

Sample Performance Review Process for Agency Chief Executives

Calendar based on a salary/benefit change taking place in late April or early May

March 1 – 10:

Chief executive:

- 1) Prepares a report on her/his progress on goals and objectives for the previous year, plus a report on other items of importance and interest
- 2) Submits draft objectives for the upcoming year (these may be the same as the agency's objectives but they do not have to be).
- 3) Specifies any changes s/he requests in salary or benefits for the upcoming year.

March 10 – 28:

- 1) Performance Review Committee reviews the three items submitted by the chief executive.
- 2) A professional facilitator acceptable to the Committee and to the chief executive then interviews department heads individually about how they perceive the chief executive's job performance or meets with department heads and the chief executive together to discuss this topic.
- 3) The facilitator either a) conducts a written survey of board members' perceptions of the chief executive's job performance, or b) interviews board members about the CEO's job performance, or a combination of the two (e.g., written survey to all board members, in-person interviews with those who want one).
- 4) The facilitator may choose to interview the chief executive on her/his initial report.
- 5) The facilitator summarizes all the information received in a confidential written report to the Review Committee.
- 6) The facilitator schedules and participates in an in-person meeting with the Committee to discuss the report.
- 7) The facilitator provides the information in a format that makes it possible for it to be shared with the chief executive without violating the confidentiality of anyone who was interviewed.
- 8) Reports of, and any follow-up upon, any anonymous employee surveys will be part of this review.
- 9) The facilitator meets with the Committee in a meeting that a) ensures everyone on the Committee has a full understanding of all the information the facilitator gathered, and b) results in a draft performance review for the chief executive for the year past, and recommended goals and objectives for her/him for the upcoming year. During this meeting the Review Committee also agrees upon a recommended response to any salary or benefits requests of the chief executive.

April 1 – 8 Either the full Review Committee or a smaller group appointed by the Committee Chair then conducts a two-way conversation with the chief executive about everything above and attempts to reach agreement on the performance review for the past year, goals and objectives for the upcoming year, and any salary or benefits changes. The same facilitator participates in this meeting.

April Board meeting: Board acts on performance review for the year past, goals and objectives for the upcoming year, and any contract changes recommended by the review committee. Any contract changes take effect with the next payroll period.

In the event that the agency is in the midst of a large organizational change process the above dates may not be advisable and in many cases should be delayed. But communication between the chief executive and the performance review committee and board leadership should not be deferred.

Any time, all year: If issues are brought to the review committee by Board or staff members they should be addressed immediately, not on the schedule above. The process will depend on the issues and the timing, but a facilitator should be involved.

SPECIAL NOTE: This sample schedule of events assumes that the board wishes its decisions about compensation (including salary, benefits and perqs) and contract terms to be determined, at least in part, by the performance review.

There are many who argue that this is not a good idea. They say that the performance review process needs to be a constructive two-way dialogue – this, they feel, is the best way for the board to influence the conduct of the chief executive. To this end they recommend that board decisions about compensation and contract terms should happen months before or after the performance review process.

Prepared by Scott Heyman, heymanscott@gmail.com, September 2009