



RESOURCES

Phase I: Creating Consistency



Activity: Understanding Financial Resource Models

Goals

1. Understand the range of various financial resourcing models and how they function
2. Understand what adopting different resourcing models could mean for your own program
3. Narrow the range of potential resourcing models / revenue-generating activities for your program to consider
4. Prepare program for developing a more detailed financial plan

Prerequisites

None

Who Should Participate?

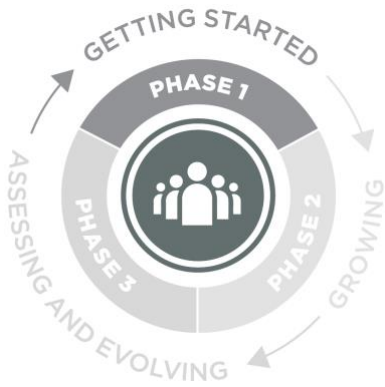
Program leadership (strategic thinkers), Program management (tactical thinkers)

Length

60-90 minutes

Activity Instructions

1. Take 5-10 minutes individually to read through the summary table of Revenue-Generating Activities (page 3).
2. As a group, discuss the benefits and limitations of each item on the list, and how the activity may or may not work for your program. Feel free to brainstorm additional activities that are not included on the list. Suggested conversation prompts:
 - a. What options hold the highest likelihood of success? Why do we think that?
 - b. What would we enjoy doing?
 - c. How would any of these activities change what we do?
 - d. What is most in keeping with our mission?
 - e. Who will be responsible for doing the work this activity requires? How much work do we think that will be?
 - f. What dependencies do these options create? What is the administrative burden? For example, an RSP program would require resources to manage, onboard, create agreements, etc.
 - g. Do we have any limitations on earned income activity options due to our non-profit status, agreement with funders, incorporation models, etc.?
 - h. What is not on the list? For example, are there models from the for-profit world we should research?
3. Determine as a group if there are any activities you definitely do or do not want to consider for your program.
 - a. Should/could we use a mixture of these?
 - b. Are there ways to shift these over time (e.g. focus on one or two initially and fold in others later)?
 - c. The Gradients of Agreement chart (page 4) may help identify which revenue streams are on and/or off the table. Example proposals for this activity may include, "We should add membership to our program," or "Dual licensing would not work for us."



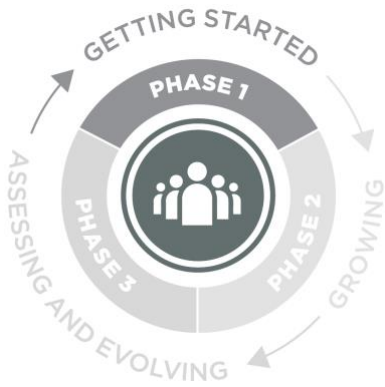
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4. Take the list of new resourcing methods / revenue-generating activities you would like to explore, and move to one of the following activities:
 - a. Market scan to gather data about how the proposed revenue-generating activities will be received by your community. If you (or your home org) do not have a standard market scan workflow, the Library of Congress's Small Business Hub (US) has an excellent resource guide: <https://guides.loc.gov/small-business-hub/planning/market-research#s-lib-ctab-22263496-2>
 - b. Pilot program to lay out how you will test the efficacy of the new plan. If you (or your home org) do not have a standard piloting process or workflow, you can view and edit a pilot project plan template [here](#).
5. The outcome of this exercise, a market scan, and/or a pilot program can be used when developing a formal financial plan for your program. A good guide for that work is available as part of the [Community Toolbox at the Center for Community Health and Development at the University of Kansas](#).



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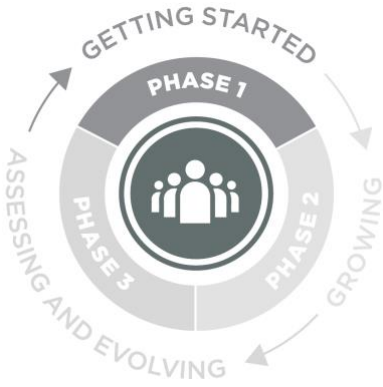
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Revenue-Generating Activity Summary Table

Potential Models	Key Elements	Notes (Level of support required, compatible/not compatible with OSS, etc.)
Professional services	Providing services to clients for a fee, e.g. migration, design/development, training, etc.	
SaaS / Hosting	Software licensed on a subscription basis and centrally hosted. <i>Example: AtoM</i>	
Crowdfunding	Funding by raising small amounts of money from a large number of people.	
Sponsorships / Memberships	Organizations regularly contribute funding to the program, usually in return for some set of benefits (e.g. members-only events, participation in governance, docs, etc.). <i>Examples: ArchivesSpace, Specify</i>	
Dual licensing	Distributing software under two or more different sets of terms and conditions; often one proprietary and one copyleft/free. <i>Example: Ruby</i>	
Registered Service Providers (RSP)	Third-party organizations providing services and support around an open source platform. RSPs are usually responsible for providing the program with funding, in-kind contributions, or other considerations. <i>Example: DSpace</i>	
Open Core / Proprietary Extensions	Offering a "core" or feature-limited version of a software product as free and open-source software, while offering "commercial" versions or add-ons as proprietary software.	
Grants	Funds given by an entity to another entity for a specific purpose linked to public benefit. Unlike loans, grants are not to be paid back.	
Impact investing / Venture philanthropy	Investments made into companies, organizations, and funds with the intention to generate a measurable, beneficial social or environmental impact alongside a financial return.	
In-kind contributions	In-kind contributions include goods, services, and/or time (in lieu of direct payments/cash).	



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GRADIENTS OF AGREEMENT

1	Endorsement	
2	Endorsement with minor point of contention	
3	Agreement with reservations	
4	Abstain	
5	Stand aside	
6	Formal disagreement, willing to go with majority	
7	Formal disagreement, desolved of responsibility	
8	Block/veto	

Tally votes
in each box

To use the Gradients of Agreement chart:

- Record the proposal being used (e.g. on a flipchart or virtual whiteboard/document)
- Confirm that everyone understands the proposal, and make any necessary changes
- Read through the gradient definitions, from Endorsement to Veto
- Poll the participants to see where everyone stands. Note that the results show the level of support for a proposal, final decisions will take the results into account but are not based solely on the poll