred work methods. In some cases, it could be that the associate is adding an extra step to the process. In other instances, it may be that the associate is not maintaining the proper pace. In any event, the primary goal of the observation is to identify the issue(s) making the associate less efficient and communicating these issues to the associate in a manner that helps him understand "what's in it for me."



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COACHING AND TRAINING CAN BE MORE HELPFUL THAN DISCIPLINING

Depending on the issues discovered during observation, the supervisor should determine if retraining is necessary. If at all possible, the retraining should occur immediately to ensure the associate has the opportunity to move forward. In addition, immediate retraining helps the associate understand their issues as they are occurring versus waiting until the end of the shift and trying to explain what was missed.

Training should consist of the seven steps as outline below:

- *Trainer prepares*—In the instance of performance observations, the key here is to understand the preferred work methods for the function being observed.
- *Trainer explains*—Once the issue has been identified, the supervisor should explain the issue, why the proper method is more efficient, and how to follow the proper method.
- *Trainer demonstrates*—At this point, the supervisor should physically demonstrate the method to ensure the associate understands what has been explained.
- *Associate explains*—To make sure the associate understands the work methods, the supervisor should have the associate explain the proper method and make any corrections to the explanation, as necessary.
- *Associate demonstrates*—Once understanding is confirmed verbally, the supervisor should observe the associate demonstrating the proper method to again check understanding and ensure that they can consistently follow the method.
- *Review the training*—After explanations and demonstrations of the methods, the supervisor should briefly recap the training and reinforce with the associate why and how following the proper method benefits both the associate and the company.
- *Follow-up*—During the review, the supervisor and associate should agree upon a follow up schedule depending on the issues discovered during the observation and subsequent retraining. A follow up meeting will give the supervisor a chance to ensure the associate’s performance has improved. At that point, the supervisor can positively reinforce the methods and improved performance or take further action to coach the employee in the right direction.

Proper coaching should focus on helping the associate understand the personal benefits of improving his methods. Whether the result is less physical wear and tear or increased incentive pay, the supervisor should make sure the associate understands that increased performance through proper methods is beneficial to both the company and the workforce.

From a company benefit perspective, a coaching approach can increase overall performance, but it can also help to decrease turnover by creating associate “buy in” and increased morale. The cost of turnover can be high in any operation. A recent study by the “Center for American Progress” showed that the median cost of turning over one employee making \$30,000 per year was 16% of the employee’s annual salary or \$4,800.¹ Other sources believe this number is much higher when you consider all of the indirect costs that are associated with turnover (as high as 130% of the yearly salary). Either way, turnover has the potential to



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significantly affect a company's bottom line.

Approaching performance issues from a coaching perspective gives associates the opportunity to fix issues and to improve based on direct and specific feedback. This feedback and direct observation from the supervisor gives the associate a better chance of improving versus discipline solely focused on not meeting the expectation. Discussing and retraining on the root cause of the performance issue gives the associate an achievable item to work on and can improve their overall morale.

DISCIPLINE IS THE LAST RESORT

Discipline may still be necessary at some point if the associate is unable or unwilling to improve performance, but fewer questions are created when documentation is able to pin-point specific methods not followed versus just a performance percent that is less than the expectation without any supporting details. Detailed documentation from observations and retraining go a long way in making the case for firing an associate who continues to not meet expectation. There is no question that the associate understands the job, what is expected and every effort has been made to help this associate improve.

A coaching approach to managing an operation creates an environment of accountability and builds trust between the management team and the associates on the floor. With the tasks assigned to front line supervisors in today's warehouse operations, it can be difficult to get them out of the office and into the warehouse to properly coach associates. However, many solutions, like mobile devices and dashboards, have made it easier to take office work out into the warehouse. In addition, shifting low level clerical tasks back to true clerical employees can be justified through the increased performance typically achieved in operations where the management team manages from the warehouse. Properly coaching associates that are not meeting performance expectations can turn a mediocre operation into a thriving operation.

CONTACT

For more information, please contact: Michael Harris, Manager, (614) 372-7315
mharris@westmonroepartners.com

SOURCES

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