

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 – July - December 2020

**OBJET: Cadre de mesure du rendement semestrielle – Juillet à décembre
2020**

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 d'Ottawa prenne
connaissance de ce rapport à titre d'information.**

BACKGROUND

The Ottawa Public Library (OPL) Board approved the inaugural Performance Measurement Framework (PMF) at its meeting in May 2013 (Board Report # OPLB 2013-0052). The PMF ensures that Key Performance Indicators (KPI) are reviewed and re-aligned each term of the Board, with the organization's Strategic Plan and industry best practices. In June 2019, the Board approved a new Strategic Plan with one overarching statement: "By 2023, we will increase the number of active cardholders by 25 percent by improving OPL's community relevance."

Following the adoption of the new Strategic Plan, and in accordance with the PMF, on February 11, 2020 the Board approved an updated list of KPIs. The new indicators introduce a focus on customer and employee experience as key influencers in the customer's journey to becoming an active cardholder.

The PMF monitors four employee (E) and four customer (C) KPIs on a semi-annual basis. The list below identifies the specific measures in alignment with OPL's 2020-2023 Strategic Directions and highlights important customer and employee trends. All of the KPIs are new, except for "Total Twelve-Month-Active Cardholders (C2)":

- Redesign Library Experience

C1. Cardholder Growth Rate (Customer Experience)

C2. Total Twelve-Month-Active Cardholders (Customer Experience)

- Build Capacity

E1. Average Applicants per Job Posting (Employee Experience)

E2. Employee Turnover Rate (Employee Experience)

E3. Active Cardholder to Full-Time Equivalent Ratio (Employee Experience)

E4. New Employee Referral Ratio (Employee Experience)

- Promote OPL's Value

C3. Economic Benefit per Cardholder (Customer Experience)

C4. New Cardholder Referral Ratio (Customer Experience)

Measurement groups (C1-C4 and E1-E4) comprise a strategic view of important facets of customer and employee journeys. Customers and employees are central to the Library's Vision and Mission, and the focus of the new set of KPIs. This information is necessary to inform strategic decision making and marks a shift away from traditional Library metrics. Additional background information about the KPIs is available in the February 11, 2020 Board report (OPLB-2020-0202) which has been included in the supporting documentation.

Indicators C1 and E1 represent early touch points in the customer and employee experience. Both KPIs focus on activation and acquisition to assist in evaluating if OPL is attracting new customers and employee candidates. Understanding changes in these measures can inform decision making as the Library redesigns the experiences of customers and employees and builds capacity. “Cardholder Growth Rate (C1)” measures the activation of new memberships as a percent change in comparison to the same period in the previous year. “Average Applicants per Job Posting (E1)” provides critical information about the acquisition of OPL candidates based on job postings.

Once visitors and candidates become employees or cardholders, monitoring retention becomes critical to ensure that OPL retains valuable skills and knowledge on the employee side and continues to provide valuable public services to customers. “Total 12- Month Active Cardholders (C2)” includes any customer who used online resources or physical services at least once in the previous 12-month period. “Employee Turnover Rate (E2)” provides an indication of whether permanent employees leave within a period of less than two years (referred to as regrettable turnover).

As customers continue to use services, economic benefit is created for the cardholder, community, and residents. Economic benefit is the estimated value generated through programs, activities, and services. Direct benefit is value created by the usage of free services provided by OPL in lieu of paid alternatives. Indirect benefit is value created through spending by OPL staff; that is, employee spending of wages at local shops and services, creating jobs and additional economic value. “Economic Benefit per Cardholder (C3)” focuses only on the direct added value customers receive. The measure accounts for traditional usage statistics related to the benefits of card membership (access to collections, registered programming, and online resources). Measure C3 is reported annually with the refresh of the economic benefit report.

Growth in memberships and evolving and innovative services require adaptive staffing models. Shortages in staffing can lead to longer wait times or fewer service offerings, and decrease customer and employee satisfaction. “Active Cardholder to Full Time Equivalent Ratio (E3)” helps OPL understand whether staffing models are responsive to changes in the active cardholder base. The measure looks at the Total 12-Month Active Cardholder figure as a ratio of staffing Full Time Equivalent positions.

Customers and employees who stay with OPL, and who typically derive benefits from services, often promote OPL's value by word of mouth. It is important to confirm

whether new cardholders or employees were referred to OPL from someone who used the Library, as referrals can be an indicator of satisfaction and efficiency, and link directly to the creation of new 12-Month-Active Cardholders. “New Cardholder Referral Ratio (C4)” and “New Employee Referral Ratio (E4)” track the percentage of customers and employees that were created based on the referral of an OPL customer or employee, respectively. Both measures required the creation of new data collection methods which began in Period 1 2020. The first results for these measures are presented in this report.

DISCUSSION

Period 1 2020 (January-June) was the first reporting Period for the new Strategic Plan and KPIs. During Period 2 2020 (July – December), the Coronavirus pandemic continued to affect the delivery of in-person library services, as the organization slowly recovered from branch closures earlier in the year. In addition, with part-time employees returned to work from Declared Emergency Leave, OPL resumed internal and external recruitment. Despite this slow recovery, and in accordance with recommendations presented in the Semi-Annual Performance Report for Period 1 2020 (OPLB-2020-1006), it is not recommended that Period 2 2020 results be used for long-term benchmarking of normal Library operations.

In the second half of 2020, Bookmobile, Inter-Library Loans, and 19 additional OPL branches (for a total of 28 branches) offered modified services in compliance with Provincial and Municipal Public Health recommendations. The reopening of branches increased the total number of open branches / services available compared to Period 1.

The multi-staged reopening of branches and services in Period 2 occurred on the following dates:

- July 13 (6 Branches);
- July 16 (Inter-Library Loans)
- July 27 (5 Branches and Rosemount Temporary Location);
- August 17 (4 Branches and Bookmobile); and,
- November 16 to December 3 (4 Branches).

In total, OPL’s open hours increased by 8% in Period 2 2020 when compared to Period 1 2020. Despite the increase in total hours, Period 2 did not see a return to pre-pandemic hours of operation (a difference of 55%). Pre-pandemic operational periods

also provided the opportunity for outreach and additional in-branch services which reinforce regular customer usage trends. As a result, modified usage trends during Period 2 continue to impact customer KPI results.

It is important to note that service usage, when analyzed in terms of usage per available hours of opening increased in some cases compared to pre-pandemic periods. This result provides some indication that OPL services were well-utilized and valued by many residents despite the restrictions and lower overall usage volume. The appreciation of the Library was also communicated by customers who completed the online survey about branch services and by the public on social media throughout the second half of the year. In addition, OPL continued to increase its offer of online programs and events. More than 600 online events yielded more than 30,000 attendees and an additional 48,000 post-event views in 2020.

Measurement Results

The following identifies the results for each KPI in the measurement period with relevant context. Results are summarized in Appendix 1 for Period 1 (January-June) and Period 2 (July-December) from 2017 to 2020. Appendix 2 displays the most recent results for each KPI. Measures that are not available are marked with 'N/A'. In the case of measures “New Cardholder Referral Rate (C4)” and “New Employee Referral Ratio (E4)”, historical data is not available. Measure “Economic Benefit per Cardholder (C3)” is reported annually and is listed under Period 2. Results for measures C3, C4, and E4 are now available for Period 2 2020.

Cardholder Growth Rate:

New memberships and 'Cardholder Growth Rate (C1)' decreased by 81.67 percent in comparison to Period 2 2019, continuing the trend set in Period 1 at the onset of the pandemic. The drop since Period 2 2019 can be largely attributed to the number of closed branches, the unavailability of in-person activities, reduced opening hours and access to computers, and limited services compared to normal operational periods. For further context, the current OPL online registration system only issues temporary library cards. Permanent cards must be obtained in-person; the reduced availability of open branches and hours limited the opportunity to access in-person card membership services during this Period. In addition, restrictions on gathering limits, reduced staffing levels, and loss of meeting room spaces during the Period resulted in modified

community outreach activities and special branch programming associated with initiatives like the TD Summer Reading Club. In-person outreach programs and special events have proven to be a driving force for new cardholder creation. These activities have historically been offered in higher numbers during the summer and as school restarts in the fall, when OPL typically sees its highest growth in new memberships.

12-Month Active Cardholders:

During Period 2 2020, '12-Month Active Cardholders (C2)' decreased by 12 percent in comparison to Period 2 2019. The provincial restrictions regarding capacity and gathering limits resulted in a decrease in physical library services such as browsing/borrowing, wireless and PC usage, and the elimination of in-person program offerings. Each of these contributed to the reduction for users of physical services. The moderate decline of total active cardholders was partly ameliorated by the growing popularity and availability of online resources, the consistent provision of Homebound services, and targeted community engagement by branch staff. In 2020, OPL witnessed a significant increase in the usage of online resources and, notably, online French language resources. French e-Audio more than doubled and French e-Book usage increased 63 percent. Overall, most online resources saw double digit growth with a 44% (more than 8000) increase in the number of cardholders accessing OPL databases. The increased usage of online resources was supported through the creation of temporary cards and 1:1 tutorials that provide help with accessing online resources. OPL saw increased growth of 25% more temporary cards during Period 2.

Economic Benefit per Cardholder:

This is the first performance report to feature the "Economic Benefit per Cardholder (C3)" indicator. During Period 2 2020, the benefit per cardholder was \$286.55. This represents a 49 percent decrease from 2019 (\$498.44). The 2019 result shows that during a normal operational period (pre-pandemic), a library cardholder can expect to obtain almost \$500 in economic benefit based on averaged usage of library services requiring a library card. The Period 2 2020 result clearly indicates the impact of mandated closures and adjusted in-person service offerings during the pandemic.

Economic benefit for a given cardholder will vary depending on their usage pattern. On average, 90 percent of the benefit is derived from borrowing physical books and other items in the library collection. Despite provincial legislation permitting the circulation of

materials throughout most of the pandemic, the total circulation remained significantly lower than normal, thereby impacting the economic benefit. The remaining benefit is allocated between programming and technology in accordance with trends observed in OPL's first economic benefit report. Table 1 below shows physical and all other item figures that are used to calculate the Economic Benefit per Cardholder result.

Table 1 – Representative figures for the Economic Benefit per Cardholder for physical items

Year	Circulation of Physical Items	Value from Physical Items (Numerator)	Active Cardholder (Denominator)	Benefit per Active Cardholder (Physical)	Benefit per Active Cardholder (All others)	Benefit per Active Cardholder
2019	9737810	\$107,174,116	244,336	\$438	\$59	\$498
2020	5099675	\$50,034,808	214,241	\$233	\$53	\$286

During 2020, the value derived from the use of physical materials and other services declined; physical items by 47 percent, and programming and technology by 11 percent. Taken in context, the comparators to 2019 show the critical importance of virtual programming and online products such as e-books, and databases. As the inventory and usage of online resources increased in 2020, their contribution toward the Economic Benefit grew by more than 35 percent. Additionally, the effort to recover from early 2020 closures with individually planned waves of branches re-opening throughout Period 2 prevented a larger decline in physical circulation and the Economic Benefit per Cardholder KPI.

In Period 2 2020, more than 61 million dollars (discounted by 40 percent) in direct benefit is estimated to have been created for more than 214,000 active cardholders.

New Cardholder Referral Ratio:

This is the first performance report to include the "New Cardholder Referral Ratio (C4)". Data collection for the measure began in July 2020. During Period 2 2020, the new cardholder referral ratio was 18.96 percent. Considering the pandemic and limited available data, it is too early to draw strong conclusions from this measurement. As additional measurement periods are recorded, stronger evidence and trends should become more evident.

Average Applicants per Job Posting:

OPL resumed active employee recruitment during Period 2 2020 following a temporary hiring suspension during the extended branch closures. During Period 2 2020, the “Average Applicants per Job Posting (E1)” was 78.0. Results for the measurement period were slightly higher than the Period 2 2019 result of 72.89. Results for this period demonstrate strong interest in positions with OPL, which ranged from in-branch positions to other supporting roles within the organization. OPL strives to offer a variety of positions that attract new talent which was reflected in the results.

Employee Turnover Rate:

“Employee Turnover Rate (E2)” results were stable in Period 2 2020 compared to Period 2 2019. Regrettable employee turnover, as a sub-category of turnover, is low at the Library and occurs most frequently in entry-level positions. Monitoring regrettable employee turnover is important to see the potential impact of large organizational changes and environmental factors on job satisfaction and tenure at OPL.

Active Cardholder to Full-Time Equivalent Ratio:

The decrease in the “Active Cardholder to Full-Time Equivalent Ratio (E3)” was predominantly the result of fewer 12 Month-Active Cardholders. Full-Time Equivalent (FTE) measures remain stable year-to-year when compared to other HR measures such as head count. As services are restored and cardholder counts change, this measurement should provide additional information regarding building internal capacity.

New Employee Referral Ratio:

The April 2021 Semi-Annual Performance Report is the first report to include the “New Employee Referral Ratio (E4)”. Data collection for the measure began at end of Period 1 2020. The result for this measure during the period was 3.2 percent. Initial results highlight the importance of external promotion of OPL as an employer. External promotion can include career fairs, as well as other channels such as social media. Research has shown that there are benefits to increasing the number of employee referrals, as these new employees tend to demonstrate a higher level of retention. Due to the restrictions imposed by the pandemic, OPL and many other organizations were unable to conduct external recruitment awareness through traditional channels. In the future OPL is committed to participating in online and virtual recruitment processes.

Summary

During the measurement period, the Coronavirus pandemic challenged public libraries around the world and affected OPL customers and employees. The impacts of the pandemic and resulting Provincial orders are reflected in the results for Period 2 2020. While turnover and recruitment results returned to near pre-pandemic levels, impacts on measures related to the customer journey remained below “normal” levels. It is anticipated that most customer-related measures will improve as the pandemic conditions recede. Despite continued challenges, the Vision, Mission and Strategic goals, and the purpose and approach to performance measurement, remain relevant.

CONSULTATION

Internal consultations were conducted to determine compensatory actions taken by staff considering the pandemic. Actions were designed to improve services and measurement results through the introduction of virtual programming and increased e-content inventory. These responses highlighted customer appreciation of continued efforts in keeping library services available and relevant during the pandemic.

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 accessibility impacts associated with this report.

TECHNOLOGY IMPLICATIONS

There are no technology implications associated with this report.

BOARD PRIORITIES

This report is prepared in compliance with OPL Board Policy OPLB-0010 CEO Reporting and Board Monitoring.

SUPPORTING DOCUMENTATION

Appendix 1 KPI Summary Tables

Appendix 2 KPI Charts

Appendix 3 2020 Board report (OPLB-2020-0202) – Key Performance Indicators
2020-2023

DISPOSITION

In October 2021, staff will report on the results of Period 1 2021. Measurements for KPIs not available in this report will be included to varying degrees depending upon the services provided amid the pandemic.