



# **CEO Performance Evaluation Playbook:**

## **2022**



**BOYS & GIRLS CLUBS  
OF AMERICA**



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## Summary Overview

A Boys & Girls Club board of directors authorizes its Chief Executive Officer (CEO) to act on its behalf by managing and leading the organization. As the board is ultimately accountable for the Club's performance, it must ensure that executive leadership is effective and engaging. Additionally, it is fair and just to have transparent and honest conversations discussing a CEO's performance. Upon hire, every CEO should work with the Board to develop a 90 day plan and evaluation. After that, the board and CEO should set Annual Performance Goals that include operational, financial and individual targets and check in on the status through regularly scheduled discussions to provide ongoing feedback. Quarterly or Mid-Year Reviews are a great way to ensure goals are aligned and to determine if adjustments need to be made. These discussions allow the Board and CEO to proactively identify challenges and course correct as necessary. Annually, the CEO should have a formal evaluation utilizing the [CEO Performance Evaluation Tool](#).

## Purpose of a CEO Performance Evaluation

Evaluating the Chief Executive Officer annually and creating a framework for ongoing feedback serves the following purposes:

### **Ensures CEO accountability for Club management.**

The board must hold the CEO accountable for outcomes and for acting in accordance with established policies and values. By conducting annual CEO performance evaluations, the board makes sure there is agreement with the CEO regarding job expectations and evaluates the level to which these expectations were met. A successful performance management process is proven to drive engagement and results.

### **Supports the CEO for doing an excellent job.**

The risk of not providing positive feedback and rewards to a CEO that is regularly exceeding goals and expectations is that they could leave the organization for a new position where their contributions will be more appreciated, putting the club at risk. When a CEO is rewarded and provided positive feedback, they are likely to continue to exceed goals and have enhanced impacts on their community. This will lead to engagement and retention for high performing CEOs.

### **Secures appropriate CEO leadership for the future.**

Club leadership needs may change over time. The board must regularly assess the CEO's capabilities and the needs of the organization. If aligned, then continued development can enhance the effectiveness of the CEO, if not, the board will need to take action and either support the development of these gaps or work to find a new CEO. The CEO Performance Evaluation is a great way to identify strengths and gaps that can help drive organizational decisions.

## Purpose of a CEO Performance Evaluation

**Promotes Transparent Communication** – useful ongoing feedback about job performance, achievements, and areas for improvement support a trusting relationship between a board and CEO, providing an avenue for transparent and honest communication.

**Contributes to Professional Development** – Meeting or exceeding the Annual Performance Goals, which include the Organization's Operational Goals, Financial Goals, and Individual Performance Goals is crucial to the success of a CEO. That said, how they get the work done and the culture they create is equally as important. The board can provide critical feedback about areas where the CEO can improve in their leadership skills. This is done in the core competencies section of the CEO Performance Evaluation. Having the CEO complete the annual CEO Leadership Assessment in Spillett Leadership University and sharing it can support more meaningful conversations and lead to greater alignment and development for a CEO.

**Sets alignment on goals for the upcoming year** – This alignment helps clearly communicate performance expectations in advance. These goals should be reviewed regularly and revised as necessary to respond to changing priorities.

## Best Practices

**Align timing** - The timing should be linked to the organization's fiscal calendar and planning cycle.

**Get input from multiple areas** – When conducting the annual CEO Performance Evaluation, getting multiple feedback sources is critical. While the Board Chair should take lead on this process, it should include feedback from all members of the executive committee and others who observe the CEO and interact with them regularly. These multiple board members should take time throughout the year to observe the CEO in action and communicate their observations with the Board's leadership team.

**CEO should complete a self-evaluation beforehand** – Giving the CEO the opportunity to take time for self-reflection on if and how they accomplished goals is important. Additionally, it allows them to share the key metrics that are tied to the annual goals. The key is that this evaluation should be a two-way conversation.

**Communicate about performance throughout the year** – not just during the evaluation process. With regular and informal or formal feedback and communication between the CEO and the Board Chair, there should never be any surprises during the evaluation process. Modifying or changing behavior toward more effective working habits or updating goal priority should be the focus of the conversations. Continue to set ongoing expectations and provide feedback in real time throughout the year.

## Best Practices

**Discuss development opportunities.** The Board Chair and CEO should utilize the annual CEO Performance Evaluation and other tools like the CEO Leadership Assessment to discuss opportunities for professional development. After completing the Leadership Assessment, they can use the CEO Development Guide to create an Individual Development Plan. Use performance meetings to review options for professional development to build skills. CEO coaching, training, on the job experiences, networking, and mentoring relationships are all a large part of the development process and the Board should be there to support the process.

**Merit and Bonus Alignment:** Organizations should have a process that provides a framework for merit-based increases correlated to annual performance and financial health of the organization. If your organization provides a financial performance bonus to CEOs based on goals then the bonus plan should align with the goals identified in the CEO Performance Evaluation.

**Set High Quality Goals:** Setting goals at the beginning of the year that drive impact and push performance toward your strategic goals and priorities are crucial to the process. You can utilize the CEO Performance Goals Form to ensure goals are SMART: Specific enough to know if success has been reached, Measurable with defined outcomes, Achievable so that they push performance but not unattainable, Relevant to your strategic direction and Timebound. The success of an organization is reliant on both the board and the CEO, this means that some goals will be shared between the CEO and Board. The annual CEO evaluation is also an opportunity to evaluate if the Board provided the necessary support for CEO success.

**Call on your DOD** to provide goal recommendations, resources, tools and best practices for the performance evaluation process.

## Goal Examples

Enter up to three goal statements for each functional area along with the measurement you will use to track your goal. Not all goals are equal so determine the weight of each goal and enter it in the "Goal Weight" box on the CEO Performance Goals Form and Annual Evaluation.

### Organization's Operational Goals

Goal Statement	Measures
Increase Average Daily Attendance (ADA)	Increase 5% to X amount of youth
Increase Optimal Club Experience	Increase 2% to X amount
Increase Teens	Increase 5% to X amount of teens

### Financial Goals

Goal Statement	Measures
Increase revenue	Increase X% to \$X
Increase Individual Giving	Increase to 30% of revenue or \$X from individual giving
Improve Cash / Expense Ratio	Increase to >30%

### Individual Performance Goals

Goal Statement	Measures
Improve Board Engagement	Increase board members giving a personal unrestricted gift to 90%
Improve Board Led Safety Committee	Add 2 community members to committee
Improve Employee Engagement	Implement development plans for all full time staff

**Tools to Utilize - Click on the Tools below to access the resource.**

**CEO Performance Goals Form**

**CEO Performance Evaluation Tool**

**CEO Leadership Assessment in Spillett  
Leadership University**

**CEO Development Guide**