

**ECONOMIC BENEFITS AND IMPACTS FROM PUBLIC LIBRARIES
IN THE STATE OF FLORIDA**

Final Report

To the:

State Library of Florida
Division of Library and Information Services
Florida Department of State
R.A. Gray Building
500 Bronough Street
Tallahassee, FL 32399-0250

By:

Charles R. McClure
Francis Eppes Professor and Director, Information Use Management and Policy Institute
E-mail: cmcclore@lis.fsu.edu Voice: 850-644-8109

Bruce T. Fraser
Assistant Director, Information Use Management and Policy Institute
E-mail: bfraser@lis.fsu.edu Voice: 850-645-3328

Timothy W. Nelson
Research Associate, Information Use Management and Policy Institute

Jane B. Robbins
Dean, Professor, and Associate Director, Information Use Management and Policy Institute
E-mail: robbins@lis.fsu.edu Voice: 850-644-5775

Information Use Management and Policy Institute
School of Information Studies
Louis Shores Building, Room 226
Florida State University
Tallahassee, FL 32306-2100

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EXECUTIVE SUMMARY

Study results indicate that patrons believe libraries contribute to their financial well-being, provide economic benefits to local businesses, and support the prosperity of the community. Participants described numerous instances where economic benefits and impacts resulted from a range of public library services and programs. This study provides an important first step in documenting those impacts, describing programs and services that support economic development, and offering strategies that policymakers and the library community might use to enhance this service role.

Identifying and communicating the economic value of Florida public libraries is critical to the funding, support and, ultimately, the existence of public libraries. The first step in communicating this economic value is to clearly identify and describe the economic impacts and benefits resulting to the library users and organizations as a result of their contact with the public library. Economic impact includes evidence of libraries directly or indirectly affecting the economies in which they are situated, the development or growth of the local economy, and that the public libraries' services contribute to the success of local businesses.

Study Purpose and Objectives

The purpose of this study was to identify and describe the economic impacts and benefits of Florida public libraries. The study focuses on economic *benefits* and *impacts* that users and organizations receive from their contact with the library. The study identified and described economic impacts and benefits resulting from public library services and programs. The study also explored the Return on Investment (ROI) from public libraries. The term ROI is used in its broadest sense here and can include a range of approaches and methodologies appropriate for a public sector setting. The objectives of this study were to:

- Describe the role of public libraries in economic development;
- Identify and describe the range of specific activities and programs engaged in to support economic development;
- Identify factors that contribute to the success of involvement in economic development;
- Propose a study, based on findings reported here, to measure specific ROI from public libraries; and
- Offer recommendations and strategies for how public libraries in Florida might be more effective in supporting economic development.

Accomplishment of these objectives is an important first step in identifying and measuring economic impacts from public libraries.

Data Collection Activities

The Institute's data collection efforts involved a multi-method approach consisting of literature review, focus groups, a financial analysis of Florida public libraries, a statewide sample survey of public library patrons, a survey of library directors and branch managers, librarian service logs, and group interviews. The study team sent two librarian service logs to each of 12 libraries in February 2000, and conducted focus groups with library and cooperative directors at the Florida Library Association annual meeting in April 2000. The information gathered from the service logs and focus groups contributed numerous refinements to two complementary

surveys distributed to public library outlet directors/managers and patrons around the state.

In the last week of May 2000, the patron and director surveys were mailed to a random sample of 50% of the libraries in the state based on geographic region (northern, central, or southern) and status within the region (sub-regions: urban, suburban, or rural). Of those 218 packets mailed throughout the state, a total of 120 survey packets were returned for a 55% response rate. With each packet containing either a response from an outlet manager or director, and/or from 0 to 30 patron responses, for a total of 1,991 patron surveys returned. Of those 1,991 patron surveys received, 1,111 contained written responses to the open-ended question.

In addition to the patron and director surveys, six sites around the state of Florida were selected for group interviews. The group interviews were conducted from June 2000 through August 2000. These group interviews proved to result in a wealth of information describe a range of economic impacts and benefits resulting from the public library. Study team members met with public library users, local economic development and government officials, and librarians.

Findings and Conclusions

The study team found that the economic impacts and benefits received from Florida's public libraries are numerous, varied, and complex. Study results indicate that patrons believe libraries have contributed to their financial well-being, provided economic benefits to local businesses, and support the community. Libraries provide access to financial information, job and career resources, computer technology and services, businesses resources, educational support for the community, and support for public services.

Public library directors indicated that the library assists businesses by enabling research for a business and with the incorporation process and procedure, as well as with the promotion of the use of local business. The library assists with civic involvement by supporting the democratic and political process, and help with community development. They also indicate the library assists patrons through the improvement of computer skills, and introducing patrons to new technologies. In addition a variety of programs are offered such as storytime programs, technology education programs, and recreational programs and activities. Other services with economic benefits include free tax help and forms, financial aid services via the Internet, and voter registration and election materials.

Participants in the group discussions identified a broad range of economic impacts from public library services. The most commonly cited economic benefits found in the initial dataset were: Access to financial information; Availability of computing technology (especially the Internet); Job and career resources; Business resources (particularly for small businesses); Books and other formats available without cost; Educational support on every level; Children's programs and services, and Enhancement of other public services (government and social programs).

Many library services have economic value to individual users in Florida, the cost savings to patrons from borrowing materials from the library rather than having to buy them, and the availability of non-print materials such as audio books and videotapes save individuals significant expenditures. Also, periodicals and newspapers result in financial benefit to individuals. Individuals heavily use the *Value Line Investment Survey*, the *Wall Street Journal* and other financial publications. There is a dual nature to this economic benefit: first, users save the cost of purchasing these items themselves; and second, many Floridians have been able better to manage their assets as a result of this information.

Indirect economic impacts that benefit individuals in communities supported by library services are numerous. One example is in the area of career support; where individuals enhance their professional skills and increase the value of their work to their employers. Specific activities also lead to indirect benefits, such as the availability of meeting rooms for service groups where monetary savings can then be put toward accomplishing the group's mission.

Local businesses benefit greatly from the role public libraries in Florida play in support of their economic activities small businesses of every sort benefit in specific ways from local

public libraries. In particular, relocating businesses, start-up businesses, and small businesses of all kinds (1-500 employees) were perceived as enjoying the greatest benefit from public library products and services. Indeed, participants noted that public libraries were listed as a reason for a business' decision to relocate to a particular community.

Several times participants reinforced the impression that library business resources were significantly more valuable in the presence of the expertise of the library staff. In other words, not only was the collection itself viewed as an important resource for area business people, but the librarian is believed by many to be a critical factor in finding, accessing and utilizing them to their fullest extent, especially with regard to electronic resources.

Several participants observed that public libraries were key factors in community development projects. Participants stated many times that the presence of a new library, or the redevelopment of an existing one, favorably impacted its immediate surroundings. In some ways, the general economic benefit of the local community is the most important. The general impression among most participants is that the public library has clear impact on, and is an active partner in the community. Some quality of life indexes (*Best Places to Live, Best Places to Raise Your Children, Best Places to Retire*, etc.) use a "books per capita" statistic when profiling communities, so libraries are considered as part of the index that describes quality of life.

The community benefits when the library supports populations which are disadvantaged to some extent or another. A strong sentiment also prevailed in the value of the library to the quality of life for immigrant populations. The library provides translation of text as well as information about library services in many languages. The public library is also a focal point to assist in the assimilation of visitors and new homeowners to the area.

The use of the library to support education is another economic benefit. Patrons use library services and programs for everything from introducing their children to the joy of reading to homeschooling children. Patrons also see the use of the computers available at public libraries as an economic benefit. Computers are being used by patrons for e-mail purposes, to gather information about a potential consumer purchase, and to gain or to increase existing computer skills. This availability and use of computers at Florida's public libraries will continue to grow in importance to patrons and likely provide an economic benefit to them.

Patrons are also aware of the civic impact libraries have in their communities. Among the things libraries do to assist patrons in meeting their civic duty is to offer meeting space for civic organizations, assist in voter registration, and make tax forms available. Libraries also serve as a posting place for proposed changes in local ordinances, and other local government proposals.

It is also evident that patrons believe their jobs benefit from services available to them through their library. Libraries provide information to patrons that make them more productive on their jobs, supply them with job related training in the area of computer skills, and have assisted patrons in finding employment. There is recognition among patrons that the library is an economic asset to the community and is a source of community pride.

The use of computers for e-mail, to gather information about a potential consumer purchase, and to gain or to increase existing computer skills was common among patrons in both high-income libraries and low-income libraries. It was evident that patrons from both high-income libraries and low-income libraries realize how their jobs benefit from services available to them through their library. There is also recognition among patrons of both high-income libraries and low-income libraries that the library is an asset to the community and a source of community pride.

The study found overwhelming agreement among patrons, librarians, and others, that public libraries provide economic benefits to the community; we now also have a much richer understanding of what those benefits are. We have not yet, however, made a systematic attempt at *measuring* those benefits in a manner that is verifiable, widely applicable, and statistically defensible.

Proposed Study

The purpose of the proposed study (see Chapter 7) is to measure the economic impacts and benefits of Florida public libraries, by focusing on the benefits and impacts that users and organizations receive from the library. Study objectives include the following.

- Describe the role of public libraries in economic development by identifying and describing key activities and programs engaged in to support economic development;
- Identify factors that contribute to the success of public library involvement in economic development;
- Refine our understanding of factors that should be considered as library-based contributions to local and state economic development and explore possible approaches and techniques to operationalize these factors so that they can be measured and quantified; and
- Offer recommendations and strategies for how public libraries in Florida might be more effective in supporting economic development.

In short, the proposed study will continue work completed to date by the study team and build upon a new study framework and pre-tested methodology using insights gained from the Information Institute's data collection and preliminary analysis.

The topics and issues described in the study reported here suggest that the general topic of measuring economic impacts and benefits of public goods such as those from public libraries resulting from taxpayer support is complex. Indeed, there is still considerable controversy surrounding the topic and how best one might proceed in conducting research in this area. Given this complexity and controversy, the study team used the following criteria as a basis for developing a proposed study framework, it should:

- Highlight factors and approaches that are most likely to be easily understood by the public library community and policymakers.
- Measure *all* types of direct and indirect economic impacts; the study team believes that measuring those that appear to be *most important* should receive primary attention.
- Provide reliable *estimates* of such impacts.

The study proposed a framework that is feasible and practical. It can be implemented and used to produce reliable estimates of impacts, and should first concentrate on describing and understanding the following:

- Internal library factors that affect the provision of library programs and services;
- External factors that affect the provision of library programs and services; and
- Taxpayer support for the public library.

Identifying and describing these components provides a context for the library's contribution to economic impacts and benefits.

Given the estimate of economic benefits and impacts in terms of a dollar amount—at least from services and programs that provide direct impacts—the study team can then compare that dollar amount to the total taxpayer support investment in the public library for those libraries participating in the sample. The proposed study outlined

in Chapter 7 will extend our knowledge regarding economic impacts and assist public libraries and state library agencies better document the extent to which public libraries provide local and state economic impacts and benefits.

Project Recommendations

Increase Awareness. Many in the public library community are aware that the library plays an important, positive role in the economy, just as it does more broadly in the community. But our work suggests this is often the exception rather than the rule. For most librarians and for members of the public as well, the economic impacts and benefits of libraries are not *conscious* factors as part of the operation, administration, or use of libraries. One particularly noteworthy exception is the effort made by the Miami-Dade Public Library System to emphasize the economic return on investment the system provides to its taxpayers.

Need for Research. In addition to the proposed quantitative ROI study, there are numerous other research questions related to the economic benefits from public libraries that are raised by this study. The benefit of additional research should help to discover not only a deeper understanding of the economic impact of public libraries to the economy of local and state communities, but it should also solicit the perceptions of those who do not use the programs and services of the library. These research questions are detailed in Chapter 6.

Determine Emphasis on Economic Impacts. In a number of instances, library staff and directors simply had not considered the degree to which the library should have goals and objectives related to promoting economic development, being engaged in services and activities that contribute to economic benefits and impacts, and measuring and reporting those economic benefits and impacts. Indeed, in one setting library staff seemed to have very differing views as to the appropriateness of the library *consciously* engaging in services and programs that had potential economic impacts. Public libraries should review their mission and plans and determine, explicitly, the degree to which they intend to provide services and programs that may result in economic impacts and benefits.

Take Initial Practical Steps. There are a number of initial, practical steps that public libraries can take to enhance their role in providing economic impacts and programs in their community. For example, a staff member can be appointed to spearhead planning and development efforts in this area. In addition, there are a number of very useful guides and manuals that can assist public libraries be more proactive in providing economic impacts and benefits in their local community.

Promote Education and Training. Another set of recommendations addresses the need to provide a range of educational activities to share these economic insights and issues through formal, ongoing training sessions and seminars. Findings from the study suggest a number of areas in which seminars, workshops, and courses might be developed. Accordingly, we recommend that the State Library of Florida, perhaps in conjunction with the state's six library cooperatives, develop training modules for use in workshops and seminars for provision around the state.

Continue the Momentum. To continue the momentum from this study specific initiatives need to be established.

- A first approach is to implement a strategic program of activities developed among State Library of Florida officials, public library directors, the library cooperative directors, and local government officials. Given the current priorities for promoting the economic development of Florida by the Florida Secretary of State, such an initiative is likely to receive support.
- A second initiative that the State Library can develop is to encourage libraries to

apply for LSTA grants in the forthcoming year that address promoting the role of the public library in economic development. It may be possible to establish this area as a priority for LSTA funding to encourage proposals that address economic development issues.

- The third initiative is to continue funding support for the research efforts that have been reported here by continuing the research. While much progress has been made, there is still much work to be done. Without such research we will not be able to move beyond the descriptive information provided in this report.

It is important to continue the momentum developed by the initial project as reported here. It is important to continue to increase the public awareness of the role of public libraries in local and statewide economic development. And it is important for public libraries to continue to extend and develop this role as the state of Florida builds and strengthens its future economy.