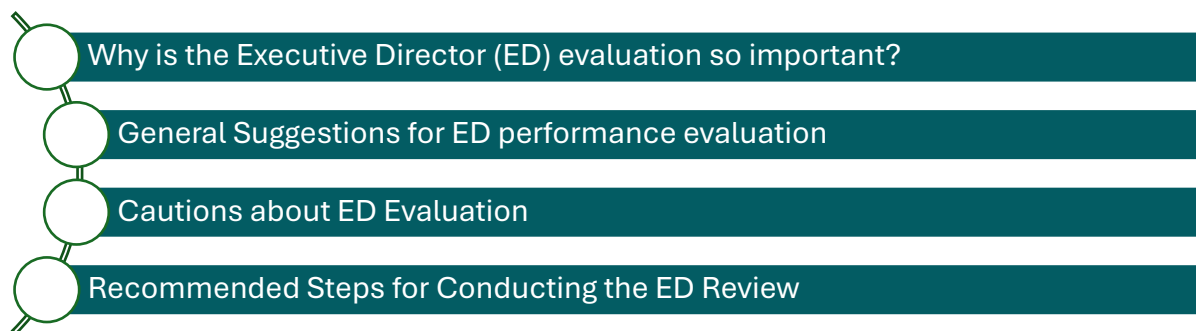


Executive Director Performance Evaluation

Overview and Detailed Process Steps



Why is the Executive Director (ED) evaluation so important?

Executive Directors rarely, and sometimes never, receive effective feedback (and often the feedback they do get does more damage than good). Annual evaluation of the ED is perhaps the Board of Director's most critical tool in monitoring and ensuring the overall performance of a non-profit. It is also one of the Board's key responsibilities in supporting a culture of transparency, accountability, and fairness, and supports the ED's ongoing development.

In creating a clear and thoughtful philosophy and process around the ED evaluation, the Board sets the ED, themselves, and the organization up for success by ensuring alignment and agreement around performance goals and indicators of success. Not only does this reduce potential misunderstanding around expectations, but it also allows the Board to celebrate strong performance while modeling both accountability and recognition throughout the organization.

The TREC ED Evaluation tools provide straightforward recommendations and tools for your Board to develop a fair process to create clear expectations around ED performance and measurement.

General Suggestions for ED performance evaluation:

- **No one-size-fits-all:** There is no one right or best way to evaluate the ED. Described below is one approach, but for whatever reason may not be appropriate or possible (resources required, timing, etc.). However, some elements of an effective ED evaluation (fairness, clarity, confidentiality, etc.) should present.
- **Unique job, unique process:** The ED's unique position and job require a unique evaluation approach, different than that of other staff (e.g., what is evaluated); however, where possible it, can draw on content used for all other staff evaluations.

- **Measuring the right things:** The evaluation addresses whether the ED is leading the organization to meet its key goals (e.g., from the strategic plan, annual operating, job description, annual work plan) as well as how they are demonstrating things such as shared organizational values and mutually-agreed-upon leadership competencies and qualities.
- **A fair and consistent process:** The process for the evaluation should be fair and equitable, inclusive of multiple key audiences (e.g., staff and Board), consistent over time (e.g., not redesigned each year based on the current Board or Board chair's or ED's experiences and desires), and consistent with the overarching structures and processes for feedback within the organization.
- **Fair and clear, and shared expectations are known ahead of time:** Both the ED and the Board need to understand what the ED will be evaluated on and how *at the start of the period being evaluated*. Otherwise, this is a fundamentally unfair process because the expectations are not clear and may do more to undermine motivation and focus than help. Ideally, a year before the evaluation, the Board and the ED outline in writing what the evaluation will include and entail, specifically what will be evaluated and how, which will likely be the same as the previous year with some tweaks.
- **Consider input from outside the organization:** Annual ED performance evaluation typically includes only input from staff and Board. However, if the Board and ED agree, there may be value that every 3-4 years, or as needed, the Executive Committee or another Committee convene to facilitate a process of getting external input on the ED's performance. These external sources could foundation funders, individual donors, campaign partners, and other allies.
- **Rigorous:** One trap that organizations with highly competent, long-serving EDs fall into is complacency. When robust, regular evaluation processes stop, the risk of something eventually derailing or the EDs growth stopping increases. It is important then that the Board and ED ensure that at least an annual evaluation is built into annual workplans.
- **Formal and informal feedback is critical:** Once-a-year formal feedback via a performance evaluation is the minimum: ongoing informal feedback is also essential. Leaving significant performance issues to be addressed at the annual evaluation is a mistake as ongoing issues can fester and come out in unhelpful ways.
- **Timing:** The performance evaluation can be done usually in 2-3 months.
- **Roles:** A Board member should lead the review – typically the Chair – and often includes the Vice-Chair or an additional Board member.

Cautions about ED Evaluations:

- **Understanding and respecting the potential risk to the ED:** Using a 360 anonymous feedback survey as part of an ED evaluation process can provide really valuable information. It can also provide an opportunity for disgruntled or unskilled responders to say things that can cause alarm or over-reaction. This is often done without providing solid context or background, which is understandable from an anonymity point of view. The ED puts themselves in a very vulnerable position when verbatim responses are shared with the Board. It is critical that the Board recognizes this and assesses

responder comments with a calm and curious stance versus a reactive, jump-to-conclusions stance. The Board must pay close attention to how they walk through the evaluation conversation and explore any challenging issues.

- **Evaluating the ED, not the organization:** The ED evaluation should address outcomes and impacts the ED is explicitly responsible for and can control. One risk of ED evaluations is that they blur into an assessment of the entire organization's outcomes, strengths, and weaknesses, which is good to know but not for evaluating an individual. We try to reduce this grey zone in the 360-feedback questionnaire design, but some conflation will likely always occur.
- **Anonymity:** Given the power differentials between an ED and their staff, it is crucial to ensure staff feedback is anonymous.
- **Feedback delivered effectively:** Feedback can be messy and do damage if not done well. No feedback is better than weaponized feedback (feedback that doesn't help the recipient but instead *undermines the recipient* or serves someone else's interest or gain). And receiving no feedback is often better than receiving feedback that is poorly developed and delivered feedback.

Recommended Steps for Conducting the ED Review:

customize as appropriate

1. **Confirm Evaluation Committee** (typically a formally appointed subset of the Board, typically the Board Chair and include one or two other Board members)
2. **Determine the content/focus and process/timing of the evaluation**
 - i. Note: As part of each year's ED evaluation, there should be a discussion of opportunities to improve the process or content and any changes made so that everyone knows what to expect for the coming year.
3. **Gather input via an anonymous online survey**
 - i. The Evaluation Committee and ED send a note to staff and Board announcing the evaluation process and providing instructions on how to participate.
 - ii. Design and launch the online survey for staff and Board. (Note: Wilburforce Grantees can inquire with TREC about options for support with the survey process.)
 - All staff
 - Note: It may be desirable and possible to have several separate responder categories. E.g., responses from the leadership team or direct reports could be separated from responses from the full staff team, or in some other way that ensures that responses from more core staff are collectively visible. If subsets of responders are used, then responders would need to be made aware of this.
 - All Board members
 - iii. The ED does their self-assessment 360 survey.
 - iv. When adequate responses are gathered, close the survey and create a report of the detailed responses.

4. Review survey results

- i. Share the full and verbatim 360 feedback survey results with ED and Committee at the same time
 - Note: The details of how this is done need to be laid out and discussed with the ED. For example, it is typical and recommended to have only the Evaluation Committee and not the whole Board see the full 360 feedback results. (This will both manage the amount of data the Board receives/processes and maintain some confidentiality of what is shared about the ED with the full Board. The full Board will see the summary from the Evaluation Committee.)

5. Prepare a written summary of performance, highlights, etc.

- i. The Board or Evaluation Committee and ED (self-assessment) also prepare and provide written feedback on the accomplishment of key ED annual goals using the “Executive Director Evaluation Summary Form” and share with each other ahead of the formal review meeting.
 - Note: One option is that instead of sharing completed forms, both parties will walk through their responses in a conversational format and agree on the final content. This approach will require a process for doing that, then writing up a summary and finalizing it.

6. Annual review conducted with ED

- i. Committee and ED meet to share and finalize the Evaluation Summary (Committee and ED can determine details of how this is done).
- ii. Committee and ED debrief and discuss how the process worked – what worked well, what could be done differently for next year – and capture that in writing.

7. Report high-level findings back to Board (maintain some confidentiality; typically, the draft evaluation is not revised after full Board review unless there are some significant issues to be discussed)

8. Finalize performance evaluation and get formal sign off (ED and Board Chair) for inclusion in personnel records

9. Report high-level findings

- Note: It is especially important to report survey themes and key areas of the ED’s development focus back to the full staff, so they see their input is heard, makes a difference, and can support the ED moving forward.

10. Make adjustments to the evaluation form and process, if needed for the next year. (Do this while the memory of it is fresh.)

11. Confirm rough dates and steps for the next year’s evaluation process