

Consortium – the way of the future

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Abstract:

By taking a consortial approach to the purchase of a new library management system, five Auckland libraries were able to pool the experience and knowledge of their staff, stretch their budgets and end up with a solution that none of them could have arrived at alone. The learnings from this joint venture have been far reaching in the libraries and their councils, and the project is fast becoming a benchmark for local body collaboration in New Zealand.

Consortium – the way of the future

This paper looks at how five separate cities in the greater Auckland region formed a consortium to purchase a joint automated library management system, and perhaps more pertinently, what was and is continuing to be learnt from this major development in the provision of public library services in New Zealand.

During 2001 it dawned on the library managers of five of the largest city and district library systems in the greater Auckland region, Auckland, Manukau, North Shore, Rodney and Waitakere, that as each of their separate systems was in need of replacement or significant upgrade within the next 18 months, an opportunity arose for a joint approach to software purchase. Between them these libraries serve a combined population of 1.2 million people with a stock of 3.3 million items. Their 550,000 members borrow some 14.5 million items a year. Although as managers we had met professionally twice a year to exchange ideas we never seemed to gain any traction on real co-operation, and sharing remained something that was achieved through vague necessity and goodwill. In June 2001 we met in a facilitated session which gave us all a degree of discipline and direction. By our second meeting in January 2002 we were a changed group.

Unlike their Australian counterparts, New Zealand public libraries receive only two sources of funds: money from across the desk charges, which makes up on average six to ten percent of the budget, with the remainder coming from local body rates. There are no state or federal government funds. This means that individual public library systems are very territorial, providing free service only to their city's residents and ratepayers. This fact alone made the decision to form a consortium and to use joint purchasing power to go to the market place to buy a common automated library management system unusual.

We had a vision of a shared automated system that would allow each of us to achieve more for our dollars together than any of us could individually. As the project developed and as we grew closer as a group this vision turned into an absolute faith that we would succeed. We talked about cost containment rather than speculating on what even then we believed would be mythical savings. We established a Board made up of the library managers of the five cities involved, which was later expanded to include two ITC managers from our cities. The structure gave each library equal participation and it was decided to use population size to determine the split of the project and implementation costs. The initial phase, which took us to the end of the selection process, was undertaken for \$300,000. The implementation and change phase plus the installation of the annual software upgrade which was released just after our go-live had a budget of \$3,500,000, of which \$700,000 was earmarked for training our 1450 staff. The systems and hosting costs came in a bit under \$2,000,000. The final result has been the project delivered on time and on budget.

We devised a name for our group, eLGAR (Libraries for a Greater Auckland Region, with an e as a nod to technology). The name and its strange shape have now become a distinctive piece of branding for us. We drew up a budget for the first stage of the project, which was to become the Smarter Systems Project (SSP), to see us to the point where we had jointly selected a system. In the budgeting process we endeavoured to be realistic rather than optimistic, and although the end total frightened us all, it was the figure we used, and it turned out to be very close to the final cost. We included fees for a project manager, for lawyers and auditors, and above all we included money for celebrations because even then

we realised that we would be asking a lot of our staff. We established a representative project team to begin the task of determining what services we wanted to deliver now and into the future and how these services would be delivered. We then ran a series of visioning workshops drawing on staff from various areas: Systems, Collection Management, Cataloguing, Circulation and Customer Access – mainly OPAC.

We wrote a document called the eLGAR Way, which set out how we would work together, an incredibly important three pages as it turned out. New Zealand local body reforms in 1989 set territorial local authorities down the business path and it took some ten years of poor decision making and the collapse of some local authority trading enterprises (LATES) before the central government changed the legislation governing local authorities. These changes have proved to be too restrictive and we have found setting up a legal body to govern our consortium very difficult. In fact we are still governed by a memorandum of understanding and the Board is obliged to work by consensus as decision making by voting would force us into a model of governance that would not suit our method of operation. Fortunately we all prefer to work by consensus and this method contributed greatly to how well we focused on the vision. Had we had to vote we would not have worked the issues through so thoroughly or had such an egalitarian approach. The eLGAR Way would have to be called a soft document, talking as it does about openness, commitment and enthusiasm.

In New Zealand there is much talk about shared services in local government circles, especially by central government, the idea being that collective effort can achieve more for the same, if not lesser, cost. Unfortunately there has been virtually no accomplishment of services shared anywhere. For our project to fly we needed to gain approval at the highest possible level. Initially this meant individual approaches to our own councils to gain political buy in to our vision. Our next best chance appeared to lie with the Forum of Auckland Region CEOs, of which there are eight, as they have a vested interest in seeing shared services projects are successful. These CEOs meet monthly in a formal group to talk about issues of regional interest, the regional mayors also meet but less frequently. We made a presentation to the CEOs very early in the project, employing a strategy of presenting issues, each with a workable solution, and of keeping the discussion general. The CEOs were probably somewhat startled to find themselves confronted with a group of librarians, but they hid it well and we left the meeting with their blessing and with the Manukau CEO nominated to be project sponsor. The CEOs gave us permission to devise and use a single eLGAR standard process when there were wide differences between our own councils' way of working. This saved an enormous amount of potentially divisive consultation. The CEOs also were aware of our budget and this gave it credence. During the course of the project we were to formally meet this group on three or four more occasions, always taking solutions for our requests for help.

In 2002 we selected our first consultant from a short list of three firms. HeXaD Consulting, a Wellington company, became our constant companion for the next year. Firstly we had to work out exactly what we were looking for, what our needs were and how our embryonic consortium would work. This involved numerous staff meetings and a tentative clustering of work groups to cover the areas of circulation, cataloguing, acquisitions and OPAC. Plans were written as ideas began to flow. An RFI was produced to draw out a list of likely candidates for system provision. Once this was done the staff embarked on producing an RFP to be sent to the short-listed vendors. In an original twist, the RFP group decided to illustrate our system specifications by writing them as scenarios, the plot of which could have been used for Neighbours. While this approach may have perplexed our three short-listed

vendors, Sirsi, Dynix and Innovative Interfaces, somewhat, the collaboration needed to produce the document meant that the writing of the RFP became in itself a strong tool for graphically illustrating the common needs of the five library systems.

The Library Managers recognised early on that a project of this scale could not be successful without the involvement and buy-in from the various Information Technology groups that provide support for the libraries.

IT support for libraries is provided by a large number of groups, with a variety of area of expertise, role and type of involvement.

The mix of players included:

Auckland City Information Technology and Telecommunications group (ACC ITC)

Manukau City ITC

Waitakere City ITC

Rodney District ITC

Datacom (for North Shore City Libraries IT support and network provision for Manukau Libraries)

North Shore City ITC

The IT resources within each of the Libraries and a network provided would be required to link all sites back together if a single server model was chosen.

This involvement was brought to fruition by inviting a representative from each of the five council IT departments to be part of the RFP process: developing the RFP, determining the evaluation process for the RFPs, attending the selected vendor demonstrations and participating in the final selection.

The IT managers recognised early on that if Millennium was selected, due to its simplicity, it could quite easily be hosted at one location. In the words of Ian Rae, Chief Information Officer of Auckland City, single site hosting was “a no-brainer”.

Once Millennium was selected, the IT Managers group moved very quickly to promote to the eLGAR board the concept of hosting the solution at Auckland City Council’s data centre in Auckland’s CBD.

The board had initially expected to host the solution externally, as several of the councils were already using this model, but were happy to consider this proposal as long as it was presented as a shared services solution and not as an Auckland City initiative. To ensure a defensible decision was made, a hosting RFP was prepared. The shared services solution was the only respondent.

At this time, it became apparent that the lack of existence of a specific body representing the five IT managers would make ongoing collaboration difficult. In response to this need, the teleCommunications and Information Technology Advisory Group (CITAG) was created.

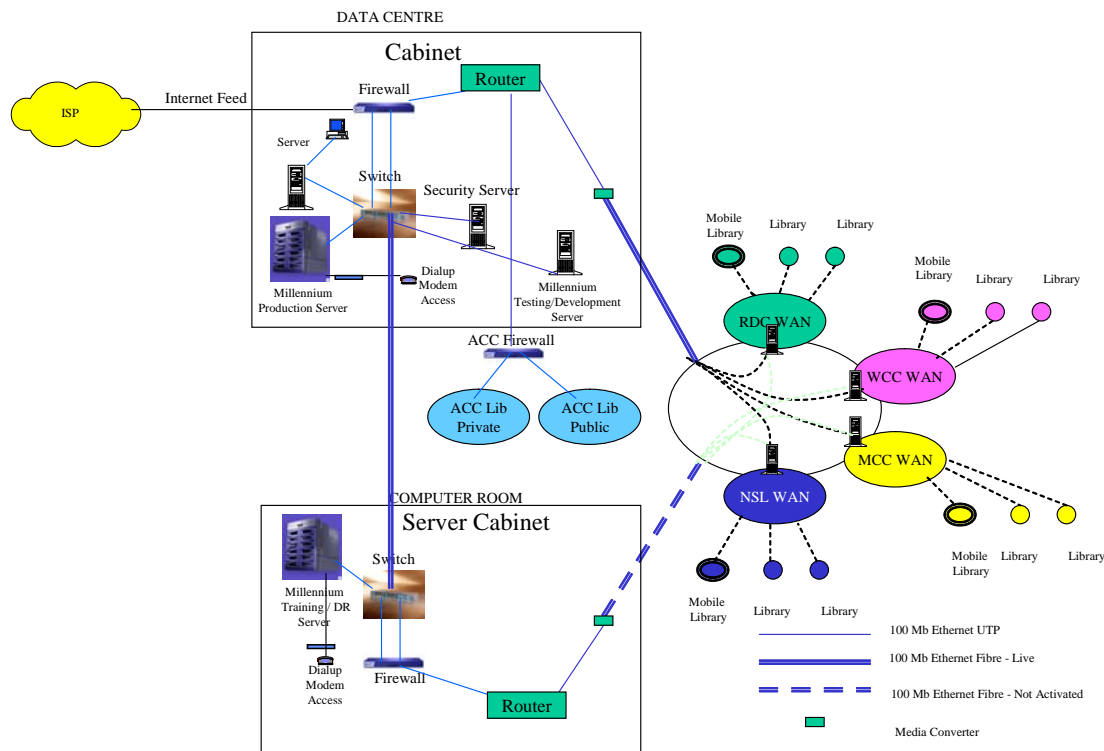
This enabled the hosting agreement to be provided directly to the eLGAR consortium by Auckland City ITC but be overseen by the CITAG group. A formal contract was created for the hosting services, as was a Memorandum of Understanding to govern the CITAG group. The hosting service is delivered by Auckland City to eLGAR on a cost recovery basis with

full service level agreements in place. Auckland City has employed a full time Hosting Manager to provide account management to eLGAR.

Early on in the process two members of CITAG joined the eLGAR board to govern the Smarter Systems Project – Jeff Shaw and Ian Rae of Auckland City.

The overall solution implemented to deliver Millennium is as follows

eLGAR Hosting Network Infrastructure (Logical) – July 2005



This network was put in place in a very short period of time and includes Network Services delivered by Telecom and Datacom. The Training and Disaster Recovery servers are based offsite at Auckland City’s Central Library.

The servers have been sized to accommodate growth with Sun Sunfire V880 servers being selected for production rather than the Sun Sunfire 440 servers that were recommended by Innovative Interfaces. The prime driver for this capacity was the ability to add additional services if required and provide the opportunity to grow the consortium.

This project also involves the provision of Millennium to 56 libraries, approximately 1000 client devices (700 staff / 300 public access), as well as self check machines, telephony solutions and RFID solutions. Dedicated technical resources have been required to analyse and implement these interfaces. A high level of cooperation has been required throughout the project between the various IT resources. This was coordinated from the Auckland City Hosting group and was essential to ensure that all parties involved in delivering services were aware of timelines and how the various solutions fitted together. Common types of issues included delivering services based around IP addresses across multiple diverse networks.

The Smarter Systems project has proven that such issues can be addressed and that multiple disparate organisations can share services. This is an excellent model, not just for Libraries, but for all Local Government services within New Zealand and Australia. It provides a wonderful success story for those who are committed to making shared services a reality but who are struggle to turn the complexity into reality.

The evaluation of the RFPs and the evaluation of the demonstrations was an intensive process, not made easier by the widely differing standards of competence and preparedness of the written replies and the sales teams, one of which displayed strong dysfunctional tendencies. At the end of the evaluation process each team and each library system unanimously selected Innovative's Millennium product as the winner, a result of hard work, thorough consultation and a willingness to overcome parochial attitudes and work for the big picture.

Once again we went to market to look for help. Firstly for legal help with negotiating the contract with the successful vendor, and secondly to find a person to actually implement the new system. We selected PhillipsFox as our legal firm, and a small firm Destin Consulting, to provide the Programme Management in the form of Dennise Fox. Dennise brought with her a suite of professional contractors who filled most of the top jobs in the implementation structure with over 70 library staff seconded to the remaining positions in either full time or part time roles. The Smarter Systems structure had six main streams, technical, process, data testing, data conversion, training and change and communications management. The processes were divided into five main areas: acquisitions, circulation, cataloguing, serials and OPAC. Each area had three teams ascribed to them, and in most cases each contained a representative from each library system, process champions, subject matter experts and a process advisory group. As well as this there were data cleansers, data conversion co-ordinators, customer champions, trainers and HR representatives - plenty of opportunity for staff from all the libraries to get to know each other.

While it would not be correct to represent the bringing together of five catalogues into one, or the combining of the five name and address registers into a single entity as being without incident, the whole process worked very smoothly, including the production of the single bibliographic database. To arrive at a common circulation standard the team responsible for this area drew up an eLGAR standard which each library is moving to as quickly as it is able. In fact it was the circulation area that really drew our attention to that fact that we are not a true consortium, and that this means that the resulting variations between us are costly in both time and money

In the middle of 2004 the Board began to meet more frequently, with formal meetings every second week and weekly to work through specific issues. Thus at least 20% of our time became directly taken up by the project, and while we made a commitment to attend each and every meeting, we also accepted that our quorum of the representatives of at least three cities was empowered to make decisions that were binding on us all. During the last eighteen months the thinking behind our consortium has changed and matured.

Of the five libraries involved in SSP, three had to a greater or lesser extent outsourced their IT provision and support to the Auckland firm Datacom Systems Ltd. in the mid 1980s. As SSP will be hosted internally by Auckland City Council a new relationship has to be forged. After our successful mid 2005 go-live we are establishing a structure that will take us forward. We have set up a Business Support Team and a System Support Team, both

managed by seconded senior eLGAR staff member. The systems team will work with the hosting group to ensure that the technical side of eLGAR continues to work and grow as new modules are introduced. The business support team will ensure that our rules of working together are kept in line, and will prepare the way for new members to join.

The future continues to be challenging, with the prospect of closer co-operation than we anticipated being necessary. The day we decided to form a consortium four years ago was the day that we gave away part of our autonomy, the extent of which is now only just becoming clear. We need to keep the CEO Forum informed and enthusiastic, and even more so we need to keep the staff happy with the change. The modules that have been installed to date are mainly centred around staff functionality. The modules we are looking to introduce over the next two year are more public-facing, and we need to ensure that we train our users to make the most of these.

Smarter Systems Learnings

For much of the project we have kept a Learnings and Wins register, something that was a standing item on each Board agenda. Here are what we consider to be our most useful learnings.

1. From the beginning the five library systems entered eLGAR as equal partners, thus trust and equity became strong concepts in the way we worked together.
2. The very nature of our working relationships with each other, with our councils and with our staff meant that we did a great deal of preplanning so that individually we had a thorough understanding of the project.
3. We maintained a strong focus on the vision, which in turn meant that we were always sure about where the project was going. By conveying the vision to all our stakeholders they too could see the direction the project needed to take. Smarter Systems was the number one priority for all staff during implementation year.
4. In the project structure we introduced champions at all levels, for the project, for the five work areas and for the customers. This meant that each area had a voice and this helped minimise the chances of important factors being ignored or overshadowed by high profile issues.
5. We learnt that apparently trivial issues, such as the format of spine labels, can grow into gigantic proportions and are ignored to one's peril. Thus every issue must be evaluated in a considered way and not lightly dismissed.
6. We stressed and restressed the need for excellent communications to all those involved. We succeeded very well in maintaining open communication amongst the Board members, we worked hard at building relationships with all the groups we dealt with and amongst all the groups involved. We paid special attention to library staff, who were back in the libraries maintaining excellent customer service with less bodies and without the excitement of the project work. We toured information Roadshows around all the libraries on at least two occasions; we fed the staff pizza and wine and used this as a rare opportunity to get large groups of staff together. We continually

reviewed our stakeholder groups to ensure the groupings we had identified were still relevant. There cannot, it seems, be enough communication.

7. You cannot pay too much attention to the staff. Continual communication brought enthusiastic participation and buy-in which in turn led to a greater understanding of the expected end result and a low level rework. There is always a small percentage of change resisters; we worked with these people and eventually around them.
8. Because many staff have been involved in the project for at least 12 months their expectation of what they gain from their jobs has developed and grown. Staff were inducted in to the project by a three-day workshop and trained to do project jobs. Managing them out of the project and back to their old roles has also been taken seriously, and was the topic of a full day workshop. Some staff have found themselves new roles in the project structure, others are looking for work outside libraries, and others have returned to their workplaces and it is important that we secure the benefits of their new knowledge and retain their enthusiasm.
9. We planned to educate the public about the new system for a month before go-live day. We used pamphlets and posters, and talked endlessly to people as they came to the desk and around the library. Our learning here was that one can never communicate enough and that perhaps our messages were over complicated. Simple statements in large black letters on white card stuck all around the libraries may have worked better. We also used our web site to alert remote users to the changes we were introducing.
10. In all cases we used professional outside help where it was appropriate: lawyers, ITC consultants, the audit office to provide real time risk management advice. Although money was always a concern, the most expensive path for us to go down would have been the wrong one.
11. The contract with the software vendor was written in outcome terms as well as in technical terms, and thus it supported what we were expecting Innovative to deliver.
12. New software never works the same way as the old and there was a danger of staff becoming dispirited because they did not understand the operation of the month old software as they did the previous one that we had grown up with over the last 20 years. However, we did find ourselves seeking changes for what seemed very basic functions, and still are at a loss to understand why many of these issues were not addressed ages ago.
13. We are not compliant customers and at times we pushed Innovative's boundaries and probably tried their patience somewhat. We installed three servers, one production, one training and one for software testing, all of which we used for testing the system fully before implementation; something we were told was unnecessary. However, we did pick up numerous issues we would not have liked to have addressed under live conditions and the testing prepared us well for the real thing. Proactive management of the relationship with the vendor has been a great strategy.
14. We also undertook a series of three trial conversions which were absolutely vital for ironing out the problems of transferring data from many systems into one. They

provided many learnings including helping us to understand our capacity / timings for go-live, identifying gaps in the mapping of data and impacts of data across modules. In hindsight we would have benefited from at least another two trial conversions to resolve issues and finalise our understanding of how data behaved in the new system.

15. There were also learnings from an IT perspective.
 - a. Involve your internal IT departments at the earliest stage to ensure buy-in and solutions that fit strategically with the direction of the governing body.
 - b. Look for opportunities to deliver low cost solutions using existing capacity and knowledge within the group.
 - c. Plan for the future of the project, not just for today, and purchase significant capacity to grow.
 - d. Involve all parties and continually make them talk to each other face to face. Communication is the key to making a shared solution of this size a reality.
16. During the implementation phase we unwittingly developed some silo groups, later we realised that it would have been more beneficial if the project groups were “buddied” up with each other a bit more. For example, we found that the circulation team, who focused closely on the functionality of their modules, ended up knowing more about the parameter settings within the system than the technical co-ordinators.
17. A learning that one of the Board members brought back from the 2004 Gartner conference, and which boosted our morale, was that shared services are leap frogging outsourcing. People are seeing a great strength in pooling, developing and retaining in-house expertise as opposed to outsourcing the work and therefore often failing to develop their own competency.
18. Official permission to work to one process rather than consult each council separately over their in-house process allowed us to arrive at decisions quickly and then implement them. This ability to act as a group was perhaps the one single factor that drove the project ahead in a logical way and a reasonable time.
19. The Board operated well together, but occasionally made the mistake of sinking into detail. Always at this stage things would start to look like they might unravel. The learning here was to stay strategic, leave the detail to those you have entrusted to do the detail.
20. Some of us started the implementation thinking that we wouldn't change our processes too much and that local variations would be OK. Somewhere in the Design phase we all realised that process change was a given with a new system and consistency across all eLGAR libraries was the only answer if we wanted to achieve our objectives of cost containment and setting up a base for future collaboration.
21. As the implementation project drew to a close it began to become increasingly clear that our Clayton's consortium, with its five separate library systems, partitioned catalogue, and five separate technical services departments, would greatly hinder our future direction. The next 18 months will include a great deal of discussion as to how we can centralise more and more of our functions. The classic example was the printed membership form, which is exactly the same for each library, being sent out to

each participant for proofing and arriving back as five different membership forms. We still have a way to go.

22. Customers want the ability to freely access the resources of the 5 libraries. This demand is increasing now that customers are able to see the single catalogue. The Board has already signalled the need to move to closer resource sharing with the CEO Forum; however, the decision for sharing of book stock lies at a political level. We are planning to employ an external consultant to look at the whole topic of resource sharing in detail. If we can achieve regional resource sharing it will be a huge step forward for New Zealand libraries.
23. Prior to go live we devised an eLGAR set of standard rules for circulation. This ranged from length of loan period, set to 4 weeks across all libraries, to fine amounts and charges on "Best Seller" material. Overall we probably achieve a 75% fit between us, and we are gradually moving towards our goal of 100% compliance as we are able.
24. We are re-engaging with our lawyers to begin work on establishing eLGAR as a legal entity. Our reason for seeking proper recognition as an official body is because we believe this will allow us to continue to work together in a strongly collaborative way. If we were to choose the lead agency model, where one authority speaks on behalf of the others, we believe this would result in an inevitable skewing of influence.
25. We have returned to our original consultants at HeXaD to help us work through a methodology and funding model to bring the two remaining local authorities in our region, Franklin and Papakura, into the consortium. Initial discussions have begun, with issues such as what exactly are the two authorities joining and what will be their decision making status in the group being the first considerations.
26. A Systems Support Team, of seconded staff from the five libraries, has been established. This team provides operational help desk and system support during weekday business hours and has one operator available for call out during the weekend. This team works closely with the hosting team which provides the technical infrastructure and support.
27. A Business Support Team has also been established with the brief to maintain and develop the eLGAR standards and business rules. The team has one full time manager and part time administrative help. The work of the team is carried out in pan-library groups each lead by a senior staff member. The teams are: cataloguing, serials, acquisitions, circulation, OPAC, and customer. A reports team is about to be established.
28. Part of the Business Support Team's responsibility is to help select and then implement new modules for the system. During 2005/06 we are planning to install five new modules and research a number of others for implementation during the following year. The Board already has a long programme of future work.
29. The split between Millennium co-operation and sharing on a whole range of other collaborative ventures such as RFID, a common self check machine across all libraries and developing a common approach to wireless conductivity is yet to be

clarified. There are some areas the Business Support Team will need to be involved in and there are others where we may use other yet to be established groups. Already staff are coming forward keen to be involved in a whole range of schemes where they can see great opportunities for further sharing.

30. We celebrated our milestones with the help of Dennise Fox, our imaginative programme manager. On go-live day library staff all wore red tee shirts, and the final team party for project team members and partners was a Hollywood-style Oscar night with a 15 minute film entitled the Wizard of eLGAR starring the Board members.
31. The penultimate learning, and perhaps the hardest one for anyone to copy, was the confirmation of the fact that the original five library managers get on well together both professionally and personally had a great deal to do with the success of the project. From the beginning we worked hard to continue to develop the natural rapport that already existed between us, through both working and socialising together. We were in the end in danger of seeing more of each other than we were of our families. This has become a major part of our culture and when the two new members from the ITC departments joined the Board we ensured that they embraced our social culture too. In late November 2005 the eLGAR library managers spent a day with Leonie Blair, our mentor who set us on the path towards a consortium back in 2001, to re-energise and confirm our forward direction. Such use of time has proven to be invaluable during the life of eLGAR.
32. The Smarter Systems Project was long and demanding on the staff, and especially the team leaders, many of whom worked for months with no holidays; thus the last learning is when exhausted take a holiday. The Board endeavoured to instil a culture of maintaining a good work/life balance in the project.