

GETTING PAID WHAT YOU'RE WORTH

A Guide for Chief Staff Officers of
Not-For-Profit Organizations on How to Negotiate a
Competitive Compensation Package

Dan Stapleton, CAE



CANADIAN SOCIETY OF ASSOCIATION EXECUTIVES
SOCIÉTÉ CANADIENNE DES DIRECTEURS D'ASSOCIATION



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10 King Street East, Suite 1100
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PREFACE

This booklet is designed to help CSAE members negotiate salary and benefit compensation packages with their employers more effectively and successfully. It includes helpful tips for the busy not-for-profit executive and addresses a few of the more common challenges members have reported to CSAE staff and volunteer leaders.

The publication is geared to the Chief Staff Officer (CSO¹), or the “A” Level Executive: the single, most senior full-time salaried executive of the organization who reports directly to the board. (Common Titles: President, Chief Executive Officer, Executive Director, Executive Vice President, General Manager, Registrar).²

¹ “CSO” is used throughout this publication to denote the most senior staff person in the organization.

² Canadian Society of Association Executives (CSAE), *Association Executive Benefits and Compensation Report*, CSAE, 2005.

THE IMPORTANCE OF GOOD COMPENSATION

Not-for-profit organizations must pay competitive salaries and benefits to attract and retain good staff at all levels; particularly to the CSO, who is the most important staff member for the board of directors.

Salary ranges and benefit levels should be based on research conducted on compensation levels in the market (other not-for-profit organizations, small and medium sized private-sector companies, etc.). Essentially, the CSO should be paid what he or she would earn if working in the same (or a similar) position in another comparable not-for-profit organization.

CSOs working in industry/trade and professional associations tend to earn, on average, 20 percent more at the “A” level than those employed by registered charities and special interest associations. If you’re based in Ottawa or Toronto and you lead a national or international association, you’ll also earn more.³ Organizations with larger numbers of members (over 2,000) also tend to pay higher compensation. Not surprisingly, a definite correlation exists between executive compensation and revenue—the higher the organization’s revenue, the higher the CSO’s compensation. CSOs employed by organizations with revenues over \$5 million, for example, earn significantly more than those with revenues less than \$500,000.

Realistically, what an employer can afford to pay usually determines compensation levels in many organizations. Nevertheless, even smaller organizations with limited funds should make it a priority to pay competitive compensation to attract and retain the most professional and skilled CSOs. Frankly, there are negative consequences to “low-balling” CSO and staff compensation by paying at below-market levels. Staff turnover, for example, is often a clear and costly signal an employer is not competitive.

Not-for-profit executives are extraordinarily committed to an organization’s “cause”, but that should not come at the expense of an appropriate salary and benefits package. There is no compensation rule that entitles not-for-profit organizations to an automatic 10 percent

³ Canadian Society of Association Executives (CSAE), *Association Executive Benefits and Compensation Report*, CSAE, 2005.

discount on staff compensation; good people want to work in a satisfactory environment offering interesting work, fair supervision, and competitive pay.⁴

Gender gaps in compensation still exist: female CSOs tend to earn less than their male counterparts in similar roles. While this disparity is decreasing each year, gender should be an irrelevant factor in compensation negotiation. CSAE is committed to narrowing that gap through education of not-for-profit sector CSOs, volunteers, and boards. If the well-performing female CSO can demonstrate that she is compensated below the median salary of other CSOs leading comparably sized organizations in her geographic area, the board must make a conscious decision to pay her below, at, or above the market rate. This will also make them aware that they could possibly lose the CSO to another organization that pays at or above market rate.

Executives with formal employment contracts also earn more than those without, especially if there is no term specified or there is a longer-term contract (i.e. greater than three years). Good contracts not only provide security for both parties, but often lead to higher compensation for the CSO, as well.⁵

What is Part of Compensation?

Total compensation consists of some or all of the following components:

- Base salary
- Retirement benefits (e.g. pension plan or, more commonly, RRSP contributions)
- Health benefits (e.g. life insurance, prescription drugs, dental coverage, vision care, LTD, travel insurance, etc.)
- Vacation benefits
- Other/fringe benefits (e.g. professional membership fees, cell phone, use of airline points for personal travel, home office computer, flexible working hours, fitness club membership, etc.)
- Professional development (e.g. conference fees and travel, workshops, executive development, etc.)
- Incentive compensation (or “bonus”)

⁴ Losey, Michael, “Negotiating Equitable Compensation”, *Associations Now*, ASAE and the Center for Association Leadership, June 2006, p. 46.

⁵ CSAE, *Association Executive Benefits and Compensation Report*, Blue Chip Edition, 2003.

The range of benefits CSAE members receive may vary widely. The most common retirement benefit is the employer contribution towards an RRSP. Health benefits usually include life insurance/accidental death and dismemberment, extended health care and major medical insurance, prescription drug coverage, and dental plans. Typical fringe benefits are conference (including CSAE) registration and travel, CSAE membership dues, cell phones, laptop computers and/or PDAs, and time off in lieu of overtime. Most employers pay for use of a personally-owned vehicle on company business (reimbursement per kilometre; parking) rather than the full cost of a leased vehicle.

Total Compensation Scenario: Professional Development

Mary wished to take an executive development program. She was quite experienced and had attended many courses, seminars and workshops over the years. She had been with the organization for over three years and was ready to go “to the next level” in her professional development. Her chair was supportive, and the executive committee approved her registration for a week-long intensive executive development course offered by a well-known business school.

Mary applied the knowledge gained to the organization.

Food for thought

Total compensation includes professional development. Boards can reward a CSO for exceptional performance by paying an appropriate, competitive salary level and providing generous assistance with executive development. The organization benefits from the knowledge gained by the CSO and has a happier, well-rewarded employee.

ROLES/RESPONSIBILITIES RELATED TO NEGOTIATION OF CSO COMPENSATION⁶

The Board's Role

CSO salary negotiations should be delegated to a smaller sub-set of the board, such as an evaluation and compensation committee (or the executive committee, if one exists). The full board should not be involved in this discussion.

The board approves the global budget, including a total compensation budget (salaries and benefits) for all staff. The board often approves—in the form of a motion—that a compensation adjustment be made for the CSO following the annual performance review. The evaluation and compensation committee—not the full board—should handle the details of this adjustment. Any incentive compensation (if an incentive plan exists) or bonus should also be handled by the compensation committee. A bonus is usually paid to a CSO upon successful achievement of pre-determined goals or milestones.

The Board Chair's Role

Since the CSO often reports to the board through the chair, or the chair is the CSO's primary point of contact with the board, the chair usually carries the most responsibility in salary and benefits discussions with the CSO. This is particularly important if the CSO is concerned about the level of compensation. In some organizations, someone other than the board chair will lead the evaluation and compensation committee, but the board chair should be an active member.

The Executive Committee's Role

In some organizations, negotiation of CSO compensation is handled by the executive committee (if there is one), rather than an evaluation and compensation committee. In this case, the executive, chaired by the board chair, reviews research on competitive compensation levels, negotiates the salary and benefits, and recommends the percentage increase for board approval.

The Chief Staff Officer's Role

In an ideal world, the board chair initiates the annual salary review based on an annual performance review. The chair is a volunteer with many other priorities, however, so it is

⁶ Adapted from: Shand, Jack and Stapleton, Dan, *The Human Resource Best Practices Manual*, Canadian Real Estate Association, 2006.

appropriate for the CSO to ensure the process gets underway and the evaluation and compensation committee has access to the appropriate resources.

The CSO—and not the board—determines staff compensation (salaries and benefits) based on the organization’s overall approved compensation budget. Any adjustments should be made annually based on several criteria: increases other employers are providing; job reclassification such as additional responsibilities; merit and; what the organization can afford.

Individual employee salaries (other than the CSO) are not set by the board; nor should they be disclosed to, or influenced by, individual directors for legal reasons (e.g. privacy). Employee salaries should be consistent with commonly accepted management practices.

Compensation Scenario

A CSO had not received a cost-of-living increase for seven years and complained to a colleague. Upon probing, it was apparent she had never asked the board for a compensation increase in all those years.

Food for thought

CSOs must assume responsibility for their situation and not expect the board to take the initiative with respect to compensation. This CSO adopted a passive approach and put up with the lack of an increase for several years. The onus is on the executive to “look out for yourself.”

The Evaluation and Compensation Committee’s Role

As outlined above, the CSO’s compensation negotiations should be delegated to an evaluation and compensation committee. This committee is usually responsible for leading the CSO’s annual performance review upon which compensation adjustments are based. Sometimes, the committee consists of the board chair, the chair-elect and past-chair, or officers of the board. They should deal with all details of the compensation package by reviewing research on competitive compensation levels in other organizations, establishing a salary range for the CSO position, and negotiating an acceptable salary adjustment with the CSO based on the results of the annual performance review within the organization’s previously approved salary and benefit budget.

The committee should then recommend for board approval the percentage increase in compensation at an *in camera* portion of a board meeting. The method of arriving at the increase and the overall results of the performance review can be part of the report provided to the board (such as the comparison with benchmarks via third-party information, the

percentage of the administrative expenses that are salaries and benefits for all staff, etc.). Details of the CSO's compensation package should not be discussed by the full board. Instead, these particulars should be delegated to the evaluation and compensation committee.

RESOURCES

The CSO, with board support, should monitor compensation levels for comparable positions in the market (community and region) where the organization is based. This can be done informally (e.g. checking job advertisements which include salary levels) throughout the year, and formally (e.g. conducting an internal analysis by reviewing salary data) at least every three years.

Compensation survey reports can help the CSO and the evaluation and compensation committee determine appropriate salary and benefit levels. CSAE's *Association Executive Benefits and Compensation Report* provides comprehensive data based on annual research conducted with a variety of not-for-profit organizations. It includes organizational characteristics such as budget size, number of members and employees, geographic location (large cities vs. smaller centres), gender, seniority, type of organization, etc. It is used by over 85 percent of CSOs who reference such surveys. Between 2004 and 2005, the number of not-for-profit CSOs who reference compensation surveys has climbed from 45 to over 60 percent, and those using surveys earn an average of 25 percent more than those who don't.

Consulting firms and chambers of commerce (e.g. Watson Wyatt; Toronto Board of Trade) also publish reports that include not-for-profit comparison data. Some organizations also hire consultants to conduct periodic salary surveys for comparative purposes. Other benchmarks also exist. For example, 30 to 35 percent of total expenditures is the approximate cost of staff compensation in a membership organization. This is a guideline only, and other factors noted earlier that influence compensation will still apply.

The evaluation and compensation committee may also want to determine CSO compensation by referencing salary ranges by quartile. Quartile ranges divide staff leaders into four equal groups according to salary. Some organizations may wish to pay their CSO at the top of the third quartile, for example. Compensation survey reports typically divide the results this way to allow for a quick peer comparison.

Compensation Scenario

The CSO of a professional association learned from the board chair—following the board’s in camera discussion—that she would receive a small salary increase (just slightly below inflation) following her performance review. She debated whether or not to raise the issue, but decided to do so. In her discussion with the chair, she discovered the chair had not consulted comparative studies (other than a call to the finance person to determine the consumer price index that year). The chair had no previous experience with performance-based compensation and “did what she thought was best” based on the compensation approach used within her own organization.

After further discussion, the executive committee agreed to establish an “evaluation and compensation committee” to review executive compensation levels with appropriate comparisons. The CSO’s salary increase was reviewed and subsequently increased further.

Food for Thought

Provide the evaluation and compensation committee with appropriate external comparative information before any salary discussion occurs. In this scenario, the increase (or lack thereof) the board chair may have experienced in her organization was not particularly relevant to the CSO, since the comparisons are often different.

SALARY NEGOTIATION PROCESS⁷

Timing

CSO compensation should be tied to performance. Any adjustment to compensation should occur after the annual performance review has been conducted and based on the results of that review. The days of annual “cost-of-living” increases are generally over for CSOs. Many performance reviews are based on the CSO’s anniversary date, rather than at a set point during the fiscal year.

Documentation

Whenever a salary adjustment occurs—whether it results from an annual review based on the performance appraisal, a bonus or incentive plan or other circumstances—it should be fully documented and placed in the CSO’s human resources file. The file should be kept with the staff person responsible for maintaining human resources files for all employees. The board chair should retain a duplicate copy of salary adjustments, including the CSO’s performance reviews, in a special CSO file and then hand the file over to the next chair when assuming office.

A typical HR file should include the following:

- job application
- references
- employment agreement
- job description
- compensation details, such as salary, salary increases, salary range
- group benefit forms
- employee information forms
- key events, such as job changes, promotions, etc.
- other relevant correspondence/documentation

Note: CSO performance reviews are not always kept in a human resource file given the potential sensitivity of a staff direct report having access to it.

⁷ Adapted from: Shand, Jack and Stapleton, Dan, *The Human Resource Best Practices Manual*, Canadian Real Estate Association, 2006.

Privacy and Confidentiality

Board members must keep all information concerning the CSO's salary and benefits strictly confidential. (Any communication should be marked "personal and confidential"). In many organizations, board members sign an annual confidentiality agreement, presenting an opportunity to include any discussion of the CSO's salary and benefits in this document. Some organizations have received specific legal advice that staff compensation is protected under privacy legislation and boards must be careful not to divulge such information inappropriately. For example, if a director was to discuss the CSO's compensation with a non board member, there could be serious legal ramifications for the director and the employing organization.

Compensation Scenario

The board received a report from the executive committee recommending the new salary to be paid to their CSO. Several board members complained the CSO would be paid more than they earned in their own organizations. It was later discovered that one or two board members mentioned the salary level to members in their local area, causing further discontent.

Food for thought

Once again, CSO compensation details should be handled by the evaluation and compensation committee (or executive committee) and not by the full board. The board approves the overall budget which includes the allocation for all staff salaries and benefits. In this scenario, what a board member earns is not directly relevant to what the CSO earns, since compensation is based partly on the geographic location of the head office (in this case, a large metropolitan city), the job responsibilities, and the competitive environment. Confidentiality was also breached in this example.

Relationship to Performance Review

Adjustments to CSO compensation levels should be merit or performance-based. This is currently the case in most not-for-profit and private sector organizations. The performance review should be linked directly to the organization's strategic plan and, in particular, its goals and objectives or strategic directions. In many organizations, specific goals or key result areas are identified at the beginning of an appraisal year by the CSO and the executive based on the strategic plan. The review then focuses on achievement in those areas. (See Appendix 1 for a sample performance review form).

The CSO's performance review should normally focus on the achievement of broader organizational outcomes rather than specific day-to-day operational matters. Such outcomes or goals, however, must be clear and objective rather than subjective.

Compensation Scenario

A female executive had been working as second-in-command for a large association for several years. The CSO (male) left and she was promoted to the top role. A few months later she discovered her predecessor, who had a similar level of work experience, was paid several thousand dollars more than she was offered. She was convinced, because of other factors as well, that the disparity was based on gender. How should she address this?

Food for thought

Compensation should be based on competence and achievement of pre-determined goals and objectives rather than gender. This CSO should gather all relevant compensation resource material for the sector before discussing compensation with the board chair and the evaluation and compensation committee. If the CSO satisfactorily achieves the organization's goals, then the issue of the compensation disparity should be raised...diplomatically, but assertively!

Performance Review Process

This process should be initiated annually within two to three months of the CSO's anniversary date. The board chair usually leads the process while a smaller board sub-set (the evaluation team) assists. The evaluation team may be the executive committee or another delegated group of board members or officers. Rarely is the entire board, or the board chair acting alone, responsible for conducting the evaluation. Nevertheless, all board members should have an opportunity to provide input.

Since organizational success is often largely related to successful CSO performance in implementing the organization's goals and objectives, it is important to obtain input from a variety of key stakeholders. A 360° performance review approach should be used. In this process, the person typically responsible for obtaining input into the CSO's performance review (usually the board chair), seeks written input from several agreed-upon individuals. The customary scenario involves input sought and received from the entire board, the CSO's direct reports (directors, managers, etc.), and a detailed written self-assessment prepared by the CSO. All input is treated with the utmost confidentiality, and is reviewed only by the evaluation and compensation committee. The 360° performance review approach is often

time-consuming, but the feedback can be invaluable for identifying areas requiring improvement or stronger performance.

An evaluation tool—agreed upon by the evaluation team and the CSO—is used to gather input. (See Appendix 1 for sample). Board members are invited to provide input to the evaluation team using the evaluation tool provided. If the evaluation involves the 360° feedback approach, the CSO’s direct reports are also invited to provide input. The CSO completes a self-assessment, based on the accomplishment of previously agreed-upon goals and objectives, and the evaluation team uses it for discussion and comparison with other input received. The evaluation team meets and prepares a summary of the feedback and then discusses it with the CSO. At that time, any salary adjustment and incentive pay or bonus is also discussed before a recommendation is taken to the board for approval.

Performance Review Scenario

James had been CSO for several years, and it was now time for his next performance review. The board chair informed him that he and the chair-elect planned to speak to a few key organizational leaders at the upcoming annual meeting and conference about his performance and then subsequently discuss their findings with him. His merit increase would depend on these discussions. James was shocked at the informality and refused to agree to this process. He blamed himself for not having taken a more proactive approach earlier in the performance review process.

He explained why he felt the process should be handled more formally: it allows for a more comprehensive review and is a more objective and fairer process. He obtained a performance review format that included some key areas for review and suggested it be circulated to the full board and to his direct reports for completion, and then be returned confidentially to the chair. He also agreed to submit a self-appraisal.

The chair and chair-elect agreed to form an evaluation and compensation committee and added the past-chair. They would handle all aspects of the performance review and merit increase.

Food for thought

CSOs must be constantly “on top of it”. You can’t rest on your laurels or assume formalized processes previously followed will be used by a new chair. Take a proactive approach and don’t complain if you believe you’ve been treated unfairly. In this scenario the CSO took a proactive approach before the process went too far off track and the end result was positive.

INCENTIVE COMPENSATION

Unlike the corporate sector, which for years has used incentives to reward outstanding executive performance, the not-for-profit sector has not widely embraced formal incentive compensation plans (or performance bonuses). In fact, only about 20 percent of not-for-profits use formal bonus or incentive compensation plans. Professional associations typically use incentives more often than other association types⁸, and the bonus paid can vary from 10 to 30 percent of total cash compensation.

Clear criteria upon which the bonus will be based must be established in advance—and collaboratively—by the CSO and the evaluation and compensation committee. These criteria should be based on the strategic plan; specifically the organization’s strategic directions or goals and objectives. The more measurable the goals and performance targets, the more objective the evaluation process.

Most incentives are calculated as a percentage of the executive’s salary, as opposed to a lump sum amount. Financial targets usually carry the greatest weight in determining incentive compensation, with other key factors being member satisfaction, membership growth, customer service levels, program participation levels, program quality, and issue management.

⁸ Canadian Society of Association Executives, *Association Executive Benefits and Compensation Report*, 2005.

SUMMARY

CSOs who believe they're not being paid what they're worth can take steps to negotiate a better compensation package:

- Ensure CSO salary negotiation is delegated to a smaller sub-set of the board, such as an evaluation and compensation committee or executive committee. The full board should not be involved in this discussion.
- It is appropriate for the CSO to ensure the annual compensation review process gets underway and the evaluation and compensation committee has access to the appropriate resources. This approach is preferable to passively relying on the board or board chair to initiate the review, since they have many other priorities.
- Compensation levels should be monitored both informally (e.g. via job advertisements for comparable positions) and formally (e.g. reviewing compensation survey data) on a regular basis. Compensation survey reports should be used for comparative purposes. CSAE's *Association Executive Benefits and Compensation Report* is widely used. Those using surveys earn, on average, 25 percent more than those who don't.
- Compensation changes should be tied to the results of the CSO's annual performance review – i.e. any increase should be merit or performance-based.
- The performance review should be linked to the organization's strategic plan, particularly the goals and objectives or strategic directions.
- A 360° performance review approach allows for a wider level of input from key stakeholders, such as the board, direct staff reports, and a CSO self-evaluation.
- The evaluation tool should focus on the achievement of broader organizational outcomes as well as other elements. A sample

performance review form (Appendix 1) can be adapted to the organization's individual features.

- Incentive compensation is becoming more common to reward outstanding performance. Bonuses are usually calculated as a percentage of salary, with financial targets carrying the greatest weight in determining the incentive compensation.

Not-for-profit organizations should pay competitive salaries and benefits to attract and retain good staff at all levels, including the CSO. By following these guidelines, CSOs will gain better skills and tools to negotiate a competitive compensation package.

And get paid what they're worth!

APPENDIX: SAMPLE PERFORMANCE REVIEW FORM⁹:

The Annual Performance Review

PURPOSE

The annual review provides an opportunity for both parties to review the past year and set objectives for the future. Its main purpose is to provide constructive suggestions for improving the performance of the Chief Staff Officer (CSO), evaluate past performance in relation to the goals and objectives of the *ABC NFP* and to improve Board and CSO effectiveness.

PROCEDURE

- A performance evaluation of the CSO shall be conducted annually within three months of the CSO's contract anniversary date.
- The Evaluation and Compensation Committee shall be the evaluation team.
- Members of the Board of Directors of *ABC NFP* shall be invited to provide written input to the evaluation team, along with the CSO's direct reports (using a 360° feedback approach).
- The same form shall be used by all the participants.
- It shall be the responsibility of the [Chair/Past-Chair/Chair-Elect] to write to the Board members and the senior management team requesting input to the evaluation process and to compile such input for use by the evaluation team in the form of a written report.
- The CSO will also do a detailed written self-assessment. It shall be used to compare with the input from the *ABC NFP* Board of Directors and the

⁹ Adapted from: Shand, Jack and Stapleton, Dan, *The Human Resource Best Practices Manual*, Canadian Real Estate Association, 2006.

CSO’s direct reports, and as a basis for discussion and identification of areas for improvement.

- To ensure confidentiality, all communication concerning the evaluation of the CSO shall be by sealed envelopes marked “personal and confidential”.
- The evaluation team shall determine the salary and/or benefit changes to occur based on the results of the evaluation and in keeping with the terms of the contract between the CSO and *ABC NFP*.

COMPLETING THE FORM

Please consider each competency and circle the number which best describes the performance level achieved:

| | |
|--|--|
| Performance expectations fully exceeded—Level 5 | The individual’s competency is extraordinary and results exceed the expectations for this aspect of the job. |
| Performance expectations partially exceeded—Level 4 | Results are solid and the individual provides a superior contribution to the success of <i>ABC NFP</i> in this aspect of the job. |
| Performance expectations fully met—Level 3 | Fully satisfactory on all basic aspects of the competency. All major assignments and responsibilities are fulfilled. |
| Performance expectations partially met—Level 2 | The individual provided reasonable results for this area but needs improvement. Some but not all the objectives were met. |
| None of the performance expectations met—Level 1 | The incumbent is performing below acceptable levels in this aspect of the job. |
| N/A | Not applicable means you are unable to comment on this category. (All members of the Board of Directors have different interactions with the CSO because of their differing committee responsibilities and few, other than the Chair, are likely able to comment on all categories.) |

**ABC NOT-FOR-PROFIT ORGANIZATION
(ABC NFP)**

**CHIEF STAFF OFFICER
PERFORMANCE MANAGEMENT SYSTEM**

EMPLOYEE NAME: _____

POSITION TITLE: _____

DATE HIRED: _____

DATE BEGAN PRESENT POSITION: _____

DATE OF THIS REVIEW: _____

FOR THE PERIOD MM/DD/YY _____ TO MM/DD/YY _____

KEY RESULT AREAS

Key result areas (or specific goals) are set at the beginning of the performance year and mutually agreed upon by the CSO and Evaluation Committee. They are based on the strategic directions contained within the *ABC NFP* strategic plan.

Performance Expectations:

| | |
|----------------------------|-----------------------|
| Fully Exceeded—Level 5 | Partially Met—Level 2 |
| Partially Exceeded—Level 4 | Not Met—Level 1 |
| Fully Met—Level 3 | N/A—Not Applicable |

A. First Key Result Area (describe each one in full):

| | | | | | |
|---|---|---|---|---|-----|
| 1 | 2 | 3 | 4 | 5 | N/A |
|---|---|---|---|---|-----|

B. Second Key Result Area:

| | | | | | |
|---|---|---|---|---|-----|
| 1 | 2 | 3 | 4 | 5 | N/A |
|---|---|---|---|---|-----|

C. Third Key Result Area:

| | | | | | |
|---|---|---|---|---|-----|
| 1 | 2 | 3 | 4 | 5 | N/A |
|---|---|---|---|---|-----|

D. Fourth Key Result Area:

| | | | | | |
|---|---|---|---|---|-----|
| 1 | 2 | 3 | 4 | 5 | N/A |
|---|---|---|---|---|-----|

E. Fifth Key Result Area:

1 2 3 4 5 N/A

ADDITIONAL COMMENTS/RECOMMENDATIONS

GENERAL MANAGEMENT

Performance Expectations:

Fully Exceeded—Level 5
Partially Exceeded—Level 4
Fully Met—Level 3

Partially Met—Level 2
Not Met—Level 1
N/A—Not Applicable

1. Maintains smooth-running administrative operation

1 2 3 4 5 N/A

2. Strategic planning is carried out on a regular basis

1 2 3 4 5 N/A

3. CSO participates actively in strategic plan development

1 2 3 4 5 N/A

4. Ensures that all *ABC NFP* committees and task forces receive appropriate staff support

1 2 3 4 5 N/A

5. Follows up either personally or by delegating to the appropriate staff on problems and issues brought to his/her attention

1 2 3 4 5 N/A

ADDITIONAL COMMENTS/RECOMMENDATIONS

FINANCIAL MANAGEMENT

Performance Expectations:

| | |
|----------------------------|-----------------------|
| Fully Exceeded—Level 5 | Partially Met—Level 2 |
| Partially Exceeded—Level 4 | Not Met—Level 1 |
| Fully Met—Level 3 | N/A—Not Applicable |

6. Ensures that budgets are prepared and presented in a timely fashion to the *ABC NFP* Board of Directors for approval

1 2 3 4 5 N/A

7. Completes the year within the approved budget

1 2 3 4 5 N/A

8. Acts as a signing officer as specified in Articles 0.00 and 0.00 of the *ABC NFP* by-law

1 2 3 4 5 N/A

9. Ensures that the physical plant owned or leased by *ABC NFP* is operated in an appropriate manner

1 2 3 4 5 N/A

ADDITIONAL COMMENTS/RECOMMENDATIONS

BOARD OF DIRECTORS' OPERATIONS

Performance Expectations:

| | |
|----------------------------|-----------------------|
| Fully Exceeded—Level 5 | Partially Met—Level 2 |
| Partially Exceeded—Level 4 | Not Met—Level 1 |
| Fully Met—Level 3 | N/A—Not Applicable |

10. Consults with the Chair in the preparation of the agenda for meetings of the Board of Directors

1 2 3 4 5 N/A

| | | | | | | |
|--|--|---|---|---|-----|--|
| 11. | Provides appropriate supporting materials for Board meetings | | | | | |
| 1 | 2 | 3 | 4 | 5 | N/A | |
| 12. | Consults with the Chair in the preparation of the agenda for meetings of the Executive Committee <i>(if applicable)</i> | | | | | |
| 1 | 2 | 3 | 4 | 5 | N/A | |
| 13. | Provides appropriate supporting materials for meetings of the Executive Committee | | | | | |
| 1 | 2 | 3 | 4 | 5 | N/A | |
| 14. | Provides advice to the Chair of <i>ABC NFP</i> in the carrying out of his or her duties | | | | | |
| 1 | 2 | 3 | 4 | 5 | N/A | |
| 15. | Ensures that the Chair receives appropriate staff support services | | | | | |
| 1 | 2 | 3 | 4 | 5 | N/A | |
| 16. | Organizes well structured and thorough annual orientation of the Board of Directors | | | | | |
| 1 | 2 | 3 | 4 | 5 | N/A | |
| 17. | Ensures all statutory notices concerning the <i>ABC NFP</i> Annual General Meetings or Special Meetings are properly distributed | | | | | |
| 1 | 2 | 3 | 4 | 5 | N/A | |
| 18. | Ensures all statutory notices concerning <i>ABC NFP</i> elections are distributed in a timely fashion in accordance with the provisions of the <i>ABC NFP</i> by-law | | | | | |
| 1 | 2 | 3 | 4 | 5 | N/A | |
| 19. | Provides follow-up one-on-one orientation opportunity for new Board members | | | | | |
| 1 | 2 | 3 | 4 | 5 | N/A | |
| 20. | Helps Chair-Elect prepare for assuming the Chair role to ensure a smooth transition | | | | | |
| 1 | 2 | 3 | 4 | 5 | N/A | |
| <u>ADDITIONAL COMMENTS/RECOMMENDATIONS:</u> | | | | | | |
| <hr/> | | | | | | |
| <hr/> | | | | | | |

HUMAN RESOURCE MANAGEMENT:

Performance Expectations:

| | |
|----------------------------|-----------------------|
| Fully Exceeded—Level 5 | Partially Met—Level 2 |
| Partially Exceeded—Level 4 | Not Met—Level 1 |
| Fully Met—Level 3 | N/A—Not Applicable |

21. Ensures *ABC NFP* has human resource policy in place

1 2 3 4 5 N/A

22. Hires and maintains a competent staff complement within the approved budget

1 2 3 4 5 N/A

23. Ensures job descriptions are available for all positions

1 2 3 4 5 N/A

24. Ensures a performance review system is in place and performance reviews are conducted at least once a year

1 2 3 4 5 N/A

25. Encourages staff development by providing appropriate training opportunities

1 2 3 4 5 N/A

26. Deals with staff honestly and fairly and maintains open lines of communication

1 2 3 4 5 N/A

27. Delegates effectively to direct reports

1 2 3 4 5 N/A

ADDITIONAL COMMENTS/RECOMMENDATIONS:

EXTERNAL RELATIONS:

Performance Expectations:

| | |
|----------------------------|-----------------------|
| Fully Exceeded—Level 5 | Partially Met—Level 2 |
| Partially Exceeded—Level 4 | Not Met—Level 1 |
| Fully Met—Level 3 | N/A—Not Applicable |

28. In conjunction with the Chair, acts as spokesperson for *ABC NFP*

1 2 3 4 5 N/A

29. Monitors members' needs to identify emerging high priority issues and communicates these to the *ABC NFP* Board of Directors

1 2 3 4 5 N/A

30. Monitors developments in related organizations such as NFP1 and NFP2 and communicates relevant information to the *ABC NFP* Board of Directors

1 2 3 4 5 N/A

31. Ensures the Board of Directors is kept current on developments in government relevant to the membership that are of municipal/provincial/national jurisdiction

1 2 3 4 5 N/A

32. Provides opportunities for Board Executive Officers to exchange information among themselves and input into *ABC NFP* on emerging issues

1 2 3 4 5 N/A

ADDITIONAL COMMENTS/RECOMMENDATIONS:

SPECIAL DUTIES RELATED TO ABC NOT-FOR-PROFIT ORGANIZATION:

Performance Expectations:

| | |
|----------------------------|-----------------------|
| Fully Exceeded—Level 5 | Partially Met—Level 2 |
| Partially Exceeded—Level 4 | Not Met—Level 1 |
| Fully Met—Level 3 | N/A—Not Applicable |

33. Duty 1 (describe each in a paragraph):

| | | | | | |
|---|---|---|---|---|-----|
| 1 | 2 | 3 | 4 | 5 | N/A |
|---|---|---|---|---|-----|

34. Duty 2:

| | | | | | |
|---|---|---|---|---|-----|
| 1 | 2 | 3 | 4 | 5 | N/A |
|---|---|---|---|---|-----|

35. Duty 3:

| | | | | | |
|---|---|---|---|---|-----|
| 1 | 2 | 3 | 4 | 5 | N/A |
|---|---|---|---|---|-----|

ADDITIONAL COMMENTS/RECOMMENDATIONS:

CONCLUDING COMMENTS/RECOMMENDATIONS:

NAME

SIGNATURE

DATE

ABOUT THE CANADIAN SOCIETY OF ASSOCIATION EXECUTIVES

The Canadian Society of Association Executives (CSAE) is the professional organization for individuals who manage many of Canada's most progressive associations and those who supply the sector with essential products and services. CSAE promotes excellence amongst its members and increases the effectiveness of associations to better serve their members and society. Over 40% of CSAE-member organizations are national organizations, 44% are provincial/regional, 9% are local, and 5% are international.

Industry or trade groups are typically comprised of businesses (usually competitors) that share common activities and interests (product manufacturers or certain service providers, for example). Commercial or business organizations usually represent diverse activities but share common interests (chambers of commerce, boards of trade, tourism and convention bureaus).

Professional associations typically consist of individuals who share a specific vocation or background (lawyers, doctors, dentists, architects, engineers, accountants, etc.). Membership is often based on academic credentials, practice rights, accreditation etc.

Registered charities (often referred to as non-profits) are tax exempt under the Income Tax Act. They issue receipts for donations and earn income on charitable contributions.

Special/common interest groups share common interests (associations of universities or municipalities). Advocacy groups often consist of individuals who share common interests such as environment, humanitarian issues, athletic, ethnic or cultural interests.

ABOUT THE AUTHOR

Dan Stapleton, CAE, has been active in not-for-profit management for over 20 years. He currently leads the corporate services division of the Real Estate Council of Ontario. Dan has led three associations; the Human Resources Professionals Association of Ontario (five years); the Canadian Physiotherapy Association and; the Ontario Community Support Association. He also served on the Board of Directors of the Canadian Council of Human Resources Associations. Before joining the association sector, he was an Assistant Vice President, Ontario Cancer Institute/Princess Margaret Hospital and Director of Social Work, Toronto East General Hospital.

Dan recently co-authored a human resources manual for the Association Executives Council of the Canadian Real Estate Association.

He holds Bachelors and Masters Degrees from the University of Toronto, is a Certified Association Executive (CAE), has a Certificate in Health Services Management, and is a member of both the Canadian and American Societies of Association Executives.

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