Performance Culture

BETTER TEAMS. BETTER RESULTS.

9-Box: Decrease Bias, and Increase Speed and Accuracy with the Performance-Values Matrix

Who am I?

Melissa Phillippi
CEO & Co-Founder

Co-founded Performance Culture and created many of the Performance Culture workshops and service offerings focused on helping Leaders grow in their communication, emotional intelligence, coaching, and leadership skills.

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Learning Objectives

- Leadership Succession & Its Tools
- The 9-Box Methodology
- The Performance-Values Matrix
- Best Practices & Execution

Defining Leadership Succession

Largely defined by the organization practicing it, Leadership Succession is the planned practice of identifying future leaders, be it business unit leaders or C-suite key leaders, within an organization.

Leadership Succession Strategy:

Identifying → Developing → Placement

Risks When No Strategy Exists

Andersen, D. (Producer), Lasseter, J. (Director) & Stanton, D. (Director). (1998). *A Bug's Life* [Motion picture]. USA: Pixar Animation Studios.

1. Business Continuity

2. Unnecessary and unplanned costs of hiring, training, and loss of revenue in the meantime. *(To the tune of $112 Billion!)**

3. Disengagement from current employees; potential to lose star employees who don't see a career path

*Large companies that underwent forced successions in recent years would have generated, on average, an estimated US$112 billion more in market value in the year before and the year after their turnover if their CEO succession had been the result of planning. – Strategy+Business Newsletter, a PwC business

Leadership Identification & Succession Tools

Leadership Succession Report

Saved Filters

EMPLOYEE	POSITION	DEPARTMENT	LOCATION	MANAGER(S)	YEAR	COACHING CYCLE	PERFORMANCE SCORE	CORE VALUE SCORE	CORRECTIVE ACTION	NEXT DESIRED POSITION	LEADERSHIP NEXT POSITION	NEXT POSITION ACTION
Abigail Collins	Marketing Assistant	Marketing	Charlotte	Amy Barnes Elizabeth Ray	2021	Q1	3	3	No	Marketing Manager	Marketing Manager	Well Placed
Allison Meyers	Marketing Assistant	Marketing	Wilmington	Amy Barnes Elizabeth Ray	2020	2020	3	4	No	Marketing Manager	Marketing Manager	Well Placed
Amy Barnes	Vice President of Operations	Operations	Wilmington	Melissa Super User	2020	Q1	3.8	3	No	Vice President of Operations	Vice President of Operations	Well Placed
Atticus Finch	Attorney	Legal	Wilmington	Melissa Super User	2020	2020	3	3	No		IT Administrator	
Ava Graham	Sales Representative	Sales	Charlotte	Louise Gosling	2020	2020	3	3.5	No	Senior Vice President of Finance	Accounting Manager	
Betina Meeks	Accounts Receivable Associate	Accounting	Raleigh	Linda Lawlin	2020	2020	3	3	No	AR Specialist	Accounting Manager	New to Position
Bill Porter	Vice President of Finance	Finance	Raleigh	Lindsay Admin User	2019	2019	3.5	2.33	Yes	Senior Vice President of Finance	Accounts Receivable Associate	Well Placed
Catherine O'Donald	Accounts Payable Associate	Accounting	Raleigh	Linda Lawlin	2020	2020	3	3	No	Accounting Manager	Accounts Payable Associate	
Charlie Blanchard	Accounts Receivable Associate	Accounting	Raleigh	Lindsay Admin User	2020	2020	3	3	No	Vice President of Sales	AR Specialist	New to Position
Claire Pratt	Accounts Payable Associate	Accounting	Wilmington	Linda Lawlin	2020	2020	3	3	No	Accounts Payable Associate	Accounts Payable Associate	New to Position
David Employee User	Sales Representative	Sales	Wilmington	Preston Manager User	2020	2020	3	3	No		Sales Representative	Well Placed
Elizabeth Ray	Marketing Manager	Marketing	Nashville	Lindsay Admin User	2020	Q1	3.6	4	No	Marketing Manager	Marketing Manager	Well Placed
Jennifer Simmons	Human Resources Specialist	Human Resources	Wilmington	Lindsay Admin User	2020	2020	4	4	No	Human Resources Manager	Accounting Manager	New to Position

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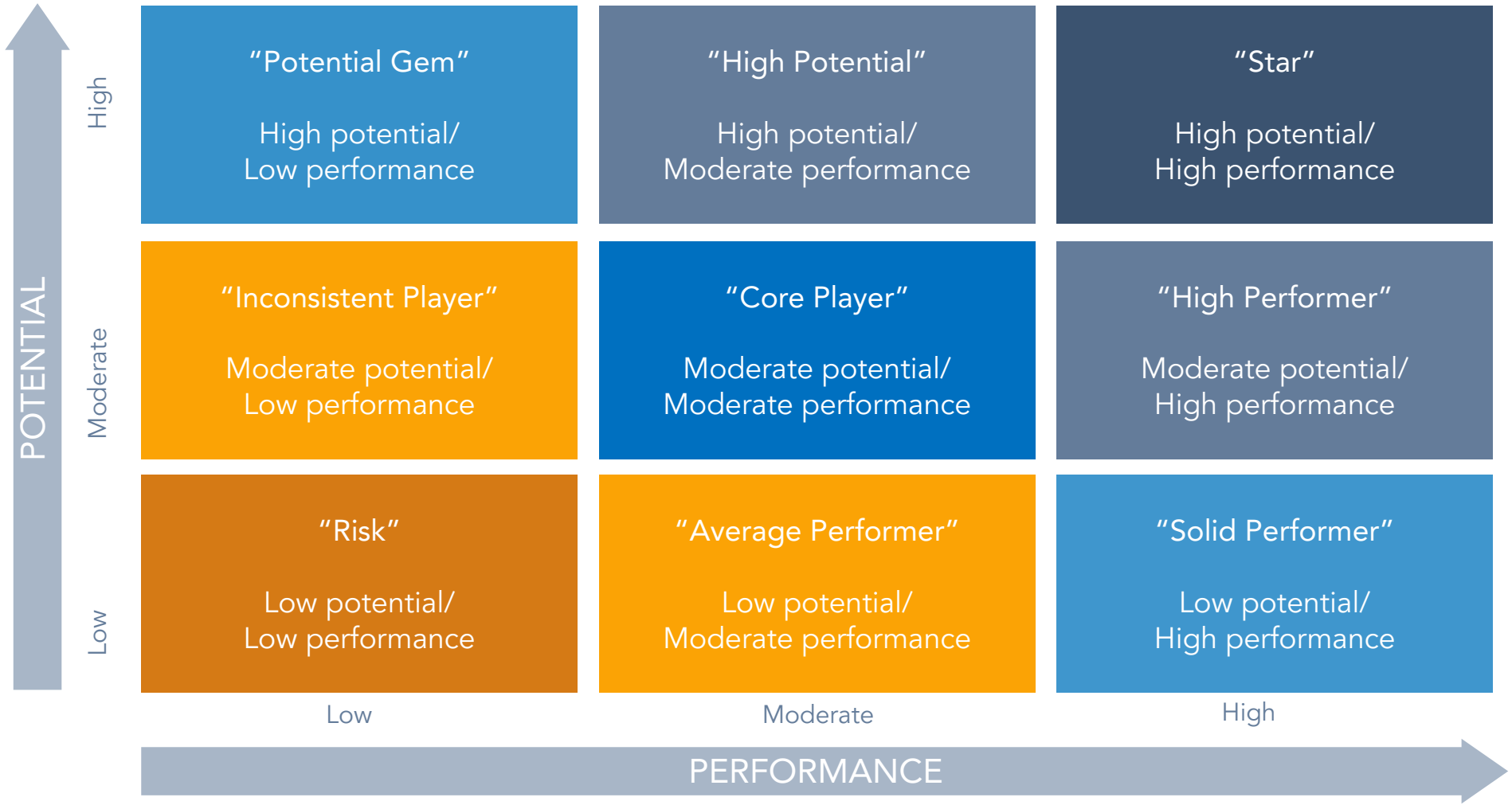
Leadership Succession Tool: The 9-Box



Pros & Cons of the 9-Box

Pros

- Ease of Use
- Logical Approach
- Inexpensive Tool

Cons

- Can be "open to interpretation"
- Potential for Large Subjectivity and Bias
- "Plotting, then Justifying"
- Manual Methods = Tedious and Lengthy Process

Tips & Best Practices

Evaluating someone's future potential is difficult, so help your managers and key leaders by providing a set of clearly defined competencies and a measurement scale.

Low Leadership Potential: *The individual is operating at maximum potential (there is little to no room for growth or improvement). The individual is well placed in his or her current role.*

Medium Leadership Potential: *With additional training and/or mentorship, the individual is likely to grow in his or her leadership potential. The individual shows promise for future leadership positions, but is not ready now for managerial promotion.*

High Leadership Potential: *The individual is currently operating at a high leadership capacity, leading self and others well, is a great team player, and shows promise for continued growth. The individual is ready now or in the near future for managerial promotion.*

9-Box and Leadership Evaluation Criteria

Leadership Competencies – What makes a great Leader?

Lominger Model

67 competencies such as:

- Social and Emotional Intelligence (EQ)
- Conflict Management
- Learning Agility
- Change Management
- Self-Management
- Managing Performance
- Interviewing Skills

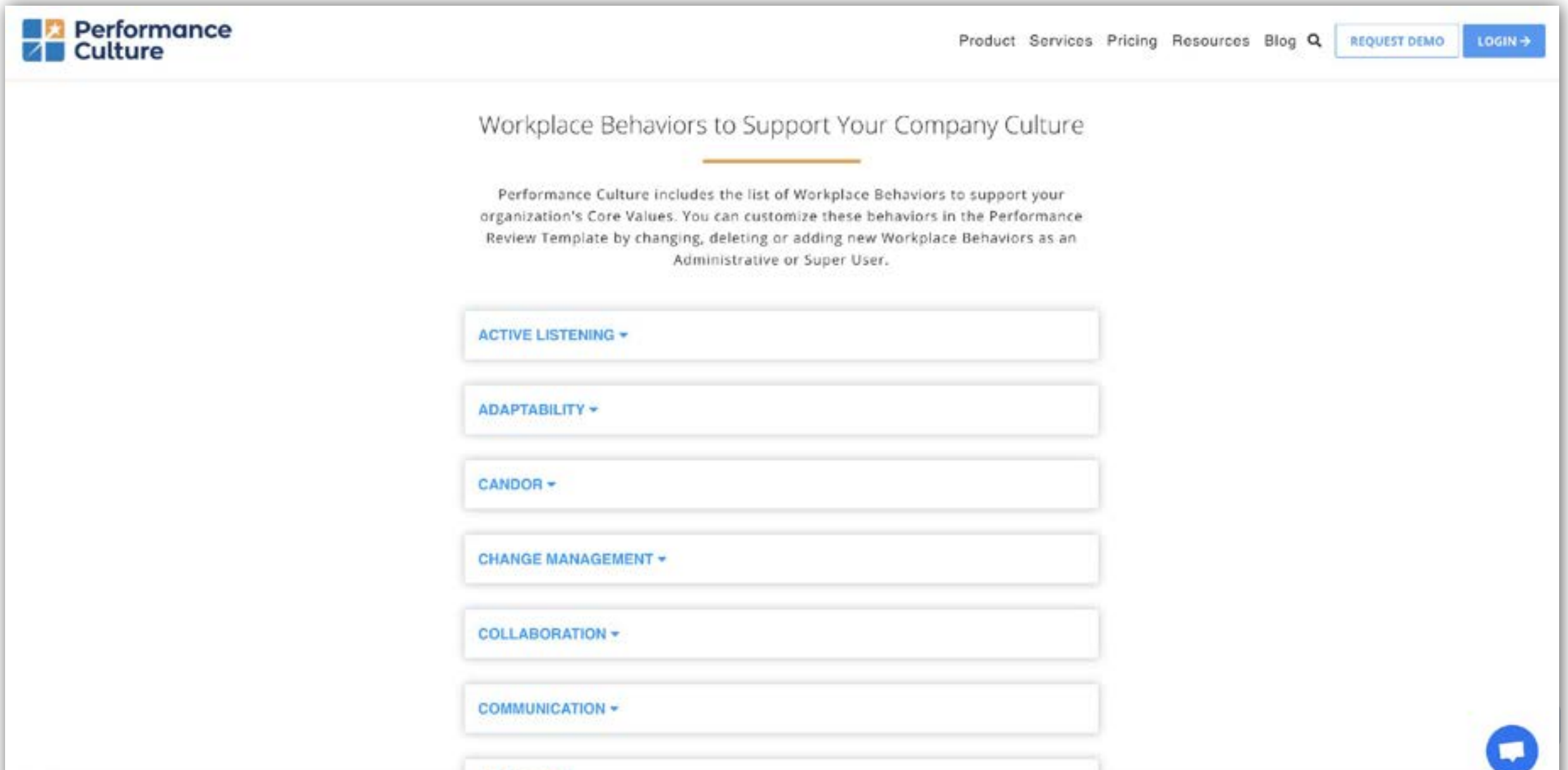
CliftonStrengths Competency Model

177 competencies comprising 34 themes

- Strategic Thinking
- Relationship Building
- Influencing
- Executing

Performance Culture's Workplace Behaviors that Support a Great Culture – 38 Competencies

PerformanceCulture.com > Resources > Behaviors https://performanceculture.com/workplace-behaviors/



Tips & Best Practices: Case Study

Alliance™ Laundry Systems

- "Alliancify it" – Lessons from Amanda Kopetsky, Director of Corporate Human Resources
  - Identify Organization Overall Goals and Needed Competencies
- "Talent is every leader's job, not just HR."
- Give yourself time, resources, and flexibility.

Reduce Bias and Subjectivity

Incorporate a solid, calibrated performance review process first.

Reference our webinar through HR.com from January 2021 on Improving Consistency & Decreasing Rater Bias in Performance Reviews*

1. It starts with well-defined, aligned goals.

   (Hint: Utilize Performance Culture's Goal Management Tool for ease).

2. It continues with *training* your managers how to truly coach and provide feedback AND how to apply your rating methodology.

   (Hint: It's not the rating scale's fault).

3. It concludes with leading your organization through data-driven decisions.

   Step 3 is possible when you have proper goals and behavior competencies defined for each business unit and preferably role, plus a well-calibrated process!

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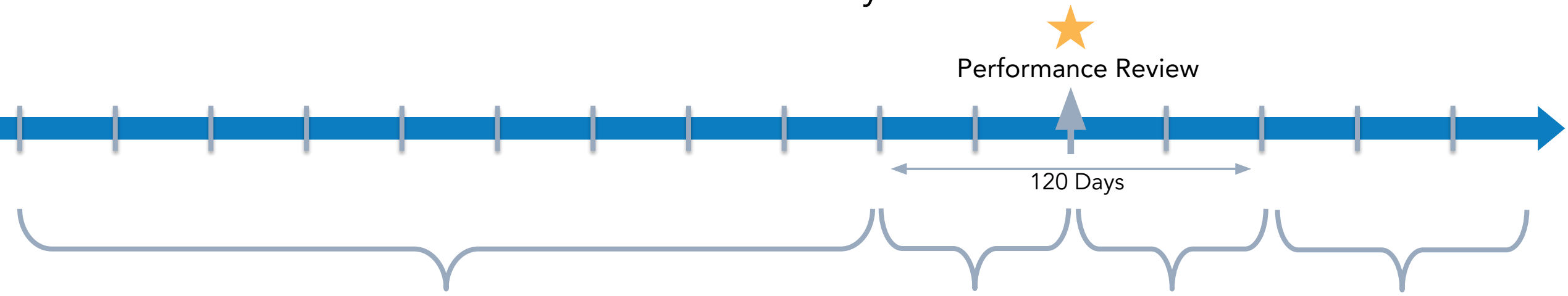
* https://performanceculture.com/improve-consistency-fairness-and-reduce-rater-bias-in-performance-reviews/

Performance Review Process

12-Month Cycle



•Monthly Manager/Employee check-ins; no less than quarterly

•Encourage peer recognition of displayed core values

•Ongoing training for Managers and Employees

• Preparation & Calibration

• Audit

• SWOT Analysis

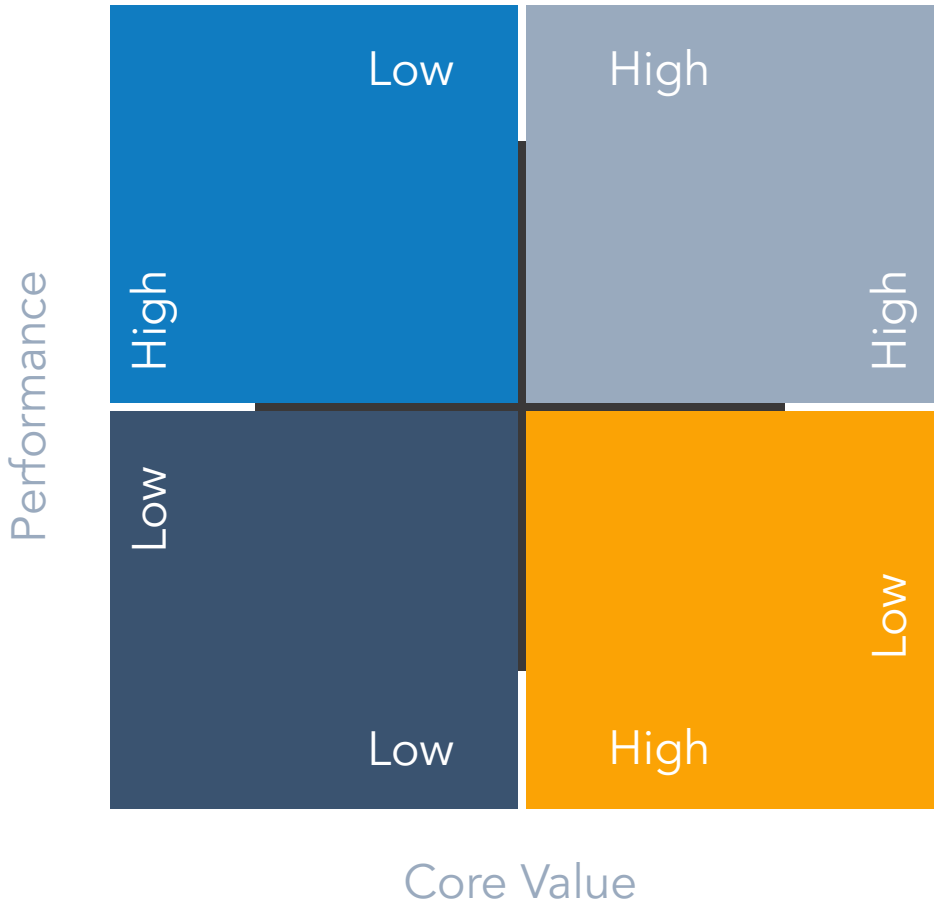
• Setup new year reviews

• Monthly Check-ins continue

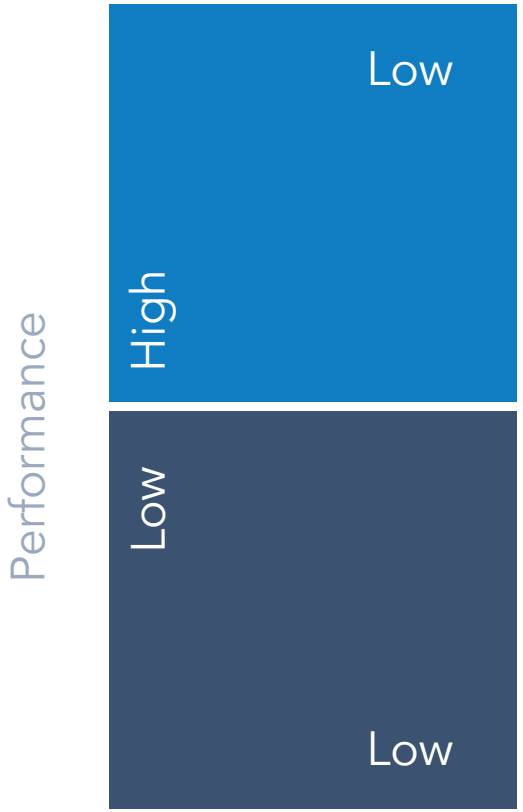
• New Performance Review & Goals

• Ongoing Performance Management

Speeding up the 9-Box Process with the Performance Values Matrix



Y Axis = Performance



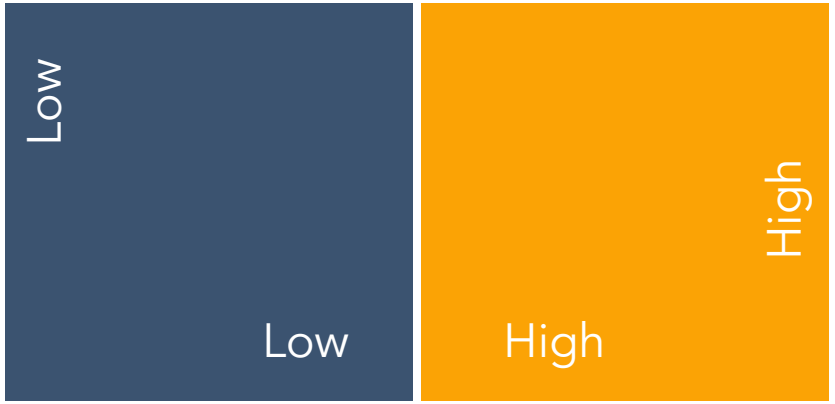
Supported by OKRs/Goals

Focus on performing job duties and meeting expectations of one's role

https://performanceculture.com/performance-objectives/

X Axis = X Factor

Represents organizational and role alignment



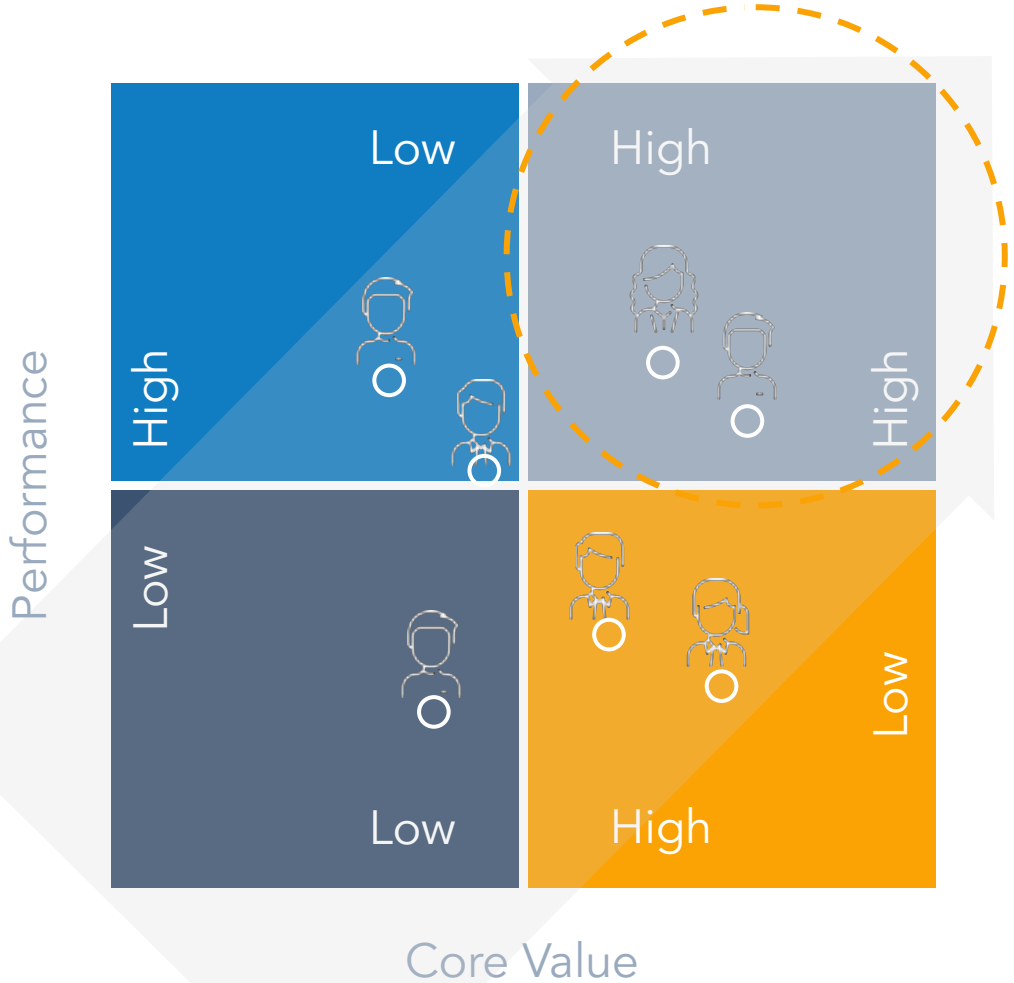
Core Value

Organizational Core Values

- Behaviors support these values
- What gets rewarded and tolerated gets repeated

How the PVM Can Help

Exporting the Star and High Potential Employees, based on scored data, allows Managers to focus on true candidates for succession and complete the 9-box faster.

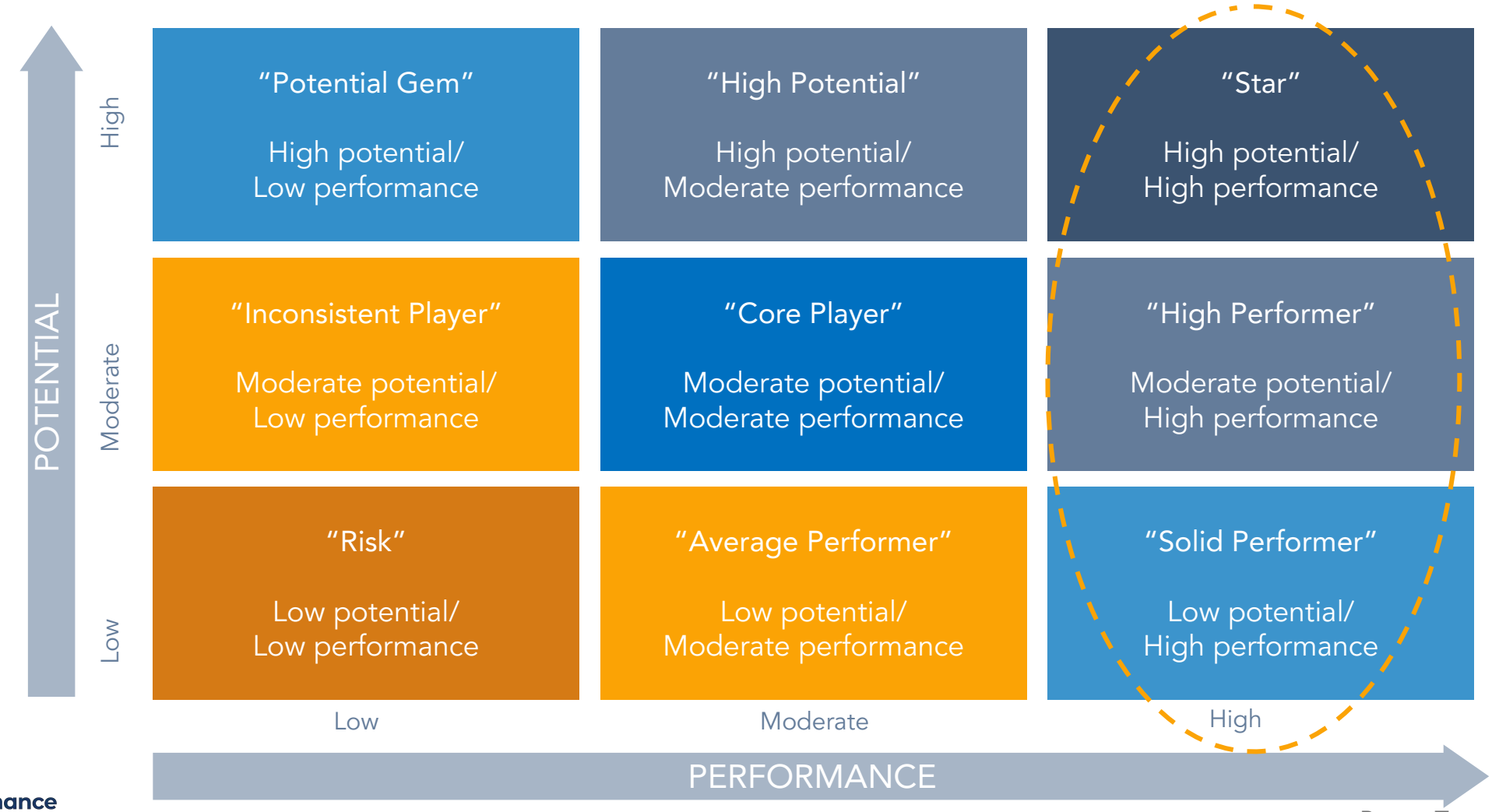


The PVM Management Model forces Managers to evaluate candidates on individual job and behavioral competencies.

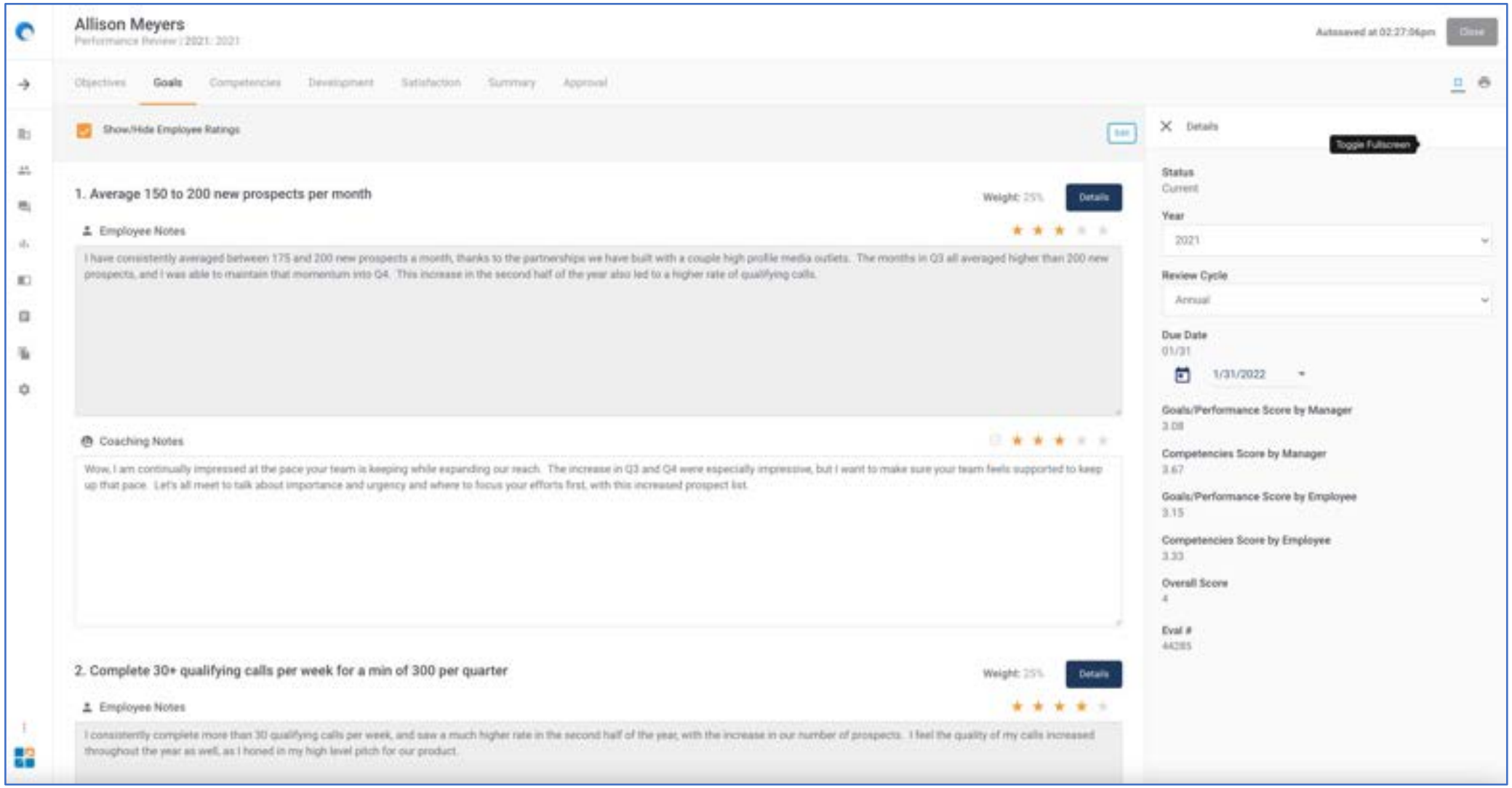
Over time, historical data provides trend analysis and more objectivity (proof) for 9-Box placements.

Email hello@performanceculture.com for your FREE 9-Box & PVM template!

Identify Future Leaders



Real Life Application: Justify, *then* Plot

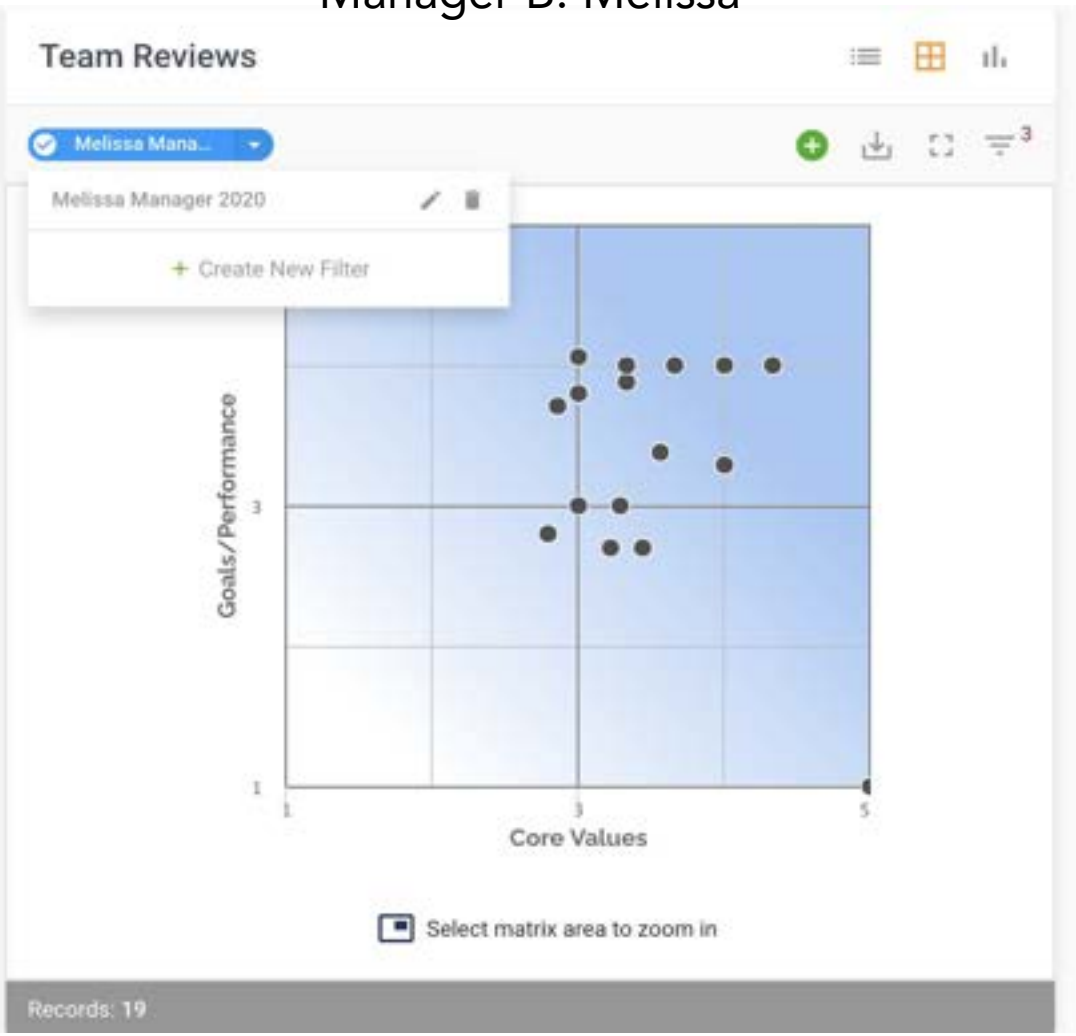


Using the Data

Calibration Best Practices

Manager A: Amy

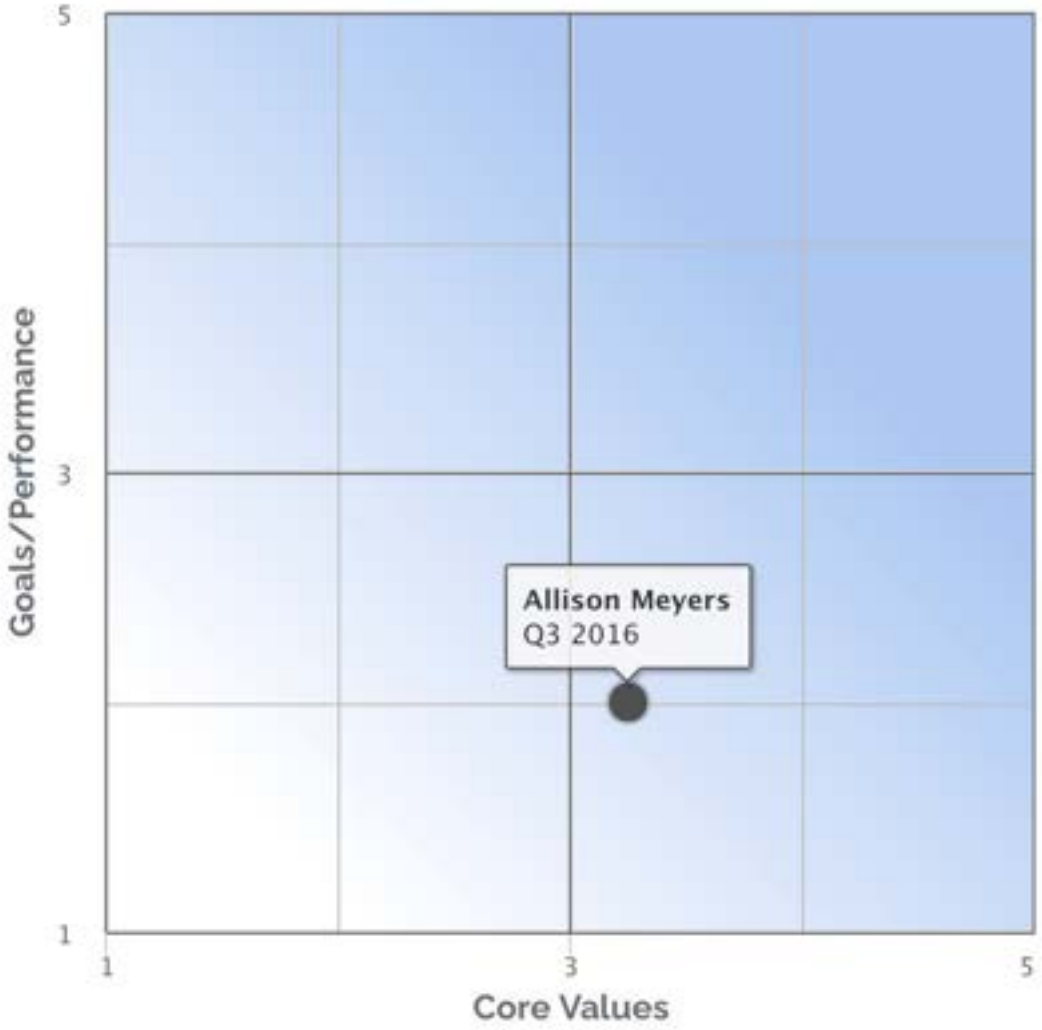
Manager B: Melissa



Using the Data

Calibration Best Practices

Allison Meyers' Performance in 2016



Allison Meyers' Performance in 2020

I Feel the Need…the Need for *Speed!*

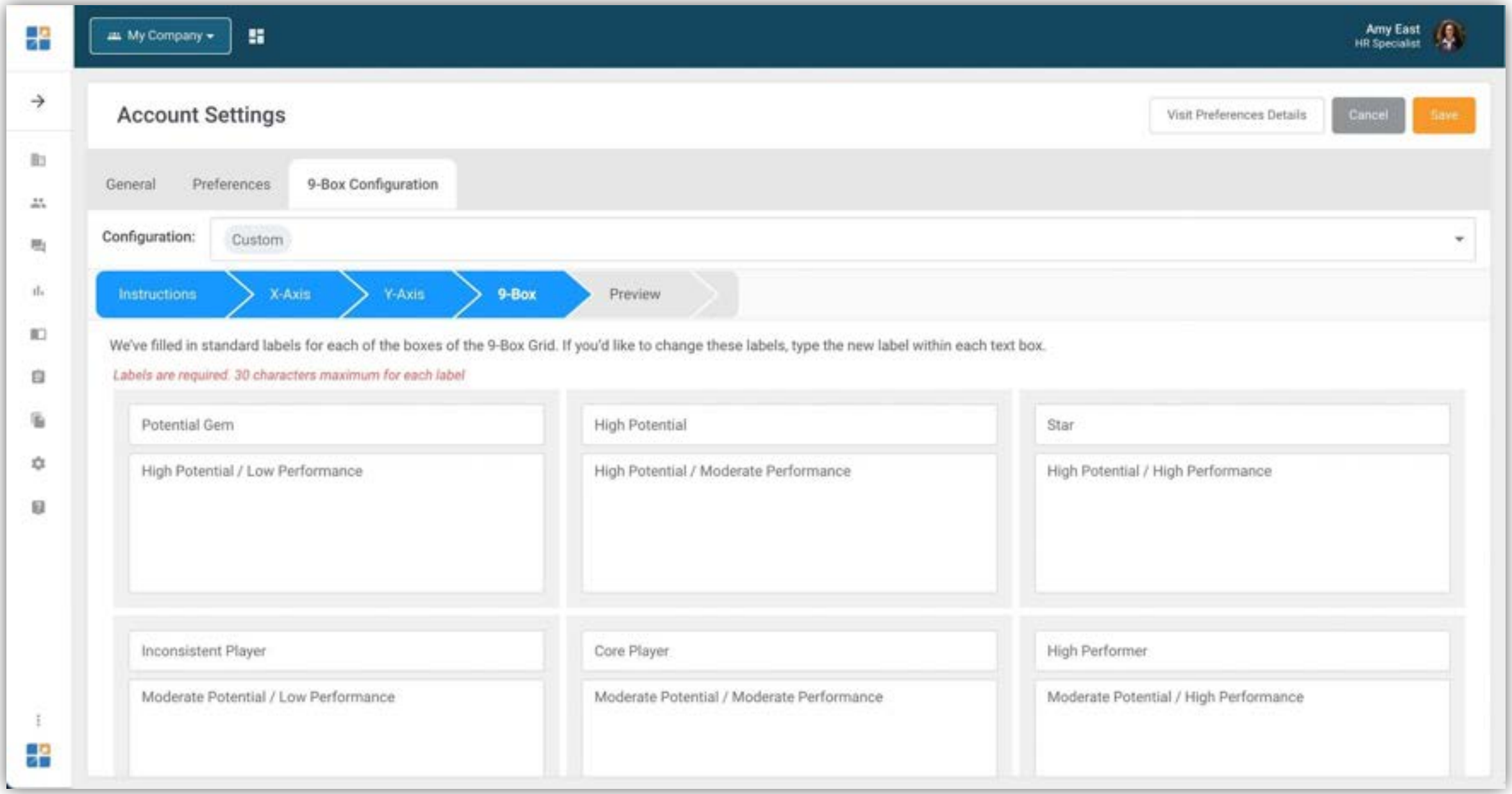
We've decreased bias, increased objectivity, and even increased some speed
in the 9-Box process with the Performance-Values Matrix,
but…it's still a manual process that can be PAINFUL!!! (Especially for HR!)

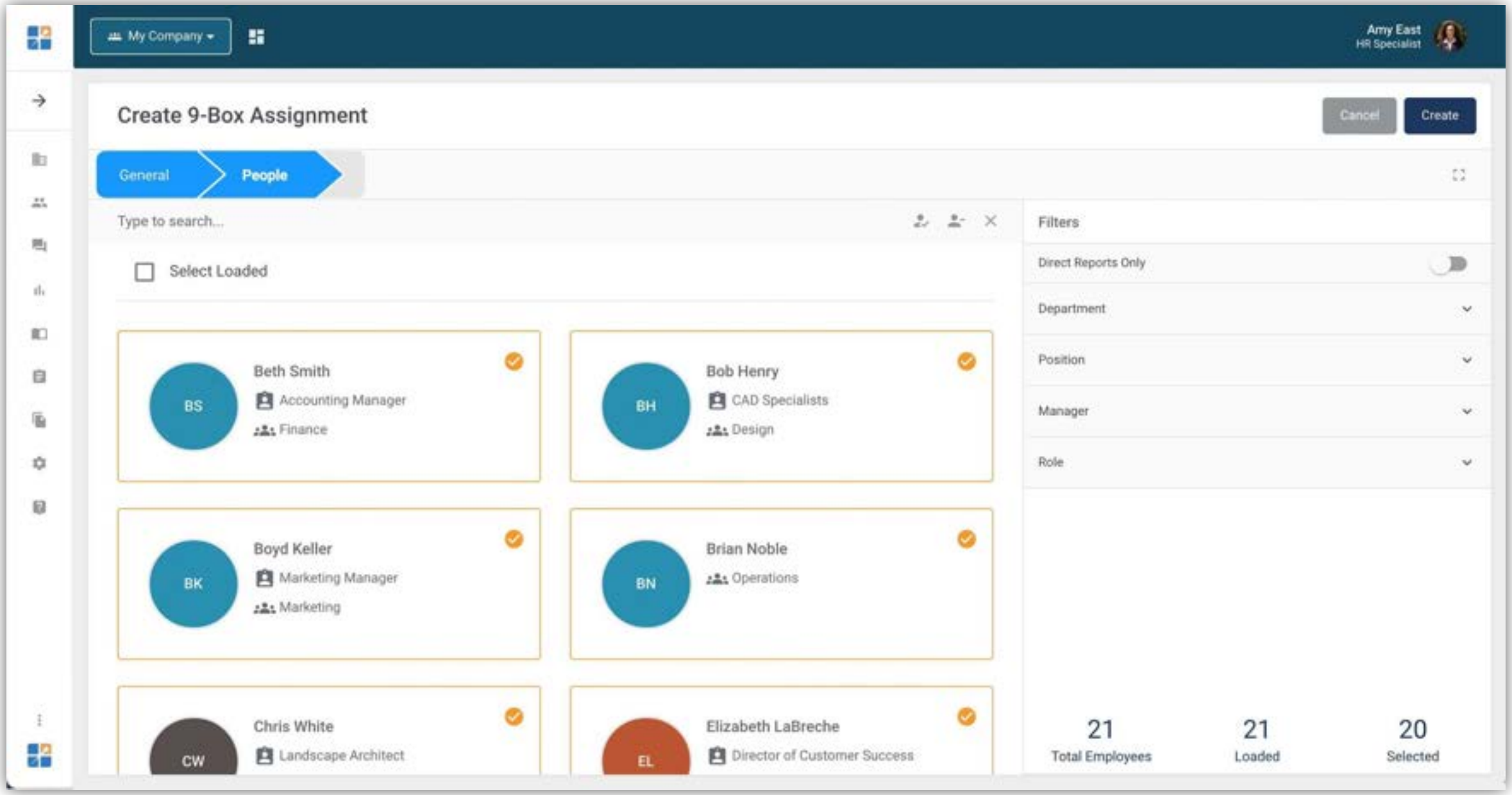
Performance Culture introduces the

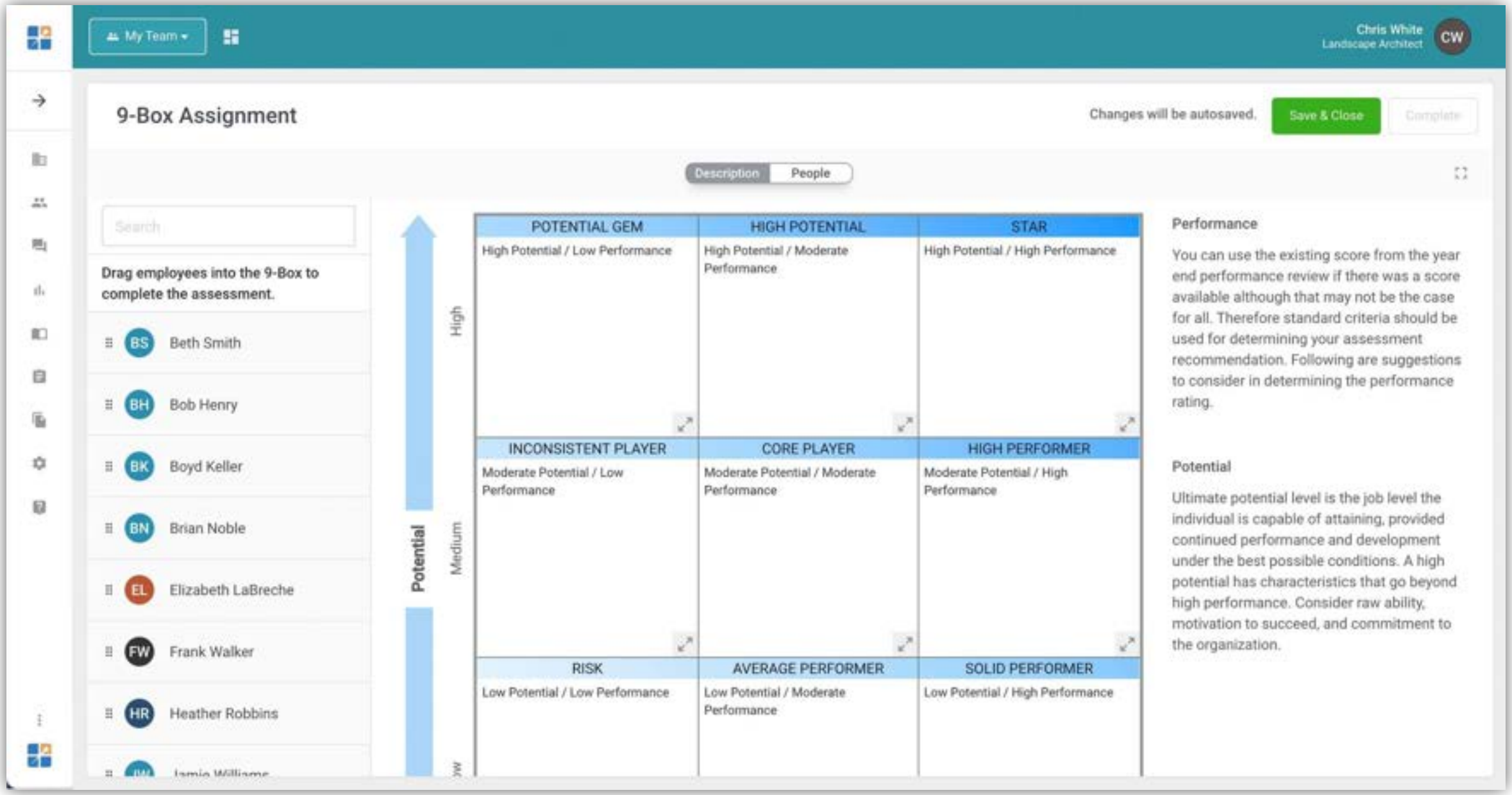
9-Box Leadership Succession Tool

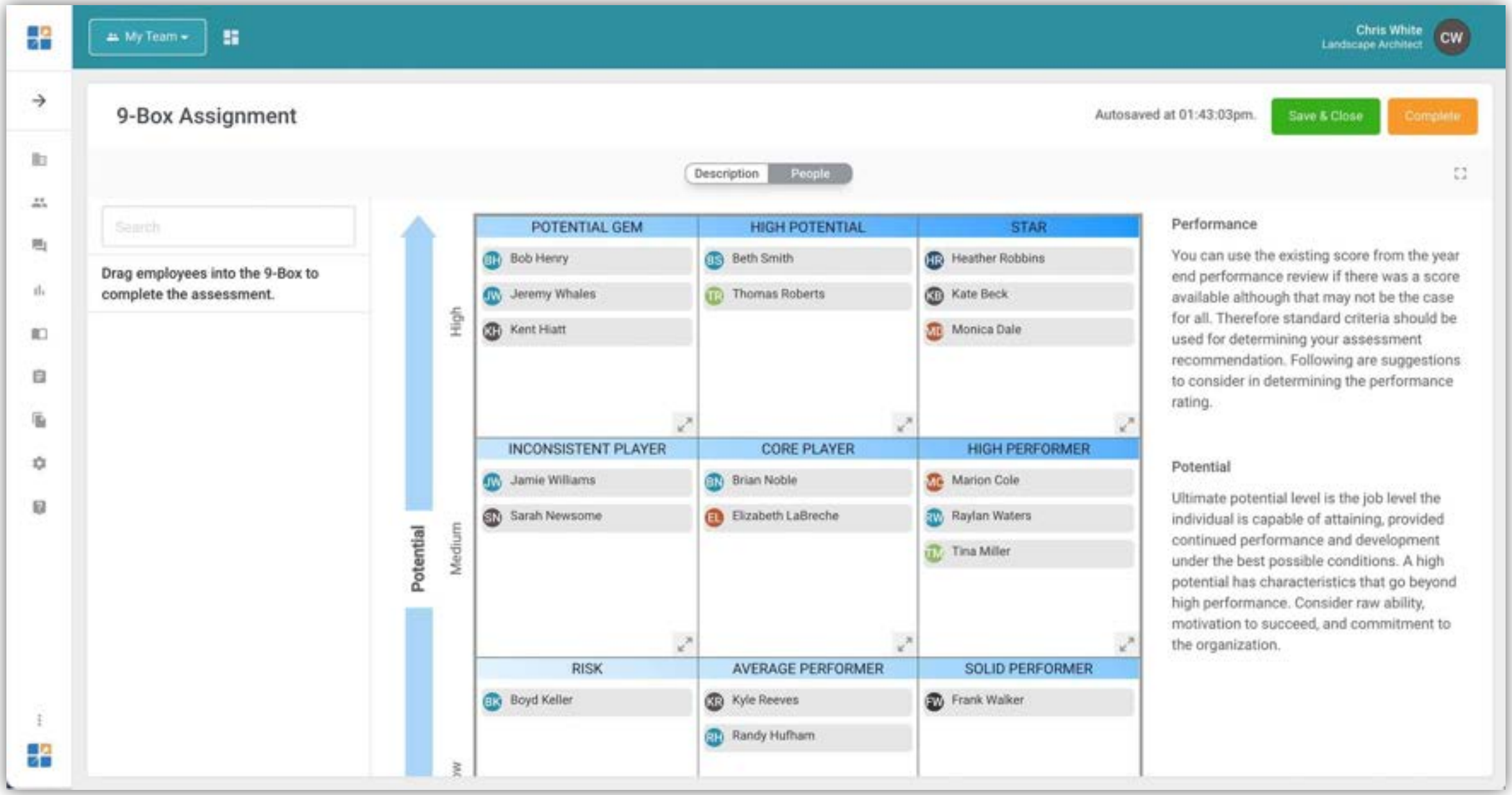
into its Software TODAY!!!

(software is FAST!)


My Company
Amy East
HR Specialist
Account Settings
Visit Preferences Details
Cancel
Save
General
Preferences
9-Box Configuration
Configuration:
Custom
Instructions
X-Axis
Y-Axis
9-Box
Preview
We've filled in standard labels for each of the boxes of the 9-Box Grid. If you'd like to change these labels, type the new label within each text box.
Labels are required. 30 characters maximum for each label
Potential Gem
High Potential
Star
High Potential / Low Performance
High Potential / Moderate Performance
High Potential / High Performance
Inconsistent Player
Core Player
High Performer
Moderate Potential / Low Performance
Moderate Potential / Moderate Performance
Moderate Potential / High Performance


My Company
Amy East
HR Specialist
Create 9-Box Assignment
Cancel
Create
General
People
Type to search...
Select Loaded
Beth Smith
Accounting Manager
Finance
BS
Bob Henry
CAD Specialists
Design
BH
Boyd Keller
Marketing Manager
Marketing
BK
Brian Noble
Operations
BN
Chris White
Landscape Architect
CW
Elizabeth LaBreche
Director of Customer Success
EL
Filters
Direct Reports Only
Department
Position
Manager
Role
21
Total Employees
21
Loaded
20
Selected


My Team
Chris White
Landscape Architect
CW
9-Box Assignment
Changes will be autosaved.
Save & Close
Complete
Description
People
Search
Drag employees into the 9-Box to complete the assessment.
BS Beth Smith
BH Bob Henry
BK Boyd Keller
BN Brian Noble
EL Elizabeth LaBreche
FW Frank Walker
HR Heather Robbins
Potential
High
Medium
POTENTIAL GEM
High Potential / Low Performance
HIGH POTENTIAL
High Potential / Moderate Performance
STAR
High Potential / High Performance
INCONSISTENT PLAYER
Moderate Potential / Low Performance
CORE PLAYER
Moderate Potential / Moderate Performance
HIGH PERFORMER
Moderate Potential / High Performance
RISK
Low Potential / Low Performance
AVERAGE PERFORMER
Low Potential / Moderate Performance
SOLID PERFORMER
Low Potential / High Performance
Performance
You can use the existing score from the year end performance review if there was a score available although that may not be the case for all. Therefore standard criteria should be used for determining your assessment recommendation. Following are suggestions to consider in determining the performance rating.
Potential
Ultimate potential level is the job level the individual is capable of attaining, provided continued performance and development under the best possible conditions. A high potential has characteristics that go beyond high performance. Consider raw ability, motivation to succeed, and commitment to the organization.


My Team
Chris White
Landscape Architect
CW
9-Box Assignment
Autosaved at 01:43:03pm.
Save & Close
Complete
Description
People
Search
Drag employees into the 9-Box to complete the assessment.
Potential
High
Medium
POTENTIAL GEM
Bob Henry
Jeremy Whales
Kent Hiatt
HIGH POTENTIAL
Beth Smith
Thomas Roberts
STAR
Heather Robbins
Kate Beck
Monica Dale
INCONSISTENT PLAYER
Jamie Williams
Sarah Newsome
CORE PLAYER
Brian Noble
Elizabeth LaBreche
HIGH PERFORMER
Marion Cole
Raylan Waters
Tina Miller
RISK
Boyd Keller
AVERAGE PERFORMER
Kyle Reeves
Randy Hufham
SOLID PERFORMER
Frank Walker
Performance
You can use the existing score from the year end performance review if there was a score available although that may not be the case for all. Therefore standard criteria should be used for determining your assessment recommendation. Following are suggestions to consider in determining the performance rating.
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Takeaways

1. Leadership Succession is not a “nice to have” but a “got to have.”

2. Multiple methods and tools available. The 9-box model is the most common.

3. Minimize cons and maximize pros of the 9-box with best practices and the Performance-Values Matrix.

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THANK YOU!

To learn more and request a deeper dive, email us at Sales@PerformanceCulture.com