

*THE PSYCHOPATHOLOGY OF
UNECONOMICS IN THE
MANAGEMENT OF LIBRARIES
AND INFORMATION CENTERS
IN KENYA*

A paper presented at the

**KENYA LIBRARY ASSOCIATION
(KLA) ANNUAL CONFERENCE**

Nairobi Safari Club

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30–31 MAY 2007

Abstract

Until recently, the subject of psychopathology of *uneconomics* in information management was hardly an issue of discussion in library and information management. Very few would have understood what it would be all about. The idea that libraries should pay attention to economics in their activities is a relatively recent development. Library managers have always complained about insufficient resources such as funds, staff and books. The objective was to have bigger libraries, with many books and many staff. Little if any thought was given as to where the resources for this would come from. Tied to this phenomenon is the fact that one hardly finds libraries existing on their own. Invariably, they are always part of a larger institution such as universities, governmental and non-governmental departments, churches, etc. It is these institutions that provide the funding for the libraries, sometimes even without a drawn budget. There are no economic considerations in the minds of the librarians in charge. Making profits or breaking even is not in the mind of the librarians who run them. In most cases the concern is to spend upto the last cent so that none is taken back to the finance department.

Recent developments indicate that because of economic strain in many parts of world, the concept that libraries are systems or organizations consuming and deploying capital and recurrent resources that can be optimized has come to the realization of librarians and institutional managers. Such developments include accountability demands by parent organizations, donors, governments etc, changing demands by users, proliferation of publications, birth of new disciplines, restrictions in funds etc. These developments have forced library managers to rethink their general direction and particularly to think in economic terms. They have been forced to justify their estimates in detail and to allocate their resources with great care.

Part of the problem has been that to most library and institutional managers have not been regarding information as an economic commodity that can be traded. This has partly been attributed to its intangible nature.

This paper traces the causes of this uneconomic tendency in information services, problems associated with modern information management, the changing trends in library management, and the response of the managers to these trends. The paper then recommends ways in which information managers can economically and productively run their information units.

1.0 Introduction

The prevailing global economic realities have brought about many changes in practically all aspects of human life. The library and information field has not been spared. Many services that were offered free of charge in various areas of life in the past are now available at a fee. Traditional sources of finances such as governments have either cut down on the money given out or they have stopped funding altogether. Shortage of finances has made many institutions begin resource allocations and management. Many libraries and information centers have found themselves in this predicament

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1.1 Uneconomics defined

Uneconomics is derived from the term *economics*. There are many definitions of the term *economics* but all agree that it is a social science concerned with how people attempt to accommodate scarce resources to their wants through the process of production, substitution, and exchange. According to Begg, Fischer and Dornbusch (1984),

Economics is the study of how society decides what, how and for whom to produce.

Piderit (1992) provides a more broader definition:

It is the study of choice. It studies how people choose and ought to choose to use scarce or limited production resources, to produce various commodities, and to distribute these goods to various members of society for their consumption (pp.10)

It is a social science that studies human behaviour as a relationship between ends and scarce means which have alternative uses. The processing of information involves costs that can be viewed in economic terms. These are processing, distribution, production, social economics, demography, taxation and labour. *Uneconomics* is the opposite of economics. It is therefore any practice or behaviour that is contrary to the principles and practice of economics.

1.2 Psychopathology defined

Psychopathology is made up of two words: *Psycho* which means *mental* in Greek and *pathology*, which is a branch of medicine that deals with the essential nature of diseases especially those that cause structural and functional changes in tissues and organs of the body. When combined one gets the word psychopathology, which is a branch of medicine that deals with cause and nature of mental diseases.

With regard to library and information services, it is involved in finding out the nature and causes of uneconomic management of information services by information managers. According to Line (1979), it looks at psychopathological aspects of causes and nature of uneconomic management. It studies the uneconomic things done in, by and for libraries and the attitudes responsible for such behaviour.

2.0 Economic Value of information

- a) Decision making: Adequate, timely, relevant and complete information helps decision makers carefully analyse a course of action and reduce risk.
- b) Operational management: Supporting day to day operations of any kind
- c) Substitute for physical entities: Information overcomes geographical barriers. An author/news caster can disperse his ideas to people in geographically diverse regions without being there physically.
- d) Environmental scan: It is a means of learning about what is happening in the world. Mainly through the mass media.
- e) Influencing and persuading: Information is used to get people to react or to behave in a certain way. This is mainly done by advertising and marketing agencies.
- f) Education: Information is an important part of the learning process

- g) Culture, entertainment and amusement: it plays the role of a catalyst for cultural enrichment through music, film industry, theater etc.
- h) Information as a product: The processing, repackaging and distribution of various forms of information for example publishing, advertising, marketing, business processing centers.
- i) Information as a capital resource: There are firms whose capital resource is information in various forms. These are for example libraries, bookshops, galleries, archives, museums

3.0 Current problems faced in the managing of information services

These have forced information managers to rethink and improve their management strategies. They include;

- a) For a long time librarians and other information managers have lacked incentives to think in cost effective and economic terms. These incentives come from parent organizations, but it is these organizations that have to a great extent, directly or indirectly, caused information managers not to think in economic terms (Line, 1979). For example in some institutions, if the budget of one financial year is not exhausted, that of the next year may be significantly reduced, the explanation being that the information center does not a lot of resources. As a result, towards the end of a financial year, there is panic spending, which is in most cases reckless, in order to avoid money going back to the finance office. As a result of this unplanned spending, most items bought are either irrelevant or unnecessary.
- b) Unlike other enterprises, most libraries provide free services. Many have been set up by parent organizations to provide free services to their staff or clients. Examples are libraries of parastatals, NGOs, ministries, etc. As long as one is a staff member or client, there is either no charge or one pays a minimal fee. As a result, there is no profit motive to inspire

- information managers. Lack of a profit motive causes information managers to become indifferent to the financial aspects of library operations. Most librarians do not have to explain losses or profits. In fact, such terms do not exist in their lexicons. Some projects have been initiated in libraries to make some money. These are for example copying and printing, binding, email and internet services, etc. these are however set up for the benefit of the users and to supplement the budgets allocated by parent organizations.
- c) The costly overhead elements of most libraries such as electricity, rent, security, transport, salaries, water etc are in most cases not funded from library budgets. These are picked by the parent organisations. As a result, most information centers cannot tell how much they spent on these. They are therefore not in a position to tell the exact cost of providing their information services.
 - d) The attitude of most parent organizations is in most cases paternalistic. Managers always harbor the idea that there is some big brother around who will provide for them and bail them out. The organizations provide central services such as transport, electricity, salaries, etc thus creating an atmosphere of security.

However, rapidly rising costs combined with a political philosophy that favours privatisation have forced administrators, funding organisations, and policy makers to re-examine the management of information centers. For example, Baker (1997) observed that University of East Anglia library was acquiring forty per cent of what they acquired twenty years ago, but spending three times as much money doing so. On their part, users have started to question the quality of the services and the function of the service delivery system. They are now making more demands on the information centers.

Recent developments indicate that because of economic strain in many parts of world, the concept that libraries are systems that keep on consuming and deploying capital and recurrent resources that can be optimized has come under review. These developments have forced information managers to think and run their operations economically. They include;

- a) Information explosion: This has seen the proliferation of the printing and publishing industry. Batt (1999) observed that there is an increasing diversity of information resources from which to choose the most appropriate vehicle, and that librarians must widen their selection processes in order to decide on the right medium for each situation. The objective in the evolving virtual library is;

to develop information systems providing access to a coherent collection of material, more and more of which will be in digital form as time goes on (Lynch and Garcia-Molina, 1995).

With advancements in technology, expansion of knowledge and increasing populations, the publishing industry as enjoyed an unprecedented expansion over the years. As Burke (2001) observed, during the second half of the twentieth century, the range of available resources expanded to include microform, video and audio formats. The final decades of the twentieth century witnessed a further explosion in formats, and libraries can now offer information in the form of print, audio, video, microforms, numeric, computer programs, or multimedia composites of each. For librarians, the most important issue is to provide the information in whatever form it is packaged. McMillan (2000). Millions of books and journals are being published both in print and soft versions all over the world (McMillan, 2000). Librarians cannot acquire all of these, for they have cost implications in terms of acquisition, cataloguing, classification, indexing, abstracting, and storage (which in

most institutions is at a premium). Managers have to decide which materials to acquire and which ones to leave out, which ones are economical and which ones are not, which ones are needed and which ones are not needed.

Hawkins (1998), observed that as the information explosion continues, everyone will need more help finding, sorting and filtering the available material. These tasks have become more complex as the volume and range of information available has increased (Dugdale, 1999). Not only that, but new tasks and roles have also emerged for librarians. Both these traditional roles and the newly emerging ones will need to be examined in economic terms.

- b) Restrictions on Funds: Global economies experience growth and stagnation at different times. This means that information centers and their parent organizations cannot have all the resources they require at any particular time. Managers are therefore forced to differentiate between need and wants, luxuries and necessities. They are forced to prioritise on their expenditures. Parent organizations and benefactors have increased demands for accountability for these funds.
- c) Increasing user demands. Not only are populations growing exponentially, they are also becoming more and more literate. Most countries have registered rising literacy levels. As a result, people are looking for more information to fulfill their daily chores. This has not only increased the demand for information but also the complexity of the type of information needed has increased significantly.
- d) Traditional disciplines have given birth to new disciplines and inter-disciplines. It has also meant that libraries have to acquire information materials not only covering major disciplines but other derived disciplines. For example biology has given birth to bioengineering,

- biotechnology, biochemistry etc. Libraries therefore not only have to acquire materials on the parent disciplines but also the derived disciplines. It also means that libraries have to hire information professionals specialised in these new disciplines. All these have cost implications and imply a need to use the available resources adeptly.
- e) Improvements in bibliographic control. Modern printing and publishing technologies have given birth to new advanced methods of bibliographic control. Many advanced types of bibliographies have been developed, which allow users to search and locate information materials faster, using many search methods and from databases across the world (e.g. EBSCO databases). Information managers therefore have to contend with this increase in user demand from the point of view of bibliographic control.
 - f) High consumption and demand of national budgets. Because of current economic recession, national budgets cannot cater for all the needs of various government institutions (education, health, roads, defence etc). Earmarked funds are not enough to meet all the needs. Therefore information managers of public institutions have to think in economic terms, i.e. how to make use of available funds to support their centers while at the same time maintaining quality standards. Conditions set by international funding organizations such as World Bank and IMF have not made life any easier.
 - g) Parent organisations are concerned about the manner in which budgets of its departments are spent. They are keeping a careful watch on expenditures of their departments and measuring the contributions of these to the central objective. If an institution is found not to contribute to the whole, the likely decision is that its budget is significantly reduced or it is shut down all together.

Consequences of the above

- a) Librarians have been forced to rethink their general direction and particularly to think in economic terms. They have been forced to reexamine the functions of the library. It has also forced them to reconsider the methods by which they achieve their objectives.
- b) It has caused a need by managers to justify the contribution of their information centers to the objectives of their parent organizations. They have to explain the need to have their departments up in the first place.
- c) They have been forced to justify their budget estimates in detail i.e purchase of information materials, space occupied, personnel increments etc. It is not enough to ask for funds or to prepare budgetary estimates. Information managers are now being required to justify the need for these resources. In some cases they have also been forced to justify them in public e.g the publication of financial statements for tax payers and stake holders to be aware of how their money is being spent.
- d) Unlike before, they have been forced to allocate their resources with great care. The time for expansion and purchasing for the sake of it is now gone. Every expenditure has to be carefully thought out.
- e) They have been forced to measure their outputs in many forms e.g satisfaction of users, number of complains, number of books per user, number of users served, number of books acquired. Performance indicators and indexes are now in force in many libraries.
- f) They have been forced to economise by identifying areas where costs could be reduced. Many questions are being asked in budgetary meetings. In the past such questions were *how to reduce the cost of cataloging, bindery, copying, staff etc?* Now with economic pressure, the question has now become *do you need this and that?* The answer to this is invariably *yes* since the library has to continue being developed to meet the ever changing demands by users. It comes down to a matter of choice, i.e what is the best

that we can get with our current budget? For example we may be forced to go for a lower capacity copier, some libraries have been forced to cut down on staff or to cede space.

The notion of library expansion by endless and unplanned purchases has been challenged by economic realities. Some librarians have not yet come to terms with these realities. They think that they are temporary and will pass. They think that the bigger the library the better and more prestigious it is. They believe that library expansion is eternal (Rice-Livey and Racine, 1997). Realistic managers are facing the new economic realities by challenging the concept of the traditional *big library*. They hold that libraries should not be judged by their size but by the services they provide. They believe that the library is an integral part of the institution created to support the mission and objectives of the parent institution. It should be seen from the point of its contribution to learning and research and not the size or beauty of its architectural design (Burke, 2001) .

They also believe that the main commodity of a library is not just books but the information that it provides. Because of this there has been a conceptual shift from the book oriented library to the user and information oriented library. Thus the central and most important item in the library is not the books but the user and the information that the library provides. According to McMillan (1999):

We have new roles to fill. While the format of our resources may change, while access to information may change, while styles of service may change, the vision of high quality, service-oriented, information centres still fits the library's mission. We will serve our user communities best if we incorporate this into the library.

The other conceptual shift is the transformation of the library concept from a storehouse of knowledge and cultural heritage to the information broker or

intermediary between the user and providers of information. The conventional objectives of the library have changed from book centered to user centered. However it is not always true that the information centered library is always economical than the conventional book centered library. This is because while one can save money on books and staff, one can waste it in other ways. A shift in the concept of the library requires that we consider library objectives because it is only with these in mind that we can realistically discuss the library's economic considerations. This helps us focus only on the expenditures that will help the library meet its objectives.

4.0 The strangeness of cost cutting measures (from the point of view of library managers)

- a) There is resistance from some library managers. The last thing that they want to hear is cut down on this, reduce on this etc. Librarians still want to expand their libraries in terms of space, information materials, and staff.
- b) In most cases the savings go back to the parent institution instead of being re-injected to improve library services. For example, savings from staff redeployment are not allowed to remain in the library.
- c) Most managers have not established the true costs of existing operations, for example the cost of providing service per student, cost of acquiring one book, cost of power etc.
- d) Some managers turn to gifts and donations. But the flip side of this is that not only does it cost space to store them, they are also have processing costs. For example, there are numerous free resources available on the web, including full-text journals now available. To include these in the library catalogue or not is a challenge facing librarians. At the University of Melbourne Library when a new single gateway connection from public access PCs to local CD-ROM networks, stand-alone databases and the

- internet was developed, new challenges for the Library's selection policies developed (Burke, 2001 and Cunnington, 1998). Quality may also be compromised.
- e) A unit of a library service is not easily identifiable or measurable for purposes of apportioning charge. For example the cost of an information search, or a reference query, or the helpfulness of provided information or user satisfaction. There are still no library based yardsticks for accurately measuring and costing these. At most librarians can only borrow from other disciplines.
 - f) The notion that the ICT revolution will provide significant decreases in budget requirements is too optimistic (Wood and Walther, 2000). Its infrastructure forms a significant percentage of modern library budgets, which was not the case previously. The cost of software, computers, networking, printers, scanners, and the space needed is massive. Apart from installation and maintenance costs, the cost of upgrading or replacing must be considered since the rate of technological change is very fast. Digitalization to save on space will mean expenditures in terms of computers, scanners, staff retraining etc. According to Burke (2001), the preservation of electronic and digital information resources creates new dilemmas for librarians and archivists. These translate to more budgetary requirements (Cathro, 1999).
 - g) Incidentally, a library continually requires funds and it is believed that the most economical library is one that was closed down and its contents dispersed, thus there is a need for rationalization in the economic management of libraries and information centers. The economic success or the failure of an information center depends on what one is trying to achieve.

5.0 Types of information managers and how they respond to economic pressures

a) Traditional response

Here the librarian argues that the collection should be as large as possible, catalogued, classified, indexed according to strict adherence to the classification scheme in use and other processing requirements. Its common expression is strong resistance and a belief that the established ways of doing things are the best and should not be changed.

b) Perfectionist response

These ones claim that only the best is good enough. Standards must be maintained at all costs. Unfortunately for them the terms best and standards are either poorly defined or not defined at all. Where they have made the definition, they mean the most expensive, the most elaborate the most intensive, the widest etc, without a thought as to cost. They do not welcome change and are marked by an urge for constant improvement without due regard to cost.

c) Cultural response

The library is seen as a store house and promoter of culture. The totality of the collection is apart of and a product of culture that should not be interfered with. Any cost cutting measure are seen as an affront to the culture heritage. As a result, weeding becomes anathema, thus eating into premium space. This response is common in government funded libraries, national library and archival collections. This excludes libraries funded by organizations who use the library to serve their everyday information needs. Its subscribers are ready to sacrifice the needs of the present to those of the past and unknown needs of the

future. They claim the needs are historical. The reasoning is that library services benefit the society more than they benefit the individual user.

d) Passive resistance

In this case, an information manager passively resists to respond to certain economic realities. He realizes and agrees that there is need for change at some time but he does not believe that the time has come. Also called *manana* approach (Spanish meaning tomorrow). The surprising thing about this phenomenon is that for these managers, that time never comes. They are always caught flat footed sooner or later by objective realities. To survive some accept to change grudgingly. Others do piecemeal changes but only end up postponing the inevitable. Passive resistance does not enable libraries resist economic realities.

e) Political response

This one appeals to prestige or status. For example resisting saving on space costs by arguing that the library will be smaller than that of institution *x* or that it will tally with our reputation as the biggest library in the region. This is possible amongst universities. Others insist on keeping their library collections on old buildings as a sign that they have facilitated learning for along time.

f) Psychological response (*pseudoaltruistic*)

This one appeals to popular sentiments. Such appeals are not genuine though and in most cases are false or misleading. That is why they are termed as *pseudoaltruistic*. In this case the information manger is confronted with some proposals for change meant to make some economies in library operations. They argue that it will put off users, or that users still need the items or such as service is still needed. These may be altruistic if no study has been conducted to prove them.

By studying the response of managers, it is possible to learn how to introduce change, especially in an area as tricky as economics of information.

6.0 Conclusion

The economic implications of running a modern library are varied and complex. On the one hand, libraries are facing immense increases in budget requirements for the necessary resources to provide access to information services. Lack of yardsticks for measuring library services for purposes of apportioning charge does not make it easier. Inflation and the resultant increase in costs of information materials, and the increasing cost of staff salaries in an era of aggressive trade unions has resulted in a funding crunch for libraries. The ever-changing needs of users mean that a library continually requires funds for its development. The challenge for information managers therefore is not cost cutting, but prudent deployment of these resources.

7.0 Recommendations

- a) Libraries exist in a dynamic world. The needs of users and economic conditions are ever-changing. As such, librarians and have to be open to change. A three-part process is crucial to the success of every successful effort at change (Cohen, 2005) :
 - i) seeing what the problems are
 - ii) feeling an urgency to solve them
 - iii) being emotionally compelled to act.
- b) Institutions should consider giving autonomy to libraries, for example by making them cost centers. In this way, they will have to factor in and meet their costs including salaries and overheads.
- c) More independent information-based enterprises need to be set up.

- d) Develop library based yardsticks for measuring and costing of library services
- e) Managers should develop methods of establishing the exact cost of their operations. Once this is done, they will be the basis of practicing library economics.
- f) Savings from prudent management of library resources should be ploughed back to improve library services.
- g) Among the things that librarians should do in deciding what they want to achieve is:
 - i) define the library/information center
 - ii) Outline its objectives
 - iii) With these clear in mind, it will be easy to determine how economically to manage the library in a sustainable manner.

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