

**Balancing Act:**

**The Challenges and  
Benefits of Volunteers**

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December 2004

# Volunteer Management Capacity Study Series

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# Balancing Act: The Challenges and Benefits of Volunteers

## Executive Summary

This report is the fourth in a series of briefs reporting on findings from a 2003 survey of volunteer management capacity among charities and congregations. The findings are based on conversations with a systematic sample of charities about their practices, challenges, and aspirations for their volunteer programs. The focus of this brief is the creation and use of a single measure of volunteer benefits and management challenges, a score we refer to as “net benefits.”

Evaluation is a popular means by which nonprofit organizations, their funders, and their constituents can measure and demonstrate progress and effectiveness. Nonetheless, evaluation is not regularly conducted in most volunteer programs. “Net benefits” is a summary statistic that weighs the benefits of volunteer involvement against the problems that volunteer administrators encounter in recruitment and management. Net benefits is easy to calculate. As an evaluation tool, it lends itself to comparison and benchmarking across a variety of volunteer programs and sponsoring nonprofit organizations. Net benefits scores are highest when charities receive maximum public benefits from volunteers with few challenges in recruitment and management. Conversely, charities that report problems in these areas and few benefits from volunteers score low on the net benefits measure.

**Investment in Volunteer Management Yields Higher Net Benefits.** Two major dimensions of volunteer management capacity are adoption of a range of recommended management practices (such as screening and matching of volunteers to appropriate assignments) and employment of a staff member or a dedicated volunteer who can devote a substantial amount of time to the volunteer program. We learned that both are independently related to an organization’s net benefits score. Organizations that had adopted more volunteer management practices had higher net benefits than organizations that had adopted fewer. Organizations with an identifiable coordinator had higher net benefits than organizations without such a coordinator. Both findings point to the value of investing in volunteer management capacity.

**Organizations that Rely on Volunteers Report Higher Net Benefits.** The role that volunteers play in an organization influences the net benefits score. Charities that use a lot of volunteers who spend a lot of hours with the organization report higher net benefits scores, as do charities that have a high volunteer-to-paid staff ratio. We also learned that charities benefit from giving volunteers a variety of options to contribute to the operations of the organization, ranging from direct service to bookkeeping to advocacy and fundraising. When charities use volunteers primarily for office tasks, net benefits scores are notably lower. In sum, charities that rely less on volunteers, or that give volunteers a narrow range of options to use their skills, score lower on net benefits.

**Type and Size of Charity Have Little Influence on Net Benefits.** The nonprofit sector is notably diverse, and two major hallmarks of this diversity are the wide-ranging missions and sizes of various charities. When it comes to net benefits from volunteers, however, type and size play a negligible role. While we found that human service organizations have slightly lower net benefits scores (on average), education, health, and arts organizations were virtually indistinguishable.

Our findings were similar when we looked for differences between organizations of different sizes. The smallest charities—those with less than \$100,000 in annual expenditures—achieve higher net benefits on average, due partially to their greater reliance on and small-group relationships with volunteers. However, charities with little more than \$100,000 in expenditures are hardly distinguishable from charities with multi-million dollar budgets. Resources are important, but money alone cannot buy benefits from volunteers.

The research shows that the cultivation of a well-managed volunteer program is important in maximizing the benefits and minimizing the challenges of working with volunteers. By investing in volunteer management capacity, charities can improve their net benefits scores.

# The Volunteer Management Capacity Study

## Surveying Charities about the Challenges and Benefits of Volunteers

The Volunteer Management Capacity Study was conducted by the Urban Institute in 2003, with the backing of the Corporation for National and Community Service, the UPS Foundation, and the USA Freedom Corps. It is the first national study of the strategies, challenges, and benefits of managing volunteers, providing a benchmark of needs and capacities of America's charities and congregations.

The results reported in this brief focus on the charities. We drew a sample of nearly 3,000 organizations that had filed Form 990 with the IRS in 2000. This list does not include the smallest class of charities, those with less than \$25,000 in annual gross receipts. We conducted telephone interviews with volunteer administrators or executive managers in most of our sampled charities, asking them about the volunteer activities and management practices in their organizations, and the challenges and benefits that volunteers bring. Although members of boards of directors are important volunteers in virtually all charities, we asked respondents to exclude them when answering our questions about volunteers. We also asked respondents not to count special events participants unless the participants were organizers or workers at these events. The study does not include government agencies that involve volunteers, such as schools, libraries, parks, and prisons. Nonetheless, we believe that the project's findings can inform the operations of these kinds of agencies.

The final tally shows us that four out of five charities use volunteers in their operations. The results we present are based on those charities that engage volunteers; we exclude charities that do not use volunteers. As

*“With the appropriate tools and benchmarks, volunteer administrators can measure and document their work in ways that justify additional support for their programs.”*

*“Benefits from volunteers and challenges in managing them are two sides of the same coin. Knowing where an organization stands on these two issues says a lot about the organization.”*

we illustrate later in the brief, charities that involve volunteers in their operations are enthusiastic about the benefits that these volunteers bring to their organizations.

The fact that volunteers are seen as beneficial to charities is not surprising given that many organizations rely on them for daily operations or for the delivery of services. While volunteers may be incidental to the operation of some charities, others would be at a complete loss without them. However, the main purpose of our project was not to document the benefits of volunteers to charities. Rather, our main purposes were to establish a benchmark of the efforts charities go to in managing volunteers, the challenges they face in making good use of and providing good experiences for volunteers, and the prospects for increasing the capacity of charities to take on more volunteers. Benefits and challenges are two sides of the same coin. Charities benefit most when they overcome challenges of managing volunteers and are inspired to deal with challenges when volunteers provide critical benefits to the organization.

This brief is written with nonprofit managers in mind. Volunteer services directors can do their work better if they understand how management is related to overcoming challenges and tapping into the benefits of volunteers. Many funders and top-level administrators stress the need for evaluating services and demonstrating measurable outcomes, a demand that often eludes volunteer programs. However, with the appropriate tools and benchmarks, volunteer administrators can measure and document their work in ways that justify additional support for their programs. With investments come further benefits from volunteers.

# Challenges of Volunteer Recruitment and Management

## Recruitment of Volunteers, Management Capacity Are Key Issues

What challenges do charities face in recruitment and management of volunteers? We asked our survey respondents about nine different issues that had been identified by prior research and field experts. We asked whether each challenge presented a “big problem,” a “small problem,” or “not a problem.” Figure 1 shows the nine issues and the extent to which charities identified each as a problem.

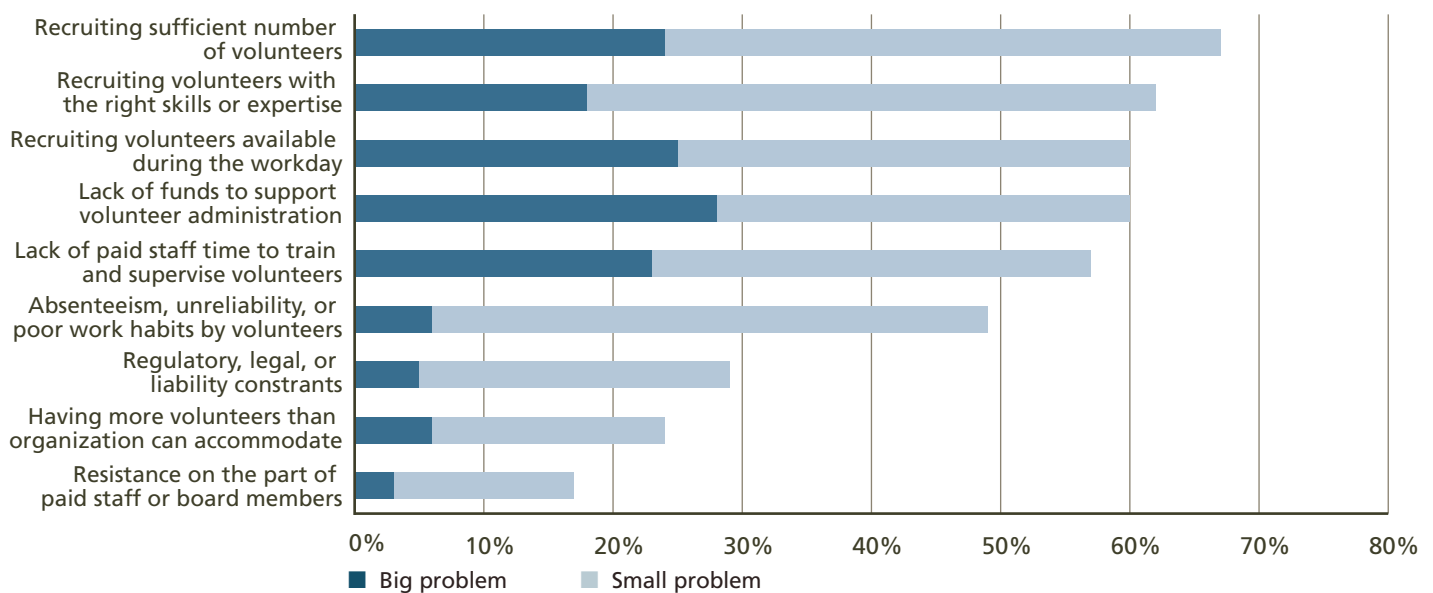
Despite concern that increases in volunteers stemming from President Bush’s 2002 “call to service” could overwhelm the capacity of the nonprofit sector to accept them, we find that lack of supply of volunteers remains the pressing issue. The three most frequently cited challenges center on recruiting volunteers, with two in three charities saying that recruiting a sufficient number of volunteers is a problem. One in four charities say that recruiting volunteers during the workday is a big problem. When we asked charities whether having more volunteers than they could accommodate was a problem, comparatively few responded that this was an issue.

Other common challenges pertain to organizational capacity to accommodate volunteers. The most frequent “big problem” that charities face in managing volunteers

is the lack of funds to support volunteer administration. Lack of paid staff time to train and supervise volunteers is a comparable concern. Taken together, the prevalence of these concerns indicates that building volunteer management capacity is a substantial challenge for most charities. Nearly half of charities say that absenteeism, unreliability, or poor work habits of volunteers are a problem, another indicator of low volunteer management capacity. That is, organizations that lack funds to support volunteer administration or to allocate sufficient paid staff time to train and supervise volunteers are more likely to experience such nonproductive behaviors.

The remaining challenges were seen as a problem by far fewer charities, although even one percent translates into problems for several thousand organizations. Five percent of charities consider regulatory, legal, or liability constraints to be a big problem. Fewer regard indifference or resistance on the part of paid staff or board members toward volunteers as a big problem (3%) or as a small problem (17%). However, these self-reports may reflect the difficulty of recognizing indifference, or the refusal of respondents to acknowledge their own resistance to new opportunities in managing and motivating volunteers.

**Figure 1:** Percentage of charities that cite various challenges as a big or small problem



# The Benefits of Volunteers

## Most Charities Believe Volunteers Are Very Beneficial to Their Operations

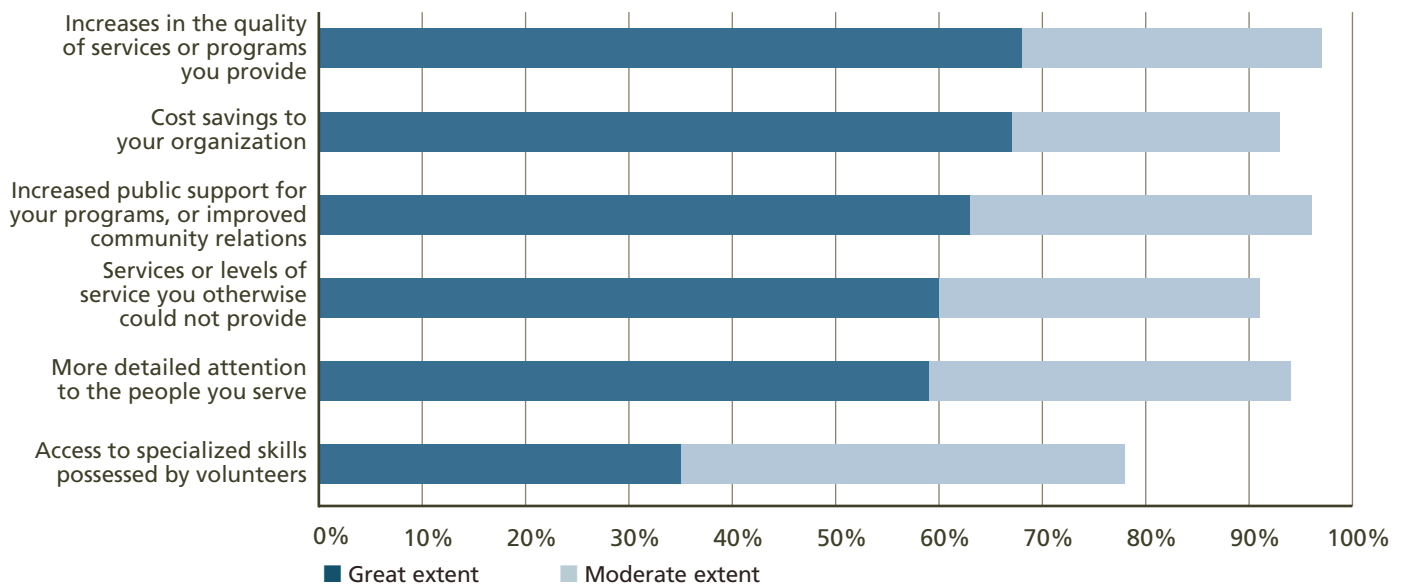
While charities in our study were vocal about the challenges they face in managing volunteers, they were also enthusiastic about the benefits that volunteers bring to their organizations. We asked them whether volunteers were beneficial to their operations to a “great extent,” a “moderate extent,” or “no extent.” As indicated in figure 2, a majority of charities cited five of the six items as beneficial to a great extent. When including those charities that claimed benefits at only a moderate level, more than nine out of ten charities extolled the benefits of their volunteers. Fewer charities say they benefit from specialized skills possessed by volunteers, such as pro bono legal, financial, management, or computer expertise, yet three-quarters feel that such specializations provide at least a moderate benefit to their operations.

Many organizations experience particular combinations of benefits and challenges. Understandably, charities that report challenges in recruiting volunteers with special skills are less likely to say that they benefit from more detailed attention to clients. Charities that experience resistance from their board members or paid staff are less likely to say that they gain the benefit of increased public

support for their programs, or improved community relations from volunteers. Charities that find regulatory, legal, or liability constraints to be a big problem are less likely to report that volunteers provide services or levels of service that their organization could not otherwise provide.

Adequate support for volunteer involvement is also related to benefits in interesting ways. For example, charities that have a problem allocating funds to support volunteer administration are more likely to tell us that volunteers help them to achieve cost savings, provide services or levels of services that their organization could not otherwise provide, and supply specialized skills. Similarly, charities that lack paid staff time to train and supervise volunteers are more likely to report that they benefit from the specialized skills of volunteers. When charities lack resources for their volunteer programs, they are more likely to turn to volunteers to help them save money, maintain (or expand) service levels, and access skilled workers—even if the lack of resources keeps organizations from investing in management of these volunteers.

**Figure 2:** Percentage of Charities that Feel Volunteers Are Beneficial to Their Operations



# Net Benefits = Benefits – Challenges

## Measuring the Balance between Payoffs and Problems

Looking at challenges and benefits of volunteers separately gives us important information about volunteer management capacity and the importance of volunteers to our nation's charities. However, it only tells part of the story. As noted before, challenges and benefits of managing volunteers are two sides of the same coin. Some organizations do not involve volunteers much in their operations, so they might experience both few problems and little overall benefit from volunteers. Other organizations might rely more on volunteers, experiencing both a greater array of challenges in recruitment and management of volunteers and greater overall benefits. The best possible situation for a volunteer-oriented charity is to invest enough resources so that it has both fewer challenges and greater benefits from its volunteers. The worst situation is when a charity experiences a full array of problems and gets nothing in return for its efforts.

To compare organizations on both the challenges and benefits items, we combined the challenges and benefits into a single measure. The result is what we call **net benefits**, or the benefits of volunteers when the costs of dealing with recruitment and management challenges are taken into account. The way we calculate this measure is detailed on the following page, where you can calculate the score for your own organization. The important feature to keep in mind is that net benefits are highest when charities derive maximum benefits from volunteers and do not suffer from common problems associated with low volunteer supply or low volunteer management capacity. Net benefits are lowest when charities get no benefits from volunteers, but exhibit the full range of problems in recruiting and managing volunteers and engaging their staff in productively working with them. Mixtures of challenges and benefits result in scores that fall between the extremes.

*“Net benefits of managing volunteers is the value of the benefits that volunteers bring to the organization when the costs of dealing with recruitment and management challenges are taken into account.”*

*“Net benefits are highest when charities get maximum benefits from volunteers without the common problems associated with low volunteer supply or low volunteer management capacity.”*

The calculation of net benefits helps to alleviate the problem of only counting the benefits of volunteers (as many studies do) without taking into account the challenges that may also stem from their involvement. The worksheet on the following page shows how to combine into a single measure of net benefits the value that volunteers may bring to the organization and the recruitment and management challenges they may pose. These benefits and challenges (and the resulting net benefits score) do not pertain to volunteers, per se, but to how charities involve them. That is, in and of themselves, volunteers do not promise advantages or problems. Rather, organizational preparation and management of volunteers is key to maximizing benefits over challenges. This is the key concept of volunteer management capacity. Some charities perform this function better than others, so we would expect them to differ in achievement of net benefits. On pages 10 and 11, we examine statistically the effects of volunteer management capacity on the net benefits of volunteers.

The challenges and benefits that we used in our study are not the only ones that can result from involving volunteers in charities. Based on our review of the literature, however, they are the most common benefits and challenges that volunteer programs encounter. The advantage of focusing on a specific set of common challenges and benefits is that organizations that were not in the study can see what is typical for the sector, and how they stack up against these “norms” or “benchmarks.” So, you can not only calculate your own net benefits score on page 6, but you can see how your score compares to other like organizations by looking at the figures on pages 7 through 9.

# Net Benefits Worksheet

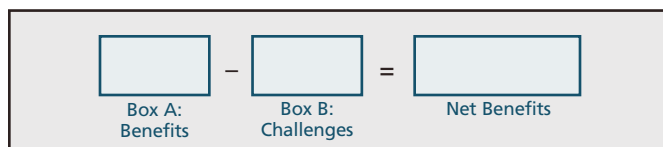
## Calculate Your Organization's Net Benefits Score

To what extent do volunteers provide benefits to your organization? (Check the appropriate box)

	Great extent	Moderate extent	Not at all
Cost savings	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
More detailed attention to the people you serve	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Increased public support for your programs, or improved community relations	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Increased quality of services or programs you provide	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Capability to provide services or levels of services you otherwise could not provide	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Access to specialized skills possessed by volunteers, such as legal, financial, management, or computer expertise	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Add up number of checks:     
 (get out your calculator!) x2.666 x1.333 x0

Benefits Index:  =  +  +   
Box A



Why are the benefits multiplied by 2.666, or 1.333? We want challenges and benefits to have equal weight in our net benefits calculation. However, we have eight challenges and only six benefits. Giving more weight to the benefits items brings them up to equal total influence with the challenges items.

To what extent are the following issues a problem for your organization? (Check the appropriate box)

	Big problem	Small problem	Not a problem
Recruiting sufficient number of volunteers	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Recruiting volunteers with the right skills or expertise	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Recruiting volunteers available during the workday	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Indifference or resistance on the part of paid staff or board members toward volunteers	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Lack of paid staff time to properly train and supervise volunteers	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Lack of adequate funds for supporting volunteer involvement	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Regulatory, legal, liability constraints on volunteer involvement	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Volunteers' absenteeism, unreliability, or poor work habits or work quality	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Add up number of checks:     
 x2 x1 x0

Challenges Index:  =  +  +   
Box B

While we presented nine different challenges in figure 1, our measure of net benefits only includes eight challenges. The challenge of having more volunteers than the organization can accommodate is different from the others because it is a positive problem—that is, a problem that many other organizations would like to have. Since our net benefits measure subtracts challenges from benefits, we left out the “problem” of having too many volunteers.



# How Net Benefits Differ by Organizational Characteristics

## Compare Your Score with Organizations Like Yours

**Net Benefits and Size of Organization.** The next three pages explore how net benefits from volunteers are influenced by different organizational characteristics. For example, the size of a charity usually has a notable influence on its operations. For this reason, small charities like neighborhood associations, and large charities like universities and hospitals, are usually separated in analyses like ours since the difference in their size is such an important defining characteristic. Figure 3 shows the average net benefits score for charities in five different categories of annual expenditures, ranging from small charities with less than \$100,000 in spending to large charities with budgets of over \$5 million.

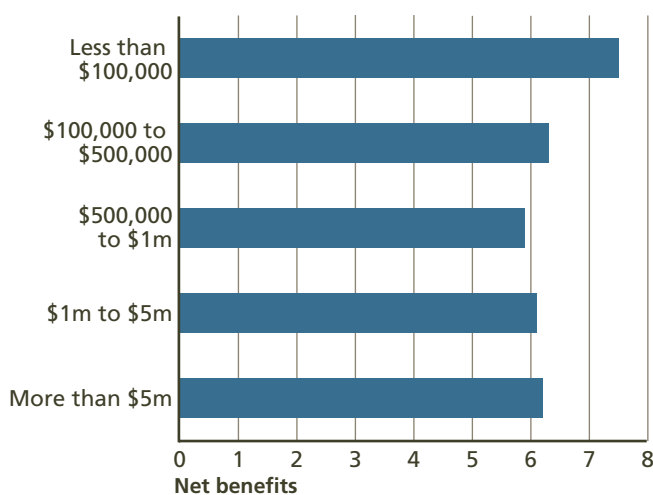
We were surprised to learn how little influence organization size has on net benefits from volunteers. Charities with between \$100,000 and \$500,000 in annual expenditures do not differ significantly from organizations in larger size classes. Only the smallest charities, those with less than \$100,000 in annual expenditures, have significantly higher net benefits scores, on average. Two things may explain this difference. One is that several challenges are less relevant to this size class. For example, small charities may have few or no staff members to train, are less likely to use volunteers in specialized tasks, and are less likely to carry out activities that might cause them to confront regulatory constraints. This reduces

their overall measure of challenges, resulting in higher net benefits scores. Another reason that the smallest charities have higher net benefits is because they tend to rely more heavily on and report greater benefits from their volunteers.

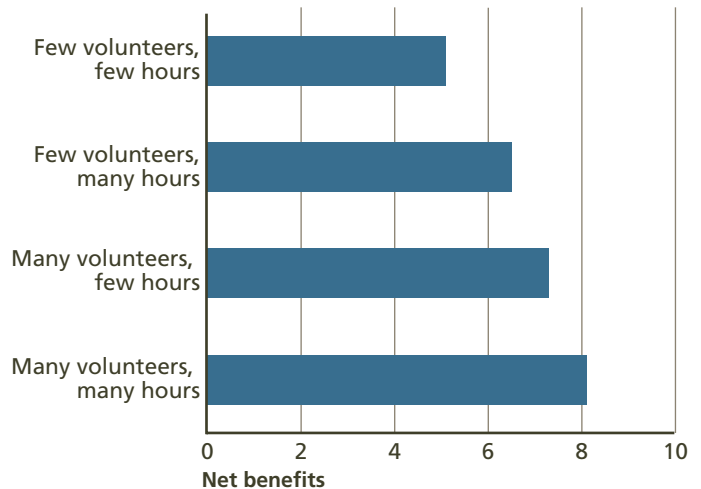
**Net Benefits and Scope of Volunteer Use.** In previous briefs, we described a measure of “scope of volunteer use” that takes into account both the number of volunteers that charities engaged in the past year as well as the number of hours that volunteers collectively worked in a typical week. Dividing charities into categories of “many volunteers” and “few volunteers” and “many hours” and “few hours” results in a cross-classification of four categories that indicate how an organization uses its volunteers. Charities that engage many volunteers for many hours each week have the largest scope of volunteer involvement. Charities that use many volunteers for few hours reflect episodic use of volunteers, while charities that use few volunteers for many hours indicate organizations that have sustained relationships with their volunteers.

We know from our previous work that charities with a large scope of volunteer use typically make the greatest investments in volunteer management capacity. Therefore, we were not surprised to learn that these organiza-

**Figure 3:** Average net benefits of volunteers by organizational size



**Figure 4:** Average net benefits of volunteers by scope of volunteer use



tions derive the highest net benefits scores, on average. However, we expected that charities that have sustained relationships with volunteers would have higher net benefits than charities that focus on episodic volunteers. This is not the case. Figure 4 shows that charities with episodic use of volunteers have a slightly higher average net benefits score than charities with sustained relationships with volunteers, although the difference is not large enough to safely conclude that the categories really differ.

**Net Benefits and Number of Volunteer Assignments.**

Different volunteers have different interests and ways they can contribute to charities with which they volunteer. Charities can derive more benefits from volunteers if they arrange for volunteers to perform a variety of functions in the organization. We asked charities whether or not volunteers were involved in six specific functional areas: delivering of services; fundraising; providing general office services; providing professional legal, financial, management, or computer assistance; managing other volunteers, or advocacy. Ten percent of organizations said that their volunteers did none or only one of these things. Twelve percent said volunteers had all six assignments.

We grouped the number of assignments into three categories, as illustrated in figure 5. We then calculated the average net benefits score for each group. We learned that the practice of using volunteers in a variety of assignments is positively related with net benefits of volunteers. Even though charities that use volunteers in various assignments incur greater demands on management and greater challenges, they have done

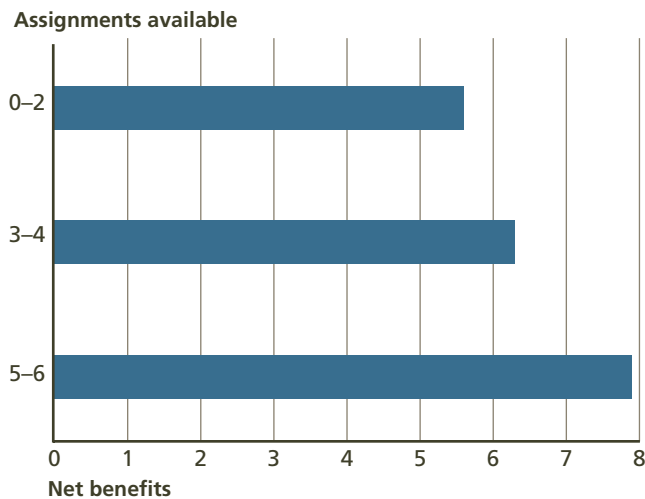
more to overcome these challenges and derive greater benefits from volunteers.

**Net Benefits and Adoption of Volunteer Management Practices.** Figure 6 documents the direct relationship between greater adoption of volunteer management practices and net benefits from volunteers. We asked respondents about their adoption of nine “best practices” in volunteer management, including regular supervision and communication with volunteers, liability coverage or insurance protection for volunteers, regular collection of information on volunteer numbers and hours, screening and matching of volunteers to assignments, written policies and job descriptions for volunteers, recognition activities, annual measurement of impacts of volunteers, training and professional development opportunities for volunteers, and training for paid staff in working with volunteers.

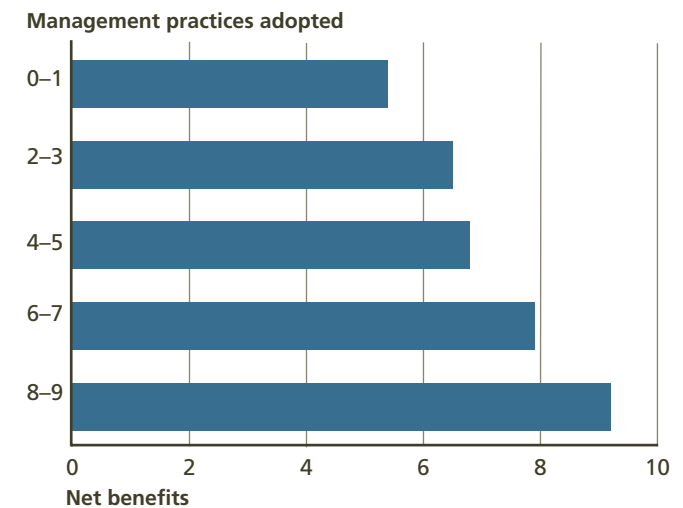
To determine whether greater adoption of management practices is related to net benefits, we summed the number of management practices that each charity said that it had adopted to a large degree. We then grouped charities into categories as represented in figure 6, ranging from 28 percent of charities that have adopted none or only one practice to a large degree to 6 percent of charities that have adopted eight or all nine practices to a large degree.

As illustrated, large-degree adoption of greater numbers of management practices is related to higher net benefits scores. While we show five groups in figure 6, three might be sufficient. Adoption of none or one management “best practice” results in scores that are signifi-

**Figure 5:** Average net benefits of volunteers by number of assignments available to volunteers



**Figure 6:** Average net benefits of volunteers by number of recommended volunteer management practices adopted to a large degree



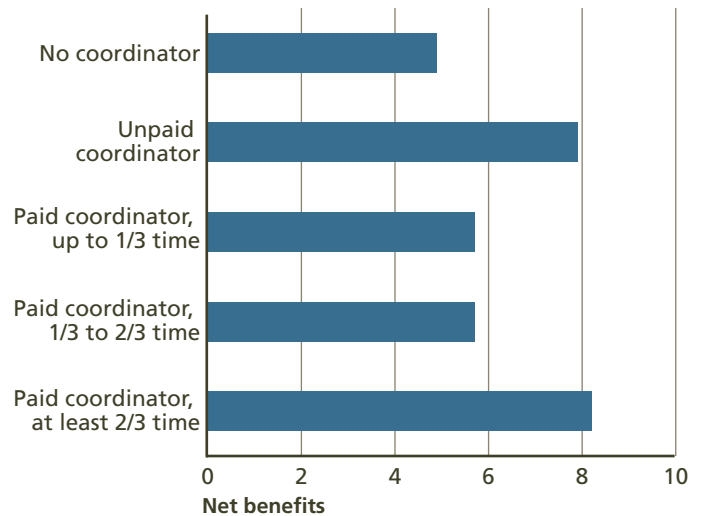
cantly lower than charities that have adopted more management practices. However, adoption of two to three practices is not statistically different from adoption of four to five practices, and adoption of six to seven practices is not statistically different from adoption of eight to nine practices. The number of practices adopted is only part of the story, however. The questions of which practices matter most for net benefits and how much they matter are ripe areas for future research.

**Net Benefits and Volunteer Coordinators.** Adoption of good practices in managing volunteers is only one dimension of volunteer management capacity. Another dimension is investment in a paid staff person who can spend a substantial portion of time on volunteer management duties. We asked respondents if their charity had such a staff person, a volunteer who manages other volunteers, or neither. If the charity had a paid staff person who manages volunteers, we asked how much of this person’s time was devoted to volunteer management.

Figure 7 shows how volunteer management coordinators influence net benefits from volunteers. Unsurprisingly, not having a volunteer coordinator is associated with the lowest average level of net benefits. Also not surprising is the finding that net benefits from volunteers increases as paid staff members devote more time to volunteer management. On the other hand, we were surprised to observe that charities that use unpaid volunteers in the volunteer management role have net benefits just as high as charities that have paid volunteer coordinators who spend a substantial amount of time on volunteer management. This finding deserves greater study, although it does suggest that a committed unpaid coordinator can be as effective as a paid staffer, at least in some organizations. We hypothesize that unpaid coordinators have what Susan Ellis has called “the luxury of focus.” That is, unpaid coordinators are able to focus on their volunteer tasks without the distraction of other organizational needs. In contrast, most employees have at least one other role in addition to their volunteer management role, and all roles suffer to some extent due to lack of attention. As a result, unpaid coordinators generate net benefits from volunteers just as well as paid staff coordinators who spend a lot of time on volunteer administration. Further, unpaid coordinators may have a special rapport with other volunteers, thereby improving the experience and performance of the volunteer program.

**Net Benefits and the Roles Volunteers Play.** Another issue we considered is whether the primary use of volunteers makes a difference. We asked respondents to give

**Figure 7:** Average net benefits of volunteers by presence of paid coordinator and time spent in volunteer management



us a brief description of the one main role volunteers perform in their organization. We divided the responses into four categories: direct service; indirect service (where volunteers carry out services, but do not come into contact with those served); internal administrative tasks (such as general office work); and external administrative tasks (such as public relations). Our main finding is that charities that use volunteers primarily in internal administrative roles derive lower net benefits scores than other charities. This is not surprising given that our questions about benefits were geared primarily toward organizations that involve volunteers more actively in direct contact with those that the organization serves.

**Net Benefits and Young Volunteers.** We also explored whether the predominant age of volunteers influences net benefits. We observed in an earlier brief that reliance on volunteers under age 24 results in lower retention rates, possibly because young people are more transient and therefore less likely to maintain relationships with the charities in which they volunteer. Our exploration of net benefits reveals that charities that rely predominantly on volunteers under age 24 have lower net benefits scores. However, rather than a criticism of young volunteers, this finding may reflect the inability of some charities to craft assignments that tap into the talents of young people, or a tendency of organizations to focus on what youth “can’t do” rather than what they can. Young volunteers present both unique challenges and opportunities for charities.

# A Multiple Variable Analysis of Net Benefits

## What Factors Explain Which Charities Attain the Highest Levels of Net Benefits?

On the previous three pages, we showed how various individual organizational characteristics are related to net benefits of volunteer involvement. The next two pages consider how these factors, taken together, affect net benefits scores. Are some of the factors more important than others in achieving benefits from volunteer involvement? A key feature of our approach is that all of the factors are considered at the same time, so that the influence of one characteristic takes into account all the other factors in the analysis. We divided the explanatory factors into four categories: volunteer management, extent of volunteer involvement, type of volunteer involvement, and various other organizational characteristics. Figure 8 illustrates the results.

**Volunteer Management.** We measure investment in volunteer management in two ways: extent of adoption of management practices and the presence of a volunteer coordinator.<sup>1</sup> The findings strongly support the contention that volunteer management positively impacts the benefits gained from volunteer involvement. To the degree that charities have fully adopted more of the practices for volunteer management recommended in the literature on volunteer administration, they are more likely to achieve higher net benefits. Having a coordinator for volunteers, too, is related to the attainment of greater net benefits from their involvement, although not quite so sharply. Although both volunteer management practices and the presence of a coordinator have a positive relationship with the net benefits of volunteers, development of capacity through adoption of volunteer management practices is more important than having a volunteer coordinator. On the other hand, a coordinator may be a critical component of implementing most management practices.

**Extent of Volunteer Involvement.** We measure extent of volunteer involvement in two ways: the scope of volunteer use and the number of different ways volunteers can contribute to an organization.<sup>2</sup> Scope of volunteer use has the stronger influence in the analysis. That is, larger scope of volunteer use is strongly tied to higher net benefits, even when measures of management

capacity are taken into account. Similarly, the greater the number of different assignments available to volunteers, the greater the net benefits the organization is likely to attain. Involving volunteers in a range of different organizational operations, rather than being confined to just one or a few options, yields higher net benefits to the charity.

**Type of Volunteer Involvement.** Regardless of the extent or amount of volunteer activity in a charity, the organization can deploy volunteers in a variety of ways. The type of activity in which volunteers are primarily involved, as well as the demographic characteristics of those volunteers, make a difference in the net benefits of volunteers. Regarding the first of these factors, we noted on page 9 that charities that involve volunteers primarily in internal administrative roles had lower net benefits. Our analysis in figure 8 compares charities that use volunteers primarily in internal administrative roles versus charities that use volunteers primarily in other ways. Controlling for other factors in the analysis, the result holds up. The finding suggests that giving volunteers more opportunity to interact with clients or others in the community can be beneficial to charities.

Our observation about the challenges of young volunteers led us to consider this issue in the multivariate analysis as well. Figure 8 illustrates the negative relationship between the percentage of volunteers that are under age 24 and net benefits from volunteers. Younger volunteers are less accustomed to the workplace (volunteer or paid) and require greater supervision; they have less background, experience, and technical skills to contribute; they turn over more quickly due to more frequent changes in life circumstances. Therefore, organizations that target this group or rely on them for volunteers tend to have more challenges and fewer overall organizational benefits. This finding does not mean that charities should refrain from recruiting younger volunteers. Rather, they should be aware, as well as realistic, that the benefits and challenges from these volunteers will differ from their experiences with working with volunteers with greater life and employment experience.

**Organizational Characteristics.**<sup>3</sup> The net benefits gained by charities from volunteers also depend on the demographic characteristics of the organization. The negative influence of size in figure 8 reinforces our observation in figure 3 that smaller charities derive greater net benefits than larger charities. A preliminary analysis indicated that charities operating in the human service subsector had lower average levels of net benefits than charities operating in other subsectors, such as health, education, and the arts. Figure 8 documents this finding. Although the survey did not provide any information to help explain this result, we speculate that the breadth of this subsector; its direct service activities with clients of a great variety of backgrounds, situations, and goals; and the high demand for these services may make it particularly difficult for charities in the human services to achieve high levels of net benefits.

Finally, we considered the relative dependence of the charity on paid staff versus volunteer personnel. We expected that those organizations that rely more heavily on volunteers rather than on paid staff would garner greater benefits from volunteers. Figure 8 indicates that relative dependence on paid staff versus volunteer personnel has one of the largest effects on the net benefits of volunteers. As expected, the relationship is negative: organizations that have high dependence on volunteers

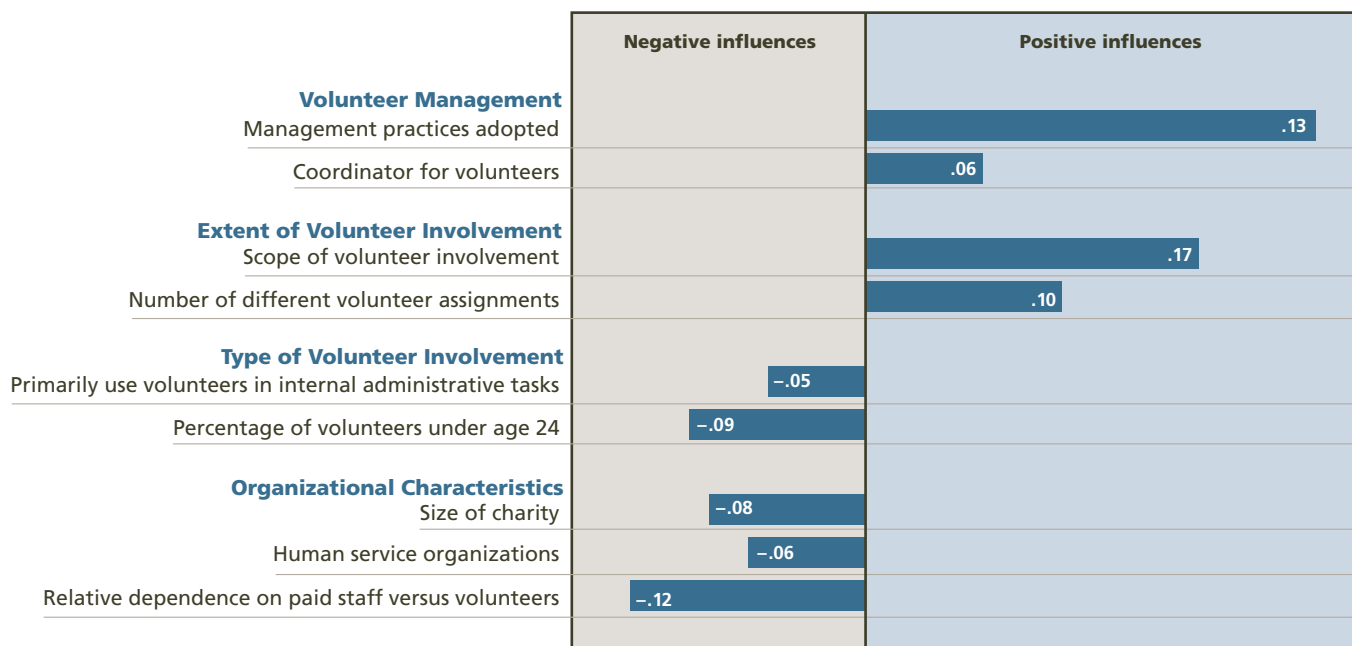
are more likely to reap greater net benefits from their involvement. By contrast, those organizations with lesser dependence on volunteers tend to derive lower net benefits from volunteers.

<sup>1</sup> Adoption of management practices is measured by our management index. For each of the nine management items described on page 8, no adoption contributes a value of 0, some degree of adoption contributes a value of 1, and large degree of adoption contributes a value of 2; the management index ranges from a value of 0 to 18. Presence of volunteer coordinator takes on a value of 1 if the charity has a paid or unpaid coordinator, and a value of 0 for no coordinator.

<sup>2</sup> Scope of volunteer use is measured differently than the four-category cross tabulation we described on page 7. In the current case, we divided number of annual volunteers into seven categories, ranging from none (0) to over 1,000 volunteers (6). We likewise divided number of total volunteer hours in a typical week into seven categories, ranging from none (0) to over 1,000 hours (6). We multiplied the two measures together, resulting in a measure of scope ranging from 0 to 36. Number of volunteer assignments is measured as described on page 8, ranging from 0 to 6 different total assignments in each charity.

<sup>3</sup> Size of charity is indicated by the five size groupings in figure 3. We define the human services subsector as those direct services charities in the National Taxonomy of Exempt Entities that fall in categories of crime and legal related; employment; food, agriculture, and nutrition; housing and shelter; public safety, disaster preparedness, and relief; recreation and sports; youth development; and social services. Different from our measure of staff reliance that we used in an earlier brief, our current measure is the ratio of value of staff time to value of volunteer time. The numerator is dollars spent on staff compensation and wages, as reported on Form 990. The denominator is number of volunteer hours times the respondent's estimated dollar value of a typical volunteer.

**Figure 8: The Influence of Management, Volunteer Involvement, and Other Organizational Characteristics on Net Benefits from Volunteers**



Note: Multiple regression, model adjusted R<sup>2</sup> = 0.154; magnitudes of bars are standardized betas; all variables are statistically significant at p < 0.05, except for the effect of human service organizations, p < 0.07.

# Concluding Observations

## Implications for Practice

**Why Measure Net Benefits?** In this brief we have introduced a new tool for the evaluation of volunteer involvement in charities: net benefits, or the difference between the benefits that volunteers bring to charities and the challenges that recruitment and management of this resource bring to the organization. Outcomes measurement and program evaluation are making inroads in the nonprofit sector. Due partly to the demands of funders and partly to the value that evaluation brings to effective management, more nonprofits are spending time defining and measuring their activities. While individual volunteer duties defy direct comparison across different organizations, common elements in volunteer administration and the benefits that volunteers bring to nonprofits lend themselves to measurement and comparison. Systematic measurement and comparison are valuable both for gauging progress over time and for determining where volunteer programs stand in relation to peer organizations. “Net benefits,” or other measures like it, provide the opportunity to measure and benchmark major dimensions of a volunteer program.

**Management Matters.** In working to achieve the most favorable balance of benefits over challenges, management matters. Management of volunteers is a balancing act. We show that charities that have implemented more of the recommended or “best” practices for managing volunteers typically realize higher net benefits scores. Similarly, those organizations that have a coordinator who devotes substantial attention to volunteer administration are rewarded with high net benefits scores. In other briefs, we have referred to the adoption of volunteer management practices and the presence of a volunteer coordinator as the two major dimensions of “volunteer management capacity.” In sum, organizations that invest in volunteer management capacity are more likely to attain high net benefits.

**Investing in Volunteers.** Management is not the only thing that matters, however. Also important is investment in volunteers, including giving them responsibility for

a greater array of tasks. Charities that have high levels of volunteer investment realize higher net benefits, on average, than those that have more constrained volunteer use. Organizations that limit their volunteer use primarily to internal administrative tasks reap fewer net benefits than charities that entrust to volunteers larger roles in external and client-related activities. Investment in volunteers leads to higher net benefits, which in turn leads charities to make an even greater investment in their volunteers.

**Resources or Will?** Because larger organizations tend to have more management capacity and greater scope of volunteer use, we initially speculated that they would display higher net benefits from volunteer involvement. However, the survey respondents tell us that size matters little when it comes to benefits and challenges, and that smaller charities are a bit more successful in realizing net benefits.

Some organizational characteristics are harder to change than others. For example, a charity cannot easily change its service area, or its size, even though some service areas and some size categories seem to lead to higher net benefits from volunteer involvement. Similarly, no one would advise a charity that involves youth to change its ways simply because it is more difficult to achieve high net benefits with a large percentage of volunteers under age 24. Some other factors associated with net benefits are more expensive to charities than others, such as employing a paid coordinator of volunteers. By contrast, charities can adopt a range of volunteer management practices, change the ways that they involve volunteers, or vary volunteer assignments much more easily. If the goal is to achieve a better balance of benefits over challenges of volunteer involvement, all charities can do something, and with good effect. To us, the message is clear: regardless of size, charities that are willing to invest in volunteer management capacity and to trust volunteers with a greater role are more likely to reap the rich harvest of these valuable human resources.

# Methodology

The volunteer management capacity study is based on surveys of separate populations of U.S. charities and congregations. The current brief focuses only on the charities sample. We drew a sample of 2,993 charities within expenditure and subsector strata from 214,995 charities that filed Form 990 with the IRS in 2000.

From August to November 2003, the Urban Institute and Princeton Survey Research Associates called organizations to verify their existence, check mailing addresses, and obtain the name of an appropriate contact; they completed precalls with 80 percent of charities. After contact, they mailed a letter that explained the motivations of the study and invited participation, and then called each organization up to 30 times to collect study information. Interviews averaging 20 minutes were conducted with organizational representatives familiar with volunteer management. In the final weeks of the study, interviewers offered \$50 donations to organizations that were reluctant to participate; 11 percent of interviews were completed with an incentive.

Adjusting for sampled organizations that were defunct or could not be verified as “working organizations,” our response rate was 69 percent. Our unweighted data number 1,753 cases, including 1,354 that use volunteers in their operations and do not primarily recruit and refer volunteers to other organizations (volunteer centers).

We weighted responding charities to represent the expenditure and subsector strata from which they were sampled. We adjusted the weights to account for organizations unreachable in the precall. Because these weights help ensure that our respondents reflect the characteristics of the working population from which they were drawn, the results of the study reported in this brief are based on the weighted responses. For more details on methodology, consult the FAQ at <http://www.volunteerinput.org>.

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