

time for strategy
NAG
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libraries in all sectors face the challenge of relentless, disruptive, technology-driven change and tough economic times

any organization under such pressure risks making decisions without a full appreciation of their strategic importance

even if you already have a strategy (which most of you do...)

this is an appropriate time to look at some **new, more focussed approaches to strategy**, differentiating it from mission and vision and looking at underlying business models

this presentation is based on work I have been doing with academic and public libraries and some businesses in the library & information sector

strategy: why should we bother...?
here are some thoughts from a librarian...

'The structures and practices of libraries will no more withstand the technological changes we are facing than the scribal culture withstood the changes brought on by the printing press. **Change will not be instantaneous, but it will be relentless.'**

A Model for Academic Libraries 2005 to 2025. By David W. Lewis. Paper to be presented at "Visions of Change," California State University at Sacramento, January 26, 2007

why should we bother...?

'Established organizations generally fail when change involves disruptive technologies, and organizations at the periphery or from different sectors most often succeed.'

'The Innovator's Dilemma: Disruptive Change and Academic Libraries.' By David W. Lewis. Library Administration & Management 18(2):68-74 Spring 2004.

why should we bother...?

'In the end, libraries may be serving only a small number of ...customers without any significant decline in the cost of services. **This is not a sustainable position**, and when this happens, **library services will either collapse or need to be radically restructured**'.

'The Innovator's Dilemma: Disruptive Change and Academic Libraries.' By David W. Lewis. Library Administration & Management 18(2):68-74 Spring 2004.

some 'library' organizations *are* thriving...in 2011

Google revenues up 32%

'Apple annihilates Wall Street performance estimates. Third fiscal quarter results 'best quarter ever' (again)'

Amazon 'sales have soared by 51 per cent compared to 2010'

the library business in booming



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When the library business is booming why are public libraries in decline and what can we do?

By Ken Chad

25th January 2010



a response to 'Empower, Inform, Enrich. The Modernisation Review of Public Libraries. A consultation document.' DCMS. December 2009

in a period of disruptive
change where should we
focus our investment?

JISC



Library Management Systems

Investing wisely in a period of disruptive change

Briefing Paper

April 2008

how is your library responding?
can you say (for your library)....

our mission is....
our strategy is....
our business model is...

and more importantly are you implementing your strategy?

at the heart of this is the issue of
value

why should people use *our* services
instead of alternatives?

(not the same as an organization's *values* - we'll touch on this in a minute)

I'll explore some tools/approaches
to help us focus our thinking

in the short time I have I can only scratch the surface...these
issues take time and effort to work through

vision : where we want to be....

`an indeterminate future goal'-helpful but **not** the strategy

values : what we believe in and
how we will behave

helpful but **not** the strategy

mission: why the organization exists

the motivation for being in the business

mission

you'll know this one.....

*"... to organize the world's information
and make it universally accessible and
useful"*

mission

'Developing a mission statement can be one of the most difficult tasks a nonprofit can face but it is uniquely **critical to guiding what the nonprofit will do** and how it will convey what it does to the general public or its constituency. Mission statements are the cornerstone of developing programs and certainly key to messaging (or marketing) efforts.'

The Importance of the Mission Statement. By Bunnie Riedel. Nonprofit conversation. 20 January 2010

<http://nonprofitconversation.blogspot.com/2010/01/importance-of-mission-statement.html>

strategy

strategy is related to the mission but, whilst a mission statement might be shared amongst several or even many institutions, the strategy will be *particular to the organization*

Adapted from: 'Can you say what your strategy is.' By David J Collis and Michael G Rukstad. Harvard Business Review. April 2008

elements of strategy

objective

the single precise objective that will drive the organisation over the next 3-5 years or so

scope

in some sense this can be most helpfully understood by identifying what the organisation will *not* do: what needs it will *not* address

advantage

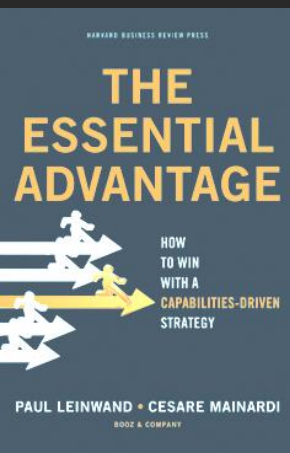
this is the most critical aspect in developing an effective strategy statement

it means really understanding the value that the organisation brings to the customer

a capabilities approach

capability: the ability to reliably and consistently deliver a specified outcome, relevant to your business

'The essential advantage. How to win with a capabilities driven strategy' Paul Leinwand and Cesare Mianardi. Harvard Business Review Press. 2011



a capabilities approach

what are the three to six capabilities that describe what we do uniquely better than anyone else?

can everyone in the organization articulate our differentiating capabilities?

is our leadership reinforcing these capabilities?

'The essential advantage. How to win with a capabilities driven strategy' Paul Leinwand and Cesare Mianardi. Harvard Business Review Press. 2011

a capabilities approach

'way to play' (in the market)..means.....

a considered approach for creating and capturing value in a particular market..it means...

having those capabilities that **set the organization apart from competitors**, or be superior to those rivals.

having not just great capabilities but the **right capabilities**

knowing your organization has what it takes to **genuinely satisfy customers** in that market and beat the competition

your capabilities have to be **stronger than competitors'** and based on the long, not short, term

a capabilities approach

essential advantage

an ingrained ability to succeed...sustained over time, and is almost impossible to copy (i.e. as opposed to a transitory advantage)

a capabilities approach

the 'right to win'

the confidence held by organizations with an essential advantage

it works by prioritizing what the organization does best

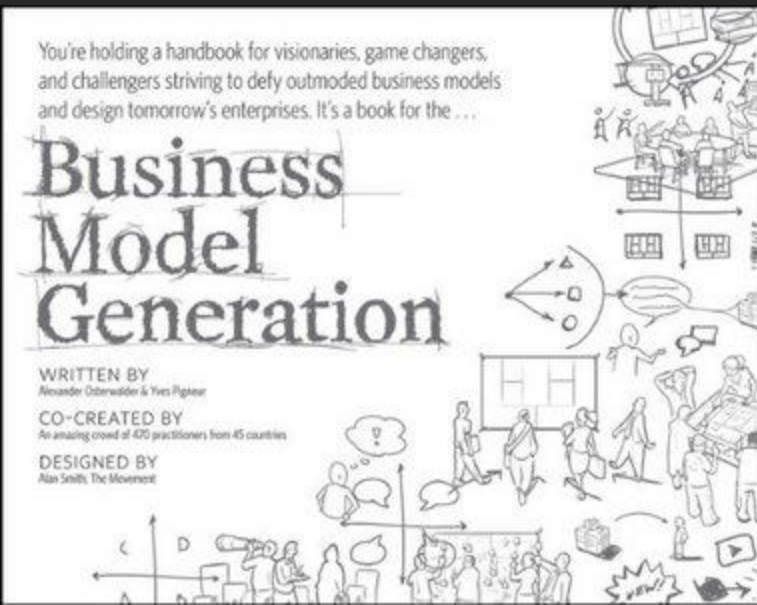
in tandem with the *way to play*, it creates a strong model for success

basically, it means taking what you do well and putting it into practice in the library market

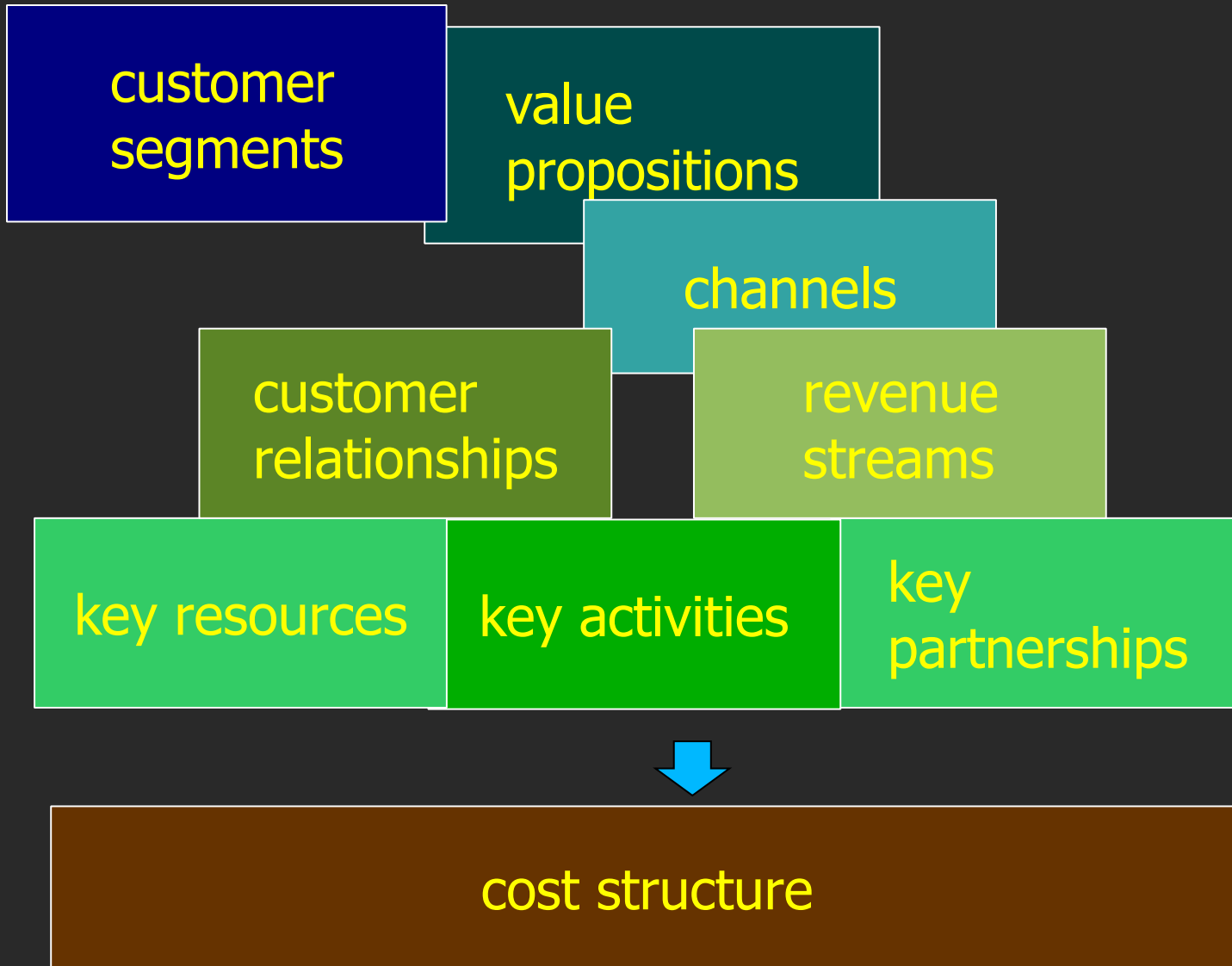
business model

'a business model describes the rationale of how an organization creates, delivers and captures value'

'Business model generation.' By Alexander Osterwalder and Yves Pigneur. John Wiley. 2010



business model building blocks



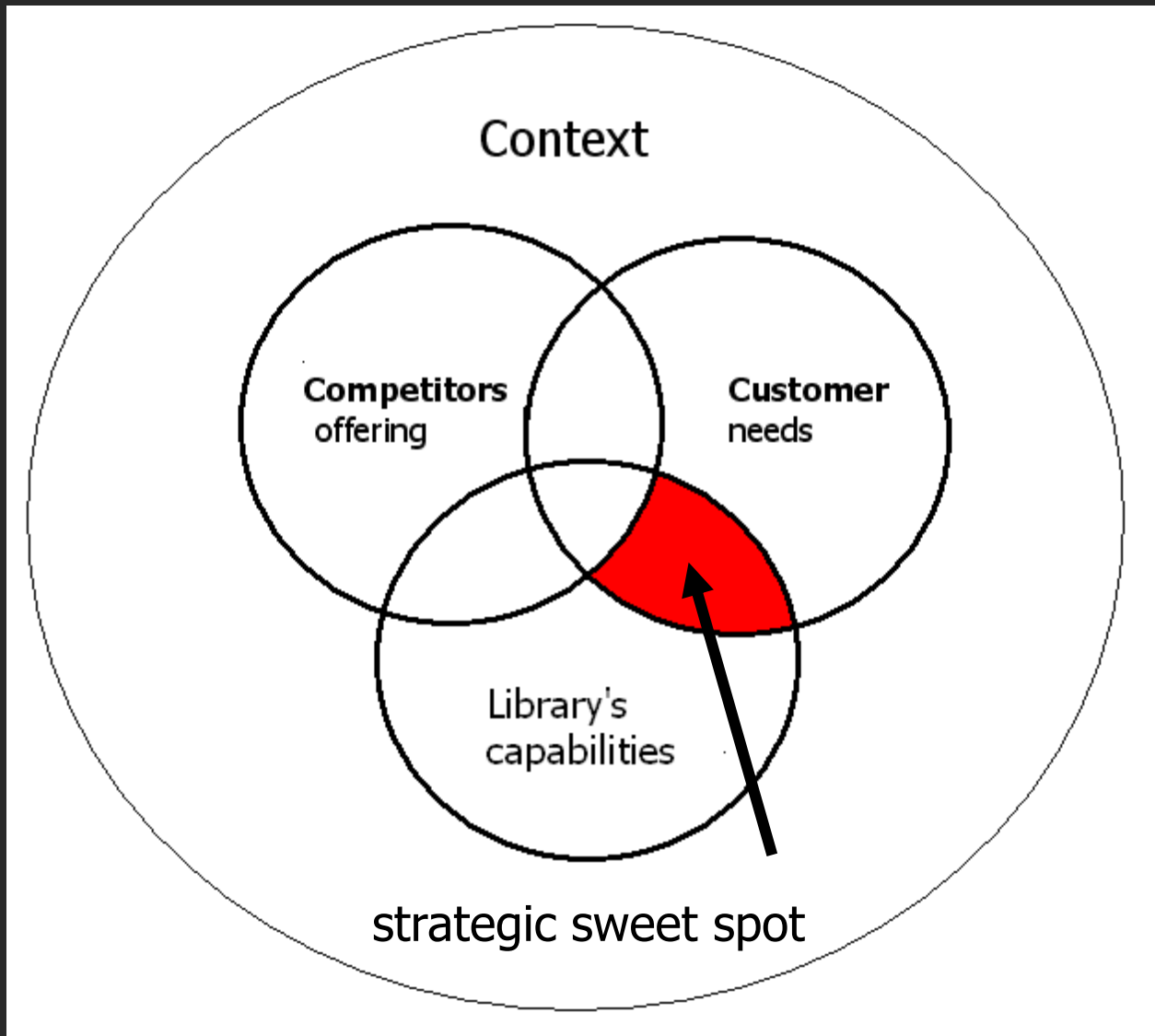
let's home in on just a few of those
business model building blocks...

value propositions seek to
solve customer problems
and satisfy needs

revenue streams result
from value propositions
successfully offered to
customers

key partnerships
some activities are outsourced

so.....strategy: where best to focus?



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