Strategic Positioning of Library Consortia in a global environment of heightened risk

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The Hong Kong Polytechnic University
Cute

Cuddly

And Curious !!!!!
Today

• The paradigm is not what it used to be!
• What are some of the changes impacting on us?
• Relationship between a Library and a Consortium
• Changing roles and needs of Libraries
• Future of Work and organisational partnerships
Conundrum

• Edge of a dilemma
  – Collecting ‘old stuff’
  – Google Book model
  – New Business Models

• Are we working in the past and irrelevant to the future?

• Our business model is quite different to what it was and is likely to change even further

• But which way or where????????
Five trends to the Future

1. Ageing Population
2. GRIN technology) Genetics, Robotics, Internet and Nano-technology)
3. Global connectivity
4. Power shift Eastward
5. Environment

Richard Watson  Future Files 2008
Five trends to the Future

1. **Ageing** Population
2. GRIN technology) Genetics, Robotics, Internet and Nano-technology)
3. **Global** connectivity
4. Power shift **Eastward**
5. **Environment**

Richard Watson  Future Files 2008
• Not one future but many...........
• Futures can co-exist
  – Google books, Europeana
  – Printed book
• No one solution, especially in Profit and Not-for-profit worlds
• But remember, AGEING, Bio-TECH, GLOBAL, EAST and ENVIRONMENT
Extinction timeline* 1950-2050

* Existence insignificant beyond this date


WWW II

Craig Richard II

Primate

Koala

Handhavers

Solar panels

Hydrogen

Electric vehicles

Battery

Coal

Fossil fuels

NATION STATES

DEATH

PEACE & QUIET

GLACIERS

British society

Natural childhood

COINS

PETROL ENGINED VEHICLES

Addiction

And war

Low-cost travel

Bangladesh

OIL

Microsoft

The Middle class

Spain

Aboriginal culture

Rocky films

Predicted Death Date**

** not to be taken too seriously

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Extinction timeline* 1950-2050

* Existence insignificant beyond this date

WW2
- John F. Kennedy

WW1
- Czar Nicholas II

SMALLPOX
- Elites

BERLIN WALL
- Communism
- Soviet Union
- Exchange controls (UK)

SENDING THINGS
- Repeat shops
- Phone boxes

POST OFFICES
- Direct marketing
- Rutabagas
- Free parking
- WWWعارض

SIZE 0
- Libraries
- Unfounded beliefs
- Steve Jobs

NEEDS
- Lunch
- FM radio
- Craftspeople

SPEAKING
- Verbal language
- Computer

PSYCHOLOGY
- Mind control
- Computer science

NATION STATES
- European Union
- "Euros"

PEACE & QUIET
- Nuclear war
- Nuclear weapons

GLACIERS
- British Society
- Natural childbirth

PETROL ENGINE VEHICLES
- Addicts
- Low carbon travel
- Bangladeshi

OIL
- Microsoft
- The Middle-class

COINS
- Household chores
- The family room

FUTURITY
- Predicted death date

** Not to be taken too seriously

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Digital Information Created, Captured, Replicated Worldwide

Tenfold Growth in Five Years!

Source: IDC, 2008
The Digital Universe's Environmental Footprint

Devices Retired During Year

- Million
- 2,000
- 1,500
- 1,000
- 500
- 0

Mobile phones
Digital cameras
PCs
Camcorders
PVRs and DVDs
Audio players

Costs of Power and Cooling

- Billion
- $70
- $60
- $50
- $40
- $30
- $20
- $10
- $0

New Server Costs
Power Costs

Source: IDC, 2008
Environmental impact

• Datacenter consumption of electricity
  – 2000  1% of all US Power consumption
  – 2010  4%
  – Cooling comprises 60 – 70% of all consumption
  – 2005  Over USD 7 billion annual
  – 39% of water consumed in the US is for power production
Risk Assessment

• Digital futures assumed are not always guaranteed: Close our eyes???
• Murdoch’s papers will most likely go PAID; most others will follow
• Significant declines in library expenditures expected in 2010 and then again in 2011 (Outsell Sept 2009)
• No mention of consortia influence (Outsell)
So what is the future of Consortia?

- Clearly Libraries should have moved to ‘e’ rather than ‘p’: at least 70% of content expenditure
- What is the real relationship between libraries and their consortia?
- Is the Consortium considered to be outside or integral to the library organisation?
- Is the Library preserving it’s traditional structures rather than engage in real change?
• **AGE** Impact... new generation needing new ideas and approaches
• **Bio-Tech** impact... People will live and work longer
• **Global** impact... we do not work in local environments only
• **East** impact means that our part of the world will be more influential
• **Environmental** impact... our solutions need to understand the impacts
The Future is not linear....

Steve O'Connor Emerald Workshop
November 2009
Is our future all digital?

• Google Book agreement
  – Continuing controversy
  – China 17,695 titles scanned without permission

• JSTOR old issues
  – How many paper copies required for preservation?

• Business models and futures .. Revenues out by library

• Economic value of artifact
On the shelf

Of the roughly **40m** titles in US libraries...

...about 8m are out of copyright

and **32m** are still covered by copyright

Of these 32m, about 7m-9m are in print

and **23m-25m** are out of print

Of the 23m-25m out-of-print titles still covered by copyright, about **2.5m-5m** are 'orphan works' *

* Copyright holders cannot be traced

Sources: FT estimates based on figures drawn from Online Computer Library Center, Peter Hirtle/Cornell, Carnegie Mellon University Libraries, Google
Re-conceptualise !!

- Buckland re-conceptualising storage access and delivery architectures
- “Central purpose of a library is to provide a service: access to information”
  - Does it mean that our existing library structures remain?
  - Does this mean that our roles are sacrosanct?
  - Does this mean that library revenues are impervious to change?


Steve O'Connor Taipei November, 2009
Reconceptualising....... 2

• While there is a need to deliver benefit, political or economic, to parent organisation.. from Library or Consortia?? WHICH??

• Usually to serve own system of clients.. Should this continue??

• What is the rate of duplication across our library systems?

• Indeed, what is the rate of sharing (of content, negotiation and services) across our publicly funded systems??
Reconceptualising....... 3

• Risk Management... what is the endurance of the traditional business model and the digital archive?
• What is the sustainability cost of powering the servers to host digital resources
• Relative costs of print versus digital storage
• Stability of public funding to Libraries
• Take ‘Library’ to the User, not the other way around!!!
**What is your TOTAL library budget for the current financial year, including personnel, resources, and operational costs?**

[please tick one box]

- [X] More than $8m US dollars
- Less than **$2m** US dollars
- Between $2m and $4m US dollars
- Between $4m and $8m US dollars

*Please click on the bold figures above to see the equivalent value in your own currency*

How does your total library budget for this financial year compare with last year? [Do not allow for inflation]

[please tick one box only]

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<th>Down 15%</th>
<th>Down 10%</th>
<th>Down 5%</th>
<th>Down less than 5%</th>
<th>About the same</th>
<th>Up less than 5%</th>
<th>Up 5%</th>
<th>Up 10%</th>
<th>Up 15%</th>
<th>Up 20% or more</th>
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How do you expect your total library budget next financial year to compare with this year? [Do not allow for inflation]

[please tick one box only]

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Do you expect to carry forward a surplus or a deficit into next financial year?

[please tick one box]

- Yes, a surplus
- Neither a surplus nor a deficit
- Yes, a deficit
- Too early to say

As a proportion of this year's total library budget, roughly how big is that surplus or deficit in percentage terms?

[please tick one box]

- 20% deficit
- Less than 5%
- Less than 15%
- Less than 10%
- Less than 5%
- 20% surplus
- I'm not sure

Where do you anticipate your library budget will be in two years time, compared with today? [Do not allow for inflation]

[please tick one box]

- Down 20% or more
- Down 15% or more
- Down 10% or more
- Down 5% or more
- Less than 5% down
- About the same 5% up
- Less than 5% up
- 10% up
- 15% up
- 20% up
- I don't know more

Your best guess?
Changes to our scope.....

- Severe budget reductions affecting Content and Staff numbers
- Cannot continue to add to our library services and activities with similar or reduced resource
- Cannot respond to changed user need with buildings designed for other purposes
- Do we have the leadership to create new solutions?
Disruptive Technologies

• PC and the Main Frame computer
• The PDA/Mobile Phone and the paper Diary/PDA
• The *Traditional Library* and the *Digital Library*
• User Expectations; Generation X and Y and....
• The Imperative to change is greater and greater!!!
User Expectations

• Increasing expectation of service, instant service, instant gratification

• JULAC commenced HKALL
  — Empowered users to go to or have materials brought to them... at no cost

• JULAC also introduced RAPID to make articles available in 24 hours

• Further resources need to be allocated to sharing activities which add value to the User
Independent libraries
Libraries in a system...centralised
What is the new paradigm??????

Who are the players?????
What is different in our future Business Models?

• Focus all our resources at front of house
• Re-assess how we do the back of house activities or how we get them done
• Do not wait for them to come; go out to them
• Work with colleague Libraries create your own shared future
• Re-envision your Business Model; do we use consortia as an excuse or as an integral part of our operations

Steve we Taipei November, 2009
Nature of Work

• Work should be partnered with Consortia
• Services can be delivered
  – Collaborative storage
  – Shared Cataloguing and Acquisitions functions
  – Shared Negotiating power; change the basis of collecting and negotiating!!!!
  – Shared Training and Leadership capability
  – Empowering libraries with more political capability
“You can’t stop change from coming... you can only usher it in and work out the terms. If you are smart and a little lucky, you can make it your friend”

Barrack Obama
• Barack Obama said ‘You can make change your friend!’
• You can choose to position yourself ahead of the pack
• You can choose to be ‘out there’, or to wait for the future to happen to you
• You can choose rather than letting the future choose a path for you!!!
Disruptive Librarians and Libraries will make their future while making it a sustainable one!
About the Conference

About The Conference

Academic Librarians face unprecedented challenges to their role, to how they manage their collections and how they interact professionally with their academic colleagues. They require different professional and personal skills as well as different ways of interacting with their communities, both in the academic, publishing and other vendor communities. In the current context of a global recession, without doubt, it is going to be a future full of challenges and opportunities. What has changed and what needs to change? As suggested by the Conference subtitle "Singing in the Rain", a new generation of academic librarians cannot survive without an optimistic, positive and thoughtful attitude towards the future.
Xie Xie Diajia