MC-709 Box 36 Folder 12

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OMBUDSMAN SALARIES, 1991

Mary Rowe (MIT) and James Ziegenfuss (Pennsylvania State University)

The Ombudsman Association Research Committee did a salary survey of about sixty TOA ombudsmen in the summer of 1991, and included questions on salary, scope of work, years of experience, etc. Various other ombuds associations have done similar surveys.

Corporate ombudsmen primarily serve employees and managers, although some serve government contractors, franchisers, and other clients. University ombudsmen serve faculty, staff, students. Classic ombudsmen serve citizens, correctional ombudspeople serve prison inmates, newspaper ombudsmen serve readers. Patient ombudsmen and nursing home ombudsmen typically serve only patients and nursing home residents, although some also serve employees. The employers range from high tech through defense contracting, health care, manufacturing, government, research, food distribution, insurance, educational institutions, newspapers, transportation, financial and other enterprises. Some practitioners work part-time; most work full-time in the function. They serve a wide variety of private and public enterprises, ranging in size from about fewer than a 1000 people upward toward 150,000. The ombudsman profession is nearly perfectly integrated by gender, and there are an increasing number of minority practitioners—perhaps about 20%. Ombudsmanry is also extremely well integrated by previous profession and previous education of practitioner; ombudsmen come from a very wide range of backgrounds.

Salaries varied widely in the group of sixty TOA ombudsmen studied. Two—possibly assistant ombudsmen—earned salaries in the range \$25,000-\$35,000. The median salary, across a wide variety of employers and including assistant ombudspeople, was in the range of \$55,000-\$65,000. An eighth earned over \$100,000. Our best estimate of the modal 1991 salary range for lead ombudspeople (that is not assistant ombudspeople), outside patient care, is \$55,000-85,000. There is a second smaller mode, from \$85,000 to over \$125,000, for experienced managers who have become ombudspeople in corporations.

Full-time university and college ombudsmen are paid in a similar, slightly lower range. Updating a 1989 survey—of 64 ombudspeople thought to be full-time—we estimate that two-thirds earned between \$50,000 and \$80,000 in 1991. We estimate another ten percent were paid more than \$80,000 in 1991. Available data indicate that newspaper ombudspeople are paid in a similar range. Other data indicate that the range for patient representatives (patient ombudsmen) is about 50% less than the range for corporate ombudsmen. Nursing home ombudsmen are also paid less than corporate ombudspeople; many in fact are volunteers.

The chief predictor of the salary of an ombudsman appears to be the previous salary of the given practitioner—although we did not collect data exactly on this point, the inference is clear. Salaries in our group vary directly and strongly by years of service with the given company. Only a few of the practitioners in this group have been with their employer fewer than five years. The corporate ombudspeople in the 1991 survey had been with their employers an average 16 years. Clearly employers are most likely to choose trusted, long term employees as ombudsmen and then pay in direct relation to years of service. (Moreover, most ombudspeople report to the CEO or near the top of their organizations.)

There is, as expected, some tendency for ombudsmen of longer service in the function to be paid more. However there are important exceptions to this pattern. The function is a relatively new one, and there are a number of retirements directly from the job. That is, a number of companies choose their ombudsmen, in their late fifties and early sixties, to take on this task as the last career move. The average ombudsman in the 1991 TOA survey had served in the position about three years. In some cases, therefore, where relatively senior managers have been recruited to the job, even neophyte ombudsmen are among those in the profession who are most highly paid.

We believe these data may be useful to ombudsmen, to know how their salaries compare with others. We hope these data may also assist employers who are analyzing equity within their own salary structures, and to companies setting up new programs, as they seek to define the costs of the ombudsman function. The reader may also be interested in early cost-effectiveness analysis of ombudsman offices now underway by The Ombudsman Association Research Committee and colleagues. These beginning studies suggest that ombudsman offices of various types at least recover their costs (salaries plus other expenses), and in some cases are cost-effective by a factor of three or four or more.

OMBUDSMAN SALARIES, 1991 Add 10-12% Mary Rowe (MIT) and James Ziegenfuss (Pennsylvania State University) for 1994

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