



THE STATE OF SPORT FOR GOOD

2017



We at Laureus USA believe, as our founding patron Nelson Mandela proclaimed, that “sport has the power to change the world.”

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Today, many youth in the United States are considered at-risk. They are at risk of being incarcerated, being unemployed, being unhealthy physically as well as emotionally, being undereducated ...the list goes on. But another, and perhaps more compelling, viewpoint is that society itself is at-risk; that is, at risk of losing this group of young people as they become more and more disillusioned with and alienated from the American dream. In addition to losing a potential valuable human resource, society will continue to accrue exorbitant social and financial costs born out of the loss.

In some respects, many of these kids do not have much else to lose. They live in unstable environments and face prejudice and intolerance from others. Many attend overcrowded or underfunded schools and are not receiving the attention they need from social services to overcome the challenges they face. Yet they are resilient and somehow endure under inadequate and unfair conditions. The intention of Laureus Sport for Good Foundation USA (Laureus USA) is to level the playing field for kids that find themselves in these unfortunate circumstances.

We recognize that it is easy to find oneself dispirited and frustrated with economic, political and social systems that seem short on compassion for youth and appear powerfully resistant to change. As an antidote, therefore, we at Laureus USA remind ourselves that small changes can make a difference and that the possibilities inherent in small victories lead to what our founding patron, Nelson Mandela, meant when he proclaimed that “Sport has the power the change the world.”

Encouragingly, youth sports has captured the attention of community leaders, educators, researchers and policy makers as a solution to the challenges that kids face today. Simply put, kids that participate in sports are more likely to make better decisions about their well-being and the well-being of others. Yet participation in youth sports continues to decrease.¹

So what might Laureus USA offer through this study? In this report, we share what we have learned about key players across the United States who are using sport to improve the lives of youth. Throughout this report, Laureus uses Sport for Good and sport for development to refer to organizations and programs using sport to improve the health, education, employment and social cohesion of youth. We identify the impact that sport for development organizations are currently having and highlight best practice across several streams of work. We also identify the needs of these organizations, many grassroots, who provide essential services for youth. Lastly, we provide insight into what the Sport for Good sector requires to grow and sustain its impact.

We are proud to present the findings of our survey on the sport for development landscape. Now that we better understand the current strengths and opportunities for the sector, we will direct our time, energy and resources to support quality sport for development programs in their delivery of sustainable programming for youth across the country. We are hopeful that more funders, researchers and policy makers will join us in this effort.

¹ *State of Play 2017; The Aspen Institute Project Play.* <https://assets.aspeninstitute.org/content/uploads/2017/12/FINAL-SOP2017-report.pdf>

EXECUTIVE SUMMARY

Organizations involved with the study met the following criteria:

- Use sport for development outcomes (i.e., not solely for sports sake)
- Deliver direct service to youth 6-18 years old in the United States
- Have 501(c)(3) non-profit status

We surveyed 382 non-profit organizations, all using sport as a tool for social change. Of these, 101 organizations across 24 states participated in the study. These organizations collectively served 456,893 youth in 2016, fostering positive youth development through physical, academic and socio-emotional support. The desired outcomes of these organizations spanned across the areas of health, education, employability and community cohesion.

It is our impression that the organizations participating in the study are providing an essential service to our nation's youth, but recognize that they face a challenging funding environment that limits their potential impact. Despite the fact that organizations that invest in infrastructure and overhead are more likely to succeed than those that do not, most nonprofits do not invest sufficient resources in overhead or invest adequately in their growth.² In fact, more than half of the respondents stated that they have a waitlist for youth to join their program and have turned kids away due to lack of capacity. Our calculations indicate that with sufficient funding and resources these organizations could be reaching approximately 38,000 more youth annually. Finally, for the sport for development sector to maximize its impact, increased funding for and visibility of these organizations is essential.

This study is predicated on the idea that Laureus USA will compile a list of the organizations using sport as a tool for social change across the United States. We were thrilled to learn that more than 350 of these organizations exist, and that collectively they are reaching a significant percentage of our nation's youth. If your organization uses sport as a tool for social change, and you were not included in our assessment, please visit map.laureususa.com and complete our survey.

² Groggins A & Howard H. *The Nonprofit Starvation Cycle*. Stanford Social Innovation Review, Fall 2009.



CONTEXT SETTING: SPORT AS A SOLUTION FOR YOUTH

Survey respondents identified the major areas in which sport can be part of the solution to the many challenges kids face daily.



The obesity epidemic



Decreased opportunity for youth sport access due to

- An increase in pay-to-play leagues and programs
- Cuts to physical education in schools



An overemphasis on academic skill development that causes social-emotional development to be neglected in many learning environments



Increased social tensions and divisions that lead to conflict, youth violence, and discrimination in communities

BARRIERS



POVERTY

When asked about the most significant barriers that their program participants faced, most organizations' responded by stating poverty and the resulting poor educational and life opportunities



Community challenges included a lack of positive role models, low expectations for youth and the prevalence of crime



Respondents also noted that communities lacked access to safe sporting equipment and spaces to play

OPPORTUNITY FOR GROWTH



73%

of organizations responded that they are growing this year

50%

of organizations said they have a waitlist or have turned away kids due to lack of capacity

Collectively, these organizations could be serving

38K
MORE YOUTH

annually with increased capacity and financial investment.

NEED

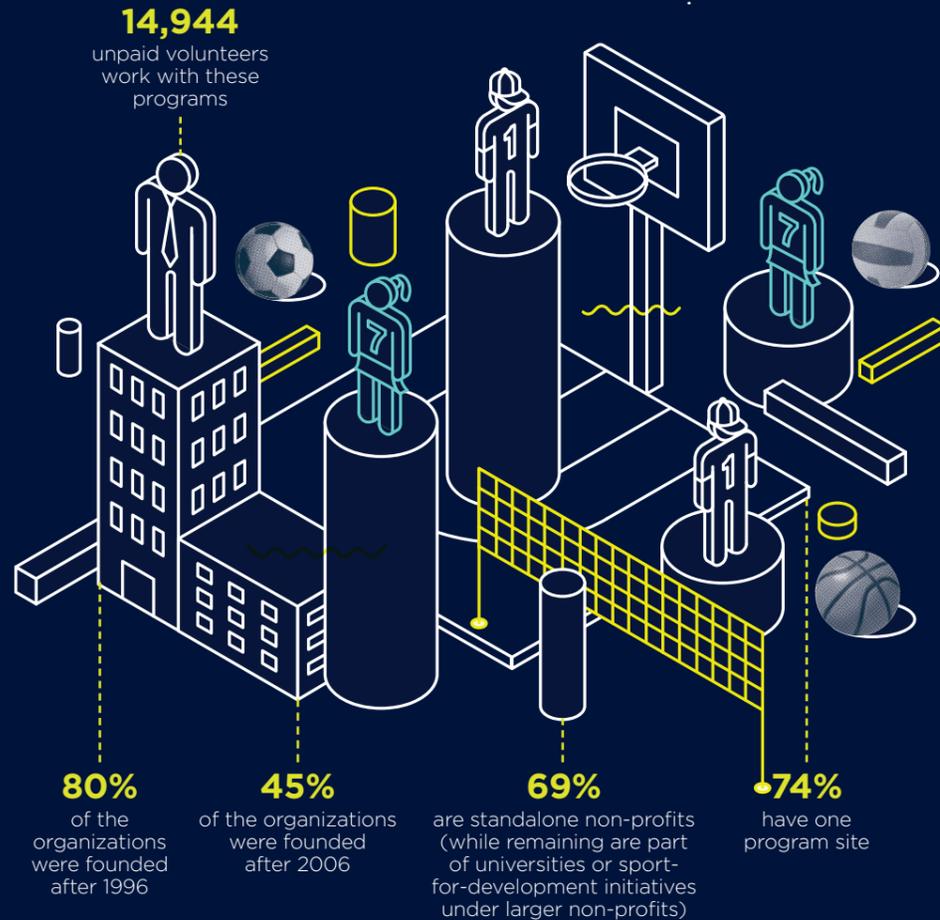
For sport to reach its full potential for social change and enable growth, the sector needs:



FUNDING

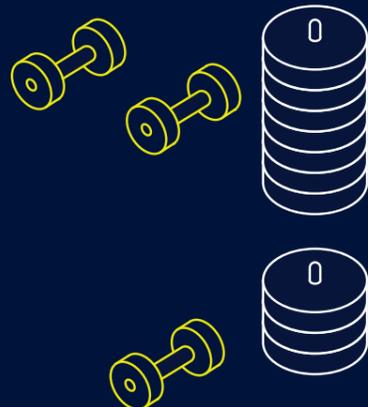
BASIC INFORMATION AND PROGRAM DEMOGRAPHICS

101 organizations that reached **456,893** youth in **2016** responded to the survey



BUDGETS

Organizations ranged in size with varying annual budgets.



70% of all organizations at **Less than \$1 million**

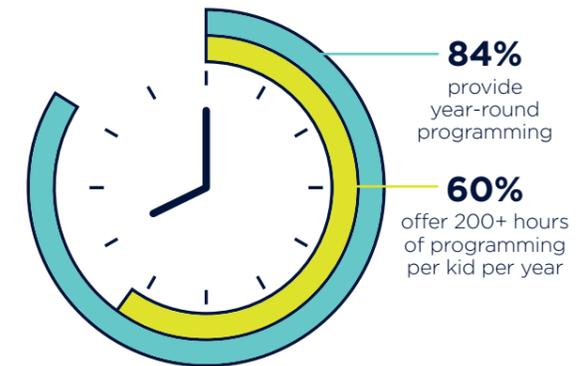
26% of all organizations at **\$1-5 million**

*Of the small number that were \$5 million or greater, all were either national initiatives or included a school/university.

FOCUS AREA

YOUTH PROGRAMMING

Survey respondents highlighted the critical role that Sport for Good organizations play in their participants' lives.



During program time, organizations provided opportunities to play

20+
DIFFERENT SPORTS



The decline in physical activity has been well-documented, leading to negative health and academic outcomes for youth.

- Approximately one third of US youth are overweight or obese by the third grade.³
- Inactive youth are more likely to continue this inactivity as adults.⁴
- In addition, physically active youth show increased academic achievement.⁵



The Sports and Fitness Industry Association (SFIA) defines "active to a healthy level" as

25min
of physical activity at least
3x/wk

- In the US, only 24.8% of 6-12 year olds.¹



94%

of our survey respondents indicated that youth are meeting this goal.



TARGET POPULATIONS

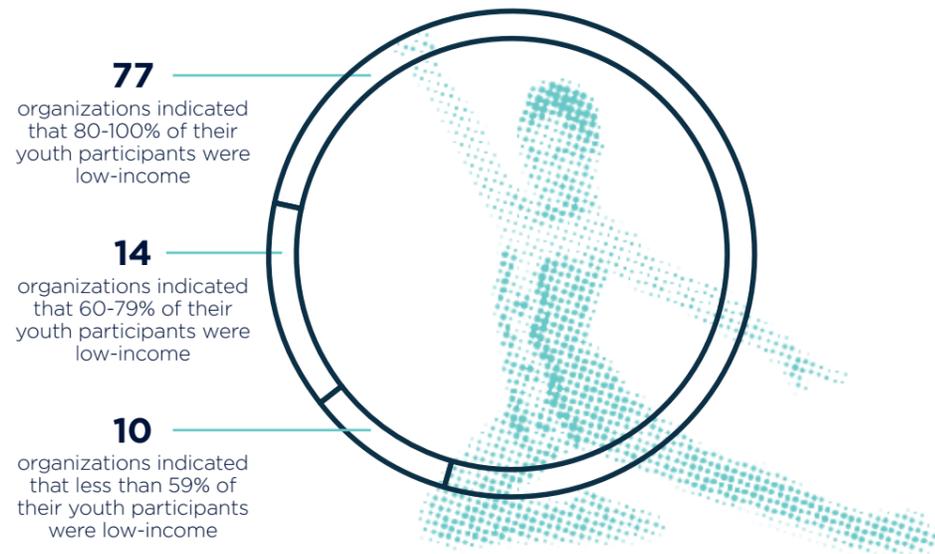
While respondents are working with a diverse set of youth, most indicated that they were primarily working with two demographics:

Low-income

(as defined by eligibility for free or reduced school lunch)

A majority of survey respondents provide programming that is either free or offered at a subsidized cost.

- The strongest predictor of early participation in sport was family income.¹
- As participation in youth sports becomes more costly, low-income youth are more likely to stop playing.



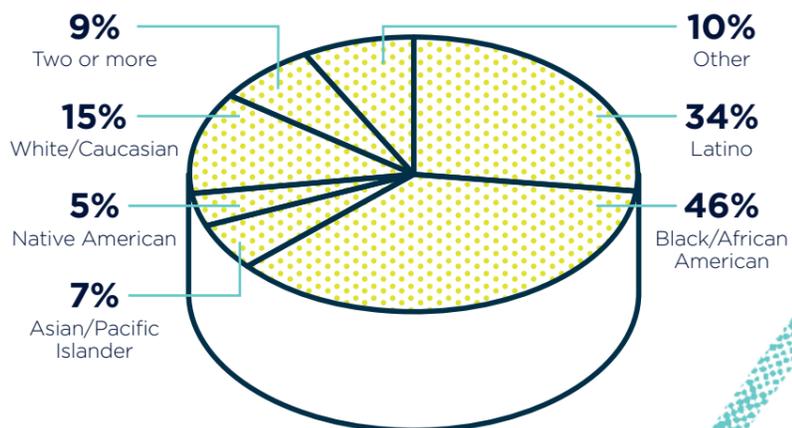
African-American and Latino Youth

Organizations were primarily working with African-American and Latino youth

Research indicates:

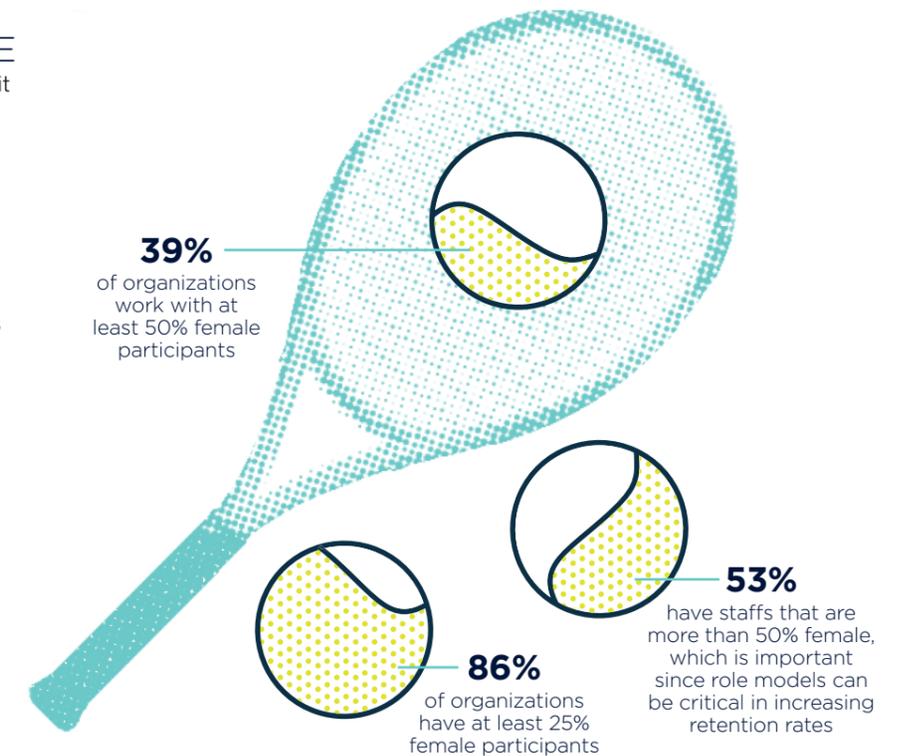
- Caucasian youth are likely to begin sports participation the youngest (6.6 years of age), while African-American (7.7 years of age) and Latino youth (8.2 years of age) begin participating at older ages.⁶

Racial Demographic of Surveyed Programs



GIRLS IN THE GAME

- Research shows that girls benefit enormously from sport and physical activity, but fewer girls participate than boys, and they drop out at a younger age.⁵
- While many organizations are committed to getting more girls in the game (and some focus on them exclusively), these numbers still demonstrate room for improvement in involving girls in Sport for Good programming.



ADDITIONAL AREAS OF NEED

While survey respondents are reaching distinct and important groups of youth, there remains room for improvement in the sector to reach youngsters that may not traditionally access Sport for Good programs.



While Special Olympics does work in the sport for development field, statistics indicated a gap in access for youth with disabilities in year-round programming.

- We recognize that some youth may have less visible disabilities that affect the quality of their participation.

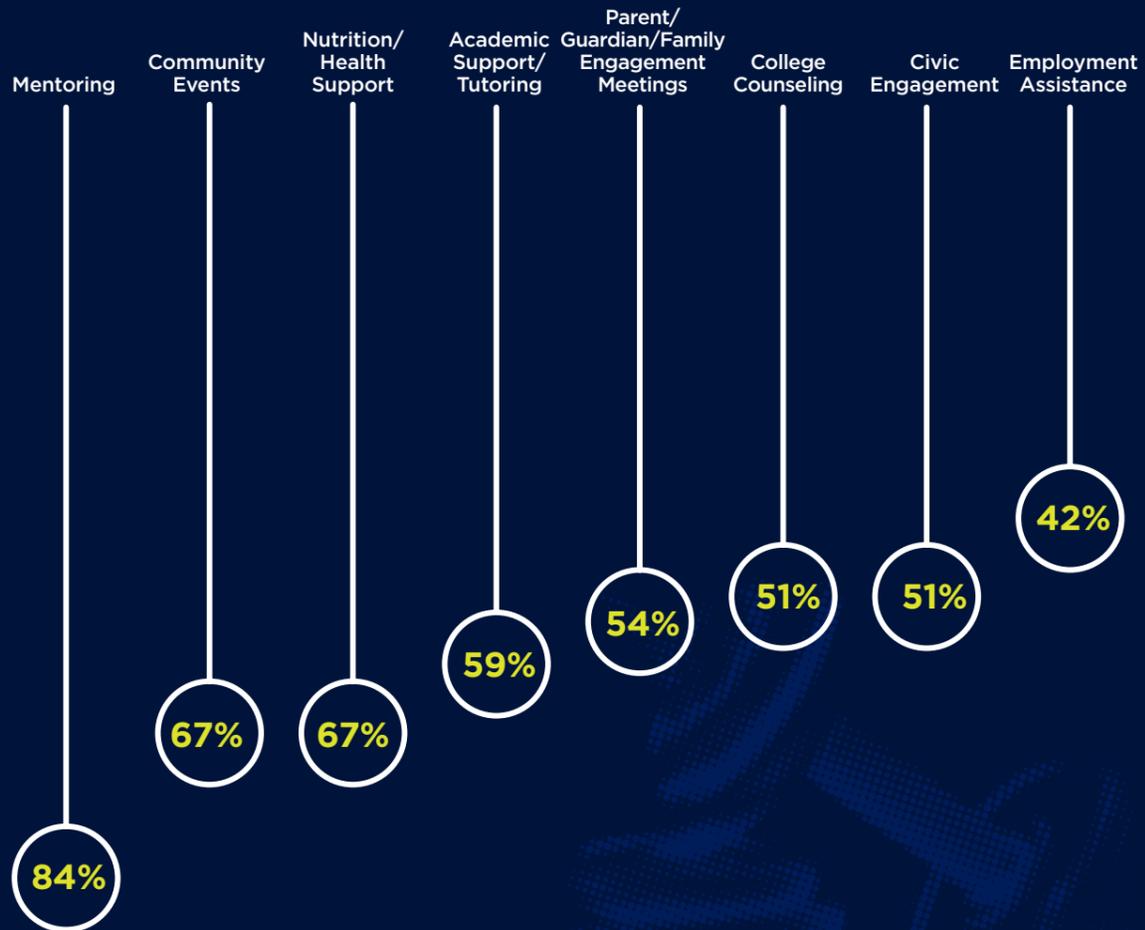


Additionally, youth that are not employed, in school, or in training (NEETS) are an especially difficult group to reach.

- While the majority of organizations surveyed do not target this population, Street Soccer is an example of a program that does extensive work with homeless youth.

MORE THAN SPORT

Beyond the proven impacts of physical activity, youth sport programs can have a powerful impact on a young person's life by offering a variety of additional resources, including:



COACH TRAINING

Trained coaches are best equipped to provide high quality experiences for youth. One study showed that only 5% of youth dropped out after a season with a trained coach, compared to 26% of youth who played for an untrained coach.¹ In sport for social change, trained coaches are even more critical to ensure the focus on outcomes beyond competition and winning.



BARRIERS TO YOUTH ACCESSING PROGRAMMING

When asked about barriers to youth accessing programming, respondents overwhelmingly reported four main issues:



Transportation



Safety in Transportation



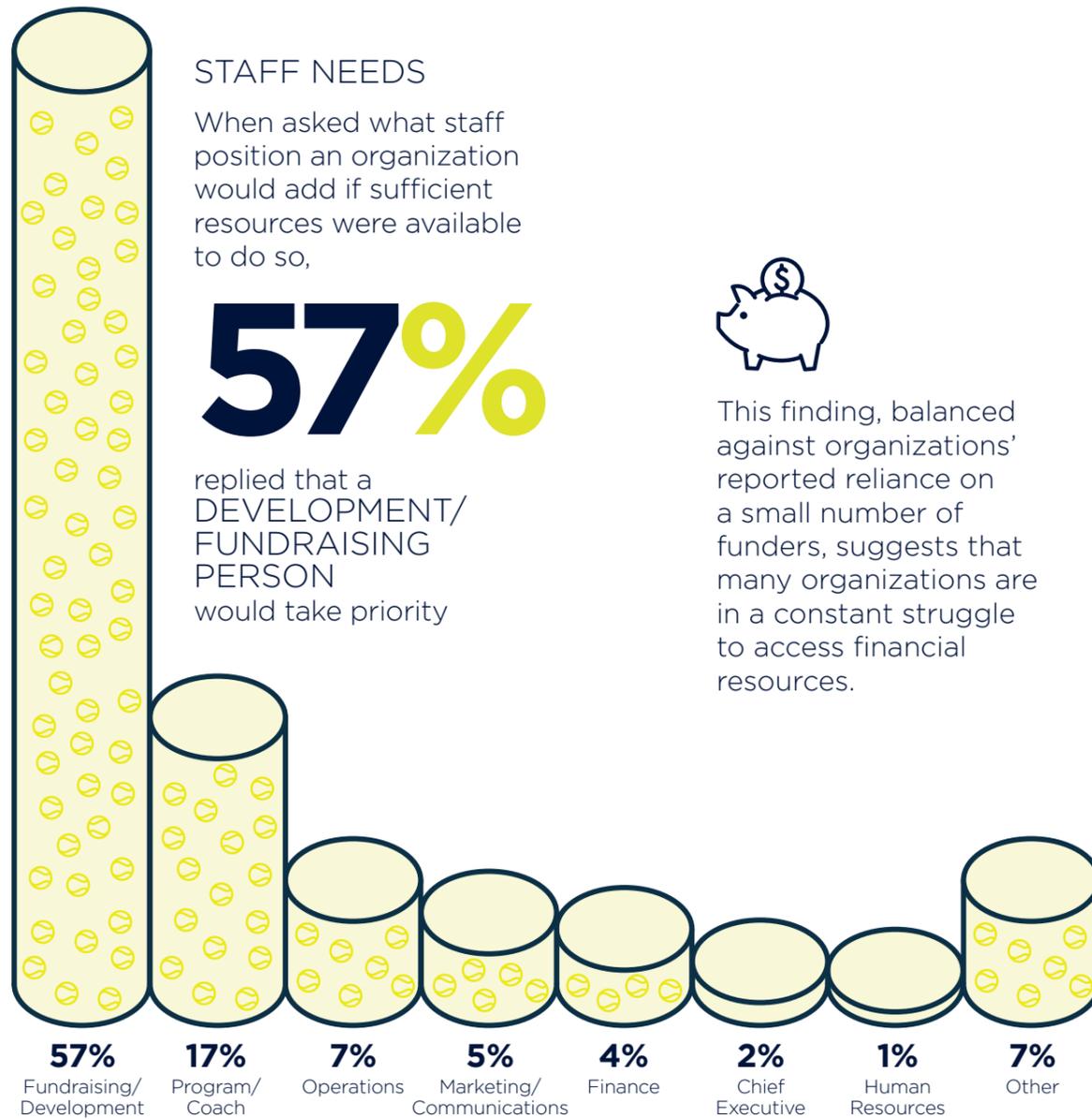
Difficulty Securing Facility Space



Home Situations

FOCUS AREA FUNDING

Respondents of the survey stated that funding was their most pressing organizational need. While reasons for this need varied, causes primarily focused on the need to serve more youth and build staff and organizational capacity.

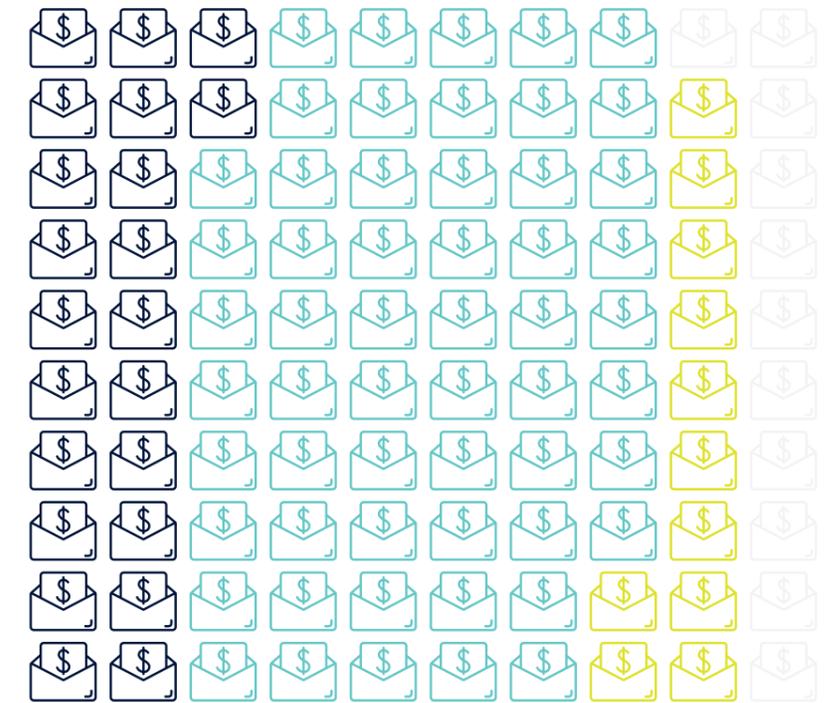


This finding, balanced against organizations' reported reliance on a small number of funders, suggests that many organizations are in a constant struggle to access financial resources.

88%

of organizations stated they received at least some grant funding.

GRANT FUNDING



Count	Description
22	organizations stated that 100% of their grant money was in one-year grants
56	organizations stated 80% or more of their grant money was in one-year grants
only 11	organizations stated that more than 50% of their grant money was in multi-year grants

An over reliance on one-year grants has two main outcomes: lack of security and increased time investment on fundraising to constantly re-apply or renew grant opportunities:



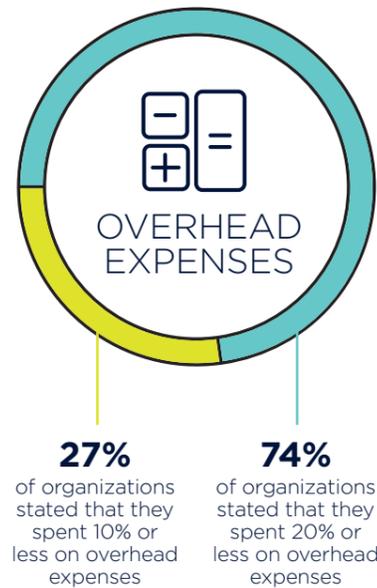
LACK OF SECURITY



TIME INVESTMENT

Funders should evaluate how their funding practices may be negatively affecting grant recipients.

FOCUS AREA



Ratio of full-time staff:
part-time staff: volunteers:
9:19:149

Some organizations spoke to not having sufficient funds for full-time, or in some cases, even part-time staff.

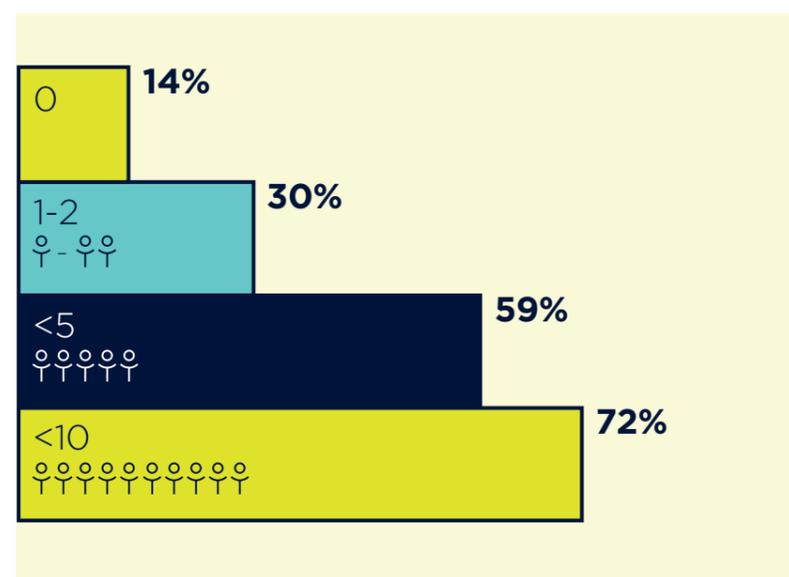
GOVERNANCE, OPERATIONS, AND STAFFING

The funding landscape is further complicated by restrictions on how donor money is spent.

- In their 2009 article on the “Non-Profit Starvation Cycle”, Stanford Business Review compared the low dollar amounts spent on overhead and infrastructure that non-profits are held in comparison to for-profit overhead that averages around 25%.²

The pressure to keep overhead rates low severely hampers organizations’ ability to run programs and scale their impact. When asked what their most pressing programming need was, the most common response was that they needed more, better-trained staff. While fundraising was considered the top position to add, other frequent mentions included program/deputy directors to allow executive directors to focus elsewhere and more direct-service staff to increase the number of youth served. In addition, growing organizations felt that too many operations roles were consolidated under one person.

Percentage of Organizations With Full-Time Staff (By Number)



Alternatively, organizations had an average of 23 part-time employees – while the survey did not ask organizations to specify which of their employees were part-time, many Sport for Good organizations employ part-time coaches.

COMPENSATION AND RETENTION OF SPORT FOR DEVELOPMENT PERSONNEL

Organizations reported salary and compensation details for a number of internal positions. Compared to non-profit industry standards⁸, sport for development organizations earn less than their peers in the wider non-profit sector. This disparity links directly to the concept that the sector overall would benefit from increased funding and increased organizational allocation for overhead expenses and has implications for the sector’s ability to recruit and retain highly qualified personnel.

Position	Sport for Good Organizations Median Salary per Position	Non-profit Sector Industry Standard Average Salary per Position
CEO/Executive Director (60 respondents)	\$70,000	\$118,678
Program Director (45 respondents)	\$52,000	\$67,373
Program Manager (37 respondents)	\$40,000	\$56,926
Coach (37 respondents*)	\$20,000	\$34,658

- Research indicates that staff turnover leads to less experienced staff, less continuity, and higher costs (related to training, recruitment, etc.)
- 15-20% is an average turnover rate for non-profits,
 - 71% of survey respondents had annual staff retention rates of 75% or better
 - This referred specifically to staff, not coaches, so this does not cover the (presumably high) turnover of volunteer coaches.

*Did not include data from organizations that listed this position as an hourly rate, and it was not always indicated if this was a part-time or full-time position.

BOARDS

- Organizations overwhelmingly stated that boards are providing valuable guidance and support to the organization, as well as meeting regularly.
- However, many felt that their boards could be more involved in fundraising, both in cultivating prospects and in their own board contributions.
- When asked about their most pressing need in structure or governance, 28% of respondents mentioned board improvements, primarily in capacity and fundraising.

BEST PRACTICES



72%

have a human resources manual that is regularly reviewed



86%

have a child protection/safeguarding policy



57%

have completed a financial audit

FOCUS AREA

MONITORING, EVALUATION, AND LEARNING

Theory of change provides focus for impact measurement by helping to identify what elements of the program to monitor and evaluate, provides direction by aligning staff around prioritized goals, and supports programs in communicating intended impact to stakeholders and funders. Not having a Theory of Change, as reported by 50% of respondents, limits the effectiveness of measurement and evaluation processes for organizations.

Measurement, evaluation and learning experts should be priority hires for organizations so they can benchmark their impact and modify programs for increased impact.

MAIN AREAS OF TRACKING



Increased school performance



Improved self-esteem, confidence, and other socio-emotional skills



Improved high school graduation rate



Positive engagement with young people from different ethnic and cultural backgrounds



Demonstrated healthy behavior change

TRACKING TOOLS



80%
Program attendance tracking



83%
Surveys



65%
Fitness/physical activity tests or activity trackers



58%
School data (e.g., test scores, grades, school attendance, etc.)

BEST PRACTICES



91%
of organizations had tools in place for tracking



50%
of organizations had a written theory of change



43%
of organizations had commissioned an external evaluation

98% of organizations said it was important or very important to track programming data

91% use monitoring and evaluation tools to track their programming

while **70%** said that they had tools in place to track both outcomes and outputs

only **50%** said that they had a written theory of change/ logic framework which informs its planning process, implementation, and evaluation

CONCLUSION

This study is predicated on the idea that Laureus USA will compile a list of the organizations using sport as a tool for social change across the United States.

We were thrilled to learn that more than 350 of these organizations exist, and that collectively they are reaching a significant number of at-risk youth. If your organization uses sport as a tool for social change, and you were not included in our assessment, please visit map.laureususa.com and complete our survey.

Key Findings

The results of our survey shed light on new and relevant information, as well as underline well-defined characteristics of the Sport for Good sector. Our key findings were as follows:

- Sport for development organizations are providing an essential service, with 94% reporting that their participants are “active to a healthy level.” These organizations are demonstrating significant impact for youth in the areas of health, education, employment and social cohesion.
- Sport for development organizations are impacting important target groups, but sector growth should target increased gender diversity, increased inclusion of youth with disabilities and those who are disconnected from traditional education and employment pathways.
- Increased financial support is needed for the sector to grow to its full potential. Sport for development organizations face consistent demands for increased programming in support of additional reach; however, organizational growth in both quality and capacity is best served by increased internal investment in overhead, staff retention and coach training.
- When asked about the most significant barrier that their program participants faced, a majority of organizations responded by stating poverty. The sector will benefit from an increased understanding of how to support participants in breaking the cycle of intergenerational poverty.
- Cross-sector partnerships (such as those with city agencies, local recreation centers, schools and transportation providers) will enable organizations to better achieve their missions by improving access for youth and more efficiently coordinating resources.
- If sufficient funding were in place, the organizations in this study could reach 38,000 more youth annually.
- Measurement, evaluation, and learning experts should be priority hires for sport for development organizations so they can track indicators of success and modify programs for increased impact.
- Increased coach training is needed across the sector.
- Compensation levels for individuals working in sport for development should be increased to at least match industry standards. This will help the sector to recruit, hire and retain quality employees.

Next Steps

The results of this survey will serve as a baseline for future research. We plan to refine and conduct the process annually in order to track sector growth and generate continued learning. Future findings will both support organizations in benchmarking their current operational state against the sector as a whole and connect organizations to available resources and supports for continued growth.

As an intermediary foundation, Laureus USA will target our grant funding and capacity building support to expand programming in areas identified through this study. In 2018, we will increase our support of programs targeting hard to reach youth through the development of the Sport for Good League (league.laureususa.com). The League is an online community to facilitate collaboration between sport for development organizations. We will also leverage our peers in the philanthropic space to direct their support towards sport for development organizations that are providing essential services for our nation’s youth.

If your organization uses sport as a tool for social change, please visit map.laureususa.com and fill out our survey.

SOURCES: LAUREUS STATE OF SPORT FOR GOOD 2017

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**A special thank you to researcher
Anna Barrett and all of the organizations
that contributed to this work.**