



Becoming an Information-Efficient Organization

By Cadence Group

We all know that the amount of information we receive is exploding. One source estimates that it doubles every 11 hours. According to the market research firm IDC, 90 percent of global companies surveyed said their competitiveness is directly affected by problems finding information.

While companies are cutting research budgets and staff and eliminating their corporate libraries, managers are still expecting knowledge workers to find *qualified* information to make better business decisions, outsmart the competition, and develop new products. Yet, workers can use up a lot of time trying to find information on their own.

The High Cost of Not Finding Information (another IDC report) and other studies show that knowledge workers spend 15 to 25 percent of the workday searching for information. Only half of these searches are successful. Some estimates show that a company employing 1,000 knowledge workers could lose an average of \$6 million per year on unsuccessful searching.

The Answer: Self-Service Information Centers

Studies also show that implementing a centralized, self-service information center or virtual library can save as much as 30% in labor and related costs, dramatically reduce the cost of qualified content acquisition, and make information available to many more knowledge workers – without increasing support staff.

By building a central electronic repository that knowledge workers throughout the enterprise can access, and by negotiating consolidated contracts with content vendors, you ensure that you are getting the best quality information, while reducing search time and eliminating duplicate content costs.

What You Can Expect to Gain

Here are twelve capabilities you can expect to gain when you build a central information repository or virtual library:

1. An annual review of the company's business unit research needs and identification of the best vendor choice for each information category.
2. Negotiations with the world's leading business information content providers, such as Thomson Financial, Gartner, Forrester, and others.
3. Central handling of vendor contracts and license negotiations for online content, setting up volume discounts, and making sure copyright is covered. This ensures you get the most for your money, including content, reporting, accessibility, and value-adds such as analyst visits and conference attendance.

4. Determination of which format (hardcopy vs. virtual) is the most user-friendly and cost-effective for a particular clientele.
5. Identification of vendors that have been most beneficial to the information needs of the company. The virtual library's database can be updated to include only those content providers that have proven their benefit across all departments – thereby promoting prudent information purchases and eliminating expensive redundancies.
6. Design and management of the intranet application that provides single-point access to content from multiple vendors in a self-service manner. Using a “push” technology, information can be disseminated according to specific requests by users. The result is that any user (whether skilled researcher or not) can find the information needed in seconds.
7. Integration of external and internal information into one repository, with company-wide access to competitive intelligence, market sizing and development, marketing and strategic plans, and much more.
8. The ability to search and browse for research information using a single source that satisfies 80 to 90 percent of your information needs.
9. Help Desk for support and quick turnaround of ad-hoc requests – for that 10 to 20 percent of the time when self-service does not provide all the information you need.
10. Development and management of the budgeting process with input from all user departments.
11. Regular usage surveys with results published internally and improvements made according to survey results.
12. Training of new users and marketing of the service to bring new departments on board.

Case in Point: Building a Central Information Repository

A major telecommunications company had previously deployed an interdepartmental database for cataloguing their internal information, competitive intelligence, and other information obtained from external content providers. Over time, the database evolved into an enterprise-wide intranet application that could be used for competitive intelligence, research, and decision support.

However, an essential issue remained unresolved – many business units and departments were duplicating purchases of business information from content vendors and creating expensive redundancies. In one case, two people in different departments each paid \$50,000 for the same report.

In 2001, this company retained Cadence Group to manage content acquisition for the enterprise, improve the company's virtual library, and expand the intranet application.

Later, Cadence Group began to manage a cost-effective, information-gathering process that gets the most from the company's information and research budget.

In the first 24 months, Cadence Group received a 100% client satisfaction rating and enabled the company to fully transition from a physical to a virtual library, thus freeing up departmental staff and significantly suppressing the rising costs of content acquisition.

Industry-wide, content costs have increased by 3.9 percent. However, this company's content expenditures in 2002 alone decreased 8.3 percent and research usage skyrocketed. Over a two-year period, the number of documents accessed by their users increased five-fold to more than 250,000 in 2004.

Conclusion: What It Takes to Get Started

If your research budget is being cut at the same time as the need for qualified information is growing – to support business decisions, research and development, marketing, and product improvements – then it's time to begin planning to become an information-efficient organization. It's important to cut information costs without losing the competitive edge that only qualified information and analysis can provide.

By following these tips for success, you can launch a successful enterprise project that eradicates redundancies in content purchases, avoids duplication of vendors' contracts, eliminates excess physical space, and reduces administrative overlap.

1. Develop a clear vision for handling information needs, and gain sponsorship and commitment at the CEO level.
2. Conduct a comprehensive review of enterprise information needs.
3. Set initial goals for the project and revise them annually.
4. Form a dedicated implementation and support team.
5. Gain IT support and involvement up front.
6. Select an experienced information management consulting firm to guide vendor negotiations, technology implementation, and ongoing usage.
7. Obtain vendor buy-in for prudent content acquisition.
8. Start with a pilot program and carefully monitor results.
9. Develop a communication plan for broadcasting early results and successes within the company.
10. Build solid relationships with your content vendors to get the best prices, content, and service, as well as extras such as analyst visits and conference participation.

With careful planning and wise choice of resources, you can become an information-efficient organization that satisfies 80 to 90 percent of its research needs through a self-service, virtual information model – a virtual library that serves the whole enterprise.



About Cadence Group

Cadence Group is a woman-owned, 50-person information management consulting and research firm based in Atlanta, Georgia. Cadence Group uses its more than 15 years of information management experience to help companies gain significant competitive advantages through fast information gathering and distribution and save as much as 30% in labor and related costs. Its enterprise virtual library solution, known as In-forté, is designed to help businesses stay competitive by lowering content acquisition and management costs while improving access to highly qualified information from an unlimited number of content sources.