



A handbook on best practices:

Building sustainability for media centres

HANDBOOK

Written by Yasha Lange and Thomas Hughes

May 2007

© International Media Support

Cover photo: Radio production and editing training in the Mediacentar Sarajevo.

Published by International Media Support in cooperation with:

ProMedia Broadcasting Training Centre
Institute for Further Education of Journalists
International Press Centre
Liberia Media Centre
Macedonian Institute for Media
Media Development Loan Fund
Media Foundation for West Africa
Mizzima News Group
Nepal Press Institute
Kantor Berita Radio 68H
Mediacentar Sarajevo
Southern Sudan Media Resource Centre
Sri Lanka Press Institute

List of acronyms

IMS	International Media Support
NGO	Non Governmental Organisation
EC	European Commission
EU	European Union
UN	United Nations
BTC	ProMedia Broadcasting Training Centre, Bulgaria
DSJ	Danish School of Journalism, Denmark
FOJO	Institute for Further Education of Journalists, Sweden
ICT	Information and Communication Technology
IPC	International Press Centre, Nigeria
KBR68H	Kantor Berita Radio 68H, Indonesia
LMC	Liberia Media Centre, Liberia
MCS	Mediacentar Sarajevo, Bosnia-Herzegovina
MIM	Macedonian Institute for Media, Macedonia
MDLF	Media Development Loan Fund, Prague
MFWA	Media Foundation for West Africa, Ghana
MNG	Mizzima News Group, India/Burma
NPI	Nepal Press Institute, Nepal
SLPI	Sri Lanka Press Institute, Sri Lanka
TRC	Truth and Reconciliation Commission

This handbook is based on the information and experiences shared by the fifteen institutions participating at the 'Strengthening Sustainability Options for Media Centres' workshop held in Copenhagen October 2006.

Although this publication reflects the discussions at the workshop, the opinions expressed in the handbook are those of the authors alone. In this regard, this document does not reflect the official policy of the participating institutions or any donor agency providing support to these institutions.

IMS welcomes all feedback and suggestions from organisations or individuals about the handbook, e-mailed to: i-m-s@i-m-s.dk.

Contents

Introduction by Jesper Højberg, Executive Director of IMS	5
1 Background.	6
1.1 The context.	6
1.2 The challenge	7
1.3 The outcome	7
2 The workshop.	9
3 Setting up a media centre.	10
3.1 Prepare	10
3.2 Plan	12
3.3 Organise	13
3.4 Develop	15
4 Limiting overheads and direct expenses	16
4.1 Staffing	16
4.2 Financial management.	17
4.3 Premises	19
5 Forging links with the industry.	21
5.1 What industry?	21
5.2 Internal organisation	22
5.3 External organisation	23
5.4 Credibility and flexibility	24
6 Training and education	26
6.1 Market driven	26
6.2 Creating demand	28
6.3 Developing training curricula and methodologies.	29
7 Beyond training and advocacy	33
7.1 Public communication	33
7.2 Internet, ITC and documentation	35
7.3 Content and publications.	36
7.4 Consultancy.	37
7.5 Office facilities and cafés	38

8 Donor funding39

8.1 Donor relations39

8.2 Accessing other funds42

9 Marketing and branding44

9.1 Be ready44

9.2 Positioning and pricing45

9.3 Corporate identity45

9.4 Database and mailings46

9.5 Using your network47

9.6 Organise publicity and visibility.48

10 Measuring sustainability49

10.1 Financial reports needed49

10.2 Relevant financial ratios49

10.3 Ratios to measure sustainability50

10.4 Non-financial indicators52

Introduction

By Jesper Højberg, Executive Director of IMS

Media centres around the world are facing the same challenges in ensuring long-term sustainability after “start-up” funding from donors ceases. In order to overcome these challenges, a number of centres have pioneered innovative approaches for ensuring financial and institutional viability and credibility, thus allowing them to successfully evolve into stable expert institutions within their media landscapes.

It is in this context that in October 2006 International Media Support (IMS) invited a number of media centres and other institutions from Southeast Europe, West and East Africa, South and Southeast Asia and the Middle East to a workshop to share lessons learnt and identify approaches for addressing common challenges. These centres were asked to join the workshop because they represent perspectives and experiences from all over the world, thus offering the chance to pool diverse knowledge and experiences.

In undertaking this workshop, it was recognised that all media centres are unique. The participating institutions represented media centres at differing stages in their development and performing varied roles, from lobbying for media policy reform to providing training opportunities and producing media publications. Nevertheless, despite these differences, there are considerable similarities and therefore scope for sharing knowledge.

As an outcome of the workshop, the best practices discussed and defined by the participants have been collated in this handbook, which is being published jointly by IMS and the participating media centres. I hope that this publication is a useful tool for media centres of all designs and orientations, in further strengthening their options for achieving financial self sustainability.

1 Background

1.1 The context

Since the beginning of the 1990s, media centres have been established worldwide to support the development of independent and professional media. Typically, these centres were set up with international support in countries in transition or with restricted press freedom.

Whilst the overall aim of the centres has been fairly similar – supporting the development of the media in their respective countries – their activities have varied substantially:

- Some centres have focused predominantly on advocacy by lobbying for changes in the media legislation, defending journalists' rights, raising (international) attention on violations of press freedom, monitoring ethics and professionalism of the media or working on the establishment of self-regulatory bodies;
- Others have carved out a niche as training institutes, by providing long- and short-term courses for pre- or mid-career journalists, including specialised courses in topics such as economics, minorities or investigative reporting;
- Whilst others have developed various services considered relevant by either donors or the staff, including audience research, media monitoring, production of television programmes or public service announcements, providing a platform for press conferences and media events, functioning as a conduit for actors to reach to and communicate with the media community, facilitating meetings of "independent journalists" and facilitating their collective actions, the publication of handbooks and so forth.

These activities are not mutually exclusive and several centres have chosen to work in different areas at the same time. The choice of (core) activities is often due to the expertise and concerns of the management, the domestic political and economic circumstances and the priorities determined by donors.

Regardless of their activities, these types of centres are "mission-based". They are not driven by profit (like some private educational institutes) and forcefully protect their independence. The "markets" they operate in are usually less developed, the political circumstances occasionally hostile and the start-up and running of these centres thus requires courage, entrepreneurial spirit, innovative skills and dedication from the management.

Generating their own income or making the centres sustainable is not just difficult; it is also not always the first concern. Instead, the centres focus on fundraising for those activities they consider necessary or for those trainings that they know will be supported. While understandable, this may not always meet the needs of the domestic media and payment for services can therefore not be expected, hampering the sustainability of the centres in the longer run.

1.2 The challenge

The majority of centres are almost fully supported in their first years by one or a number of core donors, who consider press freedom and media development important to peace and stability, poverty reduction, good governance and democratic development. Such start-up funding has allowed, in most cases, for an equipped office space with a number of permanent staff members and a variety of activities provided free of charge to their target group (legal support, training, publishing manuals, etc.)

The attention of donors, however, may shift to other projects countries and funding for the centres can thus reduce over time. This raises the issue of sustainability, a concern for the donors (who have invested in the centres), management (who would like to continue their work) and media community (who would like to see the role of the media centres continued).

Unlike trade unions, the centres generally do not have members paying an annual fee. Training is often provided for free. Expenses for advocacy are not covered by the media owners. In short, while the centres are faced with costs for office space, staff and activities, they operate in a market that does not have the resources or interest to pay.

Part of this may be explained by the size of the market, the low wages and the limited profit made by media owners. Yet in some cases, the trainings and activities have been predominantly “supply driven” rather than “demand driven”. Trainings were organised because the funding was available, and subsequently participants were asked to come, rather than conducting a study about the kind of training the market or journalists would be willing to pay for.

Evidently, it is complicated to balance a demand-driven approach with a mission to support media freedom and professionalism. Still, the question of how the centres, despite or considering these constraints, can achieve a greater degree of sustainability was the essence of the workshop that brought the centres together and is the focal point of this handbook.

1.3 The outcome

Over the past years, many media centres have tried to increase their sustainability. They did so autonomously, based on the desire to decrease their dependency on donors and increase their stability. Alternatively, they did so as donors withdrew funding or made additional support conditional on a greater degree of sustainability.

The Mediacentar Sarajevo (MCS), for instance, has over the past years gone through several stages of development. The MCS developed a business plan, rationalised costs, increased the number of income sources, while maintaining and expanding its ties to the media industry.

In this process, the MCS has split the organisation into "profit centres", in order to keep better track of costs and income per activity. The organisation bought premises outside the city centre, to have more space at lower costs. The MCS offers commercial services for the industry, produces television programs for the national public broadcaster and targets the state for cultural and educational support. Recently, the MCS developed a comprehensive marketing and branding strategy for its three core services (production, documentation and public relations) and conducted pilots of "master classes": purely commercial trainings, fully funded by the participants/ industry.

The MCS is but one example of how sustainability can be sought, whilst this handbook seeks to draw on a broad range of other experiences to provide a comprehensive guide for media centres for enhancing sustainability options. This handbook aims to be equally applicable from the pre-founding conceptualisation of a centre, all the way to advanced multi-faceted institutions.

2 The workshop

The "Strengthening Sustainability Options for Media Centres" workshop was held in October 2006 in Copenhagen. This event included the following institutions with which IMS works around the world:

Africa

International Press Centre, Lagos
Liberia Media Centre, Monrovia
Media Foundation for West Africa, Accra
Southern Sudan Media Resource Centre, Juba

Asia

Sri Lanka Press Institute, Colombo
Nepal Press Institute, Kathmandu
KBR 68H, Jakarta
Mizzima News Group, New Delhi

Europe

Macedonian Institute for Media, Skopje
Bulgaria ProMedia Broadcasting Training Centre, Sofia
Mediacentar Sarajevo, Sarajevo

Other participating organisations at the workshop were the Danish School of Journalism, Media Development Loan Fund and Institute for Further Education of Journalists from Sweden.

As an outcome of discussions at the workshop, a number of key areas were identified, including:

- Setting up a media centre
- Limiting overhead and direct expenses
- Forging links with the media industry
- Training and education
- Beyond training and advocacy
- Donor funding
- Branding and marketing
- Measuring sustainability

The following chapters in this handbook seek to expand upon these areas, based on the discussions held during the workshop, including providing practical avenues for media centres to explore in identifying sustainability options.

3 Setting up a media centre

To prepare, plan and launch a media centre takes time, dedication and vision. The good news is that in the early stages, support is usually available.

It is essential to use this window of opportunity to assess the needs of the media, build consensus and involve stakeholders, show a professional attitude and offer demand-driven services at low costs from the very beginning.

3.1 Prepare

Assessing the needs first

The establishment of a media centre should start with a comprehensive and honest needs assessment.

This needs assessment should include a review of the existing sources of information (data about the media and competitors), description of potential clients and their perceived needs and testing of the needs and demands by holding consultations with media owners, editors, journalists, audiences and other potential target groups (e.g. businesses, legislators, civil society groups, governmental authorities).

Subsequently, the results should be analysed and interpreted. What is it that the centre can and should offer? A priority list should be made, including an appraisal of the possibilities for meeting those needs. Which options does the centre have, considering capacities and funding?

Only afterwards, a prospective action plan can be made and questions such as how, when, where and who should be answered.

Consult, coordinate and reach consensus

The team of people behind the plan to establish a media centre will have to try and coordinate possibly diverging interests in the early stages.

The needs of the media may not be similar to the needs as perceived by donors. For instance, while the industry may express a desire for technically advanced training, donors may want to sponsor training on reporting aimed at peace and ethnic tolerance.

It may also be difficult to gather support from the entire industry. For example, one media conglomerate may accept to become a founding member, yet this may cause a competing media outlet to refuse any further participation.

The following is recommended in order to keep all relevant stakeholders on board:

- Coordinate closely with donors along the way, without being taken hostage by their perception of what is needed. Involve them in the needs assessment, share the results and create common understanding of what the centre is for, how it can be useful to the industry and how it can also sustain in the longer term.

- Deal with the content first, contentious issues like the structure (board members, responsibilities, division of power) can follow later. Content is concrete and discussing this first can help reach agreement. After all, the needs are often felt similarly across the different (competing) participating organisations.
- Keep the centre integrated, but independent. Create support for the centre among the media industry and stakeholders. Invite them to be part of the process of establishing the centre. Ensure that the centre is not seen as an NGO imposed from the outside. At the same time, avoid direct or indirect control of the media industry over the centre. "Ownership" of the centre by media outlets may result in battles for control and expectations for the provision of free services.
- There are several ways to take subsequent possible conflicts of interest between participating organizations into account: (1) discussing them out in the open; hiding or ignoring them will backfire; (2) ensure participation of all relevant groups with representatives of similar level in the entire process; (3) balance power or allow for sponsoring/involvement with special subjects of interest; (4) divide responsibilities based on capacities and needs.

Defining a mission

The mission sums up "why the media centre does what it does". It should be short, sharp, convincing and easy to communicate. It takes time to get it right and effort should be spent on doing just that.

Defining the mission of the organization is not something to be done alone – indeed it can be worked on with a group of people from the industry and main funders from the media centre. It is important that evaluation criteria are used¹:

- can the mission be written down in 25 words and explained in 30 seconds;
- can it be understood by most and easily explained by staff and board members;
- is it a statement of why the organization exists and does what it does, is it about the purpose and not the means;
- does it provide direction and inspire.

After defining the mission, it is time to make a plan. After all, "a mission without a plan and coordinated action is only good intentions".²

Centre: Macedonia Institute for the Media (MIM), established in 2001.

Main activities: MIM offers journalism training to students, mid-career journalists and editors. Topics range from basic journalism skills and investigative journalism, to online- and multimedia and to specialized reporting such as trafficking, elections or corruption. MIM also offers training in PR, marketing and media management. The institute is active in publishing, research and media monitoring.

Staff: 12 full-time and 20 trainers

¹ *Enterprising Nonprofits – A toolkit for social entrepreneurs.* By Dees, Emerson and Economy, 2001.

² *ibid*

Achievements: Firstly, MIM has a broad membership base of 55 individual and media organization members from around Macedonia. Each member is represented in MIM's highest governing/management body, thus institutionalising the links with the industry. Secondly, within a relatively short period of six years, around 1000 domestic journalists have passed through one of MIM's training programs. Thirdly, MIM's one-year diploma course is considered the best entry-ticket for a career in journalism in Macedonia.

Director: Zaneta Trajkoska

Quote: "The most important lesson we learned establishing MIM is that you need to engage the media industry from the very beginning, to create a feeling of ownership and involvement. Also, you need to create a couple of core activities and work on those, to display an image of professionalism. If you do everything and anything, the image will be that you are chasing money and offer artificial services. Finally, you have to keep in mind that the first activities are the most important. They need to correspond to the needs of the media industry, since the media will quickly notice donor driven activities, done for the sake of available funding instead of real needs."

3.2 Plan

Make a business or strategy plan

The reaction to making a (business) plan or strategy plan often ranges from "it is a waste of time, we can anyway not know what the future will bring" to "we will hire a consultant but it will be a waste of money", or "we won't use the plan anyhow, we don't need it". While this might be true, the value of a plan which has been prepared with full commitment by the organization can be of great importance.

It should not be done upon the request of donors, but for the sake of the organization itself. It should not be for presentation purposes, but for the staff, management and board to use. In short, it has to be the plan of the media centre itself.

How to develop the business plan or strategy plan and what it includes is described in numerous publications³ and will not be discussed here in detail.

Incorporate sustainability

Importantly, the financial sustainability of the media centre should be incorporated into the plan. Although in the early days donors may agree to fund the centre and all of its activities at 100 percent – and it may even feel as if they will continue to do so for a long time – it is necessary to think about markets, services, clients, volume and pricing from the very beginning.

Of course, plans and targets can be adjusted over time, but it is important to organize demand-driven activities and indicate the value of services.

Limiting the costs in the planning phase may help to prioritize, as only the most promising activities are chosen. Moreover, it will contribute to the survival of the centre in the longer run, as it is more difficult to cut costs later and the centre may quickly have a cash flow problem if overheads are too high.

³ *Strategic Planning for Nonprofit Organizations*, by Michael Allison and Jude Kaye; *Business plan guide for non-profits*, by Alper and Timmons (1999); *How to Prepare a Business Plan (Sunday Times Business Enterprise)* by Edward Blackwell

Centre: Mizzima News Agency, established in August 1998 by Burmese journalists in exile.

Main activities: Mizzima produces news, information and analysis for and about Burma for people inside and outside the country. It has a daily news service in English and Burmese, monthly journals and started Mizzima TV on the internet.

Staff: Mizzima has a team of over 30 paid employees, including Burmese and foreign journalists reporting from five countries: Burma, India, Bangladesh, Thailand and China. Mizzima has a Head Office in Dehli, India and a News Bureau in Chiang Mai, Thailand.

Acheivement: In just eight years of time, Mizzima has matured from an idea of three Burmese journalists with a laptop, into a comprehensive and reliable source of news, information and analysis for many people inside and outside Burma.

Founder and Editor-in-chief: Soe Myint

Quote: "There were two lessons in starting our agency. First and foremost, the mission is important. Even if you do not have enough financial support in the beginning, if you remain true to the stated mission, your work will continue. The other lesson is to build and maintain a wide network of partners and friends, to continuously work on expanding the network of readers and supporters. For our sustainability, the links with other media organizations have been very useful, since we share information with them or they subscribe to our services."

3.3 Organise

Despite the need to keep costs limited, a media centre should be organized and run professionally from the very beginning. First impressions and credibility are important.

Use the window of opportunity

In the first period, a significant amount of international support might be available (typical post-conflict or transition funds, which may not be there in the longer run). It is thus crucial to use this time to get organized, recognized by the media and to develop a commercial policy.

A media centre should therefore ensure that there is sufficient seed-funding and enough time to develop. Although it may appear that there is enough money and donors are ready to fund all activities, attempts should be made to immediately try and find more sources of support, more than one or two donors.

Budgets should already include depreciation – a small and technical thing, but often forgotten. If the funds for depreciation are put aside, it will cover buying new computers in four years time, when donors may not be willing to fund this.

Donors should be tuned into cutting edge media development. It is important to illustrate, on the basis of a needs assessment, that new trends may meet demands – rather than typical training or other standard tools which they foresaw.

Make a good first impression

The media industry may be sceptical of “an NGO to help us with foreign money”. The first activities therefore have to give a good impression. They should not be seen as donor-driven activities, but instead should be high quality services which meet the needs of the market.

As described below, it is essential to develop close relations with the media industry and other relevant (public) institutions. If the media centre provides genuine benefit to them and is seen as an integral part of them through its activities, this will be a lot easier to achieve.

Structure the centre

Great emphasis should be placed on choosing the head of the organisation (the managing director). It should be a leading person, credible and able to translate respect into support. In addition to the head of the organisation, the rest of the staff and set-up should be equally professional.

In particular, strong financial management is needed. Procedures should be documented, detailing management of funds and approval of expenditures. It is necessary to keep track of costs, but also to be credible vis-à-vis donors and clients.

For similar reasons, activities can be organized in different “groups”. This allows for the calculation of operating margins (see below), but also facilitates reporting to donors and sponsors.

As in any organization – though often forgotten in non-profit start-ups – there should be an organizational structure, with clear job descriptions and (financial) goals for all employees. This makes sure people know what to do and their tasks are clear, measurable and easy to track. If possible, make sure that the staff is dedicated and sees its long term personal interest in working for the centre. Organize all relevant information into an employee handbook and ensure that all permanent staff members are aware of their role and professional development prospects in the organization.



Radio tower being set up in Indonesia by KBR68H.

3.4 Develop

Do not get stuck

Political, economical and technological changes will impact on the media industry. Media centres should incorporate this into their work – it is necessary to continuously seek to improve capacity, develop new services and introduce new technologies.

Regular discussion on the needs, results of activities and future strategy are necessary to keep up with and keep ahead of developments. The needs assessment should be a continued effort, the organization should learn from its activities and improve them, and the media centre should not get stuck, but look for niches and start before others do.

This calls for flexibility and a forward-looking approach which should prevent the centre from being trapped into one or two unprofitable donor-driven activities.

4 Limiting overheads and direct expenses

Limiting overheads and direct expenses is often a significant challenge for media centres. In this regard, the prudent use of available resources must be balanced against the potential gains that investing in a particular asset, whether it be location, staff or infrastructure, can be expected to bring. To over extend on costs might be to leave the institution vulnerable to bankruptcy, whilst frugality might result in failure to provide the assets needed for success.

In this regard, the issues most often facing media centres include the need to limit staff costs, whilst trying to increase human resource output; to limit premises costs, whilst seeking to ensure the right location and equipment for activities; and managing financial resources to avoid pitfalls and maximise savings.

4.1 Staffing

The identification and retention of a core group of professional staff is essential. This should provide for a financially manageable and flexible human resource capacity, thereby allowing the organisation to respond to marketplace dynamics, whilst also guaranteeing the steady production of quality material.

Limit permanent staff members

Minimising the number of permanent staff members that a centre has will allow the centre to be considerably more adaptive and resilient to changes in financing. With such a model, during periods of increased work and access to funding, freelancers or part-time staff can be contracted on an individual project basis. If appropriate, volunteers and interns can also provide additional capacity, although preferably not to cover core proficiencies.

If this core-staff model is to work, it is crucial that permanent employees have broad and adaptable skills, which can be quickly switched to new tasks. In this situation, additional areas of expertise on which the centre wishes to profile itself or requires for a certain activity or project, can be acquired through a consultant or part-time staff member, or through outsourcing to a third party.

Utilising local skills and expertise

Centres should ideally use local capacity to undertake tasks, thereby allowing for the better retention of knowledge and capacity developed outside of the organisation, as well as reducing costs in terms of travel, accommodation and fees. Lower daily rates can also be negotiated with those persons that the centre is contracting on a reoccurring basis.

Staff outsourcing

Based on agreement with staff members, a diversified skills base may allow the centre to outsource staff members, not necessarily for profit, but to maintain salary levels and ensure individual productivity. In addition, this facilitates staff capacity development and knowledge building. As an example, bilingual staff could be engaged in translation or journalists engaged in freelance reporting or training.

Such a model should be based on a set agreement with the third party organisation and not undertaken on an individual basis by each staff member. However, allowing staff members to undertake additional work can be beneficial if it is building their capacity that the centre can utilise, is in response to a downturn of work and does not remove staff from their required tasks at the centre.

Salary structures – flexibility and incentives

A downturn in funding is something that many, if not all, media centres have faced. Reducing salaries or laying off staff in response to such a situation is undesirable for numerous reasons. However, if it is necessary, then it should be undertaken in an inclusive manner, based on dialogue with the staff body.

To avoid such a situation, it could be preferable to start salary levels at – or below the national wage average. The temptation to begin with generous salaries based on what donors are willing to allow may create an unrealistic long-term situation. Conversely, to offer uncompetitively low salaries compared to the marketplace may mean lower professional expertise of staff members, although the two are not necessarily the same. Nevertheless, having a professional staff capable of consistently delivering high quality output is essential.

Alternatively, if salaries are set within a scale providing for increases as and when project funding is secured, this can allow for a more sustainable model. Adopting this model generates additional incentives for staff to identify and secure work through tenders and other funding processes, as well as to perform at a level that ensures continued funding in the future.

Retaining a reserve of funds specifically to cover core staff costs during a financial downturn is a sensible precaution if realistically implementable.

Good management

Losing or laying-off staff not only sacrifices institutional knowledge, but also creates disharmony within an organisation. At the broader level, some basic considerations for ensuring staff satisfaction include:

- Involve staff members throughout the hierarchy in the development of activities to ensure participation and a sense of inclusion and ownership;
- Include staff members in the internal management of the organisation and at strategic decision-making levels, such as the board;
- Allow individuals autonomy in their work so they know they are trusted and can make their own decisions (which also has the benefit of not over-burdening senior management);
- Provide employees with access to professional development opportunities, such as training courses.

4.2 Financial management

Proper financial management not only constitutes a central component of institutional maturity and accountability, but when undertaken astutely and with attention to detail, also ensures long-term preparation and security in terms of liquidity.

Tracking the money

Tracking funds within an organisation and ensuring that budget lines are properly overseen helps ensure financial stability and allows for manoeuvrability. There are numerous examples of poor financial management or confusion between budget lines (including off-setting one project with funds from another) resulting in financial crisis and, in the worst cases, bringing about bankruptcy and closure.

The preparation of regularly updated and detailed overviews of the institutions expenditure is essential, thus allowing management to track commitments and dispersal, as well as identify potential pitfalls well in advance. In this regard, it is essential that a clear difference should be maintained between overhead expenses and direct costs for the projects, as well as between the individual projects. Moreover, each project or activity should be run as a separate business to reduce overall institutional overheads.

Rules and procedures

The creation of a workable and realistically implementable list of rules for financial management is a necessity, although these should not be overly cumbersome and should seek to incorporate both flexibility and accountability. Once established, such rules should be strictly applied, even for small amounts.

In this context, the recruitment of qualified and proficient administrative and financial staff is crucial. Moreover, the production of an office manual for all staff can be a useful tool so that it is clearly understood how resources may – and may not – be used and what individual responsibilities are.

Every bit counts

Monitoring the use of (mobile) telephones, stationery, water, heating and electricity are all potential saving that can add up to significant amounts. Moreover, small or hidden costs like bank charges, postage, office maintenance and cleaning should be budgeted for and included in overhead forecasts. Bulk or shared purchases of stationary across activity budgets can also result in savings. Making the individual staff responsible for small savings like these is often the most realistic approach, as it ensures a feeling of personal involvement and responsibility for all.

The use of new technologies for increasing efficiency and reducing costs can also result in beneficial savings, as well as make a centre more IT friendly and integratable with international partner institutions. This may include items such as internet phoning, virtual office or open source software.

Centre: Media Foundation for West Africa (MFWA), established in 1997.

Main activities: MFWA seeks to defend and promote the rights and freedoms of the media and help expand the boundaries of freedom of speech and expression in West Africa. The MFWA has a network of correspondents in the sixteen countries of West Africa, who monitor press freedom violations in the sub-region. MFWA's Research and Publications Department is responsible for coordinating alerts from the countries for processing and onward dissemination to other free expression organisations and human rights advocates. The department is also responsible for compiling the information into an annual state of the media report.

Achievements: MFWA is currently the only recognised organisation that provides credible and systematic updates on media rights and freedom of expression issues in the West Africa Region.

Director: Kwame Karikari

Quote: "From our experience three of the best ways to limit overheads and direct expenses are: firstly, keep a small coordinating staff and contract experts as and when need arises. Secondly, to invest in equipment as it is cheaper in the long run compared to renting and if there is a lease facility, that may be even better than outright purchase. Thirdly, it is less expensive to use national trainers compared to foreign trainers and this will avoid or cut down on travel, insurance and sometimes accommodation. However, the quality of training must not be compromised in the process."

4.3 Premises

The location and ownership of a centre are crucial. If these two factors can be beneficially addressed from the outset, the sustainability options for a media centre are drastically improved. To own a location is to not only eliminate what is most likely the largest single overhead in the form of rent, but also simultaneously provide a significant income generating asset. Likewise, if a centre is providing location-specific activities it must be based in the right place.

Location, location, location

Where a centre is providing a service requiring a specific location, either close to a particular institution or within easy travelling distance from media outlets, the selection of the right location is essential. If the goal is to provide an internet services at reduced cost to journalists as an income generating activity, but the centre is located away from the media outlets or in the outskirts of the urban area, then it is highly unlikely to succeed in this goal.

Ownership or rent

A clear lesson learnt concerning the establishment of media centres is that those that possess their own premises are the best placed for long-term sustainability. To pay rent is to have an indefinite drain on resources. Moreover, in countries in transition, rapid increases in property prices can quickly force low-income generating institutions away from their preferred locations, thereby hindering any location-specific activities and potentially forcing the institution into a negative spiral of degenerating of income.

Conversely, to outright own a location is to ensure a significant reduction in overheads, which in turns allow financial space for growth and diversification. Few media centres, however, are in a position to purchase a location outright from the time of establishment. In this regard, possibilities for securing ownership include:

- Request a donor to contribute to the purchase of a property, maybe in incremental amounts instead of paying rent if they are willing to commit to long-term support (although many donor agencies are unwilling to allow funds to be used for purchase);

- Persuade the central or local authorities to donate – or sell at a reduced price – a building or plot of land by positioning the centre as a learning or cultural institution necessary for the country or city. However, if this can be done, it must be ensured that the authorities do not directly or indirectly control the centre, otherwise this may undermine the reputation;
- Engage with the media industry, particularly large foreign media houses looking to invest in the country, to secure donations towards an overall amount. Again, this would require a “no string attached” guarantee;
- Engage private foundations and businesses – possibly a well known wealthy or philanthropic institution or individual – to seek a donation towards an overall amount;
- Take a long-term loan from a bank or financial institution (including international development and media loan funds), although this must be at a realistically repayable rate. However, long-term loans may place financial pressure on other areas, thereby impacting on overall income generation potential.

Cost saving and income generation

When rent is prohibitively high, sharing offices with like-minded institutions, such as a journalists' union or human rights organisation, can be a good solution. Moreover, if the activities being performed by the centre are non-location specific, then having premises outside of the expensive urban areas can ensure significant savings.

To rent out parts of a premise for training activities, press conferences or other relevant events can be a significant income generator, particularly if the location boasts some specific attraction, such as equipment, accommodation or a respected reputation.

Likewise, if possible, purchasing equipment provides the centre with a long-term asset that can be rented out to generate income, rather than using funds on renting equipment each time it is needed (unless there are unrealistic maintenance issues associated with the items required).



Training done through video-conferencing by SLPI.

5 Forging links with the industry

To decrease the dependency on international donors, a media centre should ultimately generate revenue from the media industry. This requires connections, cooperation and credibility, as well as avoiding the image of a donor-driven non-governmental organization.

Representatives from the industry should therefore be involved closely, to create a sense of ownership and ensure continuous feedback which allows the media centre to adjust to market opportunities and provide new services.

5.1 What industry?

Even if a media centre pursues its core-activities and stays true to its mission, it can still be viewed differently by different people. The "media industry" is not a homogenous group and this should be kept in mind when building relations and marketing the centre.

- To *owners* and *managers* of media outlets, the centre should be viewed as a service provider with the ability to provide content, courses or technical assistance to professionalize their outlet and ultimately increase their market share. This could range from the production of programs, training of staff and management or legal consultancy.
- To *editors*, the centre is ideally seen as an organisation capable of strengthening their news desk and training their staff in skills not available in-house (e.g. specialized reporting, newsroom management). For both editors and owners, the centre can be viewed as an organisation protecting media freedom and plurality, supporting access to information and thus a credible and impartial "voice" of the industry.
- To *journalists* or *students*, a media centre could be seen as a training institution or provider of services, such as the internet. Yet in the absence of a functioning journalist union, in several countries media centres protect journalists' rights, provide legal support and thus assume the role of a representative organisation.

Importantly, a media centre should not be seen as exclusively working for owners /editors or journalists or being too close to one particular group.

Centre: ProMedia Broadcasting Training Centre, established in 1998

Main activities: Providing specialised on-demand training, particularly in the field of broadcast journalism. Production of television programs, mainly investigative reporting on topics of social relevance. Offering social public relations services for governmental and non-governmental institutions.

Staff: 7 full-time employees

Achievement: ProMedia BTC maintains good relation with all three national channels in Bulgaria. When the commercial national channel bTV was launched in Bulgaria, BTC trained its entire news desk on a largely commercial basis. A television program on corruption, originally sponsored by international donors, is now being produced regularly for Nova, another national channel.

Director: Petko Georgiev

Quote: "Become an integral part of the media industry. Easier said than done, that's one of the most important rules of survival. Organise events, be the professional voice of the industry and make sure they consult with you. Offer only the most needed types of training, provide services of the highest quality and charge a minimal fee right from the beginning. Be prepared to constantly re-focus on prospective niches."

5.2 Internal organisation

The centre can benefit from involving industry representatives structurally and from the very beginning. They can be assigned different functions (planning committee, governing board member, advisory council) within the centre and be requested to contribute to specific activities.

It is their centre

In the planning phase of the centre – the time of conception, early work on the mission and eventual set-up – the industry should be involved as members of a planning committee. Representatives from different outlets, professional backgrounds and media organisations should provide feedback on the needs of the industry; assist in defining the mission and give input for the first strategic plan.

Their input is valuable and should be taken into account – the centre should be oriented towards its future "clients" from the very beginning. Involving a broad range of industry representatives creates a sense of ownership – it is also their centre. The need to avoid the impression that a media centre is something wanted by international donors only, is something which can best be tackled by involving future clients from the start.

Industry representatives involved in the setting-up may also be able to provide assistance – broaden the network, arrange in-kind support or even some seed-funding.

Board members have responsibilities

Having senior representatives from the media industry as governing board members is almost a prerequisite for a successful operation. However, just having them as members is not enough. They should understand their responsibilities and be prepared to "work" for the centre. If not, they should not be re-elected.

The by-laws of the centre should therefore stipulate the responsibilities of the board members: attend the meetings, contribute to fundraising, participate in events, assist in networking and lobbying, make available their knowledge and expertise and so forth. Prospective board members should know this in advance and accept their role.

If they do not appear effective – for instance missed several board meetings, were not active fund-raisers, did not show up at industry events organised by the centre – they should be replaced on objective grounds.

As there are only a limited number of board members, care should be taken to select those industry representatives whose membership does not upset others. Hence, the owner of one controversial media group may not be a good choice, while the chairman of the association or a retired top manager may be better.

Committees may assist management

Having a board of trustees or an advisory council is a good way for a media centre to institutionalise links with the industry. An advisory council can be larger than a governing board, which may help to overcome the problem of having a representative from only one media conglomerate and not the other. An advisory council can have members from all major media outlets.

The centre can use the advisory council to establish contacts, conduct a quick scan of market needs or assist in public relations. However, it can also organise the members into committees, which are then assigned specific tasks to assist the management, helping to find premises, developing a training program or reviewing possibilities for launching a new service.

5.3 External organisation

As important as involving the industry structurally within the organisation, is the need to build and maintain a network. The need is self-explanatory: even if it does not bring immediate financial returns, the centre needs to build an image. Networking essentially is public relations.



Printing press supported with a loan from MDLF.

Naturally, the centre should make sure it maintains an updated contact list, sends out regular newsletters and invites relevant people from the industry to events (project launch, celebrations, etc). In addition, the centre should hold scheduled meetings with industry representatives and regularly conduct surveys.

Industry events to boost image

While sending mailings and holding meetings are useful for the centre, organising events for the industry is an excellent way of forging relations. Such gatherings can be arranged by the centre: annual meetings, trade shows, equipment presentations, television and film festivals or briefings on new legislation. These events provide an opportunity to signal professionalism while expanding the centre's network.

In addition, a media centre can play a role in coordinating services for and between the media industry. It could, for instance, assist in establishing a self-regulatory body or initiate joint-industry platforms like shared advertising market research or an audit bureau of circulation.

Be personal

To foster personal relations with representatives of the media industry, the management of a media centre should seek membership in relevant associations. For instance, an advisory function in the publishers union or association of broadcasters. If this is not possible, the media centre should at least foster close relations with such associations by holding regular meetings.

Finally, a media centre should extend praise to award winners, invite them to hold lectures, link up closely with relevant departments within major media outlets (e.g. the training department of a major broadcaster) and realise that it is not only worthwhile to invest in the management, but also in the editors and journalists. They can be involved actively in the work of the institute, for instance as trainers or researchers, and may become managers later on.

5.4 Credibility and flexibility

It is one thing for media owners to participate in events or attend a meeting, it is another to actually pay for services. The management may be able to attract non-financial support or in-kind contributions, such as free advertising and free printing of brochures, study books or marketing material. But beyond this, the question is how to translate the network into revenue.

As described in other sections, this requires a media centre to deliver high quality services which meet a demand. Yet some other suggestions relate closely to the established links with the industry – and especially how to use them.

Listen and adapt

The network – be it board members, advisory council, professional trainers or personal relations – should be used to keep abreast of developments in the media sector. Changes are often opportunities and the plans of media owners or investors can be a chance for the centre. For instance, if a media centre finds out early on about the launch of a new newspaper or broadcaster, it can approach the owner to offer training for the new staff.

Feedback from the industry can be used to adjust quickly, both in training and other services. There may be a need to provide courses in new technologies or a demand for television production. The developments within the industry should be incorporated in the strategic planning and the agenda of the media centre.

In countries with strict government control, there might be few "clients" for such marketable services. Yet, even in this case, the relations with the

managers may result in the media centre offering more non-controversial assistance: training in health reporting, production of children's programs, etc.

A reliable voice

Having a large network within the industry also allows the media centre to establish itself as "the voice of the industry" without being seen as representing the interests of only one company. This may have various benefits: the media centre may become an advisor to parliamentary committees or ministries involved with legislation (and thus have advance knowledge of change affecting the sector).

It goes without saying that, to play this part, the media centre should be reliable and credible. It should not align itself too closely with any one media holding and when producing publications or making statements it should be sure that they are factual and relevant.

Avoid being seen as an NGO

Most media centres are established as a non-profit foundation and receive international support in early stages. Legally and financially this is practical. Yet, it also incurs a risk, as there is a often fairly widespread distrust among the media industry towards the NGO community.

If the centre is seen as a typical NGO, members of the media industry tend to believe that the media centre has sufficient funds, that trainings and other services should be for free and that the offer in general is donor driven. Consequently, board members may demand payment, managers think the media centre does not help their business or sales and editors may not want to send (let alone pay for) their journalists to courses offered.

The media centre should dare to decline typical donor driven projects, in order to maintain its professional image. It should also charge for courses and services right from the start, even if it is only a symbolic sum. Payment gives a sense of ownership, and as said above, the media centre should be perceived by all members of the industry as their centre.

6 Training and education

Many media centres profile themselves primarily as educational service providers. In this regard, the provision of professional high quality training often constitutes a cornerstone of all activities and thereby the reputation of the centre. In this context, it is vital to ensure that these services are both of value to the wider media community, as well as the centre itself. They should ideally be market-driven and sought after by local media practitioners and owners. Curriculum's and equipment have to be seen to be cutting edge and the training provided in a practical and interactive format.

Although the ability to make education and training into a long-term sustainable income generating activity often depends on the wider commercial development of the media sector, based on the ability to pay for these services, in the short-term professional educational services are often still sought by external actors, such as donors, wishing to promote media development and professionalisation. Moreover, services such as these can make media centres important and indispensable commodities within their media communities, as well as build a reputation upon which other income generating activities can be based.

6.1 Market driven

For training and educational services to be sustainable in the long-term, it is important that they are relevant to the local media market and are therefore sought after. In this context, it might be that focus is placed on those areas not usually favoured by donors offering to pay for such training courses, at least in the short term. Longer-term development often depends on striking the right balance and matching available resources, funding opportunities and the demands of the marketplace.

Identifying the target group

It is essential for media centres to ensure that training and educational activities are relevant to their local contexts and are targeted at the clientele groups. In this regard, the process must begin with an analysis of who constitutes the clientele and what their needs are. In order to do this, it is important that thorough surveys are conducted to establish both what type of training the target group(s) want, as well as get feedback from those that have been through courses so that they may be refined and improved.

The needs of the target group should ideally be identified in cooperation with the media industry. In this manner, "buy in" can be ensured from the media community from the outset, thereby making it easier to secure the commitment of the industry to having media practitioners involved in training, including eventually paying for the training.

Addressing the marketplace

Developing a reputation for professionalism and commitment, upon which long-term planning can be based, must be derived from firstly having identified and, secondly, provided the types of training that are in demand. The repetitive provision of a limited range of training based on availability of donor funding may generate an image of the centre seeking only to find

funds and generate income, without understanding or commitment to the wider needs of the media community.

Furthermore, the types of training being offered should be broader than simply that demanded by the mainstream media in the capital city. The needs of minority groups, female journalists, rural-based media and so forth should also be taken into consideration.

The types of training that media centres might consider in addition to the often seen courses on basic professional skills and development related topics, include:

- Interviewing techniques, news presentation and live reporting for radio and TV;
- Writing news-scripts;
- Reporting on specialised areas, including health, social, defence, crime, politics, economics, business, consumer rights, sports and youth issues;
- Editing and sub-editing;
- Info-graphics, TV graphics and graphic journalism for print media;
- Newspaper design, page layout and features layout;
- Photojournalism;
- Information communication technologies and on-line journalism;
- OMO – one-man-operation for broadcast media;
- Newsroom management;
- Language courses;
- Cartoons;
- Community journalism (print and broadcast).

Media centres should also use their flexibility to host short-term reactive training opportunities on issues that arise and on which the media community needs to improve its ability to report in a short time frame. This may include a broad range of issues from legal matters to international relations.

Targeting funding opportunities

Centres need to orientate themselves towards the needs of the local marketplace from the outset in order to build the reputation that will be necessary to attract paying participants as and when the marketplace can itself generate sufficient revenue to pay for such educational opportunities.

However, in deciding what type of training to provide, it is often the case that the selection is based on whether there is funding readily available. It is of course essential that income be generated by the training, otherwise such activities will be unsustainable. However, if they do not already converge, a centre should ideally seek to provide a mixture of what funding is available for and what is being demanded by the local media.

It may often be the case, particularly in post-conflict or transitional countries, that donors want to focus on basic professional skills or specialised content, such as elections reporting, conflict-conscious reporting or investigative journalism. However, the demands from the local marketplace might be more in tune with longer-term marketable skills, such as info-graphics or on-line journalism.

Where possible, and based upon accurate and verifiable data, donors should be engaged and encouraged to provide funding for the types of training that the local media want and not simply training aimed to serve a secondary objective, such as the promotion of human rights or conflict resolution. More often than not, donors will be receptive to such input and even if they are

unable to re-programme or access funding in the short-term, it will allow them to place such training on their institutional agendas for the future.

Centre: The Nepal Press Institute (NPI), founded in 1984 by a group of senior journalists.

Main activities: The NPI conducts journalism training, offers a diploma course, provides specialized training programs for journalists, managers and publishers. In addition to that, the NPI has done media research and published 21 different media reference books. The head office is in Kathmandu and the NPI has three regional centres in East, West and Mid-West Nepal.

Achievement: The one year diploma course offered by the NPI was launched in 2002, but required an overhaul to remain attractive. The NPI completed installation of a media lab and radio studio, revamped the curriculum and made the course more hands-on. The nine-month diploma course is fee-based and largely self-sustainable.

Director: Chiranjibi Khanal

Quote: "It is important to do a needs assessment when offering training. Only after doing a thorough study on the needs for training and education, also in the rural areas, can a curriculum be developed. Also, the curriculum has to be updated regularly, to fit the needs. We, for instance, realized that we needed to upgrade the diploma course, to guarantee quality of the content and the trainers. If you do that, there will be a demand. And finally, linking with colleagues and media academic institutions also helps media centres to maintain educational standards."

6.2 Creating demand

Identifying and targeting the needs of the local marketplace should serve as the key conceptual model for training and education activities. However, this must be based on the reality of available funding opportunities. In this regard, media centres should not play a passive role in "matching" market needs and available funding. Rather, centres should seek to create demand for their educational activities by making them attractive and relevant to both funders and participants.

Ensuring relevance and integration

Education is a competitive field in which media centres must seek to ensure that what they have on offer provides greater benefits than what is available elsewhere, particularly through more traditional avenues and educational facilities. This not only means pioneering innovative content and teaching formats, but also ensuring that it is recognised and accepted by the wider – and often more conservative – educational landscape, as well as those businesses and industries in which graduates will want to find work.

In this manner, media centres should seek to acquire official certification, either domestically or through partnerships with foreign institutions, to be able to position their training courses better and ensure that graduates are able to use their educational qualifications to access employment

opportunities. Ideally, such a certificate would eventually be recognised as a trademark for quality, with employers actively seeking employees who have undergone the training.

Moreover, where possible, media centres can seek to match their strengths with traditional educational institutions, such as universities, providing students with an opportunity to use either the equipment or international resources of the centre. In this regard, joint courses can be developed, particularly those requiring lengthier periods that serve the purposes of both the media centres and partner institutions. The centre might then request payment for the use of its resources or derive other benefits through increased legitimacy, national recognition and enhanced reputation.

Cost effectiveness and value for money

It is crucial that training and educational opportunities be regarded by the media industry and individual media practitioners as being both cost effective and value for money. They must be affordable and provide clear and demonstrative benefits for the participants. In this context, providing participants with materials and resources that they can take away from the course, both in terms of applicable practical knowledge and handout materials (including physical items) is a way of demonstrating tangible results and benefits.



Journalism training workshop by IPC.

6.3 Developing training curricula and methodologies

As a focal point for the professional development of the media community, a media centre should seek to build up its expertise on the training and educational issues, leading the national media community in innovative teaching methodologies, international curricula and modern equipment.

Curriculum development

It is essential that curricula being used for training activities are both relevant to the local media marketplace and perceived as modern. These two goals may not always be immediately compatible, but the clear advantage that smaller institutions, such as media centres, have over larger educational institutions, such as universities, is that they can be responsive to the media marketplace. However, to do so, centres need to remain up-to-date with the latest

developments in the media training field, seeking to establish curriculum-based partnerships with other institutions from which they may learn.

When using foreign trainers, media centres should be aware that although they can provide stimulating external input and are an attraction for participants, such persons may be divorced from the local realities and therefore provide irrelevant skills and methodologies, which participants find themselves unable to properly interpret and apply. When possible, if foreign trainers are used, it should be in conjunction with national trainers, with a training of trainers (ToT) module to allow the development of local skills and knowledge. This then provides more readily accessible and cost effective approaches for training in the future.

Information technology

The media is a technology-intensive and dependent field. Offering access to – and training on some of the latest forms of technology is an attractive proposition for many media practitioners. Media centres can also demonstrate the advantages of ICT to media practitioners and owners. In this regard, it is a marketable field that centres can seek to promote through demonstrations and awareness raising. This type of training can be costly, both in terms of equipment and trainers, but can nevertheless be achievable without excessive investment.

Practical experience

Another form of training often in demand is hands-on or practical based opportunities, including internships or in-house courses. If training courses can allow for the production of media content, including the possible publication or broadcasting of that content, this can be an added incentive for participants to put in additional efforts, thereby learning more and ensuring greater output.

Internships or in-house courses provide the chance for participants to interact with media practitioners working in the fields in which they are seeking to improve their knowledge and skills. This provides the very attractive benefit of first hand interaction with potential future employers. Exchanges with educational institutions in other cities or countries can also offer the types of exposure to new experiences sought by both training participants and employers.

When possible, courses should also be on offer that accommodate persons who require tailored or flexible learning formats. In this regard, distance learning and evening courses should ideally be made available, particularly as much of the training may be targeted at those already in the workplace. In addition, informal learning processes, such as the sharing of experiences between students on the intranet/internet through student dairies and blogging can be valuable learning experiences.

Trainers

The quality of training provided is predominantly dependent on the trainers. They are an essential key to the success of activities, as well as intrinsic to the "brand" of a media centre. Often the reason why participants choose a specific course is because of the trainer. Efforts should be made to keep quality trainers attached to centres. In this regard, good terms and conditions engender loyalty. Trainers should be asked for their input at all levels and provided with interesting professional opportunities, including training of trainers' courses, development in new fields of expertise and networking nationally and internationally.

Applying lessons learnt

Proper and meaningful avenues for collecting lessons learnt from both participants and trainers must be built into the training courses, so that they can be refined and improved with time. This may take the form of surveys or questionnaires distributed at the end of a course (possibly including a rating scale based around a number of criteria such as structure, presentation, content and so forth) or roundtable discussions amongst the participants.

Media centres should also seek to publicise the results from such surveys, even when not necessarily favourable, to demonstrate the applicability and success of activities, as well as an open attitude to continually refining and improving activities for the next set of participants. In this regard, it is better for the centre to publicly address any shortcomings with a view to correcting these, than for the participants to discuss them with colleagues to the detriment of the centre. If feasible, those who have gone through training should be followed and assessed in their workplace to review the benefits that can be gained.

Centre: Sri Lanka Press Institute (SLPI), established in 2003 by the Editors' Guild, the Newspaper Association and the Free Media Movement.

Main activities: The SLPI focuses on two major operations – training and education through the Sri Lanka College of Journalism (SLCJ) and promoting self regulation of print media through the Press Complaints Commission of Sri Lanka (PCCSL). The SLCJ has three major programs: the year-long diploma course, mid-career training and provincial training workshops offered in three languages (Sinhala, Tamil and English) and three majors (Television, Radio or Print). Apart from these programs, the SLPI is also engaged in free media and advocacy programs on media law reforms. Also it conducts the annual journalism awards in collaboration with the Editors' Guild of Sri Lanka.

Staff: SLPI has 25 permanent staff and engages approximately 30 freelancers in its trainings annually.

Achievement: Four years since its establishment, the SLPI has become the center of media excellence in the country with a strong institutional structure. Fojo assisted in this process. The institute has managed to win the confidence of the industry as the premier media training institute. Its diploma holders are in high demand and the mid-career training programs are popular among working journalists in the country. The SLPI has been able to offer relevant and technologically advanced courses to the media in Sri Lanka. Courses such as live reporting, newspaper design, one person operation for radio, ABC in television graphics or newsroom management have established the SLPI as a demand-driven and important institution for the media industry. The volunteer process of self regulation, PCCSL which is modelled after the British Press Complaints Commission has also managed to win support of seventy per cent of the industry players.

Director: Ranga Kalansooriya

Quote: "Establishing an institution from scratch and winning confidence of the industry partners within a short period of time is not an easy task. The SLPI has successfully managed to face this challenge within a period of three years. Today it has become the center of networking among journalists and media activists and also the most sought after institution for journalism training. However, as in the case of any other similar organization elsewhere, the SLPI is also facing major issues with regard to sustainability. I think it is high time that like-minded institutions get together and share their own experiences in order to learn from each other. This exercise is extremely important for emerging institutions like the SLPI."

7 Beyond training and advocacy

Whilst many media centres are founded with a mandate to provide professional development opportunities through training or to improve the media policy landscape through advocacy, activities such as these alone are often insufficient to financially sustain the institution, particularly during the formative years.

With a view to engaging in income generating activities that fall within the mandate and *raison d'être* of the centre, but which can also be used to offset less profitable activities, media centres have branched out to encompass areas such as public communication, media consultancy, broadcast content production, news services, press clubs, press conference venues, libraries, publications, ICT, internet cafés and cafeterias. Whilst any one of these activities alone is unlikely to generate all the resources needed, a careful and limited combination thereof may succeed in doing so. Moreover, each media marketplace is unique and what generates profit in one country may not in another. Therefore, when considering such activities it is essential that thorough research be undertaken to assess income generating potential.

A number of centres has also been created with the goal of addressing one or a number of these activities from the outset. Institutions established with a core mandate in such areas, may choose to expand their activities to encompass the training and advocacy fields in order to address an identified need or gap in the media landscape.

7.1 Public communication

One of the more prominent and regularly mentioned areas into which a media centre might expand is public communication. This allows a centre to utilise its expertise and provide a platform for engagement with the media community. However, if a centre is seen to overreach its mandate and function as a traditional public relations (PR) agent to external actors, it will most likely no longer be seen as a service provider to the media community, which in turn would undermine the credibility of core-activities, such as training and advocacy.

Communication expertise

A media centre will most likely encompass a range of expertise on communication issues, as well as a broad network with the media community. These two skills make a media centre an ideal hub for the development of expertise in communication, which is a marketable asset, particularly if it can be combined or associated with reputable national or international expertise in this field.

In this regard, a media centre can offer institutions seeking engagement with the media the opportunity to do so. However, a centre should not actively promote any given standpoint or product on behalf of a state or commercial entity, but can assist with facilitating access to interested media practitioners, offering locations for press conferences, and host "knowledge building" events on specific subjects for the media.

A media centre might be suited to run public education or public service information campaigns on behalf of, or in conjunction with, the local or national authorities or civil society groups. As examples, this might include:

- Working with a ministry of health to promote awareness about a public health threat or disease, such as HIV/AIDS, malaria, tuberculosis and many others;
- Working with a human rights ombudsman or commission to inform the general public about their individual and collective rights and mechanisms for filing cases;
- Working with an election commission to provide election reporting training and voter education;
- Working with a truth and reconciliation commission to inform the public about a TRC process and provide training to the media on covering such processes.

A centre might consider allowing a member of its staff to be “seconded” to independent institutions such as those mentioned above to provide the required in-house expertise and independent linkage with the media community.

In some circumstances media centres have become actively engaged in public communication work and have generated healthy profits. However, such work should ideally clearly be seen as separate from the core-activities of the centre, including the establishment of a separate legal entity with a different name.

Training

Media centres might also use their communication expertise to offer training to public officials and private institutions on public communication and relations. As such, a centre can teach non-media professionals the skills they require to interact with the general public and media to ensure that they can put their message across, as well as provide the media with information in a timely and structured manner. Linking such training to international curricula or reputable educational facilities outside the country can assist to promoting them and making courses more attractive to potential participants.

Centre: Kantor Berita Radio 68H, established in 1999.

Main activities: KBR68H was set up to build capacity in radio journalism and meet peoples' need for free information. The station runs 24 hour programming per day in Indonesian language and a 30 minutes program in English per week, covering all issues of a society transitioning into democracy.

Staff: 95 full-time and 80 correspondents

Achievements: KBR68H has developed an extensive profit generating network of radio stations across Indonesia. The programmes KBR68H broadcasts are heard by more than 13 million listeners from Sabang in Aceh to Merauke in Papua – equivalent to the distance from London to Tehran. The network includes over 500

radio stations and more than 13 million listeners. All this has been achieved within eight years since establishment.

Director: Isaac Santoso

Quote: "Financial independence is an issue we are addressing. It is a challenge not only to be an independent and reliable news agency, but also one that is financially independent. We were well aware that the initial funding we received would not last forever. Continually learning and improving, KBR68H therefore has a deep desire to progress. This commitment is reflected in the positive response from network members. At first only seven radio stations used our programmes. Now over 500 stations relay them. This rapid expansion is proof that there is demand for KBR68H programmes and that station managers have faith in the quality. Previously stations received our programmes free of charge, but now they are willing to pay a fee to cover production costs."

7.2 Internet, ICT and documentation

In situations where a media environment is under-resourced and there is a lack of access to equipment, technical knowledge and related resources and infrastructure, a media centre may find a niche in providing services such as internet access, IT services and digital libraries.

Internet

A commonly seen form of income generation is the establishment of an internet café. Such facilities usually provide below market rate prices for media practitioners and other target groups, although enticing usage of such facilities is often location dependent. Regardless of how advantageous the price, journalists are unlikely to travel far out of the main urban area to use the internet.

This type of income generation is also often limited in scope, as it is dependent on the excessive cost and restricted accessibility associated with the internet in newly emerging markets. As the internet becomes more ubiquitous and affordable, the relevance of internet cafés decreases. However, with the advent of affordable mobile computer technology and wireless internet, it is likely that low cost – or even free – internet access may remain one factor enticing media practitioners to media centres.

Information and communication technologies

In addition to internet access, a media centre can also collectivise financial resources from the media community to offer access to information and communication technologies (ICT). As an example, a media centre could provide access to OneWorld, which is a network working for sustainable development through ICT, by producing content in eleven languages published on its international site, regional editions and thematic channels.

Documentations facilities and digital libraries

There is often a demand for access to well-filed and stored archives and documentation. Although creating such archives is a time consuming labour intensive process, in particular when processing and filing backdated materials, it is nevertheless a useful asset, both in terms of retention of important documentation for perpetuity and for generating income.

In particular, access to digitised libraries, where media can access archives of print and broadcast media materials is in demand, especially if well-kept, searchable and comprehensive. Often national and foreign media are willing to pay to have regular access to such facilities at short notice.

A media centre might also seek to work together with civil society or state institutions, such as a ministry of culture, to preserve cultural heritage by documenting and digitalizing newspapers or materials of national importance.



Training organised by SLPI.

7.3 Content and publications

The resources and equipment owned by a media centre can provide profit generating opportunities, although this depends on the needs and existing services in any given marketplace. In this regard, a centre might utilise its infrastructure to branch into the production of print and broadcast media content, both on a freelance or commissioned basis, as well as in its own name.

Content production

An area where the expertise held by media centres has a potential marketable value is content production. In this regard, a centre can utilise its resources to produce materials for the wider media community and other actors. This can either be done directly for a public authority or private company or by seeking commissions and bidding for public service contracts.

Furthermore, if a centre has training facilities for broadcast media, it might be well-placed to utilise those facilities or to rent them to others seeking to make television or radio programmes.

As and when such skills are well-developed and there is interest in purchasing locally-made programmes, a media centre may produce individual programmes or series to sell to media houses. In circumstances where media houses might be constrained from developing their own programmes due to infrastructure or equipment costs, such a model might work well.

Publications

A media centre might consider providing publishing services in terms of editing and printing materials, most often on a small scale. In this regard, the production of print, audio and visual materials, including educational items that are part of a curriculum, fictional books and novels or personal

development manuals with popular appeal, can provide an additional source of income. However, such activities should be approached with caution and sufficient low-risk business acumen, because initial expenditures can be high and financial returns have to be secured. Nevertheless, if the staff is interested in such work, this can be a good way of utilising the in-house skills that a media centre may pose.

Centre: Liberia Media Centre, established in 2004.

Main activities: The LMC was established to provide journalists and media organizations in Liberia with improved access to IT (Computer and Internet) and training opportunities, as well as to advocate for reforms in favour of freedom of expression and press freedom. LMC also provides a forum for the periodic assessment of media coverage of significant national and international events, facilitates capacity building programs for journalists and renders professional services to media and civil society groups.

Staff: 3

Achievements: On the launch of its services the LMC instituted a moderate charging policy to meet the increasing internet service demand amongst journalists. Though daily 'turnover targets' were not met, the proceeds from the commercial unit has increased steadily. This policy was applied only to members of the media community. However, in early 2005 the LMC opened the moderate price policy to the public and especially students. Today, this strategy has increased the number of internet users at the Centre by 50%. Monthly income from the commercial unit amounts to over 35% of the Centre's overall operational cost.

Director: Lawrence Randall

Quote: "A little over a year on the scene, the LMC has fought to acquire a prominent place in the media landscape while contributing in a modest but strong way in helping to build and develop the overall capacity of the media in Liberia. Like many emerging Centres, the LMC has not yet acquired full financial self-sustainability, but has made strides to continue providing quality services to the media community and general public, at the same time expanding in a modest but targeted manner."

7.4 Consultancy

In seeking to maximise use of its in-house resources, a media centre may provide consultancy services to third parties based on the skills that it has developed. This might be in regards to specialised knowledge of the media sector or other areas of expertise not directly related to supporting and developing the media.

Legal and regulatory expertise

Media centres are, as a result of their advocacy work, often well-placed to offer expertise in the form of consultancy to the media industry on legal and/or regulatory issues. This may also include public communication, as previously mentioned.

Project management and donor expertise

If a media centre has worked in cooperation with a donor agency for a number of years, another area of skills that the authorities or other civil society actors may be interested in sourcing is project management and donor relations. In this regard, knowledge about how to manage funds and implement activities, as well as access to financing from national and multilateral institutions, are useful assets.

Where a foreign donor agency is seeking to establish media centres elsewhere in the world, an existing centre can offer its expertise. Often donors will be interested in reutilising the local capacity and experience gained from one programme for the establishment of another elsewhere.

7.5 Office facilities and cafés

To create a pleasant and welcoming work environment, as well as to attract persons and organisations to use the media centre provided, an institution may provide additional non-media related services. Such services can also provide income generating opportunities for the rent or sale of items or resources.

Office facilities

Other services a centre could provide include offering postal addresses for smaller media and civil society organisations unable to rent their own address. Likewise, a centre could offer shared office and meeting room facilities for such organisations, which can be used on a time-share basis.

Cafeterias and cafés

In attracting media practitioners and others to a media centre, such as students or civil society, there are a number of additional services that a centre might consider. A centre might provide a cafeteria or a coffee shop with wireless internet connection, as well as a quiet reading room could be an attraction for those engaging in substantive research.

8 Donor funding

Many media centres are initially started with assistance from external donors, often bilateral or multi-lateral development agencies. Such support is usually provided with the intention of fulfilling a certain identified need within a developing media landscape, whether that is to provide professional training to improve general standards or advocate for press freedom and media policy reform. Although a donor will hopefully foresee working on a project to establish a media centre for a number of years, an exit strategy built around institutional sustainability will almost always be required, often within a relatively short timeframe compared to the wider economic development of the media environment.

In this regard, a media centre may not be able to develop financial self-sustainability within the time span of support provided by a single donor, whether this is 1 or 5 years. Moreover, some centres may never have sufficient self-generated income to survive and are therefore indefinitely dependent on external funding, although even in difficult circumstances this should ideally account for a minority of the total annual budget.

In such situations, media centres need to not only cultivate and maintain good relations with existing donors, but be continually observant for opportunities to bring new partners on board. Moreover, options for diversifying external donor funding away from the traditional development agencies working on media development should also be sought.

8.1 Donor relations

The maintenance of good relations with donors should be based around three main factors. Firstly, the successful and timely completion of the objectives and outputs set for any given activity, including transparent and clear financial accounting. Secondly, ensuring direct personal links with desk officers and decision makers within the donor agency, including sending short well-constructed updates and engaging the donor in dialogue. Thirdly, understanding the internal mechanism and overall development agendas of the donor and ensuring relevancy within that context.

Managing relations

Managing donor relations is based on adhering to the contract obligations and fulfilling and, where possible, exceeding the expectations of the donor-based on the agreed project document.

When possible, a media centre should also seek to provide information and engage in dialogue with the donor above and beyond required narrative and financial reports. This is not to say that a donor should be swamped with all the documentation produced by a media centre. Rather, short, well-composed periodic updates on activities allow the donor to follow the project without feeling overwhelmed. Although the centre should ideally aim to resolve all problems itself (unless it demands a decision from the donor), it is often useful to inform the donor about challenges faced and how they have been overcome in such periodic updates.

If a centre is holding an event or conference, it is useful to invite the donor to participate, even if funding for the event comes from another source or it is already apparent that the donor is unlikely to join. When engaging in strategic planning or the development of new activities, it can also be useful to ask for the advice and feedback of the donor, thereby involving them from an early stage and hopefully ensuring better funding options through "buy in" and commitment to the process.

Understanding the donor

The overall development objectives and priority areas defined by a donor may not always correspond to those for a particular country or, more specifically, a media community. Therefore, when developing the strategic plans for a centre, it is useful to know what the overall objective and focus areas are for the donor agency that will be approached. This is not to say that a centre should tailor its plans to fit those prescribed by a donor agency, but that it can be instructive when deciding what focus areas to highlight and what type of wording and terminology to use.

It is worthwhile developing a good knowledge of the donor agency, its organisational structure, funding mechanisms and position within government (including which body or person the agency is responsible to). It might be that as funding dries up under a humanitarian or emergency aid budget, alternative funding options emerge from good governance or human rights related budgets.

A donor may provide funds through its bilateral assistance to a country, either as structural funds or through a pooling mechanism, such as a poverty reduction strategy. Once provided, it is not easy to access such funding from national authorities, so it is important to highlight the importance to donors of earmarking funding for specific activities, such as journalism education or legislative reform.

Likewise, many donors, particularly the multilateral institutions such as the European Commission, often have a number of different budget lines from which support for media related activities might be accessed. In this regard, it is worthwhile periodically checking websites and other tender publications, which in the case of the European Commission are posted on the EuropeAid Co-Operation Office website (http://ec.europa.eu/europeaid/index_en.htm).

Funds may be held centrally by the development agency or locally by an Embassy or agency country office. With the decentralisation of development aid, it is always worth exploring funding options both centrally and through the regional and local offices. Moreover, some donors engage with NGO's and civil society institutions (including educational institutions, professional bodies and trade unions) in their home countries to provide the technical expertise needed for programming funds. If this is the case, it is important to identify and work with these actors, as well as get them to engage the donor on your behalf if possible.

Donor agencies do not work within vacuums. Although from the recipient country's perspective they can seem unapproachable, with decision making taken behind closed doors, these agencies do of course seek input and advice in what they are doing. If it is difficult to provide this from the local level, then it can be useful to work through intermediaries in the home country of the donor, who might be able to obtain better access.

As an example, if a media centre has assisted a journalist or employed a trainer from the donor country, it can be useful to discuss with that person

how the donor agency might be engaged. If willing, that person could take contact directly with the agency or through a professional body that he/she belongs to, whether it be an educational institution, trade union or any other organisation. As such, it is often the case that such contact can serve to better represent a field requiring support or a particular project activity, especially in circumstances where the donor is faced with numerous requests for assistance from local institutions in the recipient country.

Centre: International Press Centre (IPC), established in 1999.

Main activities: The IPC mandate includes capacity building programs for the media and journalists on professional and ethical issues and advocacy for freedom of expression, freedom of opinion, freedom of the press, access to information, self regulation, media independence and pluralism in Nigeria and the West African sub-region. IPC is part of a number of coalitions including the Freedom of Information Coalition (FOIC), the Electoral Reform Network (ERN), the Consultative Media Group (CMG) and the Zero Corruption Coalition (ZCC).

Staff: 7

Achievements: IPC has managed to attract funding from major donors, including the EU, OSIWA, DFID and USAID. However, as a means of sustaining itself, the IPC has paid attention to smaller funders whose contribution could sometimes be less than \$5,000. Indeed some of the best activities and publications of IPC have emanated from projects supported by these so-called small grants. The small grants constitute an important part of the IPC's overall activities and allow for diversification of funding and thereby improved sustainability through moving away from dependency on a single donor. The other unique experience with the small projects is that the reporting procedures (narrative and financial) are usually less cumbersome and easier to deal with.

Director: Lanre Arogundade

Quote: "Donor funding often dries up usually as a result of changing priorities on the part of the donors. One may cite the example of donors that support media in transitional societies, but reduce or stop such funding once there is some measure of political stability. Even though media centres will normally operate as not-for-profit organizations, they will have to creatively think of rendering services for which they could receive payment so as to be able to meet aspects of their operational costs. One way to address the sustainability question is for media centres to form networks with organizations with similar objectives so as to make their activities more global in character. Some donors are more comfortable with this approach and will be willing to give large sums of money to coalitions or networks as against individual organizations they may consider too small for large grants."

8.2 Accessing other funds

Donors do not always provide specific support for media development. In this regard, it is often good governance funds that are the best option for accessing assistance, based on the media's role as the "fourth estate". However, media is often viewed as a "cross-cutting theme" in so far as it provides a communication medium through which to target specific groups and the wider public. Although media development should ideally be seen as a sector unto itself, options for utilising this cross-cutting role should be explored.

Issue-based funding

Many donors provide issue-based funding, which media centres are usually well-placed to access. Such funds should of course be sought with the objective of furthering the identified issue as outlined by the donor. A proactive centre may approach a potential partner institution, including national and international civil society or state institutions, to propose cooperation. Most often, the role a media centre can play is to provide training on specific themes to build awareness amongst the media and assist with improving and increasing coverage of the given subject. A media centre might also be well suited to producing print and broadcast media content targeting specific focus groups, the media community or the general public.

As examples, a partnership could be sought with UNAIDS or a national HIV/AIDS institution to promote awareness and understanding about the disease or cooperation could be sought with an environmental group to report on illegal logging. The media is also well-placed to work on transparency and accountability issues, particularly in relation to exposing and combating corruption. Institutions and donors working on such issues could be approached with proposals to cooperate on monitoring projects or promoting access to information.

Diversify funding sources

The majority of "traditional" donors providing funds for media development activities are the national development agencies from the European Union and North America. However, funding can also be sought from other sources. There are an ever increasing number of countries providing development aid and efforts to explore options with such countries can bring results.



Library at the IPC.

In this regard, it could be worthwhile approaching a number of European Union members, including the new accession countries, as well as East Asian and Australasia countries. Moreover, whilst many may not provide large-scale support, Embassies and diplomatic mission often have smaller amounts at their disposal, so forming relations with the diplomatic community can open up funding avenues.

Private foundations should not be overlooked, as they can sometimes provide substantial amounts. It might also be easier to forge long-term relations with such donors, rather than the larger bureaucracies of traditional donor agencies. Such private funds can be based on contributions made by wealthy individuals or trust funds established for philanthropic purposes. They may be established by media corporations or business persons with an interest in supporting media development, or specific issues within the broader media support field, such as safety, community radio or newspapers. Likewise, international professional bodies, including associations and trade unions, often run development projects in parallel to their representational and professional roles. Research into what exists can open up alternative options.

Although persuading any donor to begin a new line of funding can be a time-consuming and long-term process, it is worth doing. For traditional donor agencies, this might mean firstly persuading the agency of the importance of media development, then providing advice on how to approach the issues, then waiting for the internal discussion and independent assessment of the issues by the donor, followed by the allocation of funding, often in the next funding cycle. Therefore, if successful, funds may not become available until a few months or even one or two years later. Engaging donors with a long-term perspective and not a few weeks before funding runs out is therefore essential.

A centre should also try and have more than a single donor supporting its activities. An end to funding from that donor may come as a surprise and if solely dependent on one source will force the centre into a financial crisis. Most centres have between one and three primary donors, but it is useful to also cultivate smaller donors, although doing so will inevitably be time-consuming.

Seeking non-donor funding

In diversifying external funding sources, a media centre should look to establish formal and informal partnerships with local municipalities, chambers of commerce and other professional and governmental institutions. As described in the chapter on training and education, linkages with the media industry and collective bodies representing the media industry should be formed to explore funding options.

By promoting the need for a professional and independent media and placing the centre at the core of the drive to achieve this, a centre can generate support. Although such support may not always be financial, it can nevertheless be a vital asset for advocacy related activities and identifying and working with other national institutions in their activities with external funding sources and donors.

9 Marketing and branding

By default, a media centre has more opportunities than most other non-profit organisations to generate free publicity. After all, media centres would know "how to write a press release" or "how to establish relations with journalists" and have better access to the media. Marketing, in a way, is in the genes of the organisation and the centre should therefore find it relatively easy to spread the word about its existence.

Developing and implementing a genuine marketing strategy remains crucial, not to raise awareness about the centre's work or the importance of the issues it addresses, but to position the organisation and its services, convince potential clients of their value and communicate its pricing plan.

Marketing involves thinking about potential customers. Ideally, it is possible to conduct market research to find out who they are, what their interest is, how many there are and how much money they have to spend. Knowing this, the strategy should include various avenues and information tailored to the potential client, their current image of the media centre ("a rich NGO doing useless courses") and the image you want to convey ("a professional organization offering valued services").

This section does not explain in detail various marketing methodologies, as sufficient publications about these are available⁴. Instead, it provides hints specific for a media centre following its establishment and considering its special features as a non-profit organisation which charges for its services.

9.1 Be ready

Marketing the centre is not something to start prematurely. If the organisation is not ready or the services not of sufficient quality, it may even be counterproductive.

First and foremost, the organisation should be ready internally: meaning that there should be agreement among the employees that the centre will be run increasingly as a business and less as a non-profit.

Subsequently, the organisation has to have a clear strategy, be confident about it (hence it should be evidence-based and agreed upon) and thus have a strong foundation on which to build a marketing and branding plan. If it is not clear what the centre will offer – journalism training or consultancy, production or running an internet café, advocacy or legal reform – it is impossible to prepare a marketing and pricing strategy.

The latter also implies that all staff members are aligned and able to communicate the same message about the work of the centre.

Involve all staff in corporate communication and branding by making sure that the organization is aligned and the staff understands the strategy and is able to present the key values of the organization. This can be achieved by organising annual retreats, involving staff in development of the organisation, trainings for all staff members on corporate communications and so on.

⁴ Douglas B. Herron. *Marketing non-profit programs and services: proven and practical strategies to get more customers, members and donors.*

9.2 Positioning and pricing

It is necessary to determine how the centre will be positioned within the market. Naturally, a media centre should be seen as a professional organisation which delivers value for money. Training courses, for example, could be marketed as indispensable for getting a job in the media. This could be substantiated with testimonials and facts.

One element of positioning – often disregarded by media centres since the activities may be 100 percent donor-funded – is to develop a pricing plan. This includes studying the competition and market needs, considering the unique selling point of the centre and analysing the costs for services (including often overlooked costs such as depreciation, cleaning or evaluation).

Pricing should be closely linked to the marketing strategy. Do not position a training course as high-quality and necessary to find employment without charging for it. It would devalue the perceived quality. Similarly, offering handbooks and manuals for free gives the impression that they are not worth that much. The services should have a price which reflects the quality.



ProMedia



9.3 Corporate identity

Most media centres develop a corporate identity early on: a logo, a design for a newsletter or a brochure. Once the organization is ready for a more substantial marketing effort, it may be useful to review the corporate identity.

Is the current design consistent with the image and position the centre wants to obtain? Can it be used for a longer time ahead? Once decisions are made

about the logo and other elements of the corporate identity (colours, style, fonts, etc) all external communication should be reviewed and renewed to include both the marketing strategy and "look and feel": brochures, leaflets, websites and marketing sheets for different activities. Printed material should not get outdated too quickly.

9.4 Database and mailings

Researching and maintaining a database requires special attention – even though there is not always sufficient time for it and it may not seem urgent. Yet, in fact, it is.

A well-maintained database can be used for newsletters, direct mailings, follow-up telephone calls, event invitations, networking and even market research and segmentation.

The database of a media centre should be divided into categories. For instance: like-minded non-governmental organizations, donors, state authorities, politicians, journalists, editors, schools, universities, media owners, etc.

Different messages or material can be developed for different groups, depending on their interest and the message / image the media centre wants to convey.

Electronic newsletters, brochures and especially marketing sheets should contain concrete results. For example "70 percent of our trainees find a job within six months", "previous productions were among the best-watched information programs and received two international prizes", etc. It is useful to include testimonials in mailings of those who have received direct benefit from the work, following a project or activity.

Centre: Mediacentar Sarajevo, Bosnia-Herzegovina, established in 1995 and since 2000 registered as an educational and research institution.

Main activities: Started as an education centre, MCS expanded its activities to include publishing (digital iDoc database of print media), media research, PR training and production. MCS also has an archive, large library, café and organises cultural events.

Staff: 25 full-time employees.

Achievement: Despite difficult circumstances – the Bosnian media institutions are divided, not all cooperative and have limited resources – the MCS has established itself as the centre of excellence in the media field in the country. It cooperates with public broadcasting, has attracted different sources of funding and has bought its own premises, providing it with more stability in the longer term. Several of its activities (production, iDoc, PR training) bring domestic income to the MCS.

Director: Boro Kontic

Quote: "MCS developed a comprehensive marketing strategy in co-operation with consultant Helen MacIntosh. In different sessions, all the activities and related communication and positioning were re-viewed. It was determined what the target market was, how large, how to reach them, how to evaluate results and so forth. Marketing and sales sheets were developed for each activity. For instance, for 'Commercial Journalism Training' these sheets were to detail succinct descriptions of whom the training is aimed at, what outcomes to expect, what is covered on the course, a brief timetable and costs. An additional cover sheet was developed to explain the approach to the training, the number of participants, the biography of trainers and the possibility for tailor-made courses. And, for general information, a sheet was added to the package with (technical and practical) information about the MCS, including press clippings and endorsements. Finally, a launch event was held, where the sales packages were presented and distributed. Potential customers not present were of course sent packages by regular mail."

9.5 Using your network

As most media centres do not have ample funds to advertise, using word of mouth can be an affordable and effective way of enhancing name recognition and image. Again, it requires a concerted effort.

Spreading the word

- The board members need to be provided with information which they can spread throughout their own network.
- Trainers, often employed by the media centre, can be used to pitch stories with colleagues and spread the word about courses and other services (such as documentation, management training, etc). The "name" of well-respected and known trainers can be used to brand the centre.
- Keep closely in touch with all those who have participated in trainings or events. Make sure their addresses are known, invite them regularly, even when there is nothing in particular to report on.
- Servicing foreign correspondents is a possibility to establish new connections, as well as to spread the message regarding the work of the centre.
- Always actively search for alliances with other organizations, commerce, government, advertising, and business⁵ and supply them with information and brochures.

Saving money

Another advantage of being a media centre is the possibility to generate free publicity and use the connections to the media to save costs for advertising.

- Attempt to arrange for free advertising in befriended media outlets, possibly in exchange for services provided by the centre. Paying for advertising space is actually only justified for a small size non-profit organization if it is otherwise impossible to reach people and if a very specific target group can be efficiently addressed.

⁵ *Ibid*

- Similarly, discuss with those publishers with (access to) printing plant the possibility for reduction in costs for printing posters, leaflets etc.
- Ask art directors of media outlets to assist (for free) with the design of brochures and leaflets.

Notwithstanding these possibilities, a media centre should include a budget line for marketing promotion in project applications for donor funded activities.

9.6 Organising publicity and visibility

An annual event, the launch of a book or the completion of a course are good reasons to organise an event and invite future contacts. Be careful not to invite only those that are already converted to working with the media centre – it is better to invest some time inviting potential new clients.

Also, the media centre should ensure it is listed in all relevant directories and visible (posters, brochures) in places where potential clients come: student halls and faculties, cafeteria close to media outlets, editorial rooms, etc.

Finally, a media centre should maintain a professional website. It should be regularly updated, contain information about courses, allow for online registration and donations, provide the possibility to fill out questionnaires and give feedback on services provided, etc., as well as explore newer possibilities such as creating a “journalism community” around issues or locations.

10 Measuring sustainability

Financial ratios are commonly used to assess the performance of organizations and, more specifically, to analyse their financial health. Also for media centres, calculating these ratios will reveal their liquidity and profitability. Yet, more is needed to determine sustainability in the longer run, when income sources may shift from international donors to domestic clients.

10.1 Financial reports needed

The *balance sheet* is the source of many of the figures necessary to calculate financial ratios. It thus provides a quick insight into the financial health of the organization. The balance sheet for a media centre should be made available to the director and the board minimally every three months.

A *profit and loss statement* is necessary for non-profit organizations, even if this may sound counter-intuitive at first. Non-profit organizations need to make a profit – they just do not pay out dividend to shareholders. Instead, they invest all the profit back into the organization, for instance by buying tangible assets or developing new activities.

It is necessary to make *individual profit* and loss statements for different activities, to have insight into the costs, margins and profitability of different work the organisation does. Besides the director and the board, the program or project manager should receive a P&L statement minimally every three months.

One report which is valuable and relevant for non-profit organisations involved in fee-for-services – such as media centres – is an overview of the *aged receivables*. This shows unpaid bills in 30 days increments for each activity area, as well as agency-wide.

These three reports could be produced with the push of a button, if the information is entered correctly in a computerised accounting system⁶. Crucially, correct coding should be applied to distinguish between activities.

10.2 Relevant financial ratios

Crucially, ratios need to be looked at in perspective. They could be compared to last year (are we improving), to others in the business (are they doing better), or within the organization itself (this activity brings more profit than the other).

The following financial ratios⁷ are relevant for a non-profit enterprise with different clients (international donors, local business, students, domestic authorities) such as a media centre.

Paying the bills

Liquidity, or the ability to pay the bills, can be measured by calculating the Current Ratio (current assets / current liabilities). A healthy ratio would be 2/1. Often used, it is considered a somewhat crude measure as it lumps together a number of categories.

⁶ Accounting software can be very costly. Open source versions have been developed and can be found at www.gnucash.org (mainly private and small business), www.compiere.org (focuses more on CRM), www.turbocashuk.com (aimed in particular at small and medium enterprises) and www.freeaccountingsoftware.net

⁷ Described in *Enterprising Nonprofits – A toolkit for social entrepreneurs*. By Dees, Emerson and Economy, 2001.

Instead, a media centre may calculate the Days Cash which indicates how long you can continue with the money available (cash and equivalents x 365 / operating expenses – depreciation) or the Days Receivables, which indicates how much is due and how quickly this is collected (accounts receivable x 365 / operating revenue).

It is one thing to analyse liquidity, yet, more important to act when the results of the calculation are not satisfactory. Then, the organization has to try to collect amounts owed faster, don't pay the bills too quickly, renegotiate terms and get things donated – in short, everything necessary to avoid a cash flow problem.

Making a profit

Calculating the Total Margins made on different activities or within the organization as a whole is so classical that most will know the formula (revenue – expenses / revenue) and understand how to interpret it.

However, media centres have money coming from different sources, such as foundations and fundraising events, which say little about profitability in the classical sense of the word. Indeed, many non-profits lose money on their actual operations and make up for it by fundraising. Or they fundraise first and subsequently implement the activity.

Operating margin

In both cases, it might be relevant to estimate the actual value or “true profitability” of the activity more accurately, without the so-called “fundraising noise”. To do so, the revenue from certain sources (fundraising, extraordinary income, etc) are eliminated from the total revenue, arriving at the operating revenue.

The Operating Margin can be calculated as follows: operating revenue – operating expenses / operating revenue.

In other words, it compares the money derived from activities with the costs made for those activities. If the operating margin is negative, it means the activity is loss-making.

It is very possible, even likely, that the total margin of a media centre is positive, yet the operating margin is negative. The reason is simply that a lot of donor funds are not counted into the operating revenue.

Some nonprofits are proud to collect a substantial amount of money from donors. Yet, a significantly negative operating margin means a greater dependency and shows that genuine clients apparently do not cover the expenses in full.

10.3 Ratios to measure sustainability

The operating margin already reveals the dependency on donor, fundraising and thus indicates to what extent a media centre is able to generate its own revenue.

Donors and media centres have discussed further ways to measure this by calculating ratios which can be used as performance indicators over a period of time.

Efficiency

For instance, to measure the expenditures of the organisation, the following ratios can be used:

- Total take home salaries to total turnover – measures the costs for staff in relation to all activities.
- Total operating costs⁸ (administration costs) to total costs – measures the balance between the overhead and the total expenditures and can thus be a tool to assess efficiency.

These ratios are primarily useful if considered over time or in comparison to other media centres with similar activities.

Domestic income

Relevant for the future, when international donors might change their support level, is to calculate the balance between self-generated or commercial revenue versus other sources of income (e.g. donors). As it can be difficult to define what exactly constitutes "commercial" or "self-generated" income, another way to measure the dependency on foreign donations is to calculate a Domestic Income Ratio.

The Domestic Income Ratio (domestic revenue / total revenue * 100) measures the percentage of all income from domestic sources (state subsidies, tuition fees, payments for services by local clients, local sponsorship) to total revenue.

Money for courses

The operating margin, described above, is essentially the same as a ratio applied by some donors to measure the demand and sustainability of training courses provided by media centres.

The Tuition Ratio (tuition fees / operating expenses * 100) shows the percentage of costs which are recouped through payment by students or the industry. The higher, the more in demand and the more sustainable the courses are likely to be.

What is sustainable?

To what level should these indicators be reached in order to consider an organization (relatively) self-sustainable? As said, most of it depends on the circumstances and the kind of services offered. Hence, the indicators are primarily useful to view developments between organizations with likeminded activities, or measure performance of the organisation itself over time.

Having said that, it can be questioned if a media organization is "healthy" if 95 percent of its income comes from foreign donors. Should costs for a training be covered minimally for, say, 40 percent by students and the industry – if only to indicate their interest and guarantee their active participation?

Ten media centres were asked these questions. Although it could be expected that lower income countries would consider it impossible to get a substantial amount from the domestic market, the centres from Nigeria and Liberia suggested a much higher domestic versus international ratio than did, for instance, Macedonia.

⁸ Operating costs refers to all the costs not associated directly with concrete projects/ programs. These costs are also referred to as indirect costs for common or joint objectives, such as office space, maintenance, equipment, depreciation, fundraising, staff and administrative expenses, etc.

Percentage of domestic revenue to total revenue:

- Bulgaria: 75%
- Indonesia: 70%
- Nigeria: 60%
- Liberia: 55%
- Bosnia: 50%
- Ghana: between 20 and 40%
- Nepal: at least 25%
- Macedonia: around 20% in total
- Burma: 10-25%

Percentage of course costs recovered from tuition fees:

- Bulgaria: ideally 120%, to cover overhead
- Indonesia: 50%
- Nepal: at least 30% from students and 50% from media industry
- Burma: 25-40%
- Ghana: 30%
- Nigeria: 20%
- Macedonia: Minimally 10%

10.4 Non-financial indicators

There are some non-financial indicators to measure performance and sustainability of a media centre. These may include the extension of cooperation with like-minded organizations, educational institutions, development towards a private faculty or formalized ties with the (media) industry.

The indicators could be the actual applications for accreditation submitted, agreements signed, activities conducted in cooperation with others, board members from the media industry or advisory council. The percentage of former trainees who continue to work in the industry, or (in)directly for the program is another indicator for the relevance and performance of the centre.



© International Media Support

Any reproduction, modification, publication, transmission, transfer, sale distribution, display or exploitation of this information, in any form or by any means, or its storage in a retrieval system, whether in whole or in part, without the express written permission of the individual copyright holder is prohibited.

Published in Denmark by IMS
First edition 2007

Design and production: nanette graphic design
Print: De Facto A/S

ISBN 87-92209-02-5