

Disturbingly Weak: The Current State of Financial Management Education in Library and Information Science Curricula

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Financial management skills are necessary for responsible library management. In light of the profession's current emphasis on financial literacy, the authors posed four questions: (1) to what extent are library and information science schools providing courses in financial management for their graduates; (2) what is the quality and quantity of library financial management textbooks available for current librarians and librarians in training; (3) to what extent are there sufficient library continuing education venues available in North America to provide this training; and (4) does any evidence exist to show that librarians with library financial management responsibilities are well-trained enough to manage library finances competently and effectively?

This study attempts to answer the first question. The authors examined the curricula of all American Library Association (ALA) English-language accredited library schools in North America to determine the extent to which financial management skills are taught. The results are worrying. Although many accredited Library and Information Science (LIS) programs require a general library management course for program completion, only a small percentage of these courses offered even a brief focus on financial management. The authors conclude by encouraging professional organizations and graduate library schools to enhance their menus of educational programs. The profession must provide the skills and support necessary to ensure the profession's future.

Introduction and Problem Statement

Financial literacy is currently a “hot” topic both in academic libraries and in public libraries. The 2014 Association of College and Research Libraries President, Trevor A. Dawes, claimed financial literacy as his presidential initiative (Dawes, 2013). Both the American Library Association (ALA) Midwinter and ALA Annual meetings had programs devoted to it (ACRL, n.d.). The Public Library Association has also embraced the importance of financial literacy insofar as they have pro-

vided governmental financial literacy links to both librarians and to their users (PLA, n.d.). This emphasis is well placed, considering the apparently low level of personal financial literacy in the United States (Lusardi, 2009; Lusardi & Mitchell, 2011).¹ All this attention raised several questions for the authors. First, to what extent are

¹Several recent studies about financial literacy in the United States paint a disturbing picture of the state of financial literacy among the population, which, of course, includes librarians. See Annamaria Lusardi, “The Importance of Financial Literacy” *NBER (National Bureau of Economic Research) Reporter*, 2009, Number 2, pp. 13–16 and Annamaria Lusardi and Olivia S. Mitchell, “Financial Literacy and Retirement Planning in the United States” NBER Working Paper No. 17108, Issued in June 2001. Also available at <http://ideas.repec.org/p/nbr/nberwo/17108.html>

library and information science schools providing courses in financial management for their graduates? Second, what is the quality and quantity of library financial management textbooks available for current librarians and librarians in training? Third, to what extent are there sufficient library continuing education venues available in North America to provide this training? Fourth and finally, does any evidence exist to show that librarians with library financial management responsibilities are well-trained enough to manage library finances competently and effectively? After all, if North American library professionals are intent on ensuring that their patrons are financially literate, they themselves certainly should be so, too.

All of these are legitimate research questions that deserve investigation. This paper will focus on the first question, relating to the library and information science (LIS) curricula in English-speaking ALA accredited LIS schools in North America. We chose to investigate this first question for several reasons. First of all, no one has yet carried out a comprehensive survey of this part of the LIS curricula. Second, given current pressures on financial resources for libraries in all sectors, it appears to us that there is in fact an *increasing* need for library managers at all levels to be knowledgeable about financial management. Frequent articles in the library press reveal that more accountability for the financial condition of libraries is being demanded, especially for public libraries. That is, taxpayers and other stakeholders seem no longer content to fund libraries as a public good without question. Libraries are being asked to prove their economic value to the community served and to demonstrate that the financial resources available to them are being managed responsibly and in accordance with the appropriate standards and best practices. Such views may reflect the monetization of former cultural goods, leading to the notion that everything has a dollar value (Sandel, 2012) and that in order to receive tax funds or tuition money,

libraries must prove their worth to funding authorities. Financially knowledgeable leaders are in a stronger position to work with their supervisors and boards, to make stronger cases for increased or steady financing, to develop strategic approaches to financial matters, and to lead and educate their employees than are unknowledgeable leaders. Library managers need to be well grounded in a comprehensive array of financial management principles.

In addition, embezzlement in libraries no longer seems to be an isolated phenomenon. Reports of embezzlement and other financial malfeasance undermine public trust in the institution and the acts themselves threaten its future. Although such criminal acts do not occur often and the amounts stolen are modest compared to other white-collar crimes, Snyder (2006, p. vi) notes that “fraud and embezzlement have a long history in the profession of librarianship.” He goes on to cite occurrences in the past including that of Klas Linderfelt, who was director of the Milwaukee Public Library and president of the American Library Association from 1891 to 1892. Linderfelt embezzled \$9,000 (over \$100,000 in today’s dollars) from his library. Snyder’s book, while focused on how to prevent fraud and embezzlement in libraries, offers many examples to illustrate the ways in which a determined thief can thwart trusting and financial management-challenged librarians. Managers and others who are not knowledgeable about financial management do not have the skills necessary to determine if adequate internal controls have been implemented or if the financial statements fairly and accurately represent the financial status of the library.

Existing library literature (discussed below) supports this need in the profession and the current inadequacy of financial management training. It also offers insight into skills that are both inarguably valuable and increasingly necessary to the field of librarianship. However, for present or future library managers, the financial train-

ing needed to keep their institutions afloat so as to continue serving the greater good is difficult to acquire through LIS professional education programs. Compounding the issue is a misapprehension (frequently encountered anecdotally by the authors) that LIS grads don't have budget responsibilities in their first jobs. This misconception not only potentially lowers motivation to incorporate such training into LIS curricula, it also overlooks the fact that among recent graduates, many are thrown into responsibilities that may require basic financial/budget knowledge (e.g., collection development), some will immediately assume leadership of small libraries, and still others may have many years of non-professional library experience and be excellent candidates for directorships or assistant directorships, both of which require financial management skills.

Literature Review

A survey of the literature failed to find discourse or references to financial management instruction throughout LIS curricula. More frequently found are calls for libraries to offer personal financial awareness and training to their patrons, particularly in light of the recent recession. This patron or public-centered perspective extends to attitudes toward LIS coursework, as recent articles in *American Libraries* demonstrate. A. Wise's 2013 article, "LIS on the Job," aptly begins, "As states continue to report decreases in library funding, budget cuts remain a persistent issue for libraries. The situation demands that library schools produce well-educated students with real-world experience who can work within today's constraints" (p. 38). Wise then promptly calls for increased attention to data curation skills and practical training (e.g., practica) within degree programs (Wise, 2013). Similarly, in "What's New in LIS Schools," Beverly Goldberg (2012) stresses collaboration, navigation, and data curation skills as necessary components of LIS professionals' toolkits be-

fore positing that libraries and librarians will play a central role in helping avoid the next financial meltdown, mentioned there in the form of "visual analytics for financial systemic risk analysis" (p. 26)

The literature is not entirely bereft of insight and prescience into the need for financial management training. As Purtell and Fossett (2010) note in the thorough and invigorating *Beyond Budgeting: Public-Service Financial Education in the 21st Century*, "adequate financial resources are essential to accomplishing almost any public-service mission, and even generalist managers need to have skills for making sensible decisions about where and how to spend money" (p. 97). Another such exception appears in a January 2002 conversation between Kent Boese of *The Bottom Line* and Ken Haycock, then-director of the Graduate School of Library, Archival, and Information Science at the University of British Columbia, discussing the key financial issues facing libraries and librarians:

TBL: Are library schools doing enough to prepare librarians to be sound financial managers?

Haycock: No. Financial management is typically one class in a required management course, and some programs do not even have a required general course in management. At the same time, graduates are moving more quickly into management positions. You tell me: is three hours of instruction sufficient to manage hundred of thousands of dollars of resources and personnel? Of course, one could say the same thing of many other areas too. In defense of the schools, employers are reluctant to pay higher salaries for a longer education. (p. 47)

MacKenzie and Smith make similar observations in "Management Education for Library Directors: Are Graduate Library Programs Providing Future Library Directors With the Skills and Knowledge They Will Need?" (2009). Though their

survey of forty-eight ALA-accredited LIS programs considered management course content more generally, their results are telling: a list of 30 topics addressed within these courses did not contain financial management as an area of study. As the authors remark, “the results of this exploratory study reveal a limited focus on management education within the graduate library degree” (p. 141)—a conclusion mirrored and compounded in our finance-focused findings.

If the literature rarely speaks to this lack, it fares little better with filling the void. Library-centered tutorial type articles with practical instruction for professionals seldom appear in database and journal searches. Those now-and-future managers seeking clear advice have more to gain from articles directed toward library trustees, such as Glen Holt’s nine-item list, “Financial Responsibilities of Library Boards” (2005). While brief, the roster of trustee responsibilities provides current and potential managers with a basic vocabulary and set of concepts for more in-depth exploration; indeed, even those practitioners whose management education included an entire session on budgeting might benefit from investigating Holt’s principles of appropriateness of expenditures, satisfactory reserves, and risk management.

This situation harkens back to *Beyond Budgeting* (2010), Purtell and Fossett’s call for more sophisticated financial management training for public service personnel. Spurred by a seeming disconnect between management training and the realities of the financial world, they advocate for core financial courses that serve both generalists and those who will continue with studies focused on finance, arguing:

the core course must go beyond the budgeting aspects of managerial finance and include a broader array of planning and analytical tools. We need to prepare students to be informed users of financial information, prudent managers of financial

specialists, and informed consumers of financial-advisory services. In essence, they need to be able to ask the right questions, interpret the results, know when to ask for assistance and, on occasion, complete a simple analysis for their own use. (p. 102)

With increased demands of accountability, crippling budget cuts, and calls to run libraries like businesses (and counter arguments such as Will Manley’s 2002 “Run Business Like a Library”), it stands to reason that library professionals, particularly managers, should understand the language and issues at hand. Libraries may opt to do as Terrance Cottrell advises in “Retreat. Reveal. Retain.” (2012) and maximize staff retreats by using them as financial training (namely budget-centric) workshops—a viable if superficial option when both professional development funds and relevant opportunities are in short supply. More challenging to implement but more durable and rewarding: altering curricula, as suggested by Purtell and Fossett (2010), to create not only flexible, financially savvy managers, but also “scholars who can generate the research necessary for developing a public-service managerial-finance literature that is as robust and as practical as the work our colleagues in business schools produce for their stakeholders” (p. 108).

To determine to what extent education that provides knowledge of budgets and financial management is available to LIS students and practicing librarians, we examined the 2014 academic year LIS curricula of all English based ALA-accredited library schools in North America.

Methodology and Findings

To analyze the extent of financial management training across LIS curricula, we surveyed the English-language websites of fifty-six library and information science programs, fifty of which have full ALA accreditation and six which have conditional accreditation. Our findings

drew from course catalogs and schedules, degree requirements, the contents of sixty-two syllabi both found online and obtained from relevant faculty and adjunct instructors, as well as email requests to LIS faculty members seeking more information or clarification about their specific financial management courses. To get the broadest sense of the financial management education offered to students, we considered not only those classes devoted solely to such material or to general administration and management, but also those courses that included some element of financial literacy instruction, such as school library or collection development. While we focused on master’s level programs, we also surveyed doctoral and continuing education courses to ascertain the level of financial training offered to all students in the field.

Financial Management Courses

Of the fifty-six programs surveyed, only ten (18%) offered courses devoted to financial management, nine at the master’s level and one as a doctoral level course. While seven of these were offered as semester-long courses for standard levels of credit, three had some form of truncation or irregularity, for example as a three-week, one-credit course or as one of several rotating topics assigned to a particular course number. None of these courses was required for degree completion, with the exception

of the doctoral course, which was required of PhD students enrolled in the Leadership and Management track at Simmons.

Investigation of the respective program websites and emails to pertinent faculty for these ten courses resulted in eight syllabi made available for examination. These documents, combined with reasonable inferences from course titles and descriptions, revealed that eight of the ten were broader scope finance courses and two restricted their scope to budgetary topics alone.

General and School Library Management Courses

While the percentage of courses devoted solely to financial management was small, we also acknowledged that general library management courses might also contain sessions devoted to financial management. Therefore, we also investigated library general management courses at these schools in order to ascertain the amount of time devoted to financial management topics.

Across the fifty-six LIS programs surveyed, 96% ($n = 54$) offered general management courses, and, in turn, 74% ($n = 41$) of those schools required a management course component for degree completion (See Figure 1).

Analysis of thirty-three available syllabi for these forty-one general library

Management Courses Across Fifty-Six Programs

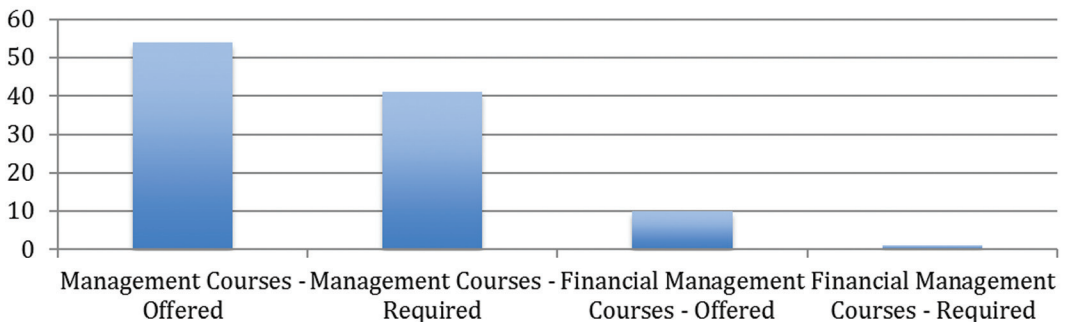


Figure 1. Management Courses Across Fifty-Six Programs.

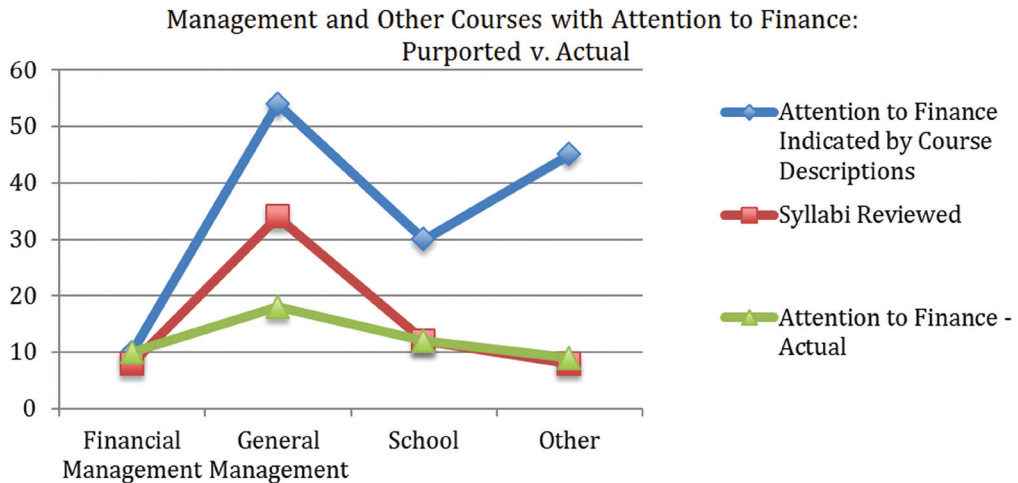


Figure 2. Management and Other Courses with attention to Finance.

management courses showed that the nineteen of them offered at least one relevant class session and one course offered as many as four relevant sessions. To be more specific: twelve courses had one session focused or partially focused on finance, one had two sessions, five had three sessions, and one devoted four sessions to the topic. The remaining fourteen courses with available syllabi had unclear or non-existent attention to finance; that is, over forty percent of management courses had no identifiable finance training for LIS master's students and, presumably, future library managers.

Factored into this data are courses offered as part of a menu of choices within a mandated management or specialization module, regardless of whether their title and content explicitly reflected a management focus, such as "Public Libraries." In three such cases, students were required to choose three of six courses—thus providing no guarantee that they would receive focused management training, let alone exposure to financial management best practices.

In programs offering K–12 certification, some form of management education is almost always required, most often under the rubric of "Administration of School Library Media Programs" or similar titles. Of the twelve courses with avail-

able syllabi focusing on administration of school library media courses surveyed in this study, one-hundred percent devoted at least one week and/or a course assignment to financial considerations in the form of budgets and, to a lesser extent, fundraising. Though we could not obtain syllabi for the remaining eighteen school library media courses we identified, the consistent evidence from the other twelve strongly implies that their counterparts would pay similar attention to the financial aspects of school library management. This focus on money matters reflects the particular responsibilities of school librarians, who routinely find themselves managing the library unit in the K–12 environment.

Other, Non-Management Courses

Further exploration of the surveyed programs' course catalogs revealed that forty-five courses (such as "Academic Libraries" or "Special Libraries") across twenty-one of the fifty-six schools (38%) offered some aspect of financial management training, or at least provided an awareness. Examination of sixteen syllabi available for such courses revealed that nine spent one class session and/or project focused or partially focused on finances; however no course exceeded one class session's worth of study (See Figure 2). Similar to courses

in school library tracks, these specialized courses generally focused on unit budgets rather than overall library financial management. An exception was found in marketing classes, which also covered finance cursorily and only from the perspective of public relations.

LIS curricula, then, is ripe for growth in financial management training. The current general lack of such focus in accredited LIS programs may have been one impetus behind an emerging online program through the Marshall School of Business at the University of Southern California (USC). The Master of Management in Library and Information Science, offered in collaboration with the University Libraries, is currently in the process of seeking ALA accreditation; disappointingly, its brochure, (http://librarysciencedegree.usc.edu/?Access_Code=USC-MMLIS-SEO2&utm_source=kp_traffic&utm_medium=referral&utm_campaign=s_searche) lists no specific financial management courses at the time of this writing.

Conclusion

Sound financial management is a critically important key to the success of any library. As financial resources become scarcer in most settings, and as expectations of accountability for managers' performance continue to rise, the requirement for the library director and middle level managers to possess a sound knowledge of financial management becomes essential, regardless of the size of the library.

We began our examination of the extent to which financial management knowledge and skills are available to students and practitioners in our profession with considerable skepticism about finding a rich array of available for-credit courses. Our study of current (2014) LIS programs' curricula uncovered but a few relevant offerings, none of which were required for completion of a general master's level program. Although many accredited LIS

programs require some sort of general library management course for program completion, only a small percentage of these courses offered even a brief focus on financial management. Most K-12 certification programs require management training; although such courses consistently devote time to financial considerations, students preparing for careers in other LIS professional sectors do not have general access to opportunities to learn about financial management applicable to their professional setting.

This investigation has revealed the apparent inadequacy of financial management training in accredited ALA LIS schools. But this is only one part of a potentially larger problem in our profession. The other questions that we posed at the beginning of this article also need to be addressed, viz.: (1) is there a solid corpus of library financial management textbooks available for current librarians and librarians in training; (2) are there sufficient library continuing education venues available in North America to provide this training; and (3) are librarians with library financial management responsibilities well-trained enough to manage library finances competently and effectively? Answering these questions requires different approaches and research designs and therefore have not been addressed here.

The LIS professions are changing rapidly. Today's—and tomorrow's—environments feature changes brought about by new technologies, compel new types of collaborations, and require of successful managers and leaders a long list of skills and expertise, not the least of which is competence in financial management. In light of these demands, we must once again revisit the composition and length of our educational programs so as to accommodate the fundamental, traditional, and emerging needs of professionals. Similarly, we must encourage our professional organizations' careful consideration and enhancement of their own menu of educational programs available to members.

Whether at the master's or continuing education level—and ideally in both—the message is the same: we must provide the skills and support necessary to ensure the profession's future, especially if we are touting ourselves as competent teachers of financial literacy to our patrons.

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