

# Annual Evaluation of the Executive Director

By Jan Masaoka, Board Café

Because the executive director is so central to the success or failure of the agency, evaluation of the executive director by the board is an important component of the board's responsibilities. But too often evaluations (and job descriptions) are undertaken only when the board has become unhappy with their chief executive. An annual, written evaluation both documents the executive director's achievements and shortcomings, and helps the executive director understand areas for improvement or where the board is insufficiently informed. Typically, a committee of the board (often the board officers) leads the evaluation process, reports on the evaluation to the entire board, and recommends salary for the next year.

Because the executive director acts both directly and indirectly through others to manage the organization, evaluating the executive director's performance is inevitably linked to evaluating the agency's performance as a whole. As a result, many boards incorporate evaluation of the executive director into the annual review of organizational performance and goal-setting for the coming year (see the Board Café's April 1999 issue on a "360 Degree Assessment of the Agency").

Most boards of directors involve only other board members directly in the evaluation process. Others choose to utilize feedback from the staff on the executive director's work as well. Still others go outside the agency to gather information regarding the performance of both the agency and the executive director, for example, to funders, collaborating agencies, volunteers, and clients.

Although survey-type assessments are easy to use, they have some important shortcomings. First, they are based on the perceptions of board members, who frequently have very limited views of the executive director's performance. A failing executive can hide problems from the board more readily than from staff, clients, or funders. A second shortcoming is that the quantitative nature of the questionnaire tends to attribute the same level of importance to all activities, and success with smaller tasks can inappropriately compensate for a big failure. For example, if an executive director does wonderful program and community work, but has incurred a

huge deficit leading the agency to the brink of bankruptcy, the problem will only show up as one or two negative "grades" and won't affect the "grade point." Because of these shortcomings, it's important to see the Annual Assessment not as the evaluation itself, but as the starting point for a discussion.

Regardless of the evaluation process used, don't forget that executive directors need feedback all year round. Like any employee, executive directors need praise and acknowledgment for work well done, and immediate feedback when problems arise. In the best situations, the board president and officers have established good working relationships with the executive director where constant feedback flows in both directions. The annual formal evaluation is an important component of, not a substitute for, that relationship.

This Assessment is best used as a "first draft" for your own tool. You might add questions related to publishing, or meeting with the press, or adapt these questions to your own organization's work.

### **Executive Director's Annual Assessment**

Please rate your assessment of each category of performance as Remarkable, Satisfactory, Unsatisfactory or Unknown

#### **Agency Wide: Program Development and Delivery**

(Circle one)

a. Ensures that the agency has a long-range strategy which achieves its mission, and toward which it makes consistent and timely progress.

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b. Provides leadership in developing program and organizational plans with the Board of Directors and staff

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c. Meets or exceeds program goals in quantity and quality

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d. Evaluates how well goals and objectives have been met

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e. Demonstrates quality of analysis and judgment in program planning,

implementation, and evaluation

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f. Shows creativity and initiative in creating new programs

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g. Maintains and utilizes a working knowledge of significant developments and trends in the field (such as AIDS, developmental disabilities, sustainable agriculture, etc.).

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Comments:

### **Administration and Human Resource Management**

a. Divides and assigns work effectively, delegating appropriate levels of freedom and authority

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b. Establishes and makes use of an effective management team

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c. Maintains appropriate balance between administration and programs

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d. Ensures that job descriptions are developed, and that regular performance evaluations are held and documented

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e. Ensures compliance with personnel policies and state and federal regulations on workplaces and employment

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f. Ensures that employees are licensed and credentialed as required, and that appropriate background checks are conducted.

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g. Recruits and retains a diverse staff

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h. Ensures that policies and procedures are in place to maximize volunteer involvement

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i. Encourages staff development and education, and assists program staff in relating their specialized work to the total program of the organization.

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j. Maintains a climate which attracts, keeps, and motivates a diverse staff of top quality people

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Comments:

### **Community Relations**

a. Serves as an effective spokesperson for the agency; represents the programs and point of view of the organization to agencies, organizations, and the general public.

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b. Establishes sound working relationships and cooperative arrangements with community groups and organizations.

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Comments:

### **Financial Management and Legal Compliance**

a. Assures adequate control and accounting of all funds, including developing and maintaining sound financial practices

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b. Works with the staff, Finance Committee, and the board in preparing a budget; see that the organization operates within budget guidelines.

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c. Maintains official records and documents, and ensures compliance with federal, state and local regulations and reporting requirements (such as annual information returns; payroll withholding and reporting, etc.)

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d. Executes legal documents appropriately

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e. Assures that funds are disbursed in accordance with contract requirements and donor designations

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Comments:

## **Fundraising**

a. Develops realistic, ambitious fundraising plans

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b. Meets or exceeds revenue goals, ensuring that adequate funds are available to permit the organization to carry out its work

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c. Successfully involves others in fundraising

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d. Establishes positive relationships with government, foundation and corporate funders

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e. Establishes positive relationships with individual donors

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Comments:

## **Board of Directors**

a. Works well with board officers

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b. Provides appropriate, adequate, and timely information to the board

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c. Provides support to board committees

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d. Sees that the board is kept informed on the condition of the organization and all important factors influencing it.

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e. Works effectively with the board as a whole

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Comments:

Are there specific performance objectives, either for the executive director or for the agency as a whole, which you would suggest we add for the coming year?

Are there any other comments you would like to make?

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