

# Telling Your Library's Valuation Story

Workshop presented by Neal K. Kaske  
Sponsored by the  
South Central Regional Library Council  
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## Introductions and Expectations:

- Please tell us your name, type of library you work in and your position in that library.
- What are two things you like to do for fun?
- What are your expectations for this workshop?
- Did you bring data and/or information on your current library and/or valuation projects?

The **goals** of this workshop are:

- to turn your current library data into information that will change upper management's mind about the value and performance of your library
- to share ideas for making better quantitative and qualitative cases for your libraries

**Key tools** to be explored and used are mind maps, stakeholders' analysis, logic models, and return on investment (ROI) analysis.

The **workshop format** is a mix of short lectures (addressing basic theories, concepts, and techniques), discussions, problem solving, small group tasks, and future planning for valuations of your libraries. Your questions are welcome at any time.

## Mind Map

The Mind Map Book: How to Use Radiant Thinking to Maximize Your Brain's Untapped Potential  
by Tony Buzan and Barry Buzan, 1993

The Mind Map Book : Unlock Your Creativity, Boost Your Memory, Change Your Life  
by Tony Buzan and Barry Buzan, 2010

Have you ever created a mind map? What was the topic?

What is it? [http://en.wikipedia.org/wiki/Mind\\_map](http://en.wikipedia.org/wiki/Mind_map)

## Application of the mind map

### What are we going to do with it?

- Create a mind map of what you see as the value of your library for your personal use.
- A second mind map – what you see as the value of your library for your neighbors individually or as a group.

## Library Science Principals and Theories

### ➤ S. R. Ranganathan's five laws of librarianship are:

1. Books are for use.
2. Every reader his book.
3. Every book its reader.
4. Save the time of the reader.
5. The library is a growing organism.

### ➤ What makes a library *great*

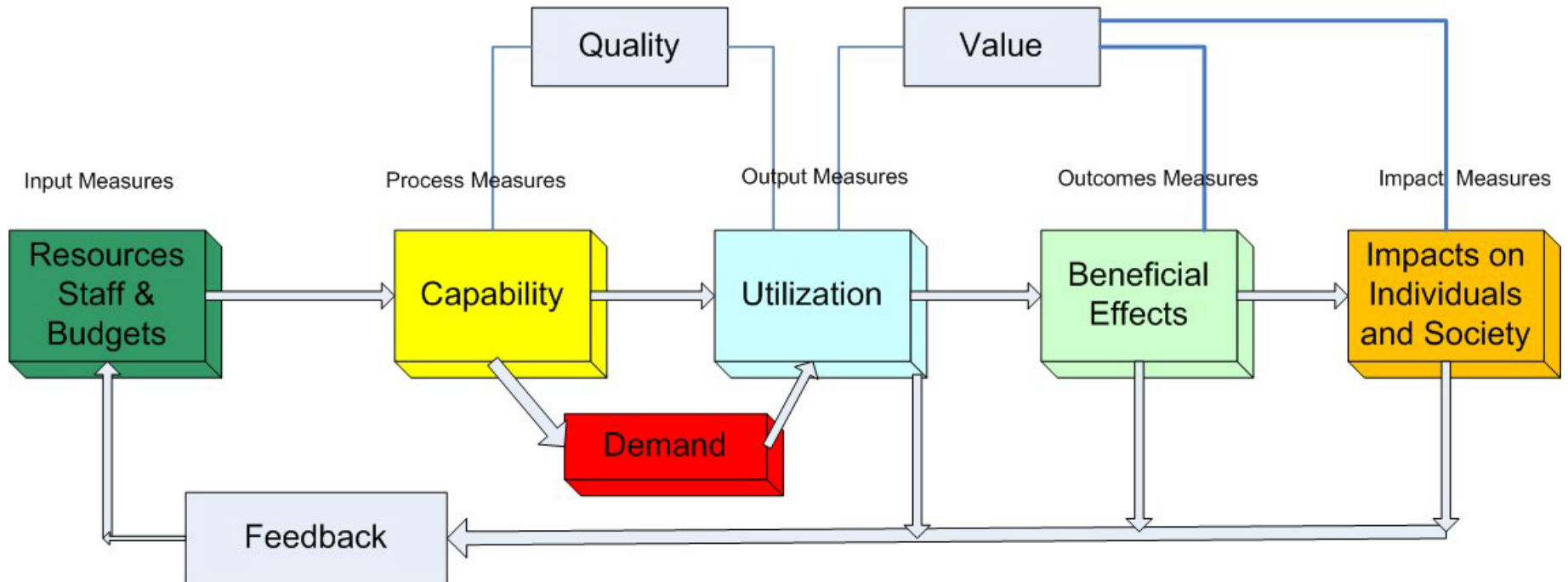
1. "Great libraries provide measurably superior service. The greatest innovation is superior service. The most constant measure of quality is the delivery of superior service.
2. Great libraries have great funding.
3. Great libraries train and retrain their staffs. (5% not 1% or less)
4. Great libraries integrate the marketing of virtual, place and outreach services.
5. Great libraries serve both the weakest and the strongest among their constituents.
6. Great libraries provide constituents with education and entertainment.
7. Great libraries use virtual tools to offer a full range of timely information and services."

**Glenn Holt. What Makes a Library Great?** in The Library Leadership Network Commons  
September 8, 2005

<http://www.libraryleadership.net/print/Holt0905p.html>

### Strategic Points At Which to Measure Library Performance

This figure is adapted from R. H. Orr. Measuring the Goodness of Library Services: The General Framework for Considering Quantitative Measures. *Journal of Documentation*, 29(3) 315-32, September 1973.



Where and when to apply these measures are key questions.

**Application: Who are the stakeholders at your library and what do they value?**

This chart is a starting point for conducting a stakeholders’ analysis.

Stakeholders →	Library Operations	Customers Current/Future/Lost	Parent Organization	Accrediting Groups Local/State/Federal	Others
Measures					
Inputs					
Outputs					
Outcomes					
Impacts					

**Our Hybrid Libraries**

Utilization needs to be measured for both of your libraries, the physical and virtual. Customers may use both or just the physical or the virtual services offered.

**Physical library use <-----> Mix physical and virtual <-----> Virtual use only**

Where are your different stakeholders on this sliding scale?  
 What do they see and value as the inputs, outputs, outcomes, and impacts?

**New York’s Libraries: How They STACK UP! 2008** <http://www.nysl.nysed.gov/libdev/stackup.htm>

Return on Investment for Public Libraries. Library Research Service (Colorado), 2007/8.

<http://www.lrs.org/public/roi/>

ROI Calculator.

<http://www.lrs.org/public/roi/usercalculator.php>

Iowa’s Telling the Library Story Tool Kit <http://www.statelibraryofiowa.org/ld/tell-library-story>

*Publications: Bibliography of Return on Investment (ROI) Resources* Lincoln Trail Libraries System

<http://www.lincolntrail.info/features/2009-10roibib.html>

## Logic Models

“Basically, a logic model is a systematic and visual way to present and share your understanding of the relationships among the resources you have to operate your program, the activities you plan, and the changes or results you hope to achieve”.

W.K. Kellogg Foundation Logic Model Development Guide, January 2004, page 1.

<http://ww2.wkkf.org/default.aspx?tabid=101&CID=281&CatID=281&ItemID=2813669&NID=20&LanguageID=0>

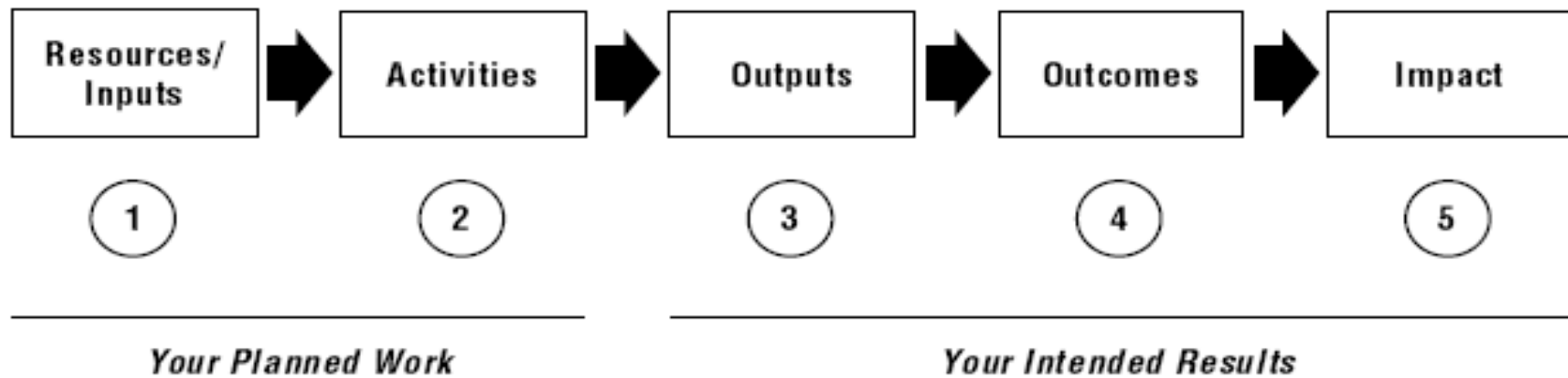


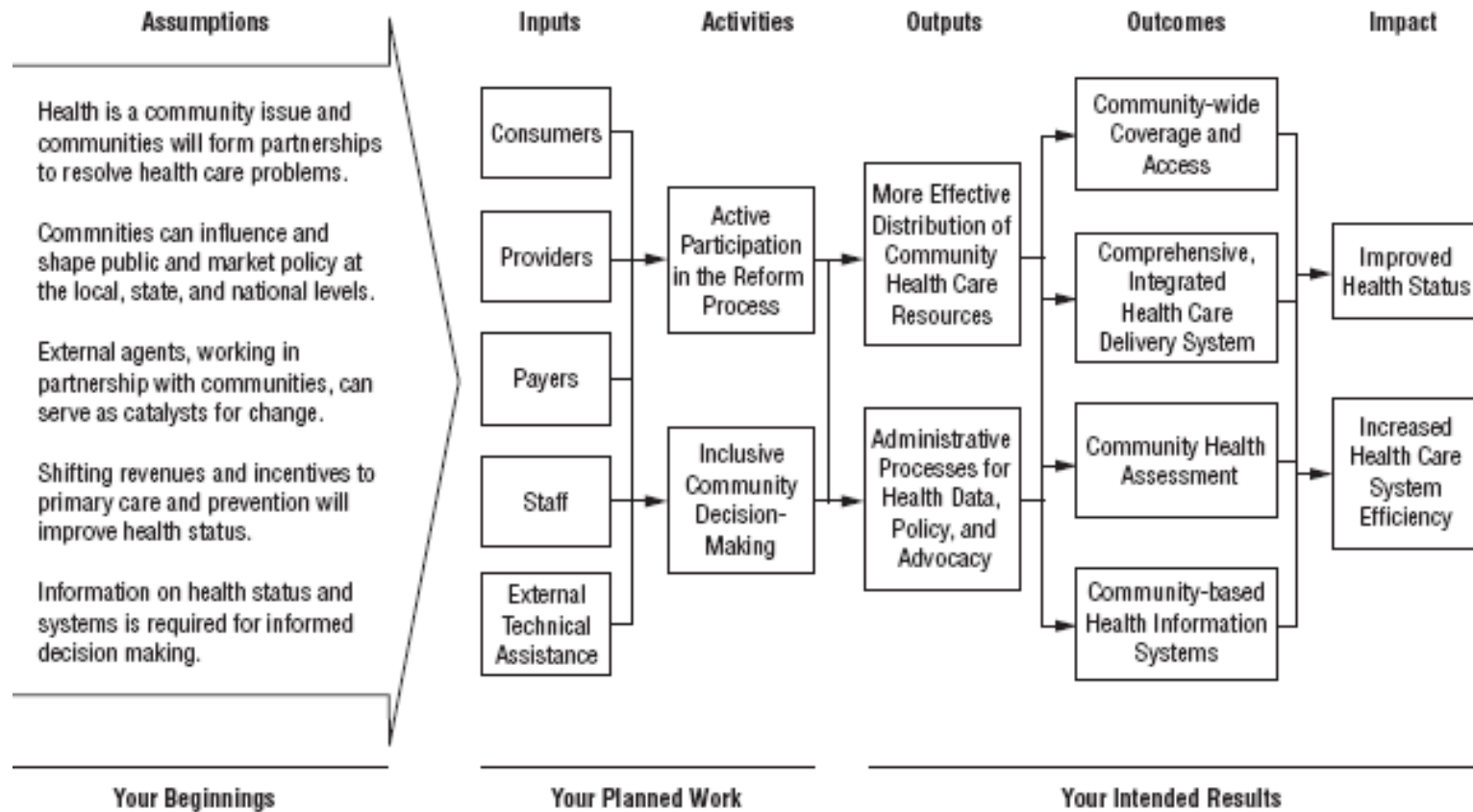
Figure 1. The Basic Logic Model.

“There is no best logic model.”

W.K. Kellogg Foundation: Evaluation Handbook, 1998

<http://ww2.wkkf.org/default.aspx?tabid=101&CID=281&CatID=281&ItemID=2810770&NID=20&LanguageID=0>

## An Example



## Application of the Logic Model

Develop a logic model with one or two colleagues setting next to you. Use all six of the elements to model a real situation in your library.

1. Assumptions
2. Inputs
3. Activities
4. Outputs
5. Outcomes
6. Impact

Assumptions	Inputs	Activities	Outputs	Outcomes	Impacts

### What does *value* and *valuation* mean?

“The term “value” and “valuation” and their cognates and compounds are used in a confused and confusing but widespread way in our contemporary culture, not only in economics and philosophy but also and especially in other social sciences and humanities. Their meaning was once relatively clear and their use limited. “Value” meant the worth of a thing, and “valuation” meant an estimate of its worth.” The Encyclopedia of Philosophy, edited by Paul Edwards, Vol. 8, p.229, 1967.

Valuation – how much are your assets worth? What techniques do you use to set their value?

The problem of tangible or intangible, can we mix them? What is the current worth of your library? There are many techniques that can be used to determine value, some are subjective and others are objective. Setting the value of an intangible needs to be done in connection with something else.

### Building on the logic model *Value of Electronic Databases and Journals* we will add some costs and benefits: The Basic Algorithms:

$$U \times T \times S = V$$

(Recorded Use) x (Time Saved) x (Salary) = Value of the time saved in dollars

The electronic journal part:  $U_J \times T_P \times S_R = V_J$

The online database part:  $U_D \times T_P \times S_R = V_D$

The value part:  $V_J + V_D = V$

Where:

$U_J$  is online **use** of a **journal** or group of journals

$U_D$  is online **use** of a **database** or group of databases

$S_R$  is the **saving** in dollars based on time saved for each rate of pay

$V_J$  is the **value** of a journal or group of journals used

$V_D$  is the **value** of a database or groups of databases used

$V$  is the **value** in dollars from the services provided

U = Use	T = Time Saved	S = Salary (hourly rate)	V = Value
	in parts of an hour	\$60 per hour	
100	0.25	\$60	\$1500

$$[100 \times .25 = 25] \quad [25 \times 60 = 1500]$$

## Definitions

- **Online journals use** is the number of down loaded articles – the total number of downloaded HTML, pdf, other print formats.
- **Online database use** is the number of searches. (Build a data dictionary!)

## Assumption

- Downloading or printing an article directly enables reading just as does going to the library to obtain an article in a printed volume and photo copying the article. You may also be able to cut and paste from the article which will save keying time.
- Time to and from the library is saved or eliminated from a list of tasks or other stops on your list
- Researchers, scientists, policy analysis, administrators, IT staff members, and many others, need and use desktop access to licensed online databases and electronic journals to perform their duties.
- Current and historical research findings and data are critical to decision making at all levels of government.
- Journals: Time to and from one's office to the library and to obtain the needed article and time to use a photocopier is conservatively estimated at 20 minutes - one third of an hour.
- Databases: If online databases were not available to researchers, scientists, policy analysts and others, they would need to phone and/or email colleagues who have access to database or go to a location where there is access or by some other means discover sufficient information (bibliographic) to obtain the journal article, technical report, or other information package. The time saved by having desktop access to online databases is conservatively estimated at 30 minutes per search.
- ...
- ...
- ...
- ...
- The following are assumptions used to determine a *base hourly rate of pay*
  - 2080 possible work hours per year (40 hours x 52 weeks = 2080 hours)
  - 2080 base hours worked subtracting 10 paid holidays (2 x 40 x 80 hours)
  - 2000 base hours with 10 days of vacation and 5 days of sick leave taken (3 x 40 = 120 hours)
  - 1880 base hours

Annual Hours Worked: 1880				
			Annual Rates	Hourly Rates
	Base Rate 1		\$	\$
	Base Rate 1+25% for benefits		\$	\$
	Base Rate 2		\$	\$
	Base Rate 2+25% for benefits		\$	\$

Valuations of Electronic Journals, Databases, Story Time, Programs... Used in 2010

Service Providers	Usage	Dollar Value at \$ per hour	Dollar Value at \$ per hour	Notes
Databases usage				
Journal usage				
Story Time				
Programs of all types				

## Selected References

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Or search the NOAA Central Library's catalog <http://www.lib.noaa.gov/> for the author and title

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Dlliott, Donald, Glen E. Holt, Sterling Hayden, and Leslie Holt. Measuring Your Library's Value: How to Do a Cost-Benefit Analysis for Your Public Library. Chicago: American Library Association, 2007.

E-Metrics Instructional System

<http://emis.ii.fsu.edu/>

Matthews, Joseph R. The Evaluation and Measurement of Library Services. Westport: Libraries Unlimited, 2007.

NCES Comparison Tool for Academic Libraries

<http://nces.ed.gov/surveys/libraries/compare/index.asp?LibraryType=Academic>

NOAA Coastal Services Center

[http://www.csc.noaa.gov/mpass/tools\\_nonmarket.html](http://www.csc.noaa.gov/mpass/tools_nonmarket.html)

see:

- Nonmarket Valuation Tool
- Contingent Valuation

## Evaluation of the workshop

Please answer the following three questions:

1. Was the workshop worth my time?
2. What would you change in the workshop (add, drop, do differently)?
3. Would I recommend a colleague attend this workshop?

### Presenter:

Neal K. Kaske, is currently the Director of NOAA Central & Regional Libraries, National Oceanic and Atmospheric Administration (NOAA) and an adjunct faculty member at the College of Information Studies, University of Maryland. Neal has been active in library valuation research for years. He is currently working to document the value of online database and journal use and other library services. His experience includes federal and academic library administration, teaching, research, national survey and statistical management, research management, and grant management. Neal's doctorate is in industrial engineering – library systems management, masters in librarianship and baccalaureate in sociology. Neal is an active member of the American Library Association and on the editorial board for *portal: Libraries and the Academy*. Contact [nkaske@gmail.com](mailto:nkaske@gmail.com)