

Report to / Rapport au:

**Ottawa Public Library Board
Conseil d'administration de la bibliothèque publique d'Ottawa**

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**SUBJECT: Semi-Annual Performance Measurement
Report – January – June 2015**

**OBJET: Rapport sur le cadre de mesure du rendement
semestrielle – Janvier – Juin 2015**

REPORT RECOMMENDATION

That the Ottawa Public Library Board receive this report for information.

RECOMMANDATION DU RAPPORT

**Que le Conseil d'administration de la Bibliothèque publique prenne connaissance
de ce rapport.**

BACKGROUND

The Ottawa Public Library (OPL) Performance Measurement Framework (PMF) was approved by the Board at its meeting of May 13, 2013. The framework utilizes a balanced scorecard approach with ten Key Performance Indicators (KPIs) in four categories.

The PMF is results based, focusing on strategic thought processes and analytical thinking to inform decision-making and foster an organizational culture of continuous improvement.

Data is collected through a variety of sources, including: OPL's integrated library system; the City's human resources/financial management system (SAP); and manual data gathering. The PMF focuses primarily on ratios in order to take a more strategic view when measuring the overall health of the organization's performance. While the PMF provides a consistent, repeatable method of measurement, the framework provides for a KPI review every two year period to allow for flexibility and change according to organizational needs.

The current KPIs were originally scheduled for review in the fall of 2015. The review process can provide recommendations to implement new measures under development or to re-evaluate current measures based on their contribution to providing meaningful comparisons, easily understood results, and guidance in decision making. OPL Staff are participating in a City exercise to review performance measurement. As such, the internal review of current measures will be postponed pending the outcome of the exercise and determination of how best to position OPL's performance indicators.

DISCUSSION

This report reflects results from the first measurement period (i.e. January-June 2015). During the period from January-June 2015, the OPL saw performance improvements across electronic usage services such as downloadable media and streaming content, increased wireless internet, and database usage. Significant factors affecting performance during Q1 and Q2 of 2015 include:

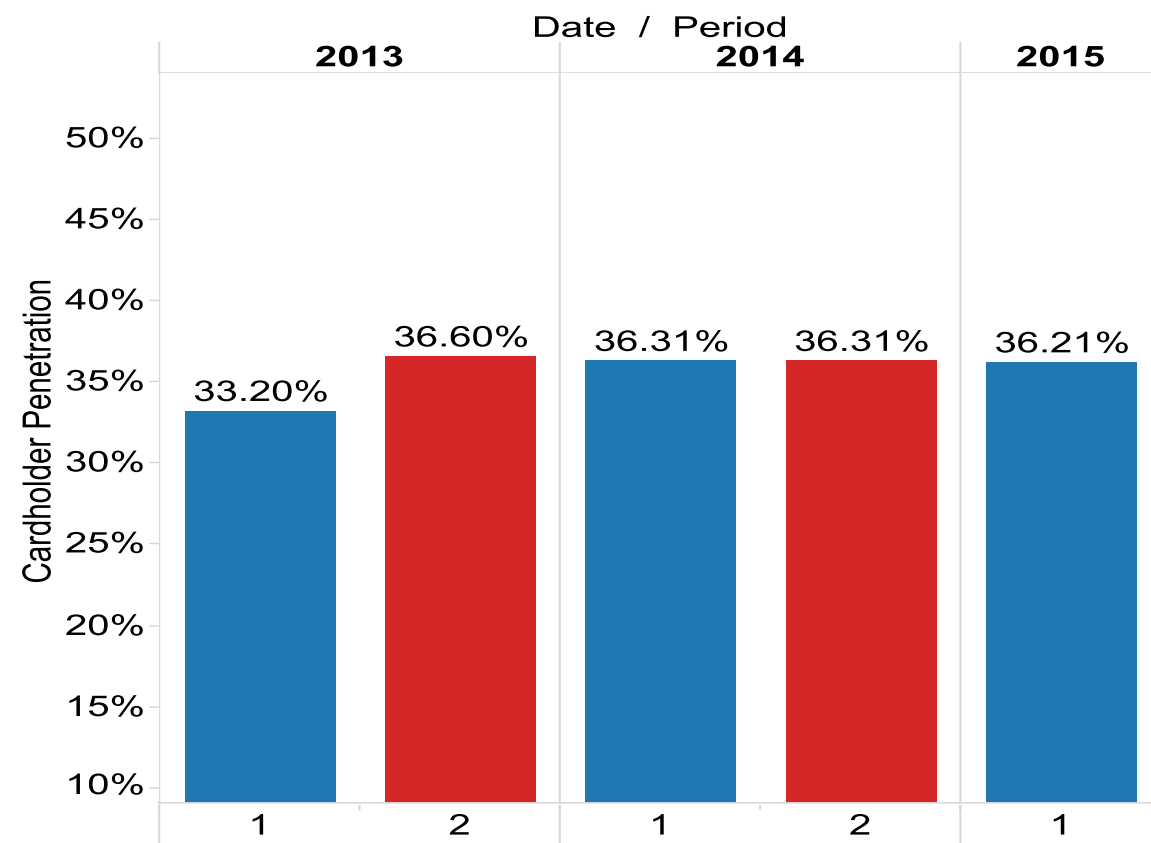
- Enhanced supply of streaming services and increased use of electronic materials such as Access Video on Demand (AVOD), Freegal, and Hoopla,
- Reduced RFID-related branch closures as a result of improved project planning, and;
- The re-opening of the Beaverbrook branch which was closed for the same period in 2014.

1. Customer Satisfaction

Customer Satisfaction is gauged by three measures:

- (CS1) Three-year Active Card Holder Penetration;
- (CS2) Total Circulation, and;
- (CS3) Electronic Visits

CS1. Cardholder Penetration



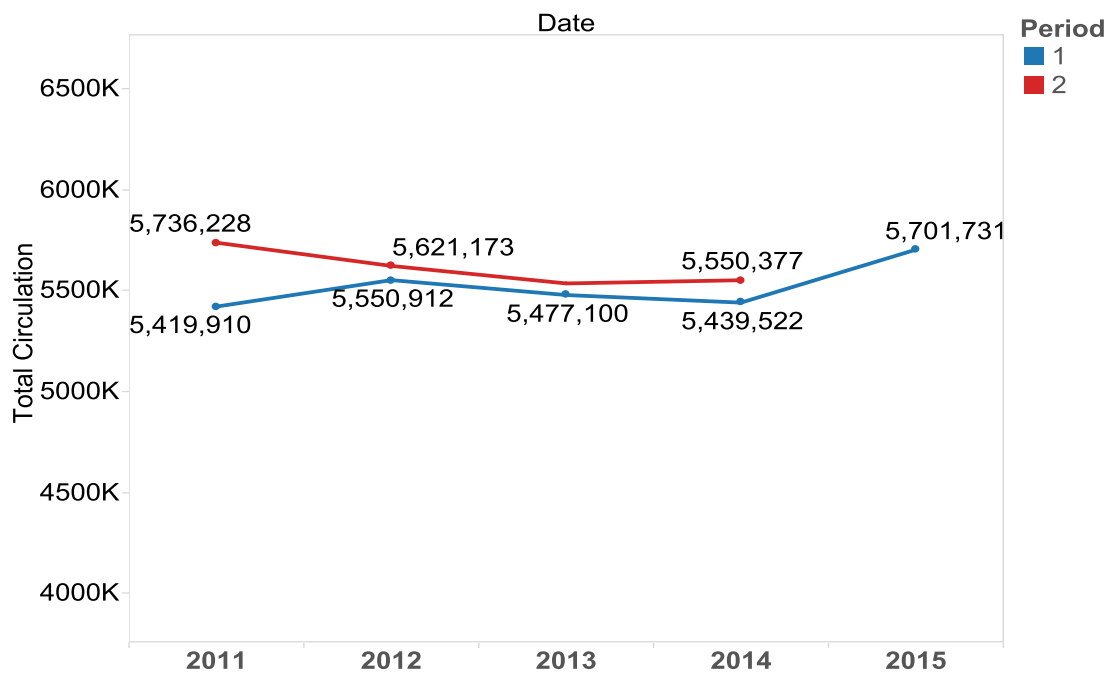
[Cardholder penetration represents the number of active card holders in the last three years, divided by the city's population.]

An active card holder is defined as a customer, who during the last 3 years, updated their card, borrowed, renewed, or returned library material; was issued and/or paid a fee or fine; reserved library material or a computer; registered for a library program; or logged onto their account via the library's virtual branch and/or catalogue. Population figures are provided by the City's Planning & Growth Management Department. The population figure for the January-June 2015 calculation is 951,727.

Cardholder penetration has been relatively flat since the summer of 2013. Between January and June 2015, OPL achieved a cardholder penetration rate of 36.21%,

showing a slight decrease from same period in 2014. While the count of active users increased, it did not exceed new population growth estimates.

CS2. Total Circulation



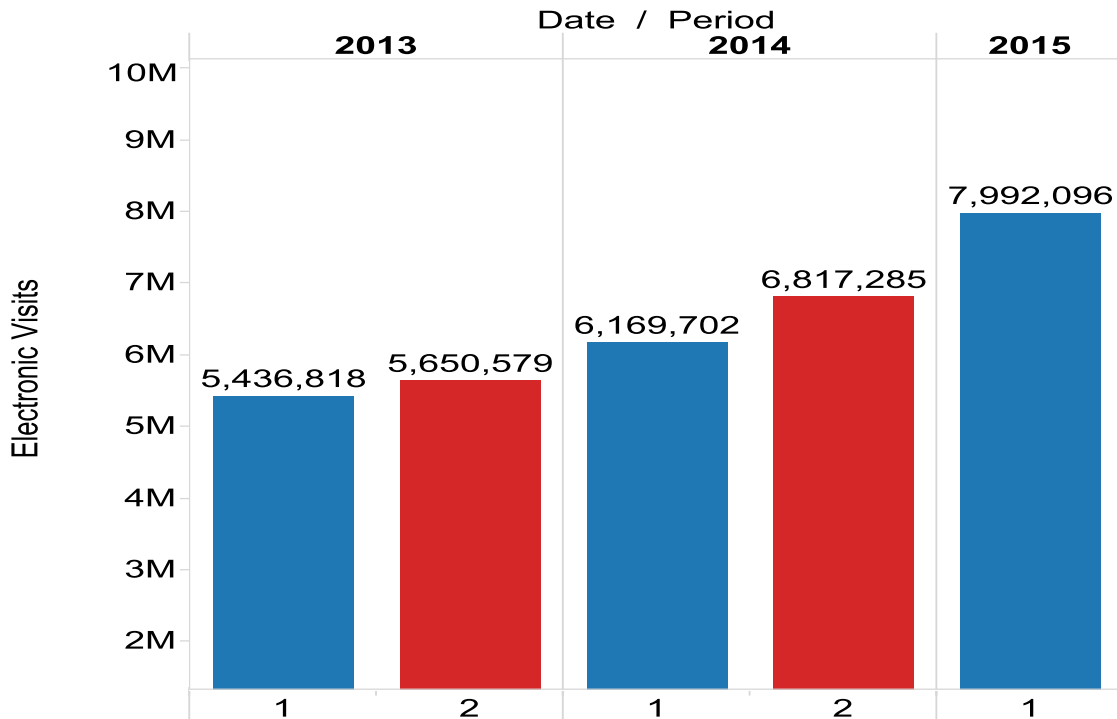
[Total circulation encompasses first-time circulation, renewals, streaming services and digital downloads. Digital downloads are comprised of Overdrive, Zinio, Freegal, and MaBiblio. Streaming services are comprised of Freegal, Hoopla, Naxos, and Access Video on Demand (AVOD)]

Total circulation is a reflection of the accessibility of materials and the ease with which customers can borrow materials, including holds placed throughout the system. Circulation also demonstrates the relevance of our collections in meeting our customers' wants and needs. Seasonal trends occurring during late summer and early fall account for greater circulation on average during Q3 and Q4 when compared to the first two quarters of each year.

From January to June 2015, OPL saw an increase in circulation when compared to the same period in 2014. The addition of new streaming services, Hoopla and AVOD in late

2014 and early 2015 respectively, have resulted in the strongest measurement results in recent history.

CS3. Electronic Visits



[Electronic visits are counted when customers access the library's website, catalogue, and databases through network or wireless means.]

In 2014, changes in the public computing infrastructure led to the adoption of more inclusive and representative tracking methodology. Definitions were re-evaluated in 2014 to ensure that usage of all electronic platforms was included in the usage count.

From January-June 2015 there was a 29.5% increase in the number of electronic visits when compared to the same period in 2014.

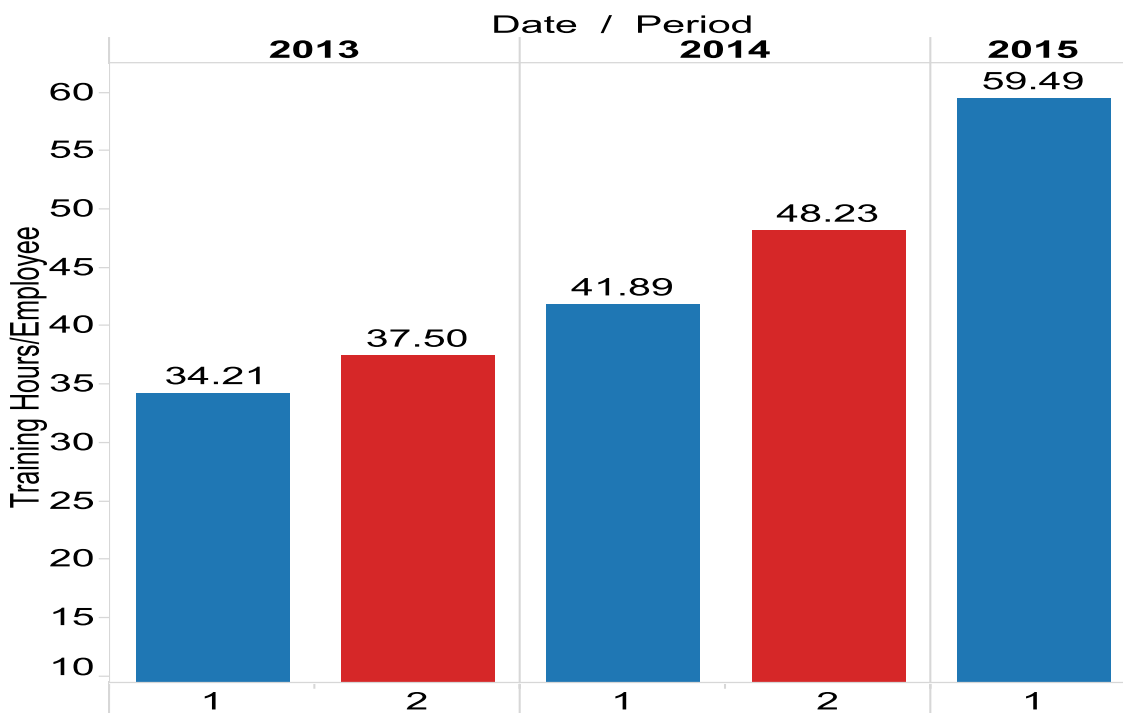
The historical and anticipated future growth of electronic services offered by the OPL and other public library systems throughout Canada serves to support further investment in, and expansion of, e-service channels.

2. Employee Development and Engagement (EDE)

The OPL collects data for two key performance indicators that address employee development and engagement:

- (EDE1) Training Hours per Full-Time Equivalent, and;
- (EDE2) Employee Turnover Rate.

EDE1. Training Hours per Full-time Equivalent

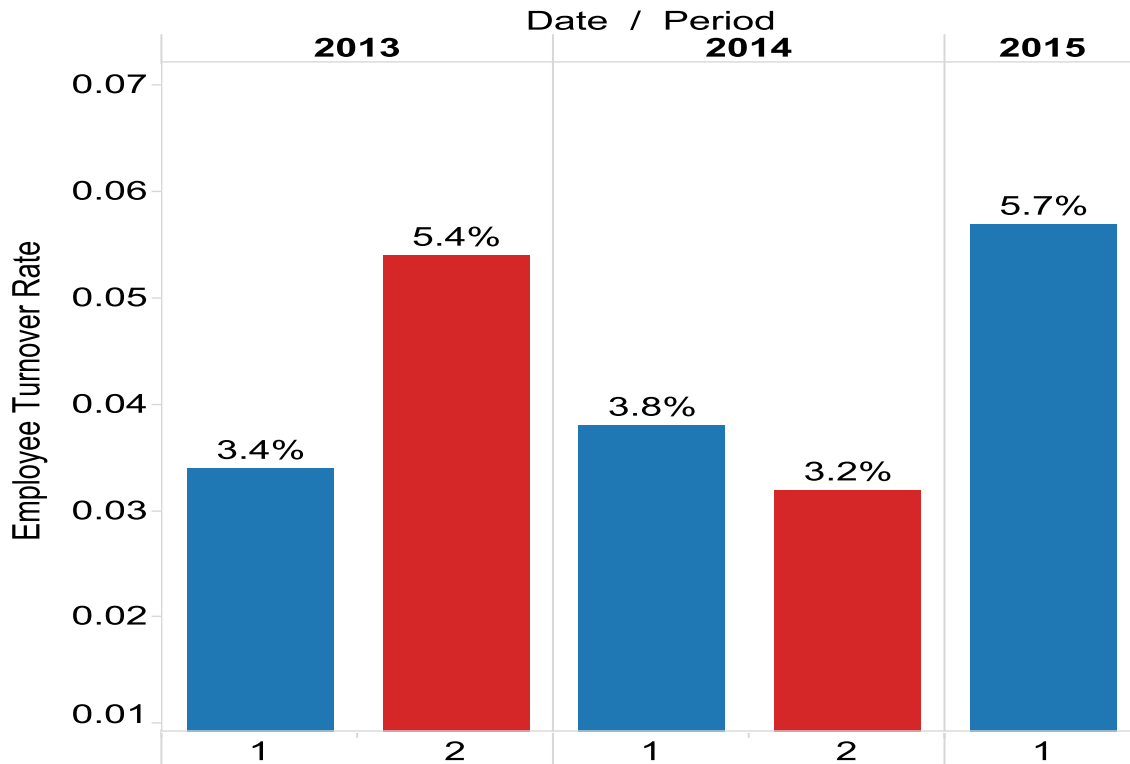


[Training hours per full-time equivalent represents the number of training hours offered during the measurement period divided by the number of full-time equivalents.]

A full-time equivalent (FTE) consolidates the number of full-time, part-time, and casual employees in a more standard manner. At the OPL, one FTE represents 1,820 hours worked per year. Typically, as a result of this consolidation, the number of FTEs is less than the actual number of employees. Full-time equivalents are used instead of a head count in order to provide consistency across measurement periods. Training includes participation in online and in-class training programs offered by the OPL as well as the City of Ottawa.

Other initiatives such as an increased focus on Cash Handling and Payment Card Industry (PCI) awareness training and the adoption of mandatory training for New Supervisors and Managers also contributed to the 21.3% increase for the period.

EDE2. Employee Turnover Rate



[Employee turnover rates indicate the number of employees who left the organization over the course of the measurement period divided by the total number of employees (head count) as of June 30th 2015.]

OPL enhanced its training efforts in the first measurement period of 2015. A concerted effort was made to deliver Think Yes! Training to all employees who had yet to take the training prior to the end of June. This core training focuses on OPL's service philosophy called Single Point of Service (SPOS), where the customer is always the focus of service. Unlike the previous measure, employee turnover rate utilizes head count as the denominator instead of FTE count. This better reflects the impact of causal and part-time staff transactions (students and older adults in the workforce).

It is normal for the OPL to see a 6% turnover rate with fluctuations of plus or minus 2%. For this measurement period the employee turnover rate was 5.7%.

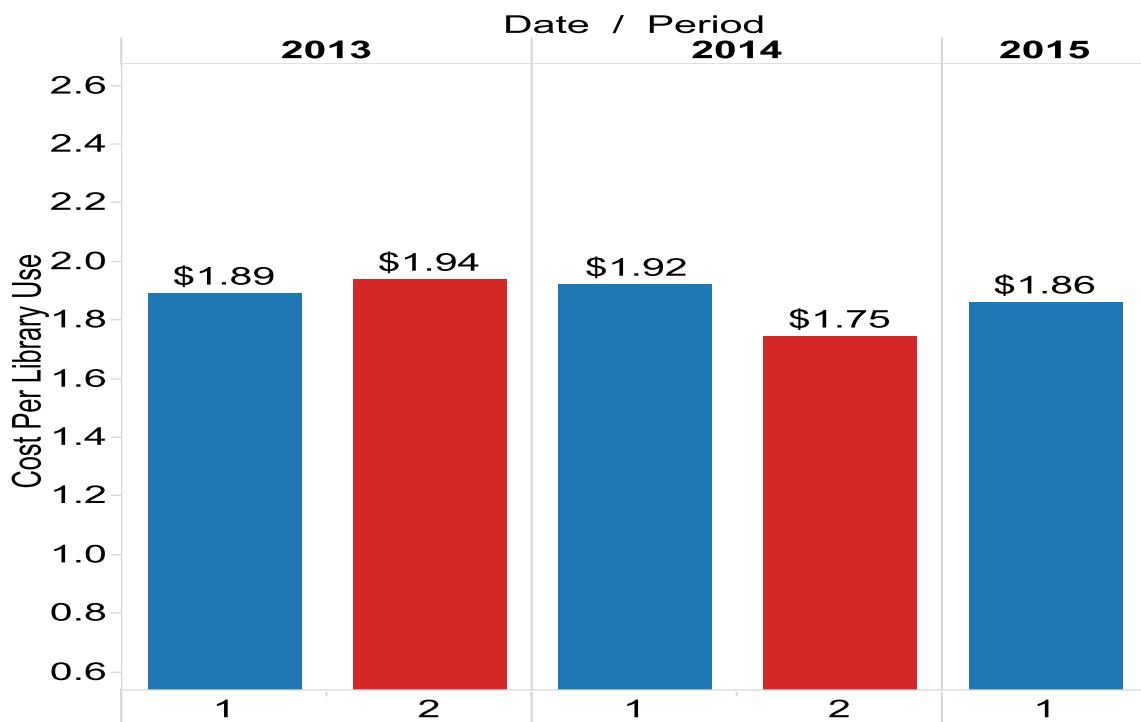
3. Finance (F)

The organization's financial health is measured by the following two metrics:

- (F1) Operating Cost per Capita, and;
- (F2) Operating Cost per Library Use.

In these measures, cost is defined as all costs associated with the day-to-day operation of the OPL.

F1. Operating Cost per Library Use

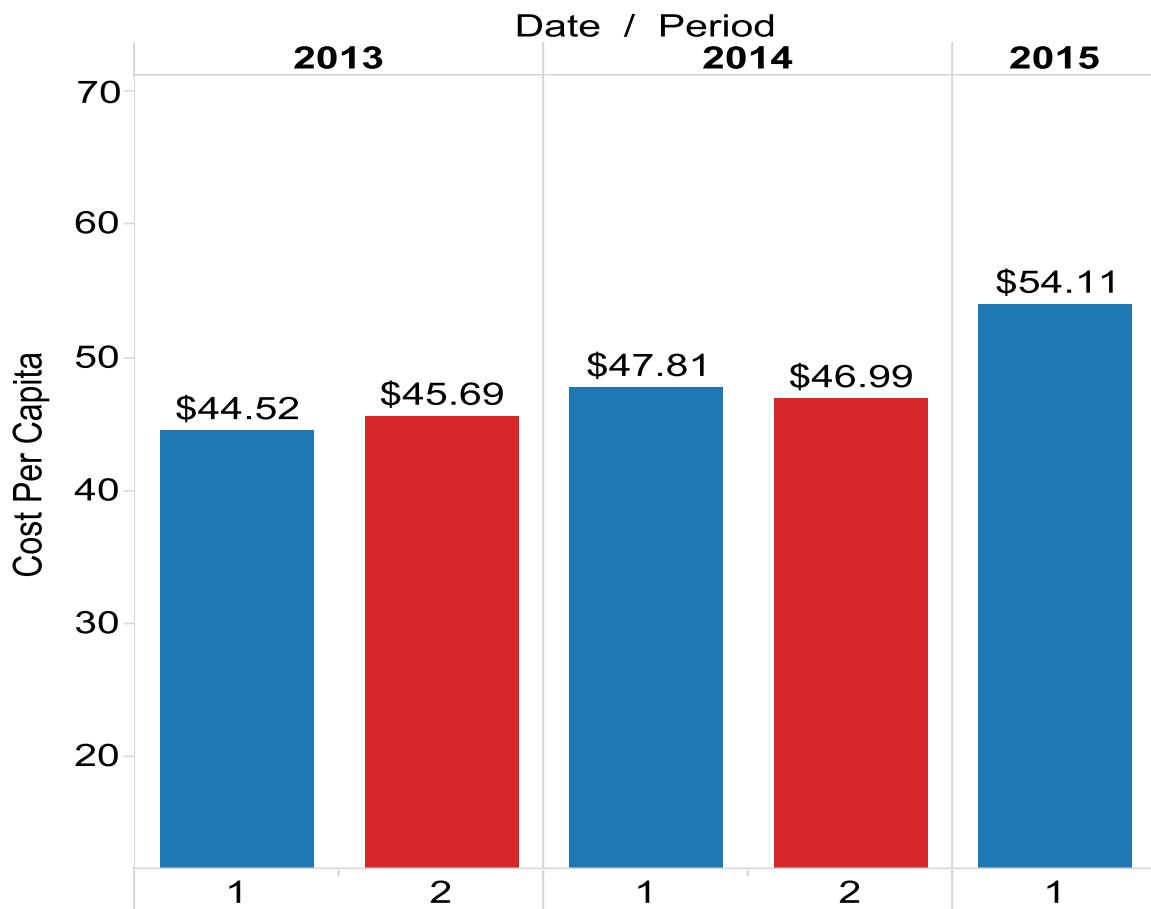


[Cost per library Use measures the ratio between operating costs divided by the total number of library uses during the measurement period.]

Library Use is comprised of total circulation, program attendance, and electronic visits. Cost per Library Use provides a financial picture in terms of people using the library.

From January-June 2015 there was a -3.1% change in the cost per library use when compared to the same period in 2014 and an increase of \$0.11 per use over the last measurement period. The Pay Equity Tribunal decision in Q1, and subsequent pay-outs and adjustments to salary scales in Q2, have elevated the result of this measurement. The Q2 financial reports brought to the Board in September of this year further support the reason for this increase.

F2. Operating Cost per Capita



[Operating cost per capita measures the ratio of total operating costs for the measurement period divided by the City's population.]

This measure shows the extent to which the operating budget is growing over time to meet the demands of an increased population. The measure is also an indication of cost controls within OPL operations and portrays the relationship between population and budget growth.

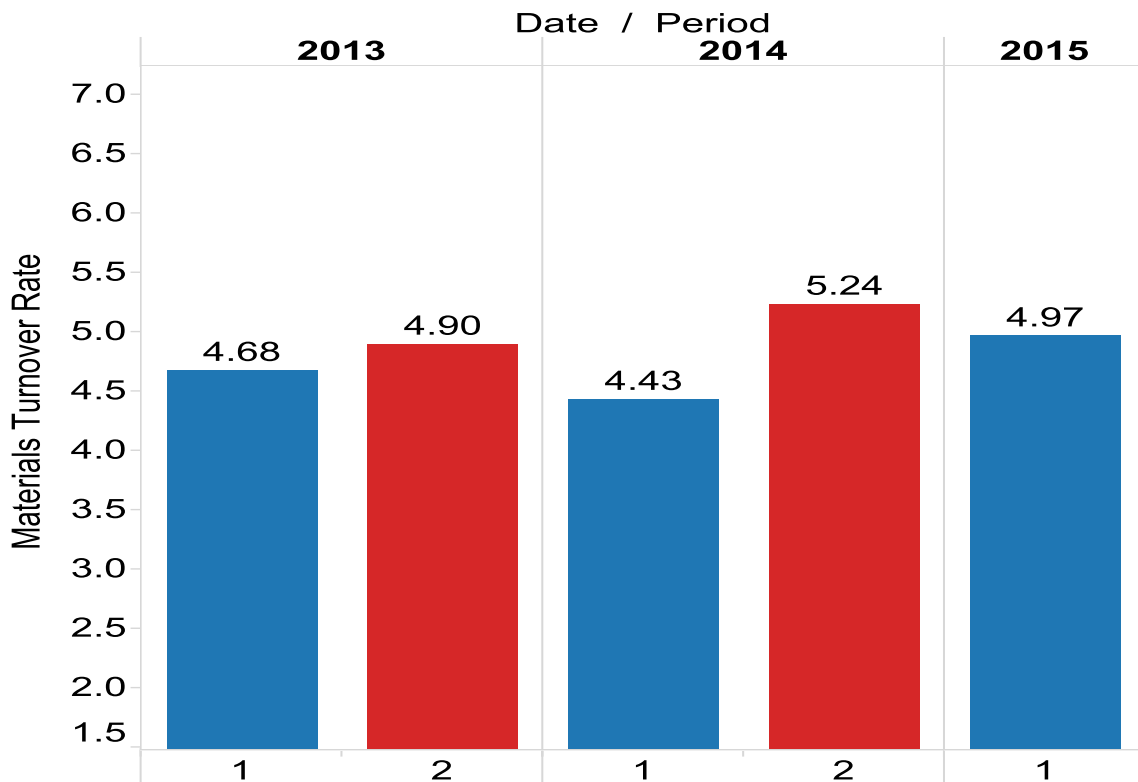
Period 1 2015 results indicate a 15% increase in cost per capita when compared to Period 2 of 2014, and a 13% increase compared to the same period in 2014. It is clear that the \$1.64M pay out resulting from the Pay Equity Tribunal (PE) decision in Q1 impacted this measure.

4. Operational Effectiveness (OE)

Operational Effectiveness is assessed using three measures:

- (OE1) Materials Turnover Rate;
- (OE2) Materials Average Supply Time, and;
- (OE3) Program Fill Rate.

OE1. Materials Turnover Rate

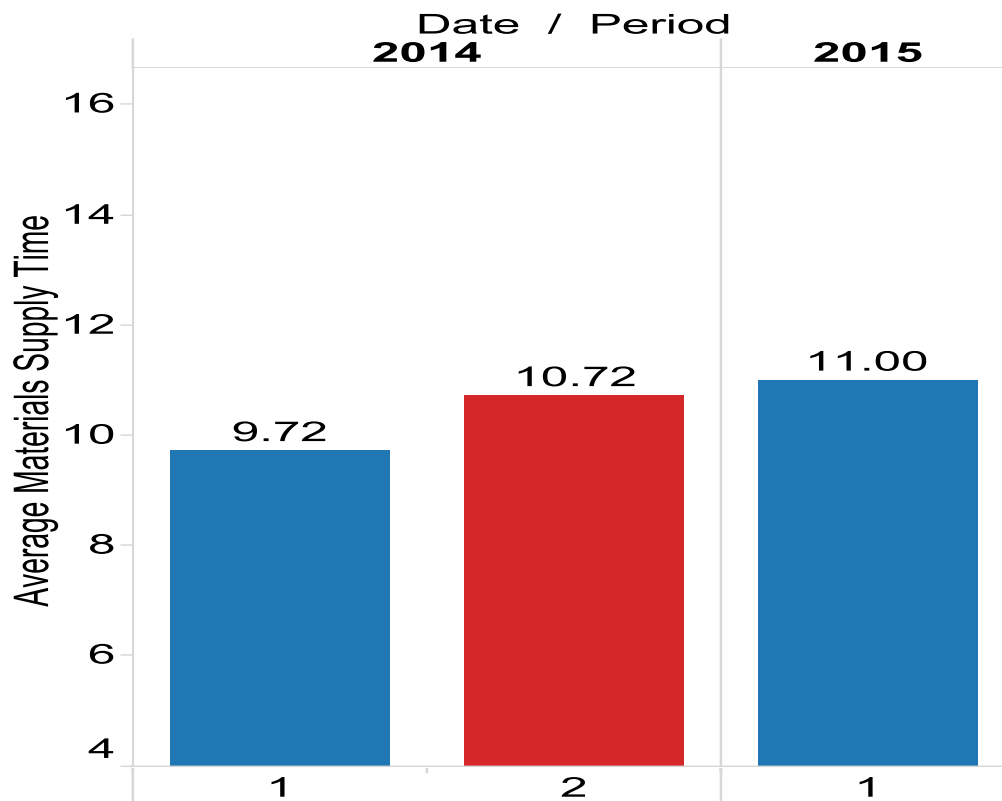


[Material turnover is calculated by dividing circulation results for the measurement period by the number of items in the collection.]

A turnover rate of 4.00 or higher is indicative of a healthy collection, signifying effective selection of materials that are relevant to customers.

As of June 30, 2015, materials turnover was 4.97, an increase of 12% compared to the same period in 2014. Factors impacting this measure include the reopening of the Beaverbrook branch, the implementation of an aggressive weeding campaign to rid the Library of less frequently circulated materials and increased marketing of collections through displays and social media.

OE2. Average Material Supply Time



[Average materials supply time measures the average time in days it takes from "time of order" to "available for circulation" of a physical circulating item.]

The average physical material supply time for the first full measurement period for this indicator (January to June 2015) is 11.00 days.

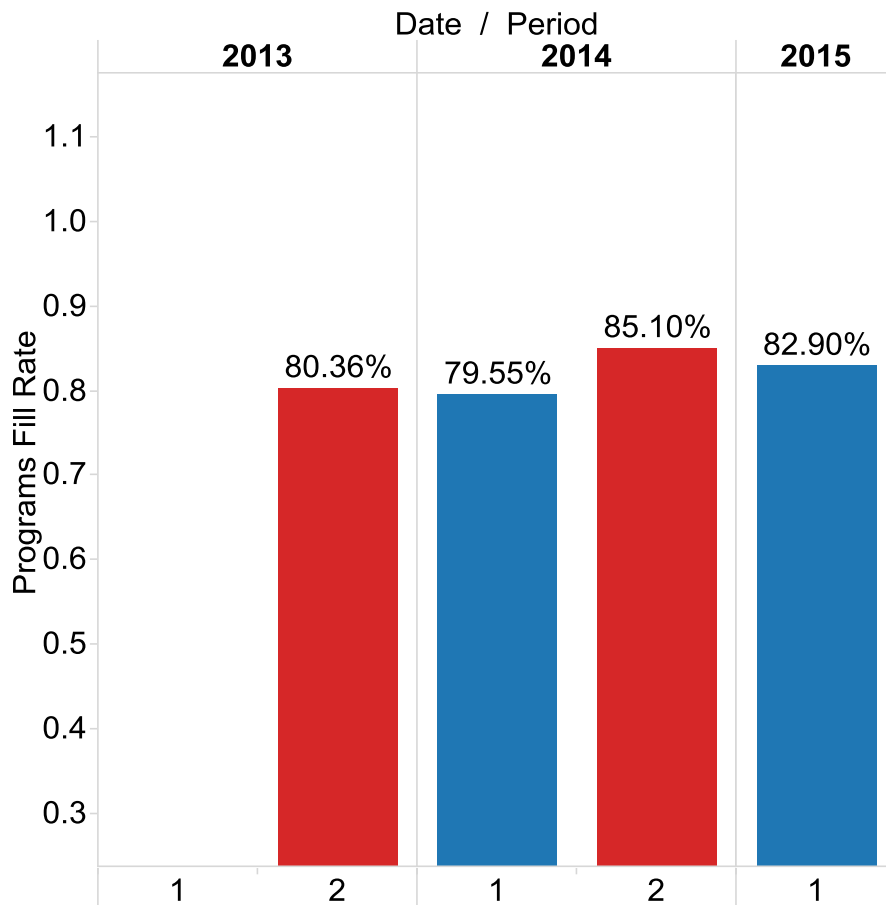
The decline in this measurement period (or additional days to supply) is attributed to two primary factors:

1. The adoption of Resource, Description, and Access (RDA) practices, a new cataloguing methodology being introduced across North America that is better suited

to a digital environment. The implementation of RDA required the development of new procedures and training.

2. An increased number of vacancies in Content Services due to retirement and the additional time required to on-board or train new employees in the completion of new procedural methodologies.

OE3. Program Fill Rate



[Program fill rate represents the number of people who attended a library program at a library facility divided by the number of total spaces available in the program.]

This measure does not include outreach initiatives or large-scale marquee events where pre-registration is not required. Measurement for program fill rate began July-December 2013.

For the period of January-June 2015, OPL achieved an 82.90% fill rate. Factors such as fewer branch closures and service interruptions beyond Library control (i.e. power outages) likely contributed to this results improvement when compared to the same period last year.

CONSULTATION

There were no public or external consultations in preparation of this report.

LEGAL IMPLICATIONS

There are no legal implications associated with this report.

RISK MANAGEMENT IMPLICATIONS

There are no risk management implications associated with this report.

FINANCIAL IMPLICATIONS

There are no financial implications associated with this report.

ACCESSIBILITY IMPACTS

There are no financial implications associated with this report.

TECHNOLOGY IMPLICATIONS

There are no technology implications associated with this report.

BOARD PRIORITIES

This report complies with the Board-approved reporting framework for performance measurement.

DISPOSITION

Measurement activities commenced as of January 1, 2015 with a requirement to collect all necessary information as required by the PMF. The next measurement period, (Period 2, 2015) will close on December 31, 2015 with the next PMF report to be brought to the Board in April, 2015. KPIs will be reviewed in the same time period in conjunction with the City exercise.