At Google, poor performers get a boost

For decades, Jack Welch embraced the up-or-out model of managing employees. The former CEO of General Electric instructed managers to rate every staffer and fire the bottom 10% every year. If you didn't move up, you were shoved out.

Google identifies the bottom 5% of employees. But unlike GE, Google lifts them up.

Laszlo Bock, who oversees Google's human resources, admits that there's no scientific way to measure every performance for every job. But he notes that the bottom 5% doesn't just include those who need improvement, but also "skimmers"—people who skim along and just barely meet expectations year after year.

Managers meet with these "bottom tail" performers on a regular basis. But rather than fire them, the message is, "I want to help you grow and get better."

Together, they devise a plan to elevate the employee's performance. Not everyone succeeds: Some people ultimately quit and the company fires others.

"Poor performance is rarely because the person is incompetent or a bad person," Bock says. "It's typically a result of a gap in skill (which is either fixable or not) or will (where the person is not motivated to do the work)."

For those who lack skills, Google provides training. For those who lack motivation, Bock's team explores to what extent the employee may respond to different incentives or work groups.

"This cycle of investing in the bottom tail of the distribution means your teams improve ... a lot," he adds. "People either improve dramatically or they leave and succeed elsewhere."

- Adapted from <u>Work Rules!</u>, Laszlo Bock, Twelve.