Driving ROI

The Case for a Proven Library Management Solution

HOBSON & COMPANY

The Case for a Proven Library Management Software Solution

Public libraries have been pressured to transform their services and collections due to various driving factors, including the digitization of content, advances in technology, and constantly evolving library user expectations. Furthermore, ongoing fluctuations in funding often limit libraries' ability to invest in the changes needed to meet these ever-increasing demands. Public libraries are facing these issues head-on, leveraging technology, collaborative and effective processes, and highly engaged staff in order to meet those demands.

Hobson & Company (H&C), a leading research firm focused on Return on Investment (ROI) studies, worked with Innovative, a leader in library management software, to explore these challenges and learn how industry leaders are responding. H&C conducted independent research consisting of 18 in-depth interviews with Innovative clients and found that a validated library management software solution addressed specific customer challenges across public libraries to deliver a quick and compelling ROI.

The goal of this research study and paper is to highlight examples of validated use cases where the impact of *Polaris* is not only strategic but also measurable based on key metrics confirmed by current users of the solution.

Public Library Challenges

Customers interviewed noted that they experienced consistent challenges around productivity, patron-services, and budget. Below is a list of some of the universal concerns.

Inefficient and Time-Consuming Processes
A historical reliance on manual processes and outdated technology often results in silo-based workflows, multiple points of data entry, and a limited ability to collaborate. These limitations are further magnified when implementing process, technology, or organizational changes.

Lack of Data & Visibility
Data is at the core of good decision making – and public libraries are no different. However, disparate systems and disconnected processes mean that accurate, real-time and historical data is very difficult to come by (if at all). Moreover, not being able to generate informative and easy to consume reports handicaps libraries during the budgeting cycle, as they are limited in their ability to demonstrate the library's value.

Evolving Patron Expectations
In a relatively short time, the patron library experience has evolved from being a solitary and manual-based interaction to one that relies on a social and digital environment. Technological advances in search engines, social media platforms, mobile applications, and in on-line retail have resulted in patrons expecting similar levels of service and functionality from their library.

Significant Budgetary Pressures
Along with the ever-increasing demand for transformation, the majority of public libraries are faced with either decreasing budgets (approx. 20%) or flat budgets (approx. 80%). This is further complicated by a lack of both historical and cross-sectional data and analytics that are necessary to demonstrate empirically the value of services delivered.

Polaris | Research Results

Customer research identified eight benefits across three areas of value (Streamline Back-Office Workflows, Reduce Library Services Overhead, and Improve Public Services Processes), which are summarized below.

STREAMLINE BACK-OFFICE WORKFLOWS

Reduce time spent managing acquisitions and print serials

Acquisitions and the process of managing print serials can be extremely tedious with data needing to be entered in multiple places. *Polaris* facilitates ordering and invoicing using electronic data interchange (EDI) standards for seamless integration.

"In addition to no longer needing to rekey orders, we also greatly benefit from being able to get snapshot views of where we are with the budget, by fund and by collection, which makes us much more efficient managing the budget." (Customer #15)

Customers interviewed reported:

↓65%

REDUCTION in time spent managing acquisitions and print serials

Reduce time spent managing and maintaining the catalog

There is a continuous need to review and update catalog records, which is often extremely time-consuming due to existing inaccuracies and to the volume of records. *Polaris* offers sophisticated loading functionality that ensures accuracy and quality of data loaded into the catalog. Additionally, the system enables bulk reviews and bulk changes for ease of maintenance.

"The Polaris *back-end catalog is easy to use and lets us manipulate very large amounts of data very quickly." (Customer #16)*

Customers interviewed reported:

↓70%

REDUCTION in time spent managing and maintaining the catalog

Reduce time spent on integrated library system (ILS) reporting and analysis

Many libraries find themselves simply unable to create the types of reports they need due to a lack of data, and even when they do have access, they often rely on IT to be able to create those reports. *Polaris* enables librarians to build and run their own reports in an easy to use web-based interface (Simply Reports) that includes the ability to query tables and run sophisticated analyses.

"Before, if we wanted a report we had to go to IT (and then it was quite a lot of work for them), but with Polaris*, all our staff is able to get the information they need at a moment's notice." (Customer #11)*

Customers interviewed reported:

↓60%

REDUCTION in time spent creating ILS reports and analysis

H&C

REDUCE LIBRARY SERVICES OVERHEAD

Reduce time spent integrating with, and maintaining, third-party applications

While most libraries recognize the value of integrating with third-party applications, it is often only done on a limited basis due to how challenging it can be, not only to create the integration, but also to support it. *Polaris* includes access to open APIs that enable easier third-party integrations that are simpler to maintain.

"While we did integrations before, it is easier with Polaris*, especially with existing partners… integrations are seamless, and maintenance is a non-issue." (Customer #15)*

Customers interviewed reported:

↓40%

REDUCTION in time spent integrating with and maintaining third-party applications

Reduce costs of existing ILS solution

In addition to incurring annual vendor charges for an existing ILS, such as maintenance and service fees, many libraries also incur substantial expenses due to the ILS being kept on-premises, including IT infrastructure and ongoing operating expenses. *Polaris* eliminates expenses related to outdated ILS solutions and also offers a fully web-based application that enables confidence in system reliability and security with automatic upgrades and ongoing maintenance.

"We reduced both data clean-up costs by $100k (every 2 years) and IT support time by 50%." (Customer #10)

Customers interviewed reported:

↓75%

REDUCTION in expenses of on-site ILS

IMPROVE PUBLIC SERVICES PROCESSES

Reduce time spent on physical collection management

With an ever-increasing demand for space, libraries are faced with continuous inventory and weeding projects, yet those are often manual and labor-intensive processes. *Polaris* provides insight into content usage, enabling well-informed weeding and floating collection management. Weeding and transfers are further facilitated by quick pull list creation and assignment (Polaris Web App).

"We can now do twice as much weeding and collection maintenance [in the same amount of time], which means our librarians have more time for other library programs." (Customer #15)

Customers interviewed reported:

↓30%

REDUCTION in time spent on physical collection management

Reduce time spent supporting discovery and circulation

Discovery and circulation processes are typically highly mediated by library staff, who, as a result, need to be readily available during extensive library hours. *Polaris* provides an easy to use web-based interface that allows for patrons to more easily find what they're searching for, including e-books (via PowerPAC integrations). In addition, self-service tools, familial accounts, tools to assess and collect fines, etc. further enhance public services staff efficiency.

"Polaris is exceedingly intuitive for both patron- and staff-users [for discovery and circulation], which is one of the biggest benefits of the system." (Customer #16)

Customers interviewed reported:

↓40%

REDUCTION in time spent supporting discovery and circulation

Improve the patron experience and the ability to report on value to increase budgets

Libraries are transforming in order to meet ever-increasing patron expectations while also being required to clearly demonstrate their value. *Polaris* enables libraries to better serve patrons with an optimized collection, improved discovery, self-service tools such as self-check-out and improved service from the public services staff. In addition, Community Profiles enables more efficient community outreach and supports public events and programs. Further, easily available library and collection data / usage reports are readily available to help demonstrate the improved patron engagement and reinforces the library's value and relevance.

"Polaris is the center of our success… if we didn't have it, we would not have been able to grow like we have nor get some of these grants." (Customer #16)

Customers interviewed reported:

↑5%

INCREASE in budget by improving patron experience and ability to report on value

"Polaris provides us with the [functionality] our patrons and staff are interested in, including the tools that make their work easier and tools that make finding information easier." (Customer #15)

"Polaris has positioned us better with the public by providing intuitive discovery and by allowing them to manage elements of their account themselves, giving them a better sense of ownership of their account." (Customer #11)
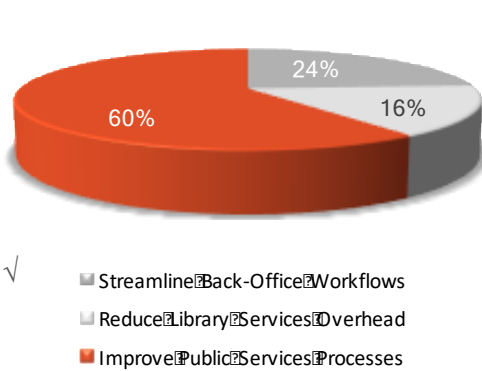
KEY ROI FINDINGS

The value of a validated library management software solution is immediate and demonstrable. A sample public library (with 5 libraries, 2 acquisitions full-time employees, and 2 cataloguing full-time employees who spend an average of 40 hours per month at each library on physical collection management and an average of 120 hours per month at each library supporting discovery and circulation) can realize significant financial benefits from an investment in *Polaris*.
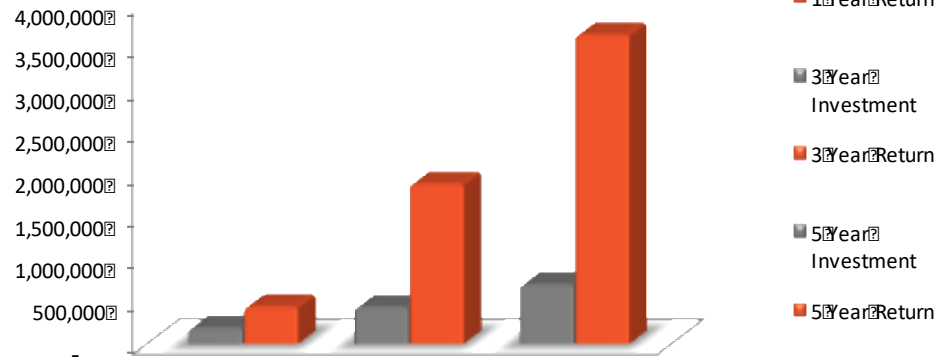
For this typical public library, a three-year investment totaling $429,847 generates a positive return in 5.2 months, annual benefits exceeding $872,000, and a strong three-year return on investment (ROI) at 344%.

Financial Results	
Payback	5.2 months
3-Year ROI	344%

Benefits by Value Driver

- Streamline Back-Office Workflows
- Reduce Library Services Overhead
- Improve Public Services Processes

Investment vs. Return

- 1 Year Investment
- 1 Year Return
- 3 Year Investment
- 3 Year Return
- 5 Year Investment
- 5 Year Return

About Innovative
Innovative provides leading technology solutions and services that empower libraries and enrich their users worldwide. Innovative offers one of the most comprehensive portfolios of library automation products on the market today, serving academic, public, national, corporate, and special libraries, and consortia. Headquartered in Emeryville, California, Innovative has a global presence—serving thousands of libraries in 66 countries and offices worldwide. For more information, please visit www.iii.com.

About Hobson & Company
Hobson & Company helps technology vendors and purchasers uncover, quantify and validate the key sources of value driving the adoption of new and emerging technologies. Our focus on robust validation has helped many technology purchasers more objectively evaluate the underlying business case of a new technology, while better understanding which vendors best deliver against the key value drivers. Our well researched, yet easy¬-to--use ROI and TCO tools have also helped many technology companies better position and justify their unique value proposition. For more information, please visit www.hobsonco.com.