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# How Will the Economic Crisis Affect Volunteering?

By [Susan J. Ellis](#)

November  
2008

The world economy is what's on everyone's mind. Just as most people, apparently including the economists, were caught by surprise by the rapidity of the monetary crisis, no one can predict what will happen next or how long the news will be negative. (And in the United States, we'll have a newly-elected president to add to the uncertainty.)

The economic situation affects us all as private individuals and within community sectors. So this month I am tackling the question: *How will a recession affect volunteering?* Will volunteering increase, decrease, or change in some way as the financial situation becomes more dire? Having no claim to clairvoyance, I hope you feel compelled to share *your* hopes, fears, and predictions by posting a response as well.

We can reasonably expect greater needs for human services and less funding to meet them. Homelessness, hunger, mental health problems, crime, and other bleak conditions may be on the rise. Concurrently, things that seem less "essential," such as the arts, may find themselves losing the donors they enjoy in wealthier times. In other words, the *demand* for volunteer effort will be greater than ever.

It is also true volunteers pay for their volunteering expenses from their discretionary funds, not their grocery money. So as people have less money for all things, it will indeed be harder for volunteers to lay out cash as well as give time. Therefore, smart organizations will increase the amount of funds available to reimburse volunteers for out-of-pocket expenses, especially transportation and gas. It might be time to do some fundraising specifically for this need, stressing to donors that money to reimburse volunteer expenses is *leveraged* hundreds of times over by the value of the services made possible by the reimbursement.

## Looking Below the Surface

At first glance, the financial crisis seems like unending bad news. But might there be any silver linings? Let's examine some common assumptions and possible outcomes.

### ***Assumption #1:***

**In hard times, people “can’t afford” to volunteer.**

#### **Possibilities:**

As the economy falters, more people will visibly be in need. In other words, it will be evident that both donations of cash and of time really matter. Making a difference is a primary motivator for giving.

Even in a recession, no one wants to feel they're at the bottom of the totem pole – there's always someone in greater distress. Keep in mind, too, that research (in good times) on financial donors often concludes that, in terms of percentage of income, people of modest means give more money than the wealthy.

Volunteering comes into the picture when people feel they cannot give money but can give time. Such substitution is especially viable for people who are already committed to an organization's cause. And again, as the needs become more obvious and incontrovertible, it is easier to make the case for the value of pitching in to make things better.

Substituting skills for money has been a pattern in corporate philanthropy, too. Corporate foundations may give fewer grants in a recession, but look to employee volunteering as an alternative or supplement to help agencies.

Do development officers recognize this pattern? Do they make sure that the invitation to donate time as a volunteer is extended alongside the plea for a cash contribution? The organization that allows supporters to blend time and money may end the recession with more volunteers and ultimately bigger donors.

### ***Assumption #2:***

**When people are suffering financially, they have self-centered priorities and are less likely to think about the needs of others.**

#### **Possibilities:**

Under financial pressure, people's survival needs must come first. But the same pressure can elicit creative response in the form of mutual aid. The clearest example is barter, whether of goods for services or services for services. During the Great Depression, in fact, barter was elevated to an art form as communities without available cash organized exchanges of unpaid work. What's interesting about barter is that the value of the exchange is in the eyes of the parties involved, not necessarily

the marketplace. So if it's worth it to me to walk your dog in exchange for a bag of vegetables from your garden, we have a deal.

The implication for volunteer management is to adapt this natural barter process to organizational or client needs. Instead of the model of recruiting an outside volunteer to "help" clients in need, we might organize mutual exchange among clients themselves. What can they do for each other, given the chance?

Or, what does your organization have that a prospective volunteer might value, especially if money is tight? For example, perhaps a sole practitioner accountant with a small office might be happy to consult with the board on financial planning, in exchange for the chance to schedule a presentation to accounting clients in one of your meeting rooms occasionally.

### ***Assumption #3:***

**Financial worries cause mental depression, fear of the future, and other difficult emotions that cause people to withdraw.**

### **Possibilities:**

We've become much more knowledgeable about the "spontaneous volunteering" that happens during natural disasters and other immediate crises. There's strong evidence that people who respond to an emergency by rolling up their sleeves and joining with others to *do* something are overcoming the feeling of helplessness or powerlessness that a disaster evokes. This applies to other types of crises, too.

Through volunteering, especially with others who have mutual concerns or needs, people feel less isolated and more in control. This implies that, rather than ignoring the depressing news stories, we might recruit new volunteers by *using* the crisis.

*Concerned about the future? Think what seniors on a fixed income today must feel. What better time to brighten their day with a friendly visit?*

*Kids know their parents are worried about money (you may be, too). Show them that having fun with an adult mentor doesn't have to cost anything but an afternoon.*

Finally, as unemployment increases, more people may a) be looking for new jobs; b) have lots of unwanted time on their hands; and c) welcome opportunities to build new skills that will help them in the job hunt. It's a real plus to be able to avoid a "gap" on a resume while job hunting. Actively recruit unemployed people with the approach of:

*You are still wanted for your talents! As you seek new work, spend part of those long days with us. Keep your resume current and help others at the same time. Etc...*

Again, this type of welcome, coupled with work the new volunteer enjoys, may win you a long-term volunteer even after new employment is found.

### ***Assumption #4:***

**Anything that isn't a human service is of low importance in a recession.**

### **Possibilities:**

Naturally, basic human needs come first. But the old labor strike slogan of “we want bread *and* roses” still resonates. In other words, it's as important to feed the soul as the belly.

Unfortunately, some cultural arts, recreation, and environmental organizations limit their outreach during a crisis, feeling that it is unseemly to divert people from more pressing needs. While this attitude may be understandable, it is also misguided. It is precisely at such times that groups and institutions offering beauty, relaxation, and other spiritual nourishment have an opportunity to demonstrate their worth. It's a chance to break the elitist image and actively engage people as audience members, participants, and volunteers because it's a needed, reviving break from bleak times.

## **The Big Obstacle**

There is one important issue to acknowledge here. Organizations that have not welcomed or invested in volunteers in “good” times are less likely to be successful in a recession than those entering it with a solid volunteerism infrastructure already built. It's very hard to play catch-up in the middle of a crisis.

In the same vein, many of us have unfortunately witnessed organizations' attempts to cut their budgets by laying off the manager of volunteer resources! Seen as a “soft” position unconnected to primary client services, this job seems easy to eliminate – ironically, exactly when the organization wants *more* volunteers. Yet who is the person most capable of responding to the situation and need?

## **OK. It's your turn.**

We're all caught in this financial mess and share the same concerns.

- What do YOU think is going to happen to volunteering in the next few months and years?
- What are you already seeing?
- What can we do about it?

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***Posted on 24 February 2009 by Priscilla Prather, University of North Texas - Student, San Antonio USA***

Ms. Ellis points out that we can in fact expect greater needs with fewer funds to meet the demand of those needs. In my hometown of San Antonio, Texas – we've already seen the decline in charitable giving. I also agree that there will be a greater demand for volunteers. It is my feeling that during a time of crisis communities will likely come together rather than pull apart. Based on what our past, as a country founded on volunteer principles, as already laid out for us.

If volunteers pay for their volunteering expenses from their discretionary funds, how will agencies find monies to reimburse them? Mrs. Ellis suggests that, "smart organizations will increase the amount of funds available to reimburse volunteers for out-of-pocket expenses, especially transportation and gas." It is suggested that fundraising might be needed. It is my opinion that an agency can still obtain funds in an economic crisis, but a full fledged fundraising campaign might not be well received or offer great dividend in the end. Considering that more often than not, layoffs occur even within a non-profit organization – simply to assist in making ends meet. Bartering to meet one another's needs seems creative and mutually benefiting to all parties. The future may very well hold a wealth of volunteers simply helping out a neighbor in tough times. We may never really know the scope of how we end up coming to the aid of our fellow man.

***Submitted on 13 February 2009 by Sarah, North Shore City Council, Sector Development Officer, North Shore City New Zealand***

I think that the writer has it ALL wrong in much of the analysis of the assumptions. When times are tougher, people have less disposable income but more time. Sometimes they are 'in-between' jobs and have skills they can contribute, even for a short time, to a 'cause' or centre they have an interest in! For many groups in the not-for-profit sector the 'silver lining' is that you should be able to tap into these skills, even for that short time. Think about volunteering as 'Task based', rather than the more traditional expectation of a commitment of time, i.e. every Monday afternoon 1 - 4pm. Ask your community if you could do with some help on the computer, upgrade a system, or create a template or develop a visually exciting newsletter or better still, website. There are people out there with time to spare these days who both want and NEED to keep their hand in or, perhaps, need to add to their CV. What better way than by doing some 'work' for a not-for-profit!

***Submitted on 23 December 2008 by Mary Quirk, Volunteer Resources Leadership Project Manager, Minnesota Association for Volunteer Administration***

Thank you Susan for this excellent article and readers for insightful response. The Minnesota Association for Volunteer Administration (MAVA) has been working on a case statement for the importance of volunteer resources during our current hard times and tips for organizations on use of volunteer resources. We would like to share what we have developed and here is a summary of the key points. [See at the [full article](#) in the online library.]

**Seven Tips to Capitalize on Volunteer Resources During Tight Financial Times**

## **From the Minnesota Association for Volunteer Administration**

When cash resources are tight, the value of volunteer resources assumes additional importance to nonprofits and governmental organizations. Every volunteer hour is value added to the organization. In the United States, the value of the volunteer time is an estimated economic contribution of \$158 billion dollars annually. With well-planned and well-executed efforts, it is possible to bring an increased share of those resources to your organization during these challenging financial times. The Minnesota Association for Volunteer Administration offers these tips to maximize the value volunteer resources bring to enabling organizations to survive tight financial times.

1. 1. Maintain the volunteer manager position, even if faced with the need to make cuts, as the dollar value he/she brings to the organization is many times his/her salary costs.
2. 2. Intensify the impact of volunteer recruitment messages by drawing powerful images from media attention about increased needs.
3. 3. Look for new pools of volunteers such as job seekers or people who want give gifts of skills and time because they are less able to give less financially.
4. 4. Assess the organization for new ways volunteers can meet community needs and reduce staff stress.
5. 5. Avoid any perception that volunteers might be used to replace staff.
6. 6. Make sure there are volunteer opportunities that do not require out of pocket costs.
7. 7. Increase your ability to take advantage of opportunities available through use of volunteer talent by ensuring that leaders of volunteers are well trained in the best practices for volunteer management, and by placing the volunteer manager on the management team, if he/she is not already on it.

***Submitted on 25 November 2008 by Peter Heyworth, Northern Volunteering SA, Executive Officer, Adelaide, South Australia Australia***

A good article Susan. I often feel that in the not-for-profit sector we are too quick to cry "woe is me, all is lost". Instead I believe now is the time we should be seen to step up and make a difference. Volunteerism and activism so often go hand in hand. Volunteering is about changing things and making our society better, social capital and all that.

I think you put a good challenge out to think outside the square and move against the tide of pessimism.

***Submitted on 10 November 2008 by H. Roberts, Project Linus NJ, Inc., President, Keyport/NJ USA***

During economic downturns and high unemployment, the fortunate, compensated non-profit staffer and the well-trained volunteer should work harder, together. No two partners can lend more voice to choice! Hang a banner outside your agency door that reads, "We Welcome Your Volunteer Spirit-Inquire Within." Become the welcome mat of opportunity during this current economic crisis.

***Submitted on 10 November 2008 by Susan, Another Way, Inc., Voluneer Coordinator***

***Lake City, FL USA***

I live and work in rural Florida. Getting volunteers in good economic times is rough and in bad economic times almost impossible. I really enjoyed your suggestions and I plan on using them in the coming months to hopefully build my volunteer force.

***Submitted on 5 November 2008 by Rochelle Aynes, Christian Care-Phoenix, Fellowship Square, Director of Volunteers, Phoenix USA***

I have seen and experienced that when jobs are lost, volunteering fills the void until another job is found. If your program can support short-term volunteers it will not be difficult to get the word out. It is true that volunteering is a great networking opportunity.

***Submitted on 5 November 2008 by Johanna Duffek, Southern Arizona Volunteer Management Association, President, Tucson, AZ USA***

What an excellent and timely article and you put forth some great ideas, i.e. bartering and investing in volunteering during good times. Here, here! I can not agree enough that during tough times the volunteer administrator position is seen as expendable. I experienced this in a previous position and I was so saddened to hear from my former volunteers about how they were being treated. These long time volunteers have left in droves, no exaggeration. It's the community that will ultimately suffer from not having volunteers to keep this organization growing. Please keep publishing these great articles.

***Submitted on 3 November 2008 by Melissa Pletcher, Detroit Science Center, Manager of Volunteer Services, Detroit Michigan***

I live in the Detroit area. We are taking a direct hit and things are looking very grim. Recently I attended a job fair to try and recruit unemployed professionals. Most people's reactions were initially skepticism (i.e. how can this help me when what I really need is a job?) but, after talking with a few people, it dawned on them that volunteering could be a respite of sorts. They saw that volunteering was worthwhile and they might actually be able to network with others who might have job leads. The moral of the story, take a seemingly negative situation and try to find ways to turn it around.

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