

Tips for a Successful GM/CEO Search

We recognize that there are multiple paths to finding and selecting your next General Manager or Chief Executive Officer. Whatever your path, here are important tips for a successful search for your next leader.

Did You Know?

- **43% of Distribution Cooperative CEOs/GMs are eligible to retire within the next 5 years.**
- **One of the most critical jobs of the Board is to hire and set the compensation for your co-op's CEO or General Manager.**
- **The cost of replacing an employee is somewhere between 90 percent and 200 percent of their annual salary*. Getting it right the first time is worth the effort!**

(*SHRM- Society for Human Resource Management, 2017)

BEFORE YOU BEGIN YOUR SEARCH

- Do you have updated policies, including relocation and compensation, in place?
- Do you have a current compensation analysis for the CEO position?
- Define what competencies (knowledge, skills and abilities) are needed in your next CEO. Your strategic plan is a great place to start for ideas.
- Update the job description, if needed.

DURING THE SEARCH

- Advertise your job posting on relevant job boards including your own website and cooperative.com.
- When conducting phone interviews and reference checks, focus on the qualities that the board said they needed in the beginning of the search. You are looking for a great fit for the future of your co-op.
- Focus on the competencies needed and phone screen applicants.
- Don't forget background checks, credit checks and EEOC documentation.
- Invite 3-4 finalist candidates in for personal interviews with Board.
- Extend the offer and the management contract, if applicable negotiate and welcome your new CEO!

AFTER THE SEARCH

- Ensure that the Board and new CEO are on the same page by setting SMART goals for their 1st year, sooner rather than later. These goals should be written down, agreed to by both parties and align with your strategic plan.
- If there are gaps in your new CEO's qualifications, support their success with training and education.



CONTACT

Leigh Taylor
Leigh.Taylor@nreca.coop
571-326-9547