

Week 3

Supporting and Evaluating Performance

Leadership Certificate for Nonprofit Chief Executives

We're Back!



Justin Wood
Governance Programs Manager



Emily Davis
Senior Governance Consultant

Certificate for Nonprofit Chief Executives Webinar Series Resources

Week 1

For content related questions please contact the BoardSource Knowledge Center. [we](#)

- [This week's slides \(PDF\)](#)
- [This week's recording](#)

Recommended reading

- [Week 1 Reader](#)

Optional reading

- **Topic Papers**
 - [Board Dynamics and Processes – FAQ](#)
 - [Boards that Micromanage](#)
 - [Chief Executive Job Description](#)
 - [Chief Executive Performance Evaluation](#)
 - [The Role of the Board Chair](#)
 - [John Carver's Policy Governance Model](#)
- **Publications**
 - [Ten Basic Responsibilities of Nonprofit Boards](#)
 - [ePolicy Sampler – Chief Executive \(Word Doc\)](#)
 - [ePolicy Sampler – Communications \(Word Doc\)](#)
 - [ePolicy Sampler – Mission-Related Issues \(Word Doc\)](#)
 - [ePolicy Sampler – Ethics and Accountability \(Word Doc\)](#)
 - [The Source: Twelve Principles of Governance That Power Exceptional Boards](#)

Have questions?

Contact Justin Wood, Governance Program Manager at Justin.wood@boardsource.org

Week 2: Recap

Board Recruitment and Composition

- Active role identifying and vetting prospects

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Board Committees

- Form follows function
- Clear charters, objectives

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Board Meetings

- Invest in well-crafted agendas
- Evaluate

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Ensuring Financial Stability

- Engage board members as individuals
- Board and staff each have a role to play

Week Three Learning Objective

Supporting and Evaluating Performance

Describe the Chief Executive's role in developing future board leadership and identify 1-2 ways to do so.

Week 3 Agenda

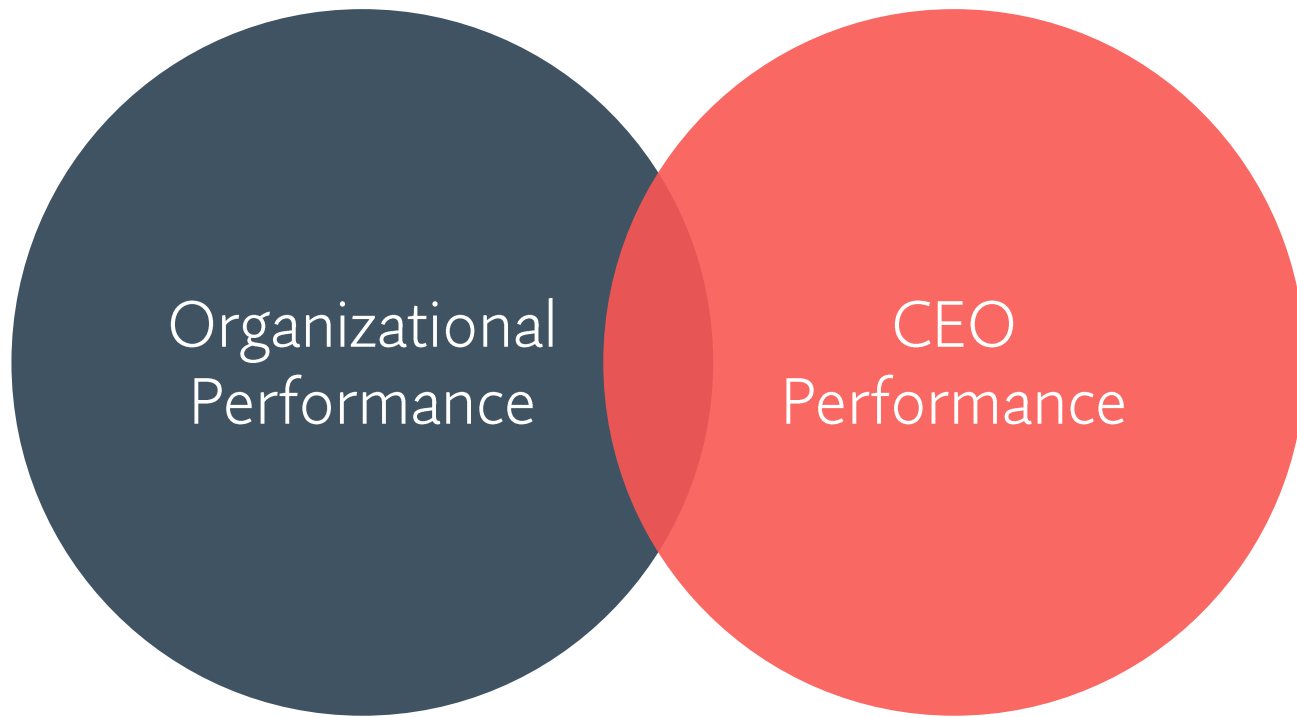
Supporting and Evaluating Performance



Organizational
Performance

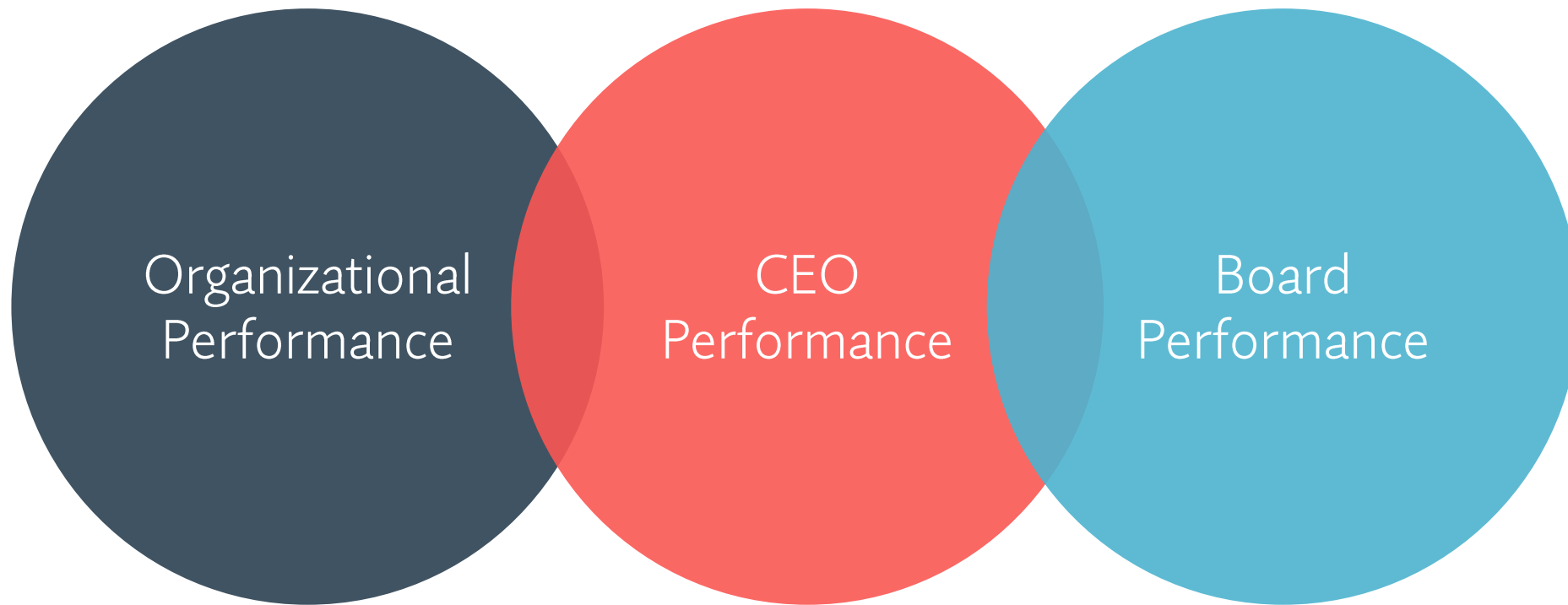
Week 3 Agenda

Supporting and Evaluating Performance



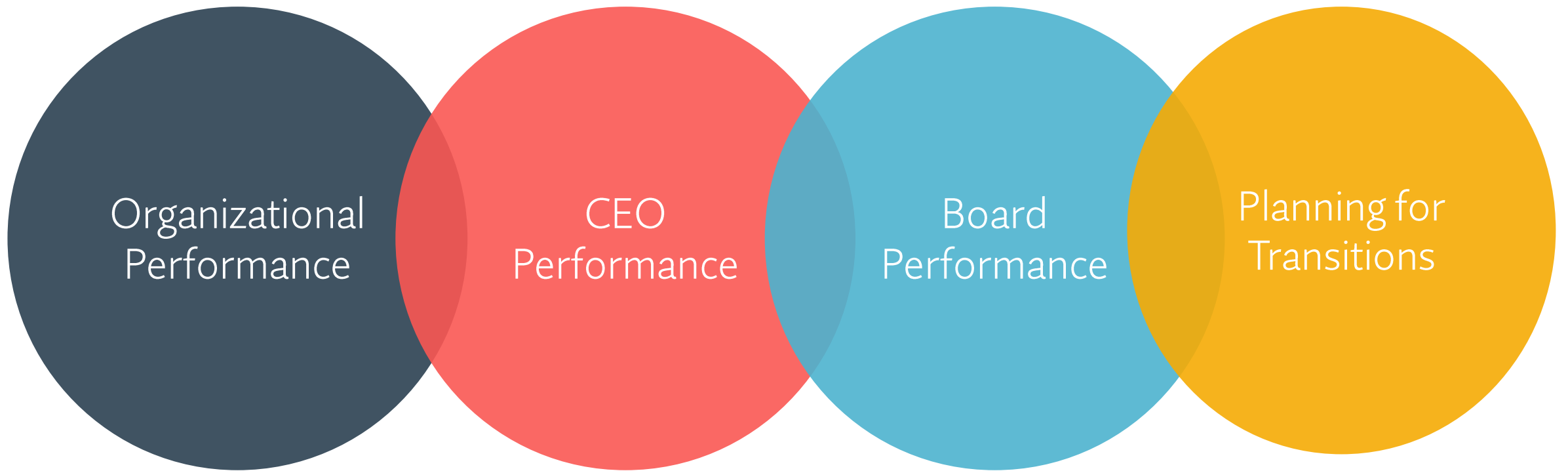
Week 3 Agenda


Supporting and Evaluating Performance



Week 3 Agenda

Supporting and Evaluating Performance



A background image showing a group of business professionals in a meeting. A woman in the foreground is holding a tablet, and a man with glasses is pointing at the screen. Other people are visible in the background, slightly out of focus. The entire image has a blue tint.

I. Organizational Performance:

Ensure the Quality and Effectiveness of Programs

Poll Question:

My board's knowledge of our mission and programs:

A.

Is on par with that of senior program staff

B.

Is not identical to staff knowledge, but is appropriate to fulfill their governance responsibilities

C.

Is less than ideal, but is/has been moving in the right direction

D.

Leaves something to be desired

E.

N/A

Survey Data: Board Performance in Monitoring Programs

Average grade from executives on boards' knowledge of programs: B

62% of boards ensure that programs/impact is assessed

67% of boards are good (A or B grade) at adopting & following a strategic plan



Management is closer to programs, operations and the field than the board, which poses an opportunity for education and dialogue.

The board should play a substantive role with management in developing, approving, and supporting organizational strategy.

LWI 2017 Data

The CEO's Role in Assessing Organizational Performance



Listen

Listen to key constituents to understand expectations

The CEO's Role in Assessing Organizational Performance



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Clarify

Develop a logic model or theory of change that explains organizational goals and use evaluation data to inform decisions

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Offer Support

Allocate sufficient resources to measure success and track changes and provide digestible information to the board

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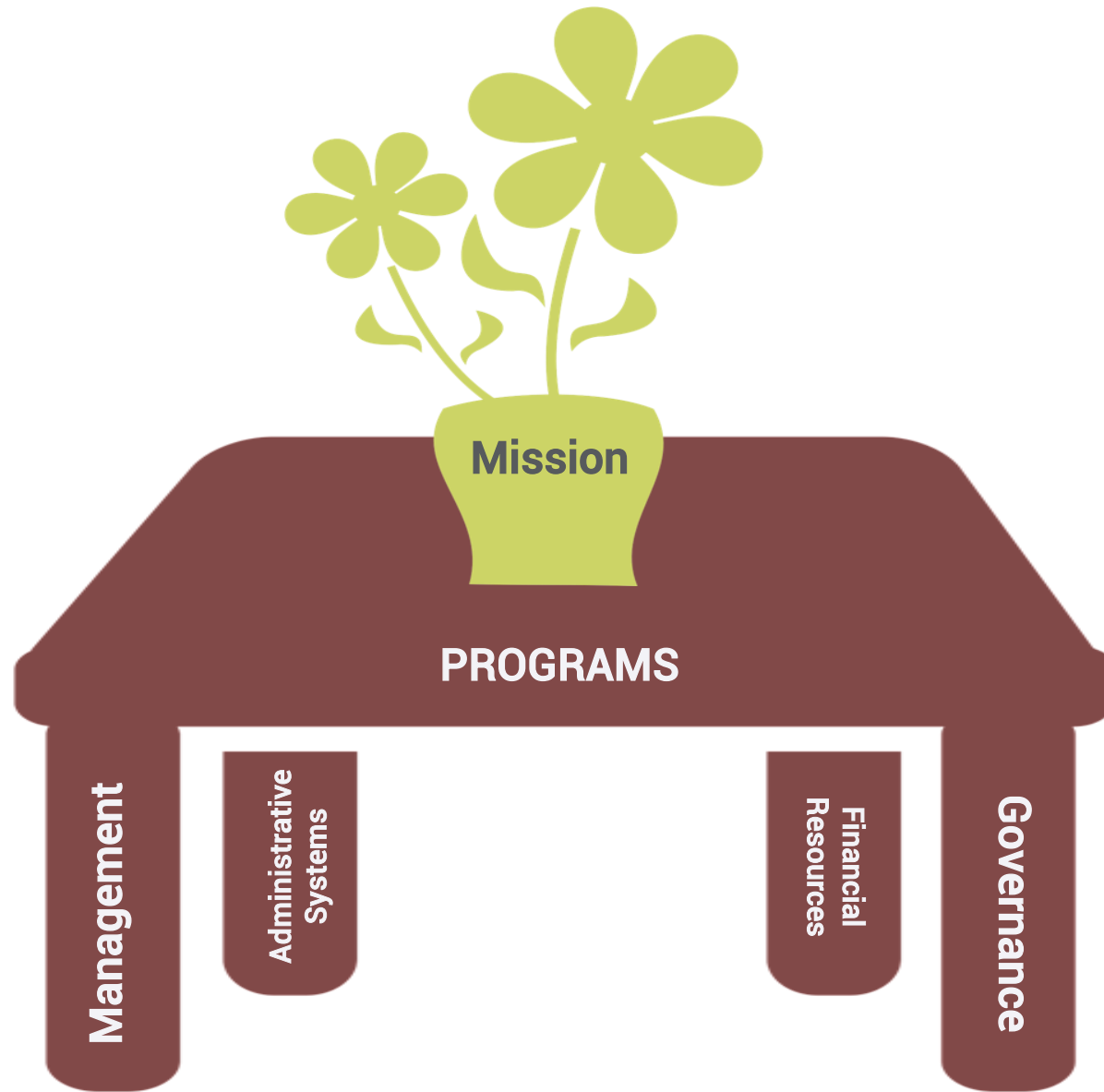
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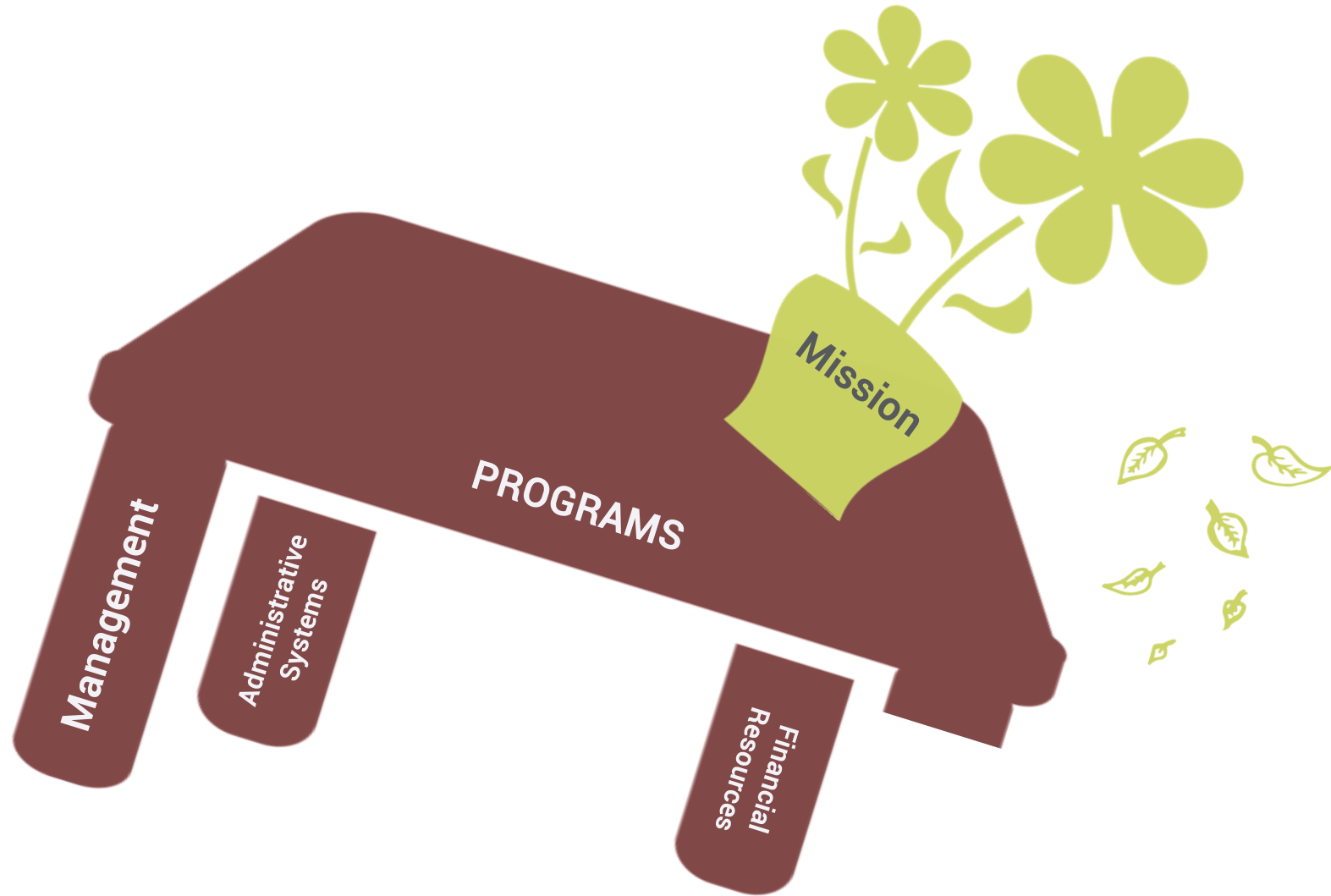
Allocate sufficient resources to measure success and track changes and provide digestible information to the board

Frame discussions

Help the board frame periodic discussions about program effectiveness



*Susan Kenney Stevens



*Susan Kenney Stevens

Ask The Right Questions

Fiduciary Thinking (What)

What is our capacity?

What does success look like?

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Strategic Thinking (How)

How does this serve our mission?

How does it fit our strategic goals?

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Fiduciary Thinking (What)

What is our capacity?

What does success look like?

Strategic Thinking (How)

How does this serve our mission?

How does it fit our strategic goals?

Generative Thinking (Why)

Why is this important right now?

Why should we consider other options?

Chat Questions

With respect to sharing program data with board members....

- 1 What do you find easiest to convey?

Chat Questions

With respect to sharing program data with board members....

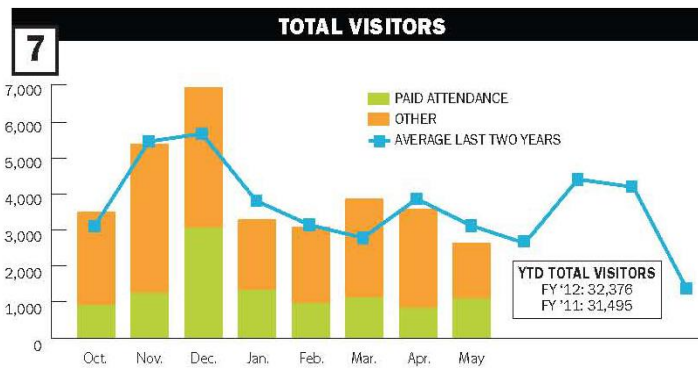
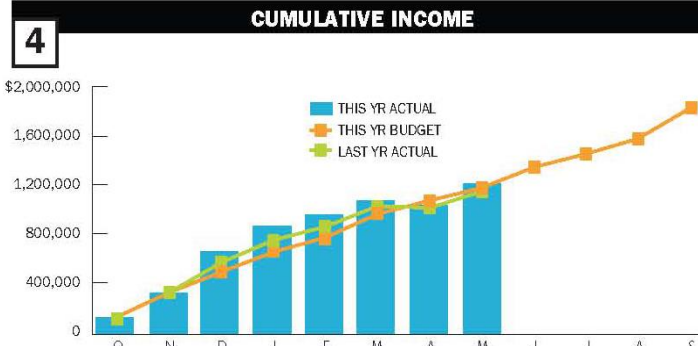
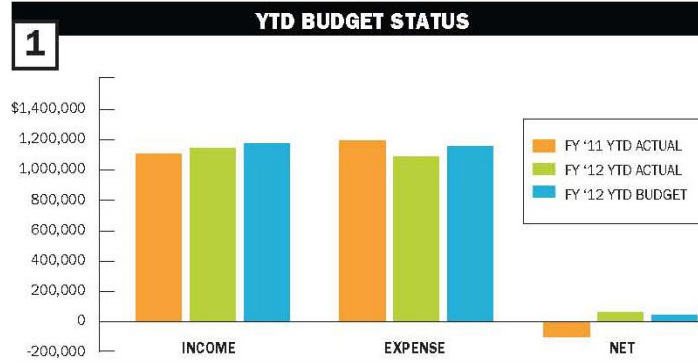
- 1 What do you find easiest to convey?
- 2 What do you find hardest to convey?

Benefits

- Saves time
- Tracks progress
- Sheds light on system dynamics
- Points up potential problems
- Reveals patterns
- Expands comfort zones
- Develops a shared knowledge base
- Focuses information
- Reinforces board oversight

GRAPHIC DASHBOARD

Sample Art Museum
Monthly Status Report May 2012

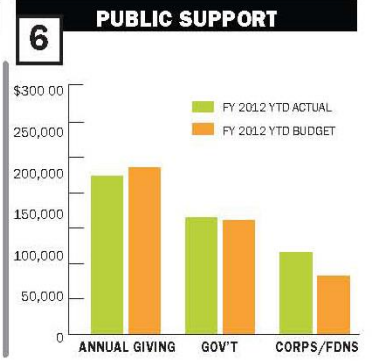
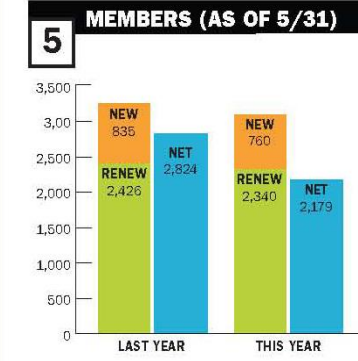
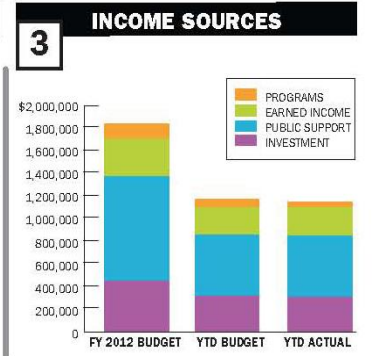


2 SUPPORTING DATA

YTD \$	2011 ACT	2012 ACT	2012 BUDGET
INC	1,099,550	1,146,569	1,174,845
EXP	1,193,264	1,090,188	1,162,444
NET	(93,714)	56,380	12,401

INCOME SOURCES

PROGRAMS	2011 ACT	2012 ACT
EARNED INCOME	234,157	250,450
PUBLIC SUPPORT	542,129	543,725
INVESTMENTS	303,940	303,940



HIGHLIGHTS

5 MEMBERSHIP: Total membership declined by 161 since last year – or 4.9%. More troubling is that over twice as many members lapsed during this period – 921 compared to 437. Had the lapses remained constant, our membership would have grown by 9.9%

1 BUDGET STATUS: Income is ahead of last year but below budget. By controlling expenses, YTD net is significantly greater than last year and almost 5x this year's budget.

PROGRAMS: The African-American Art Exhibition was a critical and financial success drawing large numbers of visitors – especially in March – and greatly improving our outreach.

A photograph of business professionals in a meeting, overlaid with a blue tint. In the foreground, a woman with curly hair and a man with glasses are looking at a tablet together. In the background, other people are blurred. The text is overlaid on the left side of the image.

II. CEO Performance: *Benchmarking and Rewarding Performance*

Leading with Intent 2015 Data: CEO Assessments

CEO performance reviews include a formal, written evaluation

83%

Invite feedback from senior staff

75%

Gather feedback from the full board

50%

CEO performance review is shared with the full board

75%

Importance of CEO Assessment

“CEOs who have formal performance evaluations are more satisfied with their jobs.”

Express support and appreciation

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Regular, planned feedback is preferable to reactive or change-induced feedback

Neglect can be costly

TOOL

CEO Cycle of Assessment

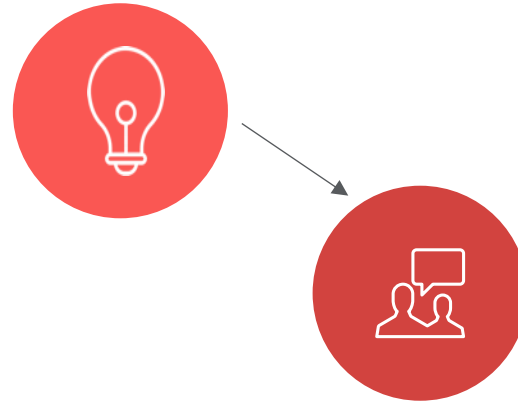
Develop a written job description



TOOL

CEO Cycle of Assessment

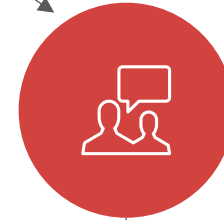
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Discuss organizational expectations for the year

CEO Cycle of Assessment

Develop a written job description



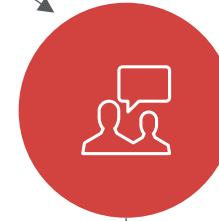
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Set individual performance goals

CEO Cycle of Assessment

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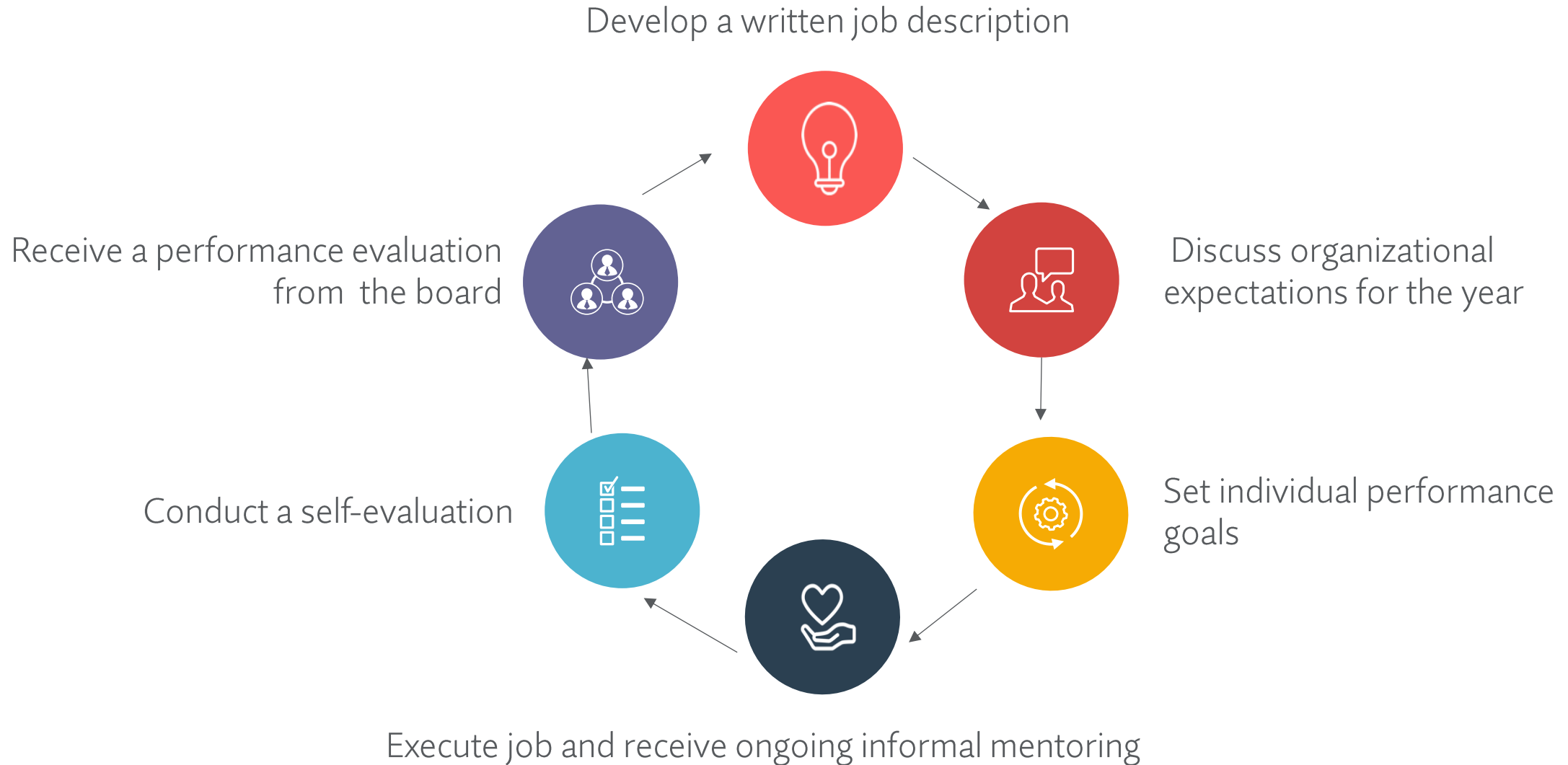


Execute job and receive ongoing informal mentoring

CEO Cycle of Assessment

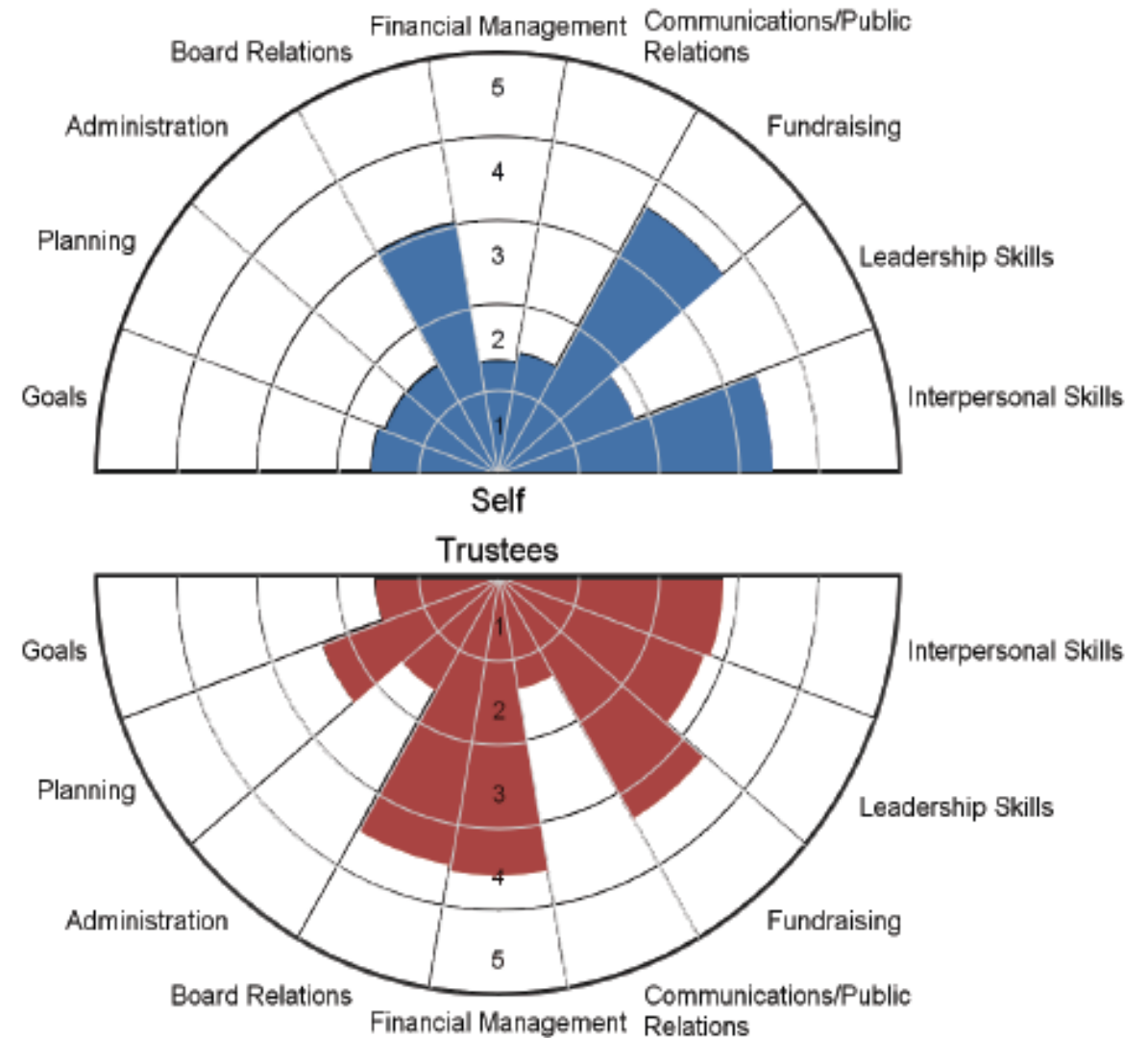


CEO Cycle of Assessment



Categories for CEO Assessment

1. Annual goals
2. Planning: Vision, Mission, and Strategies
3. Administration
4. Board Relations
5. Fiscal Management
6. Communication/Public Relations
7. Fundraising
8. Leadership Skills
9. Interpersonal Skills



III. Board Performance

Leading with Intent 2017 Data: Board Self-Assessments

Boards that have conducted a board self-assessment recently **45%**

Boards that have never conducted a board self-assessment **42%**

Large organizations that have undertaken a board self-assessment **63%**

Small organizations that have undertaken a board self-assessment **35%**

Importance of a Board Self-Assessment

A photograph showing a group of business professionals in a meeting. One person is pointing at a tablet displaying a bar chart, while others look on. There are also printed documents with charts on the table.

Boards That Have Done A Board Self-Assessment Report:

- Higher performing boards
- Better board orientation
- Greater board engagement

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Benefits

Structured self-reflection allows board members to:

- judge their collective performance
- understand the extent of their individual responsibilities
- take action to improve board performance

The CEO's Role in Board Self-Assessment

By virtue of their role with the nominations or governance committee, the CEO might:



Work with the
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Support the planning of a board retreat

Tools for Higher Board Performance



Governance Dashboard: to track board impact

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Board Self-Assessment survey that includes full board and individual board member self-evaluation

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Board Development Action Plan

Video – Value of a Board Self-Assessment



Link to the video at: <https://www.youtube.com/watch?v=bsONgs18bT4&feature=youtu.be>

Additional Tools in Reader

SAMPLE TOOL MINI BOARD SELF-ASSESSMENT SURVEY

Review the list of basic...
does a good job in an an

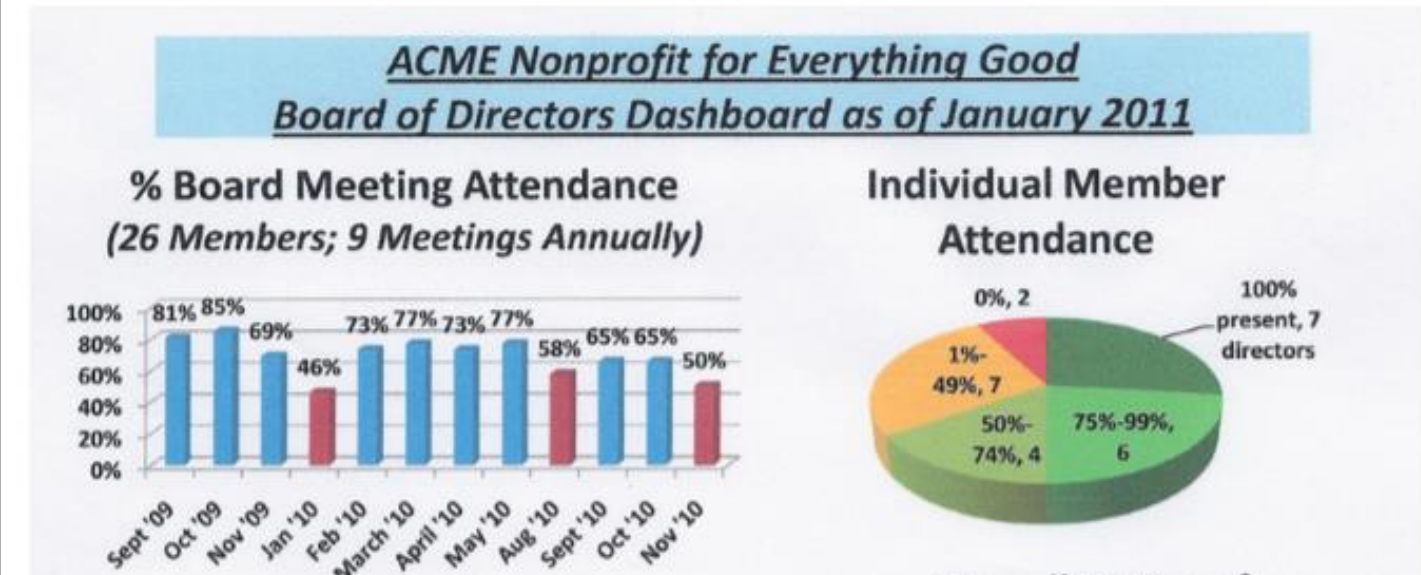
Organization's Mission Do we use it as a guide Does it need to be revis
Strategic Planning Do we have a clear sens Have we established me
Program Evaluation Do we have criteria for
Financial Resources Do we understand the c Do all board members p
Fiscal Oversight and E Does the budget reflect Do we have a firm unde

SAMPLE TOOL INDIVIDUAL BOARD MEMBER SELF-EVALUATION FORM

Use the following questions for individual board member evaluation. Board members answering yes to these questions are likely to be fulfilling their responsibilities as board members.

1.	Do I understand and su
2.	Am I sufficiently knowl and services?
3.	Do I follow trends and organization?

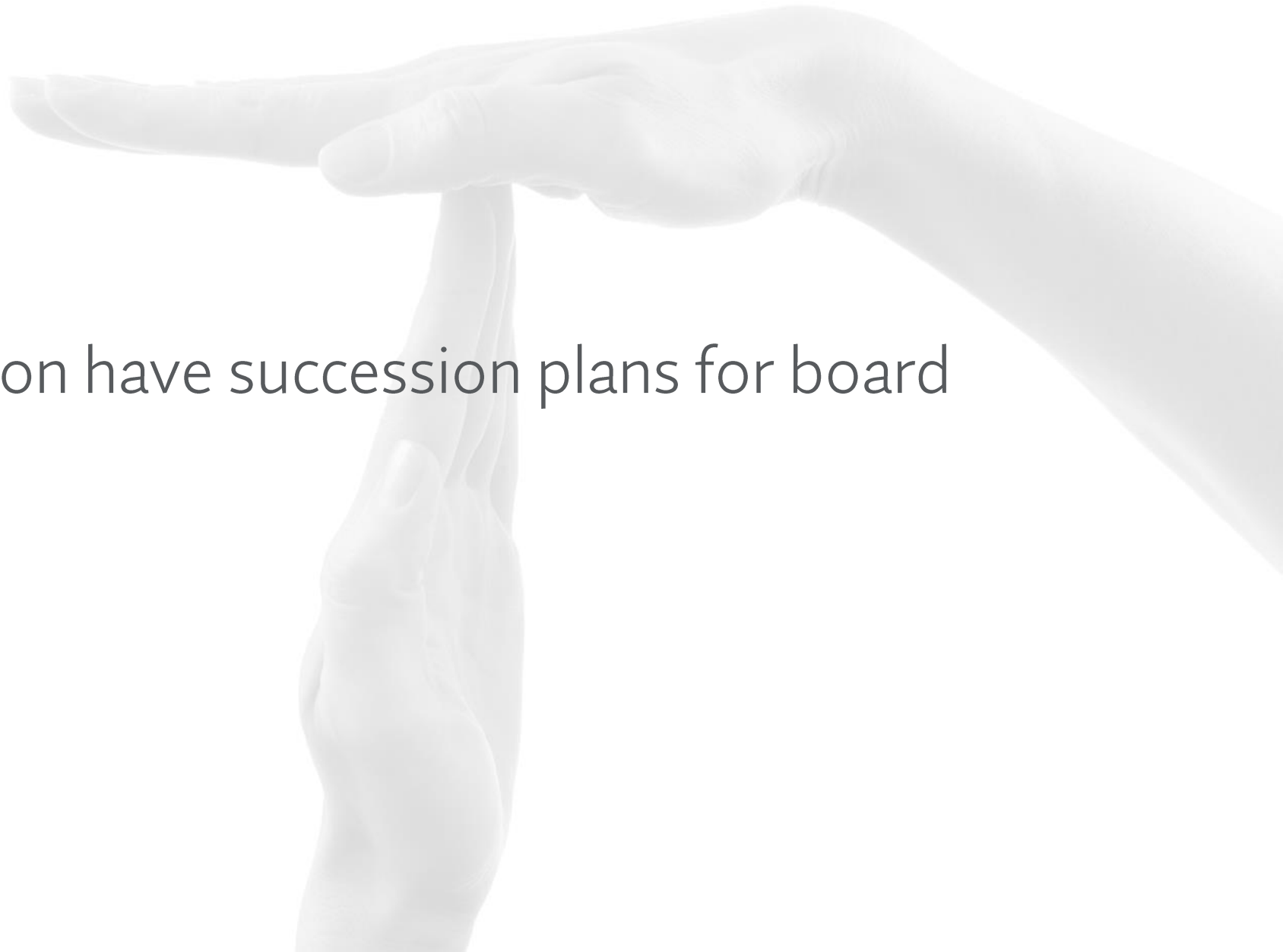
SAMPLE TOOL BOARD OF DIRECTORS DASHBOARD



IV. Planning for Transitions

Chat Question

Does your organization have succession plans for board officers?



Board Leadership Transitions

Despite many boards having term limits, officer succession planning is still a vexing challenge for **50%** of boards

LWI Data
2015

Board Leadership Transitions

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Effective board leadership contributes to strong board performance in terms of internal and external functions

Board Chair Responsibilities

HANDOUT INDIVIDUAL BOARD CHAIR RESPONSIBILITIES

1. Build Participation

Share information with officers, committee chairs, and others in leadership positions.
Create a relaxed, natural environment in meetings and other exchanges.

2. Acquire and Communicate Information

Stay informed.
Keep others informed.
Communicate accomplishments and failures in a concise manner.

3. Evaluate Performance

Encourage the board to assess its performance.
Coordinate and participate in the performance evaluation of the chief executive.
Recognize good performance.

4. Delegate

Know the board's role and the staff's role, and delegate accordingly.
Expect reports and periodically assess progress.
Share the credit and share the risk.

5. Raise Funds

Be a role model for staff and other board members.
Provide leadership in activities and events.

The Chief Executive's Role in Planning for Transitions

Board Chair Transitions

- Keep an eye on promising board members that might be well-suited for future leadership
- Offer up potential candidates to the nominating or governance committee
- Together with the current Board Chair, discuss the realities of the commitment with potential board chair

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Chief Executive Transitions

- Assist the board in understanding the Chief Executive position
- Initiate or support the development of an emergency transition plan
- Establish an evaluation process for the Chief Executive
- Use board-self assessment to ensure the board is capable of addressing transitions

Wrap up and close

Week 3: Recap



Boards are responsible for assessing organizational performance. They can achieve this by monitor programs and services, providing an annual CEO Assessment, and undertaking a board self-assessment every couple of years.



Boards need to plan for both board officer and CEO transitions. Succession planning should be an ongoing activity focused on finding the best person for the job.

A blurred background image of an office environment. Several people are visible sitting at desks, working on computers. The lighting is soft, and the overall atmosphere is professional and busy. A thin red horizontal line is positioned below the main text.

Thank you and Congratulations!