

[News and Hot Topics](#) » Volunteering in For-Profit Settings: Exploitation or Value Added?

Volunteering in For-Profit Settings: Exploitation or Value Added?

By [Susan J. Ellis](#)

February
2000

I've recently received several e-mails about what happens (or doesn't) to volunteer services when a formerly-nonprofit organization is merged into a for-profit service provider. As we see more and more hospitals, nursing homes and other human service providers move from nonprofit to for-profit status, the question is growing in importance. Those that oppose the use of volunteers in for-profit settings take the position that volunteers should only be asked to donate their time to organizations benefiting the public good, not to add to the profit of stockholders. They believe involving volunteers in a business is a form of exploitation. I disagree with this position and feel there is nothing inherently wrong with volunteers being used in a business setting.

The Rationale

There is quite a bit of precedent for volunteer involvement in businesses that have a purely commercial purpose. For example, companies of all types routinely provide placements for student interns. The "exchange" of experience for the student's work is considered legitimate (but non-cash) compensation. And let's not forget volunteer programs designed expressly to recruit volunteers to help businesses succeed, such as the Small Business Administration's SCORE (Senior Corps of Retired Executives), which provides volunteers with business expertise to work with new and minority business owners. If volunteers can be asked to increase the profit-making potential of manufacturing, sales, and service companies, why is it far-fetched to recruit volunteers to participate in businesses providing human services?

No business (or nonprofit, for that matter) is ever going to provide the personal touch that volunteers offer to individual patients or clients. I call this the "luxury of focus," in which volunteers can spend as much time as is necessary with someone in need. Employees always have to divide their time equitably over a whole patient floor or full caseload. Whether successful grant writing or earned profit is the bottom line, much of the work volunteers do would never be in the budget anyway.

A proprietary setting, particularly if a new owner of a formerly-nonprofit organization, would be well-advised to develop a written statement of philosophy about the role of volunteers. I give this advice to nonprofits, too, but I feel that businesses need to emphasize that their commitment to volunteers is not based on hoping the company will be able to spend less (or hire fewer employees), but rather on the desire to strengthen services to the agency's consumers. And then they ought to live up to that statement!

"Exploitation" is in the eye of the beholder. Is it evil to knowingly and willingly barter time and effort in exchange for learning and the sense of contribution? Is it wrong to place a higher value on the needs of the recipient of service than on who owns the setting? Who is to judge?

The key to avoiding the ethical pitfalls of misusing donated time is to be thoughtful about why, when and how volunteers are recruited to help an organization. It is not necessarily wrong to ask someone to support a for-profit setting and it is not invariably right to ask someone to do anything at all for a nonprofit setting. It is important that any recruits be informed about the type of organization inviting their help. But, in the last analysis, the choice should always belong to the volunteer.

So What's New?

The number of for-profit conversions and openings is proliferating, with all indications that this trend will continue. And, as so often happens with volunteering, the subject of the implications of this for volunteers is simply overlooked--with not-so-simple consequences. For example, although the American Hospital Association has well-established guidelines and standards for Volunteer Services Departments, nothing has been issued updating this material for either the changes occurring in hospital ownership/management or in recognition of the evolving trends affecting who volunteers and what they do. (See my [appendix](#) for an example of this situation.)

For-profit nursing homes, particularly the many new assisted care facilities popping up all over, rarely research the question of volunteers at all. Generally they assume they "shouldn't" involve volunteers and that's the end of it. What this means is that a population in genuine need of the extra attention volunteers provide is denied that attention. Of course, since these facilities do not understand what's going on in volunteerism today, students might be welcomed (or something called "intergenerational programs"), but in limited roles.

Welfare reform is also adding a new twist. If we are going to support people as they move from public assistance to paying jobs, we will have to provide mentors and other sorts of volunteer involvement--perhaps even in the workplace. How will we describe a volunteer assignment that is created by a nonprofit, targeted at an individual, but affecting a profit-making employer's success in business?

So the questions this month are:

1. Are you working in a for-profit setting that involves volunteers? From the start or as a result of a take-over of a nonprofit? What issues has this raised for you, for management, and for

volunteers?

2. Do you agree with my argument above? Disagree? Have something to add?
3. Does your local Volunteer Center have a clearly-articulated position on this subject so that they can be proactive in reaching out to these new service providers? Has your DOVIA or other volunteer-related association invited staff from for-profit companies to join or even to attend workshops?
4. What strategies should we employ to urge government and private standard setters, such as JACHO, to update their policies about volunteers?

Related Topics: [Ethics](#) | [Volunteer Work Design](#) | [History](#) | [Philosophy](#) | [Trends and Issues](#) | [Profession of Volunteer Management](#)

Posted 12/20/2011

Submitted by Rev. Daniel Stafford, HCA HEALTHCARE, Chaplain/ Dir Volunteers, FORT WORTH TEXAS USA

I really get so tired of hearing from all these non-profit organizations how for-profit organizations should not use volunteers. I work in a for-profit hospital in Texas and we have over 65 volunteers. Whrn people want to give to others, I don't think their business status matter much to volunteers. Our Volunteers bless our patients and families in many ways each day. Shame on non-profit organizations when you want to limit a persons giving in any form and to any organization.

Posted 9/16/10

Submitted by L. Rich, President/Director, The Rich Corporation, Steamboat Springs, Colorado USA

Some for-profits actually are DOING what non-profits CLAIM that they are doing. Non-profits have a small area within which to work, or they can lose their status. It does NOT mean that they are NOT in the business of stuffing their pockets while taking advantage of everyone! There are good and bad in each pool. For-profit businesses are less restrictive, but more scrutinized. There are lots of very good for-profit companies, doing very good things for people/the world, and they could certainly use good volunteers to help them get those goals accomplished. It could end up as full-time paid positions, too.

The law is that NON-profits ONLY have to donate 5% to 15% of ALL monies it takes in TO the actual cause they are collecting for- the rest is kept "for administrative costs". This is something most volunteers may not be aware of! The for-profit has to find ways to MAKE money (as opposed to getting others to give it to them for nothing in return), and has to pay, pay, pay for everything- they usually DON'T have a huge profit (most are lucky to see one worth talking about), after all is said and done. Yet their scope of projects, and the people they are committed to helping is much wider than the non-profit. More often, it is the case of NOT having over-paid executives, working extraordinarily long hours, and hoping that with continued effort, they can do some good, and have a successful business. They are NOT, as most think, driven by greed. They may not want to be limited in what they CAN do, hence the reason they are not a non-profit.

I say volunteers need to look into the company- for-profit or non-profit- and use their skills of discernment to decide if that company's agenda is, in fact, an honest one and whether it aligns with the ethics/desires of the person wanting to volunteer. People need to stop assuming that non-profits are not greed-driven- they need to KNOW where that money goes.

With my own company, I would need to file for 50+ non-profit status companies to get the work done that I can do with ONE for-profit corporate status company- why would I want the headache of running that many non-profits? I wouldn't. Hence the for-profit status. We don't have to limit what we do. On the other hand, we DO have to work harder to accomplish getting funds to make it work. I do not even get a paycheck (maybe someday- if I can make the company profitable after getting our programs fully functioning). And, yes, we'd love to have some great volunteers to help us on the journey. It would lead to full-time positions if they would be interested. I guarantee that we'd be giving back more than the 5-15% (to me that is appallingly short of what needs to be done)!

Posted 2/29/00

Submitted by Lucas Meijs, Meijs Consultancy, The Netherlands

What a great (USA) discussion this is. In the Netherlands at this moment there are no real for-profit organizations in health care but I do observe some other trends in volunteers being used in for profit settings and also some discussion around it. Just without any pretention some examples:

1. The use of volunteer first aid people and volunteer stewards at large profit-making games and events such as soccer games and marathons;
2. The use of gifts in time by all kinds of self service organizations such as McDonalds
3. The change from nonprofit to for-profit in training for recreational activities such as sailing or wind surfing. In these organizations the volunteers also stay for a longer time, usually because the (commercial) school offers them a great opportunity to do their hobby (e.g. sailing is all kind of boats) without having to pay for it.
4. A bit different is the misuse for-profits make of the Dutch volunteer reimbursement policies. Organizations are allowed to cover expenses of a volunteer to about \$800 a year without any proof at all of the expenses

Posted 2/29/00

Submitted by Brian Fidler, Volunteering NT, Darwin, Northern Territory, Australia

I know the discussion is about volunteers working in a for-profit hospital environment, but isn't the issue a little wider than that? We regularly get requests for volunteers from non-profit organisations for what are clearly paid positions."We would like a volunteer, computer literate, with good office skills and a pleasant telephone manner. Hours: 9 to 5, Monday to Friday." When we told the agency (large and international) that this sounded like a paid position, the suggestion was that two volunteers, each about 18 hours per week would do instead. I'm reminded of one of the best ways I

ever found to decide if you need volunteers (got it from S.Ellis)... "If you had the money to pay for all the staff you wanted, would you use volunteers?"

Posted 2/28/00

Submitted by Sue Henderson, USA

I work as an activity director and volunteer coordinator in a for profit long term care facility. Volunteers are mostly (90 percent) used in the activity department. They are the ones doing the the visitation and all the things that wouldn't be provided by a paid staff person. Some of the volunteers do participate in clerical type jobs to develop skills so that they can seek paid employment--I see that we are providing a service here for actual on the job training. We also use students from the university in a program called community-based service. In this program I meet with the students and we determine what kind of skills or learning experience they wish to obtain. I get some good volunteers this way but the facility is also giving the students something that is very valuable that they can't get from books. The basis of this is that it is a fair and clearly understood exchange of value both ways. That is the way I look at all of my volunteer positons--both the volunteer and the facility are getting something they want in exchange.

Posted 2/28/00

Mary Kay Hood posted the following to CyberVPM and has given permission for Energize to repost it here as it is very pertinent to this Hot Topic--thank you!

Reprint from CyberVPM

I came across an article published in the Miami Herald about a hospital volunteer demanding pay in a class action lawsuit against hospital chain Columbia-HCA Healthcare Corp. The suit, which requests class action status and seeks back pay and damages, challenges the long-held practice of in-hospital volunteers. The lawsuit alleges that "volunteers were placed wherever there was a shortage of labor."

New York resident Alexander Eltman, a retiree who winters in Florida, said he signed on as a volunteer because he wanted to help patients, by reading them books or talking with them to lift their spirits. Instead, during his three-month stint as a volunteer in the hospital's admitting room, Eltman was put to work greeting patients and performing other tasks like photocopying insurance and prescription cards and pushing people in wheelchairs to various hospital departments for tests.

Apparently, when Eltman realized the hospital was owned by a profit-making corporation and part of an investor-owned chain, his perception of carrying out his volunteer duties changed. Attorney's for Eltman said "We're talking about people who volunteered to be helpful to patients and essentially ended up doing an orderly's work. The hospital saved a great deal of money using volunteer labor. You're talking about a company that's making profits, not about a mom-and-pop community hospital."

The lawsuit seeks to represent others who volunteered without pay at any of Columbia's hospitals after Jan 26, 1997.

Posted 2/22/00

Submitted by Kathy Gabel, Volunteer Coordinator, HealthSouth Rehabilitation Hospital, Toms River, NJ, USA

I have been paying special attention to this month's hot topic because I am one of the people who emailed Susan for guidelines on volunteer programs in "for-profit" organizations. I run a volunteer program in a for-profit physical rehabilitation hospital where the volunteer emphasis is "patient visitation". Whether for-profit or non-profit, clearly volunteers add value to the organization and assist with it's "cause" or "mission". In the healthcare field, the primary focus has to be the patient ... whose mental, physical and spiritual needs can be well met by volunteers. Right up there with the patient is the mental, physical and spiritual needs of the volunteer, not to mention educational. As long as these two groups of people are the primary benefactors of a volunteer program in a for-profit, then I do not find it to be "wrong."

We learned in "Volunteerism 101" that the organization cannot help but benefit from the talents of volunteers, but I do not believe that should be the primary motivation for a volunteer program. If the benefit to the organization's bottom line is the primary reason for volunteers, then I believe this to be the exploitation of people, thus making it wrong. I am very fortunate to work for someone who agrees with me. My concern is that without guidelines, this leaves volunteers wide open to being exploited. I'd rather organizations like JCAHO focus their attentions on protecting volunteers from being exploited than emphasizing some of the "paperwork" requirements such as competencies. Just a thought ... based upon the feedback I get from our volunteers, I believe their presence in our facility has actually spurred patients and staff to consider volunteering their time. So for the woman from the U.S.S. Constitution Museum, maybe the visibility of volunteers in for-profits can actually play a role in increasing the volunteer pool.

Posted: 2/15/00

Submitted by Vickie A. Morgan, DVS, Holy Spirit Hospital, PA/USA

To the best of my knowledge, ASDVS has always indicated that health screenings, such as TB tests or Rubella screenings, should be determined by individual institutions. I was surprised to hear that you were attributing TB screenings as mandated by ASDVS! We have many community-based volunteers associated with our hospital and we do not require TB tests for them. I suspect that my hospital-based volunteer program is not alone in recognizing that TB screenings may be appropriate for patient care volunteers, but not necessary for outreach volunteers!

From Susan: Sorry, I didn't mean to imply that it was ASDVS that required the t.b. screening. The mandates were spoken about at the ASDVS Conference, but the source is the American Hospital Association and the Joint Council of Accreditation of Hospitals.

Posted: 2/10/00

Submitted by Betty Tibbits, Volunteer Manager, Oklahoma Blood Institute, Oklahoma City, USA

As a member of a task force on volunteerism in Oklahoma City, I can tell you that we deliberately invited a volunteer director of a large local for-profit hospital because of her unique position in the

volunteer field. Our decision for her inclusion was that the needs of hospital patients haven't changed. However, managing the hospital gift shop in a for-profit setting and utilizing non-paid staff to make money for the hospital conglomerate owners does propose problems.

By incorporating the hospital auxiliary, hospital generated revenue may be donated to the hospital by the auxiliary but not towards equipment or materials that would generate patient revenue; eg., landscaping, redecorating, neonatal parent rooms, TV sets, cable, art, etc. Volunteer management just keeps getting more complicated doesn't it? Another interesting twist is that as a volunteer mgr. in a major community owned blood center in Oklahoma City, I am required to give safety training and Good Mfg. training to all 700 plus volunteers statewide. I feel like I am employed by the FDA since one third of my time is spent in training and documentation!

Posted: 2/10/00

Submitted by Mary Kay Hood, Director of Volunteer Services, Hendricks Community Hospital, Danville, IN, USA

Couple of thoughts -- Susan makes a valid point of "exploitation" when it comes to volunteers. However, the article doesn't even touch on the "exploitation" of employees. We all know of people who work in for-profits as well as non-profits who end up working 50, 60 even 80 hours each week and get paid for only 40. Isn't that true "exploitation?" I remember working in a large corporation some time ago when my boss asked me to work late and when I told him I had plans, his reply was: "Unless your mother died, you better cancel them." Yes, it's a hot button with me. Seems to me that if there was a little more respect for people as individual people, the entire business world would be much better off -- both for-profits and non-profits as well.

As far as JCAHO goes, the Indiana Society of Directors of Volunteer Services (ISDVS) sent a proposal to Indiana Health & Hospital Association (IHHA) for IHHA to help champion the cause of streamlining some of the processes and rules of JCAHO to make it easier for those of us in volunteer management to do our jobs. That was last fall and ISDVS is still working with IHHA in that regard. Stay tuned for news!

Posted 2/7/00

Submitted by Cheryl Morehouse, Manager, Volunteer Services, St. Joseph Hospital, Nebraska, USA

Recruiting volunteers for a for-profit hospital has been a challenge. Years ago we were a not-for-profit. Many volunteers chose not to continue volunteering, because they morally struggled with the issue of contributing their time and talents to a "for-profit". Also, with repeated downsizing, many office/clerical/service type positions have been and continue to be eliminated. Instead of volunteer opportunities to visit with patients & family members, I am increasingly requested by our departments for someone to "answer the phones", "file", stuff envelopes, etc. I do have some volunteers that love to do that sort of thing, but it just seems we're really swinging away from what most people think of when "hospital volunteering" is mentioned. Also, I have to agree with your views on the TB test. I personally think it's a lot of expense to the hospital and unnecessary hassle to the

prospective volunteer. Especially when the numbers of "long term" volunteers are becoming a rarity, and we are seeing increasing numbers of "short term" or episodic volunteers.

Posted 2/7/00

Submitted by Marsha Riddle, Western Carolina Center, North Carolina, USA

The members of the for-profit world are expected to be good corporate citizens and good citizens. This does not close them to involvement in the community and its citizens, especially if the business is human services. The human services industry whether for profit or non-profit should care about the Quality of Life of the persons they serve. This must include the involvement of the families of the persons being served, the churches of the persons, and friends and volunteers. If we care about service and the quality of service to persons and the community, we must begin to bring to bear all the support we can to meet the needs of people. There are literally thousands of people who need the emotional caring support of thousands of people who want and need to make a difference in peoples' lives. Are we to deny that because of who is getting paid, the overpaid executives of non-profits or the stock holders of for-profits. What difference does it make to the person in need? None!!!!

Posted 2/7/00

Submitted by Bonnie Jennings Steele, DVS, The Stamford Hospital, CT, USA

Many of us in healthcare volunteer administration DO make the distinction between those who work with patients and those who do not come into our facilities. We do not, nor do many of our peers, require TB tests of volunteers working off campus at special events. There are liability and risk management issues for the healthcare environment, however, that lead us to require all staff (full time, part-time, unpaid - volunteer, per diem, subcontractors) to have the annual TB test. Some of this is driven by regulatory agencies; some by rising insurance costs.

Posted 2/7/00

Submitted by Sandra Porterfield, USA

Three years ago I had the privilege to spend two weeks at an educational/training course sponsored by the National Institute of Health. Several of my classmates represented the "for-profit sector". We discussed the issue over many sessions. I was very against the idea of volunteers working with a business until I really explored the other side. For-profit businesses do "give" to their communities in substantial monetary amounts, as well as with in-kind services. They provide educational opportunities and back-to-work experience just as non-profits do. How many times have we asked a business to sponsor a fund raiser or give a substantial gift for an auction? I have Assisted Living Facilities and Retirement Communities on the top of my list when I need something. In return they have helped me with fundraising mailing projects, etc. I think we need to be careful of how we comment about the for-profit business using volunteers until we have the opportunity to observe what they give in return and how they use the volunteers - For fundraising: NO. For patient or client comfort: YES. Thanks for the opportunity to speak out on this issue

Posted 2/4/00

Submitted by Tammy Herron, Director of Volunteers, American Red Cross, TN, USA

My opinion is that for profit settings such as hospitals or nursing homes could use volunteers, but volunteers would give services to the patients or their families only. They shouldn't be helping sort mail or stuff envelopes or anything clerical. A volunteer who goes in to play a card game with a patient/resident or read the paper to someone who can't see well is not volunteering for the "for profit" organization, but for the people.

Posted 2/4/00

Submitted by Nancy Gedraitis, Manger, Volunteer and Group Services at USS Constitution Museum, Boston, MA, USA

I have some strong concerns. Volunteers are so essential to many non-profits and there is already a lot of competition for the existing pool of able volunteers who have time and are able to make a commitment. If for-profits begin recruiting volunteers, it means an even smaller pool for those of us who cannot operate without them.

I question that for-profits have the proper structure to offer volunteers the support, gratitude and recognition that they deserve. I anticipate conflicts between paid staff (especially unionized) and volunteers. That said, I certainly agree in nursing homes the quality of care is lacking. But is that because of the all important "bottom line" and cost-cutting of for-profits?

Posted 2/4/00

Submitted by Ellen Didimamoff, CVA, Dir. of Vols., Morris View Nursing Home, NJ USA

Let's keep volunteers where I believe they belong; with the non-profits. Utilizing the services of volunteers for business is a "no-no". At that point, they should just be considered non-paid staff working for a business, not a philanthropic setting.

Comments from Readers

Submitted on October 17th, 2016

Anonymous, Thousand Oaks, Ca, USA

Ok, here's the deal on hospitals. Hospitals are huge non-profit corporations, They aren't little mom and pops, and it irks me to no end that volunteers have taken away paying jobs for lets say, single under-educated moms as Dept Receptionists. Meanwhile the big shots get bonuses for cost savings, while the volunteers get a free lunch, a pat on the back, and a feel good euphoria.

If you're reading to patients, or giving comfort to families, that's one thing, but taking away a paying job, and the lobby is getting an expensive makeover, while your soft heart and equally soft brain (read that as dumb) get a feeling of narcissism, well I personally think you're a fool, and trust me, they are working you for who you are. Most hospitals (and religion theatres) don't pay property taxes either. Wake up my little puppets.

Submitted on October 18th, 2016

Susan J Ellis, Energize, Inc., Philadelphia, PA, United States

You are certainly welcome to your opinion, but I find it interesting that you opted to post as "anonymous." You are taking the most negative view possible about volunteers and what they do -- whether in hospitals or anywhere else. Volunteers almost never "save" any organization money in the long run, nor can an employee be "replaced" by a corps of very part-time volunteers. And given the countless options available for volunteering, it's insulting to call people who choose to serve "puppets."

Submitted on January 22nd, 2018

Mary Quain , Volunteer, Nextdoor, Minnetonka/MN, USA

I've been volunteering a good deal of time in the past few years to Nextdoor, a social media platform designed for members at the neighborhood level. I've enjoyed much of that time and met some lovely people, however, I'm about to throw in the towel for volunteering as a "Neighborhood Lead." Leads are the people who monitor and moderate content posted by other members, including educating them on how Nextdoor works, enforcing "Guidelines" governing the content and generally providing nearly all of the company's customer relations function. We are offered very little support or even communication about behind the scenes changes being made as the company evolves, thus handicapping our efforts.

Because Nextdoor is for-profit and currently funded by venture capital, I have not been able to find out a relative dollar amount for volunteer time and how that total fits into its business model. They have been chasing an IPO for over a year, all the while relying heavily on volunteers to do their heavy lifting. How does this affect the company's valuation?

Is there a way to find out what share of their true operating expenses is being cancelled out by volunteer work?

Thanks!

Submitted on February 9th, 2018

Cara Thenot, Publications and Social Media Director, Energize, Inc., Philadelphia/PA, USA

Hello Mary. Thanks for your sharing your situation. Since Susan Ellis is taking some time away from writing due to health concerns, I am going to pass on your question to another associate on our team of consultants. Best of luck, Cara Thenot

Submitted on March 14th, 2018

Barbara MacRobie, St. Louis, Missouri, USA

This in regard to a historically-themed festival that was founded as a 501c3 but recently acquired by a for-profit. When a 501c3, the festival used the services of reenactors like me as volunteers. The for-profit still wants our services for free, and since we enjoy pursuing our hobby, we don't object to that. The festival has offered us a contract calling us independent contractors who are paid \$0. The contract includes provisions such as a year-and-a-half-long non-compete clauses and statements that if we do not provide all the hours of free service the contract stipulates, that is a breach of contract and they can sue us. The Department of Labor Wage and Hour Division person with whom I briefly spoke told me that the Fair Labor Standards Acts actually prohibits for-profit private sector businesses from using volunteers, and therefore the festival is trying to get around that with the unpaid independent contractor terminology. So I'm very confused by Ms. Ellis's original post.

Submitted on August 2nd, 2018

Anonymous, Calgary, Canada

You CAN NOT have volunteers in Canada for a "for Profit" store, institution etc it is the law. Unfortunately,,, a volunteer can call the labor board and the for profit business will have to pay them back pay at the going minimum rate. This has happened in Lethbridge and other areas. No contract to volunteer is binding. It would be thrown out in court because it is considered slave labor or misleading and illegally using the labor of a human.

There is only one program through high school where a student is allowed to volunteer at "for Profit" businesses for work experience. There are many rules and stipulations to agreeing to this too. I believe in protecting the innocent,,, but i also see here that we have even lost freedom to volunteer!

Sign up for our Newsletter

PRIVACY STATEMENT

Energize, a program of Adisa <https://adisagroup.com/>

Follow us   

Copyright © 1997-2025