

Tom Little's

BIG IDEAS

for Non-Profits

In This Edition

March 29 to April 2, 2021

Evaluating the Performance of the CEO/Executive Director

The right way to evaluate performance is to base it on implementation of strategic or operational plans.

Recruiting Board Members? Then Avoid the BIG LIE!

Being a Board member involves way more than attending monthly meetings. Tom tells you how to be successful in finding new members.

Put Special Focus on HR

Many non-profits, including those that provide human services, don't spend enough time fostering their most important asset.... their employees.

Headline News

Evaluating the Performance of the CEO/Executive Director

The Story

For some reason, many Boards of Directors find it hard to evaluate the work of their CEO or Executive Director. This seems curious in one way because the Executive Director is responsible for the day-to-day operation of the organization, so evaluating that person's performance is critical. On the other hand, Boards can be challenged to come up with a format that they can manage and that is meaningful.

The Skinny

The key to effective and constructive evaluations is basing them on the results achieved by the CEO/ED in completing their plan and accompanying budget. This plan is either the strategic plan or a year plan that breaks the strategic plan into one-year chunks. It may also include additional operational action items. Of course, this approach to performance evaluation assumes that there is a strategic and/or a yearly operating plan in place. If your organization doesn't have one or both, that should be priority one.

While performance against plan and budget is paramount, there is more to evaluate. These take the form of standards that the CEO/ED should be meeting, and include:

- Ensuring the day-to-day operation of the organization is compatible with its vision, mission, and values;
- Ensuring the existence of complete operational documentation, including a staffing chart and a set of operating policies and procedures that address service (or product) delivery, staffing, administration, finance, HR, IT, facilities and health and safety;
- Ensuring the existence of a healthy and supportive work environment for the organization's employees;
- Acting in accordance with Board resolutions and policies;
- Keeping the Board informed;
- Working in partnership with the Board and supporting its work;
- Identifying and mitigating operational risk;
- Ensuring compliance with all legislation impacting on the operation of the organization and with operational contracts; and
- Demonstrating exemplary professional and personal conduct.

Annually, the CEO/ED should provide the Board of Directors with a detailed report on performance against plan and budget. This becomes the core evaluative document and tool. In addition, the CEO/ED should provide anecdotal comment related to the other items listed above, as appropriate.

The BIG Idea

My BIG Idea for this week is the Boards of Directors owe it to their stakeholders and the CEO/Executive Director to evaluate their performance yearly. It should focus on organizational performance as set out in the longer term strategic plan or one year operating plan and budget, while meeting the range of standards the go with the job.

Next week I will provide tips on the evaluative process.

TomBits

Recruiting Board members? Focus on benefits and avoid the BIG Lie.

In one of my other iterations, I sit on the Board of Directors of the Fort Henry Guard Club of Canada. The Club fosters the continued connection of students and others who worked years prior to each other and to that historic institution.

Like other non-profits, it periodically needs to recruit new Board members. This year is one of those times. In preparation, I circulated a write-up on how to undertake this critical process, which I euphemistically titled: Stop the BIG Lie!

What is the BIG LIE?

Non-profit Board members know: ***The BIG LIE is telling prospective recruits that being a non-profit Board member is easy and doesn't take much time.***

Why does the BIG LIE exist? Directors are not paid, therefore it is hard to recruit people with the skills to fill this demanding role. To make it more likely that candidates will say yes, we stretch the truth - more than a bit.

Why does the BIG LIE matter? It paints an unrealistic picture of the demands of the position. For those who join a Board on that basis, once they come to terms with the reality of the position, they have only three choices - suck it up and do the job properly, follow the initial description and not put much into it, or leave. Two of those three are bad for Boards.

There are ways to avoid resorting to the BIG LIE. The most important is to focus on the many personal benefits that come with being a Board member. Here are some:

- Learning, including about non-profits and how they operate
- Connection to a great organization
- Applying your own skills and expertise (e.g. finance, legal)
- Chance to socialize

- New business contacts
- Personal satisfaction
- Fun (Board meetings and events aren't all strictly business)
- Credentials, resume building and fulfilling professional development requirements
- Opportunity to exercise leadership within and beyond the organization
- Contributing to the further improvement and development of the organization

Please note that these are all in addition to the core, altruistic reason for volunteering – i.e. to benefit the membership and the larger community. In summary, when recruiting, sell the benefits.

Blast From the Past

Blast from the Past is a selection of previous BIG Ideas articles that you may not have read, or if you did, may have forgotten how helpful and insightful (i.e., brilliantly written) they were. This article is from 2013.

Put Special Focus on HR

One irony in the non-profit sector, especially human services, is that many NPOs do not fully account for the fact that services are delivered by people.

So, while employees are critical to the operation of the organization, the infrastructure and way of managing are not designed to optimize their contribution. This can be attributed to two things: lack of money to pay for an adequate HR department, and a strong focus on the person served by the organization, at the expense of the person doing the serving.

My BIG Idea for this week is that you put special emphasis on the HR function within your organization, starting with adoption of the following principles:

- We recognize that first line staff are our key asset. To maximize their contribution we develop and implement comprehensive HR strategies. These include hiring, orientation, utilization, supervision, professional development, evaluation and retention of quality staff.
- We make HR a critical part of our long and short term planning
- We maximize the resources we allocate to the HR function
- We promote independent action and decision-making, and teamwork with our staff group
- We continuously provide encouragement to first line staff and acknowledge their accomplishments, while encouraging staff to do the same for each other
- We strive to enhance the work experience of first line staff, to develop their skills and to prepare them for advancing through the organization
- We evaluate individual performance regularly, identify strengths and need areas and encourage skill development

- We ask for input when planning and when evaluating the performance of the Management Team, and act on that input

Current CMCS Clients

We are pleased to be working with York Region Centre for Community Safety, Community Living Thunder Bay, Canopy Support Services (formerly Tri-County Community Support Services), Community Living Port Colborne-Wainfleet, Community Visions and Networking (Quinte), Chatham-Kent Family Health Team, Community Living St. Catharines, Durham Youth Services, Community Living Association for South Simcoe, Camphill Community Services, Camphill Foundation Canada, Community Living Ajax-Pickering and Whitby, Tollendale Village, Willowdale Community Legal Services, Community Living-Central Huron and New Visions Toronto.

Recent clientele includes Literacy Network Northeast, Community Living Trent Highlands and Mill Creek Care Centre.

About Tom Little and Nancy Collins

Tom Little and Nancy Collins are the principals of CMCS.

In addition to consulting for many years, Tom has been Executive Director of a large human service organization, experience he brings to the table when working with his non-profit clients. In his younger days he was lucky enough to be part of three Canadian champion hockey teams while attending the University of Toronto.



Nancy's background includes a degree from Wilfrid Laurier and working at a downtown Toronto law firm. In her spare time, at least when there is no pandemic, she plays goal in women's hockey and catcher in summer slo-pitch. A life-long Leafs fan, she no longer apologizes for her unwavering commitment, given their resurrection in recent years. Now if they could just win a playoff round!



Testimonials

On behalf the Board of Directors, we would like to thank you very much for facilitating the work of creating a new strategic plan for our network. It was a pleasure to work with you and everything flowed smoothly. It is great to have this project complete! I hope we will get the opportunity to work together again in the future. **Rita Delaurier, Executive Director, Literacy Network Northeast**

Thank you so much (for your Board training)! Looking forward to the notes and your presentation was very well received! Lots of growth happening with the board and you helped steer more of that in the right direction. Really enjoy working with you and will keep you in mind for my other boards. **Natasha Cosulich Vemb, Board of Directors, Big Brothers Big Sisters of Clarington**

Thank you again to you and Nancy for all the work, dedication and effort put into this Operations Review. We made the right choice in hiring you to do this project and on behalf of the board of directors, I express our deep gratitude. **Roz Werner-Arce, Board Chair, Durham Youth Services**

Our Strategic Plan is moving along better than I could have imagined. I chair the group of around 20 Board and staff who have been meeting monthly for the past 6 months and plan to continue through the fall. Great enthusiasm from all involved and much is being accomplished already, particularly on renewed focus on our Mission and Vision. Thanks again for getting us off on the right foot! **Frank Moore, Board Chair, Community Living Central Huron**

Free Resources From CMCS

We offer a range of free resources to help non-profits be better. For your copy, contact us at info@cmcsconsulting.ca

Board Duties
Policy Board Model
Board Meeting Minutes
Board Decision-Making Checklist
Board Evaluation Form
Dealing with Risk
List of Possible Board Policies
Board Recruitment (Stop the BIG LIE)
Management Principles
Member and Director Qualifications
The Importance of Planning
Canada's Great Non-Profit Websites
Transitioning to the New Not-for-Profit Corporations Act

Tom's Book For Boards of Directors



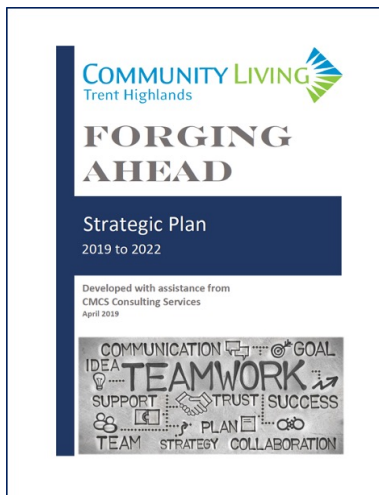
One hundred and ninety-pages. Thirty-six *BIG Ideas*. Thirteen of them are *The BIGGEST of the BIG*, ideas Tom’s experience says are critical to any non-profit. Then come twenty-three *BIG Ideas*, more ways to enhance the governance of your organization.

You don’t just get ideas either. The book contains all kinds of resources for implementing them. For example, *BIG Ideas* includes samples of strategic and Board yearly action plans, and of evaluation formats Boards can use to rate their own work.

Tom Little’s BIG Ideas is formatted as a work book, so it can be used on a continuous basis by the Directors. It is easy to read and has a fun quality your Board members will appreciate. Just \$40 plus HST and shipping. For your copy, contact us at info@cmcsconsulting.ca.

More About CMCS

At CMCS, our specialty is strategic planning.



Since the start of 2018, the following 15 organizations have completed their strategic plans with help from CMCS:

- Kenora Association for Community Living
- Community Living Dryden-Sioux Lookout
- Community Living Trent Highlands
- Elmira District Community Living
- Literacy Northwest
- E3 Community Services
- Durham Region Child Care Forum
- Tollendale Village
- Centennial College School of Transportation
- York Region Violence Against Women Coordinating Committee
- Autism Home Base Durham
- Canoe FM Community Radio
- Toronto Island Residential Community Trust

York Region Centre for Community Safety
Literacy Network Northeast

We provide Board training that comes with a bonus: A Board action plan developed by participants based on the discussion.

Tom wrote his book for non-profit Boards, which you can buy and use as an ongoing resource. We are great facilitators and can help develop agendas for Board and management retreats.

Much of our past work has been in the human service sector, especially disability. But we have assisted in other sectors such as community colleges, local workforce authorities, family health teams, Big Brothers Big Sisters, United Ways and violence against women. We have even assisted a community radio station.

We have built our reputation on producing quality products that have great content and are appealing to look at.

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