Transforming the Business of Publishing

Ken Brooks, Jr.
ken.brooks@cengage.com

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Digital products are breaking the steady state relationship between revenue, product investment, and cash

- Revenues from old products falling off, with some level of reinvestment required to keep it from being precipitous

- Reduction in realized price from digital is far exceeding the cost of goods benefit

- New and different products, channels and business models are required

- New product investment doesn't yield immediate results

How do we keep revenue and cash growing in the face of these dynamics?

Three critical core competencies
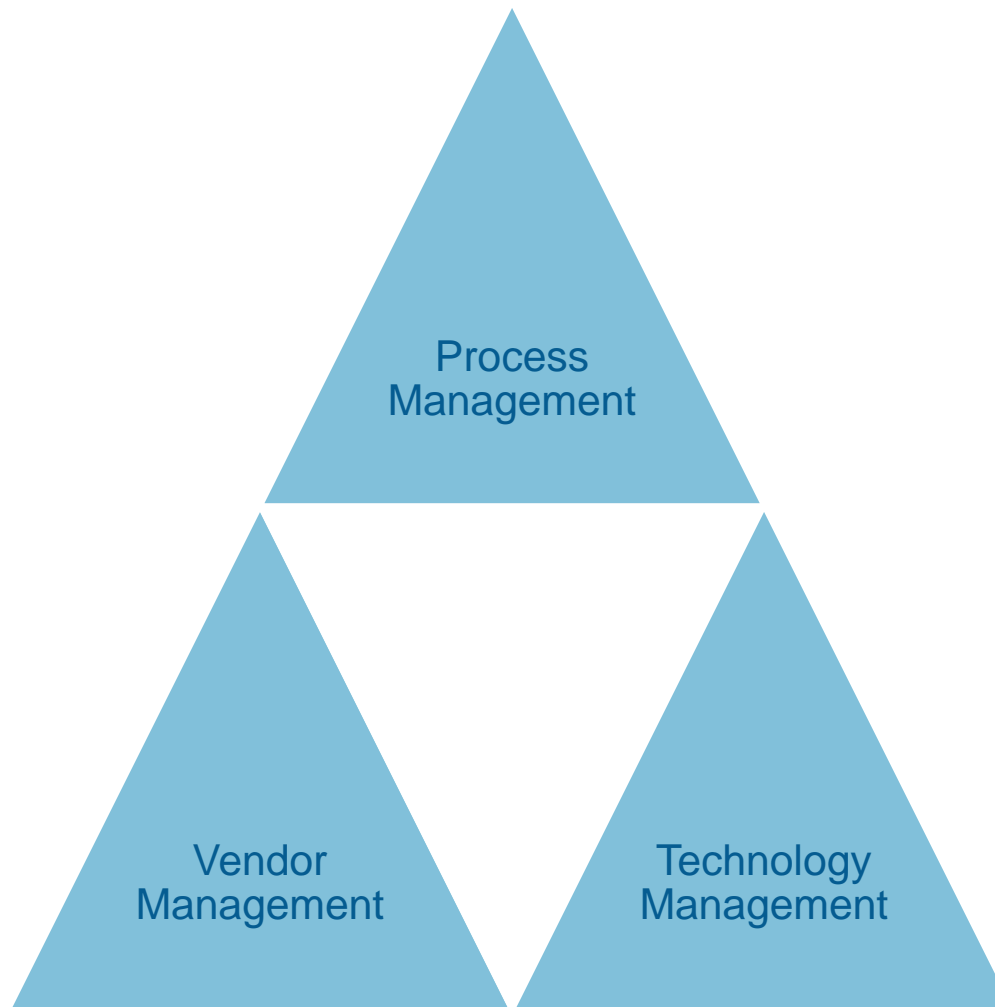
Process Management: Product Development

Plan

- Specifications
- Workflow
- Resources
- Budget
- Schedule

Execute

- Source Content
- Acquire Content
- Develop Content
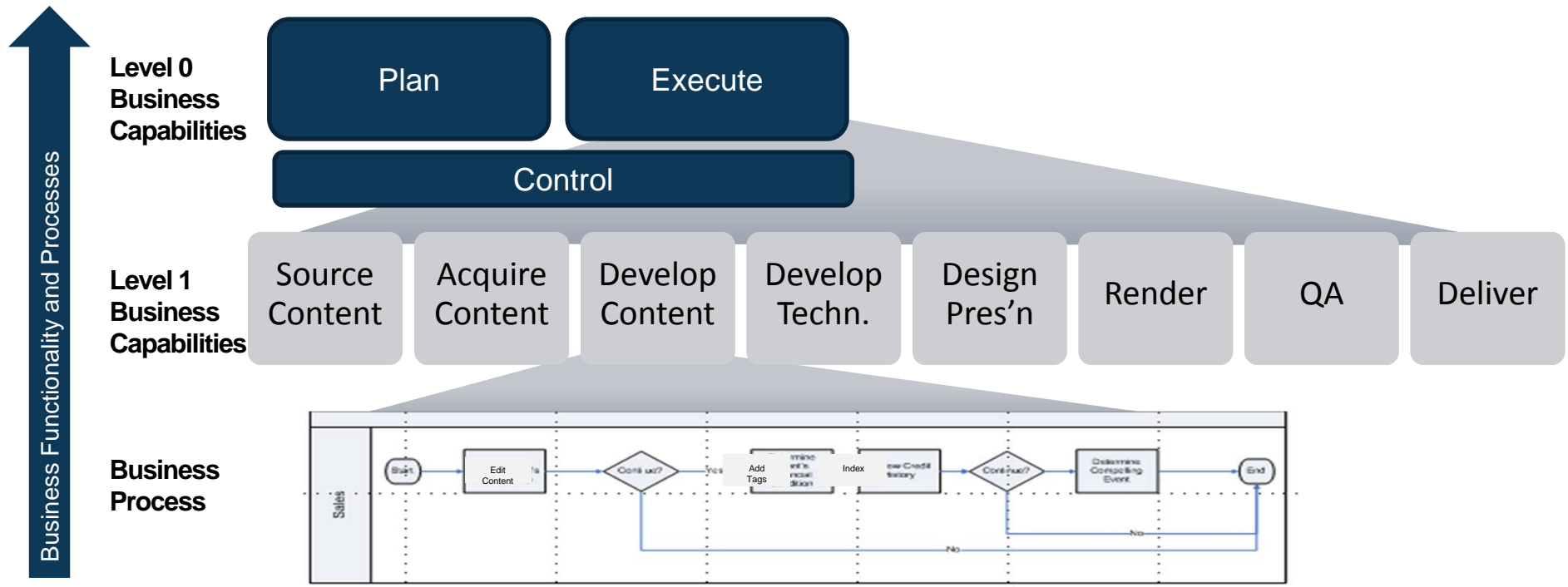- Build Technology
- Design Presentation
- Render
- QA
- Deliver

Control

- Track Progress
- Track Compliance
- Manage Changes
- Manage Standards

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Processes are comprised of capabilities.

Business Functionality and Processes →

Level 0 Business Capabilities

Plan	Execute

Control

Level 1 Business Capabilities

Source Content	Acquire Content	Develop Content	Develop Techn.	Design Pres'n	Render	QA	Deliver

Business Process

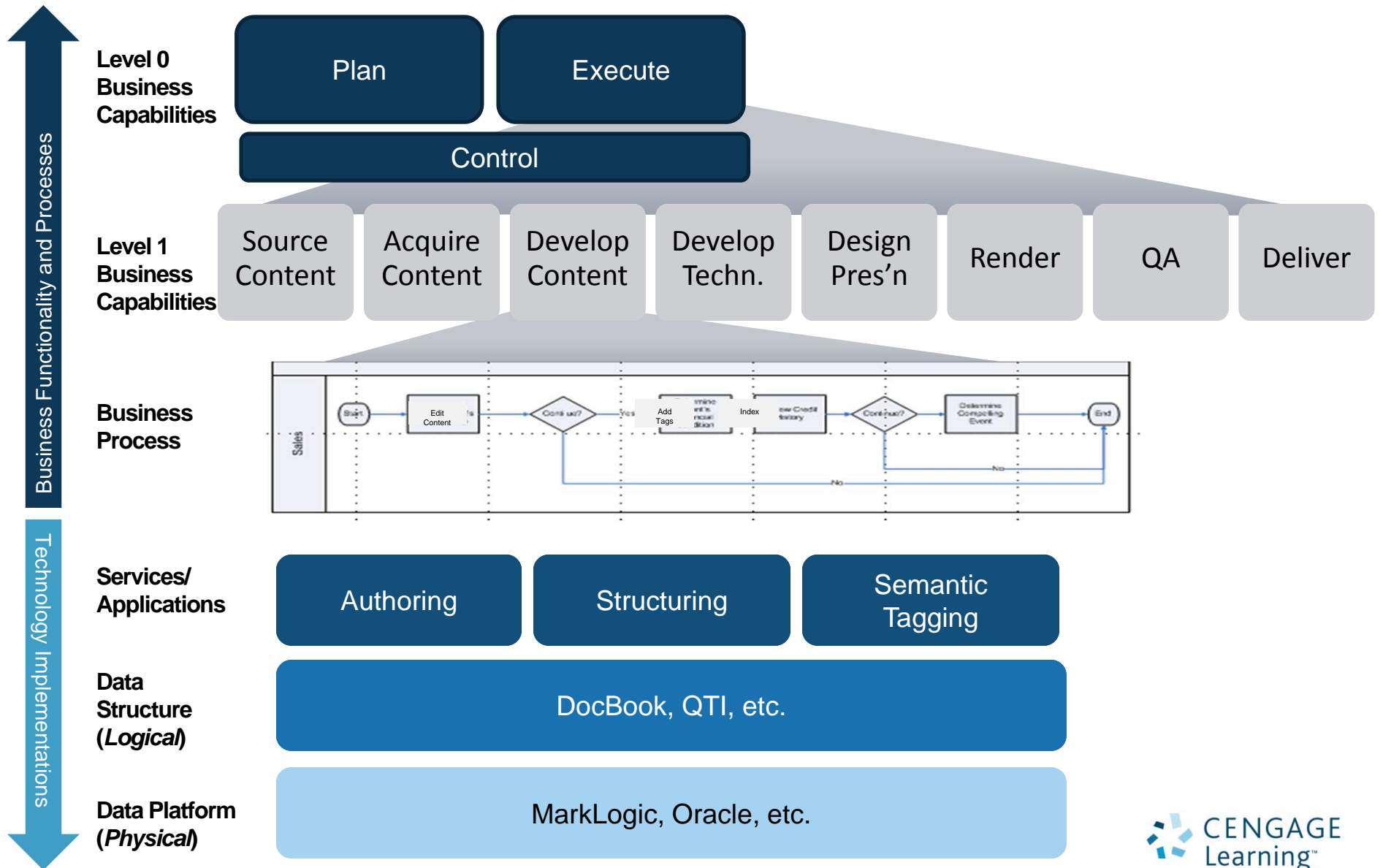# Capabilities can be executed by vendors.

Strategic Purchasing of Capabilities
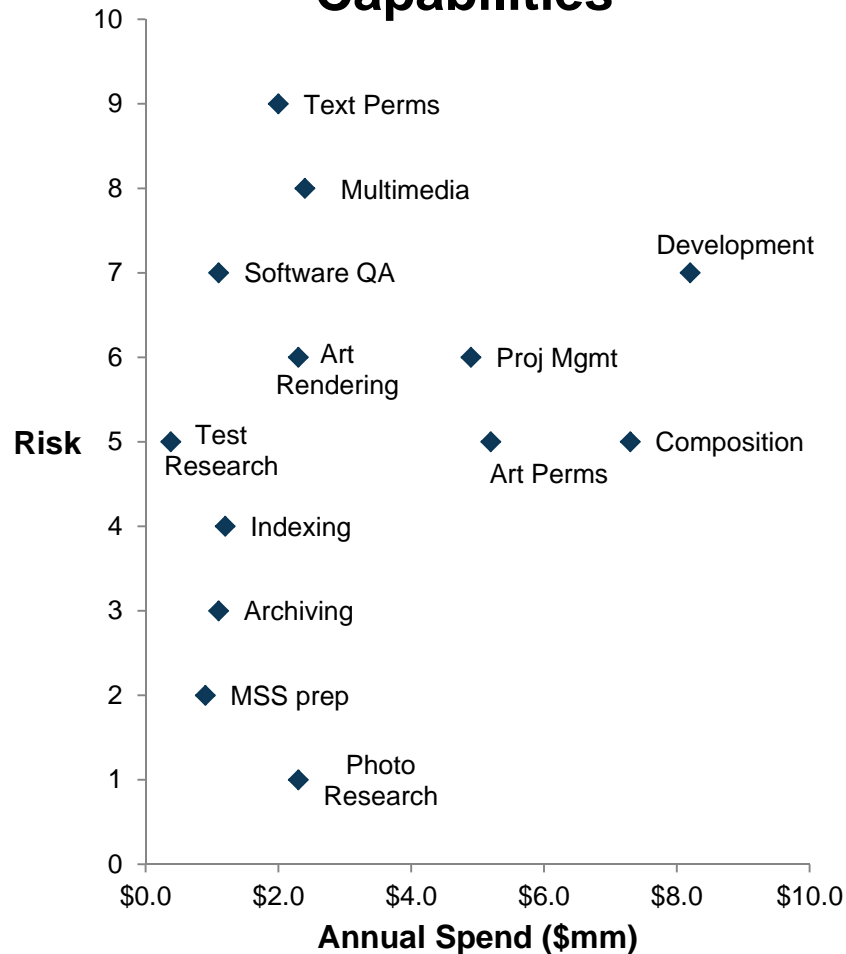
Vendor Management Process

- Standardize expectations

- Consolidate volume and services

- Negotiate hard on mutual expectations

- Manage performance both ways

- Share benefits from continuous improvement

Capabilities are also the basis of technology management

Business Functionality and Processes ↑

Technology Implementations ↓

Level 0 Business Capabilities

Plan	Execute

| Control | |

Level 1 Business Capabilities

Source Content	Acquire Content	Develop Content	Develop Techn.	Design Pres'n	Render	QA	Deliver

Business Process

Services/ Applications

Authoring	Structuring	Semantic Tagging

Data Structure (*Logical*)

DocBook, QTI, etc.

Data Platform (*Physical*)

MarkLogic, Oracle, etc.

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Summary Themes

- Architectural thinking: start with the end in mind

- Move incrementally toward the vision

  - Improve existing processes as a way to get to the future

  - Incremental investment

- It's not just the product – plan process as you plan product

- Your vendors are your partners

- Technology

  - Use agile development approaches for both product and process technology

  - Utilize standards everywhere: product, process, data structures

  - Buy, don't build

- Measure obsessively

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