Success factors for the future of information centres, commercial and public libraries: a study from Germany

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Abstract
Purpose – The purpose of this paper is to identify success factors in commercial and public libraries.
Design/methodology/approach – The paper is based on research carried out in various commercial and public libraries and information centres in Germany.
Findings – The development of the internet and end user empowerment in searching threatens the role of conventional librarians and information professionals. A number of suggestions are made as to how they can reposition themselves for this radically changed environment.
Originality/value – This is one of the few studies in English of German commercial libraries. The suggestions for repositioning will also be of interest to document supply librarians in particular.

Keywords Libraries, Special libraries, Document supply, Germany, Critical success factors

Paper type Research paper

Introduction
The world has changed, as has information work in company libraries and information centres. A combination of technological, economic, market and organisational factors will drive their future. A decline in information and telecommunication costs, the need to focus on core competencies, the optimal use of resources and the pressure on costs, and last but not least an increased tendency towards globalisation, will lead to a notable change in information work. This will mean an even stronger emphasis on cost cutting and perhaps even the closure of information units. Therefore, the authors of this paper want to show what kind of success factors are needed by information centres and company libraries in order to succeed in the future and how these success factors can be achieved. The results were obtained through several recent projects with libraries and information centres of large industrial and service companies and public libraries in Germany.

Status
Until about ten years ago, things had been quite easy for most libraries and information centres, especially for large international firms and consolidated companies that had their own company libraries and information centres, either working for the whole organisation, or closely related to the research and development or strategy department. Many companies recognised the importance of the factor “knowledge” and tried to establish information or knowledge management units without the need to justify doing so. This situation was very similar in the academic sector. The old University Act in Germany authorised the creation of university libraries. Information centres as support units for research and development departments became inevitable. But things have changed in all areas and times are tougher. The new University Act, which came into effect on 1 January 2007 in North Rhine-Westphalia[1], no longer mentions university libraries as special institutions. They are just one part of the field of infrastructural institutions, and as a consequence the first private universities opened without having their own library but offering physical and virtual access to the libraries and information centres of other institutions. Existing libraries had to change radically in several ways due to the growing and changing customer needs regarding online information and new ways of accessing information.

The situation for company libraries and information centres became even worse. Having equipped every workplace with a PC combined with an internet connection, opinions such as “Everything you need is on the web” and “Information does not cost you a lot” and other similar attitudes became louder. Soon the idea of saving money started to grow because there seemed less need for libraries and information centres.

Failure analysis
There are several reasons why some company libraries and information centres have failed to survive.

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Solely distribution function
Information services that focused on mainly distributing information, or that were perceived to do so, lost the justification for their existence as an important company unit. It is obvious that up-to-date factual information can be found quickly – certainly not in all cases, but in many. So this original task was appropriated by end user searches on the internet or in other sources and in those cases some of the services or even whole units were replaced by this new end-user activity.

No real value added experienced by customers
The problem behind this situation is not that end-user searches are indeed comparable in quality with those of information professionals, but that they are perceived as such by the end user. Libraries and information centres were and sometimes still are not accustomed to doing a very visible job relating to their products and services, and do not include brand building. As a consequence some services seem to be nearly “invisible” to users. And if customers do not experience added value they feel that they can do it better themselves, and often for a lower price compared to that of an information professional. In this situation, the clearly defined community of library users will disappear.

Reorganisation and structural changes within the company
Even in times of economic growth companies are involved in a permanent process of reorganisation to increase efficiency and profitability. In this context all technical progress is scanned constantly by management to identify where costs and/or headcount could be reduced. As mentioned above, the internet was seen as a significant illustration of this process so that the question of “How much library do we still need?” was thought through by management and organisations (Pearlstein and Matarazzo, 2009). In times of economic recession things become even worse. The skills and experience that go with professional information work must be seen or known by top management, and their respect is earned. Otherwise information work may be delegated to other departments or even outsourced. That may not be bad in some cases, but there is very often a loss in importance and performance.

Lack of integration in the company network
Company libraries especially and sometimes even information centres act more as if existing on an island than in the middle of a company network. But today only integration into the core business processes can ensure survival. Instead of feeling like Robinson Crusoe – a phenomenon often described in one-person libraries – the feeling should be “fully integrated” into the company’s business and the network. If the integration process is too weak, the library or information centre may find themselves excluded from new developments and the danger of existing without any “lobby” amongst your special target groups (i.e. research and development or strategists) or other stakeholders (best case: top management awareness) can make the future obviously dangerous. Crucially, one also has to obtain customer recognition (Hordle, 2008).

Findings and results from our recent studies
Having analysed the reasons why some of company libraries or information centres have failed, and sometimes been closed down, these results are presented as evidence of the critical success factors we subsequently identified.

2007/2008: two studies of an information centre of an international consumer goods company in Germany. Business unit was closed down together with the research unit in 2009
The first study in 2007 delivered a survey on customer needs regarding business information in the company. The second study in 2008 provided an image analysis of the information centre on an international basis. What follows is based on a confidential report for the company.

One of our recommendations was that the information centre should be the central unit for purchasing any sort of information. As soon as other business units like the marketing department or the legal department start buying their own information resources or even signing their own contracts, things usually become inefficient because no one gets a real overview about sources and costs. In addition a central ordering and buying process for information would ensure proper control. It is important to offer a wide range of national and international sources that can be obtained from the market. Further, it is vital for the image of a professional information service that the customers know that they have access to a high-quality information service. In this context it is obvious that value added information work cannot be done with one or two employees only. The information centre was not able to implement the recommendations on time so the unit was closed down, due also to competition within their own enterprise and lacking visibility with top management.

2008/2009: research on the future of research libraries with cooperation between Cologne University of Applied Sciences CUAS and Fraunhofer-Gesellschaft (Lorenz and Fühles-Ubach, 2009)
The possible future of research libraries was the main topic of a common study between the CUAS and the information professionals of the Fraunhofer society. National and international conferences and their topics were scanned, the contents of German and American library blogs were analyzed, and five-research orientated company libraries were visited and search engines and consortia work were closely looked at. The results were quite rewarding and varied from “quite obvious” to “quite frightening”. It was shown that most of the company libraries’ printed media are not only outdated, but also that a total substitution effect can occur. Printed books may be bought by the library, but are no longer catalogued and indexed by the library – they are considered “commodities” and are not seen as the basic information “currency” of the future. The renaming of a library and information unit from “library service” to “e-media-management” shows this development clearly. US librarianship has invented the concept of the “embedded librarian”, which involves information provision being integrated as a vital piece of infrastructure in the global company environment. Customers will not visit the library very often – they will become used to accessing services on their desk and having “information at their fingertips”. With the progress of “e-science” new tasks such as the
administration of “primary data”, research findings and research repositories will arise. There is a clear trend towards end users accessing information directly, and therefore libraries need to reposition themselves to offer value-added services.

2008: cooperation with two international consulting companies concerning the future development of their information centres

Cooperation with two consulting companies brought some special issues forward. In order to be efficient their information centres concentrate on very special services that are provided by information professionals. These services cover, inter alia, patent research, surveys on information needs within the company, market research and competitive analysis. Since the consulting companies try to work as efficiently as possible, there is a tendency in information departments towards “training the users”, which means that the internal customers do everyday simple research on their own and therefore release more time for the information professionals to carry out value-added research, including the use of analytical skills. Further research work is then done more collaboratively with the customers. Furthermore, not everyone in the company is seen as a major customer; prioritization is ranked by seniority, payment and/or compensation.

Another trend seen by consulting companies is outsourcing the business intelligence role of information units. On the one hand outsourcing is seen as a chance to save costs on those tasks that need a strong degree of e-enablement but a lower level of human intelligence, for example very special and clearly defined projects. For these tasks outsourcing may well be successful in most cases and cost savings of 30-40 per cent can be achieved. But there is no doubt that without the input of their own expertise it is impossible to achieve the best results. On the other hand, outsourcing will not work in cases where special local knowledge (e.g. special language or domain expertise) is needed. Complex consumer market research studies or user research studies, i.e. primary research projects, are unlikely to be outsourced successfully (SCOPE eKnowledge Centre, 2008).

2005-2009: different user surveys for public libraries on in house usage, expanding opening hours, service orientation and specific target groups

The results of the public library studies which were carried out by online and offline questionnaires and personal interviews in Cologne (Fühles-Ubach and Seidler-de Alwis, 2004), Duisburg (Barbian et al., 2006), Gütersloh (Fühles-Ubach et al., 2007) and Herne (Fühles-Ubach, 2008) can be summarized as follows. Users always voted for more or different opening hours and often wanted to express their information needs in non-traditional ways. This means that more and more services should be provided via the internet so as to offer a 24/7 service. In that context, new ways will have to be developed to express information needs as well as new ways to deliver answers to the customer’s home and desk.

Another trend can be noticed in the public library area as well as in consulting companies: The users will be trained by the librarian to do easy research on their own on the internet. Information professionals/librarians will stick to the more complex reference work with a stronger user-orientation. Further, concentration on specific target groups becomes more and more important (Motzko, 2008). It is just not possible to provide services for everyone in the company or organisation. Doing the right thing for the right person is an important factor. Librarians tend to do their work quickly and quietly, but that is not the way to achieve a good reputation or to be considered indispensable to the company. So librarians need to market themselves.

Having examined various situations in which libraries and information centers failed to survive, and also having analyzed the recent research in that area, a set of critical success factors has been identified that is essential for the future prospects of company libraries and information centres. These success factors can be divided into external and internal factors.

External success factors (management / organisation)

Make yourself visible (earn customer's appreciation)

The right information at the right time is essential for high-quality decision-making processes or as a solid basis on which to build a decision, so there is a need to make sure that this happens right at the beginning. In most cases it is not known who has provided the information, as the library and information centre work is often done in the background. The products and services of the information units must be made visible throughout the whole enterprise and ought to be recognized and appreciated by its main customers, perhaps by a top position on the homepage of the intranet and/or by a flyer handed out to new employees. If possible the information centre or company library should create its own logo within the corporate design of the company to project a professional image for its work. It could be very helpful to install an information hotline which is listed in prominent places and that can be reached 24/7. Since most information units are not very large, it is important to recognize that modest but effective marketing is essential. More than anything else, it is important to convey professionalism by continuous improvement to meet changing needs, which should be supported by excellent national and international sources (Corwin et al., 2009). If, because of the lack of resources, it is not possible to build small marketing activities, it is better not to, as no marketing is better than a bad campaign.

Make yourself measurable

After being visible in the company the next step is to become measurable in figures. As soon as some performance indicators are available, it is possible to collaborate with the financial controlling department. It is surely not easy to show “return on investment”, but it is often possible to show outcome instead of output. Thus the activity of customers that often use information services online should be monitored regularly. Another possibility of measuring performance is to deliver facts and figures about the preliminary work in main projects.

An interesting tool for companies is to work with balanced score cards (BSC). These add non-financial performance measures to traditional financial ratios, so that a more “balanced” view of the overall organizational performance is gained. Once the information unit is a normal part of the regular controlling process, the awareness of top management is guaranteed. Even if it is not possible to measure the performance of the library or information centre in its contribution to the profitability of the company, one should show what performance level is achieved, and who uses the information unit, and to what extent. It is important that the
information unit is not perceived as a “nice to have”, but as being essential. In this context, single “success stories” can be quite helpful. Whenever the information provided helped to make the right decisions, for example in the field of patent work, this should be reported senior management, to build up support for the work. Therefore, it can be said that bottom-up marketing is not enough. It is crucial to gain top-down awareness so that the unit is recognized by the right people, though not necessarily by everyone.

Start networking (“collaboration initiatives”) with other departments in the company
Visits to and interviews in a number of company libraries have shown that the change libraries have experienced is quite radical. These libraries will become merely virtual libraries in many cases because their products and services are offered via the internet. The former research library of Bayer Health Care was recently renamed “e-Media-Management”. Customers do not visit the library somewhere on the premises but expect the “library at their desks”. Especially in the field of natural science journals, a substitution effect rather than a revision to existing practice can be observed – one could say “revolution not reform”. This demands new cooperation and collaboration initiatives with other departments. Extended IT skills are needed to offer new library services, for example based on Web 2.0 services, with the latest technology via the internet or mobile communication. The easiest way to reach this ambitious target is in close cooperation with the IT department. From the process operations perspective there are two other departments that can be seen as possible partners:
1 research & development; and
2 market research/marketing.

Both are well suited to form strong alliances for the sake of the library or information centre.

Another new partner can be the knowledge management department, where one exists. Especially in research libraries, where a multitude of data has to be stored, joint projects concerning the administration and preservation of research data will become a new task of either the libraries or the knowledge management departments. In the context of e-science this can be a common task of both departments, again supported by the IT department.

Internal success factors (staff/services/collection)
Create independent and autonomous users
Since a lot of customers are able to do simple research via the internet on their own, the task of information supply, which was quite important years ago, has lost a lot of its importance and sometimes leads to the false perception that libraries and information centres will not be needed in the future. At least the choice of and access to end-user orientated databases has to be managed by the information professionals, even if the searches are done by the users, because only information professionals have a good degree of information literacy. An overview of information markets and their developments enable them to negotiate the best contracts and conditions. By offering new sources to customers in order to satisfy their changing needs and connecting users to the sources, librarian can be described as “information navigators”. Librarians can help to lead the way through the information “jungle”.

A further development that would arise is that users have to be trained properly in doing their own searches. New forms of training such as webinars or distance e-learning courses can be offered by the library. As a consequence the number of research orders coming from customers will probably be reduced. Requests of a higher complexity will still require information professionals, and customers will be quite happy that they are served by these professionals.

This leads to the requirement for the future qualification of company librarians and other information professionals that they should have a double qualification, i.e. a first degree in those sciences that are crucial for the company and then an additional LIS degree. These “hybrid” qualified information professionals could combine special knowledge with professional information management work, which leads to high-quality work and delivery.

Try to be an intersection (embedded librarian), instead of an island
When the “library at your fingertips” becomes a reality for users, customers will visit the library “as a place” to a much lesser extent. Instead of doing business independently in an information centre, the future work will become decentralized, in the sense that the information professionals have to work “embedded” directly in the project work of the company or research group. Results of our interviews with research company libraries in the Fraunhofer project have shown that the most successful information centres are compulsorily integrated in the initial phase of all company projects. They deliver patent information, research in national and international sources about the topic of the project and – sometimes most importantly – information about markets and competitors. Working this way means that librarians and information managers become an important part of the collaborative research process. Information professionals working in a company are able to structure not only internal but also external knowledge, which means much added value compared to external information professionals. In some cases, the internal information professionals can develop strategic functions by collecting relevant management data and becoming integrated as a supporter of strategic decision making. The scenario of an isolated “one-person library” is absolutely old-fashioned and must be replaced by the communicative “embedded” working librarian.

If customers do not come to the library any more the information or marketing process for library products and services has to find new ways to support potential customers. Unusual places for new presentations, for example near the canteen, is a means that some information managers working for one of Germany’s largest banks have chosen to undertake better marketing to employees at all levels.

So there will be new ways in which libraries and information centres meet their users, and more often this will be outside of the common library space. To keep up or even intensify the contact with users it is essential to conduct user surveys on a regular basis. These should lead to a total service orientation towards customer needs. Additional services like the 24/7 service hotline mentioned above can be accompanying measures to improve user contacts.

Change and enhance collection and services
The changes in user needs and research behaviour influence collections and databases that are offered. Existing virtual libraries and virtual communities should be enlarged and developed by adopting Web 2.0 technologies and/or other modern features such as RSS feeds for mobile
communication. Being up to date on new technological developments is essential for the information unit’s image and usage. Collaborative research which is based on many quality sources (online databases, market studies, etc.) can be supported by blogs and wikis to give a full picture and offer a wide range of products. The organisation’s own collection could be enhanced with Google features or federated search tools to simplify the search for the customers, because the end user is often not interested in a special database but in the right answer from whatever source. This works like a one-stop-shopping feature and shows the user that one can offer a wide variety of sources (internal, external, high and low complexity) that have undergone a certain quality control. E-books offer a lot of advantages (delivery, dynamic availability, etc.) and therefore favoured products to be offered. Publications of the future should be live documents with links to real-time data and related software, administered and offered by the company’s information service. Last but not least, the user – just one click away – can also be advised about how and the variety of ways in which documents can be published, which is quite important in the academic research area, especially given the development of Open Access.

Set new topics on the agenda
In many companies and information centers new topics are coming up with changing user needs that require satisfying. A very recent example is the increasing need for risk management and compliance data. Some years ago, similar topics were quality management and third-party certification by DIN or ISO. And there are always special topics that can be worked on because they are of special interest for senior management. This could be information about their own market position and their competitors’ standing. Therefore, building vertical silos on specific topics could be quite useful if one wants to strike the right note for the management level. This implies a strong awareness and a good nose for future information needs within the company.

Resumé
The critical success factors can be summarised as follows:
1. make yourself visible and earn customers’ appreciation;
2. make yourself measurable;
3. start networking (“collaboration initiatives”) with other departments;
4. create independent and autonomous users;
5. try to be an intersection (embedded librarian) instead of an island;
6. change and enhance collection and services; and
7. set new topics on the agenda.

By acting in accordance with the first two issues on the CSF list, libraries and information centres will naturally create a high degree of recognition that values their products and services, so that the risk of being reduced or abandoned clearly decreases. If there is an unavoidable need to reduce headcount and to close down the information unit, there must be a strong awareness of the importance of information needs within the company. This should lead to finding the best independent information professionals via outsourcing in a reasonable collaboration with other departments within the company, which is owner of the local knowledge.

Points 3 and 5 above can only become a reality if staff are highly communicative and able to adapt quickly to new projects and changing frameworks. So information professionals are expected to act beyond their LIS university training and to have some knowledge of business administration or organisational know-how and able to give training in analytical models, evaluation, SWOT analysis and market research data. By offering extensive end user training, more independent users will develop automatically in the long run.

These changes in collections and services place high demands upon information professionals. They ought to be able to anticipate new developments in the market and therefore be able to act proactively rather than retrospectively. Only these open, communicative, and highly qualified people are able to set new topics on the agenda after they have identified new, important developments.

As a result the amount of administration will decrease with the benefits of new e-only based services that will become more important as “digital natives” become involved in the science and business sector.

If all critical success factors identified above are taken into consideration, information centres in companies and company libraries can be assured that they are on the right track to the survival of the fittest.

Note
1 See www.innovation.nrw.de/downloads/hochschulrecht.pdf

References
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