

Philanthropy

The New Volunteer Workforce

Nonprofits rely heavily on volunteers, but most CEOs do a poor job of managing them. As a result, more than one-third of those who volunteer one year do not donate their time the next year—at any nonprofit. That adds up to an estimated \$38 billion in lost labor. To remedy this situation, nonprofit leaders must develop a more strategic approach to managing this overlooked and undervalued talent pool. The good news is that new waves of retiring baby boomers and energetic young people are ready to fill the gap.

By David Eisner, Robert T. Grimm Jr., Shannon Maynard, & Susannah Washburn | Winter 2009

Most **nonprofit** CEOs would love to have a person like Jim working for them. Jim has 13 years of financial experience at **General Electric Co.** and 28 years at **J.P. Morgan**, and he currently works for the **March of Dimes Foundation** doing strategic planning, marketing, information technology, training, and research. Jim is not, however, a full-time employee. Rather, Jim is a 77-year-old volunteer.¹ Jim enjoyed his **volunteer** work at the March of Dimes so much that his wife, Sari, joined him. Her volunteer position includes recruiting other volunteers—and she's pretty good at it. In 2007, she helped recruit 42 volunteers who donated a total of more than 11,000 hours (valued at an estimated \$200,000 of in-kind services).² In addition to volunteering, Jim and Sari are donors—members of the March of Dimes' President's Society—and have convinced the rest of their family to participate. Their daughter, Beth, raised \$3,000 over two years through the March of Dimes' **March for Babies** walkathon, and Beth's 12-year-old son is now forming his own walking team. Already into their third year of service, Jim and his family are creating a large amount of value for the March of Dimes. And the March of Dimes is just one of the organizations where they volunteer.

As Jim and Sari illustrate, volunteering, when channeled correctly, can be a highly valuable asset. The March of Dimes, however, is one of the few organizations that use volunteers effectively. Sadly, most nonprofits do not view their volunteers as strategic assets and have not developed ways to take full advantage of them. In fact, most nonprofits are losing staggering numbers of volunteers every year. Of the 61.2 million people who volunteered in 2006, 21.7 million—more than one-third—did not donate any time to a charitable cause the following year.³ Because these volunteers gave about 1.9 billion hours in 2006, and the value of their donated time was about \$20 per hour⁴—that calculates to about \$38 billion in lost volunteer time in one year.

As impressive as the \$38 billion figure is, the actual lost value might be even greater. If a nonprofit were paying someone to handle the jobs that Jim and Sari do, the cost would be much more than \$20 an hour. Volunteers

can do much more than stuff envelopes.

A few nonprofits have grasped this concept and are taking what we call a talent **management** approach—investing in the infrastructure to recruit, develop, place, recognize, and retain volunteer talent. These are the savvy managers who recognize that there is a new national momentum and opportunity to engage more Americans to help solve America's intensifying social and environmental problems. Despite the recent national attention generated by the first-ever ServiceNation Presidential Candidates Forum, a new bipartisan legislative proposal to expand support for volunteering and service, and the emergence of cabinet-level positions on volunteering in two states, most nonprofits are still letting volunteer talent slip away like water through a leaky bucket.

Nonprofits Need More Talent

The nonprofit sector desperately needs the professional skills offered by volunteers. The nation's nonprofits are under strain from the current economic crisis, a leadership drain as older executives retire, and high turnover among younger nonprofit staff. Volunteers are an undervalued and underused resource for tackling these challenges.

Volunteers, for example, can help nonprofits save money by providing technology services, developing programs, training staff, and conducting strategic planning, all without being paid a salary. Volunteers can also ease financial pressures by helping nonprofits raise money. Volunteers are effective **fundraisers** because their personal commitment to the organization's mission makes them convincing advocates for the cause. In addition, volunteers are likely to donate to the organization at which they serve. Despite these benefits, few nonprofits use wide-scale volunteer mobilization as a principal funding strategy.

And it's not just money that's tight. The nonprofit sector is also facing a leadership crisis. Research has found that nonprofits can expect to lose more than 50 percent of their current leadership by 2010.⁵ Nonprofits also face high turnover rates among mid-level and entry-level professional staff. A 2007 study by the **Young Nonprofit Professionals Network** found that 45 percent of nonprofit workers predict that their next job will not be at a nonprofit. These young staffers cited burnout among the top reasons for leaving.

To alleviate staff burnout, nonprofits can bring in older, experienced volunteers. Retired baby boomer volunteers can mentor young nonprofit professionals, leading to improved staff morale and lower turnover. Volunteers can also take on leadership roles formerly performed by paid staff. In some instances, volunteers can even manage paid staff.

Some work is simply best performed by volunteers. Local volunteers may know their community's assets, important players, and underlying challenges better than any paid staff person, helping the nonprofit stay connected to the community. Volunteers can also serve as evangelists to the larger community, helping to promote the nonprofit and its mission.

Why Volunteer Talent Leaves

National volunteer rates are declining. Between 2005 and 2006, the percent of volunteers who did not do any volunteering the following year increased from 32 percent to 36 percent. Although nonprofits can expect, and in some cases even desire, some attrition, losing more than one out of three volunteers from one year to the next is clearly a problem.

Why are volunteers opting out? The 2003 Volunteer Management Capacity Study conducted by the **Corporation for National and Community Service** (CNCS, the organization we are affiliated with), the Urban Institute, and the UPS Foundation provides some clues. The study concludes that fewer than half of nonprofits that manage volunteers have adopted a significant number of important volunteer management practices. Here are five of the main reasons why volunteers are not returning.

Not Matching Volunteers' Skills with Assignments. Volunteers with valuable and specialized skills are often dispatched to do manual labor rather than tasks that use their professional talents. The prime goals of corporate volunteer programs, for example, are building teams and increasing morale, which are most easily accomplished by groups of people doing manual labor. For example, every spring in cities across the country, hundreds of professionals turn out to paint walls and plant flowers at local schools. Although this has its time and place, most community organizations really need an ongoing involvement that taps volunteers' professional skills rather than a onetime project that uses their manual labor. Volunteers often don't get much out of the experience, either. Many of these volunteers get an empty feeling when they know that the job they've been given is make-work or a photo op.

Failing to Recognize Volunteers' Contributions. Nonprofits need to recognize volunteers both through an organizational culture that values them and through specific appreciation ceremonies and events. In their annual reports, most nonprofits list all individual donors categorized by the amount of money they have donated. Very few nonprofits, however, do the same for people who donate their time. Naming individual volunteers with the number of hours they have contributed (and perhaps the dollar value) is one way to demonstrate a culture that values volunteers. **The Capital Area Food Bank of Texas** does this and also profiles individual volunteers in its annual report.

Not Measuring the Value of Volunteers. Most nonprofits do not measure the dollar value that volunteers provide to their organization. This reflects the lack of seriousness with which many organizations view volunteers and tends to compound the problem. If nonprofit leaders had hard data demonstrating the value of volunteers, as the March of Dimes does, they would be more likely to invest more time and money in developing volunteer talent.

Failing to Train and Invest in Volunteers and Staff. Volunteers need training to understand the organizations with which they are working, and employees need to be trained to work with volunteers. Nonprofits rarely invest substantial amounts of time or money in volunteer recruiters and managers. For example, a youth service organization in Florida reported that at one time it had a busy receptionist managing several hundred volunteers. Unfortunately, the receptionist model of volunteer management is all too common. Nationally, one-third of paid nonprofit staff who manage volunteers have never had “any formal training in volunteer administration, such as coursework, workshops, or attendance at conferences that focus on volunteer management.”⁶

Failing to Provide Strong Leadership. Most nonprofit leaders are simply not taking the time to develop or support volunteer talent adequately—resulting in a poor or bland experience that leads to an unmotivated volunteer who has little reason to return. Most nonprofit leaders do not place a high value on volunteer talent. If they did, they would dedicate more resources to the task—not assign it to a receptionist. When told of this article, the CEO of a large national youth service organization said, “I think you’re on to something: 90 percent of our labor is performed by volunteers, yet our strategic plan makes no mention of them.”

Why isn’t volunteering more respected? Why aren’t more organizations investing in volunteering? One problem may lie with the term itself. The word “volunteer” doesn’t say anything about the nature of the service provided, except implying that it is free. It is often assumed that something free is not valuable. Maybe we should use different words—like fundraiser, project manager, or legal counsel—that describe the work performed and help erode outdated ideas about the value of the volunteer workforce.

Volunteerism also suffers from being thought of as something that is nice, but not necessary. When people think of volunteers, they often envision people spending a day cleaning up trash or planting flowers—projects that are helpful, but not essential. If the volunteer had not planted those flowers, would the nonprofit have paid someone else to do it? When nonprofit leaders see that volunteers can do highly skilled work that the organization would have otherwise paid for, volunteering will begin to get some respect.

Capitalizing on Volunteer Talent

To capitalize on the opportunity presented by volunteer talent, nonprofit leaders need to expand their vision of volunteering, integrate volunteers into their strategic planning, and reinvent the way that their organizations support and manage volunteer talent.

If nonprofit leaders want highly skilled volunteers to come and stay, they need to expand their vision of volunteering by creating an experience that is meaningful for the volunteer, develops skills, demonstrates impact, and taps into volunteers' abilities and interests. More people need to understand that people will make time to volunteer if they are stimulated and engaged. Our research shows that the primary difference between volunteers and non-volunteers, when measuring what they do with their time, is the amount of television they watch. People who do not volunteer watch hundreds of hours of additional TV a year compared to people who do volunteer. It's not that people don't have enough time to volunteer. People do not volunteer because nonprofits do not provide them with volunteer opportunities that interest them enough to pull them away from their television sets.

Rethinking Work Roles. To create compelling opportunities for volunteers, a nonprofit's management team should begin by evaluating the degree to which important roles could be performed by volunteers. Some organizations are elevating the roles of volunteers and blurring the distinctions between paid and nonpaid staff . (See "Filling Important Roles" on p. 36.) At the **American Red Cross**, for example, a volunteer chairperson runs the volunteer division and supervises paid staff . At the March of Dimes, people often move back and forth from senior paid positions to volunteer positions. Nonprofits also need to explore hybrid models of work and volunteering such as **Experience Corps** and **ReServe**. In these programs, people receive a modest stipend for their sustained and high-impact service, ensuring that people of varying income levels can participate.

Assigning Appropriate Tasks. Nonprofits must assign volunteers jobs that make the most of their skills and talents. For example, marketing experts from the consulting firm **Deloitte** were preparing for a traditional volunteer project—taking stock of donated inventory at a thrift store operated by **Catholic Charities USA**. But the Deloitte workers saw ways the thrift store could employ new merchandising techniques and offered pro bono consulting services to help make the changes. The changes the Deloitte volunteers suggested produced strong results: Average monthly revenue at the store rose 20 percent.⁷ Catholic Charities was planning to use Deloitte employees to sort pants and shirts, which would have returned a value close to minimum wage. Instead, Deloitte employees put their analytic and consulting skills to work and returned a value of approximately \$150 per hour. Not only do nonprofits get more value from using highly skilled volunteers to perform highly skilled functions, but these volunteers are also more likely to offer their services again. CNCS research found that volunteers who engage in less challenging activities tend to be less likely to continue volunteering the following year. Only 53 percent of volunteers who did "general labor" activities or supplied transportation continued volunteering the following year. By contrast, 74 percent of volunteers performing professional or management activities continued volunteering.

Creating Bonding Experiences. One of the best ways that nonprofits can engage volunteers is to create experiences that develop strong attachments between the volunteer and the organization. The March of Dimes, for example, is constantly thinking about how to channel the interest of a onetime volunteer into a more sustained commitment. A volunteer might walk in the March for Babies two years in a row and then drop out. That person has not necessarily lost her passion for helping babies, she just needs a new challenge and more opportunities to stay involved. To keep her engaged, the March of Dimes might ask her to speak with groups of expectant moms on the importance of folic acid and prenatal checkups. That could lead to her managing a local fundraising event or recruiting corporate sponsors. The March of Dimes has found that by increasing responsibility, tailoring assignments to volunteer interests, and providing training and in-person networking opportunities, they are able to hang on to more volunteers.

Supporting and Training Volunteers. Nonprofits also need to support their volunteers. The American Cancer Society, for example, respects and cares for volunteers in the same manner that the organization cares for its own staff. Their chief talent officer ensures that staff and volunteers participate together in orientation and training classes and work together on important projects such as creating curriculum, delivering quality of life programs to cancer patients and their families, and serving as community health liaisons. **The American Cancer Society** also expects its staff to recruit and work with community volunteers, and it enforces this through performance reviews that measure volunteer engagement.

Using New Technology. New technologies allow nonprofits to communicate with volunteers inexpensively and to build social networks that connect volunteers with one another and with the nonprofit. Organizations like **VolunteerMatch** and **Zazengo** have developed technology that makes it easy for volunteers to find opportunities based on their needs, interests, and skills. With this technology, volunteers no longer need to go to a Web site to search for opportunities; the right ones come to them. Technology also allows people to volunteer without having to leave their homes. One of our colleagues, for example, develops and maintains Web sites pro bono without leaving her home.

Developing Strategic Plans. To make effective use of volunteer talent, nonprofit leaders must integrate volunteers into their strategic plans. In 2007, the leaders of 11 major nonprofit organizations and the authors of this article met to discuss ways to engage volunteers and laid out the ingredients for this process. Nonprofit participants such as **Goodwill Industries**, **United Way of America**, and **Big Brothers Big Sisters of America** zeroed in on strategic planning as the most critical and neglected step in managing volunteers. By treating volunteers as the valuable resource they are, nonprofits get more challenging work done, reap the benefit of more volunteer hours, and incur fewer costs associated with having to replace lost volunteers each year.

Attracting a New Wave of Volunteering Talent

Even with the best planning and management, nonprofits will always need to recruit new volunteers to support new or expanded programs and to replace those volunteers who inevitably stop coming. The most promising places for nonprofits to recruit new volunteer talent are among retired baby boomers, young people (millennials), businesses, and religious organizations.

Retiring baby boomers offer nonprofits experience, management skills, and vast numbers. Older American volunteers will increase 50 percent by 2020. Boomers are also healthier and more educated, and they are predicted to live longer than their parents. Perhaps half of these people will continue working into their 70s, which should ultimately encourage more volunteering later in life. Although one might assume that older people with jobs are less likely to volunteer, working appears to encourage people to stay more connected with their community and maintain social networks that promote volunteering.⁸

At the other end of the age spectrum, America's young people are increasingly interested in making a difference. One recent study revealed that 68 percent of people between the ages of 18 and 26 prefer to work for a company that provides professional volunteer opportunities.⁹ This trend is likely to continue. The [UCLA Higher Education Research Institute](#) reported in 2005 a 25-year high in first-year students' belief that it is "essential or important to help others."¹⁰

Pro bono business services are another emerging source of talent. In February 2008, CNCS joined with the [President's Council on Service and Civic Participation](#) to bring together more than 150 business, government, and nonprofit leaders in a summit on pro bono services. The summit identified the benefits to companies of providing pro bono services and sought to expand the pro bono ethic (typically identified with the legal profession) throughout the corporate community. Summit participants kicked off "[A Billion + Change](#)," a three-year campaign to leverage \$1 billion in skilled volunteering and pro bono services from the corporate community. To date, more than 23 companies have pledged more than \$400 million in professional services.

Religious partnerships are a largely untapped area of volunteer talent: 85 percent of nonprofits with secular missions report that they do not have one partnership with a religious group.¹¹ This religious-secular divide is all the more troubling when one considers the tremendous opportunity religious organizations offer: More people volunteer through religious organizations than any other kind of organization, and religious volunteers often engage in substantial work outside their congregation.

Former Philadelphia mayor Reverend W. Wilson Goode Sr.'s [Amachi](#) program spearheaded an effective secular-religious partnership that included Big Brothers Big Sisters of America, [AmeriCorps VISTA](#), and local religious congregations across the country. Amachi had the kids who need mentoring, Big Brothers Big Sisters of America had the mentoring expertise, the congregations had people who want to mentor, and VISTA coordinated the collaboration.

Nonprofits can also use religious organizations to expand their reach into the African-American, Hispanic, and Asian communities. Each group does more than one-third of all their volunteering with religious groups. It is particularly important for nonprofits to tap into these communities, because racial minority populations are growing as a percentage of the overall U.S. population.

Thriving With Volunteer Talent

Sari (the March of Dimes volunteer we profiled at the beginning of this article) helped produce the equivalent of \$200,000 worth of labor in one year. What was March of Dimes' investment in Sari? About \$13,000 a year. That represents a return of more than 15 times the organization's investment. And Sari is just one volunteer in the March of Dimes' offices.

Older, educated volunteers like Sari and Jim have the potential to perform valuable and highly skilled work, donate money, and activate social networks that multiply the impact of their individual contributions. By 2020, there will be millions more like them, thanks to the coming wave of retiring baby boomers. Simultaneously, companies are providing more opportunities for working professionals to engage in pro bono and volunteer work, as part of the company's efforts to recruit and retain the most talented people.

This surge in professional people interested in putting their skills to good use creates a tremendous opportunity for nonprofits. The sector can't squander that opportunity by assigning these volunteers to nice, but non-mission-critical work. Social entrepreneurs, nonprofit executives, and other public service leaders need to modernize their understanding of the value of unpaid work and embrace volunteer talent of all ages as an important way to fulfill their mission.

A new wave of volunteer talent is building. Some nonprofit leaders will take advantage of this opportunity and exponentially grow their impact; the rest will be left behind trying to make do the old way.

Read more stories by *Shannon Maynard, Susannah Washburn, David Eisner & Robert T. Grimm, Jr.*

Notes

¹ Jim and his family are real people and these are their real first names. The family's last name has been withheld to protect their privacy.

² March of Dimes estimate created by multiplying 11,000 hours by Independent Sector's 2007 average value of a volunteer's time, \$18.77. Independent Sector, 2007 *Value of Volunteer Time*.

³ Corporation for National and Community Service (CNCS) analysis of data from the *Volunteer Supplement to the Current Population Survey*, 2005-2007.

⁴ Urban Institute with CNCS and UPS Foundation, *Volunteer Management Capacity in America's Charities and Congregations*, 2004. In 2003, this national survey asked nonprofit staff who manage volunteers how much they would pay for their typical volunteer's time. They reported a median value of about \$20 per hour. The figure is close to Independent Sector's frequently cited average hourly value of volunteer time (\$18.77).

⁵ Annie E. Casey Foundation, *Change Ahead: The 2004 Nonprofit Executive Leadership and Transitions Survey*, 2004.

⁶ The Urban Institute, *Volunteer Management Capacity in America's Charities and Congregations*, 2004.

⁷ Evan Hochberg, "How to Get an Extra \$1 Billion from Business," *The Chronicle of Philanthropy*, October 12, 2006.

⁸ John Foster-Bey, Robert Grimm Jr., and Nathan Dietz, Keeping Baby Boomers Volunteering: A Research Brief on Volunteer Retention and Turnover, Corporation for National and Community Service, March 2007.

⁹ Deloitte & Touche, Deloitte *Volunteer Impact Survey*, 2007.

¹⁰ Higher Education Research Institute, *The UCLA College Freshman Survey*, 2005-2006.

¹¹ *Volunteer Management Capacity in America's Charities and Congregations*, 2004.

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