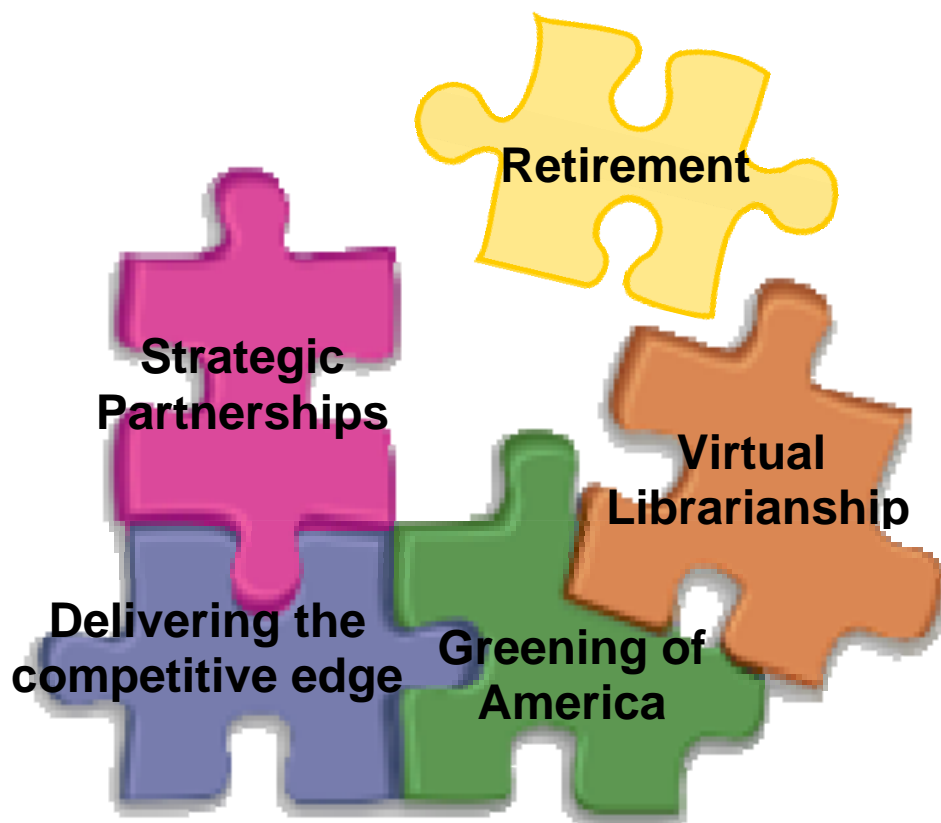


Trends Report

2008



Alliance Library System

Alliance Library System
Trends Report 2008
June 26, 2008

I. Introduction

The fifth annual ALS Trends Report is designed to highlight the main socio-economic trends that impact multitype library service in central Illinois and to assist the Alliance Library System (ALS) Board and members in planning and developing policy. These are the trends that we consider essential for the library community to watch.

Sources for the Trends Report include: United States census, Illinois public library statistics, www.itechlaw.org, www.ala.org, Horizon Reports, plus original research by the ALS staff and members. In citing statistics, we have consistently used the most recent data available, ideally 2007. However, in some instances, the most current data is 2004 or 2005. In these instances we have cited the date to provide as accurate a picture as possible. We have made every effort to make all links live for easy access.

II. Demographic Trends

A. Population Growth

The United States population has increased by more than 1/3 in the last 25 years, Nevada's population has tripled in 25 years while North Dakota, West Virginia and the District of Columbia actually lost population. The population officially reached 304 million in 2008, and is expected to top out at 400 million by 2043.

The population of Illinois was 12,777,042 in 2006, and increased by 75,506 or .598% to 12,852,548 residents in 2007. The Illinois population by 2030 is expected to be 15,138,849, an 8.3% increase with the majority of this expansion coming in the Chicago - Peoria corridor. The ALS service area has 1,116,868 residents or 8.75% of the state's population and has been relatively static for the last 12 years.

ALS Urban Populations

City	2000	2003	2004	2005	2006	%Change 2005-06
Bloomington	64,808	68,507	69,282	69,749	70,970	+1.75%
Galesburg	33,709	32,809	32,408	32,017	31,738	-.87%
Normal	45,386	48,649	49,287	49,927	50,681	+1.51%
Peoria	112,936	112,907	112,720	112,685	113,107	+.37%
Quincy	40,366	39,922	39,669	39,841	40,034	+.48%
Total	297,202	302,794	303,366	304,219	306,530	+.76%

Source: www.census.gov

According to the Illinois Department of Commerce and Economic Opportunity, by 2030, there will be an additional 58,000 residents in the three counties around Peoria. However, this is the exception, with the majority of rural counties expecting only a very slight increase in population over the next five to eight years.

County Populations

County	2004	2005	2006	2007	Change from previous year	Projected 2010
Adams	66,924	67,040	67,143	67,043	-0.1%	70,212
Brown	6,866	6,835	6,632	6,566	-1.0%	7,015
Cass	13,813	13,898	13,604	13,727	+0.9%	14,722
Fulton	37,687	37,708	36,963	36,843	-0.3%	38,140
Hancock	19,366	19,153	18,956	18,839	0.6%	21,662
Henderson	8,068	7,972	7,633	7,587	-0.6%	8,337
Knox	53,799	53,309	52,291	51,855	-0.8%	55,666
Livingston	39,945	39,186	36,347	38,258	-0.2%	40,838
McDonough	32,269	32,008	31,975	31,992	+0.1%	33,710
McLean	157,847	159,013	162,069	164,209	+1.3%	168,611
Mercer	16,715	16,585	16,559	16,490	-0.4%	17,586
Morgan	35,843	35,525	35,336	35,272	-0.2%	37,696
Peoria	182,129	182,328	182,412	182,993	+0.3%	187,876
Pike	17,114	17,099	16,658	16,707	+0.3%	17,221
Schuyler	7,031	7,072	7,023	6,990	-0.5%	7,442
Scott	5,372	5,339	5,254	5,215	-0.7%	5,847
Stark	6,146	6,101	6,168	6,191	+0.4%	6,455
Tazewell	129,007	129,999	130,012	131,154	+0.9%	139,616
Warren	17,671	17,529	17,390	17,402	+0.1%	20,113
Woodford	36,939	37,448	37,425	38,017	+1.6%	39,362

B. Ethnicity

In the United States, between 1990 and 2000, the racial and ethnic minorities grew by an amazing 152%. Studies by the State of Illinois and the American Library Association (ALA) indicate that, if libraries are to remain relevant, they must be willing to reach out to this new and more diverse community and be committed to building a workforce that reflects the population. Since its establishment in 1997, ALA's Spectrum Scholarship Program has awarded 495 scholarships to help graduate students from racially and ethnically underrepresented groups become librarians.

Central Illinois has traditionally been viewed as "white middle America" with over 70% of the population being white. However, this is changing gradually as African American and Hispanic/Latino populations migrate into urban areas. Of note is the Hispanic/Latino populations' higher birth rate and steady immigration of 16-30 year olds which is important for libraries because 51% of Latino immigrants lack a high school diploma and 42% do not speak English; huge challenges that libraries need to address.

C. Aging Population

In 2006, 12.1% of Americans were aged 65 or older with an expected increase to 20% by 2043. By 2010, 25% of residents of Florida, New Mexico, North Dakota, Maine, Montana and Wyoming will be over the age of 65. By 2050, the number of Americans over 85 will quadruple to nearly 21 million with the fastest growing states continuing to be Nevada, Arizona and Florida. In the last 25 years, the median age of the US population has increased by 6.4 years to 36.4.

The Illinois Department of Commerce and Economic Opportunity statistics indicate that in the next ten years, the number of residents 75 years and older will grow by 7% statewide. In the tri-county area, the senior population rose by 9% in the last three years, while Tazewell County increased by 22%.

Residents aged 65+

County	2006	Projected 2015	% difference
Peoria	25,191	25,440	+1%
% of pop	13.8%	13.3%	
Tazewell	19,854	26,345	+32%
% of pop	15.2%	17.9%	
Woodford	5,307	5,846	+10.1%
% of pop	14.0%	15.1%	
Illinois	1,532,373	1,889,689	+23.3%
% of pop	11.9%	13.7%	

http://www2.illinoisbiz.biz/popProj/reference/Projections_final_Complete.xls

Social Security statistics show a rapid decline in the average age of retirement from the early 1950's through the mid 1980's. A significant number of changes in government and economic policies have made working later in life more feasible. Add to this mandatory retirement no longer being permitted as well as the delay of retirement. By the late 1980's, early retirement had become socially acceptable and a financial possibility with retirement communities, better health care and a redefined retirement lifestyle. We all remember the catch phrase, "Freedom 55", as boomers bought into the belief that they could be free to live a full and rich life after exiting the workforce at 55.

Average Age Employees Access Social Security

	Men	Women
1950	68.7	68.0
1960	66.8	65.2
1970	64.4	63.9
1980	63.9	63.5
1990	63.7	63.5
1999	63.7	63.6

D. Poverty

The poverty threshold is defined as a family of four with an annual income of less than \$20,000 (add \$3,400 for each additional family member). The poorest age group is children aged 1-12, with more than one in six living in official poverty. Illinois is the 29th poorest state in the nation with 11.4% of residents living in poverty. This has a direct impact on library usage since traditionally the very wealthy and the very poor are not heavy library users.

Poverty levels in ALS counties 2005

County	# of people living in poverty	% of population
Adams	7,172	11.2%
Brown	671	13.9%
Cass	1,605	11.8%
Fulton	4,245	12.1%
Hancock	2,061	11.0%
Henderson	927	11.8%
Knox	7,162	14.7%
Livingston	3,481	9.7%
McDonough	5,596	20.9%
McLean	16,664	11.4%
Mercer	1,342	8.1%
Morgan	4,384	13.6%
Peoria	22,272	12.8%
Pike	2,343	14.3%
Schuyler	777	11.2%
Scott	566	10.6%
Stark	627	10.4%
Tazewell	11,046	8.7%
Warren	2,160	13.3%
Woodford	1,977	5.5%

Source: www.census.gov; estimates released January 2008

E. Education/Literacy

Education and literacy have a significant impact on the level of library service. As a result, it is critical that public and school libraries work together to meet the literacy needs of their community. To do this, a clear understanding of the education trends is essential. For example:

1. Education is a prime predictor of library usage with the majority of adult public library users having completed at least one year of college/university.
2. Children who watch less than one hour of TV per day are twice as likely to go to college as those who watch three or more hours per day.
3. High school graduation peaked at 77% in 1969 with the current graduation rate being 70%. Disadvantaged and/or minority students face a less than 50% graduation rate.
4. Student reading level remains static, at less than grade average.
5. There is a growing disparity in literacy and mathematics skills. The literate are getting more literate and the illiterate are getting more illiterate!!

III. Economic Trends

Economic development is linked to social well being and the betterment of society. Individuals are generally more trusting, collaborative and open to change when they perceive their future and that of their children as being bright and secure. It is this national socio-economic trend over the last two years that powered a modest resurgence in library budgets. However, in the first quarter of 2008, economic growth has slowed; inflation is high, the unemployment rate rose to 5.5%, with a 49,000 loss of jobs in May and the credit crisis continues to negatively impact the housing market.

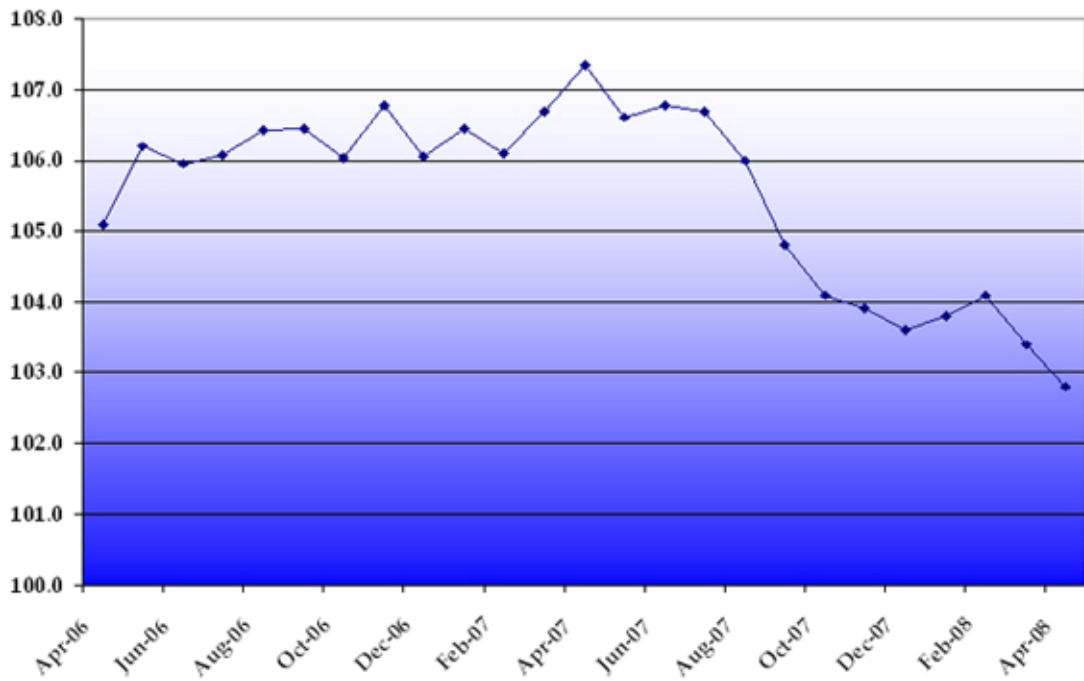
A. Illinois Economic Growth

In Illinois, economic growth is measured by the U of I Flash Index (IFI), <http://www.igpa.uiuc.edu/press/displayPeriodicalEntry.asp?id=672>; a weighted growth rate indicator which includes corporate earnings, consumer spending and personal

income with an adjustment for inflation. Tax receipts from these categories are adjusted for inflation before growth rates are calculated.

In April 2008, the University of Illinois Flash Index dropped to 102.8, a fall of six-tenths of a point from 103.4 the previous month and the lowest reading since November, 2004. April's level is in stark contrast to the reading of 107.4 in April 2007, which was the highest in nine years. If, in fact, this is a trend, the results on libraries will be substantial and long lasting. However, economists tracking this downward movement in the first two weeks of June have become increasingly confident that, in a presidential election year, consumer spending is again on the rise and the stock market despite wide variances is moving forward again.

University of Illinois Flash Index April 2008



The Illinois Index is a measure of future economic activity (100 = no growth)
Analysis done by the Institute of Government and Public Affairs, University of Illinois

The national average personal income for 2005 was \$46,000 and in 2006, \$48,200. However, 2008 income is expected to decline. According to the Bureau of Economic Analysis, per capita personal income in the Peoria metropolitan area, increased by over 7% in 2006.

Illinois Average Personal Income

	2005	2006
Chicago	\$39,876	\$41,591
Peoria	\$33,540	\$35,887
Springfield	\$33,083	\$34,365
Bloom-Normal	\$32,195	\$33,704
Decatur	\$31,543	\$32,649
Champaign - Urbana	\$28,800	\$30,128
Rockford	\$28,311	\$29,502
Illinois average	\$32,478	\$33,975

When looking at overall economic indicators, the 2008 Forbes List of the Best Places for Business and Careers is an interesting source. Peoria ranked 108 among the 200 largest metropolitan areas with populations over 240,000. Forbes uses cost of living, cost of doing business indicators and income growth to create the list. What is of interest to libraries, is that the Peoria metropolitan area loses ranking due to its reduced education opportunities, ranking 149th of 200 in terms of the number of four-year colleges and 146th in the share of population over the age of 25 with a bachelor's degree or higher. Also, Peoria ranks only 144th in the cultural and leisure category, which is based on access to museums, theaters, golf courses and, yes libraries! Peoria is in dire need of two more public library branches in the north and northeast. The Bloomington-Normal area ranked 20th in the nation followed by Champaign at 45th and Springfield as the 76th best place to foster a small business or build a career.

B. Library Budgets and Circulation

Nationwide, visits to public libraries totaled 1.4 billion or 4.7 library visits per capita in 2005, the most recent figures available. Illinois averaged 5.8 visits per capita. The highest circulation per capita was 15.0 (Ohio) and the lowest was 2.1 (District of Columbia). Illinois placed in the middle with circulation at 8.6 per capita. Total library operating expenditures were \$9.1 billion with an average of 66% spent on staffing and 13% for the library collection. Illinois was very close to the national average with 61.9% spent on personnel and 14.1% on materials. The national average per capita operating expenditure was \$31.65, with the highest at \$56.62 in the District of Columbia. The lowest was \$13.50 in Mississippi with Illinois in between at \$47.92.

School Library Budgets

Numerous statewide studies have proven a clear correlation between school library media centers and the kind of education that is essential to student success. Studies in 19 states have shown that a strong school library helps students learn more and score higher on standardized tests than peers in schools without such programs. School libraries report operating costs of at least \$11.24 per student with the top 5% reporting \$44.49 per student. These top school libraries had an average of 12,000 books (18 books per student) in their collections, 22 periodical subscriptions, and 15 computers. Despite these facts, Illinois school library media center budgets continued to fall.

Nationally school library expenditures per pupil decreased 30% between 2000 and 2004. However, in central Illinois, school library budgets are declining and small, rural and public libraries are struggling to maintain current funding levels, particularly in tax capped counties. Economies of scale, declining enrollment and tax caps are pushing more rural libraries and school divisions into considering consolidation or risk losing library services completely.

Public/District/County Libraries

Americans borrow more than two billion items annually from public libraries. The average customer borrows seven books a year. The average bill to the taxpayer for public library service is \$31 per year, about the cost of one hardcover book. Small, rural libraries, serving populations of fewer than 25,000 people comprise almost 80% of all public libraries. They have an average total operating income of \$53,800 and an average of 36,879 library visits annually in 2006 and 2007. The modest resurgence in public library budgets over the last two years has stalled and the financial crisis in municipalities is hitting public libraries.

For example:

2008-2009 Declining Library Budgets

Library	Cost saving reductions	Why?
Bridgeport Public Connecticut	Laying off staff Reducing hours	Reduction in municipal funding
Clearwater Public Florida	Closing weekends and most evenings	Reduced property values and declining tax revenue
Los Angeles Public Library	Close libraries on Sunday...proposed	Reduction in municipal funding
New York City Public Library New York	Reduce service to five days/week proposed	Reduction in municipal funding
Stanislaus County Library California	Laying off 68% of part time staff Reducing hours Cutting book budget	Reduction in sales tax revenue and a drop in state funding
Windsor Public Library Ont. Canada	Closing a branch Cutting book budget	Reduction in municipal funding for the last five years

However, success in stopping this negative trend has come in communities that have rallied behind their library and convinced legislators that public libraries **are** an essential service. In Iowa and Connecticut strategic library advocacy has resulted in maintaining or restoring funding levels.

In 2007, the number of bookmobiles increased, with more than 825 in use nationwide at an annual average operational cost of \$102,000. However, in early 2008 escalating fuel costs are beginning to affect bookmobiles, interlibrary loan delivery services and outreach as small publics struggle to pay escalating fuel costs on a “fixed” income.

Academic and Special Libraries

In 2007, academic and special library budgets continued to grow and accommodate student learning and organizational research. There has been a shift in the academic and special paradigm; customers are more self-directed, plus there is a growing emphasis on group work and delivering resources to the customer’s laptop. Academic and Special libraries are now being charged with responsibility for serving customers they may never meet! Consequently, in 2008 they are focusing on improvements such as: personalized electronic delivery of resources, communal work areas, laptop rentals and more electronic resources.

C. Referendums

Municipal referendums have an unequalled impact on public library budgets. Illinois library referendums have not been terribly successful in the last four years, with an average success rate of less than 33%. Unfortunately, in the current economic climate increasing library tax rates or seeking funding for facilities will be difficult to accomplish via a referendum.

Illinois Library Referendums

	Total referendums	Passed	Failed	Success rate
1995	10	9	1	90%
2004	23	10	13	43%
2005	29	11	18	38%
2006	28	18	10	65%
2007	13	2	11	16%

Alliance Referendums

	Total	Passed	Failed	Success rate
2003	2	1 Chillicothe	1 Ayer	50%
2004	3	2 Vermont, Quincy	1 H.A. Peine	67%
2005	2	1 Clayton	1 IL Prairie PLD	50%
2006	8	2 Dunlap, H.A. Peine	6 Alpha Park, Kewanee Quincy (3), Viola	25%
2007	7	5 Alpha Park, Kewanee, Lacon, Peoria, Towanda	2 Fondulac, Sherrard	71%
2008	2		2 Chillicothe, John Mosser	0%

D. Grants

Living on grants has become a way of life in the library community. As ALS explores this new frontier, we are working towards a portfolio that supports the goals of the system and members, plus is consistent and manageable – the right number of grants, both large and small that are a good return on our investment (ROI). In developing grant proposals, ALS uses the following scale to measure our potential investment.

2008 Grant Application Costs

Grant	Application/Criteria	Development Time (in hours)	Development cost
Under \$10,000	Project completed in less than 1 year No partners	Idea development 8-10 Budget 3-6 Testing/getting quotes 5-10 Drafting 20-26 Dev time 35–55 hrs 1-1.5 wks	\$1,120 - \$1,760
\$10,000 - \$50,000	Project completed in less than 1 year 1 - 2 partners	Idea development 10-20 Partnership development 2-20 Budget 6-9 Testing/getting quotes 10-20 Drafting 27-50 Dev time 55-120 hrs 1.5-3.2 wks	\$1,760 - \$3,840
\$50,000 - \$100,000	Project completed in 1- 2 years 1-3 partners	Idea development 20-25 Partnership development 20-35 Budget 9-15 Testing/getting quotes 20-25 Writing 50-75 Dev time 120-175 hrs 3.2-4.6 wks	\$3,840 - \$5,600
\$100,000+	Completed in 2 - 3 years Multiple partners	Idea development 25+ Partnership development 35+ Budget 15+ Testing/getting quotes 25+ Writing 60+ Finalizing/copying etc 14+ Total dev time 175 + hrs + 4.6 wks	\$5,600 +

Note: Development costs include staff cost at \$32/hr, with a 37.5 hr work week, partnership and budget development, beta testing, writing/editing publishing.

Grants take time and money to cultivate and developing partnerships is often the most laborious piece of the process. Project partnerships need to be built on trust, a very clear vision and agreed upon, measurable outcomes that both partners buy into equally. It sounds easy, but the reality is that this is the hardest part of the whole process.

In developing six grants in 2007 and receiving four at a value of \$170,500, Alliance has learned some interesting lessons. Even with a 66% success rate, grant writing just gets the project out the door. You still have the cost, if successful, of implementing the

project, supervising, evaluating and reporting the final outcomes. Any grant is a huge organizational investment; however in three years of chasing grants we have learned a few things:

- To sustain a level of granting, the organization needs at least one project in each of the following categories; the research stage; the developmental/writing stage; the implementation stage and one project in the wrap-up/evaluation stage.
- Organizational support is essential. One person writing a grant, along with 100 other duties, simply does not work. The whole organization needs to be committed to supporting the grant process. It takes a team to bring home a successful grant.

IV. Innovation and Technology Trends

A. Innovation

Innovation in 2008 is a defining factor in corporate and not-for-profit success. Business Week listed the 2008 top corporate innovators as:

Technology	Consumers	Services	Retail	Industry
Microsoft	Toyota	IBM	Wal-Mart	G.E.
Google	Honda	Goldman Sachs	Target	Boeing
Apple	BMW	Walt Disney	Amazon	3M

What does each of these corporations have in common? Business Week suggests that, fundamental to their success, is broad institutional support for R&D, dynamic leadership, innovative marketing and a willingness to take risks and embrace change as a fundamentally good thing. The library community could and is learning much from these corporate innovators.

In central Illinois, innovation was the buzz word in 2006; everything was innovative, from grants to business plans. If an idea or program was innovative, there was a good chance it would be funded. In 2008, the new buzz word is **green**, as libraries become environmentally sensitive and ecologically aware. **In 2008, libraries need to be seen as green!**

B. Internet Usage

The Internet is the most powerful technology on the planet, and it has had a profound affect on libraries! More than 60% of web traffic is generated by email and the average household will be using 1.1 terabytes (that is equivalent to 1,000 copies of the Encyclopedia Britannica) of bandwidth per month by 2010.

Internet Usage

	2000	2008	%
Adults using the Internet	46%	75%	+63%
National access to broad band	5%	54%	+980%
National wireless access	18%	62%	+244%
National wireless and laptop usage	N/A	42%	

The good news is according to the Pew Internet and American Life Project: 61% of Internet users have gone to a library in the last 12 months and 60% of teens are using the Internet at the library, up from 36% in 2000; 26% of teens now have their own website with 58% using My Space to create content and over 21% have created their own avatar. This compares to 14% of adults with a website, 33% on My Space and 6% with an avatar.

Blogging is the biggest techno-trend on the Internet. Blogs are now being used by corporations and publications (i.e. Toyota and the New York Times) to market and establish a two-way dialogue with customers. Library customers, who want to talk with us and with each other are taking to the blogosphere and innovative organizations like the Calgary Public Library, are not just listening but measuring and engaging customers in corporate decision-making. Twitter is the hottest micro blogging tool. It is a service that links people together via short instant messages. Messages can now be indexed, (i.e. TweetScan) which allows users to monitor who is using and sharing what. For parents and libraries, this may or may not be a good thing!

V. Customer Service Trends

Learning is a social activity; therefore libraries, as learning organizations, must be part of the community network they are designed to support. In 1990, this meant libraries visiting senior centers, the Rotary Club or the homeless shelter. In 2008, it means all of that plus reaching out into cyberspace. Community outreach (i.e. Owen Sound Public Library) and telling our story (i.e. Toronto Public Library) are no longer optional, it is essential to our very survival. In the current economic climate, for many libraries this means discontinuing some beloved services to focus shrinking resources on outreach which will pay off the bigger dividend. This has been a tough transition for many libraries, as we traditionally have had difficulty discontinuing any service, (i.e. remember how tough it was to get rid of that cake pan collection or the card catalogue!!!)

Significant customer trends for libraries in 2008 include:

- Young adults are using both the school library and the public library. More than 50% of public libraries employ at least one full-time YA librarian.
- Library usage drops gradually as people age. 62% of 18-30 year olds visited a library in 2007 compared with 32% of the 72+ crowd.
- Small hand held technologies, (e.g. cell phones) are revolutionizing customer service and libraries need to use them to reach out to our customers and make cyber friends.
- The best service is closest to the customer. Libraries need to meet their customers where they live, to provide the best library service possible.
- Very soon, customers will be paying sales tax on Internet purchases. This unpopular trend may, in fact help libraries.
- More and more customers are accessing the libraries resources electronically. This has stretched existing bandwidth, computer availability and building infrastructure to capacity. However, in 2008 58% of public libraries have no plans to add or replace old computers or increase bandwidth.
- America is becoming environmentally sensitive and ecologically aware; from hybrid cars to recycling phones and cloth grocery bags (very Canadian!!). In the US the Leadership in Energy and Environmental Design Program (LEED) has developed a point based rating system using five categories to evaluate a building's sustainability and eco-friendly features. Criteria include: site location, water conservation, energy efficiency, eco materials, indoor air quality, and innovation/design. As of 2006, libraries accounted for over 19 % of all LEED projects.

Green design is a huge trend that will define the new library of the 21st century. Green pioneers include Seattle Public Library's central branch and Singapore's National Library. We need to re-evaluate library procedures and look to "green" technologies as we renovate and build new facilities. There is also much that can be done at no cost to make the library an environmentally friendly place...just ask the staff!

In June, 2008, it cost \$29.75 more in fuel than it did in 2007 for a car to travel round trip from Chicago to Memphis, while fuel cost for an SUV was \$39.58 more.....33% more to drive a gas guzzling large vehicle! The Ford F-Series is no longer the top selling vehicle in North America; the new "green" queen is the Honda Civic. In North America we have been accustomed to cheap fuel, as prices rise, library services will have to adapt or look to technology to reach out into the community and serve our customers.

Public libraries in Illinois, in their Per Capita Grant Application, will be required to work together to support "Going Green" by developing and submitting a plan that will make the library more environmentally friendly as envisioned by the Green Government Act. We applaud this requirement.

The green revolution is here to stay and libraries need to embrace this trend, it's just good business!

In 2007, 53% of Americans have visited a public library in the last 12 months. What do we know about these customers?

- 62% have broadband access at home
- 61% are college graduates
- 53% use the library at least 1/month, the folks who know and love us!!
- 26% are black Americans
- 22% are Latinos and under 25 years of age
- 21% are young adults (aged 18-29)
- 17% are from low income households (family income under \$40,000)

In 2008, 13% of North Americans started an information search at a public library with 39% of library customers asked for help at a library reference desk. However, the vast majority went elsewhere:

- 45% spoke to family or friends looking for information
- 53% asked a professional for information
- 58% went to the Internet.

What does this tell us? Librarianship is no longer simply a game of access or data dumping and it is no longer the first point of access. In 2008, librarians need to focus on the "added value" and the organizational skills we bring to information retrieval as we assist customers sift through the mountain of information they have located. This is the competitive advantage we must promote and deliver. So what does this mean to our reference services?

1. Libraries need to re-position and market reference as a service that helps customers sift through information and make sense of the data dump that is the Internet.
2. Libraries need to improve their ability to help customers coming to us electronically.
3. Libraries need to promote phone reference services - this is the best kept secret in North America!
4. Librarians need to be better equipped to answer reference questions using digital resources in the following areas:
 - a. Health and wellness; we know that over 40% of all questions asked in a public library relate to health issues.
 - b. Small business; we know the number one small business question asked in Illinois is, "How do I write a business plan?"
5. Reference staff must be on the cutting edge of e-resources and that means training, training and more training.

In 2008 libraries must become the tool that assists customers make sense of that mountain of information they have found. We need to focus on digitally delivering the competitive advantage to our customers or we will be lost in the avalanche!

A. Virtual Worlds

The Gartner group predicts that by 2011, 80% of Internet users will be in a virtual world. Clearly, virtual worlds are here to stay in one form or another. Virtual worlds and social networking are already second nature to our children as it holds their attention, begs them to participate and brings them back again and again.

Librarians need to have the courage to defend intellectual freedom in the virtual world but mitigate the security issues. We need to speak with a clear voice that abolition or filtering is not the answer. Just like prohibition, there are as many ways around a technological block as there are virtual worlds. The only viable answer to keep customers safe in cyber space is through education and supporting parents who are engaged in their children's virtual lives. Libraries need to educate parents and children about how to stay safe and viable in the virtual world.

In addressing Internet safety, the following issues are critical:

1. Virtual libraries are diligently following the Linden Lab Terms of Service and not allowing individuals under the age of 18 access. If librarians encounter someone under age their account is immediately terminated.
2. The libraries in the virtual world of Teen Second Life, for individuals ages 13-17, follow the Linden Labs Terms of Service and do not allow adults on library properties unless they have gone through the required background check.
3. Libraries support and provide Internet safety education and have been proactive in developing materials to assist parents, educators, children and our customers.

B. Second Life; Info Island Archipelago

Second Life (SL) is a virtual world entirely built and owned by its adult residents. In April, 2006, SL had 180,000 users; by June, 2008, it has over 12 million avatars from around the world. Alliance has been the "mother-ship" for Info Island which has proved to be a very viable information platform for testing and providing virtual services. We have made great strides stabilizing development and seeking sustainable funding for virtual librarianship. Critical to the two-year success is the collaboration that has resulted. There is an Info Island Google group with over 700 members from around the world, an "in-world" volunteer group of over 900 librarian avatars and a friends group of over 1600 members. International interest in the Info Island Archipelago has truly surprised us, and the early successes academics and adult educators have had is phenomenal. Opportunities for collaboration from around world have been an unexpected benefit and have created a global library community. Virtual librarianship is not for everyone, but for those who see the need, it has been a breath of fresh air.

1. Immersive Environments

In the last 12 months one of the most interesting trends has been the success of immersive environments; that is digital communities that focus on experiential learning. Like language immersion, immersive environments add a whole new dimension to learning that returns it to the world of fun, and when learning is fun, we gain so much more than just the facts. For example:

- **Land of Lincoln:** The Land of Lincoln, an immersive learning environment is designed to celebrate the bicentennial of Abraham Lincoln's birth. It includes a Lincoln era White House, a 19th century town, numerous displays and activities plus the Lincoln Memorial.

- **Health Initiatives**

Alliance has received three grants from the National Library of Medicine Greater Midwest Region to establish and staff HealthInfo Island, an immersive health information environment; to build an Accessibility Center and to create an orientation and health information island for people with chronic health problems and disabilities. HealthInfo Island has a clinical medical library along with a hugely popular consumer health library and accessibility center. Full-time staff work with a wide variety of health care providers and care givers, offering training on how to access and evaluate digital health information. This program reaches into the homes of folks who are truly homebound and gives them wings, literally.

2. Reference Services

The potential of virtual reference service continues to be of great interest to the library community. Are reference services in the virtual world viable? How do they compare to the real world? To date, this is what we know: We get asked approximately 30 questions a day including: SL directional questions, (i.e. where is HealthInfo Island?), SL reference questions, (i.e. what is an avatar?), traditional directional questions, (i.e. where is Afghanistan?) and traditional reference questions, (i.e. what is a dog pot?).

2007 Reference statistics

Services/questions	
Patrons/Avatars served	6,769
Second Life directional questions	1,921 questions
Second Life reference questions	2,292 questions
Real life directional questions	186 questions

In 2008, we will continue to develop virtual reference services, test procedures to streamline the reference interview and provide more live coverage as we move towards the goal of 24/7 reference service on Info Island!

3. Collection Development

Collections have grown from a few public domain books to a broad range of subject area resources. Most collections consist of websites URLs selected by librarians to provide a representative and authoritative overview of a topic. Special exhibits, programs and resources are created within these subject areas to augment collections. Audio and video is streamed in and hyperlinks work both ways between the web and SL. It is this visualization and networking that is so compelling.

4. Why is virtual librarianship so controversial?

Interestingly, in its short existence, virtual librarianship has polarized the library community into those “who get it” and see the potential and those who simply don’t and won’t. So, why is virtual librarianship so controversial? In answering this question 46 avatars responded as follows:

- Using an avatar is a very different way to meet and serve the library customer. It takes time and effort to master the skills needed to be effective in this brave new world!
- Every new technology or format has been controversial or threatening when first presented and virtual librarianship is no different.
- Second Life requires a huge learning curve, great bandwidth and very new hardware.
- Virtual librarianship is truly a global community. It does not serve the traditional geographic boundaries of a public library.

- The controversy owes much to a lack of understanding. There are fears that this “game” will compete with traditional services.
- Fears have been fed by some sensationalistic journalism and political motivations – they like to highlight the radical fringes that exist in virtual and real world librarianship.

5. What have we learned?

The virtual service we are building and the number of people we are serving continues to be evaluated positively in professional and academic publications. What have we learned in the last 12 months?

- There is a very real need for virtual library services.
- Behind every avatar is a person and that is what makes the virtual world so powerful and challenging.
- There is a growing demand for courses and programs about virtual librarianship.
- Most librarians are inquisitive, just like avatars, and want to know what virtual librarianship is all about. We take this as a very good sign.
- Collaboration and partnerships are essential for success.
- The potential for professional networking is astounding.

Although virtual librarianship is in its formative years, it has ignited a renewed interest in building and sustaining libraries around the world. We are reaching a whole new community of users. It has also challenged the stereotypical view we have of ourselves and the services we deliver.

VI. Human Resources Trends in the Library Community

A library succeeds or fails primarily because of their staff, so tracking personnel trends and issues is essential. In a recent poll of 2,000 US executives, Business Week magazine predicted the following:

”In a decade, the average person will have better working conditions, women and minorities will have an easier time getting ahead and more of us will be on a first-name basis with someone in India.”

A. Human Resources Trends

Employee turnover is a key indicator in socio-economic trending. At ALS, the national trend is reflected with only an 11% employee turnover rate in 2007, as opposed to the last five years’ average of 18%, or the national annual staff turnover rate of 20%.

Employee Turnover

	2007	2006	2005
ALS Employee	11%	21%	28%
National average	20%	20%	21%

According to the ALA-APA Salary Survey, in 2007 the mean MLS salary rose to \$57,809; an increase of \$1,500 from 2006. This rise is higher than the 2006 Consumer Price Index (CPI) of 2.4%. However, public library salaries in the central U.S. were less than peer salaries on either coast. For academic librarians, significant jumps were seen in the average salary for beginning librarians up 14.65% to \$48,365 and department heads were up 11.8% to \$65,270.

Key human resources trends in 2008 include:

1. Renewed focus on hiring the right person for the job. Hiring is a gamble, which is only compounded by the fact that over 40% of resumes are not “accurately honest”. There is a 68% probability of hiring a candidate that will meet the expectations of the job, a 16.8% that they will exceed expectations and a 16.8% that they will not complete their probationary period.
2. Employee’s healthcare premiums have risen 70% in the last eight years, with over 60% of companies offering health benefits. In 2007, the average employee paid \$3,281 for family coverage which represented 7.9% of income, compared to 5.1% in 2001. The average cost of absenteeism per employee is \$ 422 per year. When an employee phones in sick, there is a 55% chance that they or a family member are actually ill; 18% have other personal needs to attend to; 13% are burned out or stressed out and 13% are absent because they feel entitled to a day off.

Obesity is a major workforce issue. A severely obese employee typically costs \$5,695 a year in medical care and drugs, 75% more than a normally weighted employee (\$3,254). The economic benefits of encouraging a healthy lifestyle directly affect the library’s bottom line. And is just good business.

Maternity leave has been receiving some negative press in the last year. About 75% of the 68 million working women in the US will become pregnant while employed. Interestingly, and of importance to libraries, is that in 1975, 40% returned to the workforce after maternity leave; in 2007, 76% were expected to return.

3. In 2008, it is team work that provides the competitive edge. Organizations are restructuring to be more responsive to their customer needs and to facilitate teamwork. The theory being, that in a team environment, productivity is maximized and success is more likely. Libraries need to consciously embrace this trend.
4. Retirement planning is the biggest issue in 2008 with over 12% of the population 65 or older and 78 million baby boomers now qualify for Social Security. At the same time, the work force is shrinking from 60% to less than 54% by 2080. Consequently, the Social Security system is experiencing a declining worker to beneficiary ratio, which will fall from 3.3 in 2005 to 2.1 by 2040.

Baby boomers, as new retirees, are redefining the concept of retirement. Born between 1946 and 1965, boomers were influenced by the Vietnam War, the draft and the civil rights movement. This was the first generation of television watchers. These were the folks who came to library story hours in droves and have been using the library all their life. Boomers, as a group, are idealistic, liberal and feel an undeniable need to make the world a better place. They coined the phrase “making a difference” and have applied it to every sphere of their world. Retirement to a boomer is no longer perceived as sitting on the back porch. Rather, the new retiree is planning for the next phase of their life, where they can accomplish the things that they have always wanted to do.

Fundamental to this new retirement is good health and adequate income to support their new passions. For example:

- a. More RV’s are sold to people 56-65 than to any other age group.
- b. Nationally, the fastest growing sector of new small business owners are individuals aged 50 to 65.

However, falling stock prices, declining housing values plus escalating healthcare and energy costs have resulted in over 15% of retirees considering returning to work, according to the AARP. For financial and social reasons, boomers are beginning to delay retirement and the AARP projects that the total number of retirees over the next 20 years will grow by less than 3%. In 2005 libraries were anticipating massive boomer retirements; however this may not be so. In the first four months of 2008, about 30% of the 65-69 year olds were either employed or looking for work, up from 24% in 2000.

The most frequent questions asked about retirement include:

1. When should I retire?

In the last eight years the average retirement age for both men and women has risen slightly and plateaued at age 63.

Average Age of Retirement from the Work Force

	Male	Male	Female	Female
	Average age at exit from work force	Expected years of retirement	Average age at exit from work force	Expected years of retirement
1950 - 1955	66.9	12	67.6	13.6
1985 - 1990	62.6	16.3	62.8	20.3
1995 - 2000	62.0	18.7	61.8	21.7
2000 - 2005	63.6	19.1	62.4	21.8

However, one in five employees over 55 says they never expect to retire; they expect to work as long as they are able. This will have a significant impact on libraries as they reach out to meet the needs of a large and more strategic reading public whose expectations of library service have been growing over the last six decades. It will also affect the library’s ability to promote younger staff.

2. Where should I retire?

Interestingly, retirees are now considering moving away from their “home community” upon retirement, a concept that was unheard of 25 years ago. Priorities for the new retiree include great weather, affordable housing, cheap food, accessible transportation, recreational and cultural opportunities plus affordable health care.

Top locations in America

	City	State	Community assets
1	Asheville	North Carolina	Great access to education and the arts, mountain living, great weather
2	Boca Raton	Florida	Southern resort community, cheap food
3	Capistrano	California	Climate, recreation, seaside living
4	Door County	Wisconsin	Northern resort community, rich in history, arts and culture
5	Mountain Home	Arkansas	Economical and rustic, low taxes, affordable housing and food

Statistically, the greatest number of households with retirement income in 2005 included the following:

	State	% of households with retirement income
1	West Virginia	24.2
2	Hawaii	23.3
3	Delaware	21.5
35	Illinois	15.9
51	North Dakota	10.8
	National average	17.1%

3. What will I do when I retire?

This is a fairly personal and varied question; however, when 36 library employees working in central Illinois were asked what they expect to do when they retire, they responded as follows:

Retirement Priorities

Activities	% of Respondents
Enjoy my family and grandchildren	52%
More time to read!!	41%
Travel/RV	34%
Start a new career/business	27%
Pursue other recreational interests, gardening/renovations...	26%
Volunteer/become more involved in my community/church/club...	24%
Learn a new skill...	9%

4. How much do I need to maintain my current standard of living?

The traditional model to assess retirement income includes considering three funding sources: Social Security, employer retirement benefits and personal savings. Among those aged 55-64, 83% work full time and among employees aged 65 and older, 49% work full time. The average national per capita personal income has risen substantially over the last 35 years which translates into significant changes in retirement patterns.

Per Capita Personal Income

Year	Personal Income	% increase	Year	Personal Income	% increase
1970	\$3,893		2000	\$29,845	26.6%
1975	\$5,581	43.3%	2001	\$30,574	2.4%
1980	\$9,910	77.5%	2002	\$30,810	.77%
1985	\$14,427	45.5%	2003	\$31,484	2.18%
1990	\$19,188	33%	2004	\$33,050	4.9%
1995	\$23,562	22.7%	2005	\$34,586	4.6%

With the changing economic climate a concept that is gaining acceptance in corporate America is phased-in retirement and alternate work models. For example:

1. Large corporations such as CAT are rehiring retired employees as consultants.
2. Mid-sized and seasonal corporations are rehiring retirees as part-time, seasonal or temporary workers.
3. Some service oriented corporations are reducing employee work hours gradually over two to three years as they head towards retirement.

4. Large multi national corporations are allowing employees to take extended leaves of absence to “try out” retirement.
5. Some school divisions are encouraging older employees to job share or move to different jobs that may be less demanding.

Retirement will be a huge issue in the library community for the next ten years. How we deal with it and how we pass along our corporate knowledge, will be fundamental to our very survival.

VII. Great Reading and Viewing

The following are resources that contributed to the 2008 Trends Report:

The Blue Skunk blog by Doug Johnson... great eclectic reading
<http://doug-johnson.squarespace.com/blue-skunk/>

Forces for Good: The 6 Practices of High – Impact Non Profits, by Crutchfield and McLeod Grant, 2008.

We are watching PLGN's Green Planet on channel 286; it's about everything green and is amazingly interesting!!

Microtrends: the small forces behind tomorrow's big changes, by Mark Penn with E. Kinney Zalesne, 2008.

Out Front with Stephen Abrams, A Guide for Information Leaders, compiled by Siess and Lorig, ALA 2007.

The Pixar Touch: The Making of a Company, by David Price, 2008.

Three Cups of Tea: A man's mission to fight terrorism and build nations-one school at a time, by Greg Mortenson and David Oliver Relin 2006.

The New Inquisition: Understanding and Managing Intellectual Freedom Challenges, by James LaRue 2008.

VIII. Summary:

The ALS 2008 Trends Report is designed to highlight global trends that we consider the most important to watch in the next 12 months, they include:

1. The economic downturn will have a **huge** effect on all libraries.
2. Consolidation of technologies into one person devices that do everything, from opening the garage to calling your mom.
3. It's no longer one size fits all. Corporate America is building technologies that are designed to fit the individual, and honestly who hasn't talked to their GPS person as they drive down the Interstate?
4. The best service is closest to the customer.
5. Teamwork provides the competitive edge.
6. **The greening of America is here to stay!!**
7. Succession planning for the boomer retirement wave is upon us.

What do these trends mean to the central Illinois library community?

1. We need to reach out into the community as never before and sell our story; it is simply a matter of survival!
2. We need to **really** understand the customers we serve.
3. We need to focus on delivering the competitive advantage to our customers as they access our reference services.
4. We need to use technology more effectively to meet and serve a whole new community of library customers coming to us digitally.
5. Virtual librarianship is a reality!
6. We need to be ecologically sensitive; from recycling to LEED designed building, libraries need to be green, green, green.
7. We need to have clear exit strategies and replacement plans as we lose librarians to retirement, but not at the rate we originally hypothesized.

We are living in interesting times. In the coming months, the Illinois library community will be challenged as never before as we redefine library services and struggle to simply maintain funding levels. However, these trends are also a good thing as we learn to respond more quickly to the changing needs of our customers and we become an essential part of their daily life.

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Alliance Library System 2008 Watch List

In 2006, the ALS Trends Report presented its first list of libraries that were pioneering new programs; testing new technologies, applying business models to librarianship or challenged our beliefs. The 2008 list includes 22 libraries we admire and/or we wish we were! Just click on the hyper links to explore the best of the best! The libraries are in alphabetical order and we make no pretense that the list is exhaustive or inclusive. At best we can simply say these are the most interesting libraries that keep us looking to the future and saying “Darn, wish I’d thought of that!”

The ALS staff would like to thank all those libraries listed for their collaboration and willingness to explore the future. We applaud your ingenuity and are honored to be in your company.....kp

Academic and Special Libraries

Library	Location	Website	Innovations
Cullom-Davis Library	Bradley University, Peoria, Illinois	http://library.bradley.edu/	1st university in SL-Info-island, piloted midnight munchies during exam week; pioneering 2.0 web services
Harold B. Lee Library	Brigham Young University, Provo, Utah	http://www.lib.byu.edu/	Excellent print and digital special collections i.e. new World War II website
McMaster University Libraries	Hamilton, Ontario Canada	http://library.mcmaster.ca	2008 ACRL Excellence in Academic Libraries award for its focus on user-centered innovations and services”. Easy search tools
San Jose State U School of Library and Information Science	San Jose, California	http://slisweb.sjsu.edu/	Social networking; classes in Second Life; innovative distance learning program, visionary staff
Stanford University Libraries	Stanford, California	http://www-sul.stanford.edu/	Link to Google books in catalog; Delicious page, island in Second Life, IM reference service via Meebo
U of Illinois Undergraduate Library	Urbana, Illinois	http://www.library.uiuc.edu/blog/undergrad/	Library Facebook account and staff responsible for applications, catalog linked to Facebook

Library Systems, Cooperatives and State Libraries

Library	Location	Website	Innovations
Alliance Library System	East Peoria, Illinois	http://www.alliancelibrarysystem.com	Smart Investing Project, Libraries and rural Economic Development Project, Second Life-Info Island, annual Trends Report
Kansas State Library	Topeka, Kansas	http://skyways.lib.ks.us/kansas/KSL/	Virtual branch in Second Life, Homework Kansas, Ask A Librarian, Kansas Health Online
N. Suburban Lib System	Wheeling, Illinois	http://www.nsls.info/	Innovative Director’s pod cast, though provoking programs and excellent group purchasing opportunities
South Carolina State Library	Columbia, South Carolina	http://www.statelibrary.sc.gov/schoolrooms/	Schoolrooms – a new K-12 online multimedia discovery place for students, OPAL, SL activities

Public/District/County Libraries

Library	Location	Website	Innovations
Ann Arbor District Library	Ann Arbor, Michigan	http://www.aadl.org/	Director's blog is great! Innovative online catalog, great community outreach
Calgary Public Library	Calgary, Alberta Canada	http://calgarypubliclibrary.com/	Great community engagement, focused on strategic planning and measurement, powerful "Best website" portal, talented staff and beautiful green facilities.
Charlotte-Mecklenburg County Library	Charlotte, North Carolina	http://www.plcmc.org	Imaginon is awesome! We also like; Teen Life, Library Loft, Gaming Zone and the website is multilingual and jam packed with information...we like it a lot.
Douglas County Libraries	Castle Rock, Colorado	http://www.douglascountylibraries.org	An organization change agent in action...with clear performance measures, a great website that is imbedded in the community. This is truly a library staff to watch!
East Brunswick Public Library	East Brunswick New Jersey	http://www.ebpl.org/index.cfm	Beautiful web site with cool public services... neat newsletter subscription area, great Help the Library portal; links to film festivals and public television!!
Fairfax County Public Library	Fairfax, Virginia	http://www.fairfaxcounty.gov/library	Live homework help, awesome business portal and extensive e services. I want to work at this library!!!...kp
Jacksonville Public Library	Jacksonville Florida	http://jpl.coj.net/	Support Your Library page http://jpl.coj.net/ is fabulous and their website feedback link http://www.countingopinions.com/jpl/ is excellent. This is a great library!!
Kankakee Public Library	Kankakee, Illinois	http://www.lions-online.org	We like their blogs with RSS feeds, great local content portals, and Kanwik for all things Kankakee and interesting graphics. This is a great all around website with an amazing staff to back it up! We are big fans of KPL!!
Loudon County Public Library	Leesburg, Virginia	http://www.lcpl.lib.va.us/	They have a great book discussion kits, a library locator, and information on future building projects. Customers are invited to blog and participate in the website. LCPL is truly is a community resource.
Morgan County Library	Martinsville, Indiana	http://morg.lib.in.us/	We like the construction cam, the legal documents and the Asst. Director's blog it is just the right balance between info and entertainment ...well done!!
Owen Sound and North Grey Union Public Library	Owen Sound, Ontario, Canada	http://www.owensound.library.on.ca/	Great connection with the arts and literary communities, programs based on community interest, strong genealogy collection, a really interesting e newsletter and a beautifully renovated Carnegie building. This is a great community library!
Toronto Public Library	Toronto, Ontario Canada	www.torontopubliclibrary.ca/	A very successful foundation, engages the community in over 12 languages, promotes phone reference services, corporate sponsored events, using Youtube to build a new strategic plan...no wonder TPL is the second most used library (Hong Kong is #1)in the world!