

## Commercial Information Services : A business untapped in India

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### Abstract

The developments in information technology and the economic scenario all over the world pose challenge to the present set up of library culture. The private sector has already invaded the peripheral areas of library activities and poses a serious threat to libraries. The author discusses the user's behaviour and need for information in the present context and the factors affecting optimal utilisation of libraries. The advantages of a private commercial library and the problems it may face in future are also mentioned.

### 1. INTRODUCTION

The future poses threats, challenges and opportunities to the libraries. Libraries cannot be seen in isolation, but must be viewed as part of a much broader set of information activities, ranging from authorship, publishing, book selling, and database operation to information provision. At present the main threat facing the government funded libraries seems to be that of reduced financial resources. While the annual output of published literature is increasing, the government funding to libraries and information centres is decreasing in real terms. The situation varies greatly between countries and between different kinds of libraries within a country. Now the public funded libraries are facing yet another deeper and long

term threat caused by changes in the information technology, and by parallel changes in the economic front. Free services for the public are under threat in many countries. Many governments, in their social as well as economic policy, now prefer to transfer all these services including the provision of information to the private sector. The private sector has also been urging the governments to pursue this policy and to seize the opportunities that it provides.

Large amounts of information can now be stored in machine-readable form and made available quickly as online and as packaged information for local acquisition and exploitation using CD-ROM technology. This has enabled the private sector to invade the territory traditionally occupied by libraries by packaging and

selling bibliographic databases and journals directly to the users. The private sector is already flourishing in this business as can be seen by the progress made by companies like Knight-Ridder, STN, Radiosuisse, ESA-IRS, ORBIT, etc. At present, the private sector has invaded only the peripheral areas of library activities with rather deeper incursions into some parts. The threat from the private sector and the changing economic thinking of the government together constitute a new situation to which libraries must react. In the context of globalisation too, the problems and threat faced by publishers and authors all over the world is also going to affect libraries.

Information is now available to more people in more places than ever before, and the speed at which it can be delivered and exchanged is unprecedented. Empowered information professionals are becoming the prime movers in this exciting transformation of the world which challenges us to explore the power of information to change us and the world we live in. The information professionals are recognised as experts who employ advanced technology for making information a global resource. Newer ways are being sought to manage and disseminate information more effectively in this fast-changing environment.

## **2. USER'S BEHAVIOUR AND THE NEED FOR INFORMATION**

Until a few decades back, the researchers, industrialists and technologists were working in almost isolated worlds of operations. Their activities depended relatively less on what others around them were doing or what was happening elsewhere in their fields of activity. Self reliance was not only possible but was a cherished idea of all the enterprises. Thus, an industrialist had to bother only with

financial resources which by and large came from his own family funds. The technological alternatives were very few, the raw materials used or the products manufactured also had no competition, marketing did not pose many problems as the clientele were mainly local or provincial and there were practically no restrictions on the activities from government, trade or local bodies (except permission to start a business!).

In contrast to their predecessors, the present day managers/technologists and even ordinary citizens need to know much more, in order to survive, let alone progress. Managers/technologists, traders, etc., are required to know what is going on in the industry, not only here but all over the world. They have to keep track of new technologies, processes as well as management tools and policies. They have to keep track of new events in the areas of minerals, shipping, transportation, agriculture and bank rates as well as all the events taking place in the major financial and political cities of the world. Their concern for all these is not an obsession for information but because it has become essential for them.

Further, the phenomenal advancement of science and technology, coupled with the corresponding high rate of obsolescence and the decreasing time-lag between discovery and application, has made it necessary to have the latest information. One has to either possess all the required information or stagnate and perish.

Information is vital to the development and success of industry and technology. The shortened life of technology and increased international competition has forced everybody in business, trade and research to increase their awareness about the new developments, current technology

and the policies of their competitors. Thus, everybody needs timely and correct information continuously for his progress and even for survival.

Manpower, money, materials and machines are the four major inputs to any business, industry or research organisation. Now, one more input which has become essential is 'Information'—a resource equal in value to capital, personnel and facilities.

### 3. LIBRARY AS SOURCE OF INFORMATION

One of the important source for information is library (also known as information centre). In India, public funded libraries are of various types: public libraries, academic libraries, university libraries, college libraries, school libraries, special libraries, research institute libraries, industrial libraries (public sector), government department libraries, etc.

Almost all the above libraries have huge information resources developed from government funding, public donations, etc. However, due to the reasons as indicated below, their resources are not being utilised optimally.

- Bureaucratic, unproductive procedures.
- More technology oriented rather than services oriented.
- Absence of the concept of marketing and the concept of information as a commodity (or knowledge as a business).
- No incentive to staff for doing good work.
- Job security. Hire and fire is not possible.
- Absence of modern telecommunication facilities in most of the libraries.
- Lack of dynamism and application of principles of modern management in running the libraries.

- No priority for prompt service.
- Resource crunch in the library budget.
- Lack of co-operation/co-ordination among libraries.
- Lack of autonomy to the librarian even at the head of library level. This discourages people from taking initiative. There is also little delegation of responsibilities down the line. Major decisions are taken not by the library staff but by those outside the library system.
- Absence of entrepreneurship quality among management cadre of the organisation and also of the library.
- Lack of marketing capabilities.
- Lack of accountability to the users/customers.

In short, most libraries would like to cling to traditional practices as these are more secure, safe and academic. The real professional approach is lacking. They do not know or intend to know that right and timely information is a key to sound decision and the client/user is ready to pay for this information provided he is satisfied. With the present process of opening of the economy and globalisation, the issue has come to the fore.

### 4. USER GROUPS AND INFORMATION USAGE

The community of Information users is diverse. It *inter alia* includes policy makers/administrators, managers, machinery manufacturers, ancillary equipment makers, technologists/engineers, marketers/traders, exporters/importers, researchers, educationalists/students, designers/fashion creators/artists, consumers and their organisations, entrepreneurs, consultants/trainers, manufacturers of various products and

auxiliaries, Government bureaucrats, members of political bodies, journalists, writers, etc.

However, a lot needs to be done to change the attitude of the people from free information to fee-based information. This would precipitate a new dimension of consumer protection. It is doubtful how many traditional libraries are mentally prepared for such risks and litigation. Under these circumstances, one plausible alternative is the concept of 'private commercial library/information centre' to meet the huge and varied information needs.

## **5. PRIVATISATION OF LIBRARY AND INFORMATION SERVICES IN INDIA**

Today, the world economy is characterised by intense competition among companies and also among countries. The driving force for growth in majority of the countries is the private sector—catering to the needs of the domestic and export markets. Here, both the manufacturing and service sectors (including library and information service) have important roles to play. The chances of success of a private commercial library are high in India because as a private enterprise it would:

- be more efficient than the government enterprise in all spheres of operation.
- be user driven. It can customise the services to make these more suited to the client's request.
- be willing to take risk.
- have necessary initiative and entrepreneurial qualities.
- be more accountable to customers.
- be more quality conscious.

■ be more pro-active.

- be adaptive to change. Private sector is more anticipatory than the government.
- be efficient in manpower management.

The concept of fee-based service is basic to business and industry because firms are accustomed to hiring commercial or technical services. Another trend started by most business organisations is of buying expertise and hiring consultants for particular tasks or projects. This method is readily applicable to private commercial library. By buying services as required, management is able to assess the costs accurately and does not incur the expense and obligation of maintaining full-time staff.

Convenience could be a major consideration for using private commercial libraries. These libraries will be providing a wide range of services, bundled as a 'one stop service'. These libraries may perform the tasks themselves, contract out the work or even put the client in touch with another library specialist. But in each case, solving the client's problem will be the main consideration.

## **6. HINDRANCES TO PRIVATE COMMERCIAL LIBRARIES**

Privatisation would have its own problems. Some of the problems arise from the basic concept; some arise because it is difficult to satisfy the conditions that are necessary for privatisation to succeed; and still other problems appear during implementation. Some of the problems that may arise due to privatisation are as follows:

- Unequal competition with public funded libraries in terms of free or nominally priced services.
- Lack of easy access to Government produced information.

- Social perception of fee-based information services.
- Selling professional services is not easy because it is difficult for the potential client to see the product.
- The financial investment required will be of high order, with uncertain rate of return.

Normally in private sector, part of the profit is used for sustainable growth. A good co-operation between private commercial libraries and public funded libraries/information centres would be an ideal combination for maximum utilisation of resources. The public funded libraries may earn by selling services to commercial libraries. The resources so generated would be utilised for the development of public funded libraries.

In effect, the private commercial libraries may subsist by buying the products from public funded libraries/institution in wholesale and then retail it (generate services) to customers. The following example would convey the concept.

The cost of Indian patents charged by Government of India is Rs. 2 only, but its delivery to the customer takes a few months. A private commercial library's representative in Calcutta can purchase the

Indian patent and fax it to the party on the same day and may charge Rs. 100 per page. Business establishment and industry would always be ready to pay for such quick services as they do not know or they do not have alternative facilities for getting quick information.

## 7. FUTURE OF PRIVATE COMMERCIAL LIBRARIES

In future, private commercial libraries are expected to grow as the whole information industry continues to expand. The type of services they offer may change as technology dictates, but the entrepreneurial skills which gives an edge to the private sector should serve it well in future adjustments which may be required to cater to clients.

There is no guaranteed formula for success. However, such libraries will no doubt add to number and varieties of services for the consumers of information because the field is new and allows scope for innovation and expansion.

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*"Free Enterprise was born with man and shall survive as long as man survives."*

- AD Shroff  
1899-1965

Founder-President  
Forum of Free Enterprise