

## Executive Director Candidates:

### What You Should Find Out About Your Prospective Role

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One mark of skilled leader candidates is time spent doing due diligence on the agency they're considering joining. From CompassPoint's vantage point of working with Boards on executive searches, we've found that it's just as important for candidates to learn about their prospective roles as it is for the Board to learn about the candidates. By asking a range of questions in a style of friendly due diligence, you as the candidate will display both a sincere interest in the job for which you are being considered and have a much clearer picture of the challenges should you be hired.

The idea is to get out of "sell" mode and gain genuine clarity on what needs to be done and whether or not you're the right person for the job. More specifically, as a candidate for an executive director position you'll want to scope out what it would be like to work with the agency's Board and what agency priorities the Board would like the next Executive Director to tackle.

#### Working with the Board

Most easily and immediately you can explore the health of the Board's governance structure and the shape of its partnership with its chief executive. The Board and the executive comprise the top leadership team in a nonprofit. Essential to the success of high performing agencies is the vitality of that team.

#### **Would the Board be committed to your professional development?**

From our perspective it is important that Boards attend to an Executive Director's professional development. One key tool the Board has in this regard is the Executive Director's annual performance evaluation. The primary purpose of the evaluation should be one of identifying ways in which the executive can enhance his or her performance. Has the Board formally evaluated its executive on an annual basis? Beyond performance objectives derived from the agency's strategic goals, professional development goals should also be set and resources (time and funding) should be dedicated to supporting the executive's pursuit of those goals. For example, time might be set aside to engage a mentor or the Board could allocate money for the director to hire an executive coach or to attend a seminar on leadership skills. Inquiring into the relationship

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between the outgoing Executive Director and the Board is also key – even if the Board had a great relationship with him/her, there may be learning opportunities to uncover the challenges they faced as a team. One could ask questions such as, “What did the former E.D. do really well? In what areas will he/she be most missed? Given that we all have strengths in some areas and not in others, what areas weren’t his/her strengths? How has the organization compensated for those in the past?”

#### **Does the Board have term limits?**

Term limits are a preventive measure against Board burnout and inertia, as well as a way of insuring there is a periodic infusion of fresh perspectives and talents to further the agency mission. On average, Boards will have terms that extend three years and limit members to no more than two consecutive terms. Does the Board refresh itself regularly by being strict about these term limits?

#### **Does the Board regularly assess its own performance?**

Key to the high performance of any group or individual is a period of reflection on past performance. Does the Board have a committee charged with responsibility for monitoring the performance of the Board itself? One recommended practice is for the Board to have members fill out an annual survey on how well the Board is doing on various governance duties (e.g., financial oversight, participation in agency fund raising activities). The results are used to set Board development objectives for the following 12 months.

#### **How would you be expected to support the Board?**

The successful agency leader dedicates time to underpinning the Board of Directors. In what ways has the chief executive traditionally “staffed” the Board and its committees? Outside of board meetings, how often does the executive meet with the executive committee and/or the Board chair to address immediate business matters as well as to keep a solid Board/executive partnership going? Questions that can help you identify positive and negative working structures include: “How could I best support you and your initiatives?” “Can you provide an example of a time when the Executive Director utilized the board well?” “What supports from previous Executive Directors allowed for this success?”

### **Engaging with the Agency’s Priorities**

In our search work, before we develop a candidate profile with a Board, we make sure the members have consensus on where the Board wants the agency to be in two to three years. The skills sought in candidates need to align with the skills required to realize those objectives. The agency, for instance, may have experienced a lot of growth under the current Executive Director and need a stabilizer in their next director to solidify operational systems. Or conversely, there are opportunities ahead to dramatically expand program reach and impact, for which an entrepreneurial leader would be in order.

**What are the agency's strategic priorities? How would you be involved in clarifying and fulfilling them?**

You should ask about the agency's recent work in strategic planning. What would the Board say are the top three strategic imperatives currently in place for the agency? When did the Board last visit the plan? And who drives the process – the Executive Director and his or her staff or the Board? Or will the Executive Director need to implement what has already been decided? Savvy candidates will get to the root of this, and will probe how much personal impact they can expect to have on this process.

**How healthy is the agency financially?**

Reviewing the agency's financial status is another important step in understanding its priorities. If you are a finalist for the Executive Director position, you should be given a copy of the most recent annual audit and a current balance sheet. You will want to assess both how well the agency tracks its financial health and what state of health it's in. Are the financial statements current? That is, is the balance sheet no more than one-month old? Is income for the year on a trajectory to meet the projected target? Is the trend line on reserves up or down? The more recent trend line might be compared to those reflected on the agency's 990s, which can be found online at [Guidestar.org](http://Guidestar.org). With regard to the audit, ask the Board to recap the management letter. This line of questioning would be a check on how closely the Board monitors finance systems, as well as provide important information on the integrity of those systems.

**What are the agency's human resource practices?**

A final area of focus is human resource practices. Has the organization faced recruitment challenges or turnover issues? Is professional development for all staff a high priority for Board and managers? Is there a budget line item dedicated to training and support resources that can be tapped by staff? Is there a standard protocol for staff performance evaluations? You could ask who on staff carries lead responsibility for personnel practices.

**Pacing**

Peppering a search committee or board of directors with a barrage of insistent questions risks alienating them; where there's a professional recruiter working for an agency, he or she could address many of the topics if they've done a thorough scoping of the agency's strengths and challenges before beginning the search. Some topics could be raised with the committee that typically does the first round of interviews with candidates; other questions would be asked of the full Board if you're in the pool of finalists for the position. For finalists there might also be an opportunity to talk with managers prior to the Board interview and decision-making.

## Conclusion

It's unlikely that you'll uncover something that would cause you to turn down the job if it's offered. But the information may inform contract negotiations; for instance, the chosen candidate might bargain for a staff development fund if it doesn't exist. Or have the Board agree that they will undertake a strategic planning process within six months. Due diligence also allows both the candidate and the Board to complete the interview process with a very clear view as to first year goals and priorities. The information gathered gives more texture to the executive job and would provide you with essential information for setting priorities for the first months of your tenure, should you be hired.

The savvy Board will be impressed by the candidate who asks smart questions in the course of the screening process. And, should you be chosen for the job, this early give and take on the agency's strategic directions, financial health, and human resource practices sets a pattern for a constructive partnership between you and the Board that will get your tenure off on a great foot.

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