



The All Singing, Dancing and Playing Guide to Culture Transformation

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Arts Centre Melbourne sits prominently positioned on St Kilda Road and in the hearts of Victorians. While not as flashy as its Sydney cousin, this building, or more precisely what goes on inside it, contributes enormously to the cultural fabric of Victoria and Australia.

The more than 800 people who work at Australia's largest performing arts centre host some of the finest local and international talent. From the sublime to the everyday, night after night they collectively manage all of the activities necessary to stage world class events. So what kind of internal culture does it take for this prestigious institution to successfully play such a special role, that enriches the lives of so many, and how do you build such a culture?

Act 1 - The Need for Change

In November 2014, Claire Spencer was appointed to the position of Arts Centre Melbourne CEO. She came with an impressively eclectic pedigree, including a decade of experience gained as CFO for the Sydney Opera House, a successful run with a leading accounting firm and a degree in theology.

As with all leaders coming in from the outside, a principal challenge was to quickly get her head around the organisation she was now leading. There is a balancing act between assertively making haste and effectively piecing together an accurate picture, and it requires asking the right questions and listening actively to others.

As Claire puts it, *'How do you value and respect those that have come before you whilst driving the change needed to move an Institution into the next phase of its lifecycle?'*

In 2013, Arts Centre Melbourne made a loss of \$7M. In the twelve months before she arrived, the organisation had two interim CEOs. While Claire is at pains to honour the contributions of her predecessors, her appointment came with clear stakeholder expectations for change.

Those who work in creative hubs, like the Arts Centre Melbourne, generally share a strong conviction that society is enhanced through artistic and cultural endeavour. There is a rich vocational seam running through such institutions, similar to what can be observed in the health profession.

Such dedication can be a powerful asset, but it is not enough to drive the change necessary to create an internal culture where performance and employee wellbeing are valued; where everyone knows the role they play; where people are engaged as one team to achieve shared objectives; where collaboration is the norm; and where creativity and learning flourishes.

Arts Centre Melbourne is a special place where people come together for truly remarkable experiences. In thinking about what the organisation needed to do in order to be the perfect host for audience and artists alike, the internal culture was the first thing that needed to evolve.

In order to create an internal culture such as this, worthy of applause every time the curtain goes up, key elements needed to be carefully orchestrated.

Plans for significant restructuring started soon after the new CEO arrived and were subsequently implemented with great compassion for those affected by changes. A restructured Arts Centre Melbourne clearly signalled a new approach and laid the foundation upon which positive culture transformation could be built.

The Centre also sought external partners who could work closely with the executive team to create momentum for change, strengthen transformational leadership capability and help engage employees.

Act 2 - Culture Change and Leadership

There are numerous theories about organisation culture and leadership. For our purposes, organisational culture is defined as a system of shared assumptions, values, and beliefs, which governs how people behave in an organisation. Transformational leadership is where the leader identifies required changes, works to create an inspirational vision to guide the change and delivers change with help from committed, engaged employees.

Leadership development interventions are often aimed at building the leadership capability necessary to drive positive organisational culture change.

“How we deliver our experiences is as important as what we deliver. We put people and culture as our number one priority for change, elevating HR to the Executive table and making it a strategic contributor. We defined our target internal culture with our senior leaders and then embedded this within all of our systems, processes and relationships. Equipping our people leaders with the skills to embrace and drive this culture became a major focus.”

- Claire Spencer

Defining necessary change and target culture required careful thinking and understanding of what areas of focus would make a positive difference. More challenging by far, however, is actually making change happen. In order to ensure change happened, Arts Centre Melbourne called upon PeopleScape to play a key role.



Act 3 - Partnering with PeopleScape

Beginning in February 2015, a series of structured development programs were rolled out for executive, senior, frontline and emerging leaders. In order to ensure maximum impact from each element of intervention, PeopleScape worked closely with key Arts Centre Melbourne stakeholders to identify specific cohort development needs.

Programs included assessment and coaching, at individual and collective team levels, with a focus on building targeted competencies. To date, approximately 10 days of workshops and 4 days of team coaching have been delivered across the entire leadership population.

Positive behaviour change is at the core of PeopleScape's approach to cultural transformation. Proven methods emphasise the need to create awareness and motivation, as a prerequisite to individual growth.

Without positive individual behaviour change at people leader levels, team and culture transformation simply does not happen.

In order to help raise awareness at Arts Centre Melbourne a number of assessment tools were applied.

PeopleScape High Performing Teams Survey™

Through structured input from all members, this tool allows defined teams to self-assess team effectiveness on seven critical factors that must be present for any team to perform at a high level. The factors are Direction, Balance, Clarity, Interdependence, Communication, Commitment and Trust.

PeopleScape Leading for Performance and Wellbeing 360™

This unique assessment tool provides structured feedback to individual leaders on six critical factors, along with verbatim commentary, necessary to drive performance AND employee wellbeing. The factors are, Builds Capability and Accountability, Purpose and Direction, Consistent, Authentic and Genuine, Emotionally Adaptive, Supportive and Trust

Hermann Brain Dominance Instrument

This instrument provides insight into individual and team thinking preferences. Awareness of these preferences is critical to understanding different approaches to problem solving and communication. Equipped with this awareness, leaders are taught practical ways to maximise their effectiveness when interacting with others.



Anyone who has tried to break an old habit and replace it with a new one will understand that behaviour change is challenging, even when the path to getting there is well planned.

To enable leaders to truly grow, PeopleScape taught them how to maximise the value of feedback, regardless of where it comes from; understand the power of engaging with a 'growth mind set' when learning opportunities arise; and to authentically manage their vulnerabilities.

With an emphasis on personal and collective benefits, we helped them tune into unique motivators that enabled them to change and develop.

With key growth enablers in place, workshops were used to build specific targeted skills, identified through needs analysis. Some of the key skill development areas are listed below.

At Frontline and Emerging Levels

- Leading for performance and wellbeing
- Having difficult conversations
- Managing stress and building resilience
- Managing performance and motivating others
- Difference between leadership and management
- Transition to leadership role
- Team dynamics
- Understanding delegated authority and taking accountability for decision making

At Executive and Senior Levels

- Leading for performance and wellbeing
- Authentic leadership
- Becoming emotionally adaptive
- Strategic thinking
- Building capability and accountability
- Team charter development

Team coaching sessions served to reinforce skill development. They provided an environment where people leaders could openly discuss challenges to progress and learn from each other.

At all times throughout the program, a key objective has been to build capability for ongoing self-sustainable growth, through knowledge transfer from PeopleScape to Arts Centre Melbourne.

Act 4 - The Results

Intention to Change

As stated earlier, organisation culture transformation can only occur if people leaders are motivated to grow and change themselves. So a key lead indicator for success of the program was the degree to which leaders intended to change and had the confidence to apply new skills.

Over the last three years, 95% of leaders going through the program agreed that they felt competent to put into practice what they learned from the experience. Critically, 93% agreed that, as a result of their participation in the program, they intended to change some of their leadership behaviours.

The Role You Play

'The Role You Play' is a powerful piece of communication that pulls together Arts Centre Melbourne's purpose, vision priorities and values. Launched in 2016, with sections on People, The Performing Arts, Audience Focused, Custodianship and Business Excellence, it defines how more than 800 employees work together, and with their multitude stakeholders, to manage one of Australia's most Important cultural entities.

Positive behaviour change, at individual leader and collective levels, has enabled the internal collaboration necessary to develop this key document that binds Arts Centre Melbourne's dynamic parts. More importantly, leaders are equipped to engage the broader employee population to ensure positive behaviour change, guided by 'The Role You Play', permeates the entire organisation.

Impact on Engagement

An engagement survey was undertaken in 2015 to set a baseline for the organisation's culture. The findings resulted in an organisational culture change plan that prioritised leadership, fairness and increased alignment of purpose through improved understanding of strategic priorities.

When compared to the 2015 Arts Centre Melbourne staff engagement survey, 84% of questions in the 2016 survey were answered more favourably.

There was an increase of more than 21% in positive response rate to questions regarding the clarity of the Arts Centre Melbourne's overall strategy and organisational objectives.

Positive response to specific questions regarding the clarity on the organisation's purpose and values increased by just under 15%.

Improvements of 15% and 13% respectively were recorded for communication questions about relevant information being available to the right people at the right time, and Arts Centre Melbourne having a culture where sharing information is encouraged.

'My managers acting with integrity', 'I find leadership inspirational', and 'We have the right structure and people to be effective', all saw improvements of just under 11%.

Performance by Numbers

In financial year 2015/2016, more than 1.2 million people attended 1,468 performances at Arts Centre Melbourne. Visitor satisfaction came in at 97% and 99% said they were likely to attend another event at the centre. Nearly 100,000 bought tickets for the first time and 403 schools engaged through the Arts Learning Program.

Of a total of \$85.4M in revenue raised, more than 63% was commercially generated. Net results from transactions before depreciation was \$2.5M in 2015 and 2016.



Finale - Key Learnings

As with every organisation, developing a positive enabling culture was a 'must do' priority for the Arts Centre Melbourne to grow and succeed.

Guided by the new incoming CEO, the leadership of this centre of cultural excellence had the courage to embark upon the transformational journey that was required, and the benefits of which are still to be fully realised. Leaders recognised that a new approach was needed and found external partners that could help them build the individual and collective capability to make change happen. They trusted themselves and the wonderful ensemble of employees at Arts Centre Melbourne to positively transform work culture.

Keys to Arts Centre Melbourne's culture transformation success include:

- Elevating positive leadership behaviour change and culture transformation to core business;
- Understanding that individual leadership transformation is the catalyst for culture transformation;
- Lifting awareness and motivation levels required for all people managers to grow, and giving them the practical development to lead effectively;
- Embracing individual and team coaching;
- And creating clarity and engaging all employees.

"At this point, the cultural transformation is far from over and has not been without its challenges. This kind of change takes courage and is not for everyone. However, we have emerged a stronger, more confident and successful organisation. We challenge each other on a daily basis – but always respectfully and with organisational – not individual – success in mind. Our business outcomes are enhanced, strategic relationships are stronger and employee engagement is on the rise."

- Claire Spencer



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