

## VIVA in Europe A Comparative Study of the Volunteer Investment and Value Audit

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### INTRODUCTION

We have seen, in recent years, increasing interest in the whole issue of the economics of voluntary work. As volunteering assumes even greater significance in national policy agendas and voluntary organisations respond to increasing pressure for efficiency, transparency and accountability, the values and costs of volunteers are coming under close scrutiny. The research explored these aspects of volunteering in eight large voluntary organisations in the Netherlands, Denmark and England, using the Volunteer Investment and Value Audit. VIVA is an innovative tool in the management of unpaid human resources, which:

- places a financial or 'market' value on unpaid work, producing a total volunteer value or notional 'volunteer wage bill'
- adds up all items of expenditure on volunteers, including staff costs, to produce a total investment figure
- compares the two through the VIVA Ratio, which measures cost-effectiveness in volunteer programmes

Audit results in the UK over the past four years have been used for strategic planning and volunteer programme development, and for public relations, contract negotiations and funding bids. Accepting volunteer value as partnership or match funding is a feature of major grant-making bodies such as the Euro-

pean Social Fund and British Community Fund.

The organisations studied work in the fields of conservation, HIV and AIDS, prisoners and crime prevention, scouting and guiding, emergency telephone advice, protection of the unborn child, a range of welfare services, and social cafés. They have a wide range of structures and volunteer roles, with volunteer numbers varying between 250 and 37,000.

### THE ORGANISATIONS

- The National Trust
- The Terrence Higgins Trust
- The National Association for the Care and Resettlement of Offenders (Youth Activity Units)
- Scouting Nederland
- Federatie van SOS Telefonische Hulpdiensten in Nederland
- Vereniging ter Bescherming van het Ongeboren Kind
- Dansk Rode Kors
- KFUM: Danish Young Men's Christian Association (Social Cafés)

### THE RESULTS

The organisations produced VIVA results which captured their major inputs into volunteers and outputs in terms of volunteer value. Each VIVA is valid for its organisation, but caution is needed when assessing the

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results and invidious comparisons should not be made which appear to judge one organisation as more cost-efficient than another. Rather, the different VIVA ratios reflect a great deal about different types of organisations, the role of volunteers and the ways volunteers are managed.

The VIVA ratio varies over a range between 1.3 and 13.5 (see table). The ratio means that NACRO's Youth Activity Units, for example, gain a return of £1.30 in the value of unpaid work for every £1 they invest in volunteers, while Scouting Nederland's return is £13.50. Most organisations multiply their investment between threefold and eightfold. The average annual volunteer input is between 60 hours and 396 hours, although there may be considerable variation among the time inputs of different types of volunteers within organisations. Average value per volunteer ranges between £339 and £3,621, and average cost per volunteer varies from £57 to £1,420.

When volunteer expenditure is analysed over ten categories, some general patterns emerge, with a few outstanding differences distinguishing variations in organisations and practice. By far the most substantial investment is the payment of salaries of staff with volunteer management responsibilities, representing between one half and three quarters of expenditure in most organisations. Only where a substantial amount of volunteer management is done by other volunteers, such as in the National Trust and Scouting

Nederland, is this percentage significantly lower. Formal management volunteering (on boards and committees) represents a small proportion of total value: usually between one and five per cent. The exception is Scouting, where thousands of volunteers serve on boards in a highly decentralised structure.

The advertising and recruitment budget is a small proportion of overall expenditure, usually one to two per cent, and training is not much higher in most. Spending on volunteer supplies and equipment varies considerably, and there is difficulty in some organisations in separating specific volunteer-related expenditure from general organisational expenses, particularly for equipment and building costs. Travel expenses consume between 1.5 and 7.0 percent of expenditure, with the exception of the National Trust, where they represent 40 percent. The nature of the National Trust's work also determines a high expenditure on accommodation and food for volunteers, and the same is true of Scouting Nederland and KFUM, which gives volunteer workers free meals in the cafés. Other volunteer-related expenses and administration costs represent just a fraction of expenditure in most organisations.

#### A MENU OF METHODS

The VIVA approach is defined more by its purpose than by methodological prescription. The study offered a menu of routes to calculating expenditure and value, for individual organisations to "mix and match," with the

**TABLE 1**

**VIVA Ratios and Annual Average Hours, Value and Expenditure per Volunteer**

	NT	THT	NACRO	SCOUT	SOS	VBOK	RC	KFUM
<b>Ratio</b>	6.0	3.4	1.3	13.5	3.0	3.7	7.9	4.3
<b>Average Hours Per Vol</b>	60	65	153	287	234	75	169	396
<b>Average Value Per Vol</b>	£339	£608	£1,867	£2,940	£3,247	£799	£1,588	£3,621
<b>Average Expend Per Vol</b>	£57	£177	£1,420	£218	£1,083	£214	£194	£848

**NT** – National Trust **THT** – Terrence Higgins Trust **NACRO** – National Association for the Care and Resettlement of Offenders **SCOUT** – Scouting Nederland **SOS** – Federatie van SOS Telefonische Hulpdiensten in Nederland **VBOK** – Vereniging ter Bescherming van het Ongeboren Kind **RC** – Dansk Rode Kors **KFUM** – Danish Young Men's Christian Association

aim of producing estimates that are as good as possible depending on records and resources. The organisations used the full range of methods: analysis of organisational records and central accounts, estimation and extrapolation, and the collection of new data

from national and regional volunteer organisers, local volunteer coordinators and volunteers themselves, through surveys, questionnaires, proformas, telephone interviews and visits to local projects.

The calculation of value relies on the classification of volunteer tasks and roles and the allocation of an equivalent hourly pay rate. Organisations used different approaches to determining the "volunteer wage bill" or notional volunteer value, making reference either to the external employment market or their internal pay structures. Approaches to valuing management volunteers and non-regular volunteers are discussed in the full report, as is the question of adding a 20 per cent "employment overhead" to capture costs over and above actual wage totals.

## CONCLUSIONS

In general, the VIVA results show that volunteers are cost-effective. For every pound, gilder or kroner invested in volunteers, generous returns are received in the value of the work done by unpaid staff in the majority of organisations. But the figures underline that there is no "standard" practice in volunteering, volunteer management and deployment, but a sizeable range of possibilities in the way volunteers operate and are provided for. While all volunteers are cost-effective, it is fair to say that some appear more cost-effective than others. This is not to do with the productivity of individuals or the efficiency of the organisation. While we do not yet have a full picture of the factors associated with ratio size, the type of organisation, its purpose and client group, the nature of volunteer roles, structure of the volunteer workforce, management and support systems, may all exert an influence. These are reviewed in the full report.

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We conclude that VIVA is a useful technique for any voluntary organisation or volunteer programme, regardless of nationality. The organisations in the study gained new perspectives from their audits and have used the results for funding and contract negotia-

tions, volunteer information, internal and external accountability, public relations and programme development. VIVA ratios provide targets for existing and new volunteer programmes, with patterns of expenditure offering a guide to likely costs and resource implications when preparing budgets. Results indicate, for example, that financing staff salaries is not in itself sufficient, but that there are significant accompanying costs to having volunteers.

VIVA results can also be used to represent costs and returns to external audiences, particularly funders and policy makers. They in turn can use VIVA to help assess performance and understand the relationship between inputs and outputs, particularly the infrastructural costs of volunteering and measurable returns. However, it is essential that the use of VIVA is accompanied by an understanding of the dynamics which affect potential ratio levels.

To prevent misinterpretation that "cheap" volunteers should replace paid staff or, conversely, that volunteers are an expensive luxury, it is important to place the economic dimension within the framework of a broad volunteer audit. VIVA measures an aspect of volunteering which is quantifiable, has validity and is informative. But indicators of cost-effectiveness should be assessed in the context of the aims of the organisation and of all the values and benefits of having volunteers.

A full social audit of volunteers would convey the value to users and clients of the organisation, including the unique qualities that unpaid workers bring to their work. It would assess their contribution to the wider community. It would capture the value to the organisation in extending its capacity, grounding its work in communities and promoting the organisation through volunteer

### Characteristics associated with size of VIVA ratio

	LOW RATIO	HIGH RATIO
Size of Organisation	Smaller organisation or volunteer project, with perhaps core staffing disproportionate to volunteer numbers	Large organisation which can achieve economies of scale in its use of volunteers
Structure	Professionally led organisation which uses volunteers for specific work	Volunteer-based organisation with minimal professional staffing
Ethos	Volunteers are important but are 'employed' to deliver services in specific ways	Decentralised organisation with high levels of local volunteer group autonomy
Client group	Clients and users have complex problems and high levels of vulnerability	Generally, lower levels of client need and vulnerability
Volunteer roles	Highly structured, challenging and sensitive, requiring expertise and sympathetic understanding	Generally, less sensitive and specialised work
Organisation and Management	Volunteers' work is organised and managed by paid staff	Significant amounts of volunteer self-organisation and management by other volunteers
Training	Specialised training is vital to provide effective services; initial and ongoing training given	Relatively little specialised training required; training provided at little cost to the organisation
Supervision and Support	High levels of supervision essential; support and counselling necessary in potentially distressing work areas	Relatively little supervision and support required
Supplies and Equipment	Essential supplies, equipment and facilities provided free to volunteers	Supplies, equipment and facilities not needed or volunteers pay for them
Methodological Factors	Difficult to separate organisational running costs from volunteer-related costs	Difficult to capture all of the expenditure in a highly devolved organisation

"ambassadors." It would have reference to the cost savings and income generation which can be attributed to voluntary effort. And it would cover the benefits and costs to volunteers themselves, relating the gains of satisfaction, skills development and social citizenship which volunteers experience. A full volunteer audit is the subject of ongoing research.

#### ABOUT THE RESEARCH

The study began in spring 1998 and concluded in February 1999. It was commissioned by Dr. Justin Davis Smith, Director of the Institute for Volunteering Research and carried out by Dr. Katharine Gaskin. The work was assisted by partner organisations in the Netherlands and Denmark: especially Thijs Torreman, Deputy Director of the Dutch National Volunteer Centre (Nederlandse Organisaties Vrijwilligerswerk) and Birthe Behrens, Secretary of the Danish Committee on Voluntary Effort at the Danish National Volunteer Centre (Center for Frivilligt Socialt Arbejde). The study was funded by three English bodies: the Institute

for Volunteering Research, the National Council for Voluntary Organisations and the Charities Aid Foundation.

VIVAs were carried out by eight voluntary organisations following briefing sessions and the issue of standard guidelines. VIVA reports were submitted, together with completed questionnaires, for comparative analysis by the researcher.

The full study, "Valuing Volunteers in Europe: A Comparative Study of Volunteer Investment and Value Audit" was published by the Institute for Volunteer Research and may be downloaded at [www.ivr.org.uk/valuingvolunteers.html](http://www.ivr.org.uk/valuingvolunteers.html).