



OER Case Study Publication No. 5

Stanford Encyclopedia of Philosophy: Creating A Sustainable Funding Model for Open Access

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Abstract: The Stanford Encyclopedia of Philosophy (SEP) is an online reference work that is freely accessible to students, educators, self-learners, and others. Initially supported by a grant-based funding model, the SEP adopted a long-term funding plan in 2003 that relied on voluntary contributions from global universities and libraries. The SEP faced challenges in obtaining support from some libraries and library organizations that use its resources. The SEP case study examines perceptions among member and non-member libraries and library communities, with particular regard for factors impacting the willingness of libraries to contribute to the SEP funding model. Furthermore, in light of the SEP's interest in creating a sustainable funding model that can potentially be adapted elsewhere, the study aims to inform knowledge of factors affecting the success of the model, and the feasibility and transferability of the model for future publishing projects.

I. Introduction

Created in 1995 by a senior research scholar at Stanford University, the Stanford Encyclopedia of Philosophy (SEP) is a searchable, online, philosophy reference work that is freely accessible to students, instructors, self-learners and others. The SEP embodies a dynamic body of reference, in that its entries are maintained and continuously updated with new entries by professional philosophers and editors from around the world. As contributors monitor emerging ideas in the field of philosophy, they incorporate those ideas on an ongoing basis in the form of new and updated entries.

In 2003, the SEP, in line with its effort to become a self-sustaining resource that preserves open access, began exploring ways to move away from its initial grant-based funding structure. After weighing several options, the SEP developed a long-term funding plan predicated on partnerships between the Stanford University and umbrella organizations representing the global academic library community. Under the model, global universities/libraries that have philosophy departments offer voluntary contributions to the SEP in return for certain benefits, including protection on the money contributed,¹ the right to download SEP archives, and public recognition as supporters of open access and the SEP. To facilitate the fundraising and fund collecting effort, the SEP secured support from library organizations such as the Southeastern Library Network (SOLINET), the International Coalition of Library Consortia (ICOLC), and the Scholarly Publishing and Academic Resources Coalition (SPARC). The goal has been to raise \$2.5 million from the library community (alongside additional sums from a challenge grant and private and corporate donors),² so that the SEP can—through interest generated from the fund—remain freely available to scholars, students, and the public at large.

1 The protection provides a form of money-back guarantee, should the SEP project ever terminate. This provision will be discussed further in the section on “Logistical Issues” below.

2 Beyond the \$2.5 million being raised from the library community, the total funding plan is to build a \$4.125 million protected endowment fund. A portion of this projected endowment fund has come from an NEH Challenge Grant for \$500,000, and the remaining \$1.125 million from private and corporate donors.

Although the SEP has successfully secured commitments from university libraries globally, approximately one-third of the \$2.5 million in contributions remains to be raised. A central obstacle identified by the SEP has been securing new partnerships with libraries that currently use the SEP and its resources, but that do not contribute to the fund. The aim of this case study is to shed light on this obstacle, specifically exploring the reasons behind libraries' potential disinterest in committing to the SEP fund, as well as assessing the reasons why participating libraries have, in fact, contributed. The SEP case study is part of a larger initiative³ led by the Institute for the Study of Knowledge Management in Education (www.iskme.org), which involves case studies of six open educational resources (OER) projects to increase understanding of issues that are common across them—such as engagement of online communities, volunteer recruitment, and licensing decisions—and to create synergies and knowledge sharing possibilities for field-building and leadership development.

The SEP case study examines perceptions among member and non-member libraries and library communities, with particular regard for factors impacting the willingness of libraries to contribute to the SEP funding model. In doing so, the study seeks to elucidate ways to secure additional commitments from libraries going forward. Furthermore, in light of the SEP's interest in creating a sustainable funding model that can potentially be adapted elsewhere, the study aims to inform knowledge of factors affecting the success of the model, and the feasibility and transferability of the model for future publishing projects.

II. Methodology

This study draws upon a participatory case study methodology similar to David Fetterman's empowerment model. Fetterman (2005) defines empowerment research as that which helps organizations and communities assess and improve their practices by instilling mechanisms that allow them to align their theory of action (what they think they should be doing) with their theory of use (what they are actually doing). It is a model for research that helps organizations build the capacity to assess their practices and develop insights that can be fed back into those practices in light of project goals. This entails developing research and data collection tools collaboratively with the case study organization, which can be used to reinforce, test and modify internal knowledge. In such an approach, the external researcher's role becomes that of a critical friend and facilitator as opposed to a decision maker or expert purveyor of knowledge. As such, value and weight are placed more upon the insights and experiences of importance to the organizational members, as it is from their perspective that knowledge can be cultivated to inform practices and continuous improvement (Petrides & Loesch-Griffin, 2005).

Consistent with the participatory research model, the SEP case study was an iterative and collaborative process. The case study work began with four initial phone conversations between ISKME and SEP project leaders. The purpose of these conversations was to provide context for the study, to shed light on the SEP's past and current challenges and opportunities, to determine the research questions to be addressed by the case study, and how those research questions would be

³ The case study initiative was supported by The Shuttleworth Foundation, International Development Research Centre, The William and Flora Hewlett Foundation, and Curiki.

answered. A review of internal SEP documents⁴ was also conducted as a way to inform the development of the case study research plan, and to provide further insight on SEP's goals, strategies, challenges and opportunities.

In answering the research questions around sustainability of the SEP funding model, six telephone interviews were conducted with individuals from libraries and library organizations. SEP project leaders helped to select the potential list of interview participants, with the goal of identifying individuals from committed and non-committed libraries, as well as individuals involved in the early design of the funding model, and those representing umbrella library organizations working to support and promote the funding model as fundraisers, fund managers, or advocates. ISKME and SEP project leaders developed the interview protocols collaboratively, and ISKME subsequently conducted the six interviews, which each lasted approximately 45 minutes. The specific purpose of the interviews was to understand the participants' perceived benefits and challenges of open access, of the funding model and membership to it, and to explore reasons influencing libraries' decisions about whether to contribute to the model. The sections below summarize the findings from the interviews, thus representing the multiple perspectives of the interviewees—from libraries, to library organizations, to funding model planners and designers.

II. Findings

The case study of SEP illuminated several factors of importance to facilitating the sustainability of its alternative funding model. These include considerations around the concept of open, local library buying practices and needs, as well as additional factors stemming from the logistics of the funding model. Each of these is addressed in turn, below.

Definitions and Awareness of Open

Because the development, modification, and sharing of open content is a relatively new endeavor, many projects in the open movement necessarily become engaged in creating a shared understanding and commitment around the concept of open among their stakeholders. The SEP's definition of open access, which is in accord with the definitions adopted by the Budapest Open Access Initiative and the Directory of Open Access Journals, ensures that entries are modified in response to valid critique and feedback, and that—in keeping with its aim to ensure high quality resources—all substantive modifications are vetted by philosophy experts. In offering and continuously updating this content, it works with philosophy scholars who retain the copyright to the entries that they write, while the SEP holds an exclusive license to publish the entries online.

Interviews with libraries and library organizations revealed that all participants had knowledge of or opinions about open access, resulting from participation in various open access projects at their institutions and libraries.⁵ For the most part, these definitions of open access converged with SEP's

4 Documents reviewed include: "Three Year Funding Plan for the Stanford Encyclopedia of Philosophy," "Funding Proposal to the Canadian Research Knowledge Network," "Stanford Encyclopedia of Philosophy (SEP): A Call for ICOLC Initiated Global Community Action," the SEP website, and articles written about and by SEP as posted on the SEP website.

5 Open access projects cited by the interview participants included, e.g., the Public Knowledge Project, a research development initiative at San Francisco University that seeks to support and develop open access publishing and knowledge-sharing environments; and the SCOPE 3 open access publishing project in particle physics.

definition of open access. One interview participant defined open access as a model in which content and related services are made accessible to all, and where no one user or group of users enjoys superior service or access. Another interview participant described open as a transition in the conceptualization of sharing and accessing information. This participant noted that scholars and researchers are moving beyond previously held beliefs about ownership and proprietary academic work, and are pursuing collaboration and sharing in order to contribute to their field and to make their research known to wider audiences.

Only one interview participant expressed a view of open access that differed from the SEP's view of open access, although this participant pointed to the conceptualization of open content more broadly. This participant indicated that, because the authors own the copyright to SEP entries, SEP's conceptualization of open access diverged from a view of open wherein content is freely available to also share, modify and reuse. This participant expressed the view that the SEP's definition of open access might, to some extent, dissuade libraries from contributing.

Although all library and library organizations participating in the case study interviews indicated support for and understanding of the open movement, the interview data further revealed that other libraries may not share this understanding, which in turn could explain their reluctance to support the SEP. One interview participant explained, for example, that because of the decentralized library structure in the U.S., where independent libraries are not accountable to one another as a group, libraries might not perceive the bigger picture around open access, and the benefits of open to the system as a whole. Another participant noted that open access as a concept has not "trickled down" to the levels of the library below the director level, and that acquiring further support for the model necessitates continued conversations about open access directly with librarians.

Library Buying Practices and Needs

The SEP funding model, as noted previously, is unique for a library reference work because it based on an endowment rather than subscriptions. According to this model, the SEP allows libraries to become members by contributing to the endowment, with either a single, up front payment, or a contribution spread over three years. The endowment model was chosen as a way to minimize costs for the SEP—as subscription models bring with them expectations for payments to authors and editors. The endowment model was also chosen in recognition of the potential benefit it might confer to libraries, by eliminating an ongoing, recurrent cost of subscription payments.

The interview data revealed both perceived benefits and challenges of the endowment model for libraries, in terms of their local buying practices and needs, and their existing buying structures. To begin with, several participants, including one non-member library, pointed to the fact that the model was well received for its payment structure, as evidenced through its more than 500 members. Additional participants noted that the model is beneficial to libraries, because it allows for the option of allocating any surplus funds that they might have at the end of a financial period to a resource, such as the SEP.

The interview data also pointed toward the issue that for many libraries, adoption of the endowment structure would potentially necessitate changes in library purchasing practices. Despite the fact that the SEP allows contributing libraries to spread payments over the course of three years, it was noted that allocating a single, up front payment to the endowment would lead to

bureaucratic difficulties in converting libraries from existing invoicing structures that favor the subscription model. These difficulties were reported to include time intensive workarounds to accommodate a larger, upfront payment to the endowment. In light of this perceived challenge, one participant noted that the SEP should move its focus toward smaller libraries with less cumbersome bureaucracies, which could help fund the endowment quicker.

Furthermore, two interview participants indicated that libraries' preference for the traditional subscription model might also stem from the fact that it allows for smaller, staggered payments. Smaller, staggered payments were said to be especially important to libraries that have restricted purchasing budgets. Additionally, in further reflecting on the scalability of the model in the context of budget constraints, one of the participants noted that the model might not be feasible on a wider scale, because individual libraries cannot afford to pay larger up-front sums for all of their resources or collections.

The interviews revealed that for many universities and their libraries, the field of philosophy competes with other academic fields, and thus, with budgeting priorities. That is, while the SEP's resources were viewed as high quality, libraries still needed to weigh philosophy resources against other resources when considering how to allocate funds.

SEP project leaders, on the other hand, point to user log files indicating that the resources are in fact being used across a broad spectrum of academic departments—from physics and computer science, to law and history—which underscores a potential need for libraries to draw on more general funds to support the SEP, as opposed to funds solely earmarked for philosophy purchases.

Finally, analysis of the interview data revealed issues related to quality control and accountability in the context of a model that is not subscription based. Specifically, the analysis pointed toward the notion that some libraries might prefer the option of periodically reviewing content for quality before renewing their subscriptions. Reflecting this view, one participant noted that some institutions approached by the SEP were holding back with a “wait and see attitude,” so they could evaluate how the SEP would actually materialize in terms of the ongoing quality of its resources, before committing funds. In response to this concern about quality control, the SEP plans to establish a governing board that will include representatives from the library community and who will therefore obtain influence over the quality and quality control of the SEP resource.

Logistical Issues

Under the SEP model, the funds that libraries contribute to the endowment are collected by the SEP's funds collector, the Southeastern Library Network (SOLINET). Money is then transferred to Stanford (the funds manager) under contract before it goes into the SEP Library Fund. In short, the SEP funding model requires money to change hands between libraries, the funds collector, and the funds manager. The interview data pointed to the existence of discomfort with the logistical arrangements of this fund transfer process, stemming from a perceived lack of checks and balances in the process to engender trust in the system. While SEP transaction records clearly document that neither SOLINET nor Stanford assesses fees, a few participants nevertheless expressed concern that one of the organizations involved in this multi-party structure might take some portion of the contributions to support, for example, overhead costs.⁶

⁶ Due to an industry merger that occurred after the case study interviews were complete, SOLINET will no longer serve as the SEP's funds collector. The Philosophy Documentation Center (PDC) will instead serve as the SEP's

Furthermore, the interview data revealed the potential for reluctance by some institutions to commit public resources to a university perceived as well endowed as Stanford is in the academic community. While all interview participants were aware that Stanford was merely the funds manager for the endowment, and that the endowment was not supporting Stanford per se, the fact that the endowment was based at Stanford was indicated by some to potentially be more of an inhibitor than a facilitator to participation.

To allay potential anxiety regarding fund collection and management, the SEP endowment offers a money-back guarantee in the unlikely event of project failure or termination. According to the terms of that guarantee, the money paid in the form of membership dues would be refunded along with any interest and appreciation it might have accrued in the excess of the annual payout to support the project. The SEP hopes that the guarantee may help libraries to recognize that Stanford is merely acting to manage the funds for the benefit of the community.

IV. Discussion and Conclusions

For many open educational resources projects, ongoing financial support from foundations and other philanthropic entities may not be possible or at the very least, is not sustainable over time. Projects are thus faced with the task of exploring other ways to support their activities. In its own move toward financial sustainability, the Stanford Encyclopedia of Philosophy developed an alternative funding model for its library resource that is endowment, rather than subscription based.

In exploring the successes and challenges of the SEP funding model through interviews with libraries, funding model partners and stakeholders, this case study has revealed that on the whole, funding models and their options are best received when the various needs, perceptions, practices and structures of contributing funders and stakeholders have been transparently considered. For the SEP, these included expectations in terms of how its stakeholders define open access and their awareness of it, their local library buying practices, and of the logistics regarding the transfer of funds. In light of these expectations, the SEP has begun to integrate mitigating mechanisms and practices into its model. As noted, in response to the concern about quality control, the SEP has pointed out that it plans to establish a governing board that includes librarians, who will obtain influence over the quality control of the SEP resource. The SEP is also exploring sources of funding that were not originally or explicitly targeted, such as university libraries that do not have philosophy departments and smaller libraries that may have less bureaucracy and may be able to respond to new models that are not subscription based more easily.

new fiscal agent. For their services of online registration, invoicing libraries that register, collecting payment, and transferring payment to Stanford, the PDC will assess a service fee to libraries—which potentially obviates the transparency concerns expressed by some interview participants around overhead costs.

As the SEP moves forward, continuing to consider ways to address concerns stemming from libraries' local buying practices, the logistical structure of its funds transfer process, and messaging around the concept of open access can serve to support its efforts to build the remainder of its endowment. For other open educational resources projects exploring alternative funding models of their own, assessing stakeholder needs and contexts early on and building those needs into the model up front, becomes central.

V. References

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