
Shallow Review of Volunteer-Run Events



Volunteer run events can be any event run largely or completely by unpaid labour. Because the field is so broad, I have divided volunteer run events into three major categories depending on the general type of activity. I have also broadened the definition of ‘event’ to include ongoing revenue generating projects such as membership fees and subscription services.

EARNED INCOME

This is any event or ongoing service that provides a clear service or good in exchange for monetary contributions. This type of activity can be any kind of long or short-term business initiative from which the profits are donated to the charity in question.

SOLICITED DONATIONS

This includes any event where the main purpose is to directly raise money, with the sole or major source of revenue being donations. This could include any kind of project where pledges are taken (ie. the recent Charity Science challenge to live on a dollar-a-day, or any event where donations are the main revenue source).

CROSSOVER ACTIVITIES

This type of event consists of combinations of the two previous types. An example of this type of event would be a charity gala where dinner and a venue would be provided, but

admission would be priced at well above the market value of the goods/services being offered.

The success of volunteer run events depends on many variables. Therefore, the results presented here are generally true, but somewhat non-specific to Charity Science, as many of these are unknown to me.

1. **Earned Income:** this seems to have the least potential for Charity Science.

Approximately 25-30% of charities in Canada successfully make a profit via volunteer-run earned income activities. A further 20-25% lose money via this type of activity. In total, about 60% of charities with no paid staff engage in this type of activity in Canada, compared to slightly more than 80% of Canadian charities with greater than 100 paid staff.

2. **Solicited Donations and Crossover Activities:**

The following numbers are estimates for cost-per-dollar fundraised using only volunteer labour for each of the following categories. These are extremely rough and should not be taken as accurate without further research on where Charity Science fits within the nonprofit landscape.

- A. Capital Campaign/Major Gifts \$.035 to \$.075 per dollar raised.
- B. Corporations and Foundations (Grant Writing) \$.15 per dollar raised.
- C. Direct Mail Renewal \$.150 per dollar raised.
- D. Planned Giving \$.18 per dollar raised^{3/4}and a lot of patience!
- E. Benefit/Special Events \$.38 of gross proceeds.

Good data was very scarce, but most sources seemed to indicate that using volunteer labour represented approximately a 25% increase in net revenue. This number is higher for events with low material cost and lower for those with higher material cost.

Minimum Cost Experiments

This category is not really applicable to volunteer-run events as a whole. Each type of event differs so much from each other type, and depends so heavily on the specific volunteers involved, that minimum cost experiments would tell us very little about the area as a whole.

Estimated Potential

See research section. For time estimates, again, each type of event is quite different.

Further Research

1. Most importantly, how does the Effective Altruism community differ from other charity sectors?
2. What is a reasonable number of volunteers Charity Science can expect to recruit, and for how many hours each?
3. If Charity Science decides to use significant volunteer labour, research will need to be done on how to most effectively use and manage that labour.

Subjective Sense

CONSIDERATIONS AGAINST

- ❖ Need for good management skills
- ❖ Need to identify how to effectively use volunteer resources
- ❖ Bad volunteers can cost the organization

CONSIDERATIONS FOR

- ❖ Potential to significantly reduce fundraising costs
- ❖ Potential to identify good possibilities for future employees of Charity Science.

Thoughts from personal experience and reading

- ❖ Volunteers can be wonderful, but careful screening is required
- ❖ Trying to nail down hard numbers for this area is difficult and the results are unreliable given how many variables are at work
- ❖ Most likely, a few core volunteers will provide over 80% of the total volunteer hours
- ❖ Try to recruit volunteers in areas related to their actual professions
- ❖ Be willing to write (or at least sign) recommendation letters for people

References

1. Fundratios 2013: Charity Fundraising Comparison - <http://www.institute-of-fundraising.org.uk/library/fundratios-summary-2013/>
2. M+R Benchmarks 2015 - mrbenchmarks.com/
3. Earned Income Generating Activities Among Canadian Charities - sectorsource.ca/sites/default/files/.../earned-income-report-en_2013.pdf

4. Imagine Canada: Cost of Fundraising Questions and Answers - http://www.imaginecanada.ca/sites/default/files/www/en/publicpolicy/finance_committee_qa-fundraising_costs_02172012.pdf

