



## Promotions & Terminations

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# Promotions & Terminations

Change can be scary for most businesses.

While companies want their revenue to change for the better, altering any of the processes that they have in place within the business can be scary.

This is especially true when it comes to employees:

- Companies hate the idea of firing someone and hiring someone new, even if they're not performing.
- Companies hate the idea of paying their employees more and putting them in new positions when they are performing well.

Most businesses like to stay with what works, but what works may not be what's ideal for the long term:

- Employees that are not pulling their weight are causing you to lose out on revenue.
- Employees that are excelling could help you make more revenue and may be unsatisfied without the rewards.

Promotions and terminations are both terrifying events for the average employer, and yet they are also necessary to keep your company as efficient as possible. The question is – when is the right time to promote, and when is it time to let someone go?

## When an Employee Deserves a Promotion

Promotions generally serve two purposes. They put an employee in a role in which they are better suited, and they improve loyalty and satisfaction because they reward great employees for their hard work. There are also two types of promotions:

- Those that change the role of the employee.

- Those that change the title of the employee.

Not every promotion has to create much change in the company. While you may need to pay an employee slightly more, a great employee that brings in a lot of revenue is likely worth the small increase in pay. It's because of these two ways to promote that promotions are slightly easier decisions than terminations. You should consider promoting an employee when:

- You believe the employee will excel in some type of leadership role.
- You believe that their knowledge and experience could help new employees.
- You have evidence that the employee is worth much more than they are paid.
- You want to reward an employee for their hard work.

If want the employee to stay in the same position, you can still give a “promotion” that adds a task or two and changes their job title to one that is better suited for their contributions. But if you also have an employee that is clearly capable of performing better tasks, a promotion – while scary, because you'll have to recruit a new staff member all over again – is worth it for your company and for the employee.

## When an Employee Deserves Termination

Terminating an employee is one of the hardest decisions that a company can make. The biggest problem with termination is that the cost of hiring a new employee is often substantial, and there isn't necessarily a guarantee of future employee success. In addition, just because an employee isn't contributing doesn't mean that the staff isn't fond of the employee. Letting them go can be personally tough on people too.

## Continued... Promotions & Terminations

But there are times when terminating an employee is the right decision. This is especially true when:

- **You Can Prove Their Lack of Productivity**  
– Subjectivity can hurt businesses, and there are occasionally employees that are contributing well that simply do not “look” like they’re contributing. Firing them is a bad decision. But when you can prove a lack of productivity through numbers and evidence, and a demotion or change of roles is not possible, termination makes sense.
- **Difficult Workplace Environment** – It’s not necessarily their own productivity either. It’s also how they affect those around them. If there is evidence that the employee is creating a difficult workplace environment through negative behaviours, poor teamwork, and more. Once again, “proof” is necessary, but those behaviours often bring down the productivity of other staff and hurt your company with turnover and lost hours.
- **Employee is Breaking Workplace Rules**  
– Finally, any time an employee is breaking workplace rules, it may be worth terminating their employment. An employee that spends most of their time on Facebook, comes into work late, or breaks any laws is someone that often brings in more problems than they create. They may still be productive, but their productivity could likely be improved upon substantially.

It’s hard to let go of an employee but there are often upgrades out there. You’ll want proof – both for legal protection and because subjectivity could cause you to fire someone that is actually productive – but when you can prove that it’s time to let someone go, they should be let go.

## Protecting Yourself and Hiring for Open Positions

The hardest part for most companies is, of course, the idea that they have to hire someone new for those positions. That’s why contracting with Recruit Shop can be advantageous, because we can help you find a new employee for only \$1,995 +GST. We only put forward candidates who meet your specific criteria to ensure that your hire will provide a long term benefit to your company. It doesn’t matter if you need to hire someone to replace an employee after a promotion or to protect yourself from an employee termination, our services make the process faster, easier, and provide you with a productive replacement.

But the most important thing to remember is that promotions and demotions are a necessary part of the workplace, and a company that is more “on the ball” with regard to when to promote and when to terminate will have more productive employees moving forward.

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