

**Navigating
Troubled Waters**

GALA Choruses

4 September 2009, 1:45-3:30 p.m.

Alan Brown

bfgswm

ENGAGE

GALA Choruses

Agenda

1. Review trends – why are they important?
2. How to think about change?
3. Types of change
 - A. Adaptive or evolutionary change
 - B. Paradigmatic change
 - C. 'End-of-lifecycle' change
4. Q&A

2

GALA Choruses

Trends in Cultural Engagement

- Fragmentation and diversification of cultural tastes
- More rapid diffusion of culture
- Rising levels of active participation (especially among youth and young adults)
- The emergence of curatorial participation (e.g., downloading and organizing music, selecting and editing images)
- A higher level of importance attached to the settings where a cultural experiences take place
- The critical role of social context in driving arts participation
- Demand for shorter and more intense experiences
- An increased emphasis on convenience
- The expectation that all types of leisure experiences can be customized

3

GALA Choruses

How to think about change

- Change is continuous, most of the time you just can't see it
 - The environment in which you do business is changing faster and faster;
 - The only certain pathway to failure is not changing
- There are two kinds of change: planned change, and unplanned change
- The first step in a change process is accepting that things cannot stay the same
 - Without that, real change is difficult or impossible

4

GALA Choruses

In a healthy cultural ecosystem...

- There is natural birth and growth
- There is fierce competition for resources
- There is regular dying or 'reinvention'
- From a policy standpoint, there is a need for both incubating and 'un-incubating'

5

GALA Choruses

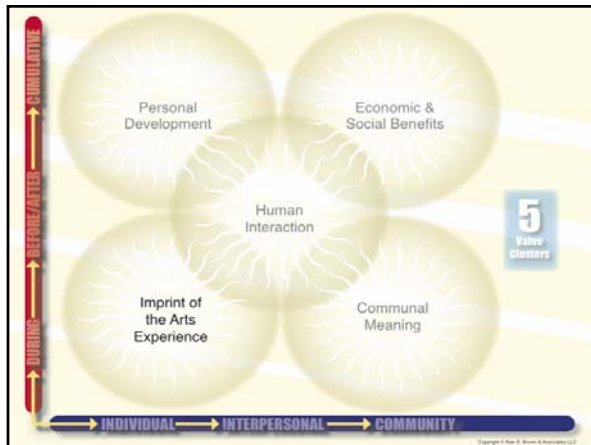
When is a good time for strategic planning?

- Fallacy that planning is episodic
- In a healthy organization, fundamentals are always open for debate
 - Is the way we interpret our mission still relevant?
 - How do we create value and impact?
- More towards a continuous planning model

6

The dialogue about creative output is central to any planning process

- Many board members don't feel comfortable talking about artistic issues
- The "hire and pray" strategy
- A vocabulary issue: how can board members provide policy guidance to artistic staff without getting overly involved?
 - Who are our constituents?
 - To what ends do we offer programs? What impacts do we hope to have on our community?





GALA Choruses

So, what level of change is right for your organization?

- No change
- Adaptive change or radical adaptive change
- Paradigmatic change
- Dissolution or receivership

10

GALA Choruses

No Change

- Preservation is not a change strategy
 - e.g., find more resources to continue to do what you've always done

11

GALA Choruses

Adaptive or evolutionary change

- “Tweak” things around the edges
- Squeeze the operating model harder
 - incremental cost reductions
 - Shift focus or adjust programming mix (e.g., new efforts to engage audiences, start a new product line)
- Requires lots of consensus-building
- Resource intensive; can be costly and painful
- Work harder at board development and making community connections

12

GALA Choruses

Radical adaptive change

Don't change the mission, but...

- Substantially re-scale the institution to re-align with demand
- Retrench to the "core product"
 - e.g., St. Louis Symphony Orchestra
- Temporarily shut down to raise enough money to re-start on firmer ground
- Find new collaborators to achieve scale, economize
 - e.g., Utah Symphony + Utah Opera

13

GALA Choruses

Paradigmatic change

- Typically occurs only under extreme duress or threat of extinction; seldom planned
 - Requires acceptance that the status quo is not an option
 - Requires embracing uncertainty and acknowledging that there's a better way, though we don't know it yet
- Allows you to address the question: "If we could start over again, what would we look like?" (i.e., re-conceptualize the model)
 - "Burn down the house" exercise

14

GALA Choruses

Paradigmatic change

- Forge new partnerships (e.g., mergers, co-presenters) based on common values
 - Some stakeholders (and board members) may drop out
- A once-in-a-lifecycle opportunity to respond to fundamental changes in the operating environment
 - e.g., new venues/settings; focus on new stakeholders

15

GALA Choruses

Examples of different missions

- Offer concerts featuring GLBT singers
- Engage the GLBT community in song
- Provide musical training and performance opportunities for GLBT singers [and instrumentalists]
- Nurture creativity within the GLBT community

16

GALA Choruses

'End-of-lifecycle' Change (e.g., dissolution or receivership)

- Always an option
- When is it appropriate to declare victory, say 'mission accomplished' and move on?
 - Not to be confused with failure
 - Sometimes board members need to become undertakers and inventors
- Try to minimize collateral damage and ensure that the artistic expression can continue in some way

17

GALA Choruses

'End-of-lifecycle' Change (e.g., dissolution or receivership)

- Dissolution can also be a renewal strategy
 - A new approach to regeneration (e.g., sunset the existing business model on a planned timeline; split your board in two; one half manages the ending, the other half re-imagines)
- Engage your stakeholders in a process of re-invention
 - Identify your top stakeholder groups (What stake do they have in you? What stake do you have in them?)
 - Ask them what they want/need from you

18
