Adding Value in Corporate Libraries and Information Services

CONSTANCE ARD
Chapter 1: The basics of adding value – Skills, knowledge and ability

“He is wise who knows the sources of knowledge -- where it is written and where it is to be found.” A.A. Hodge

INFORMATION PERMEATES every department, especially in today’s technology driven world. Many businesses confuse technology with information and they may think that knowledge is gained through said technology. The information professional has a unique ability to create value by using their own knowledge, skills and abilities to help the organisation they support meet their information challenges and understand the difference between information technology and valuable, usable information.

Skills
Information is central to the functions and values of libraries and the professionals responsible for those institutions. Collection, organisation and dissemination of valuable content are the core activities of any library. Applying these skills in a manner that allows organisations to maximise their investment in information is the path to creating value. While these three central skills seem easy enough to understand, the skill set that allows an information professional to accomplish the end goal of creating valuable services is a bit more complicated and requires many additional skills.

Each of the skills discussed are part and parcel of the ever evolving library services. Librarian and writer Michael Gorman is right when he explains that library services and librarianship are difficult to differentiate.¹ Perhaps someone can tackle those deeper issues in a separate study with a 22nd century viewpoint. Today’s focus is the explanation and exploration of adding value in a corporate library. Librarians, information professionals, or information scientists (whatever the term de jour is) are well positioned to use their skills to support their organisations and become a central component of meeting business goals.

Separating history from the current interpretation of libraries is a good beginning point. There have been several decades of discussion surrounding virtual libraries. This evolution from a physical, controlled space to a technologically dependent space without borders has caused much debate about who is best suited to provide information services.

The value of the library as a physical space has deteriorated during this transformation. It is imperative that the value of the information professional remains consistent. The methods of collecting, organising and disseminating information have changed but the services associated with those methods are even more critical. It is difficult for lay users and corporate employees to understand the complexity of electronic information collections. The focus of service has shifted from the physical source of information to the actual user in this virtual environment.²

Delivering the right content, at the time of need or even prior to the user recognising
the need is an important skill in this new environment. The delivery process requires a multitude of skills from technical to political. The corporate library must lead the effort to meet the user where they are in order to develop and maintain the reputation as the ‘go to’ resource for all information based needs.

In order to accomplish this there may be a need to change staff roles and let go of tradition. In 1935 librarian and information scientist Jesse Shera gave an address on librarian ‘neutrality’ to the College and University Section of the American Library Association. He warned:

“…Today we can ill afford to stand mutely behind our circulation desks, calmly handing out reserved books at the beck and call of an endless stream of students, blandly reaffirming our convictions of our own ‘academic detachment’. We may be rudely awakened some morning with the realisation that we are the hapless and unwilling guardians of the propaganda of a fascist ‘regime’." (http://en.wikipedia.org/wiki/Jesse_Shera Accessed 11/11/2011)

Shera’s statement is eerily relevant to today’s knowledge economy (just substitute student for corporate employee). The message is that today’s valued information professional cannot afford to be passive. Another, more modern perspective is offered by Elliot Felix and Shirley Dugdale in their contribution to Best Practices for Corporate Libraries:

“…Staff must play more active roles in facilitating, learning and discovery, as well as supporting not only information storage and retrieval, but its creations and display.”

Relationship management

Playing an active role in today’s corporate knowledge economy requires the application of some very special people and management skills. As mentioned, anticipating needs is a significant factor in delivering valuable services. The ability to anticipate those needs is the first hint at the shift in people management skills.

Information professional and author Scott Brown provides some useful tips for figuring out how to anticipate those needs and influence stakeholders:

- Identify content hungry units;
- Discover the ‘pulse’ or organisational hot topics; and
- Go deeper than the organisation chart.4

Focusing on the ‘deeper than the organisation chart’ directive allows today’s information professional to put into play relationship management to identify opportunities, and create and communicate value. In any corporate environment, for-profit or non-profit, it is the bottom line that matters. In the best corporations the bottom line is directly related to the organisation’s mission and vision. It sometimes happens that organisations underestimate the value of an information centre and make the decision that this ‘overhead’ cost is no longer necessary.

To prevent this scenario, the savvy information professional should invest energy into building, strengthening and maintaining relationships with users, stakeholders, and management. Such strategic partnerships can be used for a number of purposes. Specifically, these relationships can be used to anticipate the needs of an organisation using Brown’s tips and to communicate the value of the library throughout the corporation.

Catherine Sanders Reach, director of the Legal Technology Resource Center at the American Bar Association, provides some great insight into how her successful strategic relationship management has ensured that “people always invite me to the table”. Reach emphasises the need to be knowledgeable
about what happens inside and outside the organisation, and she has a reputation for being helpful to everyone. She credits this knowledge and attitude to her invitations.

Another recent example of the importance of a strategic relationship was made in a speech given in July 2011 by Jones Day Global Library Partner Greg Castanias. In the speech he delivered to the Private Law Libraries Special Interest Section Summit of the American Association of Law Libraries, Castanias explained the value of the professional librarians at Jones Day’s 30 libraries, and the value of the partnerships formed because of the continued excellent management and service delivered by those librarians:

“Well, the libraries sort of did run themselves, because librarians made that happen. Modestly and largely invisibly, they made that happen. And it is the librarians’ damn fault that I got this job. Showing the leadership and initiative that I’ve already mentioned, the gang – they may lack black leather jackets and switchblades, but they were clearly more of a gang than a club – the gang decided that the individual libraries needed a library management system so that they could do their jobs across offices better, and serve the One Firm Worldwide and its clients better.”

This comment made by Castanias indicated that the librarians truly were working to add value to the firm and needed a higher level management member to endorse their authority and initiatives. This endorsement allowed for better management of services, resources, staff, finances and external relationships – that is, with vendors.

As demonstrated by Castanias’ speech, the librarians at Jones Day were focused on the firm’s mission, ‘One Firm Worldwide’, and worked to deliver that despite the existing structure. Apparently the firm’s attorneys and management were loyal to librarians too. [“Why do we need a library partner? Don’t the libraries run themselves?”]

Building loyalty is critical to keeping the message of the value of information professionals fresh and top of mind throughout the organisation. “Information professionals need to find leaders in the ranks of upper management who can tout the indispensability and accomplishments of the firm’s information services.” Strategic relationships go beyond loyalty though. These types of relationships are used for communication up and down the ladder.

Without strategic relationships, the information professional is missing a key tool in discovering what is important to the organisation. These ‘liaisons’ are useful in finding out current and future projects and initiatives. Strategic relationships throughout the corporation are important in understanding how those same projects are carried out by different departments. When one thinks about an information centre, the image that should dominate is a central dissemination point for all users of information. The methods of carrying out organisational goals may vary but each department will need information to accomplish their tasks.

This use of the information centre to accomplish tasks for organisational units truly provides the information centre a unique competitive edge. If all units rely upon a single source for key tasks, it’s hard to not support that unit. In addition, the strategic partnerships formed allow the library to serve as a connector to units that may be working towards similar goals.

Reorganisation can be a dirty word in today’s economically challenging time. Libraries can and often are a target of cost saving measures and reorganisations.
Strategic partners and loyal users can be important influencing factors in the long term survival of corporate libraries. “...Long-term survival depends on gaining and maintaining support from all levels of management, not just within their hierarchy, but also including senior-level management, budget decision makers, staffing-level decision makers and corporate-level executives.”7

These decisions may be totally cost and efficiency based, or there may be political factors that influence the changes. As librarian James J. Kopp stated: “Much of what politics is about in libraries is not about the formal process per se but is about existence.”8 To avoid political fall-out in reorganisation means being certain that strategic partners are delivering the message of the value of the library.

The strength provided to the corporate library by well-managed relationships is essential in the value statement. Strategic partnerships offer information professionals a competitive advantage through collaboration, communication and political savvy. Creating and cultivating these relationships is just one of the three most important management activities that information professionals undertake.

Put in play

☐ Listen actively and guarantee your seat at the decision tables –
  ☐ When a new project comes into play, suggest how information services can support it through resources and staff expertise;

☐ Build loyalty beyond the daily users –
  ☐ Do quarterly or annual presentations (virtual or face-to-face) highlighting partnerships with users, and resources provided specific to a project or department,

  ☐ Maximise opportunities for collaboration;

☐ Market your services externally with a focus on the organisation – not just the information centre; and

☐ Participate knowledgably in the organisation’s politics and be a resource throughout the institution –

  ☐ The information centre is a place to exchange ideas, brainstorm and forge connections.

Financial management

Another important management task that is supportive of the communications between the corporate library and the strategic partner is financial management. Managing the financial resources of the information centre to align with the intelligence gathered through the key relationships in view of organisational strategies and mission is a powerful and valuable undertaking.

The corporate library is seen as a necessary overhead cost and it is a vulnerable cost. Castanias discusses this vulnerability in a proactive manner. He encourages law firm librarians to rise above the cost pressures by asking hard questions of their space and resources.

“Is my physical library space the right size? (Remember, real estate costs real money.) Is our physical collection the right size? Is our staff the right size? Are we really adding value, or are we a drain on the bottom line? (Perhaps just as importantly, are we perceived as adding core value, or are you perceived as a drain on the bottom line?)”9

Castanias encourages cost savings activities to management, and training on low-cost research resources as two methods of endearment. Those are excellent opportunities, but it is not enough.

Law firm libraries have been working with their management since the early days
of Computer Assisted Legal Research (CALR) to recover costs of online legal research — think Westlaw and LexisNexis chargebacks. In recent years that game strategy has not always worked well and the law firm client has gone on the offensive. Law firm clients are questioning expensive online legal research charges, especially if they are higher than charges for a professional’s time spent on analysis and drafting of motions etc. It is easy to see why these clients have begun pushing back on those expensive legal research charges.

This has caused a shift in strategy and even in the makeup of law firm resources. Law libraries are central to this shift. Colleen Cable offers some insight into the history of cost recovery and advocates another proactive method for adding value in the law firm — cost prevention (see Cable’s case study later in this report: ‘Cost recovery to cost prevention – Five first steps to success’).

Cable encourages a look backwards and the implementation of proactive financial management that actually touches many of the traditional activities in an information centre. In fact, this particular issue is causing waves throughout the law library community and the mere availability of ‘public open’ content sources is gaining in importance and impact.

Cable’s voice is not a voice in the wilderness. “An IM group manager who accepts the underlying reality of the for-profit sector — that every business decision is based on financial impact — will increase the IM group’s survival chances.”

The library services group developed, wrote and implemented the firm’s new cost recovery policy. At its core, the policy reflects the firm’s decision to no longer bill any included legal research fees to clients. Through tying this policy to the firm’s vision, law firm management has recognised the library group’s dedication to providing value and efficiency through our services.”

Emily Florio, information resources librarian at Fish & Richardson, points to an added benefit with this innovation.

“The quality of library services has increased as less time is spent on billing details and more effort is focused on innovative practices and projects. By eliminating client bill back, we know our legal staff and clients have access to the most authoritative and comprehensive legal and intellectual property research tools without struggling to justify the research costs. Thus, our approach increases the value of our information resources and our department.”

Innovations such as those implemented by Florio’s department are successful because the innovations are tied to the firm’s vision.

Understanding the financial impact of library services should not be overlooked. Tracking costs and impact of services with a non-traditional perspective is an effective way to add value and report that value. It’s not enough to provide statistics on the number of reference questions answered in general. Granularity is ever more important. Understanding who is using what is the central question in the quest to justify costs in today’s corporate library.

Perhaps the first step in justifying costs is understanding the organisation’s finances. Again, the strategic partners can be valuable in providing data to assist the information professional in this important task. The
varying nature of corporate libraries is the defining factor in managing finances— not in library terms, but in organisational terms.

Too few library science and information schools focus on financial management as a component of their curricula. Forward thinking and progressive schools such as The University of Illinois and Rutgers do offer courses in financial management within their programme. Other schools seem to lump this important curricula into a management course. An interview with Robert Burger, Margaret Edwards and Sharon Johnson at the University of Illinois revealed how difficult including financial management can be for a curriculum that is designed to prepare graduate students for careers in a variety of library types.

Librarians serving corporate and special libraries need more than a peripheral understanding of management activities, especially if they are directors, managers and/or solo librarians. These corporate library roles make it imperative to know and understand finances well. There are distinctions between capital and operating budgets that must be understood. Grasping the importance of cash flows can be important in terms of contract negotiations and subscriptions renewal costs. The librarian that manages these costs so that the strain on corporate cash flows is minimised has added value in a way that the chief financial officer can truly appreciate.

Fortunately, the course taught by Burger offers a broad base of financial principles. Sharon Johnson, the corporate liaison officer for the Graduate School of Library Information Science explains that many of the school’s corporate partners are seeking ways to provide meaningful measurements within their companies. Many of their ‘corporate roundtables’ focus on ways to demonstrate time and cost savings.

In general terms, the corporate financial management goal is “to maximise the market value of the existing owner’s equity.” Obviously this is relevant to for-profit institutions but translating to corporate libraries in a not-for-profit scenario is not that difficult: maximise the value of the organisation through services provided. Thus budgets should be prepared in light of this overarching goal.

There are a variety of methods to budget corporate libraries. If the library has been using the same method for ages and the corporation has shifted its focus, then the library is overdue for a change. Budgets presented in a manner that matches organisational expectations is another method of adding value to the corporate library through excellent financial management.

An older but still relevant guide by Gitelle Seer to special library financial management focuses mainly on budgets. Fortunately, she also includes a great glossary of accounting terms that sheds light on the basics related to budgeting.

Seer’s article then breaks down two budget methods: the line item and the programme budget. The line item budget is hard to defend:

“A line item budget, though relatively straightforward and easy to understand, reflects input (what you are spending) not output (what your organisation is getting for the money), resources not results. It is abstract, and ultimately hard to defend.”

The counteraction tool for the line item budget that demonstrates costs but not value is the programme budget: “A program budget is built on a series of objectives, and assumes that you have articulated a long-range strategic plan to help you achieve those objectives.”
The programme budget may take a bit of extra effort to incorporate into your information centre financial-management workflow. However, the benefit of using this tool to align costs with services, products and library activities is tangible. The review and continuous alignment that corresponds with this financial-management approach allows for proactive library centre adjustments to meet user needs.

Corporate librarians should take heart; even the most financial savvy managers and investors seem to have trouble with costs and value. "...Many of the true resources of the firm do not appear on the balance sheet: good management, proprietary assets, favorable economic conditions, and so on." These resources are valuable but are not easily translated to financial statements because the statements focus on costs and not market value which "is the price at which willing buyers and sellers would trade the assets".

Framing the market value of the library requires a shift in reporting focus from services delivered to value and impact provided.

Put in play

- Learn the language of the balance sheet;
- Seek opportunities for cost prevention and drive that charge forward –
  - Identify duplicate resources,
  - Use training by the library staff to highlight the best methods and resources to use in research;
- Use metrics that are suitable for your organisation to measure value and impact –
  - Time savings,
  - Costs savings; and
- Forge strong relationships with your CFO and accounting departments.

Resource management: Beyond finances and strategic relationships

A significant contributor to market value for any organisation is its people. The corporate library is no exception. Additional contributors to market value are the information resources and institutional knowledge. Knowledge management will be discussed later in the report. This section will focus on the skills needed to manage staff, workflows and resources within the library to remain a valuable component of the parent organisation.

Staff may be the ultimate tool used to add value. However, staff development is a hard sale. The value oriented manager must recognise the potential and apply staff to the right projects and departments.

"Typically, library organisations are spending 65% or more of their budget on personnel, and coaching leverages human capital. Strategic coaching that focuses on a plan for organisational development strengthens the capacity of the entire organisation. It has a multiplier effect, enhancing the library’s assets. The more able the individual is to dynamically apply his skills to an ever-changing environment, the more valuable he is to the organisation."16

In corporate libraries, as staff are asked to do more with less, information professionals are presented with a golden opportunity to innovate services and add value. Understanding the needs of users really does allow the information centre to assess what they do and what they should be doing. It also introduces new ways to do it. Assessing those needs and reviewing the staff and resources to meet those needs is the first critical step. Consider this to be your talent and possibility audit.

While not every library will want to invest in coaching, it is a useful method that
can be employed to shift the focus of services in new directions with confidence. For many corporate libraries, creating new services or even shifting services in new directions is easier said than done. However, data-driven decision making can ease the challenge of change. “According to experts, analysing customer needs helps reduce your urge to ‘do it all’ by focusing your efforts and limited resources on high priority areas. This is especially pertinent in a military environment, where shrinking budgets and high turnover in executive leadership dictate the need for data-driven decision making.”

Once the corporate library is focused on the right services to deliver, then a more granular evaluation must occur. Begin with an assessment of the staff. Who is the best person to lead this effort? What new tools and skills will they need to deliver the high value expected? How will the work day be structured? Will the staff be adding to their current work load or will the work load be adjusted to provide ample time to concentrate on the new service?

The last question is really the one that has the greatest impact. It is a challenge to deliver all things to all projects at the highest level. Focus on new services may require that other services are decreased, outsourced or even eliminated. This change may require the support of your strategic partners to smooth the path throughout the organisation. Staff will have to be primed for the adjustment as well.

Once staff have been evaluated for this type of shift, information resources will need a similar examination. Do we need new materials? As the organisation’s focus shifts, are there resources we can eliminate? A comprehensive understanding of the organisation’s mission, vision and goals is important to collection management. Collection management has always been a driving force in the formation and support of corporate libraries. In the formative years of corporate libraries, dispersed purchasing prompted the need for centralised collections and the corporate library became the collection point. It is the ‘cost-savings’ resulting from a methodical approach to collection development that continues to be a valuable information centre service. The value surpasses the mere collection and organisation of information, it is the holistic approach that allows an organisation to truly receive tangible and intangible benefits from their investment in information.

As companies grew, so too did the collections, which grew in silos and included duplicates and gaps. In today’s world of electronic information the same situation exists and the costs are even higher. Understanding what is needed, which format has the most impact and how best to deliver the information to the end user is still one of the most valuable skills any corporate library can offer.

Collection management is important in every type of library. Corporate libraries have another component that adds to their value: special collections specific to units, departments and the organisation as a whole. This too is a foundation. “Libraries often began as ‘deposit’ units, acting as a magnet for small (and sometimes not so small), pre-existing dispersed collections of scientific and technical literature.”

Special collections also included competitive intelligence data, marketing data and data specific to a particular project of the company. In today’s environment these collections are dispersed in a variety of methods and usually through an electronic means. Kevin Adams’ case study in Part Two describes his alert delivery service, which delivers data proactively to the
researchers within his organisation (see Case Study: RSS Feeds in the ESR Christchurch Library). Such proactive and customised services transform the library from dependable to indispensable.

Another special feature of corporate libraries is the likelihood that special projects will be the responsibility of the information centre. Fish & Richardson’s Emily Florio describes one such project at her firm: “In 2010, we created a library services resource and services portal on our intranet using SharePoint 2007. Our LInC (Library Information Centre) site is innovative as it integrates internal and external vendor resources in one central portal. Our site now includes over 55 individual pages that address all our resources and services and is accessible to everyone within our firm. We designed, built and implemented the site with little assistance from IT, which allows us to be self-sufficient in controlling and updating our own content.”

Managing resources in today’s information centre also means managing technology. Florio discusses the use of SharePoint to create a portal. SharePoint is one of many useful tools that are being deployed to help libraries manage information. Knowing what technology solutions exist within the organisation and how they can be deployed to meet the requirements of the library can be useful when assessing the best mechanism for completing a project.

In today’s always-on world, mobile solutions are another technology that needs to be evaluated for usability and applications within the library. The information centre is usually the first beta tester for applications and new methods of delivery through mobile devices. The insight that can be offered about ease of use, content to be pushed to that delivery mode and functionality can save the organisation time and money. Why buy it if there are flaws?

Managing resources from technology, to collections and to personnel impacts the entire organisation. While many departments work in silos and contain information in those silos, no other group within the organisation better understands the importance of breaking down those silos. The neutrality of the information centre, the broad scope of the user base and a willingness to collaborate all contribute to a commitment to meeting organisational goals and delivering highly valued services.

Put in play

- Evaluate staff skills and abilities in light of organisational goals –
  - Match skills to specific projects and departments or subject areas;
- Evaluate the collection in light of new and continuing projects –
  - Proactively market resources that meet those project needs; and
- Use the technical skills of staff to evaluate and recommend new applications and technologies –
  - Evaluations can also pinpoint shortfalls and avoid an investment in technologies that are not good solutions for the enterprise.

Summary

Many of the functions of today’s corporate library still rely on the foundations of library science: collection, organisation, evaluation and delivery. The tools are more complicated, the amount of data is astronomical in a variety of formats and the costs are under scrutiny. However, businesses rely on the right data delivered at the right time to remain profitable and successful.
Information professionals who understand their organisation, create strategic alliances and deliver services that are central to the company’s vision remain important. Being flexible and adjusting services to meet expectations are central to the information centre’s position. The proactive librarian that delivers high value information products and services is an asset that should be included in the market value view of the firm.

Understanding the tools and techniques for today’s knowledge economy is challenging. An information centre manager who has a long view of what is needed, how to deliver it, and who is best suited for the delivery is able to provide a holistic solution. The method for understanding those different components requires the blend of relationship management, financial knowledge and resource management. It is not enough to do the tasks: the information centre must also demonstrate that value in the language of the recipient, whether it is executive management or the daily library user.

References
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