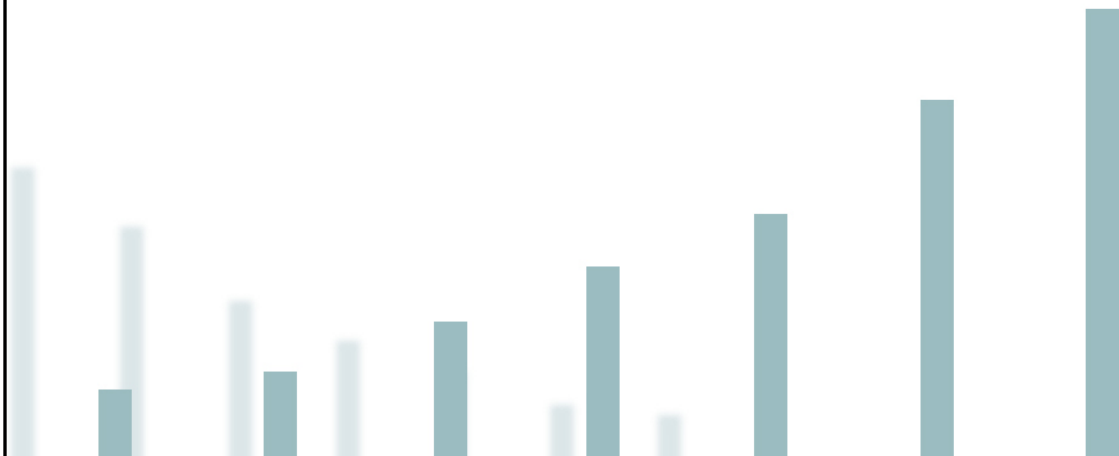


OCTOBER 2004

## Earth Force

Building a national network while developing a new program offering and diversifying funding



## Summary

Started by a foundation, Earth Force has faced the challenge of moving away from a single funding source and developing a diversified funding stream. Earth Force also has transformed its program offering, moving from a broad campaign strategy to a deep engagement at targeted locations around the country.

## Organizational Snapshot

**Organization:** Earth Force

**Year founded:** 1993

**Headquarters:** Alexandria, Virginia

**Mission:** “Earth Force is young people changing their communities and caring for our environment now, while developing life-long habits of active citizenship and environmental stewardship.”

**Program:** Earth Force programs are designed to engage young people in the process of identifying environmental problems in their communities and taking action to create lasting solutions. Earth Force reaches young people primarily through educators. To do this, the organization has developed a series of classroom materials and corresponding professional development opportunities for educators. Currently there are three Earth Force programs: CAPS (Community Action and Problem Solving), GREEN (Global Rivers Environmental Education Network), and Earth Force After School. All three programs are based on the same six-step problem-solving process. CAPS is the most open-ended, allowing middle-school students to identify environmental issues in their communities and to implement lasting solutions to those issues. The GREEN program is similar to CAPS but focuses young people on issues related to the protection of the rivers, streams, and other vital water resources in their communities through a combination of hands-on, scientific learning and civic action. Earth Force After School is based on the CAPS program, but adapted for the after-school setting.

Youth Advisory Boards provide Earth Force with a direct connection to young people and ensure the presence of a youth voice throughout the organization. Earth Force engages more than 38,000 youth per year in its programs. Seventy-four percent of participants show a marked improvement in civic skills as a result of the program and 79 percent feel they get a better understanding for environmental issues after participating in an Earth Force program.

**Size:** \$2.2 million in revenue; 30 employees (as of 2003).

**Revenue growth rate:** Compound annual growth rate (1999-2003): -1 percent; highest annual growth rate (1999-2003): 53 percent in 2000.

**Funding sources:** Earth Force's national office has a diverse funding portfolio. In 2003, 31 percent of revenues came from corporations, 22 percent from government, 20 percent from foundations, 14 percent from earned income sources (e.g., catalog sales, fee for service training), 2 percent from individual donors, and 11 percent from "other" sources (e.g., interest income, donations from churches and in-kind goods and services).

**Organizational structure:** Earth Force is a 501(c)(3) that operates ten community-based offices throughout the country. Six of these offices are branches operating under Earth Force's 501(c)(3) designation (Erie, Pittsburgh, Philadelphia, Metro Washington, D.C., and Tampa); three are licensees existing as part of another organization (Chicago, West Palm Beach, and Austin); and one is an affiliate with its own 501(c)(3) designation (Denver). Despite these structural variations, each community-based office is programmatically the same and Earth Force does not use the labels "branch," "licensee," and "affiliate" to differentiate its various sites. The organization also works with partner organizations who deliver the Earth Force program in a more limited fashion.

**Leadership:** Vince Meldrum, president.

**More information:** [www.earthforce.org](http://www.earthforce.org)

## Key Milestones

- 1993: Founded with a grant from the Pew Charitable Trusts
- 1994-1996: Launched national environmental campaigns
- 1996: Transformed from a national campaign focused on raising awareness to programs designed to foster deeper levels of involvement; launched a network of community-based offices
- 1997: Started the CAPS program
- 1999: Acquired the GREEN program
- 2001: Added the After School program

## Growth Story

In 1991, the Pew Charitable Trusts (PCT) commissioned a study to identify major unmet needs in the environmental field. The study found that youth had a genuine interest in the environment and solving pressing community problems, but that no existing organization was positioned to respond to this demand adequately. In 1993, PCT founded Earth Force with the goal of engaging millions of young people in practical activities to improve their communities. PCT provided an initial grant of \$13 million.

The organization got a big visibility boost in 1994 when a delegation of 50 youth presented Vice President Al Gore with a “Plan for the Planet.” The delegation called on young people everywhere to participate in a “Kids Choose” vote to decide which environmental issue Earth Force should address in its first national campaign. Over 146,000 young people voted and chose protecting wildlife as the most important issue and planting trees as the next most important issue. Later that year, Earth Force launched a “Go Wild for Wildlife!” campaign, and in 1995 started the “Team Up for Trees” campaign.

The Nickelodeon television channel partnered with Earth Force on a “Big Help” initiative that organized over 350 local action sites around the country. Hundreds of thousands of young people took action through these campaigns. In 1995 and 1996, Earth Force joined forces with the World Wildlife Fund and the Nature Conservancy to run the “Pennies for the Planet” campaign to raise money for the protection of habitat and tropical rainforests around the world.

The original organizers of these campaigns had hoped to create a national movement that would raise awareness of environmental issues, patterned along the lines of the Boy Scouts and Girl Scouts. But after the third campaign, PCT decided to evaluate the program’s effectiveness. “We had millions of young people participating, but the effect on each young person was small,” says Vince Meldrum, current Earth Force president. In conjunction with PCT, Earth Force conducted two analyses of the programs and decided to revamp the program completely, with the goal of fostering a deeper level of involvement in young people.

In 1996, Earth Force took six months off to reorganize, bringing in new leadership and developing a new program. At the same time, Earth Force made a commitment to invest in program evaluation on a yearly basis.

Earth Force hired experts in environmental and civic education, and designed a curriculum from the ground up. It created a six-step process, focused on middle school, to lead young people to a balanced, fact-based understanding of environmental issues and how they could make substantive change in their communities. A hallmark of Earth Force programming is that the young people themselves identify the issue they want to work on and the position they are going to take. Young people choose an action project that will change policies in local schools, government, or companies, or will create widespread change in residents’ behavior or practices.

“The way we’ve kept programs on focus is that all three of our programs springboard off the same six-step process,” says Scott Richardson, director of education. “When someone has an Earth Force educational product, they know the process, even if the content area changes.”

Earth Force's in-school and after-school programs are essentially the same process, with the main difference being that the after school programs have been adapted to the unique time and participant restraints found in the after-school market. The first in-school CAPS programs started in the fall of 1997. The After School programs were added in 2001.

As Earth Force developed the program, it became evident that achieving a high level of program quality in the classroom would require that the organization provide both materials and professional development to participating educators. To facilitate this process, Earth Force's management team decided to establish field offices that would specialize in program delivery. In 1997, Earth Force established offices in four sites and set a goal of adding two sites per year. Earth Force conducted an extensive search for the first set of offices, evaluating local environmental issues, funders, schools, and staff.

"To find the right cities, we did extensive research on each potential city. We collated that research into a big book that outlined who the players were in that city, who would be interested in working with us to bring the program to their community, and who the potential funders for the programs in that city were," says Meldrum. "From a list of about 20 candidate cities, we narrowed down the list to four by talking to community leaders. Once we had four candidate cities, we began the search for staff." Meldrum also notes that finding the right staff is the final and one of the most important determinants when going to a new city.

The result of this strategy is a series of strong programs around the country. Earth Force grew to eight sites by 2000. As the philanthropic economy has gotten tighter the organization has slowed down the process of adding new offices. One office was added in 2000 and one more in 2003.

In 1999, Earth Force acquired the Global Rivers Environmental Education Network (GREEN) by purchasing the intellectual property from the former organization. GREEN focused specifically on protecting rivers, streams, and watersheds. GREEN also had developed a partnership with General Motors (GM) that matched GM employees with classrooms near GM facilities. GREEN appealed to Earth Force's management team for four main reasons:

- GREEN was based on the same theoretical approach as Earth Force's existing programs.
- GREEN had a well developed network of partner organizations that delivered their programs. By acquiring GREEN, Earth Force had access to that network and was able to expand the number of organizations delivering Earth Force programming.
- GREEN had an established corporate partnership model that could be refined and replicated across numerous states and with numerous corporate and nonprofit partners. At the time Earth Force acquired GREEN, 26 GM facilities were participating in the program.
- GREEN had developed an earned-income stream in the form of a branded line of water quality monitoring kits and support materials.

The addition of GREEN has created many benefits for Earth Force. Through GREEN, Earth Force has developed a method of delivering programs with partner organizations that has expanded its reach while sharing the costs for teacher training and support with other organizations. Today GREEN is delivered by local watershed organizations across the country. GM continues to be involved in the program, with 50 facilities participating in 2004. "Thanks to the acquisition of GREEN we have been able to find 'kindred spirits' in both the nonprofit and corporate world who are helping us deliver the program to many more young people than we would have been able to on our own," notes Meldrum.

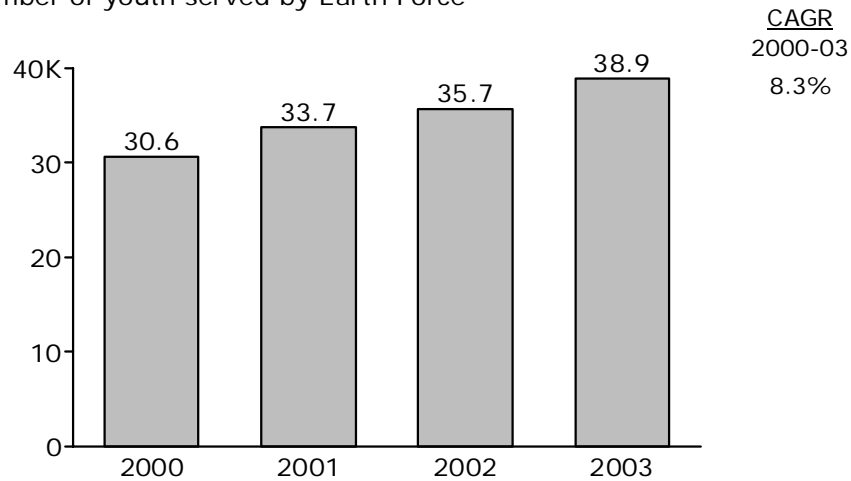
"We are looking to grow in three ways: expanding our reach within the communities we currently work in; expanding our reach to communities we are not yet working in; and, continually improving the quality of our programs." says Meldrum. "The focus on quality requires that we continue to invest time and energy to improving our impact." To date these efforts have translated into Earth Force increasing the number of youth it serves in each of the past for years. (See Figure 1 for youth served by Earth Force from 2000 to 2003.)

"With fewer resources in the philanthropic community, our effort to move into new communities focuses more on developing corporate and nonprofit partnerships than opening stand alone offices." In the future, Earth Force wants to expand

partnerships like GREEN. “We have to find other avenues to grow because opening offices can be so expensive,” Meldrum says.

Figure 1

Number of youth served by Earth Force



Source: Organization internal data

In communities where Earth Force already has offices, the focus is increasingly on reaching young people outside of the middle-school range. “We are starting to take our middle-school program and adapt them to work in elementary and high schools. By increasing the number of times we interact with a young person, we hope to expand the impact we can have on each participant. In the end Earth Force wants to build a base of young people who are civic actors in every community.”

Earth Force’s years of evaluation data has been a big asset. “Increasingly, funders are asking nonprofits to prove that the program they support has a identifiable impact – our evaluation helps us do that,” says Meldrum. “Our evaluation is not just important for fundraising; it also plays an important role in the development of our programs.” Earth Force conducts pre- and post-program surveys of participating young people (that measure students’ skills and attitudes) and of participating teachers.



According to Director of Education Scott Richardson, “Through our evaluation, we can show that participants are better able to work in groups, analyze written materials, and gather information. Over the past three years, participants have shown considerable growth in the development of civic skills. Some of the measures have moved over one full point on a four-point scale, so we feel very good about the skills that participants get from being involved.”

In the current climate focused on testing for reading and math skills, it has been difficult to get some school districts to invest time in project-based learning approaches. To address this need Earth Force is exploring ways to demonstrate that its programs have a positive effect on participants’ reading and math skills.

## **CONFIGURATION**

Earth Force programming is delivered through both community-based Earth Force offices and partner organizations. Within Earth Force’s set of 10 community-based offices, three different structures exist: six are branches operating under Earth Force’s 501(c)(3) designation; three are licensees operating as part of another organization; and one is an affiliate with its own 501(c)(3) designation. Despite these structural variations, each community-based office is programmatically the same and Earth Force does not use the labels “branch,” “licensee,” and “affiliate” to differentiate its various sites.

Partner organizations deliver Earth Force programming in a more limited fashion, each providing a single program to a small number of educators. Partners are not as closely tied to the organizations as the community-based offices are; they do not participate in organizational planning or the performance measurement system. However, partners do play an important role in Earth Force’s overall program delivery scheme. “Partners are typically kindred spirits who work in a specific content area – like water – and use the Earth Force process to augment their existing educational materials,” says Meldrum. “For example, we work with a number of watershed organizations who are masters at working with educators to collect water quality data. Our program provides educators with the means to use that data to be active participants in the protection of that resource.”

The community-based offices have become progressively more independent with time, but continue to receive substantial technical assistance from the national office. “We initially thought top-down structure was important with tight control,” says Meldrum. “We’ve experienced a pendulum of being tightly managed to loosely managed, and now we’re moving back to something in the middle. In the end, it is vitally important that each office have the flexibility to meet the needs of the community that they operate in while staying true to the mission of Earth Force. We can’t be too narrow. Programs like GREEN and After School give the community-based offices more opportunities to fundraise while still staying focused.”

“When we were too tight about the program model, community-based offices still experimented — they would just do it without any input or support from the national office or the other field offices,” says Kris Maccubbin, local office operations director. “So we changed it so that they get the benefit from sharing what they’re doing. We are making a deliberate effort to create a process that facilitates sharing and innovation. We don’t want to be too loose or too tight.” The organization has implemented monthly update calls and peer reviews, and is working to create an Intranet to facilitate knowledge sharing among the sites.

Earth Force’s national staff provides different levels of support to sites depending on the sites’ size. “A 10-person office needs something much different from a one-person office,” says Maccubbin. “[With] a one-person office, we structure the way we support them so that they can grow [and reach efficient scale]. We are also developing a management institute for the people running multi-person offices. It is good for them to spend time together and realize that they are all addressing the same challenges. They are excited about the institute and working together to further develop along an evolutionary path.”

This support covers a broad range of areas. The national office underwrites an evaluation team that works closely with local sites to measure outcomes; helps with fund development; and holds annual meetings in which staff members at community-based offices and partners share information on such topics as best practices in program implementation, fund development and interpreting and using evaluation data. The national office also provides the community-based offices with

back-office support in accounting, human resources, bulk purchasing, and administration, and supports the partner organizations that deliver Earth Force programs with technical assistance and advice.

National requires a strategic development plan and a work plan, which are reviewed by peers four times a year and serve as the basis for evaluating the performance of each office. This peer review process also is used to ensure that information is shared throughout the system. The national office holds annual meetings in which staff members at community-based offices and partners share information on such topics as best practices in program implementation, fund development and interpreting and using evaluation data.

## **CAPITAL**

Earth Force is unique in that it was started by a foundation. PCT provided 100 percent of Earth Force's budget for the first four years of its existence. In 2000, PCT made one final gift to the organization: a five-year grant with declining amounts in each year. In 2003, PCT represented 7 percent of Earth Force's budget. PCT's funding is scheduled to run out in 2005.

"You cannot rely on one specific source or industry for funding," says Tracy LaMondue, director of development. "Earth Force has been very fortunate to receive funding from government, foundations and corporations. [But] we need to build the individual segment and increase the amount from foundations and corporations."

"Growth is one thing that's important to funders, but the quality of the impact and outcomes is even more important," she continues. "However, having a quality program without growth is not necessarily appealing. I've been raising money for about 20 years, and the important lesson was that it's not growth for growth's sake, but rather strategic growth."

Earth Force has generated funding from six major categories, based on different facets of its programs: environment, water quality, civic education, service learning, character education, and youth development/leadership. "Even though we are very

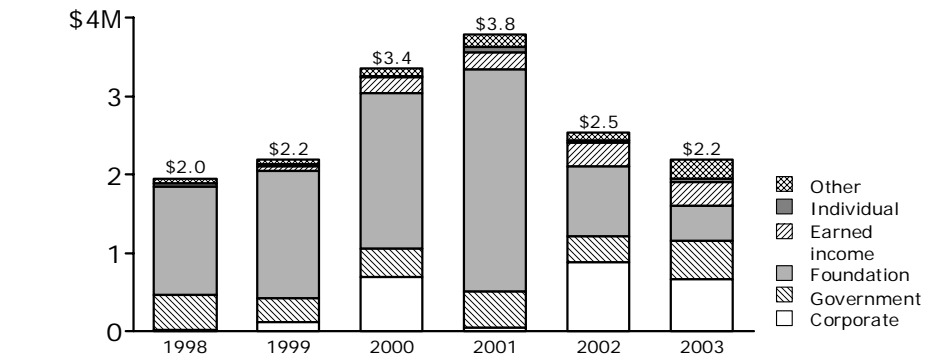
focused on what we do, what we do has many attributes that appeal to diverse groups,” says Meldrum. The organization tries to match these facets to donors’ interests. But he adds that the organization is not as good at raising funds from environmentally-oriented donors as one might think. Since Earth Force does not take positions on issues, many funders don’t really view it as an environmental organization.

Even though the PCT grant has not yet run out, Earth Force’s funding mix already has shifted dramatically. Between 1998 and 2003, the organization’s foundation funding decreased from approximately 70 percent of revenues to 20 percent. Earth Force has worked hard to offset the decline in foundation funding, increasing corporate revenue from \$22,000 to \$672,000 over the same period.

Still, Earth Force has seen its revenues decline in 2002 and 2003. Costs have exceeded revenues during these two years, as well, but the organization has been able to maintain a stable cash position in large part because a series of multi-year grants created sizable surpluses in previous years. (See Figure 2.)

Figure 2

Earth Force revenue



Annual revenue growth		12%	53%	13%	-33%	-14%
Budget surplus (deficit) (\$M)	\$0.3	\$0.2	\$1.2	\$0.9	-\$0.3	-\$0.5

Note: "Earned income" includes GREEN products, workshop revenues, and seminar sales, educator training fees, shipping and handling fees, after school sales, and other fee for service revenue; "Other" includes in-kind goods and services, school and church donations, affiliate license fees, interest income, and financial gains and losses. Source: Organization internal data

In terms of financing local sites, Earth Force typically provides \$150,000 to \$200,000 in startup funds for three years. It pays 100 percent of site costs for the first six months, but this funding decreases proportionately over three years as local sites develop their own fundraising abilities.

## **CAPABILITIES**

Earth Force underwent a total transformation in 1996 when the majority of the organization's staff turned over. The skill set of the original campaign-oriented staff did not fit the new strategy of setting up field offices and getting Earth Force into the classroom.

Meldrum has been with the organization for five years. He started on the program side as vice president of national programs and became chief operating officer in 2003. Shortly after Meldrum became COO, the previous president of Earth Force, Tom Martin left the organization to pursue other challenges.

"A couple of years ago, I would have said that our staff's understanding of organizational development issues was a gap," says Meldrum. "Over the last couple of years, we've had a number of staff members who have gotten MBAs. The benefit of that to the organization has shown up in many areas, from performance management to planning and organizational communication."

The economic downturn in the 2002 fiscal year caused Earth Force to eliminate three positions in development, marketing, and administration. "2002 was an eye opener for us. It seemed that every nonprofit in our field was downsizing and half the funding agencies that had been supporting us were cutting the amount they were giving. To help us deal with the situation, we created a standing board committee to help manage the budget and forecast our revenue needs," says Meldrum. "We are also in transition in terms of how we use the board. In the past, the board has reacted more to strategic thinking; now they are much more active in directing our strategic approach. Together these changes have made us stronger as an organization by giving us a broad range of experience to call upon."

## Key Insights

- **Planned growth versus opportunism.** Earth Force has combined opportunism and planned growth after its transition to a national field-office structure. It has been opportunistic about expanding to sites with strong local leadership and about expanding programmatically (such as with the GREEN addition). But it has also carefully planned its field-office strategy with elements of tight and loose control.
- **Transitioning from a single funder.** Since Earth Force was started by a foundation, it has had a unique reliance on a single source of funding. This helped get the organization off the ground, but the money was never meant to last forever. Earth Force has managed to make the transition to a more diverse funding mix.
- **Measuring outcomes.** Earth Force has measured the success and outcomes of its program since its transition to a field-office structure. This has helped the organization determine that taking action on environmental problems the young people have identified makes a big difference in terms of expanding participants' civic skills and the likelihood that they will continue to be active participants in their communities. And since the data measures self-assessments, it helps the organization gauge reactions to program changes. But Earth Force still struggles to find the measurements that are most compelling in an era focused on math and reading test scores.
- **Growing by geography and through partnerships.** Earth Force describes its growth as “horizontal” by geography and “vertical” by growing in existing sites. This two-pronged strategy has allowed Earth Force to penetrate its target geographies more deeply while adding programs that leverage its partners' resources.