

## **Basic HR Risk Management Principles in Digital Libraries**

### **Introduction**

A number of aspects are relevant for managing risks in digital libraries including technical (software and hardware aspects), costs, expertise and personnel management among others. This paper will greatly focus on the Human Resources (HR) management risk remedies for digital libraries. "HR risks are the challenges that stem from managing your people, programs, and processes, both inside and outside the walls of your business," says Bill Leisy, an Atlanta-based partner with Ernest and Young's performance and reward practice. "But if not managed properly, these issues may cause significant damage" (Steffee, 2008, p. 14).

A Digital Library is an institution which performs or supports the functions of a library in the context of distributed, networked collections of information objects in digital form (Belkin, 1999, p. 11). In this paper, focus is on academic libraries where major users are staff, students and researchers. It is also important to note that normally, academic library institutions that hold digital libraries are normally part of a mother institution like a university or research institution. This therefore means that major HR functions are mainly carried out by the mother institution at large and not the library itself apart from a few cases or institutions like public libraries. This has significant implications, if the overall HR office in the institution does not pay particular attention to possible HR risks within the institution at large and smaller organs there in. It is also worth noting that much as the digital library administrator might have good risk management strategies, support from the mother institution is of paramount importance as it sets the blue print to be followed.

The goal of risk management therefore is to identify, assess and resolve risk issues before they become disasters to the digital library. Other scholars have viewed risk management as an opportunity as well, especially if proper

assessment is made. Off course every organization's risk profile is different. The key issue for any organization/ digital library is to identify and measure its exposures and opportunities and manage them to the benefit of all stakeholders. However, for HR functions, I can hardly think of any opportunities at the moment. Future research can look out for these if any. An essential element of the risk management process is to ensure that the identified risks and their control processes are closely monitored through the adoption of effective risk management tools and techniques. Some of the benefits of risk management include: creating best practices, quality focused and risk-aware organization, effective utilization of resources, including human resources (Haimes, 2004).

Human beings have been identified as instrumental elements in causing risks as well as mitigating them (Erven, 2008), thus the need to effectively utilize their services for optimum output and efficiency while keeping disasters and preventable risks as low as possible. The continued success of the digital library can well rest on what an employee says or does. Actions taken, or not taken; words spoken, or not spoken; whether with or without the manager's knowledge or approval can, and most probably will be detrimental to the institution if harmful (Hinton, 2003).

### **Risk Vocabulary**

For effective understanding of risk management there is need to clarify further on some major risk vocabularies.

Risk - this is a combination of the probability of an event and its consequence.

Risk management - these are coordinated activities of an organization to direct and control an organization with regard to risk.

Risk control - these are actions implementing risk management decisions (Haimes, 2004, p. 11).

## Discussion

Risk Management consists of the following two broad categories of activities: risk assessment and risk control. Under **risk assessment**, risk identification, risk analysis, and risk prioritization is done. In risk assessment, the analyst often attempts to answer the following set of triplet questions (as cited in Haimes, 2004):

- What can go wrong?
- What is the likelihood that it would go wrong?
- What are the consequences

The same questions can be asked within the academic digital library. Some of the human resources risks could arise as a result of:

- Death
- Disability (temporary or permanent)
- Divorce
- Management Error/Incompetence
- Unexpected Temporary Leave
- Poor Employee Management Practices
- Employee Turnover (Marshall and Alexander, 2009, p.1).

Some of the above possible occurrences can help risk analysts to identify, measure, quantify and evaluate risks and their consequences and impacts. In a recent report by Ernest and Young 2008, the following HR risk areas were identified as the top five areas with their respective impacts and likelihood in an organization generally.

- Talent management and succession planning (65 percent for impact, 42 percent for occurrence).
- Ethics/tone at the top (64 percent for impact, 23 percent for occurrence).
- Regulatory compliance (51 percent for impact, 21 percent for occurrence).
- Pay and performance alignment (45 percent for impact, 27 percent for occurrence).
- Employee training and development (41 percent for

impact, 24 percent for occurrence)  
(Steffee, 2008, p. 14).

The above gives us a clue on some of the major human resources aspects to consider in a digital library. From the above, it is clear that talent management is a high risk factor with an occurrence probability of over 40 percent yet the impact factor is high as well. For digital libraries it might even be a higher percentage occurrence as key skilled personnel in digital libraries are few as compared to the demand today. They are likely to look out for better paying jobs or working environments.

Ethical conduct in an organization is very important too as seen above with a 64 percent impact factor. Human resource managers therefore have a role of synchronizing the goal of the digital library or institution with the expectations of the employees as well. The library has to meet its objectives while employees need to be comfortable in their place of work. This is quite a great task as there are psychological contracts as well that have to be taken into consideration. A Psychological contract is an unwritten set of expectations among employees, and unlike the written contract, it is continually changing due to changing interpretations by employees and thus a significant determinant of behavior in organizations, which directly affects their output (Haines, 2004).

Employee training in a digital library is a relevant factor since digital librarianship is an emerging discipline with constantly changing technologies. When employees feel that their training needs are not catered for, they are likely to resign and go for further studies or opt for working environments that can accommodate their training needs. This greatly affects the smooth running of the digital library if such incidents were not strategically planned for thus rendering its services at risk.

According to Haimes (2004), trust is crucial too in risk management. In the current climate of financial instabilities, dynamic changes in psychological contracts, corporate greed, all have the potential to destroy trust. Human resources professionals therefore have a key role to play in acting as agents of coordination of the tensions and conflicting interests in organizations since there is no evidence of trust being taken as an objective so far.

Risk management builds on the risk assessment process by seeking answers to a second set of three questions (as cited in Haimes, 1991):

- What can be done and what options are available?
- What are their associated trade-offs in terms of all costs, benefits and risks?
- What are the impacts of current management decisions on future options? (This question is a very critical one for any managerial decision-making).

As discussed above the HR manager in a digital library environment or institution has the role of identifying and analyzing some of the people risks as outlined above with priority, giving attention to a particular risk on time both in the short run and long run for effective functioning of the digital library.

### **Risk Control**

Risk control consists of risk management planning, risk resolution, and risk monitoring. Frederickson's (2009) definitions will help us understand the above steps clearly.

***Risk Management Planning*** uses information buying, risk avoidance, risk transfer, and risk reduction to achieve its goals.

For a digital library, risk avoidance could be in mentoring or coaching other staff as a backup in required technical skills of managing the library, getting personnel support services from relevant vendors or similar libraries and ensuring that the human resources code of conduct in an institution is willingly followed by staff. For instance, encouraging them to give a three

months notice before they leave the institution unless it is unforeseen like in the case of death.

**Risk Resolution** techniques include appropriate staffing decisions, detailed multi-source cost and schedule estimation, monitoring, prototyping, requirements benchmarking, and simulation.

**Risk Monitoring** provides timely risk visibility and resolution. It incorporates techniques such as milestone tracking, tracking of top risks, and regular risk reassessment.

HR executives can monitor the success of their risk control initiatives through employee surveys, team building exercises and ongoing 360-degree multi-raters. The results can be tracked as each goal is recognized and benchmarked. Risk management plans, like human resources initiatives, are living documents that will be updated as new risks are identified and addressed. (Frederickson, 2009, p. 2).

## **Conclusion**

Risk is an aspect in human resources management that cannot be avoided due to a changing society from political, social and economic arenas. The biggest challenge is for HR managers both at the central and decentralized levels of an institution or digital library to do coordinated strategic planning, which encompasses risk assessment and risk control to cater for such happenings both in the short and long run.

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