

## **Financing model for developing a new university library The Karlstad University Case**

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### **Introduction**

In this paper I shall give a brief description of the model that we have used at Karlstad University in Sweden for financing the development of a new university library. This has been part of the evolution of an institution of higher education and research which has taken place over many years and culminated at the end of the 1990s with the decision of the Swedish government to award full university status to the higher education institution in Karlstad.

### **Background: the Process of Building up a New University**

In 1843 a teacher training college was opened in Karlstad. This long tradition of training teachers is of vital importance to Karlstad University and has to some extent influenced the basic view of education and the attitude to knowledge and research.

The other important part of what is now Karlstad University is the more academic tradition that emerged when a branch of Gothenburg University was established in Karlstad in 1967. Here the pragmatic and practical experience-based knowledge in the teacher training courses was complemented by a more academic, scientific view of matters pertaining to the university tradition.

For a decade these two institutions, the teacher training college and the university college, lived side by side in Karlstad, and from the mid 1970s they occupied joint premises in a new area of the city. As the result of a national reform of higher education, the two were amalgamated in 1977 to form an independent institution – the University College of Karlstad with around 3000 undergraduate students.

Soon after its independence, the University College of Karlstad began to work systematically to develop the college's own organisation for postgraduate education and research. The strategy that was used relied mainly on networking and forming strategic alliances; with various academic environments and with different external groups.

A working model was devised whereby several academic disciplines worked together in a common research area. This multi-disciplinary approach has been retained throughout the whole development phase and has come to be something of a distinctive feature for the emergent university. By concentrating resources and focusing on research areas that were of major importance both for the

external community and for the main undergraduate programmes, a research organisation was developed during the 1980s and 1990s.

Parallel with this, there was also a major increase in undergraduate education. The number of students grew dramatically during the 1980s and 1990s and the range of courses and programmes was broadened to include both technical and natural science studies as well as studies in the social sciences and the humanities.

In 1997 the college applied to the Swedish government to be granted full university status and thereby gain the formal right to award doctoral degrees. An academic committee was appointed by the national agency to carry out an assessment where the college was adjudged to have achieved the necessary academic quality to become a full university. Thus, on 1 January 1999 the University College, "Högskolan i Karlstad", became Karlstad University, with a right to award degrees at all levels and in all disciplines.

Since then, the university has continued to grow and now has over 10,000 undergraduates and more than 200 postgraduates. The number of staff totals just over 1,000, with around 600 lecturers/researchers and the rest administrative and technical staff.

### **The University Library – A Strategic Resource in the Development of the New University**

Throughout this development process, a great deal of consideration has been given to the future of information provision at this expanding academic institution and to the way it should be financed. The guiding principle has always been to try to bring information provision together in a central library to avoid splitting resources.

Over some time, this has meant previously independent libraries gradually being merged into one central library in line with the merging of institutions of higher education as part of the development process. At the same time, there was always a tendency to create small libraries linked to departments, without any major level of professionalism in terms of design, staffing, etc.

As part of the strategic development work, various development projects have also been implemented regarding the library services. Ahead of the application for university status submitted to the Swedish government in 1997, the rector set up a special working group in 1996 to draw up a programme for a "Library for the 21st century". As a result of this work, a vision was formulated of "a university library offering good academic service and providing an environment that will stimulate both curiosity and creativity in the interdisciplinary search for knowledge." The working group also recommended that:

- Karlstad University should have a central library with generous opening hours
- The library budget should be put at an international level, i.e. 5% of the university's total budget
- The library should have one member of staff for every 250 students
- Karlstad University should be able to offer one study space for every 10 students, of which the majority should be located in the library
- The library should offer access to well-developed collections, databases and other information sources

- The library should be an integrated part of education and research
- Instruction in information retrieval should be integrated with disciplinary studies
- The library should offer leading-edge IT and all reading and work spaces should have a connection to the information network
- The possibility of integrating a publishing operation with the library should be investigated.

These visionary aims have since been followed up with various concrete action programmes, through new project groups, restructured organisation, recruitment of new staff, etc. The application submitted to the government also stated an aim of building a new central library, which would become the heart of the new university and a centre for the retrieval of information and knowledge.

In the light of this, high priority was given to addressing the design of the building itself and its content.

This soon led to the university's governing body deciding to build a completely new library which could be developed in line with the vision proposed by the previous development projects and working groups. Throughout the process which then commenced, the approach and the work were greatly influenced by various international models, not least the development in the UK of Learning Resource Centres.

By the time the new library building was ready to be inaugurated in early 2002, it therefore contained an operation which had been under intense development for many years and which most people now see as a key resource at the new university for undergraduate education as well as postgraduate education and research.

### **Financing the Library at Karlstad University**

How was it possible to achieve this intense development of library services at the new university? How were resources diverted into this joint operation without too much opposition from the various interested parties within the university?

Higher education in Sweden is primarily financed as follows:

With undergraduate education, each institution of higher education is commissioned in the annual government budget to carry out a range of courses within particular areas, which can optimally generate specified financial remuneration. The commission is paid for in arrears, based on the number of registered (full-time) students at the institution and how many credits/points (over the whole year) these students attain. The payment per student and attainment differs greatly depending on the area of study, with medicine and technology, for example, receiving higher amounts than social sciences and humanities. This means that the institution has no guarantee of the amount it will receive for its education commission, but is dependent on the number of students and their attainment.

When it comes to postgraduate education and research, each institution is allocated a lump sum for each academic area they have, i.e. a total amount for the area of engineering sciences, one for medicine, one for natural sciences, etc. This amount is received regardless of annual attainment, based as it is on a more long-term assessment of the university's operations.

At each institution, the governing body has overall responsibility for apportioning the funds for undergraduate education as it sees fit. However, for postgraduate education and research, the funds must, in principle, be used in the areas for which they were provided. This means that at older institutions each faculty board has traditionally had a great deal of influence over the use of these resources. However, formally, the university's governing body has total responsibility for the institution's annual budget and can therefore decide how the various shared costs of the university are to be financed.

Within this, there are various models for generating funds for library services. The library is a shared resource for the whole of the university and should therefore be financed by funds allocated to both undergraduate education and postgraduate education and research. Due to the aforementioned tradition at many older institutions of strong influence at faculty level over allocation of resources, it has been common for each faculty board, within its own framework, to set aside money for library facilities, putting libraries in a position of almost having to negotiate with the faculties. This system of decentralised decision-making has often made it difficult for libraries to compete with other more pressing issues within the faculties. In a situation of rapid expansion and greater scarcity of resources, libraries have therefore found it difficult to promote their interests and secure sufficient resources to develop their service at the necessary pace.

Another model, more common at newer and smaller institutions, involves the governing body allocating funds for various shared purposes, including library services, from funding for undergraduate education, postgraduate education and research. This means that resources for the libraries can rise at the same rate as the resources for other operations without the constant negotiations, which often result from the more decentralised model.

Some institutions have decided to develop a third way, with certain basic resources for library services, e.g. for IT support, lending services and administration, allocated directly by the governing body, while the individual faculties decide, within their own financial framework, on funding to cover costs of providing literature, etc.

The model used for the development of the university library at Karlstad University is for the university's governing body to directly allocate funds for library services from the funding for undergraduate education and the funding for postgraduate education and research. This system was needed to be able to make the development of the new university library such a high priority. Since the governing body has followed the recommendations in the "Library for the 21st century" programme described above, i.e. to gradually bring the funding up to 5% of the university's total budget, library services have been able to grow in line with the expansion of undergraduate education and the development of the new organisation for postgraduate education and research.

However, there are also disadvantages to this centralised financing model, with the risk of the various faculty and subject representatives feeling they have less influence over and responsibility for the libraries. There is also a risk that the benefits of a central library may be called into question and that the high shared costs may be seen as a cause of the reduction in funding for undergraduate education in particular which has occurred in recent years.

At the same time, a central model avoids the difficult discussions, which may arise with a more decentralised model if, for example, the various faculties and subject areas benefit to a differing extent from a shared library and so are not as willing to fund it. Overall, therefore, the advantages of the model used outweigh the disadvantages, which is why there are currently no plans to make any changes.