

Caught in the tide of change: how libraries can adapt to turbulent times'

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Abstract:

The Traditional way in which libraries have operated has been for users to visit the library and for the staff to get to know the needs of their users. This is no longer the case. This Business Model is now Dead! It is dead because the ways in which libraries, publishers and education operate are being totally disrupted. Libraries are no longer the archivists of content, Publishers are; Libraries are no longer the centre of the community; the Internet is; Library catalogues no longer provide access to the collections, Google does. It is vital to understand disruption, to see examples of disruption at work and to learn ways in which it can be used to our advantage. Failing to do so will see the library being eliminated from the information chain and being made redundant.

It is not always easy for libraries to position themselves in the best interests of their institution's users. The use of imagination and creativity will strongly help the library work with its users and administration to gain agreed direction and resources for the library into the future.

Keywords: Disruptive innovation, Library, Business Models, Library Qualifications, Future. Times New Roman font, 11 point size, left-justified.

I read a newspaper article just recently which indicated that the shift to digital is putting half of our positions at risk.

“Nearly half of the jobs in Australia are at high risk of ‘digital disruption’ in the next 20 years, and our education system is not equipping students with the skills needed to adapt.”ⁱ

There are a number of points to be made about this.

Firstly, hearing this prediction is one thing but understanding it is more important;

Secondly, these changes apply equally as much to libraries as institutions;

Thirdly, the time scale for any of this movement is and will continue to be far shorter than the noted 20 years;

Fourthly, while this report is referring to students passing through an education system, it very strongly applies to persons in the middle of their careers;

Fifthly, we can do something about this. We can!

Essentially these points describe the scope of my address. I want to talk about the changes to the way in which libraries operate in this sea of turbulence and to set it in the context of libraries in Asia and the Pacific. I want to highlight the major causes for most of these changes so that we can begin to understand them. And finally I want to deliver a simple six point plan which we can each implement.

Libraries cannot be exempt from any changes in society and also the technological changes pervading the globe. We are foolish if we do not spend time thinking about these societal and technological changes. Libraries do not exist in a bubble. The only perspective to consider is that it is far, far better to make changes yourself rather than having changes made to you. Control the environment as much as you can and, as much as possible, preempt changes being made to you. One can only do this by beginning to understand why change is happening.

Disruptive Technologies

“The Disruptive technology phenomenon popularised by the Harvard academic Clayton Christenson in the 1980’s makes clear that small new technologies can steal under the gaze of larger established technologies, making the older ones redundant. The new smaller technologies, such as the humble PC, the digital camera very quickly displaced whole industries. The IBM main frame largely disappeared, Kodak who dominated all aspects of photography actually filed for bankruptcy at the end of 2014. The rise of individualism and convenience destroyed these two market dominant players. Both of these industries not only failed to recognise the importance of these small intruders but both actually developed the intruders and decided that they would never succeed or fit in with their businesses. Their understanding of their Business Models was too inflexible to allow even small adjustments. So the Personal Computer and digital photography came into the market and very soon dominated the needs of the market for personal transportable computing and to conveniently photograph the world. There is perhaps an irony in the ‘selfie’ dominating the digital world of photography as an inward looking, even narrow view of the possible world.”ⁱⁱ

Is Disruptive Technology finished? No, is the simple answer. It slips and slides in around us. We will all be aware of the airbnb which is the booking system turning the private home into a hotel environment. This has shaken the traditional hotel environment providing a huge competitor. The hotels are resisting the change and seeking legislative changes to kill off the competition. Of course they can fight it, but I doubt that they will succeed.

Most cities in the world are also experiencing the Uber taxi software disrupting the traditional taxi business industry. While I can understand the frustration of the traditional

taxis industry, it has long been inevitable that the industry would be disrupted. The Uber phenomenon has taken on and been accepted by the public because they are computer savvy and the fact that the service offers something different and personal. Again it will not go away. The taxi industry were asleep at the wheel, as has been the hotel industry. Complacent?? What is next for libraries?

“The Library world has also been hugely impacted by the Disruptive Technology phenomenon. The arrival and huge growth of digital content has fundamentally changed the way in which content is made available to library users. Libraries will vary in the percentage of their acquisitions budgets spent on digital but the typical academic library would have to be spending over 90% of their budgets on digital content. Public Libraries would typically, for a number of demographic reasons, retain a larger percentage of print in their collections. They would be spending 50 to 60% of their budgets on digital. It is worthwhile noting that, unlike print acquisitions, the libraries do not own their content now but rather just license the use of the digital content. Binderies are a thing of the past as they are very few journals to bind and print is being actively and sometimes rashly discarded.

So there are already two fundamental changes to the way in which libraries today conduct their businesses. Firstly, most of their content comes to the library user in digital form and, secondly, the library does not own the content.”ⁱⁱⁱ

Business Models

The second concept is that of the Business Model. A Business Model is nothing more complicated than a way of describing how we do our business, or we operate. The Business Models, or the way in which the Hotel industry and the taxi business operates has changed fairly dramatically. They may wish to fight the changes but it is far more important to be nimble and to understand what is happening to them and to respond in the way in which they do business.

So it is also that the Library Business Model has changed totally. The traditional Library business model is effectively dead. The traditional business model saw any user who wanted access to any content having to come to the physical library building. This does not happen any more. It is true that users still come to the library but for very different reasons. If your library has a strong digital presence then your user does not need to come to the library; may not even know that the digital content they are providing actually came to them courtesy of the library. There is a new Business Model for the Library emerging and it is important to understand what it is so that it can be shaped by the library and not by an architect or other well-meaning individuals. It should be shaped by the library staff who know what they want in their new Business model. Large library buildings with load bearing floors are no longer necessary. In many senses large empty spaces reflect a sense of lost purpose. Different types of spaces are needed and these should be defined in close consultation with the library’s community.

The other point to make is that all organisations and businesses not have just one business model. Each organisation has as many as they are able to sustain. Libraries who believe that there is only one way of doing their business will both miss out on so many opportunities and also potentially risk being made redundant. One has only to remember that

public libraries in the United Kingdom in the past 2 years have been reduced by over 25%. This includes staff, libraries and budgets. This is a decimation of significant terms. Now not all of the British situation may be directly attributable to a failure to recognise change. Still it is a horrible loss.

Libraries have been disrupted by the ‘digital’ phenomenon. Digital has expressed itself in the myriad of devices, the internet but especially for libraries in the delivery of content in digital form. This meant that the retention of print in the libraries has not been necessary. Libraries have strongly moved their print collections out. To where is also a matter of debate, but not here.

Libraries used to have the archival role in storing print copies of books and journals. Now Publishers undertake this archival role as they deliver their content in digital form. So a very basic role of libraries has now been totally disrupted by the digital phenomenon. In addition the publishers have not one business model but a number. They still sell their content directly through libraries but libraries do not own the content, they only lease it. Another Publisher business model is where they sell content to whoever wishes to buy an article or book directly from their web site. Yet, another is where they are working actively with the Amazons and Book Depository companies to create another market altogether for their content.

How many business models do libraries have? And how relevant are they to the needs of our customers? These are vital questions. It is true that most people regard libraries as being made redundant because of the internet. Everything can be found on the internet, one hears them say. This is a very popular misconception. A profound misconception, unless you have access to the collections of a great library. Nonetheless if that is the perception, then all marketing theory and practice will tell us that, Perception is the reality. In other words, if people perceive that libraries are irrelevant, then in their minds they are irrelevant, even if it is objectively false.

Management thinking

The changes we have been discussing have changed the business model of the library in less than 20 years. Given the rates of change we have seen and can expect to see in the few short years ahead, what should we do. The issue for us is to recognise that disruptive innovation is real, that it has shaped our world already and that it will continue to do so. We need to ready, not for every disruption which comes along, but to have our thinking ready. If we adapt a flexible mode of management thinking then we can adjust our strategy rather adhere stubbornly to previous practice. This is not easy. Not easy at all.

In adapting a new or altered management style or way of thinking we are obviously thinking about new outlooks and new skills. There are so many approaches to absorb and to sift through. The rise and the rise of managerial-ism, especially in the business environment has created so many fads and fashions. The trouble is that they can appear and disappear in equal measure. But whatever we decide to follow we do we need to remain nimble as we seek to position our libraries. A book being published in 2015 by Facet ^{iv} is titled simple: Library Management. The articles in this book explore the many approaches to management in libraries. More often than not they highlight that the management approaches in this time of financial stringency need to be adaptable, flexible and responsive to changing circumstances.

This applies to ourselves but especially to those who follow us in managing future libraries. The library education programs are constantly being reviewed and revised in consultation with the community and this is very appropriate. It is my contention that the skill-set which is required is predominantly not to be found in the traditional library skill set. Most of the good thinking regarding disruption, business models and indeed scenario planning has come from disciplines other than libraries. Much of this thinking has been slow to be adopted by the library profession.

I am working with a major university at this time exploring the feasibility of combining aspects of an MBA with that of the MLIS. I think that this is an entirely feasible possibility bringing new skills to those who will lead the profession. It will also infuse For-Profit thinking with that of the Not-for-Profit thinking of the library sector. This could be a mutually fertile thinking environment for future education and executive leadership programs.

Turbulence

Any analysis of the turbulent environment in which we and especially my successors find themselves ought to begin with smart thinking about disruption and how that is affecting the library's business model. Think about disruption, and business models and create genuinely new services which add value to your customers and to your institution.

Of course, disruption is not the only force buffeting the library but it is the most significant game changer. It is significant in that major enterprises did not recognise the intruder before it had destroyed their businesses. If the traditional library business model (where everyone always came to the library) is dead, then what is replacing it in your environment? Is it just one business model or are two preferably more than one? Either way, it is crucial that the whole library staff and its community generally are pulling in the one direction. This is not easy but with good consultation and communication, it can be done and should be maintained. If we are to market and communicate with our users, then the staff as a whole need to know why we are starting a service, shaping a library building in one way or another. The purchase of fewer print books will have many impacts on the staff and the users. Explain the situation to all.

Look for new ways to serve the community or the organisation to which your library is a part. When I was at The Hong Kong Polytechnic University, I commenced a program called READ@Polyu, which was designed to engage all first year students in gaining a love of reading or, at least, a better level of comprehension and expression. They were all given a short novel to read and to talk about in small groups led by senior academics, including the President. This program was enthusiastically supported by the President and all the senior staff and increasingly by the students. It was a new program, great for the university and we undertook it without asking for additional revenue to run the program. But it gave the library a very strong educative profile.

The modern library needs a wide range of new skill sets in order to be effective. Do not be afraid of employing people with those skills even if and especially if they are not librarians. If you need a Marketing Manager, employ one instead of employing a librarian who wants to be a marketer. Look to the relevant profession and employ the best you can afford. If you need a professional to work with social media look for someone with that skills set; do not compromise yourself by limiting yourself to librarians. At the same time,

encourage the library educators, and work with them, to create the new programs needed for the profession.

Go out and market the library to the users who do come in through the door but more especially to those who use the content online and do not come in through the door. This group may not even know that the library is providing the content at all. Those who do not use the building are users who are more important to the library's future. They are harder to reach and require much innovative thinking and programs.

Libraries and Librarians have a great future if they understand the disrupted environment in which they operate. They will succeed if they recognise that change is their only constant companion through this journey. Prepare for change, embrace it as a source of strength and you will always be leading. Retain the brand 'library'. It is trusted and valued. Trust is a very difficult value to acquire so do not abandon it either. The Library brand may change in shape and performance but the term library should not easily be abandoned.

If we live in a sea of turbulence, without any hope of choice, let me offer a recipe with five actions to survive in that environment.

1. Understand the concept of 'disruption' while seeking to identify further emerging disruptions
2. Work with your customers enabling them to understand broadly what the library is doing in response to disruptions but do not leave them in the dark. Understand what you are doing and what your business model is.
3. Do not only work locally but also work regionally. We are stronger if we work together on many issues which affect our libraries. Collaboration is still an excellent strategy.
4. Be innovative in achieving new services and roles for the future library is. The future library can be quite different. Think differently.
5. Seek skills which are outside the traditional library skill set, perhaps more business related. Embrace different professions to advance the library.
6. Market, market, market.

In conclusion let me return to the quotation which I commenced this paper with:

"Nearly half of the jobs in Australia are at high risk of 'digital disruption' in the next 20 years, and our education system is not equipping students with the skills needed to adapt."^v

Let us not forget that the challenge lies with responsible library leaders to address.

References

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