



University of Pittsburgh

Pitt School of
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Library Service Capital: The Case for Measuring and Managing Intangible Assets

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Trends in Library Assessment

- From operational service provider perspective on resource inputs, process throughputs, and outputs
 - to strategic approaches identifying specific and general outcome, higher-order effects or impacts
- Adoption and adaptation of business models/tools and social science methodologies
 - SERVQUAL/LibQUAL+™, balanced scorecards and strategy maps
 - Return on Investment
 - Social auditing, narrative techniques, ethnography

The Case for Assessing Intangibles

“The assessment of **intangible value added** will be key to developing **a compelling story** around our **overall value proposition**. The established threefold approach to the measurement of **knowledge/intangible assets** is likely to be a good starting point for recognizing areas for developing new measures or, in some cases, revitalizing older ones.”

(Town, 2011, p. 123)

Potential Benefits for Libraries

- Increased scope and **capability** to report effectiveness to stakeholders
- Better **alignment** of library resources and efforts with strategic responses required by stakeholders
- More effective **utilization** of intangible assets to achieve tangible and intangible strategic responses and impacts

(White, 2007, pp. 81-82)

Research Questions and Purpose

Questions

- What intangible assets are academic libraries exploiting to compete in the digital age?
- What methods can academic libraries use to evaluate their intangible assets?

Purpose

- To explore intangible asset evaluation as a library assessment strategy for the digital age
- To use emergent library practice in research data management (RDM) as an instrumental case study

Definitions

“Intellectual capital is intellectual material – **knowledge, information, intellectual property, experience** – that can be put to use to create wealth”

“sum of **everything everybody in a company knows** that gives it a competitive edge”

(Stewart, 1997, pp. ix-x)

“IC can be both the end result of a knowledge transformation process and the knowledge itself that is transformed into intellectual property or assets”

“An asset can be thought of as a prior cost that has a future benefit”

(Snyder & Pierce, 2002, pp. 469, 475)

Theoretical framework

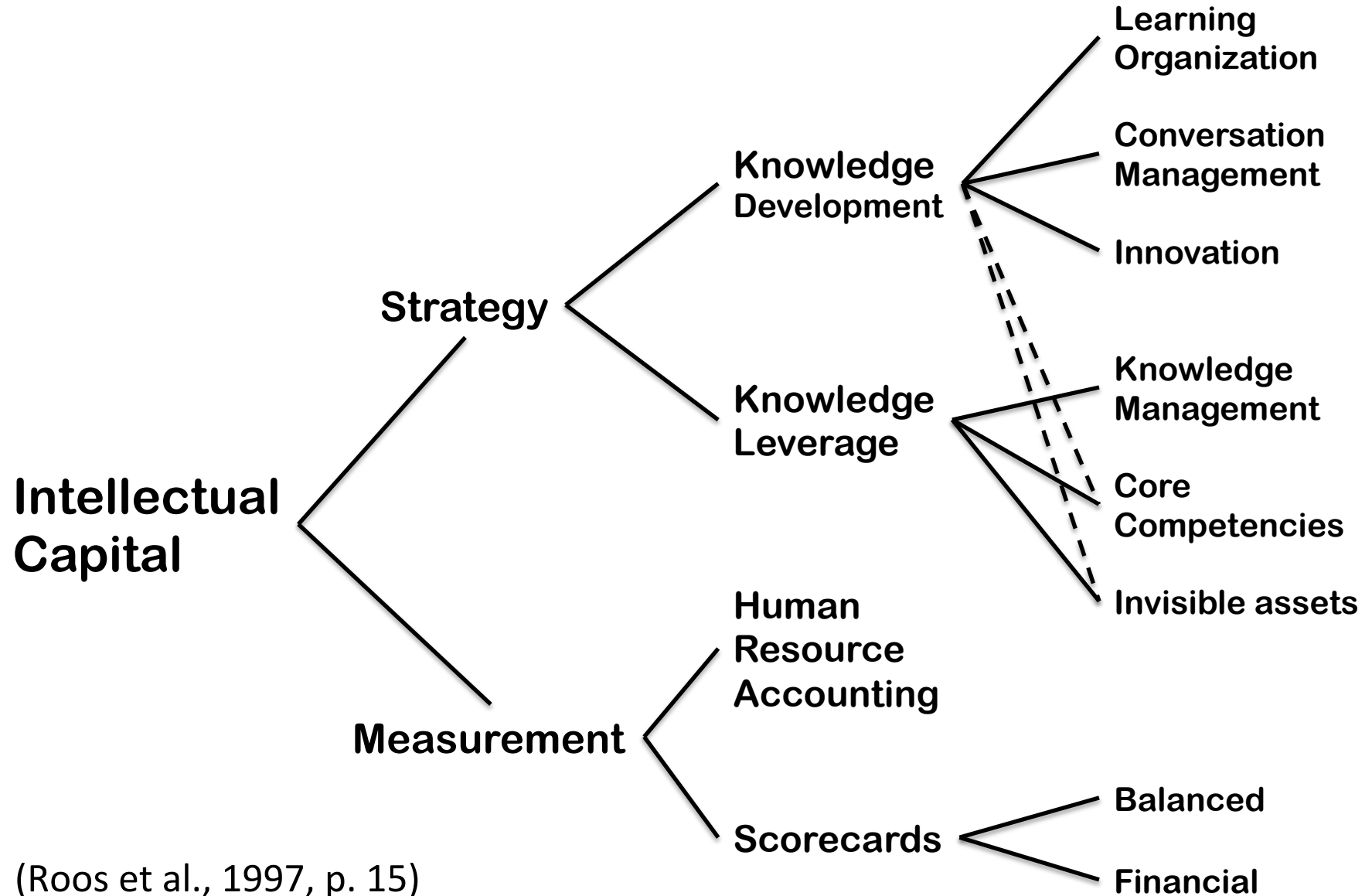
- Resource-based view (RBV) of the firm
 - tangible and **intangible assets** are strategic resources whose value in terms of durability, rarity, inimitability, and non-substitutability represent competitive advantage
 - includes financial, physical, human, technological, reputational, and organizational resources

(Barney, 1991; Grant, 1991; Meso & Smith, 2000)

- Intellectual capital (IC) perspective
 - **human, structural,** and **customer/relational capital** are long-term investments enabling value creation for stakeholders, alongside other forms of capital, such as physical and monetary assets

(Marr, 2005; Stewart, 1997)

Conceptual Roots of Intellectual Capital



(Roos et al., 1997, p. 15)

Terminology

- Different terms can be used for the same things
 - **intangible assets** (IAs), intangibles, intellectual assets, **intellectual capital**, invisible assets,
 - knowledge assets, knowledge-based resources, knowledge capital
- Some scholars give them more precise meanings
- IC/IAs have three core characteristics
 - they are sources of probable future economic profits
 - they lack physical substance
 - to some extent, they can be retained and traded by a firm

(OECD, 2006, p. 9)

Data Sources and Methods

- Review of related literature
 - RBV and IC
 - library literature on IC/IAs
- Re-use of data from prior work on RDM
 - Corrall, 2012; Corrall, Kennan & Afzal, 2013; Cox & Corrall, 2013
 - supplemented with case study evidence from the literature
- OECD (2008) categorization of IAs used as analytical framework

Analytical Framework: OECD Classification of Intellectual Assets

<i>Category</i>	<i>Brief description</i>	<i>Examples/keywords (OECD, 2008)</i>
Human capital	Knowledge, skills, and know-how that staff “take with them when they leave at night”	Innovation capacity, creativity, know-how, previous experience, teamwork capacity, employee flexibility, tolerance for ambiguity, motivation, satisfaction, learning capacity, loyalty, formal training, education.
Relational capital	External relations with customers, suppliers, and R&D partners	Stakeholder relations: image, customer loyalty, customer satisfaction, links with suppliers, commercial power, negotiating capacity with financial entities.
Structural capital	Knowledge that stays with the firm “after the staff leaves at night”	Organizational routines, procedures, systems, cultures, databases: organizational flexibility, documentation service, knowledge center, ICTs, organizational learning capacities.

Library Applications of IC

Conceptual studies

- Corrall, 1998; Huotari & Iivonen, 2005; Iivonen & Huotari, 2007; Koenig, 1997, 1998a, 1998b; Kostagiolas, 2013; Kostagiolas & Asonitis, 2009, 2011; Pierce & Snyder, 2003; Town & Kyrillidou, 2013; White, 2007a, 2007b, 2007c

Empirical studies

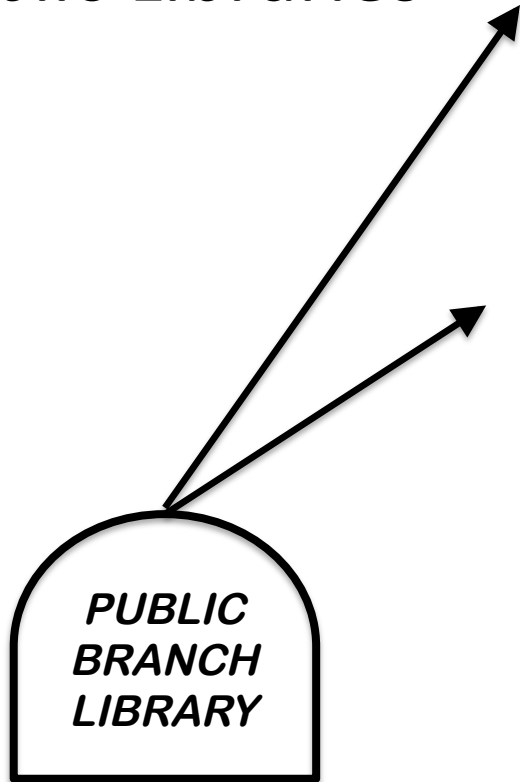
- Asonitis & Kostagiolas, 2010; Corrall & Sriborisutsakul, 2010; Cribb, 2005; Dakers, 1998; Mushi, 2009; Svendsen, 2013; Van Deventer, 2002

Global interest

- Public libraries in Denmark and Greece, Academic libraries in Australia and Thailand, Special LIS in South Africa

Adaptation and extension of business IC models and scorecards

Intangible Assets Created by Rural Public Libraries



MESO-LEVEL

Institutional social capital

Cooperation between library and other public institutions in the local area

Cooperation between library and groups of volunteering local citizens

MICRO-LEVEL

Bridging social capital

Interaction between strangers

Interaction between users/users-librarians

Diverse people helping each other

Networks of volunteers

Bonding social capital

Regular interaction with the family

Regular interaction within homogeneous groups

HUMAN CAPITAL

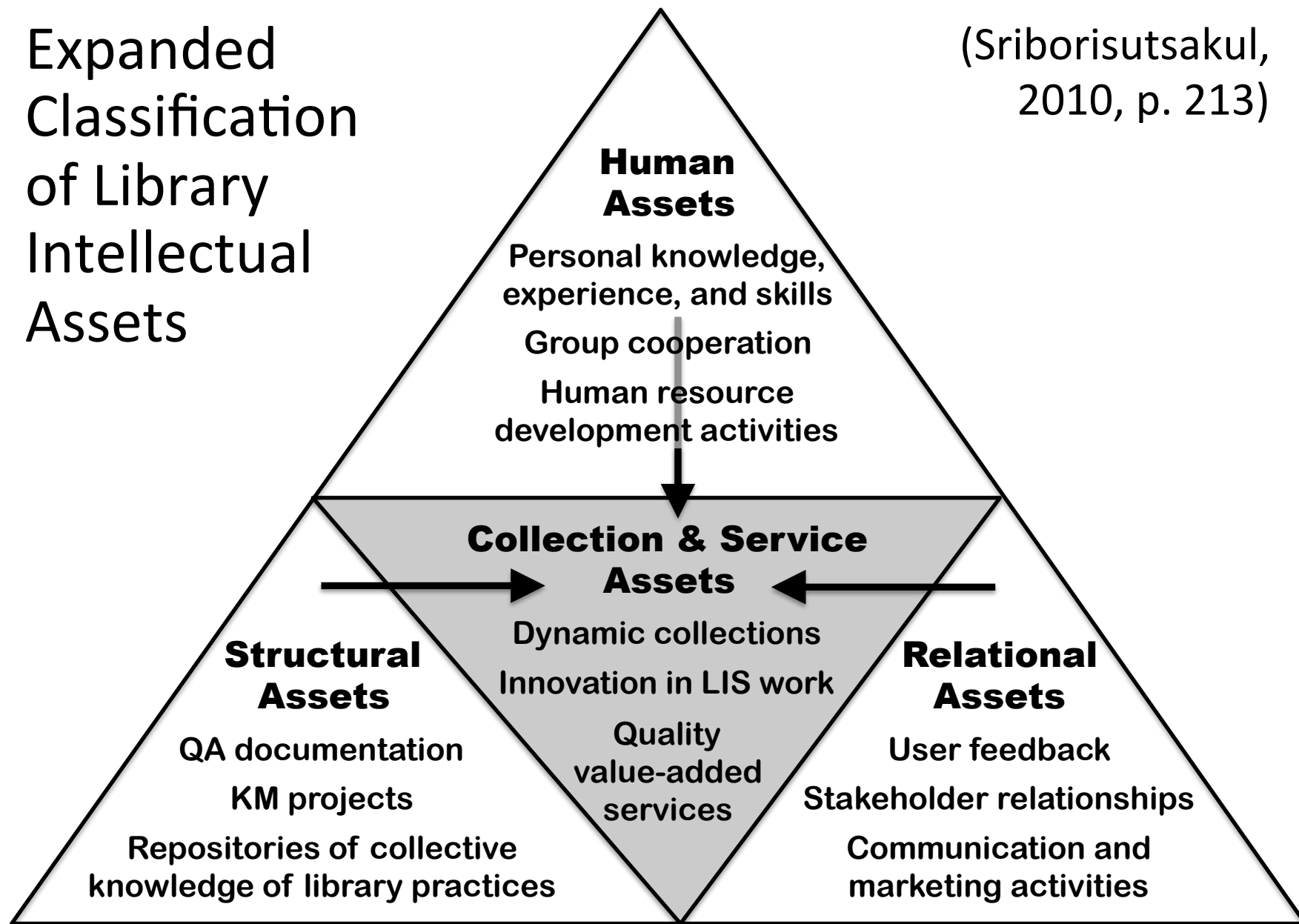
Formal education (e.g., courses)

Informal learning (e.g., reading newspapers, books, using the internet)

(Svendsen, 2013, p. 67)

Expanded Classification of Library Intellectual Assets

(Sriborisutsakul, 2010, p. 213)



Human Assets

- Expertise in collection development and experience with social science datasets can be transferred to data collections
- Experience in repository development and management can be extended to data repositories
- Skills in conducting reference interviews can be applied to data interviews
- Reported gaps in knowledge of specialist **metadata schemas** can be resolved
 - by using **literature search know-how** to select the most appropriate schema for projects

(Corrall, 2012; Bracke, 2011;
Hasman, Berryman & McIntosh, 2013)

Relational Assets

- Library-faculty partnerships for information literacy that can be exploited to promote data literacy, data curation, etc.
 - librarians have “established themselves as trusted stewards and educators” – “Faculty viewed the librarian as a go-to resource”
- Library-technology collaborations on digital services that can facilitate development of data storage and infrastructure
 - libraries at Purdue University and other institutions are partnering with campus technology services to develop data repositories
- Library professional networks that enable sharing of best practices via conferences, email, social media, etc.
 - professional associations have sponsored reports, case studies and white papers, in addition to disseminating information via web pages

(Bracke, 2011; Corrall, 2012; Corrall et al., 2013)

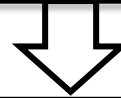
Structural Assets

- Organizational structures facilitating service development
 - subject liaison librarian system enables discipline-sensitive approach to researcher advice and research support
 - functional specialists provide RDM coordination, guidance and support for frontline liaisons
 - committees and task forces promote library involvement in RDM
- Proven systems and processes with potential for repurposing
 - institutional repositories, LibGuides, reference interview
- Tools/toolkits available within the professional community
 - data management planning tools (Digital Curation Centre, California Digital Library), Data Curation Profiles Toolkit (Purdue University)

(Bracke, 2011; Corrall, 2012; Corrall et al., 2013; Covert-Vail & Collard, 2012; Jaguszewski & Williams, 2013)

Systematic Indicator Development Process

Identify library IAs by using existing evaluation tools as a steering model



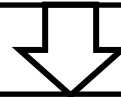
Classify library intellectual assets by their content

Human Assets

Structural Assets

Relationship Assets

Collection & Service Assets

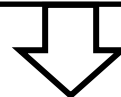


Consider prerequisites for starting up IA evaluation

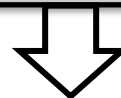
Managerial purposes

Measurement viewpoints

Valuation criteria



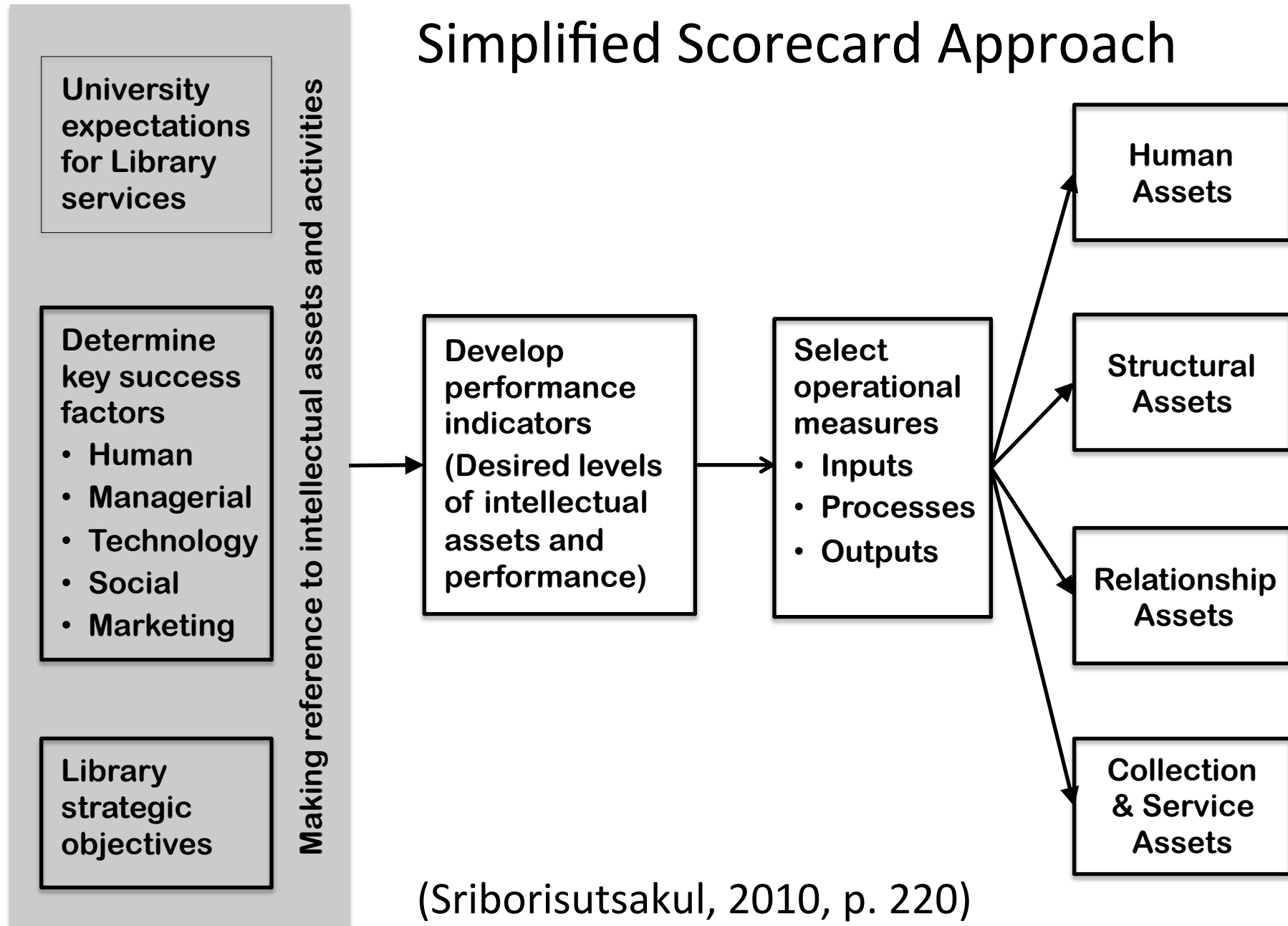
Use a simplified scorecard process to develop performance indicators



Communicate an initial set of PIs, gain acceptance, and implement

(Sriborisutsakul, 2010, p. 220)

Simplified Scorecard Approach





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Thank You!
Any Questions?

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