An Internal Review of The Trust for Public Land

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Abstract

Environmental NGO’s require many different types of resources to be sustainable. Two of these, human capital and financial stability, are critical for organizations to succeed. The Trust for Public Land (TPL), one of the largest land trust organizations in the U.S. was strongly impacted by the recent economic downturn. This required the organization to make adjustments to both its staff and its financial structure. Finding ways to focus on the strengths of the organization is crucial to their continued success. This paper evaluated internal employee satisfaction by administering on-line surveys, realizing that a satisfied workforce can increase the profitability of a company. Fundraising techniques and program expenditures were also evaluated. Targeting the strengths and weaknesses within TPL can help organizational management make better decisions regarding employee relations, fundraising and program expenses.

Introduction

Environmental non-governmental organizations (NGO’s) provide a variety of services to the public. Some focus on education and raising awareness, others on political activism or environmental justice. The land trust movement is one subset of environmental NGO. Land trusts have been in existence in the U.S. since 1891, when the Trustees of Public Reservations was formed in Massachusetts in 1891 [1]. By 1950 there were only 53 land trusts in the U.S. By
2005, there were 1,667 [2]. They range from small organizations focused on a few counties or a particular site, to national and international organizations. Most were born out of the realization that government cannot, will not and should not be solely responsible for conservation. Land trusts seek to fill a niche for land protection when government has not met a conservation need.

The Trust for Public Land (TPL) was established in 1972. It is a national land trust, based in San Francisco, California. It was founded by Huey D. Johnson, who had been working as a regional director for The Nature Conservancy (TNC). He realized that while TNC was fulfilling a good mission, it was neglecting urban areas. Huey believed that people in the city should be able to connect with nature, both through wilderness areas but also in their own neighborhood. He assembled a like-minded group of biologists, attorneys and M.B.A’s and founded TPL [1, 3].

TPL does not operate in the same way as many other land trusts in that it does not permanently retain land. It purchases land specifically to convey to public agencies. This dedication towards creating more public land for people to enjoy is expressed in their mission statement, “The Trust for Public Land conserves land for people to enjoy as parks, gardens, and other natural places, ensuring livable communities for generation to come.” It also distinguishes itself from many other environmental NGO’s by working in both rural and urban landscapes. It works through five primary services: conservation transactions, conservation visioning, conservation funding, park design/development and research/education.

Conservation transactions are the actual projects where TPL buys land from private entities and conveys them to public agencies. These projects vary from adding land to national forests or national wildlife refuges to buying parking lots for conversion to urban parks to
purchasing abandoned rail road lines for use as trails. Conservation transactions were the first program that TPL was involved in and still generates the bulk of their annual revenue.

Conservation visioning is a program whereby communities can hire TPL to bring together various stakeholder groups to participate in a collaborative mapping exercise. The mapping is called “greenprinting”. Greenprints are composed of different GIS layers reflecting different conservation priorities identified by the stakeholder groups. The resulting greenprint gives communities a visual tool highlighting areas in which to target conservation. Greenprints are usually at the city or county scale. In Texas, TPL has completed greenprints for Travis County, west Galveston County, Rockwall County and Chambers County.

Conservation funding is a program where TPL finance experts provide advice and assistance to governments and private groups to help design, pass and implement funding measures that create public funds for land conservation and parks. TPL also keeps an on-line database of nationwide ballot funding measures called LandVote.

In 2008, TPL started their park design and development program. Through this service, TPL seeks to forge collaboration within communities to design and develop open space and parkland. They also seek to build fundraising capacity and support for long-term sustainability of parks. This service is paid for by communities that hire TPL for their expertise in park development.

Finally, the research and education branch of TPL publishes reports and books relating to TPL’s mission. TPL has published several books compiling the stories behind their work. Storytelling is an important part of their corporate culture. However they also publish work
targeted towards lawmakers outlining the economic benefits of parks, open space, water protection, community forests and conservation easements.

*Current Structure*

The Trust for Public Land is headquartered in San Francisco, where it first began after it splintered off from The Nature Conservancy. It employs approximately 537 people in 42 offices [4]. The organization is subdivided first into divisions and then into states. In 2009, it reorganized their six regions into three divisions: the Western, the Southern and the Northern. The Western Division encompasses from New Mexico to the north and west. The Southern Division begins at Texas and encompasses all states to the east and north to North Carolina. The Northern Division begins in Oklahoma in the south and includes the Great Plains states going north to Minnesota and east to include the mid-Atlantic and New England states. The Western Division is housed in the headquarters in San Francisco. The Northern Division is located in the Minnesota state office and the Southern Division is based at the Florida state office. While these three divisions cover all 50 states, TPL does not work in every state. They have 42 offices in 32 states plus one in Washington D.C.

TPL is governed by a national board of directors who provide knowledge and guidance in organizational management. At the local level, some states or offices have their own advisory board. For example, in Texas there are three advisory boards. One composed of people from the Dallas/Fort Worth area and focused on North Texas, one for the Houston area and one for Central Texas. These boards provide local expertise and valuable professional contacts within the local community.
Like all NGO’s, TPL needs to bring in revenues to support their organization and their work. In the beginning of this organization, TPL deviated from other similar conservation organizations in that they did not pursue a traditional philanthropy strategy. TNC for example, has an efficient, well trained philanthropy staff that solicits contributions from individuals, foundations and corporations. In 2009, donations from foundations, bequests and corporations accounted for almost 75% of their cash support. Individuals (through memberships and gifts) accounted for another 25%. TNC also has a membership program, where individuals purchases annual memberships starting a $50.00 per year. The memberships entitle members to a quarterly magazine detailing the work of TNC.

TPL did not initially follow the same strategy as TNC. Their initial method of generating revenue was to solicit donations from the landowners they work with to support their work. For example, a TPL project manager will work with a private landowner to purchase their property. TPL does not keep land for permanent ownership. All of the land or interests in land that they purchase are eventually conveyed into public ownership. Each project is actually two separate transactions. The first is the purchase from the private landowner to TPL and the second is the sale from TPL to a public entity. Under the landowner revenue strategy, TPL will ask the landowner to make a donation to TPL at the time of the transaction closing. TPL then sells the land to a public agency at or below appraised market price. Occasionally TPL will receive a fee for service from the agency purchasing the property from TPL. TPL in turn provides public agencies value by being able to respond quickly to opportunities by purchasing properties or securing an option to purchase while the agency secures funding. They also provide real-estate and legal expertise often required to structure complex deals. TPL works with multiple partners to secure funding for their projects from a variety of sources both public and private. They
shoulder the risk of buying properties and holding them when financing is less than certain. If possible, TPL will sell the property to the public for less than the purchase price. Finally, the often act as a sort of intermediary between private landowners and public agencies when sellers may harbor mistrust of the government. Because of their business model, TPL is heavily dependent on revenue from landowners and funding project transactions with government acquisition funding (Table 1)[5].

Table 1 TPL Funding Sources
Source Bridgespan 2007
This business model worked for a number of years but the support solicited by the project manager is used to support many employees within TPL such as attorneys, administrative staff, marketing staff and other support staff. Ultimately, this did not bring in enough revenue to allow
TPL to grow. Following the recruitment of Will Rogers as the president of TPL in 1998, there was a concerted effort to grow the organization throughout the country (Table 2) [5].

![Revenue growth chart](chart.png)

**Table 2 Revenue Trends**  
In order to finance the growth, TPL started to look for complementary sources of revenue. Since then, they have hired philanthropy staff dedicated to soliciting funding from corporations, foundations and “high net worth” individuals. In 2009 they also started a permanent endowment fund to help offset budget fluctuations. However, while they do publish a quarterly magazine for supporters, they do not have members. TPL still relies primarily on revenue from private landowners to fund the organization (Table 3) [5].
Table 3 Funding Trends

Source: Internal data from organization

Even with efforts to diversify, TPL relies on project managers to secure revenue. Fundraising is playing an increasingly important role in the organization’s long-term growth and sustainability strategy. Because of the importance of these two revenue sources (projects and fundraising), they are the focus of this evaluation. One study in 2001 found that employee dissatisfaction can cause company profitability to decrease [6]. The objective of this paper is to evaluate the internal effectiveness of TPL and provide recommendations for strengthening the organization. To accomplish this, a survey was administered to TPL project managers to evaluate
their opinions on the internal functioning of TPL. Fundraising effectiveness was evaluated by examining publicly disclosed tax records.

Methodology

Survey

This analysis is concerned with the internal efficacy of TPL. One of the most important resources an NGO has is its human capital. Having well qualified, well-trained, capable staff is critical for an organization’s sustainability. At TPL, their business model is driven by revenue generated by their project managers. The project managers are the people who seek out projects, conduct the negotiations for both the private and public purchase transactions, solicit landowner donations or fees-for-service and acquire the necessary funding to complete the transactions. Project managers are supported by a team of other TPL employees: attorneys, philanthropy staff, a regional project director and sometimes other project managers. All TPL projects undergo a rigorous internal evaluation before they are given final approval. All projects are tracked through an on-line project management program. This allows all of the team members to access any documents associated with the project (contracts, surveys, phase I assessments, appraisals, photographs). It also has a budget tool so that both revenues and project costs can be forecast. Finally, before any project is contractually closed, it must be approved by an internal TPL committee. This committee is composed of a revolving group of regional directors, state directors and staff attorneys. They may ask for additional information from project staff or require changes to the project before giving approval. Even with this oversight, project managers are allowed significant autonomy seek out potential projects and make decisions about
projects. Because of the reliance TPL has on its project managers, they were the target of this survey.

The survey seeks to determine employee attitudes regarding the efficacy of TPL. The survey instrument is divided into four broad categories: Mission and vision, management, employee satisfaction, and project management. The survey was designed using a 5-point Likert format and administered to TPL project managers on-line using Dillman’s method of administration [7]. This method includes sending out a pre-survey notice describing the intent of the survey and the timeframe in which the survey is conducted. The survey was sent out to 75 TPL project managers two weeks after the notice. Follow-up e-mail notices were sent out each week after the survey was available for three weeks. This survey technique generally produces around a 50% response rate. A total of 32 surveys were returned for analysis.

Survey results were converted into qualitative data for analysis using the EMYCIN model. EMYCIN is useful for converting qualitative data into a format that can then be compared with other quantitative data. Once the surveys were received, the answers were transcribed into an Excel spreadsheet (Appendix B) and were normalized using EMYCIN so that they could be further analyzed. Looking at Appendix B, in the far left column, the questions were numbered in the order they appear in the survey (Appendix A) and divided by survey section. Column B and C lists the number of respondents that answered that particular question and how many did not. Column K uses the data from columns B and C to derive the R-value for each question. The R-value reflects the true population surveyed for each question. If all of the respondents answered a particular question the R-value is 1, otherwise it reflects the percentage that did answer the question.
Once the R-values were established, each question was “normalized” (rows labeled as Q “converted” by incorporating the R-value into the number of people who answered by weight index. The weight index is simply which answer choice the respondent chose per question (Disagree, Somewhat Disagree, Don’t Know, Somewhat Agree and Agree). The formula used to normalize each response by the weight index is:

\[(\text{weight index})*(\text{proportion of responses for that weight index})*(\text{R-value for that question})\]

For example, in Appendix B, the normalized score for Question 4 (cell E2) is equal to

\[(E2)*E9/ (K9*E9)*K9\]

Moving over to the right half of Appendix B, the question answers are put through iterations using pair wise comparisons in order to achieve a final score. In iteration 1 (column M), the answers for each question for the first two weight indexes (column E and F) are compared. Since the values for these two answers will always be negative, the following equation is used to operate on these two answers: \(I_A + I_B + (I_A*I_B)\). In Appendix B, again using Question 4 as an example, the appropriate formula for comparing the first two weight indexes (disagree and somewhat disagree) is \(E10+F10*E10+F10\), where \(E10\) is the normalized score for the answer Disagree for Question 4 and \(F10\) is the normalized score for the answer Somewhat Disagree for Question 4.

Iteration 2 (Column N) repeats the process used in iteration 1. However, in this iteration the answers being compared are from columns H and I. This corresponds to the weight indexes Somewhat Agree and Agree. The normalized values for these answers will always be positive, so the pair wise formula to use is: \(I_A + I_B - (I_A*I_B)\). In Appendix B, for Question 4, this would
correspond to $H_{10}+I_{10}-H_{10}I_{10}$, where $H_{10}$ is the normalized score for the answer Somewhat Agree and $I_{10}$ is the normalized score for the answer Agree.

Iteration 3 (Column O) is produced from conducting a pair wise operation on the answers from Iteration 1 and 2 for each question. For Question 4, this would be comparing $M_{10}$ and $N_{10}$. Since one of these values (for this example) is negative and one is positive, the following formula is used: $(I_A+I_B)/1-\min[|I_A|,|I_B|]$. For some of the iterations for other questions, both values are positive or both are negative and the appropriate formula would be applied in each case.

Iteration 4 uses the values from iteration 3 to conduct two pair wise calculations. Under the Mission and Vision section, the values obtained in iteration 3 from question 1 and 2 are operated on using the appropriate formula (depending on whether the scores are positive, negative or mixed). Then the values from question 3 and 4 are given the same treatment. This leaves two values (one for question 1 and 2 and one for question 3 and 4).

In the Total Combined Column (Column Q), the two values from iteration 4 are compared (again, using the formula appropriate for the sign), to produce a total score for the section. This consecutive iteration treatment allows each question to be used the same number of times in the assessment.

Finally, the total combined values for each section are compared (columns R and S) and the resulting two values from the section comparisons are operated on in column T to produce a final score overall.
Financial Information

As a private not-for profit (501(c)3) organization, TPL is required by law to publically disclose their financial records. To obtain data about the effectiveness of TPL’s fundraising efforts, 2008 year tax records (IRS form 990) were evaluated. Within the 990 form, TPL is specifically required to provide detailed information about their top ten fundraising activities. TPL’s 2008 annual report provided information about monies spent for programs and administrative costs.

Results

Survey Results

Examining the overall score from the employee survey, gives a score of .9986, which appears very good. However, each section targets specific internal areas and provides better insight into organizational strengths and weaknesses. Therefore results are divided by survey section. Analysis of the scores is expanded on in the discussion section.

The first section, mission and vision, focused on the employees perception of the strength of the mission and vision of the organization. This section scored the highest, with a cumulative score of .9762. Section two, which evaluated employees’ satisfaction with management, scored the second highest, .7961 out of a possible 1.0. The third section assessed the employees overall job satisfaction. This scored the lowest, .4461. Finally the fourth section questioned the quality of projects that project managers are assigned. This also scored low, .4987 out of a possible 1.0.

Financial Results
Financial records were evaluated and included both the 2008 Annual Report and the 2008 IRS tax statements (IRS form 990). According the annual report, TPL spent 14% of their expenses on management and support services. Converting that to a comparable number that can be used with the survey results, the financial data was scaled from 0 to 1. With 1 being equal to 100%, TPL spent 86% (.8600) of their revenues on programs and conservation.

Fundraising activities were also scrutinized using data from the 2008 IRS form 990. TPL is required to list the top ten fundraising activities for the year. Included in the disclosure is the gross receipts from the fundraising activity, the amount paid to (or retained by) the fundraiser and the amount paid to (or retained by) the organization. Of the top ten fundraising activities, only the top three yielded positive results. However, some of the activities counted as negative earnings were training sessions held for TPL staff. These did not generate any revenue and were counted as a cost to the organization.

The top fundraising activity in terms of net revenue to TPL was their direct mail campaign. TPL grossed $2,220,478 from this activity and paid out $57,500 for the effort, retaining $2,162,978. This equates to 97.4% efficiency or .9740 if scaled to match the survey values. Second was a targeted donor list campaign, which grossed $426,764 and paid out $31,299, netting $395,465 to TPL. This is 92.6% efficiency or .9260 on a 0-1 scale. Finally, a project specific campaign (the Bayside Project) grossed $202,600 and paid out $68,000 to a consultant, netting $134,000. This is 66.5% efficiency, or .6650 when scaled.

Discussion

The survey proved useful for targeting strengths and weaknesses within TPL. The organization has a solid mission and vision for the future and it does a great job of conveying that to its
employees. The mission statement for TPL is, “The Trust for Public Land conserves land for people to enjoy as parks, gardens, and other natural places, ensuring livable communities for generations to come.” Employees understand TPL’s mission and vision and are satisfied that the work they do is aligned with that mission. TPL has been very successful in one unique aspect of their mission work and that is through their commitment to storytelling. Storytelling forms a large part of their projects and this is reflected both through published works compiling their stories and through the corporate culture within TPL [8-9]. Speaking with current and former employees, it is clear that they have both a passion for their work and for communicating the stories behind their work (N. Brown, private communication March 2010; L. Sykes, private communication April 2010).

The surveyed project managers also maintain a strong opinion of management at TPL. This is a medium sized organization but all levels of management are accessible to employees and both the highs and the lows experienced by TPL are a shared experience among employees. Project managers are pleased with the quality and amount of information management is providing about budgets, yearly evaluations and organizational and individual goals. Project managers also feel like management provides them with sufficient support.

Given the high scores for the first two sections, the low scores on the second two sections raise some questions. Project managers were generally satisfied with their pay scale and felt that the organization does a good job of providing continuing education opportunities. However, almost half of survey respondents indicated that they were actively seeking employment outside of the organization. This may be attributable to the current economic recession and its effect on environmental NGO’s. In 2008, TPL was forced to make two rounds of employee layoffs to cut expenses due to decreased revenue projections. The first round saw layoffs of 6% of the overall
staff. The second round was announced in December of 2008 and reflected a 15% overall cut in staff. Some offices were especially hit hard. In Texas for example, the staff in 2008 went from 10 full-time staff members in three offices to just 3 staff members total. This represents a 70% reduction in staff. In 2009, TPL was forced once again to make another round of layoffs. This cutback in staff combined with revenue decreases and budget uncertainties may be the cause for employees’ uncertainty about job stability. This may be the underlying cause of employees seeking employment elsewhere. The question of whether the employee is seeking outside employment was also the question that the most number of respondents did not answer. This may indicate either an uncertainty in their answer or mistrust of the confidentiality of the survey.

Employees were also divided on the question asking if the organization has sufficient staff to meet demand for its services. The answers to this question may also be a reaction to the recent layoffs. As staff is asked to take on additional responsibilities or learn new functions that were previously assigned to other team members, they may feel like they are overburdened.

The last section looked at projects specifically. Project managers at TPL are given some latitude to seek out projects that they want to work on. In some regions, projects are assigned to project managers by higher level managers (state directors, regional directors). However, it is the responsibility of the project manager to create a portfolio of projects (called their “pipeline”) which provide a substantial return to TPL. One of the changes to project management was made in 2008. TPL set a new standard that required all projects to have either a market value of $1 million or to generate at least $50,000 in net revenues. Net revenues means that after TPL pays for all of its staff costs (direct and indirect) on the project plus the direct project costs (surveys, appraisals, title fees, environmental assessments) the project should still have at least $50,000 remaining from project revenues. The result of this is that project staff are hard-pressed to find
projects which bring in the required revenue but still fulfill TPL’s mission. Many smaller projects, particularly urban parks suffer from a lack of funding, so finding net revenues for TPL can be difficult. However, urban parks are part of the organization’s core mission. Some project staff have worked around this by finding large revenue generating projects and making the argument that their “pipeline” should be judged over all and not project by project. This allows them to incorporate small high mission projects into their work and still generate sufficient revenue.

Project staff was also divided on the question of whether project staff and philanthropy staff work successfully together on projects. Many times, projects require outside, private funding to be successful. Philanthropy staff is crucial in finding these dollars so that the project can achieve fruition. However, philanthropy staff members are under their own pressures to raise “unrestricted” funds. Unrestricted funds can be used anywhere within the organization and are critical for financing the day-to-day costs of running an NGO. However, these are often cited as the toughest funds to raise. Philanthropy staff are often hesitant to use their time and contacts to raise money for projects when there may be multiple sources of potential project funding.

The fundraising activities also produced a mix of successes and failures. While it is a good strategy to try new fundraising techniques, in times of severe economic downturn, TPL should pursue those strategies which provide the best overall rate of return. In 2008, that was using direct mail to solicit individual donations. One way TPL may be able to increase that revenue is to begin a membership program, similar to The Nature Conservancy. TPL already publishes a high-quality glossy magazine that it sends out to anyone who requests it. It would not be difficult to tie the magazine to a yearly membership or sponsorship. Not only would this offset the publication costs of the magazine, it should raise additional unrestricted dollars.
In summary, employees at TPL are dedicated to the organizational mission and have a high regard for the management at TPL. However, uncertainty with the financial stability of the organization is causing the potential for high staff turnover. If this occurs, it may further weaken the effectiveness of TPL, leading to a downward cycle. Losing well-trained, experienced project staff will result in fewer large sustaining projects, eroding revenue and causing even more uncertainty in the future. TPL should strive for better cooperation between project staff and philanthropy so that high mission, low revenue projects can remain a part of the overall portfolio. Avoiding high mission projects simply because they may not generate high revenues could weaken what is one of TPL’s strengths; their solid, well-regarded mission.
Works Cited