

# ACROSS THE BOARD

A Publication of OPERA America for Opera Company Trustees

## From OA's President and CEO

When we prepared this newsletter, we had no idea it would reach you under the present circumstances. Performance cancellations across North America are profoundly disappointing. The impact of COVID-19 on our companies, artists and staffs is unprecedented.

I encourage you to review our COVID-19 resource hub. The more fluent you are in the tools that are available, the more you can bring to your board meetings. Our recent Annual Field Report, excerpted here, can reinforce your company's decision-making by offering perspective on the sector at large.

We regret we had to cancel this year's National Trustee Forum and Opera Conference. But we've been in "conference mode," hosting dozens of conference calls with hundreds of staff from your companies. We will roll out topical webinars in the coming weeks to help our field rebuild. I hope you will participate in them. In the meantime, please let us know how we can assist you and your companies.



MARC A. SCORCA

## What's the Right Size?

BY MARC A. SCORCA



I am asked frequently about the ideal size of a board, and I don't have a specific answer, ratio or formula. There is no magic number. Rather, I refer to a balance between the natural forces that push for a larger board, and compelling reasons for a smaller one.

The right answer for your company will be linked to the character of your community and the size of the company and its staff. Members of the Governance Committee (a term I use instead of "Nominating Committee," since the nominating process is only one aspect of good governance) should consider the right size of the board periodically — along with the structure of

board meetings, the number of committees and frequency of meetings. And bigger is not necessarily better...

### Why should a board be large?

A good board includes members with a broad range of essential skills they make available to the staff, such as strategic planning, accounting and legal expertise, among others. It includes people with wide spheres of influence in major areas of the local economy, including financial services, real estate, higher education and the medical community, depending on the major sectors represented in the power structure of the city.

It is important to have board members who are socially active (to chair galas and host special

events), who live in different parts of the metropolitan area (belonging to different clubs, religious institutions and PTAs), and who are diverse in terms of race, age, gender, sexual orientation and other characteristics.

The need to be broadly representative of the community and equipped with the right skills and connections leads to a larger board.

Financial need may also drive the size of a board. If the average board member contribution is \$11,500, ten more board members translates into another \$115,000 or more of "dependable" philanthropy. Why not have a larger board? On the other hand...

*continued >*

## OPERA America Leadership and Officers

**Timothy O'Leary**  
CHAIR  
General Director,  
Washington  
National Opera

**Marc A. Scorca**  
PRESIDENT/CEO

**Frayda B. Lindemann**  
IMMEDIATE  
PAST CHAIR  
President and CEO,  
The Metropolitan  
Opera

**Wayne S. Brown**  
VICE-CHAIR  
President and CEO,  
Michigan Opera  
Theatre

**Annie BurrIDGE**  
VICE-CHAIR  
General Director,  
Austin Opera

**Laura Kaminsky**  
VICE-CHAIR  
Composer

**Evan J. Hazell**  
TREASURER  
Trustee,  
Pacific Opera  
Victoria

**Perryn Leech**  
SECRETARY  
Managing Director,  
Houston Grand Opera

**James A. Barton**  
CHAIR  
National Opera Center  
Board of Overseers;  
Trustee,  
The Glimmerglass Festival

## National Trustee Forum Steering Committee

**Robert Dean**  
Trustee,  
The Atlanta Opera

**Liz Grubow**  
Trustee,  
Cincinnati Opera

**Evan J. Hazell**  
Trustee,  
Pacific Opera  
Victoria

**Woody Kuehn**  
Trustee,  
Opera Southwest

**Ruth Orth**  
Trustee,  
Pensacola Opera

**Gloria Portela**  
Trustee,  
Houston Grand  
Opera

**Ken Smith**  
Trustee,  
Austin Opera

**Nadege Souvenir**  
Trustee,  
Minnesota Opera

### Why should a board be small?

A sense of teamwork and shared obligation among board members is essential to a successful company.

Effective boards have strong bonds of mutual obligation among members. Board members are more likely to attend board meetings, galas and opening nights when their absence will be noted. They are more likely to participate actively in discussion and decision-making when they can all face each other around a table, rather than seated in rows. Board members are more likely to respond to company emergencies when they know their personal intervention will help solve a problem.

Board members are more generous and enthusiastic when they have regular opportunities to make meaningful contributions to the organization beyond their annual gifts, when their skills and connections are called on to make a difference for the company, and when they are supported on the path to successful completion of their assignments. Individual purposefulness and success result from personal attention, sustained stewardship and individual portfolio management.

Board members are like artists who need to be coached. They are not equally skilled at or comfortable with calling on



government officials, planning community events, opening doors at important corporations or soliciting contributions. Like singers making role debuts, board members may need extra time learning their parts.

Board members expect staff to give them time and attention when they call the office to offer suggestions, request tickets or are ready to make introductions in the community. Many companies with small staffs don't have time to respond to or coordinate the work of board members, leaving them to feel underutilized or, worse, disaffected. Without a strong rapport between board and staff — and the sense

of individual value — board members are less likely to participate in company activities or make special contributions.

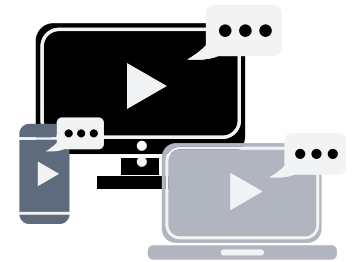
Finally, board members will give more generously when they are solicited individually each year rather than by a general letter. Understanding each board member's motivation for giving, researching their capacity to give, cultivating their deeper interest, scheduling individual appointments and following up appropriately takes time. How many robust relationships can be managed by the staff in coordination with board leaders?

### What's right for you?

Many factors should be considered when establishing an ideal size for your board: Who needs to be around the board table for you to deliver on your mission? How can your staff (and fellow board members) support those individuals to be successful on your behalf? How do you balance the two?

Determining the right board size is a matter of determining the right board size for you. It is important to remember that board size can work against board effectiveness. And it is effectiveness that will contribute to success. ■

# OPERA America Resources for Trustees



### Trustee Resource Page

For resources available to you as a company trustee, visit [operaamerica.org/Trustees](http://operaamerica.org/Trustees) or download the 2020 Trustee Quick Guide at [operaamerica.org/TrusteeQuickGuide](http://operaamerica.org/TrusteeQuickGuide).

### Company Workshops

OPERA America is available to lead board and staff workshops on topics including governance, civic engagement and financial health. Consult your general director or call 212.796.8623.

## Opera America Magazine

OPERA America's quarterly magazine addresses the issues most important to industry professionals, from marketing strategies and governance practices to exciting new repertoire. On the occasion of the 50th anniversary, special content chronicles the progress of opera in America over the past half-century.



### IN THE SPRING/SUMMER ISSUE 2020 EDITION:

- The Making of an American Opera Repertoire
- Native Americans on Stage
- Q&A with Charles MacKay
- The Top 25 Operas of 2019
- "My First Opera" with Sister Helen Prejean

YOU CAN SUBSCRIBE TO **OPERA AMERICA MAGAZINE** BY JOINING OPERA AMERICA AS AN INDIVIDUAL MEMBER FOR \$75 AT [OPERAAMERICA.ORG/JOIN](http://OPERAAMERICA.ORG/JOIN).

## COVID-19 Resource Hub For Opera Companies and Individuals

### [operaamerica.org/COVID19](http://operaamerica.org/COVID19)

OPERA America has established a dedicated online hub to collate information on the coronavirus outbreak, nonprofit response, recovery efforts and advocacy updates. The site draws on partnerships with other national service organizations, and offers resources for opera companies and individual artists affected by the pandemic.

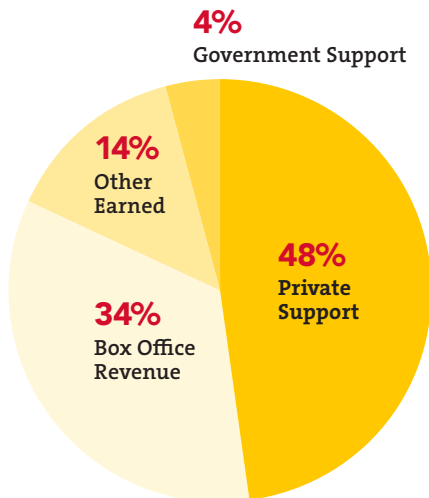


# The State of the Field

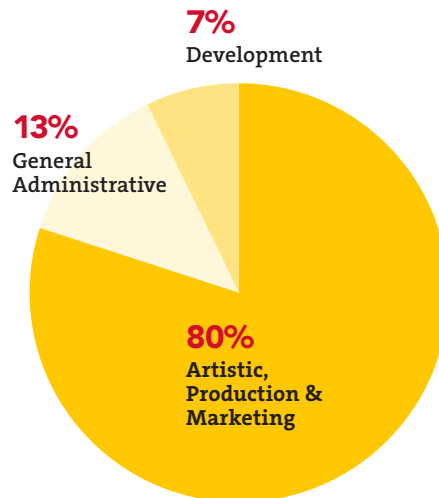
Every winter, OPERA America publishes the Annual Field Report, a comprehensive overview of the financial positions and operational health of its Professional Company Members. The report combines extrapolated data on the entire membership (excerpted below) with detailed analyses of companies in each budget group, all drawn from the FY2018 Professional Opera Survey and the Schedule of Performances.

## The Industry at a Glance: 2019

### REVENUE BREAKDOWN



### EXPENSE BREAKDOWN



**\$997 million**  
Invested in the Economy

**35,800**  
Artists and Administrators Employed

**2.8 million**  
Total Attendance

**560**  
Productions

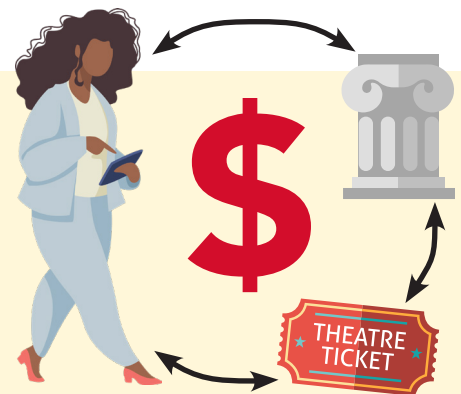
**2,200**  
Performances

**232**  
Distinct Works

**49**  
Premieres of North American Works

## Three Key Ratios

You may be surprised — and perhaps a little comforted — by the comparative analyses found in the Annual Field Report. By comparing your company to those in similar budgetary ranges, you can gauge where your company is doing better than others and where you may need to improve operations with focused effort. To guide your reading of the numbers, here are three of the most consistent financial ratios in opera, regardless of budget size:



### 1 Personnel to Non-Personnel Expenses

Opera is a people-intensive business. Hundreds of people can fill your stage, backstage and office. Personnel expenses make up between 60% and 70% of all overall company budgets. Non-personnel costs — from costumes to computers — make up the rest.

### 2 Core Artistic Expenses to Total Budget

How much of company budgets go to producing the art form? Whether you're a big company or a small one, performing in a big opera house or alternative venue, all the personnel and non-personnel costs associated with putting on opera represent 70% to 80% of total budgets.

### 3 Program Coverage by Box Office

Ticket sales have never covered the cost of opera. For Budget 1 companies, performing in the largest theaters with the most expensive tickets, only 37% of core artistic expenses are covered by ticket revenue. For everyone else, ratios are between 16% and 32%.

VIEW THE FULL ANNUAL FIELD REPORT AT  
[OPERAAMERICA.ORG/AFR](http://OPERAAMERICA.ORG/AFR)



NATIONAL OPERA CENTER  
330 SEVENTH AVENUE  
NEW YORK, NY 10001

OPERA America is the national advocate for opera, dedicated to supporting the creation, presentation and enjoyment of the art form for artists, administrators, trustees and audiences since 1970.

**#meetopera  
online**

Visit OPERA America's Schedule of Performances at [operaamerica.org/SOP](http://operaamerica.org/SOP) for a comprehensive list of opera performances available to stream online.

You are receiving this publication because you are a trustee at a Professional Company Member of OPERA America. To change your address or receive this at home, contact [Membership@operaamerica.org](mailto:Membership@operaamerica.org).

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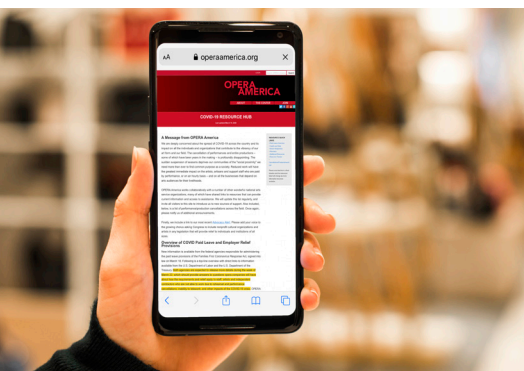
### SPRING/SUMMER ISSUE

- Letter from the President/CEO
- COVID-19 Resource Hub
- Determining Your Board Size
- The State of the Field: At a Glance

### FUTURE TRUSTEE MEETINGS

NATIONAL TRUSTEE FORUM 2021 | JANUARY 28–30, 2021 | NEW YORK CITY

OPERA CONFERENCE 2021 | MAY 19–22, 2021 | MINNEAPOLIS



OPERA  
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**COVID-19 Resource Hub For  
Opera Companies and Individuals**  
[operaamerica.org/COVID19](http://operaamerica.org/COVID19)