

Labour Market Insights in Ontario's Cultural Industries

Final Report

April 29, 2014

Presented to:

WorkInCulture

Presented by:





Disclaimer: Funding for this study was provided by the Ontario Media Development Corporation. Any opinions, findings, conclusions or recommendations expressed in this material are those of the author and do not necessarily reflect the views of the Ontario Media Development Corporation or the Government of Ontario. The Government of Ontario and its agencies are in no way bound by the recommendations contained in this document.

Table of Contents

Executive Summary	4
1. Introduction	7
1.1 Objectives for this report	7
1.2 Approach and methodology	8
2. Current Context	10
2.1 Existing LMI data gathering and sharing tools	10
2.2 Overarching HR challenges in the cultural industries	13
2.3 Evidence of cultural industry need for current, relevant LMI	15
3. Cultural LMI Findings	17
3.1 LMI survey respondents	17
3.2 Recruitment practices	20
3.3 Salaries	21
3.4 Non-salary benefits	22
3.5 Recent hires	24
3.6 Succession planning	25
4. Sustainability Plan Considerations and Conclusion	27
4.1 Additional content to explore	27
4.2 Tool functionality findings	27
4.3 Summary of conclusions	29

Executive Summary

Introduction

WorkInCulture (WIC) recognized that the scarcity of timely cross-industry labour market insights (LMI) was preventing HR decision-makers in the cultural industries from making informed decisions when it came to attracting, retaining and developing talent and so engaged Nordicity to undertake a pilot cultural LMI study. To address the suggested LMI gap in the cultural industries, Nordicity undertook:

- a) A scan of the relevant LMI tools currently available to the cultural industries, and
- b) An examination of the highest priority LMI needs across the cultural industries through secondary research, interviews and a pilot LMI survey, in order to
- c) Develop a direction for the design of a dynamic approach to gathering and sharing cultural industry LMI.

The cultural industries are the books, film and television, interactive digital media (IDM), music and magazines industries.

Current Context

There is an abundance of micro-sized and small companies in Ontario's cultural industries, with a low degree of specialization and formalization embedded in their HR practices. Various sources suggest that once a company reaches about 100 full-time employees, it is necessary to have a dedicated HR person on staff. Consequently very few companies in Ontario's cultural industries enjoy the benefits of a dedicated HR professional.

HR decision-makers in the cultural industries have access to a variety of sources of information and insights on the labour market, ranging from macroeconomic indicators and regional employment data and projections to discussions of recruitment challenges and industry-specific salary reports. A scan of a selection of these tools revealed the following key challenges that may be common and critical across the cultural industries:

- New combinations of skills are needed in the cultural industries;
- The cultural industries face existing and imminent talent gaps; and
- Organizations are limited in their ability to attract and retain top talent.

These dynamics have had and continue to have a significant impact on the cultural industry labour market. As competition for top talent increases in intensity, as firms look for more creative ways of recruiting and retaining employees and as the cultural industries experience a higher degree of convergence, HR decision-makers will benefit from a timely source of information that facilitates knowledge-sharing across the various cultural industries.

Cultural LMI Findings

Nordicity's research indicated that there is, indeed, both a need for and interest in a cultural industries LMI tool. The key LMI areas examined were:

- 1) Recruitment practices

- 2) Salaries
- 3) Non-Salary benefits
- 4) Growth and recent hires
- 5) Succession planning

Select findings include:

- At all levels of seniority, “word of mouth/referral” was the most common mode of recruitment;
- In addition to “word of mouth/referral,” cultural industry employers relied heavily on “Internships” and career centres at post-secondary institutions in order to recruit for junior positions;
- Average annual cultural industry salaries in various position categories ranged from a low of \$36,100 to a high of \$78,900;
- “Flex-time/virtual work” was the most commonly reported non-salary benefit;
- Just 5% of respondents reported having a formal succession plan in place.

Related to the findings above, roundtable attendees in book publishing suggested that, at a cross-sectoral level, even the low end of Junior level salaries (\$36,100) was above what they would consider an average Junior salary at their own companies. Attendees also described factors or qualities such as “job satisfaction” and “excitement and/or prestige of work” as having major impacts on their ability to recruit and retain top talent (despite often low salaries). They expressed an interest in understanding more about the effect or influence of these somewhat intangible elements on recruitment and retention. For example, how job satisfaction and prestige enhance the ability of cultural industry employers to attract and retain talent and maintain a competitive advantage over non-cultural industry employers.

Sustainability Planning

The overall engagement for the pilot cultural industries LMI survey, which was based on the themes listed above, was relatively low. Future iterations of this pilot project would require far higher participation in order to achieve some of industry’s aspirations for data analysis and reporting.

Roundtable attendees recommended that the Cultural Industry LMI framework launch as an annual survey in order to establish it as the definitive source for cultural industry LMI in Ontario. The data gathered and subsequent analysis would support not only cultural industry HR-decision makers but also the ability of the sector as a whole to describe, promote and develop its cultural industry talent in terms of the latest LMI.

Roundtable attendees expressed a need for more face-to-face LMI knowledge share opportunities specific to the cultural industries, to supplement any survey data reporting. Such events would not only help increase engagement with the LMI tool, but also promote the cultivation of a cultural industries HR community.

At the root of many of the interviews and roundtable discussions was the question of making a commitment to Ontario’s competitive advantage in the cultural industries. Industries based on



knowledge and content-creation require the very best talent to succeed in an increasingly global marketplace. This need is especially true in the context of convergence in the cultural industries.

Building on the foundation of this pilot exercise, one part of the sustainability planning considerations for this LMI tool and knowledge share includes supporting the development of a cultural industry HR network or community in Ontario. This network could be led or enabled in part by WorkInCulture at least at an informal level.

1. Introduction

In this section, Nordicity presents WorkInCulture’s (WIC) assignment objectives for the identification of priority labour market insights (LMI) for the cultural industries as well as for the development of an inaugural set of LMI results for the cultural industries. The assignment objectives are followed by the methodological approach and steps taken to achieve that mandate.

Labour Market Insights (LMI)

Commonly called “Labour Market Insights” - for this project, LMI can be defined as insights which will help cultural businesses make informed decisions about hiring, recruitment, salaries, benefits and training in order to grow. Where LMI would typically include employment forecasting and trend analyses, because this project is a pilot exercise which will gather and analyze a single set of survey results, forecasts and trend analyses will not be included.

1.1 Objectives for this report

Through its outreach activities, programming and research, WIC has observed that gaps in relevant and timely cultural industry LMI can cause challenges at the individual, company and industry level and for various stakeholders from employers to industry associations and government agencies. In this context, the need for relevant and dynamic LMI is perceived as a top priority for cultural media industry stakeholders in Ontario.

WIC’s objectives for the project were to:

- 1) Identify the highest, cross-industry priority LMI needs for cultural industry employers;
- 2) Gather and analyze an inaugural/pilot cultural LMI data set by means of an online survey; and
- 3) Provide advice on the design of a dynamic approach to gathering and sharing cultural industry LMI.

The resulting survey analysis, presented in this report, can be useful in order to:

- Provide indicative data primarily for businesses but also job seekers, educational institutions and other trainers.
- Encourage knowledge share among companies and organizations (across and within Ontario regions) to understand how others in their eco-system are coping with similar and shared talent-related issues.

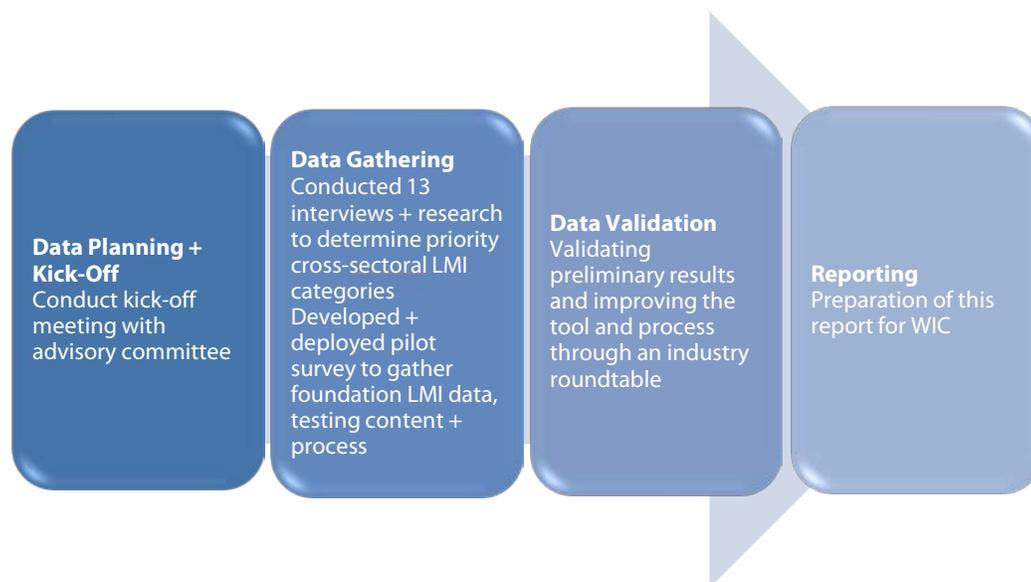
An additional objective of this pilot exercise is to assess the value of cross-industry LMI information to stakeholders and to evaluate their interest in sustainable refreshing of cultural industry LMI on a regular basis. The hope is that with industry buy-in, this survey (or other framework) could become a go-to resource for dynamic industry insights – providing highly relevant, actionable information needed by the cultural industry to solve talent-related issues and support its growth and

development. An important premise that will need to be validated, and which surfaces throughout this report, is the value of and need for “cross-industry” LMI. For many indicators, providing information at a cross-industry level is *as* valuable (if not *more* valuable) than breaking out industry-specific data because it acknowledges that competition for top talent comes from many industries. For some indicators, however, it is likely that industry-specific nuances need to be taken into account, or at least presented alongside the cross-industry analysis.

1.2 Approach and methodology

Nordicity developed a phased research approach in consultation with WIC in order to deliver the above-stated objectives. The broad phases are illustrated in the figure below and then described in more detail.

Figure 1 Phased Approach and Methodology



- **Literature scan:** Nordicity’s literature scan helped to identify a range of cultural industry LMI themes which were tested in industry interviews
- **Industry Interviews:** Nordicity conducted **13 interviews** with HR decision-makers at companies in the books, film and television, interactive digital media (IDM), music and magazines industries to test and augment understanding of priority needs/gaps in cultural industry LMI (interview results are highlighted throughout the report, as well as in Appendix B).
- **Survey:** Based on the results of the literature scan and the interviews, Nordicity developed and deployed a survey to gather inaugural cultural industry LMI data.
 - WIC and Nordicity launched the survey between November 14th and January 17th, and received **48 completed responses** from cultural industry companies over this period.



- Looking ahead, the low response rate of this pilot survey points to the need to develop an engagement strategy with key targets to approach.
- **Online tool research:** Nordicity has also conducted a review of existing sources of cultural industry LMI and other online tools used to gather LMI data (in the cultural industries and others). This research, alongside the survey results and interview findings, formed the basis for the industry workshop in February and is summarized in the following Section and Appendix A.

2. Current Context

In this section, Nordicity presents the current context of cultural industry LMI in Ontario in terms of:

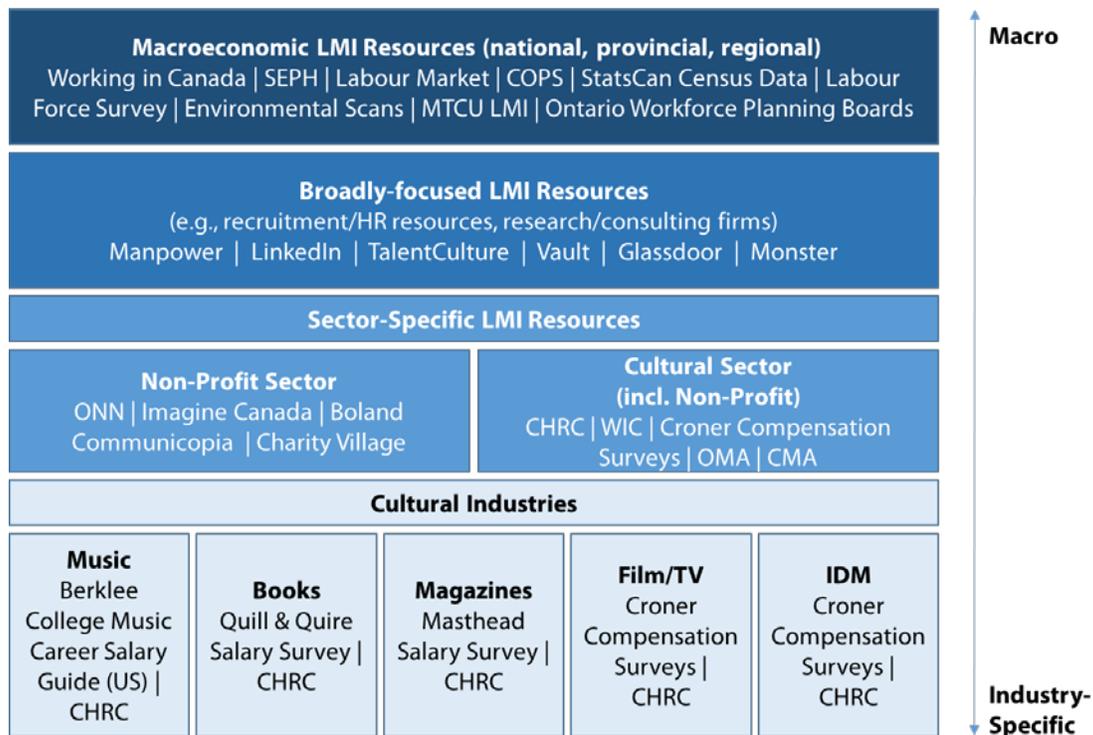
- 1) Existing LMI data gathering and sharing tools,
- 2) Overarching HR challenges in the cultural industries, and
- 3) Evidence of need for cultural industries LMI.

These findings are drawn from primary and secondary research including stakeholder interviews.

2.1 Existing LMI data gathering and sharing tools

HR decision-makers in the cultural industries have access to a variety of tools that allow them to gather information and insights on the labour market, ranging from macroeconomic indicators and regional employment data and projections to discussions of recruitment challenges and industry-specific salary reports. The figure below outlines the range of LMI tools available today, with some examples in each category.

Figure 2 LMI Tools by Level of Sector-Specificity, with examples



As shown in the figure above, LMI resources are available from the macroeconomic level to the industry-specific level. There are advantages and shortcomings at each tier which we summarize below. An overview of currently available LMI tools can be found in Appendix A.

Macro-economic LMI Resources

At the macroeconomic level, the available LMI data is **highly reliable** as it is often based on the census as well as surveys conducted by Statistics Canada. The data, however, may not necessarily be relevant to or representative of the cultural industries due to:

- The occasional incongruence of cultural industries organizations and occupations with general classification systems such as NAICS and NOC¹, and;
- The convention of capturing employment data for primary employment activity only, which due to the proliferation of part-time and freelance work in the creative industries, may lead to an underestimation of the sector's size and the failure to notice key trends, challenges and opportunities.

Provincial and regional LMI resources, such as data and trends offered by the Ontario Ministry of Training, Colleges and Universities, or insights offered by more the more localized Ontario Workforce Planning Boards (e.g., Labour Market Ottawa, Toronto Workforce Innovation Group, Eastern Ontario Training Board, etc.) also generally provide industry-wide information. In cases where data or trends are categorized according to industry activities, they often fall under broad groupings (e.g., manufacturing, services, etc.).

Broad-focus LMI Resources

One level more specific than macroeconomic resources, comes a range of more broadly-focused HR resources which can offer substantial insight into employment trends and best practices across industries:

- Leading recruitment channels such as LinkedIn and Monster are able to draw on their extensive reach into the job marketplace and the wealth of data gathered through their job boards to provide HR decision-makers with trends, best practices and other informative data, however,
- The scope of LMI at this level is often too broad to serve as a basis on which cultural industries HR decision-makers can make informed decisions. Although, in some cases, data and analysis are provided for specific industries, jurisdictions and experience level (e.g., LinkedIn Talent Solutions offers reports on Canada Recruiting Trends, as well as Talent Pool

A Unique Sector

"I find it difficult to compare my organization to non-arts organizations. It would not help me to know what a bank is doing, or have general Canadian labour market data. I would find it more useful to have industry-specific data."

Interview with HR decision-maker at a micro-sized book publisher

¹ North American Industry Classification System (NAICS) is a taxonomy of industries according to the type of business activity. In certain instances, the categories do not align with business activities in the cultural industries (e.g., in Interactive Digital Media, inclusion of internet publishing, etc.). National Occupational Classification (NOC) is a taxonomy of the labour market according to skill type, which does not allow a cohesive cultural industries labour market to be examined as some occupations may fall into non-cultural categories.

Reports for Students and Recent Grads and specific industries from Non-Profit, Fundraising, and Grant Making to Corporate Law and Finance).

However, although the cultural industries experience impacts from systematic labour force-wide fluctuations, they face unique challenges that are not likely to be covered by these tools. As such, sector-specific trend analysis may better aid decision-makers in facing unique challenges of producing and managing creativity.

Comparing Apples to Apples

“It would be very useful to have salary data across books, magazines and interactive media. It would have to be by company size, though, to allow me to compare apples to apples.”

Interview with HR decision-maker at medium-sized magazine publisher

Industry-specific LMI resources

Industry-specific LMI resources offer detailed insights into employment trends in individual industries, such as:

- Books: e.g., Quill and Quire’s salary surveys, CHRC Book Publishers Training Gaps Analysis;
- Magazines: e.g., Masthead’s salary surveys, CHRC Canadian Magazine Industry Market Compensation Survey, CHRC Magazine Publishing Training Gaps Analysis;
- IDM: e.g., Croner Software Games Survey;
- Music: e.g., Berklee College salary guide, CHRC Training Gaps Analyses (available for Recorded Music Production, Music Publishers, Music Artist Managers and Record Label Managers); and
- Film and Television: e.g., Croner Entertainment Survey, Playback (as a source of information on notable and top-level movement of talent across the industry).

Cultural Industry Crossovers

“It would be interesting to see salary ranges between the arts industries. We have access to publishing industry statistics, but there are other creative people in other industries.”

Interview with HR decision-maker at medium-sized publishing company

These resources, which are most often comprised of salary surveys, generally cover a wide geographic scope or provide aggregate industry data that may not necessarily be useful to different-sized organizations. The results are thus often limited to ‘apples to oranges’ comparisons, whereas ‘apples to apples’ information would be more useful: a small book publisher, for example, may be able to

incorporate the HR practices of a small music production company into their decision-making more effectively than those of a large, multinational book publisher.

Figure 2 (above, page 10) highlights a gap in the availability of LMI resources spanning across the cultural industries and catering to HR decision-makers in organizations of all sizes in books, magazines, film, TV and IDM, who face many common and critical HR challenges and opportunities.

Cultural sector-wide LMI is made available to a degree at the national level by CHRC, and at the provincial level by WIC though only on an occasional basis as resources allow. In many cases, cross-industry data available through these channels cover the broader cultural sector, including nonprofit arts and cultural organizations (e.g., heritage) as well as the visual and performing arts subsectors. Cross-industry data relating to the cultural industries remains scarce.

As competition for top talent increases in intensity, as firms look for more creative ways of recruiting and retaining employees and as the cultural industries experience a higher degree of convergence, it may be useful to have a timely source of information that facilitates knowledge-sharing among HR decision-makers across the various cultural industries.

2.2 Overarching HR challenges in the cultural industries

Below, we present key themes, trends and challenges that emerged through a scan of the available LMI tools depicted in Figure 2 and discussions with decision-makers in the cultural industries. The three dynamics, which form the basis of the themes covered in the pilot survey, are:

- 1) New combinations of skills are needed in the cultural industries;
- 2) The cultural industries face existing and imminent talent gaps;
- 3) Organizations are limited in their ability to attract and retain top talent.

These dynamics, discussed in more detail below, have had and continue to have a significant impact on the cultural industry labour market. Each one is relevant to HR professionals and decision-makers as they strive to meet the HR needs of their organizations, both in the short and long term.

New combinations of skills are needed in the cultural industries

The range of skills required in the cultural industries has experienced the impact of shifting technological advancements and subsequent changes in distribution channels, consumption patterns, copyright management models and ultimately, business models. According to interviewees and other sources:

- *Culture 3.0: The Impact of Digital Technologies on Human Resources in the Cultural Sector*, a report commissioned by the Cultural Human Resources Council (CHRC) in 2011, concluded that digital skills, in particular, are becoming more and more important in the cultural industries and being adopted at different rates across sub-sectors.

A Rapidly Changing Workforce

“We have to adjust job descriptions every six months. Partially because of something that has changed in the way we do business, or sometimes because of industry changes.”

Interview with HR decision-maker at large interactive digital media firm

- Professionals in the cultural industries are already juggling multiple responsibilities but are under constant pressure to add new sets of skills to their arsenal. This challenge is particularly evident to those within smaller organizations;
- A CHRC survey showed that technological skills were the highest-priority need in the sector, followed by business and sub-sector specific technical skills.²

The cultural industries face existing and imminent talent gaps

A range of factors indicate that the cultural industries are grappling with talent gaps, for example:

- The cultural workforce is aging – according to a 2010 CHRC study, 4% survey respondents were over 65 years of age and 22% were between the ages of 55 and 64;³
- The cultural workforce is highly experienced – 48% of the CHRC survey respondents had more than 15 years of experience in their subsector;⁴
- Leaders tend to hold onto much of the organizational memory, and many are expected to remain in their positions well past retirement age;⁵
- There is an abundance of under-qualified, recently graduated candidates for jobs, and many over-qualified applicants with many years of experience in the sector, leaving a shortage of candidates for mid-level management positions;⁶
- Younger workers are unable to gain appropriate experience and advance careers due to lack in training and professional development opportunities;
- There is a lack of succession planning; many senior managers feel that there is no one in their organization that could take over their responsibilities.

Areas of Vulnerability

“If my CFO leaves tomorrow, I'm in trouble. I don't have the resources to have someone ready to take the job.”

Interview with HR decision-maker at micro-sized film production company

“I'm terrified at the prospect of having to replace a core team member. [...] My concern is that if I were to find someone in that position, they may not have the same mentality, which is essential to the way we run the company.”

Interview with HR decision-maker at micro-sized book publisher

² Conference board of Canada, as cited in Cultural HR Study 2010: HR Trends and Issues Report, CHRC, 35.

³ HR Trends and Issues Report, 7.

⁴ Ibid., 7.

⁵ Ibid., 19.

⁶ Ibid., 23.

Organizations are limited in their ability to attract and retain top talent

Cultural workers are reported to be highly engaged. The top reasons for working in the cultural sector are reported to include workers finding the sector fits with their natural talents, is rewarding, interesting and satisfying.⁷ That being said, cultural workers have, on average, lower income than the overall workforce.⁸ In combination with the need for new skills and possible gaps in talent, cultural industry employers are facing challenges in terms of their ability to attract and retain top talent. For example:

- Organizations are reducing staffing, but requiring a wider range of skills including sector-specific, general business, technological and more 'soft' skills;
- The workforce in the cultural sector has higher levels of education than the general Canadian workforce, with 27% of them having a high school education or less (41% in overall labour force);⁹
- Turnover often results from lack of job security, low compensation or lack of advancement opportunities, and skills are easily transferable to other sectors;¹⁰
- Benefits and retirement plans can be powerful employee attraction and retention tools for cultural organizations, as well as strengthening the commitment of existing employees to the organization.¹¹

2.3 Evidence of cultural industry need for current, relevant LMI

Nordicity interviewed 13 stakeholders from across the cultural industries¹² to arrive at a broad understanding of some of the priorities, challenges and needs with regards to LMI.

While based on a small sample, the figure below illustrates the degree of interest in each LMI topic expressed by each stakeholder, according to industry and company size (where green shades indicate higher priority and red shades indicate lower priority issues).

Knowledge sharing

"I would find it valuable to know what larger, longer standing organizations are doing to retain talent [...] to see how we compare to the benefits and perks they offer. Maybe there are perks that we can offer as well with little or no cost to improve the working situation here."

Interview with HR decision-maker at micro-sized book publisher

⁷ HR Trends and Issues Report, 14.

⁸ Labour Market Information Report for Canada's Culture Sector, 25. May be skewed, due to the high proportion of self-employed personnel in sector, and as the census data only takes into account primary occupations and does not include other forms of support (e.g., grants).

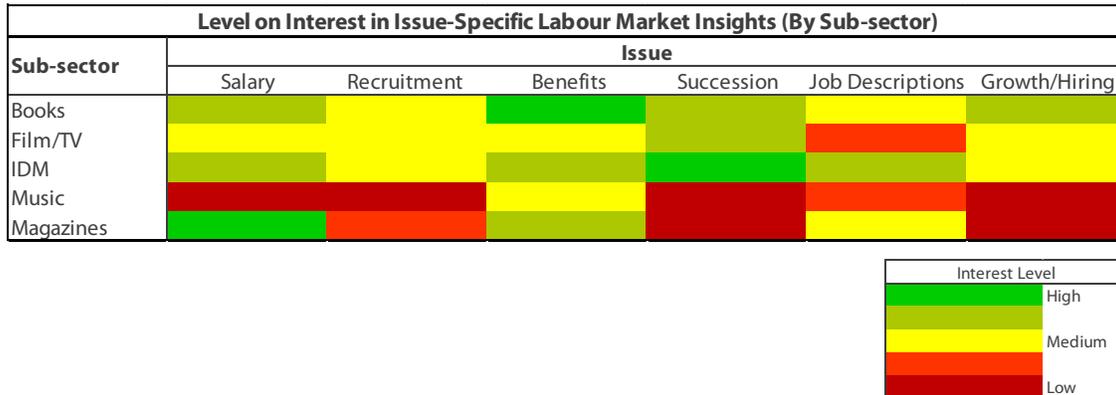
⁹ CHRC, Cultural HR Study 2010: Labour Market Information Report for Canada's Culture Sector, 24. Note that data from this report also includes heritage, performing arts, broadcasting and visual arts and crafts.

¹⁰ HR Trends and Issues Report, 24.

¹¹ CHRC, Human Resources Management: Benefits and Retirement Plans.

¹² Interview breakdown: 5 Publishing (Books and Magazines); 3 Film and Television; 3 IDM; and 2 Music.

Figure 3 Summary of interviewees' interest in specific LMI issues, by cultural industry



Although limited in number, interviews conducted with HR decision-makers suggested that there may be common and critical HR challenges faced by companies across the various cultural industries. These directional results indicated that the sectors' top priority LMI needs fall under the following categories:

- 1) Non-Salary benefits information;
- 2) Salary data, and;
- 3) Succession planning information.

The interviews also highlighted that there may be cross-industry commonalities according to company size, as shown in the figure below, for example:

- Medium-sized companies were more interested in recruitment strategies than smaller or larger companies,
- Large companies were least interested in salary levels, and;
- Smaller companies showed the highest level of interest in learning about non-salary benefits.

Figure 4 Summary of interviewees' interest in specific LMI issues, by company size (legend above)



In the following section we report pilot survey results from five of the six LMI categories. Information on changing "Job Descriptions," while of some interest across the sector, was not perceived to be a shared priority. The overwhelming majority of survey respondents (87%) reported that they would be willing to participate in a similar survey on an annual or semi-annual basis. One survey respondent commented that, **"There is substantial downsizing in the industry. Labour market planning is essential."**

3. Cultural LMI Findings

As described previously, a key component of this engagement was the launch of a pilot survey based on the priority LMI themes identified through research and interviews. These themes are:

- 1) Recruitment practices
- 2) Salaries
- 3) Non-Salary benefits
- 4) Growth and recent hires
- 5) Succession planning

This pilot survey allowed us to test not only questions and *content* related to the priority themes above but also one viable option in terms of the *process* - that is to say, an online survey. WIC launched and distributed the survey link through its blog and social media networks such as Twitter, Facebook and LinkedIn. In this section we will focus on the content, or the results, of that survey. In Section 4 – Sustainability Plan, we will return to the process of gathering and sharing the data.

Note as to data limitations:

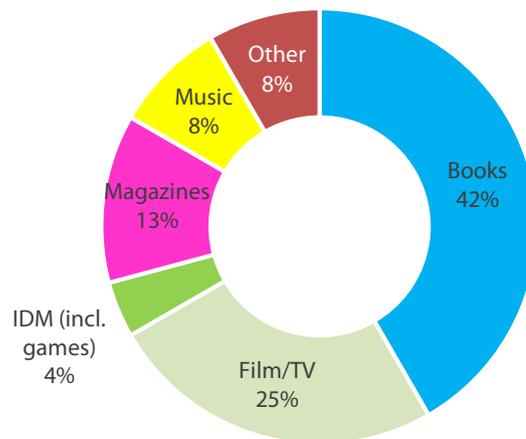
Partly because of a limited sample size (48 company responses in total), the focus below has been to analyze and present results across all five cultural industries. In other words, it was not possible to conduct cross-tabulations in order to arrive at industry-specific findings. As well, responses to this survey were heavily weighted toward the publishing industries (books and magazines) which may lead to some biases in our results. However, the “cross-industry” approach aligns with the overall intent of the project, i.e., to test the demand for cultural LMI data at a cross-sectoral or cross-industry level.

Where possible we have augmented the analysis below with the reactions from the validation roundtable at which we presented results to a group of cultural industry stakeholders.

3.1 LMI survey respondents

The online survey was open to HR decision-makers at Ontario-based companies in the books, film and television, magazines, music and interactive digital media (IDM) industries and received 48 company responses in total.

Figure 5 Respondents by cultural industry



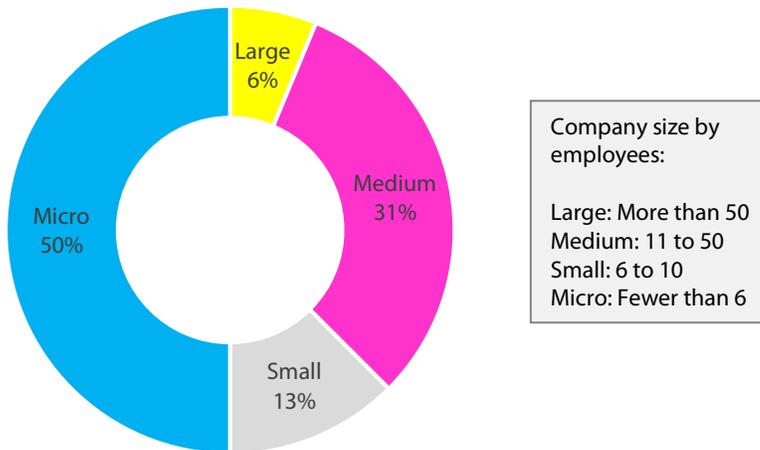
Source: Cultural Industries Labour Market Information: Pilot Survey, 2014

As demonstrated in the chart above:

- **Publishing** (including books – 42%, and magazines – 13%) companies accounted for the **highest** share of responses, at **55%**, which as mentioned, may factor heavily into some of the responses below;
- **Film and Television** companies accounted for **25%** of responses;
- **Interactive Digital Media** firms accounted for the lowest share of responses, at **4%**.
- **Other** included respondents who described themselves as “Interdisciplinary”, “Media and/or Newspaper Publishing” and “Not for Profit.”

By and large, companies in the cultural industries tend to be on the smaller end of the scale when measured in terms of the number of employees.

Figure 6 Respondents by size of company



Source: Cultural Industries Labour Market Information: Pilot Survey, 2014

As demonstrated in the chart above:

- **Micro**-sized firms represented the highest share of responses, at **50%**.
- **Medium**-sized firms followed at 31% of total responses.
- Just **6%** of respondents represented **large** firms.

These results are congruent with sector profiles such as WorkInCulture's (then Cultural Careers Council of Ontario) 2008 report with Ipsos Reid which observed that 60% of organizations in the culture sector have fewer than five full-time employees.

In terms of employment size, the definition of "large" companies used in the pilot survey falls far below the thresholds of many prevalent statistical approaches (e.g., Statistics Canada defines a large company as one with 500 or more employees, while companies with fewer than 100 employees are considered "small"). Given the indicated abundance of relatively small scale companies in the cultural industries, it is unlikely that the existence of formalized HR processes or the involvement of HR specialists in recruiting and retaining talent are commonplace. As an interviewee noted, "One thing we struggle with is the informal nature of HR processes in the cultural sector [...] I'd like to know more about best practices in terms of formalizing HR processes and terms of employment. That would be helpful."

Various sources suggest that once a company reaches about 100 full time employees, it is necessary to have a dedicated HR person on staff. Consequently very few companies in Ontario's cultural industries enjoy the benefits of a dedicated HR professional.

In future iterations of this cultural LMI data gathering exercise, we would want and expect a higher overall participation rate, as well as a more balanced industry breakdown.

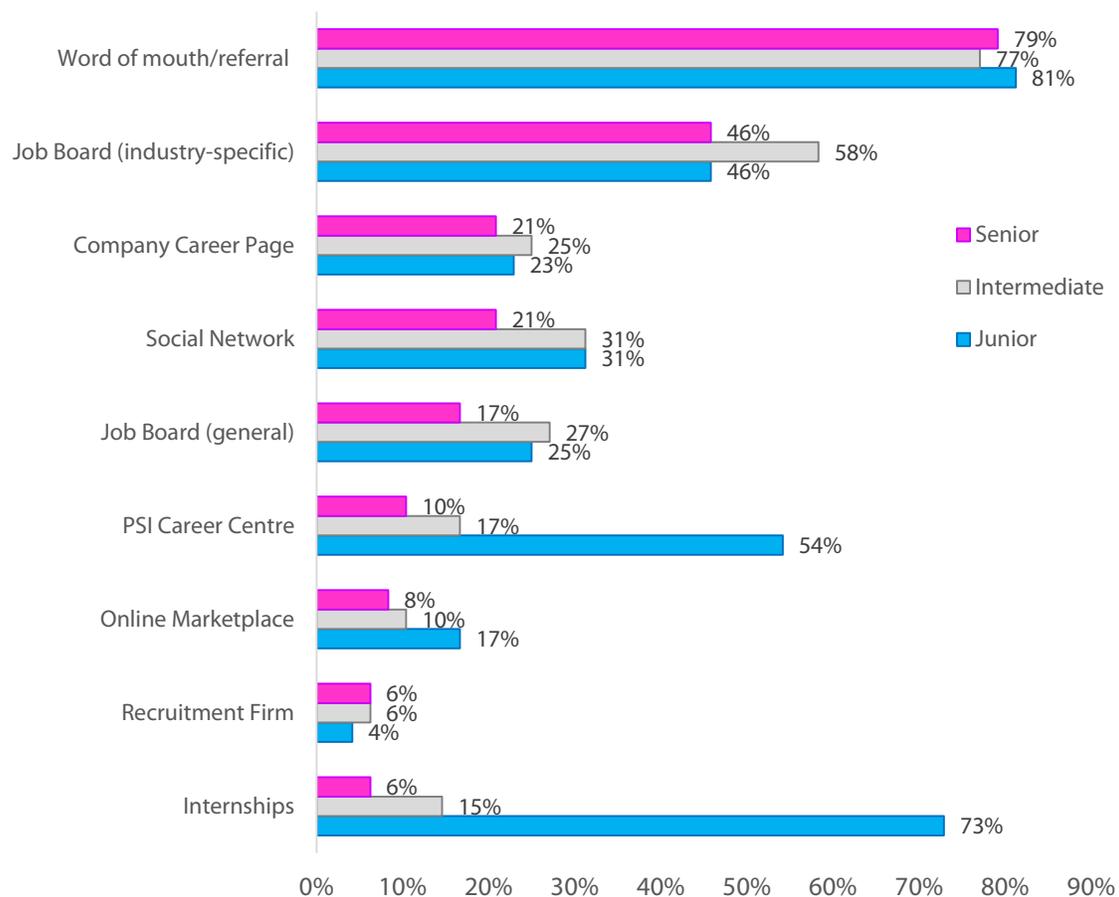
3.2 Recruitment practices

The first priority LMI theme was Recruitment practices, with specific emphasis on what channels cultural industry employers were using to locate talent.

The chart below depicts the percentage of survey respondents that reported using a given recruitment channel at a given level of experience. For this survey, seniority levels were defined as:

- **Senior:** more than six years of experience;
- **Intermediate:** two to six years of experience; and,
- **Junior:** Fewer than two years of experience.

Figure 7 Channels to locate talent



Source: Cultural Industries Labour Market Information: Pilot Survey, 2014

As demonstrated in the chart above:

- At all levels of seniority, “word of mouth/referral” was the most common mode of recruitment (77+%);
- In addition to “word of mouth/referral,” cultural industry employers relied heavily on “Internships” (73%) and career centres at post-secondary institutions (54%) in order to recruit for junior positions;
- At the intermediate level, “Industry-specific job boards” (58%) were a more common recruitment channel than for other levels;
- “Recruitment firms” were the least common recruitment channel at all levels of seniority (4-6%).

While interviewees reported being very interested in approaches to international recruitment, just 4% of respondents reported recruiting talent from outside of Canada, suggesting this is one area where best practices may have to be drawn from beyond the cultural industries.

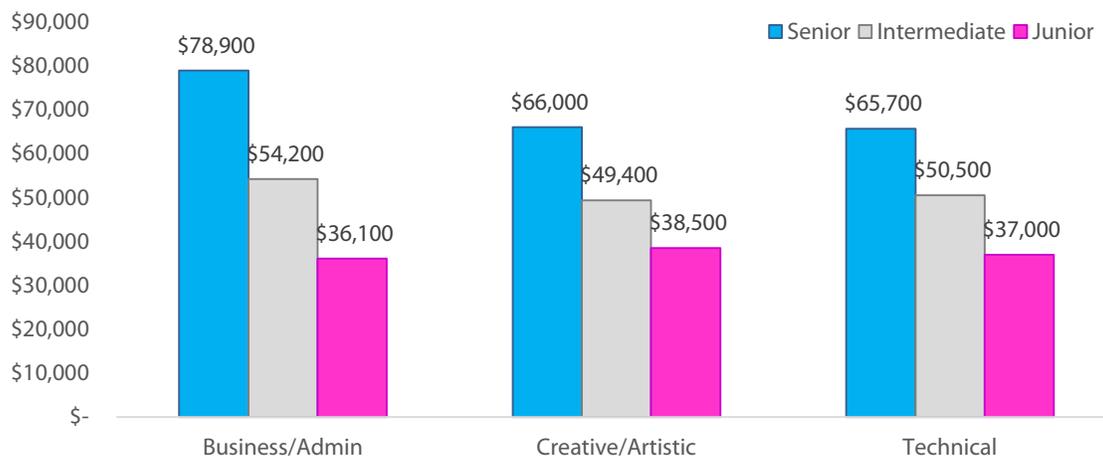
Roundtable attendees echoed the importance of internships as a key recruitment channel for new entrants and Junior staff. The internships themselves can be quite competitive opportunities and require strategic approaches in order to ensure that top candidates are selected. One publishing candidate representative described his company’s approach whereby relatively new and young staffers manage the intern interview and selection process because those younger staffers are seen as being uniquely able to identify the “next generation” skills required at established companies.

3.3 Salaries

The second priority LMI theme was Salary data. The chart below depicts the average salaries of workers at a given level of experience and in a given type of role. For this survey, seniority levels were defined as above, and roles were explained as:

- **Creative/Artistic:** Designers, layout artists, directors, artists, etc.;
- **Technical:** Systems operators, programmers, line editors, sound technicians, etc., and;
- **Business/Administrative:** CTO, CFO, production management, sales, marketing, PR, finance, etc.

Figure 8 Salary data by level of experience and role.



Source: Cultural Industries Labour Market Information: Pilot Survey, 2014

As demonstrated in the chart above:

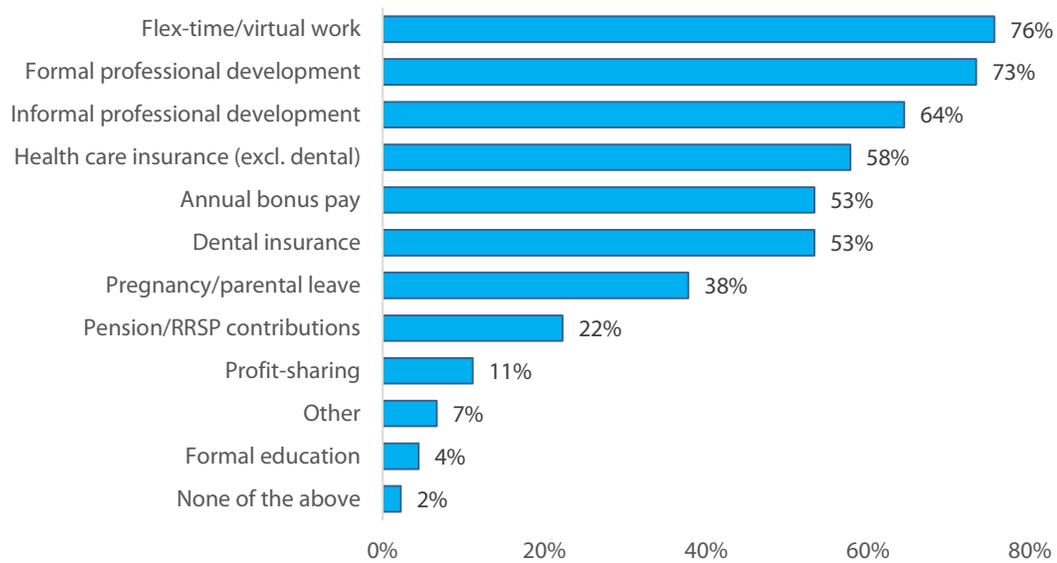
- Average annual cultural industry salaries ranged from a low of **\$36,100** and a high of **\$78,900** - both in the business/admin employment category;
- On average, **Junior** level employees earned higher salaries in **Creative/Arts** positions (**\$38,500**) than in Technical or Business/Admin roles.

Roundtable attendees in book publishing suggested that, at a cross-sectoral level, Junior level salaries were above what they would consider an average Junior salary at their own companies. However, though the results were not directly reflective of their industry, roundtable attendees noted that cross-sectoral salary data was nonetheless a useful comparative data point, noting that they compete against other industries for top talent. Some of this competition is derived from a perception that certain skills are more transferable between industries in the context of digital convergence.

3.4 Non-salary benefits

Non-salary benefits are one way that cultural industry employers can support and retain their talent. The majority of respondents (63%) reported that employees become eligible for benefits after three months of employment.

Figure 9 Non-salary benefits offered to employees



Source: Cultural Industries Labour Market Information: Pilot Survey, 2014

As demonstrated in the chart above:

- “Flex-time/virtual work” was the most commonly reported non-salary benefit. Some 76% of cultural industry employers offer their workforce the opportunity to take advantage of “flex-time/virtual work”;
- Just 4% of cultural industry employers offer support for “formal education” as part of their non-salary benefits package;

Other benefits offered by companies included “happy hours,” “additional paid time off for Christmas,” and “stock options.”

On a scale from “Not at all” to “Critical,” on average, companies reported that non-salary benefits were “Somewhat important” to their recruitment/retention strategies. Roundtable attendees, however, disputed this result, suggesting that non-salary benefits were enormously important to their retention strategies.

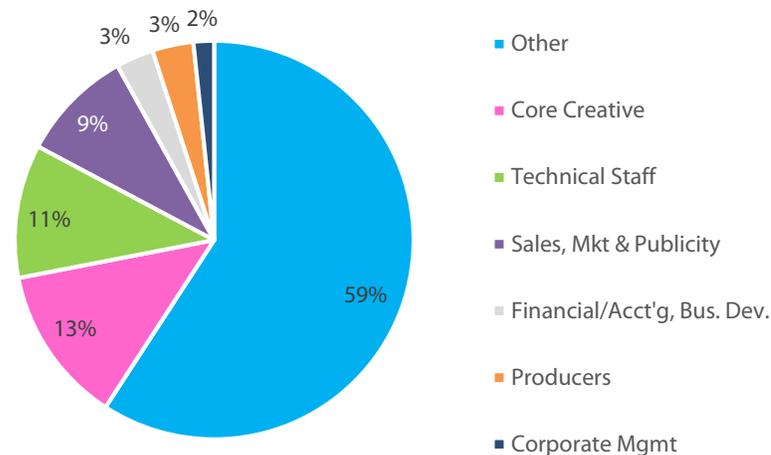
Roundtable attendees expressed an interest in the percentage of companies that *had actually reported paying out a bonus in the past twelve months* (in contrast to those that reported offering “annual bonus pay” and “profit-sharing” options). In addition, building on the salary data presented in the previous sub-section, roundtable attendees described factors or qualities such as “job satisfaction” and “excitement and/or prestige of work” as having major impacts on their ability to recruit and retain top talent. In future iterations of the exercise, it would be interesting to build questions which would shed light on the effect and influence of these somewhat intangible elements. For example, how they enhance the ability of cultural industry employers to attract and retain talent and maintain a competitive advantage over non-cultural industry employers.

3.5 Recent hires

Interviewees expressed a need for more information about how and where cultural industry companies were growing, that is to say in which departments and which types of employment (i.e., part-time, full-time or temporary/freelance).

Some 64% of survey respondents reported having hired someone over the past 12 months. The two charts below depict where those hires occurred. Unfortunately a large number of freelance hires reported by respondents in the film and TV production industry - reflecting the somewhat unique nature of employment in that industry – had a possibly distorting effect on the results. That being said, these results were of enormous interest to both interviewees and roundtable attendees and future iterations of the survey could control for such variations in hiring practices.

Figure 10 Hires in the past 12 months, by department



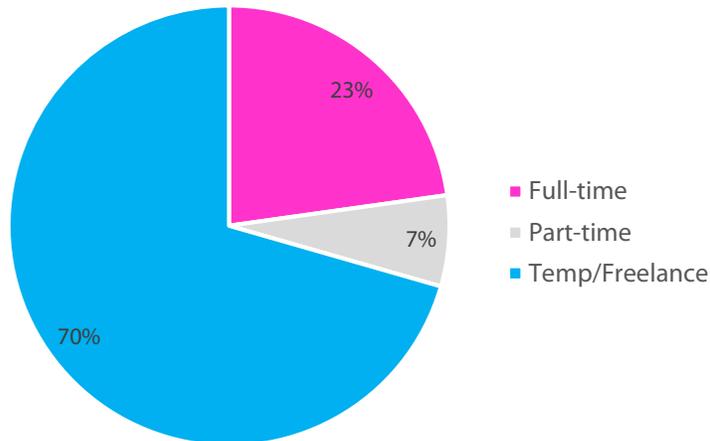
Source: Cultural Industries Labour Market Information: Pilot Survey, 2014

As demonstrated in the chart above:

- The majority (59%) of hires, driven in part by responses in Film & TV production, occurred in the “other” category;
- Leaving aside “other” the top three categories for cultural industry hiring in the past 12 months were, “Core Creative” (13%), “Technical Staff” (11%) and “Sales, Marketing and Publicity” (9%).

The figure below depicts hires in the past 12 months by type of employment. Once again, responses from the Film and TV industry have possibly had an over-weighted influence on the overall results.

Figure 11 Hires in the past 12 months, by type of employment



Source: Cultural Industries Labour Market Information: Pilot Survey, 2014

As demonstrated in the chart above:

- Some 70% of new hires over the past 12 months were driven by Temporary or Freelance workers.

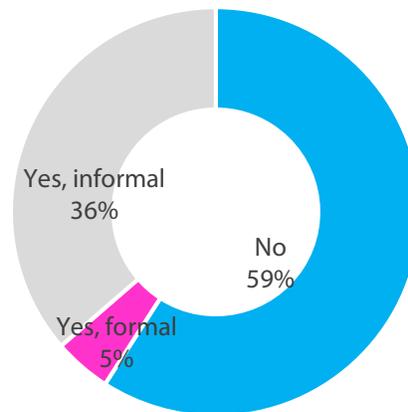
While these results demonstrate some of the limitations of gathering cross-sectoral data, it would not be too onerous to adjust for such variations in future iterations of the data gathering process. Indeed, in the roundtable, participants were still very eager to receive this information in the future at a cross-industry level.

Survey respondents also indicated that, “It would be good to have a list of the positions employers find difficult to fill so that those positions, in particular, can be targeted for recruitment by the unions/guilds.” Another responded, “The majority of my hires are on a project-by-project basis and do not reflect typical ‘part-time’ employment. I regularly contract freelancers to do work, as needed.”

3.6 Succession planning

The final theme is succession planning. The lack of succession planning was identified as a shared cultural industry challenge or weakness early in our research. For various reasons, cultural industry businesses seemingly do not have the time to devote to formal succession planning. Research indicates that cultural industry leaders often work long into what might otherwise have been retirement age out of love for the business they have built. These results were echoed in the survey results presented below.

Figure 12 Succession Planning



Source: Cultural Industries Labour Market Information: Pilot Survey, 2014

As depicted in the chart above:

- Just **5%** of respondents reported having a **formal succession plan** in place.
- Some **59%** of respondents reported that they **did not have a succession plan at all**, while 36% have something informal in place.

For those with a succession plan in place, some of the plan elements are listed here:

- **25%** of respondents indicated that the plan included *“Identifying candidates with potential to take on greater responsibility.”*
- *“Improving employee commitment and retention”* (18%),
- *“Engaging leadership to support the development of high-potential candidates”* (18%), and
- *“Providing critical training, coaching and development experiences”* (18%).

4. Sustainability Plan Considerations and Conclusion

While this engagement was a pilot exercise only, the hope is that WIC may also build an LMI tool for ongoing data collection and sharing. This section captures recommendations on how the tool could function in the future based on research, interviews and the roundtable.

4.1 Additional content to explore

In addition to the need to control for some unique hiring practices (e.g., in Film and TV production) attendees at the industry roundtable expressed a need and interest in learning more about the following LMI dynamics:

- 1) Presenting results by theme and by size of firm: According to roundtable attendees, differing salary, recruitment and retention practices at micro-sized vs. large firms is a “hot topic” that they would benefit from understanding better;
- 2) Presenting results by ownership: For the music and publishing industries in particular, competition between multi-national and Canadian-owned firms is high. Opening the survey to the multi-national firms such as Warner Canada (Music) and Penguin Random House (Publishing) could also shed light on how to attract and retain talent;
- 3) Focus on new entrants: The on-boarding and training of “millennials” who tend to leave positions much earlier than new entrants and mid-level workers in previous generations is causing some recruitment headaches for the cultural industries; and
- 4) Expanding the survey to include competitors such as advertising agencies (who are increasingly hiring both technical and creative/editorial talent) would shed light on the true competitive landscape.

4.2 Tool functionality findings

A scan of existing LMI tools and resources revealed a set of options for data gathering and reporting formats and frequency, examples of which are outlined in Appendix A. The table in Appendix A includes notes as to the estimated cost of each tool in terms of cost to access and cost to produce.

Various platforms and tools were presented alongside survey results and secondary research to the industry roundtable. Based on that research and discussion, a near term solution for a suitable LMI tool for the cultural industries would include the following features:

Figure 13 Tool functionality snapshot

Format	Timing/Frequency	Marketing & Communications
Data Gathering: Survey	Data Gathering: Annual	Bold and interactive approach e.g., Bold/direct branding and engagement “The Talent Wars” (p. 28)
Data Reporting: Results + analysis	Data Reporting: Annual + other dispatches (e.g., case studies)	Kick off and conclude with face-to-face events , aim to build a network
		Supplement with case studies

Format: Survey

Though presented with data gathering options from monthly polls to maintaining profiles, roundtable attendees felt a survey remained the best method of gathering LMI citing “too many profiles to maintain” and fears around confidentiality. That being said, engagement for this pilot survey was relatively low and future iterations would require far higher participation in order to achieve some of industry’s aspirations for data analysis and reporting. Polls and/or profiles at workinculture.ca may be worth exploring in the future but may also require some investment in terms of design and technology.

On the reporting side, roundtable attendees felt that an annual report of results is more likely to convey the authority of the content.

Timing/Frequency: Annual

Again, for reasons ranging from time pressures to conveying data authoritatively, roundtable attendees preferred that results be gathered and shared on an annual basis. Attendees explained:

- Data gathering exercises that are conducted more frequently may diminish participation and interest in results;
- Most important trends and best practices (e.g., retirement waves, non-salary talent attraction and retention strategies, etc.) do not change frequently; and,
- Surveys will have a high rate of impact if they are conducted regularly and aligned with reporting schedules (i.e., an annual survey that coincides with or is integrated into other “year-end” reporting deadlines).
- To the extent possible, dissemination of results in accordance with hiring schedules (i.e., distribution of relevant findings regarding hiring trends and skills in time for best practices to be incorporated into summer intern selection process).

Marketing and Communications

Roundtable attendees expressed a need for more face-to-face LMI knowledge share opportunities specific to the cultural industries. Such events would not only help increase engagement with the LMI tool, but also promote the cultivation of a cultural industries HR community. Increased networking and sharing of information among HR decision-makers may be a way to address the challenges posed by a lack of formalized HR strategies and procedures across the cultural industries.

Looking ahead, perhaps as important as gathering relevant LMI information is supporting and educating HR decision-makers in how to use the information and findings to their benefit. This education process around the findings is a key success factor to ensuring strong engagement for future iterations of the survey.

In this context, for the survey and accompanying report to be most successful, it would be accompanied by a kick-off and closing event to encourage knowledge share and focus on what attendees described as “The Talent Wars.” Marketing and communication suggestions included:

- Consistent, from a trusted source in the sector such as WorkInCulture, punctuated with events, building the community;
- A discussion forum at the survey's kick-off to ensure high levels of participation, particularly in the early stages of a tool launch. The event would also support knowledge-sharing practices (i.e., word-of mouth) across the cultural industries and present the ways in which LMI can be useful to HR decision-makers; and,
- Develop and share case studies on "hot topics" throughout the year to bring key findings to life and reiterate the relevance of current LMI data. Such topics could include the challenges of hiring and retaining millennial workers or coping with the wave of retiring baby boomers, and how cultural industries leaders have successfully incorporated LMI into their decision-making processes.

4.3 Summary of conclusions

At the root of many of the interviews and roundtable discussions was the question of making a commitment to Ontario's competitive advantage in the cultural industries. Industries based on knowledge and content-creation require the very best talent to succeed in an increasingly global marketplace. This need is especially true in the context of convergence in the cultural industries. Interviewees and roundtable attendees had two overall comments in the context of Ontario's culture "Talent Wars" – first the need to **establish an HR network** and two, the need to establish this tool and survey **as the definitive source of cultural industry LMI** in Ontario.

Ontario's Cultural Industry HR Network

Interviewees and roundtable attendees reported a lack of an established HR network for the cultural industries in Ontario to discuss shared challenges. One interviewee with experience in BC, explained that by comparison, Ontario is lacking the mechanism or environment which encourages HR decision-makers to collaborate and share information with one another. Again, in the cultural industries there aren't many firms with HR specialists but a cross-sectoral network of HR decision-makers could be encouraged.

Building on the foundation of this pilot exercise, one part of the sustainability planning considerations for this LMI tool and knowledge share includes supporting the development of a cultural industry HR network or community in Ontario.

This network could be led or enabled in part by WorkInCulture – e.g., through the kick-off and closure events as well as the development of HR case studies to share on an ongoing basis, but – at least at an informal level - could be relatively self-sustaining within a few years. WorkInCulture, with its sector-leading job board, revamped website and ambitious strategic planning initiatives is well-positioned to lead such an initiative. Given WorkInCulture's cross-sectoral mandate and focus on common and critical issues impacting the cultural workforce, its familiarity with and reach in the cultural industries can be leveraged to ensure the tool's sustainability.

Annual Cultural Industry Survey

Roundtable attendees recommended that the Cultural Industry LMI framework launch as an annual survey in order to establish it as *the definitive source for cultural industry LMI in Ontario*. The data gathered and subsequent analysis would support not only cultural industry HR-decision makers but



also the ability of the sector as a whole to describe and promote its cultural industry talent in terms of the latest LMI.

Looking ahead, as awareness of the survey and LMI report becomes more established, there may be some flexibility to incorporate polls and online profiles into the format. Again, the launch would require initial support but within a few years, it could migrate to a self-sustaining subscription model, for example. Stronger, more up-to-date cultural industry LMI will help the industries' competitive advantage at the firm-level, industry level and cross-industry level. As well, a stronger HR network will allow companies to share solutions to common industry challenges.

A Appendix: Existing LMI Tool Comparison

The following table outlines the variety of LMI resources currently available to HR decision-makers, including resources that exist outside of the cultural industries. Key information about each tool is presented, in order to illustrate the range of existing models for gathering and disseminating labour market insights.

Subsequently, we present further detail on several noteworthy resources offered by:

- Glassdoor,
- LinkedIn,
- The Croner Company, and
- TalentCulture.

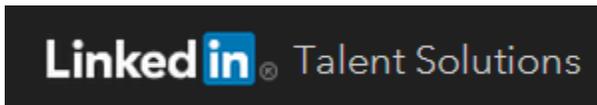
Tool	Organization / Main Activity	Sector	Input	Output	Cost to Produce (estimate)	Cost to Access	Relevance to Cult. Ind.	Frequency	Jursidiction
Canadian Nonprofit Sector Salary and Benefits Study	Charity Village / Online HR Resource for Non-Profits	Nonprofit	Survey Responses	Report	N/A	97	Med	Annual	Canada
Report on the State of Digital Teams in Non-Profits	Communicopia / Non-profit Consulting	Nonprofit/Digital	Survey Responses	Report	\$\$	Free	Med	Annual	Canada, but research includes int'l orgs
Salary and Benefits Report	Training Resources for the Environmental Community (TREC)	Environmental Conservation	Survey Responses	Report	\$\$	199	Med	Every 2-3 years	North America
Employment Outlook Survey	Manpower / HR Consulting	All	One Question Survey	Report	\$\$\$\$	Free	Low	Quarterly	Global
#Tchat	TalentCulture / Online HR Resources	All	Chat coordination	Twitter/LinkedIn Participation & Recaps	\$	Free	Med	Weekly	Global (US-focused)
Boland Survey of Not-for-profit Compensation	Peter T. Boland & Associates / HR Consulting	Non-profit	Survey Responses	Data/report	\$\$	140-355 (varies)	Med	Annual/1997	Canada (some prov. Reporting)
Compensation Survey(s)	The Croner Company	IDM, VFX, Media & Entertainment	Survey Responses	Report: Custom data cuts & manipulation avail.	\$\$\$\$	~6000	High	Annual	US and Canada
Quick Response Surveys	The Croner Company	IDM, VFX, Media & Entertainment	Survey Responses: Fast turn-around paid for by sponsor co.	Data distributed to all participants	\$\$\$\$	~6000	High	On Demand	US and Canada
Global Recruiting Trends Survey	LinkedIn	All	Survey Responses	Report, and infographics	\$\$\$\$	LinkedIn Subs	Med	Annual	Global, with country-specific reporting avail.
Salary Survey	Masthead	Magazines	Salary survey conducted periodically. Previous surveys not available, therefore tool details could not be determined.						Canada
Music Salary Guide: "Music Careers in Dollars and Cents"	Berklee College	Music	Secondary sources	Report	\$	Free	High	One-time	US
Salary Survey	Quill & Quire	Publishing	Survey responses	Salary chart	\$\$	Free	High	Annual	Canada



“World’s most transparent career community that is changing the way people find jobs, and companies recruit top talent.” www.glassdoor.com

- User-generated content includes employee reviews, salary ranges and recruiting experience.
- Company profiles allow monitoring of reputation, integration with other social media platforms and job postings.

Electronic Arts Salaries		
Software Engineer II 70 Electronic Arts Salaries (101 in US)	\$78,318	\$63k  \$95k
Software Engineer I 49 Electronic Arts Salaries (60 in US)	\$63,519	\$53k  \$74k
Software Engineer III 31 Electronic Arts Salaries (73 in US)	\$101,302	\$89k  \$117k
More Electronic Arts Salaries » 346 Salaries for 113 Job Titles (1,102 in US)		



“Find and engage the best passive talent.” <http://business.linkedin.com/talent-solutions>

- Drawing on its preeminence in the professional networking and recruiting space to offer additional services to its HR subscribers, including global, country-specific and sector-specific reports on Talent Pools, Skill Sets and Recruiting Trends.
- Company profiles allow employer branding and proactive talent sourcing.



US & Canada Talent Pool Reports for Top Skill Sets
US & Canada hottest skill sets talent pool reports.

[Download now ▶](#)



Non-Profit, Fundraising, and Grant Making Talent Pool Report
Hottest candidate skill sets: supply and demand revealed for non-profit, fundraising, and grant making.

[Download now ▶](#)



"Competitive information for smart compensation." <http://www.croner.biz/compensation-surveys>

- Provides annual, customized and quick-turnaround compensations data.
- Allows custom data cuts and data manipulation (incl. by region, revenue size, sub-sector)
- Position descriptions updated according to industry evolution.
- The most recent surveys included participation rates ranging from 15-120 companies
- Annual surveys have been conducted for over 20 years for some industries.
- Access requires participation and costs approximately \$6,000.

- ➔ Croner Digital Content and Technology Survey
- ➔ Croner Software Games Survey
- ➔ Croner Animation and Visual Effects Survey
- ➔ Croner Casino Games and Systems Survey
- ➔ Croner Local Media Survey
- ➔ Croner Entertainment Survey
- ➔ Custom Surveys
- ➔ Quick Response Surveys
- ➔ CTHRA Cable Programmers / Broadcast Networks Compensation Survey
- ➔ CTHRA Cable and Satellite MSO Compensation Survey



"An open online community exploring the world of work..." www.talentculture.com

- Online HR-management hub, encouraging knowledge-sharing among talent managers.
- Provides topical articles, as well as by hosting weekly TChats on Twitter and LinkedIn.
- Publishes recaps of these weekly conversations, led by industry leaders, recruiters and consultants.
- Leverages the power of social media to allow a wide spectrum of participation.

B Interview insights

Salaries	Recruitment	Retention/Non-Salary Benefits
<ul style="list-style-type: none"> Salaries driven by business, not industry Knowledge-sharing currently informal Industry insights not likely to impact salary decisions 	<ul style="list-style-type: none"> High reliance on word-of-mouth and other informal talent attraction methods High rate of conversion from internships (focus on relationships with educational institutions) 	<ul style="list-style-type: none"> Non-financial benefits used to remain competitive Interest in what others in sector are offering Looking for new ways to ensure long-term retention without salary increases
Succession Planning	Job Descriptions	Hiring Projections
<ul style="list-style-type: none"> An important issue across sub-sectors and company sizes Smaller organization leads assume they will have adequate time to train up senior managers 	<ul style="list-style-type: none"> Wider range of skills becoming relevant, particularly technological Some sub-sectors find gap between training/education and their needs 	<ul style="list-style-type: none"> Gap in available information about industry-wide movement Information would help contextualize hiring decisions

Other issues: Positions with high turnover; international talent; disconnect with academia.

C Survey questionnaire

Creative Industries Labour Market Information: Pilot

A. General Information

Information requested here provides additional context for your response.

A1. Please fill in the following contact information.

- Name of your company:
- Your name:
- Email address (optional):
- Postal code (optional):

A2. In which of the following creative industries does your company principally operate?

- Books
- Film/TV
- Interactive digital media (incl. games)
- Music
- Magazines
- Other, please specify... _____

A3. Please indicate the size of your company (by employment)

- Micro (Fewer than 6 employees)
- Small (6 to 10 employees)
- Medium (11 to 50 employees)
- Large (more than 50 employees)

A4. I am responding as:

- A representative of my company/firm/organization
- A freelancer or sole-practitioner

B. Recruitment Approaches

In this section, we are focused on your approach to recruitment.

B1. Which, if any, of the following channels do you use to locate talent?

B2. Have you recruited from outside of Canada in the past 12 months?

- How do you locate international talent?

C. Salary Data

In this section, we are asking about average salary levels by category of worker and by level of experience.

C1. What is the average annual salary of your business' current full-time employees in the following categories (Creative/Technical/Business and Administrative)?

D. Non-salary benefits

In this section, we are focused on the benefits and incentives you offer your workers.

D1. Which, if any, of the following non-salary benefits does your company offer to its employees?

D2. How long (in months) does an employee have to work at your company before becoming eligible for the non-salary benefits mentioned above?

D3. To what degree do non-salary benefits form part of your recruitment and/or retention strategy?

E. Recent Hires

In this section we are focused on your company's growth (by head count) over the past year.

E1. Has your company hired any new employees over the past 12 months?

E2. Please indicate the full and part-time employees hired by your company over the past 12 months.

E3. How many of the hires listed above were for new positions and how many filled existing positions?

F. Succession Planning

In this section we are focused on your company's approach to succession planning.

F1. Does your company have a succession plan?

F2. Does your succession plan include...

G. Conclusion

G1. Would you be willing to participate in a short version of this survey on an annual or semi-annual basis?

G2. In terms of the themes covered in this survey, would you be willing to share the information on an annual basis? In terms of your own organization, which themes are the highest priority for you to know more about?

G3. Are there any other labour market questions to which you would like to draw our attention?