

UNDERSTANDING PERFORMANCE – POTENTIAL MATRIX CONT'

- In the boxes categorized along the x and the y-axis in the performance vs. potential matrix, the top-right box is the most valuable position and indicates both high performance and high-potential. Conversely, the bottommost square indicates both low performance and low potential. While 'performance' is the level of success employees achieve in their current roles, 'potential' is employees' caliber to assume more complex roles in the future.
- One first needs to accurately plot employees on the performance vs. potential grid to use it well. Both potential and performance are individual metrics and need to be determined separately. Often, organizations find it difficult to measure performance and potential.