

**City of Marion OF MARION
REVIEW AND SELECTION COMMITTEE
5 November 2019**

Confidentiality order
revoked under Manager
P&C delegation
29/11/24

CONFIDENTIAL REPORT

Corporate Manager: Steph Roberts, Manager Human Resources
Subject: CEO Annual Performance Review 2018/19
Report Reference: RSC191105F01

If the Committee so determines, this matter may be considered in confidence under Section 90(2) and (3)(a) - information the disclosure of which would involve the unreasonable disclosure of information concerning the personal affairs of any person (living or dead).

KRIS HANNA

**Kris Hanna
Mayor**

RECOMMENDATIONS: (1)

That pursuant to Section 90(2) and (3)(a) of the *Local Government Act 1999*, the Committee orders that all persons present, with the exception of the following persons: _____, be excluded from the meeting as the Committee receives and considers information relating to the Chief Executive Officer (CEO) 2018/2019 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:

To seek feedback from the Review and Selection Committee (the Committee) regarding the total performance for the Chief Executive Officer (CEO) 2018/19 financial year and the remuneration recommendation to be presented to Council.

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 2018/19 financial year CEO KPI's (Appendix 1), along with the results of the 360 review outcomes for the Committee's discussion (appendix 2 and 3) and deliberation prior to making a final recommendation to Council.

RECOMMENDATION (5)

DUE DATE

That the Review and Selection Committee determines that the following recommendations be proposed to Council regarding the outcomes of the Chief Executive Officer 2018/19 performance review:

1. That the Chief Executive Officer has achieved the following Performance Ratings for 2018/19: 5 Nov 2019
 - KPI 1 –
 - KPI 2 –
 - KPI 3 –
 - KPI 4 –
 - KPI 5 –
 - KPI 6 –
 - KPI 7 –
 - KPI 8 –
 - KPI 9 –
2. That the Chief Executive Officer has achieved an overall performance rating of _____ 5 Nov 2019
3. To endorse the CEO's remuneration package to be applied as a result of the 2018/19 performance year comprising: 5 Nov 2019
 - a. Base Salary \$ xxxxxx.00
 - b. Employer Superannuation Contribution \$ xxxxxx.00
 - c. Motor Vehicle value \$ xxxxxx.00
4. 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. 5 Nov 2019
5. In accordance with 90(2) and (3)(a) of the Local Government Act 1999 the Committees 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 2019. 5 Nov 2019

Background

Section 9 of the CEO Employment Agreement defines the requirements for the performance review. The responsibilities of the review is addressed by the Review and Selection Committee.

The approach and timeline for the CEO performance and remuneration review was endorsed by Council 29 January 2019 (GC190129R08).

Council at its meeting 22 May 2018 (GC220518R10) endorsed the aligning of Corporate KPIs with those of the Chief Executive ongoing.

Discussion

Following outlines the process for the Review and Selection Committee to follow 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 including the audited financial results (refer appendix 1).
 - b. Review of the 360-degree feedback regarding the CEO performance sourced from Elected Members, provided in appendix 2
 - 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 3.

5. 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 appendix 4.

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 and remuneration (if applicable), providing reasoning to support the recommendations made.

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CHIEF EXECUTIVE OFFICER and CORPORATE KEY PERFORMANCE INDICATORS 2018/19 QUARTER FOUR: APRIL – JUNE 19 - APPENDIX 1 (Audited)

1 Financial Sustainability

Core target: Council maintains a break even or positive cash funding position in delivering its annual budget

Measure: This target compares funding cash position at the relevant budget review with the adopted budget figure. Adopted Budget \$668k

Achieved: Council achieved an Audited figure of \$3,602k. The Target has been met.

\$3,602k (audited)

Fourth review

Third review

Second review

First review

Adopted budget \$668k

4 Total Employee Costs

Core target: Less than or equal to 3% increase in actual employee costs (including agency staff) against prior year's actual costs

Stretch target: Less than or equal to 2% increase in actual employee costs (including agency staff) against prior year's actual costs

Measure: The 2017/18 Actual audited figure = \$33,274k.

Achieved: Council achieved 3.04%. The Actual figure is 4.80% - Adjustment for movement in grant funded positions, impact of council resolutions and extraordinary events is forecast to bring KPI back to 3.04%.

Stretch >or= 2%

Core >or= 3%

Actual 3.04%

2 Delivery of agreed projects identified in ABP and 3 year Plan (73 projects)

Core target: Greater than or equal to 95%

Measure: Monthly data as at 30 June 2019

Achieved: 61 Projects completed, 8 Projects on track and 3 projects off track or deferred. 96% of projects are completed or on track. 4% are not on track. The target has been met.

*refer appendix 1a for a further explanation of the statuses of projects.

Core >or= 95%

Actual on track 69 (96%)

5 Staff Retention

Core target: Greater than or equal to 88% retention of staff.

Stretch target: Greater than or equal to 92% retention of staff.

Achieved: 88.5% (Actual result) Core Target has been met

Core >or= 88%

Actual 88.5%

Stretch >or= 92%

3 Lost Time Injury Frequency Rate.

Core target: Greater than or equal to 10% reduction from 2017/18 (5.5)

Stretch target: Greater than or equal to 15% reduction from 2017/18 (5.2)

Measure: The LTIFR for Q4 2018/19 is 9.4

Achieved: 52% Increase – Core and Stretch targets have not been met
Financial Year Average = 5.7

Core >or= 10%

Stretch >or= 15%

Actual 52% Increase

Note: As reported to Council (GC190723R14); despite not reaching target, significant reductions have been made over the past three years which equates to a 67% reduction over the three years from 28.8 in 2015-16 to 9.4 in 2018-19.

6 Overall Satisfaction with Council's performance

Core target: Greater than or equal to 75% rated as satisfied or above.

Stretch target: Greater than or equal to 85% rated as satisfied or above.

Measure: Community Survey

Achieved: 83.6%. The Core Target has been met.

Core >or= 75%

Stretch >or= 85%

Actual 83.6%

CHIEF EXECUTIVE OFFICER KEY PERFORMANCE INDICATORS 2018/19

QUARTER FOUR: APRIL – JUNE 19 – APPENDIX 1

7 Asset Sustainability

Core target: Asset Sustainability Ratio greater than or equal to 80%
Stretch target: Asset Sustainability Ratio greater than or equal to 90%
Achieved: 114% (Actual) Core and stretch targets have been met.



The Asset Sustainability Ratio indicates whether Council is renewing or replacing existing assets at the rate of consumption.

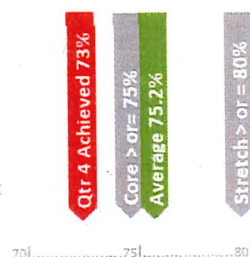
8 Delivery of Council's capital works program

Core target: Greater than or equal to 80% delivery of Council's planned capital works program (adjusted for extraordinary items)
Stretch target: Greater than or equal to 90% delivery of Council's planned capital works program (adjusted for extraordinary items)
Achieved: 87.2% (Actual) Comment Core Target has been met.



9 Staff Engagement

Core target: Achievement of an overall employee pulse survey result of 75%, based on 9 metrics
Stretch target: Achievement of an overall employee pulse survey result of 80%
Measure: Staff quarterly Pulse survey results.
Achieved: 73% - Target has not been met in Q4.
Average across 18/19 financial year: 75.2%. Target has been met



Appendix 2: Elected Member Feedback

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Kathryn McEwen Psychology at Work

City of Marion Performance Review of Chief Executive Officer Adrian Skull Elected Member Response Summary 2019

Background to Report

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

- Elected member responses to an on-line 360-degree leadership assessment
- Confidential interviews with two Elected Members.

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 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 ratings for the CEO, are attached at Appendix A.

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Feedback scores were attained by averaging the responses received for nine 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 360-degree assessment completed in 2017 and 2018.

The results indicate that Elected Members see the CEO as performing above the average executive on all 11 leadership competencies.

The CEO's three highest rated behaviours by Elected Members (rated 5.8 out of 6) were:

- Is interpersonally mature when dealing with others.
- Shows a genuine intent to attract and retain talent in the City..
- Understands the impact he has on others.

His lowest rated behaviours by Elected Members (rated 5 out of 6) were:

- Holding others accountable.
- Seeking feedback from others to form accurate perceptions.
- Encouraging others to offer candid and contrary views.

There was a high degree of consistency in ratings from Elected Members with those of direct reports and other leaders within Council (see separate report). Self-ratings were also similar, indicating a good level of self-awareness.

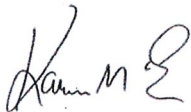
Written survey comments

The survey also included four open-ended questions, allowing written comments. A summary of responses for Elected Members only is attached at Appendix B. 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.



Kathryn McEwen
Registered Organisational Psychologist

September 2019

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 	5.4 5.34 (2018) 5.4 (2017) (Average = 5.0)
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 	5.4 5.45 (2018) 5.4 (2017) (Average = 5.0)
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 	5.4 5.43 (2018) 5.6 (2017) (Average = 5.2)
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 5.36 (2018) 5.0 (2017) (Average = 4.9)

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 5.53 (2018) 5.4 (2017) (Average = 5.1)
Working 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 5.69 (2018) 5.4 (2017) (Average = 5.2)
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 5.42 (2018) 5.3 (2017) (Average = 5.0)
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 	5.5 5.49 (2018) 5.5 (2017) (Average = 5.1)
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 	5.4 5.53 (2018) 5.5 (2017) (Average = 4.8)

<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>5.6 5.70 (2018) 5.8 (2017) (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>5.6 5.51 (2018) 5.4 (2017) (Average = 5.0)</p>

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

The CEO is seen as role modelling the City's values. Sample comments include "Adrian promotes each and every one of our values;" "I've found him to be extremely respectful, with strong values/scruples. I also see him as a creative and entrepreneurial thinker who has the performance of his council and the sector at heart;" "He's balancing a lot of things at the moment and balancing them well. All four values are being focused on;" Always conveys respect in any engagement that I've been involved in. There is nothing in his dealings that indicate a compromise of integrity."

Specific suggestions include:

- Spending a day each week in City Services.
- Taking the time to stop, appreciate and celebrate achievements .
- Additional innovative ideas being brought forward by staff .
- Supporting proposals focused on achievement of higher-level objectives to see if they can be progressed. "Often it is those next projects or initiatives, that are put on hold, that could be the ones to put some trust in the Chief Executive to drive for even greater outcomes."
- Innovation: Continuing to have a balance of what is outwardly viewed as innovation i.e. new services and technologies, with changing how things are done within the Council and across Councils.

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

Elected Members Summary

Elected members commented on the CEO's humility, generosity, enthusiasm, intelligence, capacity to listen and frank, honest and open style of communication. "He leads by example and is respectful to all members and employees of the Council."

There is appreciation of the following:

- "The way Adrian continues to focus on ways to stay positive and optimistic. He is always calm and considered when sharing his thoughts/ideas. He is thoughtful and looks out for people's welfare. I find him to be particularly engaging and his company enjoyable and at times even up-lifting."
- "He keeps you informed and tests thinking related to the topic at hand. He is respectful in his engagement and this includes when he is strong and clear on the position of the City. He is action/outcome oriented." My experience is "that he doesn't ask anything that he isn't willing to commit to himself;" Finally, "Adrian is a leader for his City/Council and for the broader community. Adrian genuinely takes forward ideas that will progress the City's objectives and also that benefit the local government sector."
- "Adrian just wants to get on and get things done, doesn't like to get bogged down in the detail, happy to leave that to others, and encourages people to seek out new ways to get things done. Also, Adrian promotes the vision of collaboration with others as a way of driving efficiency and doing things smarter."
- "He is down to earth, warm, approachable, and inspiring. When emotional he calls himself a sook - but all staff really like his genuine feelings and emotions. Wants to invest in others and is humble in that Marion is not all about him. Always has time for a hello, even if it's a quick one."

Happy to get out there and mix with all staff and knows enough about everything to have a useful conversation with them."

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 to improve effectiveness include:

- Demanding more time of Elected Members to share ideas and innovations.
- Providing a view at Elected Member forums.
- Having a greater presence at City Services.
- Taking more time to immerse himself in peer-related activities - "Can end up moving from one commitment to another, limiting his time in certain circumstances."
- Having patience and allowing sufficient time to really explore and get the most benefit from an opportunity without impacting on project delivery.
- Ensuring the organisation is sufficiently resourced to deliver the ambitious programs and projects ahead.

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

Challenges raised include:

- Selecting new managers that have the skills to deliver all of the current Council plans.
- Developing and maintaining momentum with a new leadership team. "With new team members, the ability to have them focused on the immediate and future program of the City will be key."
- Managing changes impacting on the local government sector over the next 12 months. "Prioritisation and communication skills will certainly be needed, as will impact and influence, relationship building/enhancing, customer focus and diplomacy competencies. A good deal of patience and understanding will also be required. Adrian possesses all of these, but (like all of us) will no doubt have ways of fine-tuning these requirements for the challenges (both known and unknown) that lie ahead."
- "Selling the collaboration work will need many messages to nervous staff, and we need to be up front about that. A new SLT (2 GMs and new SLT) will need bedding in."

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Kathryn McEwen Psychology at Work

City of Marion Performance Review of Chief Executive Officer Adrian Skull 2019

Background to Report

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

- Responses to an on-line 360-degree leadership assessment.
- Confidential interviews with three individuals.

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 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 ratings for the CEO, are attached at Appendix A. Feedback scores were attained by averaging the responses received for nine Elected Members (EMs), five Direct Reports and seven other leaders within Council who completed the ratings section of the survey. The scores are also compared to the average rating of a normative group of around 500 Australian executives.

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The results indicate that the CEO is performing at a level above the average executive on all 11 competencies. His particular strengths are 'emotional resilience' and 'influencing others'.

His highest rated behaviours (rated 5.7 – 5.8 out of 6) were:

- Projects confidence in an executive leadership role.
- Accepts accountability for own actions and results.
- Behaves ethically, in a manner that is above reproach.
- Encourages the building of respect and understanding when working with others.
- Demonstrates poise and confidence in an executive leadership role.
- Able to identify and manage own moods and emotions.
- Interpersonally mature when dealing with others.

His lowest rated behaviours across these competencies (still rated as 5.15- 5.3 out of 6) were:

- Spends sufficient time focusing on strategic imperatives for the City.
- Assigns clear responsibility/accountability to others.
- Effectively negotiates to shape outcomes.
- Develops comprehensive strategies in consultation with stakeholders.

All other behaviours were rated as 5.32 and higher.

Additional behaviours that were assessed as exceptional when compared to other executives include:

- Seeking feedback from others to form accurate self-perceptions.
- Understanding the impact he has on others.

There was a high degree of consistency in ratings from all three groups indicating that he acts consistently with all of these cohorts.

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

Ratings on all 11 competencies have increased since 2018.

Written survey comments

The survey also included four open-ended questions, allowing written comments from nine Elected Members and five Direct Reports. Comments were also gained from seven leaders (other than Direct Reports) within Council and three external parties who interact with the CEO. The external party respondents were not included in the ratings section of the survey as they would not have had opportunity to observe all of the competencies listed.

A summary of responses, by sub-groups, is attached at Appendix B. Direct quotes are inserted to illustrate identified themes.

The feedback overall is consistent with the last two reviews in that the CEO provides strengths in the areas of:

- Consistent promotion and role modelling of City of Marion values.
- Strategic and innovative thinking, with the drive to deliver and be accountable for results.
- Exceptional interpersonal skills that have created an engaged workforce and strong external stakeholder relationships.
- Empowering and inspirational leadership.

Specific future challenges include:

- Local government reform and the need to build a new senior leadership team.
- Balancing personal workload and expectations of others.
- Ensuring that innovation and new projects can be delivered with available City resources.

Summary of Individual Interviews

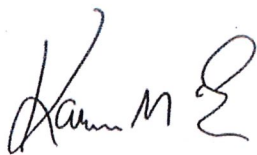
Interviews were conducted to gain a deeper understanding of the strengths and challenges identified during the 360-degree feedback survey. Interviewees included:

2 x Elected members

1 x Direct report.

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 were highly consistent with those provided in the on-line survey.

In summary, the CEO is rated as performing above the average executive on all of the 11 competencies seen as critical to high performance. He is very well regarded, both personally and in relation to the strategic and people management aspect of his role. This perception is consistent across all cohorts surveyed.



Kathryn McEwen
Registered Organisational Psychologist

September 2019

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 	5.34 5.2 (2018) 5.2 (2017) (Average = 5.0)
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 	5.45 5.3 (2018) 5.2 (2017) (Average = 5.0)
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 	5.43 5.4 (2018) 5.2 (2017) (Average = 5.2)
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 	5.36 5.2 (2018) 5.1(2017) (Average = 4.9)

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 	5.53 5.5 (2018) 5.4 (2017) <i>(Average = 5.1)</i>
Working 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 	5.69 5.5 (2018) 5.5 (2017) <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 	5.42 5.3 (2018) 5.2 (2017) <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 	5.49 5.4 (2018) 5.3 (2017) <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 	5.53 5.4 (2018) 5.1 (2017) <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>5.70 5.6 (2018) 5.5 (2017) (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>5.51 5.5 (2018) 5.3 (2017) (Average = 5.0)</p>

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

The CEO is seen as role modelling the City's values. Sample comments include "Adrian promotes each and every one of our values;" "I've found him to be extremely respectful, with strong values/scruples. I also see him as a creative and entrepreneurial thinker who has the performance of his council and the sector at heart;" "He's balancing a lot of things at the moment and balancing them well. All four values are being focused on;" Always conveys respect in any engagement that I've been involved in. There is nothing in his dealings that indicate a compromise of integrity."

Specific suggestions include:

- Spending a day each week in City Services
- Taking the time to stop, appreciate and celebrate achievements
- Additional innovative ideas being brought forward by staff
- Supporting proposals focused on achievement of higher-level objectives to see if they can be progressed. "Often it is those next projects or initiatives, that are put on hold, that could be the ones to put some trust in the Chief Executive to drive for even greater outcomes"
- Innovation: Continuing to have a balance of what is outwardly viewed as innovation, i.e. new services and technologies, with changing how things are done within the Council and across Councils.

Direct Reports Summary

The CEO's leadership is seen by his direct reports as strongly aligned to the City's values. Example comments are "Respect and Integrity - cannot fault these traits" and "Innovation - you are the driving force behind the City of Marion's vision and I love that you empower staff to be creative."

Suggestions include:

- Further enhancing innovation by freeing up personal calendar time to provide space and time to think creatively and strategically plan.
- Elected Members continuing to show faith in the CEO's decision making.
- Allowing others to drive solutions and problem solve.
- Setting organisational priorities: When taking on new work consider the impact on capacity to deliver.

Other Leaders Summary

Staff see the CEO leading and role modelling the City's values - "Adrian takes the values very seriously and promotes them in everything he does, referring to them in many interactions;" "The values come easily to Adrian, in particular around respect and achievement."

Suggestions include:

- Assisting with innovation by encouraging measured risk taking and allowing people to fail.
- Achieving more through gaining "appropriate input and support from significant others."
- Providing more direction or information to facilitate staff verbal participation in Council meetings.

- Continuing to reward and hold people to account for demonstrating the values of respect and integrity.
- Continuing the momentum gained around innovation over the past two years.

External Stakeholders Summary

External stakeholders confirm values alignment. "It is obvious that Adrian lives these values in both his working and personal life;" "Adrian lives and breathes the values".

Suggestions include:

- The elected body providing more time and space for Adrian to share innovative ideas.

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

Elected Members Summary

Elected members commented on the CEO's humility, generosity, enthusiasm, intelligence, capacity to listen and frank, honest and open style of communication. "He leads by example and is respectful to all members and employees of the Council."

There is appreciation of the following:

- "The way Adrian continues to focus on ways to stay positive and optimistic. He is always calm and considered when sharing his thoughts/ideas. He is thoughtful and looks out for people's welfare. I find him to be particularly engaging and his company enjoyable and at times even up-lifting."
- "He keeps you informed and tests thinking related to the topic at hand. He is respectful in his engagement and this includes when he is strong and clear on the position of the City. He is action/outcome oriented." My experience is "that he doesn't ask anything that he isn't willing to commit to himself;" Finally, "Adrian is a leader for his City/Council and for the broader community. Adrian genuinely takes forward ideas that will progress the City's objectives and also that benefit the local government sector."
- "Adrian just wants to get on and get things done, doesn't like to get bogged down in the detail, happy to leave that to others, and encourages people to seek out new ways to get things done. Also, Adrian promotes the vision of collaboration with others as a way of driving efficiency and doing things smarter."
- "He is down to earth, warm, approachable, and inspiring. When emotional he calls himself a sook - but all staff really like his genuine feelings and emotions. Wants to invest in others and is humble in that Marion is not all about him. Always has time for a hello, even if it's a quick one. Happy to get out there and mix with all staff and knows enough about everything to have a useful conversation with them."

Direct Reports Summary

Direct reports see the CEO as having a genuine commitment and passion for the community and its people. "The resident is central to his decision making and through his leadership he encourages all staff to view their decisions and actions from the resident point of view." "He is driven to achieve and understands his role is to build organizational capacity to deliver."

There is appreciation that he has an open-door policy, is kind, caring and takes time to talk to staff at all levels. He has fun, is supportive and "creates a team environment and empowers people in their roles."

The CEO is also seen as “committed to developing people and culture - knowing this is what drives performance.” “He understands the impact of leaders on culture and has both set expectations around leadership and sought to develop our leaders.”

As is the case with other groups, his direct reports see him as honest in his communication and not afraid of having the difficult conversations while holding himself to account.

Other Leaders Summary

Comments from this group indicate that there is appreciation of the CEO’s ability to relate and listen to all; condense complex information into “succinct and pithy directions” and his sense of humour.

He is seen as having integrity and being able to have open and honest conversations. “He is real, honest, approachable and down to earth.”

He has empathy and is focused on people and their development. He trusts in others and provides “the autonomy to get on while instilling confidence he is there to support when needed.” “He is always on the front foot to acknowledge good performance.”

The CEO is seen as having the City’s interests at the “forefront of everything he does.” He actions strategic matters with “conviction and passion,” is future-focused and able to “get on with it.” “He connects operations with strategic imperatives and ensures individual KPIs are aligned (a clear line of sight). He seeks advice and takes on board the views of others. Decisive and clear about the way forward (after taking on board others' views).” “Adrian is an inspirational leader - he is a great role model and I love hearing him speak about his vision for the future.”

External Stakeholders Summary

Some of the attributes assigned to the CEO are that he is sincere; honest; accountable; very genuine and open; both generous and careful with his time; has a good sense of humour; is committed to developing people across the organisation; has discretion and is able to listen and hear what is being said to him.

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 to improve effectiveness include:

- Demanding more time of Elected Members to share ideas and innovations.
- Providing a view at Elected Member forums.
- Having a greater presence at City Services.
- Taking more time to immerse himself in peer-related activities - “Can end up moving from one commitment to another, limiting his time in certain circumstances.”
- Having patience and allowing sufficient time to really explore and get the most benefit from an opportunity without impacting on project delivery.
- Ensuring the organisation is sufficiently resourced to deliver the ambitious programs. and projects ahead.

Direct Reports Summary

Suggestions from direct reports include:

- Freeing up diary time for thinking/creativity.
- Allowing others to drive solutions and problem solve.

- Leveraging from the engagement of staff to deliver a high performing best practice organisation.

Other Leaders Summary

Suggestions here for the CEO include:

- Addressing the gaps in staffing and performance.
- Clearly stating his position to the Elected Members.
- Creating better work life balance.
- Continuing to assess what issues he needs to be involved with and which to delegate.

External Stakeholders Summary

Suggestions from this cohort include:

- "Change up the question about 'Marion could be better if' ...to 'Marion is great because' ..."
- Share more about LG reform and what this might mean for the sector.
- Spend more time delivering his professional opinions to the elected group.

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

Challenges raised include:

- Selecting new managers that have the skills to deliver all of the current Council plans.
- Developing and maintaining momentum with a new leadership team. "With new team members, the ability to have them focused on the immediate and future program of the City will be key."
- Managing changes impacting on the local government sector over the next 12 months. "Prioritisation and communication skills will certainly be needed, as will impact and influence, relationship building/enhancing, customer focus and diplomacy competencies. A good deal of patience and understanding will also be required. Adrian possesses all of these, but (like all of us) will no doubt have ways of fine-tuning these requirements for the challenges (both known and unknown) that lie ahead."
- "Selling the collaboration work will need many messages to nervous staff, and we need to be up front about that. A new SLT (2 GMs and new SLT) will need bedding in."

Direct Reports Summary

Direct reports see the challenges as being:

- "Preparing the organization for LG reform and the changes this may bring. There will be significant changes at the Executive level (2 new GMs) - this will require time to invest in building the team and support the organisation to adjust to any new structural changes."
- "Local government reforms or the process of the reforms being drafted could have unknown outcomes. Adrian is adept at being flexible and adaptable and he will need to continue finely tuning these attributes."
- Having two new General Managers – "This will require time and energy as their leader to build relationships."
- Resource planning for the Council. "With so many competing priorities we need a more agile workforce. This will be the challenge for all of us."

Other Leaders Summary

Staff concur with the challenges around local government reform and inducting two new general managers, making sure they are effective. Other comments relating to change include:

- Managing potential changes to independent members on committees and the impact of this on aspects of the organisation.
- Managing the level of change and potential change fatigue and its possible impact on turnover, performance and culture.

In relation to Elected Members challenges listed include:

- "Interpersonal relationship with our Mayor."
- "Assisting Council Members to be realistic about projects, resources, and achievability, without letting timelines and outcomes slip."

External Stakeholders Summary

Challenges listed here include meeting Elected Member demands and competing expectations and managing local government reform with the speed at which this may be expected.

Appendix 4: Total Remuneration Package details – G6 Councils and Adelaide City Council Chief Executive Officers

Council Name	Position Title	TRP	Cash	Super	Car	Prof Dev	Phone	Rent	Other
G6 (Metropolitan)									
City of Adelaide	Chief Executive Officer	376,842	329,826	30,673	11,343	5,000			
City of Onkaparinga	CEO	344,468	292,192	29,219	20,287	550	420		1,800
City of Tea Tree Gully	Chief Executive Officer	284,500	258,005	23,995					2,500
City of Salisbury	Chief Executive Officer	343,322		30,642					
City of Charles Sturt	Chief Executive Officer	361,885	317,322	33,062	11,501				
City of Marion	Chief Executive Office	305,287	267,842	25,445	12,000				

** Note McArthur are no longer providing a remuneration report. They were able to provide data for the City of Adelaide, Onkaparinga, Tea Tree Gully and Charles Sturt. The (available) data was obtained for the City of Salisbury directly.*