

**Executive Summary**  
**The Cost of Doing Business in Public Radio**  
**Costs-Benefits**

The purpose of this study was to 1) Develop an approach to assigning quantifiable values to intangible and tangible costs and benefits that are associated with a station's university alliance, and 2) Develop a tool that will allow stations to quantify the cost and benefits of their alliance with their university licensee.

A focus group consisting of six station managers was conducted to determine which variables constituted a cost or a benefit. The results of this study were incorporated into a web-based questionnaire. This questionnaire was then pilot-tested on 12 station managers in an effort to develop the cost benefit tool and refine the questionnaire.

The results of the 12 station sample are contained in the research documents. These results should be interpreted with caution because of the small sample size and variability of responses. Overall the twelve station managers find their university affiliation to be positive (as indicated by 11 of the 12 participants). The mean value of their university affiliation is a net benefit of \$581,051 for this sample.

The resulting tool contains 14 benefits and 4 costs associated with a stations' university affiliation. Using the tool, individual stations can enter each of these costs and benefits to determine the net value of their university affiliation.

One challenge presented by this research dealt with conceptualizing and measuring the amount and cost of time spent by radio personnel on non-radio, university activities (i.e., serving on the homecoming committee, etc). The final wording of that question is as follows:

*What is the value (in dollars) of radio personnel's time spent on university related activities or demands that staff would not perform for a non-institutional licensee?*

It should be noted that two non-university affiliated station managers indicated that they spent a significant amount of time on non-radio activities, such as dealing with their board.

A second challenge presented by this research was the small sample size and the variability of responses. Before any generalizations could be drawn the sample size needed to be increased, so the final questionnaire and the benefit cost analysis tool were posted on the U:SA and other list serves with an appeal to station managers to respond. The results from 36 stations were similar to the original sample findings and are included as an addendum to the study. #