

**City of Marion OF MARION
GENERAL COUNCIL MEETING
28 NOVEMBER 2017**

CONFIDENTIAL REPORT

Corporate Manager: Steph Roberts, Manager Human Resources

Subject: CEO Annual Performance Review 2016/17 and Employment Agreement

Report Reference: GC281117F02

If the General Council so determines, this matter may be considered in confidence under Section 90(2) and (3)(a) of the *Local Government Act 1999* on the grounds that the report contains information relating to the personal affairs of the Chief Executive Officer.

KRIS HANNA

**Kris Hanna
Mayor**

RECOMMENDATIONS: (1)

That pursuant to Section 90(2) and (3)(a) of the *Local Government Act 1999*, the Council orders that all persons present, with the exception of the following persons: _____, be excluded from the meeting as the Council receives and considers information relating to the Chief Executive Officer (CEO) 2016/2017 Performance Review, upon the basis that the Council is satisfied that the requirement for the meeting to be conducted in a place open to the public has been outweighed by the need to keep consideration of the matter confidential, given the information relates to the performance of the CEO.

REPORT OBJECTIVES:

For Council to:

- consider the recommendations from the Review and Selection Committee regarding the Chief Executive Officer's performance review for 2016/17 and employment agreement.
- resolve the total performance outcome, employment agreement and remuneration for the Chief Executive Officer (CEO).

EXECUTIVE SUMMARY:

The Review and Selection Committee has the responsibility of making recommendations to Council regarding the CEO performance, employment agreement and remuneration.

This report provides reference to the data for the 2016/17 financial year CEO KPIs (Report GC281117F03), the results of the 360 review outcomes (appendix 1 and 2) along with the Review and Selection Committee recommendations to Council for the CEO 2016/17 performance, remuneration and employment agreement outcomes.

RECOMMENDATION (6)**DUE DATE**

That Council endorse the following recommendations from the Review and Selection Committee regarding the outcomes of the Chief Executive Officer 2016/17 performance review:

- | | |
|--|---------------------------|
| <p>1. That the Chief Executive Officer has achieved the following Performance Ratings for 2016/17:</p> <ul style="list-style-type: none"> • KPI A – 4 • KPI B – 5 • KPI C – 5 • KPI D – ? • KPI E – 4 • KPI F – 5 • KPI G – 5 • KPI H – 5 • KPI I – 4 • KPI J – 2 | <p>28 Nov 2017</p> |
| <p>2. That the Chief Executive Officer has achieved an overall performance rating of 4.3. The Committee considered the CEO performance highly commendable as there has been excellent progress overall but there still needs to be greater accountability and delivery of commitments in some sections of the organisation.</p> | <p>28 Nov 2017</p> |
| <p>3. That Council note the overall 360-degree feedback results to be used for conversation with the CEO about his performance in conjunction with the KPI results.</p> | <p>28 Nov 2017</p> |
| <p>4. That Council extend the CEO Employment Agreement for a four year term, up to 28 August 2022.</p> | <p>28 Nov 2017</p> |
| <p>5. To endorse a CEO remuneration package based on a 2% increase to the cash, superannuation and motor vehicle components, to be applied from the date of his last remuneration increase.</p> | <p>28 Nov 2017</p> |
| | <p>Dec 2017</p> |

6. In accordance with 90(2) and (3)(a) of the Local Government Act 1999 the Council orders that this report, all appendices and the minutes arising from this report having been considered in confidence under Section 90(2) and (3)(a) of the Act be kept confidential and not available for public inspection for a period of 12 months from the date of this meeting. This confidentiality order will be reviewed at the General Council Meeting in December 2017.

Background

Section 9 of the CEO Employment Agreement defines the requirements for the performance review. The current contract refers to the Chief Executive Review Committee to undertake the review. This Committee was disbanded in December 2015 with the responsibilities of the review now addressed by the Review and Selection Committee.

The approach and timeline for the CEO performance and remuneration review was endorsed by Council 28 February 2017 (GC280217R16).

Council at its meeting 9 May 2017 (GC090517R15) tasked the CEO with aligning the Corporate KPIs with those of the Chief Executive Officer, when the 2016/2017 end of year CEO performance review has been concluded in November 2017.

Discussion

Following outlines the process which the Review and Selection Committee followed in assessing the CEO overall performance.

1. Invite the CEO to be present to provide an overview of the performance year, including reflection on his own performance, key achievements and challenges.
2. An assessment of the organisation's performance against adopted key performance indicators, incorporating:
 - a. KPI outcomes (refer report RSC071117R7.2)
 - b. Review of the 360-degree feedback regarding the CEO performance sourced from Elected Members, provided in appendix 1
 - c. Consideration of any extenuating circumstances impacting on the CEO ability to be able to achieve any of the KPI's
3. The rating scale in Schedule four of the CEO Employment Agreement being used as the basis for assessment:

• Exceptional	5
• Commendable	4
• Acceptable	3
• Requires Improvement	2
• Unacceptable	1

In making a performance rating recommendation to Council, it is recommended that the reasoning for the recommendation be recorded in the minutes.

4. 360 Degree Feedback

Note the full 360-degree review outcomes to be used for conversation (with the CEO) about his performance in conjunction with the KPI results, which is included as appendix 2.

5. Employment Agreement

The current CEO employment agreement is due to expire 28 August 2018.

The CEO appointment (and employment) will terminate on the Expiry Date unless terminated prior to the expiry date or the CEO is offered further employment.

The Review and Selection Committee is to make recommendation to Council as to the continuation or otherwise of the CEO employment agreement, taking into account his overall 2016/17 performance review.

6. Remuneration Review (dependent on the overall rating scale and 5 above)

The ASX Corporate Government Council recommends within principle 8 of their guideline that an organisation should design its executive remuneration to attract, retain and motivate high quality senior executives.

It is noted that if the CEO performance review achieves an outcome of acceptable or higher, the remuneration review would be triggered, as defined in the CEO Employment Agreement. It is noted that any consideration for increase is determined by Council at Council's absolute discretion.

In making a remuneration recommendation to Council, it is recommended that the reasoning be provided in the minutes.

In the event the remuneration review is triggered as a result of the committee recommending the CEO performance outcome being acceptable or higher along with the recommendation to extend the Employee Agreement term, to assist with the remuneration review, a comparison to other Council's is included in tables 1, 2 and 3, *McArthur South Australian local Government Remuneration Survey Report Chief Executive Officers 2017*.

CONCLUSION

The Chief Executive Officer (CEO) Employment Agreement requires an annual review to be undertaken of the CEO performance and remuneration. The Review and Selection Committee is required to assess and recommend to Council the CEO performance outcome, Employment Agreement extension (or otherwise) and remuneration (if applicable), providing reasoning to support the recommendations made. These recommendations are now presented to Council for endorsement.

The approach and timeline for the CEO performance and remuneration review includes the CEO attending General Council 28 November at the conclusion of this item, to be informed of the decision made by Council.

Appendix 1: Elected Member Feedback

CONFIDENTIAL

Kathryn McEwen Psychology at Work

Marion City Council Performance Review of Chief Executive Officer Adrian Skull Elected Member Response Summary

Background to Report

This report provides part of the performance review of Adrian Skull, Chief Executive Officer (CEO) of the City of Marion Council. The assessment of leadership contained within it is based on:

- Ten elected Member responses to an on-line 360-degree leadership assessment
- Confidential interviews with two Elected Members chosen randomly. This included one Elected Member who completed the online survey after the deadline.

Responses to 360-degree Survey

The 360-degree instrument chosen was the Executive Leadership Inventory (ELI) as this assesses performance against benchmarks on eleven competencies seen as critical in executive leadership. It also has provision for detailed written comments. The use of the same instrument for the 2016 assessment allowed comparison of ratings.

The competencies included in the survey are:

- Establishing focus
- Strategic thinking
- Business acumen
- Managing performance
- Management of attention
- Working with and influencing others
- Management of self
- Building collaborative relationships
- Interpersonal awareness
- Emotional resilience
- Developing others.

Competency ratings

Descriptions of the competencies and associated behaviours, together with 2016 and 2017 ratings for the CEO, are attached at Appendix A.

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Feedback scores were attained by averaging the responses received for 10 Elected Members who completed the survey. The scores are compared to the average rating of a normative group of around 500 Australian executives, as well as the CEO's scores from the assessment completed in 2016.

The results indicate that Elected Members see the CEO as performing at an above average level on the five competencies of strategic thinking, emotional resilience, interpersonal awareness, building collaborative relationships and self-management.

They see him as performing at a similar level to the average executive on the six remaining competencies including establishing focus, managing performance, business acumen, management of attention, working and influencing others, and developing others.

His four highest rated behaviours by Elected Members (rated 5.5 – 5.8 out of 6) were:

- Accepts accountability for own actions and results
- Shows a genuine intent to attract and retain talent in the City
- Behaves ethically in a manner that is above reproach
- Manages his emotions effectively within the workplace context

His four lowest rated behaviours across these competencies (rated as 4.5 - 4.7 out of 6) were:

- Communicates a clear picture of what change is needed
- Provides helpful and specific feedback to others on their performance
- Assigns clear responsibility/accountability to others
- Holds others accountable.

There was a high degree of consistency in ratings from Elected Members and direct reports and other leaders within Council (see separate report).

2016 and 2017 ratings are comparable, with the largest difference (still small) being a decrease from a rating of 5.6 to 5.3 in relation to working with and influencing others and a decrease from 5.4 to 5.1 in developing others.

Written survey comments

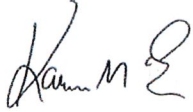
The survey also included four open-ended questions, allowing written comments. A summary of responses for Elected Members only is attached at Appendix B. Only feedback that constitutes a theme is provided. Direct quotes are inserted to illustrate identified themes.

Summary of Individual Interviews

Interviews were conducted to gain a deeper understanding of the strengths and challenges identified during the 360-degree feedback survey.

To preserve anonymity, the themes from the two Elected Member interviews have been integrated into the written comments from the survey, as summarised in Appendix B. Opinions shared were highly consistent with those provided in the on-line survey.

In summary, the CEO is rated as performing above the level of the average executive on five of the 11 competencies seen as critical to high performance. He is perceived as a resilient and authentic leader with strong ethics and relationship building skills who can operate strategically with sound business acumen. There continues to be scope to better manage the performance of staff, align others with his direction, celebrate achievements and improve communication with Elected Members.

A handwritten signature in black ink, appearing to read 'Kathryn McEwen'.

Kathryn McEwen
Registered Organisational Psychologist

21st September 2017

Appendix A: CEO Ratings on Competencies

Competency	Behaviours	Feedback Score (maximum = 6) Average = Average score for executives
Establishing Focus Providing direction to Council and developing and communicating objectives in support of the organisation's vision.	<ul style="list-style-type: none"> - Communicates a compelling vision for Council - Clearly enunciates strategic objectives for Council - Communicates a clear picture of what change is needed for Council - Establishes and communicates a strategic direction for Council - Develops comprehensive change strategies 	5.0 (Previous = 5.0) <i>(Average = 5.0)</i>
Strategic Thinking Analysing the organisation's position by considering the market and industry trends, existing and potential customers and strengths and weaknesses as compared to other organisations.	<ul style="list-style-type: none"> - Identifies long term opportunities for Council that clearly reflect an understanding of market conditions/trends - Determines how best to position the Council to achieve desired outcomes - Identifies the need for change by considering current trends and factors impacting Council - Understands the strengths and weaknesses of Council - Spends sufficient time focusing on strategic imperatives for Council 	5.2 (Previous = 5.1) <i>(Average = 5.0)</i>
Business Acumen Acumen in regard to financial competence, market awareness and risk management that assist in driving the organisation towards achievement of service excellence and business outcomes.	<ul style="list-style-type: none"> - Demonstrates a sound understanding of the financials that underpin the Council - Understands the key business drivers re Council - Balances risk and reward when making commercial decisions that affect the Council - Bases business decisions on a demonstrated understanding of commercial issues - Clearly focuses on maximising stakeholder return 	5.3 (Previous = 5.1) <i>(Average = 5.2)</i>
Managing Performance Has a clear sense of the ultimate objectives and bears this in mind when allocating resources, managing risk and making decisions. Ensures all actions are oriented towards successful outcomes. Accepts accountability for achieving required actions and/or outcomes.	<ul style="list-style-type: none"> - Provides helpful and specific feedback to others on their performance - Develops challenging yet achievable objectives for all direct reports - Ensures unit strategies are executed and monitored - Assigns clear responsibility/accountability to others - Holds others accountable 	4.8 (Previous = 4.8) <i>(Average = 4.9)</i>

Management of Attention Has a 'presence' when communicating. Clearly attracts and holds the attention of others when communicating. Expresses self clearly in all situations and does so with appropriate assertiveness. Comes across with confidence in the executive role.	<ul style="list-style-type: none"> - Holds the attention/interest of others when communicating - Effectively negotiates to shape outcomes - Projects confidence in an executive leadership role - Clearly expresses thoughts and ideas in individual/group situations - Presents ideas and proposals assertively and persuasively 	5.2 (Previous = 5.3) <i>(Average = 5.1)</i>
Working With and Influencing Others Impacting on the behaviour and decisions of others in a positive way that gains their support and contributes to effective results.	<ul style="list-style-type: none"> - Keeps promises and commitments to others - Accepts accountability for own actions and results - Behaves ethically, in a manner that is above reproach - Demonstrates an ability to find common ground and build rapport - Encourages the building of respect and understanding when working with others 	5.3 (Previous = 5.6) <i>(Average = 5.2)</i>
Management of Self Manages self in such a way that enhances one's leadership of Council. Identifies areas for own development and actively pursues ongoing learning and individual growth. Ethical in all that they do.	<ul style="list-style-type: none"> - Organises self and own work priorities effectively - Actively pursues own self development - Uses own and others' time effectively - Effectively balances personal life and work - Sets a good example for others by consistently engaging in ethical behaviour 	5.3 (Previous = 5.3) <i>(Average = 5.0)</i>
Building Collaborative Relationships Being able to develop, maintain and strengthen relationships with those inside and outside the organisation.	<ul style="list-style-type: none"> - Constructively influences others - Develops comprehensive strategies in consultation with key stakeholders - Seeks and forges partnerships with key internal and external stakeholders that are mutually beneficial - Networks and forms positive relationships with others to generate benefits for the Council - Gains support for Council's strategy from all relevant stakeholders 	5.3 (Previous = 5.1) <i>(Average = 5.1)</i>
Interpersonal Awareness Noticing, interpreting and anticipating others' concerns and feelings, and communicating this awareness to others.	<ul style="list-style-type: none"> - Seeks feedback from others to form accurate self-perceptions - Understands the impact he has on others - Effectively uses empathy when appropriate - Encourages others to express candid and contrary views - Understands that people are different from one another and treats people accordingly 	5.2 (Previous = 5.3) <i>(Average = 4.8)</i>

<p>Emotional Resilience</p> <p>Has the capacity to work through stressful and difficult situations and retain composure. Remains calm in a crisis and identifies and manages their own emotions.</p>	<ul style="list-style-type: none"> - Demonstrates poise and confidence in an executive leadership role - The ability to identify and manage their own moods and emotions - Remains calm and deliberate under conditions of emotional or work-related stress - Is 'interpersonally mature' when dealing with others - Manages his/her emotions effectively within the workplace context 	<p>5.4 (Previous = 5.6) <i>(Average = 5.1)</i></p>
<p>Developing Others</p> <p>Having a willingness to work with others and facilitate coaching and other learning interventions where others are stretched and challenged to develop their capabilities (knowledge and skills). A strong emphasis on attracting and retaining talent in the organisation.</p>	<ul style="list-style-type: none"> - Shows a genuine intent to attract and retain talent in the Council - Listens attentively to others' ideas and concerns - Willing to work with others to develop their competencies - Involves others in a process or decision to ensure their support - Actively supports the development of future leaders of the Council 	<p>5.1 (Previous = 5.4) <i>(Average = 5.0)</i></p>

Note: 2016 rating is described as 'previous'.

Appendix B: Summary of Elected Members Written Responses to Survey Open-Ended Questions and Interview Responses

Question 1: In reference to the City of Marion Our Values statement please make details on how the CEO's leadership could be enhanced.

Overall the CEO is seen to operate with integrity and high ethical standards. Comments include "Adrian's integrity is beyond reproach;" "His attitude and work relating to ethical and such matters I believe is of a high standard;" "He is genuine and empathetic but not afraid to have tough discussions" and "He has strong emotional intelligence which he puts to good use with Elected Members."

Areas where leadership could be enhanced include:

- Celebrating achievements more openly "Over the last year Adrian and staff have been instrumental in some great achievements."
- Consistently providing input on strategic direction and ensuring others are joining in his intent "I would like to see Adrian better communicate his vision for the city" and "I believe that the future challenge for Adrian is to get everyone moving in the same direction and to the same beat."
- Holding staff accountable for tasks and directions and managing staff who are underperforming or failing to comply with core values.
- Being more inclusive with Elected Members from the outset (e.g. Federal/State Oaklands Crossing agreement) and ensuring that Ward briefings are "quality time" with "timely and accurate information" and that "staff respect the Committees."
- Consulting back to Elected Members more on issues that are of priority to them
- Providing more one on one updates "I know his time is well utilised but feel more interaction with councillors is required."

Question 2: What are the actions, practices and behaviours you really appreciate about this leader?

The CEO is seen by Elected Members as having high authenticity. He has energy is "hard working, reasoned, respectful, intelligent, empathic and highly professional." He is perceived as accessible "easy to talk to with genuine concern for the welfare of others" and appears to be "open to suggestions and willing to listen to everyone."

His communication is viewed as open and honest. He is considered "straight in calling out behaviour" and sets "clear goals and expectations with a culture of achievement." His opinions are valued. "What I especially love is when Adrian is given the space at a forum to give Elected Members a frank and honest assessment of how we are tracking and the upcoming challenges and opportunities. When we give him the space and capacity, his true leadership competency shines through."

The CEO is also seen as willing to take hard decisions and follow them through, for example in management restructuring and employment negotiations. "We have gone through a giant cultural swing and Adrian has had a tough gig."

Adrian is seen to have a "cool/calm approach to his work." He "engages external stakeholders well and manages his direct reports appropriately." The Elected Members appreciate that he "is not invisible" and regularly talks with various staff and workers.

Question 3: What would you suggest are the actions, practices and behaviours he should do better, more often or less often that would build his effectiveness as a leader?

Suggestions include:

- Investing more time communicating strategies to Elected Members and "Sharing the great things he is achieving and the work he is undertaking in the background" and "If he doesn't indulge in some self-promotion others may take the credit or may underestimate his involvement in those achievements."
- Listening to Elected Member concerns around staff performance – "He looks for the good in people too much which can affect his ability to filter the advice" and "Adrian needs to step up to the plate instead of making excuses for them."
- "Monitoring that GMs are leading teams appropriately - "At times there appears to be a disconnect."
- Greater sharing of his opinion and direction with staff, "Exert more influence perhaps in skip level meetings and team level meetings."
- More volunteering at General Council of his opinion and direction. "We have not heard much from Adrian for a while now and generally when we do hear from him it is 10 minutes at the end of a forum after 2 hours 50 minutes of other (perhaps less important in some cases) information." and "Spend more time leading the business and less time being dragged into the minute details of Elected Members."

Question 4: If you foresee any future challenges for this person/role over the next 12 months that may require the development of new or existing competencies, behaviours, or skills what might these be?

Elected Members see the main challenge as maintaining the same level of momentum with projects and cost savings while at the same time managing underperforming staff during the business disruption caused by local council and State elections.

There is a belief however that Adrian has the capacity to do this. "There will be a lot of pressure and distraction but Adrian is not easily pushed off course" and "I believe he is a well-balanced manager, working in a difficult position, which is subject to and limited by the decisions of the Council."

Concern was also expressed around the sustainability of innovation and the need to resource this - an issue considered to be one for Elected Members rather than the CEO.

Appendix 2: Full 360 Degree Feedback

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Marion City Council Performance Review of Chief Executive Officer Adrian Skull

Background to Report

This report provides part of the performance review of Adrian Skull, Chief Executive Officer (CEO) of the City of Marion Council. The assessment of leadership contained within it is based on:

- Responses to an on-line 360-degree leadership assessment
- Confidential interviews with six of the individuals invited to participate in the on-line survey. These people were selected randomly.

Responses to 360-degree Survey

The 360-degree instrument chosen was the Executive Leadership Inventory (ELI) as this assesses performance against benchmarks on eleven competencies seen as critical in executive leadership. It also has provision for detailed written comments. The use of this survey for the 2016 assessment allows comparison of ratings.

The competencies included in the survey are:

- Establishing focus
- Strategic thinking
- Business acumen
- Managing performance
- Management of attention
- Working with and influencing others
- Management of self
- Building collaborative relationships
- Interpersonal awareness
- Emotional resilience
- Developing others.

Competency ratings

Descriptions of the competencies and associated behaviours, together with 2016 and 2017 ratings for the CEO, are attached at Appendix A.

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Feedback scores were attained by averaging the responses received for 10 Elected Members, five direct reports, seven other leaders within Council and three external stakeholders. The scores are compared to the average rating of a normative group of around 500 Australian executives, as well as the CEO's scores from the 360 assessment completed in 2016.

The results indicate that the CEO is seen as performing at an above average level on 10 of the 11 competencies. He was assessed at a similar level to the average executive on the remaining competency of business acumen.

His five highest rated behaviours (rated 5.6 – 5.8 out of 6) were:

- Accepts accountability for own actions and results
- Holds the attention/interest of others when communicating
- Shows a genuine intent to attract and retain talent in the City
- Behaves ethically, in a manner that is above reproach
- Is 'interpersonally mature' when dealing with others

His six lowest rated behaviours across these competencies (rated as 4.8 – 5.0 out of 6) were:

- Seeks feedback from others to form accurate self-perceptions
- Assigns clear responsibility/accountability to others
- Develops comprehensive change strategies
- Involves others in a process or decision to ensure their support
- Understands the impact he has on others
- Effectively balances personal life and work.

There was a high degree of similarity in ratings from all groups indicating that he acts consistently across the cohorts.

Self-ratings by the CEO are comparable with those from his direct reports, other leaders and elected members indicating a good level of self-awareness.

2016 and 2017 ratings are comparable, with the largest difference (still small) being a decrease from a rating of 5.4 to 5.1 in relation to interpersonal awareness.

Written survey comments

The survey also included four open-ended questions, allowing written comments.

A summary of responses, by sub-groups, is attached at Appendix B. Only feedback that constitutes a theme is provided. Direct quotes are inserted to illustrate identified themes.

Summary of Individual Interviews

Interviews were conducted to gain a deeper understanding of any strengths and challenges identified during the 360-degree feedback survey. Interviewees included:

2 x Elected Members

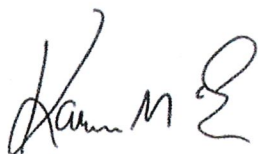
2 x Direct reports

2 x External stakeholders.

To preserve anonymity, the themes from these interviews have been integrated into the written comments from the survey, as summarised in Appendix B. Opinions shared at interview were highly consistent with those provided in the on-line survey.

In summary, the CEO is rated as performing above the average executive on 10 of the 11 competencies seen as critical to high performance. All cohorts believe that he embodies the Council's values and is driving innovation and culture change. He has strong emotional intelligence which enables him to quickly build relationships and work collaboratively - internally and externally. He is also seen as focused on delivery.

There remains a need to build accountability amongst staff, ensure all stakeholders are informed and consulted and to continue to bring others with him on the journey towards Council's vision. There is also scope to delegate more and involve others before acting enthusiastically on new ideas and opportunities. The immediate challenge ahead is continuing to deliver on ambitious goals in a year of State and local election disruption and EB negotiations, while maintaining a level of personal wellbeing.

A handwritten signature in black ink, appearing to read 'Kathryn McEwen'.

Kathryn McEwen
Registered Organisational Psychologist

21st September 2017

Appendix A: CEO Ratings on Competencies

Competency	Behaviours	Feedback Score (maximum = 6) Average = Average score for executives
Establishing Focus Providing direction to Council and developing and communicating objectives in support of the organisation's vision.	<ul style="list-style-type: none"> - Communicates a compelling vision for Council - Clearly enunciates strategic objectives for Council - Communicates a clear picture of what change is needed for Council - Establishes and communicates a strategic direction for Council - Develops comprehensive change strategies 	5.2 (Previous = 5.2) <i>(Average = 5.0)</i>
Strategic Thinking Analysing the organisation's position by considering the market and industry trends, existing and potential customers and strengths and weaknesses as compared to other organisations.	<ul style="list-style-type: none"> - Identifies long term opportunities for Council that clearly reflect an understanding of market conditions/trends - Determines how best to position the Council to achieve desired outcomes - Identifies the need for change by considering current trends and factors impacting Council - Understands the strengths and weaknesses of Council - Spends sufficient time focusing on strategic imperatives for Council 	5.2 (Previous = 5.1) <i>(Average = 5.0)</i>
Business Acumen Acumen in regard to financial competence, market awareness and risk management that assist in driving the organisation towards achievement of service excellence and business outcomes.	<ul style="list-style-type: none"> - Demonstrates a sound understanding of the financials that underpin the Council - Understands the key business drivers re Council - Balances risk and reward when making commercial decisions that affect the Council - Bases business decisions on a demonstrated understanding of commercial issues - Clearly focuses on maximising stakeholder return 	5.2 (Previous = 5.1) <i>(Average = 5.2)</i>
Managing Performance Has a clear sense of the ultimate objectives and bears this in mind when allocating resources, managing risk and making decisions. Ensures all actions are oriented towards successful outcomes. Accepts accountability for achieving required actions and/or outcomes.	<ul style="list-style-type: none"> - Provides helpful and specific feedback to others on their performance - Develops challenging yet achievable objectives for all direct reports - Ensures Unit strategies are executed and monitored - Assigns clear responsibility/accountability to others - Holds others accountable 	5.1 (Previous = 5.0) <i>(Average = 4.9)</i>

Management of Attention Has a 'presence' when communicating. Clearly attracts and holds the attention of others when communicating. Expresses self clearly in all situations and does so with appropriate assertiveness. Comes across with confidence in the executive role.	<ul style="list-style-type: none"> - Holds the attention/interest of others when communicating - Effectively negotiates to shape outcomes - Projects confidence in an executive leadership role - Clearly expresses thoughts and ideas in individual/group situations - Presents ideas and proposals assertively and persuasively 	5.4 (Previous = 5.5) <i>(Average = 5.1)</i>
Working With and Influencing Others Impacting on the behaviour and decisions of others in a positive way that gains their support and contributes to effective results.	<ul style="list-style-type: none"> - Keeps promises and commitments to others - Accepts accountability for own actions and results - Behaves ethically, in a manner that is above reproach - Demonstrates an ability to find common ground and build rapport - Encourages the building of respect and understanding when working with others 	5.5 (Previous = 5.6) <i>(Average = 5.2)</i>
Management of Self Manages self in such a way that enhances one's leadership of Council. Identifies areas for own development and actively pursues ongoing learning and individual growth. Ethical in all that they do.	<ul style="list-style-type: none"> - Organises self and own work priorities effectively - Actively pursues own self development - Uses own and others' time effectively - Effectively balances personal life and work - Sets a good example for others by consistently engaging in ethical behaviour 	5.2 (Previous = 5.4) <i>(Average = 5.0)</i>
Building Collaborative Relationships. Being able to develop, maintain and strengthen relationships with those inside and outside the organisation.	<ul style="list-style-type: none"> - Constructively influences others - Develops comprehensive strategies in consultation with key stakeholders - Seeks and forges partnerships with key internal and external stakeholders that are mutually beneficial - Networks and forms positive relationships with others to generate benefits for the Council - Gains support for Council's strategy from all relevant stakeholders 	5.3 (Previous = 5.2) <i>(Average = 5.1)</i>
Interpersonal Awareness Noticing, interpreting and anticipating others' concerns and feelings, and communicating this awareness to others.	<ul style="list-style-type: none"> - Seeks feedback from others to form accurate self-perceptions - Understands the impact he has on others - Effectively uses empathy when appropriate - Encourages others to express candid and contrary views - Understands that people are different from one another and treats people accordingly 	5.1 (Previous = 5.4) <i>(Average = 4.8)</i>

<p>Emotional Resilience</p> <p>Has the capacity to work through stressful and difficult situations and retain composure. Remains calm in a crisis and identifies and manages their own emotions.</p>	<ul style="list-style-type: none"> - Demonstrates poise and confidence in an executive leadership role - The ability to identify and manage their own moods and emotions - Remains calm and deliberate under conditions of emotional or work-related stress - Is 'interpersonally mature' when dealing with others - Manages his/her emotions effectively within the workplace context 	<p>5.5 (Previous = 5.6) (Average = 5.1)</p>
<p>Developing Others</p> <p>Having a willingness to work with others and facilitate coaching and other learning interventions where others are stretched and challenged to develop their capabilities (knowledge and skills). A strong emphasis on attracting and retaining talent in the organisation.</p>	<ul style="list-style-type: none"> - Shows a genuine intent to attract and retain talent in the Council - Listens attentively to others' ideas and concerns - Willing to work with others to develop their competencies - Involves others in a process or decision to ensure their support - Actively supports the development of future leaders of the Council 	<p>5.3 (Previous = 5.4) (Average = 5.0)</p>

Note: 2016 rating is described as 'previous'.

Appendix B: Summary of Written Responses to Survey Open-Ended Questions and Interview Responses

Question 1: In reference to the City of Marion Our Values statement please make details on how the CEO's leadership could be enhanced.

Elected Members Summary

Overall the CEO is seen to operate with integrity and high ethical standards. Comments include "Adrian's integrity is beyond reproach;" "His attitude and work relating to ethical and such matters I believe is of a high standard;" "He is genuine and empathetic but not afraid to have tough discussions" and "He has strong emotional intelligence which he puts to good use with Elected Members."

Areas where leadership could be enhanced include:

- Celebrating achievements more openly "Over the last year Adrian and staff have been instrumental in some great achievements."
- Consistently providing input on strategic direction and ensuring others are joining in his intent "I would like to see Adrian better communicate his vision for the city" and "I believe that the future challenge for Adrian is to get everyone moving in the same direction and to the same beat."
- Holding staff accountable for tasks and directions and managing staff who are underperforming or failing to comply with core values.
- Being more inclusive with Elected Members from the outset (e.g. Federal/State Oaklands Crossing agreement) and ensuring that Ward briefings are "quality time" with "timely and accurate information" and that "staff respect the Committees."
- Consulting back to Elected Members more on issues that are of priority to them.
- Providing more one on one updates "I know his time is well utilised but feel more interaction with councillors is required."

Direct Reports Summary

Direct reports see the CEO as consistently leading Council values by example. "I have absolute respect for Adrian's demonstration and ownership of the four values. He completely respects others, he shows complete integrity, he works hard and achieves and he is constantly focused on innovation" and "He has outstanding work ethic and personal morals."

Suggestions for improvement include:

- Balancing accessibility to staff with taking responsibility for matters that could be referred to other leaders.
- Engaging all the relevant stakeholders in providing advice and delegating to "Allow your senior leaders and GMs to take a lead on projects."
- Reviewing projects and actions more formally on a regular basis.
- Taking "time to celebrate our successes."
- Ensuring that "there are processes in place to transform innovative ideas into action."
- Feeding back to Elected Members the impact on staff of behaviour by them inconsistent with values.

Other Leaders Summary

The CEO's leadership in establishing and embedding the values is perceived as genuine. "Adrian is a highly ethical leader who genuinely lives the values." He has been seen to deliver an organisational structure focused on achievement and innovation and has "stretched the organisation beyond being 'pleasant', and for this he should be commended."

Factors suggested to improve his performance include:

- Sharing the load with the Executive Team, especially in regards to "political complexity."

- "Slowing down and seeking the views/opinions of staff who will need to deliver the outcomes." "I think many staff say 'yes' to Adrian because they want to deliver for him but sometimes they are over ambitious in what they promise."
- "Minimising reactive priority workloads impacting on achieving current work in progress and already planned goals."
- "Considering how to better manage his overall time commitments" and "Ensuring that he does not over promise in an attempt to please."
- Celebrating success. "I am not sure we celebrate our success and recognise our achievements enough."
- "Pushing back to the Mayor and Elected Members around their involvement in operational matters and modelling of Council values. "Whilst Council is achieving some great projects and things are progressing it is not undertaken in a respectful, trusting and professional manner but rather a battered, bruised and divided manner. I would like more emphasis placed on the Members and staff being on the same team."

Question 2: What are the actions, practices and behaviours you really appreciate about this leader?

Elected Members Summary

The CEO is seen by Elected Members as having high authenticity. He has energy is "hard working, reasoned, respectful, intelligent, empathic and highly professional." He is perceived as accessible "easy to talk to with genuine concern for the welfare of others" and appears to be "open to suggestions and willing to listen to everyone."

His communication is viewed as open and honest. He is considered "straight in calling out behaviour" and sets "clear goals and expectations with a culture of achievement." His opinions are valued. "What I especially love is when Adrian is given the space at a forum to give Elected Members a frank and honest assessment of how we are tracking and the upcoming challenges and opportunities. When we give him the space and capacity, his true leadership competency shines through."

The CEO is also seen as willing to take hard decisions and follow them through, for example in management restructuring and employment negotiations. "We have gone through a giant cultural swing and Adrian has had a tough gig."

Adrian is seen to have a "cool/calm approach to his work." He "engages external stakeholders well and manages his direct reports appropriately." The Elected Members appreciate that he "is not invisible" and regularly talks with various staff and workers.

Direct Reports Summary

This cohort report that the CEO values and invests in staff. He is very approachable and listens to feedback and advice, while also providing others with constructive feedback. He has "energy and drive to deliver great things to our community" and has the ability to "tell a story and bring people along." He is perceived as an innovative and strategic leader who believes in the council's values "and leads them with conviction." "I greatly appreciate Adrian's leadership and personal example. He believes in the City and also everyone who works there. He always has the right thing to say at the right time. He is warm and embracing, and makes people feel welcomed and right at home. He has a great reputation in many sectors. I feel privileged to work in such an environment for a great leader. Thanks Adrian." "He is exceptionally strategic and able to think big and look for opportunities."

Other Leaders Summary

The CEO is seen by this group as an authentic leader who is highly driven, personable and solution-focused. He is seen to collaborate, keep people informed and can be trusted to follow through on

commitments. He “actively seeks feedback from the organisation and follows through on feedback received.”

He is seen to provide an excellent level of support to others while also ensuring accountability. He is “passionate and ambitious in reforming the city to be at the forefront of the sector” and is seen to be innovative and “willing to take measured risks.”

The CEO is viewed as “Visible to the entire workforce and actively seeks out opportunities to meet annually with all teams, thus allowing air time for the teams to share what is on their mind but also allowing him to feel the morale/mood of the organisation from a different perspective.” He is also seen as politically astute while at the same time able to look at things from a commercial perspective. Other leaders consider that he has made significant efforts to improve the accountability culture of the organisation in order to underpin success. “He has recruited very good people into his key leadership roles and expects them to deliver but also provides them with excellent support.”

External stakeholders consider him proactive, innovative, enthusiastic and able to get things done. “He is inclusive and collaborative. “He embodies the contemporary CEO – wanting to share opinions, ideas and learning.”

Question 3: What would you suggest are the actions, practices and behaviours he should do better, more often or less often that would build his effectiveness as a leader?

Elected Members Summary

Suggestions include:

- Investing more time communicating strategies to Elected Members and “Sharing the great things he is achieving and the work he is undertaking in the background” and “If he doesn’t indulge in some self-promotion others may take the credit or may underestimate his involvement in those achievements.”
- Listening to Elected Member concerns around staff performance – “He looks for the good in people too much which can affect his ability to filter the advice” and “Adrian needs to step up to the plate instead of making excuses for them.”
- “Monitoring that GMs are leading teams appropriately - “At times there appears to be a disconnect.”
- Greater sharing of his opinion and direction with staff, “Exert more influence perhaps in skip level meetings and team level meetings.”
- More volunteering at General Council of his opinion and direction. “We have not heard much from Adrian for a while now and generally when we do hear from him it is 10 minutes at the end of a forum after 2 hours 50 minutes of other (perhaps less important in some cases) information.” and “Spend more time leading the business and less time being dragged into the minute details of Elected Members.”

Direct Reports Summary

Suggestions include:

- Continuing to be “strongly focused on innovation and strategy.”
- Holding individuals accountable for lack of performance with “clear consequences for non-delivery.” Applying a “more coordinated and effective way of providing feedback, rather than a spontaneous approach, would be beneficial.”
- Continuing to drive change, improve efficiency and minimise bureaucracy.
- “Clearly communicating our organisational priorities and ensure we remain focussed and link back to our 10 year strategies.”
- Being “less hands on with projects that can be delegated to SLT/GMs.”

Other Leaders Summary

Suggestions include:

- "Seeking more feedback to gain insights into what is working well in the organisation and what could be improved."
- Getting more advice from staff before committing to Council.
- Not taking on too much. This could be improved by prioritising goals/activities, "sharing the political load", and "minimising involvement in operational matters that management and staff are there to address themselves." His energy and impatience in delivering sees him personally taking on tasks that he could delegate.
- Assessing the ability to take on more when "we are maxed out and at full capacity." "We will need to prioritise or will need additional resources which goes against organisation KPI's centred on not increasing resources."
- "Greater emphasis on correcting errors at their source (attention to detail), improved reporting, better metrics."
- Continuing to build his network outside of local government.

Question 4: If you foresee any future challenges for this person/role over the next 12 months that may require the development of new or existing competencies, behaviours, or skills what might these be?

Elected Members Summary

Elected Members see the main challenge as maintaining the same level of momentum with projects and cost savings while concurrently managing underperforming staff during the business disruption caused by local council and State elections.

There is a belief however that Adrian has the capacity to do this. "There will be a lot of pressure and distraction but Adrian is not easily pushed off course" and "I believe he is a well-balanced manager, working in a difficult position, which is subject to and limited by the decisions of the Council."

Concern was also expressed around the sustainability of innovation and the need to resource this - an issue considered to be one for Elected Members rather than the CEO.

Direct Reports Summary

Direct reports see that the CEO will need to manage "political challenges and ensure his well-being is maintained." "Our City is changing with new people, new challenges, and possibly soon new Members with the coming elections." There is also concern that the full agenda will require "discipline as an organisation in oversight and delivery of projects, resource allocation, delegation and not over committing", which will require the CEO to communicate this to staff and "ensure people are not taking on too much."

Other Leaders Summary

Other leaders confirm that the upcoming elections may pose significant challenges, as the CEO will be required to manage the political environment and provide support to new members. They also see that "improving staff morale and keeping Elected Members focused on strategic matters rather than operational issues" may be challenging.

They believe that "ongoing resilience is definitely required" and it is important that the CEO looks after his personal wellbeing and has "time and space to balance the pace and stress of his work environment he has managed so far with poise and clarity."

The other challenge noted is the EB negotiations with outdoor staff.

Table 1: Total Remuneration Package details –G6 Councils and Adelaide City Council
McArthur South Australian Local Government Remuneration Survey Report Chief Executive Officers 2016/2017

Council	Estimated Resident Population as at 30 June 2016	Total Operating Revenue (\$000) as at 30 June 2016	Total Remuneration Package	Cash Component	Super annuation	Vehicle	PRP	Phone / Laptop	Rent Assistance	Other
G6 (METROPOLITAN)										
Adelaide City Council	23,615	189,201	325,000	282,406	27,763	9,831	5,000	-	-	-
City of Charles Sturt	114,677	112,502	300,000	259,000	28,500	12,500	-	-	-	-
City of Marion	89,777	82,628	290,020	253,900	24,120	12,000	-	-	-	-
City of Onkaparinga	169,575	152,613	332,071	280,455	28,046	19,500	590	1,680	-	1,800
City of Salisbury	140,212	110,880	330,200	295,811	28,989	-	1,000	4,400	-	-
City of Tea Tree Gully	99,118	85,801	271,000	246,112	22,888	-	-	-	-	2,000
AVERAGE			308,049	269,614	26,718	13,458	2,197	3,040	-	1,900

Table 2: Average Total Remuneration Package across each Council Area

Here it should be noted that the average refers to the actual number of positions receiving the benefit.

Source	Average Total Package	Cash	Super	Vehicle	PRP	Phone Laptop	Rent	Other
G6 (Metro)	308,049	269,614	26,718	13,458	2,197	3,040	-	1,900
Other Metro	277,494	240,851	23,882	11,788	10,000	2,500	--	-
Outer Metro	248,133	218,832	21,634	11,500	-	-	-	-
Regional	215,053	182,737	17,197	12,562	3,711	2,300	7,800	4,801
Small Regional	167,821	137,722	15,341	12,333	2,910	1,250	7,643	1,454

Table 3: Movements in remuneration packages for Chief Executive Officers from 2013 across the common groupings.

To maintain consistency with previous surveys we have again only included base salary, superannuation and motor vehicles. Also, for the purpose of consistency the same groupings have been used as in previous years. In this regard, data from the City of Port Adelaide Enfield has been retained in this instance within the G6.

Group	January 2017	January 2016	January 2015	January 2014	July 2013
G6 (Metropolitan)	307,403	302,087	308,379	302,742	295,169
% Variation	1.76%	-2.04%	1.86%	2.57%	-
Other Metropolitan	270,944	267,971	253,915	240,826	239,698
% Variation	1.11%	5.54%	5.44%	0.47%	-
Outer Metropolitan	248,133	236,141	230,864	217,867	217,549
% Variation	5.08%	2.29%	5.97%	0.15%	-
Regional	211,239	208,068	200,794	194,007	188,008
% Variation	1.52%	3.62%	3.50%	3.19%	-
Small Regional	163,945	157,861	151,284	149,397	143,022
% Variation	3.85%	4.35%	1.26%	4.46%	-