



**The Paradox of Letting Go and Other Lessons:
The Experiences of The American Swedish Institute and
Its Campus Expansions Efforts**

Bruce Karstadt

September, 2009

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ON THE CUSP
PUBLISHING

P.O. Box 510257
Milwaukee, WI 53203
(800) 805-7086
www.OnTheCuspPublishing.com



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Organizational Background

The American Swedish Institute is a private, nonprofit educational museum and cultural center supported chiefly by fees, gifts, memberships, and earned revenue. It was founded in 1929 by a Swedish-born newspaper owner, Swan J. Turnblad, who at the same time donated his imposing 33-room Park Avenue mansion (in Minneapolis, not New York) to be the center of the Institute's activities.

Up until the early 1990s, the Institute had remained on an unswerving course of defining its audience and programs. Its primary focus had been to interpret the Swedish heritage, past and present, and to preserve the landmark mansion and its collections, both material and archival. It had offered a limited range of programs, which until the early 1990s had mostly been developed with a fairly traditional, long-standing audience in mind.

Annually, the museum has about 45,000 visitors, and an additional 20,000 people take part in various programs. The membership base consists of 5,700 households located primarily in the upper Midwest (65 percent), but members can be found in all 50 states and in several other countries. These attendance and membership levels have remained fairly consistent over the past 15 years.

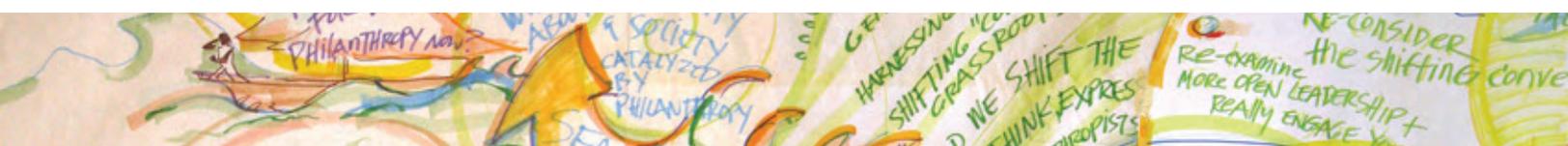
In 1990, the Institute had 12 full-time staff, and presently the staff consists of 24 full-time employees. The museum is supported by a large group of volunteers (about 350 in 2008) who assist in all areas of museum operation, serving as front desk receptionists in the museum, clerks in the retail area, food preparers and servers in the coffee shop, and in other support roles. Volunteerism is deeply rooted in the Institute; in fact, the first professional executive director was not hired until the 1940s, nearly 20 years after the Institute's founding, and until the 1960s, paid staffing consisted of an executive director and secretary. This has shaped many attributes of the Institute, in particular its collecting, programming, and retailing.

The present executive director arrived in November 1990, near the conclusion of the Institute's first-ever funds development campaign, with a goal of \$2 million for endowment and capital funds. The campaign, managed entirely through volunteer effort, ended successfully in February 1991. It was not until 1995 that the Institute hired its first professional development officer.

During the discussions with the new executive director in 1990, the board indicated its strong desire to move the Institute into a "new future." They believed in the importance of reaching out to a new, younger generation of Swedish-Americans in programs that would serve children and younger audiences. This has been an overwhelming, predominant topic for the Institute's leadership ever since.

Successes and Challenges

In recent years, the Institute has been strengthened in many ways: The board has been transformed; it no longer serves as a group of active hands-on volunteers, but rather as a governing board focused upon its stewardship role of financial oversight and community engagement. Programming for young families and



children has become an integral part of the Institute's activities calendar. A substantial donor base has been developed that now provides significant support for ongoing museum operations, exhibitions, programs, and outreach activities. Important relationships have been developed with cultural organizations and funding sources in Sweden that have enabled creative programming to be brought to the Institute that focuses upon contemporary life in the Nordic region.

Change has not come easily, and the recent years have been marked by a few episodes of internal turmoil among the member and volunteer base. Perhaps the most significant was a decision by the board in 1997 to assert greater control over the museum shop's operation. The shop had long been supported by a volunteer organization that, in turn, had gradually come to think of themselves as the owners of the retail operation. Prior to 1997, considerable tension within the organization had been created during recurring disagreements between the board, staff, and the volunteer organization on a variety of issues, though control over net retail income was clearly the most consistently disputed matter. The issue came to a head with the retirement of the retail shop manager who had served in the role for nearly two decades. By assuming responsibility for the hiring process for a new manager, the Institute asserted its formal control over the retail business, an action that had many consequences, especially a short-term loss of volunteers. Today the retail shop does very well under management of capable staff members, all of whom are fully woven into the administrative fabric of the Institute. And many volunteers who previously left have now returned to active service in the retail shop.

Another example is reflected in the reactions of many members and volunteers (and some staff) to a management decision to make use of underutilized program space on Saturday mornings. A group of parents who were operating a community-based "Swedish school" for children aged 3–15 years were enlisted to relocate the school to the Institute. Given the expressed desire of board leadership to create more opportunities for family programming, one would expect the Institute's community to welcome this. However, there were considerable tensions between the Swedish school parents/staff and a number of long-time Institute members and volunteers who were uncomfortable and unused to the idea of having children in the building. Despite a rocky start, today Svenska Skolan is one of our most important programs for young families, attracting more than 50 children and their parents to the Institute each week.

New Directions

In early 2000, the Institute's leadership began to consider the possibility of a campus expansion. There was considerable need for additional space, in particular for programming and the storage and care of collections. Our present facilities, while historically notable and cherished, were recognized to be a very real limitation upon the caliber of our current services and our potential to further grow innovative programs and services. Though the Turnblad mansion was and is our most important icon, it was suffering after being called upon to house many activities and functions for which it was never designed. Leadership determined that new spaces were required to enable ASI to give better care to its historic home and to attract a broader audience.

A feasibility study was undertaken with the assistance of an external consultant, and it was determined that the Institute had the capacity to raise \$18 million for four purposes: (a) key renovation needs of the Turnblad mansion, (b) construction of a new educational and cultural center, (c) creation of a parking facility, and (d) endowment growth. The board accepted the recommendation and proceeded to hire an architect and create a plan for expansion of the Institute's facilities. The studies undertaken at this time involved only a select number of principal stakeholders and donors, in addition to board, staff, and key volunteers. No broad-based effort was undertaken to draw into the conversation and to gauge the opinions of a large representative group of members and volunteers.



Planning and Raising Funds for the Building

The architectural vision endorsed by the Institute's leadership called for a new 40,000-square-foot educational and cultural center to be constructed next to the landmark Turnblad mansion, with an underground parking facility below. This new facility would necessarily have to be constructed on the only adjacent land owned by the Institute, which was and still is being used as an 80-vehicle parking lot. (The Institute was situated on the north end of a city block jointly occupied with a large seven-story skilled nursing care facility, Ebenezer Home, which owned the south 60 percent of the city block.)

Reactions to the plan were mixed. Fundraising among those donors not closely associated with the Institute's traditional base went very well. Several pledges and gifts in excess of \$1 million were raised from people and foundations in California, Minnesota, and Sweden. One trustee, desirous of making a true lifetime gift that would motivate others, committed \$5 million to the project. Sufficient pledges were paid that enabled fulfillment of the first goal of the project, that being to undertake major restoration of the front veranda, gardens, and solarium of the Turnblad mansion.

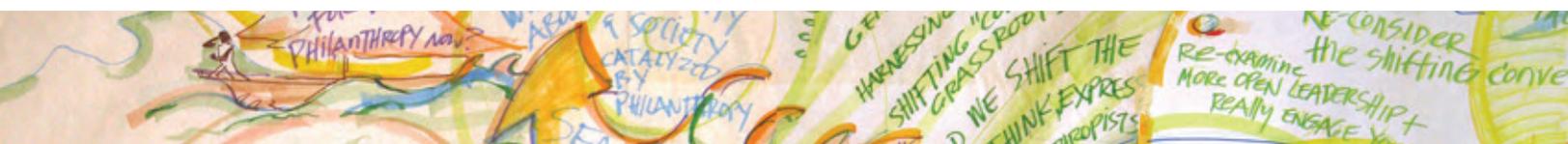
For those most closely associated with the Institute (the most active volunteers and close-knit local membership group), however, enthusiasm for the project could be characterized as restrained. Reasons for this varied. Some did not favor the architectural design of the new facility. Others were concerned that the recommended parking solution was an underground ramp that would be expensive to build, maintain, and assure safety in its use. Still others felt that the Institute simply couldn't afford such a large structure. Others did not endorse the view that the Institute should be more engaged in the community; they felt the programming view ought to be more narrowly focused upon the traditional audience, which ostensibly could be satisfied with continued use of only the Turnblad mansion.

Cultural identity was another reason for dissent; modesty and "making do" is part of the Swedish-American personality, thus it wasn't possible for some to accept that the group deserved a better facility. And perhaps, overall, the fact that the Institute never had an ongoing institutional commitment to cyclical funding campaigns meant that the traditional donor base was not prepared to break away from their normal giving patterns.

Lesson One – Let Go in Order to Achieve

In 2006, the Institute was presented with a momentous opportunity: the owner of the neighboring skilled nursing facility, Ebenezer Home, was preparing to close and wanted to sell the property. Would the Institute be interested in purchasing it, thus becoming the sole owner of the entire city block? The Board of Directors wrestled with this issue for several months. While pledges to the campaign (by then nearly \$15 million) would ultimately enable payment for the property, cash flow from pledge payments was not properly aligned with the purchase agreement. Thus short-term financing would be needed to make a purchase that represented a major departure from the original objectives of the campaign. (And if there is anything to which a conservative Swedish-American organization is averse, it is indebtedness of any kind and duration.)

After consultation with the major donors to the campaign as well as other key stakeholders, the board approved the purchase of the property for \$6 million. The nursing facility was torn down, and the property was transformed into gardens, festival grounds, and a 150-vehicle parking facility, thus uniting the entire city block into a comprehensive campus for the Institute. Within two years, campaign pledges were paid, the indebtedness was erased, and today the Institute fully owns its city-block campus. This was a key moment for the Institute, for the purchase of this property was a catalyst for the re-visioning of the strategic plan for program and campus expansion. It also was a clear signal to the Institute's membership and the broad community that campus expansion was a reality.



We find the truth that when we let go of what we have, we receive what we need.

This brings us to the first application of classic Chinese wisdom: The Institute needed to let go of its original plans in order to achieve its long-range goals. The executive director probably had the hardest time with this, as he had been a champion of the initial design and had carried it forward in hundreds of presentations to members, donors, and community groups. But the acquisition of the Ebenezer property, a symbol for new thinking about our campus expansion plans, was a breath of fresh air to those important constituents resisting the previous plans. They began to embrace, quite vocally in many cases, the new potential for campus expansion. Pessimists became optimists; naysayers became supporters. And in this episode, we find the truth that when we let go of what we have, we receive what we need.

Lesson Two – The Paradox of Pushing

With the acquisition of this property, the Institute abandoned the entire original concept for new facilities. No longer would there be underground parking. The new educational and cultural center could also be redesigned and repositioned in such a manner that it wouldn't crowd or detract from the Turnblad mansion. Both of these developments were quite enthusiastically embraced by many volunteers and frequent visitors within our membership. But the challenging economic realities now faced by the Institute also meant that any new facility would necessarily need to be more compact if the organization was to stay anywhere near the original \$18 million goal.

We also recognized that this was a wonderful, new opportunity to engage the Institute's audience in the re-visioning process. Or, to put it another way, we had the chance consult broadly within our large community of stakeholders to engage them in conversations about the future of a place that mattered greatly to them.

A series of information-gathering meetings was held in 2008 with nearly 200 people representing several core constituencies: staff, members, volunteers, trustees, and students. An electronic survey was designed and sent out via email to nearly 5,800 households; within 24 hours, the Institute received an astonishing 1,700 responses, and after one week, more than 2,500 responses had been received. Individual meetings were held with each staff member and each trustee, as well as all major existing donors. After analyzing the results, we found encouragement to proceed and a clearer sense of direction for reshaping the capital expansion.

The following were among the most important findings or areas of consensus:

1. The composition of support sources will likely change in coming years, but new sources exist and will come forth.
2. The demographics of those we serve are changing for the positive, as we are seeing results from past efforts to connect with young families.
3. Our core audiences deeply value the Institute as a place to gather.
4. The landmark Turnblad mansion has an enormously important place in their hearts. It is our hearth.
5. Stakeholders can imagine *and desire* an improved and different future for the Institute with the improved facilities to be brought about by campus expansion.

Through this process, we began to understand more clearly a major flaw in the campaign's launching. In retrospect, it could now be seen that in 2000–2001, a relatively small group of well-intentioned Institute leaders created the first vision for the Institute's campus expansion and then undertook an extensive effort to convince its membership and donor community of the wisdom and need for that particular plan. While it resonated well with some people and achieved a modicum of success, it never engaged the entire community of Institute supporters in sufficient level to achieve full success.



All of this now seems to be a very clear illustration of the paradox of pushing: The leader who tries to control the group through force does not understand group process. Force will cost you the support of the members.

The 2008 community engagement process recently undertaken has already been successful in generating a level of broad-based enthusiasm for campus expansion never quite realized previously. Further, this process has drawn forth ideas and suggestions that will be extremely influential in shaping the final revised plans for campus expansion.

Among the most important of these findings is the great passion of our audience and our community for the landmark Turnblad mansion and what this means for us. Any campus expansion plans cannot simply abandon the mansion in favor of new, contemporary facilities. It isn't enough to say, "Let's build a new facility, and then we'll figure out what to do with the mansion." Rather, our outcomes must embrace the concept of a fully renovated mansion with repurposed spaces seamlessly blended with a smaller contemporary facility. And thus, newly engaged architects are now working on such a design.

A number of benefits will flow forth if the Institute can achieve the foregoing: We will reduce the overall project cost, since the renovation of existing space is half the cost of new construction. A local audience previously resistant to change will be more likely to embrace the campus expansion project if the Turnblad mansion remains at the heart of our efforts. In turn, an engaged audience will continue to attend the Institute's expanded calendar of programs and activities.

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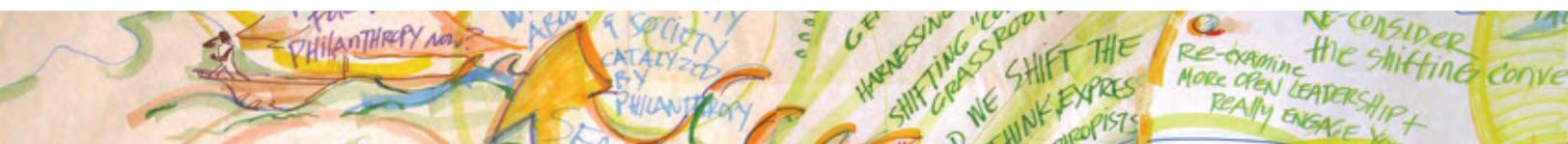
Identity and Understanding Audience – A Swedish View for an American Institution

During the course of our 2008 community engagement process, a recent study came to light. It was conducted by the country of Sweden for purposes of creating a new brand identity for presentation of Sweden and the Swedish people to the world abroad. The Swedes' view is that a country's success (political goals, trade, etc.) is dependent in large part upon how it is perceived abroad. To help Swedish business, government, and society convey a consistent message, a very practical tool has been developed as a guide or platform upon which all could draw.

This platform suggests that Sweden could best be described as a country that bases its development upon people's needs and environmental conditions—in other words, a progressive country that strives for balanced development. Sweden's image is centered on four traits or core values that are believed to define it, with a uniqueness from all others in the international community: innovation, openness, caring, and authenticity.

As we read and assessed these Swedish materials, we began to realize that the language was remarkably descriptive of the Institute. We felt a strong resonance with those four qualities that Sweden itself determined were most "Swedish." We concluded that this formulation, with some adaptations, offered ASI a compelling framework for the development of programs and initiatives to bring our vision into reality. Thus inspired, we now state that in order to bring our vision into reality, The American Swedish Institute will be:

- **Innovative** – We will take an entrepreneurial approach to programs, services, and facilities, in the spirit of founder Swan J. Turnblad.
- **Authentic** – We will invest in our historic importance and reputation as a community gathering place and cultural crossroads.
- **Open** – We will move decisively towards a future with new and diverse audiences, especially through programmatic alliances with community partners that share our enduring Swedish values



of global concern.

- **Caring** – We will incorporate values of social responsibility and sustainability into our programs, facilities, and operations that uplift the health and welfare of our visitors, the community, and the environment.

We now seek to embed these core values into the American Swedish Institute's future role of service to the community and audience. These core values could be viewed as an organizing system for relationships, behaviors, attitudes, and work.

One early application of working within this system is in our examination of other community organizations that might be invited to co-locate on our campus. The possibility of new space gives us an opportunity to lease space to other like-minded organizations. Our belief is that this would help us to develop audience, as well as create an avenue to offset the increased operational costs of an expanded campus.

We see the wisdom of being guided by these core values in the evaluation and selection process. Would the presence of a specific organization on our campus be consistent with these values? With just one value, or more than one? This exercise is forcing our organization to go beyond lease revenues when evaluating these potentials, but to also consider the programmatic dimensions for our audience in such a relationship.

One particularly vexing issue confronting us is that of food service. The Institute has had very limited food service capability. We offer a small coffee shop serving Swedish pastries and beverages during open hours, an operation that is coordinated by a single staff person who is assisted by several dozen volunteers. Audience surveys suggest that an expanded food service is desirable; such an operation would require us to invite a commercial food service provider onto the campus.

Food service providers in the area are now being screened in the context of these core values, a process that has narrowed the field considerably in terms of viable candidates. We aren't interested in just any typical off-the-shelf catering operation. Rather, any such provider must be willing to embrace their role on our campus as a program partner that understands and lives out the values we hold firm for our future.

Another way in which these values are beginning to shape our future is in audience development. As a membership organization rooted in heritage and place, the American Swedish Institute is wonderfully situated to benefit from society's general desire to be engaged in small affinity groups. In *The Tipping Point*, Malcolm Gladwell observes that people tend to belong to several groups. Most have a sympathy group, that is, 10 to 15 people for whom they care deeply. A group of 150 tends to be the maximum size within which people can have genuine relationships.

It would be quite consistent with our core values and our audience's preferences to envision a membership and volunteer program structured around special interest groups, each relatively small, to allow for the development of strong relationships. Architectural design of both new and renovated space will need to be sensitive to this aspiration through the creation of spaces that will appeal to smaller affinity groups.

Conclusion

The Center for the Future of Museums (CFM), an initiative of the American Association of Museums, recently released a study entitled *Museums & Society 2034: Trends and Potential Futures*. Among the most salient of its findings are these:

1. Museums can take the lead in reshaping civic involvement for a new generation of retired, aging citizens.
2. Mothers visiting with young children are likely to be in their 30s and 40s. How will museums meet the rising expectations that highly educated, older mothers have for their children?

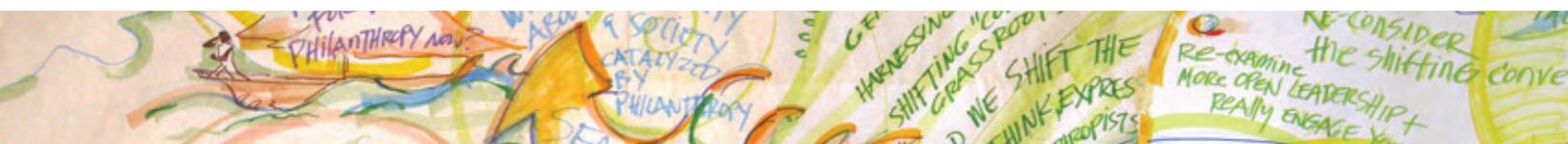


3. Museums, among the few institutions that bring together people of all economic classes, are uniquely situated to promote dialogue and understanding about other cultures and our place in the global economy.
4. Along with the outdoors and places of worship, museums will represent the best opportunity for human engagement and authenticity in an increasingly atomized and digitized world.¹

In founding the American Swedish Institute in 1929 at the beginning of the Great Depression, the Swan J. Turnblad family made a bold, entrepreneurial act that significantly enhanced the quality of this region's cultural heritage and its international relationships. Today it exists in a much different and ever-changing world, country, and neighborhood from the one known by its founders.

Even though the Institute is, in one sense of the word, a preserver of the past, it must also be in the business of the future. Our aspiration is to purposefully sustain and renew our audiences, our programs, and our services—to revitalize our campus and our community. We believe that our community engagement process and the identification of core values will help us significantly in preparing ourselves to respond to the changing environment predicted for museums in this country. We hope the lessons we have learned during this journey, especially about engagement of that community during the planning process and remaining open to changes in strategy, may be useful to other organizations.

¹Center for the Future of Museums, *Museums & Society 2034: Trends and Potential Futures* (Washington, D.C.: American Association of Museums, 2008).



About this extract

In Spring 2009, Gary Hubbell Consulting convened a think tank of North American nonprofit organization and development leaders. Four topics were selected for discussion, each of which became the focus of an insightful essay by each of the hand-picked attendees. The four topics are: New Perspectives on Leadership, Reimagining the Future of Philanthropy, Development in a Systems Context, and Demonstrating and Communicating Philanthropy's Impact. The resulting e-book, *In Search of New Meaning: Philanthropy, Community and Society*, is available for free download at www.OnTheCuspPublishing.com. This essay is an extract from that publication.

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