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Insurance Coverage in Nigerian Academic Libraries

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Introduction

Insurance is a method of coping with risk. It lowers uncertainty about the economic cost of loss-producing events. The insurer, for a fee, promises to reimburse the insured for losses. In a university library, the administration must take a realistic view of security and recognize that, although prevention is better than cure, insurance can help rectify a security breach or help the library recover after a disaster or accident.

Libraries must consider the problems and catastrophes that might occur. As libraries differ, so their insurance requirements will differ. The insurance market is vast and changing; hence, it is advisable to seek expert advice from a professional insurance intermediary to ensure that adequate protection is obtained. The responsibility for acquiring insurance varies from organization to organization. The library administrator, however, has responsibility for ensuring that the library functions as intended. Library administrators must make sure that the library is adequately insured. Librarians have invaluable knowledge and expertise to impart to insurers. Insurance coverage for libraries generally involves damage to materials, business interruption, theft, personal accidents, and motor vehicles.

Material Damage

Objects capable of being damaged or destroyed can be divided into stock, equipment, and building. Stock and services are the lifeblood of any library. Regular inventory of the collection is very important. Certain books and manuscripts will be more difficult to replace than others and some may be irreplaceable. It is necessary that all parties to the insurance contract agree on the method and extent of coverage. The book collection might be assigned different levels of coverage:

- Routine: fiction which is easily replaceable and can be insured on an indemnity basis (replacement value less than purchase price)
- Valuable books replaceable only with difficulty; such books would be insured on a reinstatement value (urgent replacement value as new)
- Valuable irreplaceable books; such books would need to be covered on an agreed value basis and an authenticated valuation provided at the outset to avoid problems in the event of claim.

The coverage discussed above relates to risk on the premises, but many items are loaned out and consideration must be given to covering them while they are away from the library.

Equipment

Information and communication technology (ICT) equipment like computers, telecommunication facilities, etc., are fast becoming an everyday tool of the book trade and it is important that special ICT equipment coverage is sought. The need to purchase backup for hardware and software and to ensure

coverage for the recovery of important data makes it mandatory to have comprehensive insurance coverage for equipment. Appropriate insurance coverage should be also considered for all general library contents (other than books) such as furniture, shelving, typewriters, and photocopiers.

Building

It is important to ensure that the insurance value selected is accurate and adequate. It is normal to insure buildings for their replacement value, i.e., replacement as new. The insurance value should take inflation into account. “Fire and full perils” coverage limits coverage to the normal range of perils, i.e., fire, lightning, explosion, riot, civil unrest, malicious damage, earthquake, storm, flood, and burst water pipes. The widest range of coverage is “all risks,” which adds accidental damage.

Business Interruption

Aside from the tangible cover of the insurance, like building, stock, but equally important is the loss of revenue and increased cost of working suffered by the library in the event of loss or damage. The librarian and the bursar are the key figures to arrange the cover because thought has to be given to how the library would (or would not) function and consideration ought to be given to catastrophe planning covering such aspects as:-

- Temporary premises
- Supply of books
- Renting equipment
- Provision of telephones
- Redeployment of staff
- Provision of stationery

It is equally important to consider how long it will take the library to fully recover from the damage or destruction. This period is known as the indemnity period. The insurance policy will indemnify the policy holder during this period for loss of revenue and increased cost of working, but the sum must be adequately assessed at the outset. It is also important to consider future trends during the indemnity period to ensure that the insurance adequately reflects this.

Theft

Theft insurance is essential. Careful security measures will reduce the risk of loss through theft, but do not always prevent the more determined thief. Insurance coverage should provide protection against the following:

- Loss or damage following forcible and violent entry and exit;
- Loss or damage to all insured property other than stock and materials while they are removed from the premises;
- Damage to the premises as a result of theft;
- Replacement locks and keys to the premises, safes, or strong rooms.

Theft by Employees

A “fidelity guarantee” protects an employer against losses as a result of employees using their knowledge to steal from their employer. A feature of the policy is the minimum standards of control required in respect of supervision, accounting procedures, and checking the security of money or goods. This coverage can either be catastrophic coverage, with a high limit of indemnity, substantial insured's contribution, with a limited system of checks, or a low limit of indemnity, with no excess and a more detailed system checks.

Personal Accident

Employees are the most important assets a library has. The aim of the insurance policy is to provide for adequate compensation in case of employees sustaining accidental bodily injury, regardless of any level of liability that may be involved. The policy benefits must provide a lump sum payment following injury that results in death or permanent disability of the insured person.

This study examines the insurance coverage of library materials in Nigerian academic libraries, including the readiness, the realities, and the state at which the libraries are presently.

Literature Review

According to Houlgate and Chaney (1992), libraries cannot afford to see themselves as immune to the negative aspects of their community. Librarians should create the atmosphere of safety in which the library user is at ease. The provision of crime prevention strategy is essential for insurers to undertake liability. Ajala and Adekanye (2007) found that although disasters are not prevalent in Nigerian libraries, serious consideration should be given to contingency planning for disasters. Alegbeleye (1993) emphasizes good disaster control planning in libraries, archives, and electronic data processing centres as a prerequisite for any insurance company or broker to undertake insurance coverage of library.

Parsons (1992) provides an insight into insurance coverage for libraries. He stresses the thought that is necessary when arranging insurance coverage. All interested parties should ensure that no aspect of the library's activities has been overlooked and the insurance program should be regularly reviewed to ensure it still meets the needs of the library.

McDonald (1992) explains that security policy formulation poses a challenge for all types of libraries and security concerns will continue to influence the shape of library buildings, the organization, collections, staffing, and using library services.

Van Zant (1980) lists some of the benefits that should accrue to staff working in library: life insurance, health and disability insurance, among others.

Research Methods, Data Analysis, and Discussion

The study is centered on the insurance policy coverage of libraries in Nigerian universities. The survey instrument used was the questionnaire method. The questionnaires were directed to the university librarians in all the universities in Nigeria.

The study is centered on the insurance policy coverage of libraries in Nigerian universities. The survey instrument was a questionnaire. Questionnaires were directed to the university librarians in all the universities in Nigeria. The distribution and collection of the questionnaires took almost two years. In all, 100 questionnaires were printed and mailed to 70 university libraries in Nigeria, including federal universities, universities of agriculture, universities of technology, state universities, and private universities. Fifty questionnaires were returned, and 45 of those were found usable, a 64.3 percent return rate. The questionnaires addressed areas such as profile of the library, staff strength, disaster experience, safety measures, contingency plan, and insurance coverage on library materials.

More than 60 percent of the sample had fewer than 100,000 volumes in their collection, and the same number had fewer than 1,000 periodical volumes. Audio-visual materials were present in the entire sample studied. Nearly three quarters had more than 40 staff. Three-quarters had fewer than 20 professional staff. Two-thirds had a virtual library, while 88.89 percent have a library website.

Table 1: Disasters in the Library

Fire Roof	Flooding	Blown Roof	Collapsed Building	Leaking	Termites
2 (4.4 percent)	8 (17.8 percent)	8 (17.8 percent)	1 (2.2 percent)	24 (53.3 percent)	2 (4.4 percent)

Table 1 shows the disasters experienced in the library. More than half experienced a leaking roof, which resulted in heavy loss of vital library resources.

Table 2: Safety Measures

Safety measures	Yes	No
Written policy	7 (15.36 percent)	38 (84.4 percent)
Fire/smoke detector installed	8 (178 percent)	37 (82.2 percent)
Operative agreement with fire brigade	4 (8.9 percent)	41 (91.1 percent)
Drilling exercise for staff	8 (17.8 percent)	37 (82.2 percent)
First aid box	20 (44.44 percent)	28 (55.56 percent)

Table 2 shows the safely measures in place. Nearly 85 percent have no written policy. An almost equal number have no fire/smoke detector installed. There are virtually no cooperative agreements with fire brigades. More than 80 percent have no fire drills for staff. Less than half had a first aid box.

Table 3: Contingency Plans

Fire extinguisher	40 (88.9 percent)
Halogenated agent	8 (17.8 percent)
Automatic/Manual water sprinkler	6 (13.3 percent)
Trained Staff for treating flooded books	8 (17.8 percent)
Trained staff in fire extinguishing	- 25 (55.6 percent)
Maintenance Frequency	Annually 88.9 percent;Biannually 1.1 percent

Nearly all the libraries have a fire extinguisher, and more than half have trained staff to handle the fire extinguishers. Nearly all respondents service the equipment annually, which is a commendable effort.

Table 4: Insurance Coverage

	Yes	No
Insurance coverage	17.8 percent	82.2 percent
Reasons for lack of coverage		
	No expert	12.6 percent
	No funds	25.2 percent
	No administrative interest	44.4 percent

Table 5 shows the insured materials out of the 17.8 percent that had insurance coverage. About 9 percent have only library materials insured. Only 2.2 percent had staff and building covered, while 4.4 percent had all of them insured. Even the small number of libraries with coverage placed more emphasis on library materials than library staff. Just as stock and services are the life blood of any library, the employees are the most important assets a library has. Insurance policies should be to provide for adequate compensation in case of an injury which results in death or disability, regardless of any legal liability.

Table 5: Insured Materials

Library Materials Books 8.9 percent	Staff 2.2 percent	The building 2.2 percent	All 4.4 percent

Fire, theft, and natural disasters each account for 4.4 percent of the respondents having insurance policy coverage, while flooding and arson/vandalism each have 2.2 percent.

Table 6: Insurance Policy Coverage

Fire only 4.4 percent	Flooding 2.2 percent	Theft 4.4 percent	Natural disaster 4.4 percent	Arson/Vandalism 2.2 percent

From table 6, it is clear that fire, theft of equipment/material and natural disaster each has 4.4 percent of the respondents having insurance policy coverage, while flooding and arson/vandalism each has 2.2 percent of the respondents. It is felt that much policy coverage should be given to fire accident because much contingency plan was made for it from the entire sample used for the study.

Conclusion and Recommendations

The paper examined the insurance coverage of library materials in Nigerian university libraries. The study revealed that leaking roofs was the most prevalent disaster experienced, and, hence, there is need to have specially trained staff for treating flooded books with all necessary equipment in place.

A large percentage of respondents had no written policy on safety measures. The issue of insurance coverage in library was not addressed by most libraries. As the role of libraries and librarians change to meet the social economic and academic needs of the university community and the nation at

large, the need to have a good insurance coverage is a must. The fact that most Nigerian university libraries have a virtual library (e-library) makes it imperative to have such a library insured along with the conventional library that was in place.

University librarians should convince university administrations to have the library insured against material damage, business interruption, personal accident, and motor vehicle travel. Each library must have safety measures and contingency plans in place. The librarian, insurance broker, and university bursar should be involved in devloping good insurance coverage for the library and its materials.

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