



Driving ROI

The Case for a Proven Library Management Solution

HOBSON & COMPANY

The Case for a Proven Library Management Software Solution

Academic 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. Academic libraries are facing the 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 academic 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 *Sierra* is not only strategic but also measurable based on key metrics confirmed by current users of the solution.

Academic 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A historical reliance on manual processes and outdated technology often results in silo-based workflows, multiple points of data entry, and a limited ability to collaborate.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 academic 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 Student and Faculty Expectations

In a relatively short time, the student and faculty 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 students and faculty expecting similar levels of service and functionality from their library.



Significant Budgetary Pressures

Along with the ever-increasing demand for transformation, the majority of academic 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.

Sierra | Research Results

Customer research identified nine 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. *Sierra* includes an acquisitions API that creates a seamless integration with third-party acquisitions vendor applications, allowing librarians to work from those third-party interfaces with a real-time integration into *Sierra*. Efficiencies are further improved with electronic data interchange (EDI) standards for invoices, Quick Click, and Inventory Express functionality.

*"Libraries that aren't using Sierra tell me how they're doing acquisitions and I'm aghast at the inefficiencies."
(Customer #13)*

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. *Sierra* offers sophisticated loading functionality that ensures accuracy and quality of vendor data loaded into the catalog. Additionally, the system enables bulk reviews as well as bulk updates and changes that allow streamlined maintenance with Global / Rapid Updates and Create Lists.

*"The Create Lists and Global / Rapid Updates are essential to what we do on a daily basis... I don't know how you run a library without that functionality."
(Customer #1)*

Customers interviewed reported:



↓80%

REDUCTION in time spent managing and maintaining the catalog

Reduce time spent managing electronic resources

Managing an increasing number of electronic resources is often challenging due to the additional, and variable, data required of digital resources and to the likelihood of having multiple vendors. *Sierra* provides a robust Electronic Resource Management tool, as well as the open *Innovative Knowledge Base*, which provides a one-stop shop for multiple e-vendors. This capability allows a seamless mechanism to track and maintain links, locations, license agreements, etc.

*"8 of 9 customers agreed that Sierra improves e-resources processes."
(Hobson & Co. Research)*

Customers interviewed reported:



↓30%

REDUCTION in time spent managing electronic resources

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. *Sierra* enables librarians to build and run their own reports and analyses in an easy-to-use reporting and analysis tool, *Decision Center*, that provides pre-built analyses, including trends, circulation, budget guidance, collection demand and usage, etc.

"We can now easily pull data from Decision Center for management reports, including historical data, without having to collect it ourselves; these reports help us with staff planning and with making decisions about our collection resources."
(Customer #17)

Customers interviewed reported:



↓60%

REDUCTION in time spent creating ILS reports and analysis

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. *Sierra* includes access to open APIs that enable seamless and real-time communication within and between providers and their databases. *Sierra's* APIs also allow libraries to share in real-time bibliographic, authority, patron, and transactional data to a third-party interface.

"We previously couldn't do integrations... Sierra has given us the capability and mechanism to create key integrations, and Innovative has been really easy to work with." (Customer #13)

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. *Sierra* eliminates expenses related to outdated ILS solutions and also offers a fully hosted ILS solution, including installation, management and maintenance, with proactive performance monitoring and tuning around-the-clock.

"We've definitely saved money by moving to hosted, but besides the monetary savings, it's been about peace of mind; we were sick to death of buying and feeding servers that were on the brink of disaster at any moment."
(Customer #14)

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. *Sierra* provides insight into content usage, enabling well-informed weeding and floating collection management with *Decision Center*. Weeding and transfers are further facilitated by quick pull list creation and assignment with Create Lists and easily executed via the *Mobile Worklists* application allowing for real-time data access, workflow tasks, and barcode scanning.

*"Our librarians spend half the time they used to on collection development and management, which allows them to spend more time on programs and other user-facing activities."
(Customer #13)*

Customers interviewed reported:



↓50%

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. *Sierra* includes *Encore*, an easy-to-use web-based discovery tool that allows students and faculty to easily find what they're searching for including articles, books, e-books, and digital collections through API integrations. Additionally, key functionality (i.e. a robust patron mobile app, 360-degree account profiles, self-service tools, course reserves, holds, etc.) further improve front-line processes.

"Encore provides a single search for whatever topic so it creates a lot of efficiencies, which free up our librarians to spend time on other engagements, such as reaching out to faculty or working with our retention unit to help retain more students." (Customer #7)

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 student and faculty expectations while also being required to clearly demonstrate their value. *Sierra* enables libraries to better serve library users with an optimized collection, improved discovery, mobile functionality (*MyLibrary!* mobile app), self-service tools, and improved service from the public services and reference librarian staff. Further, easily available library and collection data / usage reports are readily available to help demonstrate the improved student and faculty engagement and reinforces the library's value and relevance.

*"We can now create reports with richer and more pertinent information that explain to our administration and the board of trustees that books are important, even in an electronic age."
(Customer #14)*

Customers interviewed reported:



↑5%

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

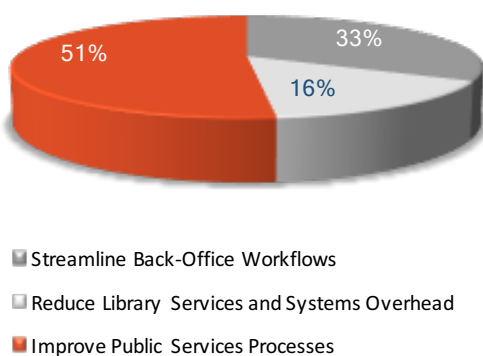
KEY ROI FINDINGS

The value of a validated library management software solution is immediate and demonstrable. A sample academic library (with 3 campus libraries, 2 acquisitions full-time employees, and 2 cataloguing full-time employees who spend an average of 80 hours per month at each library on physical collection management and an average of 160 hours per month at each library supporting discovery and circulation) can realize significant financial benefits from an investment in *Sierra*.

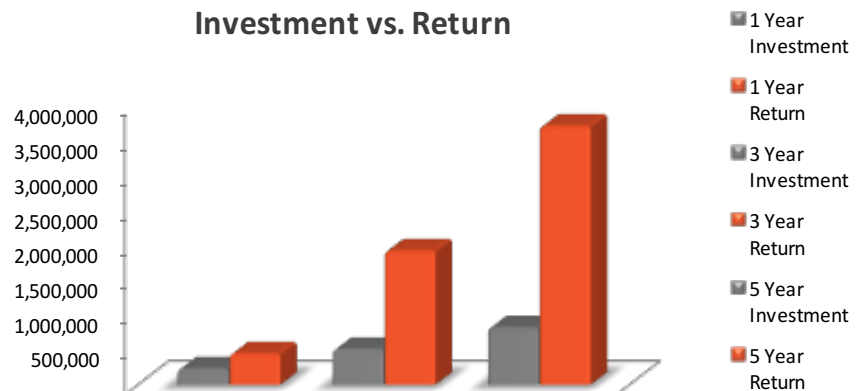
For this typical academic library, a three-year investment totaling \$509,825 generates a positive return in 6.2 months, annual benefits exceeding \$891,000, and a strong three-year return on investment (ROI) at 282%.

Financial Results	
Payback	6.2 months
3-Year ROI	282%

Benefits by Value Driver



Investment vs. 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.