

The Economic Value of Volunteering-Beyond the Value of Volunteer Labour

Voluntary activity forms the very core of all vibrant and inclusive societies.Particularly in a time of great change in our country we must work hard to protect and enhance the spirit of voluntary participation and we must see this as a key social goal.

Government White Paper on Voluntary Activity, 2000

Ireland has a long and valued tradition of volunteering that is deeply embedded within our culture and identity. One of our traditions, that of **Meitheal**, or community co-operation and self-help, has been very much in evidence around the country in recent days.

Who could not be struck by the image of a young man carrying an elderly neighbour through flood waters to a place of safety? How heartening to hear of people helping to distribute water to those without, or taking people into their homes who had been made homeless by the floods,

Through Meitheal, we recognise that not only do we need one another for our survival, but for our well-being. Research has proven that there are better health and mental health outcomes for those who are connected and active within their communities through voluntary work.¹

Going back to the floods, we have seen volunteering in a more formal capacity, with volunteers from the civil defence, the red cross, St Vincent de Paul and the RNLI to name but a few, providing essential and life-saving services.

But volunteering is not just for times of crisis. It is the glue that binds our society together, with voluntary activities as diverse as the people that take them on covering a wide range of areas including sport, the arts and culture, human service delivery, the environment, advocacy and human rights as well as local community activities. In Ireland, volunteering has played a leading role in helping to shape and develop our society with an impact that is social, economic and political.²

For example, through social entrepreneurship, gaps in service delivery have been identified and met with innovative service responses, many of these initiatives later becoming part of mainstream service provision.

Advocacy is a crucial role that is played by volunteers; their independence and freedom from undue influence enables them to bear witness and to speak out against injustice, giving a voice to the voiceless, using their skills and influence to bring about change at the highest levels to benefit the poor, the marginalised and the vulnerable within our society and throughout the world.

¹ University of Wales Lampeter

<http://www.volunteering.org.uk/News/mediacentre/2008+Press+releases/Volunteering+leads+to+better+health+says+new+report+from+Volunteering+England.htm>

² Supporting Voluntary Activity: A White Paper on a Framework for Supporting Voluntary Activity and for Developing the Relationship between the State and the Community and Voluntary Sector 2000 Dublin p. 83

Indeed Ireland has a reputation worldwide for its volunteers who involve themselves in overseas development- in 2006 alone 2030 volunteers went overseas from Ireland to provide services in other countries³.

In 2006 it was estimated by the Centre for Nonprofit Management in Trinity College that volunteers in this country contribute up to €600 million to gross domestic product. However, this figure only reflects the formal aspect of volunteering, or voluntary work done in an organisational context.

The move to measure the value of volunteering in financial or monetary terms has become an area of increasing interest to researchers in the field. The Johns Hopkins University which conducted research into the contribution of the voluntary sector and volunteering to national economies and their Gross Domestic Product (GDP) came up with some impressive statistics

- Volunteers make a \$400 billion contribution to the global economy;
- The number of full-time equivalent volunteers is approximately 140 million people;
- If volunteers were a nation, they would be the 9th most populous country in the world.

The argument for this type of measurement according to Lester Salamon of the Johns Hopkins University is that while “Volunteers comprise nearly half of the workforce of the world’s non-profit organizations, volunteering has remained largely invisible in official economic statistics,”

In December 2008, following a campaign led by Salamon it was announced that the world’s labour statisticians had for the first time adopted guidelines for measuring the work of volunteers using labour force and other household surveys through the International Labour Organisation or the ILO. According to Salamon **“Now we can highlight and measure this important renewable resource for social and environmental problem-solving and thus lay the groundwork for policies to promote it.”**

Money is a universal language and one that gets attention. Aside from emphasising to government and policy makers that voluntary work makes a significant financial contribution to the community, putting a monetary value on volunteer labour can encourage people to become volunteers by demonstrating its economic benefits, informing the media and wider society about the value of volunteer time to the economy.

Putting a monetary value on volunteer work makes a very compelling argument for investment in volunteer programmes and is an attention grabber for unconvinced decision makers. In the context of community and voluntary organisations, volunteering is frequently viewed as peripheral to the core business rather than as a valuable resource available to the organisation. To be able to demonstrate that volunteers bring the equivalent of thousands or in some organisations hundreds of thousands of Euro worth of value through their labour is bound to make manager sit up and take notice.

³ Dochas. Volunteering for Development (2006) Dublin

What CEO would not invest in appropriate management systems to protect such a resource, to utilise it to its best effect and to ensure its sustainability? Recognising the value that volunteering brings to the organisation through investment in volunteer management systems is only right and proper, as volunteers who donate their time, skill and energy deserve to be managed well, to be facilitated to make the best contribution they can.

However, volunteers not only bring the value of their labour, but they add value in so many other ways, often less tangible, less easy to measure.

In one successful project that I was involved with, volunteers befriended young people in residential homeless services. Due to child protection issues, activities that the volunteers could engage in were very limited and had to take place in the supervised surroundings of a homeless hostel. What they did was played pool with the young people, gave guitar lessons or just sat and had coffee and chats. Staff working in the service noticed a marked and positive difference amongst the young people in the hostel as a result of the programme. They put it down to the fact that apart from the volunteers, every adult in those young people's lives was a paid professional. By spending time on a voluntary basis with the young people, volunteers were giving a strong and positive messages about the worth of the young people, whose self-esteem was severely damaged, letting them know that they were valued and cared for, letting them know that they were worthwhile. How can we put a monetary value on this?

How can we put a monetary value on the myriad of ways that volunteering contributes to our society- to social cohesion, solidarity and the building of social capital. Volunteering facilitates mutual understanding, intercultural and intergenerational dialogue. It is fundamental to the development of a just, inclusive and diverse society, where everyone has the right to participate and everyone has a role to play. By investing time and energies in our communities, in our society and in our world through volunteering we are investing in ourselves, our futures and those of our children and future generations. How do we tot this up?

There are dangers in viewing the value of volunteering in purely monetary terms. For one, we miss the complexity and profundity of its true impact. Another danger is that we unintentionally undermine our own organisations and their work.

Many organisations are reporting a dramatic rise in people coming forward to volunteer who have recently been made unemployed. We are witnessing what can only be described as a remarkable mobilisation of civil society, which in itself has huge potential.

For community and voluntary organisations with dwindling financial resources and increased demand for their services due to the poverty and hardship that is the inevitable fall out of recession, there is huge temptation to use volunteers to fill gaps. By replacing unaffordable paid staff with volunteers we are displacing paid roles with voluntary positions. While in the short-term this is a pragmatic solution in unprecedented circumstances, there are long-term implications. Not only are we undermining the real cost of our service delivery, we are undermining the value of volunteering.

Volunteering has the power to bring about positive and sustainable change, it is a profound act of democracy and active citizenship, as it endorses the right of each individual to shape society.

I suggest that it is important to distinguish between monetary value and economic value. The economic value of volunteering should not be confused with the monetary value that we can place on volunteer labour. Ascribing a monetary value to volunteer work is a useful tool in building the case for investment in appropriate structures, policies and processes at the level of organisations and at societal level.

However, measuring the economic value of volunteering is a complex process and requires a new way of looking and measuring impact if we are to truly understand and capture the potential for positive change that is volunteering.

Thank You

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