TALENT, LEADERSHIP AND LEARNING

At a Zoom Interactive Roundtable on 9th July, CRF's Talent, Leadership, and Learning Community came together to discuss the limitations of and the alternatives to the 9-box grid.

This summary shares some of the key insights from the discussion.

EXPLORING ALTERNATIVES TO THE 9-BOX GRID

Simon Callow of RHR International kicked off the discussion by sharing his experience with a current coaching client. This client, a newly appointed Group HRD, expressed dissatisfaction with the 9-box grid. While the ability to segment talent was essential to the organisation, and the grid had been used religiously, it didn't seem to be quite fit for purpose, with problems arising around validity and value. So, what are the alternatives? What are others using, and what issues in general are arising?

Attendees shared several examples of alternatives to the 9-box grid that are being used in their organisation.

1. One organisation, with the guidance of an in-house occupational psychologist, has streamlined the 9-box grid into four boxes – Top Talent, Future Potential, Valued Contributor, and Development Required. This organisation wanted to move conversations on from the granular, highly detailed conversations that tend to arise with the 9-box grid. Instead, they are emphasising emerging themes and the 'so what?' – what conversation needs to happen? What are the development actions? There is less focus on scientific rigour and greater focus on practice. In the 18 months that the new framework has been in place, it seems to be working well.

    With about 65% of staff in the 'Valued Contributor' box, the new framework has also encouraged the organisation to stop and think about how to make sure those people do not feel undervalued. One tweak has been to pivot the four boxes into a diamond to make Valued Contributors and Future Potentials appear at the same level. Managers report that this seemingly small visual change has had a big impact on the ease of conversations with Valued Contributors.

At the level of senior leadership, the Board wants to understand who among Valued Contributors are subject matter experts, as opposed to broad generalist leaders, so they can better understand the types of progression and movement people might need. The model is being used twice a year at ExCo level, while reviews are quarterly in other parts of the organisation. Emphasis has moved away from what box people are in, and onto whether the suggested actions are being acted upon. There is an effort to make this a core part of manager accountability, not just HR's remit.

Quality of data is an issue. While performance data is robust, potential assessment is more challenging. There is a need to mature the confidence and capability of managers to distinguish between performance and potential. This organisation is also updating its HR system (Oracle) to try to get fresher data into managers' hands, more often.

2. One organisation is guided by stratified systems theory, which segments the organisation into seven levels of work. At this organisation, the focus is on potential. A capability framework assesses people's potential to do certain levels of work. Mental processing ability, knowledge, technical skills, social process skills, and application are the components of the framework. People are categorised as 'at level', plus 1, or plus 2 levels. Mental processing ability is core, as the organisation recognises it is difficult to develop.

    While line managers review performance, managers once removed (MORs) are responsible for assessing potential (as line managers are too close). The confidence and competence of MORs to make these judgements is essential; training and support to equip MORs to understand the model and develop conversation skills for talking to people in the different scenarios is a priority.

    While this organisation used to use the 9-box grid, it has found it cleaner to have the performance and potential conversations separately. There is an emphasis on making sure everyone has the opportunity to develop and feel valued, including those deemed 'at level'; conversations focus on what a person needs to do to prepare for future roles, or what they need to do to be more effective in their current role. Transparency is key – the organisation doesn't say, 'you are in this box'. Rather, the message is 'this is the judgement, but we reserve the right to change the judgement if circumstances change'.

    Aspirations are also a key part of the potential conversation. The organisation shares with people what it thinks they have the capability for, but equally asks about their aspirations. If aspirations are higher than the potential the organisation currently sees, what is needed

to match those aspirations is articulated. Potential is judged about five years ahead for succession and development.

Finally, this organisation is trying to move away from the view of promotion for promotion's sake; rather, there is an emphasis on making sure people understand how work changes if you move up and whether you really want to do that. Traditionally a more paternalistic organisation, this company is now working with employees to take more ownership of their own careers and to drive conversations about their own potential.

3. A third organisation has created its own model to support a potential and development approach (talent is divided into 'Top Talent', 'Future Potentials', and 'High Performers'). Sustainable performance is required from talents, but this is not really assessed in the talent review. The model and behaviours assessed are linked to the company's strategy. The new model was developed because the company wanted to move away from an over-emphasis on the idea that 'technical skills = talent'; instead, they now ask 'what makes a talent?'. What else is required on top of technical skills, which are just a prerequisite? Such qualities, at this organisation, include customer-centricity, networking, and cooperation, among others. Example-driven, qualitative dialogue forms the basis of assessments.

ADDITIONAL INSIGHTS

The following additional insights emerged from the discussion.

- One organisation sees 'potential' as a bit of a loaded term. They use 'readiness at scale' instead – are you ready to scale your leadership for more complexity? Are you future-oriented? Do you look at things at enterprise level? Are you able to make trade-off decisions? What about influencing skills, resilience, ability to learn, and the mental agility to flex your style? Those who are not ready to scale might be ready to scale in the future, for example by working on their future orientation or ability to make trade-off decisions. The framework allows conversations about what is required to be ready to scale.

- Some organisations are trying to scale back. They are taking a close look at the criteria used for identifying top talent. They are focusing on better conversations. They are trying to uncomplicate overly sophisticated and unhelpful talent review processes.

- The Workday talent module offers good reports and can increase transparency, but it is only as good as the data that managers put in. Calibration is still required.

- One smaller organisation does not have a pressing need to segment talent. Instead, it focuses on succession planning and legacy in its talent conversations. The organisation asks leaders – 'Five years from now, what will the organisation look like, who are the diamonds that can become way better than you in the future, and what are their 5-10 year development plans?'

- There was discussion about how to guard against leaders identifying only those people made over in their own image as high potential. One way to avoid this is by introducing degrees of separation. One organisation moves leaders into the 'listener' role with respect to their own people, rather than letting them occupy the 'justifier' role. Leaders step out and listen to others talk about their people; this approach recognises that immediate managers are usually not the best judge of their own people.

- With respect to matrix organisations, one piece of advice is to pay close attention to who is involved in talent conversations. Who is in the room? Be sure to include unusual suspects – people outside the immediate domains and a broad range of stakeholders. It can be unhelpful to people's sense of their own potential if they feel their future is invested in just one or two people. Emphasise instead the value of reputation and that many people will have a view.

- Transparency continues to be a struggle for some organisations.

- With respect to tools for assessing potential, one attendee suggested the use of 'evidence forms' for High Potentials. These forms make explicit a person's concrete contributions to the business and to teams. It's valuable to calibrate these forms with leaders to get to alignment and focus on the 'gamechangers'.

- There was discussion about the frequency of reviews. Organisations are taking a wide variety of approaches.
  - Annual or twice yearly
  - Increased frequency in growing areas of the business versus more established, mature areas
  - Frequent and cascaded approach after CEO talent deep dives through the organisation; CEO review quarterly with leadership team and the same at the two levels below
  - Twice yearly for an assessment of talent, but then more regular talent sessions about different challenges/insights
  - Every three years (unless someone has been promoted or there's a reason to change). We aspire to more regular conversations about talent (e.g. focus on different aspects – diversity, graduates, etc.), although we will still have annual reviews at a Business Unit / Exco level
  - Frequency depends on the objective.

- There was some criticism of the organisational delusion that talent mapping is the same as talent management. You can go through the exercise of mapping people onto a 9-box grid but that only gives an 'as is' picture. It is a status check. Fatigue can set in, and the exercise ends up adding little value. It becomes a question about 'which box?' instead of their future development and potential.

- There was discussion about the importance of understanding people's aspirations. This sounds basic, but is often overlooked. Talent management processes shouldn't be something the organisation does to you. If you don't ask people about their aspirations beforehand, you risk making a lot of assumptions about what people want to do (and these assumptions are usually made in the image of the leader).

- Many organisations are really focusing on the quality of conversations and the skills of line managers or managers once removed to have these conversations.

- One organisation is grappling with how to approach specialists. One piece of advice is to try to recognise those people in a formal way in the business, not just by putting them on the intranet but by paying them more money and being very supportive of them talking and influencing the wider environment – allowing them to give input for the whole organisation's success.

FURTHER READING

CRF. 2020. **Talent – Careers, Development and Succession in a Changing Landscape.** Research Report. https://www.crforum.co.uk/research-and-resources/talent-careers-development-and-succession-in-a-changing-landscape

CRF. 2018. **Assessing Potential.** Speed Read. https://www.crforum.co.uk/research-and-resources/speed-read-assessing-potential-2

SAVE THE DATE

The next session of the Talent, Leadership and Learning Community:
Wednesday 10 November at 12.00 GMT

Join the Community WhatsApp Group

Join our Community WhatsApp Group, the purpose of which is to ask questions, seek advice, and exchange views and experiences with your peers. Please **email** your mobile number to sign up.