THE xYz QUINTET: A CASE STUDY IN ARTS PRESENTATION STRATEGIES

D.M.A. Document

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By

Justin D. Johnston, M.M.

Graduate Program in Music

The Ohio State University

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Committee:

Doctor David Bruenger, advisor
Doctor Russell Mikkelson
Doctor Wayne Lawson
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Abstract

Beginning in the fall of 2013 and continuing through May of 2014, the xYz Quintet presented a concert season comprising traditional concerts, known as the masterworks series, and an education project called The Chamber Music Experience. In addition to the procedural story of the ensemble’s first season, the author describes the strategic and analytical techniques he employed for the planning, presentation and evaluation of the concert season.

The author divides his writing into four principle topics: mission statement, charter, minimum viable product and negotiation technique. Through case studies and practical examples, the author demonstrates the various ways these concepts applied to the planning, presentation and evaluation of the ensemble’s concert season.

The author concludes the concert season was moderately successful as it met the goals outlined in the ensemble’s mission statement and project charters but also identifies areas of improvement for future seasons. In addition, the author recommends further research into the role of arts entrepreneurship in the modern music curriculum.
Dedicated to Kerry.
Vita

2005.................................................. B.M. Clarinet Performance, The Ohio State University

2005.................................................. B.M.E Instrumental Music, The Ohio State University

2007.................................................. M.M. Clarinet Performance, The Cleveland Institute of Music

2009.................................................. A.D. Orchestral Studies, The Glenn Gould School of the Royal Conservatory of Music

2010 to present.................................. Distinguished University Fellow, The Ohio State University

Fields of Study

Major Field: Music
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Introduction

In May of 2013 I drafted a plan for a chamber ensemble’s concert season as part of a larger assignment for my candidacy exam. The plan included three major projects: a series of masterworks concerts, an education program and concerts in bars. I drew charts with sample budgets, chose repertoire, made calendars and drafted marketing strategy; all from the comfort of my home.

But writing and doing are different things. Now, one year later, the xYz Quintet is real. We have business cards, a website, a press packet, headshots, logos and a social media presence. As an ensemble we presented three concerts; designed, funded and executed an education program in partnership with other arts organizations; presented a lecture concert at the Columbus Museum of Art and hosted a benefit concert for a local church.

Over the course of the past twelve months, I acted as both a performer and project manager for the xYz Quintet. This document has been designed to discuss various business strategies I employed during the xYz Woodwind Quintet’s 2013-2014 concert season and also present the group’s procedural story. As such, I have ordered chapters according to each business strategy’s place in the process. For example, chapter one
explores the value of mission statements because my first act as project manager was to draft a mission statement. In an effort to create a narrative flow and avoid redundancy, each chapter pairs conceptual writing with relevant examples from xYz’s activities.

As a final note, this document describes strategies for attaining minimum viability rather than national acclaim. The initial goals for the xYz Quintet were to develop a sustainable model that would set the group on a positive trajectory for future seasons. Understanding and comparing the business models of successful, established chamber ensembles is a worthy study in its own right but, for now, remains an area for future research.
Chapter One: Mission Statements

The name “xYz” was originally just a placeholder I used when writing press copy: “Come hear the musicians of XYZ playing at the PDQ Theatre this fall!” Eventually I read the name enough times and it stuck. When the Urban Art Space called to book our first concert, lacking for any better ideas, I decided to keep the name XYZ. A few stylizations later and xYz was born.

Like a name, a mission statement needs to be more than a placeholder. It should say something about the ensemble but in the fall of 2013 xYz as an ensemble was, like its name, still in a placeholder phase. We were a blank slate and as managing director, I had to chart our course, beginning with a mission statement.

Writing a mission statement can be a particularly tricky task when one starts from nothing. In order to create xYz’s mission, I began by asking two questions:

1. When are mission statements useful and when are they not useful?
2. Who will want to know about the xYz mission?

This chapter begins by addressing these questions and then addresses the mission statement’s application to the early planning phase, which for the purpose of this document will be called the mission phase.
When and Who?

Practically every company or non-profit organization in the world has a mission statement. They usually come in the form of a clear, concise declaration of the organization’s purpose. That said, companies do not always mention their products or services in their mission statement. For instance, Walmart’s mission is to “save people money so they can live better.”\(^1\) The mission makes no mention of Walmart’s products nor does it note that Walmart is a chain of stores. This raises an interesting point that a mission statement cannot explain everything about an organization. For this reason, mission statements are useful for some purposes and useless for others.

As I sat down to write xYz’s mission, I thought about our statement as an elevator pitch. I imagined what would happen if I walked into an elevator and happened to find an arts presenter in the car with me. If I wanted to sell him on my ensemble, I would have only the 60 seconds it took for the elevator to reach its destination. I would have to pique his interest before we parted ways. Since I would not have time to explain every detail, I would have to focus on the most salient and general features of the ensemble. I wanted to address three points: name, purpose and competitive advantage. In this case, xYz’s competitive advantage would be our experience in music education and our strong partnerships with other arts organizations.

Based on this strategy I created a mission statement and also a full elevator pitch. The mission statement reads as follows:

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xYz Quintet operates with a mission to enhance Columbus’ cultural life, explore new audience engagement opportunities and create innovative programming through partnerships with other local organizations.

The elevator pitch begins with the mission statement but then continues on in greater detail:

The xYz Quintet formed in 2012 with a mission to enhance Columbus’ cultural life, explore new audience engagement opportunities and create innovative programming through partnerships with other local organizations. Its members have played with the Cleveland Orchestra, the Toronto Symphony, the Baton Rouge Symphony Orchestra, the Niagara Symphony Orchestra and the Chicago Civic Orchestra.

The ensemble’s repertoire ranges from masterworks to pop and in 2013, the ensemble premiered their first commissioned work, Sextet for Winds by Michael Torres. This year’s concert series will include the music of Dvorak, Schuller and Gershwin.

In addition to traditional concerts, the quintet remains dedicated to its education programs including this year’s program “The Chamber Music Experience,” a program made possible through partnerships with ProMusica Chamber Orchestra, WOSU and The Ohio State University.

Based on this sample mission statement, it became clear there were a few problems. Primarily, the mission statement cannot answer any of the day-to-day decisions I would have to make as a managing director. Where would we play? How much would we charge? How should we market our concerts? To answer these questions I created charters for each project. These will be discussed in greater detail in the next chapter.

Even if a mission statement has limited utility, it can still be quite useful in certain situations. When I approached potential partners, their first question was always something like “What is xYz?” or “Tell me a little about your group” and there was the occasional “What makes you guys interesting?” Armed with a mission statement-cum-elevator pitch, I had a script ready that would open the door for lengthier discussions. The
mission statement was especially useful in situations such as speaking with venue managers, applying for grants, creating web content and assembling a promotional packet. In these situations, the mission statement provided a snapshot of the organization’s larger goals and answered the inevitable question, “So, what exactly is it that you guys do?”

This raises one final point about mission statements. Some people care about mission statements and some people do not. From my experience, the people most interested in xYz’s mission statement were potential funders, partners and patrons. By contrast, the musicians had very little interest in the mission statement. This will also be addressed in the next chapter.

The rest of this chapter provides an overview of xYz’s activities and the mission statement’s role in the early planning stage.

Season Overview

In the summer of 2013, I drafted an overview for a xYz’s concert season. This plan included two major projects, a masterworks series and an education series. Based on our mission statement, every concert or education project operated with a mandate to combine elements of artistry, engagement and partnership.

At this early stage of planning, some questions, such as admission fees, marketing and venue were still unanswered. Many of these questions would be addressed during the charter phase (Chapter 2).
Masterworks Series

The masterworks concerts would be fairly traditional concerts that included 3 or 4 pieces of music and would last approximately an hour. During the initial planning stage, the ensemble had not yet found a venue nor did they have a significant following in Columbus. For this reason, the group wanted to find a venue that had easy access and, ideally, an established audience. The group would most likely perform at a church on Sundays.

The music for these concerts would be chosen from the standard woodwind quintet repertoire. Potential repertoire included works by Hindemith, Fine, Milhaud and Rivera; all seminal works in the repertoire that were appropriately advanced for the musicians. To put it simply, this was the opportunity for the musicians to play the music they wanted to play—music of “high art” for lack of a better term.

In order to align with the organization’s mission to focus on audience engagement, the masterworks series would include several engagement components. First, there would be at least one moment in every concert where a musician would speak to the audience. This could a teaching moment where musicians could discuss compositional elements or the musicians could simply prepare talking points that set the mood for the concert.

Since this was xYz’s first full season, the opening concerts would also feature a “meet the musicians” segment. Every concert would include at least one segment where a solo musician would speak to the audience and then play an unaccompanied work. Prior to performing, the soloist would introduce him/herself and talk about his/her life as a
musician. In this manner, xYz was able to engage the audience while still adhering to (mostly) traditional concert presentation practice. From a more practical vantage point, filling out concerts with solo works allowed the group to keep a tight rehearsal schedule focusing on one or two pieces for full quintet. With this schedule, the group was able to produce a 60-minute concert in four or five rehearsals.

As a final engagement effort, most of the concerts featured a post-performance reception hosted by the musicians. This gave patrons an opportunity to meet the musicians and also served as an easy way to deliver promotional materials such as business cards, flyers, and sign up lists for the xYz newsletter.

In general, musicians were excited to play the masterworks concerts. It gave them a platform to play the music they enjoyed and also an opportunity for them to perform at their highest artistic level. At the same time, the musicians went into this project knowing they would not make much money since there was no concert sponsor and attendance would be low at first.

Given the limited potential for earned revenue, there were still many unanswered questions at this point in the planning process. How much would the group be willing to pay for a venue fee? How much money should be invested in marketing? How much should tickets cost? These issues would be addressed later when the group created a masterworks charter.

The Chamber Music Experience

For the 2013-2014 season, xYz created an education program they called “The Chamber Music Experience.” The program was based on lessons from Richard
McNicol’s *Sound Inventions*. The Chamber Music Experience would teach middle school students how to compose and perform their own music. Thanks to a partnership with ProMusica Chamber Orchestra, students would have an opportunity to perform their works on ProMusica’s Youth and Family Day Concert in May.

The lesson plans would ask students to draw musical inspiration from Stravinsky’s *L’Histoire Du Soldat* and students would create their own musical movements based on the fundamental musical material in Stravinsky’s writing. This would take place over the course of four 60-minute lessons. After the lessons were complete, students would perform on stage with ProMusica Chamber Orchestra (PMCO) at the orchestra’s annual Youth and Family Day Concert. For this performance, PMCO musicians would play an abbreviated version of *L’Histoire* and the students’ works would be inserted as extra movements. The program would look something like this:

I. “Soldier’s March” from *L’Histoire* (performed by PMCO)

II. Student Work inspired by the Soldier’s March (performed by students)

III. “Royal March” from *L’Histoire* (performed by PMCO)

IV. Student Work inspired by the Royal March (performed by students)

V. “Finale” from *L’Histoire* (performed by PMCO)

In keeping with the xYz mission statement, The Chamber Music Experience was designed to engage and excite a new generation of music lovers. Rather than focus on
musical mastery, which would be impossible in four weeks, the program was designed to get children excited about music making and listening.

Also in keeping with the group’s mission, the education program was a prime opportunity to develop partnerships with other arts organizations. In reality the program would only be possible by working with other organizations including ProMusica Chamber Orchestra, WOSU, Columbus City Schools, the Columbus homeschool network, Ohio State University and the Barnett Center for Integrated Arts and Enterprise.

Emergent Opportunities

Even the best-laid plans go awry, for better or worse. In the winter of 2014, xYz added one additional concert and also modified the format for the final masterworks concert.

In January of 2014, the Columbus Museum of Art asked xYz if the musicians would be interested in creating a lecture concert for the museum’s Wednesdays@2 series— a cross-media tie-in for the museum’s Toulouse-Lautrec exhibit. The museum asked if xYz could create a 60-minute lecture featuring performances of French music composed between 1890-1910. This was no small task. In addition to the research and writing required for the lecture, the musicians would have to find or create arrangements since there is little French impressionist repertoire for chamber winds without piano. To make matters even more challenging, only three of the five musicians would be available for that date, thus further limiting repertoire options.
Ultimately xYz accepted the contract and three member of xYz presented a 60-minute lecture including performances of works by Debussy, Satie, Poulenc and Francis Chagrin.

The second change to the season plan came at the end of the season. In an effort to bolster audience attendance and also as a way to thank St. Mark’s Church for their generous venue support, xYz presented their final masterworks concert as a benefit concert with all proceeds donated to St. Mark’s Organ Completion Fund. Being a late-season concert that also landed on Mother’s Day, the group programmed lighter (but quite challenging) repertoire including works by Gershwin and Bernstein.

It is important to note that xYz’s mission was the primary driver when deciding whether to add the museum concert and benefit concert. If these concerts had not met the standards outlined in the xYz mission, I would have turned down these opportunities for fear they might compromise our prior commitments. However, I ultimately decided to accept these opportunities because they met the mission’s standards of artistry, engagement and partnership.

There is a chicken and egg argument to consider as well. If xYz were not already committed to these principles, the museum probably would not have called. In either case, staying true to the ensemble’s mission opened new opportunities not originally within the season’s plan.

The results of all 4 concerts and the education program will be discussed in greater detail at the end of the document.
Talent Management

Looking at the xYz mission statement and season schedule, it was clear the ensemble’s commitment to presenting concerts of high artistic value while also exploring new opportunities for audience engagement would position the ensemble in a competitive space. This would only be possible by assembling a group of musicians who were not only skilled and passionate musicians—a fairly common resource in the professional world—but also open to pushing their comfort zone in situations that required musicians to interact with audiences and work with young children. For this reason, potential musicians were recruited based on two factors: performance ability and mission alignment. This is an especially difficult task when forming a music ensemble. Very rarely is there a perfect candidate, let alone five perfect candidates who also happen to form the right instrumentation for a woodwind quintet. Ultimately, finding five musicians equally skilled in music performance and audience engagement would be difficult if not impossible.

If we assume there are no perfect candidates, the challenge then is to find musicians whose skills complement each other. For instance, we would need at least one experienced educator; two or three people comfortable with public speaking and, ideally, at least one person would have experience with web design.

But how does the project manager know if a candidate will have the right skill set? A great performer who has no interest in audience engagement—a key feature of xYz’s mission—would not be an appropriate hire. That much is obvious but deciding whether to hire an average performer who happens to possess considerable teaching
experience would be a more difficult, nuanced decision. As a basic aid, I would visualize the decision like this:

![Candidate Evaluation Visualized](image)

Figure 1: Candidate Evaluation Visualized

In the above chart, the vertical axis represents a candidate’s performance ability and the horizontal represents mission alignment. For the sake of clarity one can understand performance ability to be a measure of a musician’s skill as a performer with the midline representing sufficient professional-level skill. Mission alignment, an even less quantifiable value, refers to a candidate’s commitment to xYz’s mission. It can be answered with questions like, “Does this person share xYz’s values?” and “Does this person have a strong record of experience in community engagement through music?” The mid-line represents an acceptable level of mission alignment. It is the point at which one can affirm a candidate does share xYz’s values.
The best candidates place in the top right quadrant and the hypothetical perfect candidate would be at the top right corner. Point A would represent a musician with strong performance skill but little interest in the ensemble’s larger mission. Point C would represent a musician who is passionate about the ensemble’s mission but lacks the requisite performance ability. Point B is the proverbial Goldilocks of the group. As a skilled performer and someone who possesses the additional skills necessary to realize the xYz mission, she is just right.

The above visualization is just that—a visual representation of my thought process as I chose xYz’s members. It is not meant to be a precise graph, quantifying people into coordinates. Ultimately, the project manager is responsible for making the final decision.
Chapter Two: Charter

The initial idea for the ensemble’s concert season was relatively simple. We would play a series of traditional masterworks concerts and also create an education program. The masterworks concerts would generate a small amount of revenue while the education program, having more grant winning potential, would bring in greater revenue. This was—to say the least—a well-worn template and one would think the planning process would be simple. One would be wrong.

When Good Mission Statements Go Bad

If large scale planning represents the most basic preparation, one need only scratch that surface to reveal the myriad complexities of concert presentation. What repertoire should we play? When and where will the concerts take place? How much should we pay for a venue fee? Do we charge admission? Where are we going to get grants? How do we market our concerts? Should we pay for advertising? What do we put on our website? What about social media? Is anyone going to come to these concerts?

One might suggest this is why organizations write mission statements—they are supposed to guide a company’s decision making. In reality, mission statements can only provide a general sense of direction. Following that direction can have mixed results.
As an example, one can consider Amazon’s mission statement. Amazon wants to be “Earth’s most customer-centric company”\(^2\) and in many ways they are. Prices are low, shipping is fast, returns are simple and customers are happy. At the same time, critics consider Amazon Earth’s least worker-friendly company. In a recent article from the Seattle Times Hal Bernton and Susan Kelleher described a work environment where “the relentless drive to boost production wears (employees) down and costs them their jobs.”\(^3\) In an effort to keep prices low and shipping fast, working conditions became untenable. Workers’ would collapse from exhaustion while working in warehouses with temperatures over 100 degrees. All of this happened for the sake of creating earth’s most customer-centric company.

While Amazon’s mission is concise, perhaps too concise, other mission statements are not concise enough and are often unmemorable or padded with vague language. As a result, it is often the case that employees cannot recognize their own organization’s mission. Recently, I gave a presentation to a group of undergraduate and graduate students at The Ohio State University’s Barnett Center for Integrated Arts and Enterprise. During my discussion about mission statements, we played a game called “Guess That Mission Statement.” The rules were simple: I would show slides with mission statements and students had to guess the corresponding company. When I presented the University of Michigan’s mission statement, several students incorrectly guessed Ohio State. When I put up The Ohio State University’s mission statement no one


guessed correctly; not even the professors in the room. There are two lessons to be learned in this anecdote. First, mission statements are often too vague to distinguish between similar organizations and second, in an effort to be as specific as possible, mission statements can become unmemorable.

This is not to say that mission statements are useless. As discussed in chapter one, presenting the right mission statement to the right audience can be an effective way to open doors for deeper discussions. But what about the day-to-day decision making xYz would face? There was very little a mission statement could do to answer questions of marketing strategy, fee structure or venue selection. These were important fundamental questions that required universal agreement from the musicians. In order to answer these questions, I adapted a decision-making method originally created by Thomas Lah, a consultant in the technological services industry.

Introducing: The Charter

The larger purpose for this chapter is to introduce Thomas Lah’s charter method as described in his book Mastering Professional Services and discuss its utility in the non-profit sector. The chapter begins with a brief summary of Lah’s charter technique as it is applied in the for-profit world. The second half of the chapter describes the author’s non-profit adaptation based on Lah’s method and some relevant examples from xYz’s 2013-2014 season.

In comparing missions and charters, Lah writes:

A mission is an assignment. It is a responsibility to perform a specified task. However, a mission statement provides zero insight into how one should go about achieving the assigned mission.
By definition, a charter defines special privilege, immunity or exemption. A charter grants something.  

For Lah, a charter simplifies the decision making process as it grants the project manager with the power to make decisions. Lah outlines three steps for making a charter.

**Step One: Asking “Why?”**

To begin, the project manager should answer the question: Why are we doing this? The answer to this question should come in the form of clear and concise goals. Thomas Lah outlines the four most common answers in the tech industry:

1. This project will increase the company’s revenue
2. This project will maintain a consistent profit margin
3. This project will increase customer satisfaction
4. This project will increase the company’s market share

Of course, these are not the only possible goals. When creating a non-profit charter, these goals would almost certainly change. In particular, the idea of a non-profit organization maintaining a sizeable profit margin does not work in a sector that, by definition, aims for zero.

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5 Lah, *Mastering Professional Services*, 47.
Step Two: Making Hard Decisions

The second step is the act of prioritizing the project’s goals. As outlined in step one, Lah’s hypothetical project has four goals: revenue, margin, customer satisfaction and market share. At this point, one might be tempted to simply say all four of these goals are equally important. While these four goals are important, it is essential that the project manager make the difficult choice and decide which goal is most important, second most important and so on. Though this is a difficult decision, the project manager must make this decision early. The act of prioritizing will have to happen sooner or later and it will only become more difficult as the project evolves. It is not sufficient to say that all four goals are equally important lest one find himself caught in an Orwellian world where all priorities are equal but some are more equal than others. For instance, if profit margin and customer satisfaction were equally important, what happens when a prospective customer asks for a discount? Without clear priorities, there is no clear solution and the project manager is forced to make an arbitrary decision.

Step 3: Summarize

Finally, once goals are ordered, they can be summarized with a simple radar chart. For instance, the first chart below prioritizes revenue and margin while the second prioritizes customer satisfaction and market share.
Figure 2: Revenue and margin prioritized

Figure 3: Market share and customer satisfaction prioritized
These charts provides a quick, visual summary that anyone can understand and remember. In this way, the charter can relay information in a concise, memorable manner.

Now What?

Lah’s charter method is a useful tool when planning and executing a project. By defining and prioritizing goals, a project manager can make decisions more efficiently and less arbitrarily. As an example one can consider the previously mentioned conundrum: what to do when a prospective customer asks for a discount on a new service. If the project’s charter looks like figure 2, revenue and margin are top priorities, and the project manager should not grant a discount. If the project’s charter looks like figure 3, the project manager should grant a discount in order to maintain customer satisfaction.

It is worth noting the charter, like any tool, has limits to its utility and all four goals are important to some extent. For instance, even if a charter ranks customer satisfaction as the least important goal, customer satisfaction is still relevant. After all, the first step in the charter process requires the project manager to choose only a small number of goals from a much larger pool. The goals listed on the charter are all important to some degree, just not the same degree. Ultimately, using the charter requires discretion.
Creating a Non-profit Charter

While Thomas Lah’s charter method works well in for-profit industries, it does not immediately lend itself to a non-profit business model. As mentioned earlier, non-profit organizations rarely try to maximize profit margin and in many cases, a 0% margin is the best possible outcome. Customer satisfaction is also a more nebulous concept in the arts since art is not always meant to be satisfying in the traditional sense. In order to create a four-point charter for a non-profit organization, the variables have to change.

In the case of xYz Quintet I chose to prioritize revenue, market share, public value and artistic value, which yields the template shown below.

Figure 4: xYz charter template
For the sake of clarity it is worth taking a moment to explain how these four terms were defined and how they applied to the scope of xYz’s concert season. Revenue can be understood to mean any form of income including earned revenue from tickets sales and also money awarded from grants. Market share refers to the size of the audience at concerts and other events.

Artistic value and public value are more difficult to define. For the sake of this document, let it be sufficient to say that artistic value refers to the quality of the ensemble’s concerts including the quality of the musical performances, quality of concert presentation and the quality of the repertoire. Admittedly, the notion of artistic value is subjective and the project manager would be the final judge of a concert’s artistic quality. For the sake of this document, public value refers to a project’s capacity to give back to the community through projects such as education programs or benefit concerts.

From this template, xYz created two charters; one for the masterworks concerts and one for the group’s education project, The Chamber Music Experience. They are depicted below.
Figure 5: Masterworks charter.

Figure 6: Education charter
Applying the Masterworks Charter

For the masterworks concerts, xYz prioritized artistic value and market share. From this vantage point, the group was able to answer several questions as outlined below.

**Repertoire**

Repertoire for these concerts included works such as Irving Fine’s *Partita for Winds* and a transcription of Antonin Dvorak’s *American Quartet*. Since the masterworks charter prioritized artistic value, the group chose music that represented the highest artistic quality available in the woodwind quintet repertoire. This was also the repertoire that was artistically satisfying to the players. By contrast, if the group had prioritized revenue, they could have programmed differently, evaluating repertoire based on potential ticket sales instead of artistic value. However, since the charter specifically favored artistic quality over revenue, it was clear the concerts should feature more traditional repertoire.

**Venue**

In choosing a venue, the group wanted to find a location that met the requirements for increasing market share and presenting concerts of high artistic quality. The group had considered many venues but ultimately chose St. Mark’s Episcopal Church because the church had good acoustics, did not charge a venue fee, had a large parking lot and easy access for patrons. Though the group wanted to program concerts at the Short North Stage, this venue did not meet the requirements as defined by the charter. Even though
the space had an interesting look, the stage had poor climate control and unflattering acoustics. This would have made for an uncomfortable experience for patrons sitting in cold seats and it would have been impossible for the musicians to sound their best in the acoustically dry hall.

**Income and Expenses**

The fact that revenue was a low priority for the masterworks project should not be interpreted to mean revenue was unimportant. Despite what some would say, even musicians care about money. For the masterworks series, the ensemble prioritized market share over revenue in hopes of building a larger audience base by presenting concerts with affordable admission rates. For this reason, all masterworks concerts offered pay-what-you-can admission. Immediately before the final work on each program, musicians would pass a donation plate around the audience and patrons could donate at any level.

**Marketing**

Since the group anticipated low revenue from these programs, it was important to minimize presentation costs. As mentioned previously, finding a venue that did not charge a rental fee was a key step in presenting these concerts. The question of whether to pay for marketing was a challenge that the charter could not answer clearly. After all, the project’s charter did mandate that the musicians needed to increase market share but they had to do so knowing they would not likely bring in much revenue. This meant the group would have to find affordable but effective marketing channels. This will be discussed in greater detail in the next chapter.
As a venue, St. Mark’s Church came with the added benefit of a built-in audience since the church already hosted regular concerts. For this reason, xYz directed most of their marketing efforts toward St. Mark’s congregation.

The ensemble focused on two primary marketing methods that were low cost and high yield. First, the group designed and printed flyers. In an effort to increase direct communication with patrons, flyers were passed out to patrons during their fellowship hour. The flyers were cut to postcard size dimensions for two reasons. First, the smaller size made them more portable so patrons were more likely to hold on to them. Second, printing half sheet flyers effectively cut printing costs in half. Sample flyers are included in the appendix.

The other primary marketing channel came in the form of promotional performances held in the church’s reception hall during fellowship hour. These performances usually included a duo or trio of xYz musicians performing incidental music for the congregation. These performances provided a creative solution that met the charter’s requirements. Fellowship hour concerts were essentially free advertisements for upcoming masterworks concerts. For this reason, musicians were willing to play at fellowship hours for free since they had already prioritized audience building over revenue.

A Balanced Charter

In contrast to the masterworks charter, the education charter prioritized public value and revenue over artistic value and market share. While the importance of public value in music education is probably obvious, the importance of revenue may seem
counterintuitive at first. After all, if we really wanted to give back to our community, we would play for free, right? No.

Revenue was a high priority for The Chamber Music Experience because it had the greatest potential to receive funding through grants and awards. In fact, failing to seek out money would have been a tremendous oversight in light of the ample grant opportunities for arts education. Without grants, the musicians would have been leaving money on the table, so to speak. Also, the education project had been designed to be a scalable and repeatable program but this would only be possible with a reliable revenue stream.

Thinking on a larger scale, generating revenue through the education project meant the group could hedge the potential losses incurred in presenting the masterworks concerts. This leads to a more interesting facet of xYz’s charters. Together the two charters address all four goals, each being prioritized at some point. In visual terms, the masterworks and education charters can be juxtaposed to look like this:
Figure 7: xYz Charter

From this perspective one can see the value in diversifying a chamber ensemble’s programming. Though no single project can address all four goals equally, together they create a strong portfolio with each supporting the other’s weaknesses.
Chapter Three: Minimum Viable Product

In novels, a good first sentence is poetry and power. Like a god’s pre-creation finger snap, the opening words create an almost-corporeal world from the nothingness in an otherwise unoccupied corner of the reader’s imagination. It is the nudge of an invisible finger pushing the marble down the first slope of an elaborate machine.

If the perfect opening sentence is an art of exactness, the minimum viable product is the opposite. It is the art of figuring out just how little one can do and still get the ball rolling.

In Steve Blank and Bob Dorf’s work, The Startup Owner’s Manual, the authors describe the minimum viable product as “a concise summary of the smallest possible group of features that will work as a stand-alone…a tactic for cutting back on wasted engineering hours.”6 The goal, therefore, is to set up a business for success by knowing exactly which goals must be accomplished on day one and which goals can be saved for later. For example, if a hotdog vendor plans to open his first hotdog stand tomorrow, he needs to have hotdogs and buns ready but he does not need to purchase and produce a commercial spot for this year’s Super Bowl. That comes later.

For musicians, trained in a profession where the slightest imperfection can mean losing a job, ruining a concert and an immediate decline in social status, perfection is the

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viable minimum. For the musician entrepreneur, understanding where to set the standard for minimum viability can be a challenge. In some cases, minimum viability becomes obvious during the mission and charter phases. For instance, prior to the first concert the ensemble should have some marketing materials. This could include basic physical media, such as flyers, and digital media such as social network advertising.

Ideally, one should understand what aspects of concert presentation are absolutely vital and therefore necessary for a minimum viable product. However, it is often the case that some aspects of concert presentation are overlooked or discovered through trial and error. For instance, after xYz’s first concert the musicians hosted a reception to meet their new fans. Many audience members wanted to know about future concerts and asked how they could find out more about the group. Unfortunately, the musicians had not provided a sign up sheet for their mailing list nor did they have any materials listing contact information. In hindsight, providing an email sign-up sheet and printing contact info on the programs would have been simple, cost effective measures to promote the group. For future concerts these materials were considered part of the group’s minimum viable product for concert presentations.

Creating a basic press packet represents a good exercise in understanding minimum viability. Every major professional ensemble has a sparkling press packet replete with shiny photographs and recording samples. For a newly formed ensemble, a polished press packet would be an impractical expense of capital and time. However, a basic, though not sparkling, press packet can be helpful.
In the case of xYz, the ensemble assembled a low-cost press packet that included the group’s mission statement, a brief history of the ensemble, headshots of each musician, biographies of each musician, and links to the group’s website where sample recordings were available.

All of this was done with technology that was readily available and inexpensive. Headshots were all taken from pre-existing photos and, in one case, one musician posed for a photo taken with a cell phone, shot against a blank white wall as a backdrop. Was this an ideal situation? No, but it was enough to put together preliminary materials. The group produced audio samples by recording a rehearsal and then cutting the best passages into 60-second samples. Finally, the group developed their website using a free web hosting service.

None of this was ideal. Yes, professional headshots would have been nice. Yes, a professionally edited studio recording would have sounded better and of course the group’s free website came with an impossibly long url—http://www.xyzquintet.wix.com/xyzquintet. Even if the packet was less than ideal it was—egregious though it may sound—“good enough.”

Ultimately, having a readily available, if imperfect, packet is more important than spending the time and capital on the best packet money can buy. That is exactly the nature of the minimum viable product. Determining an ensemble’s minimum viable product can be a difficult exercise that requires the discipline to accept that not everything can be done right away. One must accept a less than perfect package for the sake of getting the proverbial ball rolling.
Identifying a Minimum Viable Product

Identifying the minimum level of acceptability can be challenging. It is an act that requires a manager to first decide what constitutes “good enough” and then adhere to that standard while avoiding the temptation to waste resources trying to make something better. This is especially difficult for musicians because many of them are trained to be the nothing less than the best. However, minimum viability is not a practice of apathy. Quite the opposite, it is the practice of budgeting, delegating and managing limited resources efficiently. That said, the question remains: How does one determine the minimum viable product? xYz used two specific methods to identify the minimum viable product. The rest of this chapter will discuss two methods for identifying minimum viability and will provide examples of xYz’s application of the concept as it related to their marketing strategies.

Charter-Informed Minimum Viable Product

After the charter phase, xYz was ready to begin preparing for concerts. The first concert date had been set and the group would have exactly one month to prepare. In addition to rehearsals, the group would also have to create marketing materials including a website, sample recordings, a press packet with biographies and headshots, a social media site, flyers, and programs. Needless to say, with only a month to prepare, time would be a limited resource.

In order to accomplish all of these goals in a short time, the group would have to make decisions quickly. Since the musicians had already prioritized their goals during the
charter phase, making decisions about how to delegate resources was relatively easy. As a reminder, here is the masterworks charter again:

Figure 8: Masterworks charter

Since time was an especially rare resource, the group would have to make careful decisions about the best way to use their time. Looking at the charter it was immediately clear the group had set a mandate to create the highest artistic product possible. Thus the group would use most of their time together in rehearsals. However, the group would also have to spend some time discussing and developing marketing strategies to address their goals for increasing market share.

Of course, using rehearsals to create the best artistic product was a natural process for musicians. As a brief aside one should consider how different the minimum viable product would be for the education project. The education charter went in the exact
opposite direction and prioritized public value and revenue. In terms of its minimum viable product, the group would be spending more time writing lesson plans and drafting grant proposals. These are things that feel distinctly unmusical and at times it would be difficult for the musicians to spend time away from their instruments. However, the focus of the education project was less about the musicians and more about their students. Meeting the minimum standard would mean shifting resources to planning lessons and communicating with parents instead of spending time making music. This required an incredible amount of discipline in order to meet the project’s goals.

**Identifying Target Markets**

Given the musicians’ limited time and capital, the xYz marketing strategy required careful thought and planning. The members were realistic about the amount of revenue these concerts would bring and knew they would have to be frugal in their marketing efforts. At the same time, building an audience (market share) was an important priority for these concerts. Based on this information, the group would have to find low cost, high yield promotion opportunities.

In order to do this, the project manager would have to identify a target market. Blank and Dorf classify markets into three strata:

Marketers and their investors typically think of market size as three numbers; TAM (total addressable market), SAM (served available market) and target market. The TAM for makers of a new smartphone app might be the 1 billion total smartphone owners worldwide, but if the application
is available only in English…the SAM or potential market served is far smaller. And the target market might be Apple App Store customers…

TAM=how big is the universe

SAM=how many can I reach with my sales channel

Target Market(for a startup)=who will be the most likely buyers⁷

Following this pattern, xYz’s market would look something like this:

**Total Addressable Market**= Chamber music enthusiasts worldwide

**Served Available Market**= Chamber music enthusiasts in Columbus, Ohio

**Target Market**= Chamber music enthusiasts in the church congregation and surrounding neighborhood.

From this perspective it was clear that most of xYz’s marketing should focus on members of St. Mark’s congregation since they were the most likely patrons. Based on this information, the group developed two main promotions: physical flyers and miniature concerts during fellowship hour.

**Practical Considerations**

Here are some ways xYz considered minimum viability as they prepared promotional materials:

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Website

The group wanted to have a central hub where interested patrons could obtain information on upcoming events. The group decided to host their website using wix.com. Wix’s service appealed to the group because it is a free service that is easy to use and looks professional. After about an hour, the xYz’s social media specialist (read: horn player) had the site running with an introductory homepage, a concert schedule, a photo gallery, a page for member biographies and ensemble history, a booking page with contact info and a page with sample recordings. All of this was relatively simple to set up and was free but there was a caveat. The url was nearly impossible to memorize: http://www.xyzquintet.wix.com/xyzquintet.

Is it completely impossible to remember? No, but it is not the kind of address that lends itself to a quick jot on a cocktail napkin during a concert reception. However, xYz considered the lengthy url an acceptable compromise because it saved the group time and money, the most rare and valuable forms of capital in the ensemble’s start-up phase.

Business Cards

xYz printed free business cards using VistaPrint’s online service. The cards included the musician’s name, instrument, the xYz logo, personal contact information and the xYz web address. The business cards proved to be especially useful because musicians could now relay the unusually long web address to patrons. As a drawback, the free cards also included the VistaPrint logo on the back of the card. The musicians could have opted to have a blank backside for an additional fee but the logo-included version
met the group’s standard for minimum viability. The VistaPrint logo was unobtrusive, the cards looked professional and they were inexpensive.

**Photos**

In order to build a website and create marketing materials, the group members needed some basic photos including headshots and action shots. Most group members already owned professional headshots. The musicians who did not already have professional headshots posed for photos taken with a reasonably high-resolution smart phone camera. When collected in this way, the photos presented various problems. Most of the headshots came from different cameras shooting in different resolutions with different dimensions and different backgrounds. When the group assembled the photos into a collage, the mismatched styles looked unprofessional. To solve this issue, the group’s graphic designer cropped the photos and applied a black and white filter. The resulting graphic looked more professional and was cheaper to print.

As a practical consideration, using a photo collage instead of a group photo lent additional marketing versatility. When three members of the group went to present a lecture recital, the graphic could be edited into a collage of three rather than five. When substitute musicians played, their headshot could be swapped into the collage with minimal effort.
Chapter Four: Negotiations

This chapter examines some basic negotiation techniques and provides relevant case studies from xYz’s 2013-2014 season.

Distributive vs Integrative Negotiations

Scholars and theorists classify negotiations into two basic types: distributive and integrative. Distributive negotiations focus on a single variable, usually price. By contrast, integrative negotiations focus on multiple variables. For instance, buying a car would be a distributive negotiation if the buyer and seller only discuss the sale price. However, if the buyer were to expand the area of negotiation to include a second variable, for instance deciding on the date and location of the final sale, this would be an integrative negotiation.

As an additional note, it is important to also consider the smaller negotiations that would happen within a single integrative negotiation. Consider the negotiation that happens when an employer hires an employee. Among the terms of the contract, both parties would at least discuss salary, benefits and vacation time. The order and manner of negotiating these terms can vary from one situation to the next. It is possible to negotiate each term one at a time, essentially carrying out three distributive negotiations, or the negotiating parties can integrate (hence the term) all three variables into a more complex model. As an example of an integrative job negotiation, the potential employee might be
willing to give up a week of salary in exchange for a week of vacation, thus tying the two variables together into one negotiation. In general, most scholars agree that integrating variables leads to a more mutually beneficial final agreement.8

This raises a central tenet of negotiation technique: a good negotiator seeks out information from the other party in an effort to understand the other party’s interests rather than positions. A position is a simple statement of demand. For instance, when a new employee negotiates his contract and claims he will only accept a salary of $100,000 or more, that is his position. Interests, on the other hand, describe a party’s underlying motivations. For instance the employee who will trade salary for vacation is making an implicit statement about his interests. Though he never explicitly says so, he is probably a person that values a work/life balance.

**Case Study #1: Understanding Interests vs. Positions**

Understanding the other party’s interests is not always an easy task. When I set out to find a venue for xYz’s masterworks concerts, I already had a clear idea about the ensemble’s priorities. Based on the masterworks charter, which prioritized artistic value and market share, the group wanted to play in a venue with acceptable acoustics and easy patron access. At the same time, the group anticipated low revenue from these concerts and would have to find a venue that charged an affordable venue fee or ideally no venue fee.

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The first church I contacted met most of the group’s criteria. It was centrally located, provided ample parking and was known to be a popular location for chamber music concerts. Unfortunately, as I spoke at greater length with the music director, he began to have some reservations about scheduling our group. Though he would not mention any specific concerns, he was hesitant to book multiple dates for the year. He was also unsure about a venue fee. He mentioned that he may or may not charge a fee and was not willing to name a specific price. I left this discussion dispirited by the impression that the venue had little or no interest in our ensemble.

In our next conversation, I began asking questions about the church’s interests rather positions. Some of these questions were:

1. I understand you are hesitant to book this ensemble. Are you concerned about the level of artistry?
2. Do you always charge the same venue fee? If not, what are the determining factors when deciding on a fee?
3. Is there a logistical problem with scheduling all three concerts?

By asking these questions I discovered the church had recently hosted several student concerts where the students had left the hall in a mess. As a result, the church had to pay for custodial fees. In addition, the concerts were scheduled for weeknights when the church was usually vacant. This meant the venue had to pay additional utility fees to
keep the hall heated on weeknights. For these reasons, the music director was wary to book more student ensembles.

Based on this information, I offered to play concerts on Sundays since the hall would already be heated for the church service and offered to add a contingency clause stating xYz would be held responsible for any unforeseen custodial fees. At this point, the music director was significantly more interested in continuing the negotiation.9

Anchoring a Negotiation

In negotiating terms, an anchor refers to any technique that helps define the bargaining zone.10 In a distributive negotiation, the initial offer and first counteroffer create two anchor points for the negotiation. For instance if party A offers to sell his car for $20,000 and party B makes a counter offer for $10,000, the parties have created a bargaining zone between $10,000 and $20,000. One can assume the final price will land between those two prices.

Through this basic example, it is clear and probably already intuitive that the first two offers in a negotiation will anchor the negotiation by establishing a price range. However, several studies have shown that the initial offer can be a significantly more powerful anchor compared to the counteroffer. In Essentials of Negotiation, the authors discuss the anchoring power of the initial offer as follows:

A classic example of an anchor in negotiations is hearing the other side’s first offer and then thinking, “Gee, that offer was much lower than I

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9 Ultimately, xYz did not book this venue since St. Mark’s offered a more amenable contract.
10 Lewicki, Saunders and Barry, Essentials of Negotiation, 124.
expected; perhaps I’ve misconstrued the value here and should reconsider my goals and tactics.” Anchors like this set a potentially hazardous trap for the negotiator on the receiving end because the choice of an anchor (e.g., an initial offer or an intended goal) might well be based on faulty or incomplete information and thus be misleading in and of itself. However, once the anchor is defined, parties tend to treat it as a real, valid benchmark by which to adjust other judgments such as the value of the thing being negotiated or the size of one’s counteroffer.11

The authors raise an interesting point by noting the initial offer’s ability to anchor the negotiation before the counteroffer arrives. Though the above passage is largely anecdotal, several researchers have produced conclusive evidence that the party making the initial offer is more likely to have a favorable outcome in a distributive situation. For instance, Galinsky and Mussweiler conclude, “whichever party, the buyer or the seller, made the first offer obtained a better outcome. In addition, first offers were a strong predictor of final settlement prices.”12

Case Study #2: Anchoring the Donation Negotiation

The importance of the initial offer as an anchor is an important lesson for the beginning negotiator. However, there are certain situations where there is no clear opportunity to make an initial offer. For instance in home sales, the seller almost always anchors the negotiation first by setting the asking price before the buyer makes an offer.

This form of anchor is commonly called a reference point.

11 Lewicki, Saunders and Barry, Essentials of Negotiation, 124.
The xYz Quintet entered into a similar predicament in their masterworks concerts. These concerts used a pay-what-you-can system where patrons were asked to consider making a donation during the intermission but there was no mandatory admission fee.

The donation process, though not exactly the same as a negotiation, bears many similarities to a distributive negotiation. In fact the donation process meets most of the criteria for negotiation as defined by Lewicki, Saunders and Barry. In their text, *Essentials of Negotiation*, the authors describe the six characteristics of negotiation. Here they are as they would apply to xYz’s donation process.

1. Negotiations have two or more parties. **(true)**
2. There is a conflict of needs and desires between the parties. **(true)**
3. The parties negotiate by choice. **(true)**
4. There is a give and take process. **(FALSE)**
5. The parties prefer to negotiate rather than fight openly. **(true)**
6. Successful negotiation involves the management of tangibles such as price, and intangibles such as the need to appear fair. **(true)**

In examining these six principles it is easy to see that most of these characteristics would also apply to xYz’s pay-what-you-can system. However there is no real give and take process (see item #4) when a church donation plate gets passed since the musicians

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and patrons are not actively making offers and counteroffers. For this reason, the musicians wanted to find a creative way to effectively anchor the negotiation.

For the first concert, the musicians passed around a donation plate while a musician spoke about upcoming events. In this case there was no anchor, no tangible request signaling how much money would be appropriate. For the second and third concerts, the musicians set a reference point by printing the average cost of presenting a chamber music concert on the backs of programs. This proved to be a subtle yet effective method to anchor the negotiation and as a result, donations doubled once patrons had an accurate sense of presentation costs. Concert revenues and sample programs can be found in the appendix.

Preparing for a Negotiation: Reserve Price, BATNA, Sources of Power

Failing to adequately prepare for a negotiation is a common mistake among beginning negotiators. Understanding and thinking through the following concepts will help a negotiator reach a more favorable outcome.

**Reserve Price and BATNA**

The term reserve price refers to a negotiator’s price limit. For instance if a car salesman wants to sell a car for $30,000 but could go as low as $25,000, his reserve price is $25,000. As a general rule, a negotiator should never reveal his/her reserve price as this usually results in the least favorable outcome. If the buyer knows he can purchase the car for $25,000, he will not offer a higher price.
At the same time, a negotiator should always try to uncover the other party’s reserve price if possible. Since most negotiators have enough sense to conceal their reserve price, the intrepid negotiator has to uncover this information through other means, usually by making gradual concessions in price until the other party agrees.

BATNA is the short hand term for Best Alternative To A Negotiated Agreement. A BATNA usually refers to an alternative outcome that can be obtained by completing a deal with someone else. If a woman selling her home receives an offer of $150,000 she would first consider any other standing offers before making a decision. While this is a fairly obvious consideration, it is important to remember that multiple variables may affect one’s sense of which alternative is best. For instance, if a recent college graduate receives a job offer to work an entry-level position at a fast food chain, he may decline the offer even if he has no other job prospects at the moment. In this case, waiting for a better opportunity while remaining unemployed is the better alternative even though fast food income is higher than no income.

When preparing for a negotiation, the negotiator should work to strengthen his BATNA as much as possible. Unlike the reserve price, which should never be revealed, the negotiator should reveal his BATNA in situations where a strong BATNA can be used to lever a more favorable outcome. For instance a faculty member may shop for job offers from outside organizations in order to negotiate a higher salary and tenure at his current university. This is a common example of a negotiator using a strong BATNA as leverage.

14 Lewicki, Saunders and Barry. Essentials of Negotiation. 137.
Sources of Power

According to an early definition, a person is said to have negotiating power when they have “the ability to bring about outcomes they desire.”\(^\text{15}\) Though negotiating scholars have written at great length about the more nuanced forms of negotiating power, this simple definition will be sufficient for this discussion. As a general rule it is important for a negotiator to understand his/her sources of power before entering the negotiation. This could include considerations such as a strong BATNA, access to capital, having a specialized expertise (expert power) or being able to support your claim through facts and figures. Understanding these sources of power and letting the other party know about your sources of power is a key step in reaching a more favorable outcome.\(^\text{16}\)

Case Study #3: Identifying Power

For aspiring, unemployed musicians armed with little to no startup capital, identifying sources of power sounds like an oxymoron. In xYz’s case, our musical ability, a form of expert power, was our primary source of power. In my initial conversations with venue managers, I would describe xYz Quintet as a new professional music ensemble. I wanted to stress that the musicians were professionals, not students. Unfortunately, no matter how many times I used the word “professional,” I often received questions like “You and your buddies want to come and do what?” and “So, you’re an OSU group, right?”


\(^{16}\) Lewicki, Saunders and Barry. Essentials of Negotiation. 151.
It soon became clear that without any credentials, the word “professional” did not confer legitimacy. As I refined my sales pitch, I wanted to use the musicians’ artistic expertise as a source of expert power but I would have to find a way to properly convey this power. After a few rejections from venue managers, I decided to stop using the word “professional” and instead start describing the musicians’ previous accomplishments. Cumulatively, we had performed in orchestras including the Cleveland Orchestra, the Toronto Symphony, the Baton Rouge Symphony and the Chicago Civic Orchestra. When I relayed this information to venue managers they immediately understood that our ensemble comprised musicians of professional caliber even though I never used the word “professional.” By clearly identifying the ensemble’s source of power and forming an effective method to communicate this power, I was able to pique venue managers’ interest and eventually book an ideal venue for the masterworks concerts.

Understanding the Other Party’s Power: The Ultimatum Game

In 1982, economists Guth, Schmittberger and Schwarze, created a stylized negotiation experiment known as the Ultimatum Game. The rules of the game are simple. Two people sit down to decide how they will split a given amount of money. The first person must give a one-time offer—the titular ultimatum—and the second person can accept or reject the deal. If the second person accepts the deal, the two parties split the money according to the ultimatum. If the second person rejects the deal, neither party receives any money. Here are two ways the game could play out:
<table>
<thead>
<tr>
<th>Justin’s Offer</th>
<th>Kerry’s Decision</th>
<th>Outcome</th>
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</thead>
<tbody>
<tr>
<td>50/50</td>
<td>Accept</td>
<td>Each person gets $50</td>
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<table>
<thead>
<tr>
<th>Justin’s Offer</th>
<th>Kerry’s Decision</th>
<th>Outcome</th>
</tr>
</thead>
<tbody>
<tr>
<td>90/10</td>
<td>Reject</td>
<td>Both people get $0</td>
</tr>
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</table>

Figure 9: Two Scenarios of the Ultimatum Game

In the first example, Justin and Kerry agree to split the money evenly. In the second example, Justin offers to give Kerry $10 but Kerry decides she would rather have no money than some money. Irrational though it may seem, this scenario can and does happen.\(^\text{17}\) Perhaps Kerry is spiteful or perhaps she resents the unfair deal. Either way, Kerry exercises her power to reject the deal. As it turns out she has her own power of ultimatum—the power to cancel the deal entirely.

This game is often played out in negotiations classes as a way to teach negotiators to understand the other party’s power. At first glance, it would seem the party making the offer has all the power but upon closer inspection it is clear that both parties wield power. If the first mover underestimates the other person’s power and makes an unfavorable deal, he is likely to find himself with no money at all.

**Case Study #4: Reserve, BATNA, Interests and Positions**

When xYz entered the capital development phase for The Chamber Music Experience, I estimated we would need $1,500 of funding to work with a single classroom. The budget break down looked like this:

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In total, xYz wanted to secure $3,000 in order to work with two classrooms, one public school classroom and one group of homeschool students. After a preliminary search, I had secured a grant for Columbus North International High School in the amount of $1,500. Unfortunately, finding a funding source for homeschool students proved to be more difficult. Major foundations and arts councils limited their grants to programs for students in public schools or to organizations with non-profit 501(c)3 status. Though many homeschool students belong to local homeschool networks such as Classical Conversations, none of the local homeschool networks had 501(c)3 status nor did xYz. As a result, the likelihood of securing a grant for homeschool participation was improbable.

In lieu of applying for grants, I decided to pursue a payment system where individual parents could pay to enroll their children in the program. If our ideal group comprised 10 students, that would mean each parent would pay $30 per week to enroll a child for a total cost of $150 per child. If I could enroll 10 students, the project would be fully funded. When I approached homeschool parents about the program, they were
excited about the opportunity but many families felt the cost of participation was too high. In response to their sticker shock, I would point out that the average 30 minute private music lesson costs about $30 and this program offered a unique, immersive opportunity well beyond the scope of private lessons. Even though parents agreed the program had great potential they were still hesitant to enroll their children.

In order for the program to meet its bottom line I would need at least 10 homeschool participants. After a month of pitching the program to several homeschool families I had three students enrolled. It was at this point I had to rethink my cost structure but in order to do so, I first examined the program’s charter. For reference, here it is again:

![Education Charter](image)

Figure 11: Education charter
As mentioned previously, the education charter prioritizes public value and revenue but in some ways these two variables were in opposition to each other. Without revenue, the program would not happen. If there were no program there would be no public value.

There was no plan B that would allow for a partially funded venture for several reasons.

1. A charter is only useful if one decides to adhere to its mandates and in this case, the charter clearly stated that revenue was a priority. For this reason, failure to generate revenue would mean the project had failed.

2. One of the long-term goals for this project was to provide proof that the project could become a scalable, repeatable venture. If we could not meet the minimum viable budget, the project would be neither repeatable nor scalable.

3. The budget had already been trimmed to its minimum viability. Asking the musicians to accept lower artist fees would be unreasonable since their time and effort does not scale proportionate to the number of students in the room. Lessons plans need to be written, chairs and instruments need to be set up and a 60-minute service will always last 60 minutes regardless of classroom size.

In negotiating terms, my reserve price was $1,500 and my BATNA was to cancel the program. In a way, I had created a variation of the ultimatum game—the budget for this program was an all-or-none proposition. If we could not convince enough students to enroll, the program would not happen.
In order to find an agreeable solution, I wanted to better understand homeschool families’ interests. In my initial conversations, families told me $30 was too high a price but this was really just a statement of position. I followed up with some of the parents and asked if they had any other reservations beyond price. Several parents told me that $30 a week was affordable but many of these parents had multiple children and enrolling two or three siblings for $30 each would be an impractical expense. The parents also did not want to be forced into a situation where they would have to choose only one child to participate.

In order to find an agreeable price point, I made three changes to the funding model. First, I knew there was enough potential interest that I could assume more than ten students would enroll once the enrollment fee was affordable. If I could enroll fifteen students instead of ten, the cost per child would decrease significantly. Second, I arranged a deal with ProMusica where they would cover the supply costs for both classrooms. This reduced the homeschool budget from $1500 to $1200. Finally, I was able to secure a small grant from the American String Teachers Association, which further reduced the cost burden for participating families.

After these revisions the cost per student had dropped from $30 per week to $10 per week. However, to make this plan work I had to increase the class size by 50%. This could potentially compromise the educational value, and by extension the public value, of these lessons since classroom management would become more difficult. Even though revenue was a priority, public value was still the top priority. To sacrifice one for the other would violate the project’s goals as established by the project charter.
To solve this problem I took the following steps. First, I set the age limit so that students could only enroll if they were between the ages of 8 to 13. This was a sufficiently wide range that most families could enroll all of their children but also sufficiently narrow that there would be no significant gaps in the students’ experience levels, thus enabling me to create lesson plans that were experience-appropriate for all students. If a family had some siblings outside the recommended age range, all of the siblings could come to the first class. After the first class, the outlying sibling, in conversation with parents and teachers, could decide if (s)he wanted to continue to participate.

Second, I arranged for a presentation where parents and their children could come to learn more about the program. By presenting a model lesson, children could decide if they were interested before officially enrolling. In a few cases, one sibling would be interested and the other would not. Allowing a sibling to opt-out on his own made the parent’s decision easier.

Finally, I asked parents to be in attendance for the lessons and to assist with any discipline issues that may arise during class. Luckily, most of the students were well behaved and discipline issues rarely occurred. This was likely due in part to parents’ attendance.

Ultimately, 14 students enrolled in the program and xYz was able to meet its revenue goals. Taking steps to move away from an ultimatum situation and move toward a discussion of each party’s interests allowed all parties to find a win-win solution. At the
same time, I was able to adhere to the project charter’s priorities by generating revenue and public value.
Chapter Five: Results and Conclusion

This chapter examines the results of each project including the masterworks series, The Chamber Music Experience, the lecture concert at the Columbus Museum of Art and the benefit concert for St. Mark’s Organ Completion Fund. Each project will be evaluated according to the standards set by the ensemble’s mission goals of artistry, engagement and partnership as well the goals established by each project’s charter.

Masterworks Concerts

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<thead>
<tr>
<th>Concert no.1</th>
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<th>Total Donation</th>
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</thead>
<tbody>
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<td>$132</td>
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<table>
<thead>
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<tbody>
<tr>
<td></td>
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<td>$330</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Concert no. 3 (benefit concert)</th>
<th>Audience Size</th>
<th>Total Donation</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>35</td>
<td>$1164</td>
</tr>
</tbody>
</table>

Figure 12: Masterworks results

The charter for the masterworks concerts prioritized artistic value and market share. As evidenced in figure 12, xYz’s concerts did garner steady but modest increases in audience size. Most importantly, there were a significant number of repeat patrons who attended all three concerts. It is worth noting that the increase in audience also correlates with the increase in marketing efforts. Prior to the first concert, the musicians only
produced flyers. Prior to the second concert, the group produced flyers and played a promotional mini-concert one week before the full concert. Prior to the third concert, the group produced flyers, passed them out directly to congregation members during fellowship hour and played two mini-concerts leading up to the full concert. Regarding the charter’s mandate to increase market share, the masterworks concerts were a modest success with significant room for growth.

The steady increase in earned income is another interesting feature of the masterworks concerts. The increase in earned income between concert no.1 and concert no.2 coincides with the first instance of the anchoring strategy. It is possible, though not conclusive, that listing total presentation costs on the back of each program had anchored patrons’ perception of the concerts’ economic value. The nature of the third concert, being a benefit concert for the church, likely explains the significant increase in earned income at this concert. It should be noted that the concerts’ earned income, though it increased steadily, was still relatively modest.

The masterworks series did meet the mission statements standards of artistry, engagement and partnership. Though there is no quantifiable way to evaluate an ensemble’s artistry, as project manager I was pleased with the way the group performed, as were the other members of the ensemble. Regarding audience engagement, patrons frequently told me they enjoyed hearing the musicians speak and would like to hear more of it in the future. Though the ensemble is currently taking a break for the summer, St. Mark’s music director has invited the ensemble to play another full season and we will meet in August to discuss dates and programming.
The Chamber Music Experience

In May of 2014, two groups of students, one from Columbus North International High School and another comprising homeschool students, performed for a standing room only crowd on the WOSU stage inside the Columbus Center of Science and Industry (CoSI). The event was well received by students, parents, audience members and the participating musicians of ProMusica Chamber Orchestra. At the time of this writing, several parents have yet to return their surveys, but the initial response is overwhelmingly positive. One parent commented on her child’s sense of accomplishment:

My son had a great time and he felt a great sense of accomplishment upon completion of this project. My son, says,"It was a spectacular program, I had fun doing it and I hope they do it again next year. I would really enjoy it again!"

Justin, who led Joel's group, did a terrific job! He truly helped Joel understand more about rhythm and how to work in concert with others.

Many parents were also excited at the prospect of repeating the program:

Thank YOU Justin...you've been so generous with your time and talent. It was incredible to see it all come together! I heard many positive comments from families and guests.

We had a wonderful experience with you and would return if it were offered again.

Based on initial reviews, it is fair to say the project’s public value is evident. Regarding revenue, the project did meet its funding goals. For these reasons, The Chamber Music Experience successfully met its charter goals.
Regarding the ensemble’s mission, The Chamber Music Experience was especially successful in building partnerships with several local organizations including ProMusica Chamber Orchestra, WOSU, Columbus Public Schools, the Columbus homeschool network and The Barnett Center for Integrated Arts and Enterprise.

However, I would recommend some changes for future programming. In particular, I underestimated the amount of administrative work required for this program. For future projects, I would charge a project manager’s fee to account for the 100+ hours of administrative work required to keep the program running.

Emergent Opportunity: Columbus Museum of Art

xYz’s lecture concert at the Columbus Museum received exceptionally positive reviews from museum staff and patrons. The musicians performed for a full house of 200+ audience members and were well compensated for their time. Initial conversations with the museum staff suggest xYz will be invited back for future appearances.

I learned a valuable lesson from this concert: every concert should be an advertisement for the next concert. It is an opportunity to tell patrons, “If you liked what you heard today, come back. This is where you can find out more.” Unfortunately, I had not initially thought of the museum concert as a promotional opportunity. If I had, I would have provided patrons with information about future concerts. After all, this was a lecture concert featuring a slide presentation projected onto a giant screen. If I had been thinking ahead, I could have included a final slide advertising the group’s website and future concert dates.
It was not until I was leaving the museum, that a patron approached me in the parking lot. He and his wife enjoyed the show so much they wanted to hear more. I gave him my business card and he emailed me a few days later. Since that first meeting, he and his wife have attended every xYz concert. Lesson learned.

Conclusion and Areas for Further Research

The most pertinent area for future research, and one that is already happening in many music schools, is the role of entrepreneurship in arts education. What is the role of entrepreneurship in the modern music profession and how can universities best prepare their students for careers in the arts? This document cannot answer that question.

However, this document does provide evidence, through one ensemble’s practical experience, that musicians with little prior experience can successfully learn and apply fundamental business concepts. Even though these concepts are fairly basic, it is worth noting they remain relevant to artistic ventures of any level, amateur to professional.

Nothing in this document goes beyond the most basic tenets of entrepreneurship. Mission statements, setting goals, understanding the consumer—these are simple concepts that have become increasingly important as young musicians enter an increasingly competitive space. The question then is how do they fit into an already tight curriculum? In my case, I had to spend an extra year studying at the Fisher College of Business but not every student has the luxury of a four-year fellowship with stipend.

Another area that warrants further discussion is the nature of arts entrepreneurship. What does it mean to be an arts entrepreneur? Anyone can say, “I’m an arts entrepreneur” and many people do. But what does that mean?
It should be noted that nowhere in this document do I ascribe the title “arts entrepreneur” to myself or the other members of xYz. Yes, we were moderately successful in building a concert season but so are many other ensembles. Is xYz entrepreneurial just because it is new? No. If we, as musicians, are going to explore new possibilities in arts entrepreneurship we should first agree what that means. An entrepreneur is a trailblazer, finding blue oceans and disrupting markets; a rare feat in a musical landscape with traditions reaching back to the 17th century and beyond.

But how do we balance tradition and innovation? This remains our greatest challenge.
Bibliography


Appendix A: Sample Program and Printed Advertisement

April 6, 2014
4:00 pm
St. Mark’s Episcopal Church

Suite for Wind Quintet
Gunther Schuller
(b. 1925)
I. Prelude
II. Blues
III. Toccata

Sonata for Clarinet and Bassoon
Francis Poulenc
(1899-1963)
I. Allegro
II. Romance
III. Finale

Intermission

A donation plate will be passed after intermission.

String Quartet no.12 ‘American’
Antonín Dvořák
Op. 96
(1841-1904)
David Walter, arr.
I. Allegro ma non troppo
II. Lento
III. Molto vivace
IV. Vivace ma non troppo

Please join us after the concert for an informal reception.

Kelli Given, oboe
Katey Jahnke, horn
Justin Johnston, clarinet
Kerry Haberkern, bassoon
Robert Shane Paul, flute

Figure 13: April Program Copy, Front
xYz Quintet formed in 2012 with a mission to explore new audience engagement opportunities and create innovative programming through partnerships with other local organizations. Our members have played with ensembles including the Cleveland Orchestra, the Toronto Symphony, the Baton Rough Symphony, and the Chicago Civic Orchestra. In addition to traditional concerts, we remain dedicated to our education initiatives including this year’s project, The Chamber Music Experience, a program that gives young students an opportunity to compose and perform their own music.

**xYz Quintet offers these masterworks concerts at no charge because art should be accessible to everyone.** However, we do ask you to consider donating. Your donations support our education programs and also cover incidental expenses such as the cost of printing the program you’re reading right now. The average cost, including artist fees, to produce an xYz concert is $1300.

***************************************************

Join us May 11th for our St. Mark’s benefit concert. All proceeds go to St. Mark’s Organ Renovation Fund.

***************************************************

Find out more: xyzquintet.wix.com/xyzquintet
Like us on Facebook: facebook.com/xyzquintet
Send us a tweet: @xyz_quintet

Figure 14: April Program Copy, Back
American Songbook
Featuring beloved songs by Gershwin and Bernstein

Mother’s Day
Sunday, May 11th at 4pm
Free Admission, Donations Welcome

St. Mark’s Episcopal Church
2151 Dorset Road
Columbus, OH 43221

All donations benefit Saint Mark’s Organ Renovation Fund

Figure 15: Advertisement for May Concert
Appendix B: Sample Lesson Plan for The Chamber Music Experience

Introduction: Describe project and quick introduction of xYz people

Pulse Exercise #1: Feeling the beat (Kerry)
1. Ask the students to feel their pulse on their wrist and count the number of pulses over 15 seconds.
2. Have one student tell you their pulse then play that back on a metronome.
3. “Music also has a pulse. We measure music’s pulse in beats per minute.”
4. Play several sample recordings and ask students to clap with the pulse.
5. Music samples could include: pop music, Mozart, marching band etc.

Pulse Exercise #2: Name Chants (Katey)
1. Ask students to clap a steady pulse around 100bpm
2. Ask a volunteer to speak his/her name in a way that fits his/her name into the pulse.
3. See if the students can keep a steady pulse while chanting each person’s name in a sequence.
4. Divide the class into two teams and see if each group can chant two different names at the same while keeping a steady pulse.

Introducing the instruments: (Justin)
1. Ask each student to sit near an instrument. In the case of the homeschool group, they will all be using orff instruments. The CCS group will have access to some percussion instrument as well as orff instruments. Prior to class, set up each orff instrument with two keys: E, G and C. (C should be the higher note)
2. Describe the basic rules for playing instruments including how to hold mallets and how students will know when it is time to play versus time to listen. This step is very very very very very important. Don’t put up with any crap!
3. Ask students to chant a name but this time, create a pulse with their instruments instead of clapping.
4. Ask students to replace their words with instrument sounds and repeat step 4 from the previous exercise.

Composing a Fanfare (Kerry and Katey, Justin wanders between the two groups)
1. Tell the students the story of the Soldier’s Tale. For the CCS group, they will compose a musical story about the various people marching into the palace.
2. “A fanfare is short musical excerpt that announces a person’s entrance.”
3. As an example, perform a cadence using the teachers’ name rhythms (example: Katey Jahnke would be all eighth notes.
a.  Ex: Kat-ey(CC) Jahn-Ke(GG) Ker-ry(EE) Ha-ber-Kern (GGC)

4. Split the students into two groups and ask each group to compose a fanfare.
5. Students will start by establishing a rhythm. To do this, have the students each
chant their name rhythms, one after the other.
6. Next, ask each student to put notes to their name rhythm.
7. Then, ask the students to play their name rhythms in sequence.
8. **Advanced technique: if the students catch on quickly, have them play in a round.**
9. Give students time to practice their fanfare then ask each group to perform their
   cadence for the class. Ask students to play their fanfares at the same time.
Appendix C: Revenue and Expenses

*To avoid a conflict of interest, Mr. Johnston’s did not accept any money from these projects. Instead, his share of the profit was reinvested into the group and covered expenses including business cards, repertoire and other expenses.

<table>
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<tr>
<th>Event</th>
<th>Revenue</th>
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<tr>
<td>Masterworks Concerts*</td>
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<td>Museum Lecture</td>
<td>$600</td>
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<tr>
<td>The Chamber Music Experience</td>
<td>$2,325</td>
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<tr>
<td><strong>Total (not including concert no.3)</strong></td>
<td><strong>$3,387</strong></td>
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Table 1: Revenue from Concerts and Events
*revenue from Masterworks Concert no.3 ($1164) donated to St. Mark’s Episcopal Church Organ Completion Fund.

<table>
<thead>
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<th>Printing Costs for Masterworks Concerts</th>
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<td>Flyers for concert no.1</td>
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<td>Flyers for concert no.2</td>
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<td><strong>Total:</strong></td>
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Table 2: Printing Costs

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<th>Expenses for Chamber Music Experience</th>
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<td>Artist Fees</td>
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Table 3: Budgeted Expenses
### Revenue from The Chamber Music Experience

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<td>ASTA grant</td>
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Table 4: Revenue from Chamber Music Experience

### Startup Costs

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<tr>
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<td>Repertoire Purchases*</td>
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Table 5: Startup Costs

*Repertoire costs paid for, in part, by $100 small cash grant from Ohio State University School of Music