Pros and Cons of Outsourcing Cataloging

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There are various arguments for and against the practice of libraries outsourcing cataloging functions. Some of the reasons libraries choose to outsource their cataloging functions include decreased costs and increased efficiency. However, not every attempt to outsource these functions is successful. Often, the decision is simply an attempt to avoid the difficulties of cataloging procedures that non-cataloging administrators are not familiar with.

Though many libraries today outsource at least some of their cataloging functions, recently the practice, apparently, has not been much discussed in the literature, as it had been 20 years ago, when the practice was more widespread across various industries. The general population tends to think of outsourcing as sending jobs to foreign countries, which has fallen out of favor in recent years. Perhaps this accounts for the lack of discussion of the practice. However, for libraries, outsourcing could describe anything from contracting with a vendor who replaces a whole department to purchasing MARC records during the acquisitions process. Gary Shirk, quoted by Clare Dunkle in "Outsourcing the Cataloging Department," defines outsourcing as "the purchasing, from an outside source, of goods and services that an organization previously produced or provided for itself. By that definition, libraries have been outsourcing cataloging functions longer than the word has been in common usage to describe the process. Consortia can also represent a form of outsourcing. "While this doesn't always apply, consortia probably resemble vendors more than they resemble libraries. Consortia have libraries as clients/customers. Consortia aggregate electronic resources for use by their clients/customers." (Sloan, 2000)

These definitions all speak to the major reason libraries outsource cataloging functions - to reduce costs. When outsourcing takes the form of purchasing records, the cost savings is achieved through reduced man hours spent on original cataloging. The vendor achieves economies of scale through the resale of common, shared data. When an entire department is eliminated, the savings to the library can be significant. The vendor profits from the efficiency of focusing solely on cataloging and centralizing services for a number of clients.

Other benefits to libraries from outsourcing include flexibility in business decisions. "The process of periodic contract negotiations may allow the business greater freedom to change course in order to take advantage of new opportunities." (Dunkle, 1996) Of course, money saved from outsourcing cataloging can be flexibly spent elsewhere. Vendors may also be able to provide access to a higher level of professional than the library would have had access to otherwise. (Dunkle, 1996)

Despite these benefits, there are several more arguments against outsourcing cataloging. For one thing, the issue of the cost vs. value of cataloging is a debate that has been ongoing for hundreds of years (Stalberg, 2011) which outsourcing is unlikely to resolve. This is due to the fact that there are many hidden costs involved in outsourcing cataloging functions. Because the records cannot be resold to multiple clients, vendors lose money by cataloging unique collections. Instead, they charge the owner of those collections additional fees. In fact, any minor variation from standard procedures can incur fees. As a result, some libraries define "project-based requirements, compromising on one or another aspect of standard practice in the interest of cost-effectiveness." (Wolven, 2008) These compromises can result in difficulties for patrons and a perception of poor quality service. There can also be human resource issues, resulting in increased costs, from the elimination of personnel due to outsourcing.

While it's possible that outsourcing can provide greater flexibility in making decisions, the reverse can also be true. It can be difficult and expensive to go back to in-house cataloging or even to switch vendors at the end of a contract. Vendors also have more experience negotiating contracts for their own benefit. These difficulties serve to lock libraries in with one vendor. With clients effectively locked into a contract, vendors have little incentive to keep up with the latest technology. Their profits increase the longer they can delay upgrades.

It is important for a library to take all of these issues into consideration when deciding if outsourcing is a viable option. Unfortunately, many times "library directors…certainly may outsource to get rid of a perceived problem….Library managers may find catalog departments frustrating for the same reasons that business managers find IS departments frustrating." (Dunkle, 1996) Outsourcing decisions made with this lack of understanding about cataloging are unlikely to be successful.

Cost savings and improved efficiency are not a given in an outsourcing arrangement. And it's not a decision that can be made without looking back. A successful arrangement requires the library to continue to monitor the vendor and the process. Considering the pros and cons of outsourcing, it is apparent that there is no obvious solution that is right for every library.

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