Hostile Takeover?

"ENROLLMENT IS UP BUT BUDGETS are down. Figure that one out," Joseph Broomell, dean of libraries for Baird College, said to Associate Dean Alice Moore. He stared in a mix of anger and disgust at the memo on his desk from Baird president Albert Janson. The memo said, in part, that the increase in enrollment Baird had recruited for its fall semester equaled increased costs, so several services would find their budgets reduced to make up the difference. The library was third on the hit list. The memo added that Baird was investigating additional fundraising efforts.

Broomell was scheduled to meet with Janson to discuss the cuts and how the library would function. "Might as well just get to it," Broomell said, pushing himself out of his chair. "Want to go with me to see Dr. Janson?" he asked Moore.

"Definitely. I want to hear what he has to say." "Keep your eye on him though," Broomell said. "The more he smiles, the worse things get."

They walked clay-footed to Janson's office in the administration building. They entered his office, only to find him on the phone. He waved them over to chairs.

"Okay, that sounds great. We'll talk about it. Thanks, Joanne," Janson said and hung up.

"As you know from the memo," Janson began, "the college is looking for alternative ways of generating money beyond the traditional fundraising methods, which mostly go for special programming."

"We can begin looking at additional grants," said Broomell.

"Good idea, but grants usually are provided for specific purposes," Janson contended. "They also take time. You could apply for a grant now and not see the money for a year. We need money immediately to supplement operating funds and prevent these cuts. When searching for places to trim spending, I started looking at some of the services we provide the community that aren't directly tied to our academic programs.

"We have hosted chess tournaments, flower shows, film festivals, and art displays, essentially leasing out property for public use that provides a little extra enrichment for the students. Most of these things have been highly successful, and they cost us nothing next to nothing because they all were privately sponsored by local businesses."

Janson continued, as the corners of his mouth began to curl upwards. "So that got me thinking that we might be able to do the same thing at the library." Broomell and Moore sat in silence as Janson's words settled in. "I'm not sure I understand," Broomell said. "Are you seriously suggesting that library programs, collections, etc., find corporate sponsors in order to continue?"

"Essentially," smiled Janson. Broomell and Moore simply looked at each other.

"Isn't that kind of unethical?" Moore asked.

"How so?" Janson said.

"Couldn't it be considered an endorsement of the sponsor's products?" she answered.

"Not necessarily," Janson said. "It's ridiculous, Albert," Broomell injected. "What would we do, put up a sign saying 'Internet access provided by Jiffy Lube'? Will the reference librarian's title be changed to the McLibrarian? When they hand somebody a book will they have to say, 'Would you like fries with that?'" Broomell said.

"Come on, Joe. Of course not," Janson said, "but what's the difference if the college pays for a computer, a serials subscription, or books or if Dunkin Donuts pays for it, as long as the library still gets it? Isn't a service provided by a corporate sponsor better than no service?" Janson said with a Cheshire-like grin.

Carnegie Redux

By Michelle L. Malanga, director of Library Services, American University in Dubai, United Arab Emirates

Broomell is understandably upset that the library budget has been cut; there will be more students and a heavier work load, yet a budget decrease. The anger that Broomell feels has clouded his judgment, and he is not very receptive going into the meeting with Janson. Broomell's reaction is traditional: additional grants. Janson's idea is more dramatic: corporate sponsorship. Broomell is worried that he'll have McLibrarians, while Janson is convinced he's found a new goldmine to pay for services. Both sides have an unrealistic view of corporate sponsorship.
has obviously heard the negative: the direct marketing of products to students or a company requiring that the institution not sell competitors' products. There is, however, a middle ground. The key to successful sponsorships is to have clear, written statements so that the library and the donor understand exactly what will be expected of each.

The Canadian Library Association established a set of statements for sponsorship agreements, including 1) sponsors further the library’s mission, goals, objectives and priorities, but do not drive the library’s agenda or priorities; 2) safeguard equity of access to library services and not allow sponsorship agreements to give unfair advantage to, or cause discrimination against, sectors of the community; 3) protect the principle of intellectual freedom and not permit sponsors to influence the selection of collections, or staff advice and recommendations about library materials, nor require endorsement of products or services; 4) ensure the confidentiality of user records by not selling or providing access to library records; and 5) be sensitive to the local political and social climate and select partners who will enhance the library’s image and community.

Corporations are in business, and their main goal is profit. Although some companies may donate from a philanthropic stance, others are in it to increase their market. This is where ethical dilemmas can arise, and written statements will guide the process so that the library can fulfill its mission and maintain its reputation.

Broomell can look at the different forms of donations, e.g., money for the purchasing of materials or donations of goods or expertise, and see how they fit with the library’s programs. Broomell can explain to Janson why it’s important to have the sponsorship match the library’s mission. Janson’s thought that “a service provided by a corporate sponsor [is] better than no service” is false. This is where reputations that have been carefully built over the years can be lost. You do not want to have a liquor company sponsor a program of which the main constituents are minors or other such mismatch of missions.

Corporations are guided by the economy, therefore sponsorship should be considered situational or temporary and should not replace support from the parent institution. During the economic depression of the early 1990s, companies that donated computers had to cut back their donations of hardware and software, which libraries were unable to afford.

With realistic expectations, Broomell and Janson have an opportunity to create an additional form of funding, one that can benefit both the library and the corporation.

**ANALYSIS II**

**Get on Board**

By James Feagin, Director, Hagerstown Community College Library, MD

Enrollment increases are a double-edged sword. In difficult budget times, many colleges and universities look to increase tuition revenues as one way to improve the financial position of the institution. As anyone who has experienced such things knows, however, increased enrollments always lead to a series of squeezes as the campus tries to absorb more students. For some institutions, the squeezes may largely appear in dormitory or classroom space, while for others it is a range of campus services that must have additional funds to handle the greater numbers.

It is easy to sympathize with Broomell’s belief that increased enrollments ought not to mean budget cuts for the library. However, the administration will likely not consider the library a part of the college that has a clear per capita cost in the way that academic programs and student services do. It is hardly unreasonable for Janson to suggest that alternative funding sources be explored. He is also perfectly correct that grant funding is not the best answer in this situation. General operating funds must be allocated on a continuing basis, for which grants are not usually intended.

The first problem to be addressed is how the situation is to be viewed by all involved. Broomell should start by abandoning the gloom-and-doom attitude, and his astounding naiveté. Janson has clearly decided on a general course of action, and Broomell is going to need the support of his entire staff.

It is a rare individual donor whose personal opinions or activities have a significant impact on an institution’s willingness to accept a gift. More commonly, an institution will consider the purpose of the funding and the donor’s desire for involvement before accepting unsolicited gifts. With solicited gifts, the purpose and an acceptable level of involvement are already known before potential donors are approached.

Additionally, many colleges and universities already have buildings, equipment, or grants that are funded by corporations and which may well bear the corporations’ name. Should the local Dunkin’ Donuts wish to donate funds to support one or more subscriptions to food science journals, would this not appear to be a natural synergy? Such donations, though small, show that local businesses see the college as an important part of the community. Moore is not wrong to worry about the ethics of soliciting funding from businesses, but she could take on the role of working closely with the development office to make sure that ethical concerns are addressed if they are not already covered in the standard procedures used by the office.

Immediate steps must be taken to ensure the effective operation of areas that will be subject to cuts. Both Broomell and Moore should look carefully at their budget to be sure that top priorities are fully funded. They will need to work with all library staff to determine how best to apply the cuts. Lesser priorities could be appropriate areas for which to solicit funding, and the two administrators must work closely with the development office staff in deciding which local businesses to approach. Liaison librarians could also be delegated to work with faculty in academic areas with obvious career potential. Some programs might usefully develop partnerships with local businesses to offer financial support for library resources in these areas.