

**Written Testimony to the
House Appropriations Subcommittee on Interior, Environment & Related Agencies
Hearing on the "Role of the Arts in Creativity and Innovation"
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Submitted by Jonathan Spector
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Mr. Chairman and Distinguished Members of the Subcommittee, thank you for inviting me to be here. My name is Jon Spector, and I am the Chief Executive Officer of The Conference Board.

As an independent, not-for-profit and non-advocacy organization, The Conference Board does not take or advocate positions related to policy or funding. We do, however, listen to, respond to and communicate the concerns of 2,000 of the world's major companies, 70 percent of them in the United States, representing 80 percent of the Fortune 500. Our mission is to help those businesses perform better, and to help them better serve society.

Very clearly, a major concern of the business community is whether the United States has the skilled and ready workforce that is needed today, and will be needed tomorrow, to compete in the global marketplace. I am here today to describe to you the findings of several major studies we recently conducted that shed some light on this challenge, and in particular to describe the important role of the arts, creativity and innovation in ensuring that as a country we have the workforce we need to be successful.

Innovation, creativity, and related skills such as entrepreneurship are clearly a top concern of senior executives. In our most recent survey of nearly a thousand Chief Executive Officers, they told us the challenge of stimulating creativity, innovation and entrepreneurship is among their top 10 concerns.

In our recent report, *Are They Really Ready to Work?*¹, we asked more than 400 U.S. employers to identify the skills that new hires need to succeed in the workplace. Creativity and innovation, and the applied skills that support innovation like critical thinking, communications, and problem-solving, were considered more important than the traditional skills of basic reading, writing and math. And these companies further stated that the importance of creativity and innovation would only increase in the future.

Significantly, these same employers report substantial deficiencies in these crucial skills among job applicants with every educational level we outlined: high-school graduates, two-year college graduates, and even four-year college graduates. In other words, employers say that not enough graduates entering the U.S. workforce are "ready to work." Taking some examples from a long list: More than a quarter of employers find that applicants with a college degree are deficient in written communications; those with a high-school diploma are deficient in critical-thinking and

¹ The Conference Board, Corporate Voices for Working Families, Partnership for 21st Century Skills, and Society for Human Resource Management, *Are They Really Ready to Work? Employers' Perspectives on the Basic Knowledge and Applied Skills of New Entrants to the 21st Century U.S. Workforce*, 2006, ISBN No. 0-8237-0888-8.

problem-solving, and those who come out of two-year colleges and technical schools lack creativity and innovation.

As innovation is crucial to competition, so is creativity integral to innovation. In November 2007, The Conference Board's Workforce Readiness Initiative collaborated with Americans for the Arts and the American Association of School Administrators to examine this issue in greater detail. We surveyed those close to high-school graduates (public school superintendents), and those close to the workforce entrants these graduates become (employers), to identify and compare their views surrounding creativity.

Today I'd like to share with you some of the very important insights we discovered. The Key Findings of this study, *Ready to Innovate: Are Educators and Executives Aligned on the Creative Readiness of the U.S. Workforce?* have just been published; the full report will be out this Spring.

Mr. Chairman, 72 percent of employers say creativity is of primary concern when they're hiring new employees. And 99 percent of the superintendents who educate future workers, and 97 percent of the employers who hire them, agree that creativity is becoming increasingly important in U.S. workplaces, so this number is likely to rise further. However, we see the same gap in our newest research that I mentioned earlier: 85 percent of employers who say they're concerned with hiring creative people also say they can't find the applicants they seek.

What are educators and corporations doing to address this challenge? Obviously, there are many initiatives under way in both sectors to enhance the skills of new workers. And we found that a significant majority - 83 percent of superintendents and 61 percent of employers - feel they have a responsibility for instilling creativity in the U.S. workforce.

But this sense of responsibility isn't matched by their current offerings – not in their schools and not in their workplaces.

We gave our sample of superintendents a list of 12 educational activities or experiences that promote creativity, and more than three-quarters reported that almost all of these activities and experiences are supported within their high schools. But in more than half of these schools, only a few of these activities are part of the required curriculum – the rest are optional offerings in which students themselves must choose to engage.

And we conducted similar research with employers, who identified a very similar set of training and development activities that enhance creativity in the workplace. But we found that fewer than one in 10 companies provide those activities or training options to all their employees. And in more than half the companies, many of these activities and training programs were not offered at all, even on an “as needed” basis.

One reason why educators may not be pushing to make these sorts of activities and initiatives part of the core curriculum is that they believe their graduates are already well trained. We identified 11 skills that demonstrate creativity – skills such as *ability to identify new combinations of actions*, *ability to originate new ideas*, *fundamental curiosity* – and asked

superintendents whether their graduates met or exceeded employers' expectations in these areas. A majority of superintendents replied that their students were well equipped in all 11 skills.

But the majority of employers report that new workforce entrants fall short of their expectations in four important areas: *ability to identify new patterns of behaviors or new combinations of actions*; *comfort with the notion of 'no right answer'*; *originality and inventiveness in work*; and *problem-solving*. These are important differences in the views of employers and educators, and should be a focal point for future discussions.

Finally, both superintendents and employers agree that arts-related study in college is among the most important indicators of creativity in hiring. School superintendents rank *arts* study as the highest indicator of creativity, followed by *experience in performing arts/entertainment*. And employers rank *arts* study and *self-employed work* as the top two indicators of creativity, in almost identical proportions.

Clearly, these studies offer a great deal of food for thought and continued investigation. In particular, we believe it is time for employers to evaluate how well their corporate support of education and the arts as well as their own employee-training programs stack up against the strategic value they themselves place on innovation and its creative underpinning. And it is also time for greater dialogue within and across all sectors to better understand and align efforts to foster creativity in current and future U.S. employees.

Thank you for your time and I look forward to responding to any questions you may have.