

# Scope Matters

## How to leverage partnerships and development into marketable products

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### Abstract

Partnerships and careful planning can take a simple project with limited funds and transform it into a professional product with resale value. Liquid Learning, Inc, is partnered with Kent State University, University of North Dakota and Eastern Illinois University to create robust solutions to address student management, learning and informational needs in the university environment. These kinds of partnerships offer cost savings to all parties by allowing all resources to be utilized to their fullest and to create possible future revenue streams by expanding the scope at the planning stage and preparing for a wider audience.

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### Introduction

Proper planning and aggressively looking for partnership opportunities allows university researchers to team up with entrepreneurial people and companies, thus leading to a marketable, profitable product on the same planned budget. Liquid Learning has partnered with several universities to plan and build seven different products that educational institutions across the country currently are using. Instead of building inflexible products tailored to one specific university, the company uses its partnerships to build solutions that can be modified to meet the needs of many different schools. Often, for roughly the amount of money it might cost to build one specific product, institutions are able to build a versatile item that can be sold again and again to a variety of educational institutions and help researchers profit or recoup expenses.

The scope of a product is everything that you plan for your project to encompass. Beyond the technical scope, consider the scope of the end users. Is the project being designed in a way that will adapt to as many users as possible? Can it be used in different industries? Can it easily be added to or combined with other projects to create a more comprehensive solution?

## Planning the project

While proper planning of any project should include a look at the broader impact the solution can have, it is important to not lose sight of the immediate need the solution is meant to address. However, by only planning for one targeted audience, the project may find that it has missed wider opportunities to address problems across many institutions and industries.



Liquid Learning builds solutions for businesses and universities and has several partnerships that have been very helpful. Recently it teamed up with the Classical Language Department (CLD) at Kent State University (Hereafter referred to as Kent State). Liquid Learning was asked what it would take to put the advising system CLD was using online. The

company proposed two options. Putting up a Web interface for the database CLD had would have cost about \$1000 at the standard rate. The other option was for these faculty members to team up with Liquid Learning and help create a system that could be used in each department on campus and sold to other universities as well. Liquid Learning discounted the hourly development rate by 75 percent, utilized code that already existed for other products and built the system for a similar price but with the added benefit of being available to the entire university.

Liquid Learning gained a product to add to its educational solutions. The Classical Language Department gained free lifetime use of a professional system, free upgrades, and a share of profits at little additional cost to them. The university as a whole also benefits from such an arrangement because it will receive a discount for other departments to use a professional advising solution and has greater access to support and input for future upgrades.

This is the kind of win-win scenario that can work with many types of research and development projects. The university, researchers and faculty do not have to worry about sales, support and upgrades. Even if the product is never resold, the university has not lost any additional resources since it received a system that exceeded its original expectations.

However, this approach does not work for all projects. Some of Liquid Learning's employees created a solution called ResConnect with versatility in mind. Unfortunately, even with weeks of planning, the final solution had to be custom fit to the unique needs of the university. This means that if this solution is ever resold, it will need one to two weeks set up for the client.

Even though it did not meet the broader objective of easy setup for other clients, it is a superior solution for Kent State. It integrates with servers all over campus and tracks all network connections in the Department of Residence Services. From the Kent State perspective, the project was a big success.

So how do you decide if your project warrants this kind of an approach for development?

1. Identify the specific needs to be met. Do many other groups have similar needs?
2. Review existing products on the market. Are there good solutions at reasonable prices already on the market?
3. Do you have staff that is capable of this level of development? Do you have partners that can help you bring a product to market?
4. Do you see the local user's needs changing over time? Will the project need to adapt to changing policies and processes?
5. Do you have funds for advanced planning and full development?

Having properly done the research, you now know if there is a product already on the market that can meet your needs. If not, your development goal should fit into one of these three classifications:

### **1. Quick Solution**

- a. One-time use
- b. Need it fast
- c. Do not want to invest time
- d. Limited skill of developer

### **2. Custom Solution**

- a. Ongoing use
- b. Solution is very custom and would not interest other groups
- c. Still want to build it for future growth and modification
- d. Skilled developers and time to plan and build it properly

### **3. Professional Solution**

- a. Skilled developers and database designers

- b. Interest in reselling product or marketing it out to other groups
- c. Solution can be integrated into a wider framework
- d. Partnership or marketing expertise
- e. Desire to continue to expand on same product
- f. Ability to support product or a partner willing to support product

From this point forward focus will be on the basics of building a professional solution.

While doing the preliminary research, many ideas can be collected by looking at solutions that other groups with similar issues are using. This is very valuable as a starting point in planning the overall scope of the project.

At first, a solution can seem simple. Then the details start to make it very complex. In planning a solution the designers must define all the different types of users (students, administrators, staff, public, etc.) and the features each user can access. If the solution is to be marketed across diverse industries, the designers must look at how those industries would use the solution. This probably means that features can be turned on and off based on the user.

For example, Liquid Learning and Kent State built a suite of tools loosely called Learning Communities. Students in actual Learning Communities (a program where they live on the same residence hall floor, take similar classes and work together) are also in these digital learning communities where they can chat, share resources, share a calendar, share a newsletter, use a listserv, and many other features.

Liquid Learning realized that this tool would be very valuable to many different groups, and even more valuable to groups that were not all located in the same area. Because the framework was set up to easily add new modules, Liquid Learning added some sales-oriented modules for business accounts and began selling the product as Sales.Team. This tool now is being used by small- to medium-sized companies to help their sales forces share information and stay connected.

At this point in your planning consider the broadest scope possible. Consider every possible user in every possible industry. Once you get it all down into a plan, you can start eliminating those areas that fall too far outside of the scope.

Once the development team reaches a consensus, an experienced data person will need to consider other questions:

1. Can the system be rendered in different languages?
2. Can a client use the European date format?
3. Can a user have one account but belong to two different installations of the software?
4. Can the system integrate itself with an outside vendor's validation?
5. Can parts of this system be reused in future systems and projects?
6. Are there defined standards, such as XML Schema, that will allow this development to interface with other systems?

These are just some of the questions that should be considered when planning a data structure for the project. Adaptability to other systems, other cultures and future projects can be the difference between creating something with widespread appeal and something only used in the confines of your organization.

## **Getting the work done**

Once a project is planned, getting the work done by developers capable of this kind of forward thinking can be very challenging. The key to the successful implementation of the project or research is to have at least one person leading the project that has a clear understanding of the parameters of the solution.

In the case of software development, student staff can do much of the work. This benefits the students who receive valuable work experience and in some cases get an opportunity to work with and possibly be hired by the companies with which their school has partnered.

This also benefits the departments and companies because it keeps costs low and students often find very innovative, effective ways of solving problems.

Partnerships can be key to getting the work done as well. In the partnership between Kent State and Liquid Learning, Kent State gets some free software, some discounted software, superior support, direct access to influence development and employment of some of its students. It also gets a cut of the profits from any product that it helps fund, while not having to worry about sales, supporting the product or future enhancements.

Kent State is also able to save money on software development by using some of the code that was created by Liquid Learning. For example, the company's account management system has been used repeatedly by the university to control access to software and set permissions.

Liquid Learning also benefits from the partnership because it gets some use of resources, access to talented students, at times the opportunity to build solutions that are funded by the school and a great environment in which to produce new products and test concepts.

There are also some less tangible benefits, such as key players at Kent State aiding in marketing and networking with other universities. It has also created greater visibility for some of the Liquid Learning products.

These partnerships are very fluid and can take on many forms. The initial agreement with Kent State was to trade network usage for free software. Because this agreement worked out to the benefit of both parties, the relationship has continued to grow. The partnership also began just in the Department of Residence Services but has expanded to include some faculty and other administrative areas of Kent State.

Liquid Learning also has strong partnerships with Eastern Illinois University and University of North Dakota, which were built primarily on the strength of its initial partnership.

Partnerships can be loosely structured or very rigid. As long as both parties feel they are benefiting from the relationship, it is a great way to see complex projects become a reality at a fraction of the cost.

## **Examples of partnering and working together for mutual benefit**

**Learning Communities** – A partnership between Kent State and Liquid Learning used several tools that were already developed and owned by Liquid Learning to quickly build software that is being used by six communities and 12 staff collaboration groups. This project would not have been possible in the requested timeframe had it not been for those existing tools.

Kent State received critical acclaim for the program and grant money due to the technical aspect of the effort. Liquid Learning was able to develop this product while working for Kent State and now has additional products that it can offer for sale. The code from the program was later expanded to include sales staff collaboration.

**Student Adviser** – This project originally was planned as a quick solution to put student advising online for one department. After several meetings between faculty at Kent State and Liquid Learning consultants, a plan was formed to reduce the hourly rate by 75 percent and build a solution with resale value.

**E-mail Newsletter** – This system was fully funded by Liquid Learning but was later used as the basis for the original partnership, giving Kent State



Week of Feb. 10

News

**Kent State Celebrates Black History Month: "The Souls of Black Folk"**

An American tradition since February 1926, Black History Month was first initiated to promote awareness of African-American culture and history. Prior to the advent of this tradition, African-American heritage had barely begun to be studied or documented.

**Share Your Thoughts on Black History Month**

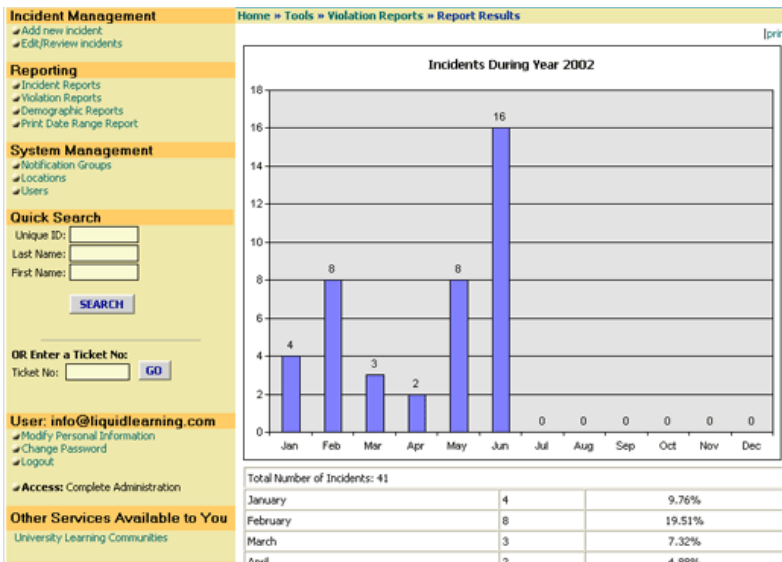
Employees Share Their Thoughts!

**Kent State and Samsung LCD Expand Relationship to Benefit Ohio**

Samsung LCD and Kent State University have set in motion an expanded partnership to increase Samsung's presence in Northeast Ohio and stimulate economic development. Samsung is the

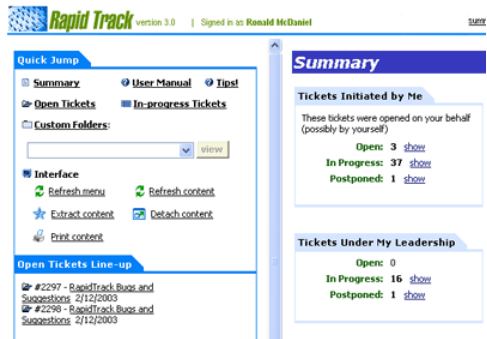
access to free and reduced rates for the newsletter software while giving Liquid Learning access to network and hardware for a variety of products. Later, components of the E-mail Newsletter system were integrated into other products to achieve lower development costs and more robust features.

**Incident Management System (IMS)** – Eastern Illinois University teamed up with Liquid Learning to further develop the existing IMS system into a more robust judicial management and security tracking system. In



exchange for being an early adopter of the system, the university received discounted pricing and a price guarantee as long as they continue to provide critical feedback and help with future versions of the software.

## RapidTrack - Kent State's Department of Residence Services funded the



development of a work order system called RapidTrack. Liquid Learning provided assistance on the system and is now being considered as a campus-wide solution to cut costs. Liquid Learning is also handling the resale, install, support and marketing of the product.

## Legality of resale

As with anything involving the publicly funded institutions and money, everything should be well documented. Probably your institution already has standards in place to oversee the ethics and conflict of interest issues. Meetings should be held at the earliest possible stages of implementing a solution or creating a partnership in order to protect everyone's rights and temper expectations that may be out of line with institutional policies.

Liquid Learning, for example, has many of its employees working for the university and for the company. This posed several interesting challenges:

1. Could the company sell to the university?
2. Could the company resell items developed on university time?
3. Could the company work on school projects that were similar to projects being developed by the company?

Liquid Learning was commended for seeking out the proper people who manage conflict of interest issues. It was explained that the company could not actively market itself on campus and could not sell items to areas where it had direct influence.

Consequently, the Department of Residence Services at Kent State gets all software developed for free, even if it is developed at no expense to Kent State. The other areas of the university get most software at very close to cost. This way the partnership remains strong and any conflict is minimized.

For products that are built within the partnership, Liquid Learning looks at the contributions of both sides and decides on a percent of the profit to be paid as a royalty on the sales. The university's Department of Residence Services hopes to fully fund the software development area from these royalties within a few years.

## **Conclusion**

Planning and forward thinking on any research and development can result in cost effective solutions that meet future needs and save money. In the current economic climate, both business and universities are looking for ways to save money and create value. By expanding the scope of a project but keeping focused on the primary goal, partnerships between universities and businesses can generate additional revenue streams to help defray the cost of development while still doing professional work.

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