



NESST CASE STUDY

Transitions

Empowering Independent Media

Transitions

Since 1999, Transitions has helped journalists, scholars, business people, and ordinary citizens build a free press and foster a stronger civil society.

SOCIAL PROBLEM

Today journalism is characterized by increasing turbulence and change, for better and for worse. Profound transformations are affecting every aspect of the media, including overall financial sustainability, the work conditions of practitioners, the ability to serve as a watchdog, and the level of trust with readers and viewers. Independent media also face severe, external threats: pressure in the new political and economic climate, extremist and populist forces gaining traction, and the overall decline of global press freedom.

SOLUTION

Transitions seeks a Central and Eastern Europe with free, independent, and professional media. Toward that goal, the organization disseminates objective, impartial coverage through its own online magazine; runs workshops for journalism students, early-career reporters, senior journalists and media executives; and implements media development programs to promote models for quality journalism.

“Without freedom of thought, there can be no such thing as wisdom; and no such thing as public liberty, without freedom of speech.”

– Benjamin Franklin

BUSINESS MODEL

Transitions relies on three pillars:

1. Online Magazine – generating revenues from subscriptions, content syndication, advertising/sponsorship, and e-books.
2. Training and Events—providing fee-based courses for individuals, tailored courses for universities and NGOs, e-learning courses, study tours, and annual media scholar conferences.
3. Media Development projects – implementation of various initiatives to foster independent media and enhance the skills of journalists.

STRATEGY

Transitions has always worked based on its core beliefs:

- High journalism standards: objective, impartial coverage through the online magazine and training programs, as a model for quality journalism.
- Lifelong learning: opportunities for journalism students, early-career reporters, senior journalists, and media executives.
- A regional approach: programs based on the lessons learned from multiple countries, encouraging cooperation with like-minded partner organizations.
- Global to local: global journalism trends advanced locally.

IMPACT TO DATE

Transitions has multiple levels of impact. First, through creating a space for local reporters to uphold core industry standards while educating them in journalism skills and new media techniques, we keep alive the flame of independent and professional journalism in some of the most repressive places in the post-communist region. Second, Transitions acts as a “home” and enabling platform for talented journalists frustrated with state-dominated media or commercial media, empowering them to have much greater impact than they would without support and providing an important outlet for the international publication of their work. Finally, through its pan-regional networks, Transitions raises international awareness around topics that local journalists believe are important and deserve direct action, and which otherwise would not be picked up by mainstream media outlets.

25,000+

articles, providing objective, impartial news and analysis from Central and Eastern Europe

8,000+

working journalists and journalism students who have graduated from its programs

400+

journalism training and freedom of expression workshops and conferences

100+

media projects to train journalists and civic society actors in areas such as combatting disinformation transparency and civic engagement

Vision for the Future

NEW EDITORIAL DIRECTIONS

- Investigative Reporting: publish investigations that focus on areas where democratic gains have been rolled back, especially in Central Europe.
- Solutions Journalism: become a regional pioneer of coverage that not only analysis society's deepest problems but offers evidence-based solutions to those challenges.
- Multiplatform Content and Delivery: ramp up coverage of neglected issues and under-covered segments of the population and experiment with innovative techniques for reaching those groups.


EMPOWERING INDEPENDENT MEDIA


- Develop rapid-reaction, short-term training programs covering pressing issues such as populism, radicalization, migration, and climate change.
- Expand programs in media literacy, digital news verification, and debunking disinformation.
- Experiment with new methods for building trust among alienated citizens.
- Produce more e-learning courses in local languages.

FINANCING ITS WORK AND OTHERS

- Develop programs in building multiple income streams and successful models for non-profit and commercial media.
- Oversee an investment fund that will provide small grants to independent media to experiment with new forms of content and delivery.
- Continue to innovate with Press Start – its journalism crowdfunding platform and the first global project.

Hicham Mansouri





Press Start - Journalist Hicham Manso... Watch later Share

A lucrative, illicit trade thrives in Morocco's prisons

Corruption is stubborn and widespread in Morocco. During his 10 months in a Moroccan prison, Hicham Mansouri, a respected free-press advocate, saw evidence of a thriving black market behind bars, run by inmates and guards, likely with protection from the police and judiciary. Now in exile in France, Mansouri aims to use Press Start funding to build on the research he's already done and compile a comprehensive investigation.

FUNDED

raised \$3,190 out of \$1,900

PRESS START

PRESS START is the first initiative aimed at helping reporters and editors in emerging democracies and the developing world to produce stories largely intended for a local audience – journalists who might not have the experience, foreign-language (that is, English) skills, or audience to crowdfund on their own.

The long-term objective of the project is to create a significant source of alternative income for the best and bravest journalists working in countries without free media. This means raising funds for stories that would be difficult if not impossible to fund locally, given the various pressures described above.

Social Enterprise Growth Plans

To sum up, Transitions Online plans to take the experience and lessons learned over the past two decades and scale up its impact, mainly by:

1. Creating a media hub: world-class training and publishing center in the heart of Europe that will provide lifelong learning to journalists, produce ground-breaking reporting, and work to re-establish trust in the media.
2. Achieve its own financial stability (increase self-financing ratio from 15% to more than 50% in the next five years) and contribute to the financial safety of independent journalists.

From its launch, Transitions has functioned as a social enterprise and successfully diversified its income to become less grant-dependent. To date, the organization has earned over USD 1 million through publishing and training businesses. Transitions joined the NESsT portfolio in the Czech Republic in 2004, after one year of business-planning capacity building. After six years of support from NESsT – USD 20,000 in grants and three times more in non-financial services, including board membership – Transitions continued growing its social enterprise, remaining true to its sustainability and independence values.

Table 1: Self-financing Vision

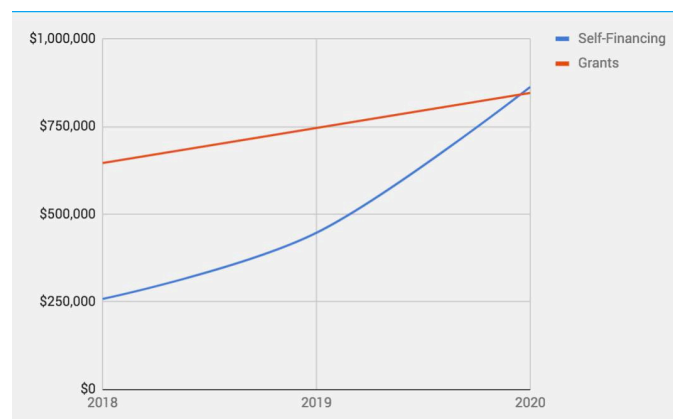
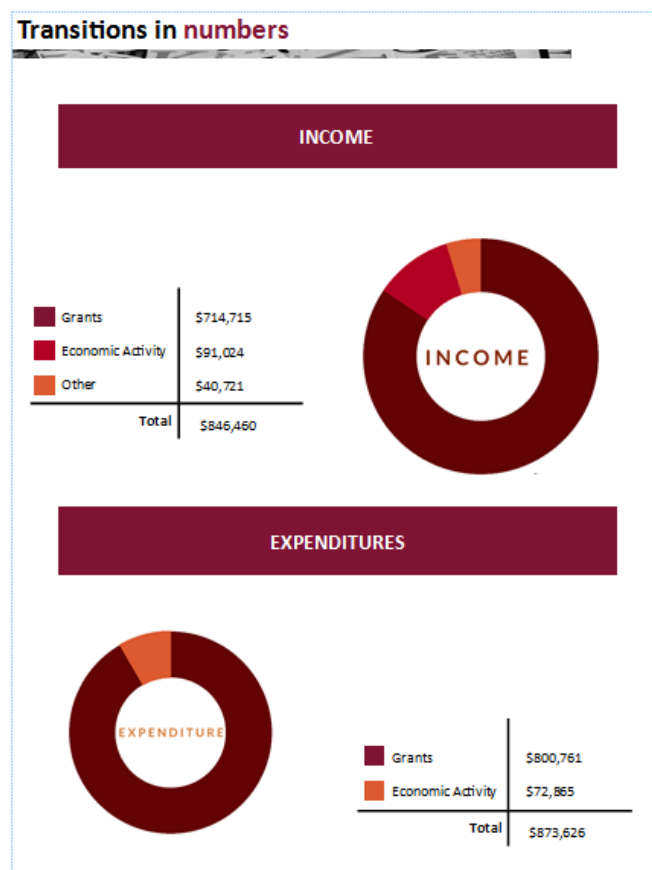


Table 2: Financial Statement for 2017



In order to accomplish its growth plans, Transitions Online needs investment: USD 620,000 as a soft loan, (quasi)equity, or a combination of financial instruments, to scale up activities in CEE. The financial projections show breaking even in five years' time, with sales income increasing year after year, reaching more than EUR 750,000 in 2023.

The development plans of the three business lines include:

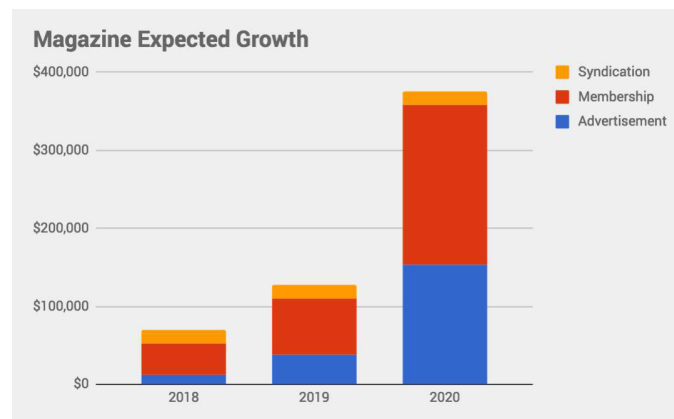
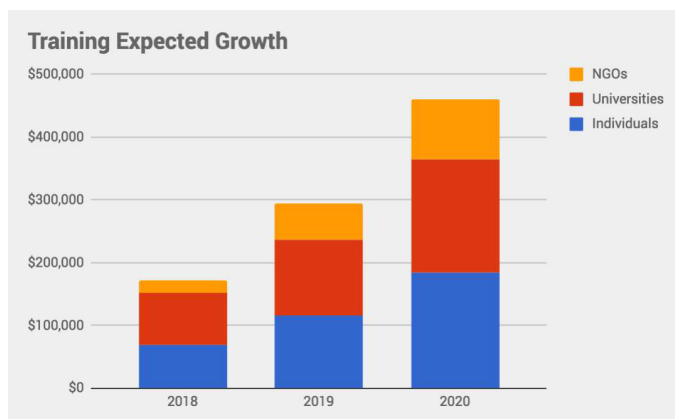
- Strengthening the team, by adding a business development professional and sales/marketing representatives;
- Introducing a membership plan for magazine subscribers, which will make use of cutting-edge customer relationship management software, designed specifically for media organizations;
- Adding editorial capacity to publish more multimedia content, including video, and increased coverage of the countries of Central Europe, now backsliding in their democratic transition;

- Re-launching a more modern, user-friendly website with better navigation and interactivity;
- Expanding the on-demand, tailored journalism course format into new markets, especially in Asia;
- Diversifying the participants at the annual conference to include more media professionals and a larger share of paid attendees.

The investment is needed to increase the team (adding a professional business manager to the current team) and to cover the direct costs related to the acquisition and implementation of new customer relations software and expansion of its tuition-based journalism courses into new markets, especially in Asia. Detailed financial plans can be provided by request.

At the same time, non-financial support is needed, for financial management, business expertise, sales, strategic advice, and key partnerships building.

Table 3: Expected Growth



Challenges and Opportunities

INCREASING LOCAL IMPACT

Transitions' impact on individual journalists and on raising attention to the region's pressing issues has been considerable—with thousands of journalists passing through our training programs and the publication of thousands of articles— but it could be greater. Over the past 19 years, we have created a publishing platform for reform-minded journalists and thinkers in a region that is sorely lacking avenues for expression and the sharing of information. However, with a few exceptions (a small number of articles translated into Russian), access to the magazine is limited to English speakers. Sometimes, others translate articles in local languages, but not regularly enough to have the desired impact on the local level, in terms of raising awareness. In order to spark public discussion and possible changes in public policy, Transitions Online needs to explore the idea of appearing in local languages. Publication in local languages would also increase the training impact, by extending the pool of contributing journalists beyond mainly English speakers.

BOOSTING INTERACTION AND NETWORKING WITH ALUMNI

Transitions started to tap into the training programs' alumni, and tries to connect them with Transitions Online and with each other, mainly through a Facebook page. However, the strategic plan calls for developing this network much further, and to work better at enabling and empowering communities of alumni and magazine readers. This can be a significant growth area, which would enable the team to better market both grant and commercial training courses.

INCREASING SELF-GENERATED INCOME FROM JOURNALISM TRAINING COURSES

Transitions' ability to offer credit for its courses and growing contacts with journalism schools worldwide would potentially start to generate larger attendance at its courses, with the additional possibility of more specialized courses for individual schools. Despite the crisis facing the media and the disappearance of many journalism jobs, enrolment in journalism schools – public and private, graduate and undergraduate – is actually on the rise. In addition, many universities, especially in the United States, have started to place a greater emphasis on studying abroad, with some instituting a requirement for their students to spend time away from home.

RAISING PROFILE AS A NON-PROFIT MEDIA OUTLET WITH UNIQUE BUSINESS MODEL

Many more non-profit media outlets have emerged over the past decade, establishing their credibility in the professional community and among the general public. Transitions Online is currently working on a new membership model to increase the income of its magazine.

Leadership Team

The team that made all this possible and that will execute the above plan is a diverse one, with a long track record of working together.

JEREMY DRUKER

CO-FOUNDER AND CHIEF EXECUTIVE

- Director and Editor in Chief for 19 years
- Ashoka Fellow & NYU professor
- Fulbright (Cz.) board member & Novinarska Cena board member
- Graduate of Harvard (BA) and Columbia (MA & a certificate in Central and Eastern European studies)

Jeremy has been the executive director of Transitions since its founding in 1999, overseeing the implementation of dozens of training programs. He also teaches a course on the impact of social media at New York University as an adjunct professor.

FABIENNE ODERMATT

DIRECTOR OF DEVELOPMENT

- 1+ year at Transitions

Fabienne has a Bachelor's degree in International Relations and a Master's degree in Development Studies. Driven by a strong sense for social responsibility, she gained most of her professional experience in the non-profit sector where she was working for the International Organisation for Migration and Ashoka.

STRATEGIC PARTNERS TO DATE

- European Endowment for Democracy
- European Union
- Ministry of Foreign Affairs of the Czech Republic
- Visegrad Fund
- National Endowment for Democracy
- Freedom House
- German Marshall Fund
- Google Digital News Initiative
- OSCE
- FORD Foundation
- SIDA
- Heinrich Boell Stiftung
- Open Society Institute
- NESsT
- Porticus
- UNDP
- USAID
- US Embassy, Embassy of the Netherlands, German Embassy, Danish Embassy (in the Czech Republic)
- Open Society Fund

NETWORK PARTNERS

- Ashoka
- Demas

CONFERENCE PARTNERS

- NYU Prague
- Keynote

SARKA TRUXOVA
MARKETING MANAGER

- 15+ years at Transitions

Sarka has handled logistics for at least 20 workshops and courses that TOL has run over the years. From arranging venues to travel and accommodation, she has handled virtually all aspects of conference organization, including a major role at the U.S. Embassy-sponsored Tech Camp in 2014 and assistance during the U.S. Embassy-sponsored Journalism Social Innovation Camp in December 2015,

BLANKA DOLEŽALOVÁ
FINANCIAL MANAGER

- 4+ years at Transitions

Blanka has a vast experience in administrative and financial management as well as organization of international conferences at Institute for Stability and Development.

Lessons Learned

We are at a crossroads. The disruption of traditional journalism models through financial distress, the digital revolution, and the rise of new sources of information are a clear threat to professional journalists and institutions and even a bigger threat for our civic and public life. As more players enter into the market – but without the principles of quality journalism, including fairness and accuracy – citizens have become increasingly confused amid the unending flow of information. Trust in the media has plummeted to new lows. But these threats are not without possible solutions. New membership models, designed to engage with readers and create mission-based communities, have shown promise, partly because they have limited the dependence on advertising and the pressure to run sensationalist, clickbait-oriented content.

Research into 50 bottom-up media efforts confirms these trends and recognizes a shift (largely in North America and Western Europe) toward empowering local news producers and consumers, adopting new models to create financial independence, and investing in quality reporting.¹ Transitions wants to adopt these measures and change its own model, and then spread its learnings to the Central and Eastern Europe region, where these innovations have not yet arrived, but are desperately needed.

In the process, we will not only strengthen our own financial sustainability through lessening our dependence on grants, but also help fortify the brave, independent media operating throughout the post-communist space.

¹ <https://www.forbes.com/sites/ashoka/2018/04/20/weve-lost-trust-in-the-media-social-entrepreneurs-can-restore-it/#2e62199c7665>

ABOUT NESsT

NESsT has been working for more than 20 years to provide dignified employment to lift people out of poverty in emerging markets. NESsT achieves its mission by raising philanthropic capital to invest in and develop social enterprises that create employment and viable income opportunities for the poorest communities facing isolation, discrimination, lack of job skills and poor education. To date, NESsT has invited 187 social enterprises to enter its portfolio providing them with an average of four years of support and investing more than USD 15 million in capacity building and direct funding. Though this investment, NESsT has contributed to creating more than 49,500 dignified employment and sustainable income opportunities.

SUPPORT FOR THIS PUBLICATION

The project is co-financed by the Governments of Czechia, Hungary, Poland and Slovakia through Visegrad Grants from International Visegrad Fund. The mission of the fund is to advance ideas for sustainable regional cooperation in Central Europe.

● *supported by*

● Visegrad Fund

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