

***Compensating Museum
Management and Staff: What is
Fair and Reasonable?***

Lindalee A. Lawrence

President, Lawrence Associates

Survey Summary for Respondents

October 17, 2004

Presentation Overview

- ◆ **Human Resources Challenges Facing MAAM Members**
- ◆ **Attracting, Retaining and Rewarding Employees**
- ◆ **What's Different about Executive Compensation**

Survey of MAAM and MANY Museums – Overview of Respondents

Thank you to MAAM and MANY, who asked their members to respond to our online survey of compensation practices.

Survey of MAAM and MANY Museums – Number of Respondents by State

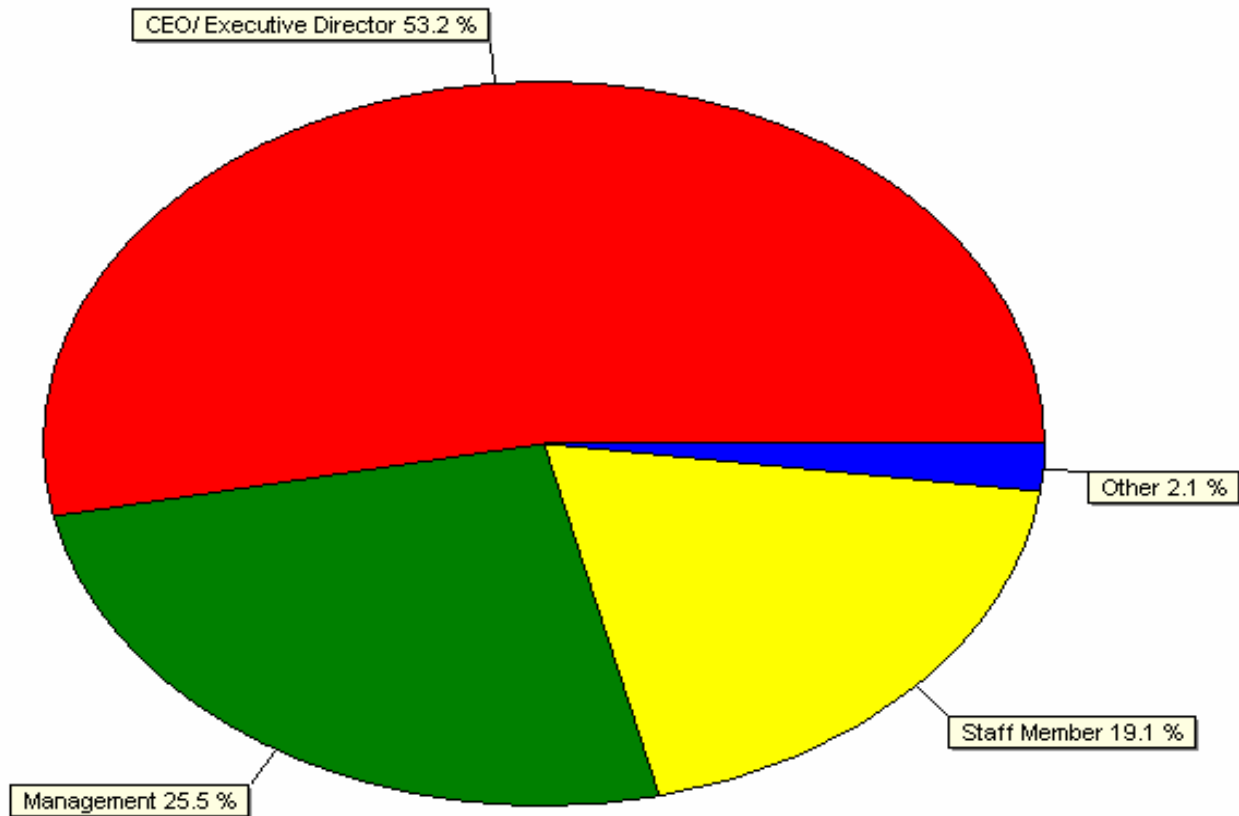
State	Count	Percentage
NY	31	66%
VA	4	9%
PA	3	6%
MD	3	6%
NJ	2	4%
DE	2	4%
Washington, DC	1	2%
MA	1	2%
Total	47	

Survey of MAAM and MANY Museums – Size and Discipline of Respondents

- ◆ **Size**
 - **Average 75 FTEs and \$5.2M budget**
 - **Median 8 FTEs and \$500,000 budget**
- ◆ **Discipline**
 - **Historic Sites, Fine Arts, Cultural Arts, History, Natural History**

Survey of MAAM and MANY Museums – Role/Title of Respondents

Role

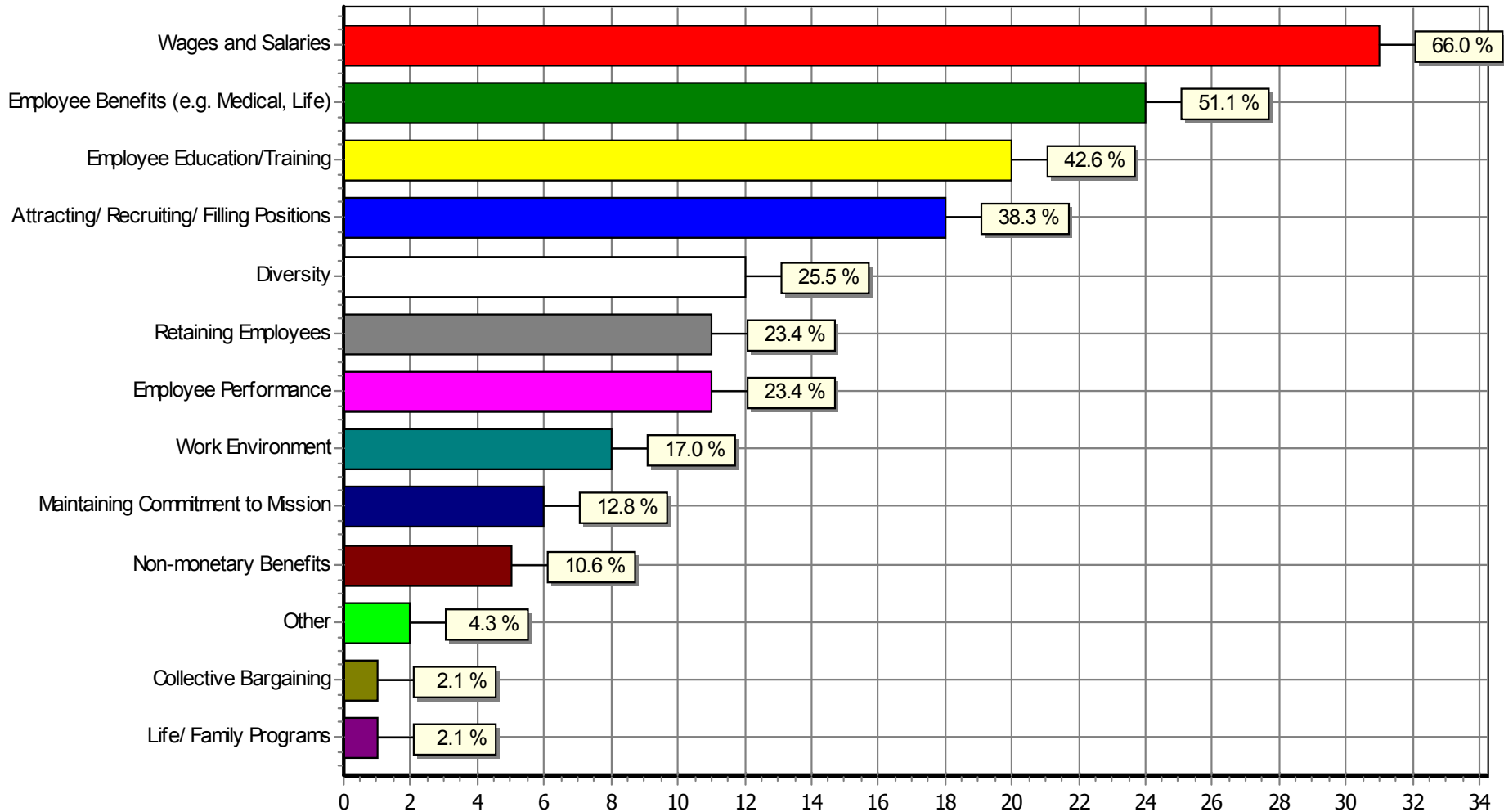


Key HR Challenges Facing MAAM Members Over Next 3 Years

- ◆ **Paying Competitive Salaries 31%**
- ◆ **Benefits Costs 16%**
- ◆ **Reduced and Inadequate Funding 16%**
- ◆ **Attracting and Retaining Staff 16%**
- ◆ **Stress, Succession, Support, Work-Life 12%**
- ◆ **Increasing Diversity 4%**
- ◆ **Employee Training 3%**

Key Areas of HR Over Next 3 Years

What three (3) key areas of Human Resources do you believe will be most important in your organization over the coming three (3) years?

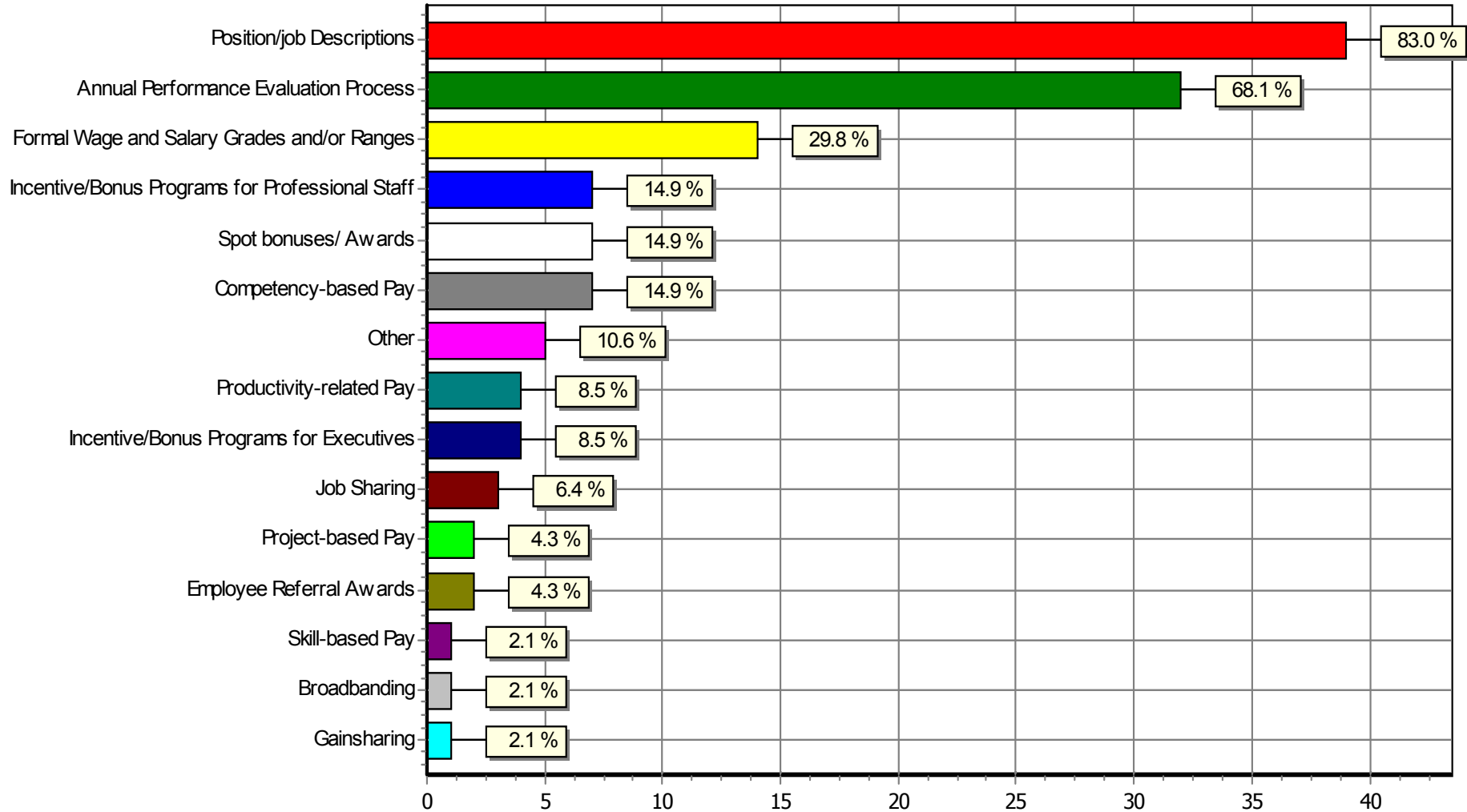


Attracting, Retaining and Rewarding Employees



Pay Practices in Place

Does your organization have any of the following pay practices in place? (Select all that apply)

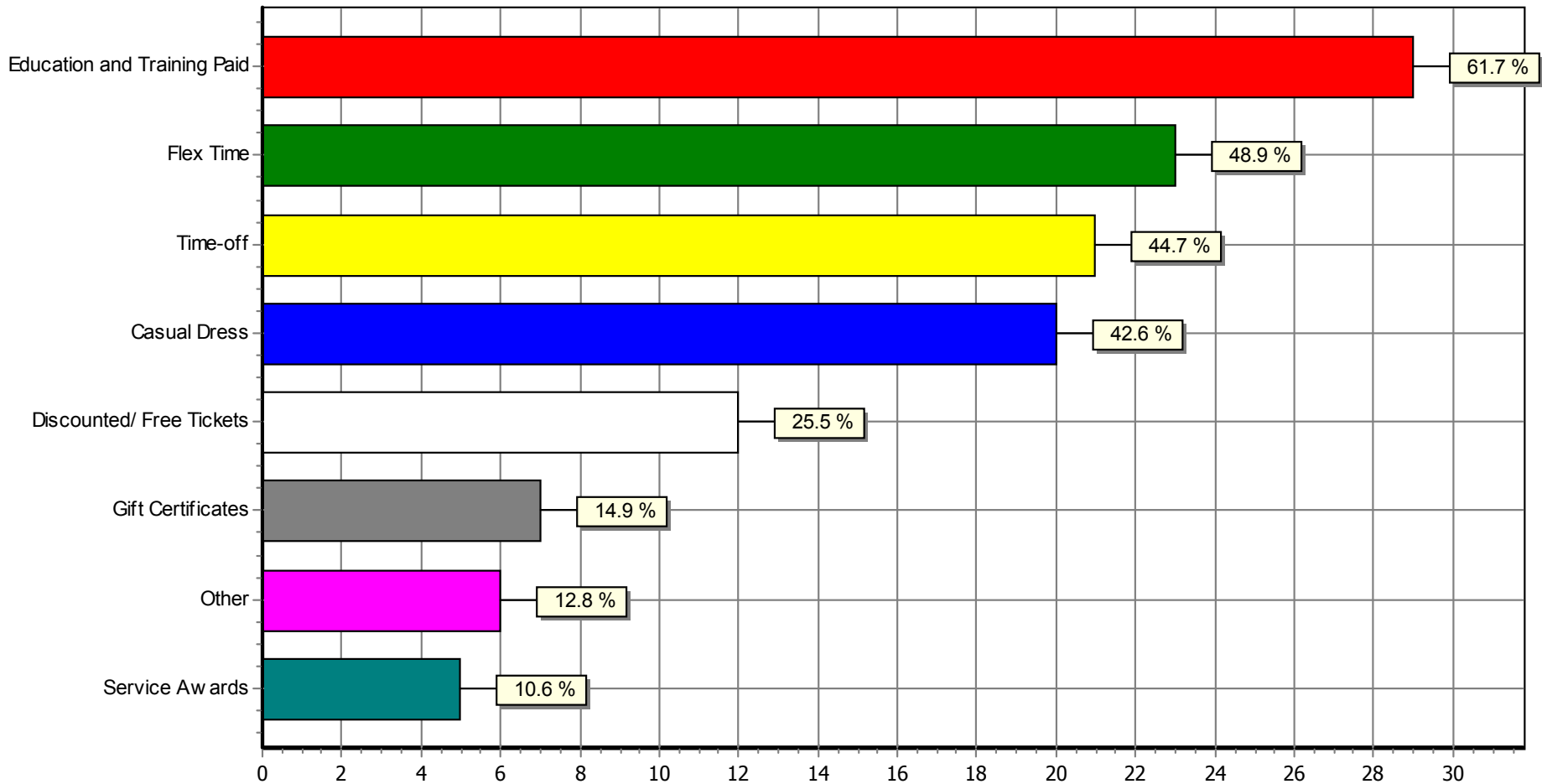


Elements of Total Compensation

- ◆ **Base Salary**
- ◆ **Incentives/Bonus**
- ◆ **Employee Benefits – Medical, Life, Disability, Retirement, Time-off**
- ◆ **Executive Perquisites- Deferred Compensation, Contracts, Severance, Auto**
- ◆ **Non-monetary**

Non-monetary Recognition

Does your organization make use of non-monetary recognition and reward using any of the following programs? (Select all that apply)

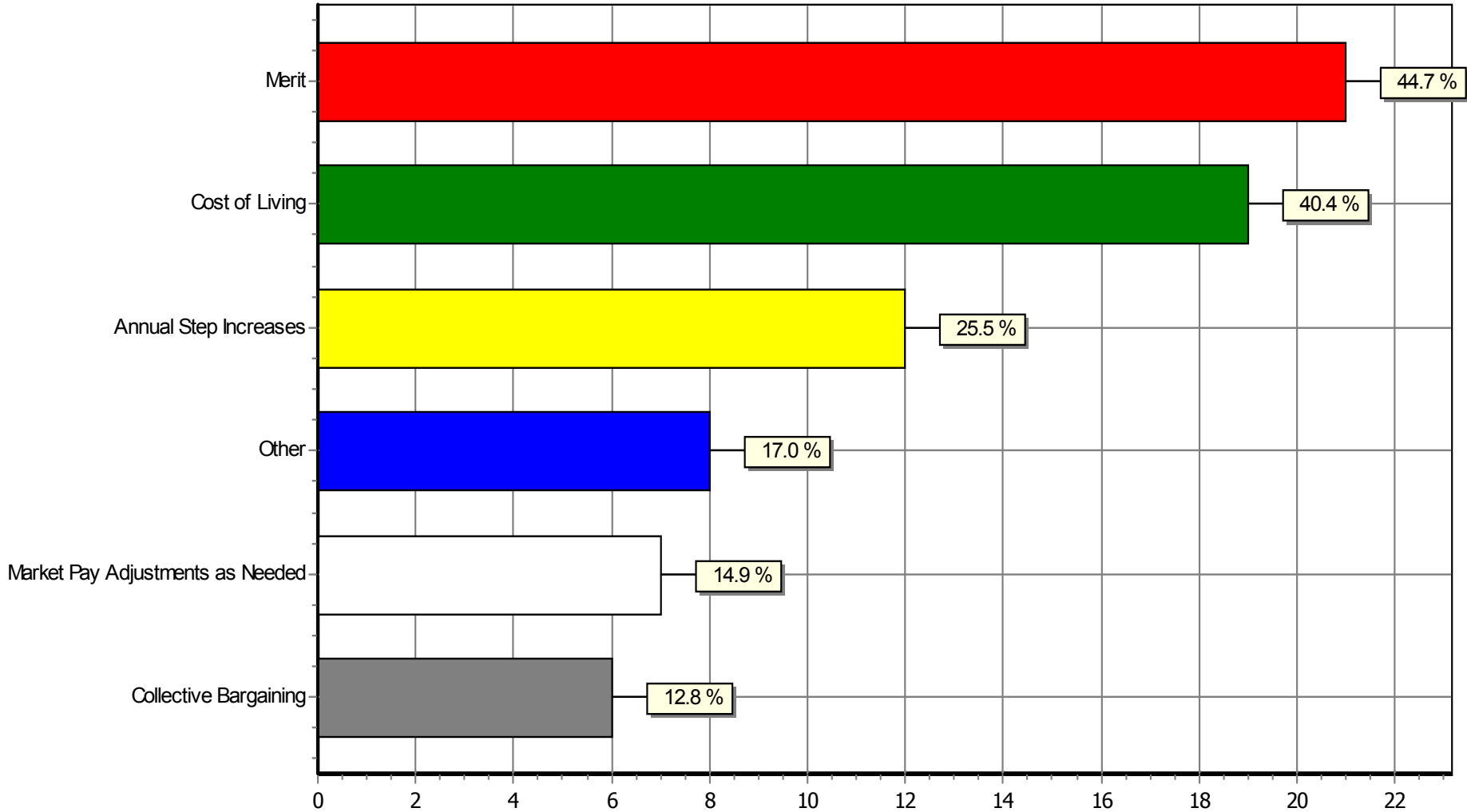


Factors Affecting Base Salary

- **Competitors**
- **Geographic Region**
- **Organization Dynamics**
- **Performance**
- **Scope of Work**

Adjustments to Base

How does your organization adjust wages and salaries?(Select all that apply)



Market Data Sources

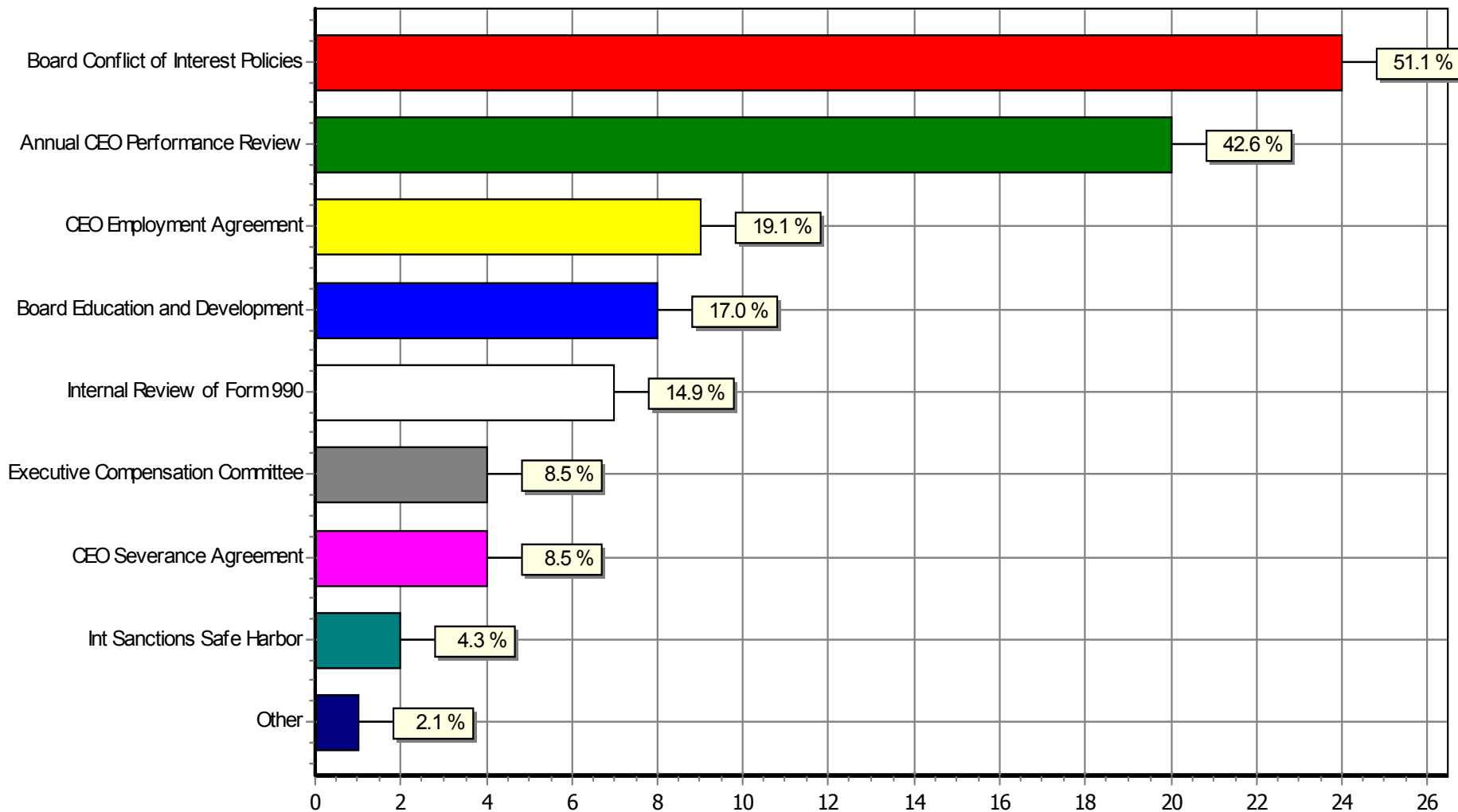
- ◆ **Museum Association of NY Survey (MANY) 33%**
- ◆ **Local Surveys, Calls, GuideStar, Other 29%**
- ◆ **None 10%**
- ◆ **Association of Art Museum Directors (AAMD) 7%**
- ◆ **Professionals for Nonprofits, Arts & Business Council of Greater Philadelphia, Consultant, ASTC, Ads, AAM <5% each**

What's Different About Executive Compensation?



Board Policies and Practices

Does your Board have any of the following policies and/or procedures in place? (Select all that apply)



Accountability

Inurement

Intermediate Sanctions

- Disqualified person
- Excess benefit transactions
- Rebuttable presumption of reasonableness
- Reasonable compensation

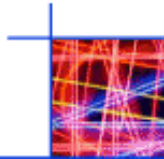
Public Availability of Form 990

Sarbanes-Oxley

Attorneys General

Survey Respondents

Amherst Museum
Arnot Art Museum
Banneker-Douglass Museum
Biggs Museum of American Art
Boyertown Museum of Historic Vehicles
Buffalo Museum of Science
Buffalo Museum of Science
Chemung County Historical Society
Delaware Museum of Natural History
Eastern Veterinary Historical Society
Erie Canal Museum
Geneva Historical Society
Herbert F. Johnson Museum of Art
Hillwood Art Museum
Historical Society of Saratoga Springs
Huguenot Historical Society
McManis & Monsalve Associates
Mid-Atlantic Association of Museums
Montgomery County Historical Society
National Baseball Hall of Fame & Museum
National Postal Museum, Smithsonian Institution
New Jersey Center for Visual Arts
New Jersey State Museum
New York Hall of Science
Norman Rockwell Museum
NYS Office of Parks, Recreation and Historic Preservation
Roberson Museum & Science Center
Rochester Historical Society
Schenectady County Historical Society
Seneca Falls Historical society
Sodus Bay Historical Soc./Lighthouse Museum
St. Lawrence Aquarium & Ecological Center
Staten Island Children's Museum
Terwilliger & Memorial Day Museums
The Frick Collection
The Huntington Historical Society
The Kelly Collection of American Illustration
The Landmark Society of Western New York
The Metropolitan Museum of Art
The Yager Museum
Theodore Roosevelt Inaugural Site Foundation
UB Art Galleries
University of PA Museum of Archaeology & Anthropology
Virginia Association of Museums
Virginia Museum of Natural History
Walter Elwood Museum of the Mohawk Valley
Yeshiva University Museum



**Lawrence
Associates**

Compensation Consultants

Compensation Consulting for a Competitive EdgeSM

- ◆ **Lawrence Associates provides compensation consulting services to trustees, executives and managers of non-profit organizations – healthcare, colleges and universities, foundations, associations, museums and others.**
 - ◆ **Executive Compensation**
 - ◆ **Incentive Recognition and Reward**
 - ◆ **Competitive Analysis**

**Suite 303, 396 Washington Street
Wellesley, MA 02481
Tel. 781-237-9044, Fax 781-237-9045
E-mail lal@lawrenceassociates.com Web
www.lawrenceassociates.com**