Good Governance for Challenging Times: The SPCO Experience

by

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What do we mean by “governance” anyway? In the traditional structure utilized by many nonprofits, including many orchestras, it has been generally accepted that governance is something that the board does, management is something that the staff does, and musicians don’t do either one. In that traditional context, governance is some combination of setting policy for the organization, hiring and evaluating the CEO, and being responsible fiduciaries of the overall financial health, legal compliance, and ethical behavior of the organization.

Reliable, transparent governance is critical to fostering and preserving the community’s confidence in the organization. In turn, that confidence creates the fundamental trust that is necessary to attract much-needed donations from individuals, corporations, foundations, and government agencies. It is the governance structure that brings stability and continuity to the organization.

Governance responsibility properly belongs with the board of directors (sometimes called the board of trustees) of the organization. Applicable state and federal statutes prescribe the basic duties and responsibilities of those boards. Ultimate legal responsibility for the organization cannot be delegated away. Indeed, collaborative governance does not in any way diminish or dilute the responsibilities of the board. Rather, more collaborative governance simply implies broader membership on the board by representatives from other constituencies (i.e., senior staff and musicians) and greater interaction, communication, and collaboration between the board and those other constituencies.

By the way, governance does not include raising money, although that is an important responsibility of most boards. The fundraising function, while critical, is not in fact a governance function. When board members raise money, they are really serving as volunteer extensions of the development staff, not as governors.
Governance is Governance: The Dayton Model
As recently as 15 years ago, the traditional model was not only widely accepted, but strongly encouraged by those who thought and wrote about governance in the nonprofit sector. The seminal publication on the fundamentals of nonprofit governance—what it is and what it is not—was written in 1987 by Ken Dayton, then the CEO of the Dayton-Hudson Corporation (now Target Corporation). Ken, who died earlier this year, and his wife Judy have been the most generous and most thoughtful philanthropists in our Minneapolis-Saint Paul community for the past 50 years. They have been singularly supportive of the Minnesota Orchestra, as well as of the Saint Paul Chamber Orchestra and myriad other arts and cultural institutions in the Twin Cities.

Dayton’s 15-page monograph was entitled “Governance is Governance.”
Dayton drew upon the traditional corporate governance model employed in the late 1980s. He advocated for a relatively narrow role for trustees in their governance of nonprofits. He basically said that trustees should:

◆ set policy;
◆ hire and evaluate the CEO in his or her performance and achievement of the policy; and
◆ raise money.

If that was governance, then management was, by definition, everything else and was the exclusive province of the hired staff. Dayton urged trustees in general, and board chairs in particular, not to rush in to fill voids left by management. He reminded his trustee audience that the hired CEO really was the chief executive officer and, as such, was the person who made the decisions about, and was responsible for the management of, the organization, its finances, and its personnel. In this traditional structure:

◆ the CEO, not the board chair, is the CEO;
◆ the board chair is the CEO’s partner;
◆ the trustees’ role is to support, encourage, challenge, and stimulate the CEO;
◆ the CEO must avoid leaving management “holes” that trustees might be tempted to fill; and
◆ the trustees must avoid the temptation to fill any “holes.”

The Dayton monograph was a much-needed piece at a time when the nonprofit community had not really addressed the concept of governance in a disciplined way, and there was little or no developed literature on the subject. Those of us who today have read articles and books on the subject of nonprofit governance may find it difficult to remember a time when there was nothing available to read, no consultants to hire, and no resources like the National Center for Non-Profit Boards (now known as BoardSource).
It was really Ken Dayton who first taught the nonprofit sector to respect its managers, to let them manage, to let them be CEOs, and, in that now overused term, not to “micromanage.”

The Expanded Understanding of the Governance Role
However, since publication of Dayton’s important treatise, our understanding of both corporate governance and nonprofit governance has expanded dramatically. In the current post-Enron era, with Sarbanes-Oxley the new law of the land, everyone accepts the fact that boards need to be far more actively engaged in their organizations than ever before. In a recent PBS NewsHour with Jim Lehrer special on the corporate scandals surrounding Enron, WorldCom, Tyco, ImClone, Global Crossings, and others, Bill George, the former CEO of Medtronic, Inc., and a highly regarded Minnesota CEO, put it this way:

I’ve served on I think nine boards over the years. And they’ve been very good boards, but I feel somehow our boards have not done the job in terms of governance . . . and have really conceded too much of the power to the CEOs. . . . I think we need to move on a much broader front than just trying to extend jail terms for criminals and to strengthen our systems of governance.²

The same is true in the nonprofit sector. The evolution there began a decade ago, in 1993, when Christopher Hodgkin, writing in the journal Nonprofit Management & Leadership, challenged Dayton’s approach. In an article entitled “Policy and Paperclips—Rejecting the Lure of the Corporate Model,” Hodgkin argued that the very nature of nonprofits demanded that the trustee’s role be broader than the corporate model Dayton had proposed in 1987.³

Another significant contribution to the governance literature appeared in 1996 in the Harvard Business Review: “The New Work of the Nonprofit Board.” This important article (which later blossomed into a book) was written by two academics, Richard Chait and Thomas Holland, and a consultant, Barbara Taylor. The authors chastised traditional nonprofit boards, saying “effective governance by the board of a nonprofit organization is a rare and unnatural act. . . . Nonprofit boards are often little more than a collection of high-powered people engaged in low-level activities.”⁴

Taylor, Chait, and Holland (TC&H) contended that what was needed was for board members to discover the new work of the board, noting, “new work is another term for work that matters.”⁵ Rejecting the traditional corporate model urged nine years earlier by Ken Dayton, Taylor and her colleagues said:

The new work defies the conventions that have regulated board behavior in the past. Whereas the customary work of a nonprofit board is limited to scrutinizing management, the new work requires new rules of engagement and unorthodox ways of fulfilling a board’s
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responsibilities. The pressures on most nonprofits today are too great for the old model to suffice.\(^6\)

They suggested three ways for trustees to focus on what really matters.

◆ Find out what matters by making the CEO paint the big picture, getting acquainted with key stakeholders (e.g., musicians, concertgoers, donors), and reading and talking to experts in the field.

◆ Act on what matters by being involved not only in setting policy but in implementing the parts of that policy that really matter (e.g., applying trustee expertise in marketing to help shape the organization’s marketing plan).

◆ Focus meetings on what matters by avoiding discussion of anything the staff can and should do on their own (e.g., whether to add an acoustic shell behind the orchestra) and spending sufficient time on the real issues facing the organization (e.g., why attendance has declined or the size and shape of the next endowment campaign).

More recently, another important commentary on nonprofit governance has been released. Written by Maureen Robinson (former director of education at the Center For Non-Profit Boards), it is entitled Nonprofit Boards That Work: The End of One-Size-Fits-All Governance.\(^7\) Robinson’s book is a practical guide to doing what Hodgkin had urged as a more flexible model and what Taylor, Chait, and Holland had proposed as the “new work.” Her basic premise is very much like theirs, i.e., that governance and management are overlapping, interlocking functions, and her most important point is that the governance solution has to be uniquely fitted to your organization and its present circumstances. One size does not fit all.

“I am a strong subscriber to the view that there is no one perfect governance model for any nonprofit organization.”

I am a strong subscriber to the view that there is no one perfect governance model for any nonprofit organization. I believe that the governance solution must be flexible enough to allow for and reflect the current strengths and weaknesses of the staff, the particular challenges and opportunities that the organization is facing at the moment, the organization’s strategic plan and the priorities it prescribes for the future, and the strengths and weaknesses of the current board. It cannot be a formulaic approach. One size does not fit all.

And regardless of the model selected, the old tightly defined boundaries between management and governance must be replaced with collaboration and partnership. In the orchestra world, that raises new and interesting questions about the role of the musicians. These were questions we attempted to identify and answer in our recent contract renewal process at the SPCO.
Collaborative Governance In The Orchestra Setting: What About The Musicians?

Musicians’ Historic Role as Bystanders to Governance. There are some unique dimensions of governance in the context of an orchestra, and they relate to the role (or historic non-role) of the musicians. In most of our orchestras, it is the musicians who have the greatest tenure of all. Many of them have been there longer than any board member, and far longer than either the CEO or the music director. They have been there through good times and bad. In some cases, they may have been through strikes or other forms of turmoil or crisis. It is, in a very real sense, their orchestra.

And yet, in the areas of governance and management, they have traditionally been bystanders or very marginal participants, holding token positions on committees (and sometimes on the board itself). Artistic decisions have traditionally been made by the music director (or some artistic committee that may include a musician or two in an advisory role). The staff and board have made financial decisions. In that environment, musicians understandably develop an employee attitude that is anything but collegial.

An article on that subject in the April 1996 issue of Harmony is worth reading for a better understanding of this subject. Robert Levine, the long-time principal violist with the Milwaukee Symphony, and his father Seymour Levine, a professor at Stanford, reviewed the research in the field and summarized it this way:

- Orchestra musicians are under enormous and relatively unusual stress, for example:
  - performance anxiety or “stage fright”;
  - the physical demands of what, for most, is an “unnatural act” that imposes extreme stress and strain on their bodies day in and day out (until they are 65 or older);
  - the fear of disability, and
  - self-imposed standards of perfection and resulting low self-esteem for many.

- The biggest stressor of all is their lack of control over their own working environments, reinforced by the largely mythical notion of the supreme music director with the power of life and death over them. Said another way, the traditional orchestra hierarchy has been very patriarchal, with the music director as father and the musicians as children. As the Levines observed, we should not be surprised, then, that this hierarchy frequently leads to childish behavior.
While the Levines thought many of the myths were exaggerated, they did not dismiss their effect on orchestra dynamics. Neither should we. Particularly troublesome was the suggestion that a feeling of chronic helplessness leads not only to general unhappiness, but also to depression. And, of course, it is the feeling of not being able to control the work environment that long ago led to unionization of the field.

This is the background against which those of us who believe in collaborative governance must find ways to make important decisions together, to develop fundamental strategies together, to make difficult financial choices together, to set artistic priorities together, and (most difficult of all) to maintain high artistic and administrative standards and to intervene with those who are not meeting them together.

And yet, try we must. It is certainly true that, in the traditional model, the trustees governed, the CEO and staff managed, and the musicians performed. The trustees set direction and policy; the CEO and staff implemented it; and the musicians delivered the product—or, perhaps more accurately—they were the product. Just as the trustees never performed on stage, the musicians were never expected (or allowed) to govern. Everyone had his or her place and was expected to stay in it. If the performance was bad, blame the musicians. If too little gift income was raised, blame the staff. If there was scandal, blame the board.

But, if we have learned anything at all about good governance over the past 15 years, it is that those traditional boundaries have little or no place in the nonprofit world any longer. That is especially true in the orchestra world, particularly when so many of us find ourselves in very challenged environments. In these circumstances, none of the key constituencies gets a free pass from sharing in the responsibility for understanding the problems or helping to design and implement the solutions. Nothing short of collaborative governance can be truly effective. If any one constituency fails to own its fair share of the challenge, the organization’s chances of surviving the crisis are seriously reduced.

Musicians on Boards. More attention has been paid in recent years to the need to involve the musicians in orchestra leadership. But not much has actually been done about it. Henry Fogel, the new CEO of the American Symphony Orchestra League and long-time CEO of the Chicago Symphony Orchestra Association, made the case for musician involvement in governance in his April 2000 article in Harmony entitled, “Are Three Legs Appropriate? Or Even Sufficient?” He pointed to the traditional turfs that have existed in
orchestras and the classic tension between music director and musicians, as well as to the labor-management tensions between musicians on the one hand and the trustees and senior managers on the other. Except for their collective bargaining leverage during contract negotiations, the musicians were relatively powerless. The real power, suggested Fogel, resided in “an uneasy truce among the three legs of the stool [board, managers, music director], and just how that power was allocated depended to some degree on the personalities involved and how they interacted.” If the music director resided permanently in the community and was on the podium for all or most of the season, artistic power resided with him (or her). But, of course, these days music directors are absent more than they are present, i.e., one of the legs of the stool is frequently missing.

Fogel correctly noted that, in this environment, musicians tended to be mistrustful of all three: the music director, the managers, and the board, and that their mistrust has grown deep roots over the years. He argued for a different model, one in which musicians are included as the fourth leg of the stool; fully informed of all relevant information about the orchestra’s strategy, finances, and challenges; and participating meaningfully in setting direction (i.e., governance), determining artistic programming, and fundraising.

But not everyone agrees about whether musicians should serve on orchestra boards. In the June 2003 issue of Senza Sordino, two interesting and opposing views on the subject were presented. Leonard Leibowitz, long-time legal counsel for the International Conference of Symphony and Opera Musicians (ICSOM), strongly discouraged board membership for musicians, but unfortunately did so without confronting the advantages of collaborative governance or the value of true partnership between and among manager, musicians, and board members. Taking a rather traditional union view that there is greater value and potentially greater rewards for musicians in the tension inherent in collective bargaining, Leibowitz worries that musicians on boards will simply be tokens with no real clout or, worse yet in his view, that the musician board members may have divided loyalties when tough issues must be resolved.

For me, the worst of it is the subtle but perceptible transformation from rank-and-file musician to board member which almost always occurs after a period of time spent sitting through board meetings and being subjected to the constant barrage of board ‘realities,’ board perceptions, board pessimism, and board failure to bear in mind the mission of the organization—that it is not ‘just like their profit-making
business’ and that the ultimate goal is not a balanced budget but the communication of an exquisite art form.\textsuperscript{10}

His view seems short-sighted in an era where the very art form he values is at considerable risk, with orchestras filing for bankruptcy and going out of business. Solutions will require not only the continued dedication of all the constituencies, but more than ever, thoughtful cooperative, collaborative solutions. It is a time to be working more closely together, not a time to be retreating to traditional adversarial positions.

Fortunately, his is not the only view on the subject. Robert Levine, in a companion article entitled “Musicians on Boards: A Useful Tool,” acknowledges that musician service on orchestra boards is controversial and has not been supported by most labor unions. He also recognizes the potential that musician-board members may appear to approve a decision they actually opposed or may be co-opted by the other members of the board. However, Levine makes a solid case for the advantages of board service by musicians, contending it is the best way for musicians to understand the board’s internal dynamics and attitudes towards the orchestra and musicians.

Serving together on a board or committee is also the best way for the board members to get to know musicians as other than faceless and fungible instrument operators. Perhaps most important, serving on a board provides a formal avenue—and can create many informal avenues—for board members and musicians to interact directly on substantive issues. . . .\textsuperscript{11}

Levine believes that for this arrangement to work best, the musician board members need to be clear about their essential responsibility to represent their colleagues and to communicate what they learn back to the orchestra and to the orchestra committee.

It will, of course, come as no surprise that I strongly prefer the Levine view. While our collaborative process at the SPCO was under way well before this issue of \textit{Senza Sordino} appeared, our working premise was very much aligned with that espoused by Robert Levine. Collaboration is best. Allow me to describe briefly how the SPCO has addressed collaborative governance generally and the role of the musicians in particular.

\textbf{Collaborative Governance: The SPCO Experience}

By the fall of 2000, the SPCO was poised to redefine its future. We had, in the previous 12 months, hired a new president and CEO, Bruce Coppock, who had strong prior experience as executive director of the Saint Louis Symphony, as well as having held the number-two position at Carnegie Hall, followed by a stint on the staff of the American Symphony Orchestra League. With Coppock’s leadership, we had also completed a search for a new music director who joined us in mid-2000. While the music director search had included musicians, staff, and board members, it had been a relatively traditional process, with a small committee taking the lead and identifying
the finalist. Everyone else (i.e., the broader membership of the board, staff, and musicians) was then asked to ratify that decision. While the process was healthy enough, it was by no means a perfect model of broad collaboration, particularly for a decision that was so important to the SPCO.

Meanwhile, the financial picture at the SPCO was encouraging, at least at first glance. After a near bankruptcy in 1993, the chamber orchestra had enjoyed eight consecutive years of balanced budgets and a steady growth in its operating budget from $6.3 million in the 1993-1994 season to $9.8 million in 2000-2001. We had also successfully completed a $20 million endowment campaign, the largest in the SPCO’s history.

However, during that same eight-year period, ticket sales had moved up and down year to year, with earned income accounting for only 34 percent of total revenue. The endowment, which had grown to $23.8 million, was still relatively small and, assuming a traditional 5 percent draw level, was able to provide only 12 percent of our annual operating revenue.

Coincidentally, the SPCO had been selected as one of 15 orchestras to participate in the Orchestra Forum, an ambitious program launched and generously funded by the Andrew W. Mellon Foundation and intended to assist the selected orchestras in developing more collaborative operating models. We began our participation in the Mellon process in the spring of 2000. Our learning there has contributed in important ways to our approach to collaborative planning and to the contract renewal process.

The Strategic-Planning Process: The First Step in True Collaboration

When Bruce Coppock was hired to be our new CEO in the fall of 1999, he was charged by the board with taking the SPCO “to the next level,” although no one had defined just what was meant by that phrase. Coppock was committed to the notion that, as a chamber orchestra, we needed to be very clear about our distinctiveness (i.e., to fully understand what it meant to not be merely a smaller version of a symphony orchestra). He imagined a working relationship with the musicians that would be far more flexible than the traditional symphony model, with a broader scope of work that included much more than rehearsals, performances, and educational activities.

Coppock also aspired to a different approach to labor negotiations that would be less confrontational and fractious. However, his first year as CEO had not allowed enough time to fully sow the seeds for a nontraditional bargaining process and, by December of 2000, it was necessary to begin negotiations with the musicians for renewal of their contract (which was to expire in seven months). As a result, those negotiations were very traditional, lawyer-led, and rather contentious, leaving all constituencies (musicians, board, and staff) ultimately feeling as if we were not on the same team. It reinforced our notion of not wanting to continue doing business with each other in that way.
Indeed, several months earlier, as we had set out to redefine our unique role as the only full-time, professional chamber orchestra in this country, we had concluded that all constituencies would need to be fully involved in our strategic-planning process and that we wanted to work very inclusively and cooperatively in intensive self-evaluation and development of a strategic plan. We knew that all of us in the SPCO needed to build a shared vision for our chamber orchestra. We needed to take a fresh look at ourselves and determine together what we really wanted to be by 2010 (the SPCO’s 50th anniversary). We also agreed, consistent with our discussions at the Mellon Orchestra Forum sessions, that not only the planning process itself, but also the new operating model we would design, had to be “collaborative.” While we used both the “inclusion” and “collaboration” labels in those early planning days, it later became clear that we had only just begun to understand what collaboration really meant and what it would require to get there.

The strategic-planning process began in September of 2000 and continued for 18 months. It was interrupted in early 2001 by the labor negotiations described earlier. That interruption not only delayed the planning process, but was also a temporary setback for us on the road toward true collaboration. Nevertheless, all of the SPCO constituencies—the board, the musicians, the staff, and our volunteer organization—were active participants in all phases of our planning. Before it was over, we had spent 39 full days over an 18-month period looking at every aspect of the SPCO and identifying audacious goals for our future.

The Steering Committee, where much of the hard work was done, included the senior staff (CEO, general manager, vice president for finance, vice president for development and marketing), the board leadership (chair, chair-elect, and several key committee chairs), the music director, six musicians (including the concertmaster, the chair of the orchestra committee, and the chair of the negotiating committee), as well as representatives from the community. All the key constituencies were at the table. That committee held 12 daylong meetings and wrestled with thorny issues, including what might be required to be truly distinctive and to be widely recognized as “America’s Chamber Orchestra.”

In addition, we had 13 “town hall meetings” where larger groups were invited, to hear updates and offer their comments and suggestions.

We also held three institution-wide retreats at a local country club. Those retreats lasted for the entire day, were facilitated by outside professionals (Ronnie Brooks, director of the Institute for Renewing Community Leadership, and Tom Morris, CEO of the Cleveland Orchestra), and were attended by
the entire board, the entire staff, and all of the musicians. Attendance was excellent and the discussion was animated and engaged.

There were two additional all-day retreats for the musicians only, but with the board chair, the CEO, and the general manager present to listen and answer questions.

Midway through the strategic-planning process, we held a series of six focus-group meetings for our audience members. Long-time subscribers were invited to attend. Many did and told us exactly what they liked and did not like about their concert experiences and their relationships with the SPCO. Their insights were invaluable.

Altogether, we held nearly 40 in-depth meetings, most of them consuming entire days. By the end of that period, we were not only very practiced on cross-constituency collaboration, but were well aware that it was very time-consuming.

Since this article is focused on governance and the process of good governance, the actual content of the SPCO’s strategic plan is not relevant here, except as it relates to the way in which we set the table for the new collaborative model and redefined the way all constituencies would do business together in the future. Suffice it to note here that

- we identified our core values;
- we agreed upon big, hairy, audacious goals (BHAGs); and
- we established key program initiatives.

More important to our collaborative model, however, was the way in which we approached our mutual desire to improve the SPCO’s artistic product and the individual and collective performance of the musicians. On the one hand, everyone was rightfully proud of how good the orchestra really was; on the other hand, when we were really honest, we knew it could be better. The musician members of the Steering Committee were able to get comfortable with talking freely and openly about their desire for more consistently high-quality performances and more commitment from their colleagues. It was a breakthrough for us.

We also recognized the importance of collaborative implementation of any plan, i.e., that it was something the staff, board, and musicians would have to do together as a team. Specifically, we said that our BHAGs for the next 10 to 30 years included “innovative labor relations, and willingness to do business together in non-traditional ways.”

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Finally, we were very clear about our commitment to this new culture.

Throughout the planning process, there has been much discussion about the institutional goals of fostering a more collaborative culture and engendering more participatory problem-solving within and among all SPCO constituencies, including the Board, management, musicians and Friends [the volunteers]. Successful pursuit of these goals mandates deep mutual understanding of the goals, opportunities and constraints within and between each constituent group; more aggressive, early, ongoing and open communication throughout the organization; and an acknowledgement that all constituent groups together must be held accountable for the overall institutional success. (Emphasis supplied.)

On May 15, 2002, we officially adopted the plan and celebrated our success. We distributed vast numbers of bound copies to all our subscribers, donors, and friends, replete with summaries of the process, photos of the musicians, and a ringing endorsement of the plan by the chair of the orchestra’s negotiating committee (who had also been a committed member of the planning committee throughout the 18-month process).

What is exciting for the musicians about the strategic plan is that it provides a framework designed to focus the entire organization on the goal of excellence in all aspects of who we are and what we do. It envisions new paradigms of labor-management-board relations; it recognizes that risk is an important and acceptable part of the growth process. . . . It is our fervent hope that there is a long-term commitment to this strategic plan. (Emphasis supplied.)

It was then time to turn our attention to implementation of the new plan and all the attendant implications and challenges, not the least of which was the need to negotiate a new labor contract over the next 12 months. We did not fully understand at that time just how much collaboration would be required of us before that contract was final.

Chapter Two: Contract Renewal

Elsewhere in this issue of Harmony, readers have the opportunity to explore extensive material about our contract renewal process, and the content of that process, written by Paul Boulian, one of the professionals we retained to aid us in uncharted waters, and by Bruce Coppock. But a few words from the governance perspective are appropriate here.

At the time we began the contract renewal process, we believed that the toughest issues would be some combination of:

◆ the musicians’ discomfort in assuming much greater responsibility for artistic programming and artistic personnel decisions (including intervention and possible termination of colleagues who were not performing at the new standards);
• redefining the musicians’ scope of service to provide far greater flexibility; and

• engaging the musicians in some parts of governance that had traditionally been the sole province of the board.

Those issues did, in fact, prove to be tricky. But the toughest issue of all presented itself about three months into the contract renewal process.

It was at about that time that we began to realize that, for the first time in nine years, there was a very real chance the SPCO would not be able to balance its budget. Worse yet, it was growing increasingly likely that the budget for the coming year (the 2003–2004 season) would have to be slashed dramatically, probably by 15 percent or more. Most challenging of all in the contract renewal context was the growing realization that the musicians would probably have to take a significant pay cut.

As that reality grew and spread among the musicians, those who had been most skeptical about this new collaborative process and the proposed fundamental changes in the culture began to see ghosts. This strange facilitated process in which everyone was trying so hard to develop consensus and from which the lawyer-warriors had been excluded was now beginning to feel like it would produce very troublesome economic results for musicians, the first pay cut in 10 years! In their view, there must be some direct connection between this unfamiliar process and this very bad result.

Those of us who believed in the process (and who knew that the SPCO’s financial surprises were driven by the economy and were largely the same as those faced by many orchestras and other nonprofits across the country) urged that we stay the course. We believed that the economic issues, challenging as they were, could be better and more fairly solved in a transparent, collaborative process than in a traditional shootout. The musician members in the Contract Renewal Group agreed and set off to convince their colleagues. Those days were the roughest and most unpredictable of our nine-month-long process. Understandably, some of the voices from national union headquarters expressed grave misgivings about continuing without lawyers under these circumstances. Eventually, the musicians had to decide. The members of the orchestra voted to stay the course and continue the facilitation. Those of us who had invested so much in the process were grateful.

In the end, we have dramatically changed the way we will do business together and have committed ourselves to a whole new level of involvement by the musicians in all aspects of the SPCO’s life . . . .

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life—in artistic programming, in their own professional development, and in governance. We also faced up to our own structural deficit and found ways for the musicians, staff, and board members to each take ownership of a solution that has included staff reductions, reductions in musician pay, and the need for a major endowment campaign.

We have direction, we are clear about our values, we are committed to a plan, we have made tough financial decisions, we have revamped our approach to governance, and—perhaps most important of all—we have raised the trust and cooperation levels.

The Governance Components of the New Contract
Some of the biggest changes in this contract have to do with the role musicians will play in the artistic leadership and the governance of the SPCO. The new contract provides: “Musician participation in committees is vital to the success of the SPCO organization. Due to the year-round nature of the work of many committees, musicians who volunteer to participate in committee work are expected to make their best efforts to attend meetings throughout the contract year.”

We anticipate active involvement by musicians in all of the SPCO’s working committees: finance, development, marketing, public relations, and investment, as well as on various ad hoc task forces. It is there, in the regular, ongoing work, that we will realize what Robert Levine described as “the best way for the board members to get to know musicians” and “to interact directly on substantive issues.”

Perhaps most dramatic of the governance changes is the creation of two new permanent committees charged to provide leadership in two areas previously in the purview of the music director. In the future, the artistic direction of the SPCO will be principally in the hands of a new Artistic Vision Committee, with the majority of the members selected from the ranks of the musicians. Similarly, all personnel policy has been vested in a new Artistic Personnel Committee, which is also composed of a majority of musicians. While the details and management implications of that new structure are spelled out in Bruce Coppock’s companion article, a few highlights are worth noting here.

◆ The Artistic Vision Committee, composed of three musicians and two managers, will have primary responsibility for all aspects of programming, selection of all guest artists and conductors, rehearsal schedules, tour and recording planning, and development of a plan for feedback and observations about the quality of SPCO performances. All decisions of this committee are to be achieved through collaboration and consensus; if voting is necessary, a super majority of four is required to make a decision.

◆ The Artistic Personnel Committee, composed of three musicians and two managers, will have primary responsibility for all aspects of
orchestra personnel: auditions, tenure review, and dismissal as well as regular, ongoing personnel matters. In addition, and significantly, we have added new programs to develop ongoing feedback to and from SPCO musicians about their individual performance, the framework for developing professional growth plans for SPCO musicians, and a structured intervention process for any SPCO musicians deemed not to be upholding the performance standards of the SPCO. All decisions of this committee are to be achieved through collaboration and consensus; if voting is necessary, a super majority of four is required to make a decision.

- The Orchestra Committee will remain in place as usual. Its primary responsibility is to be the liaison between the orchestra and the rest of the SPCO organization on contractual matters.
- Executive Committee. Three musicians, one each from the three committees, will be chosen to serve on the SPCO’s executive committee, which includes all of the officers of the SPCO board and the trustees who chair major board committees. We feel this is a major step forward in bringing the board, staff, and orchestra more closely together in organizational decision making.

If the musicians are now fully vested in key committees of the SPCO, which includes having three votes on the executive committee, where do they fit in the informal structures of the organization? During our contract renewal discussions, the questions that were asked included: Where does the real decision making take place? Will the musicians be there too? From a governance perspective, the good news is that SPCO decision making doesn’t happen in the back room. Ideas are typically generated in committee, find their way to the executive committee and board, and are implemented by the staff. Nevertheless, every organization has informal communication networks, and that is true at the SPCO as well.

One of the important informal processes is the weekly meeting between the CEO and the board chair. Bruce Coppock and I have been meeting every Wednesday morning since I assumed the position as chair in June 2001. We meet for breakfast; Bruce prepares a brief list of points to be covered; I usually add a point or two of my own. He updates me on developments, identifies priorities and challenges, asks for assistance. I offer feedback and suggestions. On any given Wednesday, the topics can range from personnel issues to fundraising challenges to the details of the new construction project we have recently undertaken and a hundred other things. It is here that we brainstorm with each other about assigning the right board members to the right committees or how to make sure we retain key personnel or whether to reconsider a European tour that is financially challenged. Final decisions on major policy issues are never made during these sessions. But they are always discussed here before they go to the executive committee or the board.
Where do those Wednesday morning meetings fit in our new collaborative structure? The short answer is that Bruce and I have invited the president of the orchestra committee, Tom Kornacker, to join us on a regular basis at those breakfast meetings. Tom has been an SPCO musician for 26 years and its co-principal second violinist. He has been an active participant in our strategic-planning process and also served as a member of the Contract Renewal Group. In short, Tom has been at center stage in all the collaborative initiatives we have undertaken in the last three years. Having him at the table on Wednesday morning is perfectly natural. The three of us share a common respect for each other that will serve us well as we move forward.

Both the informal and formal governance processes have been expanded to include musicians as integral players in the ongoing decision-making process. While much of this is in its infancy, we know each other well and we are building on a foundation that has been well laid.

Ingredients for Effective Collaboration
Looking back over these past 30 months, it seems that the road to greater collaboration has required several essential ingredients or building blocks, and that they needed to be established in the following sequence:

**Shared Goals.** When we started, we knew we needed to readdress our fundamentals. All of us wanted to take the SPCO “to the next level” and were determined to discover together just how to do that in the best and most exciting way. By the time we started the contract renewal process, we likewise shared the goal of turning that 38-page strategic plan into a reality based on an entirely new way of doing business together. We shared the goal; we just did not know how to get there.

**Shared Information.** In order to make any progress in this type of process, everyone had to have all of the relevant information, and everyone had to have the same information. No secrets. No partial disclosures. In the past, management assembled its background data for contract negotiations, and the musicians did the same. This time we did it together.

**Civility.** Working toward collaboration is not about winning debates or scoring points. It cannot be built on putting the other guy down in order to appear to be raising oneself up. It does not allow for getting personal in a negative way, regardless of the level of honest difference of opinion on the essential issues. We agreed on the first day of a nine-month journey that we were committed to dealing with others in this way, and we did.
Familiarity with Each Other. Strangers cannot collaborate. You need to have worked together for hours and days in order to become comfortable at a personal level. You literally need to live together long enough to develop an understanding of each other as people.

Commitment to Honesty and Candor. Both honesty and candor are required. The honesty piece is obvious. Anything less is unacceptable and is quickly discovered. Candor goes beyond honesty. The honest person is truthful in everything that is said and every question that is answered. Candor requires voluntary disclosure of important, relevant information even when no question has been asked. The road to collaboration requires both.

Trust. Over time, given the five preceding elements, trust will arrive naturally. It is a precious, and sometimes elusive commodity. It requires consistent reinforcement. If it is broken, it takes enormous time and energy to regain it. We built it fairly early and never lost it.

Willingness to Take Shared Risks. Once genuine trust has been established, there is much greater willingness to take risks together. You are willing to take a chance together, that you would not take alone. You have the confidence that it will not backfire on you and that, if you make a mistake, you will be able to fix it together.

Shared Solutions. Finally, shared solutions will be achieved. Sometimes taking a risk together will yield an unacceptable result. But when that happens, constituencies that trust each other, have all the same information, and are committed to the same goals can back up together, change course together, and move forward again. At the end of the day, true collaboration is not about guaranteed success and zero failures. Rather, it is about a mutual process that draws on the best from all the players and finds solutions more often and far more effectively than when everyone stays on his or her own turf and waits for the other parties to solve the problem.

As nonprofit governance has been studied and practiced over the past 16 years, thoughtful commentators, consultants, administrators, and trustees have more and more come to accept the notion that management and governance are not so easily compartmentalized or separated. It is far too simple to think of governance as policymaking and management as profitmaking.

That, of course, underscores the fundamental importance of a close collaborative working relationship between and among the board, the staff, and the musicians in any orchestra. Likewise, between and among the board chair, the CEO, the music director, and the musicians’ selected leader. And, of course, between and among the trustees, senior staff, and musicians.
It is not unlike the notion that it takes a village to raise a child. In order for orchestras to realize their true potential, all the constituents in the orchestra “village” must work together cooperatively and collaboratively. It is not about turf. It is not about pitting one constituency against another. It is about working closely together to figure out where we want to go, how we want to get there, how to remove the barriers in our path, and how to accomplish our orchestra’s mission together!

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Notes
5 Taylor et al.
6 Taylor et al.
12 2002. Saint Paul Chamber Orchestra Strategic Plan, p. 11.
13 Strategic plan, p. 27.
14 Strategic plan, p. 3 (Attributed to Herb Winslow).