



Callander

ONTARIO

Four Seasons of Reasons

**The Corporation of the
Municipality of Callander**

Performance Assessment Process & Related Tools

Report

Preamble

Council for the Corporation of the Municipality of Callander (“Council”) engaged the services of Expertise for Municipalities (E4m) to work with them on a modernization and efficiency strategy. Part of the overall project was the development of a CAO performance assessment process and related tools. The Municipality did not have a formal process for, or a consistent practice of, evaluating the performance of the CAO.

A good working relationship between Council and their most senior employee is critical to the success/efficiency of the municipal operation. It is important for Council to provide clear performance expectations and monitor these expectations continually/consistently. All too often, this does not happen. The result is a dysfunctional relationship between Council and their employee. Moreover, employee morale decreases, time is wasted, and the overall municipal operation becomes inefficient.

When the expectations are not clearly established, routinely discussed, and formally reviewed between Council and their employee we often hear dissatisfaction on behalf of Council and/or the employee. Often this dissatisfaction permeates the organization and results in a stressful, sometimes toxic, work environment.

What we hear from Council:

- We ask for work to be done and it never gets done on time.
- The report (or another deliverable) is not what we asked for.
- We give direction and then we never hear back if the direction was followed.

What we hear from the CAO/Senior Manager:

- Council keeps changing their priorities or adds new action items to an already large workload it is difficult to manage.
- After I spent all that time on a report for Council, they tell me it is not what they wanted or expected and now I must do it over.
- They are never happy with any of the work that we do.

What we often see/hear:

- Unrealistic/unachievable or very long-term Council strategic plans – some that do not match Council’s direction
- Micromanagement by Council or individual members of Council
- Micromanagement/poor management of employees by the CAO/Senior Administrator
- Poor communication throughout the organization
- Lack of trust between/among members of Council
- Lack of trust between Council and the CAO/Senior Manager
- No or poor performance management processes



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- Direction given to staff but not recorded as a resolution
- Resolutions/decisions of Council that do not have enough detail to explain their expectations
- Too much or too little employee time being spent on a specific task
- High employee turnover
- Personality conflicts between Council and their employee
- High levels of stress in the workplace
- Poor morale across the organization
- Workplace or Integrity Commissioner complaints by Council or Employees

In December 2019/January 2020 Council, the CAO and E4m embarked on the development of a performance evaluation process as well as the specific tools necessary to ensure the process would be on-going and successful. Once established for the CAO position, the process and tools would be modified to be used with the Municipality's Management Team as well as their front-line workers. In essence, it would become a standardized practice.

The work entailed:

1. Observing Council/Committee meetings to determine.
2. A two-month time study of the activities of the CAO and key employees in the municipality.
3. Review of existing performance management policy/process.
4. Review of Human Resource policies.
5. Review of Employee job descriptions.
6. One-on-one and group discussions with Council regarding the CAO's performance.
7. One-on-one interviews of Managers and Administrative personnel.
8. The CAO preparing performance expectations for 2020 based on Council's Strategic Plan.

What we found:

- Performance management of the CAO was not always done by ALL of Council. This is significant because Council is the employer not an individual member of Council and all of Council should provide feedback to their employee.
- Performance evaluations of employees had not been done on a consistent basis.
- The policy and performance evaluation tool needed an overhaul.
- Four front-line staff reported directly to the CAO in addition to the four Management Team members.
- During the limited time study, twelve percent (12%) of the CAO's time was spent providing support to front-line employees and a significant amount of time was spent on a large project; the draft presented to the standing committee of Council was not what was expected and required additional time for further refinements. It is important



to note that more time was dedicated to this project after the completion of the time study and the overall time committed to this project was not tracked.

- Communication was a problem between Council and the CAO, and the CAO and the Management Team.
- The Strategic Plan approved in April of 2020 did not wholly capture the direction Council wanted to go in.

What we recommended to modernize the operation and improve efficiencies:

1. That Council restructure the organization to optimize workflow and other efficiencies. Which would include:
 - a. Realignment of the reporting structure,
 - b. Improvement of information flow,
 - c. Updates to the employee job descriptions,
 - d. Adoption of a new performance management system, process, and related policies.
 - e. An overhaul of the Human Resource policy.
2. That Council adopt a Council Term plan and that this be used to prepare the performance expectations of the CAO/Senior Manager and throughout the organization.
3. That Council adopt a policy for a performance management system with appropriate processes and tools to improve communication within the organization and employee performance.

Completion of the work was stalled by several extenuating circumstances:

- Two (2) sudden Council vacancies (January/February 2020)
- COVID-19 Pandemic (March 2020 on-going)
- The appointment of two (2) new members of Council (April 2020)
- CAO left the Municipality (July 2020)
- The development of a Council Term Plan that was not adopted until October 2020
- Preparing an Expression of Interest for and the recruitment of a new senior manager – Senior Municipal Director (“SMD”) (start date December 7, 2020)

[The Role of Council](#)

Section 224 of the *Municipal Act* explains the role of Council:

224 It is the role of council,

- (a) to represent the public and to consider the well-being and interests of the municipality;
- (b) to develop and evaluate the policies and programs of the municipality;
- (c) to determine which services the municipality provides;



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- (d) to ensure that administrative policies, practices and procedures and controllership policies, practices and procedures are in place to implement the decisions of council;
- (d.1) to ensure the accountability and transparency of the operations of the municipality, including the activities of the senior management of the municipality;
- (e) to maintain the financial integrity of the municipality; and
- (f) to carry out the duties of council under this or any other Act. 2001, c. 25, s. 224; 2006, c. 32, Sched. A, s. 99.

It is therefore the role of Council to establish the policies, practices, and procedures by which the Municipality functions. This means that Council must adopt a policy, practice and/or procedure for assessing the performance of the SMD. Then Council must ensure that the policies, procedures and/or practices are implemented by municipal employees. To accomplish this, Council needs a tool to assess and evaluate the performance of the SMD.

The tool used by Council to assess the performance of the SMD should be:

1. Based on the strategic direction Council has set.
2. Realistic so that the Municipality or the employee is not set up for failure.
3. Flexible if circumstances change.
4. Negotiated with the SMD at the outset of the employer/employee relationship and then updated annually thereafter.

The tool should have both objective and subjective measures by considering:

1. Actual tasks/activities completed.
2. Internal and external relationships.
 - a. How well the individual leads/manages or works with other employees
 - b. How external stakeholders view the professional relationship with the employee being evaluated.

The result of using the tool is to provide a report to the employee that clearly outlines:

- What is working
- What needs to be improved
- Improvement strategy (if applicable)
- Expectations for the next assessment cycle



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Purpose of the Assessment

Assessing the performance of the most senior management position, formerly the CAO, now titled Senior Municipal Director (the “SMD”), strengthens the working relationship between Council and their employee. It also improves the overall efficiency and effectiveness of the municipal operation. A performance management program is a cornerstone for facilitating better working relationships, improving employee job satisfaction/retention and strategic professional development/succession planning.

It is important that assessments of this nature are carried out on a routine basis even if there seems to be no challenges with the current working relationship. Respectful and early feedback can prevent the Council/SMD relationship from deteriorating. More importantly, this practice will improve communications throughout the organization leading to the successful achievement of Council’s goals/objectives.

A performance assessment process should be expected to clearly:

- Define the employer’s expectations of the employee including but not limited to documenting:
 - Key tasks and realistic completion dates as determined by Council priorities
 - Mandatory tasks/responsibilities as legislated, or required by municipal bylaws/policies, or as part of the job description
 - Required knowledge/learning
 - Core competencies of the position
 - Process for improvement as may be applicable
- Document tools and/or resources necessary for an employee to successfully meet the employer’s expectations.
- State when and how assessment of performance will be carried out.
- Describe how the assessment will be used as a basis for any salary adjustment.



Policy

As previously mentioned, it is the role of Council to establish the policies, procedures, and practices of the Municipality. For Council to implement a performance management system, they will need to adopt a policy.

We recommend that the policy at a minimum include:

- A policy statement that sets out the importance/value of providing feedback to employees regarding job performance and that this is a tool support employee and organizational success and is not punitive in nature.
- The standards of practice and/or performance assessment tools will be used to measure employee performance.
- When and by whom performance assessments will be carried out.
- The relationship between the performance assessment and decision making within the municipal operation (i.e. learning and development strategies, succession planning etc.)

A set of procedures should also be adopted. See the sample policy and procedures in Appendix A.

Assessment Tool – The Hybrid Model

A standardized assessment tool should be used to ensure consistency in how performance is assessed year after year and throughout the municipal operation. This does not mean that the tool cannot be modified from time to time to meet the needs of the Municipality. It does mean that the approach to conducting performance assessments should be standardized as a practice across the Municipality for all employees.

To be fair and effective a Performance Assessment tool used by the Municipality should consist of objective [actual tasks completed] and subjective [competency] performance measures. This type of evaluation tool balances the performance information being considered by limiting bias, minimizing personality similarities/differences, and increasing the validity of the feedback being given to an employee. However, the value or weight of each of these measures will be unequal when analyzing the overall performance rating. To be clear, the subjective measures should count for between one (1) and thirty-five (35) percent of the total rating only.

The percentage or weight given to the subjective measures would vary based on position within the municipal operation. The more important contact/work with other people the higher the weight or value the subjective measures ought to have in comparison to the objective measures. For example, a weight or value between 25% and 35% would be appropriate for the SMD or a Management Team position. For a position like an equipment operator (where



technical skill proficiency is more essential than working well with people) the weight or value would be between 15% and 20%.

Objective Measures = Performance Expectations/KPIs

Objective performance measures [performance expectations or key performance indicators (KPIs)] are fact based. Either some task or activity was completed well and on time, or it was not. Each position within the municipal operation has its own set of performance expectations or KPIs based on the function of the position which may include legislated/mandatory activities as well as tasks/actions directly related to the Municipality's Council Term Plan or other strategic priorities.

Example for the SMD Position:

| Focus | KPI | Measure |
|---|--|--|
| Build a workplace culture that supports employee success | Develop performance expectations for the Management Team | <ul style="list-style-type: none"> - Review the job description for each Member of the Management Team by December 31, 2020 - Review previous performance evaluations for each member of the Management Team by December 31, 2020 - Draft performance expectations based on the job descriptions and goals as set by Council for each member of the Management Team by January 15, 2020 - Meet with each member of the Management Team to review potential changes to the job description and the performance expectations by January 30, 2020 |
| Move away from the "economic development" business and move toward the "community building business". | Realign internal functions/ jobs as necessary with a focus on developing quality of life indicators/measures | <ul style="list-style-type: none"> - Review the Council Term Plan and prepare a list of quality of life indicators/measures that look at community versus economic development by January 31, 2021 - task Members of the Management Team to collect the data to report to Council by March 31, 2021 |



Example for the Team Management Position

| Focus | KPI | Measure |
|---|--|---|
| Build a workplace culture that supports employee success | Develop performance expectations for direct reports | <ul style="list-style-type: none"> - Review the job description for each direct report by January 31, 2021 - Review previous performance evaluations for each direct report by January 31, 2021 - Draft performance expectations based on the job descriptions and goals as set by SMD for each direct report by February 15, 2021 - Meet with each direct report to review potential changes to the job description and the performance expectations by April 30, 2021 |
| Move away from the “economic development” business and move toward the “community building business”. | Realign internal functions/ jobs as necessary with a focus on developing quality of life indicators/measures | <ul style="list-style-type: none"> - Review departmental services and data collected/determine gaps/collect required data and submit to the SMD by March 1, 2021 |

Example for Front-Line Position

| Focus | KPI | Measure |
|---|---|---|
| Build a workplace culture that supports employee success | Successfully complete established performance expectations & provide feedback about roadblocks and opportunities. | <ul style="list-style-type: none"> - Meet with your supervisor from the Management Team to review potential changes to the job description and the performance expectations by April 30, 2021 - log work carried out as described in the performance expectations |
| Move away from the “economic development” business and move toward the “community building business”. | Realign internal functions/ jobs as necessary with a focus on developing quality of life indicators/measures | <ul style="list-style-type: none"> - Collect/record quality of life data as required and submit to Management Team Supervisor by June 15, 2021 |



Subjective Measures = How Others Perceive the Employee's Competency

Subjective performance measures are perception based and not fact based. They are more about the experience the individual assessor has about the employee. Perception can be based on personal opinions/perspectives, ethics/attitudes, and beliefs. It can also be shaped by the opinion of others. Subjective measures can be difficult to rate if there is insufficient detail within the overall measure since they can mean different things to different people. Key to consider when using subjective performance measures is to provide some definitive statements to clearly outline the expectation.

Overall measures should include the following themes. The definitive statements would be different based on where the position fits within the municipal organization. Expectations are higher for positions of authority than for front-line workers, but they could all still apply.

- Leadership
- Communication
- Planning & Goal Setting
- Decision-making
- Team Building
- Time Management & Productivity
- Change Management
- Stress Management
- Emotional Intelligence
- Personal Development
- Community & Partnerships
- Performance Management

As an example of more definitive statements Leadership could include:

- Builds a solid foundation of trust and respect
- Leads through example
- Is seen as a strong leader
- Is honest and ethical in dealings with others
- Creates an environment of trust
- Keeps promises
- Makes others feel valued
- Is able to influence and persuade others
- Builds positive relationships
- Provides regular, effective one-on-one coaching
- Is a patient and helpful coach.

All or a selection of these could be evaluated based on the position being assessed. We suggest that a scale be used to rate the individual's competency in each area such as Never, Rarely,



Sometimes, Often, Always. Then an overall performance score be calculated by averaging the responses.

A common approach to gathering feedback to assess the subjective measures/competencies is a 360 evaluation. Implementing this approach allows the Council or the person doing the performance assessment with a way to receive performance feedback from the individual being assessed, peers, direct reports, coworkers, ratepayers, other stakeholders and Council. This feedback is important to assist the employee to understand how others see their performance, what their strengths are and what professional development is required for them to achieve on-going success in the position/organization. Individual responses are confidential and only the aggregate results are shared.

Conducting the Assessment

Prior to the annual performance assessment/evaluation of an employee the individual conducting the assessment will need to get ready for the review.

1. Set a date and time for the annual review meeting with the employee. Make sure that the date selected provides ample time to conduct a review of the performance expectations and the competencies. A 360 can take a number of days to more than a week to collect all of the responses and then prepare the analysis.
2. Council may choose to strike a committee or contract a third party to assist with the performance assessment of the SMD.
3. Provide the Assessment Template to the Employee and to members of Council. Ask that they complete and return it by a set date.
4. Circulate the competency portion of the Assessment Template with the appropriate instructions and due date to:
 - a. All/Select Direct Reports
 - b. Coworkers
 - c. External Stakeholders as determined at the beginning of the evaluation process which may include:
 - i. Ratepayers
 - ii. Members of Committees/Local Boards
 - iii. External Colleagues
 - iv. Provincial or Federal Government Representatives
5. Summarize/analyze the results.
 - a. Identify areas of strength
 - b. Identify areas needing additional support or professional development.
6. Review the results with the Employee.



Analyzing the Feedback

Once all participants have returned their responses using the Assessment Template, the data will need to be reviewed and scored. With the Hybrid Model there should be two (2) separate scores:

1. Performance Expectations (Objective Measures)
2. Competency (Subjective Measures)

Reviewing the Performance expectations should not be onerous. The Assessor and the Employee should be well versed on how well the employee is achieving these expectations based on the quarterly review/updates. The score will be based on the number of the expectations that have been successfully completed. Once calculated, the score will then need to be converted to a weighted percentage that is in keeping with the overall percentage assigned to the subjective measures.

The results of the Competency portion will need to be converted to a percent. We would suggest the following scoring be used then the overall total score be averaged.

| | |
|-----------|-----|
| Never | = 1 |
| Rarely | = 2 |
| Sometimes | = 3 |
| Often | = 4 |
| Always | = 5 |

Once the average has been calculated the result will need to be weighted so that it reflects the 1% to 35% value that was agreed upon.

The two (2) numbers can then be added to complete the overall score.

Note: if the competency value is 25% then the performance expectations would need to be 75% for an overall score out of 100%.

If we assume all 12 Competency Areas are used and the maximum score that can be achieved for each is 15 then $15 \times 12 = 180$ (a perfect score) if the employee scores 162 out of 180 you would divide $162/180 = .90$ and then multiply that rate by 25/100 or $(.90 \times .25) \times 100 = 22.5$ out of 25

A similar calculation would need to be done for the objective measures.



Preparing the Report

The Report should follow a consistent format and include at a minimum the following:

- Date of the performance assessment
- Name of the Employee
- Who is responsible for carrying out the assessment
- Who actually conducted the review (if a third party is used etc.)
- Brief Summary of previous assessments
- How the current assessment was conducted
- What the benchmark performance expectations are and how the employee scored
 - Identify any areas of concern
 - Identify areas of success
- The competency score and other feedback
 - Identify any areas of concern
 - Identify any areas of success
- Provide the report to the employee prior to the meeting date

Meeting with the Employee

On the scheduled date, the meeting with the employee should be held to review the report. It is important that this be done in a constructive and not punitive way. This is an opportunity to review the successes and identify areas for improvement or professional development.

It is also the time to discuss the performance expectations for the next year and prepare the success plan.

Success Plan

The Success Plan captures the agreed to performance expectations for the next review year, the related competencies that will be measured during the next review (including the value percentage 1% - 35%) and any learning/improvement strategies or professional development or other resources that may be required to assist the employee in being successful in their position.



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Appendix A

Performance Management Policy

Overview

Council of the Corporation of the Municipality of Callander (Municipality) recognizes the importance of providing job performance related feedback to municipal employees in a clear and respectful manner. The Municipality is committed to providing an environment wherein performance is measured in a fair and equitable manner and further that municipal employees are aware of why, how, and when their performance will be evaluated.

Council considers it necessary to adopt a policy that will ensure on-going job performance feedback annually for all municipal employees that will be based on a standard format and conducted in an appropriate and respectful manner.

Performance management is both a system and a process. It requires a consistent method of implementation [system] as well as a clear set of action steps [process]. It provides the necessary framework for each employee to be successful in their position and for the overall success of the Municipality. This is accomplished by aligning the performance expectations of each employee with the overall goals of Council/the Municipality. Performance management is continuous throughout the year. From time to time, work improvement plans, and progressive discipline may be required to support an employee in achieving satisfactory performance.

Policy

The Municipality will ensure that at a minimum there be an annual job performance review of:

1. The Senior Municipal Director (SMD) by Council
2. Each member of the Management Team by the SMD
3. All front-line workers by the Management Team member who supervises them.

Annual reviews will be conducted using the Municipality's Standard Performance Measurement Tool and adopted process which includes self-assessments completed by each employee.

The tool consists of objective [actual tasks completed] and subjective [competency] performance measures that are agreed upon on an annual basis between Council and the SMD.



Council and the SMD will determine the weight of the subjective measures annually based on the overall goals of Council for the year being assessed. At no time will the subjective measures account for more than thirty-five percent (35%) of the overall performance score.

A quarterly progress review meeting will be held to go over the established performance expectations and consider performance to date between:

1. The Senior Municipal Director (SMD) and Council
2. Each member of the Management Team and the SMD
3. All front-line workers and the Management Team member who supervises them.

The results of the Annual Performance Assessment will be documented in a formal report and reviewed with the employee.

The Annual Performance Assessment Report will become part of the employee's personnel record.

Performance management information shall be used by the Municipality, the SMD or other Manager for decisions pertaining to:

- Selection (promotion or transfer)
- Organizational goal setting and budgeting
- Salary adjustments
- Succession planning
- Training and development requirements
- Restructuring
- Recognition

Procedures

Council

1. Council will meet with the SMD between November 30 and December 15 of any given year, to review the performance of the SMD during the lapsing year and establish the organizational performance expectations as well as the specific performance expectations for the SMD for the upcoming year.
2. The Mayor will call a special meeting or will have added to a regular meeting of Council a for the following:
 - a. To strike a committee and/or contract an external facilitator to assist Council with the Performance Assessment Review of the SMD between the first (1st) and fifteenth (15th) of October.



To be considered in a Closed Session

- b. Quarterly progress review to discuss the SMD's performance between the fifteenth (15th) and the thirtieth (30th) /thirty-first (31st) of each of the following:
 - i. March
 - ii. June
 - iii. September
 - c. To meet with the committee or external facilitator to review the results of the Performance Assessment Review and discuss expectations for the next review period between the fifteenth (15th) and the thirtieth (30th) of November.
3. Council will meet with the SMD as soon as practical upon becoming aware of any performance related issues.
 4. Should it be necessary, Council will prepare a Performance Improvement Plan with the SMD.

Senior Municipal Director

5. The SMD will meet with each member of the Management Team between January 1st and February 15th of any given year, to review their performance during the previous year and establish the performance expectations for their specific position for the year.
6. The SMD will hold regular update meetings with each member of the Management Team and at a minimum will meet with each member:
 - a. Quarterly to discuss the individual's performance between the first (1st) and fifteenth (15th) of each of the following:
 - i. March
 - ii. June
 - iii. September
7. The SMD will meet with any Member of the Management Team as soon as practical upon becoming aware of any performance related issues.
8. Should it be necessary, the SMD will prepare a Performance Improvement Plan with the Management Team Member.

Management Team



9. Management Team members will meet with each of the employees reporting directly to them between February 15th and April 30th of any given year, to review the employees performance during the previous year and establish the performance expectations for their specific position for the year.
10. Management Team members will hold regular update meetings with each member of the Management Team and at a minimum will meet with each employee reporting to them:
 - a. Quarterly to discuss the individual's performance during the following months:
 - i. June
 - ii. September
 - iii. December
11. Management Team members will meet with any employee who reports to them as soon as practical upon becoming aware of any performance related issues.
12. Should it be necessary, the Management Team Member will prepare a Performance Improvement Plan with the employee.

