

Wielding the Budget Axe

Without Winging Yourself

by John Hoffman

Professional Perspectives—Tools and Techniques of the Trade. The Professional Development Committee encourages members to continue to explore topics after presentations at the local, regional, and national levels. We welcome your comments and article suggestions. Please contact Susan Siebers at 312/902-56759 or susan.siebers@kmz.com.

Upon accepting my position here as Director of Library Services at Baker & McKenzie's Washington, D.C., office, I received two directives. They were:

- 1) *Don't throw out past issues of the Federal Register.*
- 2) *Cut the Library budget by \$125,000.*

After three years, I can proudly say I have never discarded a *Federal Register* issue. Strategically, I plan to hide them under carrels, potted plants, perhaps use them for seating devices.

The second mandate has proven more difficult. I had always pictured myself as the kind and scholarly provider of more and better information resources, but I was being cast as a budget chopping, book burner. Besides being professionally unheroic, large reductions in spending are among the most potentially disastrous activities a librarian can undertake. The expectation is that you can cut library spending without getting rid of any resources. And that's impossible.

The problem is in defining the role of "you" and "them." If it's *their* library, make *them* responsible. Keep a clear head, grab your favorite form of caffeine, and reach for the budget axe...

The Plan

The Plan requires a few preliminary statistical actions. If, for example, your budget is \$200,000 and spending \$300,000, you should cut 33%. But that's last year's dollars, so add what you anticipate the increase in subscription cost will be in the coming year (7–10% perhaps), and a few percentage points for attorney regret—they'll want some of their publications reinstated. To get spending down to \$200,000, you're looking at a minimum 40% cut. Apply the total percentage to each practice group to get a dollar figure of cuts for each. You'll also have to make lists for the practice groups of what each subscription cost last fiscal year.

Gathering a Consensus

Consensus, in the context of cost reduction and librarian survival, implies the transference of responsibility for those reductions from you to some other entity. Seriously. (Please see "Keeping Your Job," below.) Don't be tempted to meet budget goals by getting rid of subscriptions based only upon what you see is used or not. Assume anything deaccessioned will be needed by the patron most responsible for your salary evaluation! You're not the solitary grim reaper of cancellations. You're not making the cuts; the attorneys are.

It might help to think of consensus in law firms as attorneys gravitating toward an authoritative object, technically known as a Fear Inducing Partner (hereafter FIP). As a librarian, the more FIPs you have on your side, the better you are. Choose wisely. I was lucky in finding a partner (who also happened to be on the Library Committee) to support and grant authority to my spending recommendations. Authority gives confidence, which you'll need when you go before the practice groups.

Practice Group Collection Evaluation

Practice group collection evaluations allow attorneys to have participation in and responsibility for their library resources. Ask the practice group chairs for a spot on the agenda of each practice group, starting with the practice group of your most fearsome FIP. At the appointed hour, bring the group's subscription list, the total cost spent last year, what percentage of the group's publications will need to be cut to reach the spending goal, and your recommendations for those cuts. The group will mumble during your presentation and agree to cut back on the reference collection. Don't be alarmed! Sympathize with them, then cite your mandate and your authority. Don't leave the meeting without hammering out a method of evaluation, which might be:

1. Give the practice group your list of cuts for them to approve now or mull over and approve at the next meeting.
2. Select a small group from the practice area that will make the list of cuts.
3. Have the associates in the practice group make the list.

If the practice group does not approve cuts sufficient for your spending goal, outline the reasons why. You'll need these notes when you go over budget. When you're asked, "Why do we need to spend all this money on the library?" You'll respond (with overtones of smugness): "This is the minimum collection each practice group has described as necessary for its practice of law." You've given ownership of the substance of the library to the attorneys. You've justified your library collection. Collect your paycheck. Sleep well.

Not My Books

If you're an attorney, you know that all other practice groups in the firm spend too much money on their library resources. Furthermore, whatever my practice has, even though it's a 15-volume Bender set used once four years ago, must be kept. If you, righteous axe-swinging librarian, can't convince the partner or bring any higher authority to bear, you're stuck. If you cancel the set in the name of justice, you're setting yourself up against that partner, an unwinnable position. Keep sending Bender its check and chalk it up to law firm life.

Secondary Sources of a Secondary Nature

A small percentage of secondary sources are cheaper to purchase new each year than to keep updated. This is hardly an earth-shaking concept in cost reduction. However, comparing the cost of a new publication with what was paid last fiscal year is tiresome and easily put off. You'll

A Desktop Learning Opportunity

have to find out how irate the attorneys might become if the looseleaf volume they are using is a year or so on the superceded side. "Warning! Out of Date" stickers make nice additions to non-updated books.

The General Ledger—Good Reading!

Its amazing how many potential novelists or poets have become accountants: the General Ledger is a remarkably creative document. Charges have been placed against your accounts at whim, sometimes using the logic: "It's made of paper. Let the Library pay for it." Stop them! Transfer out as much as you can. Give last year's G-L a good going over. You might find items that were purchased last year but not this year; count them as cuts.

If your accounting department doesn't provide you with all expenditures on your accounts—whether they come from other offices, the head office, other departments, or from bills that you've sent them—have it know (to borrow a line from Star Trek): "Resistance is futile."

Duplication

You can find, for example, tax revenue rulings on LEXIS, WESTLAW, TaxBase, TaxCore, the CB, the IRB, CCH, RIA, OneDisc, and who knows where else. How many of these do you really need? Eliminating duplication is, again, hardly a new idea, but try this one: you might have multiple copies of frequently used looseleaves and treatises in the library. Why not cancel all but one copy, provide attorneys with office copies and charge them directly for it? If you feel particularly formidable, send the charge for filing upkeep their way also. Then run from the attorneys' secretaries; they'll be doing the filing.

The Format Minefield

You've heard phrases like "the transition to electronic media" used just after "the paperless office," implying that "librarians will be replaced by robots." I think the attorney masses are learning that just because a treatise is online doesn't mean research quality will be improved by reading it on a computer. Answers may still be found by rummaging in the library.

Well enough, but from a cost-cutting standpoint, particularly if you have a flat-rate agreement with LEXIS or WESTLAW, not relying on online services is a bummer. What's more, attorneys will also want to add Web access to your budget woes. And a few deviants won't want to part with their CD-ROMs.

If you feel the publication is something that really needs to go, you may justify giving it the axe because of access on WESTLAW or LEXIS. In terms of cost, to that innocuous CD-ROM, add a networked tower and the hourly labor cost for installation and updating. As for Web access, with a few exceptions, you won't reduce library spending by relying on it. One could generalize that any change to a newer format costs more money.

Keeping Score

Thinking I was headed for a life of philosophy and ease, I dropped Accounting 101 after one class. My method, therefore, for tracking library subscription cuts is (to anyone who knows accounting) mirthful and simplistic. I set up a spreadsheet titled "Changes in Library Spending from the Previous Fiscal Year" with four columns. The first column is "Subaccounts," with a list of all the practice group and reference accounts that make up the overall library account. The second is "Publications." The third, "Additions," lists the price of anything not paid for in the previous FY—i.e., anything new that's been added. The fourth, "Cancellations," is anything paid for last year but not this year. The "Additions" and "Cancellations" columns are each added at the bottom. Subtracting the Additions from the Cancellations gives a total figure of how much the collection has decreased.

There are problems with this method (for example, it assumes that continuing subscriptions cost the same from year to year—they go up!), but it gives a basic idea of where you stand in regards to your spending goal. You can waste a lot of time trying to make something like this perfect (I have). Given the method's inaccuracies, it's best to cut a bit more than you think to be safe.

Resources

Below is only the briefest selection of resources on library budgeting.

Daubert, Madeline J. *Analyzing Library Costs for Decision-Making and Cost Recovery*, Special Libraries Association, 1997.

Katz, Bill, ed. *The Acquisitions Budget*, Haworth Press, 1989.

Lee, Sul H., ed. *Declining Acquisitions Budgets*, Haworth Press, 1994.

Martin, Murray S. and Martin T. Wolf. *Budgeting for Information Access: Managing the Resource Budget for Absolute Access*, Frontiers of Access to Library Materials, #4. American Library Association, 1998.

Warner, Alice Sizer. *Owning Your Numbers: An Introduction to Budgeting for Special Libraries*, Special Libraries Association, 1992.

If you don't have the time for some of the longer tomes above, dig up a few years of *The CRIV Sheet*. For practical advice, Kendall F. Svengalis (*Legal Information Buyer's Guide & Reference Manual*, Rhode Island LawPress, 2000) has put together 52 cost-saving tips at <http://rilp.web2010.com/tips.html>.

Momentum

There's a fine line between keeping the attorneys at it and overburdening them to the point where they're sick of you. I haven't quite figured out where that is. Time spent with you costs them money—lots of it. The cost saved in cutting a few subscriptions is spread out among all the partners, whereas lost billable time affects that one person. Be careful.

Keeping Your Job

A partner rushes into your library fuming over the cancellation of a favorite looseleaf. Two possible scenarios:

1. You say you didn't see it being used and you canceled it because of your

budget reduction mandate. The partner storms off, unhappy with you, unhappy with the library. You're toast.

2. Alternatively, you say that the group to which that partner belongs approved the cut. Mention that you'd

be happy to see if the practice group wants to reinstate the subscription. Offer to borrow the book. You are the instrument through which the changes mandated by the attorneys themselves were made. You're not toast.

Will the above strategy work? In my case, I must say "no." I missed the goal of cutting \$125,000 by \$640. They were willing to overlook this.

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