

# Financial Sustenance of South Asian Library Schools: A Case Study of National Institute of Library and Information Sciences of Sri Lanka in Retrospect

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## ABSTRACT

The paper discusses the financial issues of the library schools residing in the public universities especially in the South Asian region. It specifies the particular issues faced by the library schools because of their small size, high proportion of women as staff and students, lack of research and their tendency to relate more to the professional world than the academic world. It provides a detailed SWOT analysis of the National Institute of Library and Information Sciences (NILIS). It also describes the Ansoff Matrix, which is a commonly used tool by the business organisations to develop market-product strategies. The paper analyses the education programmes commenced by the NILIS during 2003-2005 in the light of marketing-product strategy. It discusses the success of the endeavour using the Boston Matrix, which is a tool used to measure the success of the market-product strategy. The paper also highlights some threats posed by the environment, which hinder the successful implementation of the programmes and concludes that an authority to manage financial matters and qualified staff with a sound knowledge of financial regulations is essential for the success of the market-product strategies.

**Keywords:** SWOT analysis, Ansoff matrix, Boston matrix, NILIS, South Asian library schools

## 1. INTRODUCTION

Library school is defined, in the context of this paper, as the department, institute, or school, which offer formal education programmes in Library and Information Sciences (LIS). The majority of the library schools in

the South Asian region exist within the public university environment.

Public universities in South Asia depend mainly on government funds for their sustenance and face many constraints as a result of fund limitations. Naturally, these constraints are trickled down to the library schools residing

within the public universities. However, library schools may experience the gravity of financial constraints more than the other academic departments, because of the certain special characteristics.

Library schools are considered weak because of their small size, high proportion of women as staff and students, lack of research and their tendency to relate more to the professional world than the academic world. The perception of others of LIS as a weak academic discipline contributes further to the financial crises already faced by them through the government cut backs<sup>1</sup>.

Williamson<sup>2</sup> in his most influential report on American LIS education commented that one reason for library schools to lack prestige enjoyed by other professional schools is the total lack of productive scholarship. He made a distinction between the professional work and the clerical work and emphasised different kinds of training required by each group. There is no sophisticated body of theory underlying modern library education because the profession generally, and library education specifically, have not made it a matter of central concern. Even today, library and information education is seen in this light by most university academics<sup>3</sup>. This situation is not uncommon in the South Asian context. Naidu<sup>4</sup> observed with respect to the financial status of library schools, that it is very difficult to convince the administrators that LIS is very different from political science or sociology.

University as a social institution is based on two kinds of capital; cultural and financial. The existence of the university depends on the exchange of one form of capital for the other. By providing cultural capital like knowledge, inventing technology and educating citizens, universities seek financial capital. It exchanges this cultural capital for appropriations, tuition fees, endowments and gifts. A university's ability to command and control cultural and financial capital effectively becomes its reputation. The better the reputation of a university, more secure is its position among the other producers of culture<sup>5</sup>. LIS perceived as a discipline without much theoretical foundation is considered as a threat to the university's

mission of producing cultural capital. In the context of exchanging cultures, library schools are expected to produce cultural capital and financial capital in order to contribute to the university's goals and reputation. The financial viability of LIS programmes, especially when they exert pressure on the limited funds is strongly questioned by the university academics as well as the administrators. Do they represent a cost or a benefit? Do they promise a reasonable return or investment? Do they threaten the financial security of the university are questions often asked about the library schools. If library schools cannot provide positive answers to these questions, there is a danger of being gradually wiped out by the more powerful, both politically and financially, within the university. Hence, library schools need paying attention to the stabilisation of its financial strength within the university environment.

## **2. NATIONAL INSTITUTE OF LIBRARY AND INFORMATION SCIENCES**

National Institute of Library and Information Sciences (NILIS), Sri Lanka was established in 2000 and is partly funded by the government treasury through the University Grants Commission of Srilanka. Most of its grants is mainly spent on staff salaries and maintenance. NILIS is, therefore, expected to generate adequate funds through its education programmes for its sustenance and development.

By the time NILIS was established in 2000, there were two key institutions in Srilanka already offering LIS education for the past thirty to forty years (Department of LIS at University of Kelaniya was offering undergraduate and postgraduate courses and Sri Lanka Library Association was offering a three-year part time course for paraprofessionals).

It is customary for any business organisation to carry out a formal market survey and design a formal business plan before commencing production and marketing. This is also true for the educational organisations as well. Before commencing any education or training programme it is essential to formulate a

marketing strategy. This has to be preceded by a careful study of the institute's infrastructure, its environment and the potential customers. The main elements, before commencing any venture, which need attention, are:

- ✘ Customer (and potential customer) numbers, profile and mix,
- ✘ Customer perceptions, needs, preferences, buying patterns, and trends, by sub-sector, if necessary,
- ✘ Products and services, mix, values and trends,
- ✘ Demographic issues and trends (especially if dependent on consumer markets),
- ✘ Future regulatory and legal effects,
- ✘ Prices and values, and customer perceptions in these areas,
- ✘ Distribution and routes to market, and
- ✘ Competitor activities, strengths, weaknesses, products, services, prices, sales methods, etc.<sup>6</sup>

But there was no time for NILIS to engage in such time consuming market surveys because the spotlight of closure was getting directed at NILIS and there have been no significant academic activities since its inception. Therefore a primary market analysis was carried out in 2002 at the institutional level using the already available data in the form of a SWOT analysis.

## 2.1 SWOT Analysis of NILIS

The strengths and weaknesses of the NILIS in 2002 as per SWOT analysis were:

### Strengths

- ✘ University of Colombo which is the parent body of NILIS has a high reputation.
- ✘ NILIS is authorised by an ordinance to design and implement any type of education/training programme in LIS.
- ✘ NILIS programmes are controlled by

the university senate and other regulatory bodies of the university so that the quality is maintained.

- ✘ More autonomy as an Institute affiliated to the university, than a faculty of a university.
- ✘ Location of NILIS in the capital city with easy access to many.
- ✘ A number of reputed libraries in the close vicinity.
- ✘ Language policy of University of Colombo allowing courses in Sinhala, Tamil and English which supports NILIS to offer its programmes in any of these languages.
- ✘ Availability of a wealth of high quality academics of the University to support in curriculum design and teaching.
- ✘ Considerable number of senior LIS professionals in close vicinity to provide support in curriculum design and teaching.
- ✘ Substantial amount of teaching/learning resources provided under World Bank credit.
- ✘ Significant amount of classroom space.
- ✘ Presence of a Senior Assistant Bursar to handle finances.
- ✘ Opportunity to design new education programmes.

### Weaknesses

- ✘ Absence of any established education programmes and planned curricula ready to be implemented.

### Opportunities

- ✘ Opportunities and threats to NILIS at the beginning were:
- ✘ Ability to develop partnerships with the other faculties of the university.
- ✘ Ability to offer cooperative programmes.
- ✘ Large potential market segment in the education sector that required training.

- ✘ Direct support and recognition of the Ministry of Education.
- ✘ Opportunity to specialise in Teacher Librarianship and School Librarianship.
- ✘ Opportunity to promote NILIS among school library sector through the Ministry of Education.
- ✘ Absence of any special programmes already running for school library sector.
- ✘ Facilities available to offer CPD programme.
- ✘ Availability of several course outlines for School and Teacher Librarianship planned by an international consultant to NILIS.
- ✘ Availability of hitherto untapped market segments in traditional library sector other than school libraries.
- ✘ Availability of untapped market segments in the information sector.
- ✘ Enthusiasm of many LIS professionals to follow new education and training programmes.
- ✘ Lack of promotional prospects for the library professionals, which prevents them from following any education/training programmes.
- ✘ Poor salaries, which does not warrant self funding of their education and training.
- ✘ Lack of funds for training LIS professionals in the parent organisation.
- ✘ Many prospective students living significantly far away from NILIS making it difficult to attend classes.
- ✘ Many prospective students being mature adults whose learning needs are different, and
- ✘ Absence of a definition or promotional schemes within the Ministry of Education, for newly designated teacher librarians.

### Threats

- ✘ Existence of two other main providers of LIS education.
- ✘ Recognition of them as the sole education providers in LIS by the society.
- ✘ Lack of awareness of NILIS among public.
- ✘ Limited market share of the traditional library sector for too many providers.

## 2.2 Market-Product Strategy

When designing education programmes, NILIS needed a strategy to serve as a guide to decide on the directions in which it should concentrate. Ansoff Matrix (Strategic Assets 2001) developed by H. Igor Ansoff, a common tool used in this kind of situations, was used to plan a marketing-product strategy for NILIS based upon the SWOT analysis (Table 1).

The matrix demonstrates the major choices that any organisation encounters in its quest for growth—should it target new or existing markets with new or existing products. The directions in the boxes are suggested paths for the organisation’s growth strategy.

**Table 1. Ansoff matrix**

	Existing products	New products
Existing markets	Market penetration	Product development
New markets	Market development	Diversification

Source: Chapman 1995

### *2.2.1 Market Penetration*

Market penetration is developing sales of existing products to the existing market(s). This requires a greater effort in sales and marketing to achieve higher product sales; the goal is a greater market share.

In a growth market, it may be entirely appropriate to develop existing products and strengthen marketing activities. If the market is growing, many organisations are able to increase sales without increasing overall market share. In contrast, market penetration in a static or declining market will be much more difficult and will require considerably more effort.

Since the organisation is dealing with products and markets that it already knows, this is a low risk strategy as all the parameters are known to some extent. As a result of this, it is also likely to be a relatively low cost strategy. Market penetration is appropriate if there is plenty of a market share to be had at the expense of competitors, or if the market is growing fast and is large enough for the growth. In the LIS context market penetration occurs when marketing strategies are intensified to attract more conventional students for the ongoing courses. But in Sri Lanka, the market share of LIS courses is not growing healthily, so it is not easy to practice this.

### *2.2.2 Market Development*

Market development occurs when a company attempts to sell its existing products into new markets. The new markets could be geographically based, either within the home country or abroad or alternatively the new market could be altogether a new market segment. New markets can also mean new sub-sectors within the market—it helps to stay reasonably close to the markets you know and which knows you.

Moving into completely different markets, even if the product/service looks good, holds risks because this will be an unknown territory, and almost certainly will involve working through new distribution channels, routes or partners.

If there is a good market share and good product/service range then moving into associated markets or segments are likely to be an attractive strategy. The advantage for the company of this strategy is that it does not need to invest in new product development—the main expenditure will be in the area of marketing and sales. This will reduce the risk associated with new product development.

In the context of LIS education, delivering distance education programmes and marketing the existing programmes internationally to attract foreign students fall under market development strategy. Different delivery methods, especially distant learning are being used by the British, North American and Australian library schools particularly as a means of increasing student numbers and the income.

### *2.2.3 Product Development*

Product development strategy involves developing new products for sale in existing markets. In most companies this is a process, which will be ongoing as no company can last for long selling only its current range of products. Taking this route enables the company to utilise its existing knowledge and skills to develop new products for a market that it understands. Although there is some risk in any new product development, it is far less than developing products for new markets. Many retail companies follow this route, as they constantly refresh their product lines, to reflect changing consumer tastes. Marketing in general and market knowledge in particular are key skills for this strategy. Product development is an attractive strategy if product has a strong market share in a particular market. Such a strategy can be a suitable reason for acquiring another company or product/service capability provided it is relevant to the market and the distribution route.

Since the number of LIS professionals and the employment opportunities in the information profession are comparatively less in Sri Lanka, all library schools conducting the same type of programmes will cause a division in the market segments among these

institutions, making all of them weak. Therefore new product development must be used by the library schools in a carefully planned manner for the successful survival of all.

#### 2.2.4 Diversification

Diversification occurs when a company decides to sell newly developed products within a new market. This is a bold strategy, which involves a good deal of risk for the company as it is moving away from the products and customers, which it has served up until this point. This strategy is only undertaken when there are very good reasons to do so—this could be because of dramatically falling sales or may be new technologies, which have opened up completely new markets representing a big opportunity for the company. This sort of activity should be implemented carefully through meticulous testing and piloting. There are a wide range of possibilities for achieving diversification, but they fall into two main groups; related and unrelated diversification.

The related diversification involves developing new products to sell in new markets, but within the same industry or broad area as before. It is an established fact that the numbers of students for LIS programmes are low and that this is a hindrance to maintain good quality programmes. Therefore, in the context of LIS education new market, within the discipline of library science, could be approached, i.e., book publishers and booksellers, authors, and journal editors.

A considerable number of new undergraduate programmes have been started by the library schools in the developed countries. These are not traditional in content, but focus more on specialised fields (information systems, information science, information management, etc.), cater to the new information professions.

The unrelated diversification occurs when a company decides to enter a new business area as well as developing new products and finding new customers. This is a high risk strategy as the company will have only a limited amount of knowledge about the new area. The American library schools are

actively pursuing closer links within their universities. All schools wish to project an image within their parent institution of being an integral and productive part of the graduate and research programmes. Most felt that their image has been heightened in recent years, especially in the fields of education, communication and business. Syracuse, Pittsburgh and Michigan universities have created alliances with engineering, computer science, and public policy for heightened visibility, which has its rewards.

### 2.3. Market-Product Strategy of NILIS

According to the Ansoff matrix discussed above, NILIS as a new institution did not have any existing products or existing customers at its inception. Therefore, market penetration, product development or market development were not the strategies it could implement. The direction for development of NILIS programmes was diversification. Following list indicates the education and training programmes developed by NILIS during 2003 to 2005:

**Certificate in School Librarianship (CSL):**  
A six month course for school library staff who had no training in librarianship before.

**Certificate in Teacher Librarianship (CTL):**  
A six month course for teacher librarians who had no training in librarianship before.

**Certificate in Public Librarianship (CPL):**  
A six month course for public library staff.

**ICT for School/Teacher Librarians (ITTL):**  
A six month course for school/teacher librarians.

**Diploma in Teacher Librarianship (DTL):**  
A one year diploma course for trained teachers.

**Postgraduate Diploma in Teacher Librarianship (PGTL):** A one year (full-time) course for teachers with a Bachelors degree from a recognised higher education institute.

**Postgraduate Diploma in Library and Information Science (PGLIS):** A two years (part-time) course for those with a Bachelors degree from a recognised university. This is

an entry point for the new entrants to the profession.

**Masters in Teacher Librarianship (MTL):** A one year (full-time) course for teachers with a Bachelors degree and PG Diploma in Education or any other discipline from a recognised higher education institute.

**Diploma in Library and Information Management (DLIM):** A three year course for young school leavers.

**Mandatory Training Programme (MTP) for Assistant Librarians of universities:** A six month training course for Assistant Librarians in teaching and learning strategies.

**Diploma in English (DELIS):** A one year diploma programme for Library and Information professionals.

These programmes can be grouped in a matrix of diversification as indicated in Table 2. First quadrangle indicates the programmes, which contain a major proportion of LIS discipline. The target groups of these courses are those who are already employed in school and public libraries and whose duties are mainly traditional library tasks. Classes are conducted by the senior lecturers of NILIS and professional librarians qualified in LIS who serve as visiting faculty. With these programmes, NILIS is remaining within the traditional boundaries of libraries.

Second quadrangle is empty because NILIS does not have a sufficient number of qualified staff in any discipline other than LIS to offer in completely different disciplines. Third quadrangle indicates the programmes offered to the LIS profession also, not alone by the NILIS staff but in collaboration with

staff qualified in education, information technology, management and staff training.

Especially, the teacher librarianship programmes are offered with the support of visiting faculty from the Faculties of Education and Finance and Management of the University of Colombo. For DLIM a wide variety of professionals are involved in teaching a number of subjects external to the LIS discipline, i.e., Mass Communication, Records Management, Application of office Machines, etc.

Fourth quadrangle indicates programmes, which are totally removed from the jurisdiction of LIS. MTP is conducted mainly by trained staff of the Staff Development Centre of the university. DELIS is run by the staff qualified from Faculty of Education in teaching English. A couple of other programmes of this nature are under consideration currently.

Significant fact of these programmes is that none of them are offered by the other LIS educators of Sri Lanka. CPL, CSL, CTL, DTL, PGTL, MTL, MTP and DELIS are innovative programmes offered in Sri Lanka for the first time. Thereby, NILIS has been able to avoid competition from other LIS providers and at the same time it has not posed a threat to the ongoing programmes of the other providers. NILIS has strongly utilised the strengths and opportunities discussed in Section 2.1.

It needs mentioning here that not only formal regular education and training programmes, but also Continuing Professional Programmes in the form of workshops and national and international conferences are conducted very often. These take the forms of related diversification alone (workshops for public and school librarians), related diversification

**Table 2. Matrix of diversification**

	Related diversification	Unrelated diversification
Alone	1. CPL, CSL, CTL, ITTL, GLIS	2.
In partnership	3. DTL, PGTL, MTL, DLIM	4. MTP, DELIS

in partnership (workshops for special librarians in IT, writing and publishing scholarly articles for university librarians and information literacy), unrelated diversification in partnership (marketing strategies for academic administrators).

## 2.4 Application of Marketing Mix Elements

Though the market-product strategy is the most effective, there are certain other crucial elements, which make these strategies successful. These elements are referred to as marketing mix elements. They are the variables on which the organisation has control and are used in different combinations to satisfy the target market<sup>7</sup>. The product, price, promotion and place (distribution) are the key marketing mix elements or the 'four Ps' of marketing. A typical marketing mix consists of a product at a price targeting a customer in a particular place and promotion to tell the customers about the availability of the product.

**Product:** Any service or product that would satisfy the customer needs or wants. Based on customer needs and wants different types of courses are offered by NILIS. They are: short courses, postgraduate courses, practical training sessions in the library, workshops, seminars, national conferences, and international conferences.

**Price:** Cost to the customers should be attractive. Two pricing formulas are being used in appropriate occasions to maximise sales and revenue.

**Place:** Programmes should be at a place convenient to the customers. Depending on the needs, programmes are conducted on site and off site at various locations.

**Promotion:** Communication with customers to raise their awareness about the products. These activities take the form of: Newspaper advertisements, brochures, presentations, press releases, target group oriented promotional programmes, demonstrations, sampling, annual reports, and journal articles.

Zeithmal and Bitner<sup>8</sup> have argued that

'four Ps' are not adequate for service marketing context. The main argument is that usually services are produced and consumed simultaneously. Service delivery personnel of the organisation and customers frequently encounter each other. Due to intangible nature of services, customers look for additional clues for understanding the nature of service experience.

They argued further that traditional four Ps framework needs to be expanded by adding three more elements, which can be controlled by the service organisation for satisfying the customer. They are:

**People:** All humans who play a part in the service delivery and influence the buyer's perception. NILIS has several groups of people who can make excellent contribution essential for the success of programmes. They include permanent teaching staff, visiting faculty from the university, other visiting faculty, library staff, clerical staff, and finance staff.

**Physical Evidence:** Environment in which service is delivered and where the customer and the company interact; teaching/learning resources, classrooms, peaceful university environment and infrastructural facilities of the university.

**Process:** The actual procedures, mechanisms and flow of activities by which the service is delivered. A smooth and controlled flow of course delivery is maintained to satisfy the customers.

## 3. MEASUREMENT OF SUCCESS

The Boston matrix model (Table 3) is a tool for assessing existing and development products in terms of their market potential, and thereby implying strategic action for products and services in each category. Some of the elements of the Boston matrix are:

**Cash Cow:** These are the products which bring in high income to the organisation based on the previous investments. Products in this quadrangle need maintenance and protection activity, together with good cost management, not growth effort, because there

**Table 3. Boston matrix**

	Low market share	High market share
Growing market	Problem child	(Rising) star
Mature market	Dog	Cash cow

Source: Chapman 1995

is little or no additional growth available. Since NILIS has started its programmes just three years ago, it still needs time for its products to develop as cash cows.

**Dog:** These are products which have low market presence in a mature or stagnant market. There is no point in developing products of this nature. Many organisations discontinue products/services, which fall into this category. Perhaps very soon ITTL programme will fall into this category with the establishment of countrywide IT centres by the Ministry of Education, and offering IT programmes free of charge to teachers.

**Problem Child:** These are products which have a big and growing market potential, but existing low market share, normally because they are new products, or the application has not been spotted and acted upon yet.

Many of the programmes offered by NILIS belong to this category, especially because it is a new institution, which is yet to be known by many irrespective of a plethora of publicity events. At the same time most of the programmes offered are new hence it will take some time to draw the attention of the prospective customers.

**Rising Star:** These products, are those which have good market share in a strong and growing market. When a market is strong and still growing, competition is not yet fully established. Demand is strong; saturation or over-supply do not exist, and so pricing is relatively unhindered.

These products produce very good returns and profitability. With the recruitment of over 2000 new graduates as Teacher Librarians, there is a potential of PGTL and MTL shifting to this quadrangle.

## 4. CONCLUSIONS

As a new educational institution with a wide range of strengths and opportunities, NILIS has been able to survive the closure and grow successfully during its early period. However, for any marketing-product strategy to become successful in the university environment, it is essential to have the necessary legislative authority to make financial decisions. NILIS as an institution affiliated to the university enjoys this authority more than a university faculty or department. At the same time, it has a highly qualified Senior Assistant Bursar with a sound knowledge of government's financial regulations and support staff which facilitates smooth running of financial matters. Yet it is essential to mention here that if the following environmental threats are eliminated status of this particular library school will be much more enhanced:

- ✘ Lack of promotional prospects for the library professionals, which prevents them from following any education training programme
- ✘ Poor salaries, which does not warrant self funding of their education and training,
- ✘ Lack of funds for training LIS professionals in the parent organisation,
- ✘ Many prospective students living significantly far away from NILIS making it difficult to attend classes, and
- ✘ Absence of a definition or promotional schemes within the Ministry of Education, for newly designated teacher librarians.

The other library schools within the South Asian context, which exists in a similar social, political, economical and technological context, may take this case study as a prototype for the generation of much needed

revenues by identifying their own SWOT and mixing the marketing elements in an appropriate manner.

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