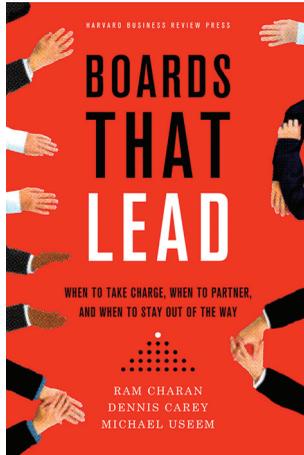


TOOL #9: The Board's Annual Evaluation of the Top Leader

Review these templates—and then customize your annual process so it fits your unique situation and your unique top leader! (One size doesn't fit all.)



***Boards That Lead:
When to Take Charge,
When to Partner, and
When to Stay Out of
the Way***

by Ram Charan,
Dennis Carey and
Michael Useem

One of the Top-10 Board Responsibilities

“... Only One Piece of a Complicated Puzzle”

Most chief executives are constitutionally optimistic, and since by definition their role is to surmount challenges, the tenor they bring into the boardroom is likely to be relentlessly upbeat. Taking executive overassurance into account will aid directors in detecting nascent troubles ahead, but it is only one piece of a very complicated puzzle.

... it is useful for directors to keep a weather eye on early signs of executive deficits. Assuming that the company's central idea has been well formulated in the boardroom, three embryonic indicators, if ignored too long, often mushroom into far more:

- lack of strategy,
- failure to execute, and
- wrong people calls.

You must read more on this—it's worth the price of the book.

Oh, my! Just when you thought you were knowledgeable in governance, along comes a 219-page poke-in-the-ribs, plus an incredible 40-page section with 18 checklists for board members, a bonus chapter on “Trends in Director Monitoring and Leading,” a director evaluation worksheet, and six golden pages on “Division of Responsibilities Between the Board Leader and the CEO.”¹

¹ Ram Charan, Dennis Carey, and Michael Useem, *Boards That Lead: When to Take Charge, When to Partner, and When to Stay Out of the Way* (Boston: Harvard Business Review Press, 2014), 139–63.

The Board's Annual Evaluation of the Top Leader (CEO or Executive Pastor)

TOOL #9 includes:

- 1. Two Books: Two Insights
- 2. Understanding the Context for the Top Leader's Annual Assessment
- 3. One Approach for the Annual Assessment of the Top Leader (Consultant Help)
- 4. A Common Assessment Finding: "Delegation Deficiencies"
- 5. Two Resources: BoardSource Online Assessments and *CarverGuide7*
- 6. Four More Books: More Insights on Assessment of the Top Leader
- 7. "Cut-and-Paste" Template for Online Survey: Top Leader Annual Assessment



Attn: Church Boards

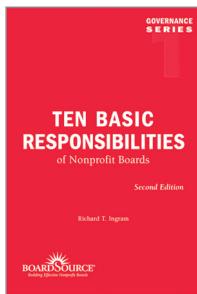
John Pellowe writes: "When you look to your pastor for support in times of need, it can be tough to interact with the pastor in your role as a deacon or elder. The spiritual connection may put you in a difficult situation when you have to evaluate your pastor's job performance or make a decision that goes against what your pastor thinks should be done. Hopefully you will not experience this much, but there is a potential that you could face this type of challenge as a director.

"A pastor who is insecure could play the 'God card' and justify a proposal saying, 'The Lord told me we must do this.' A fellow board member could say the same thing. What would your response be? This is another reason why you should have some level of spiritual maturity, so that you recognize spiritual abuse and so that you are comfortable with group discernment."²

² John Pellowe, *Serving as a Board Member: Practical Guidance for Directors of Christian Ministries* (Elmira, ON, Canada: Canadian Council of Christian Charities, 2012), 60–61.

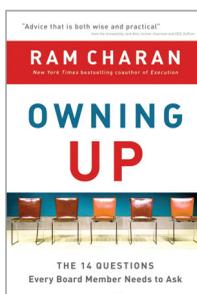
▶ 1. Two Books: Two Insights

INSIGHT 1: BoardSource's "Top-10" list of board roles and responsibilities includes:



- ☑ **“Select the chief executive.** Boards must reach consensus on the chief executive's responsibilities and undertake a careful search to find the most qualified individual for the position.”
- ☑ **“Support and evaluate the chief executive.** The board should ensure that the chief executive has the moral and professional support he or she needs to further the goals of the organization.”³

INSIGHT 2: Ram Charan notes this:



- ☑ **“There is nothing more important for a CEO than having the right strategy and right choice of goals, and for the board, the right strategy is second only to having the right CEO.”⁴**

“What you measure improves.”⁵

“If you don’t know what your top three priorities are, you don’t have priorities.”⁶

Donald Rumsfeld

“The higher you go [in your career], the more your problems are behavioral”⁷

Marshall Goldsmith

³ Excerpted from “What Are the Basic Responsibilities of Nonprofit Boards?” Accessed August 14, 2019. *BoardSource*: <https://boardsource.org/resources/board-responsibilities-structures-faqs/>.

⁴ Ram Charan, *Owning Up: The 14 Questions Every Board Member Needs to Ask* (San Francisco: John Wiley & Sons, 2009), 68.

⁵ Donald Rumsfeld, *Rumsfeld’s Rules: Leadership Lessons in Business, Politics, War, and Life* (New York: HarperCollins, 2013), 299.

⁶ *Ibid.*, 304.

⁷ Marshall Goldsmith and Mark Reiter, *What Got You Here Won’t Get You There: Discover the 20 Workplace Habits You Need to Break* (New York: Hyperion, 2007), 42.

► 2. Understanding the Context for the Top Leader's Annual Assessment

Richard T. Ingram notes:

In the end, although we may not be able to precisely define what outstanding leadership is, we know it when we see it! Let's admit that this very subjective process is more art than science, more human than anything else. We can and should use various objective measures or strategic indicators of the organization's progress on its financial condition, for example, as part of the assessment process—but whether a leader stays or goes so often hangs on much more subtle factors.⁸

BoardSource Resources. BoardSource provides a library of articles and other resources for conducting the annual CEO performance review/assessment. See the options in this section for BoardSource's online assessment tools that can also be customized. Chapter 3, "Support and Evaluate the Chief Executive," (pages 29-38) from the book, *Ten Basic Responsibilities of Nonprofit Boards* (Third Edition), by Richard T. Ingram (published by BoardSource) is helpful with context, philosophy, and principles of performance assessment—but it doesn't provide specific questions to ask in the performance review of the top leader.

Attn: Church Boards



As you know, most of the governance literature is not faith-based, and so the approach, the assumptions and even the process sometimes (not always) may not be grounded in a biblical context of growth, grace and mercy! And . . . while some of the assessments address character issues, many assessment tools will not adequately position the assessment in the context of the fruits of the spirit, spiritual discernment, human vision versus God's vision (Big Hairy Audacious Goals vs. Big HOLY Audacious Goals), etc. So . . . *faith-based buyers beware!*

DVD Training for Faith-Based Board Members. Canadian Council of Christian Charities provides eight training modules on DVD, *The Board's Most Important Relationship: Training for Christian Ministry Directors and Staff Leaders*, created by John Pellowe, CEO of CCCC. They include:

- 1. Theological Foundation: Four biblical principles of a God-honouring relationship (15 min.)
- 2. Considerate Boards: How boards can show consideration for the staff leader (32 min.)
- 3. Considerate Leaders: How leaders can show consideration for the board (15 min.)
- 4. Caring for the Leader: Practical ways boards can support the senior leader (31 min.)
- 5. Caring for the Board: Practical ways senior leaders can support the board (16 min.)
- 6. **Leadership Reviews: How to review the senior leader's performance** (37 min.)
- 7. Leadership Problems: Dealing with conflict, lack of trust, underperformance, and domineering leaders (15 min.)
- 8. Ending the Relationship: Retirements, resignations, and terminations (17 min.)

For more information: www.cccc.org/microsites/board_relationship/

⁸ Richard T. Ingram, *Ten Basic Responsibilities of Nonprofit Boards*, 3d ed. (Washington, DC: BoardSource, 2015), 33.

▶ 3. One Approach for the Annual Assessment of the Top Leader (Consultant Help)

Here's just one example of a top leader assessment process—based on the approach often used by John Pearson as a consultant:

Here's what I often provided to clients. While I seek to customize annual assessments for each unique situation, I find that most of my work involves creating the first-ever assessment and then providing some tools so a client can continue to replicate the process every year. The process usually involves these three phases, and perhaps a fourth phase of coaching the top leader.



Attn: Church Boards

While this section details a CEO assessment, the process can easily be customized for the annual assessment of the senior pastor and/or executive pastor.

Phase 1: Pre-Work

- Phone call with CEO (or senior pastor) and board chair
- Development of a customized online survey using a “360” approach:
 - Every board member completes an online assessment
 - Each staff member reporting directly to the CEO (or senior pastor) completes an assessment on the top leader
 - The CEO (or senior pastor) completes a self-assessment

Phase 2: Board Meeting

- Prior to the board meeting, I meet with the CEO and board chair (same day, or sometimes with a phone call in advance)—and deliver the results.
- At the board meeting, I brief the CEO and board on the process, and then the CEO is excused for about 45 minutes. I'll often highlight the CEO's “3 Powerful S's” which include:
 - **Strengths** (from the Gallup StrengthsFinder assessment – www.gallupstrengthscenter.com/home)
 - **Spiritual gifts**
 - **Social styles** (drivers, analyticals, amiables, expressives)... to remind the board members that each leader is unique, and none of us have ALL the gifts and strengths!
- During the executive session of the board meeting (without the CEO or other staff in the room), I create exercises for the board members to review the confidential “360” results of all three groups (board, direct reports, CEO self-assessment). Note: At the conclusion of the Executive Session, the confidential surveys are collected and shredded. (The chair and the CEO each keep one copy.)

- During the executive session, we create a written list of affirmations and areas where improvement is needed—and ask for every board member's approval of the list. (I emphasize the wisdom from John Carver, "The board speaks with one voice, or not at all.")⁹
- The CEO is then invited back into the room and a board member reads the "draft" list to the CEO of affirmations and where improvement is needed.
- The CEO then has the option of responding then to the review, or asking for clarification, or thanking the board with a response to come later.

Phase 3: After the Board Meeting

- Within three to four days, the written notes are edited by the chair (usually, if he/she is gifted at wordsmithing), and then delivered via email to the CEO.
- Within 10-14 days, the CEO provides a written response to the chair—noting "next steps" for areas needing improvement. Example: If the board suggested that the CEO work on his/her delegation skills, the CEO might suggest one or two next steps on becoming a more effective delegator (coaching, reading a book, attending a workshop, seeking out a coach or mentor, etc.).
- The chair then closes the loop:
 - Thanks the CEO for the response.
 - Communicates the response to the full board.
 - Delegates the accountability/reporting approach.
 - Schedules the next annual CEO performance review.

Phase 4: Coaching (if needed)

Next...the coaching process begins, if helpful, and I often recommend one or more of the following books (to read my review, google the "[book title], John Pearson's Buckets Blog"):

- The Coaching Habit: Say Less, Ask More & Change the Way You Lead Forever*, by Michael Bungay Stanier
- What Got You Here Won't Get You There: Discover the 20 Workplace Habits You Need to Break*, by Marshall Goldsmith with Mark Reiter
- How to Delegate*, by Alec Mackenzie (39-minute audio resource)
- The One Minute Manager Meets the Monkey*, by Ken Blanchard and William Oncken, Jr.
- Leadership Briefs: Shaping Organizational Culture to Stretch Leadership Capacity*, by Dick Daniels
- "The Delegation Bucket" – Visit "The Book Bucket" webpage for *Mastering the Management Buckets*, by John Pearson, for a list of books within each of the 20 core competencies, including "The Delegation Bucket." – <http://managementbuckets.com/book-bucket>.

⁹ John Carver and Miriam Mayhew Carver, *CarverGuide 1: Basic Principles of Policy Governance* (San Francisco: Jossey-Bass, 1996), 2.

► 4. A Common Assessment Finding: “Delegation Deficiencies”

Delegation Deficiencies. In our experience when conducting (or participating in) 360 assessments of the top leader, most direct reports to the CEO or senior pastor whine that the top leader delegates too many things! Conversely, most boards rate their top leader as deficient in effective delegation. Here’s a classic audio resource on delegation (just 39 minutes) which includes this 10-question assessment.



How to Delegate¹⁰

39-minute audio CD

by Alec Mackenzie

Alec Mackenzie, the time management guru and author of the international bestselling book, *The Time Trap: The Classic Book on Time Management*, has an **Effective Delegation Quiz** for you—and if you fail the quiz—he says you may be seriously overpaid!¹¹

Ten Delegation Questions:

Check if Yes

- 1) Do you take work home regularly?
- 2) Do you work longer hours than your subordinates?
- 3) Do you spend time doing for others what they could be doing for themselves?
- 4) When you return from an absence from the office, do you find the in-basket too full?
- 5) Are you still handling activities and problems you had before your last promotion?
- 6) Are you often interrupted with queries or requests on on-going projects or assignments?
- 7) Do you spend time on routine details that others could handle?
- 8) Do you like to keep a finger in every pie?
- 9) Do you rush to meet deadlines?
- 10) Are you unable to keep on top of your priorities?

How Many Questions Were Yes?

0 to 1: You are an excellent delegator!

2 to 4: You can improve.

5 to 6: You have a serious delegation problem.

7 to 10: You are undoubtedly doing much of your subordinates’ work and may be seriously overpaid!

¹⁰ Alec Mackenzie, *How to Delegate – Audio CD* (Listen USA, 1990).

¹¹ Read John Pearson’s review of “How to Delegate” in the April 3, 2013 edition (Issue No. 273) of *Your Weekly Staff Meeting*, archived at: http://urgentink.typepad.com/my_weblog/2013/04/how-to-delegate-cd.html.

► **5. Two Resources: BoardSource Online Assessments and CarverGuide 7**

BoardSource: “ACE”

Review the CEO assessment options, demo, and pricing at:

<https://boardsource.org/board-support/assessing-performance/chief-executive-assessments-ace/>



The Assessment of the Chief Executive (ACE) tool enables your board to evaluate the performance of your chief executive in four key areas:

- Annual performance goals
- Core competencies
- Leadership qualities
- Accomplishments & challenges

Sample Questions:

The following questions are adapted from BoardSource materials:¹²

Please indicate whether your CEO met your expectations in the following areas:

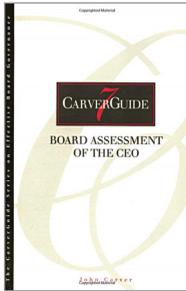
- 1 – Very Ineffective
- 2 – Ineffective
- 3 – Neither Ineffective nor Effective
- 4 – Effective
- 5 – Very Effective
- N/A – Don’t Know

<input checked="" type="checkbox"/> Board Governance and Board Relations	1	2	3	4	5	N/A
1. Our CEO’s working relationship with our board (as defined by candor, competency, trust, and integrity) is...						
2. Our CEO’s working relationship with our board chair (including all the key essentials for effective board meetings) is...						
3. Our CEO’s communication with the board (including between meetings) is...						
4. Our CEO’s critical role of balancing communication and information flow (including confidential information) between the board and the senior staff is...						
5. Our CEO’s work in supporting the board chair and our board committees by leveraging the talent and expertise of individual board members is...						

Please add any comments about our CEO’s performance related to this core competency:

¹² Adapted from “Assessment of the Chief Executive.” Accessed on August 14, 2019, *BoardSource*: <https://boardsource.org/board-support/assessing-performance/chief-executive-assessments-ace/>.

CarverGuide 7: Board Assessment of the CEO



The CarverGuide Series on Effective Board Governance

CarverGuide 7 **Board Assessment of the CEO**

by John Carver (22 pages)

6 DON'TS!

Discuss John Carver's counsel on "What Not to Do in Your CEO Evaluation"¹³

1	" Don't make CEO evaluation a popularity contest, whether popularity with board members, staff, clientele, or the public."
2	" Don't use a prefabricated CEO evaluation form you've found in a book, workshop, or magazine."
3	" Don't evaluate the CEO on whether he or she accomplished her personal objectives for the year."
4	" Don't commission a group of citizens to evaluate your CEO for you."
5	" Don't ask the staff, public, customers, clients, patients, or students what they think of your CEO's performance."
6	" Don't ever, ever evaluate the CEO on criteria that have not been created in writing by the board ahead of time."

"Remember that the purpose of CEO evaluation is to increase the likelihood of the board's getting its job done. There are three imperative steps in accomplishing this board job that directly affects the CEO. The board must:

#1. Define what should be achieved (ends) and what should be avoided (executive limitations).

#2. Fix the point of accountability on the CEO.

#3. Check regularly that ends are achieved and limitations are not violated."¹⁴

John Carver

¹³ John Carver, *CarverGuide 7: Board Assessment of the CEO* (San Francisco: Jossey-Bass, 1997), 17, 20.

¹⁴ *Ibid.*, 20.

► 6. Four More Books: More Insights on Assessment of the Top Leader

4 BOOK REVIEWS



How Many Board Members Does It Take to Change a Light Bulb?

Four Governance Books Reviewed by John Pearson
Your Weekly Staff Meeting eNews¹⁵

Issue No. 311 of *Your Weekly Staff Meeting* features mini-snippets on four governance books, along with the question: “How many board members does it take to change a light bulb?”

Serving as a Board Member – 4 Books

I’m frequently asked, “What governance book would you recommend we read before our next board and senior team retreat?”

My standard response is to ask a series of questions. What books have they read? Any new board members? Any stuck-in-a-rut board members? **Do they need the basics on governance, or a kick-in-the-behind?** Is it time for an inspirational book on decision-making and spiritual discernment? Are they readers or listeners? (Maybe a TED Talk?) Are they way too busy? Then maybe just a really, really skinny book—with big print and lots of white space? Faith-based or not?

One size doesn’t fit all. So in addition to the governance books I’ve reviewed in past issues (visit my Board Bucket webpage at www.managementbuckets.com/board-bucket), here are mini-snippets from four books. Two ideas:

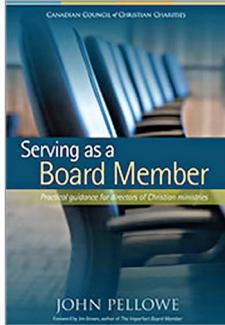
- Purchase all four books and ask four board members to give 5- to 10-minute reviews at your next board meeting or retreat.
- Or delegate your reading to four board members and then, based on their feedback, select one book for the entire board to read.

“Lord, many of us have experienced profound personal insights by reading the right book at the right time. Some of us have even made life-altering decisions after reading significant books. So guide us in our selection of books. Amen.”¹⁶

Dan Busby and John Pearson

¹⁵ John Pearson, “How Many Board Members Does It Take to Change a Light Bulb?” *John Pearson’s Buckets Blog (Your Weekly Staff Meeting)*, November 6, 2014, http://urgentink.typepad.com/my_weblog/2014/11/serving-as-a-board-member-4-books.html.

¹⁶ From the prayer in “Lesson 38, Great Boards Delegate Their Reading,” by Dan Busby and John Pearson, *Lessons From the Nonprofit Boardroom: 40 Insights for Better Board Meetings* (Winchester, VA: ECFAPress, 2018), 201.



❑ **OPTION #1: *Serving as a Board Member: Practical Guidance for Directors of Christian Ministries***
by John Pellowe (188 pages)¹⁷

In his foreword to this excellent book, Jim Brown, author of *The Imperfect Board Member*, notes “now it seems like ‘governance consultant’ is a pre-painted shingle that goes with every early-retirement, golden parachute check that gets handed out. The web is fraught with blogs and e-books on the topics of boards.”

Based on a seminar, and a DVD of the same title, the book is one of the best Christ-centered governance books available. Right from the get-go in the first chapter, “Readiness to Serve,” Pellowe speaks to the hearts of future board members about passion and calling:

- “**If the ministry’s mission is not closely tied to your interests, your board service will be a draining experience...**”
- “The Holy Spirit can nudge us towards those good works that God has prepared for us to do (Eph. 2:10); this nudging is usually described as a call.”
- “God’s individual call is normally in line with the gifts that you already have.”

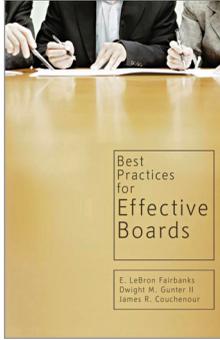
And he’s just warming up on pages 4 and 5! He adds on page 7, “You really should be able to think theologically about the mission, governance, and leadership of the ministry you are serving. If you are new to the Christian faith, you may not yet be well enough equipped for board service in a Christian ministry.”

The book’s format is unique with the voices of other experts blended into sidebars. Pellowe, CEO of the Canadian Council of Christian Charities since 2003, sprinkles in his personal insights and stories (like his home church board meetings!) every few pages—fascinating stuff! *Example:* His story on page 126 on the “Bad” 3 Rs: boards that waste enormous amounts of time on “Reviewing, Rehashing and Redoing.”

It’s tough to pick just one favorite quotation or paragraph—but this grabbed me:

You must be diligent as a director. Make sure that you ask any questions that are on your mind. **As the saying goes, the only bad question is the one you had, but didn’t ask.** You may think that since you have a banker on your board, you do not need to ask any financial questions because someone else is looking after that. It is your duty to ask these questions anyway. Do not rely on someone else to do your thinking.

¹⁷ John Pellowe, *Serving as a Board Member: Practical Guidance for Directors of Christian Ministries* (Elmira, ON, Canada: Canadian Council of Christian Charities, 2012).



❑ **OPTION 2: *Best Practices for Effective Boards***
by E. LeBron Fairbanks, Dwight M. Gunter II, and James R. Couchenour (191 pages)¹⁸

Total years of board leadership and board service for these three co- authors would rival almost any other trio. The best practices have been culled from 1) a lifetime of service as a denominational education commissioner (working with 54 educational institutions in 36 countries), 2) as a board chair and business leader, and 3) as a seasoned pastor/author and board member.

→ With almost 40 pages covering 11 documents in the appendix, you could skip the book and strike gold in every resource: “Leader Effectiveness Review Grid (22 leadership behaviors),” “Board Standing Policy Manual,” “Rules of the Road for Christlike Conflict Management,” and a “Board Survey” with 22 questions.

Can a book that articulates Christ-centered character standards for board members also meet the high bar of governance excellence? Yes! The guts of the book, 12 chapters, include helpful discussions on:

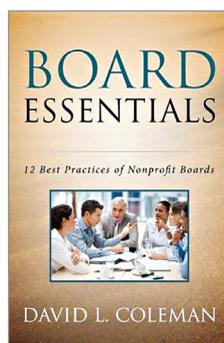
- “Ears In, Fingers Out” (great shorthand for the board role)
- “Take Time” (slowing decision-making down to hear from God)
- “Yes! to Missional Change” (choose your battles wisely)
- “Role Models of Generosity and Stewardship” (why board members must set the pace in generous giving and inspiring others to give)

In his chapter, “Yes! to Missional Change,” Pastor Dwight Gunter asks “How many Christians does it take to change a light bulb?” His answer: **“Seven. One to change the bulb and six to resist the change.”** (Insert “How many board members...” and it’s just as funny.)

Co-author LeBron Fairbanks, founding director of BoardServe.org, which serves as a global intervention and coaching resource for boards, shares my favorite quotation in the book—this from a CPA firm:

**“In the long run, only integrity matters.
In fact, without integrity,
there will be no long run.”**

¹⁸ E. LeBron Fairbanks, Dwight M. Gunter II, and James R. Couchenour, *Best Practices for Effective Boards* (Kansas City, MO: Beacon Hill, 2012).

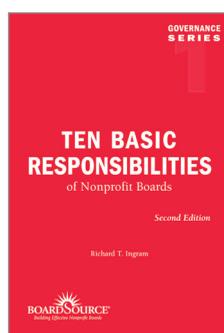


❑ **OPTION 3: *Board Essentials: 12 Best Practices of Nonprofit Boards*,
by David L. Coleman (109 pages)¹⁹**

OK...here's your skinny book. Coleman has culled from dozens of resources and produced 12 best practices—short chapters, long on practical tools and wisdom. Here's a topical taste: mission, membership, definition of governance, board roles and responsibilities, the CEO's role, the CEO and the board chair, board policies (“speak with one voice”), board meetings, fiduciary responsibilities, the board development committee—and much, much more.

Coleman, though he understands nonprofit life as a former foundation grantmaker and faith-based organization leader, has crafted this short-and-sweet book that works for both Christ-centered and secular boards. My favorite quotation in the book is a Peter Drucker keeper:

**“The first task of the leader is to make sure that everyone sees the mission, hears it, lives it.
If you lose sight of your mission,
you begin to stumble and it shows very, very fast.”**



❑ **OPTION #4: *Ten Basic Responsibilities of Nonprofit Boards* (Second Edition), by Richard T. Ingram (90 pages)²⁰**

The first title of six in BoardSource's “Governance Series” delivers the generally agreed-upon list of the 10 roles and responsibilities of nonprofit board members. (Christ-centered boards will likely add one or two more.) The book includes an excellent 20-point self-assessment for board members, with probing questions like:

- “Are there ways in which your talents and interests can be more fully realized at or between board or committee meetings?”
- “Have you and the board taken steps to deal with real or apparent conflicts of interest in your board service?”
- “Which aspect of your service on the board has been the least satisfying and enjoyable?”

Favorite quotation (on CEO performance reviews): “In the end, although we may not be able to precisely define what outstanding leadership is, we know it when we see it! Let's admit that this very subjective process is more art than science, more human than anything else. We can and should use various objective measures or strategic indicators of the organization's progress on its financial condition, for example, as part of the assessment process—but whether a leader stays or goes so often hangs on much more subtle factors.”

¹⁹ David L. Coleman, *Board Essentials: 12 Best Practices of Nonprofit Boards* (Tacoma, WA: BoardTrek Nonprofit Consulting, 2014)

²⁰ Richard T. Ingram, *Ten Basic Responsibilities of Nonprofit Boards*, 2d ed. (Washington, DC: BoardSource, 2009).

▶ 7. “Cut-and-Paste” Template for Online Survey: Top Leader Annual Assessment

Sample 360 Online Survey →



Sample Template Idea:

Use the 20 core competencies from John Pearson’s book, *Mastering the Management Buckets: 20 Critical Competencies for Leading Your Business or Nonprofit*.

Read more on the 20 competences: www.ManagementBuckets.com.

John has customized many “360” annual CEO evaluations using this template as a starting point.

On the following pages is an example of how you might create and customize a “360” assessment for your CEO.

Thanks to Jeff Lilley, board coach, for allowing us to use an assessment example from his CEO years at Seattle’s Union Gospel Mission.

You can create your own survey account at: www.SurveyMonkey.com.

→ NOTE: Permission is granted to adapt this survey for your use within your organization.



Attn: Church Boards

Review the church resources suggested for Tool #9 before you begin customizing this survey for your senior pastor. One size doesn’t fit all. And note John Carver’s wisdom (see previous pages), “Don’t ever, ever evaluate the CEO on criteria that have not been created in writing by the board ahead of time.”

Only Two Thirds of Boards Annually Evaluate Their CEO

ECFA Research Says...

Our board conducts an **annual performance review** of the CEO.

67%

REMINDER TO READERS OF THIS BOOK

This CEO Assessment template and the Board Self-Assessment template (Tool #5) are designed to be dropped into an online survey software, such as www.SurveyMonkey.com.

On the following pages is an example of how you might create and customize a “360” assessment for your CEO.

Thanks to Jeff Lilley, board coach, for allowing us to use an assessment survey example from his CEO years at Seattle’s Union Gospel Mission.

Email Cover Memo (with survey link) and Introductory Page on the Survey

Attn: Seattle's Union Gospel Mission Board of Directors

SURVEY DEADLINE: Feb. 22 – Tuesday 5 p.m.

Thank you for investing time, thought and prayer into this survey. Your insight and wisdom will help advance both the ministry of the Mission and the leadership of Jeff Lilley. Individual responses to this survey will remain ANONYMOUS and the combined results, along with all of the individual responses to the essay questions, will be shared with the Executive Committee and with Jeff at the next Executive Committee meeting. (John Pearson will be facilitating this process on that Friday.)

When you’re connected to the Internet, please click on this link:

[INSERT SURVEY LINK HERE]

This is one of three online surveys. Jeff's direct reports (6 people) will also be completing a second survey and Jeff will complete a third survey: his self-assessment.

This survey was created by John and used in recent years with our previous CEO. It includes updated edits from Jeff, John and myself.

Note: The survey must be completed in one sitting. You may now pray and then begin! THANKS!

[Name]

Chair, Board of Directors

SECTION A:

Introduction to the Annual CEO Assessment Survey – Board Members

(Drop into a survey template at www.SurveyMonkey.com)

➤ 1. How many years have you served on the board?

- Less than 1 year
- 1 – 3 years
- 4 – 6 years
- 7 – 9 years
- 10 – 12 years
- 13 – 15 years
- 16 or more years

➤ 2. **THE BOARD'S KEY ROLE.** Effective nonprofit boards know they must encourage and inspire the organization's CEO. The board must also affirm corporate goals and then CEO goals (Standards of Performance) that are aligned with the corporate goals. Then, the board must monitor CEO performance and reward achievement. If the annual goals are clear, then performance evaluation is thoughtful and objective. If the goals are fuzzy, then the CEO performance process can become rather subjective.

So . . . check ALL that apply below:

- Seattle's UGM has clear annual corporate goals.
- The President (Jeff Lilley) has specific annual goals.
- The board has effectively monitored Jeff's performance against the approved annual goals.
- We've been in transition for a while, so I'm OK with a lack of clear annual goals, but the board needs to address this in the next 30 to 90 days.
- I'm not a big fan of annual performance reviews.
- An annual performance review of the President is an imperative!
- Other (please specify):

**SECTION B:
Cause, Community, Corporation**

The leadership and management functions can be described with three hats the CEO wears: The Cause, The Community, and The Corporation. Please evaluate Jeff's effectiveness in these three areas. Your evaluation should reflect his overall effectiveness for all programs and functions. You can note specific affirmations and areas needing improvement in the essay questions near the end.

- **3. THE CAUSE.** Please check how effective you believe Jeff has been in each of these key leadership and management areas, during the last 12 months. (Check "N/A" if you have no first-hand knowledge of his effectiveness.)

The Cause: <input checked="" type="checkbox"/>	1 Very Ineffective	2 Ineffective	3 Neither Ineffective nor Effective	4 Effective	5 Very Effective	N/A
RESULTS-ORIENTED (Part 1). Identifies desired outcomes and results.						
RESULTS-ORIENTED (Part 2). Accomplishes desired outcomes and results.						
CUSTOMER-FOCUSED. Facilitates board/staff agreement on who are our primary and supporting customers (recipients, donors, volunteers, etc.).						
STRATEGY-DRIVEN. Creates and executes strategies to achieve results.						
PROGRAM-COMPETENT. Able to roll out sustainable programs that achieve agreed-upon results, that are under budget, that are within our value system, and demonstrate high quality.						

- **4. THE COMMUNITY.** Please check how effective you believe Jeff has been in each of these key leadership and management areas, during the last 12 months. (Check "N/A" if you have no first-hand knowledge of his effectiveness.)

The Community: <input checked="" type="checkbox"/>	1 Very Ineffective	2 Ineffective	3 Neither Ineffective nor Effective	4 Effective	5 Very Effective	N/A
LEADER-LEARNER. Models life-long learning as a leader.						
LEADER-MENTOR. Coaches and mentors his key people.						
SERVANT-LEADER. Demonstrates God-honoring servant leadership.						
PEOPLE-STUDENT (Part 1). Continually improves his own people skills; effectively applies such skills to all his people interactions.						
PEOPLE-STUDENT (Part 2). Understands people styles, strengths and giftedness.						
ACHIEVEMENT-CELEBRATOR. Has a system in place to celebrate individual and team performance so staff and volunteers are rewarded, affirmed and celebrated.						
CULTURE-INTERPRETER. Understands the organization's culture and ethos and communicates it to the various constituencies (recipients, board, donors, staff, volunteers, etc.).						
TEAM-BUILDER. Creates winning teams and builds a climate for others to do the same.						
FUN-INTENTIONAL. Leads the team in enjoying work and life, having fun, creating memories and demonstrating balanced lives.						
DONOR-SMART. Creates a sustainable fundraising and development strategy.						
VOLUNTEER-PURPOSED. Builds a volunteer movement that serves both the mission of the organization and the volunteers.						
CRISIS-READY. Has crisis plans in place and the board's confidence that we're ready for most crises, if they were to hit.						

- **5. THE CORPORATION.** Please check how effective you believe Jeff has been in each of these key leadership and management areas, during the last 12 months. (Check "N/A" if you have no first-hand knowledge of his effectiveness.)

The Corporation: <input checked="" type="checkbox"/>	1 Very Ineffective	2 Ineffective	3 Neither Ineffective nor Effective	4 Effective	5 Very Effective	N/A
BOARD-DEVELOPER. Helps facilitate a plan for the board's role and influence and works with officers and committees to serve and inspire them.						
BUDGET-PRUDENT. Creates a sustainable budget and financial plan and forecasts, achieves and reports financial info at agreed-upon dates.						
DELEGATION-SKILLED. Delegates as much as possible and focuses on what only the CEO can and should be doing.						
OPERATIONS-SYSTEMIZED. Creates operational policies and procedures and systems that serve, not hamper, progress and results.						
COMMUNICATION-ORIENTED. Understands the importance of targeted PR, marketing, branding and messaging; creates systems for evaluation and improvement.						
MEETINGS-ENHANCER. Facilitates formal and informal gatherings of UGM people (recipients, board, staff, volunteers, donors, etc.) and adds value and energy to what could be routine or mundane meetings.						

**SECTION C:
President's Position Description**

Position descriptions provide general guidelines of responsibilities (but not specific annual goals with metrics). However, it is helpful to review the position description each year and assess alignment.

- **6. PRESIDENT'S POSITION DESCRIPTION.** Based on the key responsibilities outlined in the President's Position Description, please check how effective Jeff has been in these areas in the last 12 months. (Check N/A if you have no first-hand knowledge of his effectiveness.)

President's Position Description: <input checked="" type="checkbox"/>	1 Very Ineffective	2 Ineffective	3 Neither Ineffective nor Effective	4 Effective	5 Very Effective	N/A
Leadership						
Strategic planning						
Fundraising						
Board of Directors relations						
Public relations						
Maintain Customer Service standards (CARE) ²¹						

- **7. PRESIDENT'S PERSONAL LEADERSHIP.** Based on these "softer" personal leadership elements outlined in the President's Position Description, please check how effective Jeff has been in these areas in the last 12 months. (Check "N/A" if you have no first-hand knowledge of his effectiveness.)

President's Personal Leadership: <input checked="" type="checkbox"/>	1 Very Ineffective	2 Ineffective	3 Neither Ineffective nor Effective	4 Effective	5 Very Effective	N/A
Maintains a vision for the Mission.						
Maintains a public and private life that is consistent with 1 Timothy 1-6, with an indisputable reputation within the community.						
Maintains a servant's heart for both people and ministries.						

²¹ Seattle's Union Gospel Mission defines customer service standards with CARE (Committed, Attentive, Responsive, Excellent).

SECTION D: Leveraging Strengths

- **8. JEFF'S GREATEST STRENGTHS.** Any list is incomplete because every person (every CEO) is uniquely gifted by God. No one CEO has all the gifts! But, please list here the greatest strengths, in your opinion, that Jeff demonstrates in his leadership of Seattle's Union Gospel Mission:

- **9. JEFF'S TOP-5 STRENGTHS.** According to the CliftonStrengths® assessment for Jeff, his Top-5 Strengths are:²²
- 1) **“STRATEGIC®** – People especially talented in the Strategic theme create alternative ways to proceed. Faced with any given scenario, they can quickly spot the relevant patterns and issues.”
 - 2) **“INPUT®** – People especially talented in the Input theme have a craving to know more. Often they like to collect and archive all kinds of information.”
 - 3) **“LEARNER®** – People especially talented in the Learner theme have a great desire to learn and want to continuously improve. The process of learning, rather than the outcome, excites them.”
 - 4) **“INTELLECTION®** – People especially talented in the Intellection theme are characterized by their intellectual activity. They are introspective and appreciate intellectual discussions.”
 - 5) **“BELIEF®** – People especially talented in the Belief theme have certain core values that are unchanging. Out of these values emerges a defined purpose for their lives.”

In your opinion, do people around Jeff help him maximize these Top-5 strengths?

- Yes
- No
- Other (please specify):

*“While the best leaders are not well-rounded,
the best teams are.”²³*

Tom Rath and Barry Conchie

²² CliftonStrengths® and each of the 34 theme names are trademarks of Gallup, Inc. To discover your top five CliftonStrengths®, please visit the Gallup Strengths Center at <https://www.gallupstrengthscenter.com/>.

²³ Tom Rath and Barry Conchie, *Strengths Based Leadership: Great Leaders, Teams and Why People Follow* (New York: Gallup Press, 2008), 2.

**SECTION E:
Your Open-Ended Assessment Thoughts**

Here's your chance to communicate your specific thoughts regarding Jeff's performance evaluation. (Reminder: while this is anonymous, 100 percent of your comments below WILL be included in the confidential report given to Jeff and the Executive Committee.)

- **10. GROWTH OPPORTUNITIES.** As you reflect on [this past year] and Jeff's [first] year of leadership at Seattle's Union Gospel Mission, identify the areas where Jeff now needs to grow in order to be a more effective leader.

- **11. MAGIC WAND #1.** If you could "wave a magic wand" and encourage Jeff to START doing something new or different, in his leadership role in the next 12 months, what would it be?

- **12. MAGIC WAND #2.** What should Jeff STOP doing in his leadership role (or style) in order to become a more effective leader for the organization?

- **13. THE BOARD'S ROLE.** In your opinion, what should the board do differently (if anything) to serve Jeff more effectively?

- **14. MEMO TO JEFF.** (Please be brief!) Here's your chance to share a thought or two with Jeff—on any concern, idea, affirmation, or even something that maybe bugs you. (Note: Everyone will read these comments also. Be discerning here. Perhaps what you need to share should be done in a one-on-one setting first with Jeff.)

- **15. OPTIONAL: LAST CHANCE.** Any other comments for the Executive Committee or Jeff? Thank you for investing time in this survey.

REMINDER TO READERS OF THIS BOOK

This CEO Assessment template and the Board Self-Assessment template (Tool #5) are designed to be dropped into an online survey software, such as www.SurveyMonkey.com.