

To: Council in Committee of the Whole

From: Tracy Adams, Chief Administrative Officer,
Office of the C.A.O.

Report Number: CNCL-23-102

Date of Report: September 27, 2023

Date of Meeting: October 2, 2023

Subject: Yearly Performance Review of the Chief Administrative Officer

Ward: All Wards

File: 03-05

1.0 Purpose

The purpose of this report is in response to the Chief Administrative Officer By-law 33-98, as amended, that states that the Chief Administrative Officer (C.A.O.) is to meet with Council at least once during each 12-month period of the C.A.O.'s term of office for the purpose of reviewing his/her performance. Historically, the C.A.O. performance review was a verbal update provided by the C.A.O. during a closed portion of a City Council meeting at the one-year mark of being appointed by Council.

As it is a best practice and supports good governance, it is proposed that the performance evaluation of the C.A.O. be conducted similar to the written process followed for City staff. Further, it is appropriate to advance a performance review as the current C.A.O. was appointed by Council on September 27, 2022.

Attachment 1 is the proposed C.A.O. Evaluation – ACTivate Performance

Attachment 2 is a copy of The Canadian Association of Municipal Administrators (C.A.M.A.) Top 10 Reasons Why a Council Should Conduct A CAO Performance Evaluation

2.0 Recommendation

It is recommended to City Council:

1. That Council approve the C.A.O. Evaluation – ACTivate Performance management tool as outlined in Attachment 1 of Report CNCL-23-102 concerning the Yearly Performance Review of the Chief Administrative Officer, dated September 27, 2023; and,

2. That members of Council and the C.A.O. complete the C.A.O. Evaluation – ACTivate Performance as outlined in Section 5.6;
3. That the completed C.A.O. Evaluation – ACTivate Performance be discussed at the November 20, 2023 Council meeting.

3.0 Executive Summary

Not applicable.

4.0 Input From Other Sources

Legislative Services

Human Resource Services

Canadian Association of Municipal Administrators (C.A.M.A.)

Chief Administrative By-law 33-88, as amended

Municipal Act, 2001, as amended

Ontario Municipal Administrator's Association (O.M.A.A.)

5.0 Analysis

The C.A.O. is the administrative head of the municipality who ensures policies and programs are implemented; advises and informs Mayor and Council about the operation and affairs of the municipality; and, carries out the duties described in the legislation.

5.1 C.A.O. General Mandate and Specific Duties

The City of Oshawa's C.A.O. By-law 33-88, as amended, outlines the general mandate of the C.A.O.:

- (a) to coordinate, direct and supervise the implementation of the policies and programs approved by Council;
- (b) to provide strategic guidance to Council for the good government of the Corporation in a manner which is consistent with the well-being of all of its residents;
- (c) to direct and coordinate the activities of all departments for the purposes of efficiency and consistency in implementing policies and decisions of Council;
- (d) to develop and maintain an atmosphere of cooperation and collegiality amongst and with the members of the Corporate Leadership Team;
- (e) to assist the Mayor in respect of the Mayor's duties under the Municipal Act, 2001; and,

(f) to perform the duties of a Chief Administrative Officer as prescribed by the Municipal Act, 2001.

Section 229 of the Municipal Act, 2001, provides that a municipality may appoint a chief administrative officer who shall be responsible for,

(a) exercising general control and management of the affairs of the municipality for the purpose of ensuring the efficient and effective operation of the municipality; and

(b) performing such other duties as are assigned by the municipality.

Additionally, within the general mandate of the C.A.O., and under the direction of Council, specific duties shall include the following:

(a) to initiate, develop and maintain a strategic planning process for the Corporation;

(b) to initiate, develop and maintain a progressive corporate image of the City of Oshawa with other municipalities, other levels of government, industry and business, as well as the public at large;

(c) to review, on a periodic basis, the Corporation's organizational and operating structure and to recommend to Council any changes that could improve the effectiveness or the efficiency of the Corporation's organizational and operating structure;

(d) to supervise general financial control of the Corporation with the assistance of the Treasurer, including the preparation of operational and capital budgets, their presentation to Council and Standing Committees of Council, and have overall responsibility for implementation of such budgets as Council may approve from time to time; and,

(e) such other specific duties as may be assigned by Council from time to time.

The C.A.O. shall facilitate communications between Council, the administration and the general public. Without limiting the generality of the foregoing, the duties of the C.A.O. shall include the following:

(a) to ensure that information and reports that are requested by Council, and such information and reports, as, in the opinion of the C.A.O., might be of assistance to Council, are obtained and submitted to Council and Standing Committees of Council;

(b) to prepare and present reports to Council, as required, on the overall operation, efficiency and well-being of the Corporation;

(c) subject to the provisions of the Municipal Freedom of Information and Protection of Privacy Act, R.S.O. 1990, c. M.56, to facilitate access to information concerning the Corporation by members of Council and by the general public.

5.2 Performance Evaluations

According to C.A.M.A., conducting a written performance evaluation of the C.A.O. provides the following benefits:

- increase communication between C.A.O. and the Mayor and Council;
- provide the C.A.O. an opportunity to identify goals that support their career objectives;
- align the municipality's strategic goals with the C.A.O.'s goals that supports the organization's excellence;
- provides a formal record of their performance conversation and appraisals of the C.A.O.'s achievement of agreed-upon goals, and of the organization's performance in achieving its goals.

Attachment 2 provides C.A.M.A. Top 10 Reasons Why a Council Should Conduct A CAO Performance Evaluation.

O.M.A.A. also supports the best practice of performance evaluations of C.A.O.s as good governance at the municipal level depends on a strong relationship between Council and their C.A.O. and evaluating their performance is critical as it can result in:

- a rare opportunity for frank exchanges between the C.A.O. and Council;
- an enhanced understanding of the support that both parties need to meet the requirements of their roles and responsibilities;
- improved business results;
- an empowered and engaged C.A.O.;
- Council understanding of the effectiveness and abilities of their C.A.O.;
- an opportunity for celebration on reaching mutual goals; and,
- course corrections.

The performance evaluation of the C.A.O. should be conducted in a manner generally consistent with the performance evaluation process employed by all senior managers. The completed written performance evaluation should be confidential and include goals and objectives for the following year.

The City's C.A.O. By-law 33-88, as amended, states that the C.A.O. shall meet with Council at least once during each 12-month period of the C.A.O.'s term of office, for the purpose of reviewing his/her performance. Historically, the C.A.O. performance review was a verbal update provided by the C.A.O. during a closed portion of a City Council meeting at

the one-year mark of being appointed by Council. It is appropriate to advance a performance review as the current C.A.O. was appointed by Council on September 27, 2022.

5.3 City's Core Values

Core values are the principles or philosophies that guide an organization's internal conduct, as well as its relationship with external stakeholders and customers. The City's core values are Authenticity, Courage and Trust and were adopted in 2011 to:

- Shape future decisions and actions
- Provide direction and purpose for our daily activities
- Set our standards of behaviour
- Promote our understanding and ongoing contribution to our organization's mission and vision.

5.4 ACTivate

The City uses ACTivate as a performance support and management tool. It is a continuous process where an employee and their leader work collaboratively together to set goals and review progress through ongoing communication and engagement.

Launched in 2017, the ACTivate performance support program is designed to assist all employees by:

- Providing a gateway to professional development
- Providing an opportunity for career planning
- Building relationships between employees and leaders
- Improving engagement through coaching
- Creating a foundation for a high-performing culture

5.5 Competencies

Competencies identify the key attributes and functions shared by certain roles in the organization. They are tangible, based on requirement, necessity and fit. Competencies are divided into different categories and the behaviours related to each competency can be objectively observed and measured.

The City's ACTivate program consists of core competencies that apply to everyone in the organization, regardless of position held. The program also includes leadership competencies that apply to all people leaders.

5.5.1 Corporate Leadership Team Competencies

A version of the ACTivate program is being proposed to address performance management for the senior management team, including the C.A.O. The proposed C.A.O. Evaluation – ACTivate Performance incorporates the ACTivate core and leadership competencies with modifications based on C.A.O. core competencies as defined by O.M.A.A., to make it more relevant for evaluation of the C.A.O. and the Corporate Leadership Team.

It is anticipated that if Council approves the proposed C.A.O. Evaluation – ACTivate Performance tool, modifications may be required in the future as Council and the C.A.O. implements the new process. Should Council decide not to use this performance evaluation as set out in Attachment 1, the C.A.O. will complete another assessment based on Council's preferred method. Should Council approve the proposed performance evaluation, members of the Corporate Leadership Team will also complete the same evaluation for review by the C.A.O.

5.6 C.A.O. Performance Evaluation Process

The proposed C.A.O. Evaluation – ACTivate Performance identifies 10 core and leadership competencies including:

- Customer and Community Focus
- Communication and Relationship Building
- Respectful and Inclusive
- Health, Wellness and Safety
- Fiscally Responsible
- Strategic Thinking and Shaping the Organization
- Inspiring and Motivating Others
- Extending Trust and Engaging Others
- Decisive and Accountable
- Innovation and Change

Each core and leadership competency describes what succeeding would look like and provides a performance/rating scale using a drop down menu, which consists of:

- New
- Undeveloped

- Working Towards Succeeding
- Succeeding
- Beyond Succeeding

The evaluation also provides a section to identify Annual Council and C.A.O. goals, general comments from members of Council and the C.A.O.

It is recommended that the C.A.O. complete the proposed C.A.O. Evaluation - ACTivate Performance and provide electronically to members of Council by Friday, October 20, 2023 at 4:30 p.m. Upon receipt, members of Council would then complete the Council rating and Council comments sections and submit their responses (either written or electronically) to the City Clerk by Friday, November 10, 2023 at 4:30 p.m. The City Clerk will compile the feedback into one document and place it on the November 20, 2023 Council Meeting Agenda for discussion.

As the C.A.O. has a general mandate and specific duties as set out in the C.A.O. by-law, which is outlined in Section 5.1 of this Report, it is recommended that specific goals for 2024 are identified in the evaluation.

6.0 Financial Implications

There are no financial implications related to this Report.

7.0 Relationship to the Oshawa Strategic Plan

This Report responds to the Oshawa Strategic Plan Goal of Accountable Leadership.

A handwritten signature in black ink that reads "Tracy Adams". The signature is written in a cursive, flowing style.

Tracy Adams, Chief Administrative Officer,
Office of the C.A.O.

C.A.O. EVALUATION - ACTIVATE PERFORMANCE

PURPOSE AND EVALUATION PRINCIPLES:

- Initiate and support discussions about C.A.O. performance over the past year.
- Evaluation should be done in a positive manner with the broad objective of improving the organization and positively impacting the C.A.O., Council and City staff.
- All written and oral comments regarding the performance evaluation of the C.A.O. are strictly confidential.
- Evaluation should be conducted in an honest and fair manner and based on overall performance over the past year. All comments should be objectively based upon facts and events during the past reporting period.
- All components of the evaluation such as comments and conclusions must be able to be substantiated if required.
- The evaluation process should be conducted in a manner that provides for and promotes open and honest dialogue.
- The C.A.O. should feel that he/she has been adequately included in the process.

Use the performance rating guidelines below:

Level of Performance/Rating	Description
New	Employee has not been in position long enough to be evaluated on the level of this competency and will be reviewed at a later agreed upon date.
Undeveloped	Employee does not demonstrate most of the competency behaviours most of the time.
Working Towards Succeeding	Employee demonstrates some of the competency behaviours some of the time.
Succeeding	Employee demonstrates most of the competency behaviours most of the time.
Beyond Succeeding	Employee demonstrates all of the competency behaviours all of the time.

C.A.O. Core and Leadership Competency Evaluation

Competency	What Succeeding Looks Like	Level of Performance
<p>Customer and Community Focus</p> <p>Maintains a strong customer and community focus and delivers excellent, accessible services and support to internal and external customers.</p>	<ul style="list-style-type: none"><input type="checkbox"/> Recognizes the variety of customers within the municipality, at all levels of the organization, external customers (including residents, community groups and other stakeholders) and works to address their needs.<input type="checkbox"/> Actions support the community vision and corporate mission and uphold the pillars and goals of the Oshawa Strategic Plan.	<p>C.A.O. Rating: Choose an item.</p> <p>Council Rating: Choose an item.</p>

C.A.O. Comments/Examples:

Council Comments:

C.A.O. Core and Leadership Competency Evaluation

Competency	What Succeeding Looks Like	Level of Performance
<p>Communication and Relationship Building</p> <p>Communicates necessary information effectively and openly with all stakeholders to achieve common goals. Builds strong relationships internally and externally and creates a collaborative environment that fosters high levels of participation and morale.</p>	<ul style="list-style-type: none"><input type="checkbox"/> Communicates in a composed and concise manner to relay critical messages with clarity; able to effectively and professionally present information in the appropriate format to a variety of audiences.<input type="checkbox"/> Creates a culture of transparency and open dialogue, with honest communication and sharing of sensitive information appropriately.<input type="checkbox"/> Exercises a high degree of interpersonal skill, tact and diplomacy to build relationships.<input type="checkbox"/> Establishes, builds and maintains strong and reciprocal relationships and a network of contacts to keep a pulse on the municipality’s political and internal issues and to make informed decisions.<input type="checkbox"/> Identifies who to involve and when, and how to involve them to accomplish objectives and minimize obstacles.	<p>C.A.O. Rating: Choose an item.</p> <p>Council Rating: Choose an item.</p>
<p>C.A.O. Comments/Examples:</p> <p>Council Comments:</p>		

C.A.O. Core and Leadership Competency Evaluation

Competency	What Succeeding Looks Like	Level of Performance
<p>Fiscally Responsible</p> <p>Maximizes the value of taxpayers' dollars and all City revenues, through effective and sustainable use of all human and financial resources, assets and property.</p>	<ul style="list-style-type: none"> <input type="checkbox"/> Effectively optimizes human, financial and physical resources; undertakes qualitative and quantitative measurement assessments, plans and controls resources to maximize results. <input type="checkbox"/> Work to further the Oshawa Strategic Plan goals of Economic Prosperity and Financial Stewardship. 	<p>C.A.O. Rating: Choose an item.</p> <p>Council Rating: Choose an item.</p>
<p>C.A.O. Comments/Examples:</p> <p>Council Comments:</p>		

C.A.O. Core and Leadership Competency Evaluation

Competency	What Succeeding Looks Like	Level of Performance
<p>Strategic Thinking and Shaping the Organization</p> <p>Anticipates opportunities as well as emerging issues to improve business processes and results. Aligns efforts to reflect the broader strategic direction in order to position the Corporation for innovation and success.</p>	<ul style="list-style-type: none"><input type="checkbox"/> Links long-range vision and concepts to daily work; anticipates impact of the external environment on strategies and choices.<input type="checkbox"/> Works effectively within structures, stakeholders and relationships within the municipality. Identifies the decision-makers and the individuals who can influence them and work with them to achieve objectives. Predicts how new events or situations will affect individuals and groups both within and external to the municipality and utilizes that knowledge to achieve the organization's objectives.<input type="checkbox"/> Creates an organizational environment that is welcoming to attracting partnerships; strategically identifies, negotiates and manages partnerships.	<p>C.A.O. Rating: Choose an item.</p> <p>Council Rating: Choose an item.</p>
<p>C.A.O. Comments/Examples:</p> <p>Council Comments:</p>		

C.A.O. Core and Leadership Competency Evaluation

Competency	What Succeeding Looks Like	Level of Performance
<p>Decisive and Accountable</p> <p>Seek out and use all information available to inform decisions and develop new insights to resolve problems and make organizational improvements.</p>	<ul style="list-style-type: none"> <input type="checkbox"/> Practices responsible risk-taking; assesses situations analytically and logically. <input type="checkbox"/> Creates a culture of accountability and ownership; communicates appropriately and meets deadlines; evaluates strategies to move forward and constructively challenges when appropriate. <input type="checkbox"/> Exercises good judgment and anticipates the consequences of decisions. <input type="checkbox"/> Manages performance, provides clear direction, appropriate tools, resources and authority to support success. 	<p>C.A.O. Rating: Choose an item.</p> <p>Council Rating: Choose an item.</p>
<p>C.A.O. Comments/Examples:</p> <p>Council Comments:</p>		

C.A.O. Core and Leadership Competency Evaluation

Competency	What Succeeding Looks Like	Level of Performance
<p>Innovation and Change</p> <p>Creates new and better ways for the organization to be successful. Adapts to change and engages in continuous learning and critical thinking to promote growth of individuals and the organization.</p>	<ul style="list-style-type: none"> <input type="checkbox"/> Develops new ideas and approaches to problem solving to address existing issues. <input type="checkbox"/> Embraces diverse perspectives to promote or nurture innovation. <input type="checkbox"/> Engages in critical thinking and adapts to change. <input type="checkbox"/> Successfully engages in change management to support the success of new or changing initiatives. <input type="checkbox"/> Manages performance, provides clear direction, appropriate tools, resources and authority to support success. 	<p>C.A.O. Rating: Choose an item.</p> <p>Council Rating: Choose an item.</p>
<p>C.A.O. Comments/Examples:</p>		
<p>Council Comments:</p>		

Evaluation of Specific Annual Council and C.A.O. Goals

Goals are to be established by Council and the C.A.O. The C.A.O. is to report on the results (success and/or challenges) in achieving the annual Council and C.A.O. goals. A maximum of five should be identified.

Goal	Results Reported by C.A.O.
1.	
2.	
3.	
4.	
5.	

Overall Questions and Comments (to be completed by Members of Council)

- **Leadership:** has the C.A.O. accomplished the Annual Leadership Expectations outlined in the Mandate and General Duties as outlined in the C.A.O. By-law.
- **Annual Goals:** has the C.A.O. accomplished the Specific Annual Council and C.A.O. goals (outlined above)?
- **Strengths and improvement:** based on your overall evaluation of the C.A.O., do you have further comments on areas of strength or opportunity for improvement?

	Members of Council Comments
Leadership	
Annual Goals	
Strengths and improvement	

Evaluation Completed by:

C.A.O.:	
Council Member:	
Evaluation Date:	



TOP 10 REASONS WHY A COUNCIL SHOULD CONDUCT A CAO PERFORMANCE EVALUATION

“An Ongoing Process: Not Just an Annual Event”

1. **Get To Know Your CAO.** An opportunity to hear about the CAO's managerial style and recognize the challenges faced.
2. **Effective Ongoing Communication.** Positive working relationships are built and maintained with effective, ongoing communications.
3. **Achieves Standards of Excellence.** Effective performance evaluations allow local governments to operate with standards of excellence.
4. **Teamwork.** Provides an opportunity for the elected and appointed leadership to strategically work together in an anticipatory fashion to align the municipal organization.
5. **Reduces Misunderstandings.** Provides a foundation for good communication that reduces misunderstandings between the CAO and the Mayor and Council.
6. **Setting Goals & Performance Measures.** A process for Council to set the municipality's strategic goals and expectations, the CAO to align annual work-related goals, and a shared understanding of performance measures to be discussed at the evaluation.
7. **Show Appreciation & Recognition.** A way for Council to recognize, appreciate, and evaluate their relationship with their employee and their achievements, and to determine ways to strengthen their support of this work.
8. **Deliver Feedback & Identify Performance Gaps.** An opportunity to deliver positive and constructive feedback, identify any performance gaps, and proactive measures.
9. **Continuous Improvement Toward Achieving Organizational Goals.** The foundation of a performance management system aligns goals and expectations for the CAO with overall organizational strategies, and an opportunity for the Mayor and Council to better define their vision and their expectations.
10. **Provides a Record.** The performance review of the CAO provides the Mayor and Council with a formal record of their performance conversation and appraisals of the CAO's achievement of agreed-upon goals, and of the organization's performance in achieving its goals.

Council's philosophy should be to help the CAO succeed. If they succeed, then staff succeeds; if administration succeeds then Council succeeds.