

The 9-Box Grid

A classic talent tool that sorts employees on a 3×3 grid using two questions: how well they perform now (performance) and how far they could grow (potential). Created by McKinsey for GE in the 1970s and popularised under Jack Welch, it gives leaders a shared, visual way to plan development, succession and retention.

Best for: Talent reviews · Succession planning · Development · Retention focus

01 — AT A GLANCE

Plot each person by current performance (across) and future potential (up). Where they land suggests the right talent action.

Across: performance today. Up: potential to grow. Top-right are your stars; bottom-left need action.

	Low	Moderate	High
High potential	Rough Diamond Coach	High Potential Stretch	Star Promote
Moderate potential	Inconsistent Diagnose	Core Player Engage	High Performer Reward
Low potential	Underperformer Act	Solid Contributor Sustain	Trusted Expert Retain

02 — THE CORE COMPONENTS

Two axes and a calibration step drive the whole tool.

Performance (the across-axis)	How well someone delivers in their current role today, from results and reviews. A backward-looking measure.
Potential (the up-axis)	How far someone could grow into bigger or more complex roles, judged from learning agility, ambition and leadership signs. A forward-looking measure.
The Nine Boxes	Each cell is a talent profile with its own action, from 'Star' (top-right: promote and retain) to 'Underperformer' (bottom-left: support or move on).
Calibration	Leaders compare ratings together to remove personal bias, so 'Star' means the same thing across teams. This step is what makes the grid trustworthy.

It starts a conversation, not a label

The box is the beginning of a discussion, not a permanent stamp. Share the development action ('let's prepare you for bigger roles'), not the label itself. Re-rate people regularly, because both performance and potential change over time.

03 — WHEN TO USE IT & WHEN NOT TO

This framework isn't right for every situation. Used at the wrong moment, it can point you in the wrong direction.

✓ USE IT WHEN...	✗ DON'T USE WHEN...
- Running talent reviews and succession planning - Deciding where to invest development money - Spotting future leaders and flight risks - Aligning leaders on talent with one shared view	- As a permanent label stuck on a person - Without calibration (bias makes it unfair and useless) - Tiny teams, or when 'potential' can't be judged fairly - As a substitute for honest, ongoing feedback

04 — IN ACTION

Veer Retail — Finding Hidden Leaders

Veer Retail, with 50 store managers, keeps hiring leaders from outside while good internal people quietly leave. A 9-box talent review changes how it sees its own bench.

How the framework was applied:

Step 1	Rate performance and potential — Each manager is scored on results today and growth potential, then placed on the grid.
Step 2	Spot the stars — Three managers land top-right (high/high): strong performers with clear leadership potential, previously overlooked.
Step 3	Find the rough diamonds — Two land top-left (high potential, lower performance): stuck in the wrong store, not untalented.
Step 4	Act by box — Stars are fast-tracked for area-manager roles; rough diamonds get coaching and a better-fit store; one underperformer gets a clear plan.
Step 5	Calibrate — Leaders compare notes to check the ratings are fair before acting on them.

The numbers at a glance

Managers 50 reviewed	Hidden stars 3 top-right	Rough diamonds 2 wrong fit	Outside hires Fewer promote within
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Why the grid changed the hiring habit

Veer was buying leaders it already had. Mapping performance and potential surfaced ready stars and coachable talent, so it promoted from within, cut external hiring, and kept people who would otherwise have left.

05 — KEEP IN MIND

Even experienced teams slip up here. Keep these in mind to keep your analysis honest and useful.

1. Treating the box as a permanent label instead of a snapshot.
2. Skipping calibration, so bias decides who counts as a 'star'.
3. Clustering everyone in the safe middle box.
4. Judging 'potential' on vague gut feel.
5. Doing the review, then never acting on it.