

Evaluation of and recommendations for OLPC 2008

Introduction

In 2008 we travelled for 6 months; from the end of May till the end of November 2008. On our trip through Russia, Mongolia, Nepal and India we decided to visit a number of OLPC projects in Asia. In Russia there were none. In cooperation with Russian volunteers we started the first project in Russia.

In the Netherlands we raised funds through our Foundation “Making Miles for Millennium” to realize the project in Russia and to support the deployments in the other countries.

In this document we report our experiences of working with OLPC. Our aim is to write an objective report of what we have experienced. It is not an evaluation of our performance as it relates to the OLPC projects and it is not about the various projects we have visited. The current deployments are all still in a very embryonic stage and it is too early yet to evaluate these. The evaluation is all about our experiences with the organization OLPC. To be honest we have never been in Boston. It is based on internet, the email/chat/phone conversations and occasionally live contacts we have had with the OLPC staff. It will be a story about what we have seen and experienced from the outside. Our hope is that this evaluation will help OLPC to work towards its mission.

To structure our experiences we followed roughly the whole business process starting at what the primary focus is of OLPC, the price, the ordering, the delivery and the support. We end with our conclusions, our future perspective and several recommendations for OLPC.

Focus of OLPC

The primary focus of OLPC is to deliver the XO to every child in developing countries (mission statement; <http://www.laptop.org/en/vision/index.shtml>). OLPC will only support initiatives which fit this philosophy. To achieve this goal all means are however legitimate. E.g. a deployment in a Western country and at the same time in a developing country through a twin city or school relationship is also possible and supported.

We noticed however several deployments in Western countries (U.S.A., Australia and Italy) which don't meet the criteria. And in other cases where the deployment does meet the criteria there is no or limited support (Russia, Nepal).

Of course you can discuss if some poor parts of Western countries need extra support as well and are therefore legitimate to support. Till now however there is a discrepancy between what is done by OLPC and what they officially state. It will help when OLPC is really clear about it.

The numbers

OLPC doesn't express much interest in small scale deployments or pilot projects and doesn't support them. We noticed this in Russia, Nepal, The Netherlands and scanning the possibilities for China. Much is already said on internet on this subject as OLPC is only focusing on large scale operations and huge numbers.

And that is a shame, because we noticed on our travel through (the remote areas of) Russia, Mongolia, Nepal and India (while promoting the XO to teachers, principals, city heads and locals wherever we could) an enormous potential for the XO. To decide however to go for one single laptop for every child in your school without ever having seen one and experiencing it AND with a lot of different other competitors on the marketplace it is just a bridge too far.

The way to convince your stakeholders is next to a good story, some proof. Preferable from local projects. It is very basic: 'seeing is believing'. E.g. the Russian foundation Free Deed is interested in purchasing 1.000.000 UMPC's for Russian schools and the XO is (was?) also on their list. About their purchase there have been talks between OLPC and this foundation. A pilot project in Russia would be an ideal way for OLPC to show the potency of the device for Russia. Our foundation worked together with the State Pedagogic University in Nizhny Novgorod and Centre for Distance Learning in Pskov and sponsored the first pilot projects completely. Unfortunately OLPC showed limited interest in the start and progress of the pilot. We think this small-scale project could have an enormous opportunity for future deployments and investments.

Seeing is believing is a very basic human and business principle to convince decision makers. We are surprised we still have to convince OLPC small projects are important. Our opinion is without the will to support small-scale deployments or pilots, the XO will not be accepted in most of the countries on a large-scale base. Use the slogan: 'start small, scale fast' instead.

Price

The prices of our purchase (beginning 2008) were:

- For orders of 1,000 laptops or more, the price per unit is \$199.49.
- For orders of 500-999 laptops, the price per unit is \$250.
- For orders of 0-100 laptops, the price per unit is \$299.

The staggered price however did not make sense to us. The higher price of smaller quantities is not related to overhead, but to another price mechanism. For every two laptops, you pay an extra laptop which can be used somewhere else by OLPC.

As a charity foundation based in The Netherlands we generated funds in the Netherlands to start a deployment in Russia (poor area and school for visual impaired children). Of course you want to spend all the generated funds for the deployment, especially knowing how difficult fund raising is. However with this price mechanism we paid not only for the 50 XO's but also for 25 extra XO's. The 25 XO's are for another deployment somewhere in the world decided by OLPC. Instead of spending all our effort and money for the new deployment in Russia, the raised money is scattered around the world.

With the recently introduced new price mechanism, this issue is still not solved. The explanation given on the website does not tackle the issue why smaller amounts must have a higher in price.

For us as a Charity foundation the discussion about the price was even worse. At a meeting with OLPC it had been promised and ensured the XO would only cost 200 dollars, also at orders of 50 XO's for Russia. The invoice of OLPC showed however a list price of 300 dollar a piece. After some emails we

got the response of OLPC they made a mistake, but could not do anything about it. That was it. For our budget calculation for Russia, it made however a big difference, because we had suddenly a budget problem of 5.000 dollars (50 x 100 dollars). We proposed a creative solution to him to send the 25 extra XO's to India; to one of the other deployments we were planning to support. Instead of purchasing the 25 XO's for India, we could use the 25 XO's taken by OLPC at the Russian order. That would solve our budget problem. Unfortunately even after repeated asking we never got an answer.

We regret the indifferent attitude of OLPC on solving problems and issues. It does not give us the feeling you go for the same goal.

The last thing about the price is the price itself. In spite of promises the price is still at the same level. Although it is a competitive price in comparison with other devices, it must be lowered to make deployments in developing countries easier. Several email threads have been discussing the price matter in relationship with the income, the budget spending per child etc. (OLPC News).

Our recommendation is to have one price no matter the quantity and lower the price of the XO as soon as possible.

Distribution channel

OLPC is the only organization in the world to get the XO's from. Recently OLPC introduced the XO for the consumer market through Amazon. All the other orders (GiveMany) go through OLPC itself. It is however a different model other IT-companies are using. Distribution channels varies there from purely internet to a wide (global) net of retailers selling software and hardware and everything in between. None is being used by OLPC, even a simple internet request or order form for GiveMany does not exist.

As said before we noticed an enormous potential for the XO (educational market) in the different countries. We received many questions if the XO was already available, if they could buy or try it. The single point of contact in the U.S.A. is however a big hurdle to start up something. It is too far away, too different from the other distribution channels and too difficult to handle.

As a first step we would recommend to start very simple. It would already help to create an ordering page on www.laptop.org describing how to order the XO's together with a simple web form to handle the first step of the ordering process. As a next step OLPC should cooperate with a global company with core competencies in marketing, ordering/shipping and support. OLPC core competencies are research & development and not delivery and deployment.

Ordering and shipping

The ordering process is an ad hoc process with many mistakes. It looks like there is no formal process in place to handle orders.

One example: At our meeting with OLPC, they came up with the idea to ship the XO's for Russia through the World Food Program (WFP) Russia. The customs clearance could take months, but with this arrangement the process could be shortened tremendously. Before the actual shipment all parties (WFP Russia, OLPC, and our Foundation) agreed on the highest level to ship it this way.

At the moment of arrival in Moscow WFP Russia refused however the package. A bad situation and the XO's got stuck on Moscow airport. To make things worse the shipping agent in the USA made a mistake with the delivery address. Therefore the package could not be moved at the airport to cheaper storage space. The Lufthansa storage costs at the airport were 5.000 EURO/day.

Within a day we found a new shipping address in Russia, but all different parties involved in the shipping (shipping agent USA, shipping agent Russia, carrier Lufthansa, our Foundation, the receiver, the sender OLPC) had to approve. For OLPC it meant to change the delivery address on the invoice and shipping documents. Unfortunately OLPC was not willing to cooperate to change the address. After 2 months of emailing and calling we told OLPC if it was not possible to change the delivery address, we were obliged to send the XO's back to the USA, and the storage costs would be charged to OLPC (200.000 EURO's at that time). After an official letter written by OLPC we could not blame OLPC, the documents were finally changed.

After interference of the Dutch embassy, an urgent letter to the CEO of Lufthansa and TNT (shipping agent) the 200.000 EURO's storage costs were taken care of by Lufthansa and TNT.

Again we noticed an indifference attitude at OLPC side. There was no cooperation and no solutions were provided.

As said before OLPC should focus on research and development and find another organization that can handle the ordering, and delivery.

Deployment and the role of OLPC

On our trip we have seen a variety of deployments. We were impressed by the way OLE Nepal is structuring their (future) deployment. It is based on a good framework. Most of the projects are however not accompanied by a sort of master plan, but is more "learning by doing" after they have received their XO's.

The role of OLPC differs from country to country.

Country	Role OLPC	Future perspective OLPC
Russia	Supplier	One of the minor players
Mongolia	Supplier and advisor. In real OLPC took also the deployment role	Uncertain
Nepal	Supplier	Can be successful
India (Bangalore)	Supplier	Scattered deployments
The Netherlands	Supplier	One of the players

Mongolia needs some explanation. 10.000 XO's were delivered by OLPC to the Mongolian government through the G1G1 program 2007. OLPC was been stationed in Ulan Bator to train the teachers and to advise. Because of the political instability, corruption, incapable (Mongolian) personal at the core team and no plan at the Mongolian government, the role slowly transformed into a deployment role.

The original OLPC idea was to give the XO's and to let the Mongolian government decide/handle the deployment in her way. After half a year most of XO's were however still in stock, there was no plan, some XO's disappeared to a village of one of the politicians etc. etc. Because of that the role of the OLPC changed from an advice role slowly to a deployment role without a formal position to do so. Eventually the Mongolian project manager was fired and after a couple months a new Mongolian project manager was in place. Although we agree with the way OLPC looked at how the Mongolian government should deploy the XO's, it is not in line with the OLPC principle to let the country handle the deployment by herself.

If OLPC however wants to play a role in the deployment, they should build up a team with a lot of experience in developing countries and spend a lot of time in the country itself.

Our recommendation is to work closely together with local NGO's. They have experience and are rooted in the country itself. An good example is Nepal. They started with a NGO to speed up the process. In the mean time they involved the ministry of Education from the beginning. It makes the deployments much more effective, successful and the deployment is not depending on e.g. political issues.

The organization OLPC

What surprised us was people in the field did not have the authority to decide by themselves on issues like which deployment to support, the price, what to do next etc. It seems they do not have the authority to decide, but always have to discuss with Boston how to proceed. A hierarchical structure for simple issues means usually lengthy discussions and are time consuming.

We do not know how OLPC is organized inside. From the outside it looks very hierarchal organized and every issue has to be discussed instead of being solved in the field. Our recommendation is to have the authority to decide as low as possible in the organization.

Technical support

The XO is a very rugged device and not many things will break we have experienced. In addition it is easy to repair. We think a smooth and easy way through IT (internet)shops to get spare parts is however essential.

We received many questions about the technical support and guarantee of the XO. For being successful in the several countries, the support issue has to be solved.

Grassroots and supporters

The unique selling point of OLPC is the grassroots, supportive companies, NGO etc. Because OLPC is a nonprofit organization with a unique mission, it attracts companies to spend their corporate social responsibility fund or resources on the future development of the XO.

Fdn Making Miles for Millennium, www.metersmakenvoormillennium.nl, Harrie Vollaard/Gertie Clabbers, The Netherlands

It seems however hard to convince OLPC that all these people are trying to help OLPC. E.g. it is almost impossible to get in touch with OLPC (see Communication and knowledge sharing platform) or to get sample XO's for grassroots.

One other example: one of the global leading IT consulting companies sponsored our trip and asked in return one XO. This XO was meant for the research department and they expressed their interest to work on the XO in the future. It looks like an excellent opportunity for OLPC, but still it costs us 3 months of arguing and mailing to get the one XO.

Of course we recognize certain initiatives to embrace the grassroots, but we recommend to cherish and support the grassroots, supporters and donating companies as much as possible by e.g. giving sample XO's, give supporters influence, help to organize the grassroots etc. It is the unique selling point of OLPC.

Communication and knowledge sharing platform

It is very difficult to communicate with OLPC. You get almost never any answer. The only thing that works with OLPC is networking through the tech savvy people. That is however not simple for everyone and is very time consuming.

Although there is wiki, we really missed the project plans, evaluation plans, curriculum activities, educational targets etc. etc. It is a real miss so little is available. There is a big opportunity to help other deployments when more documentation is being gathered, organized and shared.

What also surprised us was the way of communication about the several deployments. About Mongolia it is mostly good news although most of the XO's are still in stock, the project manager is fired etc. Of course you do not have to tell everything, but being honest and open also when things go wrong is normal.

We recommend to organize and structure the wiki site. To communicate more open about the several deployments and to split the newsletter in a deployment letter (focus PR & Marketing) and a technical issues letter (focus Research & Development).

Functional roadmap

In Russia we worked with a school for visual impaired children. It is very important for us to know when speech support etc will be available on the XO. A clear functional roadmap is not given. That is not only an issue in this case, but in general for the development of the XO. It will really be helpful to have roadmaps. Based on the roadmaps you can make future plans.

We recommend OLPC make or publish their functional roadmaps.

Conclusion

After reading and contemplating it looks like nothing is good at all. The concept of XO is however great and still one of its kind.

The step of OLPC to create the XO is a revolution that stirs the IT world of the developing countries. It will definitively change the way to look at IT forever. Many competitors are now following and trying
Fdn Making Miles for Millennium, www.metersmakenvoormillennium.nl, Harrie Vollaard/Gertie Clabbers, The Netherlands

to break the developing market open for their devices and software. OLPC changed the developing world not only because it is a cheap and rugged device, but also by how it needs to be integrated in the school systems. The credits are for OLPC.

The XO is great, but the organization OLPC can be improved. The organization OLPC tries to switch from a pure research organization to a supplier of the XO when they first started to deploy the XO in 2007. However after 1 1/2 years it looks like OLPC still has no business processes in place. The people who work with OLPC have no experience with these business processes and do not know how to organize a nonprofit organization into a streamlined organization that can handle simple orders. After all it is only one product OLPC 'sells'. In most countries we have visited OLPC's role is a pure supplier's role. The way they act is however differently. Instead of making it very easy to order XO's in larger quantities, you have to discuss why etc. In addition, what doesn't help either is, OLPC hardly answers any email. The way OLPC is organized and how it communicates, it still looks like a research organization.

That is probably the reason why they ignore small-scale deployments. If after 1 1/2 years your targets are still behind, OLPC should wonder if their current strategy is still valid. We noticed in a variety of countries a very big potential for the XO. OLPC can take advantage of this potential by changing their strategy and support small-scale deployments and pilots. These projects are a bridgehead for future deployments.

The way of choosing to be the only distribution channel in the world for larger quantities does not match with the needs in the field of ordering XO's at the corner of the street.

The unique selling point of the concept of the XO and the fact OLPC is a non-profit organization is mainly ignored by OLPC. With the power of local organizations in every country much more can be done.

A couple times OLPC before expressed their interest in our evaluation. We really hope OLPC takes advantage of our evaluation and looks seriously at our recommendations.

Future perspective

It is always difficult to foresee the future. If OLPC does not change the way they are organized, they will never be a big player and loose the commitment of their supporters. The XO is only a device that sparked up the process in the developing countries, but is not the device that will last. Competitors will come and will do a better job in delivering and support.

Without this change, working on an inoperable sugar interface is the way to go now. It gives you all the flexibility no matter the device.

If the sugar interface will last is very difficult to say. Much of the deployments are still in a very embryonic stage. There are no evaluation reports yet which show the advantages of the XO in education. It will take at least a couple of years before any results will be seen. To be honest we sometimes have the itching feeling that the sugar interface really matters less than the fact poor children having a modern tool that gives them a better chance. The future will tell us.

Recommendations

Bullet wise our recommendations for OLPC:

1. Have a clear focus as an organization. Determine if OLPC supports only developing countries or everyone.
2. Support small-scale projects and small numbers.
3. Calculate the same price no matter the quantity and lower the price.
4. The core competence of OLPC is research & development. As done in the consumer market with Amazon, look at a global company that can handle and deliver globally for the GiveMany program. The advantage for OLPC is, it can still be a research organization. There is no further need to streamline the organization and implement business processes.
5. Let local organizations, NGO's determine where XO's can be deployed.
6. Work together with NGO's on local level instead of building up how to deploy a project in a developing country by yourself.
7. Have the authority to decide as low as possible in the organization.
8. Solve the technical support and guarantee issues.
9. Embrace the grassroots and supporters.
10. Communicate and answer your emails.
11. Gather and organize all the documentation needed for the deployment on the Wiki.
12. Work with a clear functional roadmap and publish it on your website.