"How Are We Doing?" Evaluating the Performance of The Chief Administrator

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Picture a governing board meeting at a hectic time of year. Perhaps it is budget season and difficult funding decisions loom. Or the members are still recovering from stinging criticism over a hot community issue. Suddenly someone says, "Hey, didn't we say last year that we were going to evaluate the manager around this time?" Other members groan inwardly as they envision yet another series of meetings and potential conflict with other board members. One member says, "Everything seems to be going OK. Let's just go ahead and decide on a salary increase now. Is an evaluation really that important?"

Yes.

Evaluating the performance of the chief administrative officer—whether the title is manager or health director or school superintendent or social services director—is critically important.

In recent years, jurisdictions increasingly have recognized the importance of a useful performance evaluation system to the overall effectiveness of their organizations. They have taken steps to improve their methods of evaluating line workers, supervisors, and department heads. But one very important individual is frequently overlooked at performance evaluation time: the person who reports to the governing board. Governing boards have a responsibility to get on with that job. This article is designed to show how to evaluate a chief administrative officer who reports to a governing board, for simplicity called here the "manager."

Ironically, the reasons that a manager may not receive a regular performance evaluation are the very reasons that an evaluation can be helpful:

- this individual is in a unique position in the organization;
- he or she serves at the pleasure of the board; and
- he or she may frequently receive conflicting messages about priorities and direction from board members.

It is vital for managers to get regular, accurate feedback about whether they are meeting the expectations of the board, but it is unlikely that the organization will have a useful process in place for administrators to get that information in the absence of a well-conceived performance evaluation system.

Conducting an effective evaluation is hard work, but it doesn't have to be a bad experience for the board or the manager. With planning and a commitment to open lines of communication, chances are good that the experience will result in a new level of cooperation and understanding between manager and board and, ultimately, a more effective working relationship.

Common Pitfalls

Both the board and the manager may approach an evaluation with reluctance. Board members will be required to talk openly and honestly about the positive and negative aspects of a person's performance—a difficult task for many people. The manager must be able to receive this feedback in a nondefensive manner, even when it appears that the board is articulating specific performance expectations for the first time, or that the board is focused on the manager's conduct in the most recent crisis, rather than his or her overall performance. Here are some common problems that boards and managers encounter when they plan for and conduct a performance evaluation.

- The board evaluates the manager only when there are serious performance problems, or when all or some of the board members already have decided that they want to fire the manager.
- The board realizes it is time to determine the manager's salary for the upcoming year, and it schedules a performance evaluation for the next meeting, without discussing the format or process of the evaluation.
- The discussion during the evaluation is unfocused, with board members disagreeing about *what* the manager was expected to accomplish as well as *whether* the manager met expectations.
- The board excludes the manager from the evaluation discussion.
- The board evaluates only the manager's interactions with and behavior toward *the board*, even though members recognize that this may represent a relatively small portion of the manager's responsibilities.
- The board borrows an evaluation form from another jurisdiction or from a consultant without assuring that the form matches the needs of its own board and manager.

Most of these pitfalls can be avoided by planning and conducting a systematic process for evaluating the manager's performance. A thorough evaluation process, like the one suggested below, contains several essential components (see Figure 1).

Figure 1
Steps in Planning and Conducting an Evaluation Process

Planning the Evaluation

1. Agree on the purpose(s) of the evaluation.
2. Agree on what the board expects of the manager.
3. Agree on the frequency and timing of the evaluation.
4. Agree on who will be involved.
5. Agree on an evaluation form to be used.

Conducting the Evaluation

1. Have individual board members complete the evaluation form prior to the evaluation session.
2. Have the manager do a self-assessment.
3. Agree on a setting for the evaluation discussion.
4. Have the manager present during the evaluation.
5. Consider using a facilitator.
6. Allow sufficient time.
7. Include a portion where the board evaluates its own performance.
8. Decide on the next steps and critique the process.

A Suggested Evaluation Process

Planning the Evaluation

1. Agree on the purpose(s) of the evaluation. Typically, boards identify one or more of the following when describing the purpose of an evaluation:

- to give the manager feedback on his or her performance and to identify areas where improvement may be needed;
- to clarify and strengthen the relationship between the manager and the board; and
- to make a decision about the manager's salary for the upcoming year.

These goals are not incompatible, and it is possible to accomplish all of these tasks at once. However, it is essential that board members and the manager discuss and reach agreement on the purpose of the evaluation before deciding what the rest of the process will be. For example, a board member who thinks the main reason for doing an evaluation is to make a decision about compensation may think a brief consultation among board members—minus the manager—is sufficient to ensure that no members have any major concerns about the manager's performance. This member also may ask for input from a personnel specialist who can provide information about managers' salaries in comparable jurisdictions. By contrast, a board member whose main interest is improving communication between the board and the manager may suggest a process that includes a conversation between the board and manager, with the manager present throughout the evaluation.

A board might question whether the manager should be involved in planning the evaluation process, as the evaluation may be seen as the board's responsibility, with the manager as the recipient of the evaluation. Yet most boards want to conduct an evaluation that is helpful to the manager and provides guidance for his or her future actions. Because it can be difficult for the board to fully anticipate what the manager would—or would not—find useful in an evaluation, it is wise to consult with the manager early in the planning process. For instance, the board may feel that the manager would be uncomfortable hearing board members talk about his or her performance firsthand and so design a process that "protects" the manager from hearing any negative feedback. Although the board's motives may be good, such a design may not meet the manager's needs if the manager actually wanted to be part of the discussion, negative comments and all. Spending some time talking about the purpose of an evaluation at the beginning of the process will reduce the possibility of misunderstandings and conflicting priorities later on.

2. Agree on what the board expects of the manager. A job is essentially *a set of expectations*. It is possible to assess whether or not an individual holding that job has met expectations. Unfortunately, boards often find themselves in the position of preparing to evaluate the manager without first having defined those expectations and without having given the manager clear guidance about what he or she has to do to fulfill them. An evaluation can be useful only if an earlier discussion has taken place in which the board and manager have outlined expectations for the manager's performance. A board and manager may discuss expectations in conjunction with setting organizational goals for the upcoming year, perhaps as part of an annual retreat.

After setting goals, the board may specify objectives for the manager that define his or her role in meeting these goals. These objectives, then, are the board's expectations concerning the manager. For example, a city council may set a goal of working with agencies and community groups to reduce drug-related crimes in the city. The council may list one or more objectives for the manager related to this goal: for example, identifying groups and agencies that already are working to reduce drug-related crime, forming a partnership that includes members of all relevant groups, or explaining new programs to the local media. If the manager needs clarification of the objectives or has some concerns about his or her ability to meet the board's expectations, those issues are best discussed at the time these objectives are set, rather than a year later when the board wants to know why its expectations have not been met.

In addition to identifying *what* the board wants the manager to achieve, a board typically has an interest in *how* the manager achieves these objectives; it expects the manager to have certain knowledge and exhibit certain skills while performing his or her duties. Expectations about the manager's knowledge and skills also should be articulated by the board. For example, the board may expect the manager to have oral and written presentation skills that enable him or her to present ideas clearly and concisely to diverse groups. It also may expect the manager to be able to allocate resources in a way that ensures equitable service delivery to citizens and to be able to delegate work effectively and evaluate the performance of his or her staff.

A board's expectations for the manager often represent a mix of general areas of knowledge and skills every manager should possess, as well as specific expectations based on the board's composition, the organization's history, or special features of the city or region. Therefore it may be helpful for the board to use an existing list of managerial expectations as input for its discussion, then customize these expectations to fit the needs of the jurisdiction. Many professional organizations—for example, the International City/County Management Association (ICMA) for city and county managers—can supply such a list; or the board and manager may contact other communities in their area. Remember that a list of expectations for the manager that comes from a source outside the board is intended to *begin* a discussion of the board's expectations for the manager, not to *replace* this discussion. The only way for the board to give clear, consistent guidance to the manager is to spend some time talking about what it wants the manager to accomplish and about the knowledge and skills he or she should exhibit in the process.

3. Agree on the frequency and timing of the evaluation. The board and manager should agree on how often evaluations should be conducted (perhaps once a year, for example) and adhere to that schedule. The timing of the evaluation also should be considered. For example, the board may wish to have the evaluation cycle and budget cycle coincide and make decisions about the manager's compensation at such a time. Or, it may choose to conduct the evaluation before the budget process gets under way if it feels that it would not be able to give its full attention to the evaluation during the months leading up to the adoption of the budget. The board should avoid scheduling the evaluation just before or after an election. If the evaluation is held too soon after an election, new members may not have the time they need to gather information about and form a judgment of the manager's performance. Likewise, it is not a good idea to schedule an evaluation just before an election if a change in the composition of the board is expected.

4. Agree on who will be involved. All members of the board and the manager should participate in the evaluation (more about the manager's presence at the evaluation, below). The full board's participation is necessary, because all members have relevant information about the manager's performance. In addition, during the planning process the board and manager should consider whether there are other parties who have an important perspective on the manager's performance. A common problem is for the board to focus entirely on the manager's interactions with the board, even though the manager spends only a fraction of his or her time in direct contact with the board.

Although both the board and manager may feel that the perceptions of staff, citizens, and others are important, they may be concerned about how these perceptions will be collected and shared. It is not a good idea for board members to go directly to staff and poll employees on their views of the managers' strengths and weaknesses, for example. Such actions would put board members in an inappropriate administrative role and may put staff members—including the manager—

in an uncomfortable position. Instead, the manager might hold "upward review sessions" with his or her staff, in order to receive feedback from subordinates, and report general themes that came out of these sessions as part of his or her self-assessment.

The goal is not to make the manager feel under attack; rather, it is to acknowledge that many people may have relevant information about the manager's performance and that the board should not be expected to know everything about the manager's work. If the board and manager choose not to incorporate other sources of information in the evaluation, the board may want to consider omitting performance criteria that it feels unable to judge (such as the coaching and mentoring of subordinates).

5. Agree on an evaluation form to be used. Frequently this is the first step that boards consider when planning an evaluation, and they find it to be a difficult task. However, if the board already has discussed and agreed on what it expects of the manager (see Step 2), agreeing on an evaluation form becomes much easier. It is simply a matter of translating expectations into performance criteria, making sure that the criteria are clear and measurable. For example, three expectations in the area of "knowledge and skills necessary for local government management" may look like Figure 2.

Figure 2
Portion of Sample Evaluation Form

Presentation Skills—The ability to understand an audience and present an idea clearly and concisely, in an engaging way, to a group whose interests, education, culture, ethnicity, age, etc., represent a broad spectrum of community interests and needs.

1	2	3	4	5	
Does Not Meet Expectations		Meets Expectations		Exceeds Expectations	Unable to Rate

Citizen Service—The ability to determine citizen needs, provide equitable service, allocate resources, deliver services or products, and evaluate results.

1	2	3	4	5	
Does Not Meet Expectations		Meets Expectations		Exceeds Expectations	Unable to Rate

Delegating—The ability to assign work, clarify expectations, and define how individual performance will be measured.

1	2	3	4	5	
Does Not Meet Expectations		Meets Expectations		Exceeds Expectations	Unable to Rate

Following each criterion on the evaluation form is a scale ranging from "does not meet expectations" to "exceeds expectations," with an option of marking "unable to rate." Although a board may choose to assign numbers to this scale (for example, 1 through 5, with 1 corresponding to "does not meet expectations" and 5 corresponding to "exceeds expectations"), a numerical rating system is less useful in an evaluation of the manager than it is in an organizationwide evaluation of all employees, where standardized comparisons may have some value. In fact, a potential problem with using a numerical rating system is that it is easy to focus on the number as the end in itself, rather than simply a shorthand way to express the evaluation. Thus a board may discuss at length whether a manager's performance on a given dimension is a 3 or a 4, and perhaps conclude that it is a 3.5, without fully exploring what those numbers represent.

Samples of evaluation forms may be obtained from ICMA and other professional organizations. Again, it is essential for each board and manager to tailor a form to meet their needs.

Conducting the Evaluation

1. Have individual board members complete the evaluation form prior to the evaluation session. Setting aside some time for individual reflection is important preparation for the evaluation session. It reinforces the message that this is an important task, worthy of the board members' attention. Making individual assessments before beginning a group discussion also increases the likelihood that each member will form his or her own opinion without being influenced by the judgments or experiences of other members.

This is not meant to imply that board members cannot change their minds as a result of group discussion; on the contrary, members frequently change their views of a manager's performance as they hear the perspectives of other members and learn information that was not available to them when making their individual assessments.

2. Have the manager do a self-assessment. Inviting the manager to assess his or her own performance can add a helpful—and unique—perspective to the evaluation process. In most cases, the manager can simply complete the same evaluation form being used by the board. For the manager, the comparison of the self-assessment with the assessments of others provides an opportunity for insight into his or her own overestimation or underestimation of performance level as compared to the expectations of the board. For the board, hearing how the manager rates his or her own performance (and more importantly, how he or she arrived at that rating) can help members gain some insight into whether the board and manager are communicating effectively. For example, board members may rate the manager as not meeting expectations in a given area because a land-use study was not completed. Upon discussion with the manager, however, the board learns that the study has been completed but has not yet been presented to the board. This distinction is important, because it suggests different areas for improvement. If the manager did not complete the study, the discussion may have focused on the importance of meeting deadlines. Instead, the group may develop strategies for improving communication so that board members receive information in a timely manner.

3. Agree on a setting for the evaluation discussion. The evaluation should be conducted in a setting that is private and comfortable, free from interruptions, and considered neutral by all parties. These are the same characteristics a board may look for in a retreat setting when it meets to develop a long-range plan, discuss roles and responsibilities of new board members, and the like. The idea is to set aside a time and place to address a single topic, away from the pressure of a loaded agenda.

Boards frequently ask whether the manager's evaluation is defined as an open meeting. Since the board is considering the performance of the manager—a public employee—during an evaluation, such a meeting may be held in executive session. According to the open-meetings statute, a public body may hold an executive session to "consider the qualifications, competence, performance, character, fitness, conditions of appointment, or conditions of initial employment of a public officer or employee."[1]

4. Have the manager present during the evaluation. The above example, where the board learns important information from the manager during the evaluation, illustrates the benefit of having the manager in the room and playing an active role in the evaluation. A manager present during the discussion can respond to questions from the board, ask questions, and provide relevant information that otherwise may not be available to the board.

Frequently, a board's first impulse is to exclude the manager from the evaluation session. Some members may be reluctant to share negative feedback in the manager's presence. Other members may fear that the evaluation will turn into an analysis of the manager's handling of a single incident, with the manager defending his or her actions. Still others may want to shield the manager from what they perceive to be unduly harsh criticism from a few board members. These are valid concerns. However, many of the problems anticipated by the board stem from a lack of planning rather than from the manager's presence at the evaluation; consequently, many of these issues can be addressed in earlier phases in the planning process. For example, a good evaluation form will help ensure that the discussion focuses on job-related behaviors rather than personal traits and will look at the previous year's performance rather than that of the previous week.

Some boards choose to exclude the manager from the evaluation session and select one member to summarize the board's discussion for the manager after the evaluation has been completed. Appointing a "designated spokesperson" to communicate the board's evaluation to the manager is often frustrating for both parties. It is difficult for one person to summarize a complex discussion in an accurate and balanced way, and the spokesperson may end up overemphasizing some points and underemphasizing or eliminating others. For a manager who is seeking feedback and guidance, this one-way communication usually does not give a full picture of the board's perceptions; consequently, the manager may make future decisions that are not consistent with the board's expectations.

Even with a careful planning process, board members still may have concerns about sharing negative feedback with the manager. As described in the next section, a skilled facilitator frequently can diminish these concerns by helping the group discuss these issues in a constructive way.

After the board has concluded its discussion of the manager's performance, it may wish to excuse the manager while it makes a decision about the manager's compensation. The manager presumably will receive any feedback and guidance from the board before the salary discussion, so his or her presence is not necessary at this point. However, the board should keep in mind that the actual setting of the manager's salary is not covered under the personnel exception to the open-meetings law, and as such this determination should take place in an open session.[2]

5. Consider using a facilitator. A performance evaluation is a complex task, particularly when an entire group is participating in the evaluation. Members may have different views of the manager's past performance, or different expectations for the future. Board members also may be reluctant to share negative feedback, or they may be concerned that their feedback will be misinterpreted. For all these reasons, it is often helpful to use a facilitator when conducting the evaluation. A facilitator can help the group by monitoring the group's process, while leaving all members free to focus on the task of the evaluation. Facilitators often suggest that groups use a set of ground rules to help them accomplish their work more effectively.[3]

The board might look to local business, civic, and academic leaders for recommendations for qualified facilitators; or it might contact the Institute of Government or the state's Association of County Commissioners, League of Municipalities, School Board Association, or similar organizations for help in this area.

6. Allow sufficient time. A useful technique for the actual evaluation is a "round-robin" format. Each member in turn expresses his or her judgment of the manager's performance on a given criterion, and the entire group then discusses any differences among individuals' ratings, with the goal of reaching group consensus on the manager's performance in this area before progressing to the next performance criterion. Even with a small board that is in general agreement about the manager's performance, this is a time-consuming process. Therefore setting aside a full day for the evaluation session is a good idea. Although this may seem like a lot of time to devote to one issue, the consequences of failing to reach agreement on what the board expects of the manager can ultimately require far more time and energy. The group may wish to divide the evaluation session into two half-days, if that is more manageable (both in terms of scheduling and energy levels).

7. Include a portion where the board evaluates its own performance. In theory, it is possible for a board to specify expectations for the manager and then evaluate the degree to which a manager has met these expectations. In practice, however, meeting expectations is usually a two-way street, and it is helpful for a board to examine its own functioning and how it contributes to—or hinders—the manager's effectiveness. For example, a board may have set a number of high-priority objectives for the manager to meet, after which individual board members brought new "high-priority" projects to the manager throughout the year. In this case, the board would be partly responsible for the manager's failure to meet the expectations initially set by the board.

8. Decide on the next steps and critique the process. The actual evaluation of the manager's (and the board's) performance may seem like the last step in the evaluation process, but there are still a number of decisions to be made before the next evaluation cycle can begin. The board may wish to have a separate session to make a decision about the manager's compensation. This is also a logical time to talk about expectations and goals for the coming year, and the board may wish to set a date in the near future when it will set expectations and performance measures in preparation for the next evaluation.

An important final step: Before the evaluation is concluded, all members should assess the evaluation process itself. This self-critique helps the group look at its own process and learn from its experiences working together. By reflecting on the task just completed, the group frequently identifies components of the process that worked well and aspects that could have been more effective. For example, it may decide that it did not clearly define the manager's role in reaching board goals before the evaluation and resolve to address this by a specified date.

Conclusion

As the steps described here illustrate, the evaluation of a chief administrative officer is a process, not an event. Careful planning and a commitment to communication between the board and the manager throughout the year will greatly facilitate the actual evaluation and increase the likelihood that it will be a valuable experience for all involved.

One last word: Don't let the fear that your board has not laid the proper groundwork prevent you from getting on with the job. You will probably see some things that you would like to change after the first evaluation (and the second, and the third . . .). That's what the self-critique is for. The important thing is to begin the process. Making the evaluation a regular part of the board's work is the best way to ensure its success. ❖

Notes

1. N.C. Gen.Stat. § 143-318.11. For more on open meetings and procedures for going into an executive session, see David Lawrence, *Open Meetings and Local Governments in North Carolina: Some Questions and Answers*, 3d ed. (Chapel Hill, N.C.: Institute of Government, The University of North Carolina at Chapel Hill, 1986).

2. See Lawrence, *Open Meetings and Local Governments in North Carolina*, 20.

3. A detailed discussion of ground rules and the role of the facilitator can be found in Roger M. Schwarz, "Groundrules for Effective Groups," *Popular Government* 54 (Spring 1989): 25–30, and Kurt Jenne, "Governing Board Retreats," *Popular Government* 53 (Winter 1988): 20–26.