

# CEO Performance Review Measures

ITEM 4.2 30/11/2021  
CEO PERFORMANCE REVIEW  
COMMITTEE

Strategic Alignment - Enabling Priorities

2018/00459  
Public

**Approving Officer:**  
Amanda McIlroy, Chief Operating  
Officer

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## EXECUTIVE SUMMARY

On 9 November 2021, Council established the CEO Performance Review Committee to develop, monitor and assess key performance indicators and establish a process by which Chief Executive Officer (CEO) performance is measured. It is proposed that the CEO performance process incorporates measures of the CEO's achievement against the organisation scorecard and identified strategic priorities.

The CEO performance review will also be informed by an annual 360° reviews to incorporate feedback from peers and direct reports.

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## RECOMMENDATION

### That the CEO Performance Review Committee

1. Approves that the Chief Executive Officer's performance will be:
  - 1.1. Measured against the achievement of items outlined in the organisation scorecard contained in Attachment A to Item 4.2 on the Agenda for the Special meeting of the CEO Performance Review Committee held on 30 November 2021.
  - 1.2. Measured against the achievement of identified strategic priorities contained in Attachment B to Item 4.2 on the Agenda for the Special meeting of the CEO Performance Review Committee held on 30 November 2021.
  - 1.3. Informed by 360° reviews.

## IMPLICATIONS AND FINANCIALS

CEO Contract	Approval of agreed performance measures is required as part of the CEO contract.
Consultation	Extensive discussions have taken place between the Chief Operating Officer, the Chief Executive Officer and the Lord Mayor in the preparation of the performance measures.
21/22 Budget Allocation	Not as a result of this report

## DISCUSSION

1. The CEO Performance Review Committee, including two independent members, has been established by Council to determine and assess the CEO's performance against identified measures.
2. In accordance with the Employment Agreement for the CEO, within three months, the CEO Performance Review Committee will, in consultation with the CEO, develop Key Performance Indicators for CEO performance.
3. To ensure that clear expectations of the CEO's performance are established, that the CEO's performance is assessed in line with a clear and consistent process, and that professional development is made available as required, the Committee will undertake the following:
  - 3.1. Establish, in collaboration with the CEO, a set of Key Performance Indicators to be monitored for the performance period.
  - 3.2. Annually, and/or periodically, review the Key Performance Indicators to ensure relevance and, if required, alter such indicators following reasonable consultation with the CEO.
  - 3.3. Determine the appropriate performance review process against which the CEO's performance will be assessed, noting that this must be in accordance with any provisions specified in the CEO's Employment Contract.
  - 3.4. Review performance at least annually within three (3) months of the end of each financial year of the Term.
4. It is recommended that this be achieved through a combination of:
  - 4.1. Assessment of the CEO's achievement of organisation scorecard measures
  - 4.2. Achievement of identified strategic priorities
  - 4.3. 360° reviews.
5. Organisation Scorecard Measures
  - 5.1. The City of Adelaide's vision is to be the most liveable city in the world. This will be achieved through realisation of the four outcomes identified in the 2020-2024 Strategic Plan of Thriving Communities, Strong Economies, Dynamic City Culture and Environmental Leadership, supported by City of Adelaide's Enabling Priorities. The City of Adelaide values provide the context for how this is achieved, ensuring a clear focus on Achievement, Collaboration, Customer Commitment, Integrity and Innovation.
  - 5.2. Success against these outcomes will be determined by the measures provided in the organisation scorecard (**Attachment A**) and, subsequently, this scorecard will also be used to inform measurement of the CEO's success.
  - 5.3. The scorecard is structured around the four pillars of Effective Organisation, Customer Centricity, Engaged Workforce and Financial Sustainability, along with indicators of success for each of these. These pillars have been developed in collaboration with the Executive team and are designed to span

organisational, service and employee performance. Detailed information about frequency of reporting and measurement, along with current baseline data, is also provided.

## 6. Strategic Priorities

- 6.1. In addition to delivering against the Organisation Scorecard Measures, it is proposed the CEO also delivers strategic priorities aligned to areas of focus (**Attachment B**).
- 6.2. The strategic priorities acknowledge that the CEO will drive new initiatives which complement delivering on the Council's Strategic Plan and Annual Business Plan objectives.

## 7. 360° Reviews

- 7.1. The intent of the 360° reviews is to gain feedback from peers and direct reports to help inform the Committee's understanding of the CEO's performance and to assist in identifying opportunities for growth and further development.
- 7.2. It is recommended this is undertaken through The Leadership Circle (TLC). TLC is a powerful 360 feedback instrument that supports senior leaders in their ongoing development. It is especially valuable in unearthing strengths and development focus areas needed by contemporary Executives to successfully navigate the complexity and demands of today's leadership.
- 7.3. TLC measures psychologically validated leadership behaviours that provide insight into a leader's style, why they behave a particular way and the impact of that behaviour on others. Individual data can be benchmarked against large sets of global executive level data to provide perspective around what is (and isn't) a reasonable and exceptional level of performance.
- 7.4. TLC is conducted by a confidential and anonymous on-line survey, issued to predetermined evaluators (manager(s), direct reports, peers and other colleagues). The quantitative and qualitative results are presented back by an accredited practitioner/coach to the participating leader. Often a follow-up three way coaching conversation is held including leader, manager and coach.
- 7.5. It is proposed that a leadership development consultant coordinate this process.

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# ATTACHMENTS

**Attachment A** – Organisation Scorecard

**Attachment B** – Strategic Priorities

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- END OF REPORT -

City of Adelaide Organisation Scorecard					
Our Vision: <i>Adelaide: the most liveable city in the world</i>					
Achievement		Collaboration	Customer Commitment	Integrity	Innovation
Pillar	<b>Responsive Organisation</b>	<b>Customer Centricity</b>	<b>Engaged Workforce</b>	<b>Financial Sustainability</b>	
	We adapt and improve our services to meet the needs of our community	We deliver extraordinary customer experiences	Our people are passionate ambassadors for Adelaide and contribute to the community by delivering valued services and outcomes	We have the financial capacity to meet our long-term commitments	
Indicators of Success	80% of strategic annual objectives via the Business Plan & Budget are achieved	Customer Commitment statements in the Culture Survey achieve a rating of 4 or higher (both internal and external customer measures)	Participation in Performance and Development conversations process > 80%	Year to Date Financial Indicators are in line with annual targets	
	>90% of internal audit recommendations are closed on time	80% of Decisions and CEO Undertakings closed out within 12 months	Participation in and completion of Mandatory Training 100%	Deliver the approved Council budget	
	Overall satisfaction with Delivery of Council Services >70%	90% of TRIM correspondence actioned on time	Culture Survey achieves a rating of 4 or higher for Wellbeing and Safety statements.	Committed Capital Works Projects and Asset Renewal programs delivered on time and budget	
			People Commitment Statements achieve a rating of 4 or higher in the Culture Survey:	Deliver \$4.7m efficiency gain	

## **Attachment B - Strategic Priorities**

### **1. Value for money in what we deliver across our services**

- 1.1. Undertake 2 service reviews
- 1.2. Ensure AMPs deliver value for money, now and in the long term
- 1.3. Review Procurement to drive better commercial outcomes

### **2. Build partnerships to enable new opportunities**

- 2.1. Progress the City Deal initiatives (Visitor Centre, Wi-Fi and CCTV) and define City Deal 2.0
- 2.2. Advance the Residential Growth 10-point action plan
- 2.3. Work with Council to resolve the future for the Aquatic Centre
- 2.4. Progress the Adelaide Park Lands Foundation

### **3. Ensure there's a consistent culture across the organisation**

- 3.1. Deliver business case for CRM system
- 3.2. Develop employer brand
- 3.3. Develop workforce strategy

### **4. Robust financial management**

- 4.1. Improve our business case development process to ensure all options are canvassed, benefit analysis is thorough, and costings are rigorous
- 4.2. At least 2 new revenue streams identified
- 4.3. Bring to market 2 underperforming city shaping sites
- 4.4. Develop Future Fund policy

### **5. Support the elected body in effective governance for the City of Adelaide**

- 5.1. Continue to streamline our responses to enquiries from Council Members
- 5.2. Improve transparency in decision-making
- 5.3. Review the *City of Adelaide Act 1998*
- 5.4. Investigate Kaurua representation model