

*Harmony*TM

FORUM OF THE SYMPHONY ORCHESTRA INSTITUTE
NUMBER 5 • OCTOBER 1997

Organization Change

by

Paul R. Judy



To subscribe to *Harmony* or provide support to the Institute, contact:

Symphony Orchestra Institute

1618 Orrington Avenue, Suite 318

Evanston, IL 60201

Tel: 847.475.5001 Fax: 847.475.2460

e-mail: information@soi.org

www.soi.org

Organization Change

In early 1997, I was invited by the American Symphony Orchestra League (League) to assemble a panel of speakers on the topic of “organization change” to be presented at the annual League conference in June. In reviewing a range of choices as to how this topic might best be presented, I decided that within the community of North American orchestras there were some clear examples of significant and substantive organizational development taking place. Also, I decided that there were participants who were thoughtful spokespersons and who could ably describe the organizational change processes achieved and continuing within their organizations. Presented here are key observations of these panelists, along with my introductory and concluding remarks.

I opened the panel presentation with the following:

Our task today is to present ideas about “organization change” within symphony orchestra organizations. Immediately, one might ask: So what’s new about “change” in symphony organizations? Our organizations are changing all the time. People come and go. The orchestra systematically brings in new players. Leadership changes regularly—throughout the organization. There is a new board chairperson every year or two or three. The orchestra committee usually has some annual change in membership, including a new chairperson every so often. The guild has a new chairperson every year or two. Officer positions rotate annually. Staff turnover takes place—sometimes too often! So, with all these people changes, isn’t our organization changing all the time?

We all know that in most cases, despite these people changes, the way symphony organizations are structured and function doesn’t change much. Even with the changes in leadership positions, we more or less follow the same procedures and the same practices, year after year. We more or less do what we have always done. It is what we are used to. It is what we are comfortable with. It is what everyone else in our industry does. It is human nature to choose the tried and the true, the known versus the unknown, the certain versus the uncertain. We prefer the status quo, the existing patterns, the established relationships, the environment which we know—even if there are obvious and repeated

deficiencies, and even if the world is rapidly changing all around us! We find it hard to change. We are leery of new ways of thinking and doing. Maybe afraid is a better word than leery.

But every once in a while, particularly when the going gets tough and our organizational existence and careers are threatened, we consider the possibility of doing things differently. Maybe it is because, under these circumstances, the uncertainty and fear of change are more than offset by the deeply felt necessity to preserve our organizations and our roles in our communities. The latent views of at least a few leaders—that there must be a way to establish more productive and sensible ways of functioning within symphony organizations—begin to emerge.

Today, we will hear the stories of three symphony organizations which went through, and are still going through, substantial changes in the ways they operate, as compared with former patterns, and as compared with many similar organizations. Some of this change can be described as “structural,” i.e., the formal, generally hierarchical relationships between people and roles in the organization. But I would describe most of the change which has taken place in these three organizations as “process,” changes in interpersonal relationships and levels of trust throughout the organization; in the flow of communications and the sharing of information; in decision-making practices; and in leadership patterns.

The first presenter was Dwight Johnson, a past-president of the board of the Hartford Symphony Orchestra. The HSO organization went through many years of organizational dysfunction and chronic financial difficulty between the middle 1980s and the early 1990s. After a year long work stoppage, an important structural change in governance took place in 1992, when ten musicians were elected to the board of directors, of which group six musicians—constituting the orchestra committee and the ROPA delegate—were ex officio members of the executive committee, making up one-third of this committee’s membership. This significant structural change was followed by a particularly intense experience in late 1993 and early 1994, as a group of musicians and board members, working together through a facilitated group process, developed a new and innovative musicians’ contract, and generally established a new paradigm for decision making and cooperation within the HSO organization. As Dwight said in his presentation, “Key board members and musicians leaders [became] convinced that if we worked hard enough to understand the issues and communicated fully with each other, we could reach agreement on almost any issue.”

Dwight concluded his presentation with the following thoughts about symphony orchestras:

First, in my opinion, neither management nor musicians can afford to

apply traditional union-management practices to symphony orchestras. Symphony orchestras are too fragile and too dependent on the good will of their communities to employ the hard-nosed, adversarial bargaining approaches often used in the business world—approaches that rely on the ultimate threat of a work stoppage. The price of a work stoppage is too great for the average orchestra. Work stoppages generate ill will for institutions that depend on good will for their survival.

Second, I believe that we must change relations between board and musicians and, most importantly, that it is the board and the staff that must lead the way in that change. Many board members are experienced in reaching agreements and in compromising their objectives to achieve longer-term goals. Fewer musicians have this experience. Most musicians have been trained as artists who struggle to achieve perfection in their work, and few are experienced in the ways of the business world and its daily requirement of compromise and adjustment. In fact, on more than one occasion I have found myself in discussions with bright and knowledgeable musicians who firmly believed that to compromise on a particular issue would be inconsistent with their commitment to their profession. We board members from the business world need to understand and respect those beliefs.

Finally, boards of directors must regard the well-being of their symphony's musicians as one of their primary objectives—right up there with the interests of their audiences and contributors. Musicians with the talent that we see in our symphony orchestras have earned and deserve that commitment. If we value the music they play, we must also value those who play the music. If we do not, moreover, we jeopardize the future of our institutions.

The next presenter was Sara Harmelink, who has been a violist with the Milwaukee Symphony Orchestra for more than 25 years and, until recently, served as chair of the MSO Players' Council. As Sara outlined, the MSO was organized in 1959 by some music-loving citizens and quickly achieved great artistic success. For many years, relations within the organization were cordial. Then suddenly, in 1993, "All that changed . . . [with] a bitter and very public negotiation. . . . Somehow that sense of community which had brought the MSO into existence had dissipated and the very survival of the MSO was in question."

Looking back, Sara noted two key factors leading to the 1993 crisis:

A breakdown in communication [had taken place] throughout the organization and between the symphony and the community, [and this] led to extreme distrust. Ninety-five percent of the musicians did not know any board members and weren't even aware of who they were. If board members had come backstage, we would not have greeted or recognized them. We had no concept of the amount of time, energy,

and resources they had given to this orchestra so it could continue to exist. The board members had no personal experience with musicians to know what kinds of people we were or what our lives were like as musicians. There was a minimum of communication between management and musicians, and the musicians were unaware of the artistic and financial decisions until they were already made.

The second factor that brought us to a crisis point was that the board was faced with a growing accumulated deficit, in large part brought on by a failing summer season. The approach the board chose to follow involved asking musicians for contract concessions. When the musicians were confronted by a large pay cut and a shortened season, they felt they had earned the right to ask why. How was this orchestra being run and what steps had been taken to avert this crisis? Unfortunately, although many explanations were forthcoming, the lack of communication had bred distrust. We disagreed openly, but after many months of continued strife, the board, management, and musicians became aware that if we were to keep our audience, donors, and musicians, a settlement must be made.

As Sara noted, an agreement was reached that “contained three new mechanisms for increased communications with the musicians. A Summer Task Force was created, musicians were included as members of Executive Director Search Committee, and musician representation on the board was instituted.”

Within a short period of time, relations between musicians, board, and management began to improve in marked contrast to the buildup of tensions culminating in the summer of 1993. As Sara reported:

How do you create trust when there has been inadequate communication? We all needed to take the first step. . . . Musicians trod lightly at first, listening and learning by asking questions before speaking out. We attended meetings regularly to show our commitment. It took some strong leaders on our board to be the first to share confidential information with the musicians. This was a trust that was not betrayed. Sharing of the data led to frank discussions and the atmosphere grew less tense. We got to know board members on a personal basis, talking about our families and outside personal interests. Board members enjoyed discussions about recent concerts and wanted to hear our personal artistic opinions, such as how we liked the conductor or soloist, or what piece we enjoyed the most. We attended parties together, sometimes hosted by a musician, a board member, or our executive director. Musicians went to joint editorial board meetings for local newspapers. Some musicians spent several evenings at the symphony office telephoning donors thanking them personally for their support. Donors, many of them board members, were invited to listen on-stage for a rehearsal with our music director. Our volunteer Symphony League hosts musicians, staff, and board members for a

special dinner at their annual fund-raising event, the Symphony Showhouse.

So what happened to the old stereotypes? We have found that there is no room for the old stereotypes if we are to communicate. We need to know each other as individuals with our own unique problems, but can still share a common goal for the organization.

Sara concluded her presentation with the following thoughts:

Those of us already actively involved are coming to realize that over the last 25 years the job description of a symphony musician has changed. No longer is performing at the highest artistic level enough. Musicians are needed to work within the organization, to be able to create and compromise, while expressing that the artistic missions be held high. No longer can board members simply give generous donations and attend social events. They also need to give of their time and expertise, and to assist in fund raising. No longer can managements simply plan seasons and administer the complex operations of a symphony orchestra. They have the large task of holding the three groups, and community volunteers, together.

Many of our musicians are on committees instead of or in addition to volunteering in the community because the MSO is more than just a job to us. We believe it is a very important part of our community. We have also been inspired sitting next to the board members who have been generous and committed to our symphony for the same reason. This shared dedication to the community and to the music we create has resulted in a common bond between the musicians and the rest of the symphony organization.

It is difficult for symphony orchestras to thrive or even to survive. There is no guarantee that we may not again encounter times of internal strife. We are hopeful that with growing communication and the development of trust we can forge decisions to help us face any difficult times ahead. It is important to remember that there can be organizational structure for increased communication, but in the end it is the dedicated people *together* who make it work.

Larry Tamburri, executive director of the New Jersey Symphony Orchestra, made the third presentation. Larry described the unique challenges of an orchestra organization attempting to serve statewide audiences who have other musical choices within easy reach in either New York or Philadelphia. He summarized the dynamic, but somewhat erratic, growth of the NJSO throughout the 1980s, and explained that continuing financial crises led to a turning point in 1990, under the guidance of a new board chairman. Within a few years, the New Jersey organization began to show the effects of change in organizational philosophy, stemming especially from the new chairman's directive "to find ways to include the musicians in the issues facing the orchestra."

As Larry noted:

The musicians and their leadership took a bold step based on trust. A new atmosphere was forming within the organization—which has continued to evolve and so far grown stronger over time. There are at least four key elements that drove this change: inclusion, personalities, communication, and trust.

The two search processes [for a new music director and a new executive director] were a good beginning. Each search:

- ◆ was an exercise in organizational bonding;
- ◆ ultimately provided leaders to the institution in whose success various components of the organization had a stake; and
- ◆ found people who fit the institution and had the right chemistry.

When asked about the orchestra's survival during this interesting period, a musician said: "For the NJSO, the deciding moment was when this chemistry came together. This orchestra finally evolved from being a factionalized organization to one that had a common vision. Without a common vision, no orchestra is going to grow."

Communication, another of the key elements in this change, was and is a complex issue given the number of people involved in the orchestra, but several practices have helped:

- ◆ attendance and reports by the orchestra committee at all board and executive committee meetings, board retreats and annual meetings;
- ◆ musician committee members receiving all financial reports and audits;
- ◆ musician membership on board committees; and
- ◆ brown-bag lunches between rehearsals with musicians to update them on matters of institutional importance.

The cement that bonds this "process of change" is trust. Over the last five years, as an institution, we have been through some extremely difficult times and have had to make several decisions crucial to our existence. Each time we have solved a problem and made such a decision, we have done it together.

Due to the collaboration of the various parts within our organization—the board, musicians, staff, music director, and volunteers—our financial situation has gone from catastrophic to manageable; our subscriber-donor base has grown dramatically; we will be entering our new home, the New Jersey Performing Arts Center, in October; and we settled our master agreement three-and-one-half

months before the current contract expired. Our situation is not perfect, but there is a strong spirit of optimism.

I concluded the panel presentation with the following comments.

You have heard the stories of three organizations in change, from the vantage point of three very thoughtful and committed participants, each having a very different leadership role in his or her organization, and in the change process. The kinds of change processes experienced in these three organizations are all in the category of what industrial psychologists generally refer to as “organization change and development” or, for short, “OD” situations. “OD” may be thought of as comprehensive, planned, systemwide change, utilizing organizational behavior knowledge and practices which help organizations become more effective and more productive, with improved quality of life in the workplace, and better products and services for customers.

In two of the organizations, a significant new direction and subsequent pattern of change has been and is being achieved without the assistance of a “change agent.” In the other organization, a facilitator helped the leadership choose and pursue significant change. In each case, a near crisis brought together a handful of people of good will to initiate real change. These leaders began quickly to trust each other, and each had the trust of his or her constituency. Trust broadened, and subleaders were drawn into the process. Each of these organizations is, over time, in its own way, building the mind set of “change” into its culture, so that change processes become the ordinary and not the exception. Like a human being, each organization is desirably “learning” as it develops, improving its processes and its effectiveness, and challenging all participants to grow and broaden professionally as the organization grows and develops.

In conclusion, I am hopeful that in coming years there will be many more “organization change” stories that can be told at this annual conference. I also hope there will be some which are not crisis-related. I look forward to the day when so many striking, significant organizational change processes are taking place throughout the community of symphony institutions that it has become “old stuff,” quite blasé. That is a goal to which the Symphony Orchestra Institute is dedicated!

A full transcript or audiotape of the panel presentation on “Organizational Change” at the annual conference of the American Symphony Orchestra League, held in Washington, D. C., on June 19, 1997, may be obtained from the League.

Paul R. Judy, founder and chairman of the Symphony Orchestra Institute, is a retired investment banking executive. He is a life trustee and former president of the Chicago Symphony Orchestra. Mr. Judy holds A.B. and M.B.A. degrees from Harvard University.