The BIG THAW

charting a new future for journalism

A guide to the evolution of independent media
By Tony Deifell, Q Media Labs
Produced by The Media Consortium

The **BIG** THAW

Charting a New Future for Journalism

A guide to the evolution of independent media Game Changer Box Set

Vol. 1 | Dissonance & Opportunity

Vol. 2 | New & Emerging Realities

Vol. 3 | The Future?



The Media Consortium www.themediaconsortium.org

By Tony Deifell, Q Media Labs

July 2009 Revised 9/09

Letter from the Project Director

Welcome to *The Big Thaw*. The name of this three-volume box set is an apt metaphor for journalism in the past decade: As the business and editorial structures that have historically sustained media melt away, new innovations in reporting and monetization are rapidly reforming the business. But a key question remains: Can media producers adapt and lead, or will they disappear with Journalism's Ice Age?

The Media Consortium (TMC), a network of the country's leading progressive, independent media outlets, commissioned this research and strategy project because we want to lead our members and other independent media outlets into a new era of sustainable and powerful journalism.

Media Consortium members share a belief in the common good that unites us all. However, we define "progressive" broadly, as many individuals and organizations relate to the term differently. Our members actively champion to hold government, corporations and other institutions accountable. Our journalism illuminates issues related to social, racial and gender justice.

Progressive media outlets produce journalism that is a vital part of a flourishing democracy. The sector is highly influential and can reach and inform tens of millions of actively engaged citizens on a daily basis. In 2006, 16 TMC members submitted their various constituency lists—including subscribers, donors, registered online users and newsletter subscribers—to Paradyz-Matera, a third-party list-management analysis firm. Participating organizations had a combined list size of 2.9 million confirmable names, which didn't even include the millions of radio listeners, television audiences, website visitors, newsstands purchasers and more. What's more, there was only a one in four overlap with two or more members.

In 2009, Catalist analyzed almost one million names from another group of 15 consortium members and matched them with their database of 250 million votingage citizens. They found that 72% participated in the 2008 General Election, compared to just over 60% of U.S. registered voters and represented a wide range of the voting-age population.¹

These numbers demonstrate the significant influence and reach of the progressive media. But to survive and thrive after "the big thaw," media-makers need to shift their understanding of journalism: Who produces it, what the audience wants, and how they want to consume it. Media organizations must match their production and delivery strategies to new consumer demand, technology and business models. Now is the time to stretch creative boundaries and evolve so that we can strengthen independent journalism for the long-term.

Now is our time to thrive. I invite you to join us in charting a new future for journalism.

Sincerely,

Tracy Van Slyke

Tray Von Sylle

Project Director, The Media Consortium

How to use this document

The Big Thaw is a "box set" with three volumes that can be used separately.



Vol. 1: Dissonance & Opportunity

This volume summarizes journalism's old paradigm and outlines a strategic framework for independent media to build a shared vision for the future.



Vol. 2: New & Emerging Realities

This volume analyzes in-depth the media industry's current realities and compares them to journalism's old paradigm. It also examines how independent media organizations can adapt to the changes around them.



Vol. 3: The Future?

This volume surfaces key uncertainties to consider and future possibilities that may further change the game in coming years.

Quotes in *The Big Thaw* are from original interviews listed in Appendix A or TMC member surveys unless otherwise noted.

While much of the analysis in *The Big Thaw* focuses on journalism, the implications encompass all types of content and forms of media.

You could use The Big Thaw in the following ways:

Tool for internal planning and strategy

The <u>New Competencies</u> chapter in Vol. 2 and its summary of <u>shifting roles</u> on page 21 can be used to assess your organizational structure and the human resources needed to succeed in the new competitive landscape. The <u>New Sources of Value</u> chapter can help you prioritize the products and services you provide and the <u>New Business Models</u> chapter to structure your organization financially.

Conversation starter among staff, board or other key stakeholders

<u>Appendix B</u> includes a worksheet for facilitating group discussions. The worksheet includes four provocative statements, based on our research, to spark debate—feel free to add others. Use this process to identify the implications of the new industry dynamic on your organization's future strategies.

Tool for innovation

Use <u>Vol. 3, Future Possibilities</u> to help create new business models, product strategies and operating tactics. This volume only begins to identify potential game changers, but it can be used as a starting point for you to identify others.

Knowledge development

Share selections of *The Big Thaw* with staff members who want to learn more about the changing media industry. You could also conduct further research on areas of particular interest to your organization.

Partnership development

Use the <u>Competitive Landscape</u> chapter in Vol. 2 to explore the types of partnerships you could build to succeed.

Funder conversations

Share The Big Thaw with funders that are interested in learning about new media's emerging realities and may want to explore your organization's role in the new media environment.

Online discussion

Share portions of *The Big Thaw* with your users to engage them with shifting industry dynamics and solicit comments and discussion to further your strategic thinking.

For online discussion or to download a copy of The Big Thaw: www.themediaconsortium.org/thebigthaw

The Media Consortium Q Media Labs

The BIG THAW: Charting a new Future for Journalism

Game Changer Box Set | Table of Contents

Box Set | Vol. 1

Dissonance & Opportunity

Executive Summary	1
Adaptive Strategy	7
Old Paradigm of Journalism	9
Box Set Vol. 2	
New & Emerging Realities	
CHAPTER 1 NEW COMPETITIVE LANDSCAPE:	
How is the landscape changing?	
New abundances & their effects	2
New scarcities & their effects	3
Device proliferation, convergence & their effects	5
Dawn of a demographic revolution	6
Next phase of globalization & its effects	7
Declining institutional control & affiliations	
Mirage of The Long Tail	10
CHAPTER 2 NEW COMPETENCIES:	
What new capabilities are needed to succeed?	
Getting serious about community	16
Strategic technology	18
Being multiplatform	18
Tightly integrating functions	19
Experimentation	19
Counterintuitive ways of working	20
Shifting roles	21
CHAPTER 3 NEW SOURCES OF VALUE:	
What needs can be met, problems solved or desires fulfille	qŝ
Progressive ideas	24
"My ideas"	
Now is the time for immediacy	
Solving filter failure	
From using users to a Conversation Economy	28
From audiences to communities	29
CHAPTER 4 NEW BUSINESS MODELS:	
How are media organizations structured to capture value?	32
Emerging operation models & cost structures	
Emerging revenue models	33
Diversification & tension	30

Box Set | Vol. 3

The Future?

How will consumers act?	2
What will happen with paper?	6
How will the big players affect the game?	7
Future Possibilities	
COMPETITVE LANDSCAPE Mass mobile-media	13
DISTINCTIVE COMPETENCIES Human-centered design	14
SOURCES OF VALUE Location aware mobile Social reading Radical new ways of meaning-making and filtering	16
BUSINESS MODELS New value chain of journalism	
Conclusion: The American Way	28

Appendices

- A. List of participants & process
- B. Discussion worksheet
- C. TMC history & membership
- D. Guidelines for generating game changing ideas
- E. Innovators to watch
- F. Notes & sources

The Media Consortium Q Media Labs



Executive Summary

"No society in history has ever existed without storytelling.

[Journalists] tell stories that are true and important. Sure, there may be many distinctions between professionals and amateurs, between breaking news and follow up pieces, between long or short, and so forth. But these are just artifacts of production methods rather than deep truths. And we have to have truth tellers."

- Clay Shirky

Journalists and independent media makers will always be society's most valuable truth tellers. However, the old media system that historically supported them is melting away. Some outlets have succumbed to the old system's big thaw and shut down or drastically cut news operations. Others have made small changes to their journalism and business models that will keep them afloat one more day.

The Big Thaw: Charting a New Future for Journalism focuses on how independent media organizations can navigate the currents of change to reach higher ground over the long term.

"While changes to the news industry advanced at a glacial pace for many years, [...] transition can come as quickly as the levees that broke in New Orleans. Trigger events cause sudden floods before a new system is in place to prevent it. News organizations are facing flash floods and many are in a mode akin to sudden-death, wilderness survival. Laurence Gonzalez, in his book, Deep Survival: Who Lives, Who Dies, and Why, explained that those people who most quickly surrender to their new circumstances, take decisive action, and believe anything is possible are the ones most likely to survive. Each independent media organization must answer two questions in order to survive, 'What will you be standing on when the flood reaches you?' and 'How will you boldly move to higher ground?""

- The Big Thaw, Vol. 1, p12

Table of Contents

Vol. 1 | Dissonance & Opportunity

Executive Summary, p1

Adaptive Strategy, p7

Old Paradigm of Journalism

Media as watchtower, p9

Independent media as watchdog, p10

Physical distribution, p10

Resistance and denial, p11

Tyranny of should, p12

Are we facing a glacier or flood?, p12

Although many see this moment as a meltdown, it is an opportunity. Much like the annual flooding of the Nile, media's big thaw has the potential to revitalize the landscape. Our means of using information are changing, and great opportunities lie ahead.

- Mobile devices are transforming our relationships with people, events and places.
- Everyone can gather, share and produce news.
- U.S. demographics and global audiences are revolutionizing the media marketplace.
- New types of media-makers are pursuing journalism's publicservice aim in brand new ways.

Between 2008-09, The Media Consortium (TMC), a network of 45 leading independent media organizations, conducted a Game Changer Strategy Project that resulted in The Big Thaw. A broad array of information was collected via scenario building, member surveys, interviews with outside thought-leaders and a scan of current reporting and commentary. The project's goal was to enable TMC and its members to make bold moves that increase their impact and influence by reaching five times their current collective audience within the next five years. A proxy for TMC's collective online reach as of June 2009 was 18.5 million monthly website visits.¹

For decades, progressive media has provided quality reporting, deep investigative journalism and lifted voices ignored by mainstream media. While journalists cannot preserve the old media system, they can deepen their legacy of truth telling and fighting for justice—but only with a new strategic vision.

"The platform shift is real. We get it. ... But let's please get to the solutions."

Member of CA Media
 Workers Guild^A

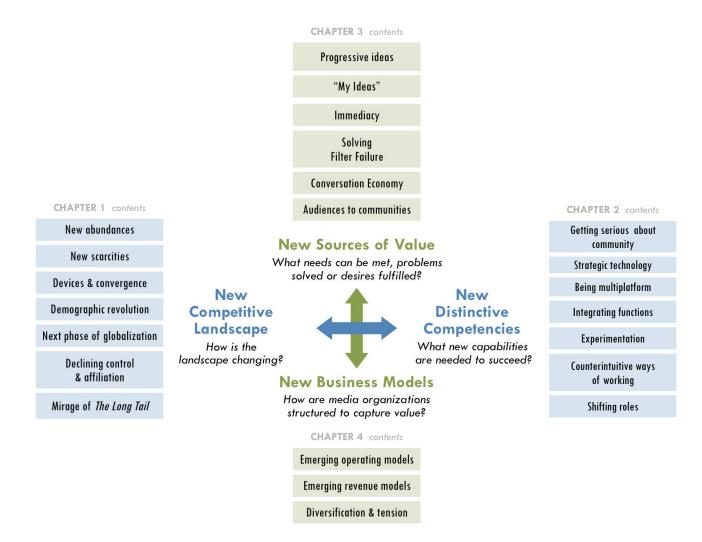
Appendix A List of Participants

The Media Consortium Mission Statement:

To amplify our voices; increase our collective clout; leverage our current audiences and reach out to new ones; attract financial resources; strengthen and transform our individual businesses and our sector's position in a rapidly changing media and political environment; and redefine ourselves and progressivism for a new century.

Vol. 2 | New & Emerging Realities

Four strategic questions frame the new challenges and opportunities for media organizations (outlined in the diagram below).



- New Sources of Value will create new Business Models. Traditional business models, based on the value created between publishers and readers, have declined for a decade. The world economic crisis accelerated this meltdown, and organizations have redoubled efforts to find new sources of value and cut costs.
- Organizations' Distinctive Competencies must match media's new Competitive Landscape. In the new environment, collective action by a consortium of organizations has great potential to increase the power of independent media. However, bold collective steps will require a shared perspective about media's new realities and their implications.

Vol. 3 | The Future?

Many uncertainties and possible game changers remain on the horizon.

- Industry leaders are unsure how consumers will act, which trends will last, whether online media is helping or hurting our democracy and how the biggest players will affect the game.
 - The rule of thumb is to expect the unexpected. Radical changes in technology will continue to affect the competitive landscape and the <u>new competencies</u> outlined in Vol. 2 will become even more important.
- Independent media-makers must keep their eye on game changers to come (diagram below). Most of these trends are in their early stages. While they have yet to reach game-changing scale, many of them will.

Location-aware mobile

Social reading

Radical new meaning making
& filtering

Sources of Value

What needs can be met, problems solved or desires fulfilled?

Mass mobile-media

Multisensory web

Alternative economies

Competitive Landscape

How will the landscape change? +

Distinctive Competencies

What new capabilities will be needed to succeed?

Human-centered design

Business Models

How will media organizations be structured to capture value?

New journalism value chain

Real identity &
converting reputation

Recommendations

The Media Consortium, other networks and independent media organizations can take advantage of emerging and future industry conditions by making four decisive moves:

I. Change internally

New models will most likely come from new players. The first and deepest change is to rethink how media organizations and formal networks (such as TMC) are structured. By integrating technologists, entrepreneurs and individual media-makers, independent media will cultivate new competencies and strategies to change the journalism field.

"We do not know who discovered water, but we are fairly sure that it was not a fish."

- Marshall McLuhan^B

II. Increase experimentation

Greater experimentation will win. Journalism organizations must increase their capacity to innovate with new technology, journalistic practices and business models. They can do this by pursuing "rapid, low-cost innovation" and pooling their experimental efforts. Experiments will range from mobile technology (e.g. location awareness) to new visual storytelling (e.g. data visualization), content convergence across multiple platforms, information filtering and new models for generating revenue and reducing costs.

Funders must invest in the long-term sustainability of journalism's truth telling by investing in greater experimentation among new and existing players.

III. Leverage unique role of a consortium

Standing together will be more valuable than working alone. Since independent media will continue to grow more diverse and fragmented, it is critical that media-makers break out of organizational silos and work together. Media outlets are finding new ways to collaborate to share strategies, resources and editorial content. The more that TMC members leverage their collective power, the more they can negotiate deals, influence public policy and build journalism's new ecosystem.

IV. Building audiences as communities

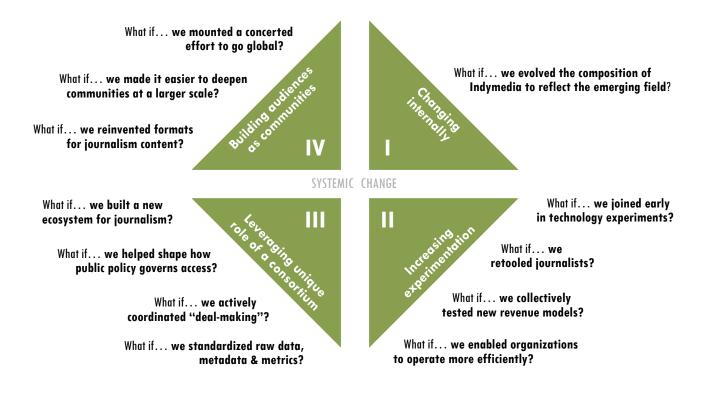
The product of journalism is no longer content, but community. It is not enough to talk about community or simply enable users to comment on stories.

Media organizations must create platforms for users to participate in the journalistic process, work with each other on projects and build their own online communities independent of publishers.

Decentralized communities will have the greatest impact. Media consumers have more power than ever before. They will be attracted to the most user-focused media ventures. Media organizations will grow their audiences by building deeper communities while also reaching broader networks. People today are less tied to formal institutions, and they increasingly affiliate with decentralized networks of individuals and groups. As a result, TMC members can not only reach broader domestic and global audiences by collaborating, but they can also engage those audiences more effectively by tapping users' full potential as producers, community builders and agents of social change.

What if? | New strategic intent for Independent Media

Most people assume that the future is something to be predicted rather than created. The future does not simply happen to us; we shape it.² TMC members and other independent media organizations can use the four recommendations above to imagine many "What ifs?" Together, we can plan for a better future. The Big Thaw is a guide to chart the course.



The research and analysis for The Big Thaw led to 16 recommended project ideas for TMC and its members, which will be used internally. For more information, please contact TMC Project Director Tracy Van Slyke at tracy@themediaconsortium.com.

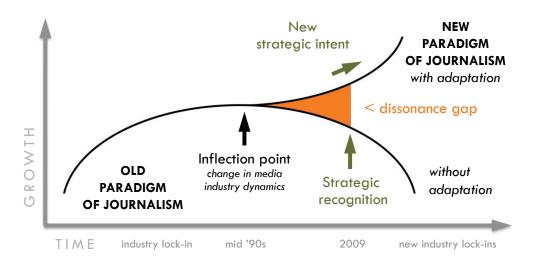
Adaptive Strategy

The Media Consortium began its strategic visioning by looking for what "game changers" it could create (working definition at right). During the research process, they realized that the most effective aim was not to introduce new game changers, but to identify strategic responses to a game that has already changed considerably.

"How much more of the game needs to change, really?" asks David Weinberger, a journalist, author of Everything is Miscellaneous and fellow at Harvard Law School's Berkman Center for the Internet and Society. "There's a lot of handwringing about the future of media," Katrin Verclas, co-founder of MobileActive says, "but look around, it's kind of happening."

To make sense of these new realities, we use the "Strategic Dissonance" model created by former Intel CEO <u>Andy Grove</u>, which we modified.¹ Terms are defined in the right margin.

Strategic Dissonance Model



The above model demonstrates what happens when industries change. A ten-year gap is not unusual before incumbent players—independent media organizations, in this case—recognize the strategic importance of an inflection point. Other industries have taken similar time to adapt.² Grove called this gap "strategic dissonance," where changing dynamics cause tension with many conflicting opinions about how best to react. Yet, this very tension can help create a new strategic intent. In this time of strategic dissonance, independent media have an opportunity to establish a new operational approach to the new paradigm rather than be ruled by a tyranny of how they believe things still "should be."

Two causes of dissonance

In order to turn dissonance into action, we must identify its causes. This can be done by analyzing the changing dynamics across the two overlapping axes of what we call the "Adaptive Strategy Matrix" on the following page.

Vol. 2 of *The Big Thaw* analyzes these areas in depth.

"Game Changers are developments (projects, initiatives, strategies, new models, innovations) that can 'change the game' for independent media by increasing their impact and influence in the next five years.

These are not incremental strategies, but rather big, bold moves that The Media Consortium could develop to take advantage of a rapidly changing media landscape."

TMC's working definition,
 Appendix D

Explaining the model:

Inflection point: The starting point when one type of industry dynamic or existing paradigm gives way to a new one.

Strategic recognition: Identifying the importance of emerging practices and approaches after they arise but before unequivocal environmental feedback is available to make their significance obvious.

Dissonance gap: The gap between the inflection point and strategic recognition when diverging ideas, practices and approaches cause conflicting opinions.

New strategic intent: Leaders' ability to make sense of conflicting information generated by dissonance to create a new strategic direction that fully takes advantage of new industry conditions.

Source: Andy Grove

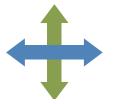
Adaptive Strategy Matrix

Sources of Value

What needs can be met, problems solved or desires fulfilled?



How is the landscape changing?



Distinctive Competencies

What new capabilities are needed to succeed?

Business Models

How to structure media organizations to "capture value?"*

* "Capturing value" is an organization's ability to convert the value of products and services into resources (commercial or philanthropic) while retaining enough money to cover costs and grow.

The first cause of dissonance is the divergence between the industry's new competitive landscape and an organization's distinctive competencies to succeed in it. For example, as the amount of information and number of voices have become more abundant online, a news organization's ability to "cover" the news with a deep bench of staff or freelance reporters has become less of a competitive advantage. News outlets have gained ground by aggregating stories from many sources (including users) for targeted audiences. This divergence between the new competitive landscape and old competencies has occurred in many areas described further in Vol. 2. The good news, however, is that where there is dissonance, there are also new

Competitive forces and organizational competencies often evolve on independent paths and can be a major challenge for leaders to keep aligned. As a result, Grove describes this divergence as not easily visible, yet most fundamental. While the inertia of existing business models can cause competencies to lag, new competencies can also emerge in the margins of the organization and make surprising new opportunities possible.



strategies to discover.

The second cause of dissonance is the divergence between what customers value the most and old business models. Existing structures often reflect current leaders' beliefs about historical success in their organizations or field. Grove pointed out that career tracks, emotional attachment and corporate identity deeply influence current leaders' perceptions, as well as hesitation to change strategies when the consequences are not completely clear. This is why inertia is a major driver of dissonance and inaction.

"The 18th century was messy with newspaper wars, so it will shake out again."

John Bracken, MacArthur Foundation

"We're in a transition and there is so much opportunity in transition, but there is also so much loss and so much fear."

 John Battelle, Federated Media & author of The Search

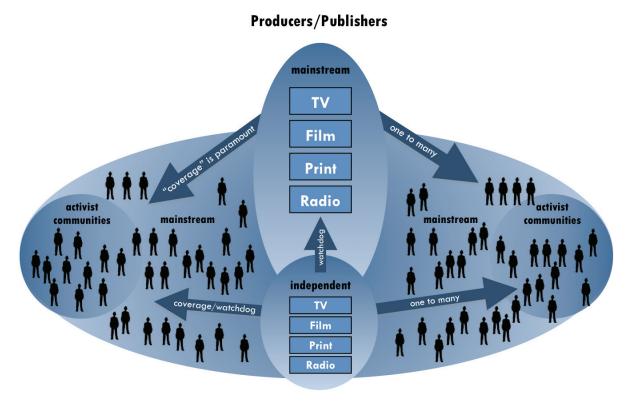
The people interviewed in *The Big Thaw* believe the media industry has crossed a critical threshold and is moving out of the current stage of dissonance. Some predict that a major industry restructuring will settle out in the next two years. The financial crisis accelerated this shift and has caused so many newspapers and magazines to close in 2008-09.3 "While people in media were starting to realize this," NYU adjunct professor Clay Shirky notes, "they were suddenly robbed of the four to five years they thought they had to respond." Andrew Golis, deputy publisher of Talking Points Memo (TMC member) noted a key casualty: "I think many of the best publications haven't been ready for the transition and so the sharpest minds have lost prominence in the debate as a result."

"The stakes are very high for independent media. Will it change? Or, will it atrophy? Independent media can become the dominant media in society. Who would have dreamed that 30 years ago?"

 Don Tapscott, author of Wikinomics

Old Paradigm of Journalism

The bulk of this report's analysis focuses on emerging realities and future possibilities. However, for context, it is useful to summarize a few key points about journalism's old paradigm and why adaptation has been so difficult.



Media as watchtower

David Weinberger uses a watchtower as the central metaphor to describe the old paradigm of journalism (pictured above), where journalists assume responsibility for covering all that is important. This is also their source of perceived authority. "If you don't notice all the signal flares going off below the watchtower, you've missed something. But it makes no sense now—there's too much to cover," Weinberger says.

"The notion that there is news 'coverage' is historically a result of the assumption of scarcity," he explains. "The world only looks like that if you're looking at it from a point of view with a finite amount of space and centralized structure for filling that space, like in a newspaper." Today, lack of coverage is no longer the primary problem for news-seekers. In fact, the amount of information online reveals how much news coverage was missing before the web. Twitter users blindsided CNN in June 2009 for insufficient coverage of Iranian elections.

In 1896, the New York Times offered \$100 prize to the reader who submitted a better slogan than "All the news that's fit to print." After receiving over 2,000 entries, it kept the original.\(^1\) Although the slogan is the subject of endless debate and parody, Times executive editor Howell Raines explained in 2001: "... We cling to it not because it's charmingly archaic but because it's our beacon, the beacon of the values that have guided us for all of the 150 years.\(^{12}\) Raines acknowledged the slogan's flaw in a literal sense, as did a Times editor over 105

"And what about the next 50 or 100 years? ... "Will newsprint (or something like it) survive? Will the digital world finally transform the physical presence of newspapers in some way as yet unforeseen? Who's to say? In any event, we'll be here—one way or another—with the same values embodied in the same seven words Adolph Ochs put atop the front page more than a century ago."

Howell Raines, New York Times
 Executive Editor, 2001^c

years earlier. Although Raines admitted, "Every day, the paper misses a great deal," they still aim to be a watchtower for the news.

Stemming from the watchtower role, journalists have historically had the authority of an expert or educator, with "beats" to cover and accumulated knowledge in subject areas. Readers often grant this perceived authority to journalists unconsciously, partly due to their role as trained professionals and partly due to the didactic one-to-many information flow from a central tower. These dynamics perpetuate, even if unintended, the myth that "experts know best." While society needs experts, they can be limited in variety/scope and are more often than crowds, wrong.³ The perceived authority of journalists is reinforced by the conventional goal of objectivity, where the responsibility of "coverage" includes balancing diverging viewpoints in one story as though the journalist knows enough to strike the right balance. However, as the problem of missing coverage declined with the breadth of voices online, people increasingly question the goal of objectivity in reporting, a notion that many people in independent media have seen as an illusion for some time.

Independent media as watchdog

If a watchtower describes media organizations' historical role, then an alternative watchtower or, more frequently, a watchdog would describe independent media.

Watchdogs from an array of political perspectives will always be important to a healthy democracy. They provide a corrective feedback mechanism to mainstream watchtowers, including corporations and government. However, if independent media outlets view themselves primarily as watchdogs or alternative watchtowers, they too perpetuate the myth that "experts know best"—even if they believe their experts are more enlightened than mainstream powerbrokers.

Weinberger points out the tension that arises if journalists cling too tightly to these traditional sources of authority: "The motivation of media is not the same as that of the readers/viewers of the media. ... We're reading because it's interesting to us in some way, not because we want to be well informed."

Physical distribution

Physical distribution limits enabled media companies to create and maintain a competitive advantage in the old model. High costs gave outlets greater control of their publication's distribution channels and reduced competition. The elimination of these limits today has considerably lowered the barriers to entry for new players. In July 2008, Teresa Stack, president of the *Nation*, wrote in a TMC members' survey that all the new entrants, and the breakout success of the Huffington Post, were big surprises in the past few years.

Even in the digital world, hardware is no longer a physical limitation in terms of both processing power and data storage due to Moore's Law (definition in right column). Buying additional storage is easier and less expensive than getting rid of files. In fact, Google designed *Gmail* based on the idea that a user never needs to delete data. Technology's exponential growth has caused us to rethink many things.

The historical physicality of media has determined its form. Traditional publishing organizations have found it appealing to think that they only need digital facelifts of their physical selves, rather than develop entirely new incarnations. But creating new forms based on old models has drawbacks. Originally, newspapers treated their homepages like their front pages, yet homepages are shrinking assets since users increasingly interact with sites through other paths.

"Indymedia and media activists everywhere, from the commie-pinko left, all the way to the completely reactionary wacko right, have been waging a war to establish platforms for telling their stories and narratives, for years now. The goal of all of this work has been to impact mainstream culture and to shift the very foundations of civil discourse."

 Sascha Meinrath, New America Foundation^D



YouTube video about exponential growth that has had 7 million views

Moore's Law

An observation by Intel cofounder Gordon Moore that processing speed, memory capacity and other capabilities of digital devices doubles approximately every two years.

Resistance and denial

"No one has been 'caught up in this great upheaval' about the fall of print business model. This change has been more like seeing oncoming glaciers ten miles off, and then deciding not to move."

Clay Shirky⁴

Technological innovations have been changing the game for over a decade. The current monumental shift is nothing new. However, there is a difference between knowing that significant change is coming and recognizing how best to react, which is a process that can take many years.

First of all, it is difficult to anticipate the full consequences of a broken system until after it breaks. Before the levees broke in New Orleans, it was obvious to many people that a flood was inevitable. It was not as clear, until the city flooded, what the many complex effects would be.

Second, the leaders of independent media organizations still have very rational apprehensions about changing their practices and are uncertain about how significantly they would need to change. For example, in response to utilizing crowdsourcing (definition in Vol. 2, p28) in reporting, one TMC member wrote: "I'm not sure I like this idea because it takes away from individual ownership (both outlet and writer) for a story. But it might be the way things are going."

Business historian Richard Tedlow has studied the role of denial in undermining leaders' ability to steer their companies through industry shifts. He pointed to the U.S. automobile industry as a good example. The music industry is another classic illustration. Tedlow explained that denial involves many issues, "From ignoring external forces such as technological innovation and demographic change to overestimating a company's own capabilities and resources."

One of the biggest barriers to changing an organization or field is leaders' inability to shed the paradigm from which it arose, which is a deeply held set of shared beliefs and practices about how the world works. Donella Meadows, a pioneering environmental scientist and respected systems thinker, ranked the twelve most effective "leverage points" to change any system. Her second most powerful lever was changing "the mindset or paradigm out of which the system—its goals, structure, rules, parameters—arises." Interestingly, Meadows noted that the greater the leverage point, the more the current system will resist changing it.6 Therefore, those who face a completely new paradigm may also face the strongest denial.

The history of failure in the railroad industry illustrates the paradigm-shifting lever's significance for journalism. James Surowiecki described the parallel in his New Yorker article "News You Can Lose." If railroad owners had focused on customers instead of products, they may have recognized that they were in the transportation business, not the railroad business that was quickly losing customers to automobiles and airplanes. Surowiecki wrote, "By extension, many argue that if newspapers had understood they were in the information business, rather than the print business, they would have adapted more quickly and more successfully to the Net."

Perhaps we are facing a paradigm shift that runs even deeper than Surowiecki suggested. If journalism organizations view themselves as a community-building or

"Sigmund Freud described denial as a state of 'knowing-but-not-knowing.'
[...] Freud saw denial [...] as 'a state of rational apprehension that does not result in appropriate action."

Richard Tedlow, Harvard
 Business School^E

Leverage points are "places within a complex system (e.g. corporation, city, ecosystem) where a small shift in one thing can produce big changes in everything. ... We not only want to believe that there are leverage points, we want to know where they are and how to get our hands on them. Leverage points are points of power."

Donella Meadow, author
 Global Citizen^F

Business historian Richard Tedlow says there are two reasons businesses have failed over the last century: either the business leaves the market, or the market leaves the business.^G

conversation business, not just the *information* business, they might rise to higher ground with their customers instead of drowning with an old paradigm they believe "should" still work.

Tyranny of should

An underlying goal of the progressive movement is to change the world as it is into the world as it should be. Certainly, this is the underlying goal of anyone seeking any sort of change, although this aim might be secondary to quality reporting for many journalism organizations. The rub comes from differing perspectives of what the world should be.

The world would not improve without people fighting for "shoulds" such as women should vote, everyone should reduce their carbon footprint and people should support local media. However, people and organizations can also limit their impact by clinging to "shoulds" that undercut their ability to gain resources (e.g. financial, social, cultural). Sometimes, organizations can even create greater positive change by first meeting people where they are, especially in an online world that is characterized by empowerment of individual users and relevancy of information. Non-profit and advocacy organizations face a particular challenge with the tyranny of should, as they are driven primarily by social missions.

For any type of organization, the best strategic choices usually focus on changes that are within its control. John Bracken, program officer at the MacArthur Foundation says, "I feel like many 'shoulds' are uncontrollable. People have been concerned about newspapers, but there are waves of trends going on that we can't control."

"Shoulds" come from deeply held beliefs about how the world can be better, which often seed new paradigms that transform complex systems—including capitalism and democracy. However, new paradigms are also trapped by the tyranny of should. Therefore, according to Meadows, the power to transcend paradigms by recognizing that "no paradigm is 'true," is the most effective lever.

"If no paradigm is right," Meadows pointed out, "you can choose whatever one will help to achieve your purpose." The best strategy will stem from asking: "So, what? What will media do for people?" says Amy Gahran of the Poynter Institute. By strengthening the collective agreement about independent media's ultimate aim, TMC can help its members shift paradigms more easily, choose the most effective game changers and better weather any industry shifts to come.

Are we facing a glacier or flood?

While changes to the news industry advanced at a glacial pace for many years, as Shirky claimed, transition often comes as quickly as the levees that broke in New Orleans. Trigger events can cause sudden floods before new a system is in place to prevent it.8

News organizations are facing flash floods. Many are in sudden-death, wilderness survival mode. Laurence Gonzales, in his book Deep Survival: Who Lives, Who Dies, and Why, explained that those people who most quickly surrender to their new circumstances, take decisive action, and believe anything is possible are the ones most likely to survive. Each independent media organization must answer two questions in order to survive: "What will you be standing on when the flood reaches you?" and "How will you boldly move to higher ground?"

The insights from *The Big Thaw's* participants warn that old ways of thinking can limit media organizations' chances of survival, especially those outlets that make incremental changes. Small moves prevent organizations from choosing entirely new strategies and developing new competencies quickly enough to remain relevant. Vol. 2 outlines avenues for making bold moves that can lead independent media to higher ground.

"Progressives would rather be right than win."

- Larry Irving, Hewlett-Packard

"When we shift our attention from 'save newspapers' to 'save society', the imperative changes from 'preserve the current institutions' to 'do whatever works.' And what works today isn't the same as what used to work."

Clay Shirky, author Here
 Comes Everybody