The value of our people: towards a scorecard for human capital in academic and research libraries

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Summary

• Introduction & background
  – Value, people and libraries

• University of York ‘odyssey’
  – Management myths and research questions

• Synthesis: staff value measurement
Are there specific measures in use?

INTRODUCTION & HUMAN CAPITAL
Aim: The Value Scorecard

- Library relational capital
- Library tangible & intangible capital
  - including Human capital
- Library virtue
- Library momentum
The arguments

• Value measurement based on values
  – therefore you have some choice

• Value measurement is different to quality measurement
  – Capital growth as opposed to gratification

• The most relevant measures will indicate a transcendent contribution
The highest revenue input ...

SCONUL Libraries spend 48% of total on staffing

(Annual Library Statistics 2010-11, SCONUL 2012. Mean figure; RLUK mean 46%, range 36-54%)
... but the least measurement attention?

- Library Assessment Conference 2010
  – 5 out of 68 papers on our people (7%)
- Northumbria Conference 2011
  – 3 out of 65 papers on our people (5%)

However, very many papers focused on the outcomes of what staff do, and there is a developing attention to organisational effectiveness
A distinctive resource?

“the most valuable resource of any organization is its staff”

“Human capital walks out the door each evening”
Potential measurement frameworks

• Balanced Scorecard
• EFQM
  – Both the above focused on improvement
• Investors in people (IiP)
  – Focused on staff development
  – About 20 UK academic libraries
• Human capital frameworks
Balanced scorecard suggestions (ARL-ASSESS trawl)

• Knowledgeable employees (LibQUAL+ item)
• Percentage of staff with current training plan
• Scores from ClimateQUAL relating to Learning & Growth dimension (several respondents)
• Number of professional development activities accomplished
• Events that encourage organization-wide professional development efforts
• Number of staff expressing satisfaction/agreement in the Performance Management System
• Time to fill open positions
• One fully populated response:
  – Attainment of core competencies
  – On the job competency development
  – Leadership performance
  – Staff satisfaction
  – Skills deployment

• Based on data from a benchmarked staff climate survey
EFQM Criteria

Enablers
- Leadership
- People
- Strategy
- Partnerships & Resources

Results
- People Results
- Customer Results
- Society Results
- Business Results

Learning, Creativity and Innovation
The Royal Bank of Scotland’s human capital model

Example inputs:
- Global people data
- Joiner survey
- Leaver survey
- Pulse survey
- Employee opinion survey

Work-life balance and physical environment

Leadership

Performance and development

Recognition

Employee proposition

Total reward

Product brands and reputation

Relationships

Work itself

Support measurement of human resource and business initiatives

Customer service
Branch profitability
Productivity
Cross-selling ratio
Staff turnover
Financial performance

Supports predictive analysis and informed business decisions
■ Human capital:
  - percentage of employees with higher education degrees;
  - IT literacy;
  - hours/training of employee/year;
  - average duration of employment;
  - hours spent in debriefing;
  - hours spent by higher-ranking staff for explaining strategy and actions to other staff members;
  - leadership index;
  - motivation index;
  - savings from implementing employee suggestions;
  - new actions implemented through suggestions;
  - background variety index (at an individual and group level);
  - company diversification index.
Figure 4.7 Detailed distinction resource tree for the digital library example

Digital library’s resources

Relational capital, 40%
- Brand-image, 15%
  - Relationships between the library and its suppliers
  - Relationships between the library and users, 10%
  - Relationships with other organizations, 5%
- Staff’s educational level, 15%
  - Staff’s experience, 5%
  - Teamwork capacity, 5%
  - Creativity of the staff, 5%

Human capital, 30%
- Information value of library’s collection, 7.5%
- Procedures and management system, 5%
- Databases and documentation services, 2.5%
- Use of information technology and Internet, 2.5%

Structural capital, 20%
- Innovation capacity, 2.5%
- Innovation capacity, 2.5%
- Innovation capacity, 2.5%

Traditional resources, 10%
- Monetary, 7.5%
- Physical resources, 2.5%
### Table 5.1  The Human Capital Index

<table>
<thead>
<tr>
<th>Practice</th>
<th>Impact on market value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total rewards and accountability</td>
<td>16.5%</td>
</tr>
<tr>
<td>Collegial, flexible workplace</td>
<td>9.0%</td>
</tr>
<tr>
<td>Recruiting and retention excellence</td>
<td>7.9%</td>
</tr>
<tr>
<td>Communication integrity</td>
<td>7.1%</td>
</tr>
</tbody>
</table>

Where are you in Human Capital measurement?
(CIPD/Mercer, 2004)

Weak

- Anecdotes
- Reactive checks
- Ongoing reports

thro’ to

Powerful

- Benchmarks
- Correlations
- Causality
- Simulations and forecasting
Why is everyone so angry?

UNIVERSITY OF YORK CASE
The Journey ...

• ARL ESP Visit 2008
• University staff survey 2008
• Convergence 2009-
• University staff survey 2011
• Director’s staff meetings 2011-2012
• ClimateQUAL 2012
• New shared values
• New strategy and policies 2013-
... plus a three year redevelopment
National Student Survey Trends

University of York Library NSS Score 2008-2012

NSS: % Agree or Strongly Agree

Engagement measurement
(Morgan, C-A.)

“Engagement is a combination of commitment to the organization and its values, plus a willingness to help out colleagues (organizational citizenship)”

“... beyond job satisfaction, and is not simply motivation.”

- Training, developing and career
- Immediate management
- Performance and appraisal
- Communication
- Equal opportunities treatment
- Pay, conditions & benefits
- Health and safety
- Co-operation
- Family friendliness
- Job satisfaction

FEELING VALUED AND INVOLVED

ENGAGEMENT
Comparison of areas requiring improvement in 2008: where are we now?

**Departmental Senior Managers communicate effectively with staff**
- 70% (2008)
- 60% (2011)

**Line managers motivate staff to give their best**
- 50% (2008)
- 40% (2011)

**Too many approvals are needed for routine decisions**
- 40% (2008)
- 30% (2011)

**Staff feel that their Performance Review is useful**
- 30% (2008)
- 20% (2011)

**Performance Review made staff feel that their work is valued**
- 20% (2008)
- 10% (2011)

**Staff have agreed a Personal and Career Development plan**
- 10% (2008)
- 0% (2011)

**Satisfaction with office accommodation**
- Comfortable working environment
- 10% (2008)
- 0% (2011)

**Staff believe that change has a positive impact**
- 50% (2008)
- 30% (2011)

**Staff believe that things will improve as a result of the survey**
- 60% (2008)
- 50% (2011)
Comparison of areas requiring improvement in 2011: where were we 3 years ago?

- My manager provides me with regular, constructive feedback on my performance
- My line manager deals with poor performance effectively
- I am involved in decisions at work that affect me
- Too many approvals are needed for routine decisions
- Staff have agreed a Personal and Career Development plan
- I am kept well informed about matters affecting me
- I am confident that my views, ideas and suggestions are taken seriously
- Departmental Senior Managers communicate effectively with staff
- Senior Managers consult staff before making changes that affect them
- Senior Managers lead the department well
- Senior Managers appear to work well as a team
- Learning and development opportunities help me to develop my career
- Senior Managers consider the impact on staff when changes are made
- 2011 - negative response
- 2008 - negative response
Staff Survey issues

- IT staff have a higher engagement score than library staff
- IT 4th top department; Library 4th bottom (but only 5% points different)
- Commentary indicates very different views of the same ‘objective’ aspects
  - For example, of the senior management team
Findings from library staff meetings

• Staff don’t believe they are disengaged
• Many simple practical issues raised, indicating lack of escalation routes
• Expression of all library issues highly emotional, in contrast to IT meetings
• Key issues of listening, involvement, and empowerment
• Culture of long-term victimhood?
York ClimateQUAL Results vs UK and US Mean

![ClimateQUAL Results vs UK and US Mean](Image)

- Climate for Teamwork, Structural...
- Climate for Teamwork, Benefit of...
- Climate for Psychological Safety
- Climate for Continual Learning
- Climate for Customer Service
- Climate for Deep Diversity, Valuing...
- Climate for Racial Diversity
- Climate for Gender Diversity
- Climate for Diversity of Ranks
- Climate for Sexual Orientation...
- Co-worker Support for Innovation
- Distributive Justice
- Procedural Justice
- Interpersonal Justice
- Informational Justice
- Organizational Citizenship Behaviors
- Authentic Leadership
- Leader-Member Relationship Quality
- Job Satisfaction
- Team Psychological Empowerment
- Organizational Withdrawal
- Organizational Commitment
- Interpersonal Conflict
- Task Engagement
- Task Conflict
- Interpersonal Conflict
“... the library is a great place to work ... supportive of personal development. It is one of the best organisations I have worked for in terms of support, fairness and working conditions”

“I feel that the recent award won by the library was a hollow victory ... we speak of excellence and values ... I believe this has been earned at the expense of staff”
“There is no consultation ...”
“I feel that the library does not listen to its staff”
“sorry for the rant ... there are many good things happening too ...”
“I have a problem with the changes that have taken place”
“gimmicks ... such as allowing students to eat, drink and talk in more areas ...”
“the [book-sorting] machine was a complete waste of money”
“... shared emotions that prompt people to act in line with specific games outlined by the local culture ... which function as regulators of relationships ... “

“a collusive process (ie emotional)”
“many perceived justice and injustice in different aspects of the change”

“[expressed] in affect laden terms [which] varied from the ... mute to the more intense ... [including] being ‘absolutely furious’”
The Structure of Affect

Fig. 1. Primary and Secondary (Diagonal) Dimensions of Affect – Examples in Parenthesis.
How important is affect to staff value(s)?

• Is Affect a dynamic variable?
  – therefore can it be managed?

• Within person versus between person?

• Measured at a given point, but changes momentarily

• Degree to which influenced by events as opposed to systems?
The Customer Service Excellence assessor commented, "The University of Manchester Library has undoubtedly created a culture of openness, trust and empowerment which facilitates a customer focused approach. Staff morale and job satisfaction appear to be excellent and help people to buy into the customer first ethos."

University of Manchester Library website, accessed 10 Oct 2012
The assumption ... (2)

“... staff perceptions have been identified through Capita’s research as being linked directly to the quality of services provided by staff within organisations."

*University of York Staff Survey*, 2008
But is staff affect the key outcome?

“... happy staff, but displaying little interest in serving the needs of customers ...”

“too happy and content ... less inclined to seek improvement”
What are the most likely important staff value measures?

SYNTHESIS: FRAMEWORK, DIMENSIONS, MEASURES & CORRELATIONS
“... wrestling with ways to facilitate constructive organizational change ...”

“a year-long odyssey”

“organizational level thinking is crucial”
General themes (DeFrank & Hillyer, 2010)

- Staff Unity/Teamwork
- Communication
- Goodwill/morale
- Policy issues
- Leadership
- Respect
- Bullying

- SF Teamwork
- Psychological safety
- PJ; JS; PS; OC
- Procedural justice
- Leadership
- Psychol empowerment
- Interpersonal justice
A Framework? (Phipps, Franklin & Sharma, 2010)

“the ... intent of measuring whether articulated organizational values were achieved”

“A systems approach”

• Leadership & team decision making
• Performance Management system
• Hiring, merit and promotion
• Communication system
• Learning, training, innovation approaches
Penna’s hierarchy of engagement (2007)

- Pay, Working Hours, and Conditions
- Learning and Development
- Promotion Opportunities
- Leadership, Trust, and Respect
- Meaning

Increasing Engagement with Organisation
Further research needed ...

To achieve some proof of staff value, we need to link staff measures with outcome measures.

For example: *Is there a link between LibQUAL+ scores and any or all dimensions of ClimateQUAL?*
Relationship of NSS & CQ scores?

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<thead>
<tr>
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<th>NSS rank</th>
<th>CS %</th>
<th>CS Q</th>
<th>JS %</th>
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A Human Capital value scorecard

Enablers
- Climate of Affect
  - Engagement
  - Empowerment
- Capability
  - Raw & growth
  - Critical mass
- Capacity
  - Minus confounders
    - Absence, turnover
- Culture of momentum
  - Programme capability
  - Maturity

Outcome proofs
- Contribution to
  - Productivity
  - Creativity
- Strategic fit (over time)
  - Quality & Improvement
  - New product development
- Market fit
  - Sustainability
  - Market related impact
- Competitive impact
  - Service development
  - Reputational investment
Conclusions

• Staff evidence collected by libraries currently extending to the opinion and satisfaction related (based on affect)
• Some evidence is collected about capital growth, but within, rather than as a result of, people
• Links between data sources are not yet made to prove worth
• Transcendent outcomes and benefits are assumed, but not yet proven