

TIP SHEET: Reasons for Termination

From *Termination of Employment* by Clark Reed and his associates at Netgain Partners Inc.
(Cultural Careers Council Ontario and Cultural Human Resources Council, 2003).

1. Voluntary termination

The employee resigns from the organization based on his or her own decision. Even when an employee resigns through their own choice, an employer should still conduct an "exit" interview. You should also always ask for written notification of resignation which you will need for your files.

2. Involuntary termination

The employer initiates the termination. There are 3 types of involuntary termination:

- **Poor performance**

An employee has consistently performed below expectations, in spite of having been given clear feedback that improvement was needed. Before terminating for poor performance, an employer should make sure to have kept records that the person had been advised of performance shortcomings, was given a reasonable amount of time to correct the deficiencies, and that the employee failed to make the necessary improvements.

- **Termination for Just Cause**

This occurs when a person's conduct is in serious violation of company policy or the individual has acted in a way that significantly endangers fellow employees. When terminating for just cause, an employer should make sure to thoroughly document the employee's actions leading to the dismissal.

Conduct justifying termination includes but not limited to:

- Theft
 - Dishonesty
 - Use of intoxicating substances at work or being intoxicated at work
 - Insubordination
 - Discriminatory conduct towards others
 - Harassment (sexual and otherwise)
- **Restructuring or economic reasons**

If the termination is the result of restructuring in an organization, or downsizing as a cost-saving measure, make sure that this is transparently the case. In many cases employers have given restructuring as a reason for dismissal and then advertised to fill the exact same position. This can result in costly lawsuits.

The legal aspects of termination are governed by legislation and are subject to change. For definitive rules on employment standards and legal aspects of terminations, consult a labour lawyer or human resources specialist and refer them to the Ontario Ministry of Labour (www.labour.gov.on.ca).