

## **HONG KONG PHILHARMONIC ORCHESTRA**

### **Briefing notes for presentation to Panel on Home Affairs Friday 8<sup>th</sup> May 2009**

#### **Issues**

Governance of major performing arts groups has been raised as a subject of concern by some members of the LegCo Panel on Home Affairs, mostly in response to a recent issue relating to the Hong Kong Ballet board's dismissal of a principal dancer.

#### **HKPO response**

##### **Structure of the Hong Kong Philharmonic Society**

The Board of Governors of the Hong Kong Philharmonic Society comprises 20 governors, six of whom are appointed by the Government; the other 14 governors are elected from among the Voting Members of the Society.

The governors come from a wide range of backgrounds and bring diverse expertise to the Board, including financial, accounting, legal, musical, sponsorship, marketing and public relations expertise, and this expertise is a resource available to the Management and provides rigour and discipline in the planning and management of the Society and a review of its activities.

The full Board meets a minimum of four times per year, but has in practice has met on average eight times per year in recent years.

Among the Board's major responsibilities are the appointment of an Artistic Director and a Chief Executive to whom it delegates responsibility for the programming and artistic direction of the Orchestra and the administration of the Society.

The Board has also formed four committees for more detailed analysis and review of the Society's operations. These committees are the Executive, Finance, Fund-raising and Development Committees. These committees meet between meetings of the full Board and their chairs report back to the full Board.

In addition, a representative of the Home Affairs Bureau is an attendance, purely as an observer, at every meeting of the Board of Governors and is invited to the meetings of the Finance Committee. All Board papers and minutes are provided to the Home Affairs Bureau as a matter of course.

## **Operational process**

The Hong Kong Philharmonic's administration structure is designed specifically to enable the delivery of its annual program of activity in line with appropriate procedures, and comprises five departments:

- Artistic Administration
- Orchestra & Operations
- Marketing
- Development
- Finance & Administration

The annual program of activity goes through a rigorous process of analysis and review. The program is set under the direction of the Artistic Director and Chief Conductor and is reviewed in detail by the Development Committee and the financial impact of the annual program is reviewed in full detail by the Finance Committee. The Fund-raising Committee examines the annual program of activity and advises on sponsorship and fundraising opportunities.

Once the annual program has been approved by the full Board, it is announced to the public and, throughout the program year, the management reports on a monthly basis to the Finance Committee and on a quarterly basis to the full Board. Monthly reports analyze the performance of all programs each month in relation to their artistic, financial, publicity, audience development, fundraising and operational objectives. The financial performance of each program is examined in comparison to the pre-approved budgets and variances need to be explained by the relevant department head.

Monthly reporting also includes forecasting to the year-end in order to predict the financial year result and make adjustments in the remaining months to accommodate any variances.

At the end of the program year, detailed reports are provided to the Home Affairs Bureau, including analysis of the Society's performance against artistic, audience development, fundraising, operational and financial objectives.

Since the arrival of Edo de Waart, the artistic quality of the Orchestra's performance has risen dramatically, audience numbers have grown significantly (including a tripling of subscriber numbers) sponsorship has increased four-fold and the Orchestra's engagement with the community has increased greatly through education and outreach activities, including the annual Symphony Under The Stars concert which regularly attracts more than 20,000 people to a free, open-air symphonic concert. All of this against a financial background which, over the last three years has produced either break-even results of modest surpluses in 2006/07, 2007/08 and 2008/09.

### **Artistic Authority**

The Board has appointed an Artistic Director (Edo de Waart) to be responsible for the artistic direction of the Hong Kong Philharmonic Orchestra. The Artistic Director has set out a long-term artistic development plan for the Orchestra which was approved and endorsed by the Board. The Artistic Director meets formally with the Board twice each year and advises the Board of any major artistic changes or issues before acting upon them in the Board's full knowledge.

### **Artistic personnel**

The Board does not have any direct involvement in the artistic decisions relating to recruitment, extension or dismissal of musicians, but ensures that a fair process is at play in all such decisions.

All vacancies for permanent positions in the Orchestra are advertised and open recruitment includes an extensive audition process with consultation between the Artistic Director and relevant section principals.

The Artistic Director's policy in the recruitment, extension or dismissal is purely on an artistic basis and he has individual performance appraisal meetings with each musician of the Orchestra each year in order to provide constructive feedback on their performance, advice for future development or, on occasion, a warning if performance is not up to the required standard.

### **Artistic planning**

The Artistic Director sets the programming direction of the Orchestra in line with the long-term artistic vision which the Board has endorsed. The full program details are devised with the support of the Artistic Administrator and are reviewed in detail by the Development Committee to examine opportunities for audience development and marketing and development initiatives.

Prepared by

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