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# DECIDING TO OUTSOURCE OR DIGITIZE IN-HOUSE

This document identifies important steps in the decision making process surrounding whether to digitize in-house or with a third-party vendor. These steps include defining the digitization project and defining what steps must be done in-house, weighing the benefits and risks of digitizing in-house versus the benefits and risks of outsourcing, and making sure you have the necessary documentation and assistance to support your decision.

## TASKS IN A DIGITIZATION PROJECT

Conversion from an analog item to a digital file is just one piece of the whole digitization project. Many decisions in a project must be made before conversion begins.

Understanding the tasks involved in any given digitization project will make it easier to break down which steps should occur in-house and which could or should be outsourced (if any). Outside vendors are available for just about every step in the digitization process. However, you must identify if a vendor will be efficient, cost effective, and culturally appropriate when doing any digitization work for your institution.

Use the two lists below to help you develop a list of tasks for your institution's project identifying which tasks should be completed in-house and which ones could be done by an outside vendor. Next, use the following sections to weigh the pros and cons of performing the work in-house versus outsourcing.

- **These steps must occur in-house, and are important parts of the digitization process:**
  - Defining the purpose of digitization (determining community needs).
  - Selecting and prioritizing materials for digitization (choosing which materials to prioritize).
  - Creating descriptive metadata that can only be provided within the institution, tribe, or organization (i.e., due to specialized knowledge, tribal concerns, etc).

- Performing quality assurance after items have been digitized (verifying the quality, accuracy, and consistency of digital files, including checking resolution, image mode, sample and bit rate, file format, and storage medium).
- **These steps may need to occur in any given project, and can be completed either in-house or by an outside vendor:**
- Deciding on technical specifications for digitization.
  - Preparing original materials for digitization (flattening, consolidation, cleaning).
  - Digitization (the actual conversion of materials).
  - Creating and applying metadata (metadata that can be created outside your institution).
  - Performing quality control of digitized files.
  - Storing and managing files.
  - Designing access systems.
  - Developing digital preservation and file back-up services.

## GENERAL FACTORS

After defining your digitization project and creating a list of tasks that can be outsourced, use the following list to help decide if any details about the scope, complexity, or timeline of the project will impact your decision.

- Do you have the equipment to complete your project?
- Are any necessary new purchases justified by the scope of the project or potential for use on other projects?
- Do you have enough staff time to complete the project? Make sure to include time to manage and quality control the project.
- Do you have the expertise on staff to complete the project?

If you answer yes to all these questions, then it makes more sense to digitize in-house. If you answer no to some or all of these questions, read the opportunities and risks described in the sections below to decide whether the control afforded by digitizing in-house along with the skills gained from completing a project outweigh the investment in equipment, training, and staff time.

# IN-HOUSE DIGITIZATION

## Opportunities

- Learn by doing and to develop custom or specialized processes relevant to your institution.
- Ability to define needs for quality, access, and technology incrementally as the project develops rather than all at once at the beginning of a project (though identifying these before starting is part of good project planning and sometimes required for grant funding).
- Capacity to ensure security, proper handling, and access to materials, since they stay within your institution the whole time. This includes following and respecting cultural protocols, as well as library/archives/museum standards.
- Ability to maintain consistent checks of the quality of the work.

## Possible challenges

- Large initial and ongoing investment of funds and time – must buy and maintain equipment, train staff, and be responsible for unexpected costs.
- Substantial investment of time needed to create workflows and implement technology – it takes a while to build a solid infrastructure.
- No set per-item cost.
- Institution pays for expenses (including costs of downtime, training, and technology obsolescence) instead of products.
- Volume and speed of work is dependent on staff time.
- A range of staffing expertise may be required for using technology, applying metadata, dealing with preservation problems, etc.

## If you decide to digitize in-house

- Consider staffing for the project, additional staff training, and how the work will be carried out. Personnel are key to successful digitization.
- Invest in computers and equipment that suit your needs.
- Set up standalone, dedicated digitization units and work areas.
  - Keep digitization units offline and off-network to avoid issues with automatic updates, clock resets, etc.
- Have a full understanding of your IT department and be able to communicate and work alongside them to achieve digitization and digital preservation requirements.

# OUTSOURCING DIGITIZATION

## Opportunities

- A clear contract can contain costs, limit risk and define a timeline to get outputs on time. This is helpful if working under grant funding or other strict deadlines.
- Facilitate structured project planning and budgeting through set per-item cost.
- Pay for cost of scanning, not for staffing or equipment.
- Costs of expertise, training, and technology obsolescence are covered by the vendor.
- Costs typically lower than in-house figures, although prices vary widely based on outside vendor.
- Vendors may be able to handle larger larger volume and higher production levels than in-house.
- Broad range of options and services available, including: imaging; metadata creation; enhancements; processing; encoding; derivative creation; printing; storing and backup; and database development.

## Possible challenges

- Your institution must have an idea of project specifications and goals at the start of the digitization project, and must be able to measure these and evaluate if vendors can complete to satisfaction. For example:
  - You will want to state technical specifications (for more information see our SHN resources on technical specifications and best practices for audio, image and video digitization in the Digitization Planning category), other necessary technical procedures (e.g., [Optical Character Recognition](#) (OCR), clean up of images or audio), what metadata you would like the vendor to create, any calibrations you would like them to use, and what quality control they are to perform on their end.
  - For a sample, view the introduction and section VIIb of this [sample RFP](#).
- Your institution is removed from digitization work as services are most often performed off site. You may want to ensure that the vendor is not contracting out to a third party or if so that you approve or vet them as well.
- Chance of vulnerability or risk to your institution if vendor is unreliable.
- Vendor will handle rare original items or materials with cultural significance or protocols, and items will be temporarily out of your institution's control and care.
- Vendor might provide inappropriate access, particularly if protocols and privacy concerns are not expressed up front.

- Security, handling, transportation issues (objects might be damaged during transfer).
- Vendor could be inexperienced with needs unique to cultural institutions (however, this can also be seen as an opportunity to educate while working alongside vendors, preparing them for future projects either for your institution or other institutions with similar concerns).
- Must develop Request For Proposal (RFP) documents, negotiate contracts with vendors, and communicate production and quality requirements – which can be challenges in communication.
- Refining requirements and negotiating for services after the contract has been set is not always possible.

### **If you decide to outsource digitization**

- Know your project goals, desired outputs, and materials well.
  - Short and long term goals.
  - Metadata and other derivative or related file needs.
  - Standards for quality and needs for final product.
- Find a trusted vendor by checking with:
  - Regional institutions (develop professional connections with trusted professionals in your area, get their recommendations and input).
  - Association of Recorded Sound Archivists
  - Association of Moving Image Archives
  - Vendors recommended by other institutions similar to yours.
- Create a detailed Request for Proposal (RFP) that clearly outlines content and requirements. For more information, see AVPreserve resources on the SHN for developing RFPs for [audio](#) and [video](#) projects.
- Get quotes from several vendors to select the best option for your institution.
- Negotiate a contract, including terms covering work that exceeds agreed upon time and/or budget.
- Define and document your best practices, standards, and specific project needs so that you can hold your vendor accountable to these. When defining best practices for your project, consider the following:
  - Suggestions noted in the Federal Agencies Digitization Guidelines Initiative (FADGI). See [FADGI guidelines](#) resource on the SHN.
  - Understand that standards are constantly under revision, and there are multiple standards for any given format – find what works best for you.

- It is best practice to have master/preservation and access copies. Ensure that your vendor will deliver all the files and metadata asked for in the formats and file types that you specify.
- Evaluate the option that will save time and money:
  - Does it make sense to have the vendor create both preservation masters and access copies?
  - Is it more cost effective for you to create access copies from the preservation masters created by the vendor?
- Once collections are digitized, define where and how will you store them. Communicate with and work alongside your IT department to make sure the digitized collections are secure and accessible.

## ADDITIONAL RESOURCES

- [Northeast Document Conservation Center Preservation Leaflet 6.7 Outsourcing and Vendor Relations](#)
- [Cornell Libraries Moving Theory into Practice Digital Imaging Tutorial, Determining the Best Approach: Outsourcing vs. In-House Programs](#)
- [Connecting to Collections Care resources on Outsourcing](#)
- [Association of Moving Image Archivists](#)
- [Association of Recorded Sounds](#)

## SOURCES FOR RECOMMENDATIONS OF OUTSIDE VENDORS

- [Association of Moving Image Archivists](#)
- [Association of Recorded Sounds](#)