

## Research Article

# A Digital Age Approach to Funding and Financing Electronic Resources in Libraries

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## A B S T R A C T

This study investigated the demand for a radical shift in library funding and finance for e-resources in the digital world. A broad introduction of budgeting and alternative types of funding to libraries also discussed. This research focuses that new ways of supporting libraries, such as library coalitions, fundraising events, public access efforts, must be pushed in libraries for the advancement as well as maintenance of library services approaching digitization. It was also strongly urged that the community and top management in institutes be trained about the rising cost of e-resources. Therefore, it is argued that libraries must consistently find funding methods in to catch up with the ever-increasing demand for e-materials.

**Keywords:** Library Funding, e-Resources, Electronics Resources

## Introduction

The expenses of digital and print items have been explored as well as assessed because electronic resources are used more frequently in libraries. The assessment of capital allocation expenditures is an important and useful endeavour. The difficulties librarians are currently facing with regard to planning and developing the digital library. It's possible that the digital library has evolved earlier than anticipated and is now represented in libraries. Libraries and educational institutions have established a wide range of digital library projects and initiatives.<sup>1,4</sup> These initiatives may have been motivated by the popularity of and dependence on electronic journals, the widespread use of the Internet for academic communication, the requirement for access to resources from places other than traditional library settings. According to Pinfield (2001) statement the top administrators in Higher Educational Institutions should be advised of organizational financing since they frequently still hold the misguided belief that improvements in electronic resources could result in rapid and noticeable savings in spending. It continues by stating that while the digital

library may provide users new and better services, it is not inexpensive. In addition, it's possible that investing in e-library services may cost more in the near future. This is particularly important given that libraries sometimes have to sustain print-based services alongside computerised ones.<sup>7,9</sup> There has been an urgent need for a new trend or model in library budgeting and finance in light of these efforts and the rising popularity in electronic resources and connection.

## Need of Library Funding

The community's informative, academic, artistic, entertaining needs are met through the library's facilities and services. Libraries need to get sufficient funding to acquire, organise, make easily accessible material in a diverse range of formats in order to meet this goal. The level of financing a library obtains has a significant impact on the effectiveness of its offerings. Libraries receive the majority of their revenue from a variety of sources, including municipal, regional, federal, other ones.

Budgeting, however, is a mechanism for carrying out decisions; it also moulds and influences choices on the

distribution of resources across duties and responsibilities the allocation of funds in artistic ventures, as well as the cessation of ongoing activities. A budgetary system's efficacy is determined by how well it helps the organisation achieve its goal, which often calls for both financial stability and strategic transformation. Hence, the promotion and maintenance of research and scholarship among the populace must be guaranteed by an efficient budgeting mechanism at a library institution. A budget, on the other hand, is a formal articulation of a company's intentions and goals for a given time period, represented in monetary terms.

The most typical style of planning is a line- item budget, which lists precise income streams (such tax, municipal payments, penalties, printing and photocopy, etc.) and expense classifications. There are several other types of financing as well (such as personnel, supplies, equipment, print materials, AV, serials, etc.).

The budgetary form divides the budget into "categories" of accounts, each of which represents a different type of general expenses. Evans (1976)<sup>3</sup> refers to them as "running costs." A programme budget is divided further into specific programme or project areas of service like programmes, collections, references. A Zero base budget mandates that each programme be justified each year.

### Resources of Library Funding

Money for the libraries is gathered from a variety of sources. This might come from regional, national, local, or other sources. The National Center for Education Statistics in the USA (2000) states that local, regional, federal funding account for 91% of public library's income in the USA. Whereas the remainder of the money (almost 9%) comes from various sources including user charges, special programs, private charity initiatives carried out by charities, businesses, generous individuals, "Friends of the Library" organisations. Such system, in which the government serves as the low-cost lender of the librarian, is available everywhere in the world. Within the setting of the e-library, libraries might have to re-evaluate their entire funding objectives and expectations.

According to Rosenberg (2001)<sup>10</sup>, managing libraries can increase revenue by charging for services like photocopies, consulting, information surfing, training, monetizing information products created in the library, particularly references and other periodicals.

User charges have reportedly become increasingly widespread as customers want services like online electronic databases, consulting, copy, as well as other expensive ways to acquire information, according to Prentice (1996).<sup>11</sup> Also, small-scale special events like book sales or hall renting can close financing deficits.

### Current Trends in Funding and Financing Electronic Resources

Due to the expansion of e - resources, all kinds of library services must find ways to pay for the rising expenses of technology and digital resources, especially those related to the Internet. Access, equipment, update, manpower, software, website designing are some of these expenses. Although the e-library was partially created to solve these concerns, the Follet study saw it as a potential means of saving money and space. Nonetheless, Alan and Gill (2001) noted that it is unlikely that electronic media will soon save money or library space. " Regarding costs, Pinfield (2001)<sup>8</sup> made the case that E-journal transactions frequently add seven or eight percent to the cost of pre-existing paper subscriptions and frequently block the termination of the journal.

Kemmis (1998)<sup>6</sup> asserted that libraries should consciously look for alternative financing for high-tech operations that are now recognized as standard by the communities they serve if individuals are to keep up with the growing expectations of a technically savvy clients and retain quality collections. In order to shift the much- discussed reliance syndrome on parent group, libraries and librarians must give emphasis to other means of funding.. The library will also be better able to manage the dynamism brought on by data and innovation as well as other issues related to planning and funding its operations as a result.

### Initiatives of Fundraising

Fundraising efforts may be characterised as an effort by library officials to find economic help from private donors, regional community activists, foundations (both locally and internationally) in order to realise the goals of the library, whether in the form of cash and in donations. Burlingame (1995)<sup>2</sup> made the observation that many library today feel obligated to spend additional and effort networking and creating grant submissions in order to obtain necessary money based on this trend. In this situation, private or fundraiser projects have to be planned and started in order to assist the parent organization's financial allotments.

It is crucial to remember that strong relationships and the right motivation are essential for any funding endeavour to be fruitful. According to Gordon, who was referenced by Harrison (1997)<sup>4</sup>, the five important criteria must be met before getting financial or other forms of support from the community: Understanding the time commitment, keeping commitments, prioritising customer service, ensuring staff and public board loyalty, being ready for local residents who disagree or think they have quite a better strategy are all important.

Above all, it's critical to keep in mind that fund raising should be conducted from a problem-solving perspective; awarding

grants presents the chance to support vital initiatives with the ability to improve lives. According to Sumerford (1995), who made this claim based on the evidence, “donors really would like to support programmes that will strengthen residents and lead in lasting changes in the society.”

### Initiatives with Open Access Services

The term “Open Access “ refers specifically to a method of making books and software freely accessible online, “allowing numerous people to read, save, reproduce, distribute, reprint, search, or link to the complete texts of these articles, crawl them for indexing, send them as feed to software, or use them for any additional legal activity, without economic, legal, or technological hurdles beyond those independent from being able to access itself” (Suber, 2007). As a result, it benefits several organisations, libraries included. These days, libraries may gain from open access initiatives to address the problems of scientific article price and access permissions.

The lack of funding for libraries and ongoing budget cuts, especially in the majority of developing nations, necessitate a paradigm change away from total reliance on the administration and towards freely accessible efforts. An emerging trend in open source software and open access efforts to identify alternative development and support methods is being sparked by this transition from fully supported projects to community engagement. In addition time, open-sourced software is being considered by the academic world as a replacement for proprietary products. Jones (2001)<sup>5</sup> focuses on a few essential elements that are present in the majority of open source projects, including open contributions, user-centered comments and dissemination, user community growth.

### Conclusion

Libraries must constantly devise financing methods to keep up with the continually increasing demand for electronic assets. When we transitioned from the ‘traditional library’ model to the ‘computerised library’ model, libraries were accustomed to spend huge sums of cash on Library Management Systems (LMSs) and staff training. It has been suggested that new trends in library finance, including the creation of library consortia, private/ fundraising activities, the usage of open access initiatives, can help libraries become more stable and provide effective support. It is envisaged that all sorts of libraries would implement these cutting-edge approaches to financing e-resources.

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