

# PERCEPTIONS MATTER



ATTRACTING AND RETAINING TALENTED WORKERS TO THE GREATER PHOENIX REGION



Dear Colleagues,

Perceptions Matter reveals what young professionals and leaders in disciplines fundamental to an innovation economy expect from a metropolitan area. Most importantly, it outlines how these expectations impact the Greater Phoenix region's ability to attract and retain talented workers and top leadership in an increasingly competitive marketplace.

Prepared for the Maricopa Partnership for Arts and Culture (MPAC) and the Greater Phoenix Economic Council (GPEC), this report is derived from a joint exploration of the perceptions of decision makers in key occupations in considering **WHERE TO LOCATE INDUSTRY AND WHERE TO LIVE AND WORK**. The studies were undertaken by Arizona State University's Institute for Social Science Research and Forbes Advisory Panel through *Forbes Magazine*.

The findings contained in this report should provoke thought among leaders in this region across multiple sectors. There is confirmation of our strengths. There are also substantive challenges. These findings present an opportunity to address clear misperceptions about who we are and what we have to offer. Our region boasts an enviable array of cultural and artistic amenities but as shown in the report, they are not widely acknowledged, even among our own residents. **IT IS CLEAR THAT WE MUST IDENTIFY INNOVATIVE AND COLLABORATIVE OPPORTUNITIES TO BOTH ILLUMINATE AND CELEBRATE THE CULTURAL ASSETS WE PRESENTLY ENJOY AND TO STIMULATE ADDITIONAL DEVELOPMENT**. All of this can combine to help create here in Greater Phoenix the vibrant communities that talented people demand. Our competitors—Seattle, Austin, and Denver, to name a few—understand the advantages of doing so, and are reaping the rewards. Now it is our time.

**Myra Millinger**  
*President and CEO, MPAC*

**Barry Broome**  
*President and CEO, GPEC*

# WHY BE CONCERNED ABOUT PERCEPTIONS?

In the 21st Century economy, individuals engaged in engineering, technology, the sciences,

and creative enterprises provide much of the energy, innovation and talent that fuel economic prosperity. This in-demand and highly mobile workforce has the luxury of choice in determining where to locate. With choice comes expectation. In the new paradigm, traditional desires for job security, public safety and educational opportunities are augmented by expectations of more, much more. What do these talented individuals want from an area? How do they define "place"? How do perceptions match reality? What impact does this have on industry leaders as they consider location and re-location decisions?

In early 2006, the Institute for Social Science Research (ISSR) at Arizona State University conducted four surveys to better understand what talented, specialized and educated individuals want from a metropolitan area, how the Greater Phoenix region ranks against those expectations, and how selected competitor regions compare in these rankings. A fifth survey was conducted with leaders in the Greater Phoenix region to determine whether their views align with individuals in cutting-edge fields. Concurrently, *Forbes Magazine* conducted a national perception survey of corporate executives.

*"There are things known and there are things unknown, and in between are the doors of perception."*

*-Aldous Huxley*

PERCEPTIONS

Perceptions

- impact choices
- are reality until proven otherwise
- drive regional identity

# Measuring Perceptions

## 5 groups surveyed by ISSR

### ● AZ Employed

Individuals primarily employed in engineering, technology, the sciences, and law who are currently living in the region and have resided here no more than 10 years.

### ● AZ Grad Students

Individuals currently attending graduate school in the region in the areas of engineering, technology and the sciences who have resided here no more than 10 years.

### ● AZ Leaders

Individuals in positions of leadership throughout the region.

### ● Recruiters

Individuals employed as executive recruiters in the areas of engineering, technology and the sciences residing throughout the nation.

### ● USA Grad Students

Individuals currently attending graduate school throughout the nation in the areas of engineering, technology and the sciences.



# Summary of FINDINGS

People want a sense of place. They want to see it, feel it and experience it in an accessible way.

.....

Talented young professionals in the region not only want those arts and cultural amenities currently available but also want even more choices and opportunities. Current perceptions point to a high demand for and low supply of cultural offerings.

.....

The availability of a strong arts and cultural sector ranks in the top three for young professionals already living and working in Greater Phoenix in their determination of where to live and work.

.....

There is a misalignment of perceptions of this region against known realities. Greater Phoenix needs to do a better job of celebrating the growing vibrancy and diversity of its cultural amenities to ensure that citizens and tourists alike know what is already here.

.....

All things being equal, stakeholders do not rank this region competitively with other markets Greater Phoenix competes with for talent.

# chart 1 MOST IMPORTANT ITEMS IN DECIDING



## What Influences Location Decisions?

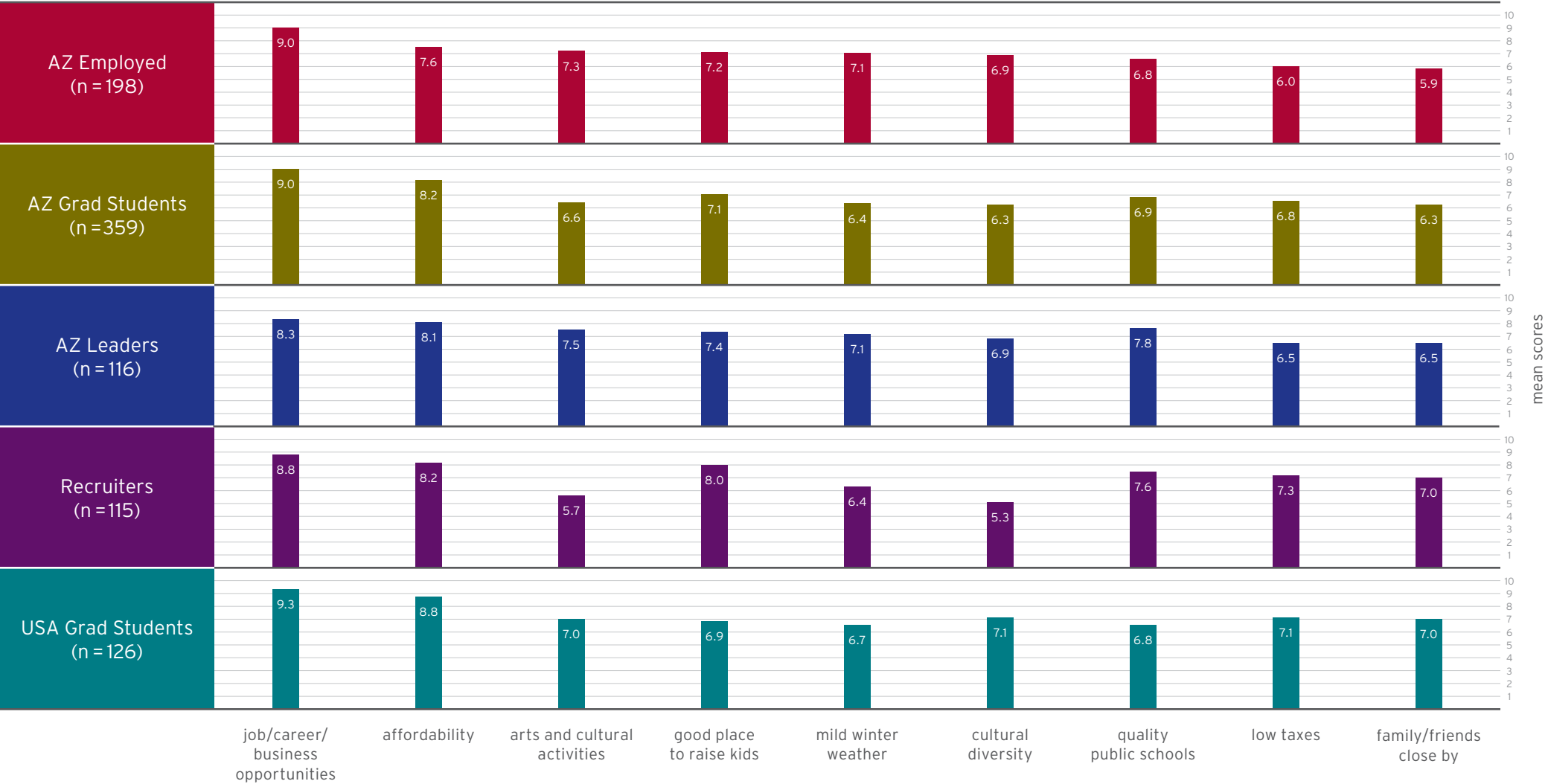
Job opportunities and affordability are clearly a driving force for most moves to a region. However, in a heavily competitive market for talent and industry, other factors are as likely to determine location decisions. Among most groups, a strong arts and culture community ranked among the top six for decision-makers. Talented people want stimulation, and they want it through diverse offerings and in relaxed environments where they can socialize (Chart 1).

(Mean scores using a 1-10 scale, with 1 meaning not at all important and 10 meaning very important.)

n = total respondents in each category for all ISSR-derived charts.

# WHERE TO LIVE OR RELOCATE

survey groups



# chart 2

*“Whether recruiting talent or hoping to retain prospects graduating from the state’s universities and colleges, social opportunities and outlets must exist beyond work. To that end, it is imperative that the entertainment and cultural aspects of Valley life keep pace with the demands of this ever-changing, innovative demographic.”*

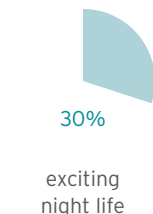
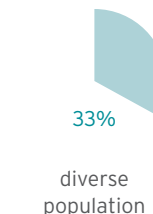
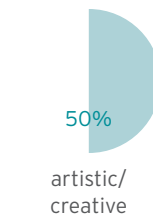
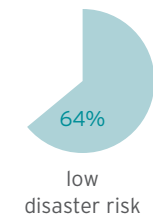
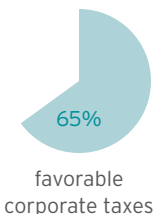
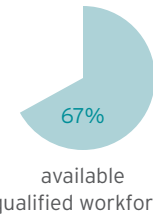
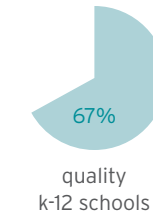
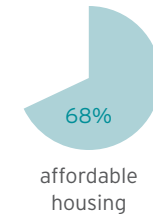
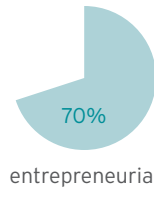
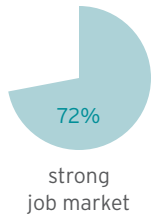
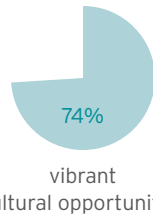
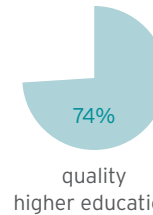
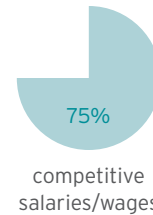
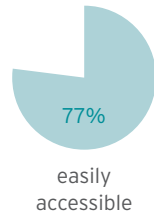
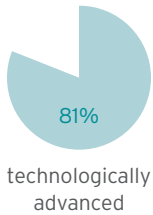
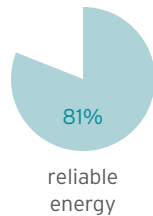
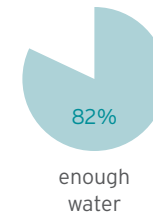
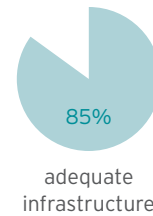
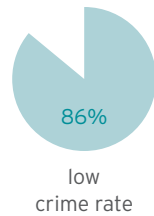
*–Mike Berens, Ph.D*

*Director, Cancer Cell and Biology Division  
Translational Genomics Research Institute (TGen)*



The rankings in Chart 2 are mirrored in the Forbes Pulse Opt-in survey of 1,000 executives (CEO and Senior executive level), where vibrant cultural opportunities was viewed as important by 74% of those surveyed (only 26%, however, ranked Greater Phoenix as having a strong arts and cultural community).

## Importance of Factors in Choosing a Place to Live and Work Forbes®



# a sense of place

## A SENSE OF PLACE

Young professionals want to live and work in exciting and vibrant places.

chart 3

### WHAT MAKES A CITY "VIBRANT"?

Comments from respondents:

"When there are so many possible activities that the city takes on its own spirit. When people are excited about going out and celebrating the city and its offerings. When people are proud to call the city home."

"Strong downtown scene after business hours;... good music scene; good restaurants; edgy artists."

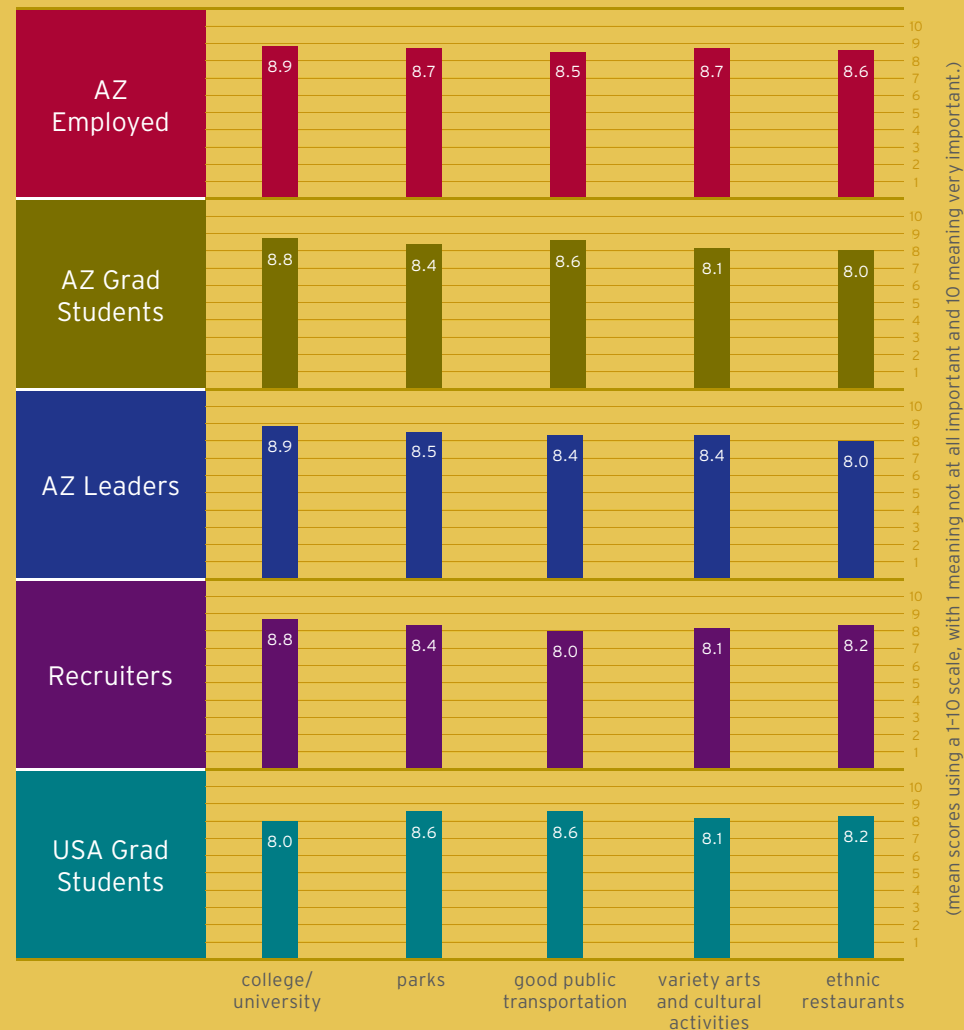
"I imagine a vibrant city to be one in which on any given night, the downtown area is full of people, enjoying a variety of events available (from artistic to sports, to clubs)."

"A city is about having a center, or an intersection people tend to associate with culture, gatherings, and activities. A vibrant city has a core and a pulse that is always beating and when you visit that core place your spirit is lifted and you leave having experienced something new and different."

"Conversations! A city is vibrant when there is an exchange of ideas happening at an exponential rate."

"Bright lights, young, hip."

survey groups Top items that a "vibrant" city should have

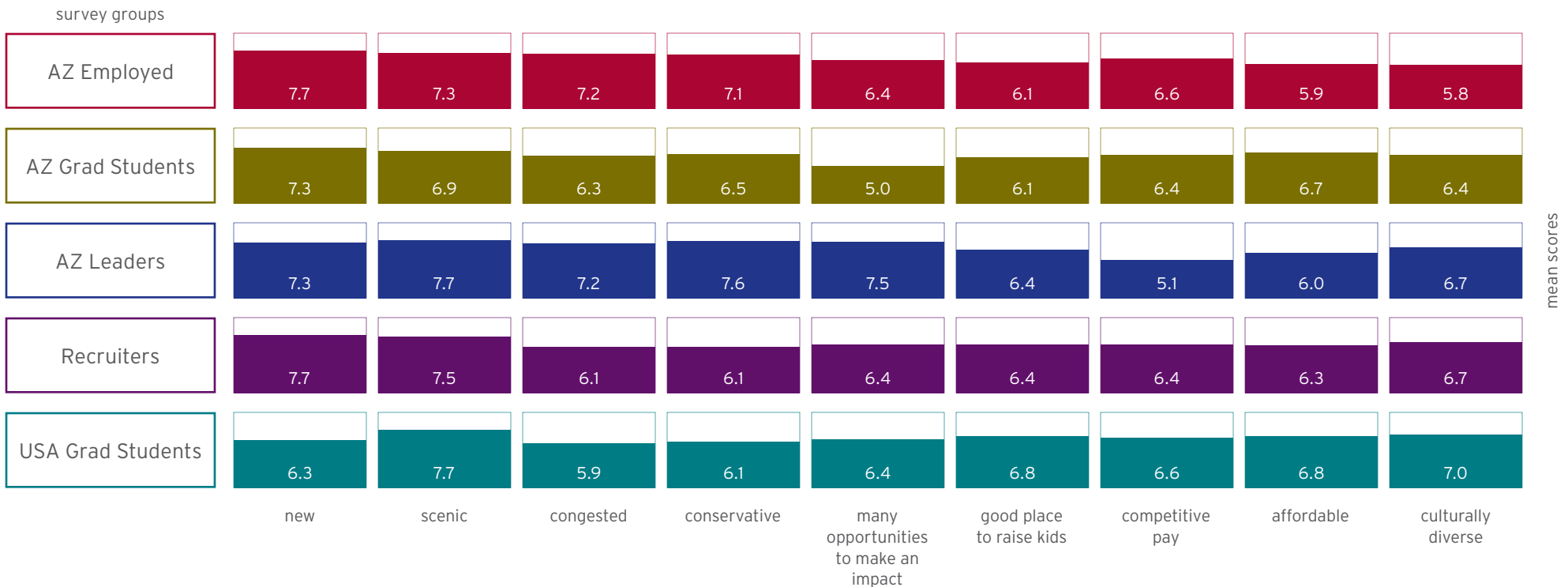


## A Multi-Angled Photograph of Greater Phoenix

The following charts provide a snapshot of this region that include some clear misperceptions (statistically below the national average in age, but still considered a retirement community), and some conflicting images from without and within the area (clear perceptual differences on the region’s remoteness, quality of public schools, cultural diversity) (Charts 4, 5, 6).

### chart 4 Words or phrases that best describe the Greater Phoenix region

(Mean scores using a 1-10 scale, with 1 meaning does not describe and 10 meaning describes very well.)



# DID YOU KNOW:

Maricopa County's 110 languages tied for third highest number recorded in any county in the United States.

The median age in Maricopa County is 33, making it one of the youngest regions in the nation with a national median age of 35.3.

There are more artist-owned galleries in Greater Phoenix than most other regions in the United States.

There are 329 movie theaters, 21 theater groups, 22 museums and 30 dance troupes in Greater Phoenix.

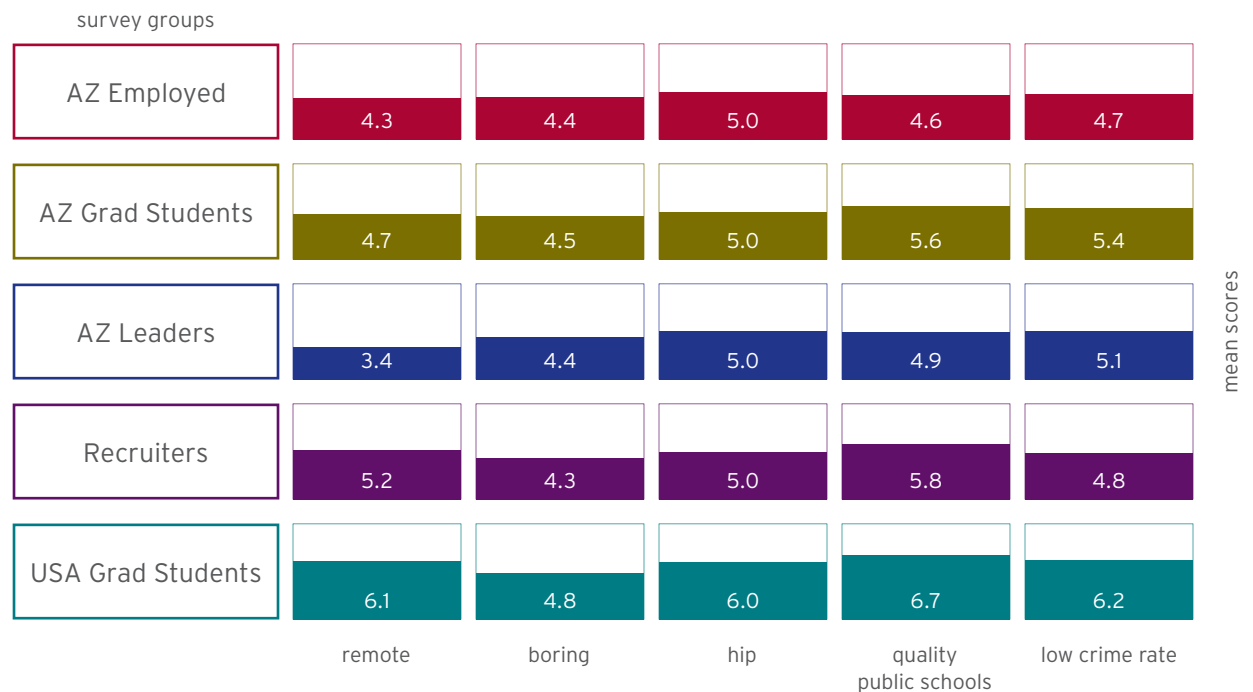
Facts from the Maricopa Association of Governments utilizing 2000 Census data.



## chart 5

### Words or phrases that least describe the Greater Phoenix Region

(Mean scores using a 1-10 scale, with 1 meaning does not describe and 10 meaning describes very well.)



*“We must address how collectively we create a common vision and brand for this region that crosses municipal boundaries and sectors.”*

*–Steve Matteucci*

*Head of Arizona Operations, Friedman Billings Ramsey*

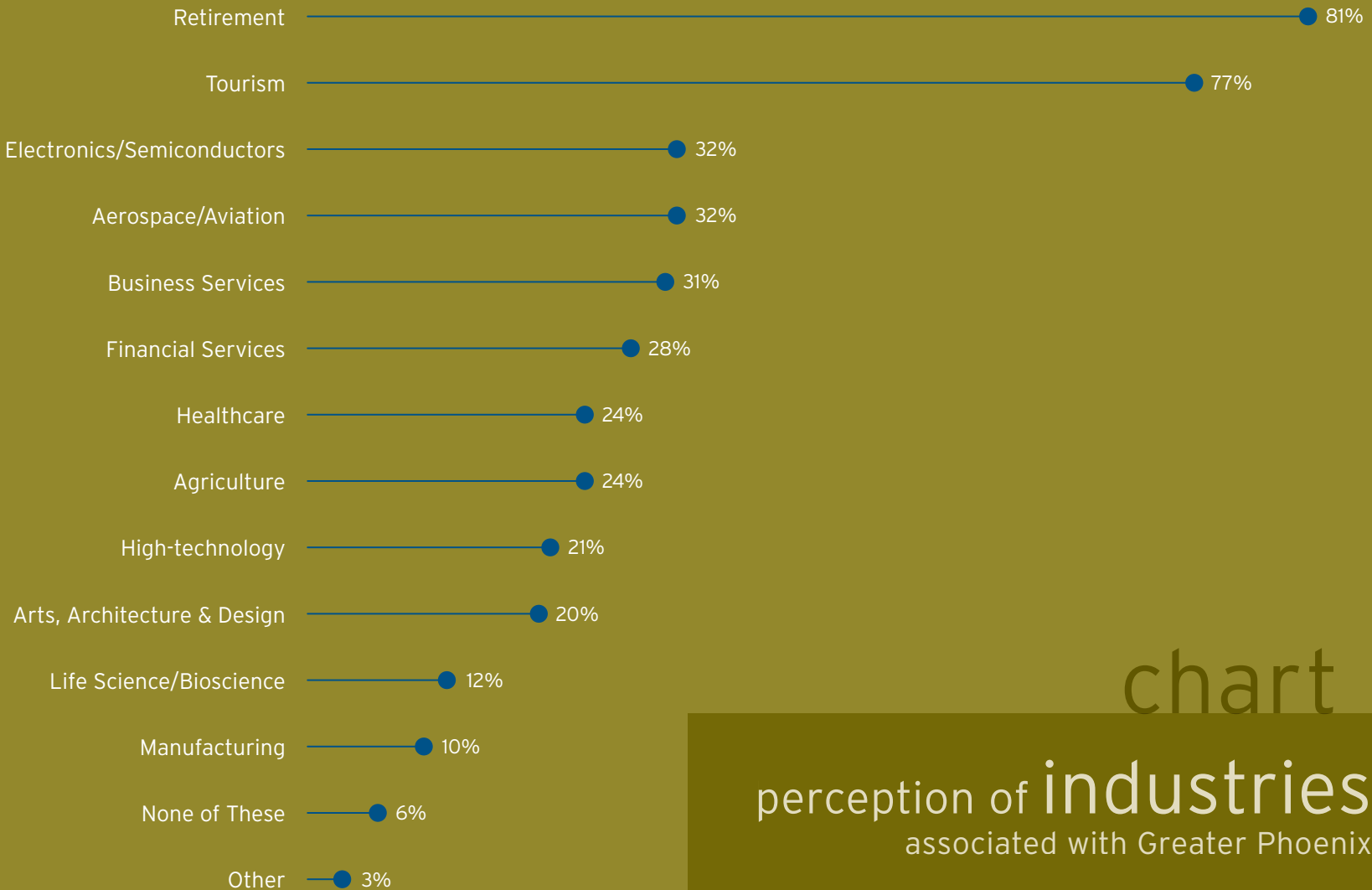


chart 6

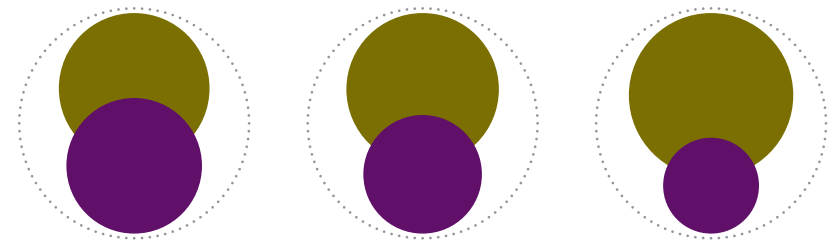
perception of industries  
associated with Greater Phoenix

**Forbes**

# what young

chart 7

## TOP TEN ARTS AND CULTURE



independent films

museums

professional theaters

needs a lot more	42%	43%	50%
needs a little more	34%	26%	17%

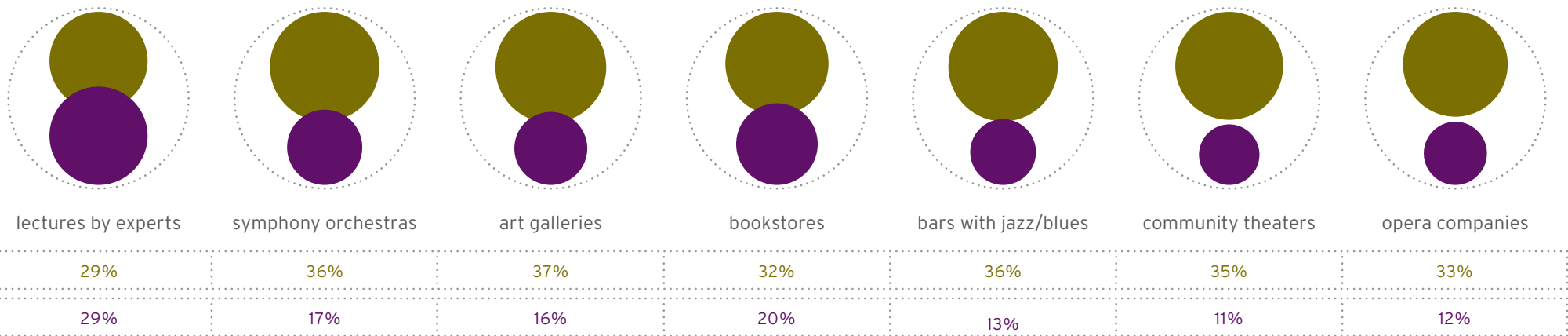
# people want

## WHAT YOUNG PEOPLE WANT

Young professionals in the region were asked to respond to the availability of arts and culture in Greater Phoenix, and whether the region has too little, too much, or the right amount. Prior research undertaken by the Maricopa Regional Arts and Culture Task Force (*Vibrant Culture-Thriving Economy*) and the Maricopa Partnership for Arts and Culture (*Creative Connections: Arts, Ideas and Economic Progress in Greater Phoenix*) provide data to support the small number of arts and culture professionals and organizations in comparison to other major regions. The chart below further validates that this region lags behind in what talented workers consider essential to a vibrant community (Chart 7).

## ACTIVITIES OF WHICH GREATER PHOENIX NEEDS MORE

ACCORDING TO INDIVIDUALS WORKING IN FIELDS SUCH AS ENGINEERING, TECHNOLOGY AND THE SCIENCES AND CURRENTLY LIVING IN THE REGION



# Survey

## SURVEY QUESTION RESPONSES:

What should the Greater Phoenix region be doing to attract talented individuals to the area?

“We should be developing a premier-class quality of living, with great investment in the social infrastructure of the community. Being at or below the national average on virtually every indicator of quality of life is unacceptable.”

.....

“Have strong infrastructure in education, P-20, high-wage, high-skill jobs, affordable housing, and arts and culture-rich communities. Then market it nationwide.”

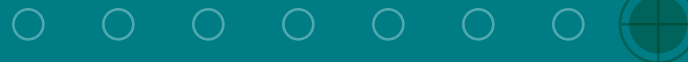
.....

“Provide a higher-energy, creative environment for working and living. This isn’t just a place to retire and play golf. We need to adopt cutting-edge transportation and land-use concepts. Other important aspects are arts, culture, heritage and uniqueness of place. The region should evolve in a way that expresses its uniqueness as a desert community—should not look and feel like any other place.”

# BENCHMARKING AGAINST COMPETITORS

Compared to eight other regions with which Greater Phoenix generally competes for highly skilled and educated individuals, the Phoenix area is rated the lowest. Of concern is the comparatively low ranking given to the region by young professionals working here in sought-after fields. This is the mobile talent pool that views San Diego, Seattle and Austin as more vibrant and appealing.

chart 8

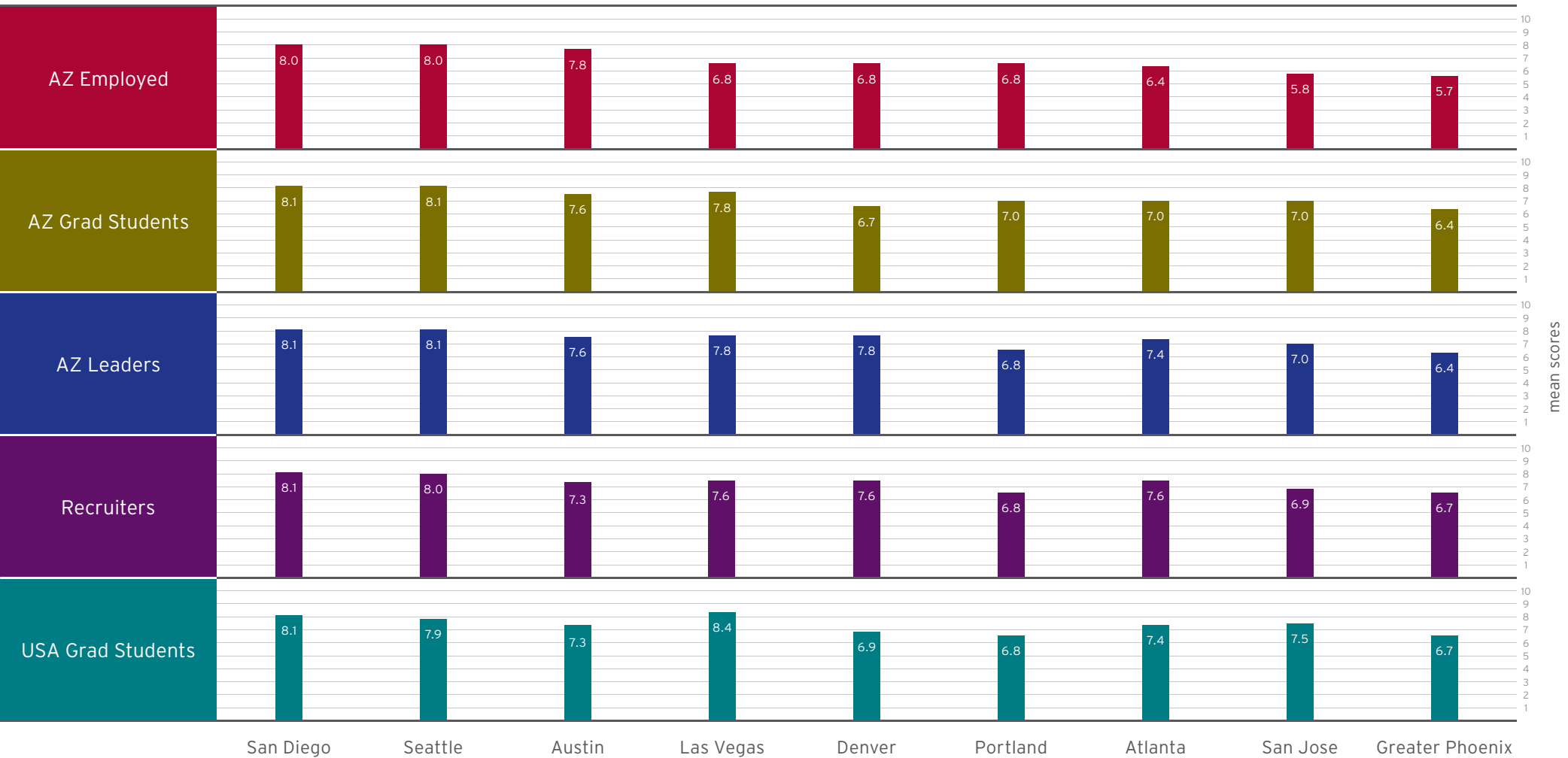




# RATINGS OF HOW VIBRANT CITIES ARE

(Mean scores using a 1-10 scale, with 1 meaning not at all vibrant and 10 meaning very vibrant.)

survey groups



# reality is COMMUNICATION

## Communication strategies can provide a basis for changing these perceptions and can include:

More effective means of communicating arts and cultural activities and offerings already here. The region can proudly boast some of the most highly recognized arts and cultural organizations in the nation. Our challenge is to convey that reality in a compelling and memorable way.

.....

Rather than compete with a single arts and cultural district brand (i.e., LODO or SOHO), it may make sense to develop multiple brands given the geographic expanse of the region and its many and considerably large cities. We have the opportunity to identify and communicate the vibrancy of this region in a manner that celebrates a range of experiences, venues and hot spots.

.....

Bring stakeholder sectors (i.e., tourism, economic development, commerce) together to refine and unify the messages currently communicated internally and externally about the Greater Phoenix region. An alignment of messaging driven by a clear strategy is a proven path to changing perceptions.

.....

A broadly accepted communications strategy with clear and focused messaging about the Phoenix region would speed up the process of repositioning current perceptions exponentially.

Perceptions of the Greater Phoenix region are based on dated and at times erroneous information. If Metropolitan Phoenix were a person, it would have to ask if it is doing a good job of communicating its best face. The findings in this report suggest an opportunity to close the perception gap and elevate the region's brand to better attract the talent that other markets seek.

# reality is ACTION

To attract and retain the best and brightest in the international race for talent, the region needs more of the amenities young professionals expect and demand. We cannot achieve this goal without providing the financial infrastructure required for a healthy arts and cultural community.

We also cannot achieve this goal and close the gap with our competitors without bold and collaborative regional public-private partnerships to develop and expand the mixed-use urban hot spots for gathering and stimulation other cities have in place.

A vibrant community is made up of highly energized and motivated people. The axiom 'like attracts like' suggests that the Metropolitan Phoenix region must support those people willing to spend their resources and creative energy building the vibrant infrastructure that will in turn attract and retain the creative workforce of the 21st Century economy. Our 'reality' is defined by our actions as well as our words and images. Our actions are a concrete way to express our relationship with the region for those we would invite here.



