# The Search for the Value of the Corporate Library: A Compendium of SLA-Funded Studies

## Corporate Libraries Metrics Task Force

**The Search for the Value of the Corporate Library:**
**A Compendium of SLA-Funded Studies**

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**Preface**

In response to the article by Steve Hiller (What Are We Measuring, and Does It Matter? *Information Outlook* 16 (4), pp. 10-12,41(Sep/Oct 2012)), Deanna Morrow Hall (President, Corporate Information Resources, Inc.) submitted a letter to the editor (*Information Outlook* 16 (5), p. 3 (Nov/Dec 2012)) in which she pointed out that SLA had funded four [additional] studies[1] that attempted to define how corporate libraries may assess their value. She then made a case for the following conclusion: "Consequently, if corporate libraries are still unable to measure and communicate their value to top management, it is not for lack of definition as to how to do it. Rather, it is the result of a failure of SLA, as their professional organization, to assimilate what is already known, and from this, to create standard templates from which corporate librarians may choose the method(s) most applicable to their individual situations."

As 2013 President of the Special Libraries Association, I sent an email to Ms. Hall, saying that I was "taking her criticism to heart", and asking her if she would chair a Corporate Libraries Metrics Task Force to do what she proposed. She accepted, and I subsequently appointed Margaret Aby Carroll (Adjunct Professor, University of North Texas) and Ethel M. Salonen (Dept. Head, Information Services, The MITRE Corp.) to work with her.

What follows is the result of their hard work for all of us in the corporate sector to utilize and build upon to demonstrate the value we bring to our organizations.

Deb Hunt
2013 President, Special Libraries Association
Principal, Information Edge

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[1] Hiller mentioned the SLA-funded publication by Griffiths, José-Marie and King, Donald W.: *Special Libraries: Increasing the Information Edge* (SLA Research Series #9). Washington DC: Special Libraries Assoc. 1993. 197 pages.

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**Introduction**
To realize this assignment, the Corporate Libraries Metrics Task Force has set out to maximize the visibility[2] of these studies to SLA members, by creating a standard executive summary format to present the content of these studies, including suggestions as to how their methodologies may be applied by individual corporate libraries.  The objective is that members of this library community may quickly and easily:

- establish personal awareness of each publication;
- comprehend the contribution that each publication makes to the issue of the *value* of the corporate library, i.e. when conversations turn to the *value* of the corporate library, every corporate librarian should be sufficiently aware of the content of these studies to make them part of the conversation;
- navigate each study by page number;
- have enough information to determine whether they want to obtain the complete report for further study.

The Task Force will feel well-rewarded if we achieve these objectives.

In bringing these five SLA-funded[3] works together for unified presentation, it is particularly important to point out their unique characteristic:

all of them involve studies of *multiple* organizations, resulting in pooled data from across those organizations.

This puts them into a superior category of relevance for measuring the value of the corporate library, as compared to studies of *individual* organizations and the isolated data sets they generate.  The magnitude of their study samples is displayed in the following table:

| Authors | Year | Size of study sample | |
|---|---|---|---|
| | | **Number of organizations** | **Number of responses** |
| Matarazzo, Prusak & Gauthier | 1990 | 164 companies | 164 interviews |
| Griffiths & King | 1993 | 16 companies; 7 govt. agencies; 4 national surveys | **10,000** survey responses |
| Matarazzo & Prusak | 1995 | 103 companies | 103 interviews |
| Kantor & Saracevic | 1999 | 10 companies | 223 interviews |
| Portugal | 2000 | 101 companies (US); 14 companies (international) 6 govt. agencies | 101 interviews |
| **TOTAL** | | **394 companies 13 govt. agencies** | **10,591** |

In passing, we also wish to make a strong distinction between the *variables* used in these studies vs. the *data* these variables generated.  Our primary purpose is to draw attention to the variables that have been studied.  In contrast, the data they generated is secondary insofar as the data may not represent the reality of today.  Nevertheless, if a corporate library conducts its own study now, then this historical data could, in fact, be used as a baseline (a longitudinal study) to demonstrate how contemporary processes and technologies have improved the variables chosen for study.

We hope that corporate libraries of any size will find inspiration among these studies.

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[2] The references at the end of each synopsis are prefaced by the statement: "This publication was publicized in the following sources:"  This is intended to indicate the extent to which these publications were publicized at the time of their publication; exclusive of the extent to which these publications may have been subsequently cited in reviews.

[3] The studies by Griffiths & King were directly funded by other agencies, but SLA funded the compilation and publication of their results.  SLA directly funded the remaining four studies.

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## Study sample (Introduction, p. iv)
"In conducting the survey, we followed an approach different from that commonly found in today's self-referential professional literature. Rather than interview the librarians, we interviewed those individuals to whom the heads of libraries report. In this way, we sought to obtain objective evidence that corporations value libraries and information centers. [--]

"The survey sample of 164 companies[ii] was developed from an in-house[iii] analysis based on contributions of for-profit sectors to the Gross National Product (GNP). In this way, we obtained a sample approximating the contributions of each major sector of the GNP and representing the spectrum of American business and industry. We also avoided undue concentration on "information intensive" industries or, conversely, on struggling industries or those with libraries under obvious survival pressures. The interview list has a range and balance that reflects the scope of business in the United States."

"The largest firms in each GNP sector were selected for interviews. We chose the larger companies because they were deemed more likely to have a fully functioning library and to have used those services for some reasonable period of time. This methodology seemed best, since we sought thoughtful and seasoned commentary from those interviewed. Our expectations were borne out by the respondents. Because the executives selected for interviews frequently have the task of justifying the library to upper management, many already had given some thought to our questions and were well prepared to answer them."

## Study Methodology (pp. 2-10)
The interviews involved nine *generic* questions, each having multiple options available for detailed responses. The five generic questions relating to **value** were:
- Why was the library established? (p. 2)
- What criteria do you use in **evaluating** the library's impact on the firm? (p. 6)
- What types of information supplied by the library does the firm find most **valuable**? (p. 7)
- What library services add the most **value** to the corporation? (p. 8)
- "What is the **value** of the librarian in the following categories?" (p. 9).

## Results
The *detailed* response options to each of these generic questions are the variables by which value is expressed. They are presented in terms of the percentage of respondees selecting each of them, i.e. a measure of the extent to which the population values each variable. For example, for the question:

*What criteria do you use in evaluating the library's impact on the firm,* the detailed response options (variables) were:
- Better information for improved decision making/ 32%
- Time saved/ Increased productivity/ 23%
- Other/ 28%

(all responses are inclusive, i.e. cited among other reasons).
There is too much data to present the responses to the other four questions in this synopsis.

## Applications
- Replication

The generic questions relating to *value* in this study, and their related variables, could be replicated by an individual corporate library to determine what variables the library's *management hierarchy*[iv] values, or does not value, i.e. a top-down investigation. For example, using the question cited above, *o*ne would expect that 100% of management respondees would choose both improved decision-making and time saved. If they do not, then that would suggest the need for further study as to why they do not universally recognize and appreciate these outcomes.

- *Ad hoc* application

The questions relating to *value* in this study also could be applied by an individual corporate library to determine what the library's *clients* value, or do not value, i.e. a bottom-up investigation.

## Reviewer's comments
This was SLA's first funded study to begin to understand how corporate librarians and corporate libraries should be valued. The method used for selecting the study sample was statistically rigorous, and therefore produced statistically valid responses representing the collective viewpoints of the for-profit sectors of American business.

Deanna Morrow Hall, MSLIS

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## ENDNOTES

[i] The rationale for this study (Introduction, p. iv) was described as follows: "The Special Libraries Association, in a report from its Task Force on the Value of the Information Professional[i], highlighted a need for additional research on how the corporate world values information. Specifically, the task force recommended a study of the value placed by senior executives on both the information professional and the corporate library/ information center. We conducted this survey in response to that recommendation. The survey focused on two issues: emerging trends for special libraries, and how the work traditionally associated with those libraries is valued. We hope our findings will help corporate librarians in formulating plans and strategies."
* *President's Task Force on the Value of the Information Professional*. Special Libraries Association. 78th Annual Conference. Anaheim, California. June 10, 1987. 52 pp.

Also reported in:
Basch, N. Bernard: The President's Task Force on the Value of the Information Professional. *Special Libraries* Spring 1990 v81 n2 p97-101

[ii] Company names are listed on p. iii.

[iii] The study was performed by the management consulting firm Temple, Barker & Sloane, Inc., Lexington MA

[iv]Since most corporate libraries report through two or more levels of management hierarchy, it would be useful to understand the perceptions of management *above* the level to which the library directly reports.

**BIBLIOGRAPHY**
This study was publicized in the following sources:
DeCandido, GraceAnne A.; Rogers, Michael: Corporate Libraries Studied by SLA. *Library Journal* 5/1/90, v115 n8, p.26.

Matarazzo, J.M.; Prusak, L.: Valuing corporate libraries: a senior management survey. *Special Libraries* Spring 1990, v81 n2, p.102-110

Prusak, Laurence; Matarazzo, James M.: Tactics for corporate library success. *Library Journal* 9/15/1990 v115 n15 p. 45-46 2 graphs

**Study sample** (Foreword, p. xiv)
Griffiths and King present a compilation of the results of 27 studies of 16 companies, seven government agencies, and four national surveys of professionals including scientists and engineers conducted between 1981 and 1993[i]. Because of the multiple studies, there is great variation in the degree to which any one organization provides data. More than 10,000 professionals participated in these studies. Sources for data are generally outlined in terms of total population served by the library being surveyed and sample size. The random samples range from the entire professional population to users of specific library services. Organizations in the 23 studies (excluding the four national surveys) "represent 82,553 professionals and 90 libraries with at least one staff member".

**Study Methodology** (Part I, Chapter 1, p. 5)
Data was collected through a series of four national and 23 company and government agency surveys. Some data was "common to all surveys, e.g., amount of reading, number of personal journal subscriptions, extent of library use and demographics), but many surveys focused on the consequences of reading, library use, use of specific services, or general means of communication used by professionals. Detailed data of library performance (e.g., library staff productivity and unit costs of services) are collected in 13 organizations with a total of 54 libraries.

Operational analyses are performed in 13 of the organizations and surveys of information use, library use, and/or impact are conducted in 21 of the organizations representing 73,303 professionals. (p. 23)

Samples of survey questions are not included.

**Results**
Griffiths and King provide "the beginning of a model of all the sub-phenomena that contribute to the value created by the corporate library. Their model describes the activities of the corporate library; the activities of its direct user, in this case a scientist; the activities of the organization; and the interactions among these three sets of phenomena." This proposed approach evaluates corporate library contribution based on internal activities, the library's effect on the user, the goals of the parent organization, and, ultimately, those of society".[ii] Specifically, a five-step framework (p. 44) (Conceptual Framework, pp. 42-56) is used to think about library measures and to develop a relationship among the measures.
1. Objects of evaluation and evaluation perspectives (Objects are a main or branch library or a combination, function, service, activity or resource;

perspectives are the library, user – actual and potential, parent, industry/sector, society)
2. Generic types of evaluation measures (inputs, outputs, usage, outcomes, domain)
3. Specific types of measures (usage vs. outcome)
4. Derived measures (performance, effectiveness, impact, cost-benefit)
5. Interaction and externalities (attitude of funders, where the library resides in the organization, price and quality of content, staff and their competencies, etc.)

Results fall into these categories:
1. The Communication Environment (Chapters 4-5)
2. Usage and effectiveness of special library services (Chapter 6)
3. Access to information found in documents (Chapter 7)
4. Usage and effectiveness of reference and research services (Chapter 8)
5. Performance of special libraries (Chapter 9)
6. Impact, Value, Worth and Performance of special libraries (Chapter 10)

Results are presented in these categories:
- **Part I: Background and Summary** (Chapters 1-3)
This section, in conjunction with the Foreword, is an extended executive summary. It may be used alone by the casual reader for an overview of results, or by the serious reader as an introduction to the rest of the book. In particular, see the Conceptual Framework, Part I, Chapter 3, pp. 39-56) for a helpful way to think about the extensive number of variables presented.
- **Part II: The Communication Environment** (Chapters 4-5)
This section presents results relating to the work of professionals, i.e. the clients of the corporate library.
- **Part III: Performance, Effectiveness, and Impact of Special Library Services** (Chapters 6-10)
This section presents results relating to the internal functions of the library. In particular, Chapter 10 (Impact of Special Library Services) presents data for the dollar value derived from 11 library services.

Values are assigned to specific library services, then interpreted into costs to the organization. With few exceptions, costs are covered through a positive return on investment (ROI) in the form of professionals' time saved, increased productivity, improved quality of work, and other indicators.

The authors present a thorough, statistically sound analysis of their data using both graphs and tables. Context provided is suited to the practitioner.

Sample measures presented include indicators such as amount of use and unit cost of typical library services, productivity of professionals as a function of amount of library use, average annual amount of time and dollars spent by professionals in identifying, accessing, and

reading documents, library usage, importance ratings of various library services, and more. There is a significant amount of data, too much to summarize here.

## Applications
▪ Replication
Replicating all of the studies would be a massive undertaking but select measures could be readily replicated by an individual corporate library to establish indicators for:

- Establishing baseline performance indicators for a library
- Identifying measures that communicate value to senior management to obtain resources
- A SWOT (Strengths /Weakness/ Opportunities/ Threats) analysis and benchmarking purposes

▪ *Ad hoc* application
Monetary indicators could be restated in present day dollar values making the data as timely today as when Griffiths and King originally conducted the studies. Then a trend analysis could be undertaken to compare measures from this collection of studies to a library's current measures to serve as the basis of a strategic plan.

## Reviewer's comments
This is a seminal, comprehensive work, the value of which is identification of measures and indicators of the value of special libraries based on understanding the conceptual framework used in identifying those markers. There are numerous statistics which a library manager will find useful in strategic decision-making.

Margaret Aby Carroll, PhD

## ENDNOTES
[I] Company names are listed on pp. xiii-xiv

[ii] Edgar, W. (2004, Apr.). Corporate Library Impact, Part I: A Theoretical Approach. *Library Quarterly*, *74*( 2),122.

## BIBLIOGRAPHY
This study was publicized in the following sources:
House, K. L.(1994, Feb 1). Special Libraries (Book Review). *Library Journal*, *119*, 118-119.

Pinelli, T.E. (1994). Special Libraries (Book Review). *Library Quarterly*, *64*, 344-345.

## Source
Matarazzo, J. M. & Prusak, L. (1995). *The value of corporate libraries: Findings from a 1995 survey of senior management*. Washington DC: Special Libraries Association. 21 pages [i].

## Study sample (A Note on Methodology, p. 3)
The survey sample of 164 companies, used in the 1990 study, was reused in this study. Of these companies, only 99 [ii] were available to participate in this study. In addition, four new companies (Asea Brown Boveri, Entergy Corp., General Electric Co., and Schuller International) were added, presumably by reason of having acquired companies that were interviewed in the 1990 study.

## Study Methodology (pp. 4-21)
The interviews involved nine *generic* questions, each having multiple options available for detailed responses. The four *generic* questions relating to **value** were:
- Methods and approaches used to evaluate the library's **value** (pp. 8-9)
- What competencies of the library staff are most **valued** by management? (pp. 10-11)
- Library products and services which provide the highest **value** to firms? (pp. 12-13)
- How does the library contribute to the strategy of the firm? (pp. 15-16)

The first three may be correlated with questions asked in the 1990 study to assess changes in perception.

## Results
The *detailed* response options to each of these generic questions are presented in terms of the percentage of respondees selecting each of them, i.e. a measure of the extent to which the population values these. For example, for the question *Methods and approaches used to evaluate the library's value*, the detailed responses were:
- Internal company surveys 36%
- Number of requests handled 25%
- No official method 15%
- Time saved 10%
- Money saved 7%

There is too much data to present the responses to the other three questions in this executive summary.

## Applications
- Replication

The questions relating to value in this study could be replicated by an individual corporate library to determine what the library's *management hierarchy* [iii] values, or does not value, i.e. a top down investigation. For example, for the question, *"What criteria do you use in **evaluating** the library's impact on the firm?"*, two of the four response options were:
- Better information for improved decision making
- Time saved/ Increased productivity

One would expect that 100% of management respondees would choose both of these. If they do not, then that would suggest the need for further study as to why these outcomes are not universally recognized and appreciated.

- *Ad hoc* application

The questions relating to value in this study also could be applied by an individual corporate library to determine what the library's *clients* value, or do not value, i.e. a bottom up investigation.

## Reviewer's comments
This was SLA's second funded study to attempt to under-stand how corporate libraries should be valued. Since this study used the same sample as the previous one, which was statistically rigorous, this second study therefore produced statistically valid responses representing the collective viewpoints of the for-profit sectors of American business.

There were a total of 103 participants in this 1995 study; a 38% erosion from the 1990 study. This erosion can be attributed to three circumstances:
- Refusal of the relevant senior manager to participate[iv];
- Disappearance of the corporate library;
- Disappearance of the company due to merger or acquisition.

Deanna Morrow Hall, MSLIS

## ENDNOTES

[i] This study can best be appreciated in comparison with the authors' previous study:
Matarazzo, J. M., Prusak, L., & Gauthier, M. R. (1990). *Valuing corporate libraries: A survey of senior managers*. Washington DC: Special Libraries Assoc. 11 pages.

[ii] These company names are listed on the inside front cover.

[iii] Since most corporate libraries report through two or more levels of management hierarchy, it would be useful to understand the perceptions of management *above* the level to which the library directly reports.

[iv] "Less than 10% [of the firms interviewed in the 1990 survey] were represented by the same individual in this survey (i.e. responsibility for oversight of the library had changed) [in more than 90% of the companies]."(p. 3)

## BIBLIOGRAPHY
This study was publicized in the following sources:
Prusak, L. & Matarazzo, J. M. (1995, Nov.). The value of corporate libraries: The 1995 survey. *SLA Specialist*, v18 n11, 9.

Coper, J. A. (1996, Mar./Apr.). Reviews of recent writings [Book review] *Online, v20* n2, 101.

## Study sample
10 libraries (*See* Acknowledgments)
- Anonymous (5)
- Bristol Myers Squibb, Princeton  NJ
- IEEE Service Center, Piscataway  NJ
- ITT Aerospace Communications, Clifton  NJ
- *Newark Star Ledger,* Newark  NJ

supplied a total of 223 users (p. 11)

## Study Methodology
*Our Study Method* (pp. 9-10)
Interviews with library users [using the modified critical incident method] were "recorded and transcribed and then analyzed by trained judges, using a computer program that we developed, to build a table of more than 2000 verbatim coded utterances provided by library users." [iii] (p. 10, para. 4)

These utterances were analyzed by applying the following taxonomy [iv] of value:

- **Reasons** (Why did you use the library?)
  - A.1 for a **TASK** or project
  - A.2 for **PERSONAL** reasons (academic users)
  - A.3 to get an **OBJECT**, or **INFORMATION**, or to perform an **ACTIVITY**
- **Interactions**
  - B.1 **RESOURCES** – availability, accessibility
  - B.2 **USE** of resources, services
  - B.3 **OPERATIONS** and **ENVIRONMENT**
- **Results**
  - C.1 **COGNITIVE** results
  - C.2 **AFFECTIVE** results
  - C.3 **ACCOMPLISHMENTS** in relation to tasks
  - C.4 **EXPECTATIONS** met
  - C.5 **TIME** aspects
  - C.6 **MONEY** estimates

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  - C.7 **ACCOMPLISHMENTS** in relation to **Corporate Objectives**
    - C.7.1  Customers
    - C.7.2  Products, services
    - C.7.3  Cost, profits
    - C.7.4  Markets
    - C.7.5  Human resources
    - C.7.6  Management

## Results
*Significant Findings* (p. 11)
"Our first significant finding is [that] the corporate library users "close the loop". --- The results that they talk about are very close to the reasons that they discussed for using the library.  In other words, reasons are the motivation, interactions are something they do to

accomplish their goals and the results are tied back to those reasons." (para. 1)
"When we ask them "*Can you link this project/task to one or more corporate goals or objectives*" 190 out of 216 [88%] said yes." (para. 2 and Exhibit 14)

*Generalizing the Corporate Dimensions* (p. 12)
This section discusses the correlation between the 6 corporate taxons listed under taxon C.7 vs. the 4 points addressed by the balanced scorecard.  (Exhibits 15 and 16)

*The Corporate Library on the Balanced Scorecard* (pp. 13-14)
"The work reported here provides a foundation for beginning to discuss the value of the library, in a way that spans all four key dimensions [taxons] of the value: Corporate Goals, Reasons, Results, and Interactions." (para. 2)
The consolidated data is presented below.

| Exhibit 19. Most prevalent taxons in our analysis. (p. 13) | | | |
|---|---|---|---|
| Code | Count | Meaning | Responses [cumulative number/%] |
| C.4 | 358 | Expectations Met | |
| B.2 | 254 | Use of Resources and Services | 612/ 30% |
| B.3 | 218 | Operations and Environment | |
| A.3 | 213 | Get Object, Information, Activity | 431/ 50% |
| C.5 | 164 | Time Aspects | |
| A.1 | 140 | For a Task or Project | |
| B.1 | 135 | Resources - availability, accessibility | 439/ 75% |
| C.2 | 130 | Affective Results | |
| C.3 | 102 | Accomplishments in relation to task | |
| A.2 | 87 | For personal reasons | 319/ 90% |
| C.6 | 86 | Money estimates (prompted by question) | |
| X.I | 60 | Corporate Internal Process Excellence | |
| C.1 | 36 | Cognitive Results | |
| C.7 | 22 | Utility of Information received | |
| X.C | 21 | Corporate: Customer Orientation | 225/ 100% |
| Total | 2,026 | | |
| The grayed rows indicate the points at which the cumulative count of responses reaches significant percentiles, e.g. the counts of 358+254=612 (30th percentile) | | | |

"Users of libraries discuss value in terms of whether, and to what extent the library or information service meets, or does not meet, their expectations of it." [Exhibit 21. Principal Finding]

*Presenting Numerical Results (pp. 14-17)*
This section presents selected data from the detailed data contained in *Valuing Special Libraries: Final Report to: Special Libraries Association on the project "Studying the Value of Information Services in Special Libraries and Information Centers* (Section 7. Data Analysis: Summary of Scale Results (pp. 28-33))

## Applications
*Planning the Study* (pp. 17-20)
▪ Replication
This study could be readily replicated by an individual corporate library because the two Manuals document the methodology at the necessary level of detail. However, the methodology is very labor-intensive, and requires software to analyze the transcribed utterances. Therefore, replication of this study probably would not be undertaken by an individual corporate library, but could be adopted by a consultant.

▪ *Ad hoc* application
This taxonomy could be applied by an individual corporate library in various simplified manners. For example, the entire taxonomy could be distributed selectively to users along with the library's responses to their routine research requests. Their opinion, e.g. on a scale of 1-5, would be solicited as to how important each taxon was to that *specific* interaction with the corporate library. Their collective responses then could be compared with the data in Exhibit 19, which would serve as a benchmark.

## Reviewer's comments
*Not a Random Study* (p. 11)
Although all the libraries and all the users were self-selected, thereby introducing unknown biases, it is worth noting that this study represents a stratified sample of 10 sets of users. This may account for the long tail in the distribution of results, i.e. a set of users from a single library may generate much more compact results.

*The Corporate Library on the Balanced Scorecard* (pp. 13-14)
The 2,026 utterances included 15 of the 18 taxons of the taxonomy, from which the following selected observations may be derived:
▪ The 4 largest taxons accounted for 50% of the utterances;
▪ The remaining 11 taxons accounted for the remaining 50% of utterances, i.e. a long tail involving nearly 3 times the number of taxons that accounted for the first 50%;
▪ Money estimates (C.6) did not occur until the 90th percentile, and then only when prompted by question.

Deanna Morrow Hall, MSLIS

## ENDNOTES

[i] This report is actually a compilation of 5 documents in the following sequence:
**REPORTS**
▪ *Valuing Special Libraries and Information Services: **Summary and Technical Report** of a Project for the Special Libraries Association* (26 pages)
▪ *Valuing Special Libraries: **Final Report** to: Special Libraries Association on the project "Studying the Value of Information Services in Special Libraries and Information Centers* (43 pages)
▪ *APPENDIX: Table of All Coded Responses Studying the Value of Special Libraries and Information Services* (64 pages)
**MANUALS**
▪ *Studying the Value of Library Services: A Manual for Replication of These Studies* (16 pages)
▪ *Derived Taxonomy of Value in Using Library and Information Services: A manual for encoding of responses (*31 pages)
All specific references in this executive summary refer to the first document, using the section headings and corresponding page numbers for easy location.

[ii] For an extended discussion of this source and the application of its methodology see Matthews, J. R. (2002). *The bottom line: Determining and communicating the value of the special library.* Westport CT: Libraries Unlimited, A Div. of Greenwood Publishing Group, Inc. 186 p.
   Chapter 9: A Balanced Scorecard (pp. 103-118)
   Chapter 10: Building a Library Balanced Scorecard (pp. 119-142)

[iii] See APPENDIX: Table of All Coded Responses Studying the Value of Special Libraries and Information Services. 64 pages (Precedes MANUALS)

[iv] *Appendix A*: Derived Taxonomy of Value in Using Library and Information Services in Corporate Environments:
   ▪ General classes and subclasses (p. 21)
   ▪ General classes and specific categories (pp. 22-26)
Taxonomies A.1 through C.6 were developed in a study conducted in five large [academic] research libraries, reported in:
   ▪ Saracevic, T. & Kantor, P.B. (1997, June). Studying the value of library and information services. Part I: Establishing a theoretical framework. *Journal of the American Society of Information Science, 48*(6), 527-542.
   ▪ Saracevic, T. & Kantor, P.B. (1997, June). Studying the value of library and information services. Part II: Methodology and taxonomy. *Journal of the American Society of Information Science, 48*(6), 543-563 (Section 3. Data Collection, p. 545).
[iv] *A New Class of Taxons* (p. 9)
Taxonomy C.7 was developed in the study which this analysis reports. "However we are very much aware that these [taxons] may be peculiar to the particular places that we happened to study. So we looked for a general

taxonomy of the dimensions of corporate objectives.  We believe that the best one for dealing with this is a concept called the balanced scorecard* –" (Generalizing the Corporate Dimensions/ p. 12)

*Kaplan, R. S. & Norton, D. P. (1992, Jan-Feb). The balanced scorecard: Measures that drive performance. *Harvard Business Review, 70*(1), 71-79.

**BIBLIOGRAPHY**

This study was publicized in the following source:

Saracevic, T. & Kantor, P. B. (1998, Oct. 25). Studying the value of library and information services in corporate environments: Progress report. *Proceedings of the Annual Meeting of the American Society for Information Science, 35*, 411-425.

**Study sample** (How the Study was Conducted, p. xvi)
"Primary research was conducted with about 125 corporations and organizations[ii] which included 15 companies from Canada, England, France, Sweden, Denmark, and Japan.  Organizations ranged from federal agencies to private associations." [ii]

**Study methodology** (How the Study was Conducted, p. xvi)
"Librarians or administrators at each site were interviewed by phone to determine what they knew about their company or organization's efforts to determine the value of their library or information center operations.  About 20% of these interviews yielded the names of mid-level managers who were also interviewed to further discuss these same issues."

**Results** (Executive Summary, p. ix)
"The development of the methodologies in this report is the result of interviews with representatives at 125 corporations and organizations – almost all of whom indicated that they do not conduct valuations of their libraries and information centers.

Portugal identified 4 different approaches to valuations (Executive Summary, page x). They are:
- ROI/CBA – return on investment and cost/benefit analysis
- Knowledge value added
- Intranet team forums
- Intellectual capital valuations

"With the exception of return-on-investment, a traditional financial ratio emphasizing **tangible** assets, these methodologies concentrate on estimating the intangible value of libraries and information centers."

"The methodologies presented are sufficiently flexible to account for both traditional and non-traditional information professional activities of librarians and information professionals.  These methodologies should be considered "first-generation" efforts to capture the highly elusive intangible value of library and information center services."  (Executive Summary, p. ix-x)

These valuations can be briefly characterized as follows:
- ROI/CBA demonstrates benefits to the users and the organizations.
- Knowledge value added evaluates the relative amounts of knowledge (intangible) embedded in corporate sub processes.
- Intranet team forums track information and discussions that turn into new products and services – value to benefit – and compared to initial costs of information and the usage of information.

- Intellectual capital valuation is somewhat different. It was developed in Europe to measure the growth of intangible assets of a corporation.

Detailed explanation follows:
- **ROI i**s best applied in for profit settings that track tangible assets. Non-profits convert their activities into revenue by multiplying the expenses associated with those activities by the appropriate markup values. **CBA** analyses in information settings have traditionally been done to show the user benefits. Both positive and negative values are used to show the intangible values
- **Knowledge value added** can be focused on time saved for users rather than value added to a new product or service. This instrument helps managers focus on creating value, rather than just cutting costs. This technique uses a surrogate measure for intangible value in determining how much each sub process contributes to the final product or service relative to all the other sub processes. The value is determined by assessing the cost of each sub process relative to its overall contribution.
- **Intranet team forums** are a collaboration that is over 13 years old. We have much better collaboration tools now and metrics gathering is much easier as well. The activity is still valid.  The act of following a threaded message to the discussion is a great opportunity for an information professional to analyze the discussion. The analysis is the value of the effort and the valuable use of this instrument is when the information professional presents a summary of the threaded discussions and highlights key developments that led to the successful development of the project.
- **Intellectual capital valuations** use metrics to value intangible assets. The instrument shows the investment an organization has in the combined skill, innovativeness, and ability of the organizations' s individual employees as well as the hardware, software, databases organizational structure, patents, trademarks, and organization capability that support employees' productivity. Information professionals are an important part of the intellectual capital calculation.

**Applications**
- Each method has lengthy and detailed examples to show tangible (ROI and CBA only) and intangible value
- Each method can be used in different settings and the author cites which method is more suited to one type of industry or organization over another.
- There is a detailed glossary of terms to help understand the economic definitions and appendices that show the list of organizations interviewed the ROI calculation, the intellectual capital valuation metric set, and examples of employee satisfaction questionnaires and a personal empowerment assessment.

**Reviewer's comments**
This is an excellent manual on developing instruments for determining value, especially intangible value of information services and information professionals in any organization. There is a short chapter devoted to "The

Magic Number (pp. 77-78)." Is there a single magic number to demonstrate the value of information centers and information professionals? The answer lies in the field of information technology management. Information technology value, just like information services value, is largely an intangible asset. The more we partner with our IT colleagues in understanding our shared values, the more we can find that magic number.

A determination of bottom-line value of libraries and information centers is difficult due to the intangible nature of the products and services. The Corporate Executive Board states that output – the numbers of something – and outcome – the evaluation and repositioning of measurement and commitment – provide the greatest value story.

Ethel M. Salonen, MSLS, MA, FSLA

**ENDNOTES**

[i] The instruments and examples are the key to the value of this report.  A substantial reference list, additional web sites, and books are also included. Some web sites may no longer be available.

[ii] These entities are listed by name in Appendix A (pp. 93-96)

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## ADDITIONAL READINGS
*SLA publications*

*President's Task Force on the Value of the Information Professional. Final Report/ Preliminary Study.* Special Libraries Association, 78th Annual Conference, Anaheim CA. June 10, 1987. Unpaged
In particular, note Allen B. Veaner's Introduction, in which he cites:

> Griffiths, José-Marie: The Value of Information and Related Systems, Products, and Services. *Annual Review of Information Science and Technology*, v17. White Plains NY: Knowledge Industry Publications, Inc. 1982. pp. 269-284.

*Valuing Special Libraries and Information Centers: An SLA Information Kit.* Washington DC: Special Libraries Assoc. 1993. 95 pages
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- Selected references on the value of the information center

*Reviews of the literature on the value of the corporate library (in chronological order)*

**Keys, Alison M.**: The value of the special library: Review and analysis. *Special Libraries* Summer **1995**, v86 n3, 172-187.
[Author's abstract] This article examines and reviews literature and evaluates techniques for determining the monetary value of special libraries and describes valuation by time-saved methods, by relationships to productivity, and by cost-benefit analyses. It identified barriers to valuation and suggests a four-part approach to valuation, stressing identifying costs, collecting user estimates of benefits, recording evidence of positive impact, and analyzing the data gathered, to arrive at a fiscal value. The paper also indicates areas for further research and includes 24 references with detailed annotations.

**Matthews, Joseph R.**: *The Bottom Line: Determining and Communicating the Value of the Special Library.* Westport CT: Libraries Unlimited, A Div. of Greenwood Publishing Group, Inc. **2002**. 186 pages
The best way to convey the importance of this book is to list the chapter headings, which are:

- 1 – How Libraries Add Value
- 2 – Evaluation
- 3 – Evaluation Techniques and Methods
- 4 – Input Methods
- 5 – Process Measures
- 6 – Output Measures
- 7 – Approaches to Identifying Outcomes or Impacts
- 8 – Outcomes in Special Libraries
- 9 – A Balanced Scorecard
- 10 – Building a Library Balanced Scorecard
- 11 – Communicating the Value of a Special Library
- Appendix A: Input Measures (pp. 157-162); Process Measures (pp. 162-163); Output Measures (pp. 163-171)
- Appendix B: Sample PAPE (Priority and Performance Evaluation) Surveys
- Appendix C: Library Benefits Survey

Each chapter contains a good selection of relevant references. In particular, Matthews reviews three of the studies (Griffiths and King; Kantor and Saracevic; Portugal) that this report reviews. This book ought to be in the possession of every librarian who intends to evaluate the contribution of the corporate library to the parent organization.

**Edgar**, **William:** Corporate library impact, Part I: A theoretical approach. *Library Quarterly* v74 n2, 122-151, Apr**2004**.

[Author's abstract (edited)] Drawing on library and information science, strategy, and organizational theory, this article reviews the literature on determining this contribution, revealing the need for a more theoretical approach to the determination of corporate library contribution to its parent firm. It then presents this approach. This approach departs from previous work on this topic, which focused on corporate library contribution to corporate operations and standing, savings in corporate time and cost, generating benefit in excess of cost, generating value for individual corporate library users, or indicators of corporate library operation, such as its outputs. Instead, this direction focuses on interactions among phenomena located within the corporate library, ones located outside of the corporate library but within the corporate library's parent firm, and ones located outside of the parent firm. 41 references

**Edgar**, **William:** Corporate library impact, Part II: Methodological tradeoffs. *Library Quarterly* v74 n2, pe1-e18 (electronic only), Apr**2004.**

[Author's abstract (edited)] This article reviews methodological trade-offs (strengths and weaknesses) of several methodologies capable of carrying out this approach to determining a corporate library's contribution to its parent firm. It examines the state of theoretical development supporting the examination of corporate library contribution. Then it reviews the applicability of four classes of research methodologies when using such a theoretical approach to address this problem: field research, including interviews and observation; surveys; unobtrusive research, including content analysis and analysis of existing statistics; and, finally, experiments. 14 references