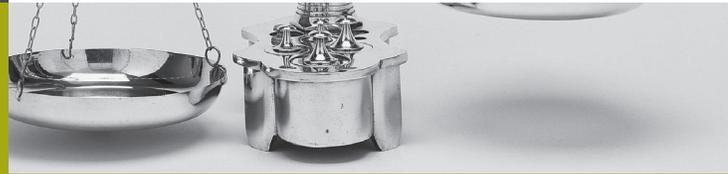


The Muttart Foundation

Alberta



# BOARD DEVELOPMENT

## Hiring and Performance Appraisal of the Executive Director

# BOARD DEVELOPMENT

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**Hiring and Performance Appraisal  
of the Executive Director**

A Self-Guided Workbook

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Not-for-profit organizations vary considerably in their make-up, their objectives, and their methods of operation.

The information in this workbook is written generally, and may not exactly fit the needs of your organization. It is meant to be a starting point for you to deal with some of the issues that face many not-for-profit organizations.

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# Introduction

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Hiring and appraising the executive director of a not-for-profit organization are big jobs. Many competent and effective boards approach these jobs with a sense of fear and trepidation. They know the choice of an executive director has far-reaching consequences for the health, viability, and future of the organization, so it is important to select the most appropriate person. As well, they know that sound management of the performance of the executive director is essential for making sure that the organization is meeting the goals that the board has set.

This workbook is designed as a guide for boards of directors who are in the process of hiring a new executive director and/or providing the executive director with a performance appraisal. The workbook is divided into four parts:

- The Organization's Foundations
- The Executive Director's Mandate
- The Hiring Process
- The Performance Appraisal Process

**Chapter I:** The Organization's Foundations examines the role, responsibilities, and functions of a governing board, as well as board and staff relations. Chapter I includes a review of the considerations of a governing board before starting the process of either hiring a new executive director, or conducting a performance appraisal with the executive director.

**Chapter II:** The Executive Director's Mandate examines the role, responsibilities, and functions of an executive director. Chapter II provides a sample job description that lists key responsibilities, including policy management, program management, financial management, personnel management, and advocacy management. For arts organizations, there is a section on the role of the artistic director.

**Chapter III:** The Hiring Process focuses on the hiring process in a step-by-step manner, with supporting material, such as a sample candidate rating sheet, and sample interview questions that can be modified for your organization.

**Chapter IV:** The Performance Appraisal Process focuses on the performance appraisal process in a step-by-step manner. Whether you are providing a probation period performance appraisal for the new executive director, or whether the executive director has never had an appraisal, this process will help you to get started right away.

In addition to using this workbook, you may also want to consult other not-for-profit organizations to share information and materials that can help you to accomplish these important tasks. Perhaps an organization similar to yours has recently hired an executive director, or has experience in conducting successful performance appraisals with the executive director. Board members are usually willing to pass along their tips for success, as well as information about potential pitfalls.

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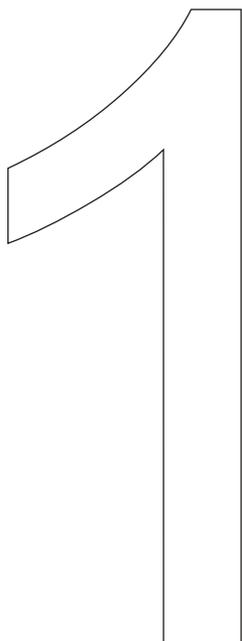
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# The Organization's Foundations

When a board is faced with hiring a new executive director, or conducting a performance appraisal with the executive director, it is important to remember that these are processes, rather than single events, for the organization. When the executive director leaves the organization, the board has an opportunity to take a fresh look at the entire organization.

There are many things that a board needs to consider before beginning either the hiring process or the performance appraisal process. Chapter I will help you to review the structure of your organization, and to identify the executive director's role. In Chapter I, the word 'you' means the board as a whole.

## THE GOVERNING BOARD OF A NOT-FOR-PROFIT ORGANIZATION

Not-for-profit organizations provide programs and/or services that address specific needs in the community. These organizations are governed by volunteer boards of directors, with specific roles, responsibilities, and functions.

## DEFINITION AND ROLE OF A GOVERNING BOARD

The governing board is the entity that has legal authority for the organization, and that is responsible for the organization's highest level of decision-making. The governing board has, by law, the ultimate accountability for, and authority over, the organization's resources and activities. The board determines and communicates the organization's vision to the membership and to the community. Through policy, the board defines the parameters of the organization.

## RESPONSIBILITIES OF A GOVERNING BOARD

A governing board has the ultimate responsibility for the organization's:

- **Purpose:** establishing the organization's purpose or mission
- **Continuity:** providing continuity for the management and the implementation of the organization's affairs
- **Progress:** setting the rate of progress that the organization takes in reaching its mission
- **Identity:** securing community support and appreciation for the organization's purpose and long-term direction

## FUNCTIONS OF A GOVERNING BOARD

The board carries out its governance function by developing and monitoring policy. There are four governance functions for which the board develops policy:

- **Framework governance:** determines organizational values through mission, vision, target, and aim policies
- **Board self-governance:** establishes how the board will organize itself to get its work done
- **Operational governance:**
  - **Program governance:** monitors the results of program policy
  - **Personnel governance:** defines the relationship between the board and the staff (for boards with an executive director)
  - **Financial governance:** sets policies for budgeting and financial reporting
- **Advocacy governance:** secures community support for the organization

## RELATIONSHIP OF BOARD RESPONSIBILITIES TO FUNCTIONS

The board carries out its responsibilities by directing, influencing, and monitoring the implementation of the four governance functions.

### The board:

- Meets its responsibility for purpose through its framework governance function
- Meets its responsibility for continuity through its board self-governance function
- Meets its responsibility for progress through its operational governance function (program, personnel, finance)
- Meets its responsibility for identity through its advocacy governance function

## DOES YOUR ORGANIZATION NEED AN EXECUTIVE DIRECTOR?

Is your organization hiring an executive director for the first time? Is your organization replacing an executive director? In order to decide whether or not your organization needs an executive director, you need to examine the type of board that your organization has.

There are two types of governing boards: policy governing boards and administrative governing boards. Both board structures are entirely appropriate for not-for-profit organizations, and both structures can operate very effectively. Many organizations begin as administrative governing boards, with board members doing all of the work of the organization. As organizations grow, the board often finds that it is necessary to hire an executive director to manage the day-to-day affairs.

### Policy Governing Boards and Administrative Governing Boards

- **The policy governing board hires an executive director to implement policy.**
- **The administrative governing board assigns the implementation of policies to a board committee, such as the executive committee or a standing committee. There may be staff in an administrative governing board situation, but the staff do not manage the organization.**

### Policy Governing Board

- Responsible for governance functions
- Sets policy for management, and delegates the responsibility for management to the executive director
- Executive director is responsible for managing the implementation of the policy.

### Administrative Governing Board

- Responsible for governance functions
- Sets policy for management, and assigns board committee(s) to carry out the management responsibility
- Board committee members are responsible for managing the implementation of the policy

The boards of many organizations find themselves in transition between the two types of governing boards. These boards must decide whether or not they need an executive director.

Perhaps your organization is hiring its first executive director, or your organization no longer needs an executive director. Before proceeding with the hiring process for an executive director, consider the following questions:

- What is the role of an executive director within your organization?
- Has your organization changed in revenue, and/or size and complexity of programs, to warrant a change?
- Does your board of directors have the resources, and a system for the recruitment of board members, to manage the added responsibilities?
- Could the board of directors carry out the executive duties on a regular and long-term basis?

Taking the time to answer these questions can be very helpful for your organization. You may find that you will begin to alter the structure of your organization to better meet your changed circumstances. Or, you may find that you have done some of the groundwork to begin the process of hiring a new executive director.

## STRENGTHEN YOUR FOUNDATIONS

Hiring a new executive director is one of the most important tasks that a board can carry out. Before you move into the future, it is important to take stock of the current status of your organization. To attract the best possible candidates for the position of executive director, you need to make sure that your organization's foundations are solid. Does your organization have:

- Up-to-date mission and vision statements?
- Policies that address personnel, program, and financial concerns?
- A plan of action that takes the organization into the future?

As a board, take the time to strengthen your organization's foundations. Consider the following aspects of your organization:

- Vision statement
- Mission statement
- Community communication
- Structural framework
- Strategic planning
- Blocks to recruitment



**Appendix Item #1** to complete the worksheet: Does Your Organization Need an Executive Director?

## VISION STATEMENT

The vision statement represents the core value that your organization is working to achieve. Does your vision statement describe what would happen if your organizational values were to come true? Your vision statement describes how the community will be different as a result of your organization's existence. It describes the way things could be in an ideal world.

### Example of a Vision Statement

*We see the potential, through improved education and informed support, to eliminate the limitations placed on carpal tunnel syndrome sufferers by society, and to encourage society's support for sufferers, their families, and caregivers.*

## MISSION STATEMENT

Your mission statement should define your organization's purpose by stating the changes that the organization will work to bring about. Does your mission statement answer the questions:

- Why does our organization exist?
- How is our organization unique from others in the community?
- How is our mission statement valued in the community?

### Example of a Mission Statement

*Fostering a climate of mutual respect, an appreciation for diversity, and a sense of belonging in the community, Green Bay Youth Action Society seeks to provide healthy alternatives for youth activities in an environment supportive of youth development.*

## COMMUNITY COMMUNICATION

What is your organization's track record for meeting community needs effectively and efficiently? What kind of reputation does your organization have in the community? Have you prepared a communication plan that keeps your membership and the community up-to-date with your strategic plan?

## STRUCTURAL FRAMEWORK

What kind of structural framework is in place for the operation of your board and your organization? For example, does your organization have up-to-date bylaw, policies, job descriptions, and strategic planning documents?

## STRATEGIC PLANNING

Have you taken the time to develop broad strategic goals for your organization, based on your mission and vision statements? If you want your new executive director to lead the organization, then the board needs to set the direction for the organization. Most organizations will identify some areas that need more work. An informal review of your organization will help you, as a board, to have an up-to-date view of your organization's needs, as well as the skills that your new executive director must have to assist you with the work.

## BOARD AND STAFF RELATIONS

A strong and positive relationship between the board and the executive director is a critical part of a healthy organization. Having clarity in the roles, responsibilities, and expectations of both the board and the executive director helps to build the working relationship on a strong base of understanding. Writing down these roles, responsibilities, and expectations is the starting point from which grows the executive director's plan of action.

## LEADERSHIP ROLES AND EXPECTATIONS

What are the differences between the board and the executive director? A clear definition of both the board's role and the executive director's role is an important part of positive board and staff relations. Consider the differences between the executive director and the board, as listed in the chart on the next page.

### Example of Leadership Roles

The board approves the budget, including the total amount for staff salaries. The executive director has the authority to increase staff salaries, provided that the increases do not exceed the budgeted amount. The executive director has the responsibility to make sure that the salary increases meet the organization's personnel policy guidelines.



**Appendix #2** for guidelines:  
Strategic Planning Process

## BLOCKS TO RECRUITMENT

Have you considered, and dealt with, any reasons that a person may not want the position of executive director in your organization? For example, have you assessed your organization's community image? Are your expectations of the executive director too high? Is the salary compatible with the expectations of the position? Do your organization and board have a positive reputation for treating your executive director well? Do you have a method to get fair, but realistic, answers to these questions?

**Executive Director**

**Board**

**Management and Implementation**

**Governance**

|   |   |
|---|---|
| <ul style="list-style-type: none"> <li>• The executive director is an individual who works within the limits of policy set by the board.</li> </ul>   | <ul style="list-style-type: none"> <li>• The board is a corporate entity, and acts only as a group.</li> </ul>  |
| <ul style="list-style-type: none"> <li>• The executive director is temporary. Even if the executive director is with the organization for a long time, s/he is there at the will of the board.</li> </ul> | <ul style="list-style-type: none"> <li>• The board is ongoing. Although board members come and go, the board as an entity remains stable.</li> </ul>                      |
| <ul style="list-style-type: none"> <li>• The executive director is usually a professional who has expertise in the organization's programs and services.</li> </ul>                                       | <ul style="list-style-type: none"> <li>• The board is usually made up of lay people, many of whom are not experts in the organization's programs and services.</li> </ul> |
| <ul style="list-style-type: none"> <li>• The executive director has limited authority and responsibility, as assigned by the board.</li> </ul>  | <ul style="list-style-type: none"> <li>• The board has the ultimate responsibility for the organization, and is the final authority on all matters.</li> </ul>            |

It is the blending of the roles of the board and the executive director that moves the organization towards its missions and vision. When the differences in the roles of the two are clearly understood, the organization can harness all of its power to work towards the mission.

The board and the executive director have different roles to play within the organization. Based on these roles, the board and the executive director hold a number of expectations of each other. These expectations exist, whether or not they are discussed or written down. Positive board and staff relations result when these mutually-held expectations are written down, and reviewed from time to time. By spelling out the expectations from both sides, you can avoid misunderstandings that may hinder the work of your organization.

**important**



**What Do You Say?**

A provincial organization expects the executive director, on behalf of the executive committee, to contact the board members across the province to gather items for the board agenda.

The new executive director sees this task as the board's role; s/he expects the board to set its own agenda for its meetings.

Are there examples of misunderstandings in your organization?

## THE BOARD'S EXPECTATIONS OF THE EXECUTIVE DIRECTOR

The board assigns some of its executive authority and responsibilities to the executive director. The board may expect the executive director to:

- Serve as the chief executive officer of the organization
- Manage the day-to-day operations of the organization
- Serve as a professional advisor to the board
- Recommend appropriate policy issues for the board's attention
- Implement all policies adopted by the board
- Recruit, supervise, and develop competent staff, and release incompetent staff
- Assist the board in developing and conducting advocacy programs

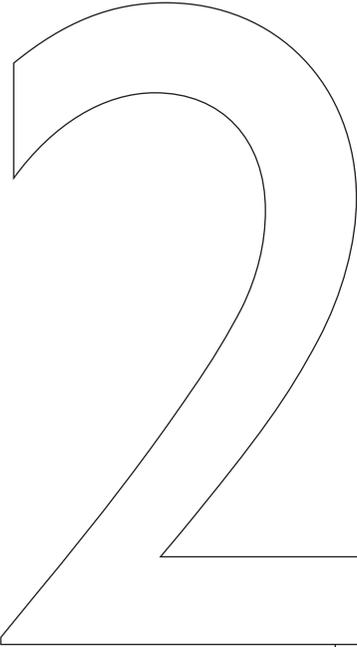
## THE EXECUTIVE DIRECTOR'S EXPECTATIONS OF THE BOARD

The executive director has expectations regarding the board's activities. For example, s/he may expect the board to:

- Develop policies that govern the direction of the organization
- Consult with, and advise the executive director, thus giving the benefit of the board's judgment, expertise, and familiarity with the community
- Delegate responsibility and authority for management functions to the executive director
- Refrain from handling management and administrative details
- Consult with the executive director on matters that the board is considering
- Make the executive director responsible for supervising all staff
- Provide support to the executive director in carrying out his/her professional duty
- Support the executive director in all decisions and actions, consistent with the policies of the board and the standards of the organization
- Hold the executive director accountable for the performance of the organization
- Provide timely and appropriate performance appraisals for the executive director

## SUMMARY

Whether you are preparing to hire a new executive director, or to provide the current executive director with a performance appraisal, it is important to take the time to put the organizational house in order. This preparation includes having a clear mission, vision, and strategic plan. Clearly define the role, responsibilities, and expectations of both the board of directors and the executive director. This information forms the basis of the job description, which is one of the tools that you will need for either the executive director search or the performance appraisal process.



# The Executive Director's Mandate



**Appendix #3** for a sample Executive Director Job Description

Put very simply, the executive director carries out the work of the organization. However, that statement can be interpreted in many different ways. As a board, you need to be clear about what it is that you expect the executive director to do in your organization. Creating a full and accurate job description for your executive director is a crucial task for both the hiring process and the performance appraisal process. In Chapter II, the word 'you' means the board as a whole.

## THE EXECUTIVE DIRECTOR'S JOB DESCRIPTION

The job description of the executive director is based on the mission, vision, and strategic plan of the organization. The job description clearly identifies the roles,

responsibilities, and expectations of the position. As well, there is a clear link between the executive director's responsibilities and the policies of the organization. The executive director carries out the activities that are mandated by the policy that the board sets. Chapter I of this workbook provides you with information on the links between the executive director's work and the board's work.

When you create the job description for your executive director, be sure to include the following information:

- Reporting to the board of directors
- Areas of authority
- Summary of responsibilities
- Key responsibilities

## REPORTING TO THE BOARD OF DIRECTORS

The board appoints one individual, usually the chairperson of the board, to be the communicator of the board's directions to the executive director.

There is more clarity, and less chance of misunderstanding, when the executive director takes direction from one person, rather than from a committee or the entire board.

### **Worthy of Note**

**Individual board members of a policy governing board do not have the authority to give direction to the executive director.**

## AREAS OF AUTHORITY

The executive director holds a key leadership position in the organization. Under the authority of the board, the executive director assumes complete responsibility for carrying out assigned policies and regulations. The executive director has the authority to direct the implementation of the organization's programs and services, and is responsible for the management of all staff members and volunteers.

## SUMMARY OF RESPONSIBILITIES

### **The executive director:**

- Directs the day-to-day operations
- Implements policy
- Hires, trains, delegates, supervises, evaluates, and releases staff
- Attends all board meetings, and is invited to all committee meetings
- Acts as a consultant to the board and its committees

### **Ex Officio Status**

The executive director is ex officio at all meetings, which means that s/he attends by virtue of his/her position. The executive director attends the meetings, participates, and receives reports, but has no vote.

## KEY RESPONSIBILITIES

It is the board's responsibility to make sure that the executive director's job description is up-to-date, and that it reflects the key responsibilities of the executive director during the appraisal period. These key responsibilities are based on both the strategic plan, and on what the executive director does to manage the organization on a day-to-day basis. If your board changes its strategic plan, that may cause changes to the key responsibilities of the executive director for the next appraisal period. In this case, you may also need to adjust the job description.

There are ten key responsibility areas for an executive director. You will want to customize this list to reflect the strategic plan of your organization. The key areas are:

1. Policy Management
2. Strategic Planning
3. Visioning
4. Leadership
5. Program Management
6. Personnel Management
7. Financial Management
8. Risk Analysis
9. Advocacy Management
10. Executive Director's Performance Appraisal Process

### **1. Policy Management**

The executive director:

- Administers the day-to-day operations of the organization
- Directs the staff's implementation of policy
- Prepares procedure statements for board policies
- Supports board committees as needed, while refraining from doing the work of the committees

### **2. Strategic Planning**

The executive director:

- Conducts both an internal and external environmental scan to identify emerging that issues affect the organization. The internal scan brings to the board's attention issues arising from within the organization, such as the increased need for technological resources. The external scan identifies issues that may have an impact on the organization, such as a change in provincial funding policies.
- Sets specific organizational goals and outcomes, under the direction of the board of directors
- Sets goals for management practices
- Sets program and service goals
- Identifies the required resources to achieve the goals
- Communicates with key stakeholders to identify the changing needs and conditions of the community that is served by the organization
- Considers the impact of several alternative plans to address the changing conditions

### 3. Visioning

In cooperation with the board of directors, the executive director:

- Participates in the creation of an organizational vision
- Develops programs and services that work towards the vision, within the policy guidelines set by the board

### 4. Leadership

The executive director:

- Works in collaboration with staff, and relevant community agencies and groups, to accomplish objectives and to fulfill responsibilities
- Encourages team-building by facilitating open communication and positive working relationships with staff
- Establishes control and follow-up mechanisms for the organization

### 5. Program Management

The executive director:

- Facilitates the research, planning, development, implementation, and evaluation of programs and services
- Makes sure that programs and services meet the board's policy guidelines, and reflect the board's priorities
- Supervises the implementation of the organization's programs and services

### 6. Personnel Management

The executive director:

- Interprets board policy decisions to staff
- Hires, supervises, evaluates, and releases staff
- Trains and motivates staff
- Sets clear, results-oriented goals, with realistic and measurable outcomes
- Supports goal achievement, and coaches and monitors performance
- Assists individuals in developing the necessary skills to be successful within the organization
- Supports and encourages staff initiatives
- Observes and evaluates ongoing performances
- Provides regular, appropriate, and constructive feedback
- Supervises the recruitment, selection, orientation, and training of service volunteers
- Assists the personnel committee

### 7. Financial management

The executive director:

- Implements the board's policies for the allocation and distribution of resources
- Maintains sound bookkeeping procedures
- Provides the board with regular statements of revenues and expenditures
- Administers the funds of the organization, according to the budget approved by the board
- Advises the finance committee

## 8. Risk Analysis

To keep the board informed about the organization, the executive director:

- Evaluates, in broad-based terms, the potential assets and liabilities of a project, proposal, or strategy
- Makes sure that both risks and opportunities have been identified and evaluated
- Assesses potential threats to the organization's image
- Assesses risks to the organization's financial security and growth
- Provides regular, reliable, and comparable reports on the organization's progress

## 9. Advocacy Management

The executive director:

- Promotes community awareness of the organization's mission and aims
- Participates in networking and community relations activities on behalf of the organization
- Builds strong working relationships with others, both inside and outside the organization, and enlists their support for accomplishing tasks
- Assists the advocacy committee in preparing an advocacy program, and acts as an advocate for the organization and its programs in the community
- Works with key external stakeholder groups
- Identifies and researches funding opportunities

- Facilitates a communication plan that informs the community of the activities and direction of the organization
- Seeks public speaking opportunities
- Supervises the membership recruitment campaign

## 10. Executive Director's Performance Appraisal Process

The executive director:

- Cooperates with, and participates in, the performance appraisal process
- Assists in the assessment of outcomes
- Recommends change when necessary
- Informs the board of directors about situations that affect the executive director's ability to meet his/her goals.

## THE ARTISTIC DIRECTOR IN CULTURAL ORGANIZATIONS

A unique characteristic of cultural organizations is that they are often based on the artistic vision of a single individual. This artistic vision becomes the central focus of the organization. As a result, the board of a cultural organization has two executive directors: the artistic director and the general manager. The artistic director has sole responsibility for the artistic content and the artistic vision, and the general manager is responsible for the day-to-day management of the company. Both positions report to the board of directors through the board-appointed designate.

If yours is a cultural organization, you need to spell out the relationship between the general manager and the artistic director. Be sure to define the authority, responsibilities, lines of communication, and expectations for each position. Establish a process to deal with potential conflicts or misunderstandings before any problems arise.

## SUMMARY

Having a clear and accurate job description for your executive director is an important step in both the hiring process and the performance appraisal process. By spending time to be specific about the board's expectations of the executive director, you will be able to select the candidate who can do the best job for your organization. When you sit down with your executive director to do a performance appraisal, both of you will have a solid basis for a discussion of achievements, as well as a guide to identifying areas for improvement.

summary 

Great discoveries and achievements invariably involve the cooperation of many minds.  
— *Anonymous*

## 3

# The Steps to the Hiring Process



**go to**

**Chapter I:** The Organization's Foundations

**Chapter II:** The Executive Director's Mandate

There are a number of tasks facing a board when it decides to begin a hiring process for an executive director. The board needs to have a process that will result in hiring the best candidate for the organization. If there is a personnel management specialist on your board, s/he can provide guidance for the hiring process.

This step-by-step guide will help you to organize your search and hiring process. Consider each step, and tailor the information to work for your organization. In Chapter III, the words you and committee mean the search committee.

## STEP 1: IS YOUR HOUSE IN ORDER?

The first step in this process is making sure that the organizational house is in order. You can do this by working through Chapter I of this workbook.

## STEP 2: REVIEW THE EXECUTIVE DIRECTOR'S MANDATE

If you are hiring an executive director for the first time, you have probably worked through Chapter II of this workbook to develop a job description. If you are replacing an executive director who was with the organization for a period of time, you will need to review the job description to make sure that it reflects the current needs of the organization. You will want to have an accurate, up-to-date job description before you begin the hiring process.

## STEP 3: ASSIGN RESPONSIBILITY FOR THE HIRING PROCESS

### **The Search Committee**

Many boards strike an ad hoc search committee to lead the hiring process. This committee is made up of board members, but may also include an outside member. Keep the committee size small enough to facilitate an easier and faster decision-making process, but large enough to cover all of the necessary skill areas.

Identify people who are willing to commit to the entire process, and who will provide support for the new executive director as s/he assumes the responsibilities. You need people with personnel skills, knowledge about the organization, and experience with interviewing. They should all be people who genuinely support the mission and vision of the organization. Some members of the search committee should be willing to sit on the board for at least the next year. By making this commitment, these members will be able to provide continuity during the transition period in the organization.

### **What Are Your Options?**

The board lacks a personnel management specialist. Is there a senior staff member at another organization in the community who can be invited to be part of the search committee?

### **Committee and Assigned Authority**

The board assigns to the search committee the necessary authority and responsibility to conduct the search process. The board may ask the committee to conduct the search, and then to bring its recommendations to the board for final approval. As an alternative, the board may empower the committee to conduct the search and to hire the new executive director, and then to inform the board of its decision.

### **Confidentiality**

All of the information that the committee receives about the candidates, the discussions, the telephone calls, and the results of reference checks is confidential information. It is important to remember that a breach of confidentiality could result in a lawsuit for the organization. This is especially important in the case of internal candidates, who expect that their application will be in confidence. The search committee needs to have a process in place for maintaining the confidentiality of all information during the search process, and for destroying the information when the process is completed.

### Considerations for Confidentiality

- Where will the job applications be sent?
- Who will open the mail?
- Who will prepare copies of the information for the committee members?
- Who will write and send out the rejection letters?
- Who will call to set up the interviews?

### Role of Staff

The board has a responsibility to keep the staff up-to-date about the progress of the search for the executive director. Staff may be invited to help assess the issues facing the organization, as well as to provide input on the characteristics and skills needed by the executive director to meet this challenge. However, staff has no role in the final selection process. You want to avoid a situation in which staff hire their supervisor.

### Role of the Exiting Executive Director

There are many reasons for an executive director to be leaving an organization. S/he may leave of his/her own choice, or at the request of the board. If the executive director is leaving under positive circumstances, s/he may be involved in helping to determine the future strategic challenges facing a new executive director. For a fresh outlook for the organization, avoid the situation in which the exiting executive director hires his/her replacement.

### Contracting Out the Search for the Executive Director

Some organizations lack the time and the expertise to conduct an executive director search, so they hire a consultant. This consultant advertises, screens, and interviews candidates, and then presents a slate of potential candidates from which the board makes a final selection. There is an expense attached to using a consultant. Remember that the consultant offers only his/her opinion about the final candidate. The board has the responsibility to make the final decision about the executive director.

## STEP4: IDENTIFY EMERGING STRATEGIC CHALLENGES

After reviewing the strategic plan, the committee identifies specific strategic challenges that the organization is facing. Staff, volunteers, and the board may wish to have an opportunity to review these challenges. The search committee's task is to find the person with the appropriate knowledge, skills, attitudes, and experience to meet these challenges.



**Chapter I:** The Organization's Foundations – vision and Mission Statements

### Example of a Strategic Challenge

A counseling organization that is facing the loss of a major funder now needs an executive director who has experience in funding negotiations.

## STEP 5: SET TIME LINES FOR THE PROCESS

The search committee sets up a process that moves forward steadily without rushing. Set a schedule that considers the resources and time availability of the committee members. Remember that the committee needs to prepare information for the interviews before advertising the job opportunity.

Think about the schedule from the point of view of the applicants for the position. If there is too long a period of time between the application deadline and the committee's decision, a good applicant may feel that the organization is not acting in a professional and timely manner.

## STEP 6: CONDUCT PRE-INTERVIEW ACTIVITIES

There are a number of tasks that the committee needs to complete before advertising the position. There is often a temptation to post the job immediately, and to assume that there will be enough time to prepare for the interview later. However, the hiring process will proceed more efficiently and effectively if the committee takes the time to prepare all information thoroughly prior to advertising the job.

### Review the Job Description

Based on the challenges facing the organization, the search committee describes the qualities needed in the executive director to meet these challenges. The committee then reviews and updates the job description to reflect these qualities, using all of the information from Steps 1, 2, and 4.

go to 

**Appendix #3** for a sample Executive Director Job Description

important 

#### What do you say?

Your organization received a large service grant, but there is a large turnover in staff, including the executive director.

- What qualities are needed to meet this challenge?
- What would the job description look like?

## Review Salary and Benefits

If your organization has had the same executive director for a number of years, the search committee needs to review the salary and benefits package for the executive director. You can telephone similar organizations to compare the current range of salaries and benefits.

If your organization has not kept pace with current salary levels, you may need to consider how you will attract the right candidate. While your organization may not have the resources to increase the salary, consider the following enhancements to a modest salary:

- Increasing the number of holidays
- Reducing the total number of work days per month
- Offering a schedule with greater flexibility in working hours
- Providing matching pension contributions
- Providing funding for courses and/or conferences that relate to the work
- Providing funding for personal interest courses and/or conferences
- Providing services for family members, such as a discount on a camp for children

## See the Change as a Positive Opportunity

Hiring a new executive director is an opportunity to move the organization in a new direction. Focus on recruiting for the skills needed for the new direction that is ahead, rather than simply replacing the existing executive director. Before interviewing any candidates, take time to talk about the emotions, both positive and

negative, that this kind of change in the organization can bring to the surface for board, staff, and volunteers.

## Establish a Candidate Rating Sheet

The search committee establishes a list of qualities and experiences that a candidate must have in order to be successful, based on the identified needs of the organization. Prioritize this list into two categories: qualities and experiences that the candidate must have, and qualities and experiences that would be nice to have in a candidate.

Based on the must have and nice to have qualities and experiences that you are seeking in an executive director, create a candidate rating sheet that identifies the qualification requirements for the successful candidate. You will use this rating sheet to:

- Prepare the job posting
- Eliminate candidates who do not meet the basic requirements
- Rank candidates for the selection process, and identify candidates to be interviewed
- Rate the candidates after the interview



**Appendix #4** for a Sample Candidate Rating Sheet that you can adapt to your situation.

## Consider Internal Candidates

There may be qualified and suitable candidates within the organization who are interested in the position. In some circumstances, an acting executive director from within the organization may be in place. The search committee needs to give thoughtful and diplomatic treatment to internal candidates. You may want to identify potential difficulties, and to make plans for handling these issues tactfully. One of the commonly-experienced outcomes of a change in the executive director is the loss of staff, whether or not they were candidates for the executive director's position. There are several scenarios to consider:

- Will the committee conduct courtesy interviews for all internal candidates?
- Would the internal candidate be able to make the transition to supervisor if s/he were a former staff member, or board member, or volunteer?
- Would an unsuccessful internal candidate be able to support a new executive director?
- Is it appropriate for the committee to announce that it will be hiring only from outside the organization?

## Prepare Interview Questions

When you create the interview questions, consider the following:

- Have the committee members agreed to the key concepts that they expect candidates to address when answering the questions?
- How do you expect the candidate to explain how s/he would move the organization towards the vision?
- How do you expect the candidate to demonstrate that s/he has the skills, qualities, and experience to meet the organization's strategic challenges?
- Are there any case studies, based on the organization's experiences, that will help you to understand how a candidate might respond in a given situation?

## The Human Rights, Citizenship and Multiculturalism Act

In an employment interview, there are questions that may not be asked because they would be considered discriminatory. The Human Rights, Citizenship and Multiculturalism Act outlines what constitutes discrimination in the areas of job applications, advertisements, and employment practices. The Human Rights, Citizenship and Multiculturalism Act is primacy legislation in Alberta; it overrules any other provincial laws that conflict with it, unless otherwise stated.

go to 

**Appendix #5** for an outline of Sample Interview Questions

**Appendix #6** for Alberta Human Rights and Citizenship Commission: A Recommended Guide for Pre-Employment Inquiries

**Appendix #7** for Alberta Human Rights and Citizenship Commission: Pre-Employment Inquiries

### **Will You Use a Written Test?**

Some organizations want the option of asking candidates to do a written test in order to assess their written language skills. If so, you will schedule the test to follow the interview, on the same day. The test could be in the form of a letter written to an irate politician, or to a potential funder. Or, you might ask the candidate to write his/her strategy in approaching a case study that is loosely based on the needs of your organization.

Some of the considerations when using this approach include?

- Will you ask all of the candidates to write the test?
- Are the instructions for the test written in a clear and easy-to-follow manner?
- Is there a place set aside for the candidate to work?
- Will the candidate use a computer?
- How much time does the candidate have to complete the test?
- Have you identified the key concepts that you are expecting to see in the writing?
- Will you assign a grade, based on the key concepts addressed?

## **STEP 7: ADVERTISE THE POSITION**

### **Prepare the Job Posting**

The search committee prepares the job posting, based on the job description and the list of qualifications identified in the candidate rating sheet. You will want to analyze the career sections in several previous issues of the newspaper to identify advertisements that you can use as a model for your job posting.

Choose your working carefully. You will want to include information that is attractive to the kind of person that you are seeking, and that helps to screen out unqualified applicants. Your ad may attract the attention of more appropriate candidates if you include a few lines about the strategic direction of the organization, and the qualifications that are must have on your list. Whether or not you include the salary range is a trend that comes and goes, so the committee will need to make a decision about this.

Be prepared to give interested candidates an information kit with an updated job description and general information about the organization. You will want to have these information kits prepared before you post the job. Candidates whom you select for interviews may ask to receive more information, such as audited financial statements, bylaws, and strategic planning documents.

## Work the Network

The committee decides how wide the search will be (local, provincial, national, or international), and then creates a list of places to post the job. Fax and mail copies of the job posting to related agencies to make sure that as many people as possible know that your organization is hiring a new executive director. Sometimes the informal communication networks can yield a first class-candidate for the position that advertising in the traditional places might have missed.

You will need to consider the expense involved in advertising the position. Based on the budget that you have, you can consider the following options:

- Newspapers (daily and weekly)
- Newsletters (community, special interest groups, voluntary sector, constituency)
- Magazines or publications for the not-for-profit sector
- Bulletin boards (employment offices, educational institutions, community and service organizations)
- Electronic bulletin board services
- Related agencies and organizations
- Television and radio announcements for not-for-profit organizations
- Internal communications

## STEP 8: SELECT CANDIDATES FOR INTERVIEWS

At the closing date, the committee screens the applications, using the set of guidelines on the candidate rating sheet. You will be able to eliminate a number of applications due to a lack of qualifications.

### Courtesy Builds Support

Currently, there is a practice to state in the advertisement that only candidates invited to an interview will be contacted. However, it is a good idea to send a courteous letter of rejection to candidates who do not meet the minimum requirements. You can word the letter so that, in addition to letting the individual know about the status of the application, you can build community support for the organization.

## STEP 9: INTERVIEW THE CANDIDATES

### Telephone Pre-Screen

Before setting up formal interviews, some organizations choose to pre-screen candidates by telephone, using a standard set of questions. This pre-screening process can help you to:

- Get to know the candidate
- Be more prepared for the formal interview
- Decide whether or not you still wish to invite the candidate for a formal interview

A telephone interview is also a diplomatic way to provide a courtesy interview to someone you would not hire, but cannot afford to offend. You will need to decide whether or not you will do any telephone pre-screening, and for what purpose.

### Schedule Interviews

Set an interview schedule that allows for both the candidate and the committee to relax and get to know each other, without feeling too pressured by the clock. Avoid scheduling interviews too close together. If you do spend some extra time with a promising candidate, make sure that you are not keeping a good candidate waiting for more than 10 or 15 minutes. It is a good idea to schedule time between each interview to allow for some flexibility, and to give committee members time to write down notes about the candidate.

If you plan to ask the candidate to complete a written test, make sure that s/he knows this ahead of time, so

that s/he can plan for the additional time. You will also need to schedule time to get him/her started on the test, without causing a delay in the next interview.

### Set the Right Atmosphere

The purpose of the interview is to find out what skills, qualities, and attributes the candidate possesses that will move your organization towards its mission. However, interviews can be stressful, so it is important to work towards a positive experience. One thing that can help is to set up a location that is private, relaxed, and comfortable. During the interview, practice good communication by allowing time for the candidate to clarify the questions that you ask, and for committee members to clarify information that the candidate presents.

### Interview Performance Indicators

Selecting the final candidate, based only on his/her performance at the employment interview, may not be the wisest decision. Some of the best executive directors are not silver-tongued in a job interview setting, but they can prove to be inspired leaders when they speak on behalf of their organizations.

While the interview is very important, other pieces of the puzzle need to fit; for example, the candidate's volunteer work in the community, his/her commitment to personal professional development, and his/her skill in networking. As well as being able to say what s/he can do, s/he need to



**Appendix #5** for an outline of Sample Interview Questions

demonstrate how his/her professional history and achievements support his/her words in the interview.

### **Look and Listen for the Links**

During the interview, listen to how the candidate's answers connect to what is listed on his/her resume.

Consider the following:

- Does a clear link exist between what s/he says and what s/he lists on the resume?
- Is there a linkage between the information gained in the telephone pre-screen interview and what s/he says in the formal interview?

Be sure to check references before making a final decision. Do the candidate's references support the experience and skills that s/he represented in the interview?

## **STEP 10: MAKE THE JOB OFFER**

When the search committee has settled on a final candidate, according to its mandate from the board, then you can make the job offer. Be sure to include information such as the salary and increment schedule, benefits, holidays, and the probation period. Provide other useful information, such as parking arrangements and the organization's operational hours.

The new executive director needs to know who will be managing her/his performance during the transition period, as well as the plans for this transition period. Be prepared to provide other information about the organization that the new executive director may need, such as the policy manual, audited financial statements, bylaws, and strategic planning documents.

Once the new executive director has accepted the position, remember to send letters to all of the candidates interviewed, thanking them for their time and interest in the organization.

## STEP 11: WELCOME YOUR NEW EXECUTIVE DIRECTOR

The search committee needs to plan several strategies for helping the new executive director to move into the organization. These include:

- Announcing the appointment within the organization
- Announcing the appointment to the community
- Orienting the new executive director

### **Announce the appointment within the Organization**

Discuss ways to introduce the executive director to staff and volunteers within the organization. For example, a board member may announce the appointment to staff, and then be on hand to make introductions on the executive director's first day. If the organization has a newsletter, there can be a short article about the new executive director. You may wish to hold an informal event that gives staff, board members, and volunteers in the organization an opportunity to meet the new executive director.

### **Announce the Appointment to the Community**

Plan a communication strategy for announcing the appointment to the larger community. You may wish to place an announcement in the newspaper. If your organization has close associations with other organizations, you can send them a special announcement. You may consider hosting an open house to introduce the new executive director to the community.

### **Orient the New Executive Director**

The way in which the search committee provides orientation for the new executive director can establish a positive working relationship between board and staff. The committee needs to create a support system that helps the executive director to learn about the organization and to become familiar with the position.

The search committee assists the chairperson of the board in setting up a series of meetings with the executive director:

- Identify resource people for the executive director to contact for information during the transition period
- Establish a reasonable number of short-term goals for the probationary period, and to discuss how progress will be monitored
- Confirm a review date at the end of the probationary period, and to discuss the process for either confirming the permanent appointments of the executive director, or dismissing him/her from the job
- Establish long-term goals that will be used in the annual performance appraisal process

## SUMMARY

Hiring a new executive director is an opportunity for your organization to renew itself. By assessing the strategic challenges facing your organization, you can identify the abilities and skills that the executive director needs to meet these challenges. By hiring the person who has the appropriate abilities and skills, you will be able to meet the organization's emerging needs. By providing the executive director with an adequate orientation to the organization, you are helping him/her to make a successful transition into the organization. And, as a result of his/her successful transition, the new executive director can help the organization to move towards its mission.

# 4

## The Performance Appraisal Process

"It's a great satisfaction knowing that for a brief point in time you made a difference."  
– Irene Natividad, *Collaborations Handbook*

In this workbook, a performance appraisal is described as the process by which the executive director and a board committee meet to:

- Formally review the accomplishments and challenges of the executive director
- Identify and address areas of concern
- Reach a decision regarding a salary and benefit increase
- Identify the next performance appraisal period
- Establish goals and action plans for the next appraisal period

### WHY IS A PERFORMANCE APPRAISAL IMPORTANT?

Performance management of the executive director can seem to be an overwhelming task for boards that lack a human resources specialist. If your board is one of the many that have never given a performance appraisal of the executive director, you may wonder why it is needed. You may tell yourself that the executive director is a professional, and is therefore doing a fine job. You may not be completely sure what the executive director does, apart from attending board meetings. And, to add to this uncertainty, you may not feel confident that you have the skills and experience to provide a performance appraisal.

One of the key responsibilities of a board of directors is to provide the executive director with a thorough performance appraisal on a regular basis. The performance appraisal process is part of performance management, which is one of the board's governance roles. The performance appraisal of the executive director is an opportunity for a process that allows the board and the executive director to improve communication and productivity in the organization.

If you have recently hired a new executive director, you will need to assess his/her work at the end of the probationary period. This assessment is the first performance appraisal that you will do with the new executive director, and it will be the beginning of an ongoing process.

## BENEFITS OF A PERFORMANCE APPRAISAL

Performance appraisals have a proven record of effectiveness in keeping an organization on track. A board that provides the executive director with regular, thoughtful, and well-documented performance appraisals can expect many benefits, including:

- A better understanding of the work of the executive director and the organization
- Clarity on the progress of the organization towards its mission
- More effective responses to changes in funding, community needs, and strategic direction

- Better communication between the board and the executive director
- Identification of opportunities, challenges, and areas of concern that can be addressed before problems arise
- Agreement on specific priorities and goals for each appraisal period
- Improved performance of the executive director

### What Do Executive Directors Say?

“Yes. I want a performance appraisal,” is what most executive directors respond when asked. Executive directors need to have their boards give them constructive feedback and guidance on their performance. An executive director wants an opportunity to focus on what it is that s/he is doing, and how s/he is doing it. This is the board's role; staff cannot provide this feedback to the executive director.

## WHERE DO YOU START?

It is important to provide a performance appraisal on a regular basis. Regardless of how much time may have passed without a performance appraisal, you can start immediately by sitting down with the executive director to plan the process. Any awkwardness that you feel will soon go away as you plan the process together. If it has been over two years since the last performance appraisal, make sure that both the staff and the executive director know that this is a planned and constructive process, rather than an attack on the executive director.

A long delay between appraisals may be a sign that there is a problem with the executive director's performance on which the board is unwilling to take action.

If you are doing a performance appraisal that is directed at releasing the executive director, obtain legal advice on the correct supervisory process to follow. This can help to reduce the chance of a costly wrongful dismissal suit.

## ASSESS THE WORKING RELATIONSHIP BETWEEN THE BOARD AND EXECUTIVE DIRECTOR

A good starting point for the performance appraisal process is to assess the current effectiveness of the working relationship between the board and the executive director. To do this, both board members and the executive director answer the following questions.

The examples that you use are the important part of this exercise. Examples indicate the state of the working relationship, and can provide solid ground on which to build for improvement. Answer these questions again in a year's time to see how the relationship has progressed.

"Conflict is working through a difference of opinion. Fighting is the avoidance of conflict."  
— Leonard Hirsch, *Collaborations Handbook*

---

yes    no

1. Board and executive director can give examples of two-way communication.  
Examples:

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yes    no

2. Board and executive director can give examples of working together, with everyone participating actively in the process.  
Examples:

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yes    no

3. Board and executive director can give examples of a variety of decision-making techniques and procedures that fit specific situation.  
Examples:

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yes    no

4. Board and executive director can give examples of conflict and controversy being used as forces for positive changes.  
Examples:

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yes    no

5. Board and executive director can give examples of establishing goals in a cooperative manner, taking into account both individuals' goals and the organization's goals.  
Examples:

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yes    no

6. Board and executive director can give examples of ways in which everyone is able to influence the decision-making process.  
Examples:

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## THE STEPS TO THE PERFORMANCE APPRAISAL PROCESS

There are a number of parts that make up the process of appraising the executive director. The board assigns the authority to a committee to lead the process. The executive director prepares his/her portion of the reporting. The committee coordinates the information from the external feedback sources. Working with the executive director, the committee sets the schedule for the appraisal meeting, the salary meeting, and the future planning meeting. Finally, the committee evaluates its own performance, with a view to future improvement on their part of the process.

This step-by-step guide will help you to organize your performance appraisal process. Consider each step, and tailor the information to work for your organization. In Chapter IV, the words you and committee mean the performance appraisal committee.

## STEP 1: IS YOUR HOUSE IN ORDER?

The first step in this process is making sure that the organizational house is in order. You will need the information in the strategic plan to do the performance appraisal. If the strategic plan has changed, that may mean changes to the key responsibilities for the next appraisal period.

## STEP 2: REVIEW THE EXECUTIVE DIRECTOR'S MANDATE

If you have recently hired an executive director, then it is likely that the job description is up-to-date, and reflects the key responsibilities of the executive director during the appraisal period. The key responsibilities are based both on the strategic plan and on what the executive director does to manage the organization.

The key areas listed in the job description, as well as the executive director's regular board reports, form the basis of the information that the board has about the organization. These reports also form the basis of the information that is needed for a performance appraisal. In addition, the executive director prepares an annual report that emphasizes the link between the program and services goals and activities within the organization's strategic plan.



**Chapter I:** The Organization's Foundations

**Chapter II:** The Executive Director's Mandate

**Appendix #3** for a sample Executive Director Job Description, with key responsibility areas

## STEP 3: ASSIGN RESPONSIBILITY FOR THE PERFORMANCE APPRAISAL PROCESS

### **The Performance Appraisal Committee**

The board appoints a performance appraisal committee, and gives authority to the committee to conduct the performance appraisal. As well, the board decides whether this is a standing committee with ongoing work, or an ad hoc committee that is appointed for a specific performance appraisal period. The performance appraisal committee may be unnecessary if there is another committee with this personnel responsibility.

Often, the appraisal committee is made up of the board chairperson and other members of the executive committee. It is important that the membership on the committee represents a broad selection of the board members, without getting too big to be efficient.

Although the committee is in charge of the appraisal, other board members may wish to provide feedback on the executive director's performance. The committee may invite board members to provide their signed comments, in confidence, for inclusion in the final report.

### **Committee and Assigned Authority**

The board clearly states the role, responsibilities, and the final reporting time frame of the performance appraisal committee. The board decides whether or not the committee shall have the authority to approve a salary and/or benefit increase to the executive director. The board makes sure that the committee understands the confidentiality of its work, and that the report to the board reflects that understanding.

### **Role of the Executive Director**

The executive director works with the appraisal committee to plan the appraisal process. S/he provides the committee with the annual report, which is based on the executive director's monthly reports to the board. If s/he has examples of external feedback, s/he gives the committee this information, as well a list of external feedback contacts in the community.

### **Role of Staff**

The role of staff in the appraisal of the executive director is a sensitive issue. When staff are in the position to appraise the performance of their supervisor, the result can be role confusion. The information that staff brings to the appraisal may lack the needed objectivity, and may not serve the broadest interests of the organization.

One of the executive director's key responsibilities is personnel management, so the appraisal committee needs to find a way

to assess the executive director's supervisory abilities. The committee needs to discuss this issue, and to find an appropriate way to get information on the working relationships between the executive director and the staff.

## STEP 4: GATHER DOCUMENTATION

The information that the committee needs to gather for the performance appraisal of the executive director includes:

- The organization's current strategic plan
- The executive director's job description
- The executive director's regular reports to the board during the appraisal period
- The executive director's annual report to the board
- The executive director's annual goals, with action plans
- Examples of external feedback

The executive director provides the committee with the necessary documents and reports, including a list of contact people that the committee can interview to gather external feedback on aspects of the executive director's work.

If there has been a significant break between appraisals, the committee and the executive director will need to establish a mutually-agreeable starting point for the appraisal. Board leadership may be necessary to move this process forward. For example, you might ask the longest-serving board member to be the historian who sets the starting point for the appraisal process.

### The Executive Director's Regular Board Reports

Depending on the needs of the organization, the executive director's report to the board is either monthly or quarterly. The regular board report provides information on the activities and issues outlined in the key responsibilities of the job description. In the report, the executive director describes activities and issues so that the board can understand what the outcomes have or have not been, in terms that are specific, measurable, and relevant.

### The Executive Director's Annual Report

There are three parts to the executive director's annual report:

- The first part is a summary of the regular board reports, with an emphasis on identifying the overall trends, outcomes, and areas of challenges of the previous year.
- The second part is a summary of the organization's movement on the strategic plan of action.
- The third part is a list of the future considerations that will shape the action plans for the coming year.

When there is good communication and regular reporting in the organization, the first and second parts of the annual report should hold no surprises. The third part of the report may raise emerging issues that the board will need to address.

## The Executive Director's Annual Goals, with Action Plans

The executive director prepares his/her annual goals, with action plans, and reviews these with the board. The annual goals are based on both the strategic plan and the day-to-day management of the organization. During the performance appraisal, the committee reviews the annual goals that the executive director has reported in the regular board reports and the annual report.

Each action plan needs to show specifically what will be undertaken, and the anticipated outcomes. The outcomes of the action plans are related to the strategic plan, and move the organization towards the vision. These outcomes need to be attainable, given the other organizational responsibilities held by the executive director. Each outcome is written in concrete and measurable terms, with time lines included.

### Example of Goal with Action Plan

**Goal:** To work in partnership with geographic communities, and communities of interest, to both build and maintain a high quality of life in Alberta.

**Goal will be met by:** Providing resources and leadership to community service organizations, to assist them in the delivery of their programs and services.

**Desired outcome:** That Albertan volunteers and boards have access to comprehensive leadership and governance development opportunities.

**Measured by:** The number of organizations directly assisted, and the number of volunteers who benefit from the assistance.

**Action plan:** Continue to develop and promote partnerships with key players in the not-for-profit, public, and private sectors, focusing on leadership development and governance skills.

### External Feedback

How do outsiders view the performance of your executive director? In order to assess the executive director's networking and community relations performance, you need to know this. The search committee asks the executive director to provide a list of outside people who can give feedback on the executive director's networking and community relations activities. People on the list should be qualified to comment fairly, without personal bias. This is a good way to collect vital and important information that may otherwise be overlooked.

The committee interviews these contact people, prepares a report on this information, and presents it during the appraisal meeting. As a professional courtesy, let the executive director know what questions you will be asking. When you contact the outside person, advise them that the executive director provided you with their name. When you summarize the outside person's comments, let him/her read them before you share them with the executive director.

Another way to gather external feedback is to ask the executive director to collect information such as newspaper clippings, letters to

#### important !

"Evaluation is by feedback, not by autopsy."  
– *Collaborations Handbook*

the organization, comments from speaking engagements, and comments from community telephone calls. S/he can do this throughout the appraisal period, and provide copies to the committee.

### **No Goals Set with the Executive Director?**

In some organizations, the executive director works without having any specific goals set. To ease into a performance appraisal, set a meeting to discuss what the board and executive director agree to be the goals and outcomes for the appraisal period. Through discussion, you establish a number of points of agreement as the departure points for the upcoming appraisal. In six months' time, you will then have a basis on which you can conduct the performance appraisal. The idea is to get started as soon as possible, and to work towards developing an ongoing process of regular appraisals.

The committee coordinates the meeting dates and agendas for:

- The performance appraisal meeting
- The salary review meeting
- The future planning meeting to determine the executive director's goals and action plans for the next appraisal period

Allow sufficient time after the performance appraisal meeting to prepare the summary report for the board, as well as to prepare information for the following two meetings.

### **The Performance Appraisal Meeting**

The appraisal meeting need last no longer than one hour. The underlying philosophy of a performance appraisal is to be honest. Review the goals and action plans with an eye to recognizing the executive director's efforts, as well as to identifying the challenges that s/he did not meet. While you want to avoid reviewing every detail, you also want to cover each of the key areas in the job description. Review the external feedback report.

Discuss the kudos and the challenges that the information presents only as issues to be considered. Together, the committee and the executive director develop strategies to address any concerns.

#### **! important**

"Pay attention to the questions you need to ask, not the answers you want to hear."  
– Leonard Hirsch, *Collaborations Handbook*

## **STEP 5: SET MEETING DATES AND AGENDAS**

The appraisal committee, in cooperation with the executive director, sets a schedule of meetings and related activities that result in a report to the board. Remember to schedule the performance appraisal meetings to avoid the busiest work periods of the executive director.

### Set the Right Atmosphere

Select a location for the meeting that is private, relaxed, and comfortable. You do not want the executive director to be distracted by the day-to-day obligations of his/her position. Avoid holding the appraisal meeting over a meal.

Give the executive director your full attention, and maintain a professional atmosphere by keeping the overall focus on the performance of the executive director, rather than on his/her personality traits. Set up open and safe communication. Ask yourself:

- Do you expect the executive director to be all things to all people?
- Can your executive director be frank when discussing the expectations of the job?
- Can your executive director feel safe in appraising his/her own performance?

### Handling the Unmet Challenge

The committee has a number of ways to consider, and deal with, unmet challenges:

- The goal or expectation was unrealistic, given all the other actions that the executive director needed to accomplish. In this instance, you can move the goal to the next appraisal period, or even drop it altogether.
- The expectations and outcomes of the goal are not clearly indicated. If you carry this goal over the next appraisal period, you may need to clarify what is expected.
- The executive director may not have the time resources available to be able to complete the goal. If it is sufficiently important, you need to identify how the executive director will get the help that s/he needs to accomplish the goal.
- The executive director may lack the education and training required to accomplish the goal. The committee and the executive director can identify this training or educational need as part of the goals and action plans for the next appraisal period.

When addressing an unmet challenge, it is important for both the committee and the executive director to understand how the challenge is to be met, as well as how this will be reviewed. Follow-up on unmet challenges is a critical task in the performance management of the executive director.

## Summary Report of the Performance Appraisal

The committee prepares a summary report of the performance appraisal to present to the board. Organizations may use different formats for this, but the most important point is that two people reading the report would reach the same conclusion.

This report includes:

- Information on the accomplishments, as well as the unmet challenges
- Strategies resulting from the external feedback
- An indication of challenges that are brought forward to the next appraisal period
- A description of any short-term follow-up with the executive director, with dates for the follow-up
- Identification of any professional development needs

## The Salary Meeting

Separating the salary and appraisal meetings can work to the advantage of the executive director, as well as to the board. An executive director may have a glowing performance appraisal, but not receive a salary increase, due to the organization's financial situation. By keeping these meetings separate and distinct, the benefits of positive feedback to the executive director for the performance appraisal will not be diluted by the bad news of no increase in salary.

Prior to this meeting, the committee researches the current salary and benefits range for an executive director in comparable organizations. Be careful to avoid the situation in which the entire board participates in the salary review, with the executive director present. This discussion works better in a committee setting. The board may reserve the right to have final approval on any changes to the salary or benefits.

The committee negotiates with the executive director on whether or not there will be a salary increase. If there is to be an increase, the committee and the executive director agree on what it will be. There may be a section in the organization's personnel policy that provides the committee with direction on this issue. The increase may be an increase in salary, an increase in benefits such as holidays, or a combination of both.

If no increase is financially possible, then the committee needs to consider alternative ways to recognize the executive director's work. For example, one way to increase his/her salary without paying more money is to reduce the number of work days per month. As long as the executive director is agreeable to this adjustment, this is a positive way to recognize his/her hard work.

The committee may decide that the executive director's performance does not warrant an increase in salary. This finding has serious implications



**Appendix 8** for a sample Appraisal Reporting Form

for the organization. The board may need to move into a supervisory process with the executive director, until either s/he meets the expected standard, or s/he is released from the position. Always seek legal advice regarding the supervisory process to reduce the risk of a wrongful dismissal suit.

### The Future Planning Meeting

The committee and the executive director meet to determine the goals and action plans for the next appraisal period. The information developed in the future planning meeting will provide important information for the next regular performance appraisal.

Together, the committee and the executive director:

- Establish the timing for the next appraisal period
- Bring forward unmet goals from the previous appraisal period
- Develop new goals and action plans to meet emerging needs
- Write action plans in terms that are specific, measurable, attainable, relevant, and time-oriented
- Identify the educational and training needs that the executive director will need to carry out her/his current and/or emerging duties more effectively, and develop strategies to meet these needs.

## STEP 6: CARRY OUT THE PERFORMANCE APPRAISAL PROCESS

Based on the information in Step 5, the committee holds three meetings with the executive director to carry out the performance appraisal process, and prepares a final report for the board.

### Hold a Dress Rehearsal of the Appraisal

A Canadian board chairperson says that the uncertainty that administrators often experience before an evaluation breeds tension that can lead to an unproductive meeting. That's why he came up with this idea.

Instead of a single performance review, he conducts a two-part

go to 

**Appendix #9** for a sample Appraisal Policy

**Appendix #10** for a Performance Appraisal Checklist

evaluation that gives the executive director lots of room for input.

“To avoid any conflict over the contents of the final evaluation, I meet with the administrator to discuss a rough draft of his evaluation,” he says. “We do this on our regular evaluation form, only we write in pencil.

“This is the dress rehearsal for the real thing. It’s also the executive director’s opportunity to react and comment on my penciled-in assessment. I encourage him to tell me if there’s something I’ve overlooked or if there’s some language he objects to. If there is, we work together to resolve the disputed points.

“After this meeting, I make the changes to the form we agreed on. This approach tells the administrator that I listen to his concerns, and he’s satisfied that evaluations are fair.”

Gillis, John, ed. *Evaluating the Nonprofit CEO – A Guide for Chief Executives and Board Members*. Akron, Ohio: Aspen Publisher, Inc., 1996

## STEP 7: CONDUCT A COMMITTEE SELF-EVALUATION

After the final report is completed, the committee members ask themselves three questions about their own performance in the performance appraisal process:

- What worked well?
- What needs more work for the next performance appraisal?
- Are there any recommendations for changes in policy?

If your organization has no policy on performance appraisal of the executive director, the committee can draft one as part of its self-assessment.

## SUMMARY

The Board is responsible for managing the performance of the executive director through an ongoing performance appraisal process. A regular, thoughtful, and supportive performance appraisal forms the basis of positive board and staff relations. Even if much time has passed since the last performance appraisal, it is important to get started right away. The first time through the process, there may be a fair amount of work to do, but the next time will be much easier. The benefits will show up immediately, with a renewed energy from the executive director, and a greater understanding of the work of the organization towards the mission.

### summary

# Appendices

## APPENDIX I

### Does Your Organization Need an Executive Director?

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Perhaps your organization is hiring its first executive director, or your organization no longer needs an executive director. Before proceeding with the hiring process for an executive director, consider the following questions:

What is the role of an executive director within your organization?

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Has your organization changed in revenue, and/or size and complexity of programs, to warrant a change?

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Does your board of directors have the resources, and a system for the recruitment of board members, to manage the added responsibilities?

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Could the board of directors carry out the executive duties on a regular and long-term basis?

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## APPENDIX 2

### Strategic Planning Process

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#### **Making It Happen:**

CARING – Community Action Resources for Inuit and Native Groups. Ottawa, Ontario: Childhood and Youth Division, Health Promotion and Programs Branch, Finance Building, Tunney's Pasture, 1997.

#### **Strategic Planning is identifying:**

|   |  |
|---|--|
| <p><b>1. Where are we?</b></p> <ul style="list-style-type: none"> <li>• Analyzing the situation</li> </ul>  |  |
| <p><b>2. Where do we want to go?</b></p> <ul style="list-style-type: none"> <li>• What is our potential:</li> <li>• Who are we?</li> </ul>                                    |  |
| <p><b>3. How can we achieve it?</b></p> <ul style="list-style-type: none"> <li>• Priorities, goals, objectives, outcomes</li> </ul>   |  |
| <p><b>4. With what means?</b></p> <ul style="list-style-type: none"> <li>• Steps to take?</li> <li>• Work Plan?</li> <li>• Opportunities?</li> <li>• Outcomes?</li> </ul>     |  |
| <p><b>5. If our efforts are successful:</b></p> <ul style="list-style-type: none"> <li>• Monitor the outcomes</li> <li>• Evaluate the results</li> <li>• Back to 1</li> </ul> |  |

## Strategic Planning process:

|   |  |
|---|--|
| <p><b>1. Formulating the mandate</b></p> <ul style="list-style-type: none"> <li>• What are the role, products, services, clientele, and strengths of our organization?</li> </ul>               |  |
| <p><b>2. Elaborating the strategy</b></p> <ul style="list-style-type: none"> <li>• What needs does our organization meet?</li> <li>• What are our organization's fields of interest?</li> </ul> |  |
| <p><b>3. Establishing long-term goals</b></p> <ul style="list-style-type: none"> <li>• What do we want to accomplish?</li> <li>• What changes are we aiming for?</li> </ul>                     |  |
| <p><b>4. Establishing short-term objectives</b></p> <ul style="list-style-type: none"> <li>• What specific and measurable results do we want to achieve?</li> </ul>                             |  |
| <p><b>5. Identifying the impact</b></p> <ul style="list-style-type: none"> <li>• How will we know when the objectives have been met?</li> <li>• What will the impact be?</li> </ul>             |  |
| <p><b>6. Producing a work plan</b></p> <ul style="list-style-type: none"> <li>• Who will do what, when, how, with whom, with what, etc?</li> </ul>  |  |

# APPENDIX 3

## Executive Director Job Description

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**Agreement between**  
(name of organization)  
**and** (name of executive director)

(First paragraph contains the organization's vision and mission statements)

**Position:** Executive Director  
**Reporting to:** The Chairperson of the Board of Directors

### Areas of Authority:

The executive director holds a key leadership position in the organization. Under the authority of the board, the executive director assumes complete responsibility for carrying out assigned policies and regulations. The executive director has the authority to direct the implementation of the organization's programs and services, and is responsible for the management of all staff members and volunteers.

### Summary of Responsibilities:

The executive director:

- Directs the day-to-day operations
- Implements policy
- Hires, trains, delegates, supervises, evaluates, and releases staff
- Attends all board meetings, and is invited to all committee meetings
- Acts as a consultant to the board and its committees

### Key Responsibilities:

#### 1. Policy Management

The Executive director:

- Administers the day-to-day operations of the organization
- Directs the staff's implementation of policy
- Prepares procedure statements for board policies
- Supports board committees as needed, while refraining from doing the work of the committees

#### 2. Strategic Planning

The executive director:

- Conducts both an internal and external environmental scan to identify emerging issues that affect the organization. The internal scan brings to the board's attention issues arising from within the organization, such as the increased need for technological resources. The external scan identifies issues that may have an impact on the organization, such as a change in provincial funding policies.
- Sets specific organizational goals and outcomes, under the direction of the board of directors
- Sets goals for management practices
- Sets program and service goals

- Identifies the required resources to achieve the goals
- Communicates with key stakeholders to identify the changing needs and conditions of the community that is served by the organization
- Considers the impact of several alternative plans to address the changing conditions

#### 3. Visioning

In cooperation with the board of directors, the executive director:

- Participates in the creation of an organizational vision
- Develops programs and services that work towards the vision, within the policy guidelines set by the board

#### 4. Leadership

The executive director:

- Works in collaboration with staff, and relevant community agencies and groups, to accomplish objectives and to fulfill responsibilities
- Encourages team-building by facilitating open communication and positive working relationships with staff
- Establishes control and follow-up mechanisms for the organization

## 5. Program Management

The executive director:

- Facilitates the research, planning, development, implementation, and evaluation of programs and services
- Makes sure that programs and services meet the board's policy guidelines, and reflect the board's priorities
- Supervises the implementation of the organization's programs and services

## 6. Personnel Management

The executive director:

- Interprets board policy decisions to staff
- Hires, supervises, evaluates, and releases staff
- Trains and motivates staff
- Sets clear, results-oriented goals, with realistic and measurable outcomes
- Supports goal achievement, and coaches and monitors performance
- Assists individuals in developing the necessary skills to be successful within the organization
- Supports and encourages staff initiatives
- Observes and evaluates ongoing performances
- Provides regular, appropriate, and constructive feedback
- Supervises the recruitment, selection, orientation, and training of service volunteers
- Assists the personnel committee

## 7. Financial Management

The executive director:

- Implements the board's policies for the allocation and distribution of resources
- Maintains sound bookkeeping procedures
- Provides the board with regular statements of revenues and expenditures
- Administers the funds of the organization, according to the budget approved by the board
- Advises the finance committee

## 8. Risk Analysis

To keep the board informed about the organization, the executive director:

- Evaluates, in broad-based terms, the potential assets and liabilities of a project, proposal, or strategy
- Makes sure that both risks and opportunities have been identified and evaluated
- Assesses potential threats to the organization's image
- Assesses risks to the organization's financial security and growth
- Provides regular, reliable, and comparable reports on the organization's progress

## 9. Advocacy management

The executive director:

- Promotes community awareness of the organization's mission and aims
- Participates in networking and community relations activities on behalf of the organization

- Builds strong working relationships with others, both inside and outside the organization, and enlists their support for accomplishing tasks
- Assists the advocacy committee in preparing an advocacy program, and acts as an advocate for the organization and its programs in the community
- Works with key external stakeholder groups
- Identifies and researches funding opportunities
- Facilitates a communication plan that informs the community of the activities and direction of the organization
- Seeks public speaking opportunities
- Supervises the membership recruitment campaign

## 10. Executive Director's Performance Appraisal Process

The executive director:

- Cooperates with, and participates in, the performance appraisal process
- Assists in the assessment of outcomes
- Recommends change when necessary
- Informs the board of directors about situations that affect the executive director's ability to meet his/her goals

**Hours, Salary, and Benefits:** (specify)

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**Vacation and Vacation Pay:** (specify)

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**Probation Period:** (specify)

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Date: \_\_\_\_\_

Signatures:

\_\_\_\_\_

Chairperson of the Board of Directors  
(name of Organization)

\_\_\_\_\_

Executive Director

## APPENDIX 4

### Sample Candidate Rating Sheet

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Here is a sample rating sheet that you can revise to fit your organization's needs.

What are the top qualities, skills, and education that you are looking for in your executive search?

#### **Category:**

- A. Years of experience as an executive director of a not-for-profit organization
  - B. Education
  - C. Experience with strategic planning
  - D. Experience with restructuring an organization
  - E. Experience with creating a new funding base
- A. Years of experience as an executive director of a not-for-profit organization**
- 0. No experience
  - 1. Less than 1 year's experience as an executive director. Has worked for not-for-profit organizations.
  - 2. Less than 2 years' experience as an executive director.
  - 3. More than 3 years' experience as an executive director.
  - 4. More than 5 years' experience as an executive director.

#### **B. Education**

- 0. High school and some post-secondary
- 1. Completed college – specializing in Not-for-Profit Management
- 2. Undergraduate degree – Social Sciences or related discipline
- 3. Graduate degree – Social Sciences or related discipline

#### **C. Experience with strategic planning**

- 1. Has an understanding of concepts and theory
- 2. Has participated in strategic planning
- 3. Has led strategic planning
- 4. Has led a strategic planning process, including moving strategies and outcomes in an organization plan and communication plan

#### **D. Experience with restructuring an organization**

- 1. Has been involved with an organization undergoing a restructuring
- 2. Has been part of a team that led the restructuring of an organization
- 3. Has demonstrated a leadership role in restructuring a team, as well as developing a plan of action for restructuring an organization

#### **E. Experience with creating a new funding base**

- 1. Has experience with creating a funding base
- 2. Has experience creating a funding base for a similar organization
- 3. Has demonstrated the ability to develop a plan of action for creating a new funding base for the organization.

## Candidate Rating Sheet

**Name:** \_\_\_\_\_

What are the top qualities, skills, and education that you are looking for in your executive search?

- A. Years of experience as an executive director of a not-for-profit organization
- B. Education
- C. Experience with strategic planning
- D. Experience with restructuring an organization
- E. Experience with creating a new funding base

### Range of expectation with assigned value

A. Years of experience as an executive director of a not-for-profit organization

- 0.  Notes
- 1.  \_\_\_\_\_
- 2.  \_\_\_\_\_
- 3.  \_\_\_\_\_
- 4.

B. Education

- 0.  Notes
- 1.  \_\_\_\_\_
- 2.  \_\_\_\_\_
- 3.  \_\_\_\_\_

C. Experience with strategic planning

- 0.  Notes
- 1.  \_\_\_\_\_
- 2.  \_\_\_\_\_
- 3.  \_\_\_\_\_
- 4.

**D. Experience with restructuring an organization**

- 1.  Notes
  - 2.  \_\_\_\_\_
  - 3.  \_\_\_\_\_
- \_\_\_\_\_

**E. Experience with creating a new funding base**

- 1.  Notes
  - 2.  \_\_\_\_\_
  - 3.  \_\_\_\_\_
- \_\_\_\_\_

**Tally Sheet**

**Candidate name:** \_\_\_\_\_

- A. Comments: \_\_\_\_\_
- B. Comments: \_\_\_\_\_
- C. Comments: \_\_\_\_\_
- D. Comments: \_\_\_\_\_
- E. Comments: \_\_\_\_\_

**Total:** \_\_\_\_\_

**Recommendations:** \_\_\_\_\_

## APPENDIX 5

### Sample Interview Questions

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What follows are questions that you may want to incorporate into your interview process. You will also want to include questions about how the candidate will help you to achieve the strategic challenges facing your organization. For the sake of fairness, it is important to ask each candidate the same set of questions.

- Allow the candidate to talk about his/her experience and background as it would apply to the job of executive director of your organization.
- Explore his/her reason(s) and motivation for applying for the position.
- What does s/he know about your organization?
- What has s/he learned about strategic challenges?
- What is his/her planned approach for the first six months in the position?
- Ask for a description of his/her management style, including examples.
- Ask about his/her understanding of the role of the board and the role of the staff in a not-for-profit organization.

Develop a scenario that draws on elements from your organization to ask for his/her response to a situation that might include?

- A sudden budget shortfall one month after the budget is approved
- A change in the legislation that greatly affects the organization's operations
- An error in his/her judgment, and what s/he did with the results of the situation
- A board member criticizes a staff person at a board meeting
- A newspaper article questions the integrity of the not-for-profit organization

## APPENDIX 6

### Alberta Human Rights and Citizenship Commission

#### A Recommended Guide for Pre-Employment Inquiries

| Common Question Areas                     | Recommended   | Not Recommended  |
|---|---|--|
| Gender, marital status, family status     | Availability for shift work, travel, etc.   | Plans for marriage, family, childcare. Any inquiries specific to gender or marital status (including common-law relationships) or family status.                           |
| Race, colour, ancestry or place of origin | Legally permitted to work in Canada?  | Place of birth, citizenship, racial origin, next of kin.   |
| Name                                      | Previous names, only if the information is needed to verify the applicant's past employment or education and to do a reference check.                 | Maiden name, "Christian" name, reference to origin of name, being related to another person by blood, marriage or adoption.  |
| Languages                                 | Ability to communicate in any language specifically required by a job.  | Other languages, when not required in a specific job.  |
| Photographs                               | In rare situations such as modelling and entertainment.   | Requesting photographs (these can reveal race, gender, etc.)   |
| Clubs or organizations                    | Membership in professional associations, clubs or organizations, hobbies or interests, as long as they are job-related.                               | Specific inquiries about club and organization memberships that would indicate race, colour, religious beliefs, ancestry or place of origin.                               |
| Age                                       | Old enough to work legally in Alberta?  | Specific age of applicants who are 18 years or older, including retirement information.  |
| Height and weight                         | Describing job duties that require heavy lifting or other physical requirements. Minimum/   | maximum height and weight requirements/stipulations.   |
| Disability                                | Indicating the job offer is contingent upon a satisfactory job-related medical examination to determine capability to perform the duties as outlined. | General disabilities, limitations, present or previous health problems, Workers' Compensation claims or sick leave or absence due to stress or mental or physical illness. |

|                   |  |  |
|-------------------|--|--|
| Smoking           | Indicating the successful applicant will be required to work in a non-smoking environment. | Asthmatic or permanent respiratory conditions that may be affected by smoke.   |
| Source of Income  | Job-related information such as former employment.   | Inquiries unrelated to the specific job to be performed.   |
| Education         | Educational institutions attended; nature and level of education achieved.                 | Inquiries about religious or racial affiliation of educational institution.  |
| Religious beliefs | Availability for shift work, travel, etc.  | Inquiries about specific religious holidays observed by the applicant, customs observed, religious dress, etc.; requiring applicants to provide recommendations from a church or religious leader. |

Also see the information sheet Pre-employment Inquiries.

*Note: A complaint must be made to the Alberta Human Rights and Citizenship Commission within one year after the alleged incident.*

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## APPENDIX 7

# Alberta Human Rights and Citizenship Commission: Pre-Employment Inquiries

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This information sheet will help employers and employees understand what kinds of pre-employment inquiries are acceptable under Alberta's human rights legislation, the *Human Rights, Citizenship and Multiculturalism Act* (the *Act*). It will also help employers develop non-discriminatory job advertisements, application forms, and interview questions.

### Human rights law prohibits discrimination in employment

Some of the information typically requested on job application forms and in job interviews is not relevant to an applicant's ability to do a job. In some cases, certain information requested on forms and in interviews could intentionally or inadvertently be used by an employer to discriminate against certain groups of people and restrict or deny their employment. *The Act* prohibits employers from discrimination in the areas of employment practices and employment applications and advertisements.

### Section 8 (1) of the Act states:

No person shall use or circulate any form of application for employment or publish any advertisement in connection with employment or prospective employment or make any written or oral inquiry of an applicant:

- a. that expresses either directly or indirectly any limitation, specification or preference indicating discrimination on the basis of the race, religious beliefs, colour, gender, physical disability, mental disability, age, ancestry, place of origin, marital status, source of income, or family status of that person or of any other person, or
- b. that requires an applicant to furnish any information concerning race, religious beliefs, colour, gender, physical disability, mental disability, age, ancestry, place of origin, marital status, source of income, or family status.

In addition, although not stated explicitly in the *Act*, inquiries about sexual orientation are not allowed. The Supreme Court of Canada "read in" sexual orientation as a protected ground, effective April 2, 1998.

In certain circumstances, pre-employment inquiries that appear to be discriminatory may be acceptable, if they provide information that the employer truly needs to determine if an employee would be suitable for the job, that is, if the information is required for a business purpose that is acceptable under the *Act*.

### Gender, marital status or family status

Do not ask questions that require disclosure of an applicant's gender, or marital or family status, unless you need to ask for a specific business-related purpose that is acceptable under the *Act*. Do not:

- make a direct inquiry
- ask the applicant to specify Mr., Mrs., Miss or Ms. on an application form
- ask for a previous or maiden name
- request names of relatives and dependants
- ask for information about child care arrangements
- ask about an applicant's plans to have more children
- ask for information about a spouse's or partner's employment

### Source of income

Any inquiry concerning source of income must be job-related. You can request information about former employment. Avoid inquiries about other sources of income that may have a stigma attached to them, such as social assistance, disability pension and child maintenance, unless you have a job-related reason for asking.

### Previous names

Asking an applicant to provide previous names can cause the applicant to indirectly disclose marital status, gender, place of origin, or ancestry. A refusal to employ a person on any of these grounds would be contrary to the Act. Any inquiry that requires an applicant to disclose this information would be contrary to the Act, unless there is a business reason for doing so that is acceptable under the *Act*.

For example, an employer may request a prospective employee's previous names for the purpose of reference checks or to confirm previous employment or attendance at an educational institution. The Commission suggests that a request for any previous name be phrased, "Please indicate any previous names that differ from your current name, to be used only to verify past employment or education, or to do a reference check." Ideally this information should be requested in the section of the application dealing with past employment, education or references.

### Next of kin

Asking for names of relatives or next of kin before hiring is not recommended. Such information can reveal the gender, marital status, place of origin or ancestry of the applicant. If you need names of relatives or next of kin for a business purpose, such as knowing whom to notify in case of emergency, pose the question: "Person to notify in case of an emergency." In most cases, you will not need to obtain this information until after an applicant accepts your employment offer.

### Dependents and child care

Avoid inquiries about an applicant's spouse, number of children or dependants, childcare arrangements and plans to have children. The answers to these questions are usually not related to the job and can reveal gender and marital or family status. Inquiries that focus on willingness to work the required schedule, to work rotating shifts, or to relocate are clearly business-related and are acceptable.

### Age and date of birth

It is not advisable to ask for applicants' date of birth or age, unless the applicant is under 18 years of age. In employment situations where there is a legal minimum age requirement, you can verify that the applicant meets the legal age requirement. Recommended questions include:

- Are you legally entitled to work in this province?
- Are you 18 years of age or older? Ask this question only if the applicant is legally required to be 18 years old to work in a specific environment or under certain circumstances, for example, serving alcoholic drinks in a bar or lounge. If the applicant says they are under 18, you may ask their age.

### Previous address

It is not acceptable to request a previous address, unless it is for a business-related purpose that is acceptable under the Act. For example, a local municipality may have a residency requirement that has to be met by job applicants, or an employer may be seeking employees with recent northern living experience.

## Citizenship

Citizenship is not specifically dealt with in the Act. However, asking the applicant to reveal citizenship could require a non-Canadian applicant to disclose place of origin, which is protected under the Act. Ask questions to solicit information that is related to the specific requirements of the job to be performed.

Appropriate questions could include:

- Are you legally entitled to work in Canada?
- Are you a Canadian citizen or landed immigrant? Yes \_\_\_ No \_\_\_ (Do not make a distinction between the two.)

## Physical or mental disability

It is not acceptable to ask questions that are not related to the specific job to be performed. With this in mind, it is contrary to the Act to ask applicants to provide information about the general state of their physical or mental health, their appearance, height or weight. It is not advisable to request a general medical history or examination as part of the pre-employment inquiry process.

It is permissible to require a job-related medical examination after an applicant has accepted an employment offer. It is acceptable to ask the applicant to sign a declaration such as "I understand that a job-related medical examination is required and that the offer of employment is contingent upon a satisfactory job-

related medical examination." The examination may include both physical and psychological tests.

Apart from the application form, employers can, through the use of a complete job description, ensure that potential applicants have enough information to assess their own suitability for the job. It is acceptable for an employment advertisement or job description to set out details about the nature and extent of key physical and mental requirements of a position. For example, emergency medical services personnel face stressful work conditions in their daily work. Roadway construction personnel face strenuous physical demands on a daily basis.

## Sexual orientation

Avoid inquiries about an applicant's sexual orientation. It is unacceptable to express a preference for an applicant to be heterosexual, homosexual or bisexual, unless you have a business-related reason for expressing a preference, and the reason is acceptable under the Act.

## Workers' Compensation

Asking if the applicant has received or is receiving Workers' Compensation indirectly requires an applicant to provide information about a physical injury or disability. This can be contrary to the Act, unless there is a business-related reason for asking that is acceptable under the Act.

## Language ability

It is appropriate to ask applicants if they have some proficiency in the languages that are specifically required for the job. The job description and employment advertisement should specify which languages are required. The level of language ability required should match the job requirements. If the applicant does not need proficiency in the language to do the job, the employer should not use the word "fluent" to describe the language ability required. Otherwise, to require an applicant to state the languages in which they are fluent could be seen as requiring the disclosure of information about place of origin or ancestry, which is contrary to the Act.

## Military service

Asking about the applicant's military service may indirectly require an applicant to provide information about place of origin. This can be contrary to the Act, unless there is a business-related reason for asking that is acceptable under the Act.

## Educational institutions

You can request the names and addresses of academic, vocational, technical and professional institutions attended and the nature and level of education received. Requiring information that reflects either the religious or racial affiliation of schools or other institutions attended is not advisable as it could reveal religious beliefs or race.

## Religious beliefs

Avoid requesting information about applicants' religious beliefs, including which religious holidays and customs they observe, which church they attend, or if their clothing is prescribed by their religion. It is permissible for an employer to specify the hours of work in a job advertisement. A job advertisement may indicate that the position will require shift, evening or weekend work, or that it is functional 365 days per year.

Courts and tribunals have said that the employer must make all efforts up to the point of undue hardship to accommodate the religious beliefs of an employee. In turn, the employee is expected to cooperate fully with the employer's efforts.

Undue hardship may occur if accommodation would create the following conditions for an employer: an intolerable financial cost, serious disruption to a business or workplace, or other serious issues that cannot be overcome.

Membership in clubs, organizations and professional associations

You can ask applicants to indicate membership in clubs, organizations or associations, if it is job-related. Membership in a professional or technical association may be a requirement for licensing purposes or employment.

## Photographs

Avoid asking for photographs. A photograph may reveal race, colour, gender, physical disabilities, age or ancestry, and consideration of these factors could be discriminatory. If you require a photograph for business-related purposes, ask for it after your offer of employment has been accepted.

## A note about post-employment inquiries

An employer may ask an employee to provide personal information required for income tax purposes or for the purpose of administering pension or other benefits. The employer must handle and store such information in a secure manner to avoid possible or perceived misuse of the information.

**Note: A complaint must be made to the Alberta Human Rights and Citizenship Commission within one year after the alleged incident.**

Also see the information sheet *Recommended Guide to Pre-employment Inquiries*.

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# APPENDIX 8

## Appraisal Reporting Form

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Generic appraisal forms may be helpful when you appraise the executive director, as long as you can revise them to match your organization's needs.

Go to Appendix Item #3 for a sample Executive Director Job Description

When examining the key responsibilities, ask the following questions:

- What has the executive director done well?
- What could be done better?
- What could the board do to help?
- What could the executive director do to make the organization better?

### **Key Responsibilities:**

Policy Management

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Strategic Planning

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Visioning

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Leadership

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Program Management

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Personnel Management

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Financial Management

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Risk Analysis

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Advocacy Management

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Executive Director's Performance Appraisal Process

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## APPENDIX 9

### Sample Appraisal Policy

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#### **Annual Performance Appraisal of the Executive Director**

- A performance appraisal of the executive director shall be conducted annually, and within three months of the fiscal year end, by an appraisal committee (or designated committee) of the board.
- Members of the board shall be invited to provide input to the appraisal committee.
- The appraisal committee shall consist of the past-chair, chair, and vice-chair.
- The appraisal committee shall determine the salary and/or benefit changes to occur, based on the results of the appraisal.

Some necessary steps on the process for a performance appraisal:

1. Implement a board policy for a thorough annual appraisal based on the fiscal year. The policy should outline timing, who does what, and how-to procedures.
2. Determine the board's expectations of your executive director's position, and have a position description formally adopted.
3. Establish criteria to be used in the appraisal. The criteria should be in two parts:
  - (a) knowledge and skills needed to do the job
  - (b) agreement on clear targets to identify success in doing the job.
4. Have a clear process for scoring to the criteria, and allow for narrative comment for each criterion.
5. The procedure should allow for board input to the appraisal committee.
6. Determine the relationship of the executive director's performance to compensation adjustments.
7. Document areas for improvement, and agreed-upon actions, and provide progress reports on actions taken.

# APPENDIX 10

## Performance Appraisal Checklist

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### **The Board:**

- Assigns authority to an appraisal committee
- Clearly states the role, responsibility, and final reporting of the appraisal committee
- Reminds the committee that confidentiality is important
- Provides information on the range of increase of salary and benefits

### **The executive director provides the appraisal committee with:**

- An annual report
- Written external feedback
- Names of external feedback contacts

### **The appraisal committee:**

- Establishes the starting point for the appraisal
- Gathers documentation for the process
- Contacts and summarizes information from the external feedback sources
- Schedules three meetings
- Makes sure that the executive director is prepared
- Coordinates meetings with the executive director

### **During the appraisal meeting, the committee:**

- Establishes a positive atmosphere for the appraisal meeting
- Reviews the outcomes and measurements with the executive director
- Discusses reports from the external feedback sources
- Prepares a summary report of the discussion and follow-up activities

### **During the salary meeting, committee:**

- Determines the amount of the salary increase
- Considers alternative means to recognize effort, if there is no increase due to an organizational shortfall
- Prior to the meeting, if there is no salary increase due to poor performance, seeks legal advice, and prepares a plan to deal with the situation.

### **During the future planning meeting, the committee and the executive director:**

- Determine the goals and action plans for the next appraisal period
- Bring forward goals from the previous appraisal period
- Develop new goals and action plans, and write them in clear terms
- Identify any educational and/or training needs

### **During the committee self-appraisal, the committee asks itself:**

- What worked well?
- What needs more work for the next performance appraisal?
- Are there any recommendations for policy changes?

## RESOURCES

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## Hiring and Performance Appraisal of the Executive Director

1. What made this workbook useful to you/your organization?
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5. Other comments (for further comments, please use the back of this page).

### Optional Information:

Name: \_\_\_\_\_ Title: \_\_\_\_\_

Organization \_\_\_\_\_

Address: \_\_\_\_\_

City: \_\_\_\_\_ Postal Code: \_\_\_\_\_

Phone: \_\_\_\_\_ Fax: \_\_\_\_\_

### Please return this completed form to:

**Board Development Program**  
Alberta Culture and Community Spirit  
Board Development Program  
907, 10405 Jasper Avenue  
Edmonton, Alberta T5J 4R7  
Phone: (780) 427-2001  
FAX: (780) 427-4155

- Please indicate if you would like additional information about the Board Development Program and how it can enhance the effectiveness of your not-for-profit board, and create a better understanding of board member roles and responsibilities. Contact us about other workshop titles, workshops and our Board Development Newsletter.

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