INFORMATION MEMO

Hiring a City Manager or Administrator Toolkit

Learn the steps to take in hiring a city manager or administrator, including how to manage interim time, whether or not to use a search consultant, setting position qualifications and attracting, interviewing and offering positions to candidates. Red toolkit icons mark links to sample position descriptions, job postings, evaluation score sheets, and other tools used in the hiring process.

Take action with Information Memo toolkits. They contain the forms, samples, or models a city can use to take action on a process or project. Look for the toolkit icon so you can download that tool to use or modify it for your city.

RELEVANT LINKS:

I. Pre-hiring action steps

Your city is suddenly faced with the prospect of hiring a city administrator or city manager. What should you do? What should you be thinking about? Maybe even more importantly what should you NOT do? This overview is designed to address some of the questions you may have about how to go about hiring the top appointed position in your city.

A. Interim administrator or city manager duties

When there is a vacancy in the office of the city administrator or manager one option is to designate some other trusted staff member (finance director, clerk) to serve as interim administrator until a replacement can be hired. Another option is to divide responsibilities between several staff during the interim. This can work, but the council must be very clear about who has specific responsibilities for what functions, and to whom they all report. Cities with the council-manager form of government should probably not use this option, since State law or the city charter vest the city manager with very specific authorities.

Another option is to work with or contract with a neighboring city to have its city clerk or administrator help out. Or, some cities hire a retired administrator to serve as an interim administrator or look for an administrator who is in-between jobs to serve in this role. LMC can provide a list of individuals who may be available for such interim service.
B. Using a consultant or doing it on your own

The first decision the mayor and council will need to make is whether to hire a consulting firm to assist with the recruitment. There are both national and Minnesota-based firms specializing in the recruitment of city administrators/managers. The fees vary, but about $15,000 to $20,000 plus direct expenses, can be anticipated. While the consulting fee may appear substantial up front, many cities have found it to be a very worthwhile investment in keeping the overall recruitment process objective and in hiring a manager/administrator who is the best fit for their city. Search firms may also offer some type of “guarantee” if the employee doesn’t work out or doesn’t end up staying in the position for a specified amount of time. One option for examining search firms is to seek formal proposals from vendors. Please contact the League for sample Request for Proposals for Executive Search Consulting Services. There is no requirement for a formal RFP process for this type of service. Another option that can be accomplished more rapidly, is to reach out to specific firms and request they submit a service quote. The Council should evaluate the proposals or quotes using the same process used for other service proposals or quotes.

If the council decides not to retain a consultant, but to handle the recruitment on its own, it is usually necessary to designate a trusted member of the existing city staff to manage the details of the process – the individual responsible for personnel matters would be the best choice, with the city clerk or finance director being other viable options. If the city is too small to have a staff member available for this purpose, the council will probably need to designate the mayor or a council member to handle it. The city attorney will also be a necessary and helpful resource in keeping the process legal and in finalizing the details of any employment agreement. If city decides not to retain a consultant, involvement of the City Attorney is strongly encouraged.

The council should agree up front on how it is going to organize itself for the task ahead – i.e. development of the posting, who will speak on behalf of the council in contacting candidates and the media, how the application process will occur, how the final terms of employment are established between the city and the successful candidate, etc. It should be very clear and agreed upon as to what roles individual councilmembers will and will not play in the process.

II. Hiring tasks

The remaining steps outlined in this memo would be similar regardless of whether a consultant is used.
The difference is that in one case, the consultant would coordinate most of the tasks, while in the other, it would be the designated staff member in consultation with the mayor or the whole council.

A. Establishing qualifications for the position

The mayor and council will want to start by thinking carefully and broadly about the qualifications they would like in a new manager/administrator.

For a moderately sized or larger community (e.g., population 4,000 to 5,000), it would be very reasonable to expect previous experience as an assistant city manager/administrator in a similar-sized or even larger city. Ideal candidates would hold a bachelor’s degree and some candidates will have a master’s degree in a relevant field (e.g., public administration, public affairs, business administration, leadership, urban affairs).

Smaller communities (e.g., under 2,500) have often reported better results attracting less experienced city administrator candidates, including candidates with limited previous work experience (e.g., someone who has served as an assistant in a larger city, a candidate with experience that is not directly related but still generally relevant, or someone who has just graduated from a master’s level program but has little or no experience).

Beyond that, the council will want to think about specific demonstrated skills they may desire – i.e. staff leadership, policy work with the council, media relations, financial management, community and economic development, intergovernmental relations. No candidate is going to be strong in all areas! What skills are most important to the city at this time? It will be helpful to assess the strengths of existing staff, and then think about what skills the administrator/manager should bring in order to create a well-rounded staff team. Also remember managers and administrators are usually trained as generalists; if a particular skill is important, but not highly critical, most can learn quickly and apply those generalist skills in addressing particular issues and problems.

On the more intangible side, the city administrator/manager is a critical position for setting a “tone” for the city. What personal traits will work best for the city at this time? What “style” is needed to earn the confidence of the council and effectively lead the staff? What values does the community expect to see in its city administrator/manager?

Two basic core values any administrator/manager should bring to the job are a keen understanding of the public purposes and obligations of the city (which would be different than those for a private corporation) and a strong commitment to highly ethical behavior. The International City/County Management Association (ICMA) and its state counterpart, the Minnesota City/County Management Association (MCMA), are the professional associations for city and county managers and administrators.
ICMA and MCMA have adopted a very specific code of ethics to guide the behavior of members

While the mayor and council have the ultimate responsibility for hiring and supervising the city manager/administrator, it can be a very good idea to gather input from others in this beginning stage. Asking the opinions of key city staff is an especially good idea.

The council may want to consult with the Chamber of Commerce, key local industries, school district and county officials, community leaders, or labor leaders (including city labor unions if appropriate). The key is to carefully balance the input of the many diverse groups, and to avoid weighing the input of any one group or any one suggestion too heavily. When asking for input, it is important to make it clear the council will have to balance the many suggestions received with its own assessment of the needs of the city; every suggestion will not be able to be accommodated. Another option is to ask for input from these groups later in the process when candidates are being interviewed.

The council will want to complete this phase of the process by drawing up its list of the main qualifications being sought in the new city administrator/manager.

B. Job descriptions and position profiles

As with any recruitment, having a good job description is critical. The council should work with the consultant or staff member to review the existing job description, incorporating and emphasizing key qualifications and attributes established in the first step above.

Many local governments go further, creating a “recruitment profile.” Search firms routinely develop these for their clients. Such a profile usually goes into some detail about the community and city, describing its strengths, challenges and issues. The profile then describes the type of city manager/administrator the city would like to recruit to help address those challenges. Disclosing the salary range and benefits the council is willing to consider, along with information about the community, such as schools, recreational opportunities, etc. helps candidates decide whether to apply for a position. A profile is an opportunity for the city to “sell” itself to prospective candidates. Good administrators and managers are sometimes hard to find, so it is important for the city to put its best foot forward throughout the process.
Finally, in cities with the position of city administrator (as opposed to city manager which is more clearly defined in state statute – Minnesota Statutes §412.651) the job description or profile should be clear about the specific duties, responsibilities, and authorities of the position – i.e. does this position present a recommended budget to the council, what role does he/she have in hiring, disciplining or firing employees?

III. Recruitment of candidates

Next, the mayor and council must decide how broadly to “cast the net” for potential applicants.

Given the specialized nature of a city administrator/manager position, it is a good idea to advertise at least statewide. Both the League of Minnesota Cities (LMC) and the Association of Minnesota Counties (the skills between city and county managers are often transferable) will place advertisements on their websites. The Minnesota City/County Management Association (MCMA) is also willing to distribute information about about positions of professional interest to its members via its online MemberLink community with over 350 members around the State. Many cities choose to advertise their position nationwide through the International City/County Management Association (ICMA). For some cities, it might make sense to at least advertise the position in the nearby states. LMC can assist you in placing notices with the municipal leagues in those states. The city may also want to consider sending the advertisement to universities and colleges with graduate degree programs in relevant fields such as public administration or public policy. Many can bring the position to the attention of alumni, as well as current students.

Another decision is whether to place the advertisement in local or statewide newspapers of general circulation. The disadvantage is you will likely be deluged with applications from individuals who are not really qualified, and most professional local managers will see your notice in association publications from LMC, MCMA, and others. On the positive side, there is always the possibility of finding a great candidate you might not otherwise have reached!

If you use a consultant, he or she will actively recruit applicants they believe might be a good fit with your position. If you do not use a consultant, the council may want to direct staff as to specific individuals to whom they would like to send the position announcement. There is also nothing wrong with individual council members and even staff bringing the position to the attention of potential candidates. That said, it is critical everyone RESPECTS THE ESTABLISHED PROCESS. Individual contacts should be solely an encouragement to consider applying, with no implication whatsoever the person is being promised a job, an interview or any other special consideration.
Interested candidates should be directed to the consultant, city staff member, mayor, or whoever has been designated to coordinate the process.

Interested applicants are usually asked to send a professional resume, along with cover letter of interest, to the designated recruitment coordinator. Some cities require applicants to complete the city’s employment application form or another standardized form called a “supplemental application” that requests specific job-related information and allows for the applicant to elect Veteran’s Preference points, if appropriate.

A. Evaluation of applications

Cities may need to comply with veterans’ preference laws when hiring a manager or administrator. The law does not require cities to give preference to department head positions, but cities should use caution in applying this exemption and consult an attorney before assuming an employee will be considered a department head.

You may receive resumes and applications from more candidates than you wish to interview. The agreed upon process should include deciding who is going to narrow the list to a reasonable number for further consideration. If you have hired a professional recruitment firm, they will do this for you. If not, it may be done by the designated staff member, or perhaps the mayor or a small council committee working with the staff member. You will likely end up with at least three candidate groupings – those clearly not qualified; those that seem to fit the bill; and a third middle pile of strong potential candidates but lacking in some area. If you and the city attorney determine the position is subject to the veterans’ preference law, you will need to rate all candidates and veterans on a 100-point scale.

Otherwise, at this point it is usual to come up with a list of about 15 – 20 semi-finalists for further consideration. Copies of the resumes/applications of these top candidates are sent to each councilmember for their review and evaluation. It is very helpful to have some type of rating sheet to help the councilmembers score each candidate on key criteria. The scoring sheet can be based on a numerical rating system, but also allow opportunities for more subjective reactions. It is important everyone keeps in mind the identity of applicants is still private information at this point in time, and, thus, complete confidentiality must be maintained.

The council will then meet to discuss their ratings of the semi-finalists and attempts to reach agreement on typically five or six finalists to be interviewed. As a prelude to this discussion, the consultant or designated staff member may compile the councilmembers individual ratings into some type of integrated report that helps council more quickly see where there is agreement as to the top candidates.
At this point in the process, the city must begin to balance the somewhat conflicting demands of the Minnesota Data Practices and Open Meeting Law statutes. The council discussion to select finalists for interviews must be done in a public meeting, but the identity of applicants must still be kept private! Therefore, the council discussion should be general, and with reference to specific candidates being something like “Candidate Number 4” or “Candidate D” rather than by name. Avoid using job titles that would identify the candidate as well.

Once candidates are chosen for an interview, they are considered “finalists” and the names of finalists are public data. Therefore, a highly recommended last step is to have the consultant, or designated staff member contact the finalists to advise them that they are going to be invited to interview and their identity is now public. This gives the applicant an opportunity to notify his or her current employer of their application before it comes out in the newspaper.

B. Interview process

In order to realistically compare candidates, it is best to complete all interviews in a relatively compressed timeframe, often over a one or two day period. Some cities choose to keep the candidates separated from one another, while others opt for a group event, including tours, receptions, and a group dinner with the council. As noted above, the identity of all finalists is public information at this point, and most candidates will understand that they are only one of several individuals being evaluated and considered. It is a nice idea to give all of the candidates a tour of the community, and perhaps even an opportunity to meet department heads, either one-on-one, or as a group. The candidates are evaluating you and your community at the same time you’re evaluating them, so it is important to be open and provide a setting for them to ask questions and get honest answers. No one benefits by unpleasant surprises later.

It is then typical and preferable for the full council to meet as a group to interview the candidates, although some councils may appoint a subcommittee to conduct initial interviews. If either the full council or an official committee of the council conducts the interviewing, the interviews are subject to the Open Meeting Law.

Council members should be prepared with a list of preset questions and some type of evaluation sheets to help them keep track of what they hear. At the end of the day, individual responses can begin to blur into one. Be sure all of the candidates leave the interview with an understanding of approximately when a decision will be made, and how they will be contacted.
You can find out more about the interviewing process, including questions you should not ask, and whether you are asking the right kinds of questions, in the League’s Human Resources Reference Manual as well as the E-Learning session titled “Select for Success: Effective Interviewing and Hiring.”

After all interviews are completed, the council usually tries to agree on a top candidate for further consideration. They may also want to agree on a second candidate in case something doesn’t work out with their top pick.

1. **Covering expenses**

Candidates may have expenses for traveling to your city, either by car, or even by plane, if necessary. There might also be overnight lodging and meal expenses. It is common for the city to reimburse such interview expenses up to a capped amount, provided detailed receipts are received from the applicant. Some cities also invite the candidates’ spouses to be present at city expense with the idea that the city is selling a family, not just an individual, on the idea of moving to the community.

2. **Reference and background checks**

Never make a final job offer without this last, critical piece of due diligence; reference checks! An excellent tool for evaluating how a candidate is likely to perform in your city is his or her past track record with other employers.

Potential legal issues can arise when considering Minnesota Statutes prohibit employers from requesting or considering an applicant’s criminal history until an applicant has been selected for an interview. Thus, the city’s employment application should not include any criminal history type questions. For additional information, refer to the Background checks section included in the Hiring Chapter of the HR Reference Manual linked to the left.

From time to time, cities express an interest in completing the employment reference check stage early in the process on all potential finalists prior to inviting them to an interview. This, however, is very time consuming, can pose legal issues, and some candidates may not be interested in letting current or past employers know they have applied for your position before they even know if they will be offered an interview with your city.

A less time-consuming practice is to complete reference checks on the council’s top one or two candidates. However, the city should avoid making an offer of employment contingent upon employment and personal reference checks.
Instead, let the candidate know that at this point, they are under serious consideration for the position, and with their permission, you will be continuing the evaluation with reference checks. Let the candidates know you will be calling the references they have listed, and likely a few others who would be in a position to comment on their past work record and make sure the city’s authorization form allows for this practice (see below).

Again, an agreed upon process is important. Who will conduct the checks? Who will they talk to? If you are working with a professional recruiter, they will perform that task for you. If not, the City should have a trained person who is not a decision maker conducting the reference checks and any additional searches, so in the event protected class information is found, it will not be passed along to the decision makers. It is important to make sure the reference check process is objective, professional, and completed the same way for all candidates being given final consideration.

Work with your human resources staff and city attorney regarding what are and what are not allowable topics to be discussed during those reference checks. It is also a good idea to make sure candidates have signed an authorization and release form allowing you to verify the information they provided – i.e., their backgrounds and employment references.

LMC HR Reference Manual, Chapter 2, Section VII, Background checks and bonding.

It is best to check with multiple references, including some who the candidate has not listed, to make sure you are getting a true, complete, and accurate picture of past performance. Then carefully evaluate and balance what you are being told. Remember, any one reference you talk with may have really liked, or really not liked, the candidate; you need a broader picture. Also, be on the lookout for inconsistencies in what the references shared and the candidate shared in his/her application and interview responses. Inconsistencies are something to check on but don’t necessarily mean you shouldn’t hire a candidate. Often there is a good reason for an inconsistency. It is good to check with both elected officials, and trusted staff in the candidate’s current city or county. And it is fine to talk with others, such as the Chamber Executive Director, or even professional peers from nearby cities.

As with any position, it is also a good idea to complete a criminal history and financial background review. Many cities have also started to do a simple public Google search on all finalists for city employment. Again, ideally, the city will have a trained person conducting this search who is not a decision maker, so in the event protected class information is found under this public search, it will not be passed along to the decision makers.

C. Making an offer

Once everything looks good for your preferred candidate, a contact should be made to tentatively offer him or her the position.
If you are using a professional recruiter, they will handle this for you. If not, it should probably be done by the mayor. The administrator will be working for the mayor and council, so you owe it to him or her and to yourself to establish that relationship right from the beginning. You may or may not choose to include a specific salary and benefit package in that initial discussion; however, both parties should be aware of the range you are considering. It can be helpful to include the salary offer because for some candidates the process will not move forward without that on the table from the beginning.

1. Establishing the compensation package

Once the council and candidate have agreed they are mutually interested in pursuing an employment relationship, there are a number of benefits and terms and conditions of employment your candidate will likely want to discuss. Beyond salary, candidates with a number of years of experience will probably expect to receive some credit for that experience when it comes to the vacation, PTO and/or sick leave schedule – i.e., they will not want to start at the bottom of the schedule in many cases.

The administrator/manager may also expect to be reimbursed for participation in one or two civic organizations, and for the considerable expense of moving to your community. An automobile allowance or mileage reimbursement arrangement may also be requested by the candidate. And professionals will also be looking for financial support for their on-going professional memberships, involvement, and continuing education programs in organizations like the International City/County Management Association, the Minnesota City/County Management Association, and, of course, the League of Minnesota Cities.

The Survey Navigator for Minnesota Salary & Benefits Survey, link provided to the left, can help you evaluate what similarly sized cities around Minnesota are currently paying.

Frequently, the council will want to agree on an initial salary offer but will give some latitude to the mayor or other designee to negotiate with the candidate. The council should also discuss in advance what is acceptable as far as other types of compensation, such as moving allowances, but again, needs to leave some flexibility to the designee for negotiating the offer.

A best practices tip is to ensure the salary not only falls below the Governor’s salary cap (link provided to the left) but also maintains compliance with the City’s pay equity reporting since Minnesota Rules require a jurisdiction to “maintain equitable compensation relationships.” After the city makes its initial offer, the candidate will likely ask for some time to think it over and will more often than not come back with a request that is somewhat higher, at least in some areas, than the city’s initial offer.
Be flexible and realistic in considering the candidate’s counterproposal. It is unlikely the council will want to approve a compensation package wildly out of line with community values or what similar cities are paying. On the other hand, the manager/administrator position is extremely important to the overall success of your city government, so the council should weigh the cost/benefit of losing a preferred candidate over small differences, after spending so much time, effort and money recruiting the candidate. And “haggling” over small differences can start an important relationship off on the wrong foot. If both the council and the candidate maintain professionalism and mutual respect, differences can usually be worked out and an agreement reached that everyone can feel good about and defend.

2. Employment agreement

You will need to decide how the salary, benefits, and other terms and conditions of employment will be documented. Your city may choose to rely on standard city personnel policies in all or many of these areas. In this case, you will at least want to provide a letter of appointment to the candidate.

You should be prepared, however, that your candidate is likely to ask for an employment agreement. Hiring a city manager/administrator is different than hiring any other city employee. While other city employees may be covered by a collective bargaining (union) agreement or civil service rules, the manager/administrator generally serves “at the pleasure” of the council, and should be considered an “at will” employee (i.e., the council can discharge him/her for any or no reason – except as prohibited under federal or state law, i.e. protected class status such as ethnicity or gender). Granting the council such discretion preserves the democratic underpinnings of the council-manager plan and others form of local government where a chief administrative officer, appointed by the elected officials, exercises a significant amount of influence and discretion on city policy and administration.

While as a general principle LMC does not recommend that cities enter separate employment agreements with individual employees, the top-level administrative position in the city is very well an exception your council may wish to consider. In exchange for agreeing to be an “at will” employee, many, perhaps most, professional administrators and managers will expect the employment agreement includes a severance clause establishing what compensation will be provided should the council choose to terminate the administrator/manager’s services. State law generally limits such severance compensation to no more than the equivalent of six months wages. Entering a well-crafted agreement can help avoid a lot of conflicts in the future, including the chances of a messy and very public dispute or even litigation should the council terminate the administrator or manager.

Refusing to grant an employment agreement may also mean your city is not able to attract the desired candidate.

The Minnesota City/County Management Association, in cooperation with the League of Minnesota Cities, developed and reviewed sample employment agreement for possible use. If you choose to enter this, or any other agreement, please be sure to consult extensively with your city attorney to understand the obligations being created on both parties. Once the terms of your employment agreement have come together, it is best to have the city attorney draw up the final document for signature by both parties. The candidate is likely to have his or her own attorney review it as well so don’t be surprised or offended if there are still a few details to iron out.

IV. Declined offers

It is possible you won’t get your first choice of candidate. That’s why the city council will want to agree on a second candidate up front. Sometimes, things just don’t work out, and you’ll need a second choice.

If number two doesn’t work out, the city can go on to number three, and so forth, as long as the Council feels good about the candidate and believes he/she will meet the city’s needs well. If the city council is not satisfied with anyone else interviewed, the council can always go back to that “middle” pile for another look and conduct more interviews. Keep in mind selection of these additional candidates will need to be in accordance with Veteran’s Preference, if applicable, just like that which was undertaken for the first set of interview candidates. Or if that doesn’t work, many cities and counties have had positive experiences completely opening up the process again. Someone really great who didn’t apply the first time just might be available now or be willing to give your city another look. Probably the worst thing a city can do is to settle for a candidate the council really is not enthusiastic about. Whoever is serving as your interim city administrator/manager can probably handle the job for a few more months while the city takes the time to get the right person.

Hiring a new city administrator/manager is one of the most important decisions your council will ever make for the city. It will cause the council to come together in focusing on what’s really important to your community and to your city government right now. In finding the right person for this key position, you’ll be well on your way to forging a council-administrator-staff partnership that will undoubtedly lead to great results for your city. Take whatever time is necessary to do the job right, keep your perspective and sense of humor, and be professional. If the city chooses to hire a search firm to assist you may also discover that expenditure of resources is a worthwhile investment in the future of the City. You and your constituents deserve the very best administrator/manager you can find.
V. Further assistance

Please feel free to call on us at the League if we can be of further help.