Guidelines for the board’s performance evaluation of the executive director

Developed by Judy Sulsona utilizing resources and information from various sources.

**EVALUATION OF THE NONPROFIT EXECUTIVE DIRECTOR**

The performance of a nonprofit’s executive director (ED) is critical to the organization fulfilling its mission. Because the person in this role directly influences the organization’s success and financial health, it is incumbent on the board of directors to set standards and objectively and fairly evaluate the performance of its ED against these standards. In fact, it is one of the board’s central responsibilities.

The evaluation process establishes the board’s expectations of the ED, directs organizational resources in support of his or her professional development, and enhances communication between the board and its staff leadership.

**Benefits of Evaluating the Director**

**The process ensures that:**

* The Board is meeting its **duty** to effectively **support** the Executive.
* The organizational **goals** are being met.
* There is a plan for the **continued development** of the ED.
* There is a **formal and documented** evaluation process that meets standards of fairness and practicality.
* The ED **values his or her role**, feels fulfilled, and is therefore more likely to continue in the position with enthusiasm and effectiveness.
* There is a **written record** of the Board's assessment of the ED’s performance in case this record is needed for future verification, e.g., for salary increases, probationary activities, dismissal, etc.

**Steps in the Evaluation Process**

1. Identify a committee of board members that will lead the evaluation. Depending on the size and structure of the Board, this task may be assigned to the Executive Committee, Personnel Committee or an Ad Hoc Task Force. Assign one person to chair the group.
2. Review the job description and work plan the ED is using, or the ED’s contract. It is very important that the ED have a current job description and a work plan that is updated every year, and that is a set of expectations for the ED’s work. A sample template for the ED’s work plan is provided in Appendix A.
3. Use an evaluation tool that has been accepted by the Board and presented to the ED prior to conducting the evaluation.
4. Design a self‐evaluation form for the ED to complete and ask him/her to provide it to the committee prior to the evaluation meeting. The Board may choose to use the same evaluation tool for both, the Board’s evaluation of the ED, and the ED’s self-evaluation.
5. If feedback from community partners or other stakeholders is desired, decide on the questions to ask, create a list of whom to ask, distribute the form with a deadline, or schedule interviews.
6. Collect all the information from other stakeholders and the ED’s self‐evaluation. If there is much input, summarize it in writing for the committee. Discuss it in a meeting with the members of the committee before meeting with the ED. Decide how you feel about the person’s performance, what feedback you want to give, and how to handle any concerns you have.
7. Meet with the ED.
8. Write an evaluation and give a copy to the ED to review. Give him/her an opportunity to state any concerns they may have about the evaluation. Make revisions if appropriate.
9. File the final version, along with the ED’s self‐evaluation, in the personnel files.
10. Work with the ED to create a work plan for the coming year.
11. Report to the Board that the evaluation was conducted, and any salient information that arose in that process that the whole board should know.
12. If a change in compensation is called for, the Board agrees on changes in the ED’s compensation and resources that may be made available for the ED’s professional development.

**Self- Evaluation Form**

Text for a self‐evaluation form might include the following questions (if not using the Board’s ED Evaluation Tool.)

* **Overview:** Please summarize your performance over the past X months, highlighting accomplishments, challenges, changes in your work responsibilities, any general feelings about your role, etc. If you had established goals, how close have you come to meeting them?
* **Strengths:** Describe your principal assets as the Executive Director, and how your competencies have evolved since you started work at this position.
* **Areas for Improvement:** List the skills you would like to improve, including any suggestions you may have on how the organization can help you increase these skills.
* **Plans and Objectives for Next Year:** Be as specific as possible about goals you want to set for next year.
* **Feedback to the Board:** How can the Board best support you in your role? Are there things the Board could do differently that would improve the organization? Do you have any general feedback about what we might do better as an organization?

**Outline for a Basic Performance Evaluation Meeting**

1. ED presents her or his self‐evaluation.
2. Board member assigned this task provides feedback on the ED’s performance based on conversations with Board and community partners (if applicable), and in connection to the ED’s job description and work plan.
3. Board member and ED go through the performance evaluation form together. (The ED should be very clear about what the written evaluation in their file will say).
4. Discuss the development of the ED’s work plan for the coming year and identify benchmarks, goals, etc.

**Performance Review for Executive Director**

**Survey Form for Board Members**

**Sample Evaluation Tool**

Following is a sample tool. Please adapt to the needs and realities of the organization and review periodically to ensure its applicability.

Period under review (dates): \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Date in which review took place: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Signed by \_\_\_\_\_\_\_\_\_\_\_\_\_\_ Name: \_\_\_\_\_\_\_\_\_\_\_ Title: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

***Rating :***

* ***Outstanding***: Performance over a sustained period of time clearly and consistently exceeds expectations and is outstanding. Both results and how they are achieved are outstanding.
* ***Very good***: Performance clearly meets and sometimes exceeds job requirements and significant contributions are made well beyond job demands.
* *Satisfactory:* Performance clearly meets job requirements.
* ***Improvement needed***: Performance is frequently unsatisfactory.
* ***I don't know****.*

*All members of the board should complete this form and submit (online or via mail or fax) to \_\_\_\_\_\_\_\_\_\_\_\_. The Executive Director should complete his/her self-evaluation and submit it to the review committee in advance of the meeting.*

*This form is meant to raise questions as well as obtain your feedback. If you think the board needs to know more about the organization's work in a given area before making an assessment, use the Comment section to raise the issue.*

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| **1. Overall Organizational Performance and Mission Impact** |  |
| a. Works with the board, staff and partners to develop strategies for achieving mission, goals and financial viability. | **❑** Outstanding **❑**Very Good **❑**Satisfactory **❑**Improvement Needed **❑**Don't know |
| b. Sees that programs and activities are developed, executed, modified or eliminated to maximize mission impact.  | **❑** Outstanding **❑**Very Good **❑**Satisfactory**❑**Improvement Needed **❑**Don't know |
| c. Appropriately provides both support and leadership to the board. | **❑** Outstanding **❑**Very Good **❑**Satisfactory**❑**Improvement Needed **❑**Don't know |
| d. Demonstrates quality of analysis and judgment related to progress and opportunities, and needs for changes.  | **❑** Outstanding **❑**Very Good **❑**Satisfactory**❑**Improvement Needed **❑**Don't know |
| e. Maintains and utilizes a working knowledge of significant developments and trends in the field in which the organization works. | **❑** Outstanding **❑**Very Good **❑**Satisfactory**❑**Improvement Needed **❑**Don't know |
| f. Establishes ambitious goals for excellence and impact, and initiates, maintains, and adapts programs accordingly. | **❑** Outstanding **❑**Very Good **❑**Satisfactory**❑**Improvement Needed **❑**Don't know |
| g. Comments on overall organizational performance: |
| **2. Community Leadership** |  |
| a. Serves as an effective spokesperson. Represents the organization well to its constituencies, including clients, other nonprofits, government agencies, elected officials, funders, and the general public. | **❑** Outstanding **❑**Very Good **❑**Satisfactory**❑**Improvement Needed **❑**Don't know |
| b. Supports the overall field/movement in which the organization works. | **❑** Outstanding **❑**Very Good **❑**Satisfactory**❑**Improvement Needed **❑**Don't know |
| c. Establishes and makes use of working relationships with organizations and individuals in the field. | **❑** Outstanding **❑**Very Good **❑**Satisfactory**❑**Improvement Needed **❑**Don't know |
| d. Sees that communication vehicles are developed and utilized well. | **❑** Outstanding **❑**Very Good **❑**Satisfactory**❑**Improvement Needed **❑**Don't know |
| e. Comments on community leadership: |
| **3. Administration and Human Resources** |  |
| a. Establishes and leads an effective management team. | **❑** Outstanding **❑**Very Good **❑**Satisfactory**❑**Improvement Needed **❑**Don't know |
| b. Recruits and retains a diverse staff (as the organization has identified diversity.) | **❑** Outstanding **❑**Very Good **❑**Satisfactory**❑**Improvement Needed **❑**Don't know |
| c. Ensures that procedures and organizational culture maximize volunteer involvement. | **❑** Outstanding **❑**Very Good **❑**Satisfactory**❑**Improvement Needed **❑**Don't know |
| d. Ensures compliance with relevant workplace and employment laws. | **❑** Outstanding **❑**Very Good **❑**Satisfactory**❑**Improvement Needed **❑**Don't know |
| e. Ensures that job descriptions are developed and that regular performance reviews are completed and documented. | **❑** Outstanding **❑**Very Good **❑**Satisfactory**❑**Improvement Needed **❑**Don't know |
| f. Leads staff in maintaining a climate of excellence, accountability, and respect. | **❑** Outstanding **❑**Very Good **❑**Satisfactory**❑**Improvement Needed **❑**Don't know |
| g. Comments on administration and HR: |

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| **4. Financial Sustainability**  |  |
| a. Assures adequate control and accounting of all funds, including maintaining sound financial practices. | **❑** Outstanding **❑**Very Good **❑**Satisfactory**❑**Improvement Needed **❑**Don't know |
| b. Works with the staff, finance committee and the board to prepare budgets, monitor progress, and initiate changes (to operations and/or to budgets) as appropriate. | **❑** Outstanding **❑**Very Good **❑**Satisfactory **❑**Improvement Needed **❑**Don't know |
| c. Sees that official records and documents are retained; sees to compliance with federal state and local regulations (examples: Form 990, payroll withholding.) | **❑** Outstanding **❑**Very Good **❑**Satisfactory**❑**Improvement Needed **❑**Don't know |
| d. Develops realistic, ambitious plans for acquiring funds. | **❑** Outstanding **❑**Very Good **❑**Satisfactory**❑**Improvement Needed **❑**Don't know |
| e. Jointly with designated officers, executes legal documents appropriately. | **❑** Outstanding **❑**Very Good **❑**Satisfactory**❑**Improvement Needed **❑**Don't know |
| f. Successfully involves others in fundraising and in earned income generation. | **❑** Outstanding **❑**Very Good **❑**Satisfactory**❑**Improvement Needed **❑**Don't know |
| g. Establishes positive relationships with institutional funders such as foundations, government agencies, corporations, and so forth. | **❑** Outstanding **❑**Very Good **❑**Satisfactory**❑**Improvement Needed **❑**Don't know |
| h. Establishes positive relationships with individual donors.  | **❑** Outstanding **❑**Very Good **❑**Satisfactory**❑**Improvement Needed **❑**Don't know |
| i. Comments on financial sustainability: |
| **5. Board of directors** |  |
| a. With the board chair, appropriately involves all Board members. | **❑** Outstanding **❑**Very Good **❑**Satisfactory**❑**Improvement Needed **❑**Don't know |
| b. Provides appropriate support to the board. | **❑** Outstanding **❑**Very Good **❑**Satisfactory**❑**Satisfactory**❑**Improvement Needed **❑**Don't know |
| c. Sees that board members are kept fully informed in a timely way on the condition of the organization and important factors influencing it. | **❑** Outstanding **❑**Very Good **❑**Satisfactory**❑**Improvement Needed **❑**Don't know |
| d. Sees that board committees are appropriately supported. | **❑** Outstanding **❑**Very Good **❑**Satisfactory**❑**Improvement Needed **❑**Don't know |
| e. Works with the board officers to ensure that the board is effective as a body and that recruitment, involvement and departures of individual board members are appropriately planned and managed | **❑** Outstanding **❑**Very Good **❑**Satisfactory**❑**Improvement Needed **❑**Don't know |
| f. Comments on the ED’s work and relationship with the board: |
| 6. Are there additional comments you would like to make that are not within the above categories? |

**APPENDIX A**

**Sample Nonprofit Executive Director’s Work Plan Template**

**Agency Name \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

**Executive Director’s Name \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Year \_\_\_\_\_\_\_\_\_\_\_**

**Key Agency Strategic Goals for Year \_\_\_\_\_\_\_\_\_\_\_\_\_**

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| **Executive Director’s Goal #\_\_\_\_** |  |
| **Aligns with Agency Goal (s): 🗸** | **\_\_\_\_\_\_ 1) \_\_\_\_ 2) \_\_\_\_\_\_ 3) \_\_\_\_\_\_ 4)**  |
| **Objective #\_\_\_\_\_**  | **Actions**  | **Date**  |
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| **Executive Director’s Goal #\_\_\_\_** |  |
| **Aligns with Agency Goal (s): 🗸** | **\_\_\_\_\_\_ 1) \_\_\_\_ 2) \_\_\_\_\_\_ 3) \_\_\_\_\_\_ 4)**  |
| **Objective #\_\_\_\_\_**  | **Actions**  | **Date**  |
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| **Objective #\_\_\_\_\_**  | **Actions**  | **Date**  |
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