

CONFIDENTIAL REPORT



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| REPORT FOR: | Council | | |
| MEETING DATE: | 24 February 2014 | | |
| REPORT FROM: | City Manager | | |
| REPORT TITLE: | Selection of Consultant to assist with Recruitment of City Manager | | |
| FILE NAME: | F14/207 | RECORD NO: | AR14/4008 |

COMMUNITY VISION & STRATEGIC PLAN OUTCOMES

6 We Achieve

- 6.1 Strong leadership and a committed and focused workforce to effectively manage and progress the City.
- 6.2 Excellent Work, Health & Safety practices are implemented to provide a safe and appropriate environment for the whole of the community.
- 6.3 We aim to provide good governance practices and compliance with all legislative requirements in delivery of services.
- 6.4 The use of technology is maximised to ensure that records, data and information systems are maintained to a high standard.
- 6.5 We use and manage our financial resources in the best interests of our community, now and for the future.

PURPOSE

To select a Consultant to assist Council with the recruitment of a new City Manager.

RECOMMENDATION

Council:

1. Appoint McArthur Executive Services to assist with the recruitment of a City Manager, in accordance with its proposal in Appendix 1.
2. Appoint a City Manager Selection Panel comprising the Mayor, Deputy Mayor and Crs
3. Authorise the City Manager Selection Panel to select and recommend to Council a preferred candidate for appointment as City Manager from 1 August 2014.

BACKGROUND

In May 2013 Council sought expressions of interest for Consultants to assist with the recruitment of a new City Manager. At that time the City Manager was to retire at the end of his contract on 24 November 2013.

In view of the range of projects that were being handled at that time, the City Manager offered to extend his contract until 31 July 2014 to see a number of the projects completed if not well advanced.

Council at its meeting on 22 July 2013 agreed to an extension of the City Manager's contact until 31 July 2014. The two Consultants who had submitted realistic pricing for the task of selecting a new City Manager were advised of the delay. They have recently been requested to review their submissions and have submitted refreshed submissions in Appendix 1 which still offer the same prices.

DISCUSSION

In accordance with the last discussion with Elected Members, the Consultants were asked if they would travel to Port Augusta to discuss their proposal with Council. Mathew Hobby from McArthur Executive Services was willing to do so but the Consultant from Hender Consulting was not keen to do so.

The prices offered by the Consulting firms are on par with McArthur seeking a total fee of \$14,000 (excluding advertising costs) and Hender seeking \$12,000 (excluding advertising costs) but plus a range of on costs for webpage advertisement, travel, printing and stationary. In essence the total costs are around the same.

In view of the more comprehensive process and willingness to travel to Port Augusta to meet with Council it is recommended that McArthur Executive Services be offered the task of assisting the selection of a new City Manager.

CONFIDENTIALITY PROVISIONS

The Council is satisfied that, pursuant to Section 90(3)(k) of the Act, the information to be received, discussed or considered in this Agenda Item are tenders to engage the services of a Consultant to manage the recruitment of a new City Manager.

The Council is satisfied that the principle that the meeting be conducted in a place open to the public has been outweighed in the circumstances because the information to be disclosed and discussed has the potential to impact adversely on each of the tenderers as competitive commercial information will be disclosed.

Pursuant to Section 91(7)

That having considered this agenda item (Recruitment of Chief Executive Officer's position) in confidence under Section 90(2) and (3)(k) of the *Local Government Act 1999*, the Council, pursuant to Section 91(7) of that Act orders that the report, tender details, discussions & minutes **be retained in confidence for a period of 6 months or until the appointment has been finalised.**

RISK MANAGEMENT

1: Financial/Budget

A budget of \$25,000 has been allocated to this task and should cover the expected costs.

2: Legal

It is necessary that Council follow due process in the selection of a City Manager and the employment of an experienced consultant will assist in addressing good practice.

3: Environment

n/a

4: Community

4.1 General

The community will be looking to Council to make an appropriate selection.

4.2 OPAL Program
n/a

GREG PERKIN
14/02/2014

Appendix 1

Proposal to Provide

Recruitment and Selection Services

For the appointment of the

Chief Executive Officer

Presented to

Port Augusta City Council



Port Augusta

McArthur
Best People Fit

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Introduction

Thank you for your invitation to submit a proposal relating to recruitment services for the appointment of the Chief Executive Officer for the Port Augusta City Council.

M^cArthur is a leading executive search specialist to Local Government Australia wide. With over 43 years' experience, we have supported over 250 councils nationally. Our long term commitment to Local Government is demonstrated through our ongoing support of bodies such as ALGA & the LGMA.

As a preferred supplier to Local Government, we seek to develop a partnering arrangement to ensure a complete understanding of strategic and operational requirements. Through such a relationship we will be able to work closely with the Selection Panel to achieve an effective, efficient and quality outcome.

Our executive search will ensure that the incoming The Chief Executive Officer possess all of the attributes set by Council's Selection Panel and will continue to actively strive to develop and implement Council's strategic planning framework to make sure that all activities are aligned to delivering on Council's Vision, Mission and Strategic Objectives.

Our search division specialises in senior executive roles at the local and national level. Our search work will be tailored to Council's specific needs to ensure that there is no compromise on a quality outcome.

In summary, key aspects of our proposal and what sets us apart from the market, include:

- Unlike our competitors, who only reference check the final preferred candidate prior to offer, at M^cArthur we reference check the entire shortlist to ensure you have qualified background checks completed before the Selection Panel interviews.
- We are the only Executive Search Firm who works within Local Government Nationally, which allows us to generate a wider pool of talent for your consideration.
- Proven track record in the successful search and selection of Local Government Senior Executives.
- Extensive understanding of Local Government.
- Commitment to representing Council in a wholly professional and discreet manner.
- Quality Assured and proven methodology that provides transparent processes.
- A dedicated and professional relationship management strategy.
- Expertise in advertising and search programs designed to attract a strong response from appropriate candidates.
- Proven ability to adhere to strict time-lines including reporting requirements.
- Dedicated commitment to Candidate Care.
- An objective and accurate assessment of the qualities, aptitudes and capabilities of candidates recommended for short-listing.
- An understanding of, and experience in dealing with, the complexities associated with the assessment of internal candidates.
- Objective advice and guidance from the commencement of the assignment through to the final selection process.
- Expertise and advice on Local Government salary relativities, based on our National Local Government Salary Survey and industry research.

As a leading provider in executive search and selection, M^cArthur Executive Search is delighted to submit our proposal and look forward to demonstrating how we would support Council in the recruitment of a new Chief Executive Officer. Should you have any enquiries with respect to our submission, please do not hesitate to contact: **Matthew Hobby**, State Manager - South Australia **Telephone:** 08 8100 7000 **Mobile:** 0404 230 284 **Email:** matthew.hobby@mcArthur.com.au.

Relevant Experience

As the search for Senior Executives is at the core of what we do, M^cArthur has considerable demonstrated experience operating under Standing Offer Arrangements, Deeds of Agreement and Preferred Supplier Status with several large Commonwealth agencies and State and Local Government organisations. We have extensive experience in providing search services in line with those required by the Port Augusta City Council.

The M^cArthur ability to source superior candidates, in traditionally 'tight markets', is just one reason our services are sought after nationally. Throughout Australia, M^cArthur have appointed more than 150 Chief Executive Officers/General Managers and in excess of 380 Directors and Senior Managers over the last four years. The vast majority of those appointments have been within Local Government. Evidence of our ability and professionalism is proven through the repeat business undertaken by M^cArthur.

We also have demonstrated experience in the successful completion of senior search mandates in State and Federal Government and the private sector. This gives us access to wide ranging networks and ensures that Council has access to the very best talent.

The success of our experience in search assignments is testament to our ability to target senior candidates, who are not only of the highest calibre, but are also passionate about working with the Port Augusta City Council.

Our Executive Search Consultants within each state routinely interview, undertake performance appraisals and coach senior executives within Local Government. This is a major advantage in the selection process and also in guaranteeing the effectiveness of our executive search. Recently we have been appointed to undertake similar recruitment assignments; Coorong District Council, District Council of Yorke Peninsula, Wattle Range Council, District Council of Ceduna, Adelaide Hills Council, District Council of Grant, District Council of Robe, Kingston District Council, City of Whyalla, The Barossa Council, Mid Murray Council, City of Mount Gambier, City of Burnside and District Council of the Cooper Coast.

Statement of Understanding

BUILDING INSIGHT - Because we understand that every hire is different, we don't make assumptions, we invest the time and resources needed to develop an exact understanding of your needs. The way we would build genuine insight into the role is through a collaborative workshop achieving a thorough understanding of Council's vision and objectives for it.

INTELLECTUAL PROPERTY - Our search targets individuals with a collaborative, inclusive approach to ensure they are harnessing the knowledge from the wider team. Our competency based interview techniques, along with our Psychometric testing, will ensure we identify these traits and provide a shortlist of candidates willing to work closely with the existing team.

INTERNAL/SENSITIVE APPLICATIONS - A position such as this has the potential to attract both interest from within the organisation and also from neighbouring Councils. Our level of service and care to internal/sensitive candidates ensures every applicant is given the best opportunity. Whilst not every candidate can be successful, it is critical that every candidate receives the best possible service and our thorough process ensures they are given every opportunity to succeed. This includes face-to-face interviewing of every candidate and comprehensive feedback at the completion of the process.

PROACTIVE SEARCH – Our fresh consulting team comes from a background in genuine executive search. Using print media as your only source of candidates will not give you a cross section of the best talent available. We will work dynamically to source the best potential candidates for Port Augusta City Council, from a variety of public and private sector markets, to ensure you are selecting from the best available talent.

A DIVERSE SHORTLIST – Whilst Councils and Selection Panels will usually look for a candidate with experience in Local Government, it is important that you are provided with a diverse shortlist which gives you a variety of backgrounds and skills to consider. Candidates from other relevant sectors could bring new, fresh and innovative ideas.

Our Executive Consulting Team

M²Arthur Consultants insist on providing a professional and quality assured approach to relationship management, as we believe that this is integral to fully understanding each other's culture, expectations, operational environment and strategic direction.

To ensure efficient, effective and quality assured service delivery, M²Arthur will manage the relationship through a structured team approach, which provides a single point of contact for all services. Our team approach also ensures the constant availability of a consultant to receive enquiries and requests.



Matthew Hobby - State Manager, South Australia

Matthew Hobby was appointed as State Manager for M²Arthur's South Australian operation in 2010. Prior to this appointment, Matthew spent the past decade recruiting senior executive positions and running recruitment businesses locally, interstate and overseas.

Following a career in Sales and Marketing, Matt started his career in recruitment in Melbourne. After 4 successful years he was then transferred to this International recruitment firm's head office in London. Matthew then spent 6 years in London where he recruited senior roles across finance, sales, marketing, human resources, general management and executive, legal and public sector for some of the world's biggest brands and most successful organisations. He was also responsible for the strategic direction, business development and management of these firms.

In 2008, Matthew and his family relocated back to his home town of Adelaide where he took up a role as Manager - Executive Recruitment Services for a local recruitment firm.

Matthew's current role is to provide leadership for M²Arthur's South Australian operation and ensure that all of its divisions have the resources and knowledge to be able to provide both clients and candidates with the best possible service. Matthew is passionate about creating lasting relationships with clients and candidates, based on honesty and integrity. He has extensive experience in creating customised solutions to source the best talent for clients, which in turn, assists growing their business.

Matthew is the Past President of the Recruitment & Consulting Services Association (RCSA) for South Australia and a current national Board Director.

Our Executive Consulting Team (cont)



Abigail Warren - Consultant

Abigail Warren has eight years' experience in the executive recruitment market as a Consultant in both the UK and here in Australia. Her passion for building and maintaining strong relationships with both her clients and candidates has been the main stay for her success in Permanent and Executive level Recruitment.

A strong focus on the public sector has allowed Abigail to gain an excellent understanding of client requirements, enabling her to assist with providing human resource solutions to all areas within the business environment.

Abigail is specialised in the area of Executive level appointments within the State, Local and Federal Government sectors, including targeted executive search, candidate attraction strategies, media advertising and talent mapping.

Abigail has worked closely with and managed a large number of clients within the Adelaide market. She understands values and respects the importance of professionalism, client and candidate care.

Abigail is highly capable of establishing and maintaining valuable relationships and is committed to the highest standard of customer service. With a focus on attracting and retaining the best talent in Adelaide, Abigail takes personal and professional pride in working with her clients to match the skills and culture fit, ensuring a service of excellence at all times.

Our Methodology

Scope of the services offered

M^cArthur, as an experienced professional and accredited search firm, offers complete consultancy support in the placement of successful candidates. We are committed to winning methodologies which enable our clients to attract the right person for the role.

Although M^cArthur have successfully undertaken hundreds of previous appointments, it is critical for us to recognise that each appointment is unique. With its own set of special circumstances, the appointment of the Chief Executive Officer at Port Augusta City Council presents an entirely new challenge for a solution. Extensive research therefore, always precedes the undertaking of an assignment at this level, to ensure a complete understanding of the entire context. In the first instance, it is imperative that we gain a clear and specific understanding of Council's needs and expectations. Interpretation of that is the key to a successful search and selection assignment.

The M^cArthur executive search and selection methodology is built on over 43 years' experience in the recruitment industry and is consistently re-evaluated and updated to ensure we are always using contemporary and relevant processes.

Our proposed methodology for this assignment comprises the following distinct yet associated functions.



Our Methodology (cont)

STAGE ONE

Define the job brief - job profile, personal qualities and skills required and objectives of the role.

Our initial step will be to ensure that we fully understand Council's expectations. This will be achieved through an interactive workshop with the Selection Panel involving careful analysis of presented information and extensive discussion leading to the emergence and confirmation of a position description, competency/person profile and selection criteria. This will enable us to tailor our assessments in line with Council's requirements.

We understand that for many of you, running an executive recruitment process might be an unfamiliar exercise. Some parts of these processes can be quite structured and formal. It is therefore, imperative that you have the process explained to you in layman's terms.

We will lead this workshop in a roundtable format and give everyone the opportunity to have input. The topics discussed in this workshop will cover:

- Position Description - provide advice on the position description, performance plan, contract of employment and market remuneration levels.
- Taking the brief - building an understanding of what you are looking for in your next Chief Executive Officer.
- Explanation of the tools we use to source candidates including social media.
- How we map markets (build a list of talent suitable for your vacancy).
- The screening process.
- The long list of candidates - how to break this down.
- Psychometric Testing – what we test for and how to read the reports.
- The Selection Panel interview - your involvement and how we efficiently facilitate the day.
- Assessing candidates - how do you decide on the right person.
- Reference Checking - explanation on this process.
- The appointment.

We will contribute to this process based on our own experience and expertise across a wide range of private and public sector organisations. The emerging and agreed profile will enable our consultants to more clearly recognise the important selection criteria and identify candidates with the qualities and attributes to complement the current team. The establishment of weighted selection criteria is seen as critical to the successful selection procedure.

The process can then be extended to develop a clearly defined set of performance indicators which will form the basis for subsequent performance reviews of the successful candidate.

This is YOUR process.

Whilst we are the experts in search, we don't forget that you are our client and we will be flexible to create a process that works for you.

During our initial briefing we will work together to discuss our catalogue of search methods and agree on a plan that works for you and your timeframe. You will sign off on this process and timeline and we will update you as we reach each of the key points. It is our clear preference to complete this stage of the process in a face-to-face meeting, usually with all members of the Selection Panel.

Our Methodology (cont)

STAGE TWO

Search and attract - Identify candidate market and implement advertising and search strategies.

Targeted Search

- Our team work daily to map the Local Government market. Our on-going sponsorship, support and conference presence at all ALGA, LGMA, LGPro and MAV events ensures we build relationships with all key players within Local Government.
- National Presence – with six state offices and in excess of 100 permanent staff providing recruitment services nationally, M^cArthur has developed extensive Local Government networks nationally. This network ensures that you are not only getting the best shortlist of South Australian candidates, but the best available talent from around Australia.
- Our National Client Relationship Management System allows us to build a map of every level 1, 2 and 3 candidates from across the country. This system includes council size, budget, location and key challenges which allows us to identify candidates with demonstrated experience in councils that reflect similar challenges to yours.
- Bespoke service - if you are looking for a candidate with a unique skillset, we can tailor our search to source talent from outside Local Government via direct approach methods.
- Online - Whilst we use the traditional search methods, we are increasing the use of industry websites and social networking sites, such as LinkedIn, to attract the attention of passive job seekers.

Advertising

M^cArthur Consultants will work with Council in the design and development of an advertising program. Our wide use of recruitment advertising has sharpened our skills in the preparation of advertising copy, and in deciding on the most appropriate and effective vehicle for the placement of the advertisements in order to attract the best candidates.

Our aim is to attract the best person for the job, boost Council as an employer of choice and get the best value for your advertising spend. We will develop a draft advertisement in line with your requirements. Points raised during the initial briefing will be incorporated into the advertisement.

We are operating in a competitive job market, where first impressions can make the difference between the position being considered or overlooked. For many the position advertisement will be their first point of contact with the Port Augusta City Council.

Advertisements will have visual impact on the page, both graphically and in the way the advertisement is laid out, to ensure they are seen instantly and easily. In addition, the advertisement will be professionally presented, accurate and easy to understand. The advertising campaign will be cost effective and the recommended advertising option will take advantage of both print and on-line media.

M^cArthur advertising volumes are considerable - and as such, we enjoy preferential positioning in most publications.

Our Methodology (cont)

STAGE THREE

Approach & Telephone Interview

It is the daily face-to-face, or over the phone, conversations that allow a shrewd and perceptive Search Consultant to transform a meeting into a golden career opportunity. Search is essentially a process of timely assessment, and commercial in confidence judgement calls around suitability, fit and availability. It is this process that distinguishes a mere recruitment process, and Recruitment Company, into a seasoned and respected Search Consultancy. Appropriate candidates are discreetly sourced via networking, general interviewing, data base and network trawls, and simple but profound market place knowledge.

Formal Face-to-face Interview

This is a more formal competency based assessment around the role on offer, the Council's goals and objectives and the aspirations for each candidate. Candidates identified through this process and who meet the selection criteria will progress to stage three.

Internal Candidates

Recruitment assignments involving external and internal candidates require specifically tailored programs to be put in place to ensure an effective outcome.

M^cArthur is well experienced in handling internal candidates. We recognise that this can be a difficult time for them and that special attention needs to be provided. Our overall philosophy is to treat internal candidates in a manner that provides them with the best opportunity to present their attributes for the position. Our Consultants will interview all internal applicants that meet the employment criteria. Special counselling may also be required at the end of the recruitment exercise in order to assist unsuccessful internals with interview feedback.

A number of executive and other appointments handled by M^cArthur have involved this circumstance. Experience has prepared us for most of the eventualities likely to impact on evaluations.

The concerns to be addressed include:

- Objective assessment of candidates' submissions having regard to the advantages versus the disadvantages attached to any internal application impacting upon all candidates.
- Counselling of internal candidates to ensure they make full and complete submissions (not taking anything for granted in terms of "previous knowledge" of their achievements)
- Counselling of panels to defuse perceptions and subjective judgments and to avoid "grapevine" advice.
- Targeted reference checking to identify objective material and distil and quarantine subjective information.

Our Methodology (cont)

STAGE THREE (CONT)

Candidate Assessment – Short-listing

During the period covered by the advertising campaign, the Consultant managing the assignment will receive and respond to all telephone enquiries and responses, using this opportunity to clarify issues or concerns and to assist candidates displaying an initial interest to make an appropriate decision about continuing with a formal application. At the closing date for applications, a report on the strength of the response will be prepared and presented to Selection Panel.

Through our national office network, we will process those applicants who respond from interstate to determine their validity and appropriateness for interview. Whereas some initial interviews may be conducted interstate, no one will be recommended to the Selection Panel for interview without face-to-face interview and assessment by the Consultant controlling the assignment. Strong offshore associations enable us to carry out first-hand evaluations of candidates applying from outside Australia.

The Lead Consultant will conduct face-to-face interviews with an agreed range of candidates and develop standardised, objective assessments of the qualifications, experience and qualities of those interviewed. These will be measured against an extensive and objective set of selection criteria which will incorporate the Selection Panels desired personal profile.

Reference Checking

The reference checking exercise is carried out on a person-to-person basis, with information being gathered back through the academic, professional and/or commercial life of the applicant. Whereas some value will be placed on written references supplied by applicants, the real value in this exercise is achieved through the many contacts and associations in all states developed by the consultants, on a personal basis, over a number of years. It is this capacity to gather information beyond the normal limits that enables us to develop penetrating and perceptive analysis of our applicants' qualities and prior history.

We also conduct internet and social media background checks to ensure the preferred candidate is a person with all the right values to match your organisation.

Prior to reference checking we will discuss with the Selection Panel any specific areas that they believe require detailed investigation.

Candidate Evaluation Reports

When all information from the Consultant interviews, a study of the CV and initial reference checking has been completed, comprehensive written appraisal reports of the candidates selected for client interview will be developed and presented to the Selection Panel for consideration. When this information has been evaluated, the Consultant will be available for consultation to further elaborate on the material supplied, and assist in the decision as to which of those referred candidates on the "short-list" are to be granted an interview by the Selection Panel.

We will submit objective assessments and judgements concerning the appropriateness of candidates, without establishing any order of preference or priorities for the people referred, but endeavour to provide the Selection Panel with a series of options which includes the most appropriate applications, and is representative of the total response to the advertising and search program.

Our Methodology (cont)

STAGE THREE (CONT)

Psychometric Testing

Testing will be conducted on all short listed candidates with results presented to you at interview stage. Psychological assessment techniques, which have met the criteria of validity and reliability, will be used (subject to your approval) in assessing levels of competence, cultural fit, aptitude and potential. These will be administered by M^cArthur's in-house experienced psychologists and will add value to the process by providing additional predictive material. We offer a broad range of psychometric assessments capable of providing a profile of candidates against a predetermined benchmark. These assessments, which can be administered on-line, include personality and cognitive profiles which assess behaviours along with verbal, numerical and abstract reasoning skills.

With all senior recruitment activities we recommend the Jung Type Indicator for each candidate considered suitable for more serious consideration – the Long List. This service is included in the consultation fee and a report will be provided to both the client and the candidate. Additional comment can be made on request to either party.

For more extensive insight into candidate suitability, we offer the 15FQ+ test. This is a highly respected and used test in executive recruitment throughout the world, and considered valuable in terms of the most suitable candidates – the Short List. This test provides a comparative assessment against the Position Profile both in terms of personality variables as well as critical reasoning skills. We provide this assessment for up to **FIVE** candidates per position at **NO** additional cost. The cost per candidate for administering and reporting on this assessment is usually \$450 per candidate.

Our Methodology (cont)

STAGE FOUR

Interview with Council Selection Panel

Our Consultants will be available to work with Council's Selection Panel in a facilitative and/or advisory role during the final selection process. Consultant support includes, arranging the interview schedule, providing "off-site" facilities if required, the development of the interview questions, preparation and distribution of presentation material and the overall coordination of the process on the day.

Our Consultants will be available to offer strong and decisive direction but will not inappropriately influence the final selection decision.

Contract and Salary Package Negotiation/Facilitation

Once a suitable candidate has been identified M^cArthur will work with the Selection Panel (if required) to facilitate negotiations on an appropriate remuneration package based on our National Local Government Salary Survey data base. Our Consultants would also be available to assist the Selection Panel in contract negotiations to facilitate a mutually agreed outcome.

Notification to Unsuccessful Candidates - Candidate Care

Candidate management and feedback will be provided in a truly professional, consultative and timely manner ensuring that a positive image of the outcome is portrayed to all candidates. This leaves candidates with piece of mind that they have been involved in a fair and thorough process.

In accordance with our Quality procedures, all candidates assessed by M^cArthur will be provided with feedback on all assessments undertaken. Our Consultants will also provide feedback on the application and assessment methodology. This feedback will include advice on strengths and weaknesses, development opportunities, and specific actions and activities that could be taken to assist the candidate in future job applications.

We believe all candidates should be treated with fairness, integrity and respect. As such, we have implemented a structured Candidate Care Program providing personalised feedback and attention to each and every applicant.

Final Report

At the conclusion of the process, a report detailing the procedures and outcome of the recruitment and selection process will be prepared for consideration by the Selection Panel.

Recruitment & Advertising Fee

Search fee

\$14,000* plus GST

This includes:

- ✓ An Executive Search and Selection service.
- ✓ Online advertisements utilising Seek, My Career, Career One, LinkedIn and the M^cArthur Website.

Schedule of milestone payments

30% – Due at the time M^cArthur is retained for the specific assignment.

40% – Due on acceptance of short-listed candidates.

30% – Due on candidate acceptance of Council's offer of employment.

* This fee is also applicable in the instance that an internal candidate is successful.

Advertising program and costs

M^cArthur adopts a flexible approach to advertising, tailored to each client's preferences and budget. Advertising costs will be determined in accordance with market rates and your decision as to the volume of media coverage required. We will seek to discuss the breadth of the campaign based on your needs and this would occur at the briefing session our consultants will facilitate if we are successful.

All online advertising is **included** in the search fee which includes Seek, My Career, Career One LinkedIn and the M^cArthur Website.

Press advertising is **not included** in the fee and should be considered by The Rural City of Murray Bridge.

| Print Media | Fee Inclusion | Indicative Cost |
|--------------------------------|---------------|------------------|
| The Adelaide Advertiser | Excluded | \$4,000 – 7,000* |
| Local Government Job Directory | Excluded | \$890* |

* Excluding GST

Advertising Example

Chief Executive Officer

- Strategic leadership role
- Progressive and innovative Council
- Drive change and Best Practice



The Adelaide Hills frame the City of Adelaide and offer a lifestyle that embraces both the rural location and the cosmopolitan features of South Australian culture. The diverse settlement of the Adelaide Hills accommodates residential living, horticulture, viticulture, tourism and a challenging business environment.

Council is seeking a Chief Executive Officer with a progressive leadership style to take the Adelaide Hills Council forward. Acting as the bridge between the Elected Members and the administration of 160 people, you will be accountable for ensuring that Council delivers effective and efficient services for the Adelaide Hills community. Your leadership will encompass all elements of Council operations including Strategic Planning, Stakeholder Management and Communications, Finance and Asset Management, Human Resources, Governance, Major Projects and working with the Elected Members to ensure that the strategy and sustainability of Council is delivered to Best Practice standards.

You will be able to demonstrate your track record of delivering high quality customer service through the delivery of Best Practice processes and standards. You will be a progressive leader who enjoys working with and getting the best out of a diverse workforce. You will have a proven track record of creating organisation efficiencies and have an entrepreneurial and innovative mind set to problem solving.

Council requires a person of unwavering honesty and integrity. You will have highly developed interpersonal and communication skills and enjoy engaging with a diverse range of people within the community and business. You will have the ability to develop strong relationships with key stakeholders including all forms of government, ensuring that the Adelaide Hills Council benefits from all opportunities. You will be an experienced senior leader with exposure to the working of local government.

Formal tertiary qualifications are considered essential as is a demonstrated commitment to ongoing professional development.

An attractive salary package in the vicinity of \$210k per annum will be negotiated. Council will consider all reasonable relocation expenses.

Please contact Jan Thomas on (08) 8100 7016 or jan.thomas@mcARTHUR.com.au quoting reference number 124,020 to obtain a Position Description. If after viewing the PD you would like a confidential discussion, please phone State Manager, Matthew Hobby on (08) 8100 7000. No information will be released to our client without express permission.

Applications close Monday 25th June 2012.

Executive


Guarantee

Commitment to service, guarantee

M^cArthur offers a guarantee of 24 months for these mandates. Under this agreement, we undertake to make a suitable replacement in the event that the appointed candidate, for any reason, leaves the position within 24 months from appointment, without further charge other than advertising expenses that may be incurred (subject to your approval) in the replacement process.

This agreement is an indication of our confidence in our work as executive search consultants, which is based on over two thousand successful appointments. The probation we provide does not in any way affect the terms of settlement. It is intended however, as an indication of our desire to see our clients satisfied insofar as we undertake to find a suitable replacement should the employment arrangement fall down within the prescribed period. It also provides Council with the best value in risk management in terms of ensuring that the search process undertaken is of the highest quality.

Referees

To establish M^cArthur's credibility, we recommend that you contact any of the following referees who will testify with respect to our capacity and capability in delivering the services required by Council.

| Contact Name | Position Recruited | Organisation | Telephone |
|------------------------|-------------------------|-------------------------------------|--------------|
| Mayor Roger Strother | Chief Executive Officer | Coorong District Council | 0428 754 252 |
| Mayor Ray Agnew | Chief Executive Officer | District Council of Yorke Peninsula | 0419 847 292 |
| Mayor Jim Pollock | Chief Executive Officer | City of Whyalla | 0403 026 392 |
| Mayor Brenton Vanstone | Chief Executive Officer | Port Pirie Regional Council | 08 8633 9777 |

In addition, please see an extract from a testimonial provided in support of our Executive Search capabilities.

"Good morning Matthew. On behalf of the Coorong Council and recruitment panel I am pleased to inform you of the outstanding support and advice we have received from Matthew Hobby in our recent CEO recruitment process. The whole exercise was well managed and we cannot speak highly enough of Matthew's professionalism and guidance. He comes with our highest recommendation.

Kind regards,

*John**

John Coombe - Acting Chief Executive Officer
Mobile: 0409 900 249

Post Appointment Support

Our service includes provision for one face-to-face post placement interview with Council and the successful candidate prior to the end of the probation period. Telephone interviews will not incur any fee. In addition to the post placement interview, M^oArthur provides full post placement services for both client and candidates. This service includes, but is not limited to, the following:

- Follow up sessions with the successful candidate and Council to ensure that both parties are satisfied and working in a collaborative and professional manner (the frequency of contact will be determined in consultation with Council).
- Feedback and career counselling to all unsuccessful applicants particularly any internal applicants.
- On-going advice and assistance to Council.
- Assisting with the establishment of objectives for the first year of the CEOs contract.

4 February 2014

PRIVATE & CONFIDENTIAL

Mr Anthony McCoy
Human Resource Manager
Port August City Council
PO Box 1704
PORT AUGUSTA SA 5700

Email : amccoy@portaugusta.sa.gov.au

Dear Anthony

RE : CHIEF EXECUTIVE OFFICER (CEO) RECRUITMENT – PORT AUGUSTA CITY COUNCIL

Thank you for the opportunity to submit our quotation for the assignment to assist in the recruitment and selection of a CEO for the Port Augusta City Council.

We would be delighted to assist Council in this process and outline below our proposed approach to the assignment.

Understanding

We understand the need to identify candidates who will be able to lead and further enhance the positive and constructive people and customer focus culture that is evolving at the organisation and will craft a range of selection methodologies to that end. It is important to utilise a range of tools such as behavioural interviewing, criteria based reference checking and psychometric profiling to ensure potential appointees are a strong cultural fit with the city, the organisation and its values and the identified executive and positive leadership behaviours required to succeed in the role.

The successful appointee will also need to liaise with and influence a wide and diverse range of external stakeholders and thus supreme stakeholder management skills will be an important criterion in our search.

Our extensive work recruiting CEOs both inside and outside the local government sphere enables us to identify the traits of successful professionals at this level. Our work with other Councils and associated public entities also gives us a strong window into the significant challenges and opportunities facing regional centres.

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Process summary

Hender Consulting will provide assistance in the following ways :-

- meet (or teleconference) with the Recruitment Panel to take a comprehensive brief and establish the key selection criteria;
- assist in the preparation of a position description for the role. Hender Consulting has written the job and person specification that currently applies to a number of the incumbent local government CEOs;
- prepare a carefully crafted advertisement and place in appropriate print and electronic media;
- provide regular updates to the Recruitment Panel of candidate enquiries and applications;
- undertake targeted executive search activity both within and outside South Australia if required;
- confidentially, promptly and courteously handle all enquiries, protecting the privacy of potential candidates;
- facilitate the interviewing and shortlisting process including providing a highly experienced senior recruitment consultant to join the Panel during the shortlist interviews;
- provide general administrative support to the Recruitment Panel including the acknowledgement of applications, arranging interviews, organising psychometric testing, etc;
- undertaking comprehensive reference checks (see later for detail);
- provide assistance in the negotiation of remuneration and the employment contract;
- advise unsuccessful applicants;
- follow up with both Council and the appointee to ensure the success of the appointment.

Recommended consultant approach

Client briefing

If engaged to assist in this recruitment, we would seek an early meeting (or teleconference) with the Panel to discuss your expectations of the consultant, as well as to learn about the specific qualities you seek in the appointee to the role. This will also enable agreement on the fine detail of the recruitment methodology and the advertising strategy required to ensure the best response from applicants. We would be keen to discuss the key issues facing the Council at present to ensure that potential candidates are screened to evaluate their capacity to address those issues.

This part of the process is critical as it will establish the core selection criteria which will form the basis of the advertising, search, interviewing, psychometric testing, reference checking and performance appraisal.



Assignment specification preparation

From information provided by the Panel and our resources if required, we will prepare a draft job and person specification for ratification by the Council. This document may include :-

- a description of the Port Augusta City Council;
- an organisation chart showing the management structure;
- the job description;
- likely key performance indicators;
- a person specification outlining experience, qualifications and personal attributes being sought;
- any special conditions of employment including contract term.

Once this document has been ratified by the Panel, it will be made available to intending applicants.

Advertising

We would propose to advertise the vacancy in the Early General News section in The Adelaide Advertiser. The Early General News section offers maximum reach to the field of candidates. We would also advertise the position in The Australian Local Government Job Directory.

Careful wording of the advertisement, attractive display and precise placement are all important to ensure we get the best response possible from applicants. We take great care in both the composition of advertisements and their placement as both these steps are vital to the success of any assignment.

We will encourage an immediate response from interested parties by publishing the consultant's name and direct dial telephone number on the advertisement.

We will also advertise the position on our website and attach the job and person specification for candidates to immediately access. Other local government specific electronic media may also be utilised.

We will promptly respond in writing to acknowledge all written applications.



Executive search

We will search our database of prior applicants to find suitable people for consideration for the role and make the vacancy known to them.

Our extensive and recent work recruiting the CEO for other SA councils (and other comparable public entities) brings us into contact with numerous sources and targets.

Applicant reports

As applications for the position are received, we will prepare an applicant report containing a summary of the details of all applicants for the position.

We will forward updated versions of this report to you by email progressively throughout the assignment to keep you informed of progress.

Interviewing and shortlisting

We will undertake preliminary interviewing with selected applicants to enable us to narrow the field down to a shortlist. These interviews will be structured to reveal relevant information regarding the suitability of applicants to successfully undertake the role. For interstate candidates we would undertake telephone interviewing. Having recruited people for a large number of roles located throughout Australia and overseas we are highly experienced in conducting these interviews.

We would request that all internal and external applicants be referred to us for consideration, so that we may make an objective assessment of the total field of applicants.

Once our initial interviews are complete, we would then propose to discuss all applications with the Panel, and to describe in detail the attributes and shortcomings of the applicants interviewed. We will offer our opinion of those applicants that represent the best offering for the role concerned, and answer any questions that you may have about applicants that were chosen (or omitted) for preliminary interview.

We will recommend a shortlist of applicants for you to interview and provide a written report on our impressions of those short-listed applicants, together with details of their reasons for applying, current salary, availability and other information.

Copies of all applications will be made available to the selection panel if requested.

Committee interviews

We will assist in coordinating Panel interviews and provide a member of our consulting team to sit on the panel, if required. Prior to incurring the costs of bringing any interstate candidates to Port Augusta for interview, we would conduct interim reference checks on these candidates. We can also assist the panel in determining appropriate interview questions and provide guidance and assistance in the selection process, if needed.



Reference checking

Once interviews between shortlisted applicants and the Panel have taken place, we would then proceed with checking applicants' claims by contacting referees. Reference checking is one of the most important parts of any recruitment assignment. Candidates will be required to nominate referees who can attest to their achievements and experience. Referees will be asked to comment on the key selection criteria rather than simply offering generic feedback. Where candidates have not nominated appropriate or sufficient referees, we will ask for additional names.

Confirmation of qualifications

We will confirm the preferred applicant's claims in relation to academic qualifications with the appropriate institutions.

Psychological testing

Hender Consulting is an accredited user of GeneSys Online, a leading psychometric assessment tool which can provide additional information about each applicant's attributes, attitudes and values and preferred leadership style.

We would propose to undertake psychological testing only where it assists in the selection process.

Negotiating offer

We will assist you in the preparation of any employment contracts and any final negotiations with the preferred applicant regarding terms and conditions of offer. Our experience recruiting a number of the recent appointments and current incumbents within local government, along with our work recruiting CEOs outside the local government sector, equips us to provide objective and accurate advice in this regard. We would recommend that your legal advisors review any contract before finalisation.

Advice to applicants

At the conclusion of the assignment, we would notify all unsuccessful applicants either by telephone or by letter. This is a critical phase as the courteous and professional treatment of candidates is part of the positive public relations of Council. We will act as your agent in this regard. It is Hender Consulting policy that any interviewed candidates are telephoned and provided with feedback.



Post placement follow up

Hender Consulting is committed to the ongoing support of the placed candidate. To this end, we will contact the appointee and Port Augusta City Council on commencement and thereafter at regular intervals (one month, four months, six months etc) to ensure a smooth transition into the role.

Timetable

Here is the likely timetable to conclude the assignment :-

| Activity | Week 1 | Week 2 | Week 3 | Week 4 | Week 5 | Week 6 | Week 7 | Week 8 | Week 9 |
|-------------------------------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| Client briefing | | | | | | | | | |
| Place advertisement | | | | | | | | | |
| Receive applications & search | | | | | | | | | |
| Consultant interviews | | | | | | | | | |
| Shortlisting by Panel | | | | | | | | | |
| Panel interviews | | | | | | | | | |
| Candidate appointed | | | | | | | | | |

This is an indicative timetable only as events outside of our control may affect various stages of the assignment.

Guarantee

For this recruitment we would offer a guarantee of 24 months from the date of appointment to undertake the recruitment assignment again at no additional consulting fee if the appointment is terminated due to unsatisfactory performance.



Consultant capability

Established in 1993, Hender Consulting is a leading Australia human resource management consulting and recruitment firm. The business has established an outstanding reputation in relation to a wide range of human resource activities including recruitment, employee related systems and processes, performance management and review, workforce analysis, job specifications, climate surveys, psychological assessments and organisation reviews.

Hender Consulting won the 2012 National REA Recruitment Excellence Awards for the Deloitte Recruitment Excellence Award Growth Category, and also won the 2010 national *BRW* Client Choice Award for 'Best Specialist Firm' in Australia.

Hender Consulting has become known as the human resource management consulting business of choice within local government based on our knowledge, results and quality of services. The business has a strong profile in the sector, and extensive networks and, through its long association, has developed extensive knowledge of the requirements of the industry. Recruitment activities undertaken by us for local government have included :-

- | | |
|--|--|
| • Adelaide City Council | Chief Executive Officer (1997, 2000, 2003 & 2007) |
| • Adelaide Hills Council | Chief Executive Officer |
| • Alice Springs Town Council | Chief Executive Officer |
| • Barossa Council | Chief Executive Officer |
| • City of Burnside | Chief Executive Officer |
| • City of Holdfast Bay | Chief Executive Officer |
| • City of Mitcham | Chief Executive Officer |
| • City of Onkaparinga | Chief Executive Officer |
| • City of Prospect | Chief Executive Officer |
| • City of Salisbury | Chief Executive Officer |
| • City of Unley | Chief Executive Officer (2004 & 2007) |
| • Corporation of the Town of Walkerville | Chief Executive Officer |
| • District Council of Cleve | Chief Executive Officer |
| • District Council of Coober Pedy | Chief Executive Officer |
| • District Council of Mallala | Chief Executive Officer (2006 & 2009) |
| • District Council of Mount Barker | Chief Executive Officer |
| • District Council of Streaky Bay | Chief Executive Officer |
| • District Council of Tumby Bay | Chief Executive Officer |
| • District Council of Yorke Peninsula | Chief Executive Officer |
| • Naracoorte Lucindale Council | Chief Executive Officer |
| • Rural City of Murray Bridge | Chief Executive Officer (2009 & 2012) |
| • Tatiara District Council | Chief Executive Officer |
| • The Coorong District Council | Chief Executive Officer |
| • Town of Gawler | Chief Executive Officer |
| • Whyalla City Council | Chief Executive Officer |



Naturally, in addition to the assignments above, there are a large number of other CEO and GM appointments handled by consultants who still work with the firm and who would be able to assist me with candidate knowledge in and outside the sector.

Professional fees

Our fees in undertaking this assignment would be \$12,000 which would be invoiced in three stages :-

- a commencement fee of \$4,000 after instructions for the assignment have been taken and a recruitment strategy approved;
- a further fee of \$4,000 following the presentation of shortlist reports;
- a final fee of \$4,000 following appointment of an applicant to the position.

Where applicable, the Goods & Services Tax will be payable on these fees.

These fees include consulting time and secretarial time. Print advertising will be charged directly by our advertising agency. Disbursement charges such as travel and accommodation authorised by you, photocopying, couriers, facsimiles, stationery and postage will be invoiced at cost. A nominal fee of \$200 + GST per position is charged for advertising on our website and \$281 + GST per position for advertising on SEEK website.

Thank you very much for this opportunity to tender. Should you wish to discuss any aspects of this proposal, please do not hesitate to contact the undersigned. We hope we can be of service to you by undertaking this important assignment.

Yours sincerely

Wayne Kinner
Senior Associate

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