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An Empirical Study of Uses of Outsourcing in Library Activities and Services

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ABSTRACT

As a management practice, it has probably been in existence for over 200 years, but during the last 20 years, with the support of academics, consultants and industry forums, it has developed into a popular strategic management initiative. Quinn stated, "Outsourcing is one of the greatest organizational and industry structure shifts of the century."

KEYWORDS: Cosmos, Human relationship, Nature, Soul

Outsourcing is a persistent and controversial topic among librarians. Generally, there is no objection on outsourcing of non-library or non-core functions. On the other hand, when outsourcing is used for library core functions like cataloguing, classification etc. it becomes a topic of heated criticism in library professionals with laying off implications for library staff. However, a lot of literature is available on using outsourcing in acquisition, technical and other processes of all types of libraries. Library literature reflects a continuing discussion on outsourcing of such routine library operations as collection development, materials selection, materials processing, cataloguing, and management. The available literature consists articles related to implementation of outsourcing in libraries, editorial, critiques, praises on use of outsourcing however not much on the impact of outsourcing in libraries.

The literature reviewed shows an interesting difference in outsourcing practices in the Indian libraries as compared to the libraries worldover. It is discovered that internationally most of the libraries outsourced both Professional- Manual as well as Professional-Automated activities and services whereas Indian libraries outsourced more Professional-Automated activities and services and Non-Professional. Because at present the Indian libraries are eagerly engaged in replan, restructure and reengineer their processes of work flow to fulfill the increased expectations and requirements of the ICT savvy users, facing the problems of shrinking budgets and non-availability of the required staff, so they consider outsourcing as a tool to improve their services, to maintain goodwill and reputation. However, internationally libraries have now moved one step ahead of Indian libraries and have started using crowd sourcing in libraries for various tasks like tagging, database error corrections, collection of the rare pictures and digitization of manuscripts etc.

• RELAVANCE OF OUTSOURCING

The term 'Outsourcing' is a combination of the terms "outside", "resource" and "using", which means going outside the organization to use the resources of others. Asking someone else to do something for you is as old as mankind. Outsourcing is a phenomenon that is sweeping industry and affecting all sectors of economy: Private, Public and Academic.

Libraries are not immune to this trend. The term "Outsourcing" may be somewhat new to the vocabulary of librarianship but its practice in libraries is not. Outsourcing of library services has been practiced as far back as in 1901 when Library of Congress began mass-producing catalog cards and providing them to other libraries, in this process perhaps it became first vendor. Outsourcing became such a prevalent topic in 1990's that many entire library science conferences were devoted to this area. Outsourcing has become a hot topic in the library community and a lot of literature has been generated in the form of books, articles, research works and discussions.

Now there are considerable evidences from various areas in considering outsourcing as an option. There are opportunities as well as challenges to be taken by library and information professionals. Outsourcing can produce worthwhile savings and improve the quality of the activities and services, but it also has the potential to go badly wrong when requirements are not clearly spelt out and negotiated by the service seeking libraries. During the initial days of library activities and services outsourced operations were narrow and limited to auxiliary activities as Library Security, Binding, Photocopying and Janitorial services. However, today it has expanded widely to more complex and extensive operations such as Preservation, Cataloguing, Retrospective Conversion, Digitization and Reference services etc.

The intention of this work is to find out what outsourcing is all about, how it is affecting and would affect library activities in specific areas and also evaluate its overall impact on the activities and quality of services in libraries.

In India though libraries are outsourcing, however, formally not much is written and done. Hence the study is taken up to find out the Indian libraries scenario regarding outsourcing.

• THE CONCEPT OF OUTSOURCING

In simple words, outsourcing is delegating a task to an outsider (means a vendor/ organization/ individual). In simple words it is just a contracting transaction whereby one organization hires services from vendor while retaining ownership and responsibility for the underlying processes; the organizations clearly mention in the contract what they want and how they want the work performed by vendor.

The term Outsourcing is a combination of three terms "outside", "resource", "using", which means going outside the organization to use the resources of others. Outsourcing is the strategic use of outside resources to perform certain tasks which are traditionally handled by internal staff using internal resources. Outsourcing is a strategy by which an organization contracts out some functions to specialized and efficient service providers/vendors.

Organizations have always been hiring contractors for particular types of work and form long-term relationships with those who had capabilities to supplement the organization resources. It is not a novel concept and has existed for decades, especially in the corporate sector as a means to reduce costs.

The official term 'Outsourcing' came with Ross Perot when he founded Electronic Data Systems (EDS) in 1962. EDS would tell a prospective client, *"You are familiar with designing, manufacturing and selling furniture, but we're familiar with managing information technology. We can sell you the information technology you need, and you pay us monthly for the service with a minimum commitment of two to ten years* (Sharma, 2006)."

Various definitions attributed to outsourcing depending on the context in which they are used.

• DEFINITIONS OF OUTSOURCING

- Unabridged edition of the Random House English Dictionary (1993) describes outsourcing as "the buying of parts of a product to be assembled elsewhere, as in purchasing cheap foreign parts rather than manufacturing them at home."
- Wagner (1992) stated "outsourcing is the transfer of an internal service or function to an outside vendor."

- James and Weidenbaum (1993) opined that, "outsourcing is not a new concept; it is simply another name for the long standing practice of subcontracting production activities."
- Falconi (1995) defined Outsourcing "as a fancy term for having someone else to do your work."
- Chase, Richard. B., Jacobs, F. Robert., Aquilano, Nicholas. J. and Agarwal, Nitin K (2006) defined, "Outsourcing is an act of moving some of a firm's internal activities and decision responsibilities to outside providers."

- **GENERATIONS OF OUTSOURCING USED IN LIBRARY AND INFORMATION SCEINCE**

Outsourcing is a name for the old practice of Contracting Out which means some service or activity performed by persons or organizations that are not part of an organization. '*Outsourcing*,' '*Privatization*,' and '*Contracting Out'* terms are often used interchangeably because each term reflects organization interaction with vendors in different aspects.

A variety of definitions associated with these terms are available in business literature. However, the important difference between outsourcing and privatization is that in privatization complete control over a service is transferred to vendor, whereas in outsourcing, the delivery of a service is transferred but control including governance and policy setting, is not transferred.

Paul Hoffert (1998) *described "Outsourcing as having created a new mindset that focuses on talent-for-hire, reminiscent of the middle ages. In those days, trade people travelled from town to town, selling their crafts and services to a variety of clients. Today the talent-for-hire is just as likely to travel to the job virtually, as to travel physically, but the concept is still the same."*

Over the years, the meaning of the term 'Outsourcing' has undergone a sea change which has taken a new connotation in today's scenario. It is growing and moving from time to time through waves of specialization (outsourcing) globalization (offshoring), social networking (crowdsourcing) to cloud computing (cloudsourcing). Like many other long-lived phenomena, the concept and applications of outsourcing are continually evolving in both the corporate and public sector.

a) FIRST GENERATION: First generation of outsourcing was typically all about cost savings – finding someone who could do the same job better, faster, cheaper, or all three. However, service providers were interested in long term contracts and better margins. It covered the period from 1970 to 1990. 1st generation outsourcing characteristics included: mostly outsourcing of peripheral activities, cost savings, limited vendors, immature market, little integration and little focus on customer satisfaction.
b) SECOND GENERATION: Second generation outsourcing became strategic – with a much higher focus on core competencies and achieving objectives. It covered the period from 1990 to 2010. 2nd generation outsourcing characteristics included: near core and core activities are also outsourcing, multiple vendors, mature market, enhanced integration and major focus on organization's performance.
c) THIRD GENERATION: Third generation outsourcing covers the period 2010 onwards. This generation of outsourcing varies from the past because it is totally based on cloud computing. 3rd generation outsourcing characteristics includes: outsourcing of core and non-core activities, multiple vendors, mature market, virtual integration and major focus on organizational goals.

- **CONCLUSION:**

Now there are considerable evidences from various areas in considering outsourcing as an option. There are opportunities as well as challenges to be taken by library and information professionals. Outsourcing can produce worthwhile savings and improve the quality of the activities and services, but it also has the potential to go badly wrong when requirements are not clearly spelt out and negotiated by the service seeking libraries. During the initial days of library activities and services outsourced operations were narrow and limited to auxiliary activities as Library Security, Binding, Photocopying and Janitorial services. However, today it has expanded widely to more complex and extensive operations such as Preservation, Cataloguing, Retrospective Conversion, Digitization and Reference services etc.

The intention of this work is to find out what outsourcing is all about, how it is affecting and would affect library activities in specific areas and also evaluate its overall impact on the activities and quality of services in libraries. In India though libraries are outsourcing, however, formally not much is written and done. Hence the study is taken up to find out the Indian libraries scenario regarding outsourcing.

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