

Board Evaluation of the Chief Executive Officer

Although a compensation committee or the executive committee may be delegated the authority to set the CEO's compensation, the entire board should be involved in the CEO's annual review. A consultant can be helpful in determining what questions to ask and in gathering the responses and facilitating communication between the board and the CEO.

These questions are designed to be used by a board that has chosen not to work with a consultant. They are the basic questions that should be asked but by no means are they the only questions that a board should ask when assessing CEO performance.

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Questions for the Board to Answer:

1. Did the CEO meet the goals that were agreed on between the board and the CEO at the beginning of the year?
2. In what ways did the CEO excel this past year?
3. In what areas can the CEO improve next year?
4. Did the CEO move the organization forward in terms of mission, resources, public attention, and other identified objectives?
5. Has the organization made progress overall compared to the prior year?
6. If the organization has not progressed as expected, were any factors involved that were beyond the CEO's control?
7. How are the relationships between the full board and the CEO and between the executive committee and the CEO?
8. Do the board and the CEO balance their responsibilities with the board providing leadership and the CEO providing management?
9. Does the board support the CEO?
10. Is the CEO's compensation reasonable when compared to that of other executives in the geographic area with similar duties, staff sizes, budgets, years of experience, education, etc.?

Questions for the CEO to Answer:

1. Did you meet your stated goals for the year? If not, why not?
2. What were your achievements this year?
3. What things did you struggle with this year?
4. What lessons did you learn this year?
5. How has the organization moved forward this past year?
6. How are your relationships with the full board and the executive committee?
7. Do you and the board balance your responsibilities with the board providing leadership and you providing the management of the organization?
8. Does the board support you?
9. How can the board do better in supporting you in the year ahead?
10. Is your compensation fair and reasonable?