Boards That Work



Hiring, Supporting and Terminating the Chief Executive

Since your board itself doesn't manage or run the organization, its most important function is to hire the person who has that responsibility, and to support that individual in doing a really good job. Occasionally it may also be necessary for your board to address serious problems with the executive director.

1. Hiring the chief executive

Your board should take the hiring responsibility very seriously. Begin by creating a hiring committee which should:

- 1. Develop a detailed job description based on consultations with board members, staff and other stakeholders.
- 2. Set a fair salary in line with similar positions in the nonprofit sector.
- 3. Use accepted executive recruiting strategies, including specialized executive recruiters if budget allows.
- 4. Interview short-listed candidates.
- 5. Conduct extensive reference checks.
- 6. Put together a clear employment contract.

Where to get help with hiring

If no one on your board is experienced in hiring executives, you should definitely seek expert help. These are a few ideas of where to go for help:

- Human Resources Professionals. Either within the organization or through board member's networks. Try to get someone who will volunteer to sit on your committee and provide pro bono (free) advice.
- **Search Consultants/Recruiters**. Recruiters charge large fees, but may also save you hundreds of searching hours and can help you find the candidates most suited to your job.
- CharityVillage Career Centre. Canada's most comprehensive job posting website is also chock full of great resources for organizations hunting for new staff. <u>Click here to go to the</u> <u>jobs section</u>, or go to charityvillage.com and click on 'Post a Job'.
- Professional Associations. Your organization may belong to a professional association that provides information or consultation on chief executive job search.

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2. Guiding and supporting the chief executive

Annual performance review

Formal evaluation. Your board should conduct a *formal* evaluation of the executive director *at least* once a year. Too often boards only do this when they have become unhappy with the chief executive's performance.

This written annual performance review should be designed to highlight achievements and address weaknesses.

Objective-setting. It's most effective for the board and the chief executive to agree on objectives for the coming year and to base all future evaluations on whether or not the objectives were achieved.

Small committee. An evaluation meeting normally takes place with a small board committee and may include input from whole board, normally using a written questionnaire. As part of the process, your chief executive should have a chance to evaluate their own performance.

Ongoing support

Your board and the executive director must be supportive of one another on an ongoing basis. This means providing honest feedback and positive encouragement in everyday encounters.

Your board's relationship with the chief executive is the most important connection within the organization. If there is not an excellent rapport between your organization's leader and the board, it's very difficult to move the organization forward in a constructive manner. So if there are problems, it's your job as a board member to ensure they are addressed.

3. Addressing serious problems and/or terminating the chief executive

Sometimes it may be necessary for your board to address serious problems with the chief executive. This may be one of the hardest challenges any board can face.

Occasionally the termination decision might be obvious, such as in cases of *proven* criminal activity like theft or harassment, or unethical behaviour. More common, however, are

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performance issues that emerge over time or ongoing negative feedback that the board receives from staff or community members.

The board chair should take the lead to investigate and to work more closely with the chief executive to improve performance. Should improvement not be realized, termination is often the next step. To avoid legal action against the organization, your board should always get legal advice when disciplining or terminating the chief executive.

No matter how the process unfolds, it's important you document expectations and evaluations in case the situation is beyond fixing.

To try to avoid legal action against the organization, your board should <u>always</u> get legal advice when disciplining or terminating the chief executive.