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## For Love and a Little Money

By [CLAUDIA H. DEUTSCH](#)

BY the time Frederick A. O. Schwarz Jr. retired from Cravath, Swain & Moore in 2002, he was financially set. He was already an author, he already had a distinguished track record in public service and philanthropy and, of course, he was the great-grandson of a toy magnate.

So when Fritz Schwarz — the name he greatly prefers — joined the nonprofit [Brennan Center for Justice](#) at [New York University](#) Law School, he seriously considered volunteering his services. He decided against it, and negotiated a salary, albeit one below what a starting lawyer makes.

He never got a raise, and last year, when the Brennan Center ran into a budget crunch, he gave up his pay. But in principle, if no longer in principal, he thinks the salary made sense. “An organization and a person are simply more committed to each other when the person is paid,” he said.

Clearly, Mr. Schwarz has bought into the concept of paid volunteerism. The phrase may sound oxymoronic, but an ever-growing number of retirees and nonprofit executives say it is an apt description of the way modern retirees view nonprofit work. And while no one has gathered statistics on the tendency, experts say there is a good chance that the automatic link between doing good and working for nothing has been permanently severed.

“People used to say, ‘Here I am, what do you need done?’ ” said Deborah Russell, director of work-force issues for [AARP](#). “Today’s retirees say, ‘Here’s what I do well, how can you use it, and what will you pay?’ ”

Economists, behavioral scientists and gerontologists point to multiple reasons behind the switch. For some retirees, economics ranks high on the list. People expect to live for many decades beyond retirement. Many started their families late, which means they may be financially responsible for children as well as aging parents. They may not want to continue full-time work at high-pressure jobs, and for many, unpaid volunteerism is simply not practical.

“This generation worries about standards of living and health insurance, so it wants to maintain some income even when it gives back to society,” said Marc Freedman, the chief executive of Civic Ventures, a nonprofit group that specializes in geriatric issues. “So it has located that intersection between the spirit of volunteerism and the pay of work.”

But increasingly, even the wealthiest retirees insist on being paid for doing good. “Even a small check is a symbol that what they are doing really makes a difference,” said Ben Rosen, a management professor at the [University of North Carolina](#)’s Kenan-Flagler Business School. Mr. Freedman thinks that is particularly true of women. “Volunteer work used to be considered women’s work, so it is not surprising that career women reject the concept,” he said.

Greg O'Neill, director of the National Academy on an Aging Society, suggests yet another reason: paid workers are less likely to be assigned to licking stamps or ladling soup. "There's still a huge mismatch between what retirees can do and what organizations offer them," he said. Robert H. Frank, an economics professor at the Johnson School of Management at [Cornell University](#), notes that several decades ago, the [Peace Corps](#) began insisting that even very poor communities provide housing for volunteers. "Until then, the local people reacted like, 'Oh, we got a freebie,' and paid no attention to the volunteers," he said. "Savvy people have learned that they are used more intelligently when they are paid."

That learning is rooted in the modern-day corporate environment, others note. "Modern organizations are leaner and more competitive than they used to be, and the idea that you get paid for performance, not just for showing up, has taken hold," said Michael W. Morris, a management professor at the Columbia Business School.

Many retirees have learned, to their irritation, that what they give free is discounted as fluff.

Ten years ago, Fabianne Wolff Gershon, now a retired public relations executive, did a pro bono marketing plan for a local botanical garden. It was never carried out. "I made a mental note: If they had paid for the report, they would have taken it seriously," Ms. Gershon said.

She now works three days a week, running a women's entrepreneurship program for FECS (formerly known as the Federation Employment and Guidance Service).

"I make maybe 6 percent of what I made in my own business," Ms. Gershon said, but "because they pay me, they listen to me and appreciate me."

Nonprofit executives say the reverse is also true: people who are paid work harder and seem more committed to their jobs. Thomas Scott, chief executive of the Lawrence County Community Action Partnership in New Castle, Pa., said he paid about \$9.10 an hour to retirees who drive elderly and disabled people to doctor's appointments. "Volunteerism works for a short project, but when you need people to show up consistently and on time, you're better off paying them," he said.

FECS uses thousands of volunteers "to enhance our programs but not to run them," said Gail A. Magaliff, its chief executive. Why not? "You can ask an employee to stay until 9 p.m. to get something done," she said. "It's harder to ask a volunteer."

Retirees say she is on to something. G. Jean Hoppert, a retired engineer, runs technical education programs in Las Vegas for the nonprofit group First. She works about 100 hours a month, for about \$900. "I'm donating most of that back to the program," Ms. Hoppert said. "But I probably wouldn't have made as large a commitment as a volunteer."

This growing willingness to work hard for low pay has, perhaps inevitably, given rise to matchmaking services that place skilled retirees with a hankering to help in low-paying public service jobs.

ReServe, a New York City group, asks retirees to send résumés and specify interests — health care, say, or domestic violence or animal rights. ReServe matches the retirees with part-time jobs that pay \$10 an hour. No retiree works more than 15 hours a week, so they do not receive pensions or benefits. The nonprofit

organizations can pay the participants or can pay ReServe \$14 an hour and let ReServe handle the payroll.

In just two years of operation, ReServe has placed about 275 people with about 110 nonprofits. It has joint programs with AARP and recently won a contract to place people with city agencies.

Claire Altman, ReServe's executive director, said that almost three-quarters of participants are college graduates, and about 42 percent have master's degrees. "For most of them, it is not about the amount they are paid but the fact that they are paid," she said.

New York City's Department for the Aging has begun using ReServe volunteers and is helping to place them with other city agencies as well. "The money helps lower-income adults, but it also forces the agencies to identify what skills they really need," said Edwin Méndez-Santiago, the agency's commissioner.

Mr. Freedman of Civic Ventures followed similar principles when he helped found Experience Corps in 1995 to place retirees in city elementary schools as mentors and tutors. Retirees work 15-hour weeks and earn \$200 to \$250 a month. Experience Corps tries to persuade schools to apply some of the money they raise from bake sales and such to the salaries.

"The stipends are big enough to serve as a contract and to cover out-of-pocket costs," Mr. Freedman said. "And when the schools chip in, it increases the likelihood that they will use those people well and in serious roles."

For retirees looking to explore new worlds, the services represent an easy, one-stop shop.

Vivian Landa, a retired Wall Street administrator, had always been fascinated by the criminal justice system. So ReServe got her a job with Bronx Community Solutions, which does job counseling for nonviolent criminals. Shirley A. Jones also spent most of her career in administrative work, but she loved being with children. Experience Corps placed her in a job in Harlem, tutoring four children for 45 minutes a day. The monthly stipend "comes in handy for car fare and lunch money," she said, but her main incentive "is the confidence in those kids' eyes when they finish the program."

The groups also help retirees who want to stick with their former fields. A. Allan Korenberg, a retired education consultant, wanted to keep plying his trade, albeit at a more leisurely pace. ReServe placed him with Advocates for Children, a nonprofit group that has a grant from the Department of Probation to work with juvenile offenders. He works three days a week, from 9 a.m. to 3 p.m.

"I'm doing serious paid work on a luxury schedule," he said. "I have a time sheet, I have responsibilities, I feel there are consequences if I don't show up. I don't feel like a retiree who's killing time."

Even private-sector employers are learning to harness that kind of attitude to their own philanthropy. [I.B.M.](#), for one, just started a program to retrain some of its retirees to teach math and science in public schools. And the Senior Lawyers Committee of the New York City Bar Association has recommended to law firms that they pay retired partners a vastly reduced salary to handle the firm's pro bono obligations. "It would give the retirees a sense of dignity, and it would dignify the pro bono job," said David N. Ellenhorn, chairman of the committee.

There is, of course, a potential downside to the trend. Once payment becomes the norm, fewer people are

likely to volunteer their services free — which could be a problem in a budget crisis. And for the retirees themselves, getting paid may detract from the psychological satisfaction of doing good.

“So many studies show that external incentive systems take away from intrinsic enjoyment of an activity,” Professor Morris of Columbia warned. “Attaching payment to a job turns it into work.”

Then again, for the baby boomers, a generation that works for love as well as money, that might not be a bad thing.

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