The good, the bad and the ugly: the impact of the economic downturn on information delivery within UK academic libraries

Hazel Woodward
University Librarian, Cranfield University

Presentation to the ASA Conference, London, 23rd Feb 2010
The good?
The bad?
The ugly?
In a speech to an audience of education experts, Lord Mandelson said universities – which have had their 2010/11 budget cut by £449m – were not being singled out for cuts and that “much of the rest of the public sector will face similar constraints this year or soon after. I have always said that higher education would have to bear its share of public spending cuts, but not more”.

BBC News, 11th Feb, 2010
Department for Business Innovation and Skills

*Higher Ambition: the future of universities in a knowledge economy*

November 2009

www.bis.gov.uk/policies/higher-ambition
Take heed

“..the next phase of expansion in HE will hinge on providing opportunities for different types of people to study in a wider range of ways than in the past. The focus will therefore be on a greater diversity of models of learning: part-time, work-based, foundation degrees, and studying whilst at home”

“In a more challenging climate for research, with tighter fiscal constraints….we will need to carefully protect the excellence of our research base”

“We will support the new task force led by Lynne Brindley, CEO of the BL, to help UK HE remain a world leader in online learning, and grow its market share by 2015”
The economic downturn & libraries

....the short-term outlook for libraries in all sectors is a challenging one, given the slow down in the economy in many parts of the world. It is clear that most libraries are feeling the pinch, with budget settlements for the current financial year that are either stand still or smaller than last year.

CIBER, The economic downturn & libraries, December 2009
There is a lot of pain out there!

“With the budget that I’m currently in the process of preparing for next year, we will have reduced our spending on content roughly 50% over the course of four years”
Scott Putchak, University of Alabama

“Significant reductions in our group licensing will be required under any scenario we can envision. It is simply a matter of how deep”
Tom Sanville, OhioLink
## This year’s library budget

Current total library budget compared with last year: column percentages

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<th>Academic</th>
<th>Public sector and government</th>
<th>Corporate</th>
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<tr>
<td>More than 10% down</td>
<td>27.0</td>
<td>27.0</td>
<td>24.6</td>
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<tr>
<td>Less than 10% down</td>
<td>16.8</td>
<td>9.4</td>
<td>11.4</td>
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<td>About the same</td>
<td>39.4</td>
<td>45.9</td>
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<td>Less than 10% up</td>
<td>13.0</td>
<td>11.8</td>
<td>11.3</td>
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<tr>
<td>More than 10% up</td>
<td>3.6</td>
<td>5.9</td>
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Most libraries are feeling the pinch in this financial year, with either a standstill budget or real cut backs.
Looking further forward
Outlook for total library budget in two years’ time compared with today, ignoring inflation: column percentages

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<tr>
<td>More than 10% down</td>
<td>6.9</td>
<td>13.6</td>
<td>7.6</td>
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<tr>
<td>Less than 10% down</td>
<td>27.4</td>
<td>13.5</td>
<td>11.5</td>
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<tr>
<td>About the same</td>
<td>37.4</td>
<td>43.2</td>
<td>50.0</td>
</tr>
<tr>
<td>Less than 10% up</td>
<td>20.6</td>
<td>19.3</td>
<td>15.3</td>
</tr>
<tr>
<td>More than 10% up</td>
<td>7.9</td>
<td>12.4</td>
<td>15.4</td>
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The short term outlook for a sizeable minority of libraries is likely to go beyond efficiency savings into real cuts.
Impact of budget cuts

“Much of the shortfall will be absorbed through reduced spending on information content, with 69.1% of respondents ....expecting to spend the same or less than they do today in absolute terms. Since ‘publisher inflation’ has historically been running at a higher level than general retail inflation, this suggests some big changes”

CIBER, 2009
What’s at risk?

- **Journals and the big deals** (Jill Taylor–Roe)
  - journals are consuming an ever increasing proportion of the acquisition budget
  - larger publishers are flourishing at the expense of smaller publishers
  - impact of the ‘big deal’ with year–on–year price increases & difficulty of making cancellations

- **A & I services**
  - at the top of many library hit lists
  - users first port of call is Google

- **Book purchasing**
  - has already taken a hit
  - is it time for a radical re–think? (Kent Study: 40% of books had never circulated during 6 year period)
  - on–demand purchase from e–book vendors
Information resources in detail
How institutions plan to manage information resources cuts over the next two years

Print formats are highly vulnerable targets for cost savings; the outlook for e-books is strong.

Notes
This question gauges the pressure on various types of information resource on a four-point scale where 4 is ‘very likely’ and 3 is ‘likely’. Clearly, all formats are under pressure, especially print only journals and print books and monographs. Print formats appear to be slightly more protected in large libraries, although this is not statistically significant.

Journals in both formats and database subscriptions look fairly vulnerable, but the real story here is the position of e-books which are relatively sheltered from the coming storm, especially in corporate (x=1.9) and public sector libraries (x=2.0).
E–journals represent good value for money
  ◦ Users in HE downloaded 102 million full text articles in 2006/7, at an average cost of 80p

Journal expenditure correlates with use
  ◦ There is a strong correlation between universities’ expenditure on e–journals and the volume of downloads

Journal use and expenditure correlates with research outcomes
  ◦ Per capita expenditure and use of e–journals is strongly and positively correlated with papers published, numbers of PhD awards, and research grants and contracts income
Where do we go from here?

Research Information Network (RIN) report

*E–journals: their use, value and impact*,
April, 2009
Coping strategies

- Focusing on CORE collections
  - primary journals
  - books that will be used
- Widening access to information resources
  - speedier transition to e-journals
  - e-books
- Strengthening communication
  - closer liaison with faculty
  - staff & student feedback/
  - satisfaction surveys e.g. LibQUAL+
- Analysing usage data
  - becoming very important
  - ability to demonstrate our value to our institution
“If value is our capacity to satisfy users’ needs, our library tries to measure it as follows. First: monitoring if the information resources provided are used, because the most valuable library is one that’s used. Second: measuring users’ satisfaction with the systems and facilities we offer that provide access to information resources.”

Gerado Marraud, University Library Director, Universidad de Vigo, Spain
Source: Elsevier, Library Connect, No 12, 2010
“We have demonstrated to our institution that the number of e-journal articles our users have downloaded has increased. For every £100 spent on e-journal subscriptions across our entire e-journal portfolio, the number of downloads has steadily risen from 40 in 2000–2001 to 126 in 2006–2007.”

Terry Bucknell, E-Resources Manager, University of Liverpool
Source: Elsevier, Library Connect, No. 12, 2010
It’s not all about information resources

- Libraries are all also examining how they might reduce the staffing budget
  - staff cuts
  - re-structuring
  - freezing recruitment
  - voluntary redundancies
  - early retirements
  - cuts in opening hours
  - stop doing some things
Staffing cuts in detail
How institutions plan to manage staff cuts over the next two years

Notes
A minority of institutions (28.3%) that say they are looking to reduce staffing over the next two years, the graphic shows the most likely mechanisms for achieving this.

The most preferred options are a freeze on recruitment and/or not filling vacant posts, rather than more direct measures such as forced redundancy, regrading or restructuring posts.

There are many issues here, including human resources policies and national legislation, so the survey can only offer a very general picture and, we should stress again, a large majority of employers are not seeking to reduce staffing levels.

Where jobs need to go, employers prefer to do this by freezing posts or not filling vacancies.
Making cutbacks
Trade-off analysis: preference scores

Our survey respondents were asked the question: ‘Which of these three options is likely to be the most effective, and which the least effective, to help you in managing your budgets in the current economic climate?’

This is not an easy question to answer, since everyone realises that cutting back on staffing or resources is likely to have a big impact on services. Similarly, by cutting in one area, pressure is relieved in others.

The combined view of the survey population is that, on balance, cutting resources is almost twice as likely to be effective than cutting staff.

Backs to the wall, and librarians’ key instinct is to cut resources, even services, to protect staffing.
Within our own institutions
With our professional bodies
Regionally &/or nationally
As a member of a library consortia
A national initiative on space management

- Library space is expensive
- Libraries are clearing out large numbers of journal back-files
- The art of skip management
- BUT we must ensure that we don’t throw the baby out with the bath water!
UK RESEARCH RESERVE (UKRR) PROJECT

The UK Research Reserve is an agreement between higher education and the British Library whereby the British Library will store journals no longer required by HE libraries, retain them permanently and make them accessible to researchers and others who wish to consult them.

The UKRR will be based on the holdings of UK HE libraries, and with the British Library at its core. The British Library will store and maintain the collection, and provide a range of services to ensure quick and easy access to the material for researchers.

To spread the preservation risk and to help to ensure continuing access to the material within the collection, a minimum number of copies of each item will be retained by the research library community, in addition to the British Library copy.

UKRR Phase Two hopes to involve more HE libraries in the programme to allow the Research Reserve to grow and reach its full potential. For more information please see www.ukrr.ac.uk
Savings made by JISC Collections for the UK HE community on NESLi2 deals in 2009 = £13,214,556

Priority for JISC Collections is to allow institutions to maintain access to their core content and to help them demonstrate VFM
  ◦ 0% annual price rises
  ◦ Annual opt-out clause
  ◦ Alternatives to the NESLi2 opt-in model e.g. SHEDL
ICOLC Statement on the Global Economic Crisis and Its Impact on Consortia Licences

“current crisis [is] of such significance that we cannot simply assume that libraries and publishers share a common perspective about the magnitude of the crisis and the best approaches to deal with it”

Following forecasts:
- Significant and widespread cuts in budget levels for libraries and consortia
- Cuts will be prolonged
- Exchange rate fluctuations are complicating and/or amplifying the impact

Full statement at: http://www.library.yale.edu/consortia/icolc-econcrisis-0109.htm
The ICOLC Statement

- An attempt to work together with publishers and vendors
- Adopted by over 100 ICOLC members
- Intention is firstly to help publishers better understand how the current unique financial crisis affects the worldwide information community
- And secondly to suggest a range of approaches that would be in the mutual interest of libraries and publishers
Another alternative?

“The library’s role is to add value by contributing directly to the university’s overall strategic direction. We work towards balancing the provision of essential collections and ‘open access’ content with connecting users to physical and virtual resources.”

Margaret Ferguson, Head of Collection Services, Victoria University of Wellington, New Zealand
Open access

- Growth of institutional repositories
- Growth of OA journals and OA publishers
- Role of research funders world-wide
- Will we reach a tipping point when more articles, chapters & other resources are available OA than behind toll barriers?
“The requirement to cut expenditure can feel like loss and decline: shorter opening hours, fewer titles added to the collection, the departure of long-serving staff. Although it is important to acknowledge those feelings, it is equally important not to be drawn into doom and gloom scenarios. Instead, we have the challenge of managing our resources wisely and creatively. Rather than lamenting what we can no longer afford to do, we must concentrate on our key priorities and provide services that are relevant for the twenty-first century.”

Sarah Thomas, Bodley’s Librarian and Director, Oxford University Library Service
In answer to the claims made by the Russell Group that HE would be “brought to its knees” by the cuts, Lord Mandelson said that some university staff were “using the arguments about spending reductions as a screen or cloak behind which resistance to any sort of change can be conducted”.

THE, 18 Feb, 2010
Thank you for listening

Any questions?