



# How to Create, Implement, and Execute a Performance Improvement Plan (PIP)

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## Learn What a Performance Improvement Plan Is; When to Use One; and How to Create, Manage, and Document a PIP Effectively.

When performance issues arise, managers need a clear and constructive way to address them. A performance improvement plan (PIP) offers a structured framework to help employees understand expectations, correct gaps, and work toward measurable progress.

In this guide, we break down what a PIP is, when to use it, and how to implement it effectively.

### What is a performance improvement plan (PIP)?

A PIP is a structured, written document that clearly outlines performance concerns and the specific actions an employee must take to meet established expectations.

Typically co-developed by the employee, their manager, and human resources, a PIP defines measurable goals, support resources, and a set timeline for improvement. For instance, an employee who consistently misses deadlines may need targeted benchmarks and regular check-ins to address the issue.

Ultimately, a formal PIP gives the employee a fair chance to improve while allowing their manager to document performance issues and next steps.

“At our agency, we view a performance plan as an opportunity,” explained Lauren Izaks, Executive Vice President and Chief Operating Officer of All Points PR. “What an employee chooses to do with that opportunity is ultimately up to them, but it’s our responsibility as leaders to make the path forward as clear and supported as possible.”

### What to include in a PIP

Rather than being purely punitive, a PIP should clarify the expectations, outline support, and establish a transparent path forward. A well-crafted PIP typically includes these key components.

#### Company expectations

Start by clearly defining the organization’s standards and the specific responsibilities tied to the employee’s role. This section should remove ambiguity by outlining what successful performance looks like and how it aligns with team and company goals and internal communication systems. Clarity at this stage ensures the employee understands the baseline they need to meet.

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## Areas for improvement

Next, identify the specific performance issues that need improvement. Focus on objective examples and documented outcomes rather than subjective opinions. Clearly connect each concern to previously stated expectations and reinforce that improvement is both achievable and supported.

## Action plan

The action plan should detail measurable goals, a realistic timeline (often 30, 60, or 90 days), and the resources available to help the employee improve. Include milestones to track progress, scheduled check-ins with management or HR, and any necessary training or coaching.

“There also needs to be mutual accountability,” explained Izaks. “The employee is responsible for meeting expectations, but the manager is equally responsible for providing guidance, feedback, and support throughout the process. When a plan is structured, it creates focus. When it’s vague, it creates fear.”

## Next steps if the PIP is not followed

Finally, outline the potential consequences if the employee fails to meet expectations within the designated time frame. Next steps may include further disciplinary action, reassignment, or termination, depending on company policy. Consulting HR ensures that all next steps are consistent and in accordance with organizational guidelines.

## When to use a PIP vs. other coaching options

A PIP is most effective when there is a clear, documented gap between expectations and an employee’s performance.

“A PIP becomes necessary when informal feedback has not led to improvement and performance gaps are impacting team outcomes,” explained Steph Michelle, Founder and CEO of [Lumena Global Advisory](#), adding that a PIP should not come as a surprise to the employee. PIPs are typically appropriate for ongoing performance issues and often work best when used as a genuine development tool. In situations involving minor skill gaps, temporary setbacks, or unclear expectations, other coaching strategies may be more appropriate.

Organizations should consider less formal interventions when issues are situational rather than ongoing in nature. Here are a few suggestions:

- Informal coaching. Use this approach for isolated or early stage performance issues. A direct conversation with clear feedback and agreed-upon next steps can often resolve concerns before they escalate.
- Additional training. If the root cause is a skills or knowledge gap, targeted training or upskilling may be more effective than formal discipline. This method is particularly helpful when expectations have evolved or the position requires the use of new tools.

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- Mentorship. Pairing the employee with a more experienced colleague can provide guidance, modeling, and ongoing support. Mentorship works well when further career development — not performance issues — are the primary concern.
- Role clarification or job restructuring. When performance issues stem from misalignment between strengths and responsibilities, redefining duties may yield better results than placing the employee on a PIP.

### **How to create, launch, and manage a PIP**

Implementing a PIP requires thoughtful preparation, clear communication, and consistent follow-through. Here's how to get started.

#### **Identify and document performance gaps**

Clearly identify the specific performance issues that are occurring. Use objective data, documented examples, and measurable outcomes to support your concerns. Grounding a PIP in factual evidence helps ensure fairness and clarity while reducing misunderstandings.

#### **Set clear, measurable objectives**

Define what success looks like by outlining specific, measurable, and role-related goals. Each objective should directly connect to previously communicated expectations. Clear benchmarks eliminate ambiguity and give the employee a concrete target to work toward during the improvement period.

#### **Create a realistic timeline**

Establish an appropriate time frame depending on the nature of the performance issue. The timeline should allow sufficient opportunity for improvement while maintaining accountability. A set review period will help the employee and you, as the manager, track progress and stay aligned.

#### **Set achievable and relevant goals**

Ensure the outlined goals are realistic, given the employee's role, resources, and experience level. Overly ambitious or vague goals can undermine motivation and fairness. Well-calibrated objectives promote accountability while signaling that leadership genuinely believes improvement is attainable.

#### **Provide training and support to help the employee succeed**

A PIP should outline the resources available to support progress, such as training sessions, mentorship, clearer workflows, or additional tools. As an employer, you must specify how you will assist employees throughout the process, reinforcing shared responsibility for improvement. "Managers must actively support the employee during the process," Michelle said. "If you put someone on a PIP and disappear, the outcome is already decided."

#### **Meet with the employee to launch the plan**

Schedule a private, focused meeting to review the PIP in detail. Clearly explain the concerns, expectations, available support, and timeline. Encourage questions to ensure mutual understanding. A transparent launch conversation reinforces that the PIP is to guide improvement, not serve as a surprise disciplinary action.

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### **Check in regularly and document progress**

Schedule consistent follow-up meetings to assess milestones and provide feedback. These check-ins create opportunities to adjust strategies, recognize improvement, and address ongoing challenges. Maintaining written documentation of the employee's progress ensures transparency and supports fair evaluation at the conclusion of the plan.

### **Evaluate success based on defined metrics**

At the end of the designated improvement period, review the employee's performance against the established goals and metrics. Focus on measurable outcomes and documented progress rather than subjective impressions. This structured evaluation process ensures decisions are consistent and defensible.

### **Clarify consequences and next steps**

Finally, clearly communicate the potential outcomes if expectations are not met and follow through. This may include returning to regular performance management, extending the plan, or pursuing further disciplinary action. Being explicit about consequences reinforces accountability and ensures the employee understands the stakes.

### **Common mistakes to avoid in your PIP**

Even well-intentioned managers can undermine a PIP by overlooking key details in its design or execution. Avoiding these common mistakes can significantly improve the likelihood of a fair and successful outcome:

- Setting vague or unrealistic goals. Ambiguous expectations make it difficult for employees to understand what success looks like. Instead, establish specific, measurable, and time-bound objectives with clear action steps and defined milestones.
- Failing to involve the employee. When employees have no input, they may disengage from the process. Invite their perspective on challenges and solutions to increase accountability and buy-in.
- Treating the PIP as a foregone conclusion. A PIP should be a true opportunity for improvement, not "a quiet exit strategy," said Michelle. Approach the process with the intent to support development rather than get the employee to leave.
- Not documenting progress thoroughly. Without consistent documentation, it's difficult to objectively assess improvement. Track both qualitative and quantitative metrics throughout the timeline.
- Providing insufficient support. Simply outlining deficiencies without offering coaching, tools, or training sets employees up to fail rather than succeed.

### **PIP templates and examples**

Using a structured PIP template can help ensure your document is thorough, compliant, and supportive rather than reactive. Many platforms offer customizable examples that guide managers through defining expectations, timelines, and measurable outcomes while maintaining consistency across the organization.

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ere are a few resources to get started:

- [Academy to Innovate HR](#): This comprehensive template walks managers through identifying performance gaps, defining SMART (specific, measurable, achievable, relevant, and time-bound ) goals, and outlining clear timelines. It emphasizes aligning improvement objectives with broader business outcomes and includes practical guidance on documentation and follow-up conversations to promote accountability.
- [Jotform](#): This downloadable, fillable PIP template includes sections for outlining performance concerns, required improvements, support resources, and review dates. Because it's fully customizable, organizations can tailor the document to fit their policies while maintaining a professional, standardized format.
- [MyCulture.ai's PIP Generator](#): With this tool, managers can create tailored plans based on specific performance challenges. It guides users through clarifying expectations, identifying root causes, and generating actionable steps.

### **What to do if performance doesn't improve**

If a PIP does not lead to measurable progress, you may face the difficult decision to terminate employment. While this step can be challenging, especially in close-knit teams, it may be necessary to protect morale, productivity, and business operations.

"Managers need to be mindful of team impact," Izaks noted. "One struggling or disengaged employee can affect the culture and performance of an entire team if not addressed thoughtfully."

When termination becomes unavoidable, follow best practices. Review and [retain all documentation](#) to ensure compliance with company policy and employment laws, and consult legal or HR guidance if needed.

When it comes time for the termination meeting, Izaks advised being direct and concise. "This is not the moment to revisit the details of the performance plan," Izaks told CO—. The decision has already been made, and clarity is [respected]."

End the relationship by providing final pay and benefits information promptly, retrieving company property, and outlining the next steps to ensure a smooth, professional transition.

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