

BUSINESS INFORMATION

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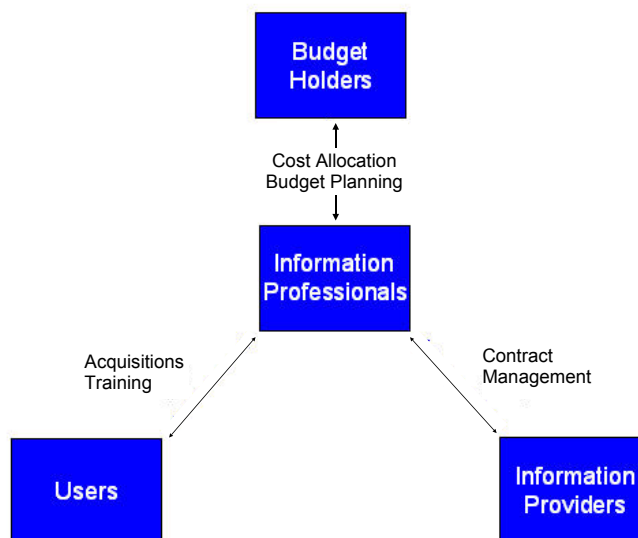
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Why Library & Information Services Fail

Anthony Wood

There is an old adage that "everyone wants a Library but no one is prepared to pay for one". Expanding on this, everyone means the users and no-one means budget holders. There is a dynamic partnership between users, budget holders, information providers and information professionals that can be represented by the diagram below.



Informational professionals play piggy-in-the-middle between three factions each of which has a different agenda. Keeping each in balance is a very skilled job much akin to juggling three balls in the air. Drop one and the whole falls apart with disastrous consequences for the information service.

Users

Users have a very simple agenda. They want unfettered use of relevant information services. They often do not know what information they want or need until they find it. For this reason, pay-as-you-use services cannot, and will not, work with the majority of users. They do not want to be held financially accountable for information searches that have to be, by their very nature, "trial and error" exercises.

Both users and budget holders prefer "smorgasboard" pricing i.e. a fixed fee for unlimited usage. This frees users to find the best information without having to look over their shoulders and provides budget holders with the certainty they need to sleep at nights.

Users accept that they will need to use information professionals from time to time but, in general, they prefer the empowering nature of self-service. They rarely take advantage of customised alerting services unless they are set up in partnership with an information professional. A well-designed customised alert, however, is a very powerful bond between the user and both the information professional and the information provider.

Providers

Information providers are, for the most part, great to work with. These days they are very flexible and will recognise and, where possible, fit in with the specific conditions that exist in an organisation. Good information units work in partnership with good information providers for the benefit of the organisation that employs them. Information professionals can match users to information services, negotiating trials of new services and the maintenance of proven services. Training is very important. The best information providers have a range of training options from on-demand one-to-one training to highly sophisticated e-learning programmes.

Budget Holders

Budget holders are the biggest problem for any information service. They consist not only of users' line managers but also an army of corporate planners and bean counters who set the rules of combat. They are usually non-users which is bad enough but they often commit the cardinal sin of the information world - they make highly prejudiced value judgements.

The most common misconceptions amongst budget holders are a) that all information is now free on the Internet and b) there is too much information anyway¹. They often see their role as a benevolent parent who knows better and who has to limit the use of their children's (users') toys (information services).

I was recently "evaluated" by a corporate planner who suggested a range of mechanisms to limiting use of information such as restricting the numbers of passwords and / or the numbers of documents downloaded. It is very difficult to break through the carapace of these financial beetles. Cost reduction is their gospel and the value of information is an alien concept unworthy of consideration.

The Cost and Value of Information

At the start of my information career I attended a workshop on the value of information. There was a lot of waffle but one speaker when asked head-on "What is the value of information then?" said that all you can say about information is that "It has NO value until it is used."

The sad truth is that often the value of an information unit is only fully appreciated when it no longer exists. As the song says "You don't know what you've got 'til it's gone." This is why information units are often resurrected within two years of their closure when the chaos that follows their demise is fully appreciated.

If information units appear to be so enduring albeit often with the characteristics of a roller coaster what can information professionals do to ensure a smoother ride. The essence of the problem is to change the mindsets of as many budget holders as possible from an "information costs money" viewpoint to an "information provides value" one.

¹ Here is a practical exercise to explode the "free" Internet myth. Undertake a search on a good news service, such as Factiva or Internet Securities, that results in 10 to 15 retrieved documents, print the headlines and sources and try to find the articles on the free Internet. Use a top rank search engine such as Google or Copernic. Without giving away the results I can tell you it is both time-consuming and disappointing ... but it is free!

Information units deliver financial "value" in four ways

- By contributing to income generation
- By reducing losses
- By negotiating organisation-wide bulk discount contracts and
- By improving user productivity - improving output quality and saving time

A decision without information is a gamble with an equal possibility of loss or gain. Information increases the probability of gain and reduces the probability of loss. However, it is impossible to assign a value to the contribution information makes to profits. Further, although some losses can be attributed to the failure to take account of information available at the time such clear-cut conditions are the exception.

Central negotiation of contracts for information services is a compelling reason to have a corporate information unit. Such negotiations will almost always lead to more cost-effective deals. However, important though these improvements may be they can rarely be repeated year after year.

The improved quality of users' output with the use of information is too "airy-fairy" a concept to measure with sufficient clout to convince budget holders.

The "treasure chest" of financial value lies in one half of the fourth component i.e. saving users' time. This is the most immediate and tangible value that can be gained from efficient information gathering activities and accounts mainly for their increasing use.

The Financial Value of Saving Users' Time

Why do we use email? Whatever happened to the inter-office memo and the business letter? They died because emails are quicker - they waste less time. They can be answered within minutes, there is no printing on paper involved, no envelopes to address and no manual collection and delivery involved. That is why memos and letters are described as "snail" mail.

The same arguments apply to information services. Take it from one who in the 1970s used to visit Companies House, print out annual reports from badly produced microfiches and then analyse the data. Using a service like Bureau van Dijk's Amadeus is a dream by comparison. Data for a number of years is there at the touch of a button and can be compared with a Peer Group of companies in minutes rather than the days that it used to take.

Users will regularly access well designed information services for the simple reason that it saves them time, enabling them to meet deadlines and spend more time doing what they are paid to do i.e. add value to retrieved information in the form of opinions and insights.

I have often thought that the major (or only) justification for both information services and systems should be how often and to what extent they are used in relation to their cost.

Putting a Value on Information Services

You cannot manage what you cannot measure - neither can you put a price on it! Corporate information units essentially provide three distinct services

- They research and acquire information for users that includes retrieving information from commercial information services and the Internet and buying or borrowing relevant information resources.
- They provide desktop access for users to information services that includes training and backup support.
- They organise the distribution of current awareness publications in both ink-on-paper (newspapers and periodicals) and electronic (daily, weekly and monthly emailed bulletins) format.

multitude of enquiries they might receive in a day - many of which cannot be fulfilled immediately?

When computing the financial value of time remember that most full-time employees have about 1,600 hours available for work each year that means a salary of £32,000 is equivalent to £20 / hour and overheads can add anything from 250% to 400% to this figure. If there are figures for both employee numbers and administrative expenses in your company's annual report try dividing the latter by the former and then dividing the answer by 1,600. The answer will be

| Category | Description | Numbers | Time Saved Value | Total Time Saved | Financial Value @ £100 / hour |
|---|-------------------------|-----------------|--------------------------------|---------------------|-------------------------------|
| Research | Requests | 1,500 Requests | 1 Hour per Request | 1,500 hours | £150,000 |
| Access | Factiva | 60,000 Articles | 5 Minutes / Article | 5,000 hours | £500,000 |
| Access | Bureau van Dijk | 8,000 Searches | 30 Minutes / Search | 4,000 hours | £400,000 |
| Current Awareness | Periodicals | 100 Recipients | 30 Minutes / Month / Recipient | 600 hours | £60,000 |
| Current Awareness | Daily Business Bulletin | 50 Recipients | 60 Minutes / Month / Recipient | 600 hours | £60,000 |
| Total Time and Financial Value of Information Services | | | | 11,700 hours | £1,170,000 |

Each is amenable to measurement and the subsequent assigning of a meaningful time value. Time can then be assigned a financial value based, for example, on figures from an Annual Report. The data collection and collation process involves a great deal of work but the end result might look as convincing as this.

True reports will have many more entries and the numbers will be more random. This is the "tip of the iceberg". Underlying such reports is a mountain of data.

These reports may meet with derision from hard-headed accountants and corporate planners but this does not matter. Ask the bean counters to supply and justify their own time tariffs. Ask them to provide an alternate method of accounting for information value and you may find their laughter will rapidly turn to silence. Farsighted budget holders will welcome and respect the efforts made by information professionals to clarify the question of information value.

Where do the numbers come from?

Collecting the numbers of recipients for the various Current Awareness services is the easiest task. Most information units have routing lists for periodicals that are managed using a Library Automation package. Emailed alerts are usually associated with distribution lists / email groups.

Online database providers are very willing to provide usage data. Some do it automatically. Others can persuade their IT Departments to run monthly reports. I am often surprised to find that many information units do not know how often these services are used and by whom.

Research requests should be logged scrupulously. How else can information professionals keep track of the

usually be between £70 and £200 per hour.

Conclusions

Information has no value until it is used. The use of information services can be measured. Reasonable assumptions can be made about the time saved by users of information services and a financial value placed on the time saved.

Doing this is not just a good idea but in "hostile" times it can prove to be the difference between survival and the chop. Information units do not get an automatic free ride. Like every other part of an organisation they need to justify their existence. Waiting to be asked is not good enough. The data must be collected and published regularly.

Too many information units concentrate on users and information providers only, assuming the holders of the "purse strings" will know that they are doing a good job. There are three components to the information triangle - users, providers and budget holders - and unless they are kept in balance it can quickly become a Bermuda triangle for disappearing corporate information units.

