Evaluating the Executive Director

*How to make it a valuable use of everyone’s time and a useful tool for moving forward*

by Regina Funkhouser

Conducting a performance evaluation is typically not one of the reasons a board member serves a nonprofit.

But one of the most important jobs a board does is choosing, supporting and evaluating the chief executive.

An effective and ongoing performance evaluation is one of those tasks when - done well - can “build” a great organization. Evaluating the executive director has a critical role in the overall success of an organization. It should be regarded as one of the most important functions of the board.

I often say that good leadership is the one crucial element of success for every nonprofit. A great board creates a great executive director – and a great executive director creates a great board. Neither can happen in isolation or without deliberateness.

The evaluation process is one of those deliberate acts. Performance evaluations are an opportunity to address unclear expectations and poor communication.

Evaluations should be an ongoing process – not a task that is ever completed. The ongoing feedback should serve as a guide for the executive director and a source of professional support.

But possibly more important, evaluating the executive director is part of the natural flow of the organization and should be incorporated into the annual strategic planning process.

The ED starts with evaluating the staff and an assessment of the internal needs of the organization. The Board evaluates the ED and assesses how the strengths of the Executive Director can move the organization forward and the barriers to success or issues that slow progress. The Board should also evaluate themselves and their own effectiveness.

These results are then taken into account as the organization creates a strategic plan – what does the organization need to accomplish goals more efficiently and effectively. Once the strategic plan has been developed, the budget process begins and supports the strategic plan.

While the process should be customized to fit your organization, here are a few possible questions that could be answered by the entire board:

- Name the director’s three greatest strengths.
- Has s/he helped strengthen the board? How/In what ways?
- Have organizational systems improved? How/In what ways?
- Has staff productivity and morale improved? How/In what ways?
- Has s/he helped advance the quality of our programs? How/In what ways?
- Has funding increased? How did this occur?
- Has the public’s interest in the organization increased?
- How can s/he become an even more effective leader?

Nonprofit Network has begun to offer assistance in the area of performance evaluations. We are now providing comprehensive tools and will help evaluate survey results. If you need help, just call.