CHAPTER TEN

10. ANALYSIS, CONCLUSIONS AND RECOMMENDATIONS FOR FUTURE RESEARCH

10.1 Analysis

The problem statement with which this research study began was the intimation that despite claims in the literature regarding the value of information there was pressure on corporate library and information services to justify their continued existence. It was this concern that prompted an investigation into the evaluation of library and information services in the South African law firm.

This research study expanded into a series of studies that analysed and reported various attempts to determine and demonstrate operational value of information services to corporate leadership. Subsequent studies gave substance to the research questions introduced at the beginning of this report. These studies were reported individually.

Chapter two investigated the question: "How did the nature of the corporate entity influence the determination of value of its information support services?". Core business processes of the information services in the South African incorporated law firm were identified as the provision of legislative and judicial material for legal practitioners. Performance objectives were identified in relation to reliability, accuracy and response time. Unique features of the private law firm library included the creation and maintenance of information resources that were available and accessible to information users at all hours without the assistance of the information professional. The function of the information services in the private legal practice was to create reliable systems that provided access to appropriate and relevant information sources. These systems were judged according to the ease and effectiveness with which the end-user gained access to the information resources in the organisation and the assurance of accuracy of these resources.

An investigation of the nature of the corporate entity distinguished the position of corporate directors as both information users and company shareholders. The fact that company shareholders were also information users simplified certain practices and procedures relating to accountability.
Chapter three considered the question "To what extent did existing performance models and standards offer useful guides to measuring value?" It introduced and reviewed some theoretical considerations of evaluation literature with particular reference to performance literature of the 1990s. Performance modelling was useful for identifying the perspective from which performance was evaluated. Multiple constituency models required the identification of stakeholders and provided for the definition of stakeholder interests. This was particularly relevant in evaluating corporate support services where user requirements were significantly different from management requirements. The balanced scorecard proposed a multiple constituency approach that was comprehensive in its inclusion of financial accountability and provision for innovation and sustained growth. Modelling was helpful in integrating principal business processes on a conceptual level. It was not, however, used as a framework for evaluating library and information services at operational level.

The introduction of performance indicators in the studies was also useful, drawing attention to the relationships between measures of input cost for example, and the use made of a product or service. In practice, however, it was not possible to verify the assumption that the measurement of performance against defined performance indicators was sufficient to determine or demonstrate value of the services to corporate management.

Chapter four considered to what extent financial accountability contributed to the perception of value of corporate information services. It reported on a cost accounting exercise known to participating organisations as Infospend. A methodology to determine the cost of the library and information service was tested by information professionals at seven South African law firms. The Infospend study estimated the average cost to the South African law firm of supplying library and information services to its legal practitioners in private practice was ZAR7324.57 per practitioner for the financial year 2000 / 2001.

The Infospend study indicated that there was some merit in developing a best practice with regard to cost accounting of information services in South African law firms. It urged corporate information professionals to involve themselves more precisely to financial accountability.
Chapter five reported an effort to ascertain how the information services met the information needs of users. The operational value study attempted to assess use and usefulness of information resources to the customer. It was anticipated that data reflecting the use of information resources and services would complement the data relating to the relevant costs for the same period. The study failed to justify the cost of information services with regard to the use that was made of these services. Practitioners were, however, given the opportunity to identify problems and deficiencies with regard to information resources in special areas of practice, and to articulate the degree of satisfaction with information services. The outcome of the study was a commitment to customisation of information services in an effort to increase the value of the services to the individual information users.

Chapters six and seven considered the possibility of determining return on corporate investment with regard to library and information services. The study of the productive use of corporate time was reported in Chapter six. It was suggested that time monitoring was a driver of productivity and was a useful adjunct to the determination of labour costs in the provision of information services. Time was perceived also to be a measure of performance to which performance objectives could be assigned with regard to the development of quality assurance procedures.

Chapter seven reported a study of the return on capital employed. Claims in the literature for financial return on investment suggested that information services could become profit generating. These claims was explored in the context of the South African law firm with regard to the practicality of monitoring those information services where costs could be recovered. It was assumed that this was a practice that would clearly demonstrate the value of library and information services to corporate management. Cost recovery was associated with the cost of labour to perform various services and operations and this data was noted at the same time as time was logged.

There was no problem with the recording or analysing of data in order to charge users for the cost of services. What was shown to be problematic was the implementation of cost recovery practices in the context of corporate library and information services. There was evidence to suggest that cost recovery and generation of profit through the sale of information services might have a detrimental effect on perceptions of the role of corporate services. Legal and ethical difficulties were revealed with regard to the reselling of information that was copyright protected.
Chapter eight considered the question: "What controls were in place to ensure that operational procedures met the required operational standard?" The practices of corporate governance, ISO quality assurance management and the internal audit were briefly introduced and their relevance to library and information services evaluated. The information services audit was proposed as an initiative by the information professional to comply with principles of accountability.

Chapter nine complemented Chapter eight with an interpretation of Barlow's ten-step management process in the context of a South African law firm. This was reported as a statement of accountability and a demonstration of value of information services in South African law firms.

10.2 Conclusions

Efforts to apply cost-based measures of performance in order to determine and demonstrate value prompted the development of strategies to improve unit management. They did not, however, satisfy shareholder perceptions of value.

Evaluation of support services in a business environment was reconsidered in the light of existing measures of accountability in the corporate business environment. The consequence of this evolutionary process was a proposal that the provision of corporate information services be subject to the same standards and practices required of the organisation as a whole. These standards were to conform to statutory requirements of corporate governance on the business unit. The adherence to prescribed standards and procedures would then be periodically assessed by way of an internal services audit. Accountability to these procedures, it was proposed, was more likely to succeed in showing value of corporate information services to corporate management.

10.3 Recommendations for further research

The information services audit was proposed as the means by which library and information services could demonstrate accountability and value to the parent organisation. This researcher outlined some of the management processes that might be involved in the preparation of documentation to support such an audit. This
did not, however, fully examine an important subject and it is recommended that research and testing be continued in various organisations to establish appropriate operating standards and levels of control for corporate library and information services.

While attempting to demonstrate the value of library and information services with regard to return on capital employed, the legal and ethical problems of reselling information were revealed. The issues were not investigated and they were perceived to be worthy of a major study in their own right.

The feasibility study with regard to return on capital employed (ROCE) suggested that notional billing of certain services might be an indication of added value. More work is proposed on perceptions of value-added services in South African law libraries.