

9 Reasons You Should Be Using the Nine-Box

Effective talent identification, succession planning, and development planning are challenging for many organizations.

It involves analyzing a lot of data to make critical decisions that affect many individuals and the company's future.



Companies are always on the lookout for better ways to analyze performance and potential talent data. But like many other things in life, sometimes the best solutions are the ones that have been around forever and are shockingly simple.

Nine-Box Roots: The Origin Of The Nine-Box

In the 70s, McKinsey created the Nine-Box Matrix to support General Electric in analyzing and prioritizing their investments, helping them determine which ones should be nurtured and which should be let go.

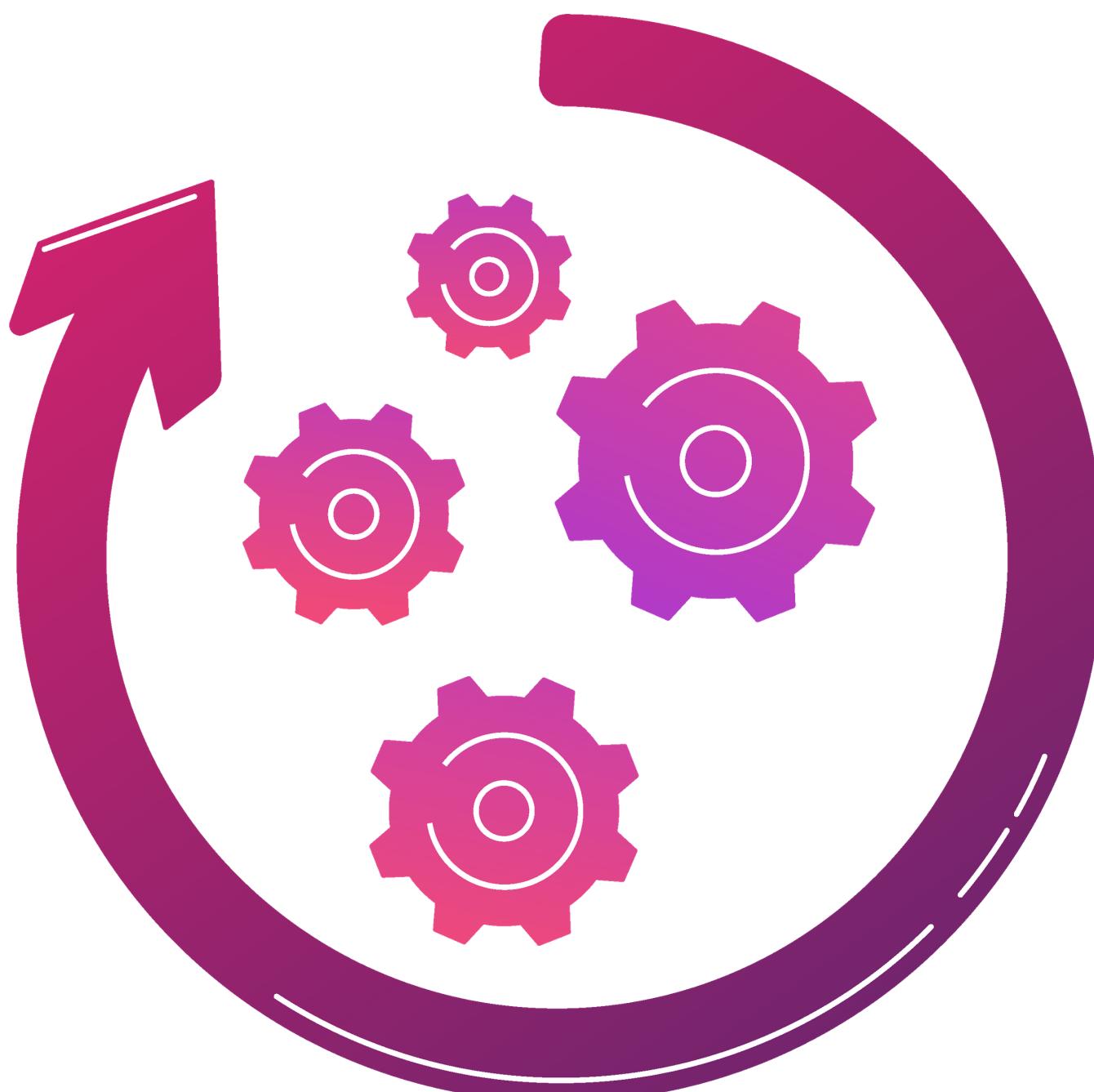
According to Tomasz Tunguz, Human Resources teams adopted this model, over time adapting it to talent management, replacing the A and B arms of the graph with **performance and potential**.

Despite the difference in focus, the ultimate objective of the **Nine-Box Talent Matrix** is much the same as it was when GE used it, just applied to employees instead of investments:

- To categorize employees and compare them
- To determine whether to promote, retain, invest in, or reallocate specific employees

NINE-BOX MATRIX

Like any other tool or report, if the data used is not representative or the categories and interpretations are not standardized and understood, the nine-box won't be of much help. In some cases, it can even lead to unintentional exclusions. However, despite its flaws, **the nine-box is still widely used today** by many leading companies for talent identification and succession planning.



9 Reasons to Use the Nine-Box



Assess Relative Performance

Very few tools allow you to slice and dice individual performance and potential data and compare results both across the company and within groups. The nine-box was built exactly for this. The only way to identify talent—and create meaningful development plans—is to understand the comparative state of talent in your company.



Uncover Hidden Anomalies

A traditional performance review on its own only gives you part of the story. The Nine-Box Matrix looks at every aspect of an employee's performance over time, helping you identify growth and leadership potential as well as how their contributions impact the organization as a whole.



9 Reasons to Use the Nine-Box

3

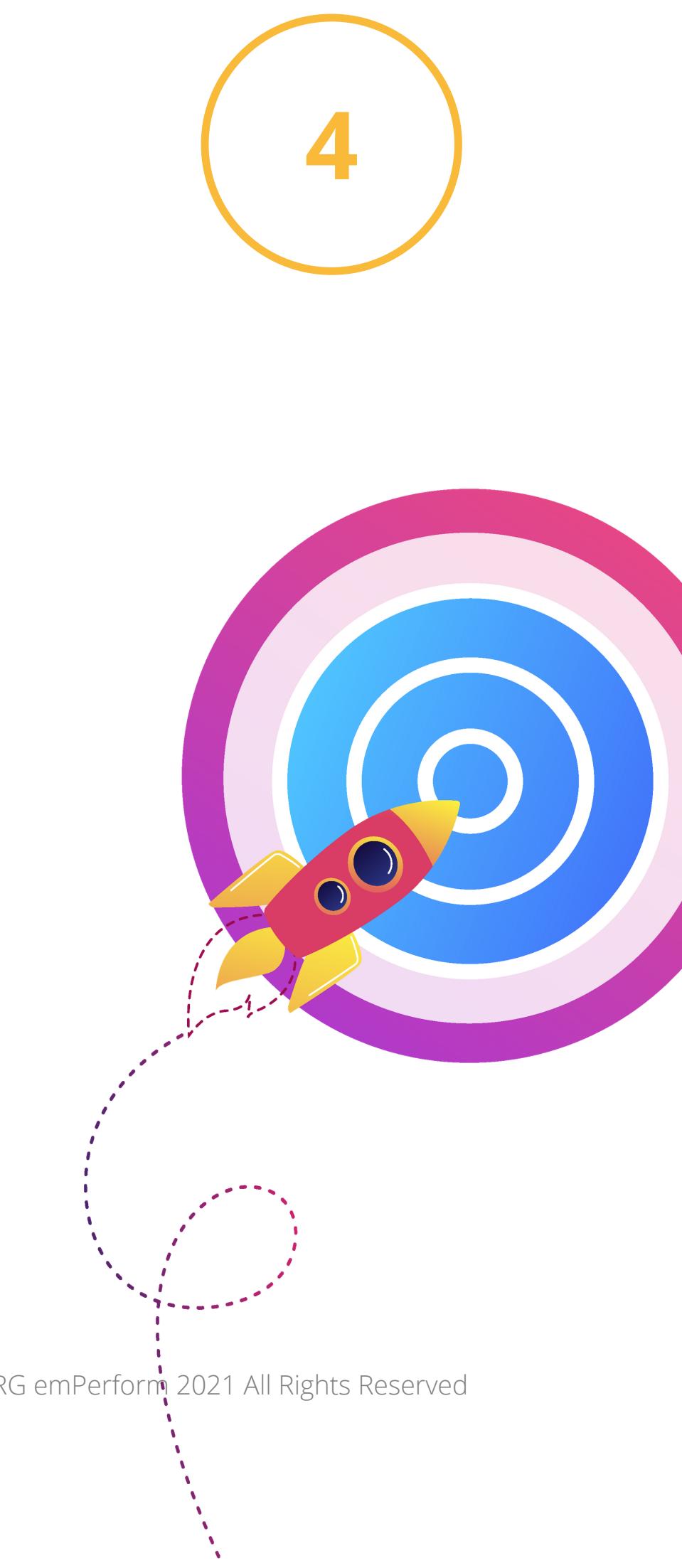
Identify Future Leaders

Succession planning is a critical process for any organization. When employees are promoted from within, the effort is much more effective from just about every standpoint. When you can identify your future leaders, it allows you to invest in their growth, assuring they succeed in their roles and will be ready to step up when the time comes.

Increase the Impact of Talent

Identifying an employee's strengths, allows you to place them in the appropriate position, and maximize their potential. High-performing employees, often score high in performance and execution, however this tends to result in a limited growth potential. It is essential to evaluate your employees to determine their suitability, as you wouldn't want to promote them into a role that carried added responsibility. When you can identify your "future stars," you'll know where to focus your efforts and resources.

4



9 Reasons to Use the Nine-Box

5

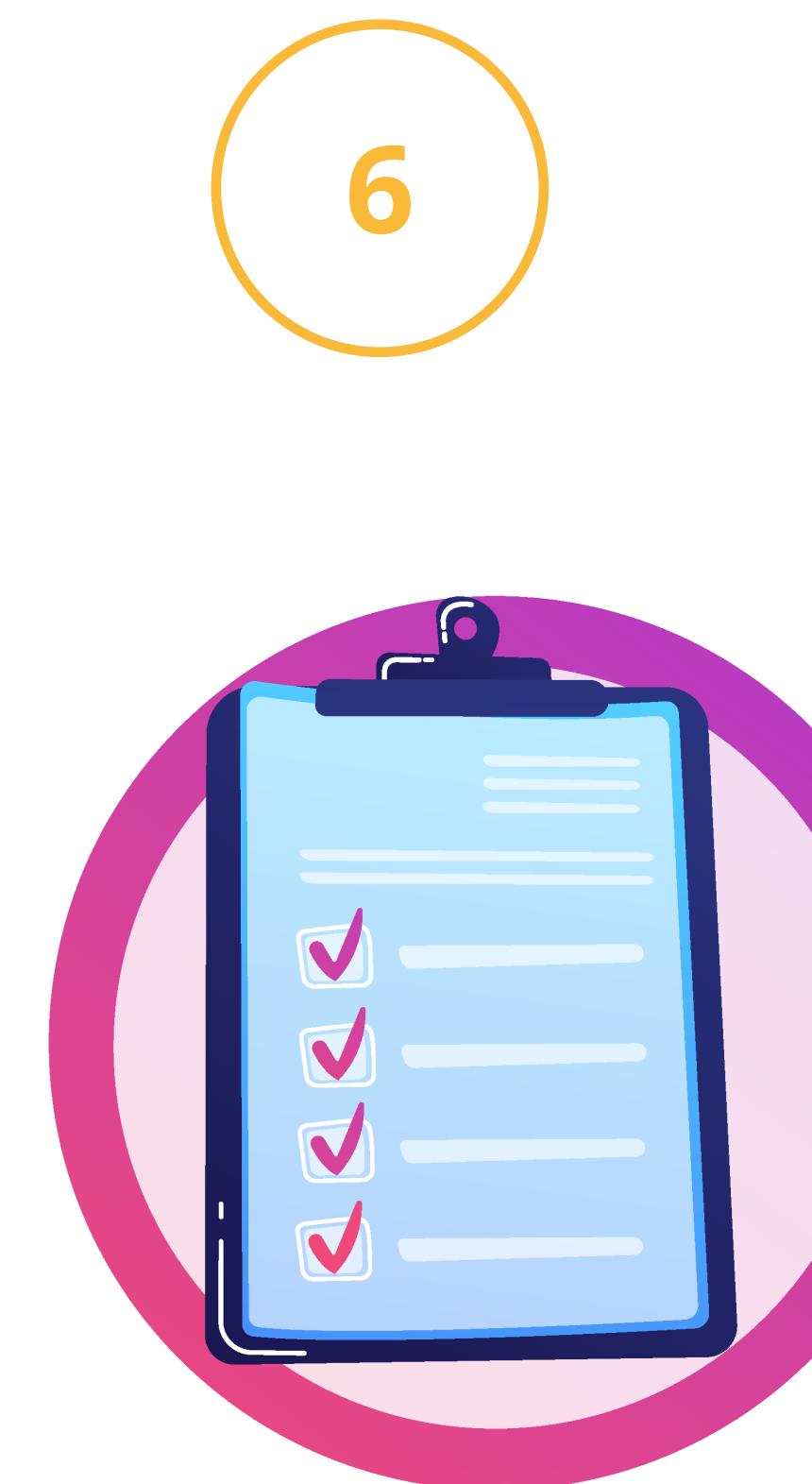
Determine Employee Fit

Putting the right employees in the right positions is a core concern for every company. The Nine-Box Matrix helps you figure out where that individual fits without the trial-and-error that would otherwise ensue. Just because a new hire can do a job does not mean they are the best person for it. If you can place people according to their strengths, at least initially, it reduces your time-to-result and results in a happier employee overall. Happy employees tend to stay in their jobs, saving you the time, trouble, and resources you would spend to replace them.

Plan for Development

Use the Nine-Box Matrix to assess employees on their past performance and their future potential. It's a simple way to gauge where you should focus your resources and who you should invest in. Without a tool like the Matrix, there is a tendency to focus too much on current performance or rely on one person's opinions of an employee. The Nine-Box Matrix delivers a more accurate assessment as you're considering several data points—and doing so consistently as you're using the same method for every employee.

6



9 Reasons to Use the Nine-Box

7

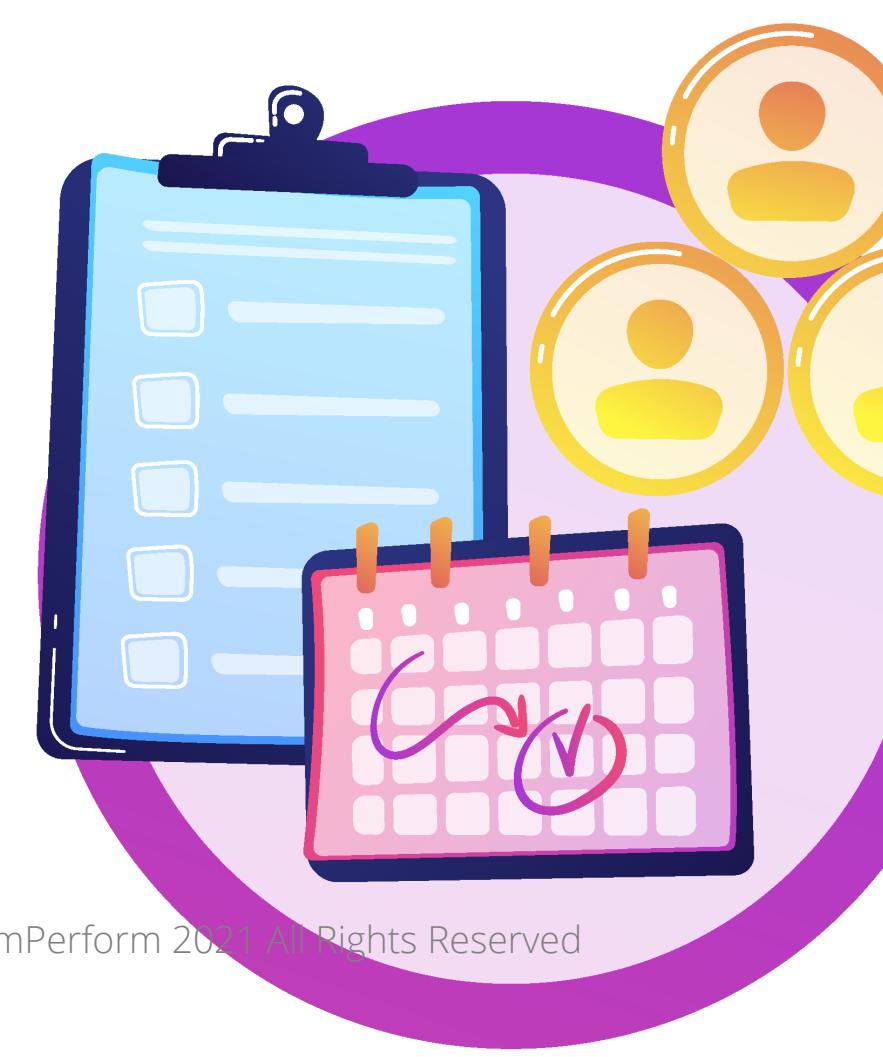
Mitigate Flight Risks

It happens all too frequently—you fail to nurture your top talent, and they decide to leave the company for greener pastures, a better salary, or a better position with a competitor. The Nine-Box Matrix helps you identify areas where you might be in **danger of losing talent in critical roles**. Employees leave for many reasons, but one of the most commonly cited is a lack of career path. The Nine-Box Matrix facilitates succession planning as it highlights high performers, underscores potential, and gives you the foundations you need to take decisive action.

8

Improve Decision-Making

As good as your management and the executive team might be, they need quality data to make the best decisions for the organization's future. Without that support, they are, essentially, operating in silos. Insights gained using the Nine-Box Matrix makes the decision-making process data-driven, assuring you put your time and resources into people and places where they will give you the best results.



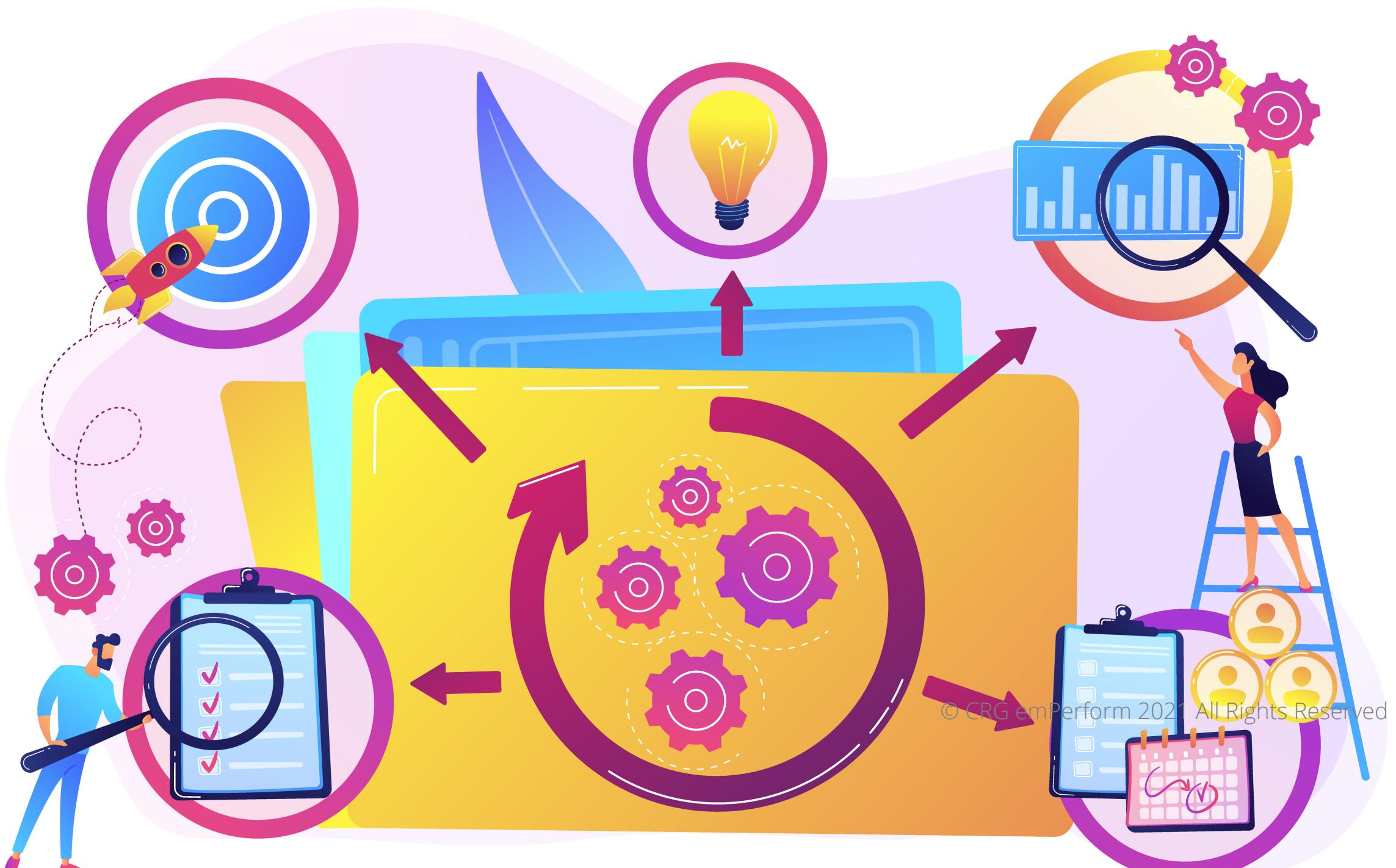
9 Reasons to Use the Nine-Box



Visualize Your Talent Pools

One of the most exciting benefits of using the Nine-Box Matrix is that it gives you a top-level overview of your entire talent pool. You'll know how every aspect of your workforce is functioning (or not) and be able to identify the gaps you'll need to fill.

The Nine-Box concept is very simple, but its simplicity is what makes it so appealing—and effective. Employees are measured on their 'performance'—in other words, their relative actions, contributions, and results during a specific time period—alongside their 'potential,' or what we'd refer to as the likelihood of future success.

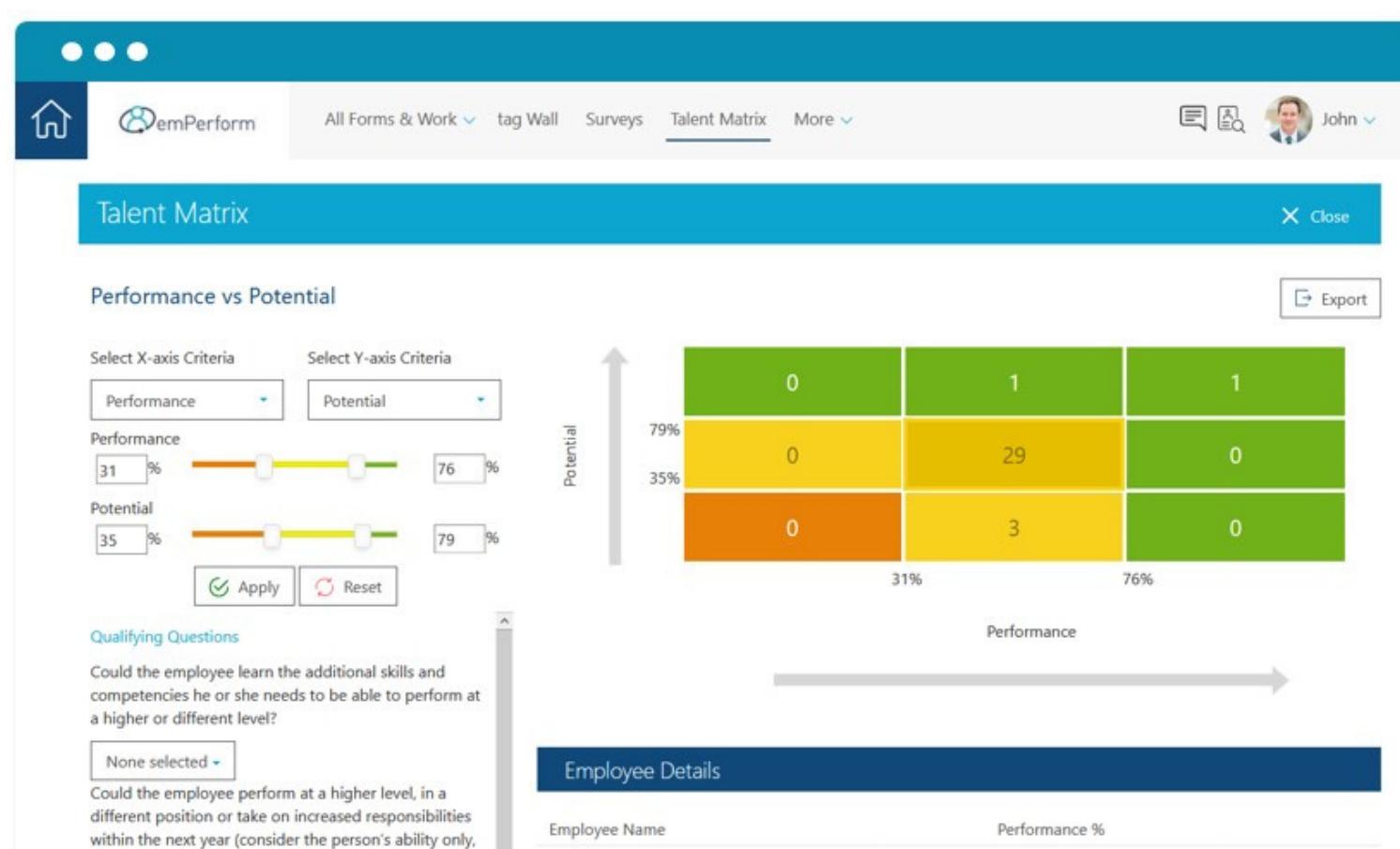


The Nine-Box is included in emPerform

If you have tried to use the Nine-Box in the past and have given up due to lack of time or the work needed to gather and compile the data manually, we get it. There are only so many hours in a day! However, the nine-box is only as good as the data used to build it, so if you're using it out of the box, it takes some time and effort to get started.

We know that manually gathering and compiling relevant and timely data in Excel or Word is a challenging feat, even for the most seasoned HR professional. But there is some excellent news!

The Nine-Box Matrix is available in emPerform, it's **automatically tied to your data and performance reviews**, this means that your organization's fully-functional Nine-Box Matrix can be **generated and adjusted instantly**, with zero extra work needed on your part.



Get started today with emPerform's integrated Nine-Box Talent Matrix, included for free as part of emPerform's all-inclusive performance management software suite.

[Book your demo](#)