
Talent Development & Succession Planning



Focus: value creation, performance management, and talent calibration



I'm the next successor

Holding periods
(around 5–6 years)
mean value must
come from
operations

Human capital is
now a core value-
creation lever, not
a side activity

Talent decisions
must be explicitly
tied to the
business
outcomes

Why Retention of High Performers Matters



Turnover destroys productivity, institutional knowledge, and customer relationships



Engaged employees show materially lower turnover and higher performance



Development and feedback practices significantly improve retention



Science: clear KPIs, regular cadence, structured reviews.



Art: quality of coaching, narrative signals, followership.

Both are needed to make sound people and succession decisions.

9-Box Calibration Overview



Performance:
consistency of results
against value-creation
KPIs



Potential: ability to
advance levels or take
on great levels of
ownership at
average/moderate to
accelerated pace



Goal: common
language for investing
in and deploying talent

Meet Shawn: Role & Context



- Operations Director for a \$550M industrial manufacturer.
- Owns end-to-end inventory management across plants and DCs.
- Year 2 of a 5-year PE hold; thesis depends on working-capital and service.

(last 12–18 months)	Target	Actual under Shawn	Why it Matters
Inventory turns	5.0	6.3 (up from 4.2 baseline)	Frees cash, reduces working capital.
Days inventory on hand (DIO)	70 days	56 days	Direct working-capital and cash-flow impact.
On-time, in-full (OTIF)	92%	97%	Revenue capture, customer retention.
Obsolescence / write-offs	1.8% of COGS	0.9%	Margin protection.
Warehouse picking accuracy	98%	99.6%	Fewer errors, better NPS.
Unplanned line downtime due to materials	<3%	1.5%	Throughput, EBITDA.
Voluntary turnover – his team	10%	3%	Stability, knowledge retention.
Engagement score – his org	Company avg 72	81	Predicts retention and performance.

Customer focus: co-designed safety-stock model, improved OTIF for key accounts.

Continuous improvement: led SKU rationalization and cycle-counting improvements.

Talent leadership: promotes, develops, and retains leaders; seen as a trusted coach.

Track record: followership and engagement gains at his prior company.

Shawn's KPIs & Results

Inventory

Inventory turns: baseline 4.2 → 6.3 (target 5.0).

Inventory on

Days inventory on hand: target 70 → 56 days.

Target

OTIF: target 92% → 97%; obsolescence: 1.8% → 0.9% of COGS.

Team

Team voluntary turnover: ~3% vs company 10–12%; engagement 81 vs company 72.

9Box Overview: Performance and Potential

Performance

Performance in current role

3

Outstanding. A clear anchor for your team. One of the best in the organization.

2

Skilled. A solid contributor. Delivers on what is expected.

1

Clear **development opportunities** or skill gaps. Not consistently delivering on expectations.

Performance

		Focus area
		Focus area
	Focus area	

Potential

Potential

The ability to advance levels

1

Focused or well placed for now.
Advancement not expected or far off.

2

Ability to advance levels or take on great levels of ownership at **an average or moderate pace.**

3

Ability to advance levels or take on great levels of ownership at **an accelerated pace.**

Provided stretch opportunities, given board exposure, considered for promotion, given expanded opportunities, etc.

Low performance: Re-positioned, remediated, or exited within 12 months.

9-Box Exercise Instructions



Individually: place Shawn on a 9-box (performance vs. potential).



Circle TOP 5 words/metrics that most influenced your choice.



At tables: compare placements, debate evidence, and define 1–2 development/succession actions.

9Box: [Department | Leader]



Debrief & Application



WHAT DID WE LEARN ABOUT
SEPARATING PERFORMANCE
AND POTENTIAL?



WHICH DATA AND STORIES
WERE MOST PERSUASIVE?



HOW WILL YOU EMBED 9-BOX
CALIBRATION INTO TALENT
REVIEWS?