

The Life Cycle of a Board's Relationship with its Chief Executive Officer/ Executive Director

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ATTORNEYS

Four main topics to be covered:

1. Recruiting/Interviewing
2. Mentoring
3. Evaluating Performance
4. Separation



Recruiting and Interviewing

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Recruiting

- Create/update job description identifying essential functions

- External

- Professional recruiter
- Advertising



- Identify recruitment areas (local regional, national)
- Traditional
- Social media      

Recruiting (continued)

- Internal
 - Board Members
 - Volunteers
 - Employees



Initial Screening

- Resumes
- Video/Skype
- Pre-hire questionnaire
- References



Researching Candidates

- Develop policy and process
- Factors to consider include:
 - Listing the social media sites that will be searched for each applicant
 - Listing the lawful information about applicants desired from every search
 - Having a neutral third party conduct the search
 - Prohibiting the organization from “friending” an applicant to gain access to nonpublic social networking profiles



Researching Candidates (continued)

Internet searches (cybervetting)

- Employers can conduct internet searches for publicly available information on prospective employees
- Factors relating to age, color, gender, disability, age, national origin, sexual preference, and other protected characteristics may be inadvertently discovered during cybervetting



Negligent Hiring

- Potential exists for claims of negligent hiring if employer fails to cybervet
- Duty to exercise reasonable care
- Careful review of applications/resumes
- Reasonable investigation of applicant's background
- Check references



Interviewing

Formats

- Committee
- Community meet-and-greets
- Follow up



Interviewing (continued)

Interviewing tips

- Open-ended job related questions
- Careful choice of words
- Avoid inappropriate comments or promises
- Permissible/impermissible pre-employment inquiries (Exhibit A)
- Sample interview questions (Exhibit B)



Obtaining References

- Ability to release reference information (RCW 4.24.730)
- Use consent form
- Prior to job offer
- Job-related questions



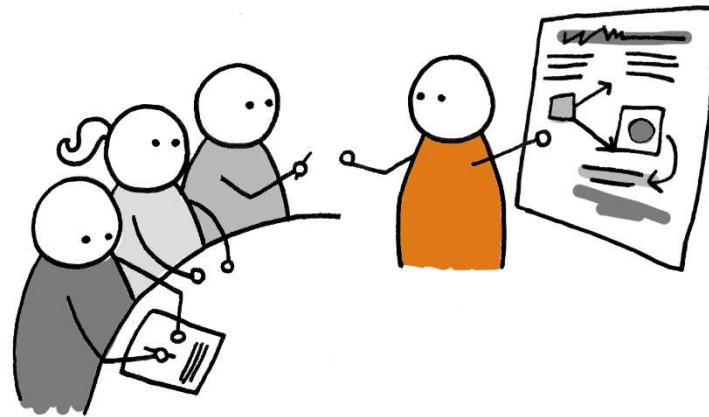
Mentoring the Executive

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Goals of Mentoring

- Provide ongoing guidance for executive
- Establish basis for ongoing evaluations of the executive's performance
- Assist in retaining the executive



Role of the Board

- Recognize that the Board needs to have an ongoing relationship with the executive
- Determine what the Board can do to foster executive skill improvement
 - E.g. Continuous and open dialogue
- Aim to be a constant resource to assist the executive
- Board President/Vice President responsibility to provide ongoing and regular guidance/mentoring

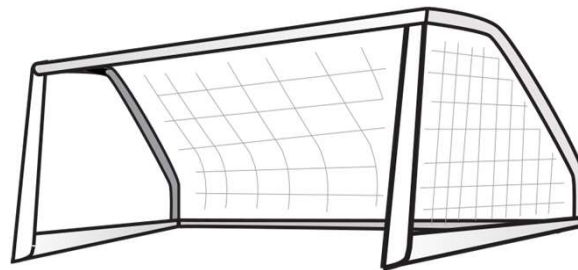
Board's Relationship with Executive

- The Board's relationship with the executive should be founded on clearly established and agreed upon:
 - Roles
 - Expectations
 - Methods for achieving the organization's goals
 - Measures of success
 - Governance
 - Management
 - Performance monitoring



Mentoring Options

- Set aside dedicated time to regularly meet with the executive (at least monthly)
- Discuss organizational goals and what executive is doing to meet goals
- Assess what additional resources, if any, executive needs to meet goals
- Follow up and document meeting discussions

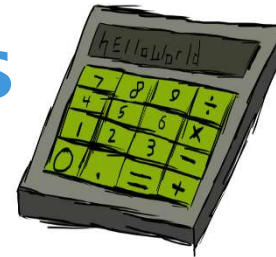


Evaluating Performance

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A Look at the Numbers



- 72% of nonprofit executives report having had a formal performance review during the past two years. 15% report having never been evaluated.
- 16% of nonprofit executives report they have no written performance goals.
- Of those evaluated, 59% of nonprofit executives report the reviews were based on mutually-approved goals developed in advance of the review.

A Look at the Numbers (continued)

- 40% of boards conduct annual self-assessments.
- 68% of nonprofit CEOs will leave their current position within five years.
- 83% of nonprofits report they do not have a succession plan.



Functions of a Nonprofit Executive Director

Top four leadership responsibilities:

- Manage processes for the orderly conduct of business
- Manage policies
- Manage programs to deliver measurable impact
- Manage people to work in an efficient fashion towards agreed-upon results



Competencies of a Nonprofit Executive Director

Necessary leadership skills:

- Planning and evaluation
- Board relations
- Financial management
- Community relations
- Resource development and fundraising
- Human resources and talent development
- Interpersonal communication
- Advocacy and policy



Executive Director Performance Reviews

The main elements of executive director performance reviews are:

1. Performance against measures
2. Executive director development
3. Board and executive director relations
4. Executive director compensation



Executive Director Performance

- To maximize executive director performance, the following strategies should be employed:
 1. Communicate performance goals at hire.
 2. Perform periodic performance reviews.
 3. Allow executive director to participate, to the extent possible, in the formulation of their future performance goals.



SMART Objectives

- One starting place is establishing a culture of SMART objectives
- SMART objectives refers to an acronym built around five leading measures of a strong program
- This acronym can be very helpful in writing objectives that can be employed to evaluate the quality of programs proposed and carried out



SMART Objectives (continued)

- What gets measured, gets managed
- Goals for your organization should be:

S	• Specific
M	• Measurable
A	• Achievable
R	• Relevant
T	• Timed

SMART Objectives (continued)

Specific – What exactly are we going to do, and for whom?

The program states a specific outcome, or a precise objective to be accomplished. The outcome is stated in numbers, percentages, frequency, reach, scientific outcome, etc. The objective is clearly defined.

Measurable – Is it measurable and can WE measure it?

This means that the objective can be measured, and the measurement source is identified. If the objective cannot be measured, the question of funding unmeasurable activities is discussed and considered relative to the size of the investment. All activities should be measurable at some level.

SMART Objectives (continued)

Achievable – Can we get it done in the proposed timeframe in the current political climate and with realistic resources?

The objective or expectation of what will be accomplished must be realistic given the market conditions, time period, resources allocated, etc.

Relevant – How is this objective related to the mission, values, success, and directives; and, will this objective lead to the desired results?

This means that the outcome or results of the program directly support the outcomes of the organization's long-range plan or goal.

Timed – When will we accomplish this objective or achieve a recognized benchmark of the objective?

Introducing Succession Planning into the Performance Review Process

Discuss:

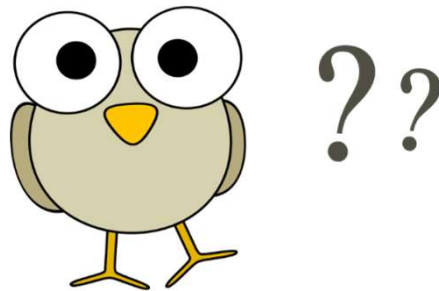
- The executive's future plans
 - How long do you see yourself in this position?
 - What can we do to encourage you to stay with us?
- Emergency succession
 - Do we have someone in place who could immediately fill a sudden vacancy?



Succession Planning (continued)

Discuss:

- Senior team and Board succession
 - What would we do if key positions were vacated this year?
- Talent development
 - What are we doing to attract, retain, and recognize talent to ensure future leadership needs will be met?



Performance Review Step-by-Step

1. Determine who will lead the review process
2. Identify variables to be measured
3. Obtain Board approval of process
4. Gather data from previous evaluations
5. Conduct structured discussions with key groups (optional)



Performance Review Step-by-Step (continued)

6. Obtain executive self-evaluation of strengths, weaknesses, opportunities, and challenges (optional)
7. Obtain and review evaluations from the Board
8. Review salary history and market comparisons
9. Document ways to improve executive development, planning, monitoring, and Board relations
10. Share findings with the executive and Board

Separation/Termination

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Types of Voluntary Separations

- Resignation with notice
- Resignation without notice
- Involuntarily separation by the Board



Protecting the Organization

- Evaluate Employment Practices Liability Insurance (EPLI)
- Consider severance agreement with a release (drafted by legal counsel)



Handling Separation Meetings

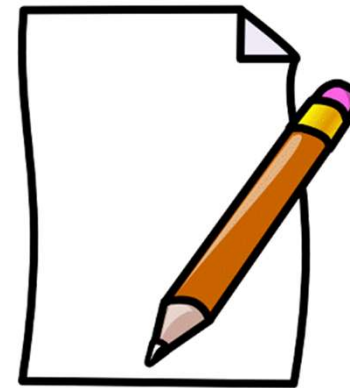
Prepare for meeting

- Practice
- Get to the point
- Be truthful
- Avoid references to personal characteristics
- Avoid arguing

Handling Separation Meetings (continued)

Prepare for meeting

- Avoid apologies
- Explain separation benefits
- Take responsibility
- Document



Handling Terminations

After the meeting

- Carefully communicate the termination to employees and supporters
- Consider exploring with the executive a strategy about the notice to colleagues and supporters



Thank you for attending!

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