How to Hire an Executive Officer

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PREFACE

The enclosed *Hiring an Executive Officer Manual* was written to help the volunteer leadership of NAHB affiliated state and local associations select an individual to serve as the association's executive officer.

If yours is an association that has never hired a professional executive officer, this document will help you determine how to get started in the hiring process. For associations that have completed the hiring process in the past, the manual will give you suggestions on ways to conduct the process efficiently and successfully.

Please use the *Hiring an Executive Officer Manual to* familiarize your leadership with the ways to develop a hiring plan, recruit candidates, conduct interviews, make the decision, and notify the candidate. Embarking on this search can be a difficult and time-consuming process. This manual was designed to help make the job an easier one for all involved.

The *Hiring an Executive Officer Manual* was developed in 1994 by the, Executive Officers Council Hiring an EO Task Force, at the request of the NAHB President.

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INTRODUCTION

One of the most important responsibilities of the volunteer leadership of a Home Builders Association (HBA) is the selection of an individual to serve as the organization's Executive Officer (EO). In the current climate where members are relying increasingly on their HBA to protect their interests, it is imperative that Associations recruit and retain the very best professional association managers available. Now, more than ever before, EOs and volunteer leadership must function as a team, as partners in meeting the needs of the membership' in ways that enable the members to prosper and the association to thrive.

Done properly, the hiring of an EO is a demanding endeavor; it requires planning, cooperation, patience and time. If completed properly, the hiring process will help create the strong foundation upon which all successful HBA's are built: the partnership of volunteers and professional association managers pursuing the common objectives of the area's building industry.

HOW TO USE THIS MANUAL

This is a "how to" guide. It is written for HBA volunteers who are about to start a search for an EO. It is designed to facilitate the recruitment and hiring process for HBAs of all sizes, whether you are replacing an experienced EO or hiring an EO for the first time. This is a compilation of suggestions. **The steps outlined in this document are <u>only guidelines</u>. The general concepts should be tailored to fit the specific needs and conditions of the HBA that is conducting the hiring process.**

This is not a guide on how to hire staff. Hiring staff involves different considerations and should be left to the individual responsible for the day-to-day operations of the HBA -- the EO.

Appendix A is a suggested timeline that provides a capsule summary and checklist of the essential steps of this process. The following pages provide details on the steps in the timeline.

It is critical that the steps in both Appendix A and the following text be done in order. While the suggested times may vary depending upon the needs and resources of each association, the general principles help insure that the hiring process will accomplish the intended result.

GETTING STARTED

The first step is a thorough review of the bylaws and policies of the HBA. Do they address the process? Do they provide any guidance on the creation, composition and functioning of a search committee? Do they contain any requirements for or limitations on the EO position?

Generally, the President of the HBA will have written or implied authority to establish and appoint a search committee. Whoever makes these appointments should act in consultation with the leadership of the HBA, actively seeking counsel from past, future and current association leaders. Input and support from fellow leaders is critical to establishing credibility for the hiring process and ultimately for the individual who is hired through it.

The size of the search committee can vary, but should range between three and seven members. Good prospects for a search committee are current elected officers, past presidents and members with a working knowledge of the HBA's mission and operations.

It enables the search committee to conduct a uniform recruitment process, it allows all candidates to understand exactly what is expected of them, it establishes the basis for future evaluations of the EO's performance, as well as, who performs the evaluations and it delineates reporting requirements, i.e. who is the EO accountable to.

Writing a job description IS NOT the same as carving it in stone. As the needs of an association change over time, the responsibilities of an EO will change as well. With flexibility and foresight on the part of both volunteer leaders and EOs, both parties will be able to adjust a job description to reflect the changes required.

A written job description for an EO should reflect the basic skills demanded of all association managers, including: planning, organizing, managing, motivating, coordinating and communicating. These basic skills are exactly the same required in successfully managing a business. An association is a business and should be run like one. As the top manager, an EO is responsible for the day-to-day administration of all aspects of the business. Accordingly, the search committee should insure that the EO job description includes reference to the level of administrative / managerial expertise that is required.

In addition to core management competencies, EOs are expected to master a variety of diverse responsibilities that are unique to managing associations. Every HBA has areas of emphasis for which it will want the EO to pay particular attention. Does the HBA conduct special events like a Parade of Homes that requires strong marketing and promotional skills? Does the HBA have a strong public affairs program, which will require lobbying and political action expertise? By reviewing the association's mission statement and strategic plan, the search committee can develop a job description that reflects both current and emerging needs.

NOTE: A sample job description is included as Appendix B.

WHERE TO RECRUIT

There are many excellent sources of potential candidates. One source is promotion from within. If the current HBA staff is familiar with the operation, knows the members and are known to them. Under certain circumstances, the departing EO may be a source of referrals.

Another source is from among other HBAs or within the staff of the NAHB. At the request of a local HBA's search committee, the Executive Officers Council (EOC) of NAHB will list openings at no charge in the Friday Morning e-Mail that is distributed to all state and local EOs. The EOC will also post an ad on NAHB's website, nahb.org.

The American Society of Association Executives (ASAE) and its state affiliates can also be an excellent source of prospects.

Yet another source of potential applicants is from within the membership of the association. Although the skills that make an individual successful in the various components of the building industry are not always transferable to those needed to run

In some instances, it may be necessary to engage the services of a professional search firm. This will involve the payment of a fee and, therefore, is rarely the most cost-effective means of recruitment.

2. Specific responsibilities and skills match with requirements of the position as outlined in the job description
3. Salary requirements (if requested) match the HBA's range
4. Overall presentation of resume and cover letter (no misspellings, typos, poor quality copies) since this will reflect the quality of work the individual will do for his/her next employer and provides some insights into the applicant's ability to organize and communicate information.

Having selected a group of candidates at this point for interviews, it would be premature of the search committee to discard the resumes of other candidates. This should be done only after the interviews have been completed in case the committee has to go back and reconsider additional candidates.

Specific rating scales are available from several sources including labor attorneys, the American Society of Association Executives, or at your library where there are numerous periodicals with this kind of valuable information.

A second rating scale also needs to be developed that will be used while interviewing each candidate. This is necessary to keep you organized and to compare each candidate's skills, experience and presentation. You may want to develop a simple form that included the following specific rating areas whereby each area would be rated on a scale of 1-10 with 1 being the low end and 10 a high end rating:

1. Professionalism - how candidate handled him/herself
2. Association Management-years of experience and at what capacity
3. Knowledge of building industry (if this is one of your requirements)
4. Appearance and presentation
5. Specific skills such as lobbying experience, newsletter writing, consumer show experience, or Parade of Homes experience.

Among the committee's responsibilities is an understanding from the beginning that all information on candidates must be held in absolute confidence so as not to place any

Encourage candidates to ask questions since these questions can often shed as much light on the candidate's abilities as does the responses he or she gives to your own questions. Critical to the success of the interview is listening and observing the candidates reactions to situations you present.

When wrapping up the first interview with a candidate, review the salary range being offered once again, and the timetable your committee has in selecting the second round of interviews and when you would like someone on board.

The search committee needs to narrow the selection of candidates to 2 or 3 using the rating scale and even their own personal instincts. At this point, references should be called to reinforce your understanding of the candidates' skills and qualifications.

The second round of interviews should include more specific questions on how the individual would handle situations unique to your HBA. You should also anticipate more detailed questions from the candidate concerning the HBA's financial position current staff responsibilities and future plans. Satisfactory answers to such questions are critical if the EO is to make the long-term commitment to the HBA.

Upon completion of the interviews, the process should be pressed to completion rapidly unless there are no satisfactory candidates, in which case it is advj-Nlight on ttion

offered in terms of wages and benefits. Further, any offer should be confirmed in writing, detailing compensation, fringe benefits, starting date and any other terms that have been negotiated. The offer should remain confidential and a request of written confirmation of its acceptance should be made of the successful candidate. If there is mutual consensus on the value of an employment contract, copies need to be signed by both parties.

Once acceptance is received, the search committee should follow-up with the unsuccessful candidates by telephone or letter, expressing appreciation of their interest in the position and wishing them well in their future endeavors. These candidates will appreciate the recognition and the positive image and professionalism projected by the committee and association.

Appendix A

ACTION PLAN AND TIMELINE

Action Plan for Search Committee

Week 1: Appoint Search Committee

- Association President appoints Search Committee Chairperson and Committee members. NOTE: Check Bylaws for any procedures.
- Organize committee to meet (determine date, time, location and send notice).

Week 2: Develop Strategy

- Determine if Association's Mission Statement, goals and strategic plan are in order.
- Formulate budget for search process, which should include:
    - Cost of ads
    - Expenses to interview candidates out of immediate area (such as airfare, hotel, meals) if necessary
    - Rental of facility to interview
    - Overnight rooms and meals for search committee
    - Possible use of professional search company

- Review time frame necessary to recommend candidate to Board of Directors
- Determine if position description is current and meets requirements of position, skills and responsibilities requirement for position.
- Draft advertisement for position including skills required, deadline for resume, address to send resume.
- Review multiple sources to use to advertise for position
- Place ad and contact sources
- Determine salary range of positions, benefits will provide, if contract will be

- Place ads in pre-determined sources

Week 3 and 4: Receive Resumes and Interview Questions

- Resumes will be received.
- Committee meets to determine interview questions (seek legal counsel) and system for successful candidates.

Week 5: Review Resumes

- Committee meets to review resumes based on predetermined system established in Week 4 above.
- Committee narrows selection to 5-10 candidates for possible
- Call selected candidates for interview.
- Determine what should be requested of candidate when contacted for interview including:
    - Review salary scale and if acceptable
    - Review interest in position
    - Date and time for interview
    - Questions
    - Information on qualifications
    - References
- Select interview schedule
- Call candidates for interviews and mail

Appendix B

SAMPLE JOB DESCRIPTION