
NONPROFIT BOARD/CEO PERFORMANCE

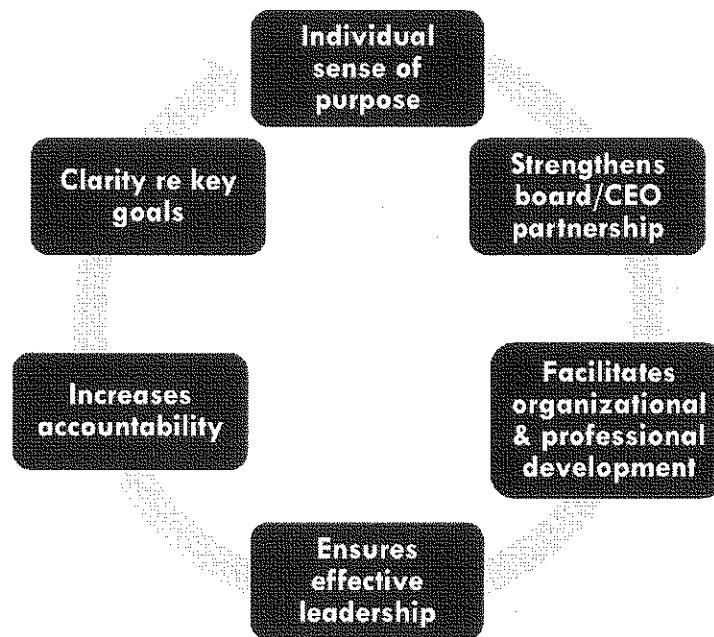
Cristine Nardi, Executive Director, CNE
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Why evaluate?

- ❑ Good governance increases mission impact
- ❑ Good governance doesn't just happen
- ❑ Evaluation = good governance tool
 - ❑ *Support & evaluate the chief executive – to ensure CEO has professional support to further the organization's goals (#3)*
 - ❑ *Build a competent board – ID skills needed, orient new members, and evaluate performance (#8)*

-From Ten Basic Responsibilities of Nonprofit Boards, BoardSource

Evaluation benefits



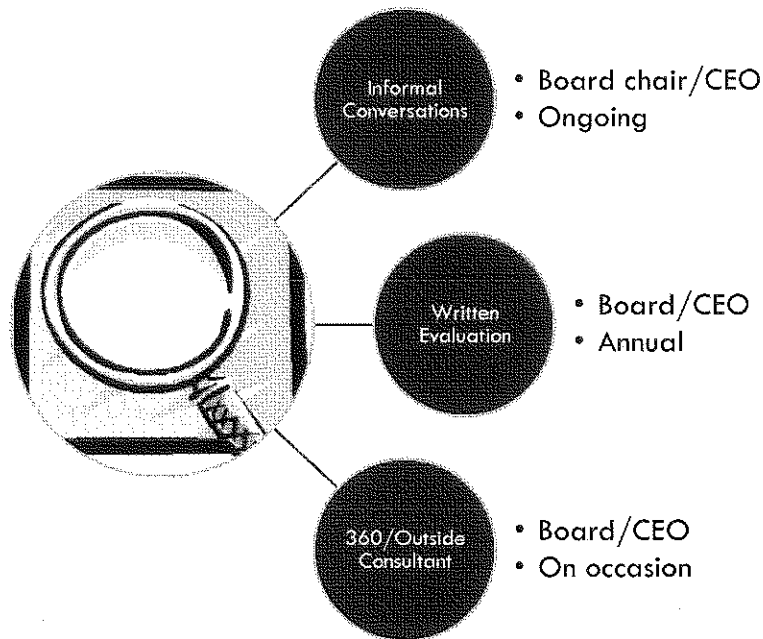
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Key ingredients

- Balance trust & support w/ accountability
- Include board & CEO perspectives
- Objective, but acknowledge intangibles that contribute to organizational success

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What does it look like?



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Evaluation strategy

Part 1

- Board/CEO complete survey
- Review results w/ CEO
- Results presented to board (closed session)

Part 2

- Review CEO compensation
- Make recommendation to full board (closed session)
- Confirm package in writing to CEO
- Recommend goals to CEO for further discussion
- Board committees & members asked to submit goals for coming year

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Evaluation tips

- ❑ Separate evaluation process from salary negotiations
- ❑ Invite Board/CEO to write self-evaluations as part of the process
- ❑ Expect all board members to complete the survey candidly and promptly
- ❑ Review results with entire board

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Evaluation timing?

Start of
fiscal
year

Set goals

Mid
fiscal
year

- Review goals
- Make mid-course corrections

End of
fiscal
year

- Conduct evaluation & approve CEO compensation
- Approve next year's budget

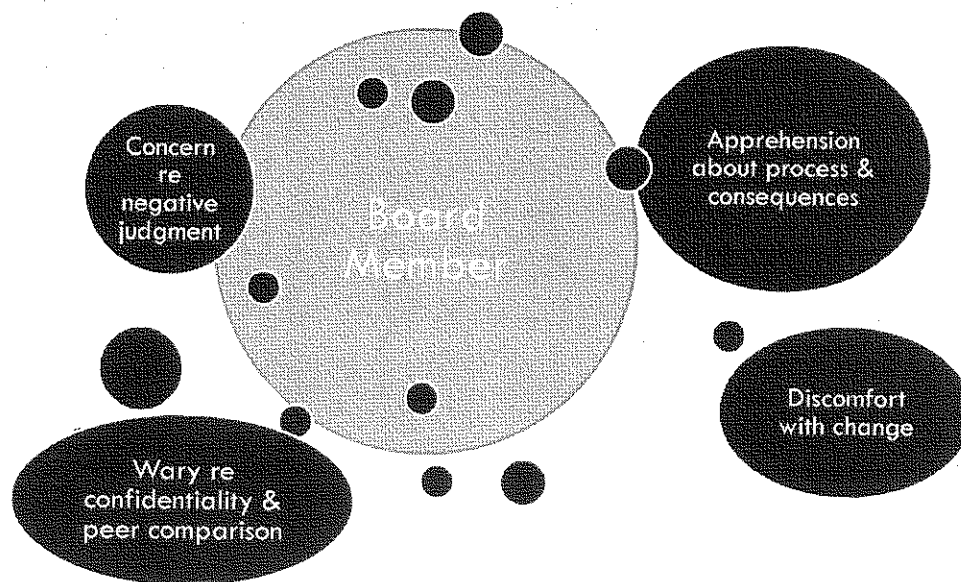
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Evaluation tools

- ❑ Board job description
- ❑ CEO job description
- ❑ Annual
 - ▣ committee goals
 - ▣ CEO goals
 - ▣ Individual board member goals
- ❑ Board/CEO evaluation survey
- ❑ Board evaluation report
- ❑ Strategic plan

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Why resistance?



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Possible obstacles

- Lack understanding of purpose
- No consensus
- "If it's not broken..."
- Believe will upset board balance
- Don't know how
- Concern re cost
- No time
- Struggling w/ crisis
- "Been there, done that..."

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Overcoming obstacles

- Commitment
- Process
- Planning
- Competency
- Cost
- Accountability

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Overcoming obstacles

- ❑ Commitment
 - ❑ Articulate & commit to + goal
 - ❑ Ensure confidentiality
 - ❑ Get consensus
- ❑ Process
 - ❑ Designate a board leader
 - ❑ Research & find the right tool
 - ❑ Determine how to incorporate individual board member evaluation
- ❑ Planning
 - ❑ Devote adequate time
 - ❑ Commit to discussing the results

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Overcoming obstacles

- ❑ Competency
 - ❑ If first time or desire to improve process, consider:
 - ❑ ad hoc committee
 - ❑ board training re giving feedback
 - ❑ Outside consultant to facilitate discussion & support self-evaluations
- ❑ Cost
 - ❑ Can be done in-house @ no cost
 - ❑ If use outside support, budget expense + seek foundation grant to conduct
- ❑ Accountability
 - ❑ Keep written record of evaluation on file
 - ❑ Create follow-up plan to ensure board + individual recommendations/goals are implemented
 - ❑ Solicit feedback from board/CEO on how to improve process

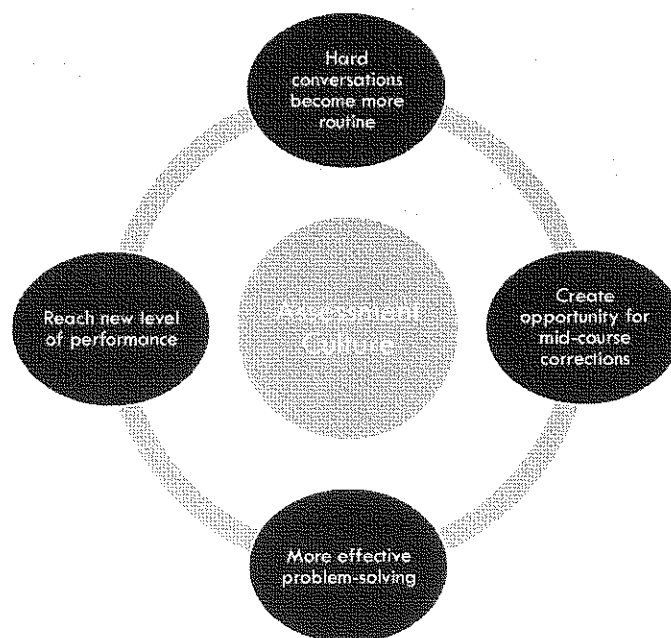
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Key elements for success

- Organizational readiness
 - Commitment & prep
 - Mandate to improve
 - market
 - mission
 - management
- Internal champion
- Culture of change

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If you build an assessment culture



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Questions?

Cristine Nardi | Executive Director

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1701 – A Allied Street
Charlottesville, VA 22903
434-244-3330



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