Museum Futures: Place Your Bet

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This small “white paper” is a compilation of three presentations I delivered in the fall of 2012. The first was to the board and staff of the Rhode Island Historical Society on October 9, the keynote for the organization’s annual strategic planning retreat. The second presentation was delivered on October 26 at the annual conference of Maine Archives and Museums. And the final presentation was at the NEMA Annual Meeting on November 9, part of the 94th Annual NEMA Conference in Burlington, Vermont.

The purpose of each presentation was to give a sort of “state of the museum field” snapshot for 2012, and perhaps a bit of speculation on where we’re headed.

During the past year, our NEMA community spent much time in such speculation, trying to anticipate trends, identify opportunities, and create innovative approaches to running a museum. The NEMA workshop season was filled with glimpses of the future, including “Museums, Inc.: Mapping a Strategy for the Museum Field,” our six-part series of leadership events for museum CEOs and senior staff. Our 2012 future studies culminated at the NEMA conference, which inspired many of us with the theme “Pushing the Envelope: Innovation and the Future of Museums.”

So for those who missed out on the workshops and conference, reading this paper will perhaps help bring you a taste of what we talked about. And for those who were part of the “live audience” in Rhode Island, Maine, and Vermont, thanks for your attention and feedback.

Happy reading!

Dan Yaeger
Executive Director
Maybe that’s because not so long ago I entered my 50s, the age when the fulcrum between future and past shifts, making what was a bigger part of my life than what will be. Maybe I’ve been thinking about the future because of our latest election season, which brought out politicians who each claim their vision of the future is the preferable one and their opponents’ visions are the equivalent of pouring vinegar in your morning coffee. Most likely, I’ve been thinking about the future because of our most recent NEMA conference and its theme “Pushing the Envelope: Innovation and the Future of Museums.” For three days this past November the museum field introspected, envisioned, pondered, and consumed massive amounts of delicious hotel food in the pursuit of the elusive glimpse into the unknown.

Predicting the future is a funny business, and one in which we humans have been engaged ever since we discovered that a black cat crossing your path is a fairly good indicator that sometime soon a herd of rampaging mastodons will be snuffing out your campfire, and perhaps you with it.

Ironically, once we moved from the prehistoric and into the era of recorded history, we seemed to spend even more of our time fussing about the future rather than actually recording history. Prophets were everywhere back then, most of them proclaiming that the future looked pretty dismal unless we changed our ways. John of Patmos brought us the Book of Revelation in the Bible, which is sort of a Saturday matinee of special effects, high drama, and memorable characters like the Four Horsemen of the Apocalypse. Fun stuff.

Good old Nostradamus livened up the Middle Ages a bit with sensational predictions that broke the monotony of annual plagues, crop failures, and witch hunts. Rasputin had his wild eyes on the Russian court, and modern day prophets continue to hold sway over our imaginations.

Today, the term “prophet” seems old-fashioned, so we have renamed them “futurists.” But whatever we call them, futurists, prophets, or seers, they have always had very interesting tools of the trade. Through the years they’ve used crystal balls, Ouija boards, Tarot cards, tea leaves, almanacs, and, today,
computer simulation models that predict everything from tomorrow’s weather to ocean levels in 2035.

And the futures they predict vary widely. There are bright, utopian futures full of promise. There are desperate futures that spell doom for all humankind. There are fantastic futures of flying cars, personal robots, and space commerce, some of which are actually becoming reality. And then there are some really fantastic futures, such as the Sporting News predicting this past spring that the 2012 Red Sox would win the World Series.

But the kind of future I want to talk about is the kind you most often follow in the Wall Street Journal and other business media: commodity futures. Commodity futures absolutely fascinate me. Every day you can watch the future unfold through the metals index, corn prices, energy futures, currency futures, international coffee contracts and, my personal favorite, pork bellies. These are futures that people don’t just predict. They bet on them, investing sometimes huge sums of cash on the promise that someday soon they’ll be worth more than they are today. In the case of pork bellies, this is really putting your money where your mouth is.

So my question is this: What if museums were part of the commodity exchange? Along that running ticker tape crawler you see at the bottom of your screen when you watch cable news, you’d see museums right in there with corn, coffee, and pork bellies. If you could pick up the phone or fire up the laptop and reach out to your broker, would you put a “buy” order on museum futures? Are museum futures a good bet?

A hundred years ago, a bet on museum futures would have realized generous returns. The United States was about to embark on an unprecedented period of museum expansion. The first phase of the American museum, which included the 19th-century construction of the American Museum of Natural History and Metropolitan Museum of Art in New York, Boston’s Museum of Fine Arts, and the Smithsonian Institution in Washington, was giving birth to a period of rapid museum building throughout the country. Between 1940 and 1949, museums were opening at the rate of one every 11 days. And between 1960 and 1963, the rate accelerated to one every 3 days. Another growth spurt occurred during the Bicentennial of 1976. Today the American Alliance of Museums reports that there are 17,500 museums in the U.S.

But just as the number of museums has increased, their public value has increased too. Early museums in the U.S. were typically “cabinets of curiosities,” or wondercabinets, as they were known, collections of art and artifacts assembled by the wealthy and privileged for private viewing. Alternatively, in the mid-19th century the so-called “dime museum” emerged, organized by the likes of P.T. Barnum for the amusement of the
working classes. These establishments featured things like wax figures and faux works of art along with sideshow staples such as giants, live animals, embalmed body parts, shrunken heads, and a very active liquor service.

It wasn’t until the dawn of the 20th century that museums witnessed a transformation from private institutions or palaces of sensationalism to places intent on educating the general public. Museums became more democratic, accessible, and open to a variety of audiences, not just the privileged. This was the era of John Cotton Dana, the famed director of the Newark Museum, who wrote eloquently that the purpose of a museum is to enrich the quality of its visitors’ lives, not to accumulate masterpieces. Fundamentally, his was the guiding philosophy for museums throughout the great growth period of the last century.

So if you were calling your broker 100 years ago, or even 20 or 30 years ago, your “buy” order for museum futures would have been a pretty good bet. Museums were popping up in virtually every community, and they were valued by their communities as vital components of their quality of life.

But is a “buy” order on museum futures a good bet today? A sound investment? I believe the outlook is mixed.

Certainly, the prospects of New England museums look bright indeed, if measured by the success of some of our institutions. Two new wings in as many years for the MFA/Boston. A major new addition for the Isabella Stewart Gardner Museum. The Peabody Essex Museum and its record-breaking capital campaign that puts its endowment ahead of every other museum in our region. These are success stories that cause many to assume that museums are doing pretty well in our neck of the woods.

And some smaller institutions are also reporting good news, such as the Danforth Museum of Art in Framingham, Massachusetts, which recently announced a half-million dollar anonymous donation, a very generous gift for a small museum. The Shelburne Museum in Vermont is scheduled to open a new $7 million Center for Art and Education next year, and for the first time keep its doors open year round after 65 years of seasonal business. And the Portland Museum of Art has seen dramatic increases in visitation and national attention because of the opening of its recently restored Winslow Homer studio and companion
exhibition. And there are many other success stories also. Again, by these standards, museums seem to be doing pretty well.

Other positive indicators for museums are museum salaries. Earlier this year NEMA analyzed 25 years of salary data from New England museums and found that, overall, salaries of museum professionals increased at a rate greater than the national average.

Between 1985 and 2010 average New England museum salaries increased from $21,000 to $54,000, an average annual jump of 6.3%. The average U.S. salary during the same time period increased from $16,000 to $41,000 according to the federal Social Security Administration, an average increase of 5.9%, and the general U.S. inflation rate averaged 2.9% annually. By these measures, museum professionals have enjoyed positive growth in their earning power.

Compared with other fields, New England museums also enjoyed better than average growth in the past 25 years. In 1985, the wages of our region’s museum professionals lagged behind the national averages of three major employment sectors, according to the U.S. Bureau of Labor Statistics: manufacturing, finance, and higher education. And while finance and higher ed continue to average higher salaries than museums (noting that prior to the Great Recession museums in New England virtually tied those sectors), museums have enjoyed a greater average annual increase than any of the sectors measured here.

Wage disparity is in the news frequently these days, and although there has been a growing disparity between the best-paid and least-paid museum employees, the New England museum field does not nearly approach the disparity seen in other industries. In 1985 the typical museum Executive Director was paid three times the salary of the least-paid museum worker. Between 1985 and 1990, wage disparity dropped, with CEO salary 2.5 times the least-paid employee. The gap has expanded since then to a factor of 3.4 between the CEO ($102,309) and least-paid worker ($30,529) in 2010. Compared to private industry, though, the museum field is rather egalitarian: companies in the S&P 500 currently pay their CEOs 142 times the average employee salary. In this context, the museum field is finding a healthy balance of rewarding its leaders but keeping the workplace rather democratic.

As a footnote, I want to point out one additional bit of data that you might find interesting. Females have long served as the core of the museum work force, and since 1985 they have become an even greater factor, now comprising 72% of museum employees compared with 64% in 1985. However, there’s been a perception that men have dominated the ranks of the executive director. But our salary data shows that in the past 25 years, women have made substantial gains in New England museum leadership. Just 29% of executive directors were female in 1985, but by 1992 women overtook men at the institutional helm. In 2010, women represented 64% of our region’s executive directors. By contrast, women are CEOs of just 18 companies in the Fortune 500 (that’s not 18 percent but 18 companies or 3.6%).

Summing up, our salary data indicate that overall the museum field is fairly healthy. However, as I said, the outlook for museum futures is mixed. In some ways, the museum picture reflects the current economic state of society generally, with a small number of museums enjoying success, but the vast majority muddling through difficult times.
For many museums, the future is clouded by spotty visitation, an uneven donor base, uncertain grant outlook (especially in federal grants from NEH, NEA, and IMLS), and, perhaps most important, a growing irrelevance due to changing demographics and tastes in their communities.

Our salary data illustrate this trend as well. In our survey, we compared the salaries of art museums, history museums and historic sites, science museums, and museums with a combination of disciplines. And here’s what we found. Art museums typically pay higher salaries, according to the historical data, which correlates with the relatively higher budgets carried at art museums, compared to history, science, or museums with a combination of disciplines. In 1992 there was relative parity between museum disciplines, but since then the gap has widened considerably, especially in the executive director position. Art and science museums have on average paid better than history museums and, to a lesser extent, combination museums. This chart is for executive director salaries, but the same is the case for curators, education, development, on down the line. So while some museums are doing pretty well, others, especially historical institutions, are lagging behind.

Part of the reason for this muddled picture for New England’s museums is that there are just so many of them. One thing I’ve learned to appreciate during my tenure at NEMA is the incredible breadth and depth of the museum community here in New England. No matter where you stand, you seem to be within walking distance of a museum of some sort. Growing up as I did in the Midwest, this made quite an impression on me when I moved to the region 30 years ago. Here’s a fun fact that has come to my attention since I started at NEMA: New England has by far the highest per capita number of museums anywhere in the country, 12.2 museums per 100,000 residents, compared to the national average of 5.9. Virtually every New England village maintains at least a respectable historical society museum, and it’s not so surprising to find in many a village a world-class museum as well. New England is truly blessed with an abundance of cultural riches, which provide our communities with significant economic vitality and an unmatched, vibrant quality of life.

But this blessing of abundance is in many ways also a curse. Museums in New England are so much a part of the landscape, they are often overlooked in terms of civic participation and support. While individual institutions often enjoy a committed core of benefactors, friends, and volunteers, the museum community overall suffers from relative low visibility,
visitation, and support. I’ll use my home state of Massachusetts as an example. Historical sites in the Bay State attract just 12 percent of overall tourism visits, ranking 6th behind shopping, dining, and beaches for things visitors like to do. Museums rank 7th, attracting just 10 percent of the overall visitor total. Considering so much of our New England reputation is built on history and culture, it’s sort of shocking to hear that such a small percentage of visitors actually want to experience history and culture. There is a disconnect between our branding and our reality that is ominous for the long-term health of the museum community.

A similar story is played out in the halls of our state houses. There is not a politician alive who doesn’t publicly avow undying support of museums in their district. But when it comes time to actually fund cultural programs and museums, it seems that the politicians, like Elvis, have left the building. From the federal level on down, the arts and humanities are perennially the first to be cut when budgets get tight. I am very concerned that this is the curse of our abundance: the perception is that New England’s museums have always been here and always will be, so public support can be better placed elsewhere. We are part of the fabric but the fabric is getting pretty tattered.

Facts and figures are one way to uncover trends that provide a window on the future. But my favorite way of finding out what’s happening in the museum field is to just talk to people. When you talk to people you hear about what’s really happening out there: how their museum is doing, their goals, how they’d like to make things better.

And this summer we did a LOT of talking about the future and trends that would lead to that future. NEMA produced a series of six leadership workshops that were designed to engage museum CEOs and senior staff with an exercise to envision a more robust museum future. The events were titled “Museums Inc: Mapping a Strategy for the Museum Field.” In the workshops, more than 100 museum professionals across the region took on the role of the management team of Museums, Inc., a fictional multinational non-profit corporation that operates 55,000 museum “franchises” worldwide. We performed a SWOT analysis, outlining the museum field’s strengths, weaknesses, opportunities, and threats. We came up with creative ideas for marketing and PR, development and finance, and product and programming. Then we figured out how we could make our vision for the future of museums become a reality.

Even though the workshops were held in six different places throughout New England, it was amazing to me to see how similar ideas emerged in each session. Here are some of the highlights.

First, there was a consensus that museums need to improve the visitor experience dramatically. What
worked 50 years ago just isn’t working today to attract and retain visitors. There needs to be a focus on the customer, as it were, in addition to the collection.

Second, there needs to be a better sense of entrepreneurship within museums to capitalize on opportunities. Museums should be better equipped to take risks and try new initiatives that build their social capital and their financial capital as well.

We need to face facts and realize that not every museum out there can and should survive. In the “Museums, Inc.” scenario, participants said we should downsize the organization by eliminating some of the museum franchises that were not performing up to expectations: those that had poor visitor experiences and were unable to maintain support from their communities. This downsizing would have the benefit of eliminating overlap and mitigating competition for scarce resources, making the overall museum field much healthier.

Finally, our leadership team indicated that the main strength of Museums, Inc. was the fact that we deliver deep, authentic experiences that improve the quality of life of our audiences. To make us competitive with movies, sports, performing arts, online gaming, and other activities vying for our attention and expenditures, museums need to band together, seek sustainability through best practices, and collaborate.

The principal takeaway from our “Museums, Inc.” sessions was “united we stand, divided we fall.” There’s a growing sense among our museum leadership that, for the overall museum community to achieve sustainability, individual museums need to come together and find common solutions to common problems, and to combine their voices to convince the public that museums are essential to our communities and worthy of support. And, happily, that means that museum associations like NEMA are more necessary than ever. Museum associations are conveners, information exchanges, linchpins of networking that stimulate best practices, innovation, and sustainability in the cultural community.

And this trend toward collaboration is not just a New England phenomenon. It’s national, a fact reflected in the recent rebranding of the American Association of Museums. By now you’re aware that AAM has changed its name to the American Alliance of Museums, reflecting the sentiment that collaboration is important. The Alliance, as it’s now known, has staked its own future on the notion that museums and their supporters, including museum associations, need to band together for the common good of the field.

For our part, NEMA takes collaboration very seriously and has been working with the Alliance, and other museum association colleagues, on a number of fronts. NEMA’s salary and benefits survey, for example, which we have published for 25 years, is the model for a new national museum salary survey that was published by AAM earlier this month. We’re spearheading a national initiative on professional credentialing, in which museum employees (and perhaps board members) can achieve accreditation just like museum institutions are accredited, thereby raising the professionalism of our field. NEMA has been a co-convener of the Museums Advocacy Day in Washington, DC, an annual gathering of more than 300 museum supporters who storm Capitol Hill with the message that museums are worth supporting. And we’ve been part of the leadership team
for “Museums Count,” an initiative of AAM, IMLS, AASLH, and other stakeholders that seeks to at long last complete an authoritative museum census to determine the full scope of the nationwide museum community.

So back to my original question. Is a “buy” order on museum futures today a good bet? I say emphatically “yes,” if we can make certain things happen.

First, we must better align our museums with community demographics. As we all know, the composition of our communities is changing rapidly. We are entering the era of the “minority majority” in which the multiplicity of minority groups is trading places with Caucasians for the dominant group in our society.

Unfortunately, museums seem unprepared for this development or unable to meet its challenges. Minority visitors are still very much minorities in our museums. Recent research shows that, nationwide, non-Hispanic whites make up 66% of the population, but account for almost 90% of museum visits. African Americans and Hispanics, by contrast, make up a combined 30% of the population, but represent only 8% of the museum going public.

And a recent survey of NEMA’s membership revealed that our museum profession remains persistently and overwhelmingly homogeneous. 90% of our museum colleagues are white and 80% are female. These figures don’t appear poised to change much in the near future either: in museum studies programs, which prepare the next generation of museum leadership, students are 80% white and 80% female. Left unaddressed, this diversity gap points to a future museum community that is perilously irrelevant, unless we find ways to align ourselves with an increasingly multicultural society.

Speaking of museum colleagues, we need to make the museum field more attractive to the best and brightest of our young people. Now don’t get me wrong. Museum employees today are extremely talented professionals and passionately committed to their mission. But my concern is that our young people are increasingly attracted to professions that are perceived as more lucrative and practical than museum work, the better to pay off their college loans or maximize their parents’ investments in their education.

Forbes magazine recently released a list of the best-paying and worst-paying college majors, and of course the worst-paying majors looks like a who’s-who of our NEMA membership: English majors, education, history, art history, studio art, and that great bugbear of pragmatism, American Studies. As I mentioned before, our salary survey indicates that museum workers are paid significantly more than the national average, but the perception is that to work in a museum you have to take a vow of poverty. We need to band together to improve salaries in our field, but we also need to change the perception.
We have to be eternally vigilant to maintain our relevance. Relevance, like success, is a moving target, a journey, so we need to commit ourselves to an ongoing strategic reflection on how our museums connect with their audiences. To do this, I believe we need to find a balance between our commitment to our collections and our duty to provide authentic, deep, and meaningful experiences for our visitors. Those of us who love the stuff of museums, the art and artifacts, are always on the alert for fire, flood, theft, anything that put the collection at risk. However, I believe that collections are most at risk not from flood or fire but from the slow drowning of the institution itself due to irrelevance.

We must convince the public and their elected representatives that museums are pillars of the community and are worth supporting financially. Private donations and public funding are both contingent on us convincing the outside world that museums are major sources of economic vitality through employment, expenditures, and visitor dollars which cycle throughout the community. But more than that, we need to make the case that museums are essential community institutions, as important as the church, the library, the bank, town hall, and so forth. Museums are a major part of the local fabric that contributes to the quality of life where we all live.

Finally, we have to focus our institutions on excellence. So much of today’s popular culture is mediocre or downright awful, museums have the opportunity and duty to provide an uplifting alternative. We need to choose excellence in our missions, staking our claims as institutions that aspire to the highest common good rather than the lowest common denominator. We need to choose excellence in our programs, to provide a breath of fresh air to a public that is choking on toxic rhetoric and mindless diversions. We need to choose excellence in our leadership, insisting on board and staff that exemplify passion, talent, and innovation. And we need to choose excellence in ourselves. Whatever our role, be it trustee, volunteer, or staff, our institutions and by extension the entire museum community depends on our choice to be the best we can be every day.

Thank you for reading and thank you for your commitment to the New England museum community!