

navigating the perfect storm

A&SL annual seminar

Dublin

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

I am going to focus on some navigation *tools*—
the destination will be different for different
libraries

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



Navigational instruments: sextant, ship's log, marine compass and telescope.
Source: Museum Victoria Australia

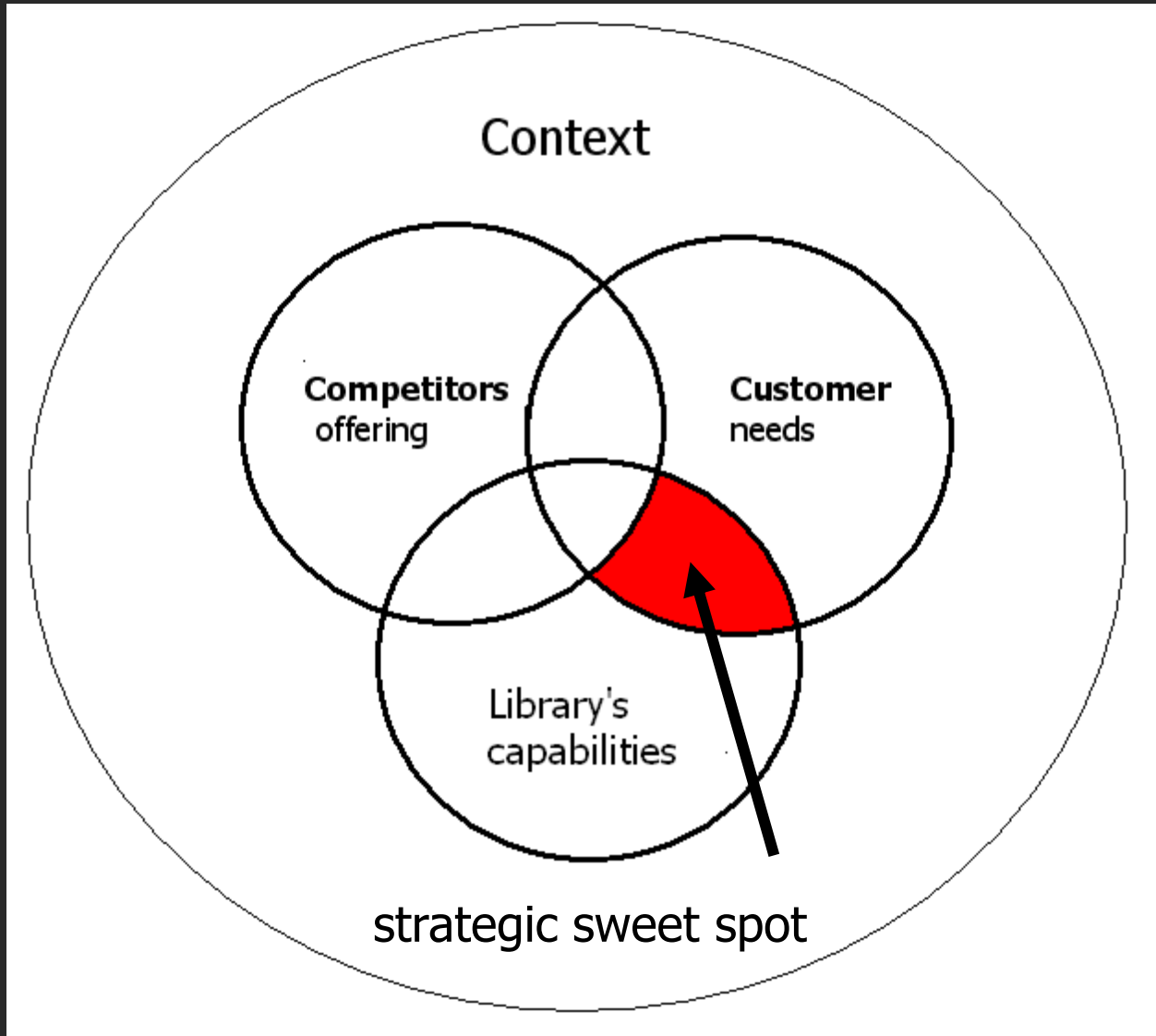
my focus today is

strategy

*and I'll take a brief look at business
models*

strategy

where should we be heading?



how is your library responding?
can you say.....?

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

and more importantly are you implementing your strategy?

even if you already have a strategy
this is an appropriate time to look at a **very
focussed approach to strategy**, differentiating it
from mission and vision and looking at
underlying business models

why should we bother...?

here are some thoughts from a librarian (1 of 2)

'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

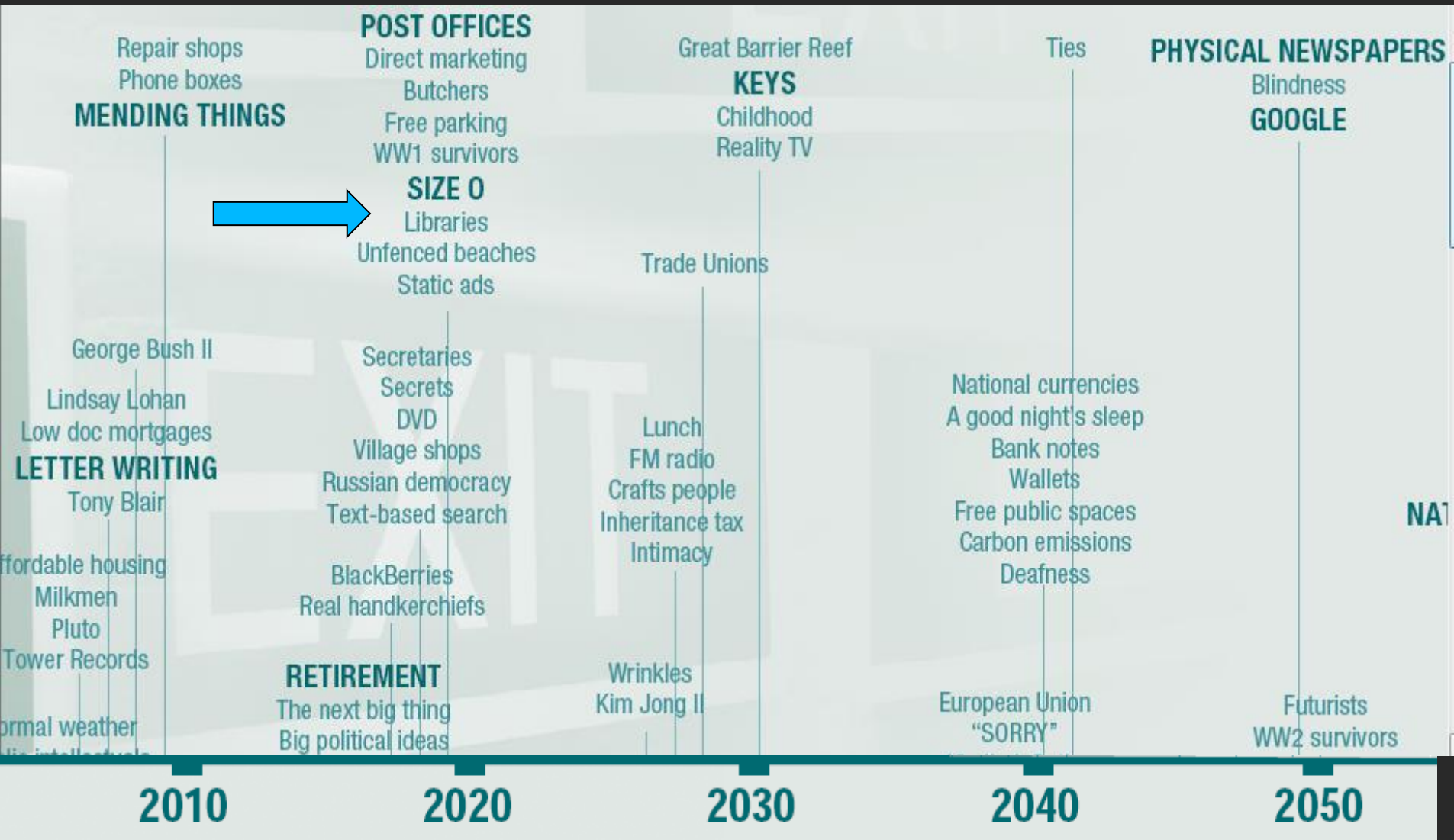
why should we bother...?

(2 of 2)

'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? (Extinction timeline -libraries by 2020)



http://www.nowandnext.com/PDF/extinction_timeline.pdf Richard Watson: 'As usual this is partly a bit of fun so don't take it too seriously!'

"You never want to ever say: 'Well those idiots failed because they had the wrong strategy.'

"You have to ask: 'Why did they have the wrong strategy?'

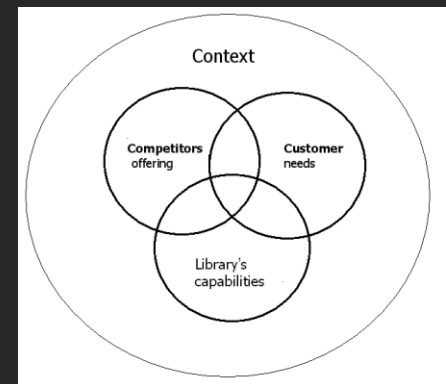
"Almost always, **they've used the wrong process** to come with the strategy."

Interview ---Clayton Christensen: The Innovation Catalyst. By Christian Sarkar and Elizabeth Ferrarini
ChristainSakar.com 2004? <http://www.christiansarkar.com/christensen.html>



a map we can use
to plot strategy.....

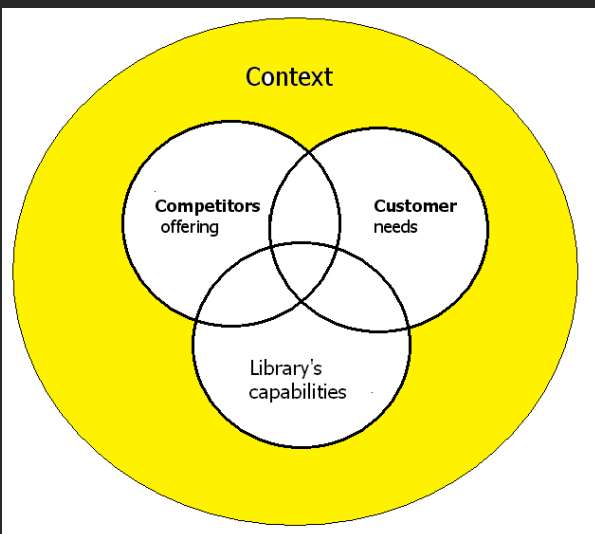
context
competition
customers
capabilities



it's not a trivial task...it takes time and effort

context: what's going on?

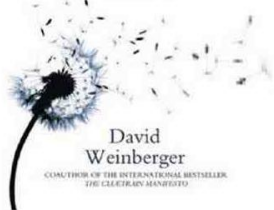
..and more importantly ***why*** is it relevant....what threats are posed; what opportunities open up?-a *diagnosis*



Everything Is Miscellaneous

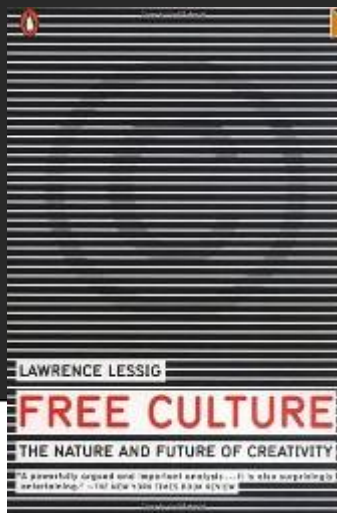
THE POWER OF THE NEW DIGITAL DISORDER

"Perfectly placed to tell us what's really new about the second-generation Web."
—Los Angeles Times



David Weinberger

COAUTHOR OF THE INTERNATIONAL BESTSELLER
THE CLOUDMAN MANIFESTO

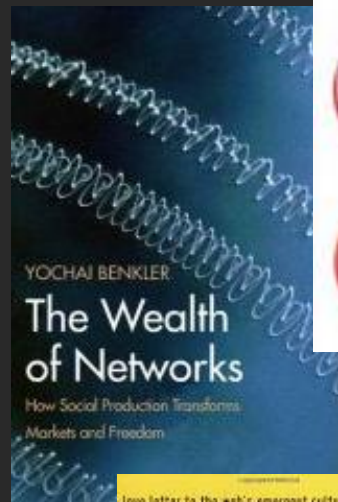


LAWRENCE LESSIG

FREE CULTURE

THE NATURE AND FUTURE OF CREATIVITY

"A powerfully argued and important analysis... it is also surprisingly entertaining." —THE NEW YORK TIMES BOOK REVIEW



YOCHAI BENKLER

The Wealth of Networks

How Social Production Transforms
Markets and Freedom

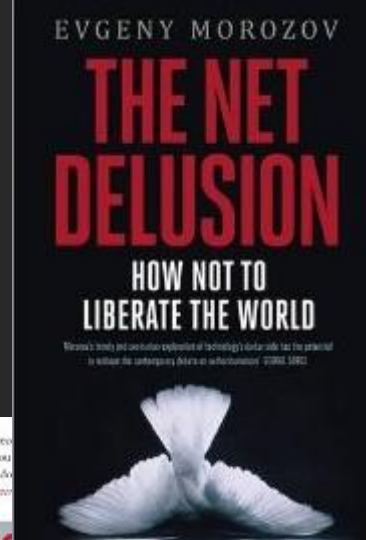


"A fantastic read and a marvel of wit.
This is the kind of primer you
to take away your books to
Cory Doctorow, *Gilbert*

**WHAT YOU
REALLY NEED
TO KNOW ABOUT
THE INTERNET**

FROM GUTENBERG
TO ZUCKERBERG

JOHN NAUGHTON



EVGENY MOROZOV

**THE NET
DELUSION**

HOW NOT TO
LIBERATE THE WORLD

Morozov's timely and cautionary exploration of technology's dark side has the potential
to reshape the contemporary debate on technological innovation. —TIMOTHY SARANT



THE BIG SWITCH

REWIRING THE WORLD, FROM
EDISON TO GOOGLE

**UNLOCKING
THE GATES**

How and Why Leading Universities Are
Opening Up Access to Their Courses



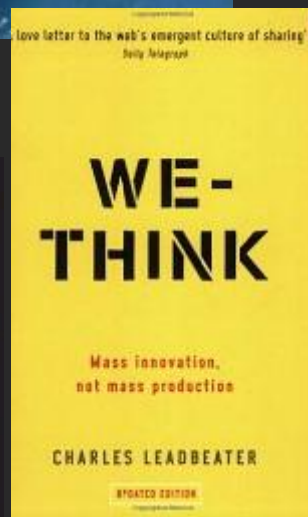
TAYLOR WALSH

CARR

**THE
MASTER
SWITCH**

THE RISE AND FALL OF INFORMATION EMPIRES

TIM WU



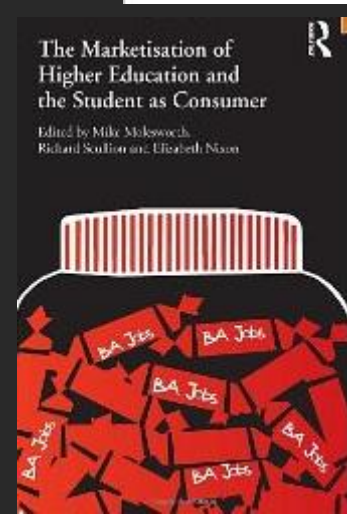
Love letter to the web's emergent culture of sharing
Daily Telegraph

**WE-
THINK**

Mass innovation,
not mass production

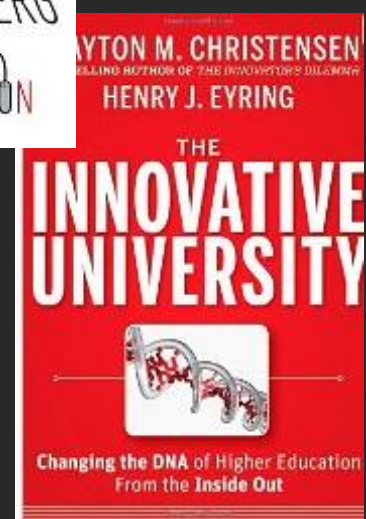
CHARLES LEADBEATER

UPDATED EDITION



**The Marketisation of
Higher Education and
the Student as Consumer**

Edited by Mike Milesworth,
Richard Sullivan and Elizabeth Nason



Clayton M. Christensen
BESTSELLING AUTHOR OF THE INNOVATOR'S DILEMMA
HENRY J. EYRING

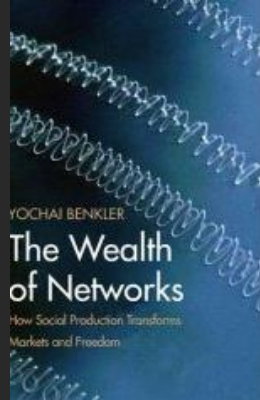
**THE
INNOVATIVE
UNIVERSITY**



Changing the DNA of Higher Education
From the Inside Out

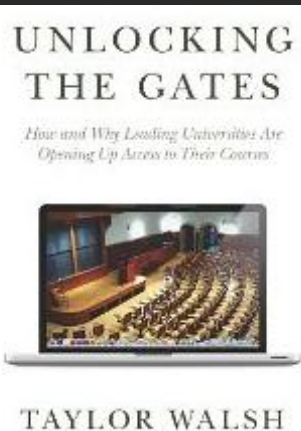
'For more than 150 years, modern complex democracies have depended in large measure on an industrial information economy.....In the past decade and a half we have begun to see a radical change in the organisation of information production. **Enabled by technological change**, we are beginning to see a series of economic, social and cultural adaptations that make possible a **radical transformation** of how we make the information environment....'

Yochai Benkler a Professor of Law at Yale Law School



" higher education will be affected in one way or another by what are truly **transformational changes in the way knowledge is created and disseminated**. Now that increasing numbers of universities, including some of the most prestigious, are using technology to let the world into their precincts, **it will never again be possible to lock the gates.**"-

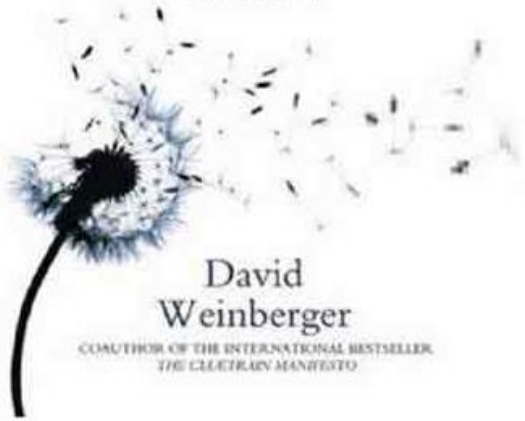
from the foreword by William G. Bowen, president emeritus, Andrew W. Mellon Foundation and Princeton University



Everything Is Miscellaneous

THE POWER OF THE
NEW DIGITAL DISORDER

"Perfectly placed to tell us what's really new
about the second-generation Web."
—*Los Angeles Times*



'Knowledge has been shackled to the physical. Now that the digitising of information is allowing us to go beyond the physical.....the shape of our knowledge is changing'. [P 71]



'cheap, utility-supplied computing will ultimately change society as profoundly as cheap electricity did'



'with less than 10 people [Flickr] had millions of users generating content, millions of users *organising that content for them*, tens of thousands of users distributing that across the internet...'



'As user generated content continues to be commercialised, it seems the **largest threat** posed won't be to big corporations but to individual professionals—to the journalists, editors ...researchers ...**librarians** and other information workers who **can be replaced** by....people not on the payroll'

removing barriers

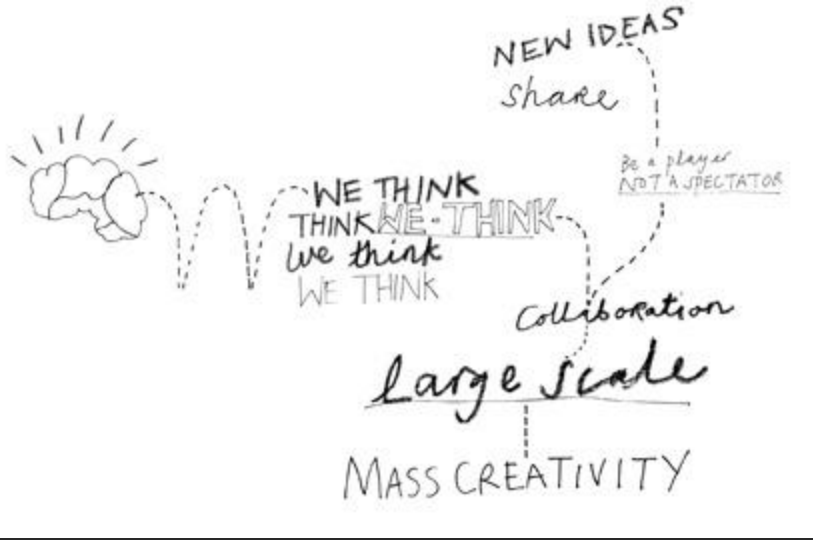
'.. technology is unleashing a capacity for speaking that **before was suppressed by *economic constraint***. Now people can speak in lots of ways they never before could have, because the economic opportunity was denied to them'

Mother Jones Magazine (website)

Interview with Lawrence Lessig: Stanford Law School Professor, Creative Commons Chair
June 29, 2007

http://www.motherjones.com/interview/2007/07/lawrence_lessig.html





participation

‘*We-Think* changes how we access and organise information and so is bound to disrupt libraries and librarians’

‘The **library of the future will be a platform for participation and collaboration** with users increasingly sharing information amongst themselves as well as drawing on the library’s resources’



when we change the way we
communicate we change society

'..when a profession has been created
as a result of some scarcity, as with
librarians or television programmers,
the professionals are often the last ones
to see it when that scarcity goes away.
It is easier to understand that you **face**
competition than **obsolescence**'

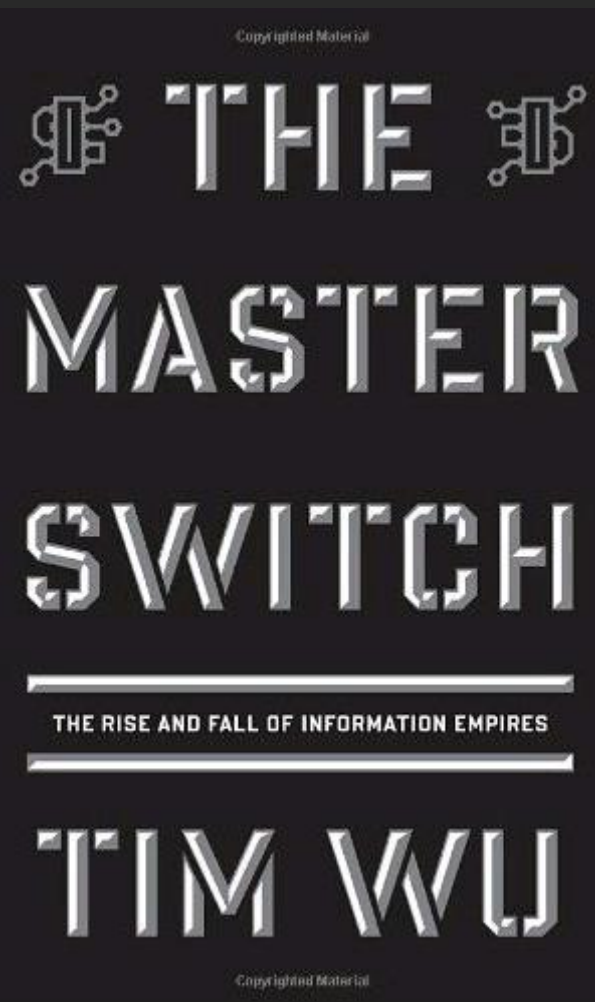
'Here comes everybody.' By Clay Shirky. Allen Lane. 2008



when we change the way we
communicate we change society

`.....in some cases the change that threatens the
profession benefits society.

`Here comes everybody.' By Clay Shirky. Allen Lane. 2008



"the Cycle", with its progression "from somebody's hobby to somebody's industry; from jury-rigged contraption to slick production marvel; from a freely accessible channel to one strictly controlled by a single corporation or cartel – from open to closed system. It is a progression so common as to seem inevitable,."

<http://www.guardian.co.uk/books/2011/apr/02/master-switch-tim-wu-review>

context: themes

digital

content, cheap, virtually error free copying

network

neutral, global, permissive

open

open Data, open source, OER

intelligence

context, intentions

social

participation

innovation

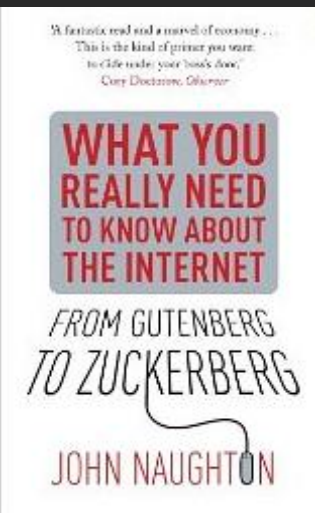
disruptive, low barriers to entry

commoditization

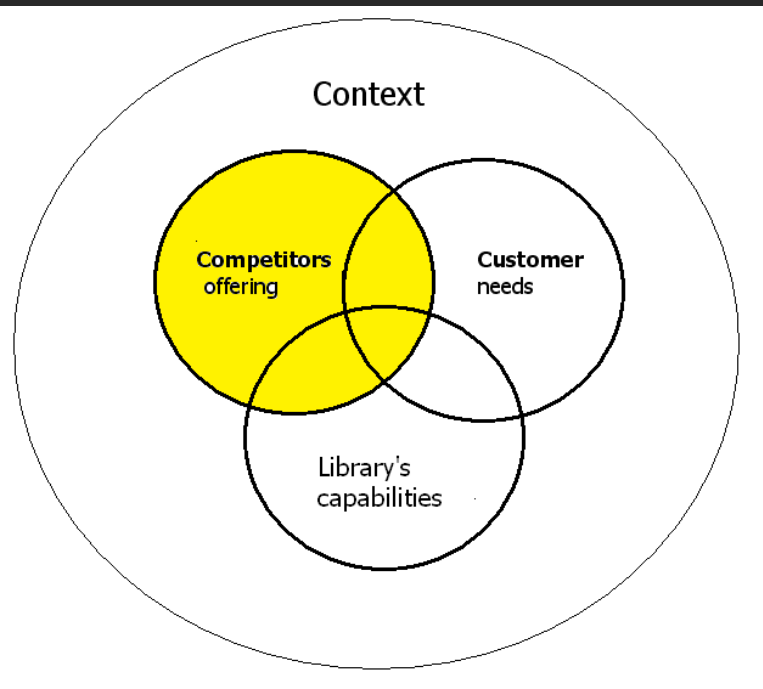
cheaper, faster, better

Disruption!

'for the Net, disruption is a feature not a bug'.



competition



who do you see as your
competitors?

the library business in booming

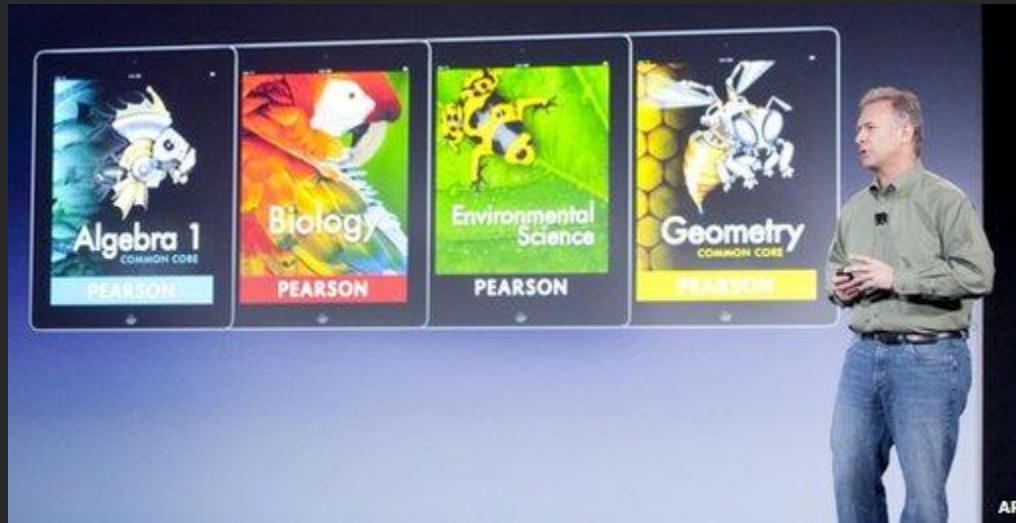
some 'library' organizations *are* thriving...in
2011

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'

competition?



The world's biggest educational publishing company Pearson has given its backing to Apple's new range of iBooks textbooks.

<http://www.bbc.co.uk/news/technology-16641727>

competition?



Genevieve Shore, Pearson

Our initial focus is on America, but **this is only the first wave**. We're planning to create similar books in more subjects, for different levels of learning and more geographic markets around the world.

We believe that **digital and mobile technologies - built around the needs of talented teachers and engaged students** - offer a genuine chance to improve learning.

The 5,000 **test questions embedded in these new books** - which allow students to check their understanding on the go, rather than wait until the end of the course - are just one example.

Just last week, British Education Secretary Michael Gove argued that **education had lagged behind the workplace in being transformed by technology**.

<http://www.bbc.co.uk/news/technology-16641727>

Future visions. JISC/SCONUL Library Systems workshop January 2012

2020: Director of learning and teaching

'We shut the library and outsourced the activities we needed a few years back as part of the move to online learning. The old library building is now our campus LearningSpace. That also means of course **we got rid of all our library systems and the VLE**. The P____xxx 'ShareLearn' cloud based platform does it all. In effect it's a commercial shared service used by universities round the world. It also provides content and infrastructure for schools so we've been able to save money by working a lot more closely with out 'feeder' secondary schools. **The 'Library' is now simply another app** on the student's PD (personal device). **The content is much more integrated with the courses** now. We have a pay-per-use model for content and paid for resources are mixed with free OER. The world-wide 'collective intelligence' of ShareLearn means we have data to judge the quality and effectiveness of content measured by learning outcomes and cost. **We can see not only what resources get used but what resources have the biggest GPA impact**. Now the creation and selection of learning content is done based on proper metrics. It's a shared activity in a sense between students and academics'.

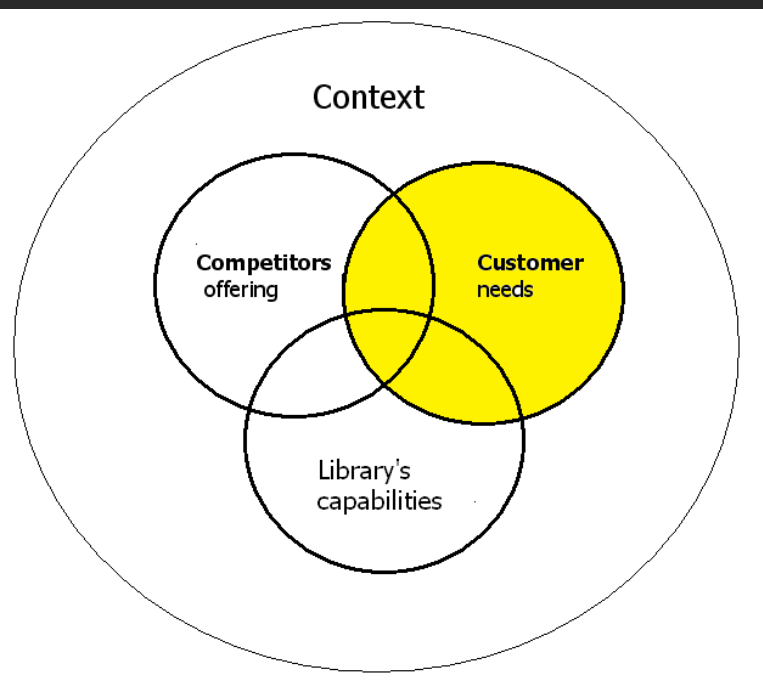
http://www.kenchadconsulting.com/wp-content/uploads/2012/02/Library_Systems_vision2020_Disruptive_Innovation_challenge_Jan2012.pdf

JISC Digital Infrastructure Team
Toiling on the digital infrastructure...

The Squeezed Middle: Exploring the Future of Library Systems

<http://infteam.jiscinvolve.org/wp/2012/01/30/exploring-the-future-of-library-systems-2/>

customer needs



don't analyse needs—look at what
'jobs' customers want to get done

'People don't want a quarter-inch *drill*, they want a quarter inch *hole*.' Theodore Levitt of the Harvard Business School.

Jobs-to-be-done (JTBD) approach

The underlying assumption is that users (staff, students, researchers etc) 'hire' products and services to get jobs done.

- (1) What is the problem that needs to be solved?
- (2) Who needs to solve the problem (library staff, researcher, undergraduate etc)?
- (3) What is the particular *circumstance* of the problem (i.e. I'm on the train with a smart phone)?

Jobs-to-be-done approach

Analysing the 'job'

What is the problem you are facing..and why do you *care*?

What is the process you currently use to solve that problem?

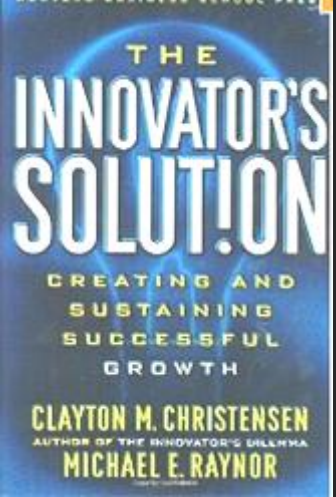
What alternatives do you consider when going through this process

Why do you select the option you select?

What do you like about the current option?

What don't you like about it?

What frustrates you when trying to solve this problem?

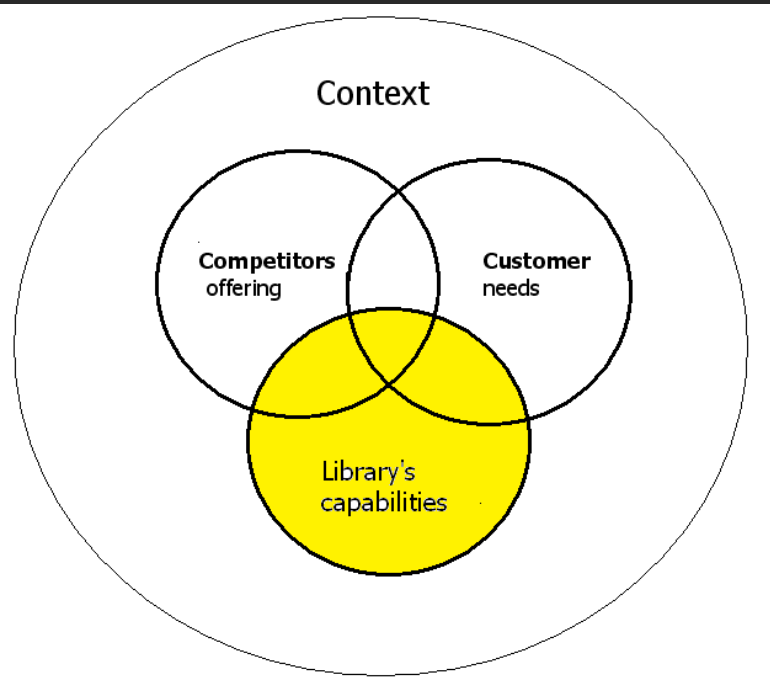


Jobs-to-be-done approach

'.....Internet-based or electronic learning technologies which are oriented as trying to help college students learn more. These technologies usually never work. **If you think about what college students are really trying to do,** they want to pass the course without really having to study. If the same effort was focused on crammed.com, making it easier for them to cram, you help them try to do what they are already trying to get done. This works.'

'Interview ---Clayton Christensen: The Innovation Catalyst' By Christian Sarkar and Elizabeth Ferrarini (2004?)
<http://www.christiansarkar.com/christensen.html>

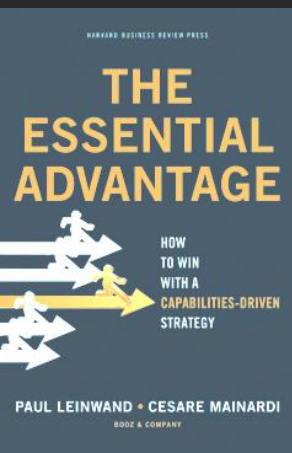
capabilities



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

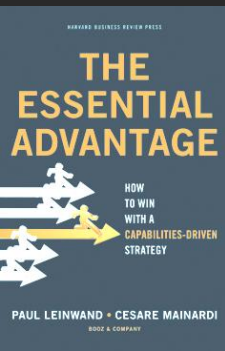
a considered approach for creating and capturing value

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'

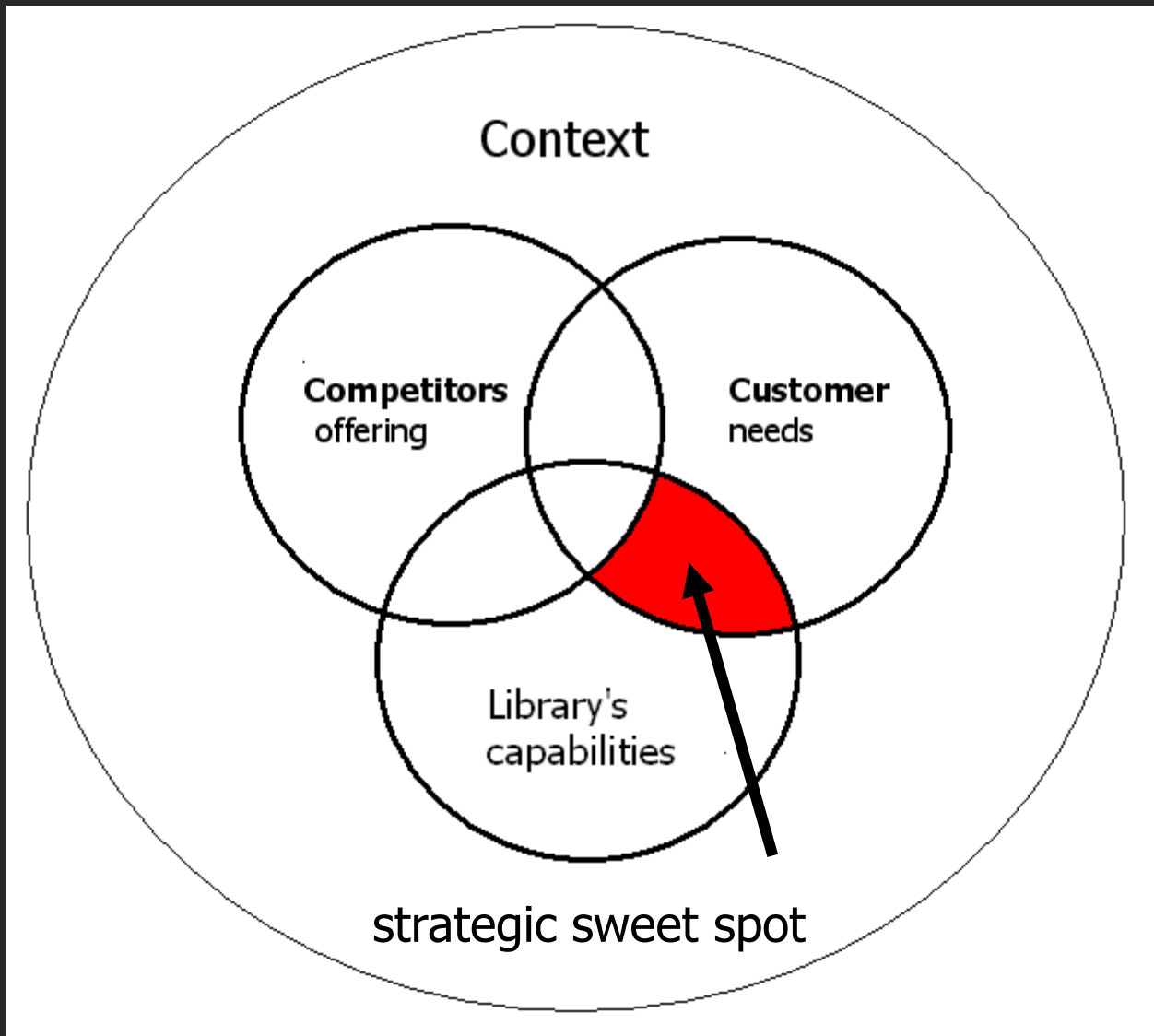
the confidence held by organizations with an essential advantage

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

so now let's put all this together



at the heart of this is the issue of
value

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

strategy is NOT.....

vision : where we want to be....

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

strategy is NOT.....

values : what we believe in and
how we will behave

helpful but **not** the strategy

strategy is NOT.....

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

strategy is *not* goal setting it is....

'a cohesive response to an important challenge.... good strategy includes a set of coherent *actions*..'



strategy

'a good strategy has...a kernel [that] contains three elements: a diagnosis, a guiding policy and coherent actions



'Good Strategy/Bad Strategy: The difference and why it matters'. Richard Rumelt . Profile Books 2011

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

example (from a UK HEI)

these are not the final words—they are shown to
highlight the thought processes

objective

'By the end of 2XXX the library service will enable easy, intuitive access and, free at the point of use, delivery of electronic resources to meet 98% of the learning, teaching and research information resource needs of our customers.'

example

(from a UK HEI)

these are not the final words—they are shown to highlight the thought processes

scope

'Library services will be available to all students, researchers and academic staff of the university. Discovery and access to, and delivery of, electronic resource will be available 24 hours a day from any device connected to the network. Where possible library services will be embedded in (e.g. VLE) or exposed via (e.g. Google) any service that improves the discovery, access and usability of resources.'

example

(from a UK HEI)

these are not the final words—they are shown to highlight the thought processes

advantage

'Library services will add value by helping to guide users to the best, most appropriate resources to meet their academic needs. We will enable the delivery of resources with the least friction possible. We will provide services and tools to assist customers critically evaluate the information resources they discover.'

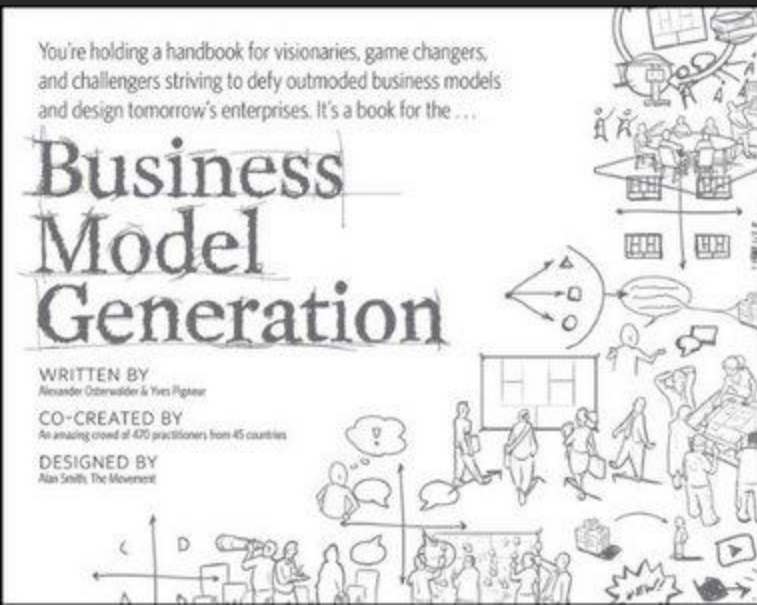
Business models -in brief

*-come to my UKSG session in March
2012 for more ☺*

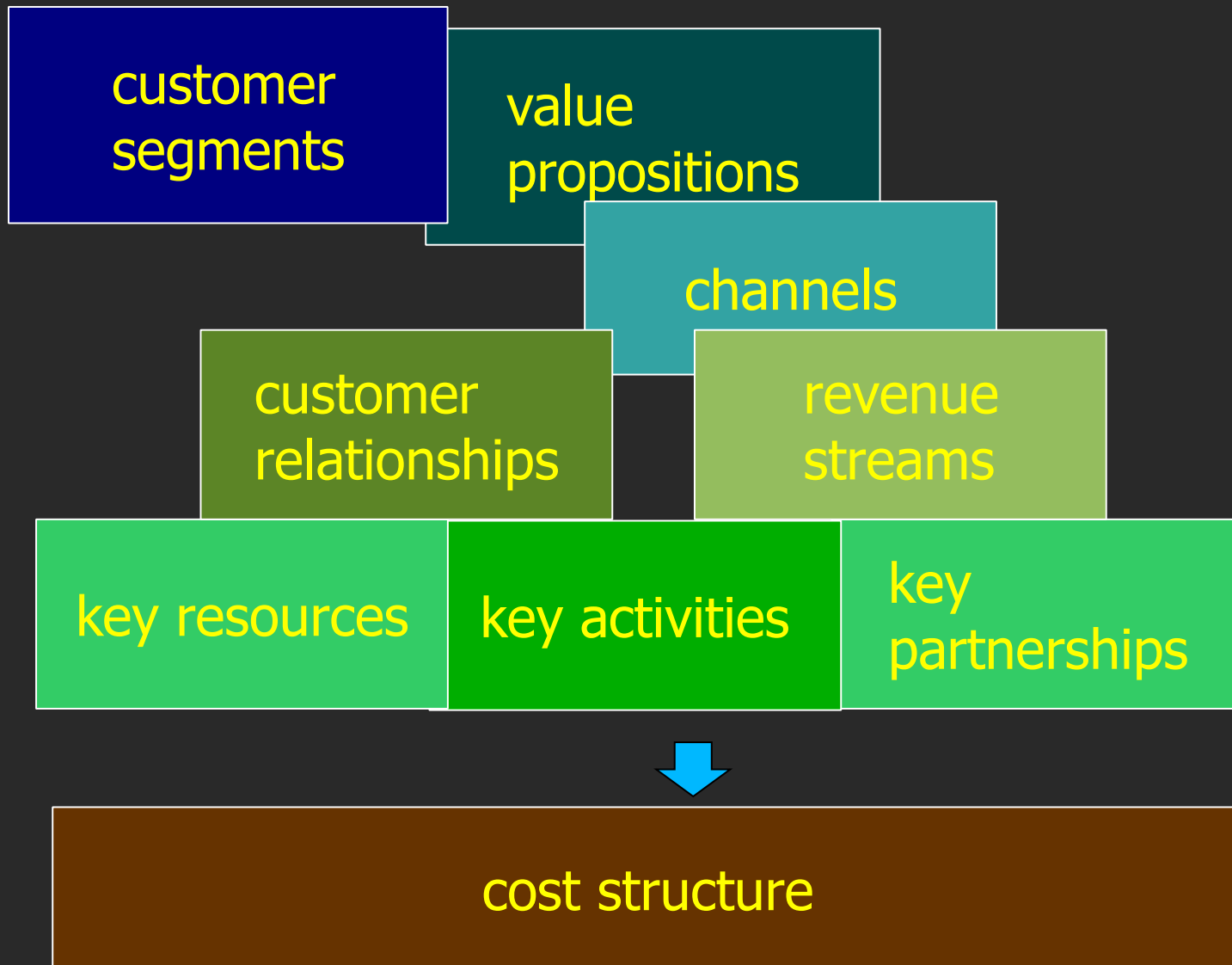
business model

'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



business model building blocks

Business model 'building block'	Brief Description
Customer segments	The customer group(s) the organisation serves.
Value propositions	What value is the organisation delivering? Which customer 'problems' (JTBD) is it helping with?
Channels	What is the 'interface' with customers. How are they reached? How does the organisation enable customers to evaluate its value proposition? How does it provide support?
Customer relationships	What kind of relationship with existing customers. Are relationships driven by need to get new customers? How costly are these relationships to maintain?

business model building blocks

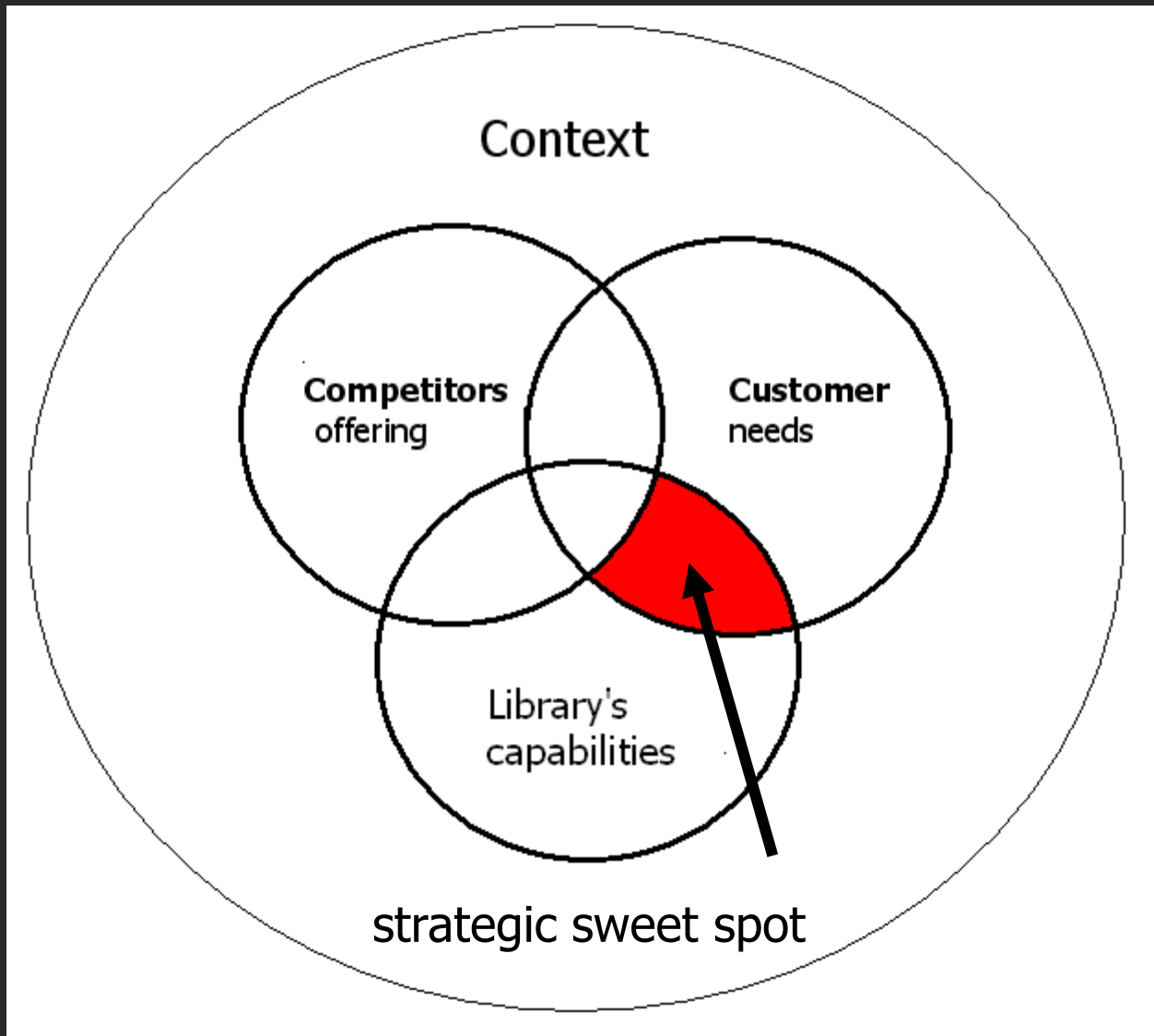
Revenue Streams	Where does the organisation get its cash from? What are the options? Subscriptions, asset sale? Licensing. Pricing options?
Key Resources	Physical, financial, intellectual or human
Key activities	The most important actions an organisation must take to operate successfully
Key Partnerships	Who are the key partners? Key suppliers? Which key resources are acquired from partners? Which key activities do partners perform?
Cost structure	Where do the costs come from? Is the organisation a 'cost driven' model or a value driven model.

thinking about two core elements

value propositions seek to solve customer problems and satisfy needs

revenue streams result from value propositions successfully offered to customers

so..... where best to focus?



navigating the perfect storm

A&SL annual seminar

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