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Outsourced Acquisitions? — Let's Meet the Challenge

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I'm certain all of us who attended last year's **Charleston Conference** remember the talk by **Ernie Ingles**, director of the University of Alberta, on the outsourcing of cataloging as part of a cost saving and restructuring project. We also heard from **Keith Schmiedl** of Coutts Library Services whose company has begun to offer cataloging and processing services to its customers. Conferencees saw products such as OCLC's **PromptCat** that has the capacity to supply bibliographic records along with the purchase order. Later in the day, I was sitting with colleagues discussing what we'd heard, and she remarked: "I guess this means we are next" referring to our current roles in acquisitions. I responded that in some ways we have bought this upon ourselves with an often ostrich-like denial of the changing atmosphere in library management. In situations like these, it is wise to change this threat to our security into a challenge with all the attending opportunities. The first step is to find out about this phenomenon that has appeared on our horizon and develop our own proactive response.

As I began reading about the issues surrounding outsourcing in acquisitions and technical services, I realized that the outsourcing of services to libraries is not new at all. For years, libraries have outsourced such operations as janitorial services, plant care, reprographics, book-keeping, clerical office skills and in the case of many law libraries, the filing service for the multitude of materials in looseleaf format that adorn our shelves.

Outsourcing means simply the contracting out of a portion of a library's operation to a commercial entity in order to realize a cost benefit to having those operations performed in house. In addition, **Sheila Intner** of Boston College feels outsourcing "could be used as a way of obscuring the process of dumping functions library directors hate doing in-house." ¹ (p. 3) I also suspect outsourcing is a way of circumventing the difficult process of transforming an often resistant, entrenched and tradition-

bound work force into a more economically cost effective work unit. Many traditional library organizational structures do not lend themselves easily to shifting economic realities, and hence it becomes incredibly hard for administrators to restructure their organizations. This factor was illustrated by **Barbara Winters** of Wright State University in Ohio when she stated that administrators believed that "outsourcing [cataloging services] would allow it [the library] to deliver materials to patrons more quickly." ² (p. 370) Administrators had "received complaints from faculty about how long materials were in process and about the size of the backlog" ³(p. 370). The issues of employee resistance and lack of productivity are not faced by commercial vendors, where an employee's job security is based on his or her adaptability and productivity. Outsourcing saved the administration the time, headaches, and expense of trying to reform staff. No wonder this has become an appealing idea to library administrators.

Secondly, as stated earlier, outsourcing has already become a part of our acquisitions and collection development organizational structure. For a long time, such innovations as commercially produced catalog records, approval plans, and the use of vendors and subscription agents are services on which we rely. These services have been especially valuable as money for resources and staff have eroded from our budgets. Again, this may have been a circumstance we partly brought upon ourselves. As **Joyce Ogburn** of Yale remarked in her article, *An Introduction to Outsourcing*, "Librarians articulate the mission of libraries very well; librarians are not as good at outlining the cost of fulfilling that mission. Tough times and financial constraints have forced libraries to start behaving more like businesses: analyzing costs and looking for alternatives to the traditional models of doing library work." ⁴(p. 363)

It is precisely the phrase "behaving more like businesses" that holds the key

to an acquisitions and to some degree the technical services department's future, whether we choose to outsource or not. It is clear that at least for now, the focus of most outsourcing in libraries will be on the functions of technical services. We must begin by taking new approaches and adopting a new perspective of our mission within our organization. We must to some degree adopt the "time is money" attitude when we approach our daily work flow.

As one colleague many years ago advised me, we as librarians need to "learn to speak the language of money and business." Look at each task being performed and ask yourself: 1) Is this task being performed in the most efficient manner possible? 2) Do I, as a manager, really understand the job being performed? It is often difficult in a large department to grasp the reasons for the performance of certain tasks when you weren't there for their inception. Sometimes staff are performing duplicate or even pointless tasks based on previously outdated concepts. As an example, I discovered when I took the job as the Head of Technical Services that the acquisitions assistant had been keeping years of vendors flyers, filed alphabetically, in hanging files for some long-forgotten wish list. In addition, we were typing two separate multi-carboned order forms of different sizes for every order because "we've always done it." These examples illustrate an often stated maxim of continually reexamining your procedures and work flow as an ongoing part of your strategic planning process.

Thirdly, ask yourself: do I know what it costs to order and process a monograph, a serial, an audiotape, etc.? Have you any idea what your staff's labor costs the institution? Could you answer with confidence, these questions should you be asked? **Gary Shirk** offers the bookseller's perspective on outsourcing and advises, "You must assess every task you perform to determine those that are essential to your strategic aims." ⁵(p. 385) Finally, are you getting the highest pos-

sible level of job performance from your staff? This is often a difficult question to answer, and can produce some uncomfortable if not painful answers. If not, what steps are you and your organization willing to take to improve departmental performance. Do you have any way of evaluating and documenting employee performance? Over the years, I have observed that many informal discussions at professional meetings drift to the subject of problems with unproductive or difficult staff. Many new supervisors inherit their staff and are given the unenviable task of trying to change long-established patterns of non-productive behavior. It's a classic recipe for sleepless nights. The answer lies in your ability to communicate with administration as to the nature and possible solutions to these problems and the level of support that can be expected from administration. If you have the support, the best approach is to develop a clearly defined program of rehabilitation and evaluation of the positions. As harsh as it seems, you cannot allow non-productive or non-cooperative staff to remain in your organization. If their behavior cannot be altered, then you must find a way to move them onward and outward. They are, and will continue to be, a liability you can no longer afford. I am

aware how difficult this kind of management can be, yet this is one of the reasons that outsourcing is becoming popular. Actions of this type in educational institutions, are often long, painful affairs that must be handled with extreme delicacy. The library in general, and technical services in particular, can no longer provide a safety-net for the unproductive and often difficult employee. As **Jim Dwyer** states in his article *Does outsourcing mean you're out?* — "neither catalogs nor computers make libraries work." ⁶(p.2) Now and certainly in the future, you will be evaluated as a manager by your weakest link(s).

The next stage in contemplating the possibility of outsourcing is to continue the planning process by defining those areas of your operation being considered for possible outsourcing in light of your library goals. Obviously, any outsourcing project must have as an early stage the careful examination, redefining, and formal restatement of expectations, goals and objectives. In similar projects such as collection review, many problems develop as a result of unrealistic expectations and inadequate planning on the part of those involved. Ideally, a project of this nature will provide the opportunity to insert the management concepts of

team-building and cooperative decision-making into your organizational structure.

Aside from the obvious monetary issues, you need to have a clear idea of how outsourcing will fit in with the goals of your organization. Outsourcing as it has been used in the corporate environment, should "free the organization to do what it does best or is most critical to its future success." ⁷(p. 385) **Gary Shirk** also advises that — "Anything that does not contribute directly to the key strategy [of the organization] is game for outsourcing." ⁸(p. 388) It's often easy for those of us in technical services to lose our perspective on what and who we are serving. A good manager always keeps the big picture in front of his/her staff either as part of institutional or even departmental meetings. For example, would outsourcing the repetitive functions of serial processing allow your remaining serial staff to pursue more substantive problems? Ideally, outsourcing should allow staff to take on more complex tasks and thereby function to a higher level of work. They must also be able to effectively monitor the end-product of the outsourcing.

Monitoring may be the most important function related to an outsourcing

continued on page 68

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Biz of Acq
from page 67

program. Contract compliance and quality control are functions that we as acquisitions professionals are ideally suited to manage. We have managed this type of contract for years in the form of our agreements with vendors, jobbers, and subscription agents. In fact, outsourcing may actually open a real window of opportunity for our particular genre of librarianship. As **Barbara Winters** of Wright State University stated, "acquisitions librarians, who have for some time been perceived to be on the fast track to management and administration because they possess the abilities required to manage multiple and diverse operations, are uniquely positioned to step into crucial management roles." ⁹(p. 371)

While none of the authors mentioned

in this paper feel that outsourcing will replace all technical services functions, most feel it is a natural evolution of our professional work lives and that some tasks within acquisitions, serials, and cataloging functions will most certainly be eventually provided as a part of our ongoing relations with vendors, and even publishers. In legal publishing over the past five years there has been a corporate move to consolidate several legal publishers under the umbrella of a single corporate entity, in this case the **Thompson Corporation**. It is easy to envision that Thompson will eventually want to play some role in what is going to be a lucrative market by offering some outsourced services such as labeling and electronically transferred bibliographic data to customers who wish to participate.

Another demonstrated benefit of outsourcing has been the residual effect on remaining employees resulting in an incentives recommitment to the goal of the institution and getting the job done quickly, with as little waste as possible. I must admit I found myself smirking when Mr. Ingles announced that outsourcing of cataloging at the University of Alberta had been painless and everyone seemed happy with the result. However several studies of outsourcing have demonstrated that once the downsizing and elimination of positions has been completed, the remaining staff usually demonstrate a new enthusiasm and commitment to their positions. While one suspects fear may be the motivator, the results speak for themselves. It also appears that the company's/institution's attitude toward the employee during the process also has a profound effect on employee attitudes once the outsourcing project has been fully implemented. This certainly appears to have been the case with the library administration of University of Alberta who stated from the outset that protecting job security was going to be a top priority throughout the process.

It may seem to some of you that I have spent a great deal of time dealing with the issue of outsourcing and acquisitions in a very broad way focusing on such elements as planning and personnel management. I have done this hopefully to refocus our attention on the issues I believe have brought us to this juncture in our professional lives. I am convinced that outsourcing as a business option for acquisitions and technical services is not a passing fancy that we can ignore. It would be nice to think we had another decade to mull over the idea. While ac-

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Endnotes and Recommended Reading

¹ "Outsourcing: What Does it Mean for Technical Services?" by Sheila S. Intner, *Technicalities*, v.14 no.3 March 3, 1994 pp.3-5.

² "Cataloging Outsourcing at Wright State University: Implication for Acquisition Managers," by Barbara A. Winters, *Library Acquisitions: Practice and Theory*, v.18 no.4 1994, pp.367-373.

³ Winters, p. 370.

⁴ "An Introduction of Outsourcing," by Joyce H. Ogburn, *Library Acquisitions: Practice and Theory*, v.18 no.4 1994, pp.363-366.

⁵ "Outsourced Library Technical Services," by Gary M. Shirk, *Library Acquisitions Practice and Theory*, v.18 no.4 1994, pp.383-395.

⁶ "Does Outsourcing Mean You're Out?" by Jim Dwyer, *Technicalities*, v.14 no.6, June, 1994 pp.1-2.

⁷ Shirk, p.385.

⁸ Shirk, p.388.

⁹ Winters, p.371.

¹⁰ "The Lobster Quadrille: the Future of Technical Services in a Re-engineering World," by Arnold Hirshon, *The Future is Now: the Changing Face of Technical Services: Proceedings of the OCLC Symposium*, ALA Midwinter, Conference, February 4, 1994, Dublin, Ohio: OCLC Online Computer Library Center, 1994, p.14-20.

¹¹ *Bits and Pieces*, vol.N no.5, p.24.

Additional Suggested Reading

"Reengineering, Outsourcing, Downsizing, and Perfect Timing," by Sheila S. Intner, *Technicalities*, v.13 no.11 November, 1993 pp.1-8.

"Contract Acquisitions: Change, Technology, and the New Library/Vendor Partnership," by Gary M. Shirk, *Library Acquisitions Practice and Theory*, v.17 1993 pp.145-153.

tual implementation of such a program may not be in your immediate future, you can bet your next paycheck that university and library administrators are reading the literature, listening to the presentations and watching the progress of programs like the ones at Wright State and the University of Alberta.

At the risk of sermonizing, in summation, let me say that we must not wait any longer to begin the often difficult process of putting our organizational houses in order. We must begin to cut our own operational expenses, reorganize and even downsize our staffs if needed to eliminate the unproductive and uncooperative elements. During this process, we must find some way of communicating to our administration what we are doing and how committed we are to the new service paradigm outlined by **Arnold Hirshon** of Wright State as one of "simplicity, reliability, accessibility, and responsiveness." ¹⁰(p.20) Given our background and experience as acquisitions professionals, we are in a unique position to take a leadership role in meeting the challenges and opportunities offered by the phenomena of outsourcing. As **Sir William Osler** so eloquently stated, "The best preparation for tomorrow is to do today's work superbly well." ¹¹(p.24) ♣