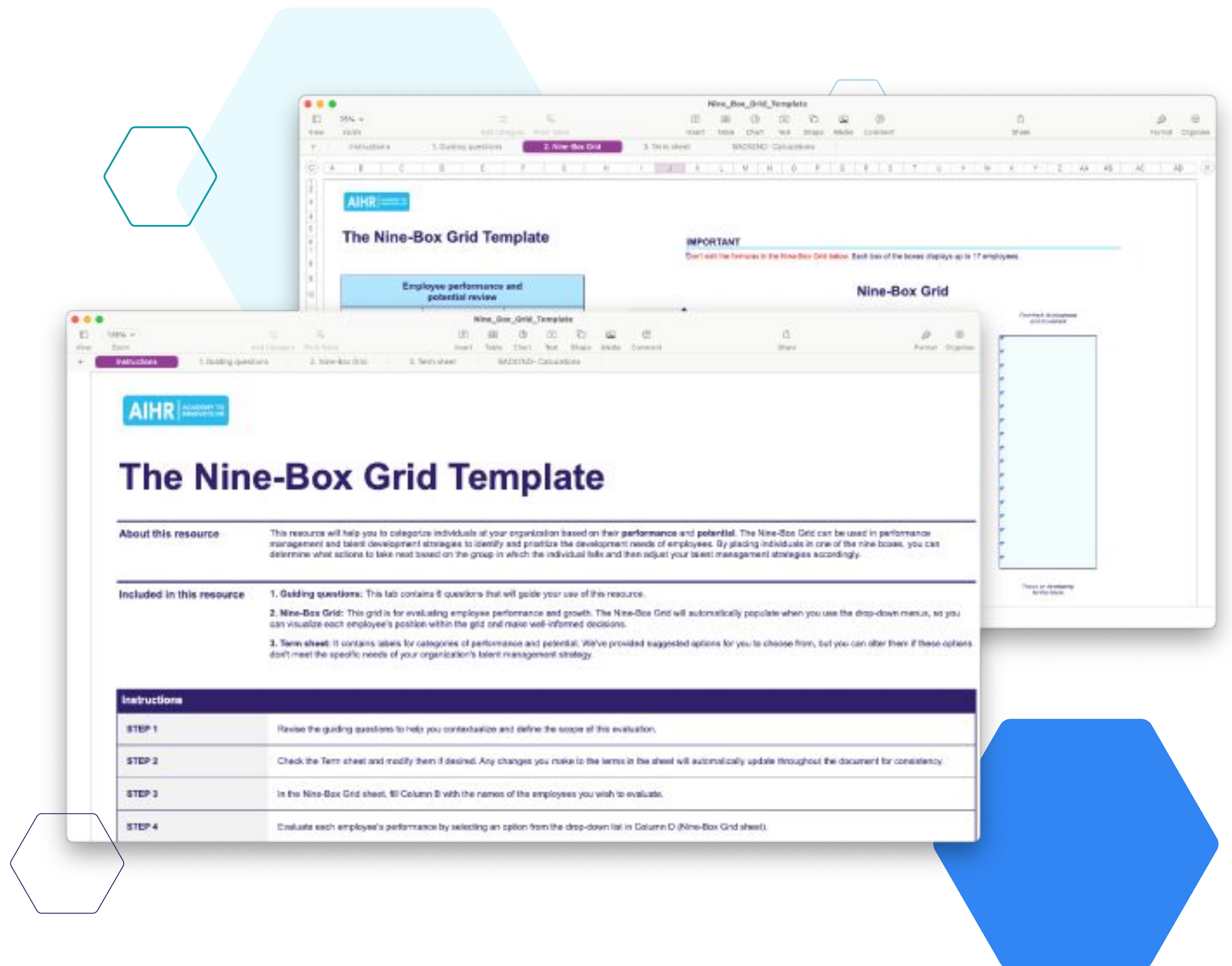


# The 9 Box Grid for Talent Management

A **step-by-step framework** to effectively manage talent in your organization



# Identify potential and drive performance

**Performance and potential are abstract concepts that can be challenging to measure.**

So how can you help your organization assess how its employees are doing and how far can they grow?

The 9 box grid is a powerful tool that offers you a structured approach to evaluating performance and potential. It will give you an objective lens to identify the stars of the organization and those who could shine with the right opportunities and support.

Let's find out how you can build and utilize the 9 box grid to help your workforce improve their performance and reach their full potential!

## How to use this guide

In this guide, you'll find out how to create and implement the 9 box grid to manage and develop your workforce.

### You'll discover:

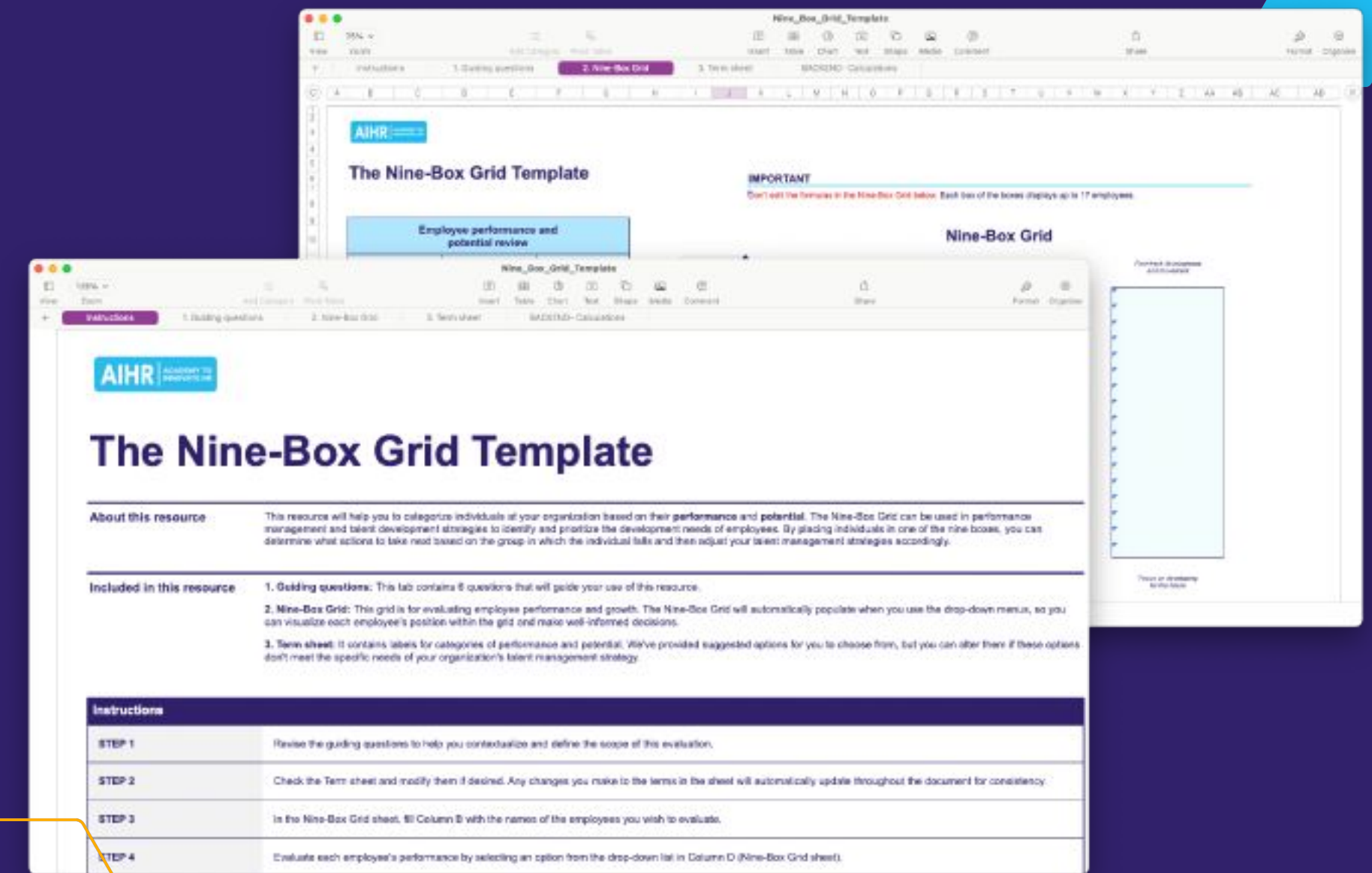
- What the 9 box grid is ([Page 4](#))
- 4 steps to create a 9 box grid ([Page 7](#))
- 5 talent categories in the 9 box grid and their action plans ([Page 13](#))
- Best practices for an effective 9 box grid ([Page 20](#))

# Download your template

This ready-to-use 9 box grid template will help simplify your talent appraisal process. All you need to do is fill in the relevant information. The template will automatically populate the 9 box grid, helping you to make well-informed talent decisions.

In this document, you will find:

- Instructions on how to use the template
- A term sheet containing label for categories of performance and potential
- The 9 box grid template
- A sheet containing the backend calculation to support the template



**Download your 9 box grid template now**

**Microsoft Excel**

# The 9 box grid explained

**Understand what the 9 box grid is and how it can benefit your talent management strategy.**

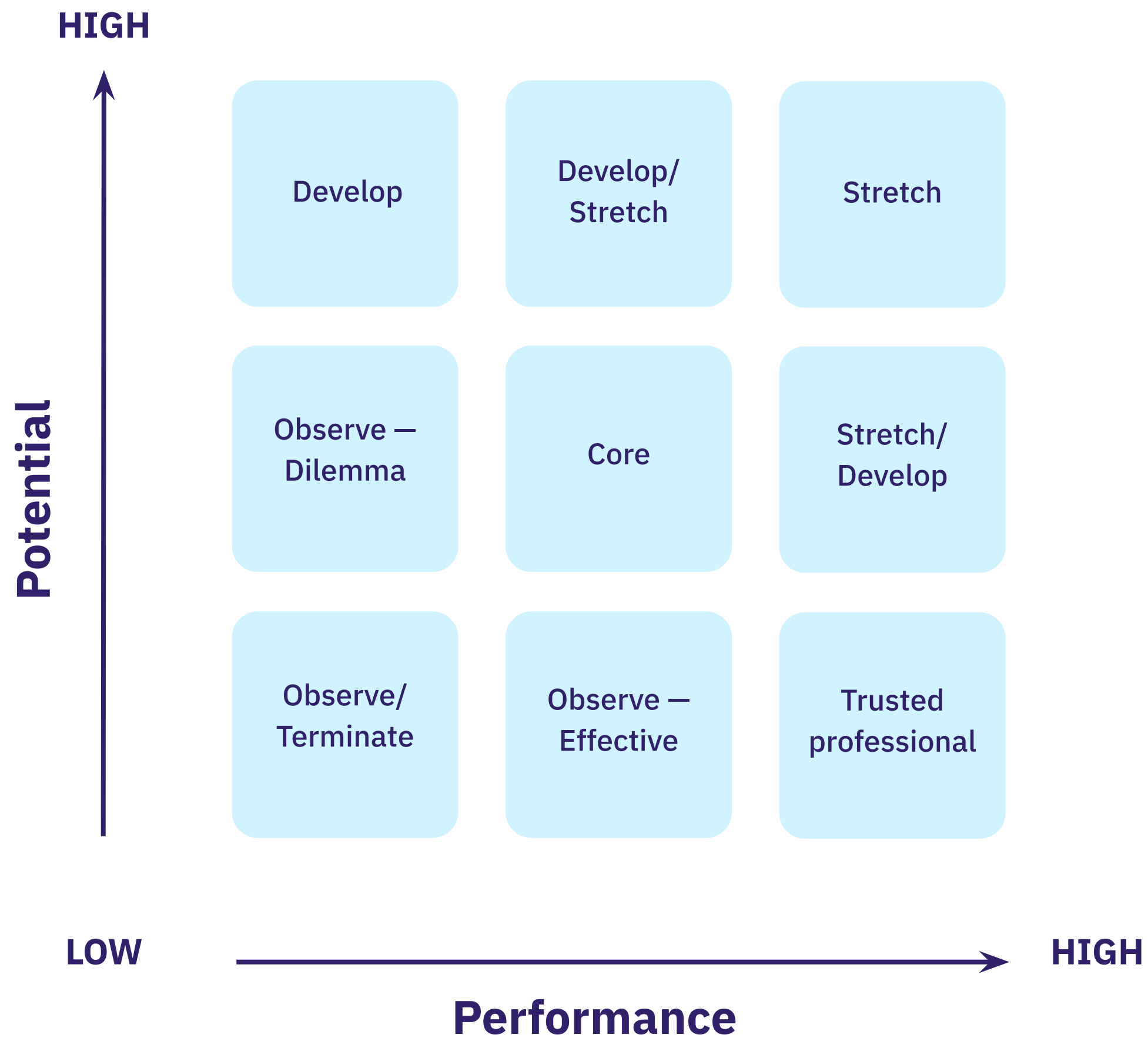
You'll also explore the four steps you need to go through to create your own 9 box grid:

- Step 1: Determine your target
- Step 2: Define performance criteria
- Step 3: Define potential criteria
- Step 4: Validate and visualize data



# What is the 9 box grid?

The 9 box is a talent management tool that allows you to divide employees into nine groups based on their performance and potential.



# Advantages of the 9 box grid

## **Simplicity**

The 9 box grid has a fairly simple and straightforward structure. All you need to do during your employee review is match them to the right box based on their performance and potential for growth.

## **Comprehensive talent overview**

The 9 box grid provides an overview of your talent pool based on performance and potential. This makes it easier for you to spot high performers with great potential and help them further develop.

## **Targeted development initiatives**

You can tailor development programs based on where your employees fall within the grid. For example, those who have high potential but low performance might benefit from specific skill training or mentorship.

## **Enhanced talent reviews**

You can use the grid during talent review meetings to provide constructive feedback and clearer recommendations about your employees' performance, potential, and the necessary development paths.

# Step 1. Determine your target

Rather than applying the grid universally, **focus on roles where it'll be most impactful.** This will ensure that the effort you put into this process can help your organization achieve its goals.

Here are the groups you should focus on:

- Roles or functions critical to the success of your organization
- Roles or functions which are hard to fill due to their specialized nature
- Senior roles which are integral to your succession planning

Once you've identified these priority segments, review them to ensure that align with the needs and growth direction of your organization.



# Step 2. Define performance criteria

## 2.1. Understand how your organization measures performance

Start by looking at how your organization assesses performance. You'll need to find out if there are clear performance indicators or metrics, or if the process is more subjective.

If there aren't any structured metrics, make sure to establish criteria to assess performance consistently and fairly. These criteria should integrate seamlessly into your performance measurement scale.

Here are some tips on how you can approach this.



### Tips

- 1. Use SMART goals:** Always ensure that the performance criteria are Specific, Measurable, Achievable, Relevant, and Time-bound.
- 2. Be balanced:** While quantitative metrics are essential, don't forget to use qualitative measures that look at intangible aspects of performance like soft skills.
- 3. Consult relevant stakeholders:** Involve both managers and employees in the development of performance criteria to ensure they are relevant and acceptable.
- 4. Benchmark:** Compare your internal criteria with industry standards and best practices to identify any gaps or areas of improvement.



# Step 2. Define performance criteria

## 2.2. Categorizing performance in the 9 box grid

The 9 box grid consists of three performance categories: low, moderate, and high. This is the scale you use to score your employees during their performance appraisal.

	Criteria	Indicators
Low performance	The employee doesn't align with the job requirements and misses their personal target.	<ul style="list-style-type: none"> <li>Consistently falls short of monthly targets.</li> <li>Receives regular feedback about not fulfilling job duties.</li> </ul>
Moderate performance	The employee aligns to some extent with the job demands and archives some, but not all, of their individual objectives.	<ul style="list-style-type: none"> <li>Meets some project deadlines but struggles with others.</li> <li>Demonstrates proficiency in some job-related skills but lack in others.</li> </ul>
High performance	The employee fully meets the requirements of their job and their individual targets.	<ul style="list-style-type: none"> <li>Regularly exceeds targets.</li> <li>Demonstrates leadership skills and take initiative.</li> </ul>

# Step 3. Define potential criteria

## 3.1. Define potential within your organizational context

Unlike performance, potential can be much more abstract. To use this effectively, you need to define and understand it within the context of your organization.

Ask yourself: What does potential look like in your organization? The answer to this question will help you identify competencies or characteristics that can indicate if someone has the aptitude for growth.

Once you've identified the relevant qualities, there are two ways you can measure them: using standardized psychometrics or developing your own assessment criteria.

### Using standardized psychometrics

These tools will ensure that your assessment is fair, valid, and unbiased. You can make use of competency potential measures, which includes personality and ability measure. These can be translated to your competency requirements.

### Developing your own criteria

If standardized psychometrics aren't suitable or available, you can establish your own assessment criteria. Make sure there are at least three pieces of evidence to support each rating. You can avoid bias by using a systematic approach: consistent questions, uniform data collection, and uniform analysis.

# Step 3. Define potential criteria

## 3.2. Assess potential

During the performance appraisal, you can categorize potential into three groups:

- **Low potential:** the employee is working at full potential and is not expected to improve because they are at maximum capacity or there is a lack of motivation.
- **Moderate potential:** the employee has the potential to further develop within their current role in terms of performance, skills, or expertise.
- **High potential:** the employee performs well beyond the expectations of their position and responsibilities, and naturally takes on leadership roles.

### What to keep in mind

- Communicate these ratings to your employees clearly but with sensitivity. For example, instead of saying that someone has ‘low potential’, you can say that they are working at full potential.
- Ratings in the 9 box grid are dynamic. Someone with ‘low potential’ today might evolve with the right training and experiences.
- Differentiate between an employee’s growth potential and their immediate readiness for promotion. Potential is about a person’s capability to grow and excel in their career, while promotability indicates whether they’re expected to be ready for the next step.

# Step 4. Validate & visualize data



## 4.1. Validate data

Once you have all the data you need, it's important to verify the data quality. You can:

- Scan for inconsistencies that might change how performance or potential is rated.
- Pay particular attention to outliers — individual anomalies or trends within specific employee groups that might hint at larger issues or opportunities.

## 4.2. Visualize data on the 9 box grid

You can now proceed to the visualization stage. Start plotting the gathered data onto the 9 box grid. This will give you an overview of your organization's talent landscape.

### Tips

- **Aim for clarity.** A matrix cluttered with excessive information or different colors can be hard to interpret.
- **Prioritize simplicity.** The grid should provide insights at a glance to enable effective decision-making without overwhelming the viewer.

# 5 talent management categories

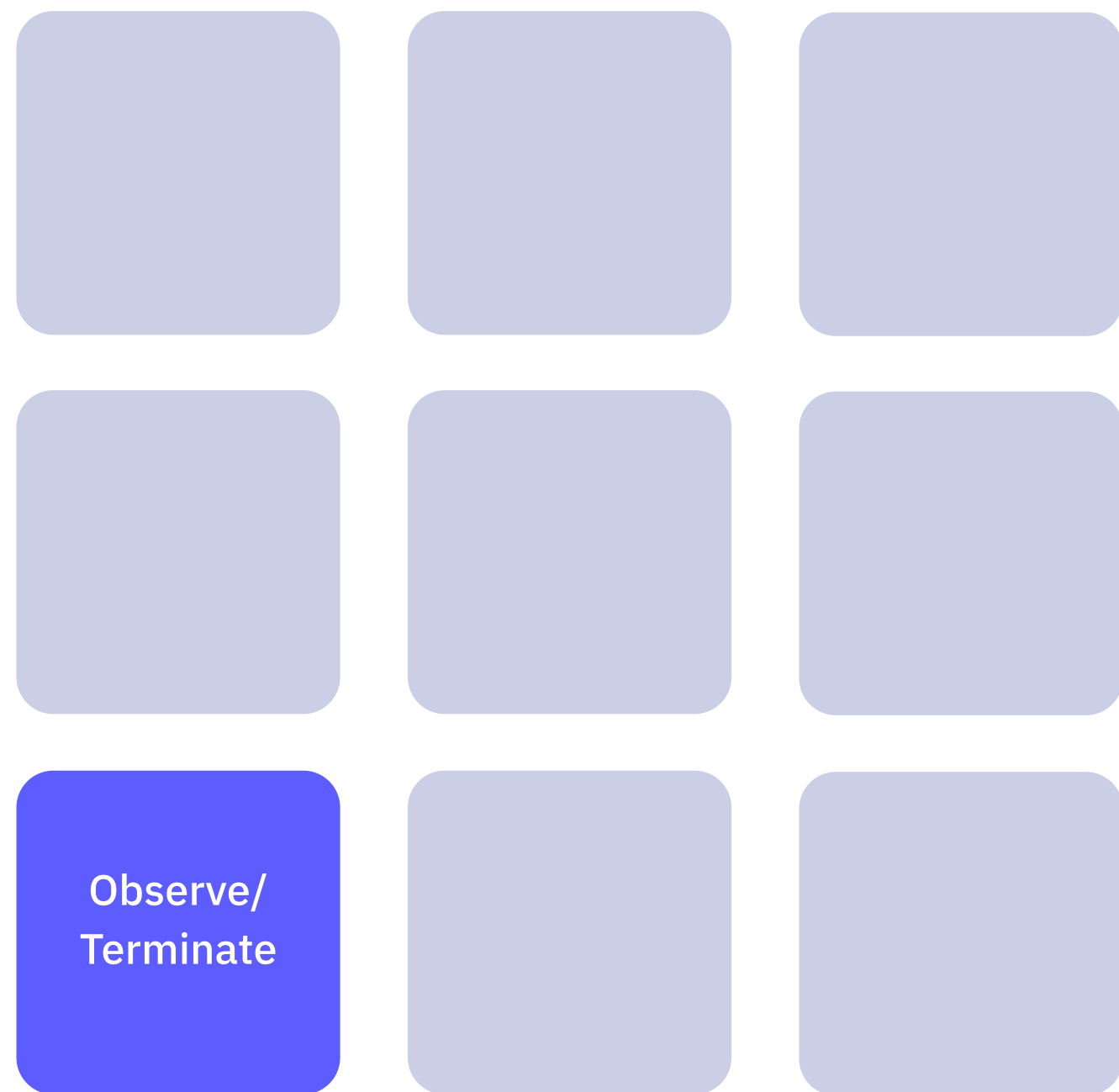
To better manage your talent, you can divide your workforce into five categories:

- **Observe/terminate:** low performers with low potential
- **Observe:** observe dilemmas or observe effective
- **Develop and trusted professional:** employees who only excel in one area of the 9 box grid
- **Moderate to high performance and potential:** the core of your workforce
- **Stretch:** high performers with high potential

Let's take a closer look at these categories. For each group, we will also discuss the talent management and development actions you can take.



# Observe/terminate

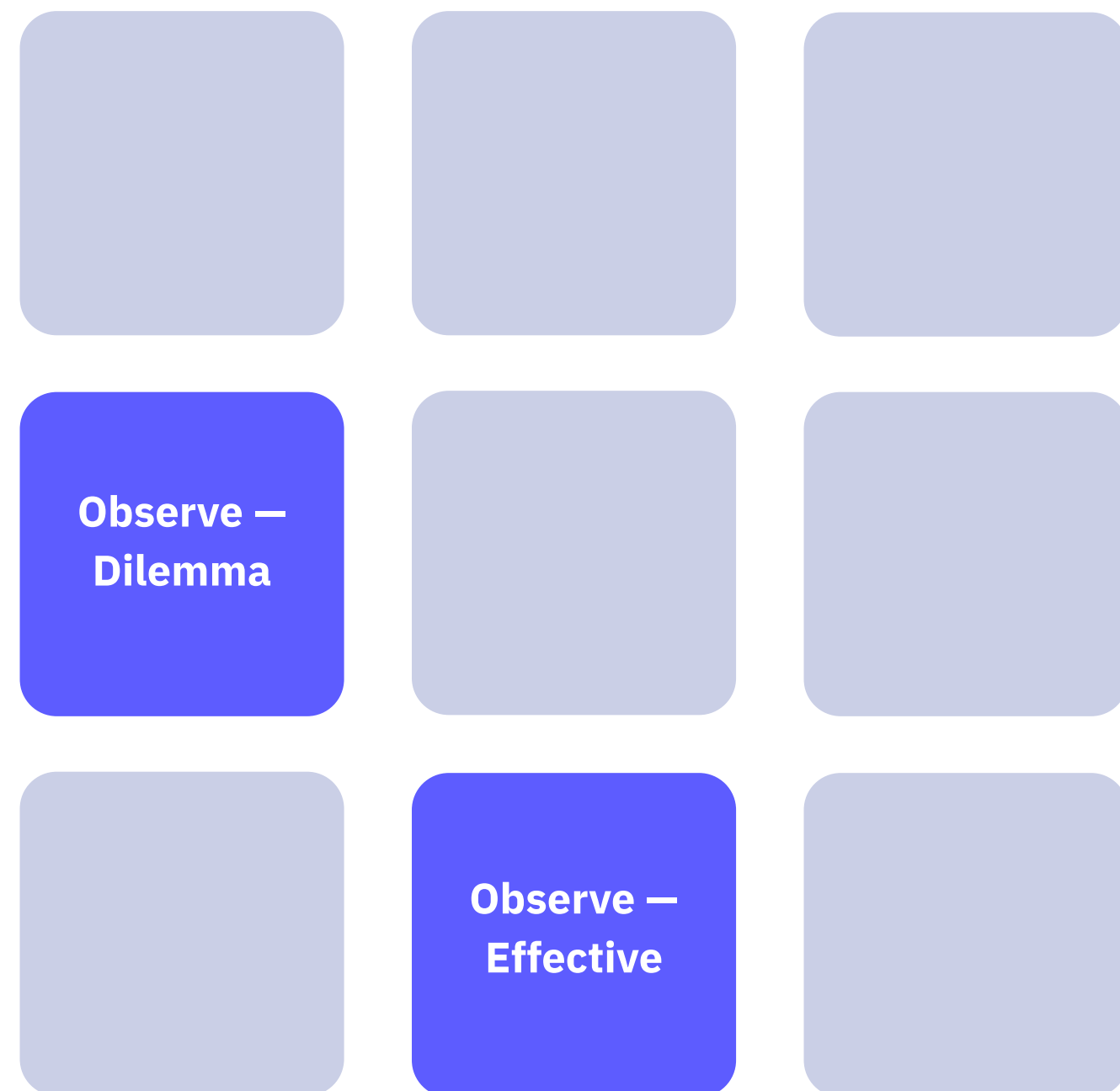


These are employees who score low on performance and potential. If they stay too long, they become icebergs and threaten the success of your organization.

## Action plan

- **Identify roadblocks:** Understand what may cause the low performance, but don't over-invest in these people and lose focus on other employees who do perform well.
- **Reassign the individual:** Discuss with the employee to see if there is a more appropriate assignment where they can put their skills to better use.
- **Create an exit plan:** If the first two options don't work, help the person find a role that suits them better outside of your organization.

# Observe



- **Observe – Dilemma:** Employees who have the potential to be great but are not performing up to standard.
- **Observe – Effective:** Employees who perform well enough to stay, but don't have enough potential to go further.

## Action plan

- **Create a performance improvement plan:** Make sure to clearly define what good performance looks like so the employee knows what is expected of them.
- **Monthly check-in and evaluation:** Your employees will benefit from a structured plan and feedback.
- **Create an exit plan:** If performance does not improve within six months to a year, help the person find a role that suits them better outside of your organization.

# Develop and trusted professional



- **Develop:** employees who score high in potential but low in performance.
- **Trusted professional:** employees who perform well with low potential for growth.

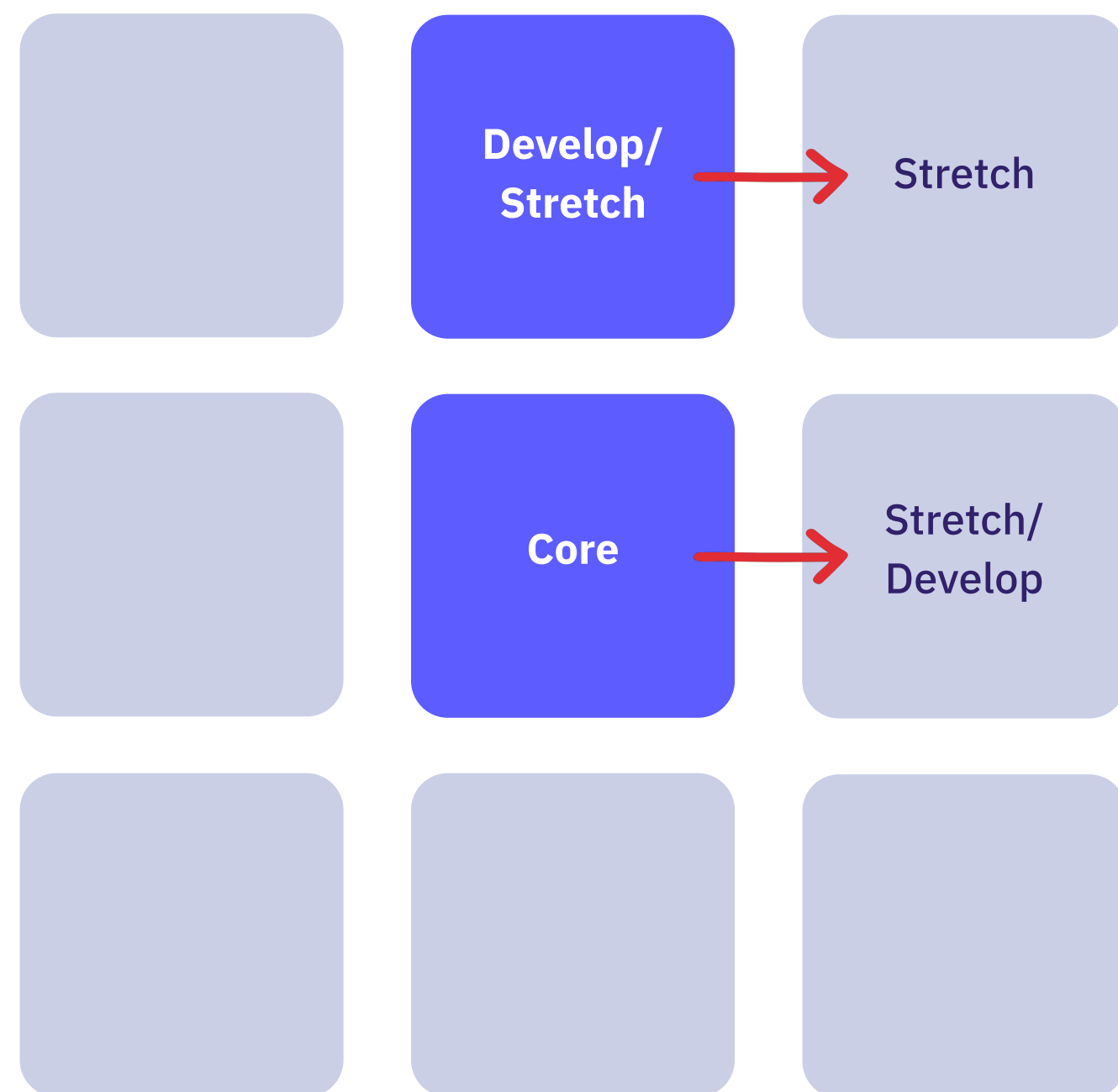
These employees require different approaches because they are so far apart on the grid.

## Action plan

- **Develop:**
  - Continuously monitor performance: look for both improvements and stable, solid performance within 12 months.
  - Communicate expectations: let them know what is expected of them in their roles.
  - Create an exit plan: if performance does not improve within a year, help the person find a role that suits them better outside of your organization.
- **Trusted professional**
  - Keep them happy: raise salary nominally but don't over-reward them.
  - Help them future-proof their career.
  - Do not promote them to avoid invoking the Peter principle, where "every employee tends to rise to his level of competence."



# Moderate to high performance and potential

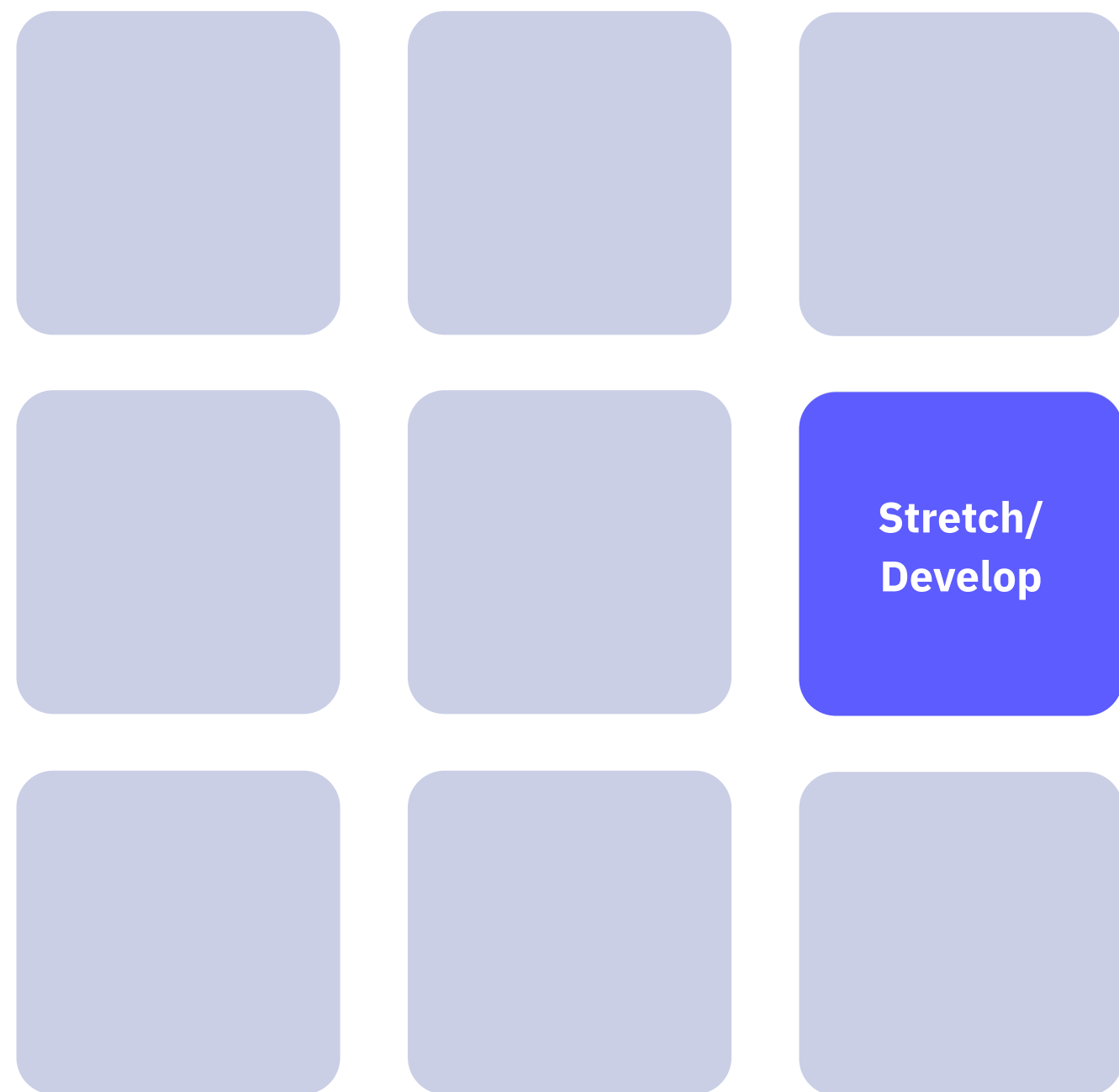


Develop/Stretch are those scoring high in potential and average in performance. Core are reliable performers with potential to grow further. Your priority is to move both groups to the right of your grid to become Stretch and Stretch/Develop.

## Action plan

- **Set clear role expectations:** Communicate clearly what is expected of them in their roles and conduct regular check-ins to ensure they remain satisfied and engaged in their roles.
- **Provide job exposure and training:** Help them get more experiences using short-term job rotations and enlargement, additional training, and on-the-job learning.
- **Provide coaching:** Arrange peer or progressional coaching to address performance barriers. During your sessions, don't forget to recognize and celebrate achievements.

# Moderate to high performance and potential

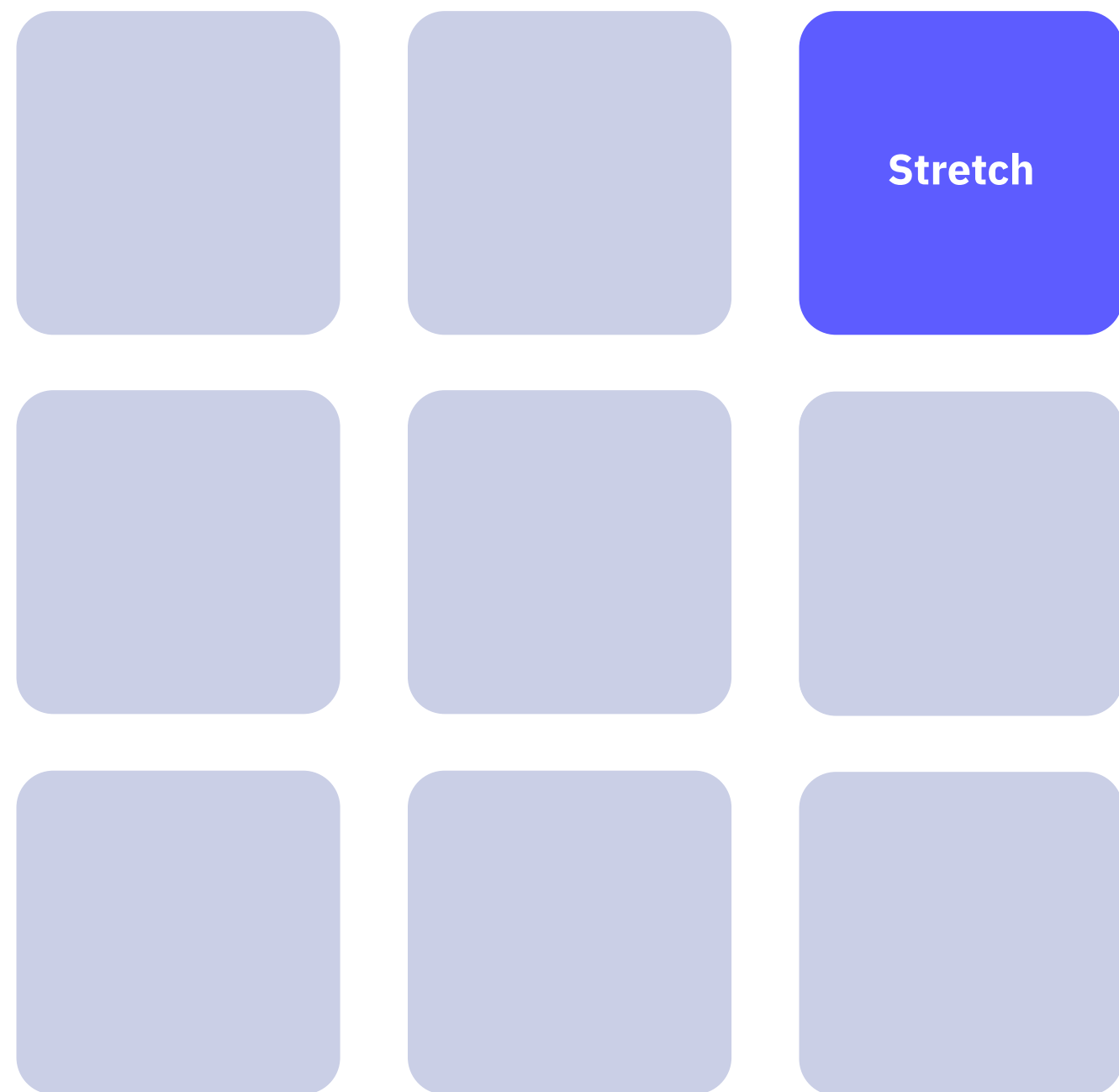


Stretch/Develop also belong to this group. They are already contributing a lot to your organization, so the key here is to keep them happy, engaged, and ready to take on future roles.

## Action plan

- **Motivate your high performers:** Regularly acknowledge their contributions and support their career aspirations.
- **Foster growth potential:** Offer challenging assignments or job rotation to help them expand their business knowledge and enhance leadership skills.
- **Offer mentorship and training:** Pair employees with mentors to develop their professional journey and provide opportunities for them to upskill and achieve their goals.

# Stretch



These are your high performers who are capable of taking on new roles. They also play a critical role in succession management.

## Action plan

- **Offer challenging assignments:** Give your top performers important roles in crucial projects or external opportunities to challenge them and enhance their skills.
- **Check-in regularly and show appreciation:** Frequently engage with them to make sure they are satisfied and acknowledge their crucial contributions to your organization.
- **Provide mentorship and networking opportunities:** Pair them with senior members for guidance and create networking avenues with top performers and leadership.
- **Reward them:** Ensure they receive competitive compensation and bonuses. This will help them feel appreciated and ensure they stay with your company for a long time.

# Four best practices to build a 9 box grid



## Define clear criteria

- Make clear what performance and potential means in your organization.
- Establish concrete benchmarks employees need to meet or exceed for each category.

This will ensure clarity and consistency in your evaluations, reduce bias, and set clear expectations for your employees.



## Consult stakeholders

- Involve managers, HR, and representative employees to get consensus on the grid's purpose, methodology, and implementation.
- Use it as part of the broader talent management practice.

This will ensure your grid is aligned with your organizational goals and is more comprehensive.

# Four best practices to build a 9 box grid



## Test and refine

- Test your 9 box grid with a smaller group to assess its effectiveness before rolling it out company-wide.
- Gather feedback to make necessary adjustments and improve.

This will help you identify potential pitfalls and enhance the grid's effectiveness.



## Ensure data privacy

- Handle the data and results from your 9 box grid with discretion.
- Take steps to protect your employees' data from being misused.
- Use it only as a conversation guide.

This will reduce potential conflicts rising from mishandled data, and help you stay compliant.



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