

Boulder Pops Orchestra and the Art of Negotiation

TEACHER NOTES

Learning Objectives

- Describe potential pitfalls in forming organizational partnerships.
- Evaluate long-term strategies for an emerging arts organization.
- Recognize strategies for engaging in an integrative negotiation.

Topics For Discussion

Boulder Pops Orchestra is a fictional organization. The story and concluding scenario are loosely based on the experience of a real pops orchestra. In teaching the case, instructors can decide whether it is helpful or necessary to reveal this fact.

Partnerships

In the case study, Boulder Pops Orchestra (BPO) was presented as an ensemble that materialized following the vision and ambition of Greg Harrington, a college senior and orchestral conducting major at Pinecliffe University in northern Colorado. Members of the orchestra were gathered from Greg's personal connections to various professional and amateur musicians from the community, discovered from his time on the podium. Greg's request for rehearsal and performance space over the summer was accepted without hesitation by the administration at Pinecliffe. The first few seasons consisted of four annual concerts at Pinecliffe, including a holiday show popular with the student body and the wider community. Most of the orchestra's concerts were given in conjunction with Pinecliffe's theater department, showcasing its student vocalists and instrumentalists in the pit. As the BPO grew, the partnership with Pinecliffe had both positive and negative impacts on the orchestra's growth.

Review with students the pros of the BPO's partnership with Pinecliffe University. What resources could be shared between the organizations? Consider the drawbacks of the same alliance.

- How might the initial safety net provided by Pinecliffe University prevent the orchestra's growth?
- The case notes that the orchestra began to resemble a division of Pinecliffe rather than an independent contractor. Discuss the implications of this statement.

As the pops orchestra grew, it began to search out new opportunities and secured one with Meadows Central High School. The connection was made through an orchestra member who directed the orchestral program at the high school. In theory, the partnership could be similar to the orchestra's relationship with Pinecliffe.

- How did the relationship with the high school differ from that with Pinecliffe?
- From what is revealed in the case, which partnership was more beneficial to the orchestra and why?
- What restrictions might the orchestra face in the arrangement with Meadows Central High School?

Long-term Strategies

Four years after the orchestra's first performance, the Boulder Pops Orchestra gathered a group of its players, which effectively stood as a board of directors for the organization. The formation of a board was precipitated by Greg's realization that the BPO was slowly being absorbed by Pinecliffe University, instead of fulfilling his initial vision of an independent orchestra. At that point in time, the orchestra was not registered as a corporation and had no formal mission statement. Authority was centralized: Greg had been serving as both the conductor of the orchestra and its administrative head. However, the orchestra was enjoying a sustained period of growth and increasing popularity in the community. The case encapsulates the early success, suggesting that the orchestra was able to "act first and think later." With time to think after its initial success, what should be the priorities for the newly formed board?

- What are the problems with not being a registered corporation over this period? What opportunities can arise after becoming a corporation? What responsibilities fall on the organization as a result?
- BPO's search for new opportunities was a reactive decision, based on its dissatisfaction with its partner Pinecliffe University. Invite students to consider how proactive decisions can be valuable to an arts organization. How can (or why should) a board advocate for change when things are going well?

Negotiation Tactics

A potential third alliance for BPO is introduced as the case winds down. Greg and Cynthia Yeleth, the Dean of the Boulder Community Music School (BCMS), have met twice. In the first meeting, they discussed in general terms what resources each organization might be able to offer in a partnership. In their second meeting, they considered possible terms of an agreement, and Cynthia made BPO an initial offer.

Greg was lucky to have a negotiation counselor (Stacy Phippen) in the BPO board. Before his second meeting with Cynthia, Stacy urged him to think about the discussions ahead as "integrative" negotiations, involving several interests, instead of a single-issue negotiation. In preparation for the meeting, Greg and some BPO board members explored seven possible areas of negotiation. In each of the seven areas, BPO developed a target point (aspiration), and a reservation point ("walk away" point). **Appendix 1** captures these various points for BPO as well as including Cynthia's offer on behalf of BCMS.

Cynthia's offer fell below the BPO board's reservation point in two categories:

- Donations
 - ♦ While BPO had deemed their reservation point to be receiving 35% of donations from joint concerts, BCMS proposed they would get 0%.
 - ♦ Similarly for independent concerts, BPO had wanted 80% of donations as a minimum, while BCMS proposed they receive only 70%.
- Guest artist fees
 - ♦ BPO's reservation point for splitting guest artist fees on joint concerts had been paying 50% of the cost. BCMS proposed that BPO must pay 70%.

However, there were other areas when BCMS's offer perfectly in line with BPO's expectations:

- Performance space, joint and independent: target point was met.
- Rehearsals, joint and independent: target point was met.

Rarely are negotiations so straightforward. The issue of fees and revenue sharing contained both unmet and exceeded expectations.

- Performance fee, joint concerts: BCMS offered \$4,000; more than BPO's target point.
- Performance fee, independent concerts: BPO and BCMS agreed there would be no fee. Target point was met.
- Ticket split, joint concerts: BPO's reservation point was receiving 35% of ticket proceeds. BCMS offered 15%. Reservation point was not met.
- Ticket split, independent concerts: BPO's reservation point was 65% of ticket proceeds, and BCMS offers 85%; more than BPO's target point.

Revisit with students the priorities Greg laid out for the BPO. Where does Cynthia's offer stand when indexed against those priorities? Students may wish to reimagine **Appendix 1** according to BPO priorities. This will bring into focus the crucial areas where Cynthia's offer falls short for BPO.

The principal lesson in this case is to expose readers to some principles of negotiation. This is prepared in the case as Greg and Cynthia head toward a third meeting. How could the areas of disagreement be resolved?

- Considering the BCMS offer Cynthia in light of BPO priorities, what do the students recommend for the next step in the negotiation? Have students pair up into groups to discuss and compare their suggestions. Where do students disagree or agree?
- Take note of whether the students were looking for common ground and collaboration with BCMS or whether they view them in more adversarial terms.
- Would concessions be made and why? Consider the result if negotiations fell apart.

In the study, Greg actually wonders if there were issues he might have missed. Can students think of any issues Greg and Cynthia missed, above and beyond the seven areas of discussion? How should Greg handle the areas that Cynthia omitted in his anticipation of the negotiation?

An issue frequently missed in negotiations is the duration of the agreement. How long should parties wait before revisiting the agreement, especially in situations where unforeseeable issues may arise? Poll the students to see how long they think the organizations should go between revisiting their contract, once executed.

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