

The Irish Research eLibrary (IReL): its survival through economic crisis

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The Irish Research eLibrary (IReL) has been an exemplar of how library co-operation and centralized funding can build a world-class resource set to support research. Despite this, IReL came under serious threat towards the end of 2009, as the global economic crisis plunged Irish public finances into serious deficit. This paper presents the story of how IReL survived: the turmoil and uncertainty faced by its member libraries while its future was uncertain, the strategies adopted to face up to the crisis, the response from publishers, academics and libraries, and the outlook for IReL as the Irish government is committed to continue making cuts in public expenditure.



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IReL - born of the Celtic Tiger

During the 1990s, Ireland underwent a transformation from a less-favoured region of the European Union to the 'Celtic Tiger', a paragon of economic success. The economy boomed and there was near full employment. One of the keys to this was considered to be the growth of the 'knowledge economy' with the ICT, pharmaceutical and biotechnology industries playing a large part in the economic growth. To sustain this growth and having budget surpluses for the first time in the nation's history, the government began to invest in research from the late 1990s. Prior to this there had been limited public investment in research. The number of researchers and research activity grew significantly. Despite overall increases in budgets, however, individual libraries could not afford to provide the level of access to information resources that our researchers required. It became increasingly apparent that lack of information resources was becoming an infrastructural deficit that risked hindering the success of research activities.

Senior researchers and university librarians worked together to lobby for funding for a shared research e-library across the seven Irish universities, as an essential piece of research infrastructure. Science Foundation Ireland (SFI), one of the major providers of research funding in Ireland at that time, agreed in 2004 to fund an e-library of online information resources to support research in

science, technology and medicine (STM). The Higher Education Authority (HEA) agreed to share the funding and IReL – the Irish Research eLibrary¹ – was born.

Within two years, IReL was expanded to provide an e-library for the arts, humanities and social sciences (HSS). In 2008, funding was made available for the Royal College of Surgeons in Ireland (RCSI) to gain access to a subset of IReL resources. By 2008, IReL was delivering 116 e-resources to researchers in Irish universities and a subset to the RCSI, providing access to about 30,000 e-journals as well as databases, e-book packages and other resources.

Core principles of IReL

IReL was set up as a centrally funded, centrally administered, online-only resource for the research community across the seven Irish universities and the RCSI. Underlying IReL were core principles reflecting this original concept. IReL funding was strictly for online resources only. Unlimited access was acquired to all resources for all staff, students and researchers in the member institutions. Resource selection was based on consultation across the entire research community and reflected the greatest demand across all institutions.

Value for money was a driving principle from the outset. IReL funding was never taken for granted. We were aware of the unique position we were in internationally as recipients of centralized funding. While there are many national consortia, we were unaware of any other where central funds were made available with no effect on local library budgets. We were determined from the outset to prove that we were delivering excellent value for the money being invested in IReL. We contracted outside negotiators (Content Complete and, more recently, JISC Collections) to help us negotiate the best value possible. IReL was administered centrally through IRIS Ltd², thus enabling excellent monitoring of negotiations, spending and usage. So as to demonstrate impact and value for money, usage was measured and analyzed from the outset. Annual monitoring reports showed that the majority of resources funded by IReL were being very heavily used, as can be seen in Figure 1. A survey of researchers carried out in 2009 found that researchers were very aware of IReL and hugely appreciative of the initiative as an essential input to their research.

Economic crisis!

In the early part of 2008, the first signs of a global economic downturn became apparent. This downturn coincided with the bursting of a housing

bubble in Ireland and the beginning of a major banking crisis. By September 2008, it was confirmed that the country was in recession. It quickly became clear that the government's finances were going to be severely hit, and that immediate and significant cuts in public spending were inevitable. Public sector bodies were asked to immediately seek an 8% reduction in the cost of all contracts. Pay cuts were introduced for public sector workers and there was a full ban on recruitment. Non-pay budgets were significantly cut and even greater future budget cuts were flagged. A working group led by Colm McCarthy was set up to examine public spending and propose areas where savings could be made³. They reported in July 2009 and proposed policies and options that could achieve savings of €5.3 billion in annual public expenditure. No part of the public sector was safe from scrutiny and cuts in their report. Amongst the proposals of most significance in the context of IReL were: merging of the HEA into the Department of Education and Science; reduction across the board in grant support; and the creation of a single funding stream for all Science, Technology and Innovation activities, including the merging of SFI into a Government Department.

The year 2009 was a time of great uncertainty for IReL. The funding granted by both SFI and HEA was due to come to an end at the close of 2009. A major concern was the fact that one or both funding bodies could be dissolved if McCarthy's

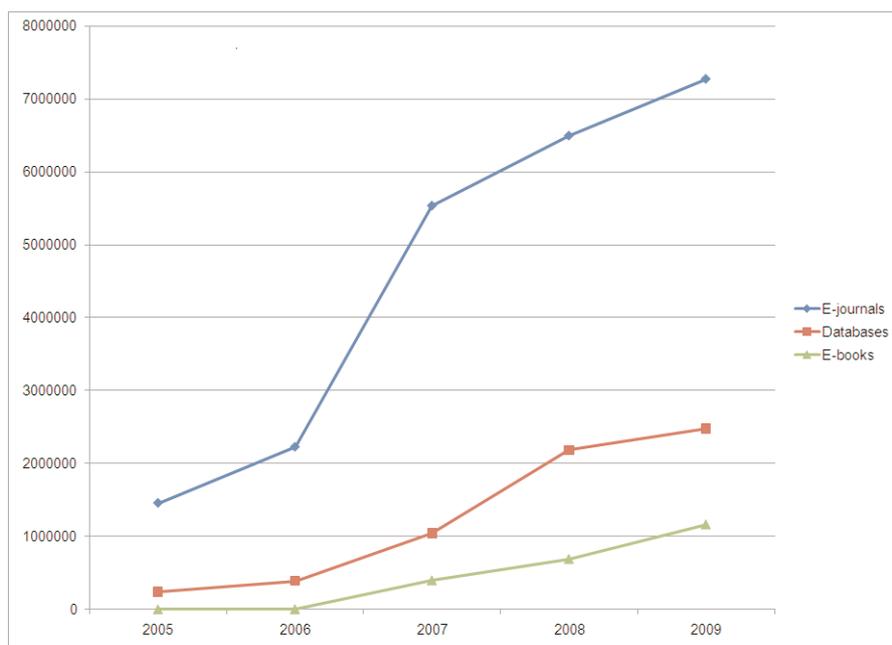


Figure 1. IReL usage 2005–2009

proposals were adopted. Would their role be continued elsewhere? Would the value and impact of IReL be understood? Even if the funding bodies continued to exist, would they continue to support IReL given the severity of cuts they were facing? The only certainty at that time was that there would be cuts in funding, the big question was how severe those cuts would be and whether there would be any IReL at all in 2010.

Within each of the universities, local budgetary cuts were increasing the concern about a potential reduction or loss of IReL. There have been significant cuts to all budgets each year since 2008/2009 and we expect this pattern of cuts to continue into the future. At the same time, research and a well-educated, graduate workforce are still believed to be the foundation of our future return to economic growth. The government expects the universities to cut expenditure while preserving the quality of research and teaching. Against this backdrop, the loss of IReL would be a catastrophe.

Preparing for all eventualities

As 2009 progressed with no clarity emerging about the fate of IReL in 2010, it became essential to start preparing for all eventualities. Annual usage and cost-benefit reports were brought up to date. Likely future costs were gathered from publishers, so that value-for-money decisions could take account of projected future cost per use. This allowed account to be taken of upcoming price hikes or likely cost reductions. All resources were categorized as high, medium and low risk according to a set of cancellation criteria. The most important criterion was value for money, based on cost per use. Overall use was considered a factor, i.e. a resource with higher cost per use might be considered lower risk due to the extent of usage across all institutions. Discipline was taken into account to a degree, in that efforts were made to avoid an unfair burden being carried by any one discipline. Some consideration was given to the impact factor of journals, however in the end it was agreed that the most important indicator of impact was usage. Resources where no usage statistics were available from the publisher were immediately categorized as high risk, since it was impossible to measure their value. Suppliers of contracts continuing into 2010 were asked to reduce the contracted price to reflect IReL's economic situation.

Intense lobbying and discussions took place with the funders, the university presidents and the vice-presidents for research. Reports were provided to all stakeholders showing the value and impact of IReL, as evidenced by 6.3 million uses of IReL resources in 2008 and excellent average cost per use. There was an awareness that the university budgets were allocated from the same shrinking pot as IReL, and a concern that this conflict of interest might go against IReL. However, the support from the universities was sustained and universal. The funders were informed of the need for early decisions on future funding so as to allow timely renewals and ensure uninterrupted access to IReL resources. The case was also made for a multi-year budget that would allow better prices to be negotiated through multi-year deals.

As 2009 was drawing to a close with no news on future IReL funding, the possibility of having to find local funds to fund IReL resources was becoming more of a reality. Within the National University of Ireland, Galway (NUI, Galway), all local renewals were held up in case local cancellations were necessary to fund the more vital resources paid for by IReL. Similar value-for-money analysis took place locally to ensure that cancellation decisions could be made efficiently should the need arise.

Communications were very difficult during this time. Publishers clamoured to know what was happening to facilitate their own sales forecasting and planning, but while we knew nothing, there was simply nothing to say. Licences that required notice of non-renewal were told to presume non-renewal until they heard otherwise. Communication to users was an equally difficult balancing act. There was a desire to forewarn users of the general risk to IReL. However, as academics communicate directly with publishers, we were reluctant to reveal any categorization of resources in case publishers hearing they were 'low risk' would be less willing to cut their prices! And of course it was essential to be vague about the risk, since we ourselves knew nothing definite and there was a real possibility of no funding at all!

Grim outlook

Despite commencing discussions with funders early, the first news we had was in November 2009, when they requested two business plans – one for an allocation of 40% of the previous year's funding

and one for an allocation of 23%. The funders noted that the allocation 'if any' would depend on the government budget for 2010. So, the worst case scenario of no funding at all for IReL remained a real possibility. The government budget was not due until the first week of December, and whereas in the past our funders would have had some level of confidence regarding budgets for the coming year, it was clear that we would know nothing definite until after that.

In order to prepare the business plans requested, JISC Collections and IRIS began negotiating with publishers on the initial offers that had been received. The response from publishers to our request for price reductions was very varied. Some publishers were disbelieving and thought that we were just playing hard-ball to try to get better pricing. Others were very supportive, however apart from one offer of an 8% discount, the best early offers were for price freezes or 3% increases! Given the level of overall cut in budget that we were undoubtedly facing, this was simply not enough. Publishers were also getting frustrated by how close to year-end it was with no confirmation of renewal or otherwise. Some found this very difficult and could not seem to understand why we could not make renewal decisions, despite the fact that Ireland's economic woes were well publicized and the global media was full of stories of the fall of the 'Celtic Tiger'.

Finally some news!

We finally received news on 22 December of a definite allocation for 2010 and 2011. While better than the worst-case scenarios we had been preparing for, our allocation still equated to losing 28% of resources at 2009 prices, resources which had had 800,000 uses. Funders and university presidents hoped that negotiations would yield sufficient price cuts to minimize the cut to content. Perceptions about publishers having large profit margins meant that they believed there was plenty of scope for price reductions!

After a long period of waiting, we were now rushing to negotiate and renew resources very quickly. All publishers were informed of IReL's new financial reality and were asked to provide significant price reductions. The response varied greatly. One publisher offered IReL one year free access to help us through our 'difficult period'!

Many others offered reductions of up to 23% on 2009 prices. Others, however, continued to seek price increases of as much as 29%. Offers with significant discounts, good usage and cost per use were renewed immediately. Any offers that involved price increases were rejected outright and publishers were again asked to take cognisance of our financial realities. Twenty-six resources which were delivering the least value for money were cancelled immediately, while the content of two further resources were cut by 50% and 33% respectively.

News of the cancellations quickly provoked reaction from researchers. The libraries were deluged with petitions for retention of this or that resource. A web-based petition was even started for one resource! It was interesting to note that those resources that had provided the least value for money provoked little or no reaction to their cancellation. The university presidents requested that no replacement institutional subscriptions be taken out until the picture became clearer. They were hopeful that sufficient value could be achieved in negotiating the remaining resources to allow re-establishment by IReL of some of the cancelled resources. Information was shared on the level of reaction per cancelled resource across all institutions, in order to build a picture of which resources would be re-established should the budget stretch sufficiently.

Final outcome

Following tough negotiations, we managed to obtain sufficient price reductions to stretch the funding to cover all low-risk titles and to reinstate the most in-demand cancelled resources. The final cancellations list comprised of 21 resources. While in other circumstances this would have seemed a dreadful outcome, having faced the possibility of no IReL at all, this was an extremely good result for Irish research.

There is no doubt that other countries and libraries will face similar challenges as austerity measures are introduced. It is therefore worth noting the keys to our success in maintaining IReL at its current level. Without doubt, our proven track record of providing excellent value for money has been our strongest asset. This has been achieved through excellent collaboration facilitated by consortium management by IRIS, effective negotiation

enabled by JISC Collections, and strong promotion to users by each of the libraries. Value for money has been demonstrated from the outset through annual impact and usage reports, and by cutting resources that were not performing to ensure value for money.

The resources selected for inclusion in IReL reflected demand across the eight members, meaning that IReL had support throughout. Researchers advocated on behalf of IReL as much as librarians, and their support in conjunction with the commitment of the university presidents and vice-presidents for research ensured that the importance of IReL for research was well understood by our funders. Having a mandate from the university presidents to negotiate hard and 'permission' from them to ignore academic pleas to reinstate cancelled resources immediately was extremely helpful. As all librarians know, it can be very difficult to refuse to give a senior academic the information resource that they want! Finally, the strength and support gained by having eight libraries working together cannot be underestimated. We all stuck with the decisions made, no matter how tough, and by doing so gained a better outcome than could ever have been expected.

Future outlook

As I write, we are entering the last six months of our current funding. Once again, we face uncertainty about IReL's future. The cuts that we have experienced to date were not a temporary anomaly, but rather a permanent down-sizing of Irish public expenditure to more sustainable levels. The government are committed to the International Monetary Fund (IMF) and European Central Bank

(ECB) to continue making cuts in public expenditure. We have a new government since February 2011, who have different priorities than the last and there is no certainty that IReL is amongst these priorities. We remain optimistic and buoyed by the belief that IReL is a crucial infrastructure for research and that research is the key to the future recovery of the Irish economy. We must simply hope that the government agree!

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