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News

The Bonus Factor

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Of fund-raising professionals in education, 13.4 percent are eligible for bonuses, according to the 2011 compensation survey by the Council for Advancement and Support of Education.

The figure is up only slightly from the last time CASE asked its members about the issue, in 2005, when 12 percent were eligible. But while 13.4 percent is a minority within the field, it suggests a critical mass of people receiving bonuses -- even if the practice is opposed in some education circles, with many seeing it as making the philanthropic process somehow commercial. (Defenders say it is appropriate to reward those most talented at motivating generous giving.)

According to the survey, officials in public higher education are slightly more likely to be eligible for bonuses than are those in private higher education or in private schools. Among all of those fund-raisers eligible for bonuses, 51 percent reported receiving one in the past year. The average bonus in dollars: \$4,729.

Bonuses are based on a variety of factors. (Survey participants were able to cite more than one basis, so the numbers that follow add up to more than 100 percent.)

Criteria for Bonuses for Fund-Raisers

Individual achievement of specific performance outcomes	49%
Overall merit	32%
Group achievement of specific performance outcomes	28%
Remaining in job for set period of time or completion of project	5%

As a matter of official policy, CASE opposes bonuses that resemble commissions on some percentage of funds raised. But a policy adopted by CASE's board last year -- in part due to questions about the issue -- states that "some forms of supplemental compensation may be appropriate and represent sound management practice."

The CASE guidelines state that any bonuses should be "based on pre-set goals that have been clearly stated and agreed-upon in advance by the employee and the institution," that they should "relate goals to the fund-raising context, given that potential to raise funds and associated effort required may vary widely across positions and operating unit" and that they should "not serve as a replacement for base salary or result in under-compensation of employees who meet their job expectations."

The overall CASE compensation survey, the first since 2008, includes data not only on fund-raisers, but also on the other groups that make up the association: people who work in alumni relations, communications and marketing, and services that support advancement. As the association notes, some comparisons are difficult across categories, but here are some of the highlights of the findings:

- Starting salaries are up. Despite the recession, starting salaries (defined as pay for those with less than three years of experience) are up 18 percent from 2008 to 2011.

- Alumni relations remains the lowest-paid category within the CASE fields, but its rate of increase between 2008 and 2011 was the largest: 21 percent. Fund-raising remains the best-paid area.
- A gender gap remains in the salaries of CASE members. Over all, the median salary of the female majority of advancement professionals is \$63,000; the figure is \$78,000 for men. When adjusted for factors such as years of experience and other factors that contribute to salary differentials, the gap between men and women is still large -- \$10,750. That's down from \$11,890 in 2008 and \$12,900 in 2005 -- suggesting that every three years, about \$1,000 of the salary gap disappears.

— Scott Jaschik

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