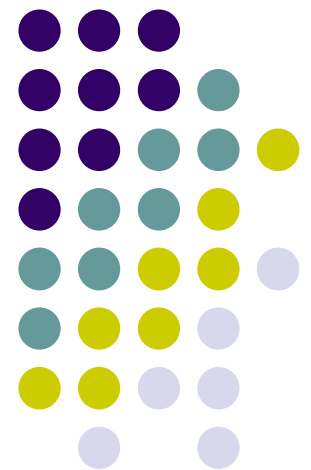
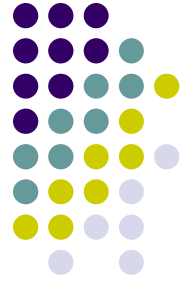


Digital Program Business models: Strategies for sustainability

Extending the Reach of Southern
Sources

Liz Bishoff, Director
Digital&Preservation Services BCR
March 12, 2009





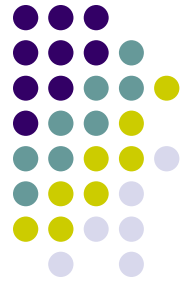
What's this all about

- What's this all about?
- Different solutions for the same problem?
- Economic models
- Business planning as part of strategic planning
- Cost analysis





“There is general agreement that digital information is fundamental to the conduct of modern research, education, business commerce, and government. Future accomplishments are accelerated through persistent access to data and digital materials, and their use, re-use and re-purposing in ways both known and as yet unanticipated.”

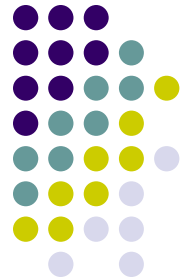


“There is no general agreement, however, about who is responsible and who should pay for the access to and preservation of valuable present and future digital information.”

- *Sustaining the Digital Investment: issues and challenges of economically sustainable digital preservation*

Interim report of the Blue Ribbon Task Force on
Sustainable Digital Preservation and Access
(December, 2008) www.brtrf.sdsc.edu

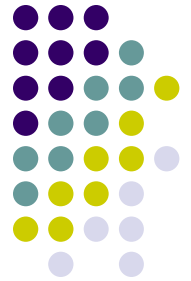
How we all started



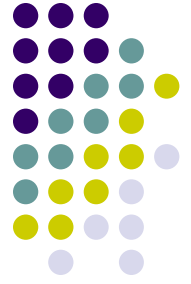
- Projects start with grant funding
 - short term
 - funding is intended as seed money or only used to fund innovative projects
- Projects vs. programs
 - Projects: limited in scope, self-contained
 - Programs:
 - ongoing
 - long-term strategic plan
 - integrated into institutional workflow
 - economically sustainable business models



Economically sustainable digital preservation



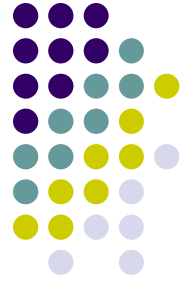
- Recognition of the benefits of preservation by key decision makers
- Incentives for decision-makers to act in the public interest
- Process for selecting digital materials for long-term retention
- Mechanism to secure an ongoing, efficient allocation of resources to digital preservation solutions
- Appropriate organization and governance
 - Sustaining the Digital Investment, p.19



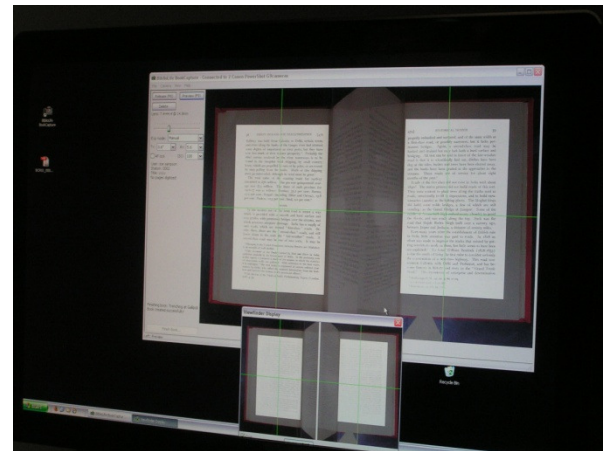
Sustainable Organizations

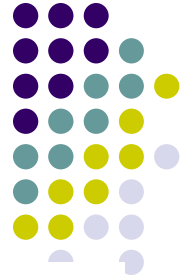
- Adapt to changing environments and customer needs
- Develop independent, diversified and dependable sources of revenue
- Wean themselves from dependency on external funds (think grant funds)
- Develop and grow programmatically

Why Is Sustainability So Important?



- The investment of resources is greater
- The promise is greater
- The expectations are greater

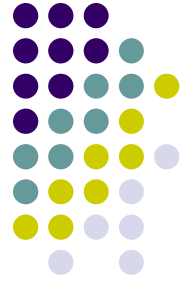




Systemic challenges

- Inadequate funding models
- Lack of clarity among stakeholder role/responsibilities
- Insufficient incentives to support collaboration
- Complacency that current practice is good enough
- It's too big to take on
 - Sustaining the Digital Investment





Economic model

- Compact representation of some economic process that allows us to make predictions and judgments regarding how the process works, and how its performance can be affected by changes in the environment including changes in policy.
 - Sustaining the Digital Investment, p. 30

Business Planning—What is it?



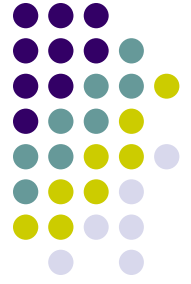
- A business plan is a “high-level description of how an organization will implement its strategic plan, for the organization as a whole or from the perspective of a specific project or product” “Planning Process (Bryson, 1995)

Business Plan is Part of Strategic Planning Process



Internal Constraints
SWOT Analysis
Mission
Stakeholder Analysis
Strategic Plan
Business Plan
Operating Plan
Vision for Success

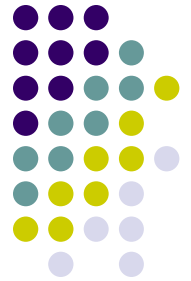
- Business plan must advance the mission and fit with the values of the organization
- Business plans for the cultural heritage institution AND digital asset initiatives fit together



Business Plan Outline

- Mission, Vision, Values, Goals
- Executive Summary
- Strategic or Market Oppt'y
- Product or Service Description
- Needs Assessment or Market Research
- Environment and Competition
- Markets and Services
- Pricing
- Distribution
- Communication
- Organizational Structure
- Operations
- Facilities and Equipment
- Management and Staffing
- Legal Issues
- Financial Plans
- Product Evaluation and Usability Assessment

How do you figure out what it costs?



- *Life Cycle Information for E-Literature.* (www.life.ac.uk/2/)
- Methodology for analyzing and costing the lifecycle of a collection of digital materials
- Project looks at the life cycle of the collection and preservation of digital material.
- Each stages is costed to show full financial commitment of collecting digital materials over the long term.



Beagrie, Chruszcz and Lavoie Model (BLC)

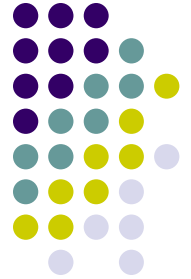


- Built upon LIFE, focus on higher education community
- Comprehensive, model that accounts for the variety of functional phases within the preservation environment
- Maps to OAIS and TRAC
- ‘First-Move Innovation’ costs
- Key finding: pace of the increase, at a decreasing rate, as the retention period increases.



Digital preservation

- **‘Perhaps *digital preservation* is the wrong label. Maybe we should be using *preserving for long term access*.**
 - Dame Lynn Brindley, CEO British Library, September 28, 2008



Wrap-Up

- Gain commitment to long term accessibility
- Develop a business planning for your digital initiative
- Remember to create a product/service that is true to your institutions' mission and goals
- Begin to understand your costs for your digital initiative
- Monitor economic modeling activities

Thank you

Liz Bishoff, Director
Digital & Preservation Services
BCR

lbishoff@BCR.org

