

# NONPROFITS NOW: ADDRESSING THE CHALLENGES OF A CHANGING SECTOR

## EXECUTIVE DIRECTOR EVALUATION PROCESS RESOURCE TOOL

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**Function of the Board as a Whole:** Executive director (ED) evaluation is the responsibility of entire board. Evaluating, hiring and firing the executive director are the most important duties of the board of directors. A committee, such as the executive committee or the human resources committee may take on responsibility for designing and managing the process of ED evaluation, but all board members should have an opportunity to participate in the evaluation itself.

**Begin 12 Months in Advance:** The first part of the ED evaluation process is for the board to set clear expectations for the ED's performance. The process of setting clear expectations should be a dialogue with the ED. The specific goals and measures, and the evaluation instrument should be shared with and agreed upon by the board and ED, before the evaluation period begins.

**Self Evaluation and Staff Evaluation:** The executive director should be given the opportunity to complete a self-evaluation, utilizing the same instrument that the board completes. In addition, staff may be invited to complete an evaluation of the ED, often called a "360" evaluation. This should happen about 2-4 weeks prior to the evaluation date.

**Note:** The results of the self-evaluation and staff evaluation can be provided in advance, prior to board members' completion of the tool, or can be provided after board members complete the tool. If provided before, then individual board members can benefit from the input of staff and the ED prior to completing their form. If provided afterwards, the board can benefit from some analysis of any differences between the self-evaluation, staff evaluation and board members' evaluation.

**Evaluation from Board Members:** Each board member should have an opportunity to provide input on the evaluation. If a form is used, each board member should complete the form, 2-4 weeks prior to the evaluation date. The results should be compiled confidentially by a board member appointed by the chair or the full board.

### 3-Step Evaluation Meeting:

Step 1: Executive director makes a presentation to the board on his/her accomplishments for the year.

Step 2: The board meets in executive session without the ED present to discuss the evaluation. The Board discusses the evaluation instrument and the rating. Board members are asked list of "Commendations" and "Areas for Improvement" individually. Each board member shares his/her list. Only those items for which there is consensus (or a vote) will be added to the "flip chart" or full board list. No pet issues make it onto the lists for the full board. Any adjustments to the salary should be discussed and voted upon at that time.

Step 3: ED is invited back into the room and board chair or designee shares the results of the evaluation tool and rating (if applicable) and the commendations and areas for improvement, and any salary adjustment, followed by an open discussion. The board should invite the ED to consider professional development for the year in light of the evaluation.

A customizable sample Executive Director Evaluation Form is available free to members of Maryland Nonprofits online at [www.marylandnonprofits.org](http://www.marylandnonprofits.org) under Member Resources/Technical Assistance for Your Nonprofit/Board Governance.

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