

Jacob Morgan 00:00

Correct. Steve Young, good Chief Executive Officer at Sesame Workshop. Okay, well then I'll jump right in unless you have any other questions. No, go for it. Oh, and really quick. So I know it's 308 pacific time now, how do you have a hard stop at the top of the hour? If we go over eight minutes? We're good. We're good. Okay, awesome. All right, I'll jump right in. Thanks, everyone, for tuning in to another episode of leading the future of work. My guest today, Steve Young, would Chief Executive Officer at Sesame Workshop. Steve, thank you for joining me.

steve youngwood 00:36

Thank you for having me. I really appreciate it.

Jacob Morgan 00:39

Yeah, I'm very much looking forward to the conversation. I think pretty much everybody knows. Sesame. I grew up watching Sesame Street as a young lad. My six year old daughter has watched it, my two year old son has watched it. So it's, I think a lot of the people who are listening and watching this and probably watched it when they were younger, too. Why don't we start with just a little bit of background information about you? So take us back early on. To the days of baby Steve, how did you get involved in what you're doing now? Did you always know that this is the direction you wanted to take?

steve youngwood 01:18

I did not always know. I always say it was there was probably given the job. But right now, there's always a bit of a destiny aspect and that sesame was born in 1969. And I was born in 1969. So I grew up with sesame. And we both celebrated our 50th birthday in the same year. But no, I would be lying. When I was a kid. I grew up in New York. And I think if someone said what did you want to be when you grow up back then I think it was probably I think I said a soccer player. And not a bad career, by the way. Not a bad career. But I think I peaked in high school. And you know, when I went to college, I flirted with it. And then as all frustrated soccer players, I became a rugby player. And it kind of went on went on from there. But no, it just it was a series of different things that kind of led me and then you know, some things are you can control and some things, you take the opportunity. And I feel incredibly fortunate. And I always say, you know, it's an SEO and institution that has had so much impact in the past, and I will hopefully have so much impact in the future. And I kind of stand on top of the shoulders of those who came before me and feel it is my obligation to the families and kids, you know, out there today, but also all the people that came before me that made the organization what it is today and deleted. So it's as relevant in the next 50 years as it has been in the last 50 years.

Jacob Morgan 02:46

So what was your career path like to get to becoming CEO of Sesame Workshop?

steve youngwood 02:52

So as I said, I grew up in in New York, and then I went to college, I went to Yale, you know, so up in New Haven near New York. And then, you know, I graduated as a history major. As many people were back then not as common today I graduated and was flirting with like, do I want to be a few things I remember when I graduate one, it was like, do I want to be get a PhD in history, I love history, I was

sort of like really obsessed with the, how it shaped the present, but also how it constrained the future in terms of the I always call that the burden of history. You know, at the same time, I remember when I graduate, I was in a moment of like, I grew up in New York, I went to school up here, I never lived abroad, I felt like I had done a lot of what one was supposed to do. And you know, me push myself out of my comfort zone. So this was back in the early 90s. Also, after the Great Wall had fallen in Germany and the whole sort of Russian Empire and sort of cetera collapse. I was like, You know what, I'm not ready to jump into the career thing yet, uh, maybe want to do history. And there's great history happening. So I moved to Germany, and I just went to Germany and immersed myself didn't speak in language of it. And six months learning it, became obsessive about that became obsessive about German history, and also was like, you know, trying to understand this. Here's a country that was one country than two countries. And now it was one country again, I was Jewish. So I was like, let me go to the ultimate sort of like, just comfort zone. I'm curious. So let me walk around a place that I would not have been so accepted. And again, see how that sort of felt. I concluded along the way, a couple things include along the way, it was like this was fascinating. I love history, I'm not intellectual enough to become a story. And so I I went the intellectual route of sort of business and said, let me go join management consultant. So I got into I went to McKinsey, started working in Germany, then went to Cleveland, again, part of my journey of getting out of my bubble. You know, have a New York In New York, go to the heartland and work in factories and all that kind of stuff, spent more time in Germany. You know, then eventually made my way to graduate school to sort of went out to California, again with this goal of like, went to Stanford, of this great institution, but also another perspective on life. And then from there, I went to Viacom, which is a media company, you know, now called Paramount actually, which is the heyday of cable TV. You know, when, you know, super serving fans, this was Nickelodeon, MTV and Comedy Central. This was shows I got to live through watching Blue's Clues and door but also the, you know, Jon Stewart, The Daily Show and Chappelle Show, and you know, the Jersey Shore and all those, you know, and I got a great education of all aspects of media, what it means to build a brand, what it means to connect with audiences. And, you know, it also saw at the tail end of it as disruption started to happen. And then I eventually left saying, like, how do I take my media experience, the way connects and moves to people, but kind of pointed to our way that can have sort of great deep and long standing impact. I've worked a lot with kids, largely Nickelodeon did a lot of educational stuff. And then I moved to sort of the ultimate one of the original sort of like deep media organizations with a workshop and you know, eventually is fortunate enough to be part of a turnaround and now sort of leading it. And, yeah, that's the way I got there.

Jacob Morgan 06:19

For people not familiar with Sesame Workshop, I'm sure a lot of people are familiar with Sesame Street. What is Sesame Workshop? How many employees do you guys have?

steve youngwood 06:30

So Sesame Workshop, founded originally as Children's Television Workshop, and then over time, renamed to Sesame Workshop founders in 1969. It is a not for profit, but it is an educational media organization dedicated to helping what we call our mission helping kids grow stronger, smarter, and kinda. And it was founded on some fundamental principles. And then, still sort of the North Star that the founders John and Lloyd sort of started still driving. And it was founded in the 60s when, you know, there was TV was become it was the new technology of the day. But as Newton Minow said it was also

a wasteland. And so it was Joan and Lloyd, you know, you know, Joan Ganz Cooney and Lloyd Morissette kind of jointly had the sort of the observation Lloyd seeing his sons or daughters, obsession with TV, and Joan being this documentary filmmaker, and then coming together at dinner party. And, you know, Lloyd says, like, do you think that I know my kids are learning on TV, but it's not about if they're learning, it's what they're learning? Can you harness the power of this new technology, and have it teach them the alphabet versus the words to beer commercials. And that was an idea and a hypothesis. And from that came Sesame Street, which was basically let's put preschool on TV, take this mass and scale medium, and use it to educate kids, it was for all kids, but particularly at that time, that those who had the least access to early childhood education. And let's see if we can use it to help level the playing field, or at least decrease the slope. It was always about using media and technology, because it's engaging scale, but it was always about focusing on early, early childhood, because that's having the greatest long term impact. And you can sort of like change the trajectory of someone's lives. It was always about education more broadly. You know, it was about the ABCs, one, two threes, but the whole child, because that's what you need. They're the enablers of learning. There's natural knowledge you get, and then there's a social emotional. And what it Well it started as the quintessential American show, it quickly became, you know, it 69 In the US, it then into Mexico, and to Brazil and to Germany. And it quickly became sort of a global phenomenon. And it's how do you take those home things like take the power of this new technology, make it locally relevant, and use it to try to educate the next generation of kids and families. Today, we're probably about five, four to 500 employees. We have we're based in New York, but we have offices in about six or seven offices around the world, from India, to China to Mexico, to Europe, to South Africa, to Bangladesh, and some other places. And, you know, our core is still Sesame Street. But Sesame Street now is much more than a TV show, in terms of all the different mediums. And you know, from a content perspective, we're much more than just Sesame Street as we have gone into other types of mediums, other types of creative.

Jacob Morgan 09:40

So Sesame Street is one of the is the brain that lives under Sesame Workshop.

steve youngwood 09:43

Yes,

Jacob Morgan 09:45

got it. Okay. So let's talk about your your time at Viacom because you were there during a pretty interesting time. When you think back during your career there, were there any parts ticular moments that stood out to you as far as things that you have learned or things that you thought were most impactful to how you lead or how you think.

steve youngwood 10:12

Yeah, so there are a lot, you know, I spent almost 17 years there. So yeah, hopefully it take away some, you know, some was about brand and how you connect with with audiences, you know, again, it was one of the, you know, cable TV was taking yet the network's and then cable TV bases, I'm going to super serve certain audiences, and really become a destination. You know, for those audiences, if you want music, you get MTV, if you want comedy go to always on type of thing. Yeah. And that was a pretty and for Nick, it was really a home base for kids were there versus I need to know what hours it's

on, I could always turn something on and a parent would always also feel comfortable. And that was a really powerful thing to see is how you super serve audiences and the relationship, your connection that you can have, I learned that within that you have, you know, properties and properties that become bigger than life itself. And you realize that that relationship, even if they discovered on TV, that relationship goes across platforms, particularly in the kids audience, where I've really focused on is that, you know, kids, you know, you know, when they really love something, it, you know, they want it in all parts of their lives. And you saw sort of that, you know, immersiveness, I saw an incredible customer focus, particularly early days, in terms of your super serving audience, it was like research, make sure you know, your customer, make sure you're serving your customer, you know, don't make decisions on your own kids, you know, make sure you're doing research. So that was all like an incredible amount that that, you know, I learned, I also saw the other side of it toward the tail end, which is telling my tale and which only kind of got more complicated still getting more complicated was, you know, when the early or the middle early to middle years, it was just you sat back and it just grew, you know, more homes, got cables, you got more distribution. And then the Internet came and the disruption came, and you saw what happens to an organization where their core business model gets challenged. And that you are, again, is relatively documented, not just Viacom, but other places that you kind of, as opposed to being willing to disrupt yourself, you hold on, and you get into sort of protective mode, and hoping that change won't happen as quick as it may or hoping doesn't go happen or bad.

Jacob Morgan 12:37

Do you remember any of the conversations or like any any of the meetings that you were piling? Did somebody ever say like, Hey, there's this internet thing, and it's probably gonna mess things up. And we should do something like, was that a conversation during a meeting that somebody brought up? And everyone was like, shut up, Frank, like nobody wants to talk to you?

steve youngwood 13:00

Know, there were very many, I think that was probably even one of the most sort of frustrating, I mean, just, I think there was an awareness that it was happening. I think there was a denial, because they already said analog dollars for digital pennies. So it was hard to like, I know this thing's happening. But there's no business model over there. Yeah. So I, I have to sort of hold on, you know, as long as I can, there was a lot of cake and eat it too type of sort of, of management. And I think that and so there'd be big strategy sessions. But then when it came down to actually make it a do, what deal am I going to do? There was I just can't break it. And then there was like, a great deal of of, you know, containment?

Jacob Morgan 13:57

I find that to be super fascinating, though, because it seems like you know, and I had the former CEO of, or, yeah, former CEO of blockbuster, as well. And I hear this quite a

steve youngwood 14:12

funny, come on for a while.

Jacob Morgan 14:13

Yeah. It's I find it fascinating because in a lot of those situations, even at Viacom, it seems like you guys knew it's not like nobody was aware of this. Like you saw the potential. You saw that it might

disrupt. But we still, you know, still couldn't make the change the transformation. Why do you think that is like, what is it about seeing disruption versus actually saying, Okay, we need to change like, there. There's a gap there somewhere, right. How do you close that gap?

steve youngwood 14:44

It's a great. It's a great question. I think that and it's one of my lessons and sh is like, you know, I use the word rewiring, I think that some of that you're in denial. And you can paint different narratives because there have been times in a world where people thought like, this is gonna change the world, and there's everything's gonna transform, and then it turned out it didn't. And so there is the early stage that you would say is, you know, denial, hoping it wouldn't happen as quick, as you know, as as something may, I think that there is it takes a completely, you know, I in my head and my own management of push to evolve, there's adapting, and then there's rewiring. And, you know, when you have such adapting as you kind of hope you can get there incremental, and, you know, rewiring is, takes a lot more fundamental sort of, you know, shift in fortitude, and may take sometimes changing some people. And then I would think the way I would defend it a little bit was, the only thing is like, it was such a great, you know, business model, both that the cable operators had as well as the content providers that you're like, it was just hard to rationalize, okay, I know I have to change. But where am I gonna go? Because now it's as good as I I came from and but it wasn't because people were blinded, I think it was more about people didn't know what to do. And you probably needed the sort of those great, you need to rewire yourself more than just thinking I can evolve in.

Jacob Morgan 16:37

Do you have any fun stories from your time at Viacom, and I know this is a very general question. But obviously, Jersey Shore was there. You mentioned some big shows, there were a lot of interesting executives at that time. Do any particular stories or situations come up that you look back on and you're like, you aren't like something where let's say you're at a dinner party, and somebody comes over to you and you get to start talking? You're like, oh, man, I remember this time I was at Viacom, and like, this character came over from where this person from Jersey Shore or MTV or the real world. This executives do a cheer me.

steve youngwood 17:13

Yeah, no. So the the, there's this murky ones, there was the I mean, the the memories of there's always the there was a big holiday party every year, the MTV Networks, holiday party, MTV Networks, the umbrella overalls brand, and you look nothing new. But you look back at the the you know, it was the 1990s and early 2000s were different than today in terms of what would be acceptable at an office, you know, holiday party, and it almost makes you feel uncomfortable. Look, looking back in terms of the things that were hired and put there. There is the funny smirky thing of like, when the first SpongeBob tape came in episode, and people were looking around like, I don't know, I don't know, maybe we'll pick this thing up, you know, maybe maybe some people laugh, it's certainly never going to sell any products. You know, and, you know, seeing that, you know, seeing obviously, what came from that, you know, I had the fortune and maybe different people. I mean, different now. But when Dave Chappelle first sort of started that became this sort of phenomenon, and sort of like, you know, overnight, and you know, having meetings with him, and I'm the little 20 something year old, like here, I can help you knowing James Chappelle, he's like, doesn't need help from anybody.

Jacob Morgan 18:38

Wait, you were you were in some of those early mornings with with Dave Chappelle?

steve youngwood 18:42

Yes. After his after that early, but he's only there for a couple seasons before he basically fortitude said like, you know, yes, I know, there's X \$20 million. But you know, that's okay. I'm gonna do my own thing. So you could imagine I was I lots of different managed positions. But there were times I was managing like DVDs or managing other paper products and DVDs. He was a phenomenon. He was a guy who he broke every DVD record, like sold 2 million in one day. But he was like, Hey, we're going to the Chappelle Show. So yeah, but I remember pitching him we can even make more money for you. Look at these T shirts, and you could just see him, you can imagine Dave Chappelle reacting to a bunch of business executives telling him that I'm really going to grow your brand. And just let me help you. You know, I remember meetings with Matt and Trey trying to do like, you know, trying to expand their brand again, another type of creators who are just geniuses and brilliant at what they do. South Park. South Park, yeah. MATT and Trey from South Park. You know, you know, they're just, you know, stories over stories of, you know, of that, you know, type seven I remember meeting, you know, we Ariana Grande, you know, to two different people were launched during my career. Ariana Grande before she was Ariana Grande and Harry Styles when he was on one direction on a TV show and bringing Harry Styles to a TV upfront, and Justin Bieber to a TV upfront hey, look, we've got these 16 year old kids. I think they can sing. You know, obviously, years later, something that they're different. But

Jacob Morgan 20:20

yeah, I didn't know. I didn't know you were in any of those meetings with Dave Chappelle. That must have been fascinating to be in those meetings just to like, see the see how his mind works. See where the conversations gonna go your early 20s You're like, Dave, we should make T shirts.

steve youngwood 20:40

No, he's been through his own drum. And I remember the moment it was like, 15 years later from that I was in a hotel in LA. And I was like, Oh my God, that's Dave Chappelle. I'm gonna go say hi to him and see if he remembers me. It was when he was starting his comeback. And it was like 1130 news about to go to a midnight show in LA as he was like, secretly doing it. So sure enough, I walked up and he gave me the Hey, dude, and obviously had no idea who I am. But you know, it was closing the circle. And it was in it was a fun experience. And wow. Y'all that? To see all that genius?

Jacob Morgan 21:13

Yeah, that's great. So anything else in particular, you learned from, from your time at Viacom. I mean, I think the the lesson around spotting transformation versus being able to take advantage of transformation. And actually transform is a really fascinating one. Because I think one of the things a lot of leaders struggle with now is how do we know when we spot a disruption? And how do we know when we should actually do something as a result? And we've seen a few of these right? We talk about, for example, the impact of AI and artificial intelligence, we talk about like, augmented and virtual reality, the metaverse, web 3.0, and blockchain. And there's just a lot of stuff out there, where people

are trying to decide, is this a disruption or not? And if it is, how do you know what to do? So when you were at Viacom, how were you guys thinking about this? Was there a process? Or was it just kind of like just everyone's opinion in a room?

steve youngwood 22:14

No, there was, I mean, there was a powerful thing, which I do take a lesson. And obviously, you know, constraints got in the way was and I take this, you know, we did toward my end, we were min was I left there in 2014. So, you know, it was things only accelerated more after that there was this eye opening, like, Okay, guys, let's not debate about next year, the year after. So we did actually have a pretty powerful process, let's think make assumption, what's the world like in five years or 10 years, because that's a much more liberating, because then it gets to the debate about not if it's about when it and cause versus timing when disruption will, will settle. And that was actually a pretty, you know, powerful exercise actually, were really a lot of good, led by the leadership and a lot of good thinking. And there was some disruption, it allowed us to do in terms of, you know, call TV everywhere, in different types of things. I think there was just a ceiling of it. So that and a lesson is like you take the timing, you may not take the trying to time in a way and take just where you think the world's gonna end up. And that was opening and liberating. Again, I still just think the you know, you could take it foresight, you could take it the way it's a public company, the way markets, at the end of the day, I still want to know what your quarterly earnings was even even more fortitude, because you need to be able to, you know, be you know, you know, rewire how they're going to mentor you, which is even sort of higher, so they have to take the leap of faith, faith as well predictor when a company is highly leveraged and they have all these ratings agencies are telling them what the you know, there's gonna be so there's, there's a lot of things that need to sort of be rewired for you to be able to rewire your company and I when you're in public, it's one of the reasons people go private, sometimes it's a rewire themselves.

Jacob Morgan 24:09

So I like that exercise. You try to imagine the world five years from now and kind of work backwards from there. Was this like an exercise? You guys all did together?

steve youngwood 24:18

Yeah, we did. And that was one great sort of project that led to a lot of great sort of, like early of the innovation. And, you know, I launched some reimagine experience called the Nick app that we launched in we won an Emmy Award and it was disruptive. There were still constraints because it really it was an it's an ecosystem playing the cable operators had to be a lot of people had to sort of get on the boat and it was hard, but that was a very liberating. There's some great stuff that came out of MTV and Comedy Central around that, you know, it just all there was a ceiling just because you were, you know, from a business model perspective, really hard to disrupt, disrupt, disrupt yourself. So

Jacob Morgan 25:01

All right, any anything else that you want to share about your time at Viacom lessons learned or, or even mistakes that you think you made along the way and what you learned?

steve youngwood 25:14

Um, I think that, you know, is this I think a lot of the lessons were in were the, you know, the ones that I'm, you know, they're around the importance of, you know, deep connection with brand in terms of like, you're really at a scale of a property going multiple touchpoints. They realize that sometimes you do need to rewire yourself. And, and then that's, you know, obviously not easy. I'd say the other thing I learned a little bit there. And this sort of took to the next level at Sesame, some of the greatest leaders, the most inspiring ones, there's a Tom Freston, there's a Judy McGrath. You know, I'll talk about this a lot when I talked with sesame is leading with your head and your heart. And that, you know, the the, and finding inspirational leaders that are motivate you just to work with and, you know, be able to do both of those is, as a leader, you've got the great strategic leader, you've got the great sort of visionary leader or the heartfelt one, and you need to run a business, you need both. And I got a teasing of that, you know, at Viacom with some of the names I took, and then you know, get when you run an organization that's purpose driven, and mission driven, like Sesame Workshop as a, as a not for profit, that is a table stakes, in terms of you're going to drive the organization because people are there for the mission, but you still got to run the business.

Jacob Morgan 26:41

One of the things that I read speaking of Sesame Street, I don't know if this is accurate or not. But for the time a kid, a child watches an episode, it can take up to one year for the episode for a single episode from to go from like, I guess, idea to production to being released.

steve youngwood 27:02

It take I mean, our and we've rewired ourselves in the last couple of years to meet the moment. It from the we're very, it can really be 18 months, it can act

Jacob Morgan 27:18

for one episode.

steve youngwood 27:21

Well, yeah, episodes are done in batches. So it's not like they're I mean, film over a three month period, you right over a three month period. And that's because we're very, again, I'll give you the rewiring example of recently, but like, you know, we are very research driven. And we are like trying to always identify, you know, what are the most and, you know, there's a curriculum, what are the most important issues, you know, that are affecting kids and families. You know, let's, you know, identify what those are, in the moment, let's write scripts, with the training curriculum, let's write scripts that have the curriculum in it, but don't trust what a 40 or 50 year old person thinks, go test it with kids to see if they're taking away what they think. And then you go film it, and then you may do a little research to make sure it actually worked. And then obviously, you get ready to do it. I mean, it can be, you know, 12 to 18 months, depending on what it is, you know, in order for us to be as sort of thoughtful, you know, as, as we can, because I like to say is that one of my big lessons coming from a Viacom, Viacom and more, you know, entertainment was the end game versus we entertained in order to educate, we, we have to say you can't reach you can't teach. So that's the top of the funnel, but in order to educate, so it's about actual impact versus perceived impact. So we want to make sure like, the intended outcome is actually there. So that's why it takes a lot.

Jacob Morgan 28:49

Interesting. So you mentioned rewiring a few times. I mean, I read that one of the things that you guys had to do. And again, this is what I read. So you can tell me if this is correct or not, but especially during the pandemic, because you had the it seems like speed up quite a bit. And there was some of the shows, for example, what was the one that I read power of we, but you had to kind of change the way that you create and get content out there. So can you talk a little bit about how you guys had to rewire that What did you do differently? Yeah,

steve youngwood 29:19

that yeah, it was a a seminal and sort of inspiring moment in the face of a challenging time, obviously for the country, let alone loading the world. So when COVID hit, everyone has that day that you genuinely that Friday, March, whatever, when people are like, Oh, this thing's for real. Hadn't we better go home? So we shut our offices. We were we had one more week of production of that season and we shut that down you know, to remember a day or two later and everyone's right there. In the moment you're about oh my god, I got all these logistics. I got my family. I got my help. I gotta get help. I remember the week after I was watching TV show I'd seen some of these. Some of these late night host, Jimmy Fallon other people like certain to film some episode from their bathroom. I was like, you know, we got Muppets. I just made a couple phone calls before things are really locked down because I was in New York and de Blasio was still in denial. Actually, the schools were still open, you know, the, he I just to get them up, it's at home. Get this, especially by send them to them up at tears, get them a camera. You know, you know, we're kids, we're not animated or live action. So let's go. Let's do something only we can do. And let's start experimenting. So we and you get the beauty of YouTube's you can get distribution overnight. So you're like, let's do let's start comforting these kids. And let's experiment. Let's do a couple things. And let's start this evening. And I said, we're very meticulous and thoughtful. But it's kind of like the pivot. I was like, guys, you know what? Let's get it. 90% right in the moment versus 110%. Right, you know, after the moment. And so we started to doing that, you know, we then and that was the new philosophy, which is like, yes, normally have trust that we've been doing this 50 years. And we know what matters to kids. We know how to speak to them. And know it won't be 100% Right. And we will learn along the way but they need us now and families need us now. So I said the 1218 months, we then proceeded completely remotely to create we chose almost playdate, which was again this theme of just like virtual playdate. You're not alone. We that went on air. It was a beauty of partnerships to I think in end of March, I was like, You know what, let's do this thing. Called up our friends at Warner. They said yeah, we're in called our friends at PBS. They said we're in called some of our friends of the family linguine men or Miranda, Anne Hathaway, and you know, a couple others, completely filled their remote sort of special within a week or two on air. And that time on air across all of Warner's channels across PBS, onto the BBC in the UK into NHK. In Japan, and it was completely out of what we're used to be doing in terms of like, in line in terms of we meet kids and families needs, but not in line in terms of the speed and quickness. And that into the next level on a whole different, you know, after the tragic death of George Floyd. I, you know, on we're like, again, how do we get there's kids and families need help to sort of digest this. And we got a on a Monday, talk to, again, our partner, CNN. And on Saturday, we were on there for a 90 minute Town Hall, with the CNN anchors with our characters with our experts, helping them make sense of what they were seeing, and having faith that we know how to help kids cope and help to explain complex issues. And it was transformative in terms of, you know, our culture and that confidence, like, wow, we can do it, we can trust and that it was

almost like now view ourselves, we have the things that take our tools, 12 to 18 months, but we're now an organization that can help in the moment. And obviously COVID was a moment went on and we've evolved, you know, other things related to some of the racial justice issues, and it was transformative, and I keep telling people, even if things go back to normal ish, let's not lose that. Let's not lose that.

Jacob Morgan 33:37

It seems like the big lesson there was basically to trust your people. Trust your people

steve youngwood 33:42

trust your expertise, and you know, you know, be willing to change your process. If it's a if that's what's needed to serve your consumer, you know, in the way that you you need, you know, we

Jacob Morgan 33:58

Is that ever gone wrong?

steve youngwood 34:05

Is it ever gone wrong? Which part doing quickly or doing

Jacob Morgan 34:09

just when you trust without knowing? Because to your point, right? If you like what a lot of organizations do is before they make decisions, instead of trusting people, it's very, like, Let's do data. Let's do research. Let's do focus groups. Let's do analysis. Let's get everybody together. Let's talk about it. The executives have to approve it. Very rarely do you hear executives who are saying, You know what, I trust you go with it. And you know, what do you do? If you as a leader put that trust and you try to do things differently and it blows up in your face? Yeah, we

steve youngwood 34:45

it's a great you know, question and whether it was quote, a trust thing or whether it was doing quick, you know, in my tenure at the workshop, you know, we had one incident and You know, and then we quickly sort of re orientate ourselves, you know, there was some press came out with about a Bernie Burton, Ernie were actually gay, like some Oh,

Jacob Morgan 35:09

I remember that. I remember that.

steve youngwood 35:11

You know, and we came out with a statement that relatively quickly that kind of said, No, they're not like, it's not it was a little bit, I don't remember the exact words, but it didn't acknowledge the fact that, you know, that, you know, that wasn't the relevant issue, that it's whatever people think that, and we got backlash for our statement. And so we sort of came back with a new sort of acknowledging it, we're all kind of in denial, like, no, that couldn't be true. And we came back, so you know, what they, you know, whatever you, whatever your relationship with these characters is your relationship. So I mean, their character, so they it's not like they have, they're not real. So. But, you know, we, that was again, and the good thing is, we then sort of owned it and sort of corrected it. And we could have gotten could

have gotten it better. So it, you know, it was one of the I don't need to complete the test, I trusted someone we didn't go right. But it was more of like, we just quickly get something. And the good news about something a brand, I've also learned is like, you know, if you have enough, if you own your mistakes, and you are a brand that has enough trust, then you know, people will will, you know, under, you know, understand it, the, you know, and trust me, we've had many in the entertainment in particular, it's like, they're there, you know, it's no different than marketing half 50% of the content you make is not that good. You just don't know which 50%. And so you need to acknowledge that and own that. And, you know, let people you know, you know, the greatest ideas came from a little bit of chaos and let people sort of experiment that

Jacob Morgan 37:04

way. Yeah, I love that. So you talked about rewiring quite a bit. And I understand you had an experience, you had an accident, where you are in a bike and that kind of forced you to rewire yourself. So can you share a little bit about the story around what happened? And what did it do to force you to rewire yourself?

steve youngwood 37:25

Yeah, and interestingly, it came all near that Viacom tired of having Viacom needing to rewire and the whole the disruption, so it was in 2013. You know, I become, I like says, Many people get in their 40s, like, I'm going to bike. So I become a, you know, a biker, and I was on vacation, and my wife is French and I went to France and what we do every summer to be with her family and a beautiful island called Corsica. It's very hilly, and you know, and you you, there's, you can't go more than a mile without going up the hill. And I went biking got up that morning, went up, going up two hours, and then you know, two hour up is basically 20 minutes down, and sort of started coming down the hill on one of these things. It was a, it was a two way road, but really want to have lanes wide, come around and turn and sure enough, his car coming out. And the other way, hit the car. Fortunately, the bike took the brunt of it. But I flew off, driver side window open head goes into next day, and I'm lying on the ground completely paralyzed someone sort of looking over me. Fortunately, you know, Mike, was able to move my feet, but I was paralyzed from the waist up airlifted to Marseille for surgery, then eventually airlifted back to New York. And still, you know, relatively, you know, paralyzed and you can see me now unfortunately, back to a good place. But it was a year of rehab. And I'm not the same person I was before and you're sitting there all that rehab. It's like what was physically happening to my body was the nerves or bruise not broken. But you know, the head could think the arms could eventually I got moving, but the arms couldn't move because in the middle, the CPU per se was completely broken. And the body finally kind of reinvigorated rewired itself, but many things don't come back in terms of certain reaction time. And I remember like, like, wow, my body's rewiring, I have to sort of like take, embrace and take a different perspective and acknowledge what is what is going to be not the same and forward and you know, have a different perspective on life because of the new sort of reality. And, you know, it taught me lessons about okay, internalizing, you know, again, the body rewiring, rewiring your brain to sort of embrace and move forward, jump the other leadership lessons about like optimism. It's like you know, you need to be as particularly as a leader I feel proud of CEOs you need to be optimistic. You know, because you're never gonna get there if you don't believe in it, while staying realistic, because you don't want to, you know, deny reality had a former boss or say always keep your passport stamped to reality, you know, but you also need to be optimistic because people want to be inspired and believe in the

future. And, but they can't be blind to it. And, you know, so I had to rewire myself, my body rewired. And it began that idea, accept the change, and then react to it, and reformulate whatever you need to do for that, versus being deniable and do it with a glass half full, was a powerful personal, and it's something having seen it, I sort of carried my leadership, you know, you know, as well, and it's hard, it's hard to internalize it, it's hard to recognize when you really, you know, have to change. And then as a leader, it's not just you, then you gotta get other people to believe it. And, and it's the ultimate sort of test your own self awareness, and then sort of taking it to the next level.

Jacob Morgan 41:14

What are the things that I could do in the last, like, 15 minutes or so of all the episodes is to really look at some action items for leaders out there, I thought one good place we could start is looking at the turnaround Sesame Workshop, maybe some of the things that you have done to allow for that turnaround to happen. And then maybe we could talk about what some leaders out there could be thinking about, for their companies, too. So give us a sense of where we're was Sesame Workshop, like how bad were things for you guys? To even necessitate a turnaround. And what did that turnaround look like?

steve youngwood 41:52

Yeah. And again, that that was, so I came in, in 2015. Coo, and there was a CEO there. And it was one of those things where the mission, you know, which was the you know, which was, you know, you leverage the power of media to help educate kids was as relevant as ever, media was as pervasive. And, you know, the issues that kids were going through, probably more now, were as big as ever, but the kind of the playbook to deliver on it had changed. And, you know, it was, it was an organization that, like, oh, I make a show, I get delivered to PBS, may I get some philanthropic money, but I sell a bunch of DVDs, and I sell a bunch of toys. And, you know, one show, I can reach all these people, all the things had changed, you know, PBS was important, but there are many more sort of outlets that people are going to, you know, DVDs were disappearing, licensing was becoming challenging. So you need to find more business models. And, you know, the media landscape was being fragmented. So you don't, you know, one show wasn't going to do it no matter what I mean, that show needed expressions in multiple different ways. But it was an organization that, again, my turn around, one of the things I went was a I thought I brought a skill set from having seen the media industry from the outside, but be wow, if you did it, you've turned around a global institution. And that's really rewarding. We to rewire the workshop first started with people, it's the first time the organization that we brought in and out, it was very insular. That's why they couldn't see past and it's one of the reasons organization of our time is because the people who got you there are the only people so this was, again, my turnaround 101 was, was the first time they ever took an outside CEO, head of creative and ahead a COO. And it was enough new people that new ideas can come in. But there were enough of the people that had been there a long time that you wouldn't lose the Northstar and the heart and soul of the reason for being. And so that was the starting thing. So you're gonna rewire you know, but stay true to your North Star, that hybrid is actually really good and, and sort of healthy. So that was one of the fundamental, and then unique conviction. I mean, that's the spark that happened to us, as I sort of told you that, like, it was a situation where there was economic troubles. And there were brand troubles because of the fragmentation. And so we and there were reached troubles. So the, I will say that, you know, you you brought in the people and there were some structural changes to enable it, and then you need a

strategy and often you need a spark, you know, to because there was a lot of skepticism is is really going to happen and our spark was we did this partnership with HBO with Richard Plepler was the leader then very, sort of, he's not there anymore. But you know, again, one of those people seem to lead with the head with the heart and he got he's like, Well, I'm gonna help turn around sesame. You know, I'm trying to expand my, you know, digital footprint and to connect and compete with Netflix, and so we did a deal with HBO to put sesame on HBO, which may help fund it. And we'd stay on PBS because he's like a give the gift back to the whole country. And it gave us the economic and then it also was like you are here hanging out with HBO, one of the most esteemed brands choosing and the KidSpace with sesame than sesame must be relevant. And it becomes it was the sparked. That proved and but for us, it was complete, dramatic strategic shift, because we're not for profit, we're on public TV. HBO was paid in commercial. How do you do that? How do you do that. But sure enough, and there were a lot of stressful sort of conversations that would happen about trust us trust is trust us trust us. That happened, it allowed us they helped elevate the brand and gave us the economics. And you can start leaning forward and doing things that are more mission driven. That led to a partnership with IBM that led to a partnership with apple that led to we got \$100 million grant and bring early childhood education to a Syrian refugees on another 100 million dollar grant. And it was because we were able to, again, rewire ourselves, take a different perspective, do something that had never been done as the business model sort of change and then sort of success that leads to success. And so you know, the lessons are as you need the right team, you need the right structure. And you need to have sort of some conviction and fortitude and belief, even when you're going to have a huge sort of moments of doubt. When it was it was tough, and but then also very rewarding.

Jacob Morgan 46:38

How bad were things to necessitate a turnaround like was the company on the verge of not existing?

steve youngwood 46:45

This is another sort of interesting because where I would say me how bad were things that were losing money, you know, there was a nice operating reserve. But when you're losing 15 million a year, you just follow that trajectory eventually. So I will say you say what do you need to read? You know, this was one sometimes you never let a good crisis to waste and so that

Jacob Morgan 47:07

the

steve youngwood 47:08

there was no choice. I think that the companies that I really admire. And by the way, we're in this situation right now. Like we're actually putting very healthy right now from a brand perspective, and an economic perspective. But you know, past success does not guarantee future. So I'm trying to do some transformation rewiring internally, without the fact that the lights are about to go off. It's actually no, we're really strong. So that's why when you do it, that was probably Viacom's problem. Like the cashflow is incredible. The companies I really admire, you know, and I admire the apples of the world they admire the Amazons of the world. I admire the the Googles of the world that are constantly not completely resting on their laurels. Like any entrepreneur, they're sick when they become vessels, because they did some they thought of things in a different way. But that company that on a sustainable

basis, does it. That's it without a crisis driving it. That's, that's impressive. And that's what I'm trying to do now is trying to further transform us even knowing that, you know, we're in a healthy position, and that's the best time

Jacob Morgan 48:14

Yeah. So how do you do that? Like, so you're the CEO, your top leader at the company, you decide, okay, things are going well, we should be thinking of transformation. How do you like what do you do after that? Like, do you just get your team together and say, Hey, guys, things are going well, for the business. We need to think about transformation. Everybody come back with five ideas on Monday? And what we could do different? Or is there some sort of structured thinking that you apply to what transformation means for you and what you should be thinking about?

steve youngwood 48:46

Yeah, in this instance, it's hard is the answer because you because as I kind of said, it's one thing for you as a leader to do it, but then you've got to get other bill to believe it. And it's hard enough for you to internalize it, and other people, and obviously, any good leader is as good as their people. And so they in particularly today that we're, we're well past the command and control days of leadership, you know, this is the, this is the time where you need to trust and empower and inspire. You know, in this case, we have a great management leadership team. And, you know, we try to get everyone you know, talk and everyone on the same page, we're all in. And for me, in this case, I put in what we are trying to do, it's like put a couple people below me in charge you believe have the passion, because then it's not all on the CEO and then you you make people part of the solution, you know, versus telling them here's the answer, and that'll take longer. Are you? No, but you will get there. You're more likely to get where you want to go. But it's hard. And I'll be honest, I'm still learning like I am still learning. Today. How do you transform when the house is not burning? Is a different sort of challenge, which I'm excited about. But you know, I am, I'm learning along the way as well.

Jacob Morgan 50:31

Yeah, that's one of the hardest things to do is things are going well, let's Disrupt. It's funny, I interviewed the chef at the number one restaurant, he won the award for world's number one chef five times, so much so that they actually had to change the rules, so he couldn't win anymore. And I was very impressed

steve youngwood 50:50

say what? restaurant was it?

Jacob Morgan 50:52

It's called Noma. It's in Denmark, and his, his name is Rene Redzepi. And what I found really fascinating about him is that when he was getting all these awards at the pinnacle of success, he actually closed his restaurant. And I said, What, what's wrong with you? Why would you do that? And he took his team and they went to go live in different parts of the world are like 60 or 70 of them and their families. And I said, Why would you close your restaurant. And he said, it's because it's success makes you complacent. And success makes you stick within your process and within your rules. And he said that, when he started to find is that things started to become like a template and a routine. And

they couldn't push past that. And so one of the ways that he wanted to keep reinventing himself, was to shut down to experience different parts of the world and cooking in different parts of the world, and then getting the team back together and reopening. So he had this process of being able to transform, but he wouldn't do it at the pinnacle of success, like a restaurant was winning all these awards. And he would say, alright, we're close, we'll be back in like, a year or two. And I thought it was just fascinating that he would even do something like that. That's good for him. Yeah. I don't think a public company that no public company is not going to do that. Definitely not. Nor do I think

steve youngwood 52:06

I've been, it is a great, you know, tell our 500 employees like we're gonna shut down for a couple of years. Yeah. But I love the in the, you know, knowing that that's, that's fantastic.

Jacob Morgan 52:22

Yeah. I mean, sometimes people go through extreme measures to be able to transform now. I'm really interested in how you balance this theme of optimistic very realistic, again, this is something a lot of leaders have to do as well, right? You need to show up to work each day. Even if things aren't going well, you have to be optimistic, but at the same time, you can't act like nothing is wrong. So how, how can you be optimistic, but also bring in that sense of realism so that people know that you're not you know, so it's not BS? If people are like, Well, Steve is out of his mind, if he thinks that nothing's going to happen.

steve youngwood 53:00

I tried to, you know, the a few things like this, the, I mean, it happens in multiple times. It's like, you know, like, and actually, I tried to use it to the advantage, like, because you do need a, like, why do I need to change? Or why do I need to, like NRG was, like, well, you kind of try to, like, Let me paint the, you know, these things are all changing, and we're in great shape now. But, you know, we don't, you know, if we don't do you don't want to scare him too much. But if you don't do this, the only Paranoid Survive, it's like, you know, things could get really bad, but we're in this great position of strength and we can do this. So we can do that and do that and so constantly like that is the, the way you know, that is the narrative I constantly sort of, you know, try to juggle of doing is like Yes. And then we slip in a little bit of realism is like, you know, you know, this may not happen but like listen it really good in this that and the other thing and I think that we really need to, to go after but it's not um, it's it is a delicate balance. And I do think the old leadership because I also tell my teams like you guys gotta go because you start realizing communication and email and all staff, it's got to flow down. It's got to flow down and then even you always hear that message even if it's a tired message to you, you know, until you're tired of saying it no one's heard it. Like that quote. You know, we live in a bubble we see this in our own brand research, we're like, oh my god, are we too much exposure then you do the research and this fragment will 32% of people heard of it, it's like okay, maybe it's, you know, maybe people have other things to do and maybe not everyone reads the this New York Times article or this thing on, on YouTube or whatever it is.

Jacob Morgan 55:00

Yeah. All right, maybe one or two more questions for you, before we wrap up, one of them is around judging a product for success. So you talked about your time at Viacom even your time at Sesame

Workshop, right? Do you have certain criteria that you use to determine if a product or a service is going to be successful, I'm most people listening are not in the, you know, the content, the kids show space, but they probably have all sorts of ideas that they keep getting from their employees for products or services for features for things that should be they should be doing? What's your process for evaluating the potential of an idea?

steve youngwood 55:43

Yeah, obviously, there's ideas can fall in to do different things. And even even the word on profit ours is they come together to is that like, you know, meaning that there is like, is this appeal? Like, is this engaging? And is this like, appealing, then obviously, is that are sustainable or economic models is sort of supported. But on the first one, again, things that I learned at Viacom, things assess me it's like, always keep your consumers needs, and you're always thinking about what what is right for the consumer. And it's easier said than done. But like, always, you know, put that, you know, first and foremost, at the same time, be realistic, that you don't live in a vacuum, you know, that, you know, there's all the alternatives of that there, you know, you know, we always at the workshop, we're poor, we take something on, and again, it's more mission to impact them, it's like, is this a need? Are we in the position to deliver on it? And are there? Can we do it as well, or better than anybody else? You know, you need to believe all three of those, because they're, you know, because otherwise, let someone else do it. You know, and that's, you know, that's obviously not always easy, but he's kind of go through those sort of three, you know, boxes, let alone where does it fit into your sort of, you know, priority stuff, you know, I think that in in a lot of this where I am in the, in the in the in the engagement space called the media space, it is as much as art as it is sort of science, you know, so it is not a, you know, we're generally not filling, even if an extension of what we do in terms of, you know, a toy or a school curriculum, it's not, we're not filling a functional need, I needed something to open this bottle. And this opens this bottle quicker than anything else. We do, given what we do I always say the long term things should be, is this engaging, and people like it? And then for us, is it impactful? And long term? If those two are true, the market should work.

Jacob Morgan 58:09

Yeah, makes sense. And very last question for you. Do you have a leadership hack, tip strategy, something that you think is unique to you that you've done over the course of your career that helped make you a more successful leader?

steve youngwood 58:27

The yeah, there's a funny, you know, this works both ways helped me become who we are. And then you know, I tried to learn to do it itself. There's a, b, the ball is the beginning of it. And I will say that there is a when I was a 23 years old working at McKinsey. I remember in a Pittsburgh airport, you know, because I worked in Cleveland, Pittsburgh, the senior partner, this is back in the day, you could walk to the airplane and almost get on it and like go to the target, you walk someone there, and he was leaving me at the client and and he gets on the plane, and he turns around, and he could tell I'm looking doe eyed as at 23 You're leaving me here alone with the client. And he just looked at me and said, Be the ball and turned around and walked. And I didn't really actually know what he meant, but it felt like what he meant, what first of all, I felt like he was actually saying I trust you, which was in itself and he was like, just believe in yourself. Take control and and I trust you and that was really motivating.

And you know, that had a huge sort of, you know, impact on you know, me in doing what I do is like have confidence yourself and trust, but I knew someone I could ask and that the flip side is a leader. And it's not always easy. But as a leader like if you can trust the people below that and you get a lot more out of them. And it's motivating and it's inspiring. Now, the funny thing about that story was, there's really funny, it's like I said that to someone on my team, like a couple a year or two ago, I said, just who were they were hesitant. They didn't have confidence. They know they do. I said, Be the ball. And they just looked at me, I just said, Trust me be the ball. So today, when you hear something you don't understand, you can go Google it. It turned out it was from Caddyshack.

Jacob Morgan 1:00:26

You're gonna say, yeah, that's i Everyone knows that. Like,

steve youngwood 1:00:29

I did not know that. And I could not look that up in the early 90s on the Google, so. But it was one of those like, Oh, my God, I've been living a lie here. I thought he made up this here. Turns out it was Chevy Chase. But, um, anyway, that that is a lesson that both in terms of, you know, motivating people that that I don't always fell on that because it's a big leap to always like in power and trust, but i It's a lesson that I I know is important and kind of keep going doing.

Jacob Morgan 1:01:03

I think it's a great way to to wrap up. Steve, why don't you let people know? Where can they go to learn more about you, Sesame Workshop and all the stuff that you guys are doing?

steve youngwood 1:01:14

Yeah, so obviously, we have a very creative website called Sesame workshop.org. So you can go see all the great work that you know, we are doing here and around the world. You know, me personally, you know, you'll you can go to LinkedIn, you can find me on sort of LinkedIn and I, I do some posts sort of keep people sort of up to date. And you'll see some, you know, feed it later, some starting to post some articles on Forbes, and, you know, in terms of my sort of musings and thoughts on you know, from a leadership perspective, but also from a workshop perspective.

Jacob Morgan 1:01:46

Very cool. Well, thank you for taking time out of your day. And I guess for everybody listening, be the ball. And my guest again, has been Steve Young wood Chief Executive Officer at Sesame Workshop, and I will see all of you next week. All right, let me