



Volunteer Programs: What's Your ROI?

As Baby Boomers retire, the nonprofit sector faces an historic opportunity to attract thousands of new volunteers who may also become the nonprofit's donors, advocates, board members, and connectors in the community. As anyone knows who has studied marketing in the last six decades, when Boomers do anything, it changes everything. Entrepreneurs have made huge fortunes anticipating what Boomers will do next.

A study called "Reinventing Aging: Baby Boomers and Civic Engagement" by the Harvard School of Public Health-Met Life Foundation Initiative on Retirement and Civic Engagement reports that nearly one-third of Baby Boomers (about 26 million) expect to participate in community service in retirement. It also suggests that most nonprofits will not have the resources to manage the influx of volunteers. With revenues tighter than ever before and government funding in ever steeper decline, nonprofits cannot afford to miss this huge potential source of support.

A few years ago, I conducted a training seminar for agencies affiliated with United Way of Bucks County called "Volunteer Management: Creating a Win-Win Experience." In it, I talked a lot about applying the concept of "return on investment" to volunteer programs. A very common concept in the for-profit community, "return on investment" is far less common in the nonprofit sector and rarely associated with volunteer programs.

I like it because it begs two questions: what is your investment in your volunteer program, and what is your return?

The Investment. But wait, you may be thinking, volunteers are free. Many nonprofits think this way and, if anything, the most they budget for is a year-end volunteer recognition event that is frequently the first item to be cut when the budget gets tight. The "Reinventing Aging" report has a more sensible perspective. It says:

"Unpaid labor is a resource, just as paid labor is, but unpaid labor is not free. It must be planned, managed, organized, and coordinated, just as paid labor is – and this requires an investment of time and resources."

When we invest in volunteer management and coordination, we are more likely to get greater return from our volunteer programs. In trying to keep their programs "free," many nonprofits scour the earth seeking that magical, mythical creature (more rare, perhaps, than the unicorn), the "volunteer Volunteer Coordinator." If I hadn't heard from at least two very reputable executive directors that they actually had one of these, I would swear they didn't exist.

What if we budgeted for a more substantial investment in volunteer management, including staff to manage the program, provide regular volunteer orientation and training, and implement placement

mechanisms, feedback mechanisms, and performance evaluations for our volunteers? What kind of return might we expect and would it be worth the investment?

The Return: Obviously, most nonprofits consider the return of their volunteer programs in terms of unpaid labor. But did you know that the established value per volunteer hour, according to the Corporation for National and Community Service, is between \$18 and \$20 dollars per hour? You may also consider the value of volunteering in terms of FTE's. For every 2,000 hours contributed by volunteers, your organization receives the equivalent of one full time employee, without paying salary or benefits. What could your nonprofit do with an extra employee?

There are even more ways that volunteers yield a return to nonprofits.

1. Volunteer hours help nonprofits get grants by demonstrating the amount of support the organization has within its community.
2. Volunteers are frequent donors to the organization. A study by Fidelity Charitable Gift Fund and VolunteerMatch indicated that on average, **volunteers donate 10 times more money to charity** than people who don't volunteer. Not only that, but 67% of volunteers also donate to the organization for which they volunteered.
3. Volunteers add value through their advocacy for the needs of the nonprofit in the community and, perhaps, the state as well.
4. Volunteers' connections bring other donors, volunteers, and advocates into the organization. And their positive comments in the community hold tremendous public relations value for the nonprofit.

All of this assumes, of course, that the volunteers have a positive experience and are saying positive things about the nonprofit. The reverse can also be true, and it probably is if your nonprofit isn't investing in and carefully managing the experience of volunteers at your organization.

When we start thinking in terms of investment and return, it is possible to see how changing our strategy with respect to our volunteer programs can lead to securing More Money for Mission.

No question it will take a significant investment in volunteer management in our nonprofits to take advantage of the historic opportunity presented by retiring Baby Boomers. But the return will definitely be worth the investment.

Check out my website for a free download of "Managing Volunteers," a set of ten tips to help nonprofits manage the volunteer experience for maximum long-term benefit. www.sparknpc.com/tipsheets.htm.

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