



CAO Performance Evaluation Toolkit

Guide for the Mayor & Council

An Ongoing Process: Not Just an Annual Event

A FREE RESOURCE BENEFITING CANADIAN MUNICIPALITIES

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Message From the Canadian Association of Municipal Administrators

It seems like a given, but regular performance evaluations of the Chief Administrative Officer (CAO) are not always a forethought for the Mayor and Council. Feedback suggests that when it is happening, it is not always used effectively. The Canadian Association of Municipal Administrators (CAMA) recognizes that performance evaluation is **an ongoing process and not just an annual event**. To facilitate the process, CAMA launched a Toolkit in 2017 with the support of our members, the Federation of Canadian Municipalities (FCM), and the elected officials, who completed our surveys at that time.

Over the years, we have heard feedback from our members and their Councils on the Toolkit and are pleased to provide you with a **new updated and improved 2023 edition**, which continues to be a flexible model that provides you and your CAO with the opportunity to choose the tools that work for your organization. Councils can change every four years and sometimes your entire direction changes which can be the same for the performance evaluation process. There is no right or wrong process or one that's perfect. What worked last year may not work this year depending on the complexities, so it's up to you and your CAO to customize the best performance evaluation model that works for everyone.

This new version of the Toolkit gives Mayors and Councils the tools and best practices to facilitate discussions with their CAO so that performance management is fair and effective, and the process is very easy for both parties. Using this Toolkit, the CAO and Mayor and Council can hold open conversations to assist in achieving a collective vision and reaching strategic goals for the success of the organization and the community.

For both parties, the Toolkit fosters:

- a foundation for good communication;
- an approach to dialogue and conversation that reduces misunderstandings;
- a process for setting annual work-related goals;
- a shared understanding of performance measures;
- a recognition of the CAO's achievements and assessment of what is being accomplished;
- an identification of performance gaps and proactive measures;
- a focus on aligning the CAO's goals with the strategic plan for the organization.

This Toolkit will support Mayors and Councils to work more effectively with their CAO, will shift Canadian practice to a higher level of professionalism, and will assist with the unique working relationships CAMA members must maintain with elected officials.

Please note that the reference to "Mayor and Council" in this document also includes Reeves, Wardens, Chairs, Heads of Council and elected officials.

Contact Jennifer Goodine, CAMA Executive Director (1-866-771-2262) admin@camacam.ca with your questions and comments.

TIP: Elected and appointed leadership need to strategically work together in an anticipatory fashion to align the municipal organization for success.

Introduction

CAMA produced this Toolkit in recognition of the importance of the relationship between the City Manager, Town Manager, or Chief Administrative Officer (CAO) and Mayor and Council. The CAO 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 legislation.

CAOs stand at the crossroads of municipal management and politics, and in their job to follow the direction set by the municipality's elected officials - and a high degree of trust between each party is required.

Municipal World's article, by columnist Dawn McCoy entitled "CAO performance evaluation" explains the many responsibilities of the CAO:

"Consider this scenario. You are in charge of a multi-million dollar corporation with hundreds of employees. You have multiple stakeholders, all with an interest in how your organization meets their specific needs, many of which are not the same as each other's or your own. Your boss changes every four years and sometimes your entire direction changes, but it is not always clear what the new mandate is. In fact, you have multiple bosses, with different goals and ideas of what you should do and how you should do it. How do you know you are doing what you are supposed to do?"

This is the reality of the Chief Administrative Officer, the only employee of the elected council in most municipal government organizations. Given all the complexities, how does the CAO navigate through this murky maze to make sure they are leading the organization in the direction Council wants to go? How does Council know if the CAO is actually implementing their mandate or how well their goals are being met?"

In many Provinces and Territories, an annual CAO review is a requirement. However, even when it is not mandatory, it is advisable for Council to provide a yearly evaluation. For many municipalities, the annual performance evaluation is the key performance indicator of the

effectiveness of the CAO's strategic management decisions and actions and the performance of the organization. Appraisals are Council's opportunity to officially tell the CAO, from their perspective, how well they are discharging their duties. It is the CAO's report card.

CAMA encourages a broader, more holistic understanding of performance conversations, which form part of **an ongoing process, not just an annual event**. It is important to ensure Council strategy and expectations of the CAO are clearly defined, so there is something to measure performance against. To learn more about the principles of performance evaluation [click here](#).

Most Councils rely on the CAO to:

- be the connecting link between Council and municipal operations;
- implement the municipality's policies;
- assist Council in arriving at decisions and manage the efficient execution of those decisions by municipal staff;
- develop and use an appropriate decision making process;
- regularly review staff performance;
- maintain organizational health; and
- take all reasonable steps to run the organization professionally and within approved Council policies and the limits of government legislation.

This Toolkit will provide you with a Quick Reference Guide for each of the three steps in the process, but also a detailed step-by-step guide and checklist for the Mayor and Council when reviewing the CAO's self-evaluation, creating the *Final Performance Evaluation Report*, and the meeting with the CAO to discuss the results. The CAO has also been provided with their own guide for the process **["CAO Performance Evaluation Toolkit - Guide for the CAO"](#)**.

TIP: It is imperative that CAOs and Councils are using a process that everyone sees the value of, and has confidence in.

How to Use This Toolkit – Mayor & Council

This Toolkit is meant to be a guide of best practices and guidelines for the Mayor and Council and the CAO to follow, however it is **flexible and customizable**. It is recommended that you customize the performance evaluation process for your organization and choose the specific components that work for you. It can be used for

- a CAO and Council that are developing a new process and it is their first time conducting a performance evaluation; or
- a CAO and Council that already has an existing process with specific templates that already work well but would like to add some other components and best practices.

As the first step, the CAO will provide a recommended process to the Mayor for consideration.

CAO Reviews Documents , Completes Self-Evaluation and Information Package to Present to Mayor & Council

Mayor and Council Review the CAO's Self-Evaluation and Create a *Final Performance Evaluation Report*

CAO, Mayor & Council Meet to Discuss and Sign *Final Performance Evaluation Report*

What is Included in this Toolkit?

This Toolkit provides the following information:

- **Important Information on the Value of Performance Discussions.** A performance evaluation should be an **ongoing process – not an annual event**. There are some tips and best practices on the importance of setting up quarterly reviews with your CAO, developing a compensation framework when the CAO is hired, surveying stakeholders that interact with the CAO on a regular basis, and the possibility of hiring a third-party consultant to conduct a facilitated evaluation.
- **Quick Reference Guides:** A one-page Quick Reference Guide showing each step at-a-glance for each of CAMA's three-part process (for the CAO, Mayor and Council and the final performance evaluation meeting).
- **Details for the Mayor and Council's Deliverables for the CAO's Performance Evaluation.** A detailed step-by-step guide for the Mayor and Council's *Final Performance Evaluation Report* and meeting with the CAO.
- **Sample Best Practices.** The performance evaluation template included in this Toolkit is a best practice document to assist you in having quality discussions with your CAO around their performance and does not have a rating system. A sample mandate letter has also been provided as an option. The CAO will provide a recommendation on the process and metrics.
- **Mayor and Council Process Checklist.** A Mayor and Council Process Checklist to ensure you have included all steps of the CAO *Final Performance Evaluation Report* and are prepared for the meeting with the CAO.
- **Sample Timeline.** A sample timeline to be used as a guide, beginning in mid-August and finishing the first week of December to coincide with the calendar and budget year. This process can move at the pace set by the CAO and the Mayor and Council.

What About the CAO's Process?

If you would like to review the detailed recommended process for the CAO's self-evaluation and preparation of the CAO *Information Package* for the Mayor and Council visit the [CAO Performance Evaluation Toolkit: Guide for the CAO](#).

Tips on Customizing Your Performance Evaluation Process

Every Council and their CAO is different and therefore the way that performance evaluations are conducted are going to be unique. The Toolkit is designed to provide you with foundational steps (the regular performance evaluation process) as well as optional steps (quarterly reviews, developing a compensation framework, and a stakeholder survey) which are outlined in detail in the next section. You may choose elements to start a simple process in your organization or pick additional pieces to add to your existing process. However, at the beginning of the process, the CAO will work with the Mayor and Council to determine the vision.

As a best practice, to facilitate a qualitative discussion during performance conversations with your CAO, you may consider using CAMA's performance evaluation template **without a rating system**, as a guide focusing on the specific annual Council and CAO goals for the evaluation period. You may also complete a mandate letter that outlines the annual expectations of a CAO of being a role model and good corporate leader, but also the specific expectations for the year based on the goals of Council and the CAO, approved by Council the previous year. These templates can be customized to suit your needs.

The performance evaluation process starts and ends with the CAO and he or she will initiate the process and both parties will decide on the template and performance metrics used for the evaluation. It is important for the Mayor and Council to take their time in reviewing the CAO's *Information Package* and prepare a *Final Performance Evaluation Report*. The end product is a meeting with the CAO, Mayor and Council to discuss the *Final Performance Evaluation Report* and set goals for the following year.

TIP: A numbered rating system is not always helpful.

"Evaluating someone's performance is a complex process and reducing it to a scale of 1 to 5 helps neither the evaluated nor the evaluators. Some people are "hard graders" and others just check the top box. Some will use it to avoid providing specific, meaningful feedback. In our experience, rating systems reduce the amount of feedback provided to the manager, and often produce a muddled and confusing result without clear direction to the manager."

Source: ICMA article titled "A Better Way: The Facilitated CAO Performance Review"

The Value of Performance Discussions

Effective performance management and performance evaluation should improve communication and the employment relationship between CAOs and their Councils. This is a unique relationship in that there are a number of people involved in evaluating the performance of the CAO, even though Council as a body sets direction. The relationship is significantly more complex than a traditional one-to-one of supervisor to employee. While there may be similarities to Board of Director/Chief Executive Officer relationships, the municipal context has these differences:

- In many cases, provincial legislation sets the basis for the Council/CAO relationship.
- Elected officials may or may not have prior experience and training in the oversight and performance evaluation of a professional senior executive.
- Municipal compensation systems may provide financial incentives (i.e. an annual bonus) to drive/reward performance.

Both elected officials and municipal CAOs operate under daily scrutiny of the public and the media. Regular performance evaluations promote a high-performance organization that is better able to withstand that scrutiny. They also create a vision for Council for their mandates.

The key value to conducting a written performance evaluation of the CAO provides the following benefits:

- An opportunity to increase communication between the CAO and the Mayor and Council.
- The conversation gives the CAO an opportunity to identify goals that support his or her career objectives.
- Aligning the municipality's strategic goals with the CAO's goals supports the organization's excellence.
- 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.



Goal setting occurs at the start of an evaluation cycle and the key results are an important component at the end of the annual evaluation cycle. **CAO's need to be in sync with the expectations of Council and these should be articulated at the outset and generally discussed again every year at the evaluation.**

Performance evaluations show appreciation for and feedback on the work of the CAO. Through performance evaluation the CAO better understands the roles and responsibilities of the position. Evaluations:

- offer a prime opportunity for organizational feedback;
- recognize the challenges the CAO faces;
- allow elected officials to hear about the CAO's managerial style; and
- encourage appreciation for the need for succession planning; and discuss/clarify the future.

An Ongoing Process - Not Just an Annual Event

The importance of regular conversations or "check-ins" throughout the year cannot be overstated. Building solid, respectful working relationships will advance everyone's interests and avoid having surprises arise over the course of the year and specifically at year-end. Regular performance conversations make it easier to link compensation to performance at the year-end performance evaluation.

Setting Up Quarterly Reviews

Although this Toolkit is for **annual** Performance Evaluation Reviews, some municipalities set up **quarterly reviews** for a more formal approach to "checking in," which gives the opportunity to review/change goals that are no longer achievable due to new circumstances.

Discussion with CAO on Compensation

During discussions about job descriptions, hiring, and performance evaluation, a compensation framework can be developed. When the Mayor and Council meet to discuss the *Final Performance Evaluation Report*, they may use the time to decide upon compensation. The Report identifies the level of performance satisfaction for the entire performance period. In addition to the ratings and executive summary of the *Final Performance Evaluation Report*, compensation decisions may be based on:

- the economic climate of the municipality and community;
- the general status of comparable compensation in the private sector of the community;
- compensation decisions for other employees of the local government; and
- a comparative salary review.

ICMA's Employment Agreement recommends the following options: an increase dependent upon the results of the performance evaluation in the form of salary and/or performance incentive and/or increase in benefits; the Consumer Price Index; compensation by percent each year; or by at least the average across the board increase granted to other employees of the Employer.

Optional Steps

Stakeholder Survey

Whether the municipality is small, medium, or large, there are components of performance evaluations that can elevate their effectiveness, such as a survey of stakeholders. Stakeholders include senior staff who report directly to the CAO and stakeholders identified by the CAO and confirmed by Mayor and Council.

This is an **optional step** in the performance evaluation; however, the review provides valuable information on how results are achieved and how the community perceives both the CAO and the municipality. Some evaluations call for a 30-minute interview with all stakeholders except for those stakeholders who provide feedback online. Conducting performance evaluations holds all those involved to professional standards and builds a community within the organization because all stakeholders involved are asked for input. This includes staff who report to the CAO, stakeholders who work with the CAO, and Mayor and Council. All participants in the Survey of Stakeholders must be assured that their input is confidential and that the results of interviews and surveys will be scrubbed to be non-attributable.

Hiring a Third Party Consultant for a Facilitated Evaluation

The goal of the performance evaluation is to provide the CAO with meaningful feedback. As stated by ICMA in an article entitled “A Better Way: The Facilitated CAO Performance Review” –

“Meaningful feedback is a gift. It is critical to effective leadership in ensuring that a City Manager’s actions align with the elected officials to whom they report.”

Sometimes Councils often find the process time-consuming, cumbersome, and not particularly effective. However, hiring a third party, such as a consultant, to work with the Mayor and Council to facilitate the process to ensure it is fair is a good best practice. A third party manages the evaluation process, acts as a neutral party to gather data from elected officials (and other evaluators), analyzes the data, and presents the findings to the CAO in a way that encourages growth.

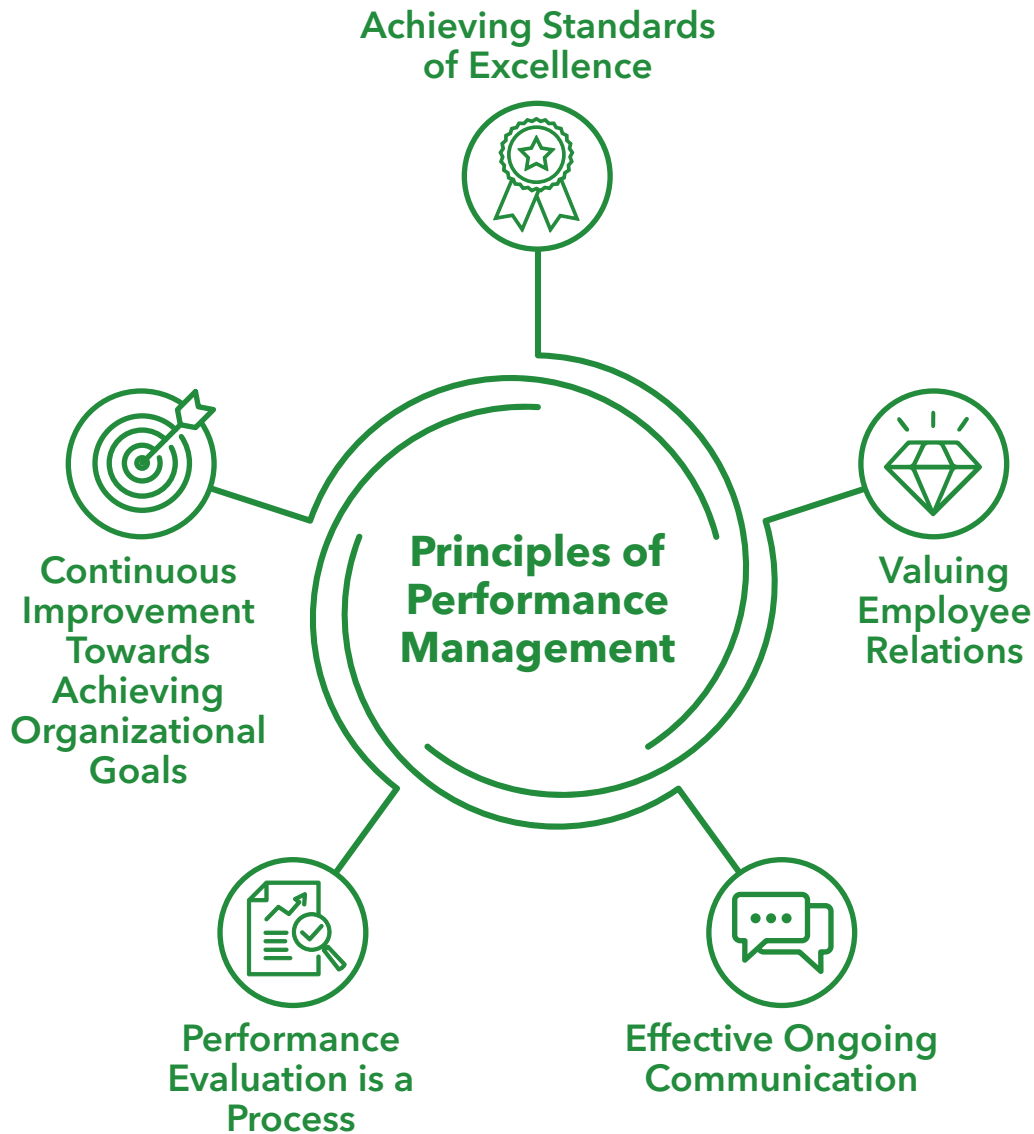
For the CAO, it provides meaningful feedback, it clears the air if there are any issues identified by Council, it separates the message from the messenger, and it focuses on results-oriented opportunities. For the elected officials, it professionalizes the process, values all opinions around the table, makes the process easier with one person responsible for managing the evaluation from start to finish, and it creates clarity.

The cost to pay for a facilitator is minimal when considered alongside the benefits and should be recognized as the key to a successful CAO-Council relationship. Given the significant investment that you have made in your CAO, the number of staff and budgets that they are responsible for, and the importance of assessing and correcting course as needed, it can create huge cost-savings from avoiding breakdowns in the Council-CAO relationship and is the key to success.

TIP: It is not recommended that the Human Resources Department or any other employee be intimately involved in the process as it puts them in an awkward situation as they all report to the CAO. The City Clerk may be involved in the process on behalf of the Mayor and Council. If a consultant is hired a recommendation would be that they meet with the Sub-Committee and/or Council to do an orientation on the purpose of a performance evaluation.

Source: ICMA article titled “A Better Way: The Facilitated CAO Performance Review”

Principles of Performance Management



Principle	Explanation
Achieving Standards of Excellence	<p>Professional Chief Administrative Officers are essential for effective local government to operate with standards of excellence.</p>
Valuing Employee Relations	<p>CAO performance evaluations are a way for Mayor and Council to recognize, appreciate, and evaluate their relationship with their employee.</p> <p>Mayor and Council may change more often than the CAO, so the performance evaluations offer a way to ensure all involved have clearly outlined understandings and expectations for the CAO. The best time to make those expectations known is during the annual evaluation.</p> <p>Performance evaluations, when there is a good relationship between the CAO and the Mayor and Council, allow for a discussion about the performance of the whole organization. The performance evaluations are a tool to better inform and engage Mayor and Council with the CAO's work, and to recognize the challenges the CAO faces. In gaining such an understanding, Mayor and Council can better appreciate the effectiveness of the CAO's work and determine ways to strengthen their support of this work.</p> <p>The relationship between Mayor and Council and the CAO ought to be front and center in any performance evaluation. Positive relationships, marked by respect, trust, and transparency will advance the achievement of organizational goals.</p>
Continuous Improvement Toward Achieving Organizational Goals	<p>The foundation of a performance management system aligns goals and expectations for the CAO with overall organizational strategies.</p> <p>High performance organizations promote continuous improvement for the CAO and the organization, empowering both to achieve success. As long-term outcomes come within reach, standards of excellence can be redefined.</p> <p>In some Provinces and Territories, the first goal is to meet legislative requirements that Council conduct regular CAO performance evaluations. Many jurisdictions have policies and by-laws in place that describe responsibilities and expectations towards performance evaluation of CAOs. Performance evaluation is a tool for organizational excellence. Legislative context enriches the process and provides additional tools in the toolbox that are specific to provincial and civic jurisdictions.</p>

Principle

Explanation

Effective Ongoing Communication

Positive working relationships are built and maintained with effective, ongoing communications.

Communication is one tool in the working relationship between the manager and elected officials and is NOT a report card that is an end in itself. With ongoing communication between the manager and officials, nothing in the performance evaluation should come as a surprise; it should be a summary of previously held conversations.

The performance evaluation is also an opportunity for the Mayor and Council to better define their vision and their expectations.

Performance Evaluation is a Process

Performance evaluation is a process that begins with a job description.

CAMA's Toolkit divides the process into three cycles. Part 1 involves seven steps of gathering information and preparing the *CAO Information Package* for Performance Evaluation. Part 2 involves six steps for creating the *Final Performance Evaluation Report*, and Part 3 has three steps for reviewing the *Final Performance Evaluation Report*.

TIP: "I have never had a performance evaluation from Council. I have to base my actions going forward on day-to-day successes I can see myself and staff attain, and by trying to determine what goals and actions Council would like to see achieved by listening during their discussions."

- Chief Administrative Officer

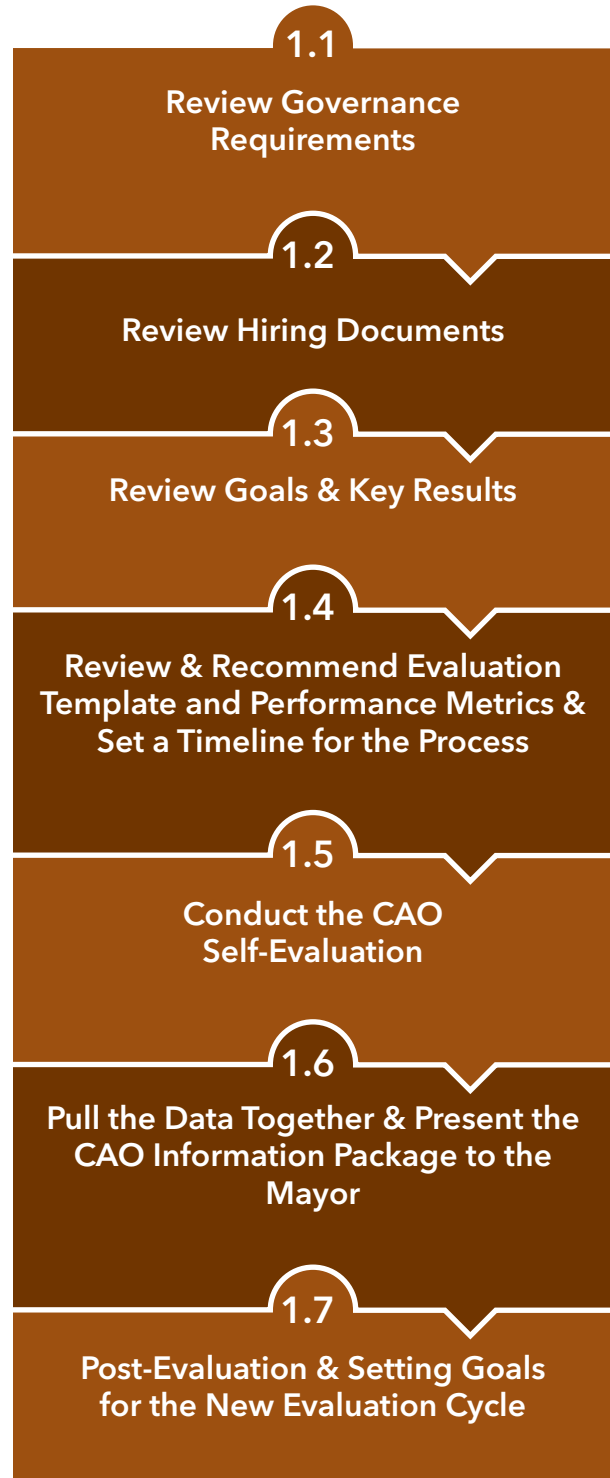


Quick Reference Guides

Part 1: The CAO's Process

Reviewing Documents, Creating Information Package and Completing Self-Evaluation for the Mayor & Council

Note that your municipality may not have all the elements described in the process, but because this Toolkit is a “flexible and customizable” model, that is completely fine. Use the elements that you do have, and consider, as you read through, whether you’d like to investigate additional elements. As you work through Part 1, you will collect information to give to the Mayor and Council for their work in preparing the *Final Performance Evaluation Report* in Part 2.



1.1 Review Governance Requirements: The CAO gathers and reviews all policies, by-laws, regulations, and acts that relate to or clarify the role of the CAO, or that Council must follow regarding performance evaluations of their CAO.

1.2 Review Hiring Documents: The CAO gathers and reviews the CAO job description, contract, and covenants (if any).

1.3 Review Goals & Key Results: The CAO gathers and reviews previously agreed-upon mandate letters, strategic goals, key result areas, the strategic plan, and/or Council priorities.

1.4 Review & Recommend Evaluation Template and Performance Metrics & Set a Timeline for the Process: After review, the CAO meets with the Mayor and recommends a performance evaluation template (included in this Toolkit or their own) to the Mayor and Council and the performance metrics that are used to rate performance. Several other questions are asked during this meeting. In addition, a timeline and a process are also agreed to collectively by both parties.

1.5 Conduct the CAO Self-Evaluation: The CAO uses the agreed upon Performance Evaluation template and metrics to conduct his or her self-evaluation prior to the Mayor and Council using the same evaluation template for their evaluation of the CAO. This self-evaluation is included in the Information Package.

1.6 Pull the Data Together & Present the CAO Information Package to the Mayor: The CAO has completed a review of relevant documents, including any quarterly or periodic reviews, and prepares an Information Package to present to the Mayor to circulate to Council.

1.7 Post-Evaluation & Setting Goals for the New Evaluation Cycle: Following the joint meeting with the CAO and Mayor and Council to review and sign off the Final Performance Evaluation Report, the paperwork is completed for the Human Resources Department. The process then starts again with Council to set new strategic goals and key results for the coming year to be linked to the CAO's goals with the municipality's Strategic Plan and Council's priorities.



Part 2: Mayor and Council's Process

Creating the *Final Performance Evaluation Report*

Part 2 of the performance evaluation cycle occurs when Mayor and Council have received the *CAO's Information Package* which includes his or her self-evaluation.



2.1 Mayor and Council Organize their Review:

Once a performance evaluation template and performance metrics are agreed upon by both parties, the task of gathering and assessing the data involves agreeing on how to get input from all members, whether to designate a committee of Council to lead the exercise and, whether assistance is required from a consultant. Confirming a timeline for the process is also important.

2.2 Mayor & Council Receive & Review the CAO's Information Package:

The CAO's Evaluation includes all the background/foundational data the CAO gathered as part of the package as well as the CAO's self-evaluation.

2.3 Mayor & Council Complete the Performance Evaluation Using a Template:

This is the traditional step of the process wherein Mayor and Council rate the CAO's performance using the template that has been agreed upon by both parties.

2.4 The Final Performance Evaluation Report is Completed:

Using the agreed template, the person responsible for compiling the information, gathers all the evaluations and written comments from each Council member and organizes the findings as per the process previously agreed on for capturing the rolled-up feedback in Step 2.1.

2.5 Council Prepares for the Discussion with the CAO:

Things to be considered include the rules of feedback, the purpose and desired outcome of the performance evaluation discussion, and who is chairing the discussion.

2.6 Council Shares the *Final Performance Evaluation Report*:

The *Final Performance Evaluation Report* is shared with the CAO, Mayor and Council to allow all parties time to review this document prior to the meeting to discuss it.

Part 3: CAO, Mayor and Council Meet to Discuss the Performance Evaluation Report

3.1

Joint Review of the Final Performance Evaluation Report & Final Sign Off

3.2

Meet to Discuss New Goals for the Next Evaluation Cycle

3.3

A New Year: Begin the Performance Evaluation Cycle Again

3.1 Joint Review of the Final Performance Evaluation Report & Final Sign Off: An In-Camera/Closed meeting is held with the Mayor, Council and CAO to have a conversation between both parties to discuss the final report. The conversation uses constructive feedback to present and discuss the collective comments from the Mayor and Council. The CAO, Mayor and Council sign off on the document.

3.2 Meet to Discuss New Goals for the Next Evaluation Cycle: After the CAO's performance evaluation is complete, it's important for Council to set new strategic goals and key results for the coming year, which link to the CAO's goals, the municipality's Strategic Plan and Council's priorities. This may take a minimum of two meetings with the first meeting being to discuss Council's vision and strategic goals/priorities, and the second meeting being to review and approve the CAO's goals for the coming year based on that vision. If a mandate letter is part of the performance evaluation process it should be completed at this meeting.

3.3 A New Year: Begin the Performance Evaluation Cycle Again: Begin the performance evaluation cycle again.

"As Mayor (and Chair) of the performance committee, the process was discussed ahead of time with Councillors and the CAO. The results of the formal process survey were aggregated and agreed with the CAO so that the range of results could be seen. Results where there was significant agreement as well as those areas with a wide range of responses were discussed. A cumulative report was filed with opportunity for further discussion."

- Mayor

Part 2: Mayor and Council's Process

Creating the Final Performance Evaluation Report

Step #	Step and Explanation
2.1	<p data-bbox="381 499 967 533">Mayor & Council Organize Their Review</p> <p data-bbox="381 558 1373 621">Part 2 of the performance evaluation cycle occurs when Mayor and Council have received the <i>CAO's Information Package</i> which includes his or her self-evaluation.</p> <p data-bbox="381 646 899 680">Pre-Meeting Between the CAO and Mayor</p> <p data-bbox="381 701 1417 798">Prior to receiving the <i>CAO's Information Package</i>, the CAO will meet with the Mayor to present a recommended performance evaluation template and metrics, and set a timeline for the entire performance evaluation process with the Mayor and Council. Setting up a calendar from the start will help to keep the process on schedule and ensure it is not only started, but that it is also completed. The following questions and topics should be discussed during this meeting between the CAO and the Mayor:</p> <ul data-bbox="381 911 1422 1381" style="list-style-type: none">• Who will be the Chair of the CAO Performance Evaluation?• Will a third party such as a consultant be hired to work with the Mayor and Council to ensure the process is fair?• Will there be a Sub-Committee of Council that will prepare the <i>Final Performance Evaluation Report</i> and collect the responses from each member of Council? Or work with the consultant to prepare the <i>Final Performance Evaluation Report</i>?• A recommended performance evaluation template and metrics will be presented to the Mayor by the CAO for consideration.• Any compensation clauses noted in the CAO's employment contract and how they relate to his/her performance evaluation.• The option of conducting a stakeholder survey as part of the review.• Creating a timeline/calendar that includes deadlines for the entire process and some additional dates to start the process of setting goals for the next year. <p data-bbox="381 1407 1130 1440">Mayor's Follow-Up with Council (Post-Meeting with the CAO)</p> <p data-bbox="381 1461 1427 1591">Following the meeting with the CAO, the Mayor needs to contact the City Clerk to set up a Private/In-Camera meeting with Council to determine how to manage the performance evaluation process. Following are some questions for discussion that can form the Agenda for the meeting:</p> <ul data-bbox="381 1604 1406 1730" style="list-style-type: none">• Chair of the CAO Performance Evaluation. Typically, the Mayor takes the lead on the CAO's Performance Evaluation unless he/she appoints a Sub-Committee of Council to lead the process where another Councillor would be appointed as the Chair.

- **Third Party Consultant/Facilitator.** Having a third-party consultant/facilitator that has expertise in performance evaluations is advantageous, however there is a cost that goes with it. Having a consultant and neutral party professionalizes the process, ensures all opinions are valued around the table, makes the process easier with one person responsible for managing the evaluation from start to finish, and it creates clarity. If a consultant is hired a recommendation would be that they meet with the Sub-Committee and/or Council to do an orientation on the purpose of a performance evaluation.

Important Note: Council often leans on the Human Resources Director because of their expertise. However, because the CAO is an employee of the Mayor and Council, the role of the CAO is unique. The Human Resources Department reports to the CAO and would therefore be in an awkward position if asked to manage the CAO's performance evaluation.

- **Sub-Committee & Preparation of *Final Performance Evaluation Report*.** Will there be a Sub-Committee of Council that will prepare the *Final Performance Evaluation Report* and collect the responses from each member of Council? Or work with the consultant to prepare the *Final Performance Evaluation Report*? Options that could be considered for those responsible for completing the *Final Performance Evaluation Report* Committee include: the Mayor, Council, a Committee of Council, a consultant, or a combination of the above. The Mayor and Council also need to agree on the process for capturing agreement of their feedback and developing the *Final Performance Evaluation Report* (rolled up feedback).
- **Performance Evaluation Template and Metrics.** The CAO has already presented a recommended performance evaluation template and metrics to the Mayor. The Mayor will make the decision on the template or forward it to the Sub-Committee. It is not recommended that the entire Council be involved in choosing the template. There must be a consensus on this before the process starts as both parties (CAO and Council) must use the same form. **It is important that all Council members complete the template and participate in the CAO's performance evaluation.**
- **Compensation Framework.** The CAO has advised the Mayor of any compensation clauses noted in his/her employment contract and how they relate to his/her performance evaluation. This needs to be taken into consideration during the performance review.
- **Optional Step: Surveying Stakeholders.** Does Council wish to undertake a survey of stakeholders which would include the CAO's direct report staff and any stakeholders he/she identifies in the community.
- **Creating a Timeline/Calendar.** A timeline should be confirmed that includes the following:
 - A deadline for the *CAO's Information Package* including the self-evaluation to be submitted to Council.
 - A time the CAO can meet with the Mayor and/or consultant to review the *CAO's Information Package*.
 - A date that the *CAO's Information Package* will be sent to all Council members.
 - A deadline when Council's evaluations must be completed and submitted to the Mayor/Sub-Committee and/or consultant.
 - A deadline when the *Final Performance Evaluation Report* must be completed by the Mayor/Sub-Committee and/or consultant.
 - A date for the review of the *Final Performance Evaluation Report* by Council.

- o A final date for an In-Camera/Private Council meeting with the CAO to discuss and sign the *Final Performance Evaluation Report*.
- o Some additional dates should also be set with the City Clerk's Office to start the process of setting goals for the next year.

Post-Meeting with the CAO

Following the Council meeting, the Mayor has a second meeting with the CAO to advise him/her of the decisions made by Council with respect to the performance evaluation process. Following is a list of the information that the CAO needs to know before he/she can proceed with their self-evaluation and completing the CAO *Information Package* for the Mayor and Council:

- Who will chair the process?
- Will Council be hiring a consultant to facilitate the process? If not, who will be overseeing the process?
- Who will be preparing the *Final Performance Evaluation Report* and how will the feedback be captured?
- What is the final performance evaluation template and metrics that will be used by both parties?
- Will there be a stakeholder survey?
- What is the final timeline/calendar that has been confirmed for the process?

It is the responsibility of the Mayor and City Clerk to ensure that the timelines are met to keep this process moving forward. If it is the decision of the Mayor and Council to hire a third party to assist with the CAO's performance evaluation, this should be done as soon as possible following the municipality's procurement process.

2.2

Mayor & Council Receive & Review the CAO Information Package

The CAO may meet with the Mayor and/or consultant (Chair of Sub-Committee) to review the *CAO Information Package* before it is circulated to all members of Council.

If the CAO did not make enough copies for the *CAO Information Package* for each member of Council, the Mayor's Office will complete this task. A blank template should also be kept for the *Final Performance Evaluation Report*.

Each Council member receives the *CAO Information Package*. It includes all the background/foundation data gathered by the CAO as pertinent for their evaluation. In addition, the CAO's self-evaluation is provided for review, and a blank performance evaluation template that was agreed upon by both parties is provided for completion by each Council member.

Each Council member should review the following documents included in the *CAO Information Package* and ask the following questions as they complete the evaluation template:

- Governance documents including any legislation, municipal policies, and by-laws describing the CAO job descriptions, duties, powers or the performance evaluation process. Are there any new pieces of legislation or municipal by-laws that have triggered the need for change?
- Do any aspects of the CAO's job description or employment contract/offer letter need to be changed?
- In the CAO's self-evaluation, how well has he/she met the goals and key results defined at the beginning of the performance evaluation cycle?

2.3

Mayor & Council Complete the Performance Evaluation Using a Template

This is the traditional step in the performance evaluation process. In addition to reviewing the CAO's self-evaluation, the Mayor and each Council member rate the CAO's performance using the template and metrics that have been agreed upon by both parties.

Following completion, each copy is turned over to the person responsible for compiling the information into the *Final Evaluation Report* (Mayor, Chair of the Sub-Committee or the consultant).

2.4

The Final Performance Evaluation Report is Completed

Using the agreed template, the person responsible for compiling the information, gathers all of the evaluations and written comments from each Council member and organizes the findings as per the process previously agreed on for capturing the rolled-up feedback in Step 2.1. The report will show areas of excellence as well as areas for improvement. The written comments are grouped into thematic areas and appended to the *Final Evaluation Report*.

2.5

Council Prepares for the Discussion With the CAO

Upon receipt of the *Draft Final Performance Evaluation Report* from the Sub-Committee or consultant, the Mayor and Council will meet in an In-Camera/Closed meeting to discuss the report and the CAO's self-evaluation.

The Mayor and Council decide how feedback will be discussed, how one-of-a-kind comments will be handled, who will chair the performance evaluation conversation, and the purpose and desired outcome of the meeting with the CAO. Council also determines any salary adjustment (merit increase) based on the overall performance and any compensation clauses in the CAO's employment contract/offer letter.

Any final changes are noted and a few days to a week are allowed for preparation of the *Final Performance Evaluation Report* prior to the meeting with the CAO.

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

Delivering Positive and Constructive Feedback in the Written Narrative and Discussion

It has been said of performance evaluations that when 'an atmosphere of trust, respect and transparency characterizes the relationship between CAO, Mayor and Council, the CAO's performance can have a direct and lasting impact on the ability of Council to carry out its mandate.' Sometimes constructive feedback is necessary, and there are tips to do this effectively. The earlier the better is a good rule. If the feedback did not come with the actual event, and has accrued through the performance evaluation period, then there are some suggestions to keep in mind.

- Don't use the delivery of the constructive feedback to vent.
- Accentuate the positive. If there is a constructive comment, there must be a positive outcome that is being sought. What is it?
- Ask how the problem originated—it helps to get to the root of the problem.
- Involve the CAO and Mayor and Council in the solution.

For positive feedback, it is equally important to be fair and realistic. As noted in the quote below, too much positive feedback can be deceiving. A better approach is to coach the CAO on the type of appropriate and effective behaviour that could be exercised more often.

A Consultant Describes an Avoidable Feedback Scenario

[There are a] number of instances wherein I have been called by a Council concerned about its deteriorating relationship to the CAO and yet having just polished off another performance assessment proclaiming that the CAO is soon to walk on water. The CAO is of course stunned by one result/sentiment or the other and most likely both. It is akin to the hockey coach receiving a very positive endorsement just prior to the fateful call (sometimes by the same fellow) announcing that the team in its wisdom felt that a change was needed, hard to fire the team, need a different voice ...

(Cuff, George. FCMC. 2015. *Governance Zone: What Results?* p.1)

2.6

Council Shares Final Evaluation Report

The *Final Performance Evaluation Report* is circulated to all participants. The CAO, Mayor and Council should have time to review the Final Evaluation Report prior to the meeting to discuss it.

Part 3: CAO, Mayor and Council Meet to Discuss the Performance Evaluation

Step #	Step and Explanation
3.1	<p data-bbox="381 493 1388 562">Joint Review of the <i>Final Performance Evaluation Report</i> & Final Sign Off</p> <p data-bbox="381 588 1427 756">The Mayor, Council and CAO have received a copy of the <i>Final Performance Evaluation Report</i>. An In-Camera/Closed meeting is held to have a conversation between both parties to discuss the final report. The conversation uses constructive feedback to present and discuss the collective comments from the Mayor and Council on the CAO's <i>Information Package</i> and self-evaluation.</p> <ul data-bbox="381 766 1427 882" style="list-style-type: none">• How well did the CAO's performance align with Council's Strategic Goals?• What were the overall ratings (if a rating system was used)?• What discussion arises from the final notes? Are there any themes that emerged? <p data-bbox="381 913 1427 1039">TIP: Maintaining an open communication is important to the success of the municipality. The evaluation should be a conversation between Council and the CAO, not just Council offering their opinions.</p> <p data-bbox="381 1060 1427 1228">The CAO, Mayor and Council sign off on the document and the CAO is responsible for submitting a copy of the report and his/her self-evaluation to the Human Resources Department to be placed in his/her personnel file. The CAO is also responsible for completing any paperwork (signed by the Mayor) to be submitted to the Payroll Department for any compensation related to the performance evaluation.</p>
3.2	<p data-bbox="381 1270 1218 1312">Meet to Discuss New Goals for the Next Evaluation Cycle</p> <p data-bbox="381 1333 1427 1459">After the CAO's performance evaluation is complete, it's important for Council to set new strategic goals and key results for the coming year, which link to the CAO's goals, the municipality's Strategic Plan and Council's priorities. These new goals can be part of a mandate letter if you and the CAO choose to use this tool.</p> <p data-bbox="381 1480 1427 1585">Certain goals set last year may remain unchanged, as they are ongoing strategic goals for the municipality and therefore the CAO. Other goals may be new, so this is the time to discuss all the chosen goals for the coming year considering of their:</p> <ul data-bbox="381 1596 1427 1743" style="list-style-type: none">• Appropriateness for the municipality;• Advancing the CAO's professional goals and interests; and• Potential for enhancing the relationship between the CAO, Mayor and Council, staff, stakeholders, and the community.

Step #**Step and Explanation**

One effective way of setting goals is to use the S.M.A.R.T goal concept. A variety of interpretations of the SMART acronym have been used since the 1960s. George T. Doran's interpretation (1981) is often considered to be the foundational one and is described below.

S Specific: Target a specific area for improvement.

M Measurable: Quantify, or at least suggest, an indicator of progress.

A Assignable: Specify who will do it.

R Realistic: State what results can realistically be achieved given available resources.

T Time-related: Specify when the result can be achieved.

Setting Achievable Goals

...a good performance review would [include a] discussion regarding whether or not those goals [from last year] were set in a moment of euphoria (i.e., filling all the potholes) or actually achievable.

(Cuff, George B. 2015 Governance Zone: What Results? p.2)

This may take a minimum of two meetings with the first meeting being to discuss Council's vision and strategic goals/priorities, and the second meeting being to review and approve the CAO's goals for the coming year based on that vision.

3.3

A New Year: Begin the Performance Evaluation Cycle Again

Begin the performance evaluation cycle again.

Mayor & Council's Checklist for the CAO's Performance Evaluation

Mayor & Council Organize Their Review.

- ✔ **First Meeting with CAO.** The Mayor has met with the CAO to discuss the entire performance evaluation process (with the Mayor and Council) including a timeline. The CAO has also presented his/her recommended performance evaluation template and metrics for consideration. As noted in Step 2.1 there are a number of questions that the Mayor has to follow-up on with Council before the process can begin.
- ✔ **Contact the City Clerk.** The Mayor has contacted the City Clerk to set up a Private/In-Camera meeting with Council to determine how to manage the CAO performance evaluation process.
- ✔ **Meeting with Council.** The Private-In-Camera meeting is held with Council to discuss the questions outlined in 2.1 above.
- ✔ **Second Meeting with the CAO.** Following the Council meeting, the Mayor has a second meeting with the CAO to advise him/her of the decisions made by Council with respect to the performance evaluation process. See the list of questions under "Post-Meeting with CAO" in Step 2.1 above.
- ✔ If it is the decision of the Mayor and Council to hire a third party to assist with the CAO's performance evaluation, this should be done as soon as possible following the municipality's procurement process.
- ✔ **Optional Step.** The Mayor/consultant conduct a stakeholder survey if this is the decision of Council.

Mayor & Council Receive & Review the CAO Information Package

- ✔ **Third Meeting.** The Mayor and/or Consultant (Chair of the Sub-Committee) have met with the CAO to review the *CAO Information Package* before it is circulated to all members of Council.
- ✔ If the CAO did not make enough copies for the CAO Information Package for each member of Council, the Mayor's Office must complete this task. A blank template has also been kept for the *Final Performance Evaluation Report*.

Mayor & Council Complete the Performance Evaluation Using a Template

- ✓ The *CAO Information Package* has been circulated to all members of Council with a request to complete the template by a deadline.
- ✓ Completed performance evaluations from all members of Council have been submitted to the person responsible for compiling the information into the *Final Evaluation Report* (Mayor, Chair of the Sub-Committee or the consultant).

The *Final Performance Evaluation Report* is Completed

- ✓ The draft *Final Performance Evaluation Report* has been completed.

Council Prepares for the Discussion with the CAO

- ✓ The Mayor and Council meet in an In-Camera/Closed meeting to discuss the Draft *Final Performance Evaluation Report* and the CAO's self-evaluation. At this meeting, the Mayor and Council decide how feedback will be discussed, how one-of-a-kind comments will be handled, who will chair the performance evaluation conversation, and the purpose and desired outcome of the meeting with the CAO. Council also determines any salary adjustment (merit increase) based on the overall performance and any compensation clauses in the CAO's employment contract/offer letter.

Council Shares Final Evaluation Report

- ✓ Any final changes to the Draft *Final Performance Evaluation Report* have been made and the Mayor, Council and CAO have received a copy of the Final Performance Evaluation Report.

Joint Review of the *Final Performance Evaluation Report* & Final Sign Off

- ✓ An In-Camera/Closed meeting is held to have a conversation between both parties to discuss the final report.
- ✓ The CAO, Mayor and Council sign off on the document (which is submitted to the Human Resources Department by the CAO) and the CAO has also provided the Mayor with any paperwork for signature for any compensation related to the performance evaluation.

Meet to Discuss New Goals for the Next Evaluation Cycle

- ✓ **Setting New Goals.** Dates have been set for two more Council meetings to set new strategic goals and key results for the coming year which link to the CAO's goals with the municipality's Strategic Plan and Council's priorities. These new goals can be part of a mandate letter if the CAO and Mayor and Council choose to use this tool.

With the new performance evaluation cycle typically starting in January, it is important to have quarterly reviews in March and June or at least one review prior to the annual review.

CAO Performance Evaluation Timeline

The CAO Performance Evaluation process can move at the pace set by the CAO and the Mayor and Council and the Council meeting schedule. Below is an example of a process based on the calendar year that begins in mid-August and ends the first week of December.

