Proposal to establish a central funding mechanism supporting the infrastructure for the UC online reference service

To: SOPAG
From: Amy Kautzman, Chair, HOPS
Date: January 7, 2013

Following is a proposal to establish a central funding mechanism to support UC's QuestionPoint 24/7 digital reference service (also known as the chat service), including a permanent 25% FTE to manage the service.

We request SOPAG's endorsement before sending the proposal to CoUL for approval.

Chat Service Summary

The UC Digital Reference service is a successful example of a collaborative project that enables the ten UC campuses to do together what none could do separately: offer 24/7 online reference help. Moreover, it harnesses the power of the network beyond our own UC libraries to benefit our students and faculty.

The service first started in November 2006 with most UC campuses participating. In the first full fiscal year (2007-2008) almost 6,000 questions were initiated through the UC libraries' digital reference service and these were all answered by UC staff. During the past fiscal year (2011-2012), there were 23,377 requests and UC staff answered 70% of those requests (includes 24/7 coverage).

As of July 2012, the UC libraries, including CDL, are paying $68,110 annually for OCLC's QuestionPoint (QP) 24/7 online Reference Service. Providing this service allows UC students, faculty, and staff to ask a reference question 24 hours a day via computer or mobile device and have it immediately answered by UC library staff, by academic librarians throughout the United States, or by OCLC back-up librarian staff, depending on the time of day.

Calculations have shown that it is far less expensive to buy-in to this service than it would be to use our own staff to provide the same level of service. [See Appendix B] Further, many campuses do not have staff to contribute more hours to the service in any case, although they are willing and able to allocate additional funds to the service.

 Funding Proposal

We propose that this service be considered a permanent UC-wide shared service and be given a stable central source of funding, as other services are, such as the Shared Catalog Program, shared bibliographers, and other collaborative initiatives described in SOPAG's report "Toward

a Financial Model and Process in Support of UC Library Collaboration: Proposal and Planning for Implementation FY 2012 – 2013."

We also request that there be central funding for a permanent quarter-time administrator for the service, located at one campus. Staffing will be based on a Memorandum of Understanding (MOU) established by HOPS in which the managing campus will determine the level of staffing appropriate for this position. (See Appendix C)

Currently we have a distributed administration model where there are co-administrators at two campuses who rotate off these voluntary positions alternate years. We recommend creating a permanent quarter-time administrator for this production service who can commit focused time to this service. To date, the co-chairs or DigRef Common Interest Group (CIG) members have been taking on all administrative duties including scheduling and reporting, which can be very time consuming. These tasks are on top of their own responsibilities at their individual campuses.   Although these volunteers have done an admirable job of running the service, a centrally mandated and organized infrastructure will more actively support the DigRef CIG members, UC chat service staffers, and overall service quality which is appropriate for a production service. Additional advances in the service can be made when there is a dedicated advocate who has time specifically allocated to enhance the service's visibility and to ensure its sustainability.

There are different models of paying for the service; we recommend a cost model whereby the campuses and CDL pay equally for the service, currently $7,514 each annually.   This is the easiest model to maintain over time because of various changes in campus FTE, campus usage, increasing costs, etc. If desirable, this model can be reexamined at a later date.

The online reference service has proven itself extremely valuable to users of UC's reference and information services. HOPS and the digital reference staff appreciate the year-to-year funding we have requested and received in the past. However, now that the service is fully integrated into our formal services, we believe it should be granted a more permanent, shared service funding model to ensure its long range stability.

Appendix A

Charge to the group

A small group (Lynn Jones, Ellen Meltzer and Sara Davidson) will work on a proposal that we can forward to SPOAG for consideration by the CoUL regarding establishing a central funding mechanism supporting the infrastructure for the UC digital reference service. The proposal will have these aspects:

- It will describe the recommended infrastructure.
- It will detail the funding needed to support the main infrastructure of the service including the QP licenses, the surcharge for 24/7 support to fund additional QP back-up staffing, service management, and anything else needed that will be necessary for the long-term operation of the service.
- We assume the principal staffing will still be handled by librarians on the campuses, and the campuses will contribute organizational expertise, but we will move away from the model of adding the responsibilities on top of local responsibilities to one where the service and infrastructure is organized and mandated centrally.
- A cost share model will need to be developed (could be based on our Dig Ref current model or similar to the Tier One model for electronic resources…)
- Ideas from the forthcoming SOPAG report on "Financial Infrastructure in Support of Collaboration" (currently being discussed by CoUL) will likely help focus our proposal.

    ACTION: The draft proposal is due to HOPS September 15.

Appendix B

Cost of Digital Reference

Donald Barclay Memo (dated June 21, 2012) on Cost of Digital Reference

I have been looking at the UC digital reference statistics [1] and thinking about how to compare the cost effectiveness of the 24/7 digital reference service with other forms of reference.

For the last three years, the number of 24/7 UC [2] questions asked per year has held steady at something over 20,000.

Year	Total UC 24/7 Reference Questions
2009-10	22,629
2010-11	23,165
2011-12	21,816 (to date)

For the most recent year with complete data (2010-2011), UC invested 4525 staff hours in 24/7. That works out to 5.12 UC questions asked per hour of 24/7 staffing.

I was able to obtain staffing data on in-person reference from two UC campuses, and the questions per staff hour (q.p.s.h.) work out as follows:

UCR	3.03 q.p.s.h.
UCSC	4.55 q.p.s.h.

So in terms of investment of staff time for number of questions answered, 24/7's mark of 5.12 q.p.s.h. is in the ballpark with at least two of the UC campuses' in-person reference services.

Attaching a cost-per-question figure to UC in-person questions, while a worthwhile exercise, would be a complex undertaking because of all the variables in terms of who answers reference questions (student employees, career staff, librarians) and the ways reference statistics are recorded. Attaching a cost-per-question figure to 24/7 questions is a less daunting task.

Starting with the list of 95 UC career staff and librarians who answer questions for the 24/7 service, I:

1. Randomly selected 35 names. [3]

2. Averaged their 2010-2011 salaries.

3. Converted the average annual salary to an average hourly salary.

4. Multiplied the average hourly salary times total hours of 24/7 staffing.

5. Added in UC's systemwide annual subscription cost for 24/7 ($52,333).

6. Divided by total number of questions.

The Math

 $2,215,424 = Total annual salary for 35 randomly selected UC 24/7 staffers

$2,215,424 / 35 = $63,298 avg. annual salary

$63,298 / 2000 = $31.64 avg. hourly salary

$31.64 x 4525 = $143,200.41

$143,200.41 + $52,333 = $195,533.41[4]

$195,533.41 / 23,165 = $8.44 per UC 24/7 question (2010-2011)

Is $8.44 per 24/7 UC question a good deal? There is surprisingly little in the library literature that attaches dollar costs to reference transactions, digital or in person. A 2009 study of the cost of staffing the reference desk at Stetson University came up with a cost per reference question of $7.09. [5] An article published in 2003 notes, "Two libraries report that cost for outsourcing digital (chat) reference through Library Systems and Services Inc. (LSSI) runs in the $12.00 to $15.00 range per question." [6] Not a lot to hang your hat on, but UC's cost per question doesn't seem to be wildly out of line.

Of course the above calculation does not take into account the costs of training and schedule management associated with 24/7, but those are costs that come with any reference service, digital or in person. It is also worth remembering that the salaries invested in 24/7 are costs that the libraries incur with or without 24/7. Since 24/7 staffers are paid regardless, the real question is whether or not what they would be doing if they were not staffing 24/7 is of lesser, equal, or greater value than answering questions via 24/7.

Other things to consider are that 24/7:

--answers UC questions at times when UC librarians are unreachable;

--serves UC students, faculty, and staff who never or rarely set foot inside a UC library;

--receives largely favorable comments from users.

It seems apparent that 24/7 is a good deal for UC. In the face of budget struggles, I hope that we will sustain, and possibly grow, our 24/7 service rather than cut back or eliminate it.

Notes

[1]
See: http://ucdigref.pbworks.com/w/page/10529928/Statisticshttp://ucdigref.pbworks.com/w/page/10529928/Statistics.

[2] A "UC question" is any 24/7 question originating from a UC library web site regardless of the questioner's UC affiliation or lack thereof.

[3] I consulted a statistician who recommended an *n* of 31 or more to produce a valid average.

[4] Cost of staff hours plus cost of systemwide subscription represents the UC investment in 24/7 for FY2010-2011.

[5] Ryan, Susan M. "Reference Transactions Analysis: The Cost-effectiveness of Staffing a Traditional Academic Reference Desk." *Journal of Academic Librarianship* 34.5 (2008): 389-99.

[6] Lankes, R. David; Gross, Melissa; McClure, Charles R. "Cost, Statistics, Measures, and Standards for Digital Reference Services: A Preliminary View." *Library Trends*. Winter 2003, Vol. 51 Issue 3, p401-413.

Appendix C – Draft MOU for Staffing the Permanent Quarter Time Administrator

Xxx campus agrees to hire a quarter time administrator at xxxx level for a period of two years (renewable) to manage the QuestionPoint Digital Reference Service.   This manager should be a UC librarian or Library Professional with sufficient experience in virtual reference to administer the program. (As an example, an Associate Librarian in the step III to step V range would be $13,611 - $15,555 annually at 25% time, not including benefits. A high level Library Professional might also fill the position.) The manager will report to xxx (to be decided by the managing campus and hosting campus), and, with the advice and contributions of CIG, will provide appropriate evaluation and feedback.   This campus will provide a workspace and access to a computer and other normal workspace amenities for the period of the two years.

Though the online reference manager will be hosted at a single campus, the manager will be focused on guiding and growing a shared service for the UC system.   The current Digital Reference CIG will have an opportunity to vet persons applying for the position of manager.

The incumbent will be responsible for the following:

1. Overall management of the service for the UC libraries and leadership of the CIG
2. Staffing the service at least one shift each week
3. Scheduling
4. Gathering, analyzing and reporting stats
5. Reporting to HOPS
6. Serving as liaison between QP and UC staff
7. Program analysis, troubleshooting and problem solving: e.g.,

   a) Developing training materials as needed, using QP provided materials as much as possible;

   b) Working with individual campuses with the aim of improving chat services;

   c) Analyzing transcripts for research and program improvement;

   d) Identifying trends or common problems our users encounter;

   e) Helping maintain and regularize our policy pages

8. Taking the lead to promote the service, and developing marketing materials for shared use.