

# Appointing a Senior Leader

Appointing your Chief Executive or General Manager to run the operational business of your not-for-profit is one of the most important tasks your board undertakes.

Your recruitment process should be transparent, fair, and thorough, considering each candidate's ability to meet strategic, operational and relationship management expectations.

## What your Appointment Process should achieve:

- 1 Ensures alignment between your not-for-profit's strategy and operational leadership
- 2 Helps identify a leader who fits your culture, goals, and stakeholder needs
- 3 Establishes a clear structure for leadership, expectations, and board relationships

## Key elements to consider:

- Define the purpose of the role and align it with your strategy
- Ensure the Individual Employment Agreement (IEA) aligns with leadership, strategy, and financial responsibilities
- Consider employment benefits (remuneration, development, perks)
- Manage stakeholder engagement (funders, volunteers)
- Establish reporting lines to your Board through the Chair
- Clarify work hours and time in lieu provisions
- Outline the required qualifications and ideal skills for the role
- Define Key Performance Indicators (KPIs) for performance tracking and regular reviews
- Structure remuneration and incentives
- Clarify delegations, both operational and financial
- Incorporate cultural competency and health & safety responsibilities
- Conduct comprehensive reference checks

### GOOD PRACTICE TIP

Get your questions and interview panel ready before going out to hire.



[Click here](#) to download your editable Appointing a Senior Leader template

## Appointing your Chief Executive / General Manager

### Finding your coach, captain, and leader

Appointing a Chief Executive/General Manager to run the operational business for your community not-for-profit is the most important task a board undertakes, along with strategy. An Appointment Committee of the Board should undertake a fair and transparent process with the final preferred candidate/s spending time with the full board, even attending a board meeting, before appointment. The full Board should have a good idea of what success will look like in 12 months and recruit to that ideal.

Matters to consider as part of the recruitment process in no particular order are:

- the purpose of the position
- the individual employment agreement (IEA) and role description with key responsibilities documented around leadership, strategy, operations, finances, and relationship management
- qualification requirements, ideal skills and experience
- cultural competency
- health and safety responsibilities
- employment benefits e.g. wages/salary, health insurance, professional development, carpark
- you may like to share who your key stakeholders are, including funders and volunteers
- clear reporting line through the Chair
- hours of work and time in lieu provision
- how you'll measure their performance through regular review of key performance indicators (KPIs)
- remuneration review and incentives, if any
- delegations, both financial and operational
- references are an important part of the process and may include several individuals the candidate has both managed and reported to in previous roles

### Individual Employment Agreement (IEA)

An IEA would usually include the following:

- Position
- Commencement
- Place of Employment
- Duties and Responsibilities
- Hours of Work
- Remuneration
- Employment Relationship
- KiwiSaver
- Leave entitlements
- Tangihanga / Bereavement Leave
- Parental Leave
- Termination of Agreement\*
- Dismissal for Sickness or Injury
- Redundancy
- Confidentiality
- Conflict of Interest
- Policies and Procedures
- Health and Safety
- Property use

**Use this handy contract builder tool:**

<https://eab.business.govt.nz/employmentagreementbuilder/startscreen>

**You may like to include the clause below in your IEA:**

*\*Given the seniority of your role and the need for there to be a high level of compatibility and trust between the parties, it is anticipated that there may be circumstances where the Board forms the view that substantial incompatibility and/or irreconcilable differences have developed with you, or where the Board otherwise wishes to terminate your employment for reasons other than as set out. If this occurs, both parties agree in advance that the Trust is entitled to terminate your employment immediately and you will be paid an amount equivalent to **XX** months' notice.*

*Both parties agree in advance that the above sum represents a fair and reasonable payment to compensate you for loss of employment (including the manner of the termination) and that you will have no further claim relating to or arising from the termination of your employment.*

**Important: This policy has been designed by governance experts, however you will need to tailor it to your board's specific needs and context. Please refer to your individual employment agreement.**