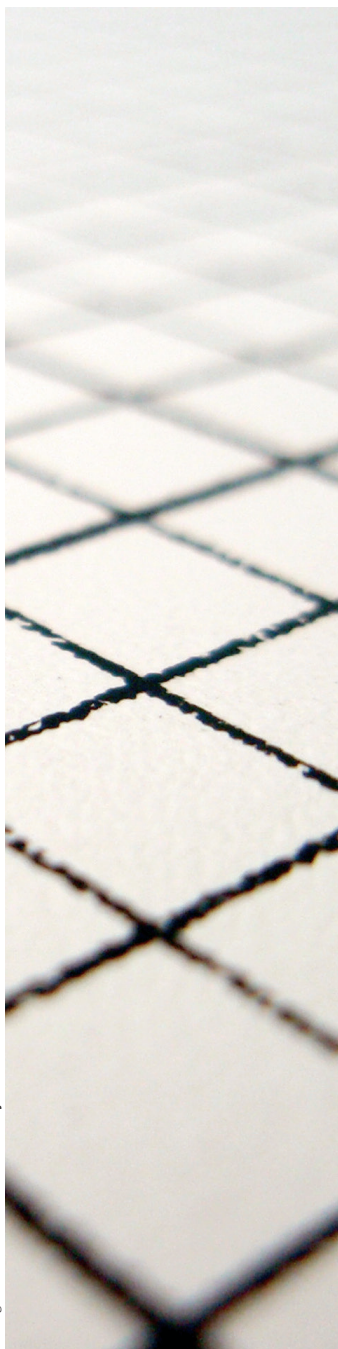




Why the 9-box grid does not work

Where do organisations go wrong, and how can true potential be assessed more effectively?

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Since its development by McKinsey in the late 1960s, the 9-box grid has been used by companies seeking an easy way to find potential successors to the top roles. Part of the attraction is the model's simplicity, which, in theory, arranges every employee into one of nine, neat types based on three ratings of performance and three of potential. However, when we talk to many organisations, they tell us that their high potentials fail to live up to expectations. What isn't working?

Assessing the performance half of the matrix is something that companies generally do well – the challenge comes from accurately assessing potential. A common mistake that companies make is to assume that strong past performance means that a person has high potential for the future. Making that jump is often a mistake, for a number of reasons, not least because observing people in their current roles doesn't guarantee that they will be seen exhibiting the characteristics and behaviours required in more senior roles.

A study by the Corporate Leadership Council, based on 11,000 managers and employees, concluded that while 93% of high potentials were also high performers, less than 20% of high performers had the potential for promotion. So, why the difference?

High Potential Talents (HPT) have four characteristics – intellect, ambition, commitment and mobility. This means that they are capable – bright, fast learners, who can adapt to new job situations and responsibilities. They are motivated, ambitious, and hungry for more responsibility. They are dedicated, and loyal to their company and where it is going. And, of course, they are flexible, able to move into new roles and adapt to the changing demands of their organisation.

Although people with all of these characteristics – and a healthy dose of leadership qualities – will likely reach senior levels in most organisations, there is no 'one size fits all' definition. High-potential talent means different things to different organisations and it must be defined in the context of the organisational

objectives and culture.

Any programme designed to evaluate HPT must give people a real opportunity to demonstrate behaviours and capabilities beyond their current role, even if that is through a special project, or trialling different job roles to which they appear better suited. It is important to remember that not all employees are natural leaders – those achievers might have the potential to add value to the organisation in an influential technical role. These employees are often referred to as 'core talent' and, while they do have the potential to develop into jobs with greater responsibility, they are likely to do so over a longer period of time than those destined for senior leadership roles.

If we accept the fact that observing people in their current roles is an ineffective way of assessing potential, and have made initial efforts with unique projects or job trials, psychometric profiling and development centres provide the best option for rigorous assessment.

Research has shown that using psychometric assessment within a development centre can be a stronger predictor of future performance than interviews and performance evaluation. Human Factors International (HFI) has extensive experience with psychometric profiling, and works with companies to design and run assessment centres to provide insight into how individuals perform in diverse work-based scenarios. It is important to take into account the business objectives and culture of each organisation, as what sort of support and development the HPT will need will depend on their current and possible future roles. Each programme needs to be tailored to ensure that each individual can be managed to ensure that they give their best, and this can only happen if the company is really aware of the difference between past performance and future potential.

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