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The Turning Point

*A roundtable discussion with members
of the New Jersey Symphony Orchestra*



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The Turning Point

We all like to read success stories, stories about changes that work. Just such a story awaits as you begin to read this issue of Harmony. Our story opens with an introduction, written by Paul Judy, that describes briefly the history of the New Jersey Symphony Orchestra (NJSO). Beginning in the 1970s, it is a history replete with organizational and financial conflict. Fortunately, it is history!

In Their Own Words

The story continues, picked up at the turning point, as related by seven members of the NJSO orchestral family. These seven came together to participate in a roundtable discussion of when, how, and why successful change occurred in their organization.

What you are about to read is an edited transcript of their discussion, one in which musicians, board members, and staff consider the elements that were involved in making changes happen. It is an encouraging recital, related with great candor, that touches on organizational aspects of the NJSO ranging from board structure to musician-staff relations. Each participant offers a different point of view, but all agree that the inclusion of musicians in decision-making processes was a critical element in this organization's success.

And a Word of Caution

In a coda which follows the roundtable, Paul Judy sounds a cautionary note, reminding us that the NJSO still faces substantial external challenges. But his parting shot is upbeat, "It is a reasonable bet that this organization will be successful."

The Turning Point

The New Jersey Symphony Orchestra (NJSO) was founded in 1922 and has antecedents which date to 1846. The organization adopted its present name in the late 1930s, a decade during which many players in this orchestra were also regular New York Philharmonic musicians. From its inception, the NJSO has played an extensive repertoire and has performed music with some of the world's leading concert artists.

After World War II, the orchestra began to play for audiences of all ages at various venues in and around Newark, its base city, and at locations throughout New Jersey, as it developed significant and growing state financial support (which continues to this day). As Samuel Antek, who served as music director from 1947 to 1958, said of this period, “. . . the relationship between the orchestra and community becomes ever closer and more meaningful. The days of royal patronage and the rich ‘angel-backer’ are passing . . . orchestras must be supported by the broadest cross-section of people. . . .”¹

In 1960, the budget of the NJSO was \$60,000 per year, a number which grew to more than \$250,000 by the mid-1960s. By the early 1970s, the budget had more than tripled; a significantly expanded performance schedule exploded costs to unsustainable levels. This overexpansion led to major operating deficits which were soon followed, during the 1973-1974 season, by an abrupt cutback in performance weeks, from 36 to 23. Along with the operating and financial crisis came mounting musician and organization tension and changes in administrative and artistic leadership. As a musician who participated in this period of organizational conflict said:

I am someone who had a basic benevolent spirit when I joined the orchestra, but I lost it. I can't overstate how hurt, how angry I was—as a musician, as a human being with feelings—that the orchestra was being run so ineptly, with such short-sightedness, with no attempt to utilize the positive abilities of the people who were working here, all of whom wanted things to get better. . . . I was invited to attend a board meeting during this period and it showed me how closed-minded and inflexible our board was. The board felt that we musicians had nothing to communicate that would be of any positive use in terms of moving the organization forward.²

Throughout the 1970s and into the 1980s, the NJSO's financial statements were "qualified" by the orchestra's auditors due to ongoing operating deficits and questionable operating ability. The orchestra went on strike briefly in 1979 over an artistic matter. In the 1980-1981 season, performances were suspended and the following season, performance weeks were again cut drastically, from 31 to 11. In early 1983, the music director and the orchestra parted ways. However, despite a decade of financial and leadership turmoil, the orchestra continued to display a high level of artistry and ensemble as evidenced by the excellent reviews which its regular Carnegie Hall appearances received.

Over the nine seasons ending in 1991, the organization again experienced very high revenue and cost growth, along with regular operating deficits.

Table 1
Statistical Information from the NJSO (in thousands)

	1981-1982	1990-1991	Growth Rate Per Year
Performance Revenues	\$412	\$2,332	21%
Private Support	\$659	\$1,813	12%
State Support	\$600	\$1,796	13%
Performance Costs	\$939	\$4,359	19%
Administrative Costs	\$457	\$2,243	19%
Accumulated Deficit	(\$636)	(\$1,553)	Not Applicable

During this period, in 1986, musicians' compensation was changed from a per-service basis to a weekly salary basis. Between the 1981-1982 and 1990-1991 seasons, the number of performance weeks expanded from 11 to 26 and players' minimum annual compensation grew from approximately \$5,000 to \$20,000. Between 1985 and 1992, a new music director helped diversify programming, musical activities, and venues and the orchestra continued to be recognized for its outstanding artistry. Leonard Bernstein is reported to have said in 1987, "This is a terrific orchestra."³

But despite steady physical and artistic growth, the NJSO organization continued to be characterized by compartmentalization, disconnection, and tension among musicians, music direction, management, and governance. It also suffered chronic financial shortfalls. The overall attitude, commitment, and vision of the board was viewed by a thoughtful musician and confirmed by a staff member as "active in its passivity."⁴ The board operated with modest knowledge of orchestral operations and with no effective oversight of management. In the mid-1970s, for various well-intentioned reasons, the NJSO instituted the practice of having two persons share board leadership. But by 1990, this practice led to serious ambiguity about the responsibility and accountability of this central volunteer function.

In late 1990, another crisis was emerging. In the words of another musician:

[It was] immediately before 1991 that the crisis began. The board was holding fast to a plan that would have cut our compensation by 47 percent. We were in a play and talk situation, there was almost no negotiation going on, and very little communication. We wrote letters to every board member trying to describe our frustration with the lack of contractual progress, attempting to humanize our situation, and explaining that a 47 percent pay cut was really going to impact our families, our lives, and our affiliation with the symphony. Many people were considering leaving music or the symphony in order to make a living. The board was a solid, evil, dark, ominous entity that we did not deal with well. Victor Parsonnet, who was on the board but not yet chairman, was the only person who answered every single letter he received. This was the first hopeful sign that perhaps someone was hearing our message. It was a very important turning point.⁵

Beginning with that turning point, NJSO participants should tell their own story to readers of *Harmony*. The Symphony Orchestra Institute asked several of them to sit down together and think out loud about what has transpired in their organization since 1991. What follows is an edited transcript of that roundtable discussion.

Lawrence Tamburri: Paul Judy asked us to come together to share our thoughts about what has changed in the NJSO since 1991, and why. To get us started, let's go around the table and briefly introduce ourselves. I'm Larry Tamburri and I have been the executive director of the NJSO since 1991.

Randy Hicks: I am principal tympani with the NJSO and have been a member of this orchestra since 1971.

Bob Wagner: I am principal bassoon and chairman of the orchestra committee. I joined the orchestra in 1979 and have served on three negotiating committees and a couple of renegotiating committees.

Victor Bauer: I am vice president for finance and treasurer for the NJSO and the former president of Hoechst Roussel. In the late 1980s, one of my colleagues who represented our company on the NJSO board invited me to attend a concert. I liked what I heard and when the symphony started their chamber concerts in New Brunswick, I took a subscription. I have been going to concerts ever since.

Karen Swanson: I am general manager of the NJSO. I joined the symphony right out of school in 1986 as an administrative assistant. In the intervening years, I have served as assistant orchestra manager and orchestra manager, as well as serving for six months in 1991 as acting executive director.

Lucinda (Cindy) Lewis: I am principal horn and also secretary of the International Conference of Symphony and Opera Musicians (ICSOM). I have been a member of the orchestra since 1977. When I came to the NJSO, I had previously performed in Israel and had no experience dealing with an American orchestra.

Victor Parsonnet: I am chairman of the NJSO and have been since 1991. I am

currently Director of the Pacemaker and Defibrillator Evaluation Center and Director of Surgical Research. For 27 years I was Director of Surgery at Newark Beth Israel Medical Center.

Tamburri: Let's assume that those who eventually read what comes of this conversation have been briefed about the history of our orchestra and understand that we had some very troubled times. So I wonder if we can talk about a defining moment that caused things to come to a head and move in a different direction?

Swanson: Within one year, in 1991, we had a new executive director, a new music director, and a consolidation of board leadership when the roles of president and chairman were merged into one position. That was a defining moment for me. Victor Parsonnet isn't just chairman of the board. He has grown up with this orchestra and truly approaches it with his heart, not just from a business standpoint. Zdenek Macal brought us strong artistic vision and, Larry, you brought us an openness that is not driven by ego. Macal articulated this best when he got up on the podium and said, "The past no longer exists. Forget about it. Go on to tomorrow. Stop talking about yesterday." I think that because the three leadership positions changed simultaneously it was possible to leave the past behind us.

Parsonnet: While I agree with Karen about when things started to change, I think there are other elements that are important in trying to identify a defining moment. We made a major effort to include the musicians in all of our planning processes, our committees, and particularly in our board considerations. Musicians also served on the search committee for a new music director and for other important appointments.

The appointment of Zdenek Macal as our conductor was a stroke of good fortune. He, I, the executive director, and the general manager act as a cohesive, admiring, and cooperative unit. The level of cooperation between musicians and the board has increased to such a level that many of the musicians make contributions to the annual fund and contribute their time and effort toward reaching out to the community.

I would characterize the relationship among the board, the staff, and the musicians as one of colleagues working together for the same goals, rather than as employer-employee relationships. A true sense of affection and appreciation exists among us and is something of which we are quite proud.

Tamburri: Bob (Wagner), I get the sense that you think the defining moment was earlier.

Wagner: The defining moment for me was observing Victor Parsonnet's level of commitment and energy. He stepped in and took real leadership of the board. He also asked some of us musicians to join in the interviewing process of executive director candidates which I think Larry would agree was different from the standard arrangement.

He explained to us that he saw little difference between running a hospital

and dealing with doctors who are highly skilled professionals and running an orchestra and dealing with musicians who are highly skilled professionals. He has taught us that it is not a “labor-management” situation because we are all educated, creative people who can work together to find solutions.

The inclusion of musicians in the decision-making process was a great sign for us and did a lot to energize people like me who had become pretty cynical. I know it is difficult for some musicians to even consider trusting board members and I am sure it is just as hard for some board members to trust the musicians. We still have an ongoing project to facilitate the goal of just knowing one another.

Tamburri: You just touched on something that always bothers me. You said Victor taught us that it is not a “labor-management” situation. You don’t like to be considered labor and I don’t like to be considered management. I always look at it as the staff, not the management.

Wagner: You are right, Larry. I don’t think of us as “labor.” Maybe we’re “the help,” but we are also the product. We are the reason this organization can function at all.

Hicks: I think it takes a long time to get beyond the concept of “labor-management” because it is very deeply rooted, in my view. I am not exactly a radical and if I have trouble with this change, imagine how musicians to the right of me must feel. Even if they had 52-week, \$100,000-a-year contracts, they would still feel ill at ease. It is also possible that there are board members who are still locked in the old roles. It is the unique problems we find ourselves facing that will bring rise to new relationships among the three groups.

Swanson: Actually, Randy, it is four groups. We can’t forget the audience. I want our concert goers not to see just “the orchestra.” I want them to get to know Randy Hicks—not just “that guy playing the tympani.”

Hicks: I think the board recognizes that the people who come to our performances are an asset and that the orchestra is something that is part of them. So I agree with you that we should try to get away from the label of “the audience.”

Tamburri: Let’s change the focus of this conversation a bit. The very fact that we are sitting here having this conversation means that the NISO has musicians, staff members, and board members who talk with one another. We’ve mentioned the fact that I was interviewed by musicians as part of the search for an executive director and I also know that musicians had a great deal of influence in the hiring of the music director. So the question is: can we identify what we have done to improve communications? Remember, the whole point of this conversation is to share our story with the hope that it will make life better elsewhere in the industry.

Bauer: One of the prime problems we had in 1991 was communication. I think the staff had a pretty good idea of the problem points, but in general they were not able to communicate in a way that was understandable to someone who did not have all of the background. Given enough time, anybody can get the

facts and understand them, but the key is to be able to communicate important information quickly.

For example, at one time the NISO had trouble even generating numbers, let alone having a clear picture of its finances. Our financial organization is now much stronger and I think one of the things we have tried to do in the last four or five years is to find ways to communicate information about our financial condition to everyone. We may not be very good at it yet, but we are doing better.

Swanson: If you are looking for specifics, I think the “brown bag lunches” that we have with the orchestra between rehearsals are a good example of new ways to communicate. It is great when you join us, Larry, but it is even better that Victor Bauer has come to almost all of them. Because the numbers are always such a big issue, it is important to have someone who really understands them available to explain them to the orchestra. Having Victor with us in an informal setting brings a sense of truth and honesty.

Tamburri: Extending our thinking about communications, I have a question for Bob (Wagner). You have been coming to board meetings as long as I have been here. Would you prefer that musicians actually sit on the board as voting members or is it better this way?

Wagner: I am a proponent of maintaining a real distinction. I think musicians should be on the stage. I don’t want board members on stage. We musicians don’t have a role on the board unless we are able to go out and raise the dollars that the NISO needs. That is the role of the board.

But just as I welcome board members at concerts and rehearsals, I appreciate being welcome at board functions. The fact that I can speak about anything I wish with the board is sometimes helpful, sometimes disturbing. But to have the opportunity to share the concerns of the musicians with the “final decision-making body” of the orchestra is very valuable.

Because individual personalities are involved, I am not sure that all musicians would feel comfortable being involved at the board level. It is the staff that must facilitate musician involvement and keep it at the forefront of the organization.

And I think it is important for those who read the transcript of this roundtable to understand that what we are doing here is not perfect. We have a long way to go and it is an ongoing process. Right now we have 15 or 20 musicians who are very committed and are willing to volunteer their time to help the organization. We need to find ways for more musicians to volunteer and know that their time is not being wasted; that they are not just there for “show.”

And even when two musicians serve on a committee, there is no guarantee that everything that is said in a committee meeting is communicated to all 70 musicians. The only guarantee is that two musicians know what was said. That is not good communication, just a beginning. Victor (Bauer) is right. We are only learning how to communicate and we have a lot of improvement to make.

Swanson: But even so, when we have a problem—whether it is financial in nature or broader than that—musicians are brought into the process. And my sense is that most of the musicians feel that even if they have not been directly involved in the discussion, they have colleagues who have been involved and will be informed of truly important items.

Hicks: In a way, better communication really hasn't taken long to achieve. As a member of the orchestra, I can speak personally about the fact that we musicians can be a little lackadaisical in admitting how far we have come in terms of communication.

I think we need to remember that because of our proximity to New York City, this organization has never really been penalized artistically for not doing what it was supposed to do. Any other organization that has been through what we have been through probably would have just vanished. But our musicians can hold their noses and take gigs in New York to support themselves.

There is still a sizable minority of the orchestra that has not been won over. They are not willing to commit themselves and let go of their freelance mind sets. It is possible that when we move into the new hall (the New Jersey Performing Arts Center), some of the people who are reticent about letting go of their ill feelings will relax and want to become more engaged.

Tamburri: Let's take a different tack and talk about how the contract affects communications. I have worked in organizations where the operating mode is that if you have the letter of the law on your side, you don't communicate about an event that is going to occur because the other side just has to live with it. Here, we tend to focus on what the impact of a decision is going to be and to communicate with the proper people.

Several times a year, things happen where we believe our decisions are right according to the contract. Yet, Karen picks up the phone and calls someone on the orchestra committee to explain what we see coming up and to ask what they advise. From my experience, this is not typical in most symphony orchestra organizations.

Swanson: Larry, that cuts both ways. Over the past few years, the leadership of the orchestra has been strong and Bob (Wagner) and the rest of the committee have also been committed to maintaining a high level of communication.

Tamburri: I think a lot of trust goes into building this kind of relationship.

Wagner: I think we are such a small organization that we cannot afford to be factionalized. We all have to be focused on the same thing . . . to create the greatest music possible from the group of musicians on the stage at the time, regardless of venue.

Swanson: I don't think a big orchestra can afford to be factionalized either.

Wagner: I agree.

Hicks: They can get away with it longer.

Tamburri: Again, realizing that we are trying to think out loud in ways that might help others in our industry, can we identify any specific factors that explain why this orchestra has survived when others have not?

Wagner: I don't know if I am going to answer your question, but I want to say that exorbitant guest artists' fees have had a serious negative impact on our small orchestral institutions. More and more, our musician colleagues are forced to leave the profession because there is not enough work; there are not enough symphony orchestras to keep us in music. I guess I want to know how you find the sense of purpose within the organization.

Lewis: That's part of the problem. Let's look at some orchestras that have failed and some that have survived. The situation for the San Antonio Symphony is similar to ours. Both have had financial problems and internal union problems, but both have continued to exist in spite of deficits that should have put them out of business. This is true primarily because their boards—no matter how strong or weak they were at the time—really did want the orchestras to survive. There was at least some commitment to continue these organizations' existence.

Contrast these situations with San Diego and Sacramento which have gone completely out of business. In those instances, the contention among the parties was so significant that nothing could be done to save them. Everybody was so entrenched in his own position that it caused an orchestra's undoing.

The important point is that you have to have the right chemistry among the people who are involved. For the NISO the deciding moment was when this chemistry came together. It was almost like a star was born and then an event occurred which caused the star to become a planet. 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.

Tamburri: Lucinda, are you saying that only through fate can symphony orchestras reach this point? Are there actions that people can take to bring organizations to this point?

Lewis: I don't know if unity can exist except when the personalities provide for it. It is important for boards to be autonomous because they are the ones that are responsible for governance and for raising the money. Musicians are responsible for producing the sounds that go into the product that we provide for the public.

But it is helpful for us to know what the board's and the institution's problems are. It is also important for the board to understand what our problems are as artists. That is how you make the institution stronger from both sides. But if your leaders don't have the personal security to be honest with one another, it won't work.

We all know of boards that have very paternalistic views of their orchestras.

How many times have we heard board members quoted as saying, “We are doing our best for the musicians”? Which brings up the question: who owns the institution? We all need to remember that it is a public trust. It does not belong to the board. It does not belong to the musicians. It does not belong to the staff. It belongs to the public and we are the professionals who provide a service to the public.

What can we do to make it work? I think everyone needs to be willing to expose themselves for what they are and to say what we personally can do to make the organization better. It is the willingness of each party that will determine how well it will work.

Tamburri: Victor (Bauer), are there models in the business world which we can emulate to strengthen our organization?

Bauer: Let me say that I believe that one member from the orchestra and the executive director should be full members of the board. But it is not an important enough point to argue about.

There are some management objective parallels that I do see. Most corporations have profit objectives and focus on things that provide income for the owners. Cultural organizations are a little different. For example, the idea of running deficits is probably not unreasonable—governments do it all the time—as long as you can find a way to pay your bills in the process.

The idea of communicating, or to use the current management buzzword, “empowering the employees,” is really trying to move the decision process out of senior management levels and down to whatever level has the information available to make a reasonable decision. This thinking supports the idea of having musicians on all of the major committees and on search committees that are musically directed. But we still need to recognize that there is no sense in being on a committee just for the sake of being on a committee. And in this orchestra, there are not a lot of committees that do hard, day-to-day work.

Tamburri: I would like you to think about one final question. I have heard over and over in this conversation that much of what we have achieved is a direct result of the personalities involved. What if those personalities change? What if this Victor decides to move to California and the other Victor decides to move to Hawaii?

Bauer: It won’t happen. But you have identified something that this whole organization needs to work to solve. We need to identify more people who are interested in music and who have the time and the ability to be on the board.

Tamburri: I agree that the board has to create the culture internally for the orchestra. I do believe that you can create a culture over time that will perpetuate itself but that doesn’t just happen in two or three years. I have seen it happen and it is the only way we can have a healthy symphony orchestra. Creating that culture is beyond the musicians and really must be left to the trustees.

Having said that, I want to thank each of you for your contributions to this conversation. When we read back over what we have said, I think we will find that we are strong people who hold strong convictions. We are also convinced that our collective actions are more important than our individual actions. These are the elements which we can identify that have made a difference for the NJSO.

A Look Ahead

As of early 1997, the external challenges facing the NJSO are substantial. State and federal funding reached a peak of \$2.3 million in fiscal 1989 and then declined to a current level of approximately \$1.2 million. Operating deficits increased significantly over the five seasons ending in 1996 and were financed primarily by increased borrowings. In 1995, a special grant from the state allowed the NJSO to retire outstanding borrowings and substantially reduce its accumulated operating deficit. Operating costs continue to mount and growth in performance revenues and private contributions is vital.

In October 1997, the NJSO will take up residency in the New Jersey Performing Arts Center, currently under construction in central Newark. This move will require even higher levels of audience support. But the leadership of every key unit in the NJSO organization appears to be cognizant of the benefit/cost/risk relationships of this venturesome move.

It is generally agreed that the NJSO would not exist today without the new levels of communication, involvement, participation, trust, and leadership initiated five years ago. Long-standing and high orchestral artistry continues to be a primary asset. As a total organization, the NJSO appears ready for its large external challenges. It is a reasonable bet that this organization will be successful.

Notes

¹ Sedgwick, Clark and Scott Paulin. 1992. *The Story of the New Jersey Symphony Orchestra*. Newark: New Jersey Symphony Orchestra.

² From a member of the NJSO roundtable discussion group.

³ Sedgwick and Paulin.

⁴ From a member of the NJSO roundtable discussion group.

⁵ From a member of the NJSO roundtable discussion group.