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Academic libraries and the financial crisis: experiences from Britain

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The global economic crisis that began to become severe in about 2008 and which seems likely to continue for some time into the future, is only the latest in a series of major challenges that universities, and their libraries, have faced in the new Millennium. The extent and seriousness of the challenges varies from country to country and from institution to institution but few people will disagree that many of the old assumptions that guided academic life are no longer valid. New solutions must be found to the new problems that have emerged and which will certainly continue and change long after the current generation of students, librarians and academics have left.

This article will discuss some of the challenges that universities and librarians are currently facing in Britain, and outline some of the responses that are being adopted. These may be of some interest to colleagues in other countries which are at different stages in the financial crisis or where professional development has reached different levels.

Demography

The 'pool' of potential students has increased for several reasons: the larger birth-rate in the years immediately after World War II is now having a secondary effect in the increased numbers of current school-leavers. In addition, UK Government policy in the 1980's and 1990's has been to increase the percentage of school-leavers who go on to higher education and has set a target of 50%. The accession of a number of countries in Eastern Europe to the European Union has led

to a large number of students from these countries applying to attend higher education institutions in the UK. Students from EU countries are only required to pay the subsidised fees that apply for students from the UK. At the same time, the full-cost fees payable by students from outside the EU are less, sometimes considerably so, than those in other English-language countries such as Australia, Canada and the USA. This makes the UK an attractive place to study for students from countries such as China and India which have an growing middle-class with available financial resources and higher education institutions that do not always reach high quality.

The increase in student numbers and reductions in the numbers of teaching staff have led to a great deal of self-study and learning by students and for this they turn to the library not only for materials but also for a convenient space with supportive facilities and staff.

Environment – space

The traditional library environment provided spaces for solitary study and learning by students. This suited student needs at the time and specialist furniture was created to separate users from each other. Books and other printed materials were shelved nearby so that, in the more developed examples, library buildings became a group of mini-subject libraries under one roof.

In recent years students have shown a strong preference for studying and learning in groups, without necessarily using library materials a great deal and making use of IT to access information resources of all kinds – print-based and multi-media. To meet these needs libraries have developed a variety of study spaces suitable for informal and semi-formal learning. These new kinds of social, interactive learning space have attracted large numbers of students who stay for a long time, often longer periods than was the case in the traditional libraries. This in turn leads to demand for refreshment facilities which are usually limited to cold snacks only and, if possible, physically separate from traditional print materials.

Opening hours

There is also increased demand for extended library opening hours. Students are accustomed to 24-hour access to resources on the Internet and probably also to networked resources provided by the university and the library. They expect to be able to access these resources from within the library at all times of the day or night. Libraries have found that extended opening hours are relatively cheap to

operate with non-professional library staff or even with only security staff. Because of the importance placed by students on 24-hour opening hours, librarians are very reluctant to reduce this provision in order to make cost savings to meet budget cuts. Rather than cut opening hours librarians are trying to make necessary savings elsewhere. Academic libraries in Britain have some flexibility in moving funds between the staff and the non-staff sectors of the budget. If savings can be made in the staff sector of the budget it may be possible to use them for the purchase of materials. Alternatively, the savings can contribute to meeting the reductions in library expenditure imposed by the university. British university libraries have, for many years, adopted self-service methods for book and journal supply to users. Stock, except for rare items and heavily used student textbooks, is held on open shelves to which all library users have access. The development of self-service terminals in conjunction with automated loan systems has enabled reductions in the numbers of staff employed to carry out this routine activity. Some academic libraries in Britain now process as much as 95% of their book loans in this way. The capital costs of the necessary equipment are soon repaid by the reductions in staff numbers and consequent financial savings. Other self-service equipment – photocopiers, loan systems – are common means to reduce costs. Additional self-service cost savings include better guiding and signs in the library and more printed and on-line guides to finding materials and information so that users have less need to take staff time asking where to find things.

Consortia

In recent years there has been a considerable movement in Britain towards co-operative purchasing arrangement by universities and their libraries. The original impetus came from university purchasing departments which wanted to save money by negotiating special prices for the purchase of such things as office supplies, furniture and equipment. These purchasing consortia soon covered institutions in every part of Britain and achieved considerable financial savings.

The examples were followed by university librarians who realised that not only could they benefit from reduced prices for office supplies and equipment but they could also obtain reduced prices for books and journals and make useful savings. There are several aspects to the arrangements that libraries have established. The primary aspect is the reduced price of a book or journal and this means that more materials can be bought for the same money, or that the effects of

cuts in budgets can be less damaging because materials are cheaper. But the benefits are not limited to the direct savings in prices. It is now common for university libraries in Britain to obtain from book suppliers any or all of the following "value-added" services: selection of stock in relation to carefully defined profiles of the needs and interests of an individual library; cataloguing and classification of new items to high professional standards; physical preparation of the item ready for the shelves (registering & numbering; ownership marks, date labels, spine labels, plastic jackets); uploading of electronic cataloguing and invoicing records direct from the supplier to the library's automation system. All these tasks, whether professional or non-professional, cost money for a library to undertake although the real costs are often not separately itemised. The book supplier is able to establish factory-like production lines in cheap accommodation away from the campus and to employ and train special staff at lower costs. Overall, the costs for processing an individual volume are considerably less than the "cost" that the library was paying to do the work with its own staff.

As far as journals are concerned, the same benefits apply to the registering and accessioning of individual issues and the uploading of data to library automation systems. Scholarly journals are only bought by libraries, usually academic libraries, and by negotiating as a group with journal publishers, libraries have been able to exert great pressure on publishers for better pricing arrangements and more flexible contracts for "bundles" of e-journals.

At a time when budgets are under great pressure, the savings that purchasing consortia can offer to a library are very welcome indeed. These saving are not only in the direct costs of materials but also from the reductions in library staff no longer required to do the work, and in the costs of the space necessary to house large acquisitions and cataloguing departments. The space no longer required for 'back-room' activities can be used to create more areas for users or given up by the library and used for other purposes, sometimes by renting out to external tenants.

'Triage'

As part of the effort to provide more and better services with lower staff costs, libraries are adopting a "triage" system of dealing with enquiries from users. The initial enquiry point is staffed with carefully trained but non-professional staff supported by an extensive range of printed and on-line guides and self-service equipment. If the staff are unable to provide the necessary assistance they can call on help from

professional staff. In this way the more expensive professional staff are only using their skill and knowledge when it is really needed. Such a system can only work effectively if staff at the enquiry points are properly trained and the arrangements for involving more senior and experienced staff are simple and prompt.

Customer-focus

Universities in Britain are in competition with each other to enrol good quality students and particularly for students from outside the EU whose fees are a vital source of income. Non-EU students who are paying substantial fees for their education have firm expectations of the quality of service and support that they should receive in all areas of university life, including the library. Universities and their libraries give great importance to measuring and assessing the opinions of students and to ensuring that the results are positive. University libraries attempt to organise and deliver their services in the best possible ways to meet the needs of users. Librarians know that student opinions of the library are one of the important factors that contribute to the national and international reputation of the institution and that, in turn, contributes to the funding it receives.

All libraries measure in some way the satisfaction rate of students with the services provided by the library and, as importantly, the rate of dissatisfaction with particular aspects of the service. When cuts and savings have to be made, the impact on users is one of the most important factors considered. Libraries have, traditionally, only collected a few simple statistics relating to the quantity of activities carried out: number of books catalogued, number of loans recorded etc. In times when budgets were not under pressure these limited statistics were often sufficient to justify funding requests. However such statistics entirely fail to provide any useful data on the value or benefits of library activities as far as the users are concerned. They also fail to provide any information about the extent and reasons for non-use of library services. As financial pressure on libraries has increased academic librarians have taken initiatives to devise and collect much fuller and more meaningful data about their activities and the relationships with users. Commonly agreed data is now collected and exchanged between university libraries. It is being used by librarians to help them compare the performance of their library with others in the same area or of the same level and type. It is also being used by librarians to demonstrate to senior staff of universities the position of the library in relation to others and as justification for budget requests.

Standardised data collected over several years gives a clear picture of development, or decline, in quantitative terms, of the library. Library automation and management systems can normally generate such statistics at minimal additional cost. Numerical data does not give much information about the attitudes of the users towards the library and their level of satisfaction or dissatisfaction. For this kind of information it is necessary to conduct surveys and administer questionnaires to users and to evaluate and systematise the results obtained. Survey methodology is a skill which librarians have to acquire and become familiar with. There is a cost in staff time in conducting and analysing survey data but this is seen as a necessary expense if libraries are successfully to compete for limited resources in the future.

Paper to electronic resources

University libraries have for many years been discarding paper-based resources in favour of other forms of storage – microforms, electronic catalogues etc. – for reasons of space or permanence or, in the case of digitised materials, because of increased flexibility or usefulness. The pressure to reduce costs has accelerated the introduction of electronic resources. Maintaining and storing long runs of little-used journals is expensive in storage costs and takes a large amount of expensive space. At a time when increased number of students want to spend increased amounts of time in the library, space is an important commodity. If journal storage space can be converted into user space the pressure to build costly additional space is reduced. Of course, maintaining sufficient IT server capacity on which to store large quantities of electronic data and provide good quality access to it has certain costs but these may not appear directly as items in the library budget. Some universities are actively considering “outsourcing” electronic storage away from the campus. This may be by the supplier of, for example, e-journals storing them on their servers; or by using “cloud” computing to store the materials.

Subscriptions to scholarly journal have traditionally consumed a large portion of the budget for materials in academic libraries. The cost of such journals appear to have risen over the years at a higher rate than inflation in general prices. In addition, for libraries in Britain there have been considerable fluctuations in the exchange rate used to buy journals from publishers in the USA or the Eurozone. Although the periodical agents used by libraries to arrange subscriptions also offer check-in and claiming services and uploading of individual issue receipt data to library automation systems and

OPAC's, the cost savings for libraries may be modest in relation to the costs of the journals themselves, and the costs of binding and storage remain with the library.

Electronic journals offer savings in processing and administrative costs, and the ability to be networked throughout a campus, but at even higher costs than traditional paper versions. There has also been a tendency for publishers and agents to offer subscription 'bundles' containing both high value journals and those of much less interest. Subscription bundles and multi-year contracts commit the library to very high costs for several years and thus restrict the ability to cancel subscriptions when interests change or budgets are reduced. This makes such arrangements very unpopular with libraries that are faced with budget cuts. It is in such situations that groups of librarians have been formed to negotiate better prices and contract terms with publishers and have had some success.

The pressure on libraries to buy journals comes from academic and research staff rather than from students. Some universities in Britain are now making it a condition of employment that articles by staff must only be published in 'open source' journals in which the costs of publishing and of subscribing are minimal.

Expenditure balance

University libraries have, for many years, had to establish a balance between the staff costs and the non-staff portions of the budget. For the last decade budgets have generally increased and the number and range of library services has been able to develop. The scale of budget cuts that are now expected means that libraries have urgently to rethink the kinds and levels of services that are provided to the university. There is a widespread feeling among university librarians in Britain that there are very few obvious areas where large-scale savings can easily be achieved. The levels and quantity of services are closely related to the levels of staffing.

Libraries are reviewing all the activities that take place to see if they are really essential to the core objectives and, if they are vital, whether they can be carried out more efficiently and at lower costs. The cost reductions may arise from eliminating unnecessary routines, from greater use of technology particularly information technology, and from the use of less highly paid staff. It is common for library directors to study data on the age composition of staff and to be aware of who will be eligible to retire, and when. In many case early retirement incentives are available as part of university policies to

reduce staff costs and numbers. Staff who retire or who leave the university are rarely replaced unless it can be done so by internal appointments at no net cost to the university. In previous years it was normal for university staff to be appointed on permanent contracts but these limit the flexibility to make major reductions in costs quickly and are now less common.

The expectations of universities and the demands of students for new and better services create additional challenges for libraries that are already struggling to maintain existing levels of service. Among the specific problem areas that have begun to emerge is that of late night or 24-hour opening for which there is strong student demand at most periods of the year. Although the costs of providing minimum levels of service using non-professional staff are low it is a service which it would be easy to reduce and modest savings generated without having much impact on other service areas.

Library directors are keen to use the current financial difficulties as opportunities to reconsider what the library does and how it does it, and to do things differently in future. Most directors consider that they already have made the most obvious cost savings. The additional budget cuts that are expected to be imposed in the future will make it necessary to close service points or branches or to cut entire activities and services rather than attempt find the necessary savings by an overall general reduction. Making cost-based reductions requires the library to have detailed information about the costs of its activities. Most libraries have not collected such information in the past and it will be necessary to establish methodologies for doing so and for making valid comparisons between institutions.

Local co-operation

The library profession has always had a positive attitude towards co-operation between libraries however, in practice there have been few major examples so far. At a local level there has been some co-operation in ensuring that nearby libraries do not duplicate expensive and specialist materials. While access to print materials can be arranged for users from other institutions with few difficulties, problems do arise in relation to access to materials, particularly journals, held in e-format for which access passwords are required. Contractual conditions imposed by publishers of e-materials often limit access to registered members of the subscribing institution making it impossible for visitors to access the materials. The complications of overriding

password limitations very much reduce the theoretical attractiveness of a single subscription serving the needs of users in different institutions.

Long runs of print journals require considerable space to store and some staff effort to maintain. With the help of special funds from the UK Government the British (National) Library has recently co-ordinated the establishment of the **UK Research Reserve** with the aim of ensuring that at least three copies of specialist print research journals are available within the UK at different institutions including the British Library. Access is guaranteed by the holding libraries by photocopy or inter-lending. The expectation is that over 100 shelf km of stored journal runs can be discarded by university libraries by 2013 because materials are certainly available elsewhere in the UK. Many of the major academic libraries in Britain are members of the scheme and will benefit from the large amount of physical space that is released for other purposes as well as from the guaranteed availability of journals. The potential for co-operation between institutions in provision of student-level books and journals is much more limited as it is not practicable for large numbers of students to be served by the library of a different institution.

Academic libraries on one UK city have co-operated in building up a collection of e-books to which students at all institutions have access. The co-operation has enabled a larger collection of titles to be acquired and made available than would have been possible by a single institution. There is some evidence from surveys that librarians consider print materials to be highly vulnerable targets for cost savings but that budgets for e-books may be more protected.

Convergence

Many universities in Britain had decided some years ago that there were similarities and connections between the library and other "academic support services". The services most commonly thought of as having close functional relations with the library are computing and audio-visual/multimedia but the range extends to study skills/information literacy, careers guidance and student services generally. All these services are characterised by their roles in supporting and encouraging learning by students and enhancing their experience in the university. In a number of universities the links and similarities have been developed and encouraged by bringing them together in some form of merged or converged service, perhaps under a single director or a looser form of federation. The exact nature of the administrative structure is less important than the acceptance that

providing students with the best possible encouragement to learn is of overwhelming importance.

Student focus

A strong theme in all recent reviews of academic library development in the UK in recent years has been the focus on services and activities that directly benefit students. National and local surveys of student opinions frequently ask for views about the library and its services and the reported results are studied carefully. Comparisons are made between results for previous years and the current year and between results for different institutions. Potential students are known to use the results of national surveys when making choices about which university to apply to and comments about the library from current students can certainly influence application decisions.

Considerable use is made within an individual library of regular surveys and questionnaires and other means such as informal discussions and contact with the student union, in order to measure student satisfaction with services and facilities. Libraries make every effort to increase satisfaction rates and to eliminate causes of dissatisfaction. There is an increasing willingness by librarians to experiment with new and altered services and to try to measure the success or otherwise of the developments. Unless the feedback from users is positive the new service will be cancelled and a different one substituted.

The priority given to services and activities that directly affect users means that all staff in the library are constantly reminded that serving the users is of the highest importance. This applies not only to staff at enquiry desks and information points and undertaking loans and reshelving of stock, but also to colleagues such as cataloguers administrators who have traditionally not been in direct contact with users.

Staff skills

The skills needed to understand the changing needs of library users and to devise and implement effective responses are not those that have been included in the traditional education and training of librarians. Library staff have had to learn new skills and constantly to update their knowledge as user demands change. Not only do they have to know how to respond to the demands of students and academics, they also need to predict what those demands may be in the future, and ensure that they are trained in advance. In recent years

academic libraries in Britain have spend noticeable sums on staff training and there is now some concern that this section of the budget will have to be reduced although the pace of change in user demands and needs is unlikely to slacken. This is an area in which local cooperation in the provision of staff training courses may be able to save money without damaging effects although the size of the savings will be modest.

IT

Academic library users, and students in particular, are thoroughly familiar with modern technology – mobile telephony, personal and social IT networks, websites – and use them constantly. If libraries are to be credible part of the student experience and to contribute to the learning processes, it is important that these tools are part of the range of methods used.

Some universities are providing “pod-casts” of lectures and other teaching materials which can be accessed from mobile telephones and other PDA's (Personal Digital Assistants). This gives the student complete flexibility about when to study and also additional opportunities for revision.

All students at universities in Britain have university IT accounts and passwords which are used to limit or control access to a variety of resources including commercial databases to which the library subscribes. These accounts and passwords are normally established and maintained by the university administration in co-operation with the IT service and the library is relieved of responsibility for them. This is a minor saving for the library budget because it is not necessary to create a separate library membership card system. The accounts and passwords are used by the library for the loan and reservation systems and for controlling fines and penalties for late return of books and for payment for photocopy and related services. This results in further minor savings in the library budget because it is no longer necessary to deal with and safeguard cash at different points in the library.

As mobile telephones become more powerful and closer to laptop/notebook computers in functions, libraries are beginning to make their automated systems available to mobile telephones. Searching the on-line catalogue, mapping the location of items of stock and searching databases are all services for which “phone-apps” are available. Communications from the library – about the availability of books that have been requested or about new services, can also be sent to mobile telephones.

Although in theory the widespread availability of computer devices by students ought to make it possible for the library to reduce the number of PC's provided for users, there is little evidence that this is happening. It is certainly necessary for library buildings to be wi-fi enabled and some university libraries have a loan service for laptops to students who do not possess their own.

Income generation

Libraries have, for some time, been generating income from such things as charges for photocopying, sale of stationery etc., fees for certain groups of external users, room hire, and from research projects, and donations. In universities that have an 'internal market' in which departments and services "buy" and "sell" to each other various services it is possible for the library to generate 'income' from specific additional services such as information literacy training. Overall, these sums amount to more than 10% of library income. In some universities the library is permitted to retain and use the sums it earns while in others all income is added to general university funds and is not necessarily used to benefit the library. Fundraising programmes for university development projects may sometimes be a means of providing a major building such as a library but these are capital projects and do not contribute to recurrent funding needs.

At a time of general financial shortages, librarians see few opportunities for increasing the amount of income generated. Increases in fees and charges to student users are very unpopular and external bodies that have funded research in the past are less and less able to continue with grant programmes.

Conclusion

University libraries are facing tremendous challenges from the pressures of the global financial crisis and from technological developments. Few librarians in Britain consider that they can be certain what will be required of their libraries in the future or indeed if they have a significant future. It is inevitable that large-scale change will be necessary. For librarians it is a period of stress and of opportunity: "If you are doing your job in the same way as five years ago you are probably doing it wrong" sums it up. And "If you expect to be doing your job five years in the future in the same way as you are doing it now, you probably will not have a job in five years time".

Further reading

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