Maximizing the Performance of New Hires

Many factors play a role in the ability of an accounting professional to adapt and prosper during his or her initial months in a new job. The most important of these may well be the feedback and support received from managers.

Many supervisors make the mistake of waiting until the end of the probationary period to formally evaluate new hires. While these reviews are valuable, it's perhaps even more critical to let employees know how they are faring in their roles soon after they join the company. Those who have recently become part of your team are in particular need of guidance as they attempt to learn your firm's business practices, policies, and preferences. Ongoing feedback combined with formal appraisals can minimize the learning curve and help ensure a productive start.

ILLUSTRATION: IMAGE ZOO

Evaluate what matters most

By reviewing performance in critical areas early on, you can offer suggestions for improvement and minimize the chance that minor issues will become major problems down the road. In addition to competency with basic responsibilities, consider how well the individual is acclimating to the work environment. Has the employee formed positive relationships with colleagues? Does the person take the initiative to seek help with questions or concerns? Does he or she willingly assist coworkers? How well does the accountant communicate with others throughout the organization? Is there a demonstrated commitment to ethics? It may take some professionals longer than others to adjust to a different company, but you should see signs the person is becoming increasingly comfortable in the new role.

Correcting problems

Don't wait until a formal performance appraisal to offer constructive criticism. All employees benefit from comments about their progress. Providing periodic and timely feedback to new hires, however, is of particular value in helping them stay on track.

When you must find fault with an employee's performance, do so privately. And be sure to provide specific comments rather than broad statements. For instance, don't say: "I haven't been satisfied with your ability to meet deadlines." Instead try: "Your corporate departmental expense analysis was submitted two days late, and you have yet to meet with the controller about developing improved internal controls—both of which were high priorities discussed when you joined the company."

While you should be straightforward in offering criticism, it's also important to give a recent hire the benefit of the doubt before determining if the person is a poor fit. Were your expectations realistic given the employee's skill level and training opportunities? Did you offer adequate support? Recognize, too, that you might not always be aware of the reasons someone is failing to meet standards. In the example above, you might discover that the analysis was delayed because two department managers submitted data late or the controller failed to return phone calls. New employees, in particular, may be reluctant to point out any challenges or obstacles they are facing out of fear of being viewed as incompetent in their roles. As a result, you must be willing to dig a bit deeper to uncover all the facts surrounding what appears to be poor performance.

While in some cases you'll decide the new employee isn't working out, many times you can inspire a turnaround by developing steps for improvement. For example, you might require an accounting professional to attend training sessions in a weak skill area or partner the individual with a mentor who can offer assistance in mastering a new process or procedure.

A well-rounded perspective

When it's time for a formal performance appraisal, first solicit feedback from others using a process known as a 360-degree evaluation. This entails asking the new employee's coworkers, managers, and any subordinates for comments on the person's abilities in such areas as project management, accounting proficiency, and teamwork. The process will give you a better-balanced perspective on how the individual is performing within the organization. It can also give you insights into aspects of the employee's attitude, cooperation level, and professionalism—things that aren't always apparent to a direct supervisor.

In addition, ask the recent hire to complete a self-appraisal about the initial months on the job. You'll show that you're interested in his or her opinion while gaining additional information that can help you create a more accurate final analysis.

The more feedback you provide during the first months on the job, the greater the likelihood a new hire will succeed in the position. Assess performance carefully, offer ongoing comments, and suggest solutions to any problems. You'll help the individual get off to the best possible start at your organization and encourage continued high performance. ■

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result, the company had to slash prices to sell their product in the new market segment, which resulted in much lower margins and ROI. In effect, the product offering fulfilled an otherwise unmet customer need very well in one niche market segment but overshot the customer needs in the other. The customers in the new market segment weren't willing to pay the full price for the product.

The lesson here: A good product and profitable product in one market may be an unprofitable product in another. Using guidelines from Return Driven Strategy, this business unit should find a way to realign the features and cost of its product offerings with customer needs in the targeted "other" market segment and earn a positive spread, or it should exit that market segment.

The Discipline of Strategic Investment

Take a close look at your investment and growth plans for next year. Is your company making investments in the right areas? Is the company divesting in the right areas? The guidelines of Return Driven Strategy and the ROI Spread/Growth Matrix can provide the strategic discipline for investment decisions that will focus and align your business strategy with long-term financial value creation. ■

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