
IMHBCO (In My Humble But Correct Opinion) — Thinking About the Value of Staff Time

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Those of us who work in acquisitions, serials, or electronic-resource departments are generally pretty good at thinking about the value of our materials budgets. With funding getting tighter and prices rising dramatically every year, we've had no choice but to make hard decisions about which products and services are most important to our users, and many of us have come up with effective (even ingenious) ways of determining which of those products and services will give our patrons the most bang for our budget buck.

But we have another limited resource that has to be managed carefully, and that's staff time. While it's true that prices are rising at a ridiculous rate, it's also true (thanks to the advent of "free-online-with-print" subscriptions and Big Deals) that most of us are providing quite a bit more content to our patrons than we did in the print era. When serials inflation outpaces growth in materials budgets, the result is that those budgets become more "scarce" even if they remain technically the same — we are able to buy less and less with the same amount of money every year. But a similar thing happens to staff time when the amount of content we offer rises while staffing levels remain the same, or when

a given unit of content moves from print to online format, requiring more staff time and oversight. An hour of staff time no longer "buys" as much resource management as it did when we had fewer resources to manage, and when the vast majority of our resources were published in relatively low-maintenance print formats.

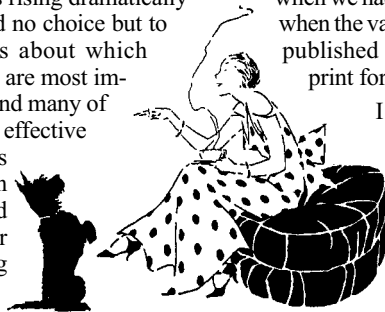
I alluded to this problem in an earlier column ("No, You May Not Come Train My Staff," vol. 16 #4, September 2004) in which I mentioned that I often decline sales reps' offers to come in and talk to my staff about new and upcoming products.

The problem, I said, is not that we don't want to know about their products, but that staff time in our libraries is often severely limited and we may not be able to afford to invest twenty or thirty scarce staff hours in gathering people to listen to a sales pitch. Instead, we need to get product information in written form, so that it can be distributed to everyone and read when they have time.

But this begs a question: it's all well and good to say that staff time is scarce and valuable, but how do we determine what an hour of staff time is actually worth?

There are many different ways of answering this question. I'm going to propose two:

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one that I think is obvious but inaccurate, and one that I think is less obvious but more useful.

Costing Staff Time as a Function of Salary Budget

Suppose that your serials department employs three full-time classified staff at a total cost (including benefits) of \$100,000 per year. Assuming a forty-hour work week, that amounts to 120 hours per week, 52 weeks per year. If you subtract four weeks annually for personal leave and holidays, you're left with 48 weeks per year at 120 hours per week, which means that for \$100,000 you're getting 5,760 hours of work at roughly \$17.50 per hour. (Their hourly wage will actually be lower than this number, because we're taking vacation time and benefits into account in measuring the cost of an hour of their time.) For simplicity's sake, let's round up to \$18.

The temptation would be to think that this figure — the direct salary cost — accounts for the value of your staff's time, and therefore that you should set workflow priorities based on that \$18 value: the message to your staff would be "don't spend an hour doing anything that isn't worth \$18."

But there's a problem here, and that is the fact that this valuation doesn't take into account opportunity cost. A staffer could spend an hour doing a task worth \$30, and you might think you're well ahead of the game — but if there was another task awaiting his attention that was worth \$50, then you have a problem.

This is why I suggest that instead of thinking of the value of our staff's time as a unit of salary, we look at it instead as a unit of resource available for the management of the materials budget.

Costing Staff Time as a Unit of Collections-Budget Management

By this measure, we'd calculate the value of staff time in this way: given a serials budget of \$1,300,000 and annual available work hours of 5,760, it takes an hour of staff time to manage about \$225 of the serials collection.

Now obviously, this is far from a perfect measure — if a staff member takes a sick day, you don't lose \$1,800 from your serials budget, or lose access to \$1,800 worth of information. But I think it's a better way of thinking about *the importance of applying staff time to tasks that really matter*. Instead of simply measuring staff time in terms of direct labor costs, it takes into account the actual value of what is being managed with staff time. To put it another way: staff time is worth much more

than the salary we invest in it.

Now, am I suggesting that each of us follow our staff around with a calculator and constantly analyze the value of each of their tasks, keeping a running tally to determine whether they should be claiming or calling vendors or processing orders at a particular moment in time? Of course not. The point of the very imperfect mathematical exercise in which I indulged above wasn't to arrive at a strictly accurate measurement of the value of staff time, but rather to demonstrate the huge difference between the value we attribute to an hour of staff time if we think mainly in terms of salary, and the value we attribute to it when we think mainly in terms of the value of the work that needs to be done.

When it comes to deciding how we and our staff should spend our time at work, it's becoming increasingly important that we look in a very hardheaded way at the value of our time and the value of our tasks. Our time is becoming increasingly expensive. Are we still spending time on processes that are of decreasing value, while failing to take up new tasks or processes that are of increasing value to our patrons? No two libraries are likely to answer that question in exactly the same way. But we should all be asking it of ourselves, and we should be asking it on a regular basis. 