

Uncovering Incentive Compensation Strategies in Higher Education Advancement

50 percent of surveyed EAB partners use incentive compensation for staff retention. Sixty-seven percent of institutions that use incentive compensation reported improved staff retention.¹ EAB research revealed three primary types of bonuses.

Metric-Driven Bonuses

< 5%
Median size of performance bonuses as a percentage of salary

Individual Performance Bonus

Annual bonus awarded to individual staff who achieve personal metric goals (e.g., total dollars raised, number of visits, or alumni donor counts)

KEY STRENGTH
Incentivizes priority outcomes for fundraising staff

#1 Most common form of incentive compensation for fundraisers

Division-Wide Performance Bonus

Annual bonus awarded to all staff based on division-wide performance (e.g., annual production goal or annual engagement goal)

KEY STRENGTH
Boosts collaboration and limits negative competition

74% of institutions offering metric-driven bonuses provide bonuses to non-fundraisers

Campaign Retention Bonus

One-time bonus awarded at the end of a campaign to incentivize staff to stay at the institution

KEY STRENGTH
Limits turnover during a campaign and awards employees who see the campaign through

\$3.7M Lost when a gift officer leaves during a campaign²

Project-Specific Retention Bonus

One-time bonus awarded to staff who complete a special project outside of their job description (e.g., lead CRM conversion working group)

KEY STRENGTH
Fosters a sense of employee appreciation and mitigates burnout

16% of institutions report awarding project-specific retention bonuses to fundraisers

Retention Bonuses

5–10%
Median size of retention bonuses as a percentage of salary

Spot Bonuses

< 1%
Spot bonuses usually equal less than one percent of salary

Manager-Driven Spot Bonus

One-time bonus awarded by a manager to recognize a specific positive behavior from a staff member

KEY STRENGTH
Allows managers to provide quick feedback and reduce recurring bonus costs

22% of institutions report awarding manager-driven spot bonuses to fundraisers

Colleague-Driven Spot Bonus

One-time bonus awarded to a staff member after receiving recognition from a peer or colleague

KEY STRENGTH
Encourages collaboration among colleagues through small bonuses

4% of institutions report awarding colleague-driven spot bonuses to fundraisers