

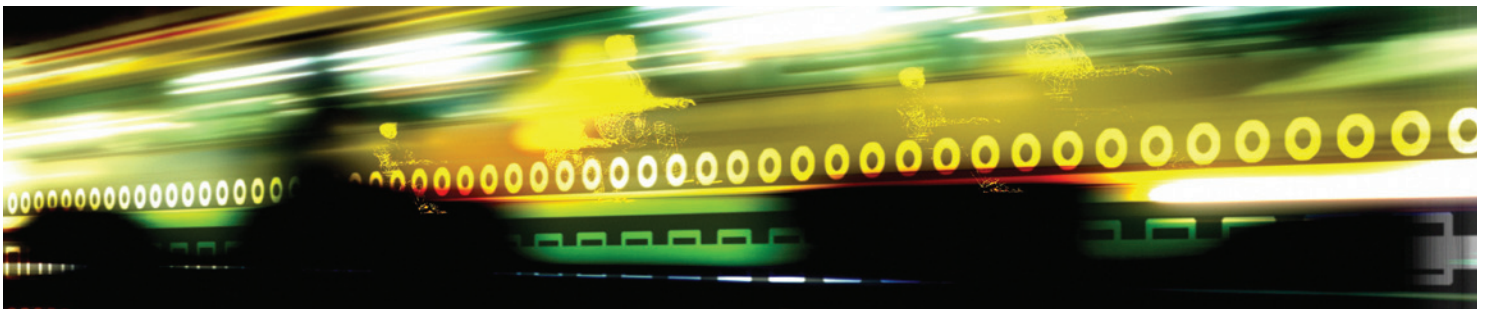
Funding for Sustainability: How Funders' Practices Influence the Future of Digital Resources

Nancy L. Maron and Matthew Loy

JISC Content

June 2011

Executive Summary



Over the past decade, government agencies and philanthropic organisations have made significant investments in the creation of digital content in the not-for-profit sector. The grants have facilitated major digitisation efforts, helped to spur development of significant new digital collections and encouraged innovative work, paving the way for new forms of scholarship possible only in an online environment. Many of these investments are bearing fruit, developing from research projects into resources that are updated constantly and are valued by the communities they serve.



And yet, all too often, digital resource projects struggle as they transition from grant funding to a longer-term plan for ongoing growth and development. On the surface, the issue may appear to be strictly financial, as projects urgently seek new sources of revenue to cover their costs; but more often the issues run deeper, as projects must justify their value not just to their funder, but to their host institution, to their users and to others whose support they require. Without a clear understanding of their value to users and other key constituencies and robust plans to build upon that value, even the most ambitious digital resource can be at risk. Content developed through the course of a grant may end up on a platform that is not well maintained or developed over time, where few are likely to find and use it. In a worst-case scenario, a project team disbands and the resource languishes, available to those who may know where to find it in the short term, but at risk in the long term. For those grant-making programmes where investments are intended to create, update or aggregate digital content, or to develop communities of active users or shared research

resources that are meant to endure, detailed planning is needed early in the project life cycle to improve the likelihood of long-term availability.

The challenging economic environment in 2011 has brought this issue into even sharper relief, as dramatic funding reductions in the higher education and cultural heritage sectors put strain on every section of the pipeline, from funder, to institution, to communities of users. As grant-makers are forced to make difficult choices about how to disburse funds, and those who distribute public funds are under increasing scrutiny to demonstrate that they are yielding returns on investment (whether social return or economic return), what can funders do to help the digital resources and projects they fund have the best chance for success and long-term impact?

With support from the JISC-led Strategic Content Alliance, Ithaka S+R conducted a study to examine the ways that both public and private funding bodies in academic and cultural heritage sectors are defining sustainability and encouraging the digital resources they help to create to endure and continue to provide value well beyond the term of the grant. The project explored the funding practices of over 25 funders that support various forms of digital resources, and included over 100 interviews with more than 80 programme officers, foundation directors, project leaders and other experts. Our goal was to gain an understanding of how funders think about the long-term viability of the digital resources they support, and the policies and practices they have put in place to encourage successful outcomes.

Among the findings in the report:

- 1. Those who fund digital resources agree that ‘sustaining’ these outputs is important, but their definitions and criteria for sustainability vary widely.** Among the funders we studied, most have taken steps to think about what it means to sustain digital content, but this broad notion masks a wide range of practices of varying rigor, even within different programmes at the same funding body. Some funders pinpoint ongoing access as a goal, others focus on technical preservation and still others stress the need to demonstrate impact through reaching an audience of users. While all of these goals may be part of a sustainability plan, they require different tactics and different resources to carry out, and so need to be clearly defined at the earliest stages.
- 2. Grant-makers often identify the sustainable outcomes they would like to see; they often do not, however, ask the hard questions about just how the applicant intends to achieve these outcomes.** Much of the dialogue about long-term sustainability stops once the end-goal (e.g. “We will make the resource openly available”) has been agreed upon. Digging deeper to have project leaders articulate their thinking about the specific activities that will need to be carried out, the costs this will entail and possible sources of revenues to cover these costs, could be a valuable exercise that would provide funders and grantees with a baseline for evaluating progress and would help to clarify for project leaders the funder’s expectations around end-of-grant outcomes and planning needs.
- 3. Funders and project leaders alike tend to rely very heavily on the host institution as a backup (or primary!) provider of needed resources and services when planning for the long-term support of a digital resource.** Many funders spoke of making investments in projects at well resourced, elite universities, assuming that this was a good proxy for a sustainability plan. In other words, if the host institution is in good financial shape, many funders assume that it will likely continue to support the projects it has agreed to sponsor in a research or start-up mode, even if there is no explicit agreement to that effect.
- 4. Many funders engage with their fund recipients only at the very beginning of the grant period, and efforts to follow up post-grant are rare. During the grant, reporting is most often used to identify and avert crises.** On the one hand, there seem to be valuable opportunities to provide meaningful non-financial support – advice, introductions to others in the community, deeper engagement in the project’s management and other contributions – during and after the grant period, when project leaders may most need guidance and strategic advice. On the other hand, several grantees we spoke with made clear that they do not look to their funders for anything more than financial support. Determining what sort of support is most valuable and how it can be most effectively delivered at different stages of a project’s life cycle is an important opportunity to enhance sustainability.
- 5. Digital resources are a significant type of output and represent a growing share of spending for many funders in higher education research, and this is increasingly the case in the cultural heritage sector as well.** While the main focus of this report are those funding programmes that seek to create dynamic digital resources, it is clear that almost every grant now produces some form of digital output. Sometimes these outputs are not the primary objective of the grant; nevertheless, as ‘digital’ becomes

the default format for many types of content and communications, it will be increasingly important to understand how to efficiently and effectively support these outputs for long-term impact.

Potential roles and actions for funders

For funders who are directly engaged in the creation of dynamic digital resources, as well as many of those who find themselves funding digital projects through a less direct path, sustaining the value of the digital outputs is an acknowledged priority, though the best way to accomplish this has not been determined.

During the course of our interviews with programme managers, grantees and other experts, certain techniques and strategies emerged that funders themselves are currently engaging in and find to be most useful. Among these are:

- **'Building in' sustainability:** Funders see the proposal stage as their point of maximum leverage, and have come up with many ways to ensure that project leaders are thinking about some of the factors that will be vital to the longer-term health of the project they are proposing. Some of these include terms and conditions governing the type and length of support a host institution must contribute, open sharing of data or other content and provision for the costs of content preservation.
- **Thinking about projects in developmental stages, to allow funders – and the project leaders themselves – the opportunity to evaluate progress or potential along the way.** Funders do this in several ways: some choose to build firm milestones into a grant, with progress towards a specific, well-defined goal as a requirement for receiving the next release of funds. Others use staged grants as part of a broader strategy of first seeding the terrain with a wide field of experimental projects, and then selecting those best positioned for further growth. Both measures, in different ways, allow funders to create incentives that motivate projects to develop plans and practices that strengthen long-term sustainability.
- **Taking steps throughout the funding process to encourage or assist grantees to plan for ongoing sources of support.** Programme officers and others at funding bodies possess a wealth of knowledge about the fields and institutions that they make awards to, from helping to secure 'buy-in' and ongoing financial support from a host institution, to advice on staffing, governance and partnerships, to assistance in implementing earned-revenue models. Grant-makers may want to consider ways that they can add value to the project through non-financial engagement over the course of the project life cycle.

In addition, our research suggests certain practices, which though perhaps now less widely-adopted, could help funders allocate their limited resources to support projects in ways that maximize their impact and potential for sustainability:

- **Establishing a clear definition of what sustainability means for the specific project.** What does the funder want to see persist and grow beyond the grant period in terms of technology, content, access, building audience and so forth? If a project defines its long-term prospects around being able to garner a large and engaged audience of users, for example, is this goal being stated explicitly from the very earliest stages? And are the grantee and funders' visions for what will need to be sustained the same?
- **Working together to identify the steps needed to attain the desired sustainability outcomes, and the resources likely to be needed to accomplish them.** Every set of goals will require its own set of activities. These activities will require resources and support of some kind, whether provided free of charge by volunteers, through in-kind donations from a host institution, or in the form of financial contributions from paying customers. Even if developing a detailed business plan is not possible at this early stage, project leaders should be able to express the primary objectives they intend to accomplish over a multi-year time period and where the resources might come from to support these activities. Describing how the grant funds are to be spent is important, but not enough; it is the activities beyond the duration of the grant that deserve more attention.
- **Developing closer ties to administrators at a grantee's host institution.** Funded projects will need to have provosts, vice chancellors, and other administrators invested in their future if commitments to them are to remain solid during difficult budget sessions, and if funders have the will and capacity to help build personal relationships with administrators, such relationships could be quite helpful in assuring the future sustainability of these projects. Because host institutional support is so important to so many digital projects in the higher education and cultural heritage sectors, a high degree of communication and outreach will be needed – both from project leaders and from funders – to the administrators who will ultimately decide what level of support to offer these projects in the long term.

- **Offering non-financial support to help grantees to plan for long-term sustainability throughout the funding process.** Programme officers and others at funding bodies possess a wealth of knowledge about the fields and institutions to which they make awards, from helping to secure 'buy-in' and ongoing financial support from a host institution, to advice on staffing, governance and partnerships, to assistance in implementing earned-revenue models.

Although not all funded digital resources need to exist indefinitely or be updated continuously, those that do require this need to start planning for a strong, dynamic support structure early on, based on clearly defined goals and desired outcomes. As funders see greater demands on their time and resources than ever before, being able to quickly identify the projects that require a long-term sustainability plan, and to efficiently deliver the support, both financial and non-financial, that will be needed, will be pivotal in their ability to see the value of the investments they have made resonate long after the grant funds have been spent.

The full document is available here:

[www.ithaka.org/ithaka-s-r/research/funding-for-sustainability/
FundingForSustainability.pdf](http://www.ithaka.org/ithaka-s-r/research/funding-for-sustainability/FundingForSustainability.pdf)



Ithaka S+R (www.ithaka.org/ithaka-s-r) is a strategic consulting and research service provided by ITHAKA, a not-for-profit organization dedicated to helping the academic community use digital technologies to preserve the scholarly record and to advance research and teaching in sustainable ways. Ithaka S+R focuses on the transformation of scholarship and teaching in an online environment, with the goal of identifying the critical issues facing our community and acting as a catalyst for change. JSTOR, a research and learning platform, and Portico, a digital preservation service, are also part of ITHAKA.

This document is available in alternative formats which can be found at: www.jisc.ac.uk/contentalliance

© HEFCE 2011. The Higher Education Funding Council for England (HEFCE), on behalf of JISC, permits reuse of this publication and its contents under the terms of the Creative Commons Attribution-Non-Commercial-No Derivative Works 2.0 UK: England & Wales Licence. All reproductions require an acknowledgement of the source and the author of the work and must comply with the terms of the Licence. Reuse of any third party content is subject to prior written

