

The Great Upgrade: Why Workforce Retention and Development Matters More Than Ever

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EMANUEL MAXWELL: I cannot tell you how delighted we are to be here. We have really — Karen and I have re-ally been looking forward to spending this time with you today to talk about a topic that is near and dear to all of our hearts. Otherwise, you wouldn't have chosen this session. So I look forward to sharing some great information with you today. And we're talking about the great up-grade. Obviously, there's been a lot of discussion about the great resignation. So we don't want to use the same terminology for our whole session.

So we're going to put a spin on that, and we're going to talk about how do we upgrade the talent that we have, because we all know very well that it's so much easier to build what you have as opposed to going out, especially in this market, to find new talent. So we hope to be able to give you a little bit of a different twist on the great resignation and look at what you can do with the individuals that you have.

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So to get us started, let me start with something that, I think it will resonate with all of us. Some of you may not be able to see it, so I will read it. It says even though — I can't see it. Even though you

knew this time would come, there is no way to prepare your heart for this. I'm — for such a loss, I'm sorry. And it's Alex's two week notice. So I think I would be able to get 100% class participation when we talk about some of you have either thought about giving this notice recently, or maybe you have given this notice recently.

But I know 100% of us would likely be able to say that we have either received it or know someone who has received this notice. Because of just how many people are leaving the work-force for a host of reasons. And I like to think about it in terms of, with all of the awful things that COVID has brought about, arguably one of the positive things that has been a result of COVID is the fact that it has required us to be more introspective, and reassess how we think about this thing called work, and what we do for a living.

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And this very fragile thing called life. And so when you think about the impact that COVID has had, and how that has in part ushered in the great resignation, what we've done today is prepare some data that we hope you will find interesting to give you some really practical opportunities to take back and apply. Whether you are looking to be a more — if you're looking for this to be something that you can apply for yourselves, or if you're looking to engage a team, we hope this set of data that we've put together will be enlightening and informative for that purpose.

So I probably should introduce myself. And before you look at all of these large company names, and immediately dismiss me as just one of those corporate suits, let me explain. I feel like I have escaped, and I feel like I am one of you now. I did indeed grow up in these organiza-tions. These are all

organizations that I spent the last 25 years of my career meandering through. I thought my career would follow the typical track of a well choreographed set of promotions, and I would have as my north star the ability to just progress in those environments.

But if I'm honest, and as I think about just how pleased I am with the choice that I've made as of late, I struggled in that environment very often. Because the way that I practice HR is that I believe that the idea of taking care of people and the company's interests are inextricably linked, as opposed to being mutually exclusive. And a lot of the organizations, with all due re-spect, that I've worked for, their mission was profit first, and anything else was a distant, distant second.

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And so about 10 months ago, I had the honor and the true pleasure of joining this great orchestra that you may have heard of called the LA Phil. And only the LA Phil could be that rescue that I need. And so instead of feeling like a unicorn, I found a home of sorts, and I found a place where I can practice HR with the passion and with that mindset of being able to link the peo-ple's desire — and dropping water. Small podium here. Linking what we are doing, where the people are concerned, but still understanding that without margin there is no mission. But those don't have to be mutually exclusive.

So what we have done, and I want to very much make it clear that we are by no means perfect. We have some LA Phil members here, and they will keep me honest that we have not arrived. But what I can say without any reservation is that we are earnestly trying to get it right. And so what we are going to talk about is some of the things that we have practically done at the LA Phil since I've been

there that I think you will find hopefully helpful, that you can take and de-plot in your respective areas.

I want to say something about the LA Phil, and the fact that they have the audacity to put together a c-suite. This is our true c-suite that looks like that, and that is something that I'm extremely proud of, because it is not performative, and it is not just for the optics. The LA Phil has made a very serious commitment to this space of EDI, and it's more about the — it's more than just the faces being diverse, it's really about welcoming these very diverse thought processes and experience, the diversity of experiences.

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And that's been something that has been extremely rewarding as being a part of the organization. And we'll talk a little bit more about EDI and how we have incorporated that in our performance. So equity, diversity, and inclusion. So let's talk a little bit about how we thought it would be best to structure the day. I have the great pleasure of partnering with just a really super smart individual, in the person of Karen Freeman. Every time I spend time with her, I learn something, and she has put together just a host of wonderful data that is the result of some recent polling and surveys that is fresh off the press, and you are some of the first to get some of this information.

And she also has just some empirical practices that they have employed to kind of put together this data and what we are referring to as the what so. So here's the state of affairs, or here are the things that we have. And then I am going to come after that and talk about some of those practical things that we have done at the LA Phil, and I'm characterizing that as the so what. So we have the what so

with the data, and then we're going to have the so what. What do you do with all of this wonderful data that has been devised — or comprised. And so we'll look at what --how we can make those actionable. I want to turn it over to Karen to talk a little bit about the agenda and to introduce herself.

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KAREN FREEMAN: Welcome everyone. I'm so delighted to be here. Well, here's a little bit about me in case you're wondering who I am. I'm the executive director of research for the Advisory Board for the Arts. At ABA we do research for our 80 plus members across arts and culture segments. Genres, we have symphonies, museums, operas, ballets, theater, and more, and they're across the globe. In fact, probably several of our members are here in the room. We are fortunate to have the Dallas Symphony, Nashville, Oregon, Kansas City, Philadelphia, Richmond, San Diego Symphonies, also young concert artists I think I saw.

So welcome. We use a membership model because we believe there are few problems in the arts that aren't shared. So why would we tackle them individually? Our research team will do research for any one of our members, and then we share those findings through our network so we all can learn from them. And that means our members are just constantly having access to a stream of research on the latest issues.

My personal background is primarily research in the business world. But as you can see, my love of music started early. There's two memorable moments in my life that are here on the left. Thanks to being a D.C. native, I was able to play in the Kennedy City Honors when I was in high school when Rostropovich was an honoree. I also met Tom Selleck, which gives you a sense of the era. Then, in the

top left, my first job out of college was in Japan working for Panasonic. I had an amazing opportunity to be part of the largest cello ensemble conducted, 1,000 cellos in Kobe.

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I think it may still be in the Guinness Book of World Records. But playing for me was always for pleasure, I never had the opportunity to make it professional. And I moved on to a company called Corporate Executive Board, now called Gartner, leading best practice research in sales, marketing, and customer service for Fortune 500 companies. And then I moved to learning and development, so I got an opportunity to do a little bit of HR side of things, and then after that moved to McKinsey and Company, the consulting firm where I led learning and development for our digital and analytics practice.

So I have a chance to see a little bit of sales, marketing, development, the personal development and professional development, and then of course technical side of things, which all brings me here today to bring some data from our global membership to bear on the questions that we are asking. What are employees looking for from a job today? How has the pandemic affected the employment value proposition we should be providing? When, if ever, will things calm down?

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I will be giving a bit of a state of the arts in talent and previewing results from a massive staff survey that we did just last month. We'll be breaking this presentation into three parts. First, some context setting data about the current state of the arts workforce. Second, some key issues. We'll spend time

on the results of that survey. Looking into employee needs. And then third, practical advice. So Emanuel will probably primarily cover this section about how the LA Phil is helping every employee understand their connection to the organization and their individual path.

The slides — I know things will come up a little small on here, so there's a QR code if you haven't caught it. At the end, we'll have you — so you can download it. So if we go fast through it, don't worry, you can look again at it later. And we also have some other resources to help you out. So let's go into the meat of things.

Framing of the great resignation in the US and then in the arts. This is data from the conference board, which is a research organization with most of the Fortune 500 as members. They were surveying employees about their wellbeing during the pandemic, and they found that even more than concerns about physical wellbeing, which is what you'd expect in a pandemic, employees were concerned about their mental or psychological wellbeing. You all have lived this reality.

For most of us, the pandemic meant isolation, shifting to remote work, regular encroachment of work on daily life, maybe child care on top of all of that. Sorry to bring back bad memories. And the online publication, Slate, though, they said — they wrote an article, and I just love the title. COVID killed work-life balance. I think you've all felt this. And it's not on the page here, but those mental health challenges were disproportionately born by women and millennials, the survey showed. And likely because those child care burdens or financial insecurity just doubled down on all those challenges that we all felt.

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So it's no wonder that people are quitting. They've been through a lot. You've been through a lot.

Let's put that in context. On the left you see the quit rate over time in the US workforce, spiking to all time highs in the past few months. And in the unlikely event you thought the arts was immune, you can see in the gray box at the bottom that the bucket of government data that includes the arts workforce is quitting at nearly twice the rate of that record rate.

And at the same time, over on the right you'll notice there's a higher spike in job postings. It seems like all those people who are quitting aren't necessarily right for all those open positions. So how is this manifesting in the arts specifically? Is it possible that mission driven sectors like the arts are the beneficiaries of the workers opting out of the corporate grind? Unfortunately not.

So what you'll see here, and maybe — sorry, it's a little small, hopefully you can see it on your own screens. On the left of the page is an analysis of industries where the out flow from the sector seems to be greater than the in flow of new talent in the past year. So nonprofits are fourth on the list, that's that red box around it, with substantially more out flow than in flow.

On the right, just a few stories. Data through stories, I think. We have a few tweets from former art staff who have transitioned into post-arts jobs. So this painful situation is not just painful in the abstract, it's hitting us at a time when we are hoping to build some new and important capabilities in our organizations. And we asked our global membership late last year what skills they were hoping to enhance in 2022 in their organizations, and the answers were remarkably consistent across genres.

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Here are the findings of that quick survey. On the left, you'll see the skills you all want to invest in, and on the right are a few example roles that arts organizations told us they are planning to create over the next few years. Number one by far is diversity, equity, inclusion, and access. 75% of you said that was an area of investment, and you can see that in the new roles as well. Tech is another theme, whether digital content production or data analytics.

You've all spent a lot of time developing new muscles in digital production during the pandemic, only to create an expectation that will continue this in some form, even as we're back to in-person audiences. And data analytics is seen as the backbone of finding and converting the new audiences that are critical to our robust return. No small task to find these roles, especially when critical staff are leaving.

So let's sum all of this up with a look at how the employment relationship is changing right now. Our final slide for backdrop here. We've boiled down our conversations with arts leaders over the past several months into what you see here on this page. It's an overview of the talent landscape in arts organizations right now. On the top, what arts organizations asked of their staff in the pandemic. And on the bottom, what staff is now asking of leadership.

So let's start on the top. As it became clear that the pandemic was going to last more than a few weeks, and we weren't going to be able to engage with the community in traditional ways, we asked our staff to move past their job descriptions and engage in all kinds of new activities. Sometimes that meant bringing a video hobby into the office. Sometimes building online communities without any prior experience. We also asked for flexibility to continuously take on new jobs as new needs arose.

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And remember all that scenario planning? If we take — if we open in six weeks or in three months, what if we can have 20% full halls? We asked for a lot of work, it was necessary work, but it didn't end up leading anywhere. And then once reality set in, we're still in the past, some of us needed to furlough staff, and that was hard on the furlough and those who remained. So that's what we asked of staff.

And now they are asking more from us. Walking the talk on diversity, equity, inclusion, and access, more transparency, and a bigger say in decision making. Pressure to take a public stand on the issues of the day. More flexibility about when and where they work. More transparency and equity around pay. And more and better work-life balance.

And they're asking themselves some fundamental questions as they work. Is the mission enough to keep me engaged? Am I proud of where I work, not only for its artistic impact, but also its social impact? Has the pandemic sharpened my focus on advancement, on salary, on family, or something else? I think it's worth calling this what it is, a renegotiation of the social contract between the organization and staff. It happened in the corporate sector in the early '90s in the wake of some of the first major layoffs by big companies, and that's when pensions became 401(k)s, for example. And there's a similar rebalancing for us now. We can either let this happen however it happens, or we can shape it. I'm going to give Emanuel a chance to give his thoughts.

EMANUEL: Just two quick things, and then I'm going to bring Karen back to talk through a couple of other things. The last slide in particular really resonated with me. As were — resonat-ed with me. As we were preparing these decks, and we talked about this changing landscape, it really hit home with what we are going through at the LA Phil.

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When I initially joined the LA Phil, again just 10 months ago, it was what I called an inordi-nately amount of love that I saw employees, our staff members have for the mission. Just in that time period, I have begun to see a shift in this whole concept of, yeah, you know what, I kind of love my family more. This does not look like it's going to end any time soon in terms of how we're having to do more with less. And so this whole concept of what's love got to do with it has become more and more top of mind for us.

So we have to show up differently, we have to get a lot more practical. And this oldie but good-ie, Maslow's Hierarchy of Needs, really seemed to hit home. Because we are able to take care a lot of the — take care of a lot of those lower level needs, if you will. But we're still looking at how do we get individuals to self-actualize, how do we make this just love turn into action as a result of us being able to spend time with not only our coworkers, but how do we rebalance our lives and bring about that conjoining of what my love is for the organization with what I'm go-ing to have to do to continue to take care of myself, whether that is from a financial perspective, and being able to — be able to compete with some of these other offers that are plentiful out there.

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And so we really wanted to just remind you of the — if you're not familiar with the Maslow's Hierarchy of Needs, it's a wonderful example of how we want to get to that point of self-actualizing for everyone. Because when you get to the pinnacle of this pyramid, that's when you find yourselves really fulfilled, and that's what employee engagement is made of.

And so when you start looking at the fact that organizations are but an aggregate of individuals, you have to realize that at the core, companies are just human beings, so we need to find those ways to self-actualize. And so if that value proposition is changing, how do we move forward with ensuring that we are helping our employees, meeting them where they are. And so Karen's going to come back with some data on that, and then I'll come back with the practical piece.

KAREN: And actually, it's not me, it's you. Speaking of digital technology, we are going to give this a try. Oh, this should refresh, but I guess we'll see. A couple of people have already voted. But this is an opportunity to vote on what you think matters most to admin staff in a job. Maybe we'll get — don't let that influence you. Those four people could be wrong. So what you do to participate in this survey is, I would recommend texting. You text to 22333, the phrase Karen Freeman 871.

Excuse me. And then you can vote for these A through J. And we should see this update as we go. Let's take a look. Let me know if you're having any technical issues, happy to help. You can also go to that website, Pollev.com/KarenFreeman871, and you have to click through a couple more buttons in that case, but that's another way you can vote. Or if you're on a computer, you can just go to that website. But the easiest thing to do is to text to 22333, the phrase Karen Freeman 871. Oh, look at this, we're starting to see a change.

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And as you vote, we'll see this update, and we'll see what people think matters most to staff. And specifically arts staff, of course. Your staff. I know it's probably hard to choose just one thing. And all of these are good things, right? But we have to pick one. And maybe the wisdom of crowds will show us what tends to lead the way. Looks like manager quality is leading the way, hm. Oh, room for advancement starting to eke up. I love this, it's kind of like watching a horse race.

Let's see. I'll give you a couple more minutes if people haven't had a chance to vote. Or if you are having any trouble and you still want an opportunity to vote, just like raise up your hand so I know, and give you a moment or two. All right, more time. Absolutely. Okay, schedule flexibility and hours. Room for advancement near the top. Manager quality still winning. It's interesting, we're seeing some — a few really spiking. I admit when I came into this I didn't know what to expect. I thought maybe we'd see kind of across the board everything be important, because you look at that list and you can't see anything that's unimportant of course.

All right, has everyone had an opportunity to vote? Sorry for the technical issues. One more moment then. I think this kind of polling gives a nice opportunity to sort of step back and say, if we had to pick one thing that we focused on as an organization to emphasize about our employment value proposition, what would it be, right? And in a way, you're making that choice when you say what do you think employees care most about in a job.

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And of course I wouldn't be asking this question if I didn't also have some data to help you out as we go. So in addition to the wisdom of crowds, we have the wisdom of even larger crowds. So fascinating, schedule flexibility and hours came from behind and seems to be a winner. And then manager quality, and room for advancement. That's really helpful context. Let's keep that in mind as we talk about what it is that employees care about right now.

You know, recognizing this moment, this post-pandemic, or emerging out of the pandemic moment. One of the things I did as I was preparing for this session is take a look at some of the websites of orchestras to understand how we promote ourselves as a place to work. And I went to the careers pages of a few sites, and I looked at that, and two themes I saw came out. Oh, it looks like people are still voting. There's still a chance to vote if you want, and I'm happy to share these results on that web page that I shared at the beginning if anybody wants to see it when we're done.

So I'll move ahead here. What I saw on the websites was, theme one is benefits packages. It's the first thing mentioned on many job sites. It's not a unique way to brand your employment value proposition, but as we'll see in a moment it may be an effective one. The other theme that we see is all about artistic reputation and experience. No surprise, right? That's our core mission. What our audiences and donors tell us they love about us.

But is it the most effective? Funny, I didn't see that winning on the previous page, so that's an interesting thought as well. And a bit of a side note, but in that scan of employment websites I did see a few that stuck out, both in what they talked about, and in how they talked about it. Here we have examples from the Oakland Symphony, the Detroit Symphony, and the Dallas Symphony.

Interestingly, these organizations seem to show a bit more personality on their careers page.

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At a minimum, that seems like a quick fix we could maybe adopt if we're hiring. I love the story on the right from the Detroit Symphony, how this video content specialist feels connected to her job, and why she chose it. I put a highlight out there, the arts is how I wrangled my rather exuberant personality. I feel lucky to take my gift to the DSO to tell our story. So many great words in there that help a candidate understand why they should be attracted to this place.

The Oakland Symphony on the top left pulls that artistic experience concept up a level. Make a difference in the community through music. Certainly a big part of their mission, so it's great to see it on their careers page too. And the Dallas Symphony example shows a flavor of diversity, equity, inclusion, and access. We know that it's getting growing visibility in the industry, and it's interesting to see that on a careers page.

But the general takeaway from this set of careers websites, is there's not a lot of agreement in the industry about what employees care most about. We just saw that, right? Nor do we have a good sense of which of these examples we looked at is most effective. In this environment of the great resignation or the great upgrade, we can't afford not to understand staff needs. So at ABA, we decided to take a closer look, and thanks to our membership we were able to deploy a staff study to over 50 organizations globally.

We think it's the largest arts staff survey ever conducted. In March and April of this year, about 1,500 staff members completed a lengthy survey about what they care about in their jobs, and what

they are getting. You can see the orchestras, the chamber groups, the festivals, and young artist programs that have instrumental music that participated in our survey. We're going to be talking about the results for those organizations only, US based orchestras.

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But for what it's worth, we didn't see a lot of differences across genres. What people cared about in symphonies was similar to operas to theater to museums. There was much more difference in regions and departments, and one more that I'll get to in a moment. We will be delivering the full survey results to our members in two weeks. So this is just a preview, and then of course at the end of our time, I'll show you how — or when you're on that website you can see how you can get access to a little bit more as well.

By the way, before actually digging into the results, just a quick methodology point. We didn't ask a standard survey what do you care about. We didn't ask that question straight up. We used a technique called conjoint analysis. Conjoint basically asks people, often customers, to choose between potential offers. In our case, we asked people to choose between jobs. Because the key is to force people to make tradeoffs. Would you accept more pay but fewer health benefits? Better manager but less vacation and less flexible work?

These are questions, if you just ask people what they want, they'll say they want everything. But if you force those tradeoffs what you understand is the relative preferences. And you can figure out what people care about in those absolute terms. You can compare things, like development opportunities and health benefits, apples to apples. But also, when you combine this ranking of what

people value and how much salary they would trade off, you can find places where your money can go further.

So let's take a look at the results for US orchestras with those two lenses, the absolute and the how much money it costs, or how much money it gets you. And we were just talking about what we think matters most to staff. And we thought schedule flexibility would be pretty high up there. And the answer is — here's the top 10. A couple observations. And by the way, I'll read them out in case you can't see them.

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So first is healthcare benefits. Second, job security. Third, manager quality. Fourth, job schedule flexibility. Fifth, artistic reputation. Sixth, the ability to work from home. Seventh, organizational transparency. Coming in next is room for advancement. The second to last of this grouping is organizational commitment to DEI and A, and the last of the 10 is organizational community impact.

So a couple of things, observations I had when I first looked at this list of preferences, and I'll give you a little bit more context or nuance about how much bigger some of them are than others. First, I think we can see the fact that we've been through a pandemic in these results. Healthcare benefits and job security are at the top of importance to people. We might have expected healthcare benefits, it's so expensive in the US. But would we have expected job security to come out quite so high? I'm not sure.

Next observation is that artistic reputation is number five on the list. Judging by how we advertise ourselves on career websites, you'd expect that to be at the very top, or at a minimum you might expect it above job schedule flexibility, although based on your own results it sounds like you're aware of this as well. And actually, that's the third observation. Number four and number six on here, job schedule flexibility and the ability to work from home, both very high on this list, and it sounds like many of you are hearing that from your employees right now.

So that's the top 10, just straight as a list. But as I said earlier, we have another way of looking at this, putting a little bit of a how much is it worth lens on it. So when we asked people to choose between jobs, some of the jobs they were choosing from had higher or lower salaries. Would you take a 10% pay cut for a better manager and the ability to work from home? That allowed us to understand the importance of these attributes relative to salary.

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And then the second key that we had was we asked for that salary information from participating organizations, they gave us each individual's salary when they could. And then third, we were able to translate those important scores then into actual dollars of salary per person. And what that shows us is the value of — for a given individual, of going from worst to best on any given attribute. So we did calculate that. And I'm not going to show you that, because we realized as soon as we had calculated that, that most arts organizations aren't a worst, right?

We're not at the worst level for healthcare, for manager quality or artistic reputation, we're probably somewhere in the middle. Luckily, in addition to asking survey takers what mattered most to them,

we also asked them how their organization is doing on those variables. So the last piece of the puzzle for us was knowing where the average organization is. And we put all of that together to create a new list, it's sort of the relative impact a change in any one of these variables has on employees in terms of their salaries.

What does it mean to go from average to great. Let's take a look at that. I know it's pretty small, so if you're looking along on your screen, that's a better place to look, but I'll do my best to walk you through it as well. The first thing you'll notice is that the order has changed, and that's because some of the things where organizations were already doing well, the opportunity for improvement has decreased.

So the first thing on here now is job schedule flexibility and hours, followed by healthcare benefits, room for advancement, manager quality, organizational transparency. Job security moves further down. Turns out people actually feel like their jobs are pretty secure, it's just really important to them. And then the ability to work from home, job accountability, and so on.

The other thing you'll notice here is artistic reputation is now ninth on this list. All the way on the bottom on the left. And that's because 50% of our participants said that their organization has a reputation for artistry at the highest caliber. We all live in Lake Woebegone, I believe. So the lens that I put on this, that was a layer of kind of my own judgment, is you see those orange and blue bars. What those are are things that you might evaluate as more expensive to improve, things like healthcare benefits, room for advancement where it would require you to add a job or maybe keep a job — job security, keeping jobs when you aren't financially able to do so.

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And things that might be relatively less expensive to offer. Job schedule flexibility. Manager quality. Organizational transparency. And so this page shows a picture of the many things you can do to improve the satisfaction of current employees, and attract new ones. And the remarkably high value that employees place on it in terms of their annual salary. You can effectively interpret this as, if we offer schedule flexibility to someone, not offering — not requiring a nine a.m. start every day, or letting people leave if their work is completed, it's equivalent to giving them a \$3,000 raise.

Going from an average manager to a great manager is worth \$2,000 on average. And so is improving organizational transparency. So if you look at those orange bars, you can see that altogether they're really about things you do to improve an organization's culture. They're all things higher up on Maslow's Hierarchy, as Emanuel was talking about. Things that treat people as individual human beings with their own aspirations and involvement in the organization.

And if you add them all up, the value doing — all of these things is equivalent to a \$13,000 raise for each staff member. If you have 10 staff members, that's adding \$130,000 of value. If you have 100 staff, that's over one million in value every year. And we're going to come back to this question of culture in a moment, and give you another chance to do a participation. I want you to think about one word to describe your culture. So think about that for a moment, I'm going to continue on here, and then I'm going to come back in a minute.

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But I wanted to share with you one last piece of data from our findings, and it's the most striking element we observed in the survey. It's about generational differences in work priorities. If you were thinking that younger people care about different things, you are right. And it is dramatic in three places. This is data for 200 orchestra staff members, but it is a theme across our entire sample.

What you're looking at now is importance scores. It hasn't been translated into dollars, but you can think of as a relative score for how important something is. A bar twice as high means a group cares twice about — twice as much about it. And so this — bars are stacked in order of what matters to the oldest generation in the sample. That's the 58-76 year olds, or Baby Boom-ers. Or sorry, yeah, the Baby Boomers. So they are in blue. And then you can see in the boxed areas, a few key trends.

These were reflected in our overall data as well, but again, this is orchestra staff members. So first on the left, artistic reputation and the importance of that drops dramatically. Younger people place much less importance on an organization's artistic reputation as compared to Baby Boomers. That's surprising. We might even have thought that they care the most as they're just getting started in their careers.

And then as we move right, you can see that job schedule flexibility is more important for younger people than older. And this isn't work from home, that was actually lower in priority, but just overall flexibility in work hours. And perhaps the most striking difference is that over on the right. Those under 25 place a much greater emphasis on an organization's commitment to DEI&A. It was the second most important thing to those under 25 after healthcare benefits.

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So this is just a sample of our data. Again, ABA members, anybody? We'll be sharing much more in two weeks, and you can find more on our website. And for those who would like to learn a little bit more about this, I will have a contact form along with extra resources of course at the end of this presentation. But let's turn back to that question I just asked you a moment ago about culture. As we look at the massive potential impact our initiatives have on culture, I'd like to understand a bit more from this group how you might describe your culture.

So again, you can just text. I'm asking you to put in one word, I know it's hard to describe in one word, but it should create a word cloud. Boy, we're hoping technology works for us today. What is one word you would use to describe your culture? Chaotic, nice. We're seeing a nice variety here. Supportive. Nimble. Oh, chaotic's winning. In some ways it's better if it all shows up at once. Adversarial. Demanding. In both good and bad ways I'm sure. Flexible. Generous. I like the positive ones here. Hectic. Oh, tired. We're getting the full spectrum. Engaged. Raw. Fun.

Chaotic does seem to be winning it seems. We're all anchored on that one right now. But flexi-ble too, right? Supportive. I like that that one's getting bigger. Relentless still winning here. Let's keep letting people add their words. Improving. Has hope to it. Hustle. Fascinating. Aspi-rational. Collaborative and supportive and flexible starting to come up the list. Chaotic still winning though, not going to deny chaotic.

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Supportive, yeah, starting to catch up a little bit. Fascinating. Well, as you are thinking about the positive words you've put in here, or the negative ones, I guess a couple of questions for you to reflect on. Would others in your institution describe this the same way, especially if it's a positive one? What do you think makes it that way? What are threats to that culture, if it's a good one? What are opportunities on the other side? And if you think about this culture, let's say it's supportive, I'm going to take some of the positive examples, or flexible, or ambitious.

If that's a word that everyone's using to describe the culture because it's a common understanding, who does it attract and who does it turn away? So we have talked a lot about what matters most to all staff, and it's given us a good sense. But what really matters is what matters most to your staff, and what culture you want to build. So one last piece of data that I will show you, and you can continue to add your words in if you haven't had a chance to, and I will post this on that same website when we're finished.

But last chart for me. About what arts organizations are doing to improve their culture. So we asked our members, again in a quick poll, things that they are doing to improve their work culture. The purple bars are what they said they've already changed, specifically what actually had an impact on improving working culture, and the teal bars are the changes they still plan to make. You'll see that almost a quarter of respondents have revised their working approaches to be more flexible, which is what Emanuel is about to talk about.

And then similarly, a fifth have revised their hiring processes to be more diverse and inclusive. And a fifth have improved organizational transparency. If we shift to the teal bars, you'll see that nearly half are still planning to improve the internal communication. And all the way to the far right you can see that while nobody in our sample had focused on training so far, it seems to be a big strategy for the

future, which is a great transition for me to hand things over to Emanuel to talk about how the LA Phil has made major investments in personalizing the employee experience and building a strong working culture.

0:52:17.7

EMANUEL: All right, thank you Karen. And now let's get to some practical so what's after all of that great information. It really is interesting to see how all of the organizations are characterizing themselves, especially that word cloud. I want to say before I get into some of these practical things, as we talked to the league about how we present something that fits all, it became increasingly clear that there was no one size fits all. We recognized that we have all sizes of orchestras represented here, and so I think that there will be nuggets for everyone.

But I want to just make sure that you know that it's not lost on me that some of the things that we're doing at the LA Phil may be more difficult for smaller orchestras. But I'm happy to talk about how, if it's not apparent to you, I'm happy to talk after this session or — immediately after or over the phone or Zoom about how you can apply some of these things just to lift the entire community. Happy to have those discussions.

So now for the practical advice and those things that we have found that at least early on appear to be improving our success at the LA Phil. I want to talk about three things in particular. I'm going to talk about our performance management process, how we have changed that. I'm also going to talk about this concept of people planning. We'll spend quite a bit of time on the people planning. And

then lastly I will talk to you about our flexibility in terms of working — where we work and how we work.

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So first, let's talk about our performance management process. Again, you have this — if you went to the QR code, you can see this a little larger. But what I'm going to try to do is walk you through this tool. What you're looking at is the new tool that we have rolled out at the LA Phil. This is based on a concept of performance management called one page talent management. Has anyone ever heard of that? It's one of those corporate things that I brought over, all right?

So here's how it works. We find, and the data really — or confirms this. We find that individuals are a lot more engaged if they understand how their individual contributions impact what the organization does as a whole, and what the enterprise is up to. So what we did is we had a former process that was called coaching for excellence. It served us well. But as I came on board, and I saw just how it was being utilized and not, and looking at what we are up to with respect to our mission and values, I really wanted to drive home what we're doing.

So I implemented this version of one page talent management. And so we have — we start with the enterprise goals. So at the very top of the form, you see a list of goals. There are three goals that we have at an enterprise level. They are primarily leading edge initiatives, EDI, or equity, diversity, and inclusion. And becoming more digitized. So those were three things at a very high level, with a little bit more specifics as you are able to see there, of what we are up to as an enterprise. And then we

took each department, whether it's finance, whether it's philanthropy, HR, you name it. Whatever those departments are, and we said — yes?

0:56:20.1

[OFF-MIC CONVERSATION]

EMANUEL: Yeah, so the question was did the CEO have a hand in creating those enterprise goals? The way it practically worked for us is I met with him, and again, I realize that the titles and resources are different. But between myself and the chief of staff, we distilled what he told us that we needed to focus on for the coming year, and we vetted that with the senior team, and then we actually went to our board and got approval for that in terms of what the enterprise should be focusing on for the year.

And then we looked at each individual department, as I said, department by department, and we said as a department this is what we're up to. This is what we're trying to accomplish as we support the enterprise goals. So there had to be that connective tissue between the department goals and the enterprise goals so that each department says very easily, I know that what I'm doing in my department will lift the LA Phil as a whole.

And then — and they had three goals as well. And then we drilled down to the individual goals. And we had individuals have four of those. The same leading edge principles, EDI as well as a digital component. The fourth goal was something that I call the brain child. So what we were intentional about is ensuring that this was not a situation where we were only talking to employees. We wanted

to, at least in one of those goals, have individuals have the opportunity to say, I have this specific skillset, or this passion, or this interest. I see a need in what I can impact individually, and that supports my department, and that department supports the enterprise.

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And so you have this inextricable link between what I am doing at the individual level, and what the department — I'm sorry, what the enterprise is doing. So the idea is for everyone to be able to go home and talk to their loved ones or friends or think to themselves, what I am doing ultimately with just a few adjacencies impacts what the organization does. And that creates a lot more connectivity, and you don't feel like you're just in this silo. I saw one of the — in the word cloud, siloed in terms of culture was listed.

But this was to intentionally identify individual contributions for the greater good of the organization. So that has had a great impact on how we've been able to drive not only individual work, but even behaviors. We call out what are those supporting behaviors that are going to help you accomplish those goals. So it became really actionable and tangible for people to get their arms around, and understand this work that I'm doing is really important not just for my day to day job, but it's helping my department. And oh yeah, my department is helping my organization.

0:59:47.5

It's intentionally kept really, really simple. We didn't do a lot of behavior — I'm sorry, we didn't do a lot of charts or competency models. A lot of performance models are over-engineered. We wanted to

keep it extremely simple. The one page talent management even goes away from the smart goals and talks about keeping it simple, just really specific and drill-ing down to what the individual can do this year to impact the overall goals. Any questions? We're going to have a Q&A, but I just want to make sure I pause really quickly if there are any burning questions now before we move from this. So that was our — yes, please.

[OFF-MIC CONVERSATION]

EMANUEL: Right, so the question is, when you looked at the behaviors, was this a dissertation, was it a buzzword? It really was just a theme of what am I going to do? How am I — what are those behaviors that I need to enable me to do — to accomplish these goals? So it wasn't, again, this — we want these to be extremely simple, and we want these to be something that is really tangible.

We assigned these goals, or we will, this was the first year that we did it, so it's outside of the normal cadence that we're going to do it. But we're going to assign these goals at the beginning of our fiscal year so that individuals will have the ability to impact what our goals including fi-nancial goals are. So that was very helpful. And another very — two other key components that we are implementing are these monthly discussions that hopefully we have regular one on ones. But we are saying that at least once a month, managers should be talking to direct reports about their goals.

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Dedicated time for those goals. And then we implemented a mid-year review as well, that you may or may not be able to see. So the mid-year review is the ability to calibrate and say, you know, at the

beginning of the year we thought we would be able to address this, but now that we have had this catastrophic event, or we have a new variant, we are not able to accomplish this. Whatever the scenario is, you're able to course correct in real time and perhaps add a new goal or take a goal off if it's just not feasible so that individuals feel that they can indeed be successful. All right?

[OFF-MIC CONVERSATION]

EMANUEL: Same format. Very simple. It should be — as I've explained, these should be very boring conversations, because we talk about it so much it should — we never want any surprises. It should just be a reiteration of the things we have been talking about on a monthly basis, and then we have our mid-year, and then of course we have the annual review. All right, I'm going to move and look at people planning.

And in this people planning, there are three things that I'm going to talk about. We have an employee snapshot, we have a nine box grid, and then we have a succession planning format that we use. This employee snapshot is one of the most critical components of the people planning process. It's important to understand that this is a dedicated time where we specifically talk about people planning. This is not jockeying for other agenda items. We set aside time, and it has taken two hours or more in certain instances. We've done two of these so far, we're going department by department, and we're going to have an overall roll up of this.

But this should be a meeting that is specifically and solely dedicated to people. You're not talking about people and then we're going to have a few other agenda items. It's a sole determination that we want to identify things that will lift our people. The first thing that we do is — and timing again, this

is the first year that we rolled it out. But we're looking to do this right as goals are being assigned so we can have this as part of our overall talent strategy.

1:04:10.9

But the idea is for each employee that is in the identified group that we will be reviewing to complete this employee snapshot. Now, the employee snapshot has a lot of information included. On the left-hand side, you really see the opportunity for individuals to tell you just their indicative data. Kind of who they are, and what they have been up to, talking about their title, how long they've been in the role, how long they've been with the organization, previous positions that were held, their education background, and then key achievements in their current role.

What I explained with this is sometimes we know all about this information. And some of this, and quite a bit we have found fall into that unsung hero category. When individuals have the opportunity to create their own snapshot or fill in their own snapshot, they often highlight things that we had no clue that that had accomplished. And it also tells us what's important to them. So it's that opportunity for them to communicate to us how they value their contributions to either enlighten us or, in some instances, give us the opportunity to course correct them. Because it may not be for the greater good of the organization, but it's important to have that data.

So when we have them talk about their key achievements, and we look at the professional development, we also look at what cross functional skills they have. Because we often know that people may have come to us from different departments in previous organizations, or within the

organization. So we talk about what cross functional skills we have, because that will lead to the succession planning that I will talk about in just a little bit here.

1:06:02.3

And then also, we add in any language skills that we have. My absolute favorite section of this employee snapshot is the career aspirations. The career aspirations is one of the most important aspects of the employee snapshot, because this is when you learn from the employees what they want to be when they grow up. And this is also giving us an opportunity to not have individuals promoted into roles that they may not want. But who among us are going to say no to a promotion? Oftentimes, that brings about greater responsibility, and more money.

And so we find ourselves shoehorning individuals into positions very often, and they later realize that, yea, my career took this change, and I don't know how I got here. This isn't something that I wanted to do. So when we capture that career aspirations, it's a really engaging process to understand what the talent is that we have, and what we need to look at. So once we have all of the information completed, we also give the managers an opportunity to look at what those development needs are, and when they would be ready to move to their next roles. Question?

[OFF-MIC CONVERSATION]

EMANUEL: Right now it's only the administrative staff. You know, we often have that situation where it's how applicable is this to the orchestra, and so we haven't found that sweet spot, but right

now it's just the supportive staff. All right, let me move — I'm conscious of time, and I want to make sure we have time for other questions. One other question here.

[OFF-MIC CONVERSATION]

1:08:00.7

FEMALE VOICE: So is this part of your HR system, and it lives in there? So it's electronic, both the performance evaluation and this form? Or are these paper?

EMANUEL: Currently, we are using Powerpoint, but we have just begun the process of implementing Monday.com, and all of this will live on a workflow process. Okay, anyone familiar with the nine box grid? Okay, I see just a couple of hands here. This nine box grid, after we complete the employee snapshot, the nine box grid gives us an opportunity, managers now complete the plotting of individuals depending on how they evaluate them in terms of their potential and their performance.

And they select one of nine boxes to slot individuals in. And as you see, you have just brief descriptions. Ideally, individuals immediately think, well of course I want all high potential and high impact employees. The beauty of this is not only are you able to see it at a glance, but you also can have a major wake up call when you think about, whoa, wait a minute, I have all high potential and I have nowhere for these individuals to go.

So ideally, you want more of a bell curve. Obviously as little as possible in the lower performer. But you definitely need your core employees. You definitely need those key performers, those individuals that are great at what they do and don't necessarily want to be the next anything. Because if you have only a team of high performers and high impact, you're likely going to have an unintended issue with turnover, because if they can't find the growth from within, they'll find it externally.

Hurrying to the succession planning piece. This is just a depiction of once that nine box is completed, you now have the ability to look at, all right, so these are the people that I have identified, this is their plotting, and who do I have to back fill them in the event that they decide to go elsewhere or that we promote them. What am I looking at in terms of back fill? And this is another, at a glance, powerful tool that you can use to say, wow, look, if I promote Latanya Moore, I have one person and that person isn't ready until after two roles.

1:10:34.1

So it really begs the question, what am I doing to build a stronger bench and to identify ways to make sure that I am retaining individuals. When individuals go through this process, when they know that you are talking about them, we have seen an enormous lift in morale. Because just the fact that you are thinking of me and you are talking about me and you have plans for me does immeasurable good for individuals. So that's the people planning process at a very high level. Happy to spend more time if individuals have questions after the session.

I want to talk about our flexibility. We have a lot of issues, as all of you, striking that right balance. Because some of our employees never left because we continued our media programming. We have

just across the board some employees that have to be there virtually five days a week or on weekends, and then we have individuals that went home and worked completely remotely since 2020. What I quickly discovered was that I was not going to be able to create this policy that enabled us to just have a one size fits all. So I'm not even calling it a policy.

1:11:55.0

What I have done is identified a set of guidelines that are intended to show that what we are intending to do based on — and we did a survey around this — based on the feedback and the fact that we know have a need to have some level of togetherness. It's great to have the ability to work remotely, but we started to see that our ability to relate to one another, and especially when we were looking at 32.6 of our employees, 32.6% of our employees were hired post-pandemic.

And so when you think about a third of your employees, you don't know when you haven't worked with them. It's a great need to have those individuals together. So what we are doing is a hybrid model. We're putting this, again, as guidelines. And for those that it applies, we're bringing them back Tuesdays through Thursdays. And what I have said and made very clear when I rolled this out, flexible was probably the word that I used most.

We're going to continue to monitor what happens with COVID. We're not going to put our employees in harm's way unnecessarily. And so we're going to find a way to be extremely flexible, listen to needs. We will have exceptions to people that have unique extenuating circumstances. And we're going to have flexible be the name of the day, or of the game for us, and rule the day. Because we know that that is very important. So let me pause there, because we are right at that point where we

wanted to be able to take Q&A and answer any questions about the wonderful data that Karen put together, or any of these practical tools that I've presented that hopefully you find some applicability.

So —

KAREN: And we have a choose your adventure approach. We do have this tool, if you want to type it into the same poll everywhere, you can. But also we've got a microphone, happy to have people just raise their hands the old fashioned way. Yes, and ask your question. Love that.

[OFF-MIC CONVERSATION]

1:13:59.8

EMANUEL: In the survey that we sent, it was a part of our culture survey. And we asked specifically how often do you want to come into the office. And the overwhelming response, you had different options, but we had over 70% said one to two times a week. So it was surprising that it was a very low single digit response of never or zero times a week. So folks wanted that connectivity, so we were responsive in that way.

KAREN: There's a question over there. Let me bring the microphone.

FEMALE VOICE: I was just curious if there was any consensus on a kind of work schedule that people might prefer, whether that's like shifting for commuting, or just the middle of the day being office hours, or just shifting office hours in general. Was there any consensus around that?

EMANUEL: Surprisingly, we found very little of that. I rolled this out, these sets of guidelines at a staff meeting three weeks ago, and then I had all of the senior team poll their teams with three questions. What are you looking forward to coming back, what concerns do you have about coming into the office, and what concerns do you have about being in the office. And it very — one or two comments were around the fact that they need customizable hours. It was more around people that had personal situations in their lives where they couldn't come back at the time.

Even things like all of the camps are filled. We didn't know — and we gave them — we're not planning on starting this rollout until July 12th, so we gave them over 30 day notice. But just realizing that all the camps are filled, and we haven't made provisions for our children. That was more of the kinds of comments that we got. But very little about I want to flex the hours. Gas prices obviously was very high on the list, especially here in California. Question in the back here.

[OFF-MIC CONVERSATION]

1:16:12.4

EMANUEL: Can we scale the people planning? I think it is an absolute powerful tool, and if you have two individuals, and you're just doing it with your — each other, I think it is — the value of just taking the time to dedicate to understanding what individuals want, where they are now, what they see as their accomplishments, what they see as their development needs, they're — irregardless of the size of the organization, you absolutely — irrespective of the size, you — I would highly recommend doing

some version of this. Maybe not the nine box obviously be-cause two people in a nine box doesn't look very good, but yeah. Yeah, a follow up?

[OFF-MIC CONVERSATION]

EMANUEL: If they felt like it wasn't a good use of time? Yeah, so it's a guessing game other-wise. If you have a very small organization and you don't have the audacity to say what do you want to be when you grow up from a career aspirations perspective, you're shoehorning individuals in. Or if it's a situation of not knowing what their accomplishments are, you're missing an opportunity to see what they value. Yes?

[OFF-MIC CONVERSATION]

KAREN: Oh, sure. Well, this is a survey similar to something that was run by our sister company called the Corporate Executive Board. And I think that when we compare the differences, it's not apples to apples. But we're seeing things like job security up higher. Job schedule flexibility wasn't important. So it's a little bit of an impact on time. I don't have a — right now compare — apples to apples comparison to say this. But the fact that we saw very little differences across genre says that maybe at the high level, we're seeing some pretty common things that people care about.

1:18:05.0

But we did see differences across departments, right? Work from home, not that important to artistic and production staff. Healthcare not important in Europe. So those are maybe a little bit more practical. But there were some other differences too across departments that says, maybe more the nature of your work matters more than what organization you work for. Back there.

[OFF-MIC CONVERSATION]

FEMALE VOICE: Hi. I'm just wondering about the performance review, the one page — two questions. One, how do you document a performance issue because that was mainly about kind of the positive side of things from what I saw. But secondly, how did you balance that? And I don't know if this came up, you know, in — because I know you said that process was relatively new. But the empathy of what we've been going through, if there was a performance issue re-lated to COVID, on one hand we need to document in case there's something ongoing, and on the other hand, we're all human beings trying to survive in a crazy COVID land. Like, how do you balance performance and empathy?

EMANUEL: I really appreciate that question, because I want to make sure we bifurcate, or sep-arate performance issues and performance management. This is goal setting, not to be conflated with performance issues. Performance issues may very well come as a subsequent of being — having the goals set, and then not performing against those goals, give an individual an — or gives a manager the opportunity to identify performance issues.

1:19:52.6

We use a performance improvement plan — we use — two things. We use a grow coaching model, I don't have time to go into all of that, but again, I'm happy to talk through it. It's — talk about the goal, it's an acronym. What's the reality, what are the options forward to improv-ing. And then what's the way forward. So agreeing upon that. So very different. This is just set-ting the goals, not performance issues. But empathy, as you mentioned, empathy, compassion, especially if there are behaviors or things that preclude — are precluding them from being able to operate at their highest level because of the state that we're in as a world right now. But very different. This was just our performance management process.

KAREN: It looks we have — we'll take that middle question on there, but first I'll let you go with your question. I think we're at time, so happy to keep going, if people need to leave, they're welcome to. But we'll keep answering just these last few questions.

FEMALE VOICE: So I've been reading about like how some businesses and organizations, they've been complaining about how some people don't want to work anymore. What is your response to that? And what advice do you have for organizations that have staffing shortages?

EMANUEL: Yeah, again, and this is — this is why I really — to the question that was earlier raised, why I really endorse some level of people planning. Because the idea of understanding where your staff is, you can suss that out if this is just a matter of it's not that they don't want to work here, they don't want to work anywhere, that's a completely different situation. But yeah, it's a reality that we're dealing with that is, in part, related to COVID.

KAREN: So I'm going to take that middle question here about how board members and committees are helping with retention for you, Emanuel, if you — I don't know, if you've used — if you've worked with a board or others, and then I'm also going to move that forward so people know where the slides are.

1:21:52.8

EMANUEL: So we are fortunate to have just a wonderfully supportive board. And our board, the fact that they were engaged in approving our performance goals was one way that they are supportive of our retention efforts. The other thing is, we are — especially the executive level, we are really encouraged to engage with them so that they can advise on the things that are — that they're seeing. We've gotten — we had an incident recently, and the board — our board members were able to lean in, and use their expertise to give us guidance. So it's a plethora of ways that we leverage that.

KAREN: All right, we'll stick around for remaining questions, but otherwise just want to thank you for your time and attention and participation in our polls. Delighted to have some time with you all today, thanks.

[APPLAUSE]

[OFF-MIC CONVERSATION]

END OF TRANSCRIPT