Personnel Costs and Patterns in Libraries

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Abstract
PERSONNEL COST PROJECTIONS are becoming a key component in overall library planning. Strategic plans and the results of a process of defining visions and values provide critical guides to where and how personnel should be allocated. The article also examines factors such as accountability, new programmatic initiatives, and client-centered approaches in terms of examining personnel costs. A review of studies related to personnel costs and allocation reveals the need for predictive cost models in this area. In general, personnel allocation must be done not from formulas but based on programmatic priorities determined through careful planning.

Introduction

Essays, research papers, and editorials related to library personnel issues have become more and more prevalent during the past two decades. Creth (1989) noted that the personnel literature from 1939 to the present has consistently dealt with a broad range of issues related to professionalism, job assignments, status and role concerns, credentials, and compensation (p. 144). Personnel costs, with the exception of compensation concerns, have not, until recently, been the focus of studies and articles.

Several major environmental factors now make the discussion of personnel costs an essential component of library planning. These factors—declining budgets, the reality of constant change, the need for continuous innovation, and a more client-focused approach to

library operations have a direct impact on the cost of defining and doing "business" in libraries. If these factors were not enough to bring administrators to their spreadsheets and calculators, they bring about a host of other events that also have a dramatic effect on library personnel at every level. Organizational restructuring, application of computer technology, professional/support staff job analysis, reassignments and the attendant training and staff development needs, and expanded personnel programs, such as job counseling, are all actions and activities resulting in one way or another from the external environment. These are, in addition to salary and benefits, major personnel cost factors for libraries.

STRATEGIC PLANNING

Personnel costs or any other costs of doing business in libraries should not be studied in isolation of mission and programmatic priorities. Therefore, it is important to begin with the library's strategic planning process. What is the mission of the library? What are the goals? What are the priority programs which carry out these goals? What is the external environment in which these goals will be carried out? How does the environment affect mission and goals? Answers to these questions provide a framework for developing budgets and analyzing costs, not only for human resources but for all areas.

EXTERNAL ENVIRONMENT

Personnel needs and accompanying costs must be studied in relation to the external environment. All types of library organizations exist within, and are constantly responding to, that context. This article focuses on the context of higher education—the university environment. Library planning is affected in different ways by other contexts—communities, businesses, public sector organizations, and the federal government—in terms of their defined mission and their plans for carrying out that mission.

Higher education is experiencing rapid change, and, at the same time, severe budgetary constraints. Student population profiles are changing. Universities and colleges are either more diverse or are striving to achieve greater diversity among students, faculty, staff, and in the curriculum. More nontraditional students are taking part in the higher education process. Technology as applied to the educational process is changing the content and process of teaching and research. All of these factors affect the way libraries are planning and delivering programs and services.

The University of Iowa's strategic plan, *Achieving Distinction,* was developed to provide directions and priorities over a five year

period (1989-94) for all campus units (University of Iowa, 1990). The university library was already in the process of developing its own plan (University of Iowa, 1990). The university has been in the process of strengthening programs selectively in accordance with its priorities. Criteria for determining institutional enhancements and reductions reflect critical higher education issues found throughout the country. The primary criteria include the quality of a program and its centrality to the university role and mission. Once quality and centrality are established, the secondary criteria are:

- student demand
- potential for excellence
- external impact
- cost (University of Iowa, 1992).

Budget requests, including those for personnel, must be linked specifically to these criteria. Iowa's strategic planning process is just one example of the growing practice of directly linking costs with program priorities.

ACCOUNTABILITY

A major environmental reality is an ever-growing emphasis on accountability and evaluation from internal and external sources. Library professionals must take control of methods for determining the cost and benefit of programs, services, and operational activities. Additionally, the articulation of cost/benefit must be carefully developed and implemented. Failure to address the accountability of all aspects of the library operation may result in an inability to clearly define and justify programmatic needs and priorities to internal and external audiences. Furthermore, the inability to provide cost/benefit data could also result in outside agencies taking over this activity, resulting in potentially inaccurate methodologies, outcomes, and interpretations. An ongoing planning process should include clear statements of the mission, goals, and implementation plans as well as the cost and benefit of program priorities to the institution.

VISIONS AND VALUES

The outcomes of thoughtful strategic planning and implementation of organizational review techniques can sometimes be disturbing and difficult for library professionals to embrace or even participate in. Some feel that a crisis is either looming on the horizon or is already here in terms of the library professional's ability to respond to critical issues facing the external environment and, therefore, libraries. One response to this concern is to define the library

profession's vision and values, thereby creating a general understanding of what is collectively viewed as important generally and within a specific institution. This process can have a profound effect on staffing configurations and job content when applied over time to an organization.

A group of leaders in the library profession, known as the Strategic Visions Steering Committee, met in December 1991 in Washington, DC to identify issues critical to the library profession and to draft a vision and values statement for wider discussion within the profession. In addition to citing specific concerns, the group determined that a dynamic vision of the profession needed to be developed to define the context and models for leadership and action over the decade (*Strategic Visions Steering Committee,* 1991). Libraries around the country are using this experience to develop vision and values statements of their own to inform strategic planning as future directions are determined.

TECHNOLOGY AND PERSONNEL COSTS

The application of computer technology has played a key role in focusing attention on personnel costs within the total library budget and is often seen as the pivotal factor in the financial environment. Over the years, some people, especially university administrators, assumed that automation would reduce the overall costs of library operations, but this has not been the case. Automation and the proliferation of information technology as well as new techniques for accessing (not just acquiring) information have produced significant changes in staffing patterns and job assignments and will continue to be a major catalyst for more changes in the future. Implementation of automation systems has provided a strong incentive for libraries to embark on staffing studies to at least determine a more appropriate staff configuration based on objective data if not to examine cost (specific studies are discussed later in this article).

Technological applications also have a profound effect on how library work is conducted and within what type of formal and informal organizational structure. Sproull and Kiesler (1991) point out that networking provides almost unlimited data to persons who otherwise do not have access. Communication patterns shift from a hierarchical path to a flatter and broader plan running throughout the organization (p. 84). This access alters the location and strength of traditional "power" centers such as reference and cataloging departments. Others can now look at files and pull up information once only held in a single physical location.

Technology also provides new opportunities for users to directly, and without intervention, use services such as interlibrary loan, reserve, document delivery, and circulation. The "just in case" versus the "just in time" model is becoming more prevalent. Libraries have always collected materials and staffed service desks "just in case" users need an item or have a question. Remote services now allow for "just in time" access to certain materials and services.

NEW PROGRAMMATIC INITIATIVES

Through the strategic planning process and other means, libraries are in the midst of refocusing their fundamental programmatic mission. In the past, new programs were probably "added on" to the activities libraries were already involved in. Now activities once regarded as fundamental to library operations are being replaced by new services and new ways of providing services or being reorganized to achieve greater efficiency.

The complex nature of information and the myriad ways of retrieving it have resulted in greater recognition of the need for more user education and outreach efforts. Programs addressing recruitment and retention of diverse student and faculty populations require, in part, focused kinds of user education and support with accompanying staffing considerations. Implementing the librarian's role in the teaching and learning process assumes increased time devoted to external relationships throughout the campus.

For example, Lucier's knowledge management team concept emphasizes the integration of knowledge sources, access and delivery systems, education and training programs, and personalized services through a distributed technology based environment. Lucier's (1992) model emphasizes the following principles:

- collaborative work with faculty;
- highest value placed on the technological innovations that solve critical practical faculty problems;
- work organized around outcomes; and
- encouragement of entrepreneurial responsiveness to environmental changes and opportunities (p. 30).

This collaborative model not only produces results in terms of successful projects but also generates income through external funding sources. Reconstructing both the organization itself and the principles inherent in the library organization will bring about change in how personnel dollars are allocated as well as primary job duties.

On the technical services side, Campbell (1989) notes that "the heavy investment of staff has been reinforced over the years by the coding of complicated bibliographic practices and the standardization

of these codes" (p. 79). He calls for the creation of viable and cost-effective alternatives to processing. New technological developments allowing for more types of automatic processing and an interest in the private sector for providing specialized services have implications for the shifting of library personnel costs devoted to certain types of information processing.

CLIENT-CENTERED PHILOSOPHIES

Libraries have always operated to some degree using client-centered philosophies. New initiatives mentioned previously came about partially because library professionals paid attention to what users wanted. However, the fact that librarianship is a profession with a very long history greatly affects the degree to which librarians themselves embrace philosophies which may encroach on their definition of the profession and the content of their jobs. Raelin (1986), in *The Clash of Cultures: Managers and Professionals,* discusses the inherent clash of the managerial versus the professional culture. Raelin theorizes that professionals' self-esteem rests more in technical expertise than in meeting organizational needs (p. 107). This may be true with librarians who find it difficult to embrace programmatic priorities which seem to diminish their work in specialized areas.

This potential clash between administrative and professional concerns is sometimes evident when management planning methods are applied to libraries. For example, many organizations, including colleges, universities, municipalities, and school districts, are formalizing their commitment to the "client" through the implementation of total quality management (TQM) programs. Implementation of these programs can dramatically alter library operations and the role of all levels of library staff, not to mention the content of their jobs. A client-centered view of the library—what it should be providing and how—may be radically different from staff's "professional" view based on learned professional mores but not necessarily on cost to the organization and benefit to the client.

COST STUDIES

Relatively few models are available to apply to library personnel cost studies. As was noted earlier, the application of technology to library functions provided the catalyst for a small number of cost or staffing utilization studies in libraries. These cost studies did not always address job components or levels, and staffing utilization studies did not always address cost and benefit. More studies are needed to address both.

Examples of staffing utilization studies include the University of Iowa Libraries study which examined job activities and levels prior to automation and three to five years after automation was in place (Dewey, 1990). This study provided detailed background information for a major staffing request presented to the central university administration in the form of position requests specifically related to strategic program priorities and accompanying personnel costs.

Ricking and Booth (1974) completed what is one of the broadest library job analysis studies to date with the purpose of determining the nature of library work in terms of skills, aptitude, level of responsibility, and knowledge required to accomplish tasks. Rothenberg et al. (1971) examined staffing levels and use in health sciences libraries, focusing on consistency of job content to professional status. The study concluded that library personnel are often engaged in tasks that are not of a professional nature.

Two studies examined staffing utilization in academic branch libraries. Renner and Clark (1979) focused on optimum staff size and developed a model of a typical departmental library using a mathematical formula. Snyder and Bentley (1986) compared perceptions of public services staff to the actual recorded time it took to accomplish broad categories of tasks and found that perceptions were incorrect much of the time. Mitchell (1983) examined how a specific task is related to the desired level of service and appropriate staffing level.

A joint study was recently done by ARL and RLG (Roche, 1993) on the cost of interlibrary loan (ILL). The study's goals were to provide benchmark data on costs of ILL lending and borrowing and to serve as a management tool for libraries to make preliminary cost comparisons. The study includes a detailed accounting of staff costs.

Cost studies have been done for several other operational areas of the library. Getz and Phelps (1984) did a comparative study of technical services costs at three private universities. They found that the labor costs per volume varied by more than 50 percent from the lowest to the highest cost operation. They also found that differences in costs reflect the hours of labor libraries choose to invest in processing each volume, differences in labor productivity, and managerial effectiveness (p. 218). Morris (1992) reviewed technical services costs at Iowa State University. Her study revealed some specific areas where great effort was being expended.

Cummins (1992) provides a method for developing personnel and staffing standards using four steps: (1) assessment of patron needs, (2) match needs to the library's goals and objectives, (3) implementation of the program developed to meet the need, and (4) evaluation to validate the contribution of the library to meeting the need.

Cummins notes that "the cardinal rule for staffing studies is that decisions be based on sound data. If a data collection system is not in place, a sampling can be performed to determine need. The purpose of the study is not only to determine the numbers of staff required but also to determine the mix of professional and paraprofessional staff" (p. 184).

Cost analysis can also be done around organizational structures. Tebbetts (1992) suggests placing cost figures in "cost centers" of the library. These centers are normally programmatic or functional areas such as reference, interlibrary loan, technical services, and the like. Once costs are divided by center one can establish cost for particular functions. The last step in Tebbetts's model is to determine cost for a function per category of user. This method can be effective both for showing staff the costs for internal services as well as to demonstrate the numerical link of how library services directly support campus constituencies (p. 20).

Cooperative collection development and resource sharing labor costs have only marginally been studied and usually from the point of view of materials' costs as compared to obtaining the material through interlibrary loan. Work needs to be done on the costs associated with resource sharing programs.

THE PERSONNEL PROGRAM COST FACTOR: IMPLICATIONS FOR THE HUMAN RESOURCES PROGRAM

New programmatic directions and alternative ways of delivering services have dramatic implications for the fundamental definition of what professionals do. The Georgetown Strategic Visions Discussion Group provided the following values as desirable for library professionals:

- tolerance of diversity of opinions;
- professional leadership through innovation, quality service and partnerships;
- cooperation/sharing/networking;
- innovation and risk taking;
- collaborative services involving clients, other organizations, other professionals, other members of the information professions;
- client-driven orientation;
- commitment to the profession;
- flexibility to consider new ideas and change in the workplace;
- curiosity; and
- analytical reasoning.

Veaner and Oberg, in presentations at the 1993 ALA mid-winter meeting on the role of professionals and nonprofessionals in libraries,

both noted the necessity for library professionals to shift from production type work to intellectual planning type work. In their opinion, nonprofessionals are capable of and should be performing most kinds of production work. Proper compensation for support staff, depending on the level of complexity of the activities they perform, is important.

Studies already mentioned focus on discrete operational activities. Library administrators need to consider other factors when attempting to determine overall personnel costs. The cost and benefit of the library personnel program itself must be taken into account. The analysis should also take into consideration the impact of all aspects of the personnel program including training (departmental and systemwide), staff development programs, counseling services, performance evaluation programs, compensation programs, turnover, recruitment/hiring, and any other personnel related program. What is the cost? Are these programs linked for maximum effectiveness? Are these programs supporting the strategic priorities of the library? Most importantly, library administrators must answer the question—what is the cost of not having an effective personnel program?

CONCLUSION

Personnel allocation needs to be determined based on programmatic priorities as defined through careful planning. Reduced budgets, increased accountability requirements, and rapidly changing technological considerations provide even more impetus for developing predictive costing models to help determine appropriate staffing levels for priority library operations and programs. An accurate articulation of personnel costs and any development of predictive models need to take into account all aspects of the library's personnel program. New initiatives and service models combined with technological innovation should, therefore, determine how much and at what level staffing should be allocated or reallocated.

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