

Hiring a Director for a Nonprofit Agency: A Step-by-Step Guide

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Hiring an executive director is one of the most important actions that the governing board of a nonprofit agency takes. The board depends on its director for day-to-day operation to achieve the agency's purposes and objectives within the constraints of its budget—not an easy task to accomplish year in and year out. Also, the working relationship between the director and the board, the staff, volunteers, clients, funding organizations, and other service agencies can significantly influence the agency's effectiveness and reputation in the community.

This article suggests a process designed to help ensure that, in selecting its next director, a board will meet its own needs and those of its constituencies. We have used and refined the process over more than ten years of assisting local elected and appointed government and nonprofit boards. It should be equally applicable whether a board is hiring its first director or it is replacing one who has resigned or been fired. If a clearly agreed on successor already is working for the organization, the board might want to proceed directly to negotiations with and appointment of him or her. However, even in such a case, the board may want to use part or all of the process that we suggest in order to be certain that it has given this important choice the most careful deliberation. To illuminate our description of the process with real examples, we include materials used in the Orange County Rape Crisis Center's recruitment of a new director in 1999.

Whether the board conducts the hiring process itself or secures outside assistance, it might use the steps described in this article as a framework for planning and arranging its search and as a checklist for ensuring that it has completed all the essential tasks.¹

Hiring a Director: A Decision-Making Process

A board can rationally select a director by figuring out what its agency needs, looking at several candidates with an eye to how well each one fits the needs, and then choosing the best candidate on that basis. Assuming that a board's goal is to

hire the best director whom it can attract, it can do so by gathering enough information in the steps described in this article to answer the following questions:

- What knowledge, skills, abilities, and other characteristics must a person have to be the ideal director for our agency; what is the relative importance of those attributes; and what level of salary should we expect to pay? (Step 1)
- How should we organize ourselves to find the person? (Step 2)
- Who meets our essential requirements and wants the job? (Step 3)
- How do those people compare with one another, especially with respect to the most important skills? (Steps 4 and 5)
- All things considered, who would be the best director? (Step 5)

(For a summary of the steps and the tasks that we recommend a board complete during an effective recruitment, see Figure 1.)

The transition to a new director may come when the agency is in turmoil. The transition itself may cause anxiety among board members and staff. The emotions generated by the transition may distract people from the rational process that these steps represent, especially if the transition is abrupt, for whatever reason. During the transition the board may feel pressure from staff, clients, or other stakeholders in the community to act quickly or to place undue emphasis on one or another interest or agenda when doing so might not serve the overall long-term needs of the agency. Therefore it is important throughout the hiring process to balance immediate and long-range needs, personal and institutional agendas, and political and objective standards of evaluation.

It also is important to pin down specific responsibilities for all the tasks that constitute an effective recruitment effort. The board and its needs and constraints will necessarily drive the process. But board members themselves should not—and cannot—do all the work that goes into a successful recruitment. The board will need assistance from staff, from clients perhaps, and from other people outside the agency. Effective timing and coordination will be important: the agency will have to complete tasks effectively and efficiently if it wants candidates to see it as an agency they would be proud to represent. What the agency does—its mission—will surely be

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Figure 1. Steps in Hiring an Executive Director

Step 1: *Determine future needs of agency and develop profile of ideal candidate.*

- List demands of job—issues facing agency (see Figure 2).
- List assets (knowledge, skills, and abilities) of ideal director (see Figure 3).
- Agree on salary range.
- Complete candidate profile.

Step 2: *Plan hiring strategy and recruit applicants.*

- Agree on tasks and schedules.
- Make interim arrangements for agency's management.
- Agree on process and schedule.
- Decide how to involve staff and others.
- Advertise.

Step 3: *Screen applicants.*

- Receive applications.
- Screen applications (see Figure 4).
- Choose whom to interview.

Step 4: *Assess candidates.*

- Plan assessment process.
- Design interview (or assessment center) (see Figure 5; also see guide, page 33).
- Conduct interviews (or assessment center) (see guide, page 33).

Step 5: *Hire director.*

- Agree on choice.
- Negotiate details.
- Draft employment agreement.

Final Steps: *Establish and maintain good relationship.*

- Set clear expectations.
- Plan for formal evaluation.

attractive. That is why candidates agree to be considered for the job. How the agency carries out its mission is what candidates will want to learn. And how the board goes about recruiting and hiring a director will reveal a lot about its functioning. Thus at the outset the board should specify both the tasks that have to be completed and the people responsible for them.

STEP 1: Determine future needs and develop a profile of the ideal candidate.

List the demands of the job. Before it does anything else, the board can smooth its path by anticipating the future demands on the executive director: What will be happening in the community that will affect the agency's mission and operations? What are the strengths and the weaknesses of the organization as it moves into the future? What will the staff be like, and how will it change? How does the board want the director to divide his or her efforts between internal management of the agency and external management of the board's agenda in the community? The answers to these questions are likely to be different for almost every agency. (For the list of

issues developed by the Orange County Rape Crisis Center in 1999, during this initial stage of recruiting a new director, see Figure 2.)

List the assets (knowledge, skills, and abilities) of an ideal director. Having taken time to anticipate the most important issues facing it in the future, the board of directors should identify specific assets that it seeks in candidates. Otherwise, it risks choosing a director on the basis of stereotypical characteristics that might not be relevant to its particular circumstances. For example, if the agency is in financial trouble, an otherwise attractive candidate who has worked only for large, financially flush agencies and has had no direct responsibility for fund-raising, budgeting, or financial controls, is unlikely to meet the agency's needs. Similarly an agency experiencing serious problems of employee morale might want to make an effort to attract applicants who have demonstrated records of effective staff management.

Most of the applicants who respond to a board's advertisement will probably be qualified in some respect; however, no two of them will be the same. Applicants will have different combinations of strengths and weaknesses. The challenge facing the board will be to choose, from many capable applicants, the person who comes closest to having the unique set of assets that the agency needs to deal with its most important issues. Therefore it is useful for board members to review the list of issues that they developed and then to specify the kinds of assets that they think their director will need in order to carry out the agency's mission effectively.

Board members can brainstorm or take turns listing issues and characteristics until everyone is satisfied that the group has not missed anything relevant. Usually the resulting list of characteristics is fairly long. The board can focus on the most critical items by combining any redundant or similar ones and then trying to agree on the relative importance of the resulting characteristics.

A tedious but effective way to do that is to perform a "pairwise comparison" of all the items on the list. First, the members vote on the relative importance of the first item compared with every other item in turn. They place a mark by whichever item wins each vote. Then the members compare each succeeding item with every other item on the list until they have worked through the whole list. The items with the most marks should be the ones that the members believe to be the most critical.

Now the board has a manageable list of the most important characteristics on which it might focus its attention in reviewing applicants' qualifications. The board also can ask employees to add their points of view on an ideal director. (For the list of knowledge, skills, and abilities that the Orange County Rape Crisis Center's board thought were necessary to deal with the list of issues in Figure 2, see Figure 3.)

In developing a profile, a board must focus on the needs of its agency. Sometimes the strengths and the weaknesses of the outgoing director exert undue influence on a board's thinking about the kind of director the agency needs. If a board focuses too much on correcting its outgoing director's weaknesses, it

risks overcompensating for attributes that might not be most critical to the demands of the job. Listing the issues facing the agency helps the board shift its focus from the past to the future.

One attribute that always seems to be necessary to perform effectively as a nonprofit director but frequently seems to be overlooked is the ability to maintain personal and professional equilibrium in the face of overwhelming demands on limited resources. A frequently heard comment from new nonprofit directors is “I never dreamed I’d be expected to know so much about so many different things!” How a board might accurately evaluate this “coping capacity” in candidates is not clear, but experience suggests that trying to do so is important. The inability to temper a passionate dedication to the agency’s purpose and objectives with a realistic acceptance of the limits imposed by available resources frequently contributes to dysfunction in the management of nonprofit agencies.

Agree on a salary range. Setting a salary range when hiring has the same advantage as setting a ceiling when buying a car: it makes the search realistic and limited. Like a car buyer, a board might later decide to deviate from its planned limits if it wants a candidate badly enough to do so, but setting some limits initially provides a firm foundation from which to make such a decision. In setting the salary range, the board should consider factors such as the knowledge, skills, and abilities included in its profile; the size and the complexity of the agency and its operations; the general cost and standard of living in the community; and the salary levels of directors of comparable agencies.

Providing salary information in the agency’s advertisement can serve as a screening device. If the salary is significantly higher or lower than a prospective applicant’s needs or reasonable expectations, he or she might be less likely to submit a fruitless application, and the board will not waste time interviewing candidates who have salary expectations that the agency is unable to meet.

Complete the candidate profile. Once the board has listed the demands of the job, identified desired characteristics, and agreed on a salary range, it should combine this information in a profile of the ideal candidate. Having such a profile makes almost every other step in the hiring process easier and more effective:

- The board has a realistic basis on which to decide the salary range it must offer to obtain the skills it needs.
- The board is in a position to compose a clear, specific advertisement that can save time and effort by discouraging inappropriate applications.
- The board has a fair and effective device—a set of objective criteria—by which to screen applicants and to select those who appear to be most qualified to interview.
- The board can explain clearly to disappointed applicants why they were not selected for an interview, should they ask for further explanation after being notified.

Figure 2. The Most Important Issues for the Orange County Rape Crisis Center over the Next 3–5 Years

- We need to do fund-raising to achieve self-sufficiency.
- We need to consider ways to obtain endowments for the center.
- Staff management will remain an important part of the job.
- It might become harder to get enough volunteers to keep up with service demand.
- Demand for services will increase as the population of the area grows.
- Our services will be invited to expand in the schools.
- Our services will become more widespread geographically in the county.
- Our services will move toward regional cooperation, maybe consolidation.
- We will need more space. We will need to decide whether to rent or own.
- We will need more advocacy and marketing to maintain access to resources.
- We will need to increase diversity on staff and board to reflect changes in the community.

- The board can use the criteria to construct a valid set of questions or tasks to use in its interviews or other assessment procedures.
- The board can use the criteria to evaluate the qualifications and the performance of the finalists.

STEP 2: Plan a hiring strategy and recruit applicants.

Agree on tasks and schedules. Before it goes further, the board should outline the tasks it will have to complete, and lay out a rough timetable for hiring the new director. Doing this accomplishes several purposes. First, it gives board members a realistic view of how long the hiring process will take. Second, it requires them to decide how to provide for management of the agency in the interim if the director being replaced already has left or will leave before recruitment can be completed. Third, it gives them an idea of how much time they should expect to devote personally to the effort. The board should agree on realistic target dates for completing each task in the hiring process, consistent with the commitments that members and others who will participate are willing to make.

Make interim arrangements for the agency’s management. Nonprofit boards, staff, and volunteers typically contribute time and energy to an agency and its mission in an intensely personal way. This usually leaves scant reserves to call on in the interval between directors. The board should pay careful attention to interim management of the agency’s business. If

Figure 3. Knowledge, Skills, and Abilities of Ideal Orange County Rape Crisis Center Director

Score	Knowledge, Skill, or Ability
17	Ability to be an advocate for staff's welfare and its ability to function well
14	Sense of humor
14	Ability to listen well and be perceptive
13	Ability to know his or her own limits and to practice and model self-care
13	Comfort relating to and working with many different kinds of people
12	Ability to be cool, tactful, and thoughtful under pressure
11	Good oral and written communication skills
8	Ability to network with key stakeholders
8	Ability to deal effectively with media on sensitive issues
7	Ability to deal directly with a case or to back up staff
6	Ability to maintain financial solvency
6	Excellent conflict resolution skills
5	Ability to market the services of the Orange County Rape Crisis Center
4	Ability to keep on top of what's going on in the community
2	Good delegator
2	Knowledge of trauma
0	Knowledge of or familiarity with the clinical issues that will be involved in the work of the center

the current director has given notice, the board should make a deliberate (but realistic) effort to replace him or her within the time available or to make arrangements for interim direction of the agency without placing an undue burden on board members or other staff members. It is generally not advisable to ask a board member to assume the entirely different role of director in the interim. Some boards have divided the director's responsibilities among staff. However, coordination and decisions about priorities become more difficult under those circumstances, and such arrangements are difficult to manage beyond a very short period. If resources allow and the hiring process looks to be very long, hiring an interim director might be more effective.

Agree on a process and a schedule. It is unusual for a board to do a thorough job of recruiting outside candidates and have a new director on the job in less than three months. Four months is a more reasonable expectation for a straightforward recruitment with no special problems. More time may be necessary if there is substantial discord among board members, a shortage of good candidates, or other complicating factors. Overall, time spent up front on developing a clear profile of the new director and on planning carefully for recruitment can save time in the long run by making every-

thing else the board does more efficient and more effective. It also is important to have board members discuss openly and honestly how much time each can devote to the recruitment and to organize and carry out the process in a manner consistent with the commitments people make.

Decide how to involve staff and others. Any kind of change causes stress in an organization. A pending change in leadership always creates unease. It is a major transition for an agency, even if someone already on the staff is appointed as the new director. People's natural fear of the unknown will compound the stress commonly existing in a nonprofit staff that is stretched to the limit. Keeping staff members informed about the process and, if possible, involving them in it can mitigate anxiety over the transition. As it plans the recruitment, the board should share with staff as much information as it can about the general procedure it will follow, its general timetable, and its target date for having a new director in place. It might schedule each finalist to meet with staff members as individuals or as a group. If the board invites staff members to share their impressions of candidates from these meetings, it should determine and communicate clearly how much weight it expects to give to their observations in making a decision. The Orange County Rape Crisis Center's board decided to include one staff member on its search committee and to give the rest of the staff the opportunity to meet candidates and offer individual impressions afterward.² Even though the board is responsible for making the final decision, it might wish to involve staff actively in the interview process. Staff members are likely to be in the best position to evaluate candidates' capabilities in areas that are critical to successful day-to-day operation of the agency. As long as the staff's role is clearly spelled out, its participation can provide valuable data to the board in making a decision and can ease the transition to a new director.

Other people whom the board might add to the search committee are agency volunteers, clients, professionals who are linked to the agency's work, representatives of funding agencies, and representatives of other agencies whose work is related. There are several good reasons for including these stakeholders: (1) they have a legitimate interest in the outcome of the search; (2) through their formal and informal channels of communication in the community, they can play a key role in the new director's assimilation; (3) stakeholders who are dissatisfied with the agency's performance have an opportunity to work from the inside to bring about positive change; and (4) candidates are assured of the opportunity to meet and talk with people who might play important roles in the agency's future. The board should weigh the value added to the search process by such additions against the effect of having a larger committee, a more complicated process, or a longer recruitment. Also, the board should make clear to all the people whom it invites to join in the process, the limits of what it is asking them to do.

Advertise. An advertisement that specifies the desired knowledge, skills, and abilities and includes a salary range serves as an initial screening device by deterring people who

do not have the qualifications the board seeks and by attracting people who do. Resisting the temptation to publish a generic advertisement as soon as the outgoing director resigns is hard because an advertisement is tangible evidence that the replacement process is under way. However, doing so deprives the board of this initial screening device and likely will require additional effort to review applications from people who do not meet the board's minimum expectations. Other information that candidates might look for in an advertisement includes the board's size, its method of recruiting a new director, the past rate of turnover in the director's job, the size and the nature of the community or the population served, and any peculiarities in organization or services. Newspapers are the fastest means for circulating an advertisement, but they may not reach all the agency's target audience. Advertising in relevant professional journals can help cast the net widely; however, their longer lead times for publication normally add significant time to the process. Announcements might be sent to other nonprofit agencies and to state or national coalitions and might be posted on relevant "list-servs" (programs that automatically manage mailing lists on the Internet). There also might be special local media, such as newsletters, that reach interested and qualified people.

STEP 3: Screen applicants.

Receive applications. The board should allow two to six weeks to complete advertisement of the position and receipt of applications. It should designate one person to receive the applications, check them for completeness, and ensure that only board members have access to them. Applications should be kept confidential unless and until the applicants formally agree to the release of any information. One board member should be designated to be responsible for the orderly processing and handling of applications. In some cases the outgoing director or another staff member might fulfill this role, but the board should consider all the possible ramifications of either one's doing so and be certain that the person would under no circumstances become a candidate. Whatever arrangement is devised, the person handling the applications on behalf of the board must have the full confidence of all the members.

Screen applications. The board has many options for screening applications. A staff assistant might eliminate applications that clearly fail to meet basic factual qualifications in the profile, or sort applications into several groups according to apparent level of qualification. A committee of board members might do an initial screening for the whole board. In the interest of openness, most boards give all their members access to all the applications no matter which method of screening they use. This has the advantage of making it less likely that a promising candidate will be overlooked in the screening stage. With a small board, applications can be copied for distribution to members during screening; however, many boards feel more secure in meeting applicants' expectations of confidentiality if members review the original applications in the place of custody.

As they review applications, board members might use a rating sheet of some kind (see Figure 4 for the rating sheet that the Orange County Rape Crisis Center used). The résumés accompanying the applications will indicate the most basic qualifications of applicants as a starting point. For example, they will reveal whether applicants meet basic education and experience requirements, and they might reveal low-level writing skills. Rarely, though, will they reveal reliable information about how well applicants performed in previous employment. Beyond the basics, the board can only draw inferences from the candidates' résumés relative to its list of desired knowledge, skills, and abilities.

Choose whom to interview. When all the board members have reviewed applications, the whole board can meet, compare notes, and decide whom it wants to invite for an interview (or an assessment center, explained later). Most boards invite three to seven applicants. However, some boards conduct 30- to 45-minute screening interviews of ten or so applicants before narrowing the field to a smaller set of finalists. The board or its recruiting committee can conduct these screening interviews by videotape at the applicants' locations or in person at a designated central location. In any case, when the screening interviews are complete, the recruiting committee or the whole board usually agrees on a few finalists to invite for more intensive assessment.

It is customary to send some background information about the agency and its work to the candidates who are invited to interview. This might include brochures and other publications about its services, the job description for the director's position, information about the agency's financial status, information about the community the agency serves, and any publicity about the agency that would help applicants understand its origin and nature, its role and acceptance in the community, and any formative events or issues in its history.

STEP 4: Assess candidates.

Plan the assessment process. The most common method of assessing candidates is to interview them. However, an interview has limited reliability in predicting success on the job. The best predictor of a person's behavior on the job is the behavior itself. An interview reveals only what a candidate says about his or her behavior. To a large extent, the person being interviewed can tell the interviewer what he or she wants to hear without having to back it up. An "assessment center," a series of exercises designed to demonstrate candidates' actual ability to perform relevant work tasks, is a more reliable predictor of a person's ability to do a given job.³ However, because a valid and effective assessment center is difficult, expensive, and time-consuming to design and administer, most boards still depend on interviews to assess candidates.

Design the interview. The board can take several steps to increase the validity and the reliability of its interviews. First, it can carefully design them. The desired characteristics in the profile and the priorities assigned to them provide a valid

Figure 4. Résumé Evaluation Sheet, Orange County Rape Crisis Center

Applicant: _____

	Inadequate	Meets Needs	Excellent
Writes well	_____	_____	_____
Résumé neat, complete, professional	_____	_____	_____
Nonprofit management experience	_____	_____	_____
Experience serving diverse populations	_____	_____	_____
Experience managing programs	_____	_____	_____
Experience supervising staff or volunteers	_____	_____	_____
Financial management experience	_____	_____	_____
Fund-raising experience	_____	_____	_____
Grant-writing experience	_____	_____	_____
Familiarity with sexual violence issues	_____	_____	_____
Familiarity with rape crisis work	_____	_____	_____
Demonstrated interest in our work	_____	_____	_____

Comments: _____

Interview? Yes No Maybe

Points to clarify in interview: _____

focus for the interview panel’s examination of each candidate and for its design of questions that will yield relevant data in the limited time available for each interview. (For an example of desired characteristics translated into questions, see Figure 5. The complete questions appear in the guide used by the Orange County Rape Crisis Center’s interview panel, page 33.)

Allowing for introductions, follow-up questions from board members, and closing questions from the candidate, an interview panel can explore only four or five questions adequately in a one-hour interview. If the board wants to obtain more information, the interview panel should plan a longer interview. One and a half hours is not unusual. More than two hours probably goes beyond the limits of endurance and effectiveness of candidates and panel members alike. If the board thinks that it has more important questions to ask than a reasonable interview time will allow, it might consider other ways to obtain some of the information—for example, discussions at meals and other events on the itinerary, or observations and opinions from candidates’ references.

A second step that an interview panel can take to make its interviews more valid and reliable is to review and discuss the criteria to be measured by each question before the first interview. This allows the panel to ensure that every interviewer has the same understanding of what will constitute high, medium, or low performance on each question. It also allows the group to discourage panelists from making inferences that are not verified by actual observation. For example, if a panelist reveals that he will rate a candidate low on ability to supervise the agency’s spirited staff if the candidate is quiet

and soft-spoken, the panel might discuss whether there is a valid relationship between the inference and the observed behavior, try to agree on a valid way to measure supervisory effectiveness, and make sure that everyone on the panel uses it.

Third, the panel should administer the interview consistently across the candidates. Asking each candidate the same set of questions in the same sequence and in the same manner provides a yardstick by which to compare candidates’ responses. As long as the panel establishes this common basis for comparison, it still is free to vary its follow-up questions to explore the differences among the people whom it interviews.

Most interview panels have found that they become more consistent and efficient with each succeeding interview. This in itself introduces some inconsistency across candidates. One way to mitigate the inconsistency (it probably cannot be eliminated entirely) is to rehearse asking the questions once or twice before the first interview. This also suggests keeping the same people on the panel for all the interviews.

Finally, after each interview, while impressions are fresh, panel members should share their ratings. If the ratings differ significantly, divergent members should discuss their reasoning. Sometimes one person sees, hears, or infers something that another does not. It is helpful for members to exchange information and impressions and try to resolve the different perceptions. Some panels try to reach consensus on the ratings. Others find that hard to do and not worth the effort.⁴

Conduct the interviews. The board should plan and arrange each candidate’s interview visit with care. The visit can

Figure 5. Interview Questions Based on Desired Knowledge, Skills, and Abilities, Orange County Rape Crisis Center

Knowledge, Skills, & Abilities (Score)	Question (from guide, page 33)
Advocate for staff (17)	2. What responsibilities do you have to your staff?
Sense of humor (14)	Whole interview
Ability to listen well/be perceptive (14)	Whole interview
Know own limits . . . self-care (13)*	9. What do you do to take care of yourself?
Comfort with different people (13)	3. How did you deal with differences?
Cool . . . under pressure (12)	4. What did you do when you were on the spot ?
Ability to be cool . . . under pressure (12)	Whole interview
Good oral/written communication (11)	Whole interview and writing sample
Network with key stakeholders (8)	7. What do you do to stay informed?
Deal effectively with media (8)	5. Tell us about your experience and strategies in working effectively with the media.
Financial management (6)†	6. What experience have you had in financial management?
Delegation (2)†	8. Tell us how you see that the work gets done.

* This dimension might seem intrusive, but it was considered important for the director of a rape crisis center to be able to practice self-care for his or her own well-being, to model the behavior for staff, and to explain it to clients seeking healing in the aftermath of trauma.

† These attributes were ranked relatively low on the search committee's list. It is unlikely that board members had the opportunity to observe directly either the outgoing director's day-to-day influence on the financial stability of the center or her delegation of work to staff on a daily basis. However, she convinced the committee that these were important skills that should be examined in the interview.

accomplish several purposes: the candidate can tour the community and get a feel for it; meet staff, other agency heads, or local officials with whom the director works; and obtain information about housing, schools, and other matters of interest to the candidate's family. Agencies that can afford to do so might invite spouses to accompany finalists so that they can form an opinion about the community, but this is neither expected nor necessary if the board feels that the cost is too high. It is possible to invite the successful candidate back with his or her family to be courted after extending an offer. Some boards invite all the finalists at the same time; set up tours, interviews, and other events in rotation; and even have the candidates together at one or more social functions. Other boards invite each candidate separately. Bringing in candidates all at once shortens the time spent on the interview stage of the search but requires more careful planning and coordination.

Sometimes a panelist feels that he or she has determined whether or not a candidate is viable before the interview is complete. In such a circumstance, a panelist may be tempted to stop listening carefully, to stop recording impressions, or to record sketchily or carelessly. A panelist takes at least two risks in doing this. One is that sometimes a candidate will start an interview awkwardly or slowly and gradually warm up or "come alive" well into the interview. If the interviewer stops taking notes at some point, he or she may be at a disadvantage in the evaluation discussion. Another risk is the pos-

sibility of depriving a candidate of useful feedback on the interview if he or she asks for it.

Step 5: Hire the director.

Agree on a choice. After the interviews the panel usually tries to reach consensus on one candidate unless the board of directors has instructed it to do otherwise. If the board uses a panel of less than its entire membership, the panel might recommend a first choice and a backup, or rank-order the finalists from best to worst, and then communicate that to the board. The panel's explaining the reasoning behind its recommendations usually helps the board. When there are serious conflicts on a board, a candidate might accept only an offer based on consensus, believing that anything less would make his or her position too tenuous. Many candidates, however, are willing to start with the tentative security of support from a simple majority of the board.

Negotiate the details. In these last steps, a board often designates its chair to conduct final negotiations and actions on its behalf. If it opts to do so, it first should decide what it will leave to the discretion of the chair and what the chair should bring to the whole board for discussion, guidance, concurrence, or decision. Usually the board arranges for a final background check while it negotiates the terms and the conditions of employment with the prospective director. When the facts and the quality of the candidate's experience have been corroborated, the board should confirm the new direc-

tor's agreement to come to work, take whatever action is required by its bylaws, notify the other candidates, and *then* announce the new director. These last steps are taken in that order so that other candidates do not find out secondhand that they were not selected. Although care is obviously required in these actions, experience suggests that the more time that passes after the final interview, the less control the board has over the time and the conditions under which the decision becomes public knowledge.

Draft an employment agreement if one is desired. There are advantages to executing a formal employment agreement. The agreement might set out a variety of conditions of the director's employment, such as leave, use of a car or mileage reimbursement for official business, an expense account, participation in professional activities—virtually any matter on which the board wants to have a clear understanding with the director. The agreement also might specify the conditions under which the director should give notice of resignation and under which the board may ask the director to leave involuntarily.

FINAL STEPS: Establish and maintain a good relationship.

The relationship between a governing board and a director can enhance or impede governance significantly, so devoting some time to establishing and maintaining a good relationship is important. Putting the necessary effort into this typically requires a lot of discipline by the board. Members are usually relieved that a decision has been made, all the extra meetings and work on recruitment can end, and they can return to their routine. It is useful at the outset for the board and the director to establish what they expect of each other beyond the general tenets of the bylaws. No two boards are exactly alike, nor are any two directors. The very process of recruiting a new director often raises issues and creates dynamics that might unify or splinter a board. Either way, the board is likely to undergo some change. No matter how much experience a new director has or how many directors a particular agency has had, the relationship among a particular board, a particular chair, and a particular director is certain to be different in some ways than any of them has ever experienced.

Set clear expectations. Soon after a new director is hired (and at other times when a significant turnover in the board occurs), the board, the chair, and the director usually find it helpful to review their specific expectations of one another. Such a discussion allows them to understand what each thinks he or she needs from the others to be effective in carrying out major responsibilities. Often this discussion takes place at a retreat, during which the board and the director also might discuss the substantive goals and objectives that the board wants to pursue as part of its long-range agenda. The result of

such a retreat should be a common understanding of what the board wants to achieve and how the board and the director will work together to accomplish that.⁵

Plan for formal evaluation. The board's expectations of the director provide a sound basis for it to be effective in both formally evaluating the director's performance and giving the director informal feedback. They also provide the director with one reliable reference for self-evaluation during the year. Most boards find it effective and convenient to conduct a formal evaluation of the director once a year, usually associated with their consideration of adjustments in his or her compensation. Typically the evaluation is held in a private meeting, with the director present and participating.

Conclusion

Hiring an executive director for a nonprofit agency is neither quick nor simple if done conscientiously, but a conscientious process is critically important to effective governance of the agency and effective administration of the agency's mission. Time and effort spent on defining carefully what the agency and its governing board need in the near future, searching systematically for candidates with attributes that will meet those needs, and thoroughly examining the candidates can yield significant returns in the form of satisfied clients, board members, and employees.

For more information about nonprofit organizations, contact the North Carolina Center for Non-Profits, 4601 Six Forks Road, Suite 506, Raleigh, NC 27609-5210, telephone (919) 571-0811, fax (919) 571-8693.

Notes

1. See also Claudio Fernandez-Araoz, *Hiring without Firing*, HARVARD BUSINESS REVIEW, July–August 1999, at 109.

2. To prepare for this, staff met, reviewed (and modified slightly) the list of desired knowledge, skills, and abilities developed by the recruiting committee, then used a pairwise comparison to reveal the relative priority that staff placed on each characteristic.

3. An assessment center might require each candidate to write a brief analysis of an issue, present the analysis to a group that includes people playing the role of hecklers, mediate a simulated dispute among people playing the role of employees, and dispose of a series of items in an in-basket, in addition to going through a structured interview. See Ronald G. Lynch, *Assessment Centers: A New Tool for Evaluating Prospective Leaders*, POPULAR GOVERNMENT, Spring 1985, at 16 (available from the Institute of Government as offprint 92.03B).

4. Reaching consensus is different from—and harder than—compromising. To reach consensus, disagreeing parties must exchange enough valid information so that each can freely agree on and fully support the final position or solution.

5. See Kurt Jenne, *Governing Board Retreats*, POPULAR GOVERNMENT, Winter 1988, at 20 (available from the Institute of Government as offprint 88.13B).

GUIDE FOR INTERVIEW PANELISTS AND CANDIDATE EVALUATION FORM, ORANGE COUNTY RAPE CRISIS CENTER EXECUTIVE DIRECTOR

PROCEDURE

- Time allocation**

Introductions, outline of process	5 minutes
Opening question	5 minutes
Nine questions	90 minutes
Applicant's questions	5 minutes
Panel discussion and rating	<u>15 minutes</u>
Total time	120 minutes
- Evaluate each applicant on three dimensions throughout the interview: sense of humor, communication skills, and listening skills.
- The most effective way to assess "ability to be cool, tactful, and thoughtful under pressure" is to create a stressful situation by challenging the applicant during the interview. One way to do this is to assign a panel member to look for a weakness or an inconsistency and ask a challenging question in an impatient tone. For example, "You've never worked in a non-profit, but you think you have the skills to manage one. That seems arrogant to me. Tell me how you think you can possibly step right into the job with the requisite skills." *Only after the end of the interview, explain that this was a staged question intended to gauge grace under pressure so that the panel could observe how the applicant handled the stress of being challenged.*

QUESTIONS

- Opener.* Please take a few minutes to tell us about yourself and why you are applying for this position.

| _____ | _____ | _____ | _____ |

(1) Inadequate **(3) Meets Needs** **(5) Excellent**

Comments: _____

- Ability to advocate for staff.* We'd like you to tell us how you would define your role as director. Our board hires and supervises the director, who hires and supervises the staff. As director, what responsibilities do you have to the board, and what responsibilities do you have to your staff?

What can you do when your staff and your board are opposed on an issue?

- Look for:
- maintains two-way communication between staff and board through director
 - takes facilitative approach to managing staff to carry out direction set by board
 - represents director's role as hiring strong staff and then providing environment in which staff can do its best work

| _____ | _____ | _____ | _____ |

(1) Inadequate **(3) Meets Needs** **(5) Excellent**

Comments: _____

- Comfort with diversity.* Give us an example of when you have had to work with people who were very different from you—culturally, racially, economically, etc. How did you deal with those differences?

What specific issues did you have to deal with in working together as a result of those differences?

- Look for:
- genuine belief that diversity can make stronger product
 - acknowledgment that obvious diversity (race) is not only kind of diversity that matters
 - acknowledgment that diverse groups may take more time to build trust and agree on plan

(1) Inadequate	(3) Meets Needs	(5) Excellent	

Comments: _____

4. *Problem solving.* A former board member of ours always said that three things go wrong with every special event, no matter how well you plan. Tell us about a time when you were on the spot, when something went wrong. What did you do?

- Look for:
- ability to acknowledge that things can go wrong
 - ability to trouble-shoot problems
 - contingency planning for solving potential problems
 - ability to improvise while staying calm
 - capacity to use available resources to fix problems
 - evaluation of successes/failures after event
 - documentation of processes for future reference

(1) Inadequate	(3) Meets Needs	(5) Excellent	

Comments: _____

5. *Dealing with media.* One of our challenges is that sexual violence is an extremely complex issue that is easily sensationalized. It is not unusual to give a 30-minute interview and end up with a one-sentence quote and a dramatic headline. Tell us about your experience and strategies for overcoming this kind of challenge and working effectively with the media. What do you do when you're misquoted?

- Look for:
- ability to build relationships with reporters
 - ability to be useful as resource to media
 - understanding of reporters' constraints and ability to work with them
 - ability to create sound bite himself/herself rather than leaving it to reporter
 - ability to use editorial page, etc., to get agency's message out
 - ability to problem-solve after bad story

(1) Inadequate	(3) Meets Needs	(5) Excellent	

Comments: _____

6. *Financial management skills.* What experience have you had in financial management that is relevant to running a small nonprofit agency?

- Look for:
- experience in grant-writing and reporting
 - ability to track contributions through fund-raising
 - ability to do or supervise payroll and accounts payable
 - ability to prepare budget and then to manage it
 - ability to use many different funding sources that require different kinds of relationships

(1) Inadequate	(3) Meets Needs	(5) Excellent	

Comments: _____

7. *Maintain community relationships.* There are many different people and organizations in this community that have a stake in the work of our agency—police officers, survivors, philanthropists, activists, and schoolteachers, to name some. What do you do to stay informed about all the different currents swirling around in a community, and how do you apply it to your job?

- Look for:
- is cognizant of informal power and communication channels
 - has strategy for staying informed and involved
 - knows how to identify key stakeholders and how to work with them

(1) Inadequate	(3) Meets Needs		(5) Excellent

Comments: _____

8. *Delegation.* There is more work to do in this position than can possibly be done by one person. Tell us specifically how you see that the work gets done.

- Look for:
- is willing to let go of control
 - delegates appropriately to staff or volunteers
 - defines expectations clearly
 - provides means for success to those to whom he/she delegates
 - avoids micromanagement but monitors progress at key points

(1) Inadequate	(3) Meets Needs		(5) Excellent

Comments: _____

9. *Practice and model self-care.* As director, you have to deal with the stress of our clients' trauma, the stress of meeting the needs of staff and the board, and the stress of managing the community's perception of this agency. Tell us how you balance all of these demands while maintaining your personal equilibrium. What do you do to take care of yourself?

- Look for:
- employs healthy strategies for coping
 - what he/she says is consistent with how he/she looks and acts
 - is aware of own spiritual, mental, physical, and emotional needs
 - exhibits thoughtfulness in his/her personal evolution of self-care

(1) Inadequate	(3) Meets Needs		(5) Excellent

Comments: _____

10. *Final question.* Do you have any other questions of us?

Comments: _____

11. *Writing sample.* Chair: Please do one more thing. Write and submit by [date] a one-page memo to the board answering this question: "If you were offered the position of executive director, what would motivate you to accept it or decline it now that you have had the opportunity to visit here today?" Here are detailed instructions [gives a memo to candidate].

- Look for:
- thinks clearly
 - expresses ideas clearly
 - presentation shows professional attention to detail
 - is willing to discuss "undiscussable issues"

(1) Inadequate	(3) Meets Needs		(5) Excellent

Comments: _____

12. *Sense of humor* (rated throughout interview)

- Look for:
- ability to see humor in situations outside own control
 - ability to see humor in own actions
 - ability to pick up on others' humor

_____	_____	_____	_____
(1) Inadequate	(3) Meets Needs		(5) Excellent

Comments: _____

13. *Listening skills* (rated throughout interview)

- Look for:
- responds accurately to what was asked or said
 - listens carefully and patiently
 - is willing to ask for clarification

_____	_____	_____	_____
(1) Inadequate	(3) Meets Needs		(5) Excellent

Comments: _____

14. *Oral communication skills* (rated throughout interview)

- Look for:
- speaks in way that is easy to understand and follow
 - is responsive to cues from listeners
 - is brief, specific, and accurate
 - is able to think on his or her feet

_____	_____	_____	_____
(1) Inadequate	(3) Meets Needs		(5) Excellent

Comments: _____

NEXT STEPS

Chair: The top two or three candidates will be invited back to have the opportunity to meet privately with staff and to meet other board members and volunteers at a special event to be arranged. Our time frame for completing all interviews and making a decision is [date]. If you have further questions, you can call me in the meantime.

GENERAL OBSERVATIONS AND FINAL OVERALL ASSESSMENT OF CANDIDATE

[Interview panelists enter general comments and overall evaluation here.]