



Open Source CMS Isn't Free (it's not even cheap)

| A guide to evaluating the real costs of an Open Source CMS |

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Executive Summary:

A common misconception when looking at web content management software tools, is that open source software will save time and money. This white paper addresses this misconception – and provides the basis for an “apples to apples” comparison of the real costs that organizations should consider when acquiring a solution to manage their web site.

The Open Source software movement is certainly one that has gained a lot of popularity. But even today, there remains a fundamental misconception about what it is; so then what is Open Source? Open Source software is simply software that is available under a different licensing arrangement than commercial software. Most often, Open Source software is an agreement which permits the end-user to make any modification to the source code they would like, and then redistribute that code in its modified or unmodified form. So, many different “products” can share the same Open Source code base – as is the case with Nuxeo, Plone and Zope – which are all built upon the Zope framework. Finally, Open Source software is often developed in a public, collaborative manner – which means there is generally a community of developers who are working on new features and versions.

However, (zealotry aside), Open Source isn't in conflict with commercially installed software or software delivered as a hosted service (SaaS). All CMS software solutions, no matter what their licensing agreement require the same set of parameters in order to be a successful tool for an organization:

1. They must all be implemented
2. They must all be configured for the organizations unique requirements
3. They must all be adopted by an end-user base
4. They must all be managed and supported
5. They must all be patched and upgraded
6. They must all be tweaked ongoing to facilitate new site design, workflows and needs

There are only three questions that should determine whether or not Open Source is the optimal solution for an organization. First, does it contain the features and functions we need for our organizational business requirements? Second, who will perform all of the above functions? And third, what are the associated costs?

To be clear, our conclusion is not that choosing Open Source CMS software is a bad decision in all cases. Rather, we would suggest that the choice should only be made after careful consideration of all the issues that will make for a successful deployment of a content management solution.

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Life Begins After Launch

Choosing the right CMS software is important, but developing the right plan for services and support of that application is even more important. Unfortunately, services often take a back seat to product selection during the early phases of a CMS project, when budgets are often set. This may have something to do with the difficulty for software vendors to differentiate their services, and thus their desire to focus on product features and platform choices.

The two pieces of a successful content management system are implementation (getting the software working) and ongoing support and maintenance (keeping it working). Getting them both right is a requirement; but the more neglected of the two is, of course, support and maintenance. The consequences of failing to implement correctly are clear – the software doesn't work, is clunky or buggy – or all three. The consequences of failing to manage and update the system are much less clear, but over time are just as severe – stagnant content, site doesn't grow to meet your needs, the knowledge base is tied to a finite group of people in your company.

A well-chosen, well-implemented, but poorly maintained content management system will lead to a bad Web site over time. For sites that change frequently, this can happen quickly. It's sadly ironic that the software system put into place to enable a site to be managed can also be that site's stagnation and eventual degradation.

So let me expand and reiterate from the previous section a bit as to the importance of keeping these key tasks in mind as you evaluate your CMS options:

- ▶ Software Implementation
- ▶ Internal adoption by management and end users
- ▶ Basic application support and upgrades
- ▶ Network and hardware purchase, upgrades and management
- ▶ Ongoing modifications to templates, interfaces, workflows etc.
- ▶ Security management
- ▶ Troubleshooting when things on the web site, and/or the CMS go wrong
- ▶ End-user support and training
- ▶ Providing expert advice to the team about web site content optimization, translation workflow, information architecture, or other web site management solutions for integration
- ▶ Third party vendor selection, management and integration of technologies for site management functions (e.g. analytics, CRM, SFA, Lead Management)

Again, it's important to note that no matter which solution you choose; you will be doing all of these things. The scale at which you do them will of course vary depending on your unique web site strategy, but be aware that you will do them. So the question is HOW will you do them?

Best case scenario is that you have an IT department who has a dedicated group of CMS experts; always ready to respond to any request by a Web site manager to adjust the CMS. Unfortunately, in the vast majority of cases, this the exception rather than the rule.

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Additionally, having the luxury of a systems integrator hanging around and writing a new scope of work for every system change is also unlikely; that is if you can find one willing and available to work on one system over many years. Just as often, you'll be looking at your own internal technology team to accomplish this – and as we said at the top of this white paper – that can be a perfectly viable solution. Just be sure that you know exactly what you are signing up for.

To give this some perspective let's look at the typical lifecycle of an installed CMS deployment – which usually lasts about 3 years. The second row is where these tasks usually fall along the timeline. Then, below that, are the average estimates of time spent on each task over the course of those three years.

Buying Hardware and Software	Implementation and Training	Managing Hardware and Network	Ongoing Changes to CMS	Integrating New Functions	End-User Support	Vendor Mgmt.
First Month	First Three Months	3 Yrs.	3 Yrs.	3 Yrs.	3 Yrs.	3 Yrs.
8 Person Weeks	24 Person Weeks	18 Person Weeks	52 Person Weeks	24 Person Weeks	36 Person Weeks	18 Person Weeks

As you can see, the average organization will usually have the equivalent of two full-time people during the phases of buying the software, implementing it and rolling it out to prospective end-users. Then, of course, the level of effort goes down, but it never goes away completely. In fact, depending on the task, it ranges from 10% to 30% of a full-time employee to manage these tasks for the full three years. In short, a successful CMS deployment will require hundreds of hours to complete these tasks over the course of three years.

The key thing to remember is, when you're talking to the IT department, or an outsourced IT resource about your upcoming CMS deployment – you're probably asking this question:

"Can you support the open source CMS software once we've gotten it implemented?"

The answer you typically get back is "yes" – which is why it seems so attractive. Open Source Software is free, and your IT Group or outsourced Vendor is saying they'll support it. So, you think – why wouldn't I do this?

But let's ask that question again – this time with what really happens:
What comes out of your mouth:

"Can you support the open source CMS software once we've gotten it implemented?"

Here's the question that the IT Department hears:

"Can I make sure the hardware works, the software stays up, and that if there are bugs that I report it to the open source community and reasonably expect a schedule of when they will be fixed? Yes, I think I can do that as long as their time and response expectations are in line with my other job responsibilities."

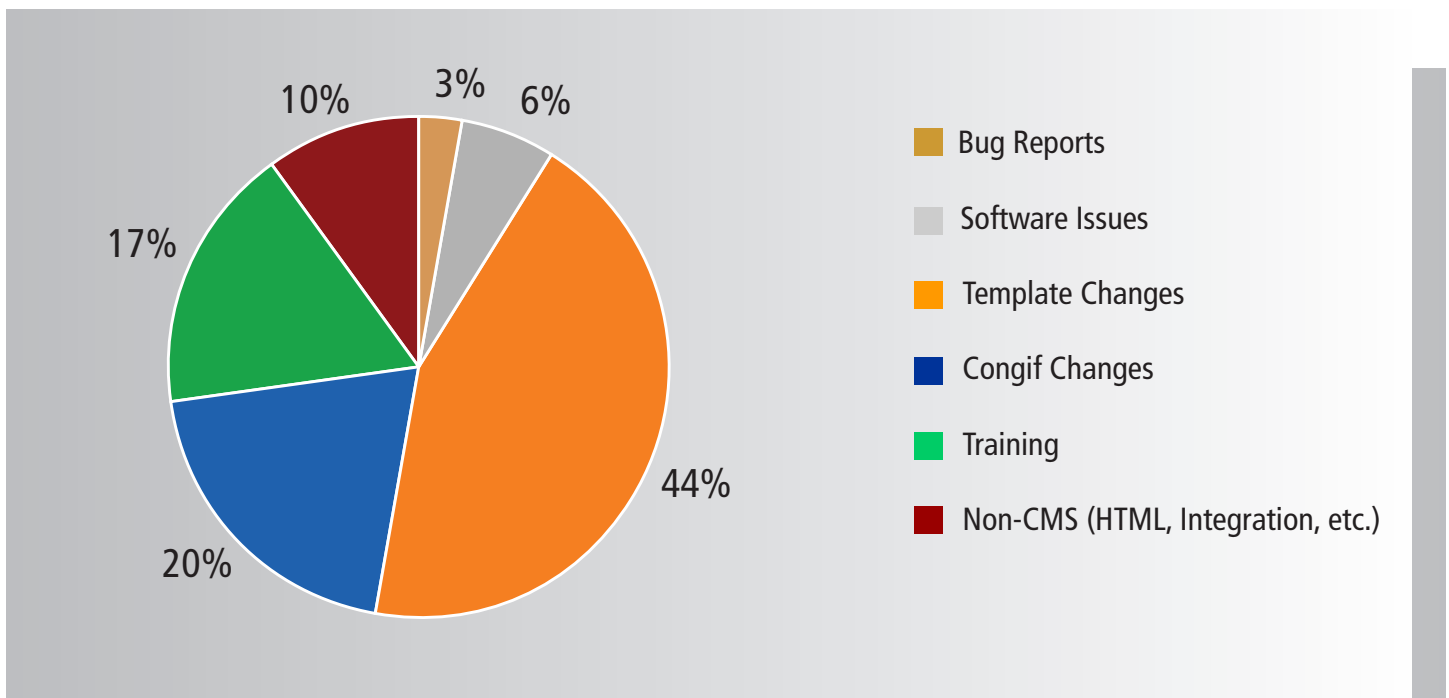
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But here's the question you're really asking:

"Can you make sure that the open source CMS software deployment works, and that you'll help me with any tweaks and bug fixes with an SLA attached to it. And, can I depend on you for help with new template development when I re-design the site, manage and change my workflow configurations, and can you make sure that when a new employee starts that you'll help them come up to speed?"

When you are evaluating cost – remember that buying (or acquiring) the software is the most inexpensive part of the process regardless if you are purchasing commercial software, or acquiring Open Source software. Remember, not only does the software need to be managed and supported – but your implementation of that software needs to be managed and supported.

Consider the following. At CrownPeak we do an analysis of our customer service requests. We'll assume for the moment that Open Source products are as robust and feature-rich as our system and have the same kind of support requirements. Here are how customer requests break down by percentage:



As you can see, software bugs and other software issues are only 9% of the tasks related to supporting a CMS implementation. To the point above, this is part that the IT department typically "hears" as their responsibility.

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That's right - 91% of our support requests are unrelated to what the IT department hears when they are asked can they support the CMS deployment?

So, you should be sure that when you're getting a quote from your development partner, or assurances from your IT department that you are, indeed, communicating exactly what you're asking for. It's only fair to them and yourself. We've now established that there's more than meets the eye with deploying a "free" software product. But what about costs? How should we look at actual costs?

Cost Analysis

Of course specific dollar figures are relative given the size of your organization and needs. But let's look at an average cost of a typical Open Source CMS project over three years:

The assumptions are this: One average sized web site, with a fairly major re-design about halfway through the 36 month lifecycle. And as with any Web site, we'll assume there are occasional design tweaks, workflow changes, HTML tweaks etc.

So let's look at two common scenarios: The first is an organization with 2 fully loaded internal IT staffers – but we'll only charge the appropriate amount of his/her time. The second is the same CMS solution but outsourced to a web or design agency.

First scenario: 2 IT Employees (part time each) - each at \$80,000 /yr

- ▶ Cost of the CMS Software: \$0
- ▶ Cost of the Hardware: \$2,500
- ▶ Cost of Deploying the Software: \$25,000 (644 Hours)
- ▶ Cost of Managing Hardware and Network: \$8,000 (228 Hours per year)
- ▶ Cost of Basic Changes to CMS: \$24,800 (665 Hours per year)
- ▶ Cost of Integrating New Functions: \$8,800 (249 Hours per year)
- ▶ End User Support: \$12,000 (332 Hours per year)
- ▶ Vendor Management: \$0
- ▶ Total Cost First Year: \$81,100
- ▶ Total Cost Year Two: \$56,100 (minus the deployment cost)
- ▶ Total Cost Year Three: \$56,100 (minus the deployment cost)
- ▶ **Total Three Year Total Cost: \$193,300**

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Second scenario: Outsourced Design Agency @ \$100/hr blended rate

- ▶ Cost of the CMS Software: \$0
- ▶ Cost of the Hardware: \$2,500
- ▶ Cost of Deploying the Software: \$25,000
- ▶ Cost of Managing Hardware and Network: \$22,800 (228 Hours per year)
- ▶ Cost of Ongoing Changes to CMS: \$66,500 (665 Hours per year)
- ▶ Cost of Integrating New Functions: \$24,900 (249 Hours per year)
- ▶ End User Support: \$33,200 (332 Hours per year)
- ▶ Vendor Management: \$11,400
- ▶ Total Cost First Year: \$186,300
- ▶ Total Cost Year Two: \$161,300
- ▶ Total Cost Year Three: \$161,300
- ▶ **Total Three Year TCO: \$508,900**

Conclusion

Remember, web content management is a process, not a product. It's all about collaboration with you, your team, your vendors, and ultimately your prospects and customers.

Choosing the right Web content management solution will truly strengthen your business. It will not only create efficiency for the Web site management process, but (depending on your business) provide you with a number of opportunities to create competitive advantages, revenue opportunities and new avenues for customers and partners to communicate with you through your Web site.

As you explore the viability of Open Source solutions as an option to your online toolset – just remember that Open Source isn't free. And while the price of the software is attractive – it may or may not come with more management overhead. Remember that the reason Open Source is "free" is because there isn't a centralized and financially incented group supporting it – just a passionate community. Or, if there is a support vendor, then it's just like any other software offering – except that the specific licensing agreement is different. In short, there are financial consequences no matter which route you go.

For many organizations there is great benefit in the Open Source licensing model, just as there are reasons that commercial software is still viable – guaranteed support, a methodical upgrade process, and the infrastructure of a management and support organization for your particular implementation are important factors.

You're an expert in your business – and you shouldn't have to become an expert in Web content management in order to be successful. We would suggest working with a content management vendor who will become a core part of your Web site management team as a content management expert. But then again, as you might expect – we're biased that way.

We wish you the best of luck with your CMS implementation – and we hope this white paper is of some help to you.

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