

# CITY OF BAINBRIDGE ISLAND CITY COUNCIL AGENDA BILL



## PROCESS INFORMATION

|                                              |                        |
|----------------------------------------------|------------------------|
| Subject: City Manager Performance Evaluation | Date: January 13, 2015 |
| Agenda Item: Unfinished Business             | Bill No.: 15-004       |
| Proposed By: Mayor Blair                     | Referral(s):           |

## BUDGET INFORMATION

|                       |                                                                               |                                                                                        |
|-----------------------|-------------------------------------------------------------------------------|----------------------------------------------------------------------------------------|
| Department: Executive | Fund: General                                                                 | Munis Contract #                                                                       |
| Expenditure Req:      | Budgeted? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | Budget Amend. Req? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No |

## REFERRALS/REVIEW

|                                                                                                               |                                                                                                        |                                                                                                          |
|---------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------|
| City Manager <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A | Legal <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A | Finance <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A |
|---------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------|

## DESCRIPTION/SUMMARY

### Action Item:

The City Council is responsible for conducting an annual evaluation of the City Manager's performance.

### History:

The City Council completed the 2014 performance evaluation for City Manager Doug Schulze. The evaluation process was facilitated by Jim Reid of the Falconer Group. Mr. Reid met with the City Council, Human Resources Manager Kate Brown and the City Manager to review and discuss the performance evaluation, which resulted in the attached document. The evaluation includes a review of the past year's performance, and three distinct goals for 2015.

## RECOMMENDED ACTION

### Motion:

I move that the City Council accept the 2014 City Manager Performance Review.

**CITY OF BAINBRIDGE ISLAND  
2014 CITY MANAGER PERFORMANCE REVIEW**

**KEY FINDINGS:**

**THE COUNCIL MEMBERS' RATINGS OF THE CITY MANAGER'S PERFORMANCE**

19 December 2014

Overall, the City Council is pleased with the performance of City Manager Doug Schulze in 2014.

The Council was asked to rate Doug's performance in relation to leadership and management and completion of the 2014 Work Plan, as well as in relation to 25 characteristics of leadership.

- On a scale of 1-10, Doug's average rating from the Council on overall "Leadership" was an 8.29. His average rating for completion of the 2014 work plan was 7.57.

*(Note: There appears to be some uncertainty about what was included in the work plan and what goals or measurements were used or should have been used in evaluating the City Manager's performance in 2014.)*

- In three areas the Council is unanimous that Doug's performance is "Excellent:"
  - Ethical;
  - Job Knowledge; and
  - Professional Development.
- In six categories a majority of Council members rated Doug's performance as "Excellent" and a minority rated it as "Good:"
  - Supervising;
  - Adaptable;
  - Resilient;
  - Humor;
  - Hiring; and
  - Gives Credit Where Credit is Due.
- In three categories a majority of Council members rated his performance "Good" while the rest rated it "Excellent:"
  - Organizing;
  - Communications with Elected Officials; and
  - Honest and Fair.
- Council members also commented on Doug's "Other Strengths" at the end of the questionnaire. They were:

- a) communications via social media and through community outreach;
  - b) financial management, including introducing priority-based budgeting and the biennial budget process;
  - c) personnel management, including the hiring of a skilled and experienced City Attorney and an enthusiastic and committed Community Engagement Specialist;
  - d) organizational development expertise, as evidenced by his support for and facilitation of the Police Department’s organizational and management structure changes; and
  - e) “follow through.”
- In nine categories all Council members except one rated the City Manager’s performance as “good” or “excellent.” In each case one member rated the performance as “acceptable.”
    - Category: Timing. The member who provided the rating of “acceptable” stated that “Doug grasps problems quickly but takes too long to implement the solutions.” Comments from Council members who rated Doug’s performance “good” could be interpreted as agreeing with that assessment.
    - Categories: Analytical, Sensitivity. There appear to be two or three Council members who are somewhat concerned about information provided to Council, or who perceive that the City Manager is reluctant to allow the Council to debate alternatives.
    - Category: Efficiency. Members who rated the City Manager’s performance “good” raised the issue of decision-making, either to question the process by which a decision was made or a specific decision itself.
    - Category: Communications with Employees. One Councilor rated Doug’s performance as both “acceptable” and “poor.” The rating was related to a perception that the City Manager may not be ensuring that employees look beyond their own job responsibilities to understand the direction the City is moving and what is going on elsewhere in City government.

## Potential Areas for Improvement

In three areas two or three Council members expressed a need for performance improvement. In each category a majority of the Council rated the City Manager’s performance as “Good” and/or “Excellent.”

The categories in which two or three members rated Doug’s performance “Acceptable” were:

- Delegating;
- Forges Compromises; and
- Risk Management.

“Risk management” is defined as “implements programs to limit liability and loss.” But in providing a rating in this category, a couple Council members commented that they perceive the

City Manager to be too cautious and risk adverse. This could be tied to comments under the Timing category in which some Councilors suggested that Doug's cautiousness may translate into him taking too long to make a decision or implement a decision. It may also be related to comments under the Communications with Elected Officials that implied the City Manager's cautious nature or aversion to risk results in the perception he does not initiate communications with the Council, particularly on issues where conflict may be present. At the end of the questionnaire, one member suggested that as Doug's tenure with the City lengthens, he should become more comfortable "jumping into the fray."

## The City Manager's Goals for 2015

Based on the findings above, the Council discussed with Doug these three goals for 2015. Once finalized, they will serve as the foundation for evaluating his performance at the end of the year.

1. Ensure that the Council has informed and engaging discussions and debates about public policy issues facing the City.

Here are some of the steps necessary to achieve this goal:

- With support from Doug, the Council will frame the relevant questions that need to be discussed on a particular issue.
  - Doug should use those questions to obtain and organize the information the Council needs to be able to have an informed discussion.
  - Doug should also present the options for proceeding, and the arguments in favor and opposed to each option. Then the Council members should be given the opportunity to add to the lists of "pros" and "cons" from their perspectives.
  - Prior to concluding the conversation, Doug or the staff lead should offer his/her professional recommendation or perspective on the issue at hand.
  - As the discussion is drawing to a close, Doug should help summarize the conversation and the Council's decision.
  - Doug should also identify and summarize the steps that will be needed to implement that decision.
2. Keep the Council informed about the City's progress in transforming the City into a High Performing Organization (HPO). If there is a role for the Council to play in advancing the initiative, Doug should inform the Council. This may include funding training for employees as they work to make the City an HPO.
  3. Reach agreement with the Council on four to six responsibilities for which Doug is accountable, and provide quarterly updates on those responsibilities, as well as the two goals listed above.
    - Doug should review the City's 2015 Work Plan to identify those items for which he is accountable. In addition, the Council's priorities as defined at the annual strategic planning meeting (the "advance") should help determine Doug's priorities for the year.
    - The Council recognizes that the City's Work Plan includes hundreds of actions and tasks that detail the operations of the City. Although recognizing that Doug is organizationally responsible for the items on this work plan, the Council does not expect him to be personally responsible for all of them.
    - Once Doug has identified those responsibilities for which the Council will hold him accountable, he and the City Council will discuss them and reach agreement on his primary responsibilities for 2015. These items, along with the first two goals above, will be the foundation of the Council's assessment of his performance at the end of 2015.