

Report to / Rapport au:

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

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File Number: OPLB-2020-1006

SUBJECT: Semi-Annual Performance Measurement – January - June 2020

OBJET: Cadre de mesure du rendement semestrielle – Janvier à juin 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). Periodic revision of the PMF ensures that indicators and methods used align 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 to the Performance Measurement Framework (PMF), on February 11, 2020, the Board approved an updated list of Key Performance Indicators (KPI). 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. Period 1 2020 (January-June) is the first reporting Period for the new Strategic Plan and KPIs. 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, with the exception of "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 and clear view of different 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 KPIs. This information is necessary for enhanced strategic decision making and marks a shift in the traditional focus on Library facilities and inventory metrics. More

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 OPL in evaluating whether it is attracting new customers and employee candidates. Monitoring 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 is retaining valuable skills and knowledge on the employee side, and is while continuing to provide valuable public services to customers. Retention of customers and employees is critical to success. A “Total 12-Month Active Cardholders (C2)” KPI target of 297,000 is described in OPL’s 2020-2023 Strategic Statement, further emphasizing the KPI's importance in the organization. “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 all 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; that is, employee spending of wages at local shops and services, creating jobs and additional economic value. “Economic Benefit per Cardholder (C3)” focuses on the direct added value customers receive. The measure accounts for financial data and traditional usage statistics related to the benefits of card membership (access to collections, registered programming, and online resources). Measure C3 is reported annually in conjunction 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 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 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. Results for these measures will be available in the 2021 Spring Semi-Annual PMF Report.

DISCUSSION

The Coronavirus pandemic affected the delivery of physical library services as well as the hiring process and the ability to collect first-hand data from new customers during the first Semi-Annual reporting period in 2020 (January - June). To that end, while this is the first reporting period under the new PMF structure, it is not recommended that these results be used for long-term benchmarking for normal Library operations.

As a result of the provincially mandated shut-down, all physical Library services were halted on March 16. The full closure was unprecedented, with other public library systems in Canada and around the world facing similar challenges. June 8th marked the beginning of a gradual multi-phase reopening plan. On that date, OPL began accepting item returns at six locations, which continued for the duration of the reporting period. On June 15th, curbside pickup by appointment began at the same locations and continued through the end of the measurement period.

The Coronavirus pandemic reduced access to physical library services for more than 90 consecutive days. Many customer segments use OPL branches to access, connect, and learn about technology or attend programming. Makerspaces, recording spaces, and other innovative in-branch services continuously attract new customers each year but were simply not accessible for approximately half of Period 1. As a result, there

were notable decreases across KPIs and other traditional measurements featured in previous reports.

As OPL gradually restores access to services in compliance with Provincial guidelines and best practices, customer and employee health and wellness will remain the top priority. With respect to the physical usage, it is anticipated that total library uses will be reduced, certainly in the immediate future and extending through an unknown period of time, due to capacity limits and increased physical space requirements. As branches reopen, and gradual service recovery occurs, “new normal” patterns of customer usage may emerge. Monitoring the KPIs will help OPL continue to understand these impacts on new customers and employees as we cautiously and optimistically proceed through the phases of recovery.

Below, staff provide the results for each KPI in the measurement period with relevant context. Results are summarized in Appendix A for Period 1 (January-June), with comparative data with Period 2 (July-December) from 2017 to 2019. Appendix B 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 once annually. The results for these measures (C3, C4, and E4) will be available in the Period 2 Semi-Annual Report delivered to the Board in the Spring of 2021. A Measurement Period comparison methodology is used across tables and figures to account for seasonality in the results.

Cardholder Growth Rate

New memberships and Cardholder Growth Rate decreased by 58.17 percent in comparison to Period 1 2019. The creation of full OPL memberships and the conversion from temporary to full memberships is dependent upon an in-person visit to a library branch or Bookmobile stop to verify personal information. During the branch closures, temporary memberships have been critical to retaining some level of cardholder growth. Temporary cardholders benefitted from special borrower rules which were implemented to provide enhanced online access for more than 1000 customers.

In normal operations, temporary memberships typically introduce high variability in results due to unrestricted on-line account creation, duplicates, and continual expiration of accounts that never convert to full memberships within 42 days. As a result,

temporary memberships are normally excluded from this measure to ensure greater accuracy for the purposes of repeatability and reliability of the measure.

Recognizing that membership growth is critical to increasing 12-month active cardholders and to replace normal membership turnover/churn, staff are investigating the ability to perform full membership registration online and anticipate that a solution will be implemented by year-end 2020.

12-Month Active Cardholders

The decrease in physical library services, and the subsequent decrease in new memberships, from March 16 through the end of Period 1 resulted in a predictable and slow reduction in “12-Month Active Cardholders (C2).” As library cards approached the expiry date, cardholders were limited in their ability to visit branches in order to renew or to access the variety of services offered. Despite a large surge in customer usage prior to the pandemic, the measure decreased from 239,390 in Period 1 2019 to 231,217 in Period 1 2020. While more than 100,000 customers used the library website or one online service during the Period, demonstrating the popularity of online resources, the data suggests that the virtual channel did not wholly replace the important role that physical services play for many customers when considering historical in-person library visits which average 4.7 million per year and in-library use of materials of 1.43 million per year. It is difficult to assess the long-term impact that the pandemic will have on usage patterns and memberships as services are restored. Whether recent events accelerate the popularity of online resources or have other unknown impacts will need to be monitored closely in the coming 6-12 months.

Average Applicants per Job Posting

A decision made early in the pandemic was to temporarily suspend recruitment, including any recruitment that was underway because of the uncertain environment. The suspension of hiring activities led to lower numbers of applicants. During Period 1 2020, the “Average Applicants per Job Posting (E1)” was 47. This result was down from 97 in Period 1 2019 and 66 in Period 1 2018. Period 1 2019 appears higher as a result of large job inventories that lasted an extended period. OPL has recently begun to resume active recruitment on a limited basis, which will inform the results for the next period.

Employee Turnover Rate

Employees demonstrated high levels of resilience and flexibility as they were required to modify their availability and duties throughout the second half of the measurement period. “Employee Turnover Rate (E2)” showed a small change; increasing by 1 as 5 individuals left the organization during Period 1 2020 (compared to 4 during Period 1 2019). Regrettable employee turnover, as a sub-category of turnover, is low at the Library and occurs most frequently in entry-level positions.

Active Cardholder to Full-Time Equivalent Ratio

The relative stability in employee turnover corresponded with stability in the number of OPL Full-Time Equivalent (FTE) available during the Period. The decrease in the “Active Cardholder to Full-Time Equivalent Ratio (E3)” was largely the result of fewer 12 Month-Active Cardholders as discussed previously. As services are restored and cardholder counts change, this measurement should provide additional information regarding building internal capacity.

Summary

The Coronavirus pandemic is an unprecedented event that has challenged public libraries around the world and has impacted OPL customers and employees alike. The impacts are reflected in the results for Period 1 2020 and have also presented a unique challenge in measuring and analyzing results. Any use of these results for benchmarking going forward should be considered with this lens in mind. Despite these challenges, the Vision, Mission and Strategic goals of OPL and the purpose and approach to performance measurement remain more relevant now than ever.

CONSULTATION

There are no external consultations associated with 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 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 A KPI Summary Tables

Appendix B KPI Charts

DISPOSITION

In April 2021, staff will report on the results of Period 2 2020. Measurements for KPIs not available in this report will be included to varying degrees depending upon the services provided amid the pandemic.

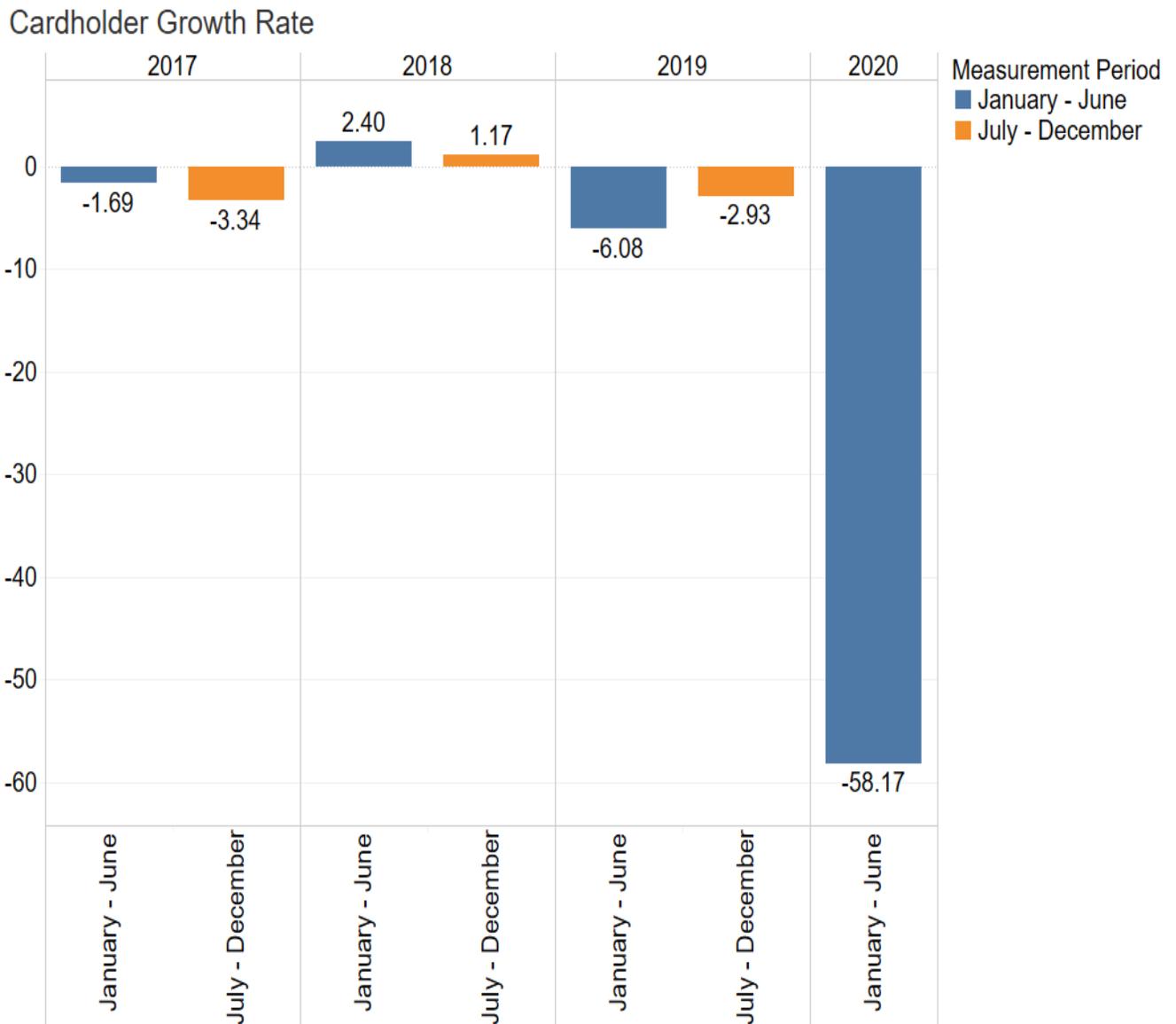
Appendix A – Summary Table

Table 1. Period 1 (January-June) and Period 2 (July-December) from 2017 to 2019

Period	Code	Measure Name	2017	2018	2019	2020	
1	C1	Cardholder Growth Rate	-1.69	2.4	-6.08	-58.17	
	C2	Total Twelve-Month Active Cardholders	230,993	245,878	239,390	231,217	
	C3	Economic Benefit per Cardholder	N/A	N/A	N/A	N/A	
	C4	New Cardholder Referral Rate	N/A	N/A	N/A	N/A	
	E1	Average Applicants Per Job Posting	62	66	97	47	
	E2	Employee Turnover Rate	0.73	1.99	0.74	0.93	
	E3	Active Cardholder to Full Time Equivalent Ratio	501.88	532.73	516.03	498.54	
	E4	New Employee Referral Ratio	N/A	N/A	N/A	N/A	
	2	C1	Cardholder Growth Rate	-3.34	1.17	-2.93	N/A
		C2	Total Twelve-Month Active Cardholders	220,071	237,567	244,336	N/A
C3		Economic Benefit per Cardholder	N/A	N/A	N/A	N/A	
C4		New Cardholder Referral Rate	N/A	N/A	N/A	N/A	
E1		Average Applicants Per Job Posting	34	40	73	N/A	
E2		Employee Turnover Rate	0.73	2.17	0.93	N/A	
E3		Active Cardholder to Full Time Equivalent Ratio	476.85	516.7	526.55	N/A	
E4		New Employee Referral Ratio	N/A	N/A	N/A	N/A	

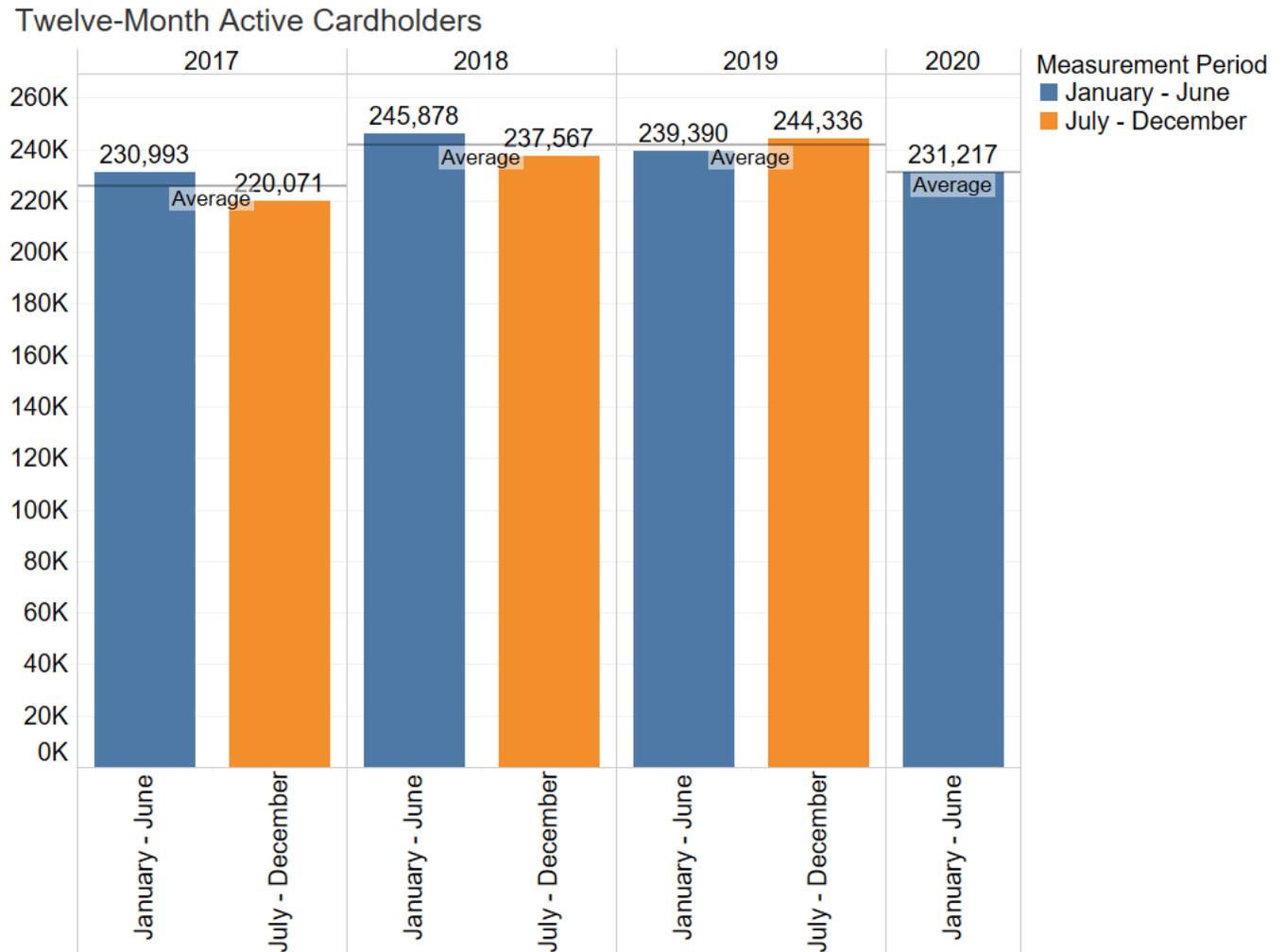
Appendix B – KPI Charts

Figure 1. C1 - Cardholder Growth Rate from 2017 to 2019



Sum of Measurement Result for each Measurement Period broken down by Measurement Date Year. Color shows details about Measurement Period. The data is filtered on Measure Name, which keeps Cardholder Growth Rate.

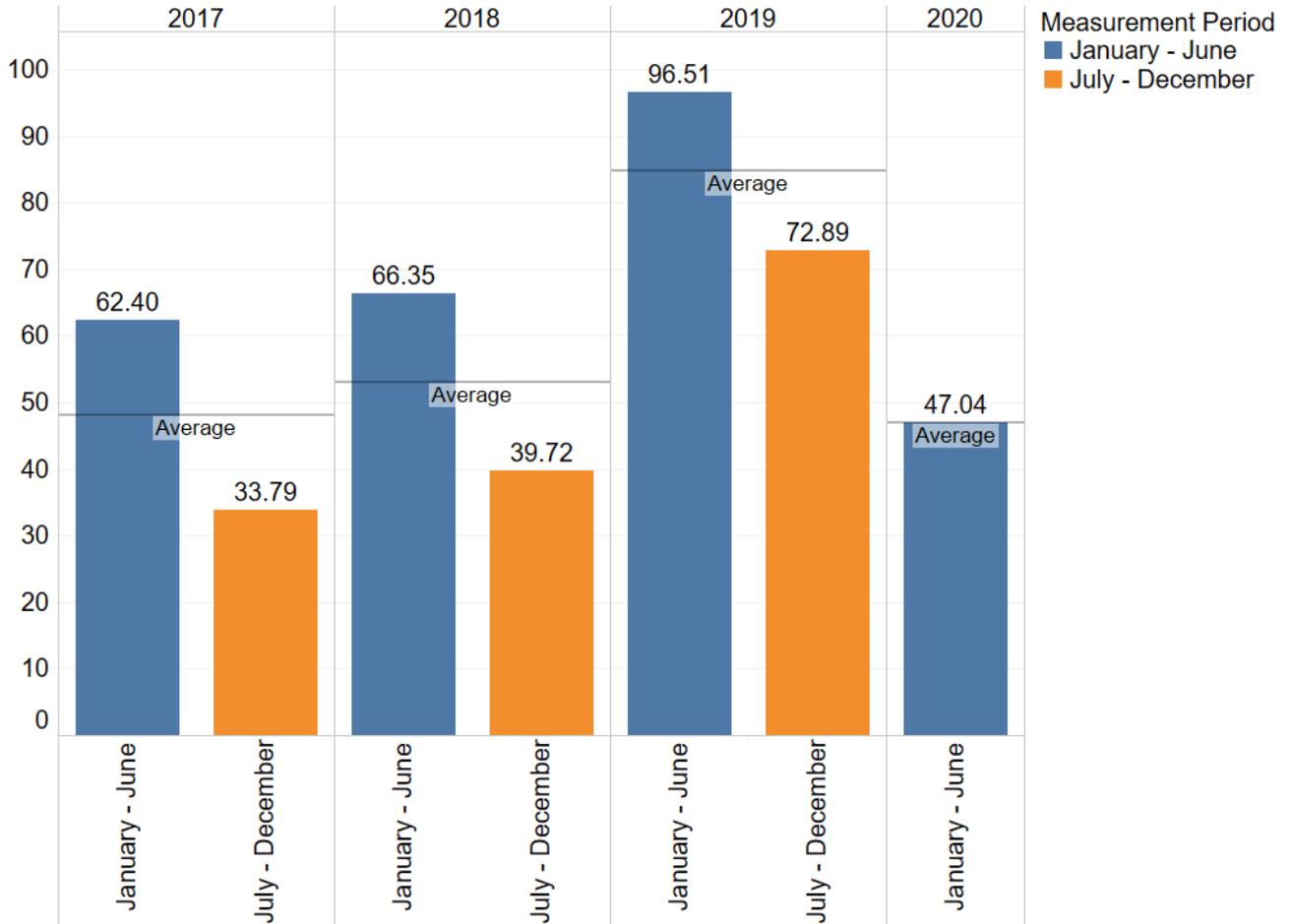
Figure 2. C2 - Total Twelve-Month Active Cardholders from 2017 to 2019



Sum of Measurement Result for each Measurement Period broken down by Measurement Date Year. Color shows details about Measurement Period. The data is filtered on Measure Name, which keeps Total Twelve Month Active Cardholders.

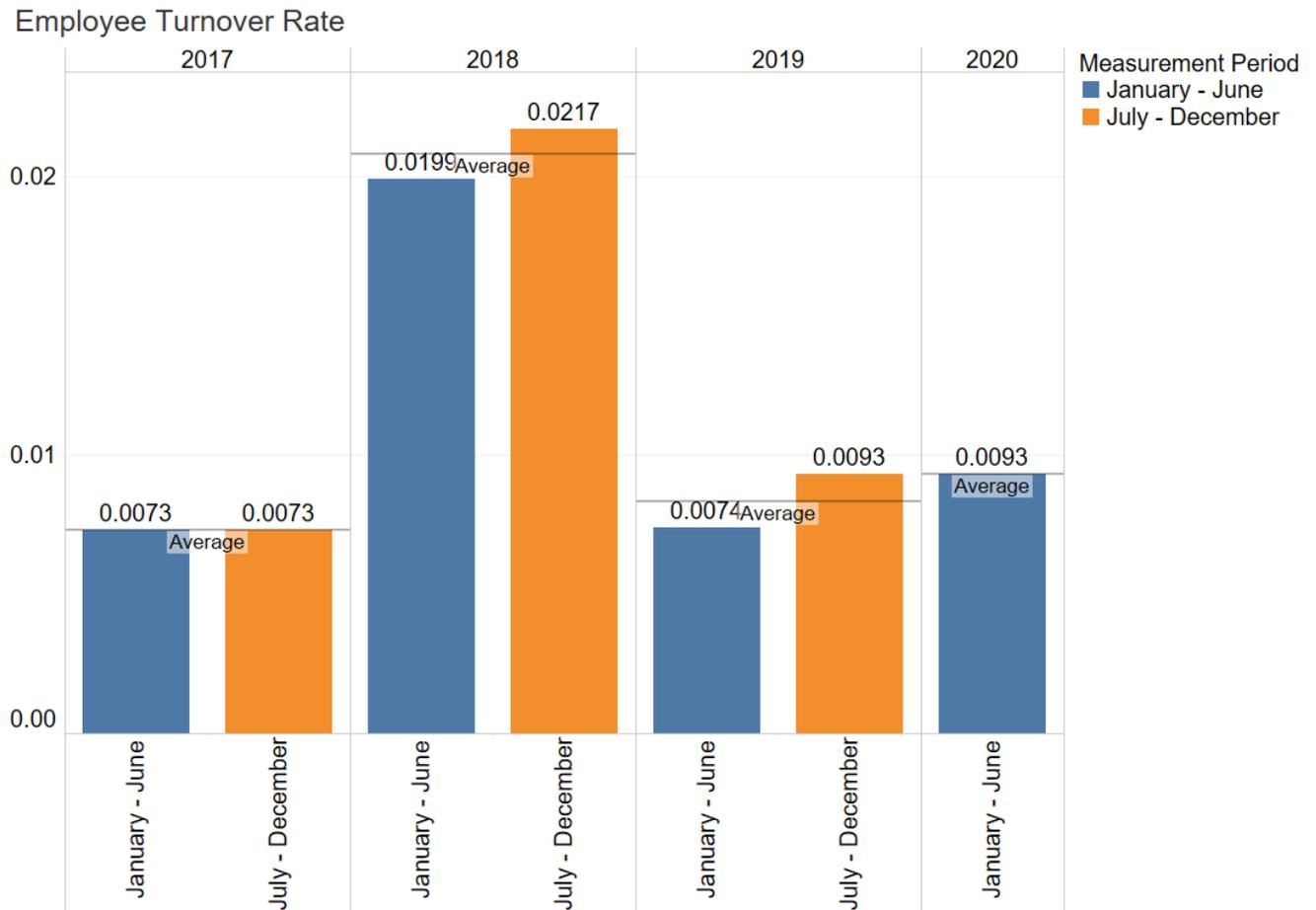
Figure 3. E1 - Average Applicants per Job Posting from 2017 to 2019

Average Applicants per Job Posting



Sum of Measurement Result for each Measurement Period broken down by Measurement Date Year. Color shows details about Measurement Period. The data is filtered on Measure Name, which keeps Average Applicants Per Job Posting.

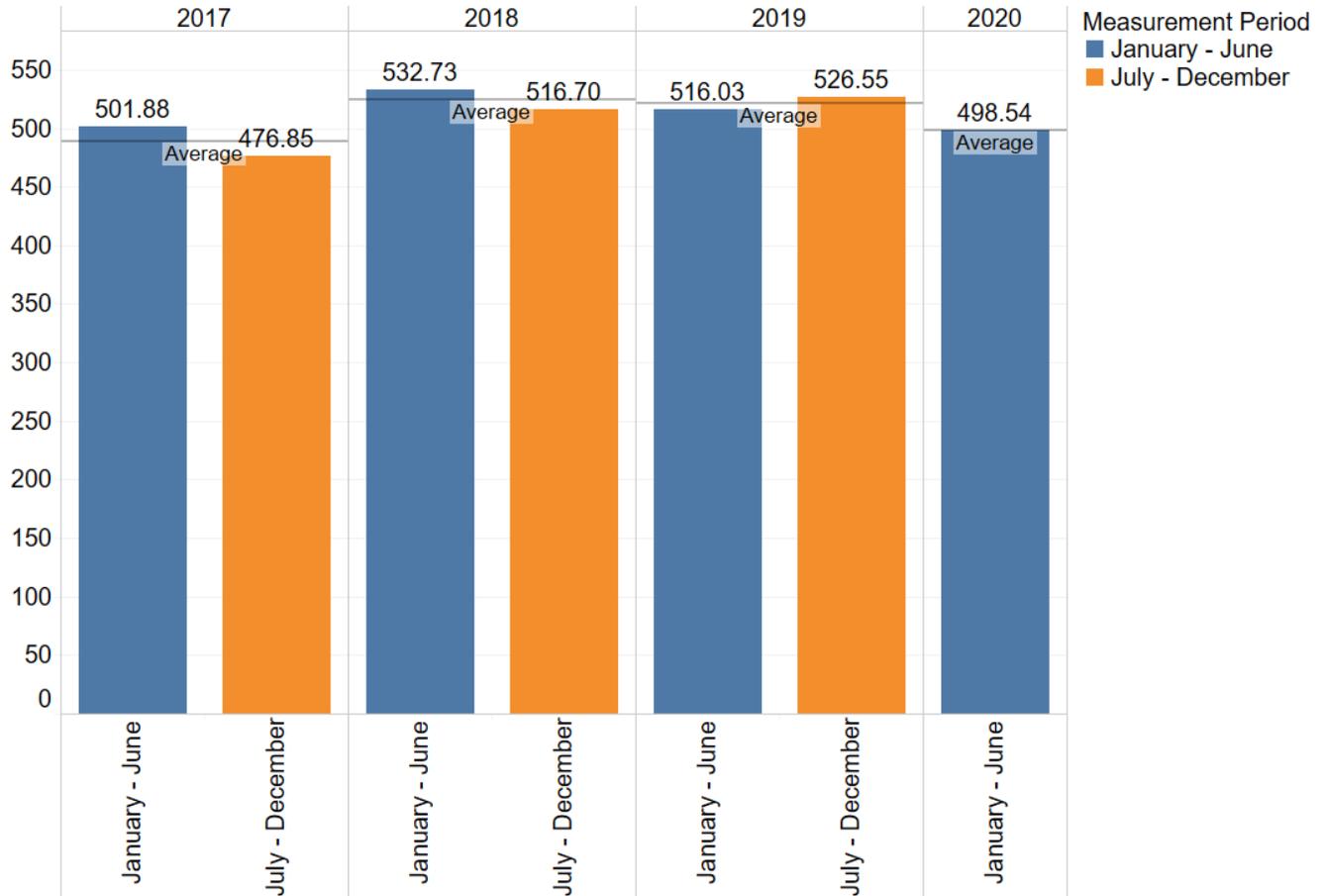
Figure 4. E2 - Employee Turnover Rate from 2017 to 2019



Sum of Measurement Result for each Measurement Period broken down by Measurement Date Year. Color shows details about Measurement Period. The data is filtered on Measure Name, which keeps Employee Turnover Rate.

Figure 5. E3 - Active Cardholder to Full Time Equivalent Ratio from 2017 to 2019

Active Cardholder to Full Time Equivalent Ratio



Sum of Measurement Result for each Measurement Period broken down by Measurement Date Year. Color shows details about Measurement Period. The data is filtered on Measure Name, which keeps Active Cardholder to Full Time Equivalent Ratio.