

Report to / Rapport au:

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

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Submitted by / Soumis par:

Monique Désormeaux, Deputy Chief Executive Officer / Directrice générale adjointe

Contact Person / Personne ressource:

*Matthew Pritz, Manager, Finance and Business Services, Chef de service, Services des affaires et entreprises
(613) 580-2424 x 12727 Matt.Pritz@BiblioOttawaLibrary.ca*

File Number: OPLB-2016-0146

SUBJECT: Semi-Annual Performance Measurement – July - December 2015

**OBJET: Rapport sur le cadre de mesure du rendement
semestrielle – Juillet - Décembre 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 in May 2013. The framework utilizes a balanced scorecard approach with 10 key performance indicators (KPIs) in four categories.

The PMF monitors performance through the measurement of inputs and results. It provides quantitative information about the operating environment of the corporation to enhance strategic thought processes and inform decision making.

Data is collected through a variety of sources, including: OPL's integrated library system, the City's Human Resources department, the financial management system (SAP), and manual data collection. The PMF uses a variety of measurements in order to take a holistic view of the overall health of the organization's performance.

DISCUSSION

This report reflects results from the second measurement period (July-December, 2015). During this period, the OPL saw performance improvements for the majority of KPIs when compared to the same period in 2014. Significant factors affecting performance during Q3 and Q4 of 2015 include:

- The ongoing enhancement of OPL digital platforms;
- The continued rollout of Radio Frequency Identification (RFID) technology;
- Normalized operating costs following the base budget adjustment and retroactive payments required for unionized employees as a result of the pay equity tribunal hearing in Q1 2015;
- Increased market reach through media channels (both social and traditional) and outreach program initiatives; and,
- Implementation of new workflows in Branch operations and Content Services.

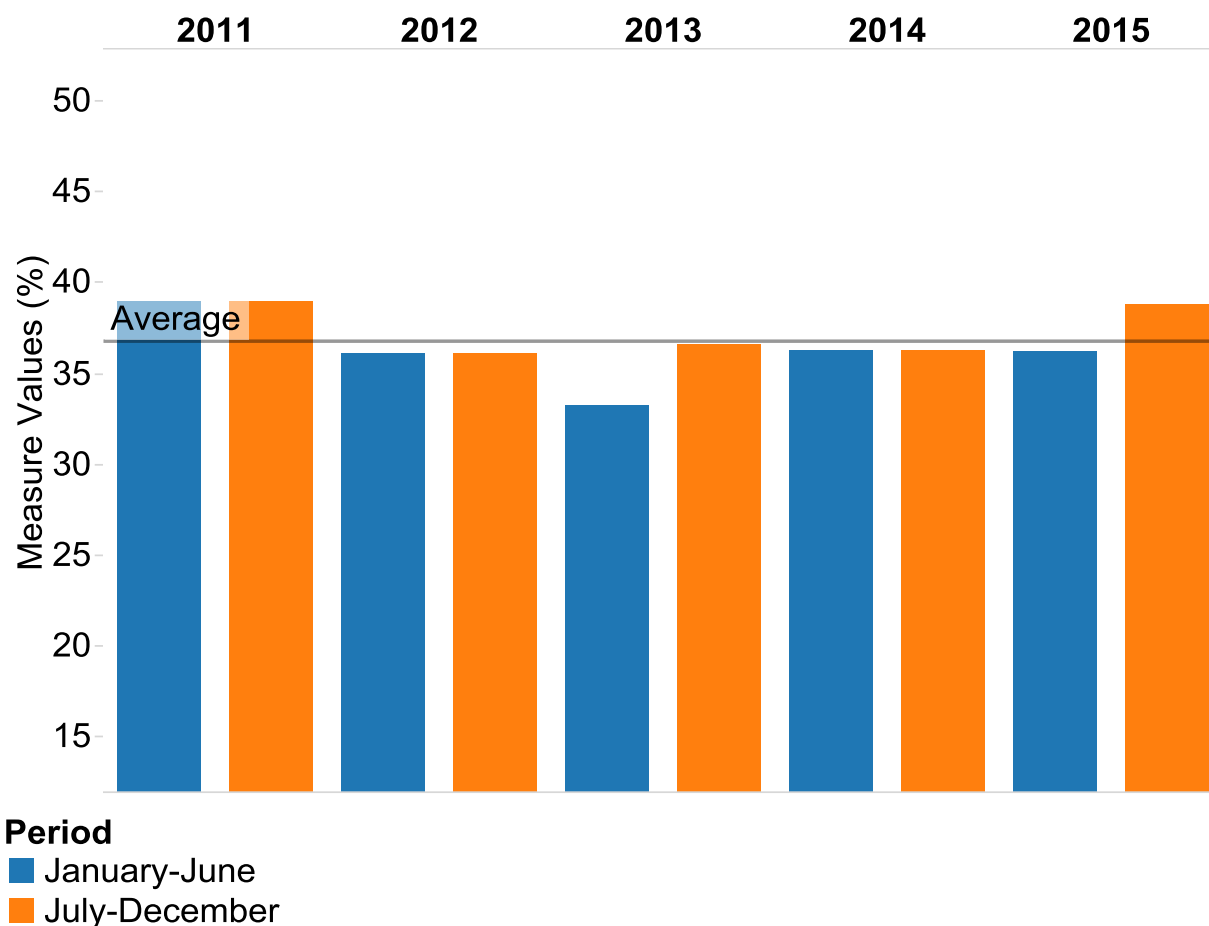
The following are results for the second measurement period of 2015.

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.]

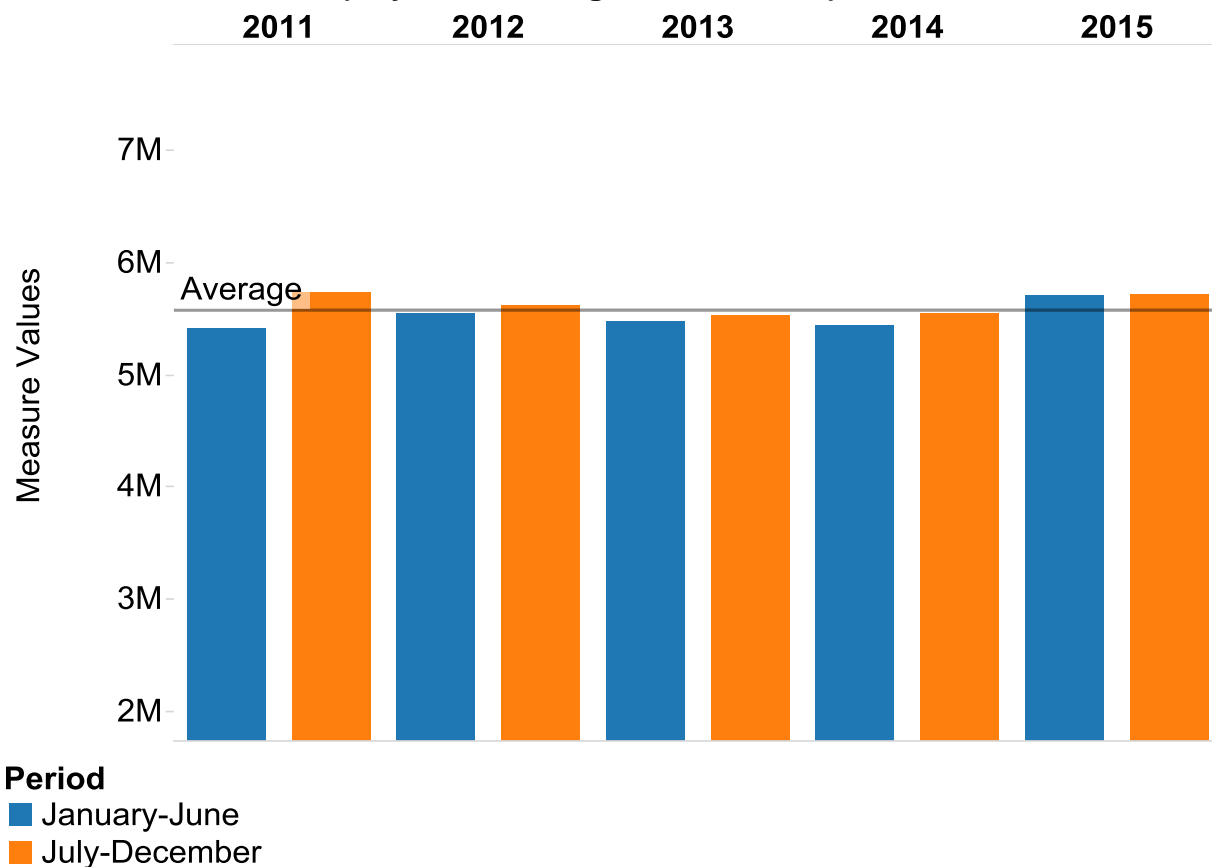
An active card holder is defined as a customer, who during the last three years, updated their card, borrowed, renewed or returned library material; was issued and/or paid a fee or fine; reserved library material or a computer; registered for a library program; or logged onto their account via the OPL virtual branch and/or catalogue. Population

figures are provided by the City's Planning & Growth Management Department. The population figure for 2015 calculations is 951,727.

Cardholder penetration describes the reach and overall representation of Ottawa Public Library customers within the City of Ottawa. OPL achieved a cardholder penetration rate of 38.76% for Period 2 of 2015, demonstrating a 6.75% increase from same period in 2014. This represents the highest level of active cardholders since 2011. The departure from a flat trend over the past two years may be the result of:

- Ongoing review and elimination of barriers surrounding account creation through the online registration process;
- Increased public awareness due to the Central Library Development Project;
- Staff-assisted customer registration at selected outreach events; and,
- Customer database maintenance (i.e. purge of records found to be inactive).

CS2. Total Circulation (Physical and Digital Circulation)

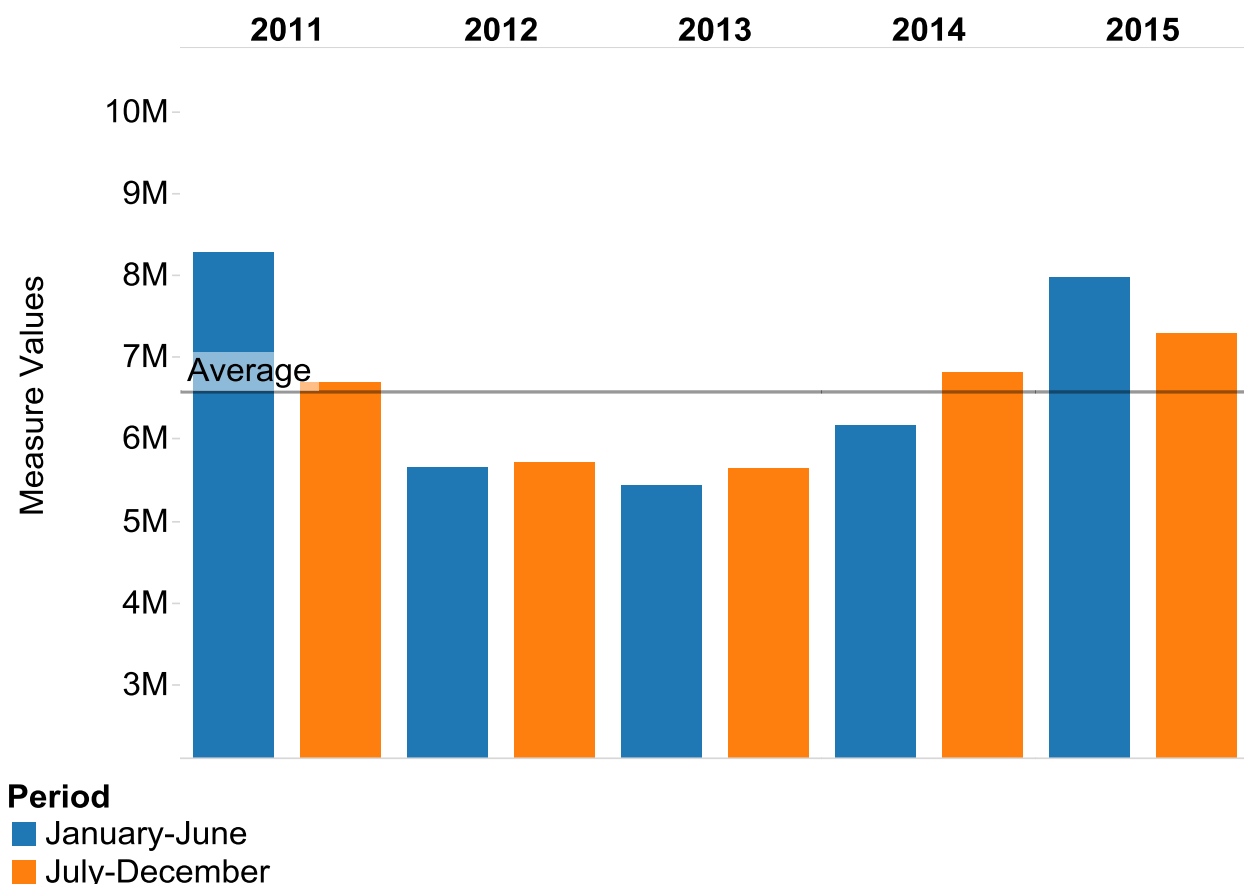


[Total circulation encompasses first-time circulation, renewals, streaming services and digital downloads. Digital downloads are comprised of Overdrive, Zinio, Freegal, and MaBiblio. Streaming services are comprised of Freegal, Hoopla, Naxos, and Access Video on Demand (AVOD)].

In the past five years, results from the Ontario Municipal Benchmarking Initiative (OMBI) have shown the average of Non-Electronic Circulation per capita changed from 9.46 (2010) to 7.84 (2014). At the same time, participating libraries have seen an increase in Annual Electronic Circulation per Capita from 0.09 to 0.77, approximately nine times the initial rate.

In this measurement period, more than 5.7M items were borrowed. The 3.13% increase from 2014 aligns with industry trends, and demonstrates the popularity of newly acquired e-Content, promotions surrounding e-Content, and an increased ability to discover these resources through OPL web-based services.

CS3. Electronic Visits



[Electronic visits (sessions) 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 to ensure that usage of all electronic platforms was included in the count.

The largest percentage of electronic visits to the OPL are generated by the Library's website and Bibliocommons, the OPL's online catalogue. In Period 2 of 2015, electronic visits increased by 7.04% compared to the same time frame in 2014. E-visits from mobile and third-party platforms like Overdrive and MaBiblio continue to contribute to growth in this area.

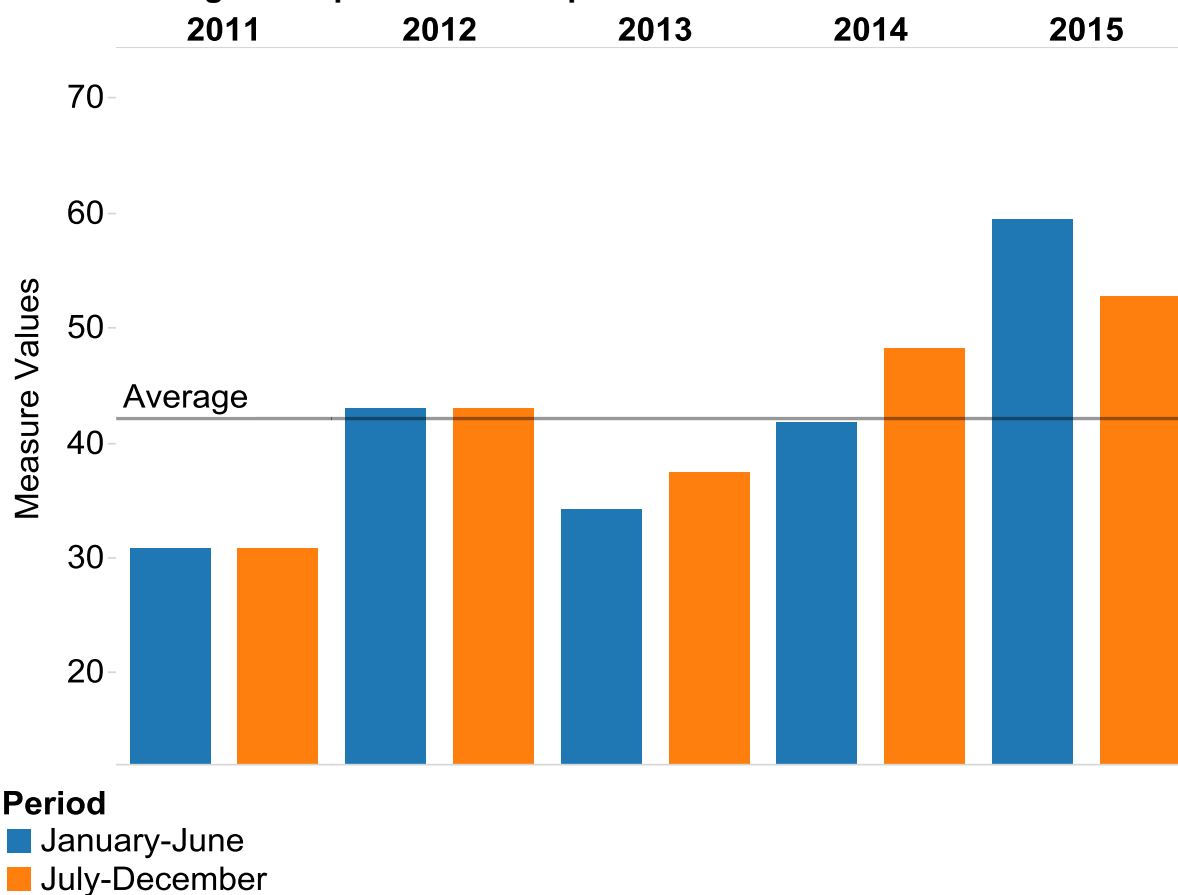
For the first time since 2011, however, e-visits in the second half of the year were lower than the first six month period. This anomaly is likely the result of redesigns in the Bibliocommons platform requiring one less click to access customer accounts. Conversely, when considering other indications such as increased session durations and pages visited per session, it appears that the level of customer engagement during an electronic visit is increasing.

2. Employee Development and Engagement (EDE)

The OPL collects data for two key performance indicators (KPIs) 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



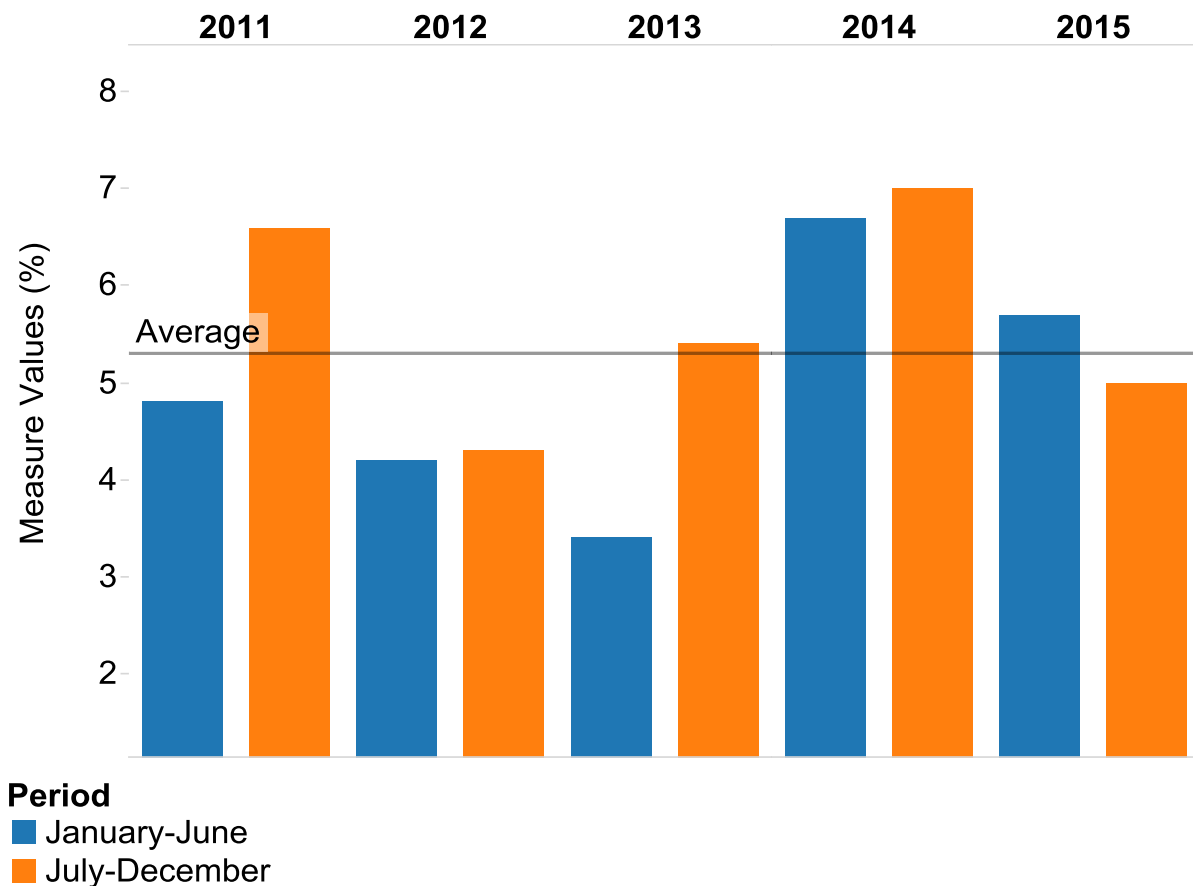
[Training hours per full-time equivalent represents the number of training hours offered during the measurement period divided by the number of full-time equivalents.]

A full-time equivalent (FTE) is a measure that 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, the number of FTEs is less than the head count (actual number of employees). Full-time equivalents are used instead of a head count in order to provide consistency across measurement periods.

Training hours per FTE rose by 9.4% to 52.77 in July-December 2015 when compared to the same period in 2014. Training includes participation in online and in-class training programs offered by the OPL as well as the City of Ottawa.

RFID branch conversions and legislated training requirements fueled increases in training hours per FTE during Period 2 2015.

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 December 31st 2015.]

Employee turnover rate uses 'head count' as the denominator instead of the number of FTEs to better reflect the proportion of casual and part-time staff (students and older workforce members) leaving the organization.

It is normal for the OPL to have a 6% turnover rate, plus or minus 2%. Employee turnover rate dropped slightly below average to 5.7% during July-December 2015. During this period there were no retirements and the majority of those leaving the organization were from entry-level positions within the organization.

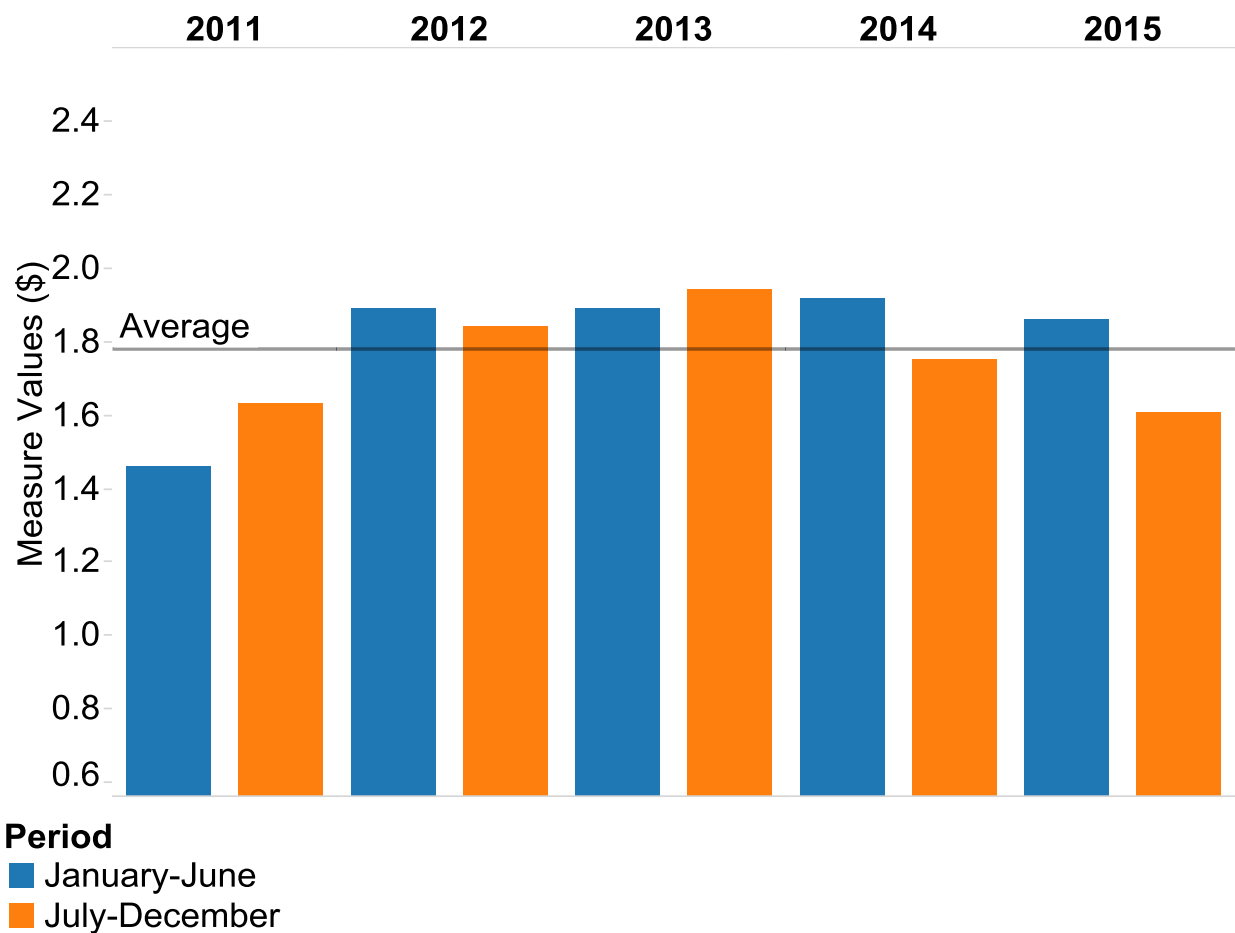
3. Finance (F)

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

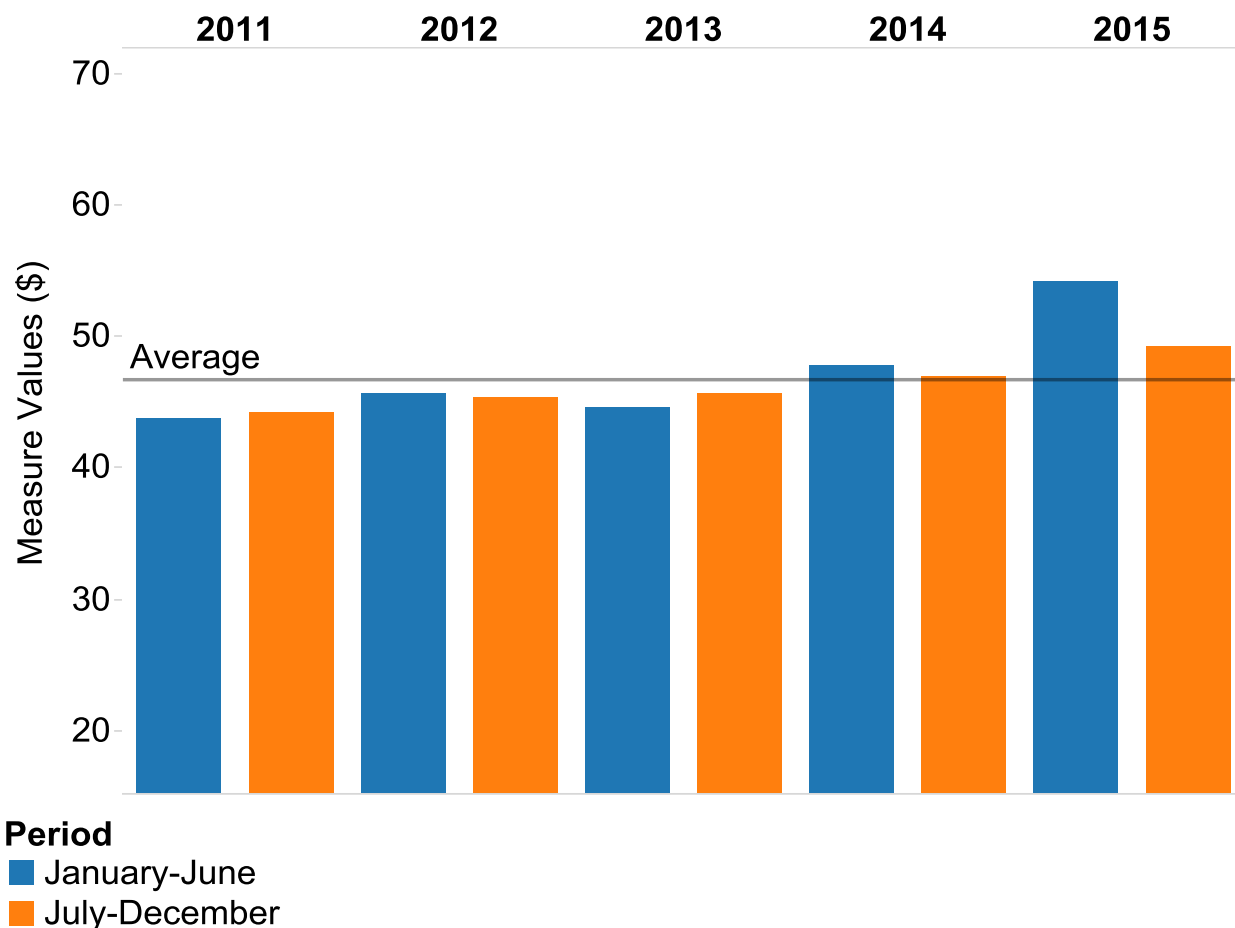


[Cost per library use measures the ratio between operating costs divided by the total number of library uses during the measurement period.]

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.

Cost per use was reduced by 8% to \$1.61 during July-December 2015 when compared to Period 1 of 2015. Total circulation, electronic visits, and program attendance increased during Period 2 of 2015, while operating costs normalized following the pay equity settlement payouts in the first measurement period of 2015.

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 increased population, and indicates the extent to which operating expenditures are balanced over the year. The measure is also an indication of cost controls within OPL and portrays the relationship between population growth and budget availability.

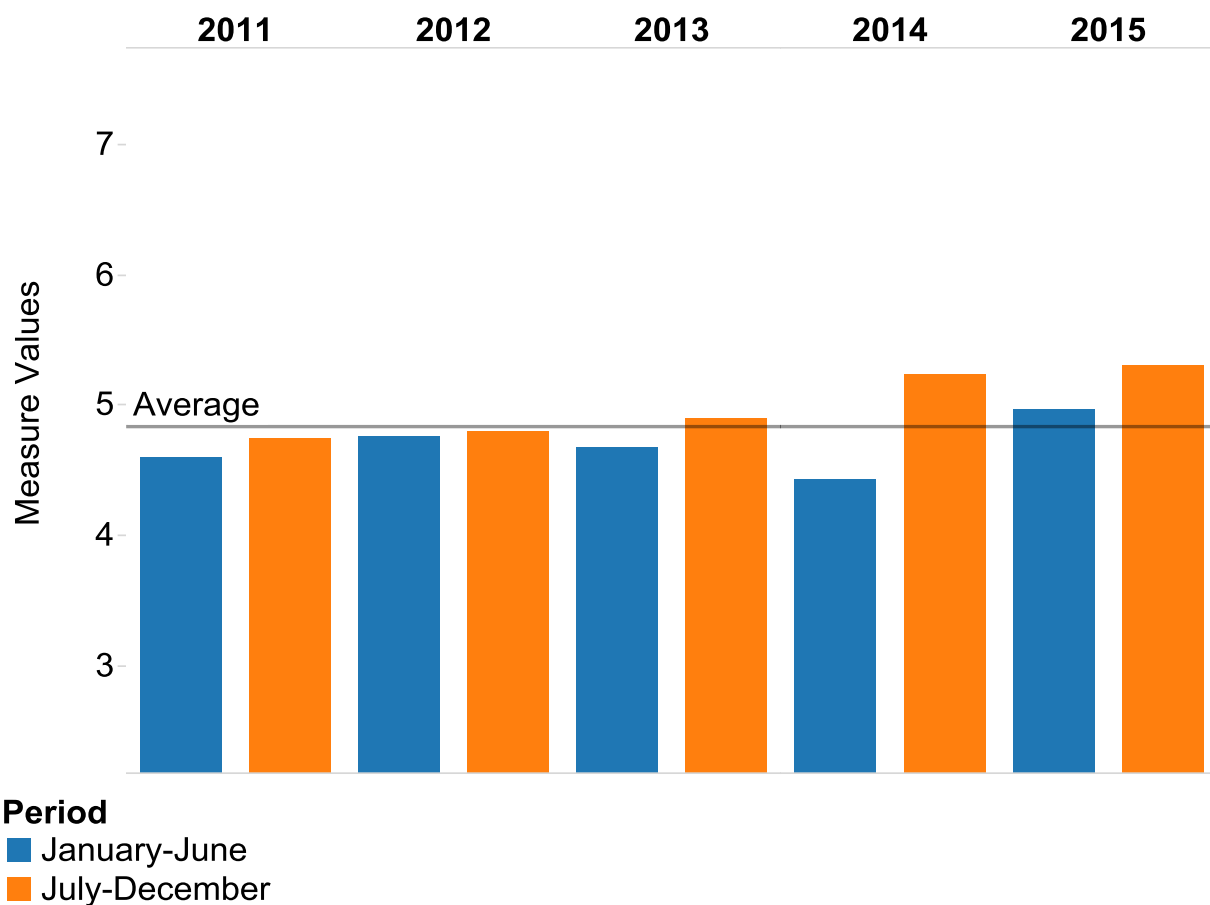
From January-June of 2015 the increased costs associated with the pay-equity tribunal decision resulted in an inflated organizational cost of \$54.11, a 15% increase from the previous period. The result for the second half of 2015 was \$49.19 per capita more closely resembling normal per capita spending levels.

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

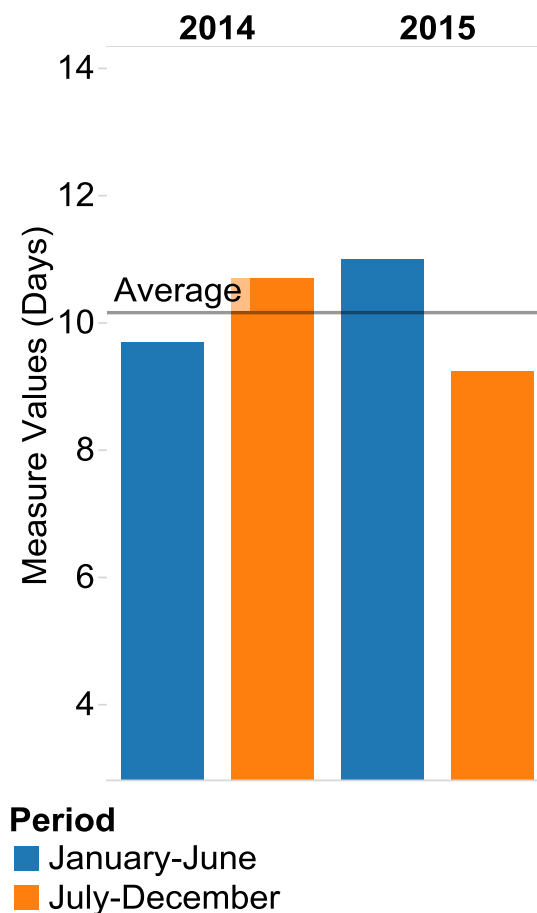


[Material turnover is calculated by dividing circulation figures for the measurement period by the number of items in the collection.]

A turnover rate of 4.00 or higher is indicative of a healthy collection, signifying access to materials that are relevant to customer demands.

Materials turnover increased to 5.30 in December 2015 as a result of the 'Active Weeding for an Active Collection' initiative. Weeding is the process by which little used or over-worn holdings are removed from the materials collection. This system-wide initiative encouraged branch staff to weed regularly. Effective weeding improves the display and marketing of our collection, and improves the ease in which customers browse for library materials.

OE2. Average Material Supply Time



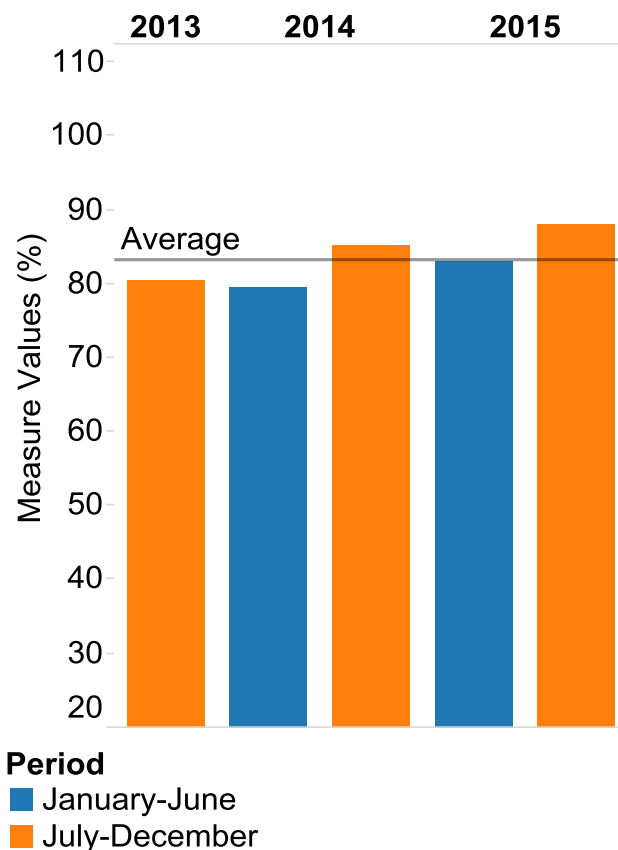
[Average materials supply time measures the average time in days it takes from "time of order" to "available for circulation" of a physical circulating item.]

OE2. Average Material Supply Time (Continued)

Below average processing times can be indicative of efficient cataloguing processes which help improve the Library's supply chain.

The average physical material supply time for July-December 2015 was 9.25 days, the lowest duration since the start of the measurement. Supply time has improved due to a smooth transition to Resource, Description, and Access (RDA) cataloguing practice, a focused effort to maximize the cataloguing throughput of high volume collections such as adult non-fiction and children's materials, and other workflow optimization adjustments.

OE3. Program Fill Rate



[Program fill rate is a new measure that represents the number of people who attended a library program at a library location divided by the number of total spaces available.]

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

For Period 2 of 2015, OPL programs achieved an 87.89% fill rate despite temporary closures required for ongoing RFID installations at numerous locations. The increase

was primarily the result of higher attendance in children's programs compared to the previous period. Specifically, the 2015 TD Summer Reading Club, sponsored by TD Canada Trust, had more than 2,500 additional participants, a record-breaking level.

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 accessibility implications associated with this report.

TECHNOLOGY IMPLICATIONS

There are no technology implications associated with this report.

BOARD PRIORITIES

This report is in response to Report #5, Board Governance Review, November 19, 2012, which states "Develop, with Board input as appropriate, improved indicators of organizational performance, including objectives and metrics that focus on output , outcomes and results, and incorporate these into a monitoring process, for Board review and approval as well as the Boards subsequent approval of the Ottawa Public Library PMF in May, 2013."

DISPOSITION

The next semi-annual performance measurement report will be brought to the Board in October 2016.