OCLC Incentive Program update, discussion, next steps

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Brief History


**The charge:** Develop and evaluate cost-sharing models that advance the public purpose of OCLC, create a sustainable approach to cost-sharing for the cooperative and support the use of differential pricing strategies.

**The outcome:** Six recommendations, including the re-establishment of a Global Council Finance Committee, better communication of OCLC’s non-revenue generating programs, a review of differential pricing and a review of the current incentives program.
Task Force Recommendation #2

OCLC Management should conduct an analysis of the current system of financial credits for contribution and create an updated Incentives Program. Such an analysis should take into account:

• the original purpose of credits,
• cost of administering the system
• potential for providing incentives for new or different activities
• applicability across regions
• projections of financial impact on OCLC and members.

Global Council should discuss these findings and provide feedback on any potential changes prior to implementation.
Global Council Advisory Group

- **ChewLeng Beh** – National Library Board of Singapore, APRC
- **Raymond Bérard** – ABES, France, EMEA RC
- **Sarah Campbell** – Portland (Maine) Public Library, ARC
- **Hsueh-hua Chen** – National Taiwan University, APRC
- **Alison Elliott** – National Library of New Zealand, APRC
- **Barbara Preece** – California State Univ/San Marcos, ARC
- **Brian Schottlaender** – University of California San Diego, OCLC Trustee
- **Anja Smit** – Utrecht University, EMEARC
- **Jerry Stephens** – University of Alabama/Birmingham, ARC
- **Wilbur Stolt** – University of North Dakota, ARC
- **Anne Van Camp** – Smithsonian Institution Archives, ARC
- **Bob Wolven** – Columbia University, member-at-large
Advisory Group Progress

The group has been working since the last Global Council Meeting with calls in January, March, April

Approach:

• Analyze the benefits and limitations of the current incentive program
• This led to discussions about the values of the Cooperative, and how a new or altered incentive program could foster these values in our increasingly global, increasingly electronic environment
• We are taking a “blank sheet” approach to ensure that we focus on the future
• Our aim is to provide the OCLC membership and OCLC management with recommendations and guidance as they work to either enhance the current program or establish an entirely new approach.
A few words about the current incentive program

• Established in 1985 when pricing was purely transactional based; virtually unchanged to today

• Started as a North American program and remains largely a North American program

• Today, 9,500 of the 25,000 members participate

• Financial credits were designed to partially offset OCLC service costs for contributions to the cooperative

• Credits are $20M annually

• Credits are earned by members and funded by members
For delegates whose organization currently participates in the incentive program,

• How does the current incentive program influence your participation in OCLC, if at all?

For all delegates,

• Which, if any, of the OCLC Shared Values and Membership Principles does the current incentive program advance.

• If the Cooperative were to establish a new incentive program, what factors should be considered?
Shared Values and Membership Principles of the OCLC Cooperative

- **Cooperative Engagement** — Sharing knowledge and competencies
- **Economy of Scale** — Sharing costs and reducing the rate-of-rise of costs
- **Excellence** — Offering high quality information services
- **Inclusivity** — Including members from all geographies, of different sizes & types
- **Innovation and Research** — Creating improvements through research-supported innovation
- **Open Communication** — Communicating openly, honestly and accurately
- **Respect** — Treating one another with the highest degree of respect and dignity
- **Sharing** — Sharing resources as freely as possible with one another
- **Sustainability** — Maintaining and enhancing the cooperative
- **Trust** — Supporting adherence to the policies and practices of the cooperative
Questions for Discussion

- How does an incentive program influence an institution’s participation in the Cooperative and/or promote OCLC Shared Values and Membership Principles (whether you participate or not)?
- If the Cooperative were to establish a new incentive program, what factors should be considered? *(assuming for the sake of this discussion that there would be no financial impact to members)* A few possible areas to explore in your discussions:
  - What activities would you consider to be baseline membership responsibilities or activities where an incentive is not warranted and what are the types of activities that might be above the baseline and may warrant some incentive?
  - What kinds of recognition would you consider to be important?
- After considering the impact of the current program and factors for a future program:
  - Is an incentive program beneficial to advancing the quality of the database (WorldCat) or participation in OCLC?
Next Steps

• Global Council Advisory Group meetings - ongoing
• Discussions at April Global Council meeting
• Update and some recommendations review by June
• Surveys and broader dialog with members into Fiscal Year 2013
• Recommendations, and timeline for a revised incentive program and timeline that could begin in Fiscal Year 2014.