

THE FUTURE OF LIBRARY OUTSOURCING: A REVIEW OF THE LITERATURE AND EMERGING TRENDS

Ashish Kumar

Research Scholar

Department of Library and Information Science
Maharshi Dayanand University, Rohtak (Haryana)

ashishbajar@gmail.com

Dr. Sanjiv Kadyan

Associate Professor & Head

Department of Library and Information Science
Maharshi Dayanand University, Rohtak (Haryana)

sanjivkadyan3@gmail.com

Abstract: The study aims to investigate the relationship between libraries and outsourcing by observing trends, benefits and challenges through the review of existing literature from various databases. The study presented the historical categorization into ITO, BPO, and KPO (Mudambi & Tallman, 2010) along with mention of the novel category, LIPO, which pertains to the transfer of library functions to third-party vendors (Rana & Mondal, 2018). Libraries are increasingly considering outsourcing as a strategic solution to optimize resources, particularly for non-core activities, leveraging ICT, and enhancing overall productivity and efficiency (Saini and Singh, 2019; Gupta and Sharma, 2012). The study identifies benefits of outsourcing, including cost savings, reduced staff redundancy, and improved library services leading to increased usage (Tiwari and Sawant, 2018; Mizunuma and Tsuji, 2017). However, challenges such as potential loss of control, compromised service quality, and job security concerns for existing staff have been noted (Sawant; Tiwari and Sawant, 2018; Gupta and Sharma, 2012). Despite these challenges, a cautious and selective approach to outsourcing is prevalent among libraries, with the majority (88%) opting for partial outsourcing (Gupta and Sharma, 2012). The role of librarians is crucial maintaining the quality of outsourced services. (Roy and Basak, 2011). Despite fluctuations in publication trends, the sustained interest in this field confirms the significance of outsourcing in library management and organizational efficiency.

Keywords: Outsourcing, literature review, libraries.

1.0 Introduction:

Whether it being the corporate industry or some other organization working in the service sector particularly, they always look for the ways to provide it users with the best at least cost to mark their presence. Sourcing refers to the act of transferring work, responsibilities, and decision rights to someone else (Power, Desouza, & Bonifazi, 2006). When this sourcing is done by transferring the internal service to an outside vendor, it becomes outsourcing (Wagner, 1992). Outsourcing has been used as a potential solution to various kinds of issues that the industry has faced, and it now is marking its presence in the libraries also. Several research and news coverage has broadly recognized three major events in the history of outsourcing namely ITO, BPO and KPO which are Information Technology Outsourcing, Business Process Outsourcing and Knowledge Process Outsourcing (Mudambi & Tallman, 2010). Apart from these three, some researchers from Calcutta University defined a new add on in the field of outsourcing that is Library and Information Process Outsourcing (LIPO). They defined it as the process of transferring the works and services to a third-party vendor or organization or service provider rather than performing the same by the in-house staff as outlined in an agreement or with the terms of references (Rana & Mondal, 2018). A literature review is a crucial part of social science study because it sets the scene, indicates significance, proves dependability, and creates room for more investigation (Parajuli, 2020). To get an insight of what is being published in the about the library and information processes outsourcing, this review will be worth studying.

2.0 Statement Of the Problem

Whether it being the rapidly constraining library budgets or the day-by-day blooming information related needs and service demands of the new age users, libraries have to manage themselves and cope up with the changing environment of the information scenarios. Outsourcing may prove to be a potential solution for the some of these by involving technical personnel for specialized tasks at lesser expenses. This paper has the purpose to provide an insight about what is being in trends and what are the pros and cons that are being faced by various implementers as stated in varied literature.

3.0 Definitions

Literature Review: “A literature review is a summary of existing literature on topics of interest to the study as discussed by the authors, which provides proof of a gap in the literature that must be filled by the current study” (Wickrama, Merten & Perera, 2023).

Outsourcing: It can be defined as the process that intends to purchase some goods or services that were being provided internally before. (Lacity & Willcocks, 2012) Outsourcing is often not a simple purchasing decision that aims only for cost reduction but more of a strategic decision that can impact the overall success of the business (McIvor, 2005). According to Dolgui and Proth (2013), “Outsourcing is defined as the act of obtaining semi-finished products, finished products or services from an outside company if these activities were traditionally performed internally”. According to Domberger (1998), Lonsdale (1999) and Bailey et al. (2002), “outsourcing is concerned with the transfer of production of goods and services that have been carried out internally to an external provider.” Jenster and Pedersen (2000), defines outsourcing as the “market procurement of formerly in-house produced goods and services from legally independent supplier firms.” James and Widenbaum (1993) define outsourcing as a new concept which is simply a name for the long-standing practice of subcontracting production activities. According to Wagner (1992), “outsourcing is the transfer of an internal service or function to an outsider vendor.”

4.0 Limitations Of The Study

This paper is mainly limited to the journal articles from various journals that are indexed in Scopus database. It excluded various other kind of publications such as book chapters, editorials, book reviews, newspaper articles, editorial reviews etc.

5.0 Review Of Literature

Over the past few decades, a great deal of research has been published on both the general topic of outsourcing and the specific topic of outsourcing library operations. Research articles are retrieved from a variety of databases, including Google Scholar, LISTA, Scopus, and others, in order to obtain pertinent information about the previous and ongoing research that has been conducted on the subject. The terms "library outsourcing," "outsourcing of library activities," "library and information process outsourcing," and others were used frequently to find relevant research. Coase (1995) in his paper 'The nature of the firm', asked what determines whether production will be organized in a firm or through the market and later coined the term 'make-or-buy' decision. The decision between sourcing internally or externally, commonly known as the "make-or-buy" decision, is a multifaceted strategic choice that significantly influences an organization's overall corporate strategy (McIvor et al., 1997). When an organization opts for the "buy" approach, it outsources. The notion of outsourcing has undergone significant evolution over time, progressing from transactional outsourcing to strategic outsourcing, then advancing to transformational outsourcing, and, more recently, culminating in innovative outsourcing (Vagadia, 2012). Library outsourcing offers several benefits, including cost savings, access to specialized expertise, and increased efficiency (Goetsch, 2008). Many studies have been conducted in the field of library and information science also that are related to the same theme of outsourcing. In a study conducted by Sawant upon 48 university libraries in the Maharashtra state of India to examine the extent to which libraries opt for outsourcing, the various challenges involved, and the impact of the practice on the library's activities, the researcher on the basis of responses collected from 27 (56.28%) universities, concluded that outsourcing non-core activities is good and saves time for professional staff, however, for core activities, it is not advisable to transfer the whole to an external agency due to various factors (potential loss of control over activities and position in the organization) that demotivate the professional staff too. Saini and Singh (2019) tried to find out the underlying reasons for outsourcing, areas of implementation, and the overall impact of

outsourcing on the various activities and services of the libraries. The study conducted on two state universities found that these have adopted library outsourcing for reasons like utilization of ICT, non-professional activities and services, and helping the staff with core library activities. Shortage of permanent and highly qualified staff was also a reason that was cited (only 1 per library). Despite the reasons for the adoption, the majority of staff and users agreed that outsourcing enhances productivity, adoption of new technology, enhances standardization, and is timesaving as well as less expensive. **Tiwari and Sawant (2018)** pointed out both pros (cost saving, reduced staff redundancy, and enhanced user and library satisfaction) and cons (possible loss of control, quality and turnaround time issues, and potential job losses for the existing staff) of adopting outsourcing in the libraries. According to the nuances developed by the study, outsourcing can be beneficial for libraries, but careful consideration is needed to address its challenges. **Gupta and Sharma (2012)** presented the status of outsourcing in Delhi and Chandigarh region through the lines of two of their research. In the first one, they pointed out the current scenario of outsourcing in libraries working in Delhi. In that, they concluded, these libraries are actively using outsourcing for non-professional activities related to the libraries. However, when it comes to traditional or professional core library activities, the libraries either avoid the same as much as possible or outsource only to a limited extent. Other than these activities, they also found that librarians are yearning to expand the outsourcing for professional automated activities like digitization, RFID tagging, website creation, hardware maintenance, database updating, etc., which shows a potential future of outsourcing in libraries. In another survey conducted in 25 science and technology libraries in Delhi and Chandigarh regions of India, based on the responses they got from 25 librarians (out of 50), they stated that library professionals are supportive of outsourcing as they felt that it had reduced their workload significantly (24%) and also improved their skills and competencies (20%). The study highlights that the fear of losing job was ranked as the last among the staff, which also indicates overall support for outsourcing. Despite all these factors, 88% of the libraries implemented only selective outsourcing, and none used full outsourcing. Only 8% of libraries are not getting the desired results from outsourcing, but still, they are willing to continue the same. Roy and Basak (2011) also discussed the benefits and drawbacks of outsourcing various library-related tasks, as well as the many initiatives that Indian libraries are embracing. They came to the same overall conclusion: outsourcing is preferred for non-essential tasks, while outsourcing key library operations is avoided. They contend that the appropriate direction and oversight provided by the librarian determines the caliber of outsourced services. There isn't a clear tendency among libraries to outsource all of their technical services, according to the closing statements. Another approach to study the factors related to outsourcing and their influence on libraries is to study the impact of outsourcing upon introduction of the same in a library or information centre. In one such study conducted by **Mizunuma and Tsuji (2017)**, investigation was done to track the changes in library usage upon the introduction of outsourcing in 3,811 public libraries in Japan, whose data was taken from the annual statistics on Libraries in Japan (2005-2015). The study analyzed seven types of statistics, i.e., gate count, number of loans, number of reservations/requests, number of ILL borrowings, number of ILL lendings, number of reference transactions, and number of documents copied, which are all presumed to be related to the library usage. It was found that the mean and median of IR i.e., Increase Rate (percentage change) for all usages, was higher in the case of outsourcing than that of direct management libraries. Also, in the case of IR for the outsourcing libraries, mean and median values are positive, indicating a growth in the usage, while in contrast, some of the direct management libraries were found to be showing a negative value of median of IR (-2.6% for gate count and -13.4% for number of document copies). The results show that the introduction of outsourcing tends to increase the usage of libraries. In another study, same researchers analyzed public libraries in Japan through cross sectional analysis and time series analysis. On the basis of statistically analyzed data for library usage, open days and director qualifications, they found that outsourcing libraries have more open days and qualified directors, and these are found to be increased after the introduction of outsourcing in the public libraries. One point that can also be noted is that the direct management libraries had higher inter library loan transaction as compared to one those adopted the outsourcing. **Petry-Eberle and Beig (2009)** presented a case study demonstrating the strategic use of outsourcing solutions in the redevelopment of Corporate Information centers. The paper provides an insight into the benefits (efficiency and cost reduction through the establishment of a lead supplier), challenges (need for change in the skill set of colleagues etc.), and future outlook (Vendor Portfolio Management) of outsourcing in the context of information services. The authors also highlighted the requirement of trust, transparency, and balanced cooperation among the information center and the suppliers. The paper also emphasizes the need to limit the outsourcing process and find the best solution for internal financial requirements and organizational value. Kim, Kim and Choi (2020) investigated the documents from Korea's National Library Statistics System in 2013 to analyze the public library efficiency based upon the type of establishment and outsourcing. In the results they clearly mentioned that outsourcing operations improve efficiency

of the public libraries. Some researchers also used the publication trend-based approach to analyze the popularity of outsourcing concept. **Ma and Lee (2016)** conducted their study with similar approach to find publication trends related to outsourcing in the time frame of 1994 to 2015. They concluded that there has been a decrease in the number of publications on the topic (nil publications during the last two years i.e. 2014 and 2015), however, research is actively being done on the topic as a crest in the number of citations is also visible in the results of the study during the year 2013, which shows the active interest of researchers in the topic.

6.0 Discussion And Conclusion

The literature review on outsourcing in libraries reveals several key insights. Firstly, the concept of outsourcing has evolved over time, transitioning from transactional to strategic, transformational, and innovative forms (Vagadia, 2012). Secondly, libraries primarily outsource non-core activities to address staff shortages, leverage ICT, and enhance productivity and efficiency (Saini and Singh, 2019; Gupta and Sharma, 2012). Thirdly, the practice of outsourcing has demonstrated benefits such as cost savings, reduced staff redundancy, and improved services, including increased library usage (Tiwari and Sawant, 2018; Mizunuma and Tsuji, 2017). However, challenges persist, including potential loss of control, quality issues, and staff concerns about job security (Sawant; Tiwari and Sawant, 2018; Gupta and Sharma, 2012). Most libraries adopt a selective outsourcing approach, with 88% implementing partial outsourcing, indicating a cautious stance towards the practice (Gupta and Sharma, 2012). The role of librarians is pivotal in ensuring the quality of outsourced services (Roy and Basak, 2011). Moreover, outsourcing has been linked to improved efficiency in public libraries (Kim, Kim, and Choi, 2020). Although there has been a decline in recent publications on outsourcing, a peak in citations in 2013 suggests sustained research interest in the topic (Ma and Lee, 2016). Lastly, for outsourcing to be successful, it requires strategic implementation, trust, transparency, and cooperation between libraries and suppliers (Petry-Eberle and Beig, 2009). The current study concludes that Library and Information Process Outsourcing is a dynamic field that continues to evolve in response to the changing needs and demands of libraries and information institutions. The reviewed articles collectively shed light on the benefits, challenges, trends, and financial implications of outsourcing. Outsourcing in libraries have both pros (cost saving, increased efficiency and services) and cons (challenges related to control, quality and staff concerns). The most common and advised strategy among libraries seems to be a planned and cautious approach to outsourcing, concentrating on non-core activities and retaining professional librarian monitoring. The topic is still receiving a lot of attention and research, despite some doubts and difficulties, which shows how important and relevant it is to the field of library and information science.

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