

EXHIBIT 27

USE OF COMPUTERS BY NGOs

Routine Problems of NGOs

Every NGO has to face the following routine administrative problems on a regular basis:

- addressing letters, envelopes, mailings, etc.
 - magazine subscribers
 - publicity mailings
 - appeal mailings
 - questionnaire mailings
 - membership fee reminders
 - convocations, etc.
- maintaining membership lists
- congress organization (due payments, invoicing, maintaining list of participants)
- production of labels for packages ordered
- invoices for publications ordered
 - different discounts, currencies, number of copies, tax, layout, etc.
 - receipts
 - payment reminders.
- monthly and annual accounts
- membership statistics, etc.

For an international NGO this problem is made more difficult because of the need to work in several languages.

What Methods are possible for Routine Operations?

- manual system of addressing and preparing invoices
- manual system of addressograph plates and manual preparation of invoices
- electrical system of addressograph plates and accounting machines
- punched card system for addressing and invoicing (mecanografie classique)
- punched card input to tape/disk computers for invoicing and addressing

In each case, it is important to determine to what extent the equipment should be owned, hired or used via a service bureau.

Reasons for Considering New Methods

- most NGOs are concerned with spending the funds they have at their disposal as effectively as possible. It is regrettably necessary to devote a certain portion of these funds to general expenses required to maintain the organization in working order. If it is possible to reduce the funds expended in this way or alternatively make it possible for personnel to spend less time on the routine operations and more on developing the activities of the organization, then the organizational effectiveness can be increased.

Exhibit 27

- it is important to consider new methods to discover whether existing routine activities can be done more efficiently and whether funds, personnel and equipment can be reallocated in a manner which will increase the amount of 'real' activity thus avoiding what might be termed hidden waste.
- it is most important to get away from the practice in some organizations where the Secretary-General himself has to check over the routine operations. He must be freed to advance the work of the organization in general.

Main Problems of NGOs with respect to Computers

- lack of knowledge as to how to go about determining whether their operations lend themselves to an economic computer solution.
- anxiety and doubt about the costs of computer processing
- confidence in and satisfaction with classical semi-manual methods
- sensitivity on the question of dealing with routine problems in a manner which smacks of commercial and profit-making attitudes, perhaps leading to a loss of the special NGO quality
- concern that control or understanding of the organization will pass into the hands of 'experts' who have not got the aims of the organization at heart
- concern that specialized and expensive staff will be necessary within the organization
- confusion caused by the peculiar jargon favoured by computer experts
- ignorance of the fact that initial consultation with computer experts is a free service.

Why have Computer Companies and Commercial Service Bureaux not attempted to contact NGOs?

Many of the above problems also exist within commercial organizations and have been successfully dealt with by computer companies. The reason that NGOs have not been approached are:

- the lack of awareness of the existence of international organizations
- the general impression, shared by business and government, that non-profit organizations are not efficiency orientated and therefore not interested in techniques of increasing their efficiency and effectiveness
- the general impression that non-profit organizations are not sufficiently highly organized to have a data processing problem
- the fear that the low budgets of NGOs imply that they cannot allocate extensive funds to the solution of their problems
- the low volume of 'semi-commercial' or routine information handled
- lack of approaches by NGOs which would make computer companies aware of the NGO market (in addition NGOs are perhaps not sufficiently clearly defined as a class or organizations)
- computer companies, but not service bureaux, are usually more interested in hiring a whole machine rather than partial use of a machine.