

18 April 2023

Mr Matthew Healey  
Director of Local Government  
Office of Local Government  
Department of Premier and Cabinet  
GPO Box 123 HOBART TAS 7001

Dear Matt,

### **Merit-based recruitment in Councils discussion Paper**

The Break O'Day Council at its meeting on 17 April 2023 finalised its consideration of the recently released discussion paper and would like to take the opportunity to make the following submission on the three areas of focus.

#### **Section 1: Reinstating a merit principle in the *Local Government Act 1993***

The discussion paper proposes to reinstate a requirement that council employees be appointed and promoted according to merit in the Local Government Act, this was a requirement until 2005. This responds to a recommendation of the recent report of the Integrity Commission titled 'Investigation Smithies'.

This investigation and report related to actions which occurred at one Tasmanian Council, it did not do anything more than a desktop examination of what policies a Council have in place. The Commission did not contact Councils to enquire about what practices and policies they had in place. The findings are not reflective of the way that Break O'Day Council operates its recruitment processes.

The Break O'Day Council has a policy which underpins recruitment, LG31 – Recruitment and Selection Policy, and makes reference to merit based recruitments.

*The assessment of suitable applicants shall be in accordance with the principles of merit and equal opportunity. The merit principle has regard to the knowledge, skills, qualifications, experience and potential for future development of each person in relation to their individual capacity to perform the duties and responsibilities associated with the position.*

Whilst the importance of merit in the selection part of a recruitment process cannot be understated, it should not come at the blind exclusion of other factors. This is the approach that is now being proposed by the Office of Local Government who believe that the provisions within the State Service Act 2000 are the best solution available.

The Break O'Day Council challenges this, consideration must be given to a factor known as organisational fit, and this is becoming increasingly important in recruitment assessment and decision making. A misalignment in the suitability of a person within a team can result in a raft of industrial and safety matters arising such as bullying, performance management, and workers compensation claims. The importance of psycho-social safety in the workplace is a rapidly developing issue needing to be addressed by employers such as Councils.

Organisational fit refers to the compatibility between an individual and an organisation's values, culture, goals, and working style. It is important to consider organisational fit in recruitment processes because it can impact employee job satisfaction, performance, and retention.

Whilst the merit principle focuses on selecting candidates based on their qualifications, skills, and experience, it is equally important to consider whether a candidate aligns with the organisation's values and culture. A candidate who possesses all the required qualifications and skills as well as being the best based on application of the merit principle may not be an ideal fit for an organisation if their working style clashes with the Council's culture or values.

When a candidate's values and working style match an organisation's culture and values, they are likely to feel more motivated and engaged in their work. This, in turn, can lead to increased job satisfaction and better performance. Conversely, when there is a poor fit between the employee and organisation, it can lead to conflicts and dissatisfaction, which can impact job performance and retention.

Therefore, it is very important to consider both the merit principle and organisational fit in recruitment processes to ensure that the selected candidate is not only qualified for the position but also shares the values, culture, and working style of the organisation.

The discussion paper has suggested that feedback might have regard to:

- ***Whether the proposition balances appropriately the merit principle with the principle of equitable access to employment and promotion;***
- ***Whether the degree of operational separation, namely that the requirements be embedded and operationalised through council policy, practices, and procedures, is appropriate; and***

- ***Whether the proposition adequately focuses the legislative intent on systemic standards, rather than individual employment decisions.***

The two principles should be considered separately as they each have a different focus. In fact, the principle of equitable access and promotion is a confused principle and within the discussion paper there is no discussion about what the Office of Local Government is talking about. Equitable access would obviously be about there being a reasonable opportunity for people to apply for employment with Council, which goes without saying. Promotion is a separate matter which is closely linked to merit and performance. The merit principle is about the basis of a decision to select which candidate is successful.

**Councils being required to develop and adopt a contemporary human resource policy in relation to recruitment and selection is logical. The General Manager being required to adopt and implement contemporary human resource practices and procedures is also logical.**

**The proposition as detailed on page 7 of the discussion paper whilst logical and sound in most areas is deficient due to the sole fixation on merit as the basis for selection in recruitment decisions.**

**What is also illogical and has not been justified, is the need for the Local Government Act 1993 to be amended to include a sole focus on merit when this is a deficient and, an approach that is out of touch with current human resource recruitment considerations.**

**Consideration should be given to using the Ministerial Order approach to provide for standards in relation to recruitment and selection.**

## **Section 2: Requiring that vacancies in the position of general manager be advertised and that appointments be according to merit**

The paper proposes that the Act be amended to require that vacancies in the position of general manager be advertised and applications sought from the community, and more widely. General Managers will be required to be appointed according to merit.

The Council supports a competitive approach to recruitment when a General Manager's position becomes vacant. The Office of Local Government has not canvassed the situation in relation to the situation where the Contract of Employment of a General Manager is coming close to completion. Typically Contracts will include provisions for a Contract extension to be considered and it is important that there is clarity on this. If the Ministerial Order defines

this as being a vacancy then this will have massive implications within the sector and is likely to result in a high churn of General Managers due to the lack of certainty at the end of the Contract term.

In the previous discussion regarding merit based selection in Section 1, the importance of organisational fit was discussed. This is even more vital when it comes to the General Manager, the leader, of the organisation. A fixation on merit without a proper focus on the values of the preferred candidate for the position and the culture that they would seek to engender, will most likely lead to a failed recruitment within a few years and significant disruption within the organisation.

**A competitive approach to vacancies in the position of General Manager of a Council will result in the widest field of potential candidates.**

**The Office of Local Government needs to ensure that there is clarity in the Ministerial Order in relation to vacancies and address the matter of potential Contract renewal processes.**

**The fixation on merit as the basis for selection in recruitment decisions for General Managers needs to be reconsidered to more appropriately reflect what the General Manager needs to bring as a leader to the organisation.**

### **Section 3: General Manager recruitment and performance assessment principles**

The discussion paper is poorly constructed in that the section relating to General Manager recruitment should have been included in the previous section, Section 2, which dealt with requiring vacancies to be advertised and appointments being made according to merit. Setting this aside, the General Manager recruitment principles as detailed on page 10 of the discussion paper are logical.

The section relating to performance assessment contains no discussion to support the principles which have been outlined in relation to performance assessment. Performance assessment processes are based on judgments, personal perceptions, about the performance of the General Manager. The principles as detailed do not contemplate providing any form of protection to the General Manager from an apprehended bias against them by an elected member or number of elected members.

Prior to the 2022 Local Government Elections, there were a number of candidates and sitting Councillors in different Council areas who made it quite clear that they intended to get rid of the General Manager if they got elected. This was an openly articulated bias which then is

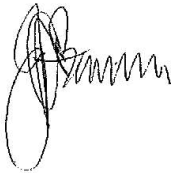
transferred to a performance assessment process, they are demonstrating a 'closed mind' which in the context of when a Councillor is taking part in a Planning Authority meeting will have repercussions. There is no such repercussion in the situation of assessing the performance of a General Manager. Similarly, in the legal system if a judge or person in the jury has made a public statement regarding their position on a matter they are demonstrating a conflict of interest and would be excused from taking any part in proceedings.

To say that General Managers "must be treated fairly in the assessment of their performance..." is wishy washy at best. Principles of natural justice needed to be strong enough to address the apprehended bias which could occur.

**The Office of Local Government must address the issue of apprehended bias of Councillors impacting on the performance assessment of General Managers and ensure that appropriate measures are included.**

Thank you for the opportunity to make this Submission.

Yours sincerely,

A handwritten signature in black ink, appearing to be "John Brown", written in a cursive style.

John Brown  
GENERAL MANAGER