



Hiring an Executive Director: Overview

The Executive Director (ED) role is key to the success of your nonprofit. The ED is typically the first employee that a nonprofit will hire. This overview will cover many of the factors that go into hiring and then onboarding the best candidate for the role.

Below are some of the factors to consider when hiring an ED. I will answer these questions and more throughout this series.

- Who will lead and be involved in the hiring process?
- What needs to be considered before moving into the recruiting process?
- What are the skills, responsibilities, and competencies that the ED role requires?
- How will you recruit, select, and onboard the ideal candidate?
- How do you assess if the new ED is meeting performance expectations?

Who will lead and be involved in the hiring process?

When preparing to hire an Executive Director, the first step is to form a Board Committee to lead the process. While the ED will ultimately be directly managed by the Board Chair, the Committee will be actively involved in the recruiting process and the decision of who to hire.



If your organization has other staff members, it may be helpful to consider what role you want them to play in the interviewing and selection process. Your team members will give you valuable insights of what is needed to succeed in the role.

What needs to be considered before moving into the recruiting process?



Many start up organizations will have a volunteer Executive Director, commonly the Founder. As an organization matures, they will typically shift into hiring a paid ED, which means that you are now entering the land of navigating employment laws and regulations. Below are some Human Resources related topics to consider as you hire what is likely your first employee.

Employment Laws

Due to the complexity of employment laws, they can vary based on the state, county, and even city that your organization is operating in. Even if the ED will be working virtually and not reporting to a physical location, employment laws still apply.

The Board is responsible for not putting the organization at risk so I encourage you to consult with a professional who is familiar with the current employment law landscape in your area. Some resources that may be able to assist you with this may be available right in your community. Resources you may want to consider exploring include:

- Small Business Development Center: americassbdc.org/find-your-sbdc/
- SCORE: score.org (search for a mentor in your zip code with HR expertise)
- Society of Human Resources Management: consider contacting local chapter to see if they are aware of any HR consultants that offer pro-bono services to nonprofits
- U.S. Equal Employment Opportunity Commission: this is the agency that oversees all federal regulations related to employees. Though much of the language on their site refers to “small businesses,” most of these laws will still apply to your organization when you have paid employees. Don’t be afraid to contact the EEOC to find resources and navigate the support they offer to employers <https://www.eeoc.gov/employers/small-business>



Compensation

When you are getting ready to hire for any position, you want to establish a salary range and whether the position is paid hourly or salaried. Some states have laws that require employers to list the salary range on the job listing.

Pay is another area that has compliance factors to be aware of. There is something called an exemption test. This outlines factors that must be considered in order for an employer to determine if they are permitted to pay an individual on an hourly or salaried basis. This is an area that you want to definitely make sure you are compliant with. The laws related to this are set at both a federal and state level.

Documentation

Documentation of your hiring process can be a helpful way to ensure that you are being consistent, fair and unbiased in your hiring process. Keeping track of applications, interviewees, interview questions and ratings, who was hired, and the details of the offer that was extended. This documentation can help in the process of making the hiring decision but is also important from a risk management perspective.



The documentation of the offer can be a helpful way to ensure that the new Executive Director is clear on the specifics of the compensation, benefits, status, start date, and expectations of the position. When you send an offer letter, it is recommended that you include a copy of the job description so the ED can know what fun they have to look forward in helping to move the mission of the organization forward!

Whew, ok, that was enough of the HR compliance stuff. I strongly encourage you to leverage resources to cover your bases in these areas. Ok, Let's move on to more exciting things!

What are the skills, responsibilities, and competencies that the ED role requires?

When you were creating your organization and establishing your Board, you developed role descriptions. The same is true with the Executive Director position. You will need to consider the skills and competencies needed for your ED and create a job description, behavioral interview questions, a performance evaluation, etc.

How will you recruit, select, and onboard the ideal candidate?

Though it is exciting to jump right in to interviewing candidates, it is a good idea to have a recruiting plan in place. You want to consider the following questions:



- Where you should post or advertise the open position
- What the interview process will be
- How candidates will be selected for interviews
- What the interview questions will be
- When and how will the new ED will be onboarded

By following these steps, your nonprofit organization can establish a robust onboarding process that sets the stage for new Board members to actively contribute to the organization's success. Remember to tailor the process to fit the specific needs and culture of your organization.

How do you assess if the new ED is meeting performance expectations?



An organization is only as good as the leader. For this reason, it is critical to assess the performance of the new ED. This process can be handled in a variety of ways and will vary depending on your nonprofit. Prior to the ED starting in their role, the Board should establish what the performance expectations are. This allows them to know what they will be measured on, since generally people perform better when they know what to expect!

The Board Chair is ultimately responsible for managing the ED and will generally lead the conversations related to performance. In this part of the series, you can expect to receive information about the different ways that performance management can be handled, including sample tools.

The mission of your nonprofit is too important to not have a strong and replicatable plan.

What's Next?

Begin to compile a list of tasks, responsibilities, skills, and competencies you think might be important for your Executive Director.