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REPORT ON ADMINISTRATIVE RATIONALIZATION IN THE PAN AMERICAN SANITARY BUREAU

In accordance with Resolution I of the 50th Meeting of the Executive Committee the Director has the honor to present a further progress report on the program of rationalization in the Pan American Sanitary Bureau. This report brings up-to-date the statements made on this subject to the 48th and 50th Meetings of the Executive Committee and to the XIV and XV Meetings of the Directing Council.

The objective of this program is the centralization of virtually all administrative activities of the field into the administrative machinery of the Washington Headquarters office.

As previously reported to the Executive Committee at its 50th Meeting (Document CE50/7), the initial target of positions to be saved, established provisionally at a net reduction of 57, with an annual savings of \$434,000 in the estimate of early 1963 had been realized. At that time a new target was established and the Director is happy to report that the actual net reduction in administrative staff amounted to 68 positions representing an annual savings of some \$530,000 which are being employed for direct program assistance to the Member Governments.

Administrative rationalization has also been extended to the Institute of Nutrition of Central America and Panama resulting in an initial reduction of 21 posts equal to an estimated annual saving of \$53,000.

The incorporation of the major part of field administrative operations into the Headquarters system has increased substantially the work of the Washington office. The absorption of this additional work without a simultaneous net increase of staff has been possible in large measure thanks to a continuing review and improvement of internal methods and procedures and to the introduction of new techniques. Thus, in order to cope with a large and ever increasing volume of administrative work resulting from the growth of the program and staff of the Organization while at the same time realizing economy as well as greater quality in performance the role of mechanization and of other elements of a modern and rapidly changing technology in the Bureau's administration is being further emphasized in the continuing effort to provide the best tools for sound and effective management.

From the inception of the program of administrative rationalization the gradual introduction of mechanized processes and procedures as an integral part of the overall program was clearly anticipated. At the same time, the use of computers and electronic data processing applications in the several administrative areas was foreseen and plans were laid to pave the way for the eventual use of the latest equipment and techniques in this field by the Bureau.

As a first step in this direction, two accounting machines had been installed in the Washington Finance Section by late 1961. One desirable feature of this equipment lay in its ability to adapt to electronic data processing methods. During the next few years, as administrative rationalization progressed, further mechanization was considered and it was decided to make the necessary preparations for an early changeover from purely mechanical accounting machine operation to electronic data processing applications involving the use of a computer. Certain adaptations to the accounting machines were made in 1963 permitting the preparation on these machines of punched paper tape to serve as input for the computer.

The initial approach to the task at hand has been to contract with an outside company for the programming support and machine time necessary to process the Bureau's work while systems analysis, forms and reports design, and work on internally related procedures and processes are all being handled by regular staff of the Bureau. For the time being, this arrangement is considered the most practicable and least costly. Later, as work involving computer processing grows in volume and as experience and knowledge in these techniques within the Bureau reach the selfsufficient level it may be appropriate to reconsider this arrangement.

Following considerable preparatory work the Bureau's payroll was produced for the first time by the computer early in 1964. In addition to producing checks, deposit lists, check register and earnings/deductions statements, numerous reports started coming off the computer as a by-product of the payroll application, namely, reports on organizational expenses and staff entitlements; individual deductions and net salary; payroll reports in allotment order, payroll voucher reports, pension accounting reports and service benefit reports. Work is now going forward on additional applications in the financial area involving reports on unliquidated obligation balances; budgetary controls for personal services and allowances; reimbursements of U.S. income tax; annual pension reports; and certain types of general accounting.

At the same time, preparations have been completed for the introduction of similar techniques in the personnel area. This new process is based on personnel documentation and punched paper tape being produced simultaneously on an automatic writing machine; the establishment of magnetic tape masterfiles containing all pertinent information on current as well as on prospective staff; and the print-out by the computer of a

given item or combination of items of information in the form of reports, analyses or statistics involving a staff member's post, grade, title, duty station, allotment, entrance on duty date, birth date, tenure, sex, marital status, nationality, home leave, salary and allowances, dependent's names and birth dates, languages and other qualifications, pension and insurance numbers and deductions, due dates for salary increments, and the dates certain allowances come to an end. Similar reports will be computer produced in relation to applicants.

Work is now in process relative to additional applications in the personnel area involving computer preparation of certain forms, namely, annual certification of dependents, annual appraisal, and annual salary increment.

Preparatory work on computer oriented applications has also been started in other administrative areas including the supply and inventory functions. Plans are also in the making for the eventual hook-up via the computer of the master file established for the payroll with the one for personnel so as to provide automatic updating of the former by the latter.

The service bureau which processes the Bureau's computer work is currently utilizing a well known medium-sized computer. However, a newer and more versatile system has already been ordered by this company for delivery early next year which calls for the conversion of present PASB applications from one system to the other. Similarly, training of staff in the programming languages and techniques of the new system is also scheduled.

As experience in this activity grows the Bureau has every intention of adapting its applications to the rapidly changing computer technology and to become as versatile as is considered feasible and practicable. To this end, several staff members are being trained in computer programming and related computer technology.

Ultimately, it is hoped to have within the Bureau a cadre of trained staff knowledgeable in the computer field and capable of writing the Bureau's own programs.

The overriding objective remains the continued improvement of administrative efficiency without corresponding increases in staff and costs and through this to give the best possible service to the Member Governments.

It is felt that with constant review and analysis of all administrative operations and with increased use of computer applications and related techniques this objective will be realized.

Further reports will be submitted on the progress and development in this field of endeavour.