

A Note on Assessing Value

Linda Graff

As part of a growing pressure for accountability and transparency in the voluntary sector, and reflecting the increasing preciousness of limited resources, more and more volunteer program coordinators are being asked to explain their program expenditures and justify their program budget requests.

The return on volunteer involvement has historically been taken for granted, particularly when the costs of engaging volunteers were very low. Now, with increasing management standards requiring greater resource allocations (e.g., more program coordination and supervision time, increasing hard costs of screening, and of training and recognition materials, etc.) combined with the tendency of volunteers to stay for shorter periods of time, organizations need to think carefully about the returns they receive on the investments they make in volunteer involvement. This is starting to become a fundamental consideration of volunteer program and volunteer position planning.

There has been a strong movement to assess “the value of volunteer time” or the “value of volunteer work” using the wage replacement approach. Briefly, this methodology involves multiplying the number of volunteer hours by an average hourly pay rate based on what an employee might be paid to do the same work. The resulting total is reported as the “value” of the work done by volunteers. It is not. The resulting figure is quite simply what the organization did not pay to have the work done. That is very different from what the work is actually worth. Consider how you might go about answering these questions:

- What is a park worth?
- What is a police department worth?

To answer either of these questions, one would not take the number of hours worked by the park workers/police officers, multiply their hours by their average wage and claim that to be the worth of the park or the police department. It is clear that that calculation is what it costs to generate the value of the park/police department, not its actual value.

While a full exploration of how to fairly and respectfully calculate the worth of volunteer involvement is beyond what can be done here, we offer a caution about using the wage replacement approach. Setting aside the not insignificant question of how one could accurately assign an “average wage” to the often quite different work of volunteers over a range of different volunteer positions (in some countries a single wage is held up to represent the average wage of all volunteer workers in the entire country!), the wage replacement method of calculating the value of volunteering actually serves to mask the real value of volunteer involvement.

Think on how you might answer the following questions. What is the value of:

- a volunteer who spends time at the bedside of a dying child?

- 400 citizens who turn out to find a little girl lost in the swamp (and they are successful!)?
- the work of a group of anglers and environmentalists collaborating to clean up a stream bed, preserve the watershed, rehabilitate the sport fishery, and thereby revive the previously failing tourist industry in the surrounding area?
- the adult literacy movement?
- teaching one student to read?
- mentoring a “high risk” child who then does not join a gang or get pregnant at the age of 14?
- a volunteer fire department?
- the money collected by volunteers of the arthritis society which is largely responsible for funding research on successful joint replacement (substitute in this example, volunteer fundraisers for the cancer society, the heart and stroke foundation, the multiple sclerosis society, the Huntington’s society, the diabetes association, the local hospital auxiliary, or any of the other thousands of charities through which volunteers raise funds to change the world, build their community, or find a cure)?

When one spends even just a few moments considering the multiple values created by volunteer work – value to the organization, its “clients”, the volunteer him or herself, the community, civil society – the shortcomings of the wage replacement approach come into sharper focus.

It is tempting, and it can be impressive, to multiply hours by a wage equivalent and claim that the resulting total of thousands or hundreds of thousands of dollars represents the “value” of volunteer work. This is certainly the easiest method. But it misrepresents, and in most cases, underestimates the real value of volunteer work.

The more complex but infinitely more honest approach involves the identification of real outcomes of the work, calculating the full costs of achieving those outcomes, and then asking the question: is this a good investment of our resources? Consider these illustrations:

- If it cost \$75 to put a volunteer at the bedside of the dying child, would that be a good investment of hospital resources?
- If the police department had to spend \$2,000 to pay police officers to coordinate the efforts of the 400 citizens who volunteered to search the swamp to find the child, would that be a good investment of taxpayer’s money?
- If it costs an organization \$300 to place a volunteer tutor with an illiterate adult student for a year and it takes an average of three years to teach an adult student to read at a functional level, is that a good investment? If the student is then successful in getting a better job, does not go on welfare, does not end up homeless ..., is the volunteer literacy program worth what it costs?

The numbers used in these illustrations are completely fictional. They may not remotely represent the real costs of engaging volunteers such as these, but they illustrate how a different way of thinking about the value of volunteer work more honestly represents the true worth of volunteer involvement, and more appropriately honours the real contributions that volunteers make. If you decide to use the wage replacement approach in your program statistics, be certain to be very clear about what the resulting figure represents, which is not the actual "value" of volunteering, but rather, what the organization has not paid in wages.

Describing the outcomes of volunteer efforts and contrasting those against the actual costs of outcome generation is a more promising approach and may very well become the new best practice in volunteer program management in the near future. At minimum, it is more accurate and more respectful.

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