

# Producing Successful Business Models to Support Sustainable Technology Measures

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# Sustainability as related to a business model

Business models: designs for producing value for a business venture

Private sector = "profit"



Public sector = "sustainability"



- For technology infrastructure, a business model provides uninterrupted, sustained financial and process support to fulfill the public mission
- Public mission is to support environmental data stewardship:
  - innovation
  - transparency
  - data sharing
  - responsible financial expenditures

# Business model must accommodate data sharing

### **Federal Open Data Policy**

Executive Order of May 9, 2013, "Making Open and Machine Readable the New Default for Government Information":

"This Memorandum establishes a framework to help institutionalize the principles of effective information management at each stage of the information's life cycle to promote interoperability and openness."

### **California's Data-Sharing Mandates**

California Senate Bill 1070: "Require[s] that the Monitoring Council develop specific recommendations to improve the coordination and cost-effectiveness of water quality and ecosystem monitoring and assessment, enhance the integration of monitoring data across departments and agencies, and increase public accessibility to monitoring data and assessment information."

# Beyond mandates: the demonstrated need for robust data sharing

- Huge natural resource management challenges
  - How do we derive timely information?
  - How do we share this information with policy makers and an engaged public?
- How do we work across agency boundaries to ensure that the best available science is not isolated in a single silo?
- Data visualization is the vanguard of a key output from standards-based data sharing
  - How do we foster data visualization to distill big ideas into comprehensible forms?

# Business model as a challenge and requirement

- Lack of clearly communicated value proposition
- Lack of Understanding of User Needs
- Perceived Redundancy of Services and Products
- Ineffective Coordination
- Insufficient Resources
  - Funding fluctuations:
     Trammell, Madnick, Moulton (MIT), "Effect of Funding Fluctuations on Government Funded Software Development"

## Fostering innovation and collaboration

"Disruptive innovation" is the dominant term in our technology centers (Silicon Valley)

Disruption in the private sector = profit

Disrup the sector = 1 s, discontinuit er than acceptable public funds

Must foster increased innovation without "disrupting"/ displacing / supplanting many of the state's current investments

Adopt evolutionary rather than revolutionary change







Geoportal Server



Embrace open-source software



Open source software

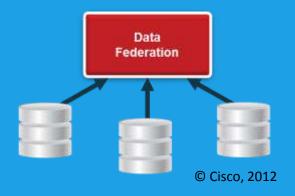
- is cost-effective
- attracts the best talent to serve as solution co-creators
- Offers reproducibility within a scientific context
- can integrate into a proprietary solution via a hybrid design

The evolutionary, incremental approach

Data federation offers collective power while preserving individual agency mandates

Standards-based approach

Agencies would retain autonomy but could also achieve greater coordination and deeper insights



Federation would require an incremental implementation: evolution over revolution

Empower a task force to address the many gaps in the state's business model

- Lack of clearly communicated value proposition:
  - Perform inventory analysis
- Lack of understanding of user needs:
  - Conduct market segmentation analysis
- Perceived redundancy of services and products:
  - Perform cost-benefit analysis
- Insufficient resources:
  - Recommend funding model
- Ineffective coordination:
  - Develop common data standards

**Funding opportunities** 

- The funding model should seek opportunities to overcome budgetary constraints through, for example:
  - Public-private partnerships
  - Technology innovation fund
  - Grant funding
  - Federal program partnerships

# **Benefits**

#### For Agencies:

- An engaged and innovative technical staff
- A much clearer measure of the value of data, as it is used more synthetically and easily traced to decision-making
- Steadier funding for technology infrastructure
- Leverage over respective agency data while also employing data "beyond the silo"

#### For Scientists and Decision-Makers:

- Easier access to the best available, most timely data
- Stronger data visualizations to aid in decisions and communication to public stakeholders
- Increased collaboration opportunities
- Greater confidence in the fulfillment of data-sharing mandates

#### For the public stakeholders:

- Data resources are more easily discoverable and able to be aggregated
- Greater confidence in the integrity of natural resource decisions
- Greater confidence in the responsible innovation of the public sector

