

Value of Volunteering

WHITE PAPER



Introduction. Why Have volunteers?

“Volunteers don't get paid, not because they're worthless, but because they're priceless.” - Sherry Anderson

For the past ten years, we've seen first hand just how true this statement is. From tin rattling at a local charity through to a volunteer army of thousands as seen during The London Euros, we've seen how a well-executed volunteer effort can be the difference between a good and a great experience.

And time and time again we hear from organisations that the impact of volunteering is beyond measure.

“We simply wouldn't be able to exist without volunteers,” said CEO and Founder Carly Fradgley of Baby Give Back, an Australian charity that provides everything from clothing and nappies to cots, prams and car seats to families in need.

While Spartan's Festival Director Ian Toof says, **“our volunteers are pretty much the lifeblood of what we do at Spartan Race”.**

For volunteers, the social, mental and physical benefits of volunteering are compelling. **“Volunteers are pleased to be able to do something to help and are proud to have something to offer society. They value the acknowledgement they get from people in their community, the new skills they learn, and have a strong sense of belonging to a caring organisation,”** writes the Red Cross, the world's largest humanitarian and development network globally.

We know that volunteering is a two-way street that provides benefits to both the organisation and the volunteer. It is an instrumental force in promoting positive and sustainable growth within communities. However, for a long time the informal nature of volunteering has meant these important impacts have been based on anecdotal evidence.

But as departments get squeezed, funding dries up and organisations aim to streamline processes and justify spending, isn't it time we understood the true value of volunteering?

That's why we want to introduce you to the simple volunteer ROI calculator that can be used to directly quantify the value of volunteers. With these results, volunteer workforce managers can justify investing in enhancements to the volunteer experience to maximise efficiency, enjoyment and engagement.



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Dollar Value

When we say volunteers, you may immediately think of the colourful shirts handing out water at a drink station, or the friendly faces collecting donations at an event. But volunteers are essential not only to the events industry, but every sector of society. From aged care, disability, health, education, emergency services to environmental protection and community groups, the fabric of everyday life is increasingly dependent on volunteering activities.

While it's unlikely volunteers choose to willingly give their time and talents to help the economy, their efforts do in fact make a huge impact on the economy.

So how much are volunteers actually contributing to the economy?

We analysed various reports regarding the contributions of volunteers in the UK, the US and Australia. The results are astounding.

	Annual Hours Volunteered	Average Hourly Rate	Total Economic Value
<u>United Kingdom</u>	18 million	£13.70	£246 million
<u>United States</u>	6.9 billion	US\$27.20	US\$187.7 billion
<u>Australia</u>	596.2 million	AUD\$29	AUD\$17.3 billion

These figures use the full replacement cost estimation method, which establishes the replacement cost as the amount it would cost to hire someone to do the work that the volunteer is doing.

But what about the other, less tangible benefits that come from volunteering?



Social Value

Volunteering not only helps organisations better support the people and communities they operate in, but it also promotes civic engagement and strengthens the ties that bind communities together.

In fact, voluntary service is at the heart of community-building. It encourages people to be responsible citizens, welcomes them into an environment where they are valued, engaged, and committed to an outcome. Volunteering is one of the best vehicles towards connected communities with high social inclusion and integration. No matter how big or small the effort, getting involved at the community level connects you to others who have similar values and goals.

As we'll see in the next section, this feeling of connectedness and value can significantly enhance quality of life in a society. In a study conducted by [Volunteering Australia](#), volunteers said that they felt pleased to be able to do something to help society.

On top of that, the recognition and acknowledgement they received from the community was a big source of pride. In fact, according to Track it Forward, volunteering connects individuals with their community, which can lower mortality by 2.7%!



Mental and Physical Wellbeing

During the coronavirus pandemic, the NHS in the UK set up a volunteer responders program which matched at-risk individuals with volunteers who could help with simple tasks such as grocery shopping, chatting on the phone, and transport to medical appointments.

It resulted in the biggest volunteer mobilisation since WWII, with [three quarters of a million people registering their interest](#) in just four days.

Researchers found that even small acts of volunteering boosted a participant's sense of wellbeing and increased feelings of belonging within the local community. By putting a monetary value on those wellbeing benefits, it came in at around £1,800 each. And that's without even taking into account the massive benefits for the recipients of these small yet important acts.

Importantly, these feelings of wellbeing and increased life satisfaction lasted for up to three months after the task had been carried out.

This is just one simple study that highlights the positive mental and physical effects volunteering can have. Similar studies over the years have reported similar findings.

A study from [Volunteering Australia](#) found that 93% of volunteers experienced positive emotions, including 'appreciated by community, improved wellbeing of others, improved own sense of place in the world'. While 77% of volunteers say their mental health improved, with just over half (53%) saying it had improved their physical health also, according to [NCVO](#).

Career Opportunities

School aged children through to adults re-entering the workforce understand that volunteering is a great way to gain experience, learn new skills and make contacts in the industry. Not only does it show commitment and dedication, it can also open the door to future opportunities within that organisation.

Employers look favourably upon volunteer roles when looking for new hires. In fact, a [recent US study](#) found that volunteers have a 27% higher likelihood of finding a job after being out of work than non-volunteers.

Among the many ways that coronavirus has changed the world is the reduction in workforce. For graduates entering the workforce, this means that they are now competing for fewer opportunities against individuals who may have upwards of five years experience. The result? Many students and graduates are pursuing volunteering as an avenue to gain relevant industry experience and to establish networks within their preferred field.

Volunteering also provides relevant employment pathways that contribute to more employable communities.

A skilled workforce provides a massive economic boost, contributing to more entrepreneurial activity and innovative output. Highly skilled workers have the ability to boost innovation, creativity and productivity. Valuable skills include both hard skills such as technical and trades, and soft skills such as communication and people management, all of which can be acquired through volunteering.

Summary - Volunteer Value

- Volunteers are essential across every sector of society and contribute huge economic benefits to communities worldwide.
- Voluntary service is at the heart of community-building and is integral to civic engagement that strengthens and ties communities together.
- Volunteering boosts general health and wellbeing.
- Volunteers have a 27% higher likelihood of finding a job after being out of work than non-volunteers.



Why is it important to invest in volunteers?

As we've seen, volunteering is a two-way street, with benefits on both sides of the equation.

Volunteers who have a positive experience with an organisation and who feel appreciated are more likely to become repeat volunteers. They are also more likely to invite friends and family to join them, thus opening the doors to adding more interested people to the volunteer database.

A recent report from the UK found that volunteer recruitment is overwhelmingly the biggest challenge facing volunteer managers. Not being able to recruit a full volunteer base negatively impacted the financial health of community businesses surveyed.

At the same time, volunteers who reported slow responses from organisations felt underappreciated and dejected, which in turn saw a decrease in engagement and retention leaving organisations back to square one.

So, even though volunteers are not paid staff, it's important to treat them as valuable members of your organisation.



"We know there's a direct correlation between volunteer experience and fundraising effectiveness. If our volunteers feel engaged and well-supported then they'll come back and they'll help us raise more funds."

Cancer Council Victoria National Campaigns Manager, Jacinta Webster.

With reduced headcounts and demand for non-for-profit services greater than ever, the demand for volunteers is likely to increase over the coming years. So taking all of these issues into account, it's never been more important to maximise limited resources and invest in volunteer programs.

Investing in a program that can handle the recruitment, training, communication, scheduling, recognition and retention of volunteers can make a real difference. As well as not starting from scratch every year, or when staff move on, you will be able to direct more energy and resources into working on the business, not in the business.

Starlight Children's Day Foundation Case Study



Before switching to Rosterfy, The Starlight Children's Foundation recruited and managed their event volunteers through a combination of phone calls, emails, spreadsheets, and manually entering the data into a database. This was time-consuming, stressful and required a great deal of manpower.

By investing in Rosterfy's volunteer management software, they've been able to **reduce the headcount of paid staff from 3 to just 1.5 full-time equivalent, but increased the number of events and volunteers by around 150%**. This direct savings can then be redirected into strengthening the important work they do, strengthening community engagement and making more kids smile!

"Rosterfy has allowed me to manage the recruitment and volunteer journey with its super-efficient and easy to use functions. Without Rosterfy, I would not be able to supply and engage with the high volume of volunteers I have the pleasure of working with now,"

Christine Geha, volunteer advisor at Starlight Children's Foundation.

Volunteer Magic Makers

Just like the staff at Disneyland, volunteers have the ability to create magic. Whether it be an extra loud cheer at a marathon, a shoulder to cry after an injury or just a friendly smile to greet participants on a cold morning- these small moments can leave a big impression on participants.

Just the sheer presence of friendly faces on hand to answer questions, give reassurances or give directions can help to create a more relaxed, welcoming and exciting atmosphere.

And it's this positive environment that will encourage participants, guests and volunteers to return year after year.

In a recent episode of Rosterfy's The Engaged Volunteer Podcast, Andrew Newman, Director of Workforce and Operations for Birmingham Commonwealth Games 2022 spoke about the unquantifiable value volunteers bring to major events.

"You can put forward a business case to say having volunteers is cheaper than paying paid staff and paying the hourly rate for those individuals but it goes so much deeper than that because the unquantifiable, which is difficult to do, is what does it mean to the experience?"

And this is where I can talk to my experience for London 2012 and the impacts of the Games makers and the 70,000 volunteers that we had and so always with Games and events there will be folks who check and challenge the organizing committee on why we are using volunteers and not giving them paid opportunities but there is just this intangible spirit that volunteers bring to events."

To catch the full recording of Andy's time on the The Engaged Volunteer Podcast, listen here.

Summary - Investing in Volunteers

- Volunteers who have a positive experience with an organisation and who feel appreciated are more likely to become repeat volunteers.
- Not being able to recruit a full volunteer base negatively impacts the financial health of community businesses.
- With reduced headcounts and demand for non-for-profit services greater than ever, the demand for volunteers is likely to increase over the coming years.
- Volunteers contribute more than just economic value. The unquantifiable experience that they bring to an event, organization or cause makes experiences memorable and unique and worth coming back for.

Value of Volunteering for Non Profits

Many non-for-profits run on the smell of an oily rag and rely on volunteers to enable them to do the important work they do. Without this unpaid workforce, many would simply cease to exist.

And while volunteers help deliver the programs, they also play another extremely important role in the success of a non-for-profit. A recent study found that most volunteers support their causes with both time and money— not one or the other. In fact, 87% of volunteers say there is overlap between the organisations they support financially and where they volunteer.

British Heart Foundation



Volunteers play a vital role in raising awareness and funds to support the British Heart Foundation's mission.

Last year across their 750 charity shops, volunteers saved over £40 million*, taking on 98,000 hours a week that would have otherwise required a minimum wage worker. Volunteers also spearhead their engagement within communities, raising awareness of the cause, organising fundraising activities, and supporting events.

*Based on 98,000 retail volunteer hours per week on average x £8 per hour x 52 weeks = £40.7 million per annum

The pay-off for non-for-profits who invest in their volunteers goes far beyond just donated time. It should be thought of as a key fundraising effort.

Volunteers as Fundraisers

Getting volunteers involved in major fundraising activities throughout the year ensures the survival of non-for-profits. Whether it be tin rattling at a local community event, or selling tickets to a gala dinner or sporting event, many volunteers are willing to get involved with this simple, yet important activity.

You may like to think of volunteers as the level 1 volunteers. Once they're in your database, or they've had the chance to get involved, it's extremely important to nurture them so they can become regular fundraisers.

A recent study found that one of the biggest frustrations for volunteers is that the skills they possess are not being utilised. A simple way to combat this and make volunteers feel appreciated is by conducting a thorough onboarding process. A volunteer management database can help you collect this information, sort it and generate up-to-date reports, so you can easily identify volunteers who have certain skills you are looking for, such as web development, finance or photography.

That same study revealed that high rates of volunteering were found in organisations that had regular contact with potential volunteers, and that had robust infrastructures to support volunteer engagement. By treating volunteers like treasured donors, they were able to create a positive volunteer experience, which led to high retention rates.

Volunteers as Brand Ambassadors

Many volunteers are informal brand ambassadors. Sharing stories with friends and family or encouraging them to donate or volunteer can be huge wins for non-for-profits.

But it can go beyond that. If you have especially passionate volunteers, consider how you can train them to become brand ambassadors for you outside of their immediate circle.

Can they give talks to school or University groups and recruit additional volunteers that way? If they're experienced in one certain aspect, perhaps you can train them to become team leaders and take some pressure off your team.

Often volunteers will also have a personal connection to the cause. So, if they're willing, speak to them about becoming a spokesperson for your organisation to spread the message about the important work you do, through their story. People remember stories, and stories have the ability to leave a lasting impact.



Volunteers as Donors

Volunteers often play an extra important role as financial contributors. In fact, a [Time and Money report](#) published by Fidelity Charitable found that 50% of donors give more money because they volunteer.

This is often due to the fact that they have seen first-hand the positive impact, or because they have a direct personal connection to the cause. Interestingly, some volunteers said they wanted to try out a charity before donating. If it went well, half of the volunteers surveyed said that their positive volunteer experience led to larger donations.

So not only do you get the value from the time volunteers give to your organisation, you also get the benefits of the funds they raise, highlighting just how valuable volunteers are.

Summary - Volunteer Value - Non for Profits

- Volunteers support their causes with both time and money— not one or the other.
- 87% of volunteers say there is overlap between the organisations they support financially and where they volunteer.
- Volunteers are informal brand ambassadors. Maximise this by nurturing these relationships and providing additional opportunities including formal brand ambassador and team leader roles.
- Volunteer experiences can drive personal donations for years to come.
- 50% of donors give more money because they volunteer.

Volunteer Value Calculator

It's clear, the impact that volunteers have on organisations goes beyond numbers. But it is still important to sit down and work out exactly what the monetary value of your volunteers is. Why? Because like any aspect of the business, you want to know that you're getting more out than you're putting in. Being able to directly quantify the value of volunteers will enable you to justify investing in technology and tools that directly enhance the volunteer experience.

Step 1

The simplest way of calculating volunteer value is:

Volunteer value = (Total Volunteer Hours) x (Estimated Volunteer Wage Per Hour)

This will give you the dollar figure of how much your organisation is saving by using volunteers each year.

You can use the estimated volunteer wage per house figures from the table above, depending on your region:

£13.70 in the UK

US\$27.20 in the US

AUD\$29 in Australia

Volunteer Value Calculation Example

You're a charity organisation based in the United Kingdom, where your volunteers contributed 25,000 hours the previous year. To work out the volunteer value, multiply the 25,000 hours volunteered by the national volunteer wage (£13.70).

25,000 x £13.70 = £342,500.

Time to take it one step further and understand the value of volunteering against your program value to determine the true ROI value of volunteering.

Volunteer Value Calculator

Step 2

The figure you have come up with in Step 1 doesn't reflect the true cost of running a volunteer program, as there will always be expenses related to recruiting, managing and rewarding volunteers. These may include paid staff, software systems, volunteer uniforms, travel costs and meals and communication devices.

To get an accurate reflection of volunteer value, you need to add up all the expenses you incur to run the volunteer program. These should be counted over the same period as you counted volunteer hours, ideally yearly to account for less frequent expenses.

Volunteer Program Running Costs	
Staff	
Office expenses: phone, internet, printing, stationary	
Systems and technology	
Merchandise	
Travel	
Other	
Total	

Step 3

Now you have these two costs- volunteer value and volunteer program running costs - you can determine the true return on investment of your volunteer program using this equation

$$\text{Value of Volunteering ROI} = (\text{Volunteer Value} - \text{Volunteer Program Cost}) / \text{Volunteer Program cost}$$

While there is no industry standard, if your figure is above 1, then you are running at a positive ROI. If it is below 1, then you are running at a loss.

To shift this figure in the right direction, you may want to consider areas where you are spending a lot of money, or look at any inefficiencies.

Or perhaps, by recruiting more volunteers, you can make the costs of running your program more worthwhile. This is where volunteer management software can help.

Volunteer Value ROI Calculation Example

You spend £275,000 each year to operate your volunteer management program. This includes the salary of 2 x staff, their equipment and travel and accom needed to deliver the program.

To work out the ROI of your current volunteer management program simply take your Volunteer Value and minus your total Volunteer Costs. Once you have this figure, divide this again by the total volunteer program cost to get your answer.

$$(\pounds342,500 - \pounds275,000) = \pounds67,500$$

$$\pounds67,500 / \pounds275,000 = 0.25$$

What does this mean? For every £1 invested in your program you have had £1.36 returned. If you'd like to see this as a percentage, simply multiple your result (0.25) by 100.

$$\text{Volunteer Value ROI} = 25\%$$



Increasing the value of volunteering with volunteer management software

- Do you use Excel to manage your volunteer database?
- How often do you communicate with your volunteers?
- Do you have a simple way of managing changes to shift times or cancellations?
- How do you onboard, train and manage volunteer incentives?
- How high is your volunteer retention rate?

As a volunteer manager, these questions shouldn't be hard to answer, but the answers may be hard to hear. A day in the life of a volunteer manager is busy and chaotic, but there are also tasks that can take up more time than necessary when you don't have the right systems in place.

By replacing manual processes with automations, you can save time and money.

This may enable you to reduce your headcount, or reallocate staff time to more impactful tasks such as recruitment and communication, while still delivering maximum program results. Ultimately, the more time and effort you can spend engaging with volunteers through communications, training and incentives will ensure you are able to retain your volunteers who feel happy and proud to return every year.

Rosterfy's volunteer management software allows you to manage all these tasks and more in our purpose-built cloud-based software:

- **Automate** - replace manual processes with automations including advanced scheduling, communications and reporting.
- **Cleanse Data** - capture important information from your volunteers and store it against their profile. Track their engagement through shifts volunteered, emails opened and training completed to understand their engagement.
- **Communicate** - choose from a selection of templates or create your own to ensure that your volunteers are informed and communicated with regularly and efficiently.
- **Report** - create up-to-date reports on volunteer demographics, rosters and training completion rates in the click of a button.
- **Reward** - utilise our unique Reward & Recognition functionality to engage volunteers and thank them in meaningful ways.
- **Retain** - don't start the recruitment process from scratch each year. Better understand your volunteers wants and needs and create a program that works for them.

About Rosterfy

Rosterfy exists to connect communities to events and causes they are passionate about through volunteer and paid workforce management technology. Our proven end to end technology allows charities, events and organisations to recruit, register, screen, train, manage and report with ease, replacing manual processes with automations to better engage and retain your volunteers and paid staff.

If you'd like to learn more about how Rosterfy can work for you, please don't hesitate to get in touch.

"One of the best decisions we made was engaging Rosterfy as our volunteer management solution for the ICC Women's T20 World Cup, Operating across six different host cities with multiple venues and roles to fulfil, Rosterfy enabled our small team to confidently execute our workforce management strategy and to engage with our volunteers in meaningful ways. From recruitment and screening right through to scheduling, communication and on site reporting, Rosterfy was a fantastic asset from start to finish," Matt Cullen, ICC T20 World Cup 2020 Local Organising Committee.



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