The Entrepreneurial Library:
Innovating New Library Products and Services

Ken Chad

Director Ken Chad Consulting Ltd., London, United Kingdom

1. THE COMPETITIVE CONTEXT

Writing in Library Journal in August 2010, Eric Hellman noted: "Libraries are so valuable that they attract voracious new competition with every technological advance."[i] Back then his focus was Google, Apple, Amazon, and Wikipedia. Writing three years later his focus changed to: "Some of the start-ups that have newly occupied digital niches in the reading ecosystem". He went on to warn that: "It's these competitors that libraries will need to understand and integrate with to remain relevant." If we look beyond what are conventionally thought of as libraries, we see that the 'library' business is booming. Companies and organisations, large and small, are seeking new ways to attract customers and, as a consequence, conventional libraries are losing 'market share'.

Following on from this observation there are two related themes that I want to explore and develop. The first is around operating in an increasingly competitive environment and within that how libraries can develop strategies to respond. The second related factor is the need to continually innovate to address that competition and the importance of looking at user needs in a new way. In exploring these factors my attention is primarily on academic, especially university libraries. The key question I want to address is how can libraries become more innovative and entrepreneurial?

Amazon's mission statement begins with: "To be Earth's most customer-centric company…. "The impetus to be more and more 'customer driven' or 'consumer focused' seems almost universal and relentless. Consumerization" has taken on a specific meaning in terms of information technology. It represents the growing tendency for new technology "to emerge first in the consumer market and then spread into business and government organizations"[ii]. The consumer market is seen as the *primary* driver of information technology innovation. It wasn't always so. Indeed information technology typically focused first on the 'back end' tasks and then evolved to meet consumer needs. Banking systems are a good example of this. Library systems also evolved in this way with the public facing catalogue - "OPAC" or 'discovery service' coming along relatively late.

2. STRATEGY

So what should libraries do? This is a question about *strategy*. In his book *Good strategy, bad strategy. The difference and why it matters,* [iii] Richard Rumelt says: "Good strategy is the exception, not the rule. More and more organizational leaders say they have a strategy but they do not." There can be a lot of confusion around defining strategy. I advocate the clear thinking outlined by David Collis and Michael Rukstad[iv]. In their view strategy is **not**:

- **vision**: where the organization wants to -an indeterminate future goal
- **mission**: why the organization exists -the motivation for doing what it does
- **Values**: the underlying belief/values of the organization manifested it how it behaves.

The above are valuable of course but they are *not* strategy. According to Rumelt: "A good strategy has…a kernel [that] contains three elements: a diagnosis, a guiding policy and coherent actions." So strategy is about what organizations *do*.

He goes on to say that strategy is: 'a cohesive response to an important challenge….' Clearly then work will need to be done to understand exactly what the challenge is and this means a careful understanding and evaluation of the landscape. This is the overall 'context' and may include an understanding of issues beyond the narrow domain in which the library currently operates. There are three major components that need to be understood before an effective strategy can be developed:-

- **Competition**: Where else do customers go to meet their needs? A library will only be competitive if it is delivering products and services to its customers that are better than competitor's offering. It means understanding in what precise circumstances the library is competitive.
- **Capabilities:** there will need to be a, sometimes painful, assessment of the library's *real* capabilities and resources, rather than an overoptimistic assessment of core competencies. And it's not just about having great capabilities: they have to be the *right* ones. They will need to be relevant meeting to genuine customer needs and will set the organization apart from competitors.
- **Customers** The library will need to develop a clear understanding of its customers' needs. It will go on to identify *unique* or at least compelling ways to meet those needs.

Understanding and analyzing these elements will help frame the 'challenge' that Rumelt talks about. A useful way to develop the *strategic response* is to consider some, simple to express but hard to answer, issues that Collis and Rukstad outline as follows:-

- **Objective**: The single precise objective that will drive the organization over the next 3-5 years or so. Of course a library will pursue a number of goals but it can be very helpful to pull them together in one overriding objective. Needless to say that objective will need to be measurable.
- **Scope**: Who are the library's customers? What services and products should the library provide? Often this can be most helpfully understood by identifying what the library will *not* do: what needs it will *not* address.
- **Advantage:** This is the most critical aspect in developing an effective strategy. It means really understanding the distinctive *value* that the library brings to the customer.

Bringing these factors together will help to identify the strategic 'sweet spot.' This is where the library's capabilities meet customer needs in a way that rivals can't, given the context in which it operates. This is therefore the place where the library will get most return on its investment. It's not to say the library does nothing else. However a focus on the 'sweet spot' highlights the areas of *genuine* potential strength where it can make the *biggest* difference and add the *most* value.
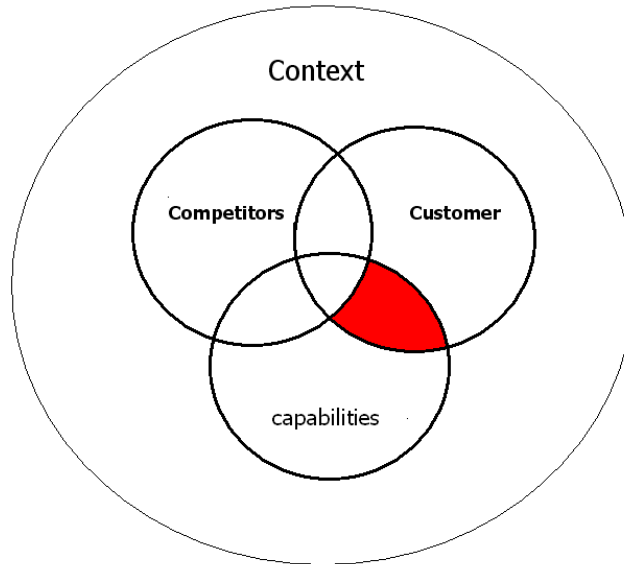

Figure 1: The Strategic sweet spot.

2. FOCUS ON THE USER

I have spent years working with libraries to review and analyze their technology infrastructures. These are typically built up over time, responding to a variety of drivers. In many cases there is a high degree of complexity involving a wide array of systems. They might include authentication and authorization, repositories of various kinds, discovery services, e-book platforms, archives as well as what get labeled Library Management Systems (Integrated Library Systems –ILS - in US parlance).   In all this complexity the voice of the end user-the student or researcher for example, can easily get lost. This problem is not unique to libraries of course. Writing in 2013, Ben Thompson noted: "The business buyer famously, does not care about the user experience. They are not the user, and so items that change how a product feels or that eliminate small annoyances simply don't make it into their rational decision making process." This 'rational' decision process is often based on a detailed specification or RFP (Request for Proposal) that is often driven by views about *processes* rather than genuine user needs.

In my view the failure of libraries and library vendors to successfully create systems that reflect genuine user needs is a major concern. The result is library technology infrastructures that are increasingly uncompetitive. Fortunately there are some pragmatic and useful tools that libraries, working with vendors and/or developers, can use to help them develop or acquire better products services.

3. THE JOBS-TO-BE-DONE APPROACH

For example the *Jobs-To-Be-Done* (JTBD) methodology is well established in the business world and is being used to create innovative new product and services. Developers themselves are also taking notice and embedding aspects of JTBD into development methodologies like Agile. JTBD is an insightful and productive way of analyzing customer 'needs'. Clayton Christensen, guru of disruptive innovation said: "Most companies segment their markets by customer demographics or product characteristics and differentiate their offerings by adding features and functions. But the consumer has a different view of the marketplace. He simply has a job to be done and is seeking to 'hire' the best product or service to do it."[v] So users don't want a library discovery service, institutional repository or an array of eBook platforms: they want to solve a *particular* problem. They want to get a job done.

Taking this 'jobs' or problem based approach provides deep insights and can help libraries design or acquire new products or services. It takes away the focus on the *process* or *function*. For example: 'I want to borrow a book' or 'I need to download a journal article,' or (from a member of library staff perspective) I need to acquire/catalogue a resource. Instead it places the focus on the actual *'job'* the user/customer is trying to get done- the real problem, they are trying to solve. *Why* does the student/researcher need a book or an article? The job to be done might be to complete an assignment or essay. Why is the librarian acquiring a resource? Asking 'why' is a key question. At the core of this approach is a deceptively simple set of questions:

- What is the problem to be solved-the 'job-to-be-done?
- Who needs to solve the problem/get the job done?
- What is the circumstance of the problem? (e.g. at home, using a tablet/mobile device)
- What is the desired outcome from getting the job done?
- What are the 'pain points' or barriers that need to be overcome?

Some jobs will be related to others. For example getting an assignment done is a step on the way to getting a degree. JTBD statements can be scored to identify the most critical ones. The really valuable aspect is its highly *structured* approach which differentiates it from simply asking customers what they want. Anthony Ulwick a key proponent argues: "Paradoxically the literal voice of the customer does not translate into meaningful inputs." [vi] The outputs from the JTBD method lend themselves to be more easily translated into structured inputs such as a *User Stories* in the Agile development process. In addition they can be used to evaluate existing solutions already on the market.

Any library related system or solution can be looked at in this way. Instead of (or perhaps alongside) judging a proposed system or solution against a set of *functional* requirements (as a typical invitation to tender (ITT) or RFP might do) the solution can be evaluated in terms of how it enables users to get their 'jobs' done. In particular it can highlight how existing offerings are not meeting important needs. This can be where libraries or service providers can create new innovative solutions.

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