

Be Careful What We Wish For! The Cost-Benefit Analysis of Volunteering*

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It's not really that they've called our bluff because quite clearly we haven't been bluffing, but I have found myself wondering over the past four months or so whether something major is happening - something that we have been wanting for at least two decades that might actually be materializing. If it is: beware!

I have been in the business of volunteering for over twenty years, and in all that time I have been engaged with my colleagues across North America in the struggle (that's not an over stated term, is it?) to encourage policy makers, funders, boards and senior administrators (and I suppose society as a whole) to understand volunteering, its importance, and its contributions to community life and the human service delivery system. Volunteerism is STILL largely taken for granted.

At the same time, funders are pushing organizations to deploy volunteers. They want numbers, numbers, numbers. The words "Let's get volunteers to do it!" ring out in board rooms and at planning tables across the continent. Since most of the time these planners have no idea of what volunteer involvement actually entails, leaders in the volunteer movement have been forced into a defensive position, educating and advocating for appropriate strategies.

This Might Be New

Okay, none of this is new, but here's what might be.

I have seen three big organizations in the last 6 months fund contracts that were, in essence, aimed at concretely assessing the value of volunteering. The RFPs from these three national level organizations asked the projects to identify and articulate exactly what volunteers do throughout their respective systems, and actually try to assess what volunteers' contributions are worth.

This emphasis on "worth" is the big change. In the past, we have seen efforts to increase volunteer productivity or system efficiencies. Now we seem to be moving into the area of cost-benefit analysis. Organizations want to know, in concrete terms, what volunteers cost and what they contribute - and they want both of these calculations to be in monetary terms. While there is some recognition that volunteers contribute to organizational culture and give gifts that are intangible, these organizations are looking for a bottom line answer to the question: "Are volunteers worth it?"

Now before ringing an alarm bell, I must admit that these are the most preliminary of observations, and the sample is admittedly small. But I think I may be detecting a pattern and if so, it could be really significant. Let me ask you: a) if you have noticed this too, and b) if there is some basis in reality to my thinking, what you think the implications might be.

Is Volunteering Worth The Investment?

While we've been asking organizations to take a good look at what volunteers contribute, I don't think we meant for it to go like this. I think we wanted leaders to recognize the value of volunteering (to recognize its indispensability like we do; it's so obvious to us in the business) so that they would open the purse strings and finally fund managers of volunteers and volunteer department budgets to the level that they really deserve. We didn't mean to say: "Take a close look at volunteering to make sure that it's worth any investment at all."

Now I'm not suggesting that we should be above scrutiny. And I'm not saying that the volunteer department should be exempt from the same kind of fiscal accountability that other departments must endure. BUT ... when any other paid staff department is called on to account for their expenditures or to justify their budgets, there is a completely taken-for-granted assumption that the labor is valuable and returns a product. Personnel and program evaluations may turn up evidence of how services delivered by paid workers might be made more effective and how individual performance might be enhanced, but the underlying assumption is that the work is useful and is worth (generally) what it is paid.

At first glance, when an organization says let's do a cost-benefit analysis on volunteer involvement, it seems a reasonable thing to do. There are hard costs associated with volunteering and an organization is simply being accountable when it asks, "What are we getting in return for that investment?" In truth, too many organizations have emphasized the size of their volunteer corps over the impact of the volunteer work performed. It is not worth time or money to coordinate anything that is not helpful to service delivery.

But here's the rub: We don't know how to measure the value of volunteering.

Since everything in our society is measured in monetary terms, we automatically attempt to construct a money-based measurement tool and assign a monetary value. Since work is valued by what it is paid, we apply the same thinking to volunteering. This generates the simplistic "replacement value" approach: add up the hours of volunteer work, assign some replacement value (what it would cost if you had to pay a person to do that same work), cut that replacement value by at least a third (because you don't ever want to be accused of inflating the value of volunteers work so you underestimate it) and report that figure in the justification for the next year's volunteer program budget.

We supplement the replacement value approach by counting everything that's countable: how many volunteers, how many hours, how many drives, how many meals delivered, how many calls taken, how many clients seen, how many children taught, how many, how many We want to be scientific and counting generates numbers that seem scientific. We measure success by achieving bigger numbers this year than last year. The problem with the counting approach is that it shows we are very busy, but it hides whether we have accomplished anything!

The Promise of Outcomes-Based Evaluation

Herein lies the promise of “outcomes-based” evaluation. It puts us in touch with what volunteers actually contribute. It is new, it requires a new mind set that is difficult to acquire, but it is slowly spreading through volunteer programming in North America. Outcomes-based evaluation is a very useful process since it pushes organizations to really identify what they think volunteers should achieve. But I fear that outcomes- based evaluation won't be nearly enough for the boards and finance directors who want to attach a dollar value to the outcomes that volunteers produce.

We can say that the presence of volunteers enhances the morale of a department, or that volunteers bring their own unique enthusiasm, creative ideas, energy, and vitality. We can say that volunteers at the bedside contribute to the quality of life in the last few days in the life of a child who is dying - invaluable solace, attention, and comfort that overworked staff cannot provide. And on and on. While such things are true, and maybe even documentable and measurable, we can't easily assign a dollar value to them. You and I might know that without the presence of volunteers in the system, human services and community life as we know it would become a vast and barren wasteland. But what's that worth? And how do we communicate its worth to a board that is pushed to the financial wall, pressed to justify every expenditure, and desperate to find cost-savings wherever they can be found?

So we did want them to pay attention and value volunteering. But is this the attention we wanted? Are we seeing the very beginnings of something that could sweep through our sector? Might we soon see boards everywhere asking the apparently reasonable question: "Well, what ARE we getting from those volunteers anyway?"

How Shall We Respond?

That's why I say “beware!” We could be in deep trouble. We may have loosed an interest in volunteerism that we cannot respond to in a way that will be acceptable. I am not trying to make a big deal out of nothing, but I do wonder if this resonates with others in the field and whether others might be able to advance our thinking on this one.

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- Have you been seeing an increase in questions about the monetary value of volunteers?
 - How do we, right now, respond to the cost-benefit analysis inquiries in a way that honors volunteering and its complex and unique contributions?
 - Anybody know of a cost-benefit analysis tool that can truly measure the dollar value of the solace provided to a dying child or the mentoring of a teenager that helps her or him to stay unabused and drug-free?

Lots comments invited. E-mail us at: LL.GRAFF@sympatico.ca