



UTAH SYMPHONY & OPERA MERGER

HARVARD BUSINESS REVIEW

ORGANIZATIONAL MANAGEMENT
JFT2: Task 1

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A1: Bill Bailey

Bill Bailey is chairman of the Board for the Utah Opera. To convince opera trustees to support the merger, Bill Bailey can utilize McClelland's Need Theory.

For the trustees, merging could meet the need for achievement discussed by McClelland. Bailey can convince these achievement-driven people to support the merger with the understanding that it is an opportunity to turn things around for Utah Symphony and take the Utah Opera to the next level in becoming a tier-one arts organization. Achievers want to take on tasks that are ambitious, which the merger certainly will be. They also like to see that products are a result of their efforts. By presenting the merger in such a way that helps the trustees see that they can put in the work to improve the business model and create a more synergistic program, Bailey can play to the need for achievement and convince them to support the merger. Board members were also concerned that the opera would lose its identity in the merger. In response, Bailey can once again highlight the fact that the opera will have the potential to become a tier-one organization, which will improve its identity.

A2: Scott Parker

To convince Mrs. Abravanel to support the merger, Scott Parker can use Maslow's Hierarchy of Needs. Mrs. Abravanel opposes the merger because her husband "would never take second billing to anyone." Scott need to help her understand that, to meet the needs of Symphony members, the merger will be necessary. Not "taking second billing" would fit into the category of self actualization, which is an

important need to meet if all other needs are met. However, with its current business model, the Symphony will likely cease to exist in a few years. Mrs. Abravanel must be brought to understand that everyone working for the symphony would otherwise be out of work, which will bring them to the physiological stage of the hierarchy, worrying about paying rent and buying groceries. That many musicians would be hard pressed to find work, and would likely have to move away from their homes to seek work out of state. Helping her understand that the merger will allow the Symphony members to have their needs met could greatly influence her to support the merger.

A3: Power

Anne Ewers currently has both positional and personal power in the eyes of the Utah Opera and Utah Symphony. Her position as General Director of the Utah Opera gives her credibility in convincing people of the potential in the merger. She had led the opera into greater success than it had ever seen before. Annual performances had increased 25 percent, audience had expanded, and efforts to secure the future audience of the opera had been set into motion by performing for college campuses across the state. Even before she came to UOC, she had been successful in getting rid of debt, expanding programs, and increasing budgets through successful fundraising. Because of her past successes in her position as UOC director as well as Boston Lyric Opera director, those who question the wisdom of the merger can simply look at the numbers. Her ability to fundraise and successfully expand programs begs the question, if Anne Ewers can't help the symphony, who

can? By highlighting her past successes and ensuring that she will work to maintain that success for the merged Utah Opera and Symphony, Ewers can lead the merger effort instilling confidence in its critics.

There are three other ways that Anne can use her positional power to successfully lead the merger: (1) Anne is currently the potential CEO of the merged company and has both the financial records of the Symphony and the Opera. She can substantiate the merger by rationally showing that the merger will produce the funds needed to keep the symphony alive. As of right now it is a financial need for the symphony and it will most likely not survive the down turn if not merged with the Opera. In Short, Anne as the CEO can make promises to ensure that the symphony and its employees will be taken care of and will continue to create world renowned musical productions 52-weeks of the year.

(2) Anne can also use "legitimate tactics" to request the merger to go forward. Anne has the support of Scott Parker, the Chairman of the Board for the Symphony, to merge the two companies. Anne can ask Lockhart to support the merger based on the expressed or implied support that she has received from his superiors. (3) As the Future CEO, Anne can consult with Lockhart and make him her equal in the decision-making processes. As the future CEO Anne has the positional power to request that Lockhart should report to the board in the same as Anne. The structure would be more like the current symphony and Lockhart would feel less like he has been passed over. Also, Anne has experience in Opera and Lockhart has experience in symphony orchestras. If the two can work together, jointly, they can create some amazing works of art.

In the event that the merger takes place, Ewers can use her personal power to empower Lockhart. Validating his concerns through being a good listener and acknowledging his own personal power and expertise in soliciting ideas for how to proceed with programming, etc. can help Ewers work effectively with him. He needs to understand that she is genuinely concerned with helping the symphony succeed and that he will know best how to help that success continue. She needs to make sure that her energy and enthusiasm are as fully invested in the symphony as they have been in the opera and let Lockhart know that she is there to help, but wants to let him continue doing his job in running the orchestra. In addition to letting him continue running the orchestra, she should also draw on his expertise in how to help improve the performance and reputation of the opera. By using her personal power to validate Lockhart and show confidence in him and the merger, she can empower him to continue leading the orchestra and assist in the synergistic efforts of the merger.

It is important to remember, personal power is not power that is bestowed by one's position, however it is the amount of influence one can have over others because of the power that exists in the person. For example, someone would follow someone else with personal power because "I trust her...because she is smart...she's done this longer than me...she makes me feel good about myself. Since Personal Power stems from internal factors such as charisma, intelligence, expertise, experience, self confidence and more, it cannot be taken away" (Craig, 2012). Having great personal power strengthens one's positional power. Anne has great energy, is a good listener and has extensive fundraising abilities. Her personal power

strengthens her current and potential (CEO) positional power because she can be trusted to listen to all stakeholders, provide the funding needed by the symphony and opera, and provide the creative energy needed to take both the Opera and Symphony to the next level and perhaps create the merged company's magnum opus. Without Anne's personal power she would not be able to control the 83 member unionized musician group and their increasingly expensive needs. People want to know a leader cares, can do the job and they want clear objectives and goals to lead them into the future. Without Anne's personal power very few of the symphony members would believe that she cared or had the talent to succeed. The result would most likely be a strike that would inhibit all symphony and opera growth. Anne's positional power, (Future CEO), allows her to run the day-to-day operations (i.e. hire, fire, redirect funds, implement procedures and goals, direct the vision, etc.). Without her positional power, Anne's personal power would not be sufficient to run the company as a whole.

A4: Potential Symphony Issue

The symphony musicians currently have a 1-year contract with salaries that are 60 percent of total program expenses for the symphony. Salary increases are planned for 19.7 percent in the next two years. These increases are not sustainable. The musicians are concerned that the merger is an attempt by the board to renegotiate the terms of the current agreement. If the musicians strike, the merger

cannot succeed for several reasons. First, with no musicians, there is no symphony. Second, Keith Lockhart supports the musicians, and the symphony board will not approve the merger unless he is on board. If the musicians aren't happy, Keith will not support the merger and it will fall through. Third, if a strike happens, it will create negative feelings in the community. Without community support, the arts can't survive.

To mitigate the issue created by a possible musician strike, Ewers will need to look to the guiding principles they set forth in their ad hoc committee. With the combined size, budgets, and abilities of the symphony and orchestra, Ewers has the opportunity to increase programming. Keeping the symphony busy for the full 52-week year can become possible as they combine efforts with the opera. Ewers is also a very experienced fundraiser. As the programs combine, the opportunity to seek funds from new sources will open up. With increased programming and opportunity for increased funding, Ewers can reassure the musicians that the best is yet to come and that things will just continue to improve for the symphony.

A5: Convincing the Opera

Ewers can use rational persuasion and consultation in convincing the opera's staff to support the merger. By combining with the symphony, the opera gains access to an expanded, more sophisticated audience. Taking the opera to the next level as a tier-one arts organization will attract new clientele and enable the opera to expand. This is an obvious strategic move for the opera that will open up opportunity for increased revenues and overall improvement of the program. This

will speak to the opera staff as they see the facts in the potential for the opera in the merger.

In times of change, everyone likes to know that their voice is heard and their opinion is valued. By utilizing the influence tactic of consultation, Ewers can ask for ideas and help from the opera staff in deciding how to implement new programming in the merger. Their concerns that the opera will lose its identity can be mitigated in realizing that opera programming will still be strong and stand on its own while teaming up on programming with the symphony can strengthen the program and open up opportunity. As their ideas and opinions are solicited in this time of change, the opera staff will be more supportive of the merger as they realize that they won't be lost in the mix and the opera will retain its identity and value.

References

Craig, R. (2012, March 27). *Positional Power vs Personal Power*. Retrieved April 30, 2014, from Palm Beach: <http://www.palmbeachlwp.com/archive/positional-power-vs-personal-power/>