Mind the Gap: Finding the “Value Proposition” for Your Library

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PRESENTED AT THE ACRL LOUISIANA PRE-LUC MINI-CONFERENCE

SEPTEMBER 30, 2009
BATON ROUGE, LOUISIANA
Keep Your Library open

We Need Your Help!
Record numbers of New Yorkers are relying on The New York Public Library in these difficult economic times. Now, faced with over $57 million in budget cuts, we need your help.

We hope you'll understand the need for the occasional appearance of this message from now until late June.

URGENT ACTION NEEDED
All Libraries to Close Oct. 2!!!

Learn about our Closings

How You Can Help:
Contact Your Elected Officials

Free library community
**RALLY & WALKOUT!**

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**defend the future of public education**

**thurs SEPT 24th**

**SAVE UC FROM BUDGET CUTS**

- No more attacks on UC students, faculty, workers and the academic mission of the University!
- No student fee tuition hikes that make higher education at the UC unaffordable!
- No faculty and staff furloughs or layoffs!
- No privatization of the UC!
- No executive pay increases!
- No cuts to courses, programs and services while students pay more!

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**EVENTS FOR THURSDAY SEPTEMBER 24TH:**

- Student and faculty walkout from classes
- UPTE Strike pickets at main and west entrances 6 am - 6 pm
- Noon Rally @ the base of campus
- General assembly @ the base of campus

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For more info and to sign the petition, please visit:

www.ucfacultywalkout.com and www.upte.org
“As part of the University of Washington budget reduction the Libraries received a 12% cut which amounts to $3.636 million. A 12% cut translates roughly into annual reductions of:

- $215,500 in operations
- $1.48 million in library materials
- $1.94 million in personnel

This is compounded by the 1.5% rescission taken on the FY2009 budget and unfunded inflation on library materials which combine to create a 7.7% cut to the Libraries materials budget before taking the cuts listed above.”


Want more?
The Value Gap

“When perceptions of the importance of a product or service decrease, but the price of that product or service increases, a gap is formed . . . . Demonstrating the value of libraries through methods such as return on investment or contingent valuation can help libraries to bridge the value gap.”

The Value Gap

“In a recent study, Americans gave their libraries an excellent report more often than any other community service. The majority believe . . . that if libraries were shut down due to budget cutbacks, ‘something essential and important would be lost’ . . . . It’s vital that we understand that this essential ‘something’ they are speaking of isn’t the library building or the materials: it is the help given to us by librarians, who are the very heart and engine driving these dynamic information services.”

”’We are getting back to basics, police, fire, and education,’ Mayor Bill Finch told the Connecticut Post, explaining his strategy for dealing with a $16 million budget deficit. ‘Libraries are not essential services.’”

“Few institutions are as close to the American heart as the local library, but the fact is they long ago lost their uniqueness. For decades kids have been checking books out of school libraries. The arrival of the internet has reduced their role as reference resources. They have become an expensive and unnecessary burden, a Model T way of sharing information in an age of brilliant technology.”

The Value Gap and the Library Brand

“The library brand is books.”

“Researchers no longer use the library as a gateway to information, and no longer feel a significant dependence on the library in their research process. Although the library does play essential roles in this process, activities like paying for the resources used are largely invisible to faculty. In short, although librarians may still be providing significant value to their constituency, the value of their brand is decreasing.”

The Library Brand at Illinois

The University of Illinois Library at Altgeld Hall (c. 1900)

Image courtesy of the University of Illinois Archives
http://www.library.illinois.edu/archives/
“... if the faculty and students are to have book resources comparable to those of the best institutions, the University will need a much larger library than most of them.”

Phineas L. Windsor, University Librarian at the University of Illinois in a 1927 article for the Daily Illini (“Only 5 University Libraries Surpass One Here in Size”)
Illinois by the Numbers

- Founded in 1867 as one of 37 “land-grant” institutions
- 286 campus buildings
- 70,000 computer connections
- 41,495 students and 3,081 faculty
- 401,492 living alumni
- 5,000 courses offered in 150 programs of study
- 1,000 registered student organizations, including 96 Greek-letter organizations
- $473,711,000 in R&D for science and engineering
- FY09 budget = $1,583,000,000

Illinois by the Numbers

- **1,750** seats in Foellinger Auditorium
- **9,000** works of art in the permanent collections of the Krannert Art Museum
- **46,000** artifacts in the Spurlock Museum
- **10,500,000** volumes held in 37 campus libraries


The University of Illinois at Urbana-Champaign will unveil its 11-millionth volume, Benjamin Franklin’s 1744 edition of Cicero’s *Cato Major*, on October 9, 2009.
A Fable

“The value is in the worth, not in the number.”

What is a Library Worth?

“A library is vital in order to get information. I trust and love libraries. The Web cannot take over because the library is sacred.”

“As instructors—at UCLA and beyond—in the arts, architecture, art history, film, television, theater and the humanities we all see the UCLA Arts Library as an indispensable resource to fulfill our pedagogical mission. As creators and researchers we all see the UCLA Arts Library as a critical part of our respective practices. Furthermore, a dedicated arts collection is a staple of all great universities public and private.”

The Traditional Value Proposition at Illinois

“Without a great library, there can be no great university.”

David Kinley, President of the University of Illinois, on the occasion of the dedication of the Main Library Building in 1929
Traditional Value Measures in Libraries

- Initial Circulation
- Volumes Held
- Monographs Purchased
- Current Serials Purchased
- Group Presentations
- Reference Queries
- Materials Expenditures
- Number of Digital Collections

The Limitations of Traditional Measures

<table>
<thead>
<tr>
<th>Year</th>
<th>Reference Questions Reported at Illinois</th>
<th>Δ</th>
</tr>
</thead>
<tbody>
<tr>
<td>2005-06</td>
<td>273,378</td>
<td>---</td>
</tr>
<tr>
<td>2006-07</td>
<td>229,288</td>
<td>-16.1%</td>
</tr>
<tr>
<td>2007-08</td>
<td>176,552</td>
<td>-22.9%</td>
</tr>
<tr>
<td>2008-09</td>
<td>101,429</td>
<td>-27.5%</td>
</tr>
</tbody>
</table>

The Limitations of Traditional Measures

“For libraries . . . a deep understanding of the information needs of a scholarly community and how existing services mesh with these needs is essential in order to effectively serve and remain relevant on the modern campus. To succeed in the Internet age, libraries must be aware of which traditional roles are no longer needed and which potential roles would be valued, and strategically shift their service offerings to maximize their value to local users.”

The Limitations of Traditional Measures

“Academic libraries are changing faster than at any time in their history.”


**Image Credit:** Smith, G. (2007). *Level 0* [Saltire Center Competition Photos]. Retrieved September 27, 2009, from [http://www.gcal.ac.uk/thesaltirecentre/competition/gsmith1.html](http://www.gcal.ac.uk/thesaltirecentre/competition/gsmith1.html)
“I am calling for intentional upheaval at our colleges and universities just when fiscal chaos already places us on the edge . . . . [The choice for higher education is] reinvention or extinction.”


“The cases that academic librarians make for financial support have had to become sharper and more convincing; libraries are having to compete more fiercely for the resources that used to come to them on a plate; and new sources of funding are having to be sought as the range of activities grows and diversifies.”

Value Propositions in Academic Libraries

- Contributions to Accreditation
- Capitalizing on the Digital Transformation
- Emphasizing Benefits of Buying Power
- Pursuit of Economies and Efficiencies
- Benefit to Strategic Priorities
- Return on Investment
Changing the Value Proposition at Illinois

- Pursuit of Economies and Efficiencies
- Alignment with Campus Strategic Initiatives
- Highlighting New Library Services
- Return on Investment
Alignment with Campus Strategic Initiatives

- Diversity
- E-Science and E-Scholarship
- E-Learning
- Public Engagement and the Land-Grant Mission
- STEM Education
- Global Competence


“Without global competence our students will be ill-prepared for global citizenship . . . . The skills that form the foundation of global competence include the ability to work effectively in international settings; awareness of and adaptability to diverse cultures, perceptions and approaches; familiarity with the major currents of global change and the issues they raise; and the capacity for effective communication across cultural and linguistic boundaries.”

Global Competence: Bringing New Value to Title VI

- Changes in Title VI grant applications require new focus on “evaluation”
- How does the Library add distinctive value to Illinois as a location for a Title VI Center in European Union Studies?
- Assessment of information literacy skills focused on:
  - Current events awareness
  - Ability to locate and make use of legal and government information
  - Ability to synthesize and present appropriate information for policy analysis

New Library Services

“The library of the 21st century will be distinguished not only by the content of its collections, but by the scope and quality of its services.”

- Interdisciplinary Programs
- Virtual Services and Web Portals
- Embedded Librarian Service Models
- Traditional Services
  - Information Services
  - Instructional Services
- Emergent Services
  - Copyright Education
  - Data Services

• College emphasis on career assistance and job placement

• Gap in career services not related to helping students to locate information, but in helping them to interpret and apply information

• Librarian as “consultant,” rather than “resource provider”

Return on Investment (ROI)

“Return on investment (ROI) is how much you get back for what you put into something. Strictly speaking, ROI is based on dollars and cents. So, you need to be able to quantify how much money was invested in something and then you need to compare how much money is gained or lost as a result of how the investment was handled.”

ROI and Libraries

- **Public Libraries**
  - Cost-benefit
  - Contingent valuation
  - Economic impact

- **School Libraries**
  - Student learning

- **Special Libraries**
  - Time savings
  - Revenue generation

- **Academic Libraries**
  - Recruitment and Retention
  - Student learning
  - Scholarly productivity
  - Revenue generation

The Illinois ROI Study

- Interviews with senior administrators (Spring 2007)
  - Library as “competitive advantage”
  - Enhance extra-mural funding
  - Support recruitment/retention of faculty
  - Support interdisciplinary work
  - Promote efficient use of time and resources

Faculty generate income for the institution. Faculty use the library and its collections. What role do information resources play in the income generation process?
The Illinois ROI Study

- Investment in e-resources leads to increased productivity among researchers.
- Increased productivity leads to more grant applications, as well as to increased scholarly output and citations.
- Each of these leads to more grants being awarded to campus researchers, which establishes the environment most conducive to recruiting and retaining excellent faculty.

“Funding does not regenerate funding, but reputation does.”
The Illinois ROI Study

- **Was designed to:**
  - Demonstrate that the library and its collections contribute to essential income-generating activities
  - Highlight the library’s role in the extra-mural funding process
  - Demonstrate the correlation between library investment and grant activities

- **Was not designed as:**
  - A cost or time savings exercise
  - A budget argument
  - A means of claiming a new revenue stream for the library
The Illinois ROI Study

- Online survey distributed to over 2,000 members of the faculty (16% response rate)
- User perspective on “the role the library plays in grant-seeking activities”
  - 95% report that references to scholarly literature are “very important” or “essential” to grant applications
  - 75% report that at least three-quarters of the references included in their grant applications were accessed through the library

“In physical and life sciences, it would be unthinkable to have a grant application without literature references.”
<table>
<thead>
<tr>
<th>Calculation</th>
<th>Value</th>
<th>Formula</th>
</tr>
</thead>
<tbody>
<tr>
<td># Tenure System Faculty</td>
<td>2045</td>
<td></td>
</tr>
<tr>
<td># Principal Investigators</td>
<td>1700</td>
<td>*Survey Q11 - 94% faculty use citations in grant proposals</td>
</tr>
<tr>
<td>A) = % of faculty using citations in grant proposals*</td>
<td>78.14%</td>
<td>(1700x94%)/2045</td>
</tr>
<tr>
<td># Grant proposals</td>
<td>2897</td>
<td>**Survey Q12 - 94% proposals include citations that are obtained via campus network/Library Gateway</td>
</tr>
<tr>
<td>B) = % proposals inc citations obtained through library**</td>
<td>50.79%</td>
<td>(1456x95%)/(2897x94%)</td>
</tr>
<tr>
<td>$ Average size grant</td>
<td>$63,923</td>
<td></td>
</tr>
<tr>
<td>C) = $ proportion of grant $ secured using library materials</td>
<td>$25,369</td>
<td>(78.14%x50.79%x$63,923)</td>
</tr>
<tr>
<td># Grants (expended) in year</td>
<td>6232</td>
<td></td>
</tr>
<tr>
<td>D) = $ proportion of grant income using library materials</td>
<td>$158,099,608</td>
<td>($25,369x6232)</td>
</tr>
<tr>
<td>$ Total Library Budget</td>
<td>$36,102,613</td>
<td></td>
</tr>
<tr>
<td>E) = University return in grant $ on library</td>
<td>$4.38</td>
<td>($158,099,608/$36,102,613)</td>
</tr>
</tbody>
</table>
The Illinois ROI Study

78.14% faculty w/ grants using citations

X

50.79% grant award success rate using citations from library

X

$63,923 avg. grant income

= $25,369 avg. grant income generated using citations from library

X

6,232 grants expended

÷ $36,102,613 library budget

= $4.38 grant income for each $1.00 invested in library (ROI Value)
82% of respondents offered comments to open-ended questions
- Efficiency of e-resources
- Impact of e-resources on productivity
- Access to e-resources as a competitive advantage
- Impact on interdisciplinary inquiry

"I spend more time exploring works...less directly related to my research topic...This has been very beneficial in identifying links between my work and work in allied fields."

"I can evaluate far more papers and more deeply...I can also traverse the literature much faster and follow chain of citations...It is one of the biggest time savers in my life."

"Completely changed the way I work by increasing my productivity."

The Illinois ROI Study
“I would leave this university in a nanosecond if the library deteriorated to the point of making me uncompetitive for research and funding.”
Next Steps for the Study of Value

- Association of College & Research Libraries
  - Value of Academic Libraries Call for Research Proposals

- Institute of Museum and Library Services
  - National Leadership Grant to the University of Tennessee for “Value, Outcomes, and Return on Investment of Academic Libraries (‘Lib-Value’)”
“A condition of instability or danger”

Crisis

- a stage in a sequence of events at which the trend of all future events, esp. for better or for worse, is determined; turning point
- a condition of instability or danger
- a dramatic emotional or circumstantial upheaval in a person's life
- the point in the course of a serious disease at which a decisive change occurs, leading either to recovery or to death
- the point in a play or story at which hostile elements are most tensely opposed to each other.


“The dynamic of a situation’s unfolding”

“a wēijī is . . . a genuine crisis, a dangerous moment, a time when things start to go awry . . . If one wishes to wax philosophical about the jī of wēijī, one might elaborate upon it as the dynamic of a situation's unfolding, when many elements are at play.”

Questions
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