

## Evaluation Approach

# Special Evaluation Study on ADB's Knowledge Products and Services

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### A. Background and Rationale

1. The Independent Evaluation Department (IED) will undertake the preparation of a Special Evaluation Study (SES)<sup>1</sup> on knowledge products and services (KPS) included in its 2012 work program. At the request of many IED clients, the study was first included in the IED's work program in 2008 under the title SES on the Effectiveness of Selected Knowledge Projects, and then in subsequent work plans in 2009 and 2010, but each time was subsequently postponed.<sup>2</sup>

2. The SES will provide inputs into the envisaged goal of making Asian Development Bank (ADB) a knowledge bank,<sup>3</sup> as well as towards the preparation of the next knowledge management action plan. The SES seeks to provide timely feedback and help guide the evolution of KPS within the ADB. The SES draws on the 2011 evaluation of the Asian Development Bank Institute (ADBI),<sup>4</sup> which was the first evaluation of knowledge management in ADB.

### B. Knowledge Management Activities

3. **Knowledge Management Framework.** In 2004, ADB issued the Knowledge Management (KM) Framework,<sup>5</sup> which signaled ADB's intention to become a learning organization. The framework's envisaged goal/impact was enhanced capacity of ADB and its developing member countries (DMCs) to reduce poverty. Targeted outcomes were: (i) increased amount of more relevant and high-quality knowledge being assimilated and transferred to DMCs and other stakeholders by ADB; and (ii) improved learning–knowledge creation and sharing–capacity of ADB.

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<sup>2</sup> Postponements were mainly due to the fact that the KM action plan was only devised in 2009, and was valid until 2011. Hence, it was felt premature to undertake the evaluation before termination of the plan.

<sup>3</sup> President Kuroda's meeting with ADB senior managers, October 2011. The key economic argument underlying the push to make ADB a knowledge bank is that knowledge can be viewed as a pure public good, since access to it is non-competitive and non-excludable, so its provision should be supported by development institutions.

<sup>4</sup> IED. 2011. *Performance of the Asian Development Bank Institute: Research, Capacity Building and Training, and Outreach and Knowledge Management*. Manila: ADB.

<sup>5</sup> ADB. 2004. *Knowledge Management in ADB*. Manila.

4. **Strategy 2020.** In 2008, ADB formulated its Long-Term Strategic Framework 2008–2020 (Strategy 2020),<sup>6</sup> which set out the main strategic priorities for the organization. “Knowledge solutions” was given prominence as one of the five drivers for change that would act as a catalyst for propelling development forward and enhancing its effects. Strategy 2020 suggested the following actions to make knowledge solutions more effective:

- support more robust body of empirical knowledge to resolve current and emerging obstacles to development,
- address clients’ immediate knowledge needs,
- distribute knowledge in ways that have both an immediate impact and catalytic force,
- build and apply knowledge through cooperation and integration across countries and regions, and
- continuously enrich knowledge through internal and external learning.

5. **Knowledge Management Action Plan.** In 2009, the Knowledge Management Action Plan, 2009–2011<sup>7</sup> was prepared, which consisted of a comprehensive set of actions designed to ensure that ADB’s knowledge continues to expand, is practical and usable to its staff and DMCs, and remains of the highest quality. The action plan was based on 4 pillars: (i) Pillar 1: Sharpening the knowledge focus in all ADB operations, (ii) Pillar 2: Promoting and empowering communities of practice (CoPs) for knowledge generation and sharing, (iii) Pillar 3: Strengthening external knowledge partnerships to develop and disseminate knowledge, and (iv) Pillar 4: Further enhancing staff development programs to improve technical skills and manage knowledge. A review of the action plan is planned for the first quarter of 2012, with the next action plan to be formulated thereafter.<sup>8</sup>

6. Over the past decade, experience with knowledge management programs has led to a shift away from the view of knowledge as an entity that exists independent of context and that can be and manipulated for organizational advantage. Knowledge management is increasingly seen as a process for optimizing the effective application of intellectual capital to achieve organizational objectives. Greater attention is being paid to tacit knowledge and how it can be effectively shared. Also, studies have shown that programs cannot assume that the transfer of knowledge will come automatically with knowledge sharing. Rather, tools and activities need to make sure that what is shared can be adopted, adapted, and used. With the change in thinking has come a change in terminology—with the designation *knowledge sharing* tending to replace *knowledge management*. Appendix 1 provides additional details about the definition of KM, KM Framework and Action Plan and the latest progress achieved in implementing the action plan.

7. **Knowledge Bank.** While there has been some convergence on the concept and definitions of *knowledge management*, the phrase *knowledge bank* remains generally undefined, including within ADB. The broad features and characteristics of a *knowledge bank* are already mapped out by the KM Framework, KM Action Plan, and in various ADB statements, including by the ADB President. But no official ADB-specific definition of *knowledge bank* has emerged. For the purposes of this SES, a ‘working definition’ is hereby proposed, based loosely on the ADB President’s statement during the 2009 Annual Meeting of the Board of Governors of ADB:<sup>9</sup> *A knowledge bank blends knowledge with financing, and focuses on*

<sup>6</sup> ADB. 2008. *Strategy 2020: The Long-Term Strategic Framework of the Asian Development Bank 2008-2020*. Manila.

<sup>7</sup> ADB. 2009. *Enhancing Knowledge Management under Strategy 2020: Plan of Action (2009-2011)*. Manila.

<sup>8</sup> ADB. 2012. *Transforming ADB: Next Steps on Reforms*. Manila. Paper submitted for the Asian Development Fund XI Replenishment Meeting on 7-9 March 2012.

<sup>9</sup> As quoted in the Knowledge Management Action plan (p. 1).

*developing, capturing, and sharing knowledge in all its work, to maximize development effectiveness and impact.*

### **C. Current Institutional Set-Up**

8. At present, ADB has the following organizational structures for knowledge management:
  - (i) Knowledge Management Committee, chaired by the President, including the heads of ADBI,<sup>10</sup> Economic and Research Department (ERD), IED, Department of External Relations (DER), Regional Sustainable Development Department (RSDD), and Strategic Policy Department (SPD);
  - (ii) The Office of the Vice President Knowledge Management, and in particular the Senior Advisor (Knowledge Enterprise);
  - (iii) Within RSDD, the Knowledge Management Center in RSDD and the Knowledge Sharing Program team;
  - (iv) Five designated knowledge departments: ADBI, ERD, IED, RSDD, and Office of Regional Economic Integration (OREI); and
  - (v) Fourteen sectoral and thematic CoPs.

9. In addition, the five regional departments (CWRD, EARD, PARD, SARD and SERD) and the Private Sector Department are important producers and users of operational-related knowledge. DER, in addition to its role as KM Committee Member, is actively engaged in producing original content for various KPSs, as well as plays a key role in ensuring the quality, relevance, timeliness and added value of ADB's KPS through the communications support it provides to departments. A number of other department, such as the Budget, Personnel and Management Systems Department (BPMSD), the Office of Information Sciences and Technology and the Office of Administrative Services, play an important role in maintaining the systems and structures (e.g., Library) supporting knowledge management in ADB.

### **D. ADB Knowledge Products and Services**

10. KPS provided by ADB to DMCs and other stakeholders are generally comprised of two types: (i) formal KPS which are programmed and targeted at specific clientele and stakeholders in the region, and (ii) knowledge by-products derived from delivering loans and other activities. Formal KPS typically have the following characteristics: (i) officially programmed in either in country-specific strategies and programs (CSPs), now country partnership strategies (CPSs) or as part of broader regional cooperation programs or the knowledge departments' Three-Year Rolling Work Programs; (ii) packaged as a discrete end-use product or service; (iii) identifiably financed; and (iv) with a targeted delivery schedule. KPS come in various forms, including country studies, sector and thematic assessments, evaluation reports, case studies, other research-related publications and learning materials, and training and seminars. KPS are transferred to clients through ADB's lending and non-lending operations, as well as through the work of ADBI. Outputs of ADB's KPS usually find their way into databases and ADB and ADBI internet web sites (these can be considered as information systems that support the generation, sharing and use of KPS). Most formal KPS are financed by ADB's technical assistance (TA) resources and the ADBI Special Fund, although staff consultancy budgets and staff's own time is also often used for KPS work.

11. Meanwhile, knowledge by-products are a type of knowledge which is less formal but represents a significant part of the knowledge that ADB generates and accumulates. Each time

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<sup>10</sup> ADBI is a subsidiary body of the ADB located in Tokyo.

ADB interacts with a DMC in project preparation, institutional diagnosis, or analyses for policy and institutional reform of a particular sector, much valuable knowledge and experience are developed. These are sometimes documented but not formally published or made available to external audiences. Usually, the knowledge remains in tacit form, retained in the heads of the staff and, more often, consultants. This type of knowledge is transferred to clients when used as inputs to formal lending or non-lending products. Box 1 shows the different formal KPS and knowledge by-products, as set out in the 2004 KM Framework.

### **Box 1: Knowledge Products and Services of the Asian Development Bank**

#### ***Formal Knowledge Products and Services***

- Publications and journals on specific development issues or research topics, such as *Asian Development Outlook*, *Asian Development Review*, and *Key Indicators*
- Economic, sector, and thematic work (country economic, poverty and thematic assessments, etc.)
- Analytical information posted on Asian Development Bank and Asian Development Bank Institute websites
- Self and independent evaluation reports
- Policy and strategy reviews
- Seminars and workshops materials and synopsis of brainstorming sessions, regional meetings of stakeholders, etc.
- Statistical data

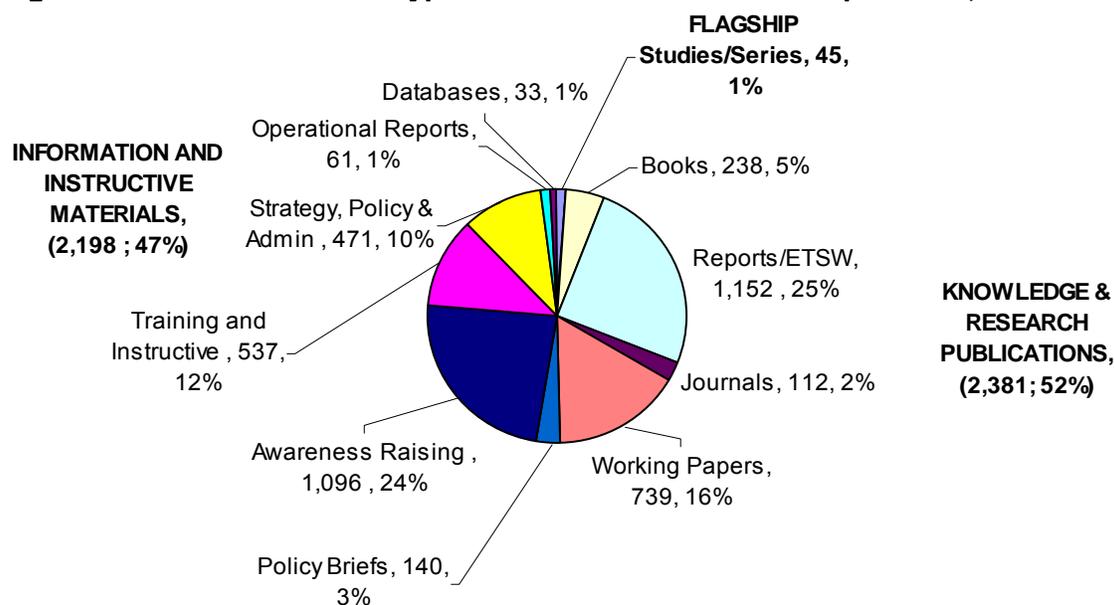
#### ***Knowledge By-Products***

- Analyses of sectoral and institutional issues as part of loan preparation
- Problem-analysis, alternatives, and solution trees
- Environmental and social assessments and surveys as inputs to loans
- Social action plans associated with loan projects
- Understandings created through information exchange at external networks, seminars, and conferences
- Other sourced research information that provides insights into policy, processes, and performance
- Loan-related knowledge transfers, including innovative designs and introduction of new technologies
- Best practices embodied in loan and technical assistance projects (i.e., procurement and financial accounting practices).

Source: ADB. 2004. *Knowledge Management in ADB*. Manila.

12. An indicative stocktaking done by the study team of some of ADB's formal KPS produced during 2004–2011 across the five designated knowledge departments, the five regional departments and other departments resulted in a total of at least 4,624 products and services. The stocktaking adopted the DER taxonomy for publishing categories and includes some self-reported knowledge products by the Regional Departments, thus the cross-department comparison should be considered only indicative. Figure 1 shows the breakdown of knowledge products in terms of main knowledge publishing categories, with knowledge and research publications accounting for about 52%, and information and instructive materials for 47% of the knowledge products. Appendix 2 provides details of the stocktaking.

**Figure 1: Indicative No. and Type of KPS of Selected ADB Department, 2004–2011**



Sources: (i) ADB Annual Reports for 2007, 2008, 2009, 2010 (Appendix 14); (ii) Department submissions (ERD, OREI, PARD, SARD, and SERD); (iii) ADB. 2011. *Performance of the ADB Institute: Research, Capacity Building and Training, and Outreach and Knowledge Management*. Manila (for ADBI research products); (iv) EARD. 2008, 2009, 2010. Knowledge Management Initiatives; (v) PARD. 2010 Compendium of Knowledge Products; and (vi) Department websites.

## E. Previous Surveys and Evaluations of ADB Knowledge Activities

13. Since 2005, ADB has conducted annual surveys to measure staff perceptions of knowledge management and to highlight KM trends. Survey findings are benchmarked against the eight recognized MAKE (Most Admired Knowledge Enterprises) knowledge performance dimensions. In October 2011, ADB was selected for the first time as a winner of the prestigious 2011 Asian MAKE award. The MAKE 2011 panel recognized ADB for its collaborative and enterprise-wide knowledge sharing.

14. To date, there has been just one evaluation of ADB's knowledge-related activities.<sup>11</sup> In 2011, IED undertook an SES of the Asian Development Bank Institute (ADBI) (footnote 1) to assess its performance in providing knowledge products and services to its clients. Overall, the study found that links between ADBI and ADB through ADB headquarters knowledge departments have been greatly strengthened, and information flows from both sides have been active, and are becoming systematic and organization-based. Overall performance of ADBI was rated *successful*. The study recommended the need to facilitate institutional changes with the involvement of ADB headquarters' knowledge and regional departments to improve the effectiveness of ADBI's knowledge products, among other things. The study also recommended the strengthening of the quality of research products, including theoretical and conceptual underpinnings and rigorous evidence of research, to an extent that can guide DMC policy makers to formulate appropriate policies. Following the study, ADBI prepared a draft results

<sup>11</sup> An evaluation was conducted in 2001 to assess some of ADB's economic and sector work, but this study was not focused on knowledge activities per se.

framework and performance measurement system to better coordinate its future knowledge activities. Details of previous surveys and evaluations are in Appendix 3.

## F. Proposed Special Evaluation Study

### 1. Objective, Approach, Scope and Evaluation Criteria

15. **Objective.** The study aims to determine what features are essential to make ADB more effective as a knowledge bank and how these features can be adapted to the changing context of the Asia Pacific region. The study will assess ADB's outcomes achieved from generating, sharing and using KPS and derive lessons on how to better support effectiveness of knowledge operations in the future. For the purposes of the study, the two main knowledge stakeholders are DMC clients and staff in ADB Headquarters. Secondary knowledge stakeholders include development partners and other knowledge users/providers, such as academia, non-government organizations, private sector, think tanks and the media.

16. The 2009 KM Action Plan came to an end in 2011 and, hence, there would be a benefit from assessing independently its progress to date in attaining the Action Plan's targets. The SES would propose new KM indicators for the corporate results framework and contribute to the new KM action plan.

17. **Approach.** The approach adopted the by the SES is aimed at providing answers to the following research questions:

- (i) How can ADB's KPS be most relevant to the development needs of the Asia Pacific region?
- (ii) What is known about how best KPS can contribute to development effectiveness in the region and elsewhere?
- (iii) How best can ADB gauge the knowledge stakeholders' demand for its KPS?
- (iv) What areas should ADB focus on to become a knowledge bank? What incentives and resources are needed to achieve this end?
- (v) What attention is needed to ensure quality, relevance, timeliness, and added value of the KPS?
- (vi) What mechanisms are needed to promote synergies among ADB's various departments that produce, share and use knowledge? What are the instances of knowledge overlap or missed opportunities?
- (vii) How best can ADB achieve the intended outputs and outcomes set out in the KM Action Plan?

These research questions are informed by the objective tree analysis shown in Appendix 4.

18. **Scope.** The scope of the study would encompass all ADB departments that are involved in knowledge identification, generation, storage, sharing and use, with a particular focus on the designated knowledge departments, and the regional departments (including resident missions). The period of coverage will be from 2004 onward, with focus from 2008–2011, corresponding to the period since ADB's Strategy 2020 was issued and covering the duration of the 2009–2011 KM Action Plan.

19. **Evaluation criteria.** The study will assess the *relevance* in the context of the development challenges and opportunities then, now and looking forward; *responsiveness* to the underlying objectives of the KM Action Plan, as well as client demands and needs and the

contribution to *results (impacts)* achieved. These evaluation criteria are further elaborated by more detailed questions in Box 2.

<b>Box 2: Evaluation Questions</b>	
<b>Criteria</b>	
<b>Relevance</b>	<ul style="list-style-type: none"> <li>• How can ADB's KPS be most relevant to the development needs of the Asia Pacific region?</li> <li>• How best can ADB gauge the knowledge stakeholders' demand for its knowledge products and services (KPS)? In what ways can new stakeholders, such as ADB's growing number of graduated and middle-income DMCs, be better served? How should ADB prioritize the areas on which to focus?</li> <li>• To what extent do ADB's knowledge management activities reflect good international practice in terms of "change management" principles?</li> <li>• How do country-level knowledge stakeholders (e.g., ADB Board, DMC government officials) perceive KPS (including TA outputs) as being produced in time and with good quality to suit the countries' needs?</li> </ul>
<b>Responsiveness</b>	<ul style="list-style-type: none"> <li>• What areas should ADB focus on to become a knowledge bank? What incentives and resources are needed to achieve this end?</li> <li>• How are relationships among the KM Center, designated knowledge departments, other departments that generate/share/use knowledge, KM focal points in regional departments, staff in resident missions, and CoPs being managed and coordinated?</li> <li>• Are current institutional arrangements conducive to existing and possible future knowledge requirements? For example, are the current set-up and structure of KM Center appropriate or would there be a need for future modifications?</li> <li>• What incentives are needed to avoid "silo mentality" (i.e., knowledge flowing vertically, rather than cross-departmentally)? What mechanisms are needed to promote synergies among ADB's various departments that generate, share, and use knowledge?</li> <li>• How appropriate are current knowledge processes for identifying, generating and disseminating KPSs (including those for TA fund allocation) to existing and possible future knowledge requirements (e.g., more focus on e-learning, web-based learning and other distance and multi-media approaches)?</li> <li>• What lessons can be learned from the mix between internal and external skills in the context of sustainability and cost effectiveness in creating, storing and sharing knowledge?</li> <li>• How best can ADB and ADBI support DMCs in strengthening their capacity to use KPS for enhanced development results? How could this be sustained in the medium-term?</li> <li>• What progress has ADB made regarding the intended outputs and outcomes set out in the KM Action Plan? How have awareness, motivation, incentives, staff development, budget resources, and leadership been used to move the KM Action Plan forward? How best can ADB achieve the intended outputs and outcomes that have not made sufficient progress?</li> <li>• What are the current barriers that hinder the identification, generation, storage, dissemination and use of KPS? What attention is needed to ensure quality, relevance, timeliness, and added value of the KPS?</li> <li>• How have ADB's KPS-related systems supported the identification, generation, storage, sharing and use of KPS? What are the gaps in systems (particularly information technology) that are hindering these processes?</li> </ul>
<b>Results (Impacts)</b>	<ul style="list-style-type: none"> <li>• How have KPS been used by the key knowledge stakeholders?</li> <li>• What are the instances of KPS having influenced important policy changes in</li> </ul>

DMCs?

- What are the instances of KPS having been operationally relevant and how can these KPS be scaled up?
- What are the instances of knowledge overlap and/or missed opportunities?
- What is known about how best KPS can contribute to development effectiveness in the region and elsewhere?
- How have KPS and knowledge solutions contributed to development effectiveness? How can the achievements be sustained?
- What are the perceptions of knowledge stakeholders as to how effective knowledge solutions have been promoting development effectiveness?
- Looking forward, how can ADB produce and distribute its knowledge in ways to have an immediate impact or a catalytic force? Are there particular mechanisms or process improvements that can be adopted that would enhance future KPS?

20. The above three criteria are in line with IED's previous corporate evaluations, such as the 2007 SES on Achievements of ADB's Long-Term Strategic Framework 2001–2015<sup>12</sup> and the 2011 SES on Managing for Development Results.<sup>13</sup> The SES will rate the ADB's performance both at an aggregated level as well as at the criterion-level. A draft evaluation design matrix is under preparation and will be finalized during the inception stage.

## 2. Methodology

21. The study will be carried out through a combination of reviews, analyses/assessments, and interviews/surveys to be conducted in ADB Headquarters and in the DMCs. Preliminary details of study components are in Appendix 5, and are summarized below:

- (i) Literature review,
- (ii) Knowledge product and services assessment,
- (iii) Case studies of influential KPS,
- (iv) Institutional assessment,
- (v) Comparator assessment and benchmarking study,
- (vi) Questionnaire surveys,
- (vii) Key informant interviews (including field visits), and
- (viii) External review panel.

22. The first component will mainly be undertaken as desk reviews to draw lessons from previous evaluations by IED, other ADB departments and development partners. The KPS assessment will involve desk review, citation analysis, and focus group discussion. The case studies analyses will mainly involve desk review of KPS recommended by knowledge stakeholders in the ADB. The institutional analysis and comparator assessment and benchmarking study components will be examined using desk reviews, and surveys/interviews of selected ADB, client government and development partner officials. To the extent possible, questionnaire surveys will be aligned with those of the 2011 ADBI evaluation in order to allow for cross-department comparison. Selection of DMCs for possible field visits will be mainly based on the basis of frequency of ADB-sponsored knowledge activities undertaken in the country and opportunity to interview key knowledge stakeholders. The proposed evaluation approach and methodology is considered preliminary and will be further refined during the inception phase of the work. Highlights of selected knowledge evaluations which have guided the approach and methodology are shown in Appendix 6.

<sup>12</sup> ADB. 2007. Special Evaluation Study on Long-Term Strategic Framework: Lessons from Implementation (2001–2006). Manila.

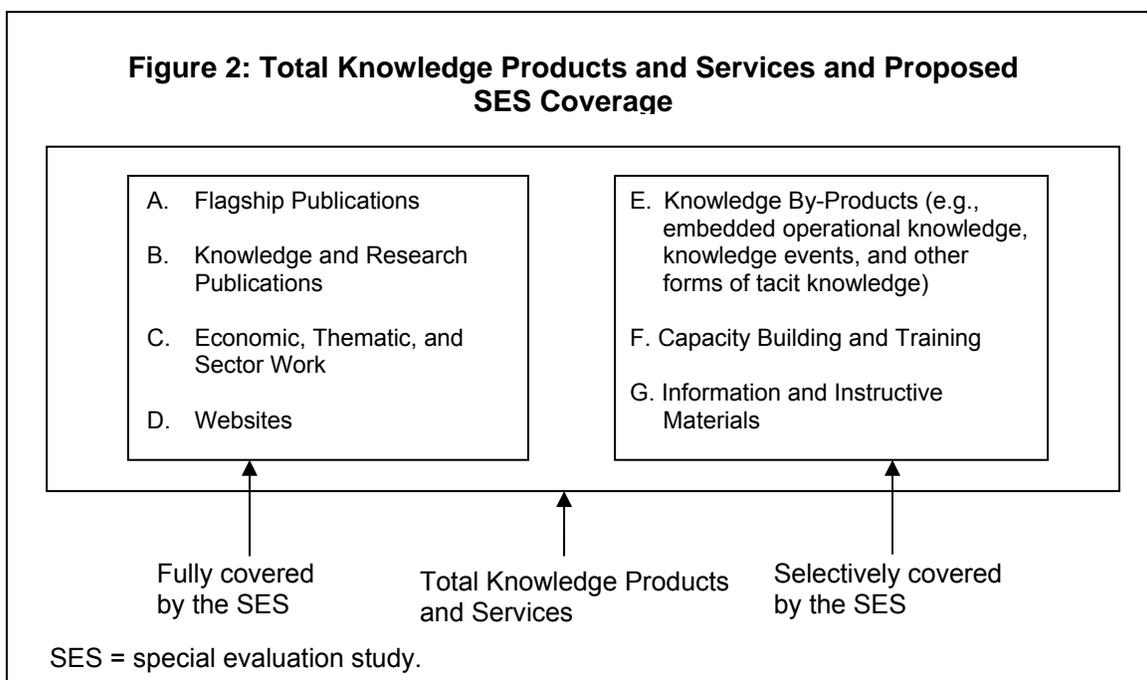
<sup>13</sup> ADB. 2011. Special Evaluation Study on Managing for Development Results. Manila.

### 3. Coordination of the SES with Internal and External Stakeholders

23. Internally, the SES Team will regularly liaise with staff from the offices of the Vice President Knowledge Management (VPKM) and Regional Sustainable Development Department (RSDD), who are responsible for coordinating knowledge management activities in ADB, to obtain necessary information. A preliminary scoping document and a first draft of this approach paper were shared and discussed with VPKM and RSDD staff. The first draft of the approach paper was also shared with the regional departments and other concerned departments and these departments will be consulted at several key stages.

### 4. Limitations

24. The SES will:
- (i) for the KPS assessment, focus mainly on the formal KPS indicated in Figure 2 and selectively cover the other KPS;
  - (ii) as the main focus of the SES is on the designated knowledge departments and the five regional departments, selectively cover the other knowledge generating/sharing/using departments in ADB; and
  - (iii) to avoid potential bias in the evaluation of IED's KPS, the SES will restrict itself to descriptive analysis. In particular, IED KPS will not be assessed by the external review panel, nor be included in the case studies analyses.



### G. Schedule and Resource Requirements

25. The Headquarters-based team has already undertaken initial deskwork and other preparations. In addition, the team has closely coordinated with relevant ADB departments in the preparation of the evaluation approach paper.

26. The SES will be carried out over January–November 2012. Submission of the final SES for IED Director General approval will be in mid October and presentation to the Development

Effectiveness Committee is tentatively set for the fourth week of November. Contingent on the Governments' agreements on the proposed timing of field visits and consultations, as well as fast turnaround in receiving comments, the tentative target dates for major milestones will be:

Approval of the evaluation approach paper	–	IV March
Main study activities undertaken	–	March – June
Initial draft SES prepared	–	IV June
Internal (IED) and external peer reviews	–	IV July
Interdepartmental circulation	–	III August
Meetings with concerned departments	–	III September
Final draft to editor	–	IV September
Submission to Director General	–	II October
Development Effectiveness Committee Meeting	–	IV November

27. External consultants required for the evaluation will include: a Comparator/Benchmarking Specialist; a Knowledge Management Specialist; a Strategic Management Specialist; an external review panel; one domestic consultant (ADB headquarter-based), and two external peer reviewers.

28. **Peer and external review.** Njoman Bestari and Kapil Thukral are the proposed IED reviewers. In addition, the draft report will be reviewed by two external reviewers, to be identified in due course.

29. **Knowledge Dissemination Plan.** This EAP and the final SES report will be made available to the public upon IED Director General approval. A summary of key findings and lessons in the form of "*Learning Curves*" will be prepared, along with other possible dissemination mediums.

Appendixes:

1. Knowledge Management Framework and Action Plan
2. List of Knowledge Products and Services during 2004–2010
3. Previous Surveys and Evaluations
4. Objective Tree Analysis
5. Study Components
6. Highlights of Selected Knowledge Evaluations

## KNOWLEDGE MANAGEMENT FRAMEWORK AND ACTION PLAN

### A. Definition of Knowledge Management

1. Knowledge management (KM) is generally defined as the manner in which an organization utilizes a range of strategies and practices to identify, create, capture, represent, enhance, distribute, re-use, and enable adoption of insights and experiences to achieve organizational objectives. KM processes typically involve mobilizing knowledge from inside and outside the organization and applying it to solve local or national development problems in a timely fashion. KM programs are often tied to organizational objectives such as improved performance, competitive advantage, innovation, and the general development of collaborative practices. In the ADB context, this could include using KM programs and processes to solve operational issues, sub-regional and cross-border problems and through the linking of KM programs with organizational objectives that include improved development effectiveness.

2. KM is frequently linked to the idea of the learning organization. It may be distinguished from organizational learning by a greater focus on specific knowledge assets or products and the development and cultivation of the channels or systems through which knowledge flows. KM systems refer to a class of information systems applied to managing organizational knowledge. Such systems typically include information technology-based systems developed to support and enhance the organizational processes of knowledge creation, storage/retrieval, transfer, and application, as well as social interaction systems that allow for the sharing of knowledge.

3. Much of the early practice and writing on managing knowledge focused on explicit knowledge—“knowledge one can see and document”—and on how to capture, organize, and disseminate it. The core aim was defined as “knowing what we know, capturing and organizing it, and using it to produce returns”. Knowledge was understood as a substance to be engineered—produced, catalogued, warehoused, and shipped. And knowledge management was seen as an activity that could be assigned to a designated few in an organization.<sup>1</sup>

4. Over the past decade, experience with knowledge management programs has led to a shift away from this view of knowledge as an entity that exists independent of people or context and that can be moved about and manipulated for organizational advantage. The core concept is increasingly seen as a process for optimizing the effective application of intellectual capital to achieve organizational objectives. Greater attention is being paid to tacit knowledge and how it can be effectively shared. Also, studies have shown that programs cannot assume that the transfer of knowledge will come automatically with knowledge sharing. Rather, tools and activities need to make sure that what is shared can be adopted, adapted, and used. With the change in thinking has come a change in terminology—with the designation *knowledge sharing* tending to replace *knowledge management*.

5. In recent years, knowledge is becoming an increasingly important asset for many economies to gain faster growth by using resources more efficiently. This process has been accelerated by the information and communication technology revolution, which dramatically increased the flow of information. Several issues have emerged regarding the manner in which knowledge is being utilized to catalyze developmental activities developing countries. One issue was the need for greater access among these countries in terms of information and knowledge that would help design and implement sound policies, establish strong governance systems,

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<sup>1</sup> World Bank. 2003. *Sharing Knowledge: Innovations and Remaining Challenges, AN OED Evaluation*. Washington, D.C.

and encourage the flow of investment. Although the rapidly improving flow of information offers opportunities to meet these needs, there remains the risk of widening knowledge gaps between countries in view of varying degrees of access and utilization of information. As such, there is the risk that this may result in greater disparity among developing countries.

6. As defined by ADB's Regional and Sustainable Development Department (RSDD), KM in ADB is about 'providing the right knowledge to the right people at the right time, and helping them apply it in ways that improve organizational performance'. KM is associated, but not synonymous, with other knowledge products and services provided by ADB including economic and sector work, research, training and the marketing of its publications. The goal is not only to enhance ADB's capacity to contribute to socio-economic development and to reduce poverty in a more timely, innovative, and effective manner, but also to provide direct access to the world's best development know-how to all stakeholders in the development process, including governments, development partners, the private sector, and non-government organizations.

## B. 2004 Knowledge Management Framework

7. Recognizing the growing role knowledge plays in the advancement of its developing member countries (DMCs), ADB committed, through its Long-Term Strategic Framework for 2001–2015 (LTSF), to become a learning institution and a primary source of development knowledge in Asia and the Pacific.<sup>2</sup> The LTSF outlined ADB's long-term goals and fundamental operating principles to support poverty reduction strategy. It also emphasized the need for measuring ADB's developmental impact. In 2002, ADB established a Knowledge Management Committee, among other things, to guide the implementation of the long-term strategic framework.

8. In 2004, ADB issued the Knowledge Management Framework,<sup>3</sup> which signaled ADB's intention to become a learning organization. The framework's envisaged goal/impact was enhanced capacity of ADB and its DMCs to reduce poverty. Targeted outcomes were: (i) increased amount of more relevant and high-quality knowledge being assimilated and transferred to DMCs and other stakeholders by ADB; and (ii) improved learning – knowledge creation and sharing –capacity of ADB..

9. ADB's KM framework, as envisaged in the LTSF, is based on the following guiding principles:

- (i) **Fostering a knowledge-supportive environment** – a corporate culture that values learning and knowledge sharing is essential for ADB. The KM framework aims to establish an enabling culture for effective knowledge management to promote staff contribution to knowledge activities, encouraging every staff member to be a "knowledge worker".
- (ii) **Ensuring results orientation and continued improvements** – measuring and monitoring intended results of knowledge initiatives is important to ensure continuous

<sup>2</sup> ADB. 2001. *Long Term Strategic Framework (LTSF) (2001-2015)*. Manila. Page 16, para 53 of the LTSF states, "ADB must become a knowledge-based learning institution, drawing upon resources, skills and expertise both inside and outside the organization. It must develop the capacity to learn quickly from its own experiences and those of other development partners, and to disseminate such experience in the form of best practice among DMCs, ADB staff, and the development partners."

<sup>3</sup> ADB. 2004. *Knowledge Management in ADB*. Manila.

improvements in managing ADB's knowledge agenda. The KM framework is designed to sharpen the results focus in undertaking knowledge management initiatives.

- (iii) **Enhancing operational relevance.** To ensure that knowledge management initiatives will improve operational effectiveness, the KM framework will prioritize actions that have strong operational relevance. Operational strategies will drive ADB's approaches to knowledge management, and will guide the business processes and planning of administrative and information technology support.

10. Following these guiding principles, five distinct but complementary outputs were envisaged. (i) improved organizational culture for knowledge sharing; (ii) improved management system; (iii) improved business processes and information technology solutions for knowledge capture, enrichment, storage, and retrieval; (iv) well-functioning "Communities of Practice" (CoPs); and (v) expanded knowledge sharing, learning, and dissemination through external relations and networking.

11. The envisaged benefits of implementing the KM framework were overall improvement of processes and mechanisms for capturing and storing information, leading to operational efficiencies in finding relevant information when needed. The intention of the KM framework was to enhance the knowledge of ADB staff by giving them faster access to crosscutting knowledge, tacit or explicit, leading to improved project quality. DMCs and other development partners were also envisaged to have better access to ADB's knowledge reservoirs, which would ultimately aid DMCs in their development work.

### **C. 2009 Knowledge Management Plan of Action (2009–2011)**

12. In 2008, a new LTSF was formulated for the period 2008-2020 entitled Strategy 2020.<sup>4</sup> This new strategy significantly reinforced ADB's commitment to becoming a learning organization by designating knowledge solutions as one of the five drivers of change. In particular, it called for enriching ADB's KM activities through internal learning from operational practice and external learning from long-term strategic alliances with development partners. This led to the approval of the Knowledge Management Action Plan, 2009–2011,<sup>5</sup> which was a comprehensive set of actions designed to ensure that ADB's knowledge continues to expand, is practical and usable to its staff and DMCs, and remains of the highest quality. The action plan was based on the following four pillars:

- (i) Pillar 1: Sharpening the knowledge focus in all ADB operations,
- (ii) Pillar 2: Promoting and empowering CoPs for knowledge generation and sharing,
- (iii) Pillar 3: Strengthening external knowledge partnerships to develop and disseminate knowledge, and
- (iv) Pillar 4: Further enhancing staff development programs to improve technical skills and manage knowledge.

13. For Pillar 1, actions/outputs were proposed for regional, country, and project levels. At the regional level, there was a need for ADB to have a focused and coordinated approach to identifying and organizing priority regional studies. At the country level, knowledge management activities should also be properly resourced in the country operations budgets, including

<sup>4</sup> ADB. 2008. *Strategy 2020: The Long-Term Strategic Framework of the Asian Development Bank 2008–2020*. Manila.

<sup>5</sup> ADB. 2009. *Enhancing Knowledge Management under Strategy 2020: Plan of Action (2009–2011)*. Manila.

resources for economic and sector work, and country diagnostics to inform the country partnership strategy preparation and policy dialogue. At the project level, lending and technical assistance grants were to be among the primary channels through which ADB brings value to its clients.

14. For Pillar 2, the following actions/outputs were proposed: (i) ensure that CoPs communities of practice become an integral part of ADB's business processes; (ii) increase the budget of the communities of practice, based on a clear set of objectives, and, most importantly, measurable "outcomes" of improved knowledge management; (iii) require the CoPs to more purposefully engage in external partnerships including especially the regional knowledge hubs that ADB finances; and (iv) role of the KM coordinators in ADB will be reviewed and ways to harness their knowledge, skills, experience, and interests in the form of a CoP in KM will be proposed.

15. For Pillar 3, the following actions/outputs were proposed: (i) develop criteria for the selection of external knowledge networks including nonregional institutions; (ii) ensure that expected outputs and outcomes are strategically aligned to ADB and developing member country priorities, specified during the selection process, and include requisite support from the relevant communities of practice; (iii) make sure that agreements with knowledge networks spell out the need to conduct proactive dissemination activities in ADB and its developing member countries, and encourage the networks to disseminate ADB's knowledge products; and (iv) consider knowledge partnerships when ADB enters into agreements with other institutions through documents such as letters of intent and memorandums of understanding.

16. For Pillar 4, the following actions/outputs were proposed: (i) design and implement a focused (and needs-based) knowledge management and learning program for all staff, including those in resident missions and representative offices; (ii) introduce the concept of "sabbatical" in the current "Special Leave without Pay" arrangement that is based on merits and focused on results, to encourage staff to compete for external learning and knowledge-sharing opportunities (and be recognized for their accomplishments); (iii) invite a number of senior and junior researchers to ADB for short-term assignments in forward-looking studies that are aligned with the priorities of *Strategy 2020*, with nominations subject to approval by the Vice-President for Knowledge Management and Sustainable Development; (iv) increase the budget for external training for administration by the Vice-Presidents; and (v) capture the knowledge and experience of departing staff, especially retiring members, through exit debriefings and participation in the induction program.

17. ADB's plan of action highlighted certain aspects that could support and facilitate knowledge management practices, such as budgetary allocations, business process improvements, and information technology. Initial actions/outputs were for a 3-year time frame and the measures for their implementation were to be incorporated into ADB's *Work Program and Budget Framework (2010–2012)*.

#### **D. 2010 Knowledge Management Results Framework and Latest Self-Assessed Progress**

18. In March 2010, ADB crafted a Knowledge Management Results Framework to operationalize the action plan and monitor its implementation. In quarterly intervals beginning

July 2010,<sup>6</sup> ADB tracked the progress of the 37 action points specified in the framework. Table A1 shows the latest progress report.

**Table A1: Knowledge Management Results Framework: Highlights of Progress**  
(as of 31 July 2011)

Pillars	Progress
Sharpen knowledge focus in ADB's operations	<ul style="list-style-type: none"> <li>• ADB conducted studies to promote understanding of knowledge management, including taxonomy of ADB's knowledge; degree to which KM and communications are integrated in project documents; and demand for, and strategic fit of knowledge products and services extended by the resident missions.</li> <li>• New sector peer review procedures were incorporated into ADB's business processes for country partnership strategies and lending products.</li> <li>• ADB strengthened the terms of reference of its knowledge management champions.</li> <li>• Efforts to transform sector- and theme-related information into knowledge were boosted.</li> <li>• ADB's drive to broaden understanding of tools, methods, and approaches for knowledge management and learning continued through the Knowledge Solutions and Knowledge Showcases series.</li> <li>• ADB published the Sustainable Development Timeline which catalogs major sector and thematic landmarks in ADB's journey to promote sustainable development.</li> <li>• Marketing and distribution of knowledge products were expanded.</li> </ul>
Empower communities of practice	<ul style="list-style-type: none"> <li>• 8 additional staff positions were allocated for CoP-related work and the CoPs' budget increased tenfold in 2010.</li> <li>• CoPs were mainstreamed into operations.</li> <li>• CoPs conducted self assessments and developed customized training programs to address knowledge and skills gap.</li> <li>• ADB formulated the revised guidelines for sector and thematic reporting.</li> <li>• Collaboration mechanisms for cross-departmental and multi-disciplinary knowledge sharing were set up, including a CoP news aggregator that allows the members of different CoPs to share news more regularly and comprehensively.</li> <li>• 2 surveys of ADB-hosted CoPs have been conducted.</li> <li>• A year-end event designed for networking and knowledge sharing among CoPs was introduced in 2009 and continued onward.</li> </ul>
Strengthen external knowledge partnerships	<ul style="list-style-type: none"> <li>• Guidelines on Knowledge Partnerships were formulated and published.</li> <li>• A database on partnerships and agreements was created.</li> <li>• A system to facilitate bank-wide and decentralized management and monitoring of partnerships is under development. <ul style="list-style-type: none"> <li>• Dissemination and visibility of ADB's knowledge products were expanded through ADB's depository library program and multi-donor</li> </ul> </li> </ul>

<sup>6</sup> ADB. 2010. *Crafting a Knowledge Management Framework*. Manila.

<b>Pillars</b>	<b>Progress</b>
	public information center network.
Further enhance staff learning and skills development	<ul style="list-style-type: none"> <li>• 6 hour-long modules for the Learning for Change Primers series were developed and conducted.</li> <li>• 4 modules for the Knowledge Management and Learning Series were developed and conducted.</li> <li>• 2 batches of the Narrative Practitioners training program were conducted.</li> <li>• Budget for external training was expanded.</li> <li>• The TA Strategic Forum was established in 2008 to set ADB's research and knowledge priorities in line with Strategy 2020.</li> <li>• Efforts to capture, store, and share the tacit knowledge of past and present staff resulted in a major publication.</li> </ul>

Source: ADB Knowledge Management website.

## ADB KNOWLEDGE PRODUCTS AND SERVICES DURING 2004–2011

1. Table A2.1 provides a preliminary stocktaking of knowledge products and services (KPS) generated during 2004–2011 by the designated knowledge departments (namely, Economics and Research Department [ERD], Independent Evaluation Department [IED], Office of Regional Economic Integration, Regional and Sustainable Development Department [RSDD] and Asian Development Bank Institute [ADBI]), the five regional departments (namely, Central and West Asia Department, East Asia Department, Pacific Department, South Asia Department, and Southeast Asia Department [SERD]), and other departments such as the Department of External Relations (DER), IED, Strategy and Policy Department, Office of Administrative Services, Office of Information Systems and Technology and Budget, Personnel, and Management Systems Department (BPMSD). A total of at least 4,624 products comprised of various types of publications, information and instructive materials (including databases but excluding conference and training materials) were produced by the said departments during 2004–2011. Across the departments, ADBI was the largest producer of knowledge products, followed by RSDD and DER (Figure A2.1). Relatively numerous knowledge products were also generated by IED, BPMSD and ERD. Among the regional departments, SERD reported the highest number of knowledge products for the review period. It should be noted that the cross-department comparison is only indicative since the stocktaking of knowledge products by the Regional Departments to some extent is self-reported and are therefore somewhat subjective.

2. KPS generated by the various departments during 2004–2011 can be categorized broadly into four (4) types, namely: (i) flagship publications which can be stand-alone flagship studies or flagship series (e.g., ERD's Asian Development Outlook and Key Indicators for Asia and the Pacific, OREI's Emerging Asian Regionalism, and ADBI's Infrastructure for a Seamless Asia); (ii) knowledge and research publications that includes books, reports/reports series, working papers, and ADB Brief and policy briefs; (iii) informative and instructive materials comprising of awareness-raising and multimedia materials; training and instructive materials; strategy, policy and administrative documents; operational reports; and databases; and (iv) websites.<sup>1</sup> Table A2.1 and Figure A2.2 shows the breakdown of knowledge products in terms of these product categories, with knowledge and research publications accounting for about 52%, and information and instructive materials for 47% of the knowledge products. The number of ADB publications with International Standard Book Number (ISBN) for the period 2004–2011 reached 255<sup>2</sup> or about 6% of total publications.

3. Databases maintained by the various departments comprise less than 1% of the KPS. Databases includes ERD's online database portal on energy; OREI's tax incentive database and integration indicators; SARD's research and regional cooperation and integration alerts; IED's monitoring and evaluation CoP collaboration platform and OIST's forms management database. Each department also has its own website. Aside from their own respective department websites, ERD, OREI and RSDD maintain other websites such as resource portals of ADB-Hosted Communities of Practice (CoPs) like ENERcall or the online portal of the Energy CoP, Asia Regional Integration Center and Asian Bonds Online.

<sup>1</sup> Categories of knowledge products/publications (i.e, items i-iii excluding Websites) follow that of the ADB Department of External Relations (DER) as contained in a memorandum dated 20 August 2008 on "Changes in ADB's Publishing Program."

<sup>2</sup> ADB. 2011. *Publications Catalogue: Fall 2011*. Manila

**Table A2.1: Indicative No. and Type of Knowledge Products and Services of Selected ADB Departments, 2004–2011**

Categories <sup>a</sup>  (Years covered)	Knowledge Departments				Regional Departments					Other Departments in KM Committee			Other Departments <sup>f</sup>			Total	
	ERD <sup>b</sup>	OREI <sup>b</sup>	RSDD <sup>c</sup>	ADBI <sup>d</sup>	CWRD <sup>b</sup>	EARD <sup>e</sup>	PARD <sup>b</sup>	SARD <sup>b</sup>	SERD <sup>b</sup>	DER <sup>c</sup>	IED <sup>c</sup>	SPD <sup>c</sup>	OAS	OIST	BPMSD	No.	%
	(2004–11)	(2005–11)	(2007–11)	(2004–11)	(2006–11)	(2007–11)	(2004–10)	(2008–11)	(2004–10)	(2008–10)	(2004–10)	(2006–11)	(2009–10)	g	g		
<b>A. FLAGSHIP PUBLICATIONS</b>	28	8		1						8						45	1.0
A1. Stand alone/Flagship study		8		1												9	0.2
A2. Flagship Series	28									8						36	0.8
<b>B. KNOWLEDGE AND RESEARCH PUBLICATIONS</b>	322	141	167	552	155	195	113	98	215	11	389	20	3			2,381	51.5
B1. Books	7	12	40	58	1		9	18	71		1					217	4.7
B2. Book chapters				19				2								21	0.5
B3. Reports/Reports Series	29	41	80	57	17	65	92	68	85	11	379	20	3			947	20.5
B4. Economic, Thematic and Sector Work (ETSW)					128	77										205	4.4
B5. Journals	13								1							14	0.3
B6. Journal articles	5			52		4		1	36							98	2.1
B7. Working Papers	256	88	17	338	4	2		9	22		3					739	16.0
B8. ADB Briefs/Policy Briefs	12		30	28	5	47	12				6					140	3.0
<b>C. INFORMATION AND INSTRUCTIVE MATERIALS</b>	45	14	332	149	14	12	29	96	119	478	78	40	321	54	417	2,198	47.5
C1. Awareness Raising and Multimedia Materials	28	1	175	149	13	9	29	58	46	478	74	25	11			1,096	23.7
C2. Training and Instructive Materials	7	7	151			2		1	5		3		148		213	537	11.6
C3. Strategy, Policy, and Administrative Documents			5					15	37			15	162	53	184	471	10.2
C4. Operational Reports								19	31						11	61	1.3
C5. Databases	10	6	1		1	1		3			1			1	9	33	0.7

Categories <sup>a</sup>	Knowledge Departments				Regional Departments					Other Departments in KM Committee			Other Departments <sup>f</sup>			Total	
	ERD <sup>b</sup>	OREI <sup>b</sup>	RSDD <sup>c</sup>	ADBI <sup>d</sup>	CWRD <sup>b</sup>	EARD <sup>e</sup>	PARD <sup>b</sup>	SARD <sup>b</sup>	SERD <sup>b</sup>	DER <sup>c</sup>	IED <sup>c</sup>	SPD <sup>c</sup>	OAS	OIST	BPMSD	No.	%
Total Publications	395	163	499	702	169	207	142	194	334	497	467	60	324	54	417	4,624	100
D. CONFERENCE AND SEMINAR MATERIALS				1,943													
E. WEBSITES	3	3	2	1	1	1	1	1	1	1	1	2	1	29 <sup>h</sup>	1		

ADBI = Asian Development Bank Institute; BPMSD = Budget, Personnel, and Management Systems Department; DER = Department of External Relations; EARD = East Asia Department; ERD = Economic and Research Department; IED = Independent Evaluation Department; KM = knowledge management; No. = number; OAS = Office of Administrative Services; OIST = Office of Information Systems and Technology; PARD = Pacific Department; RSDD = Regional and Sustainable Development Department; SARD = South Asia Department; SERD = Southeast Asia Department; SPD = Strategy and Policy Department;

<sup>a</sup> Categories A-C are DER's Categories of ADB Publications dated 15 September 2008. In classifying the publications of each department, the team followed 'self-reported classification of departments' in their submissions or in the department websites and/or the classification done by DER in the Annual Reports. When the department classification does not match exactly the DER categories, then the team classified the subject publication according to the DER definition of the various types of publications.

<sup>b</sup> KPS data based mainly on submitted list of KPS, and ADB Annual Reports for 2007-2010

<sup>c</sup> KPS data based mainly on ADB Annual Reports for 2007-2010 and Department websites

<sup>d</sup> ADBI KPS data are based on those listed in IED's 2011 evaluation of the Performance of ADB Institute (Supplementary Appendix), and in the ADBI website

<sup>e</sup> Sourced mainly from EARD's Knowledge Management Initiatives publication for 2008, 2009 and 2010.

<sup>f</sup> Data are obtained only from the Department website

<sup>g</sup> Products covered are those only available/uploaded in the department website

<sup>h</sup> Listed in 2008 ADB Annual Report; OIST as host of websites.

#### Sources:

(i) ADB Annual Reports for 2007, 2008, 2009, 2010 (Appendix 15)

(ii) Department submissions: ERD, OREI, PARD, SARD, SERD

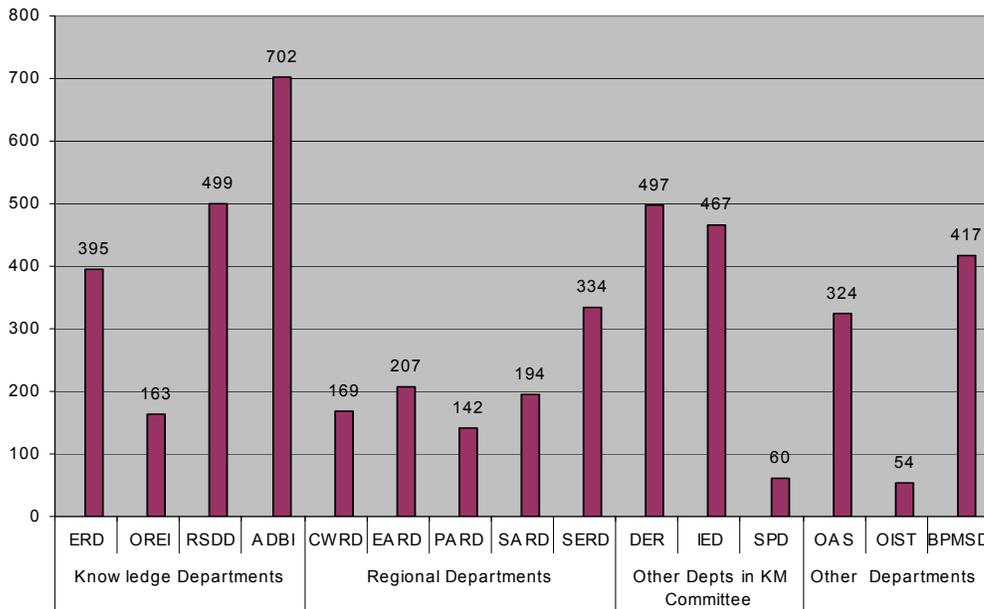
(iii) ADB. 2011. *Performance of the ADB Institute: Research, Capacity Building and Training, and Outreach and Knowledge Management*. Manila (for ADBI research products)

(iv) EARD. 2008, 2009, 2010. Knowledge Management Initiatives

(v) ADB Pacific Department. 2010. Compendium of Knowledge Products,

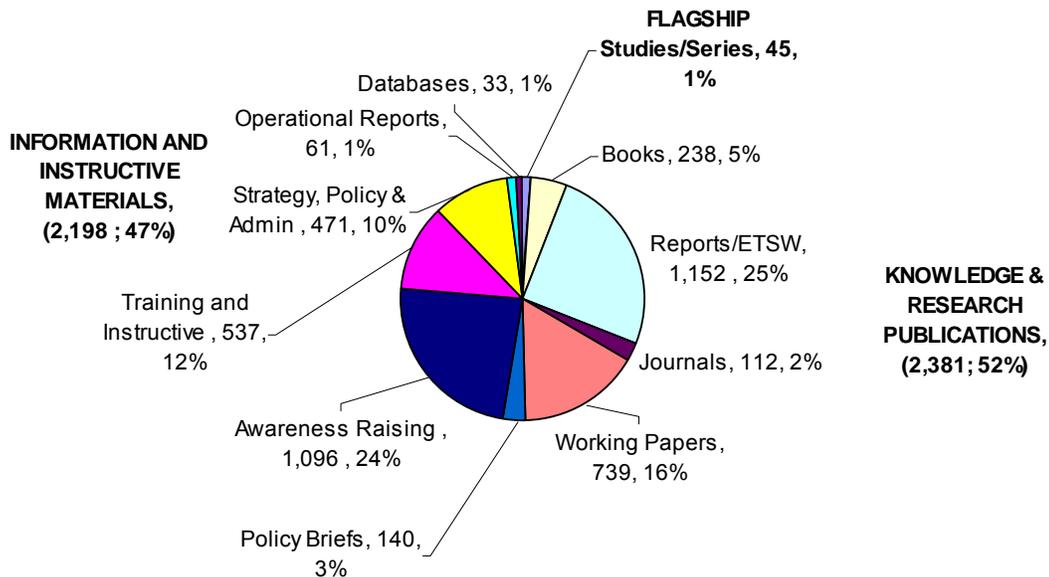
(vi) Department websites

**Figure A2.1: Indicative Number of KPS of Selected ADB Departments, 2004–2011**



Source: ADB Annual Reports (2007-2010), Department submissions and websites.

**Figure A2.2: Indicative Number and Type of KPS of Selected ADB Departments, 2004–2011**



Sources: (i) ADB Sources: Annual Reports for 2007, 2008, 2009, 2010 (Appendix 15); (ii) Department submissions: ERD, OREI, PARD, SARD, SERD; (iii) ADB. 2011. *Performance of the ADB Institute: Research, Capacity Building and Training, and Outreach and Knowledge Management*. Manila (for ADBI research products); (iv) EARD. 2008, 2009, 2010. Knowledge Management Initiatives (v) ADB Pacific Department. 2010 Compendium of Knowledge Products, and (vi) Department websites.

## PREVIOUS SURVEYS AND EVALUATIONS

### A. IED Evaluation Study: *Performance of the Asian Development Bank Institute: Research, Capacity Building and Training, and Outreach and Knowledge Management (July 2011)*

1. This special evaluation study examines the performance of Asian Development Bank Institute (ADB) thus far and draws strategic lessons for the future. The evaluation covered three key knowledge products and activities of ADBI - (i) research products; (ii) capacity building and training activities; and (iii) outreach and knowledge management program.

#### Overall Assessment

2. Taking into account ADBI's performance in the context of research, capacity building and training and outreach and knowledge management program - based on relevance, effectiveness and usefulness - the overall performance of ADBI is rated *successful*. The evaluation of the research function showed that overall, ADBI's research function is *relevant* to the topics it researches, *effective* in providing quality information to the developing member countries (DMCs), and *moderately useful* in terms of utilization. In terms of the performance of the ADBI's capacity building and training activities, the program has been successful. Overall ratings for capacity building and training courses for both face-to-face and distance learning courses are *relevant*, *effective*, and *moderately useful*. The capacity building and training program was also found to be valuable in disseminating quality theoretical knowledge from well-qualified international speakers. In terms of outreach and knowledge management functions, it is assessed as *highly relevant*, *effective*, and *useful*. Outreach and knowledge management can be strengthened by increased interaction between the ADBI research and capacity building and training functions.

#### Lessons

- (i) The deanship has been a crucial factor in the performance of ADBI and has also influenced ADBI's relationships with its advisory council, ADB headquarters, and external knowledge partners. Factors that should go into the selection of the dean can be carefully noted. In addition, the new and effective approaches developed in recent years can be institutionalized such that they can continue irrespective of who is at the helm.
- (ii) Periodic self-assessment is imperative. Many midcourse corrections could have been made to sharpen ADBI's knowledge products and services through self-assessment. A well-formulated vision and mission statement is an important foundation for defining the direction of ADBI. The vision and mission need to take into account the strategies and operations of ADB, the region's social and economic structure and institutions, the overall global environment, and the views of regional constituencies that eventually map out their policies and programs.
- (iii) Because of its location and geographic advantages, institutional partnering with Japan-based partners is stronger than with DMC-based partners. Most Japan-based organizations that are ADBI partners have clear and deep roots in relation to ADBI, and their collaboration with ADBI has been on a regular basis. ADBI's network could be strengthened by having more formal institutional links and networks based on a partnership framework.
- (iv) A clear, long-term, strategic approach of selecting training themes would increase the likelihood that capacity building and training courses will contribute in a sustainable manner to the capacity of DMC institutions.

- (v) A more structured consultative process with top-level DMC officials could produce a capacity building and training plan that is more responsive and tailored to specific DMC development needs.
- (vi) As ADBI puts more importance on the policy dialogue seminar under the capacity building and training program, courses should be meant for senior-level and top-end of mid-level policy makers.

### **Recommendations**

- (i) Facilitate institutional changes with the involvement of ADB headquarters' knowledge and regional departments to improve the effectiveness of ADBI's knowledge products, further strengthen its links with ADB, and increase its impact on the development directions of the DMCs.
- (ii) Strengthen the quality of research products, including theoretical and conceptual underpinnings and rigorous evidence of research, to an extent that can guide DMC policy makers to formulate appropriate policies.
- (iii) Align the capacity building and training program with ADBI's strategic vision of knowledge dissemination to senior-level and top-end of middle-level policy makers, with particular focus on strategic regional issues, and consider a more programmatic approach of long-term strategic partnerships with a small number of selected DMC-based institutions.
- (iv) Take strategic steps to increase ADBI's visibility in the Asia and Pacific region, considering multidimensional improvements to reach a wider audience.

### **B. *Self-Assessment of ADB's Knowledge Management Implementation Framework by Teleos (ADB KM MAKE Surveys), 2005–2011***

3. In May 2005, Teleos, an independent third-party study group, conducted the first in a planned series of electronic surveys of ADB staff to determine their perceptions regarding the ADB Knowledge Management (KM) Implementation Framework. Since then Teleos has conducted seven (7) electronic surveys and prepared corresponding reports, as follows:

<b>Title</b>	<b>Date</b>
Assessment of ADB's Knowledge Management Implementation Framework (2011)	December 2011
Assessment of ADB's Knowledge Management Implementation Framework (2010)	December 2010
Assessment of ADB's Knowledge Management Implementation Framework (2009)	December 2009
Assessment of ADB's Knowledge Management Implementation Framework (2008)	December 2008
Assessment of ADB's Knowledge Management Implementation Framework (2007)	December 2007
Assessment of ADB's Knowledge Management Implementation Framework (2006)	December 2006
Assessment of ADB's Knowledge Management Implementation Framework (2005)	July 2005

4. Each report compares the most recent findings against the previous years' results and highlights knowledge management (KM) trends in ADB. The findings were benchmarked against the eight recognized Most Admired Knowledge Enterprises (MAKE) knowledge performance dimensions to determine 'high-level' KM trends at the ADB. Key survey findings and recommendations from each assessment are presented below.

## 1. ADB's Knowledge Management Implementation Framework, (December 2011) —Survey

5. The seventh electronic KM Survey was conducted from October 6 to November 15, 2011. This Report, released in February 2012, compares the 2011 data findings against previous results and highlights KM trends in ADB.

6. **KM Implementation Framework Stretch Goals.** Organizations move through recognizable stages during a KM implementation process. It appears that the ADB has made the transition between Stage 3 and Stage 4 of the five-stage MAKE Knowledge Management Implementation Model. Typical of this transition phase is a growing, although incorrect perception by management and staff of diminishing returns from KM investments (simple knowledge processes have been improved, but more complex knowledge processes have not been examined), and the general impression that the organization's knowledge 'problems' have been solved. Successfully moving from one KM stage to another is critical to becoming a Most Admired Knowledge Enterprise.

7. To avoid falling into the trap of complacency and self-belief that the ADB has transformed itself into a "world-class" knowledge organization, Senior ADB Management should ensure the completion of all outstanding goals found in the *Enhancing Knowledge Management under Strategy 2020: Plan of Action for 2009- 2011* document, and prepare a new set of KM goals for the years beginning 2012. The *2010 Learning for Change Survey* and *2011 Survey of ADB-Hosted Communities of Practice* reports provide evidence that ADB has made substantial progress in becoming a learning organization based on team-working through Communities of Practice (CoP). However, there is still considerable work for ADB to do in improving its knowledge capabilities, especially with regards to its Professional Staff, 'back office' operations, and expanding knowledge-driven co-operation with partners and external stakeholders. The 2011 KM Survey reveals that there are significant opportunities for improvement across the entire organization.

8. *ADB Management should ensure that the KM Implementation Framework continues to be aligned to the organization's current Vision, Mission and Goals. It should review the Enhancing Knowledge Management under Strategy 2020: Plan of Action for 2009-2011 document and prepare a new KM Plan of Action (for years beginning 2012) that is aligned to Stage 4 (Inculcation) of the MAKE KM Implementation Model. These new KM 'stretch' goals should be designed to support the four identified ADB pillars. ADB Management should focus especially on pillar (iii) strengthening external knowledge partnerships to develop and disseminate knowledge. And, gaining the full support of the Professional Staff continues to be a critical concern and should be addressed as a matter of urgency.*

9. **Organizational Knowledge Capabilities.** The 2011 ADB KM Survey reveals that ADB, faced with many structural and human resources challenges and working within global economic uncertainties, is improving its knowledge capabilities in all eight MAKE knowledge performance dimensions. Several 'barriers' identified in last year's KM Survey, especially lack of progress in becoming a learning organization and improved knowledge sharing and collaboration have apparently been addressed. ADB is moving closer to its goal of becoming a best practice learning organization. ADB should be commended in its efforts to create a holistic KM Implementation Framework. All too often organizations stress improvements in one or two MAKE knowledge performance dimensions, which results in an unbalanced approach and often lead to a dysfunctional knowledge culture and collaborative knowledge-sharing environment. In the case of ADB, its KM Implementation Framework encompasses all eight MAKE knowledge performance dimensions, resulting in a well-balanced, holistic knowledge-driven organization.

10. *The National Officers, Professional Staff and Administrative Staff are improving their knowledge capabilities at different rates. At the same time, while improvements are reported between the ADB and its external partners and stakeholders (i.e., DMCs and external networks) in knowledge sharing and development capabilities, there are significant opportunities for improvements. The challenge for ADB Management is to devise new KM programs and initiatives that meet the needs of these three distinct groups of ADB knowledge workers, while at the same time incorporating ADB's many external stakeholders and networks into its holistic organizational knowledge-driven activities and services.*

11. **National Officers.** The National Officers continue to be 'realistic' and supportive in their assessment of ADB's KM Implementation Framework; a significant majority of NOs is working to ensure the success of ADB KM initiatives. They understand that a successful ADB KM implementation process will take a number of years to yield substantial positive benefits for the organization. It also requires constant managerial attention and support. However, 8% of the National Officers (compared to 15% in the 2010 KM Survey) gave the ADB's KM Implementation Framework a Total Score of less than 40 points. This group of NOs is still large enough to significantly impede the successful implementation of KM within the ADB, especially in Departments and/or Missions with large numbers of Professional Staff.

12. *The ADB Management should review its 'KM Plan of Action' for 2012 onwards and create new KM programs and initiatives to re-engage / re-energize the NOs in the KM implementation process. Obtaining National Officer 'buy-in' to ADB's KM Implementation Plan should be a priority goal.*

13. **Professional Staff.** The Professional Staff have become slightly more positive of ADB's KM Implementation Framework. However, when taking into account the support provided by ADB KM programs targeted at this functional group, there still appears to be widespread misunderstanding and/or even opposition to the ADB KM Implementation Plan. These misunderstanding and/or opposition is typical of key knowledge workers in the early stages of the KM implementation process, but after seven years of ADB KM implementation efforts a more positive view is expected from this group.

14. *The challenge for ADB Management is to work with Professional Staff to demonstrate the value of the KM Implementation Framework. The Professional Staff need to understand that their expertise will not be less valued, but on the contrary will be more valued as the KM implementation process continues to unfold. It is recommended that ADB Management implement new PO recruiting procedures to target those individuals who already possess attitudes and behaviors which support the KM Implementation Plan and its success.*

15. **Administrative Staff.** The Administrative Staff (AS) continue to be very supportive of the ADB's KM Implementation Framework. The AS's perception of ADB's KM implementation process has improved during the past two years after remaining unchanged during the 2008 and 2009 KM Surveys. However, creating a learning organization is not the same thing as 'developing staff intellectual growth,' which has the lowest AS average score in this year's KM Survey. 'Staff intellectual capital growth' includes providing staff with support in career development and expanding personal skills and capabilities outside of the current job requirements.

16. *The challenge for ADB Management is to support ASs by encouraging the integration of knowledge management in all work practices, and continuing to develop Administrative Staff intellectual growth especially in the areas of career development and personal skills and capabilities development. In addition, helping ASs to manage ADB knowledge assets in an effective and cost-efficient way should be included in the 'KM Plan of Action' for 2012 onwards.*

17. **ADB Departments.** Most ADB Departments are now supporting the KM Implementation Framework. However some Departments see no need to change, while there remain a few Departments (especially those in 'back office' areas) that do not believe that change is possible. Successful KM implementation is not guaranteed, even in those ADB Departments currently registering significant improvements in their average Total Scores (as revealed by the fact that several Departments which were supportive of the ADB KM Implementation Framework last year are now less supportive).

18. *It is recommended that the ADB Management examine how to encourage Departments to embrace change. It also is important that ADB Management examine those Departments where perceptions of the KM Implementation Framework have undergone significant negative change in order to understand the reasons why. If left unchecked, it is possible that those Departments with increasingly negative views of the ADB KM Implementation Framework may act as barriers to successful KM implementation throughout ADB.*

19. **ADB Missions.** Missions, when compared to ADB Headquarters Departments and Staff, tend to rely more on information and computer technology (ICT) collaboration methods to access ADB knowledge resources and knowledge assets. This 'dependence' on shared knowledge resources results in Missions Staff being more critical of knowledge assets availability and the quality of knowledge content. In some ways, Missions' requirements are more like those of external partners and stakeholders than internal ADB Departments.

20. *ADB Management should attempt to identify possible KM best practices at Missions with high scores and transfer their best practices to Missions with low scores in order to improve the knowledge capabilities at all ADB Missions. The ADB Management also must decide whether additional resources should be allocated to Missions to provide them with what they perceive as the required levels of ITC knowledge sharing and collaboration support to achieve their goals and objective.*

21. **Benchmark Asian MAKE Leaders.** The 2011 Asian MAKE panel of experts recognized the Asian Development Bank for its progress in transforming itself into a leading Asian knowledge-driven organization. The ADB Management is commended for its long-term support which has resulted in the ADB being named a 2011 Asian MAKE Winner. The ADB should use this recognition to promote its KM Implementation Plan, both to its internal Staff as well as partners and stakeholders.

22. *The ADB should benchmark other Asian MAKE leaders in order to identify best practice knowledge processes. Where appropriate, the ADB should transfer these best practices (customized to ADB requirements) to improve ADB's knowledge capabilities. The emphasis for ADB is to accelerate the rate of knowledge-driven organizational change so that all Departments and Missions continue to derive benefits from the ADB KM Implementation Plan.*

## **2. ADB's Knowledge Management Implementation Framework, (December 2010)—Survey**

23. The sixth electronic KM Survey was conducted on November 9-26, 2010. This Report compares the 2010 data findings against previous results and highlights KM trends in ADB.

24. **KM Implementation Framework Stretch Goals.** It appears that the ADB has made the transition between Stage 2 and Stage 3 of the five-stage MAKE Knowledge Management Implementation Model. Typical of this transition phase are changes in senior management leadership, changes in the core KM team, perceived diminishing returns from KM investments (simple knowledge processes have been improved, but more complex knowledge processes have not been examined),

and there is a general impression by many managers and staff that the organization's knowledge 'problems' have been solved. Successfully moving from one KM stage to another is critical to becoming a Most Admired Knowledge Enterprise. The 2010 KM Survey reveals that there is still much work for ADB to do in improving its knowledge capabilities, and that there are significant opportunities for improvement across the entire organization.

25. *ADB Management should ensure that the KM Implementation Framework continues to be aligned to the organization's current Vision, Mission and Goals. ADB Management should review the Enhancing Knowledge Management under Strategy 2020: Plan of Action for 2009-2011 document and prepare a new KM Plan of Action (for years beginning 2012) that is aligned to Stage 3 (Reinvigoration) of the MAKE KM Implementation Model. These new KM 'stretch' goals should be designed to support the four identified pillars: (i) sharpening the knowledge focus in all ADB operations, (ii) promoting and empowering communities of practice for knowledge capture and sharing, (iii) strengthening external knowledge partnerships to develop and disseminate knowledge, and (iv) scaling up staff development programs to improve technical skills and manage knowledge. Gaining the full support of the Professional Staff continues to be a critical concern and should be addressed as a matter of urgency.*

26. **Organizational Knowledge Capabilities.** Over the first three ADB KM Surveys (2005-2007), there was substantial improvement in the eight MAKE knowledge performance dimensions. However, with the exception of organizational learning, the 2008 KM Survey revealed a decline in organizational knowledge capabilities, especially in knowledge-driven culture; knowledge leadership; creation, access and use of knowledge products; and successfully working with external stakeholders.

27. Considerable progress has been made since the adoption of *Enhancing Knowledge Management under Strategy 2020: Plan of Action for 2009-2011*. The 2010 ADB KM Survey (supported by other surveys such as the *2010 Learning for Change Survey*), reveals that ADB, faced with many structural and human resources challenges and working within global economic uncertainties, is improving its knowledge capabilities in all eight MAKE knowledge performance dimensions. Several 'barriers' identified in last year's KM Survey, especially lack of progress in becoming a learning organization, appear to have been addressed with positive results. ADB has moved closer to becoming a best practice learning organization.

28. ADB should be commended in its efforts to create a holistic KM Implementation Framework. All too often organizations stress improvements in one or two MAKE knowledge performance dimensions, which results in an unbalanced approach and often leads to a dysfunctional knowledge culture and collaborative knowledge-sharing environment. In the case of ADB, its KM Implementation Framework encompasses all eight MAKE knowledge performance dimensions, resulting in a well-balanced, holistic knowledge-driven organization.

29. *The National Officers, Professional Staff and Administrative Staff are improving their knowledge capabilities at different rates. The challenge for ADB Management is to devise new KM programs and initiatives that meet the needs of these three distinct groups of knowledge workers while at the same time moving the entire enterprise forwards towards becoming a leading knowledge-driven organization.*

30. **National Officers.** The National Officers (NO) are 'realistic' in their assessment of ADB's KM Implementation Framework and a majority of NO's are working to ensure the success of ADB KM initiatives. They understand that a successful ADB KM implementation process will take a number of years to yield substantial positive benefits for the organization. It also requires constant managerial attention and support. However, 15% of the National Officers (compared to 10% in the 2009 KM

Survey) gave the ADB's KM Implementation Framework a Total Score of less than 40 points. This increased "resistance to change" could be a concern if the trend were to continue. Based on hundreds of MAKE Assessments, it is possible that managerial 'fatigue' is setting in. The fact that after six annual studies there remains a significant (and growing) minority of National Officers who do not believe in and/or fully support the ADB KM implementation process should be addressed as soon as possible. This group of NO's is large enough to significantly impede the successful implementation of KM within the ADB.

31. *The ADB Management should create new KM programs and initiatives to re-engage and/or re-energize the NO's in the KM implementation process when preparing the next KM Plans of Action for the ADB KM Implementation Framework and Enhancing Knowledge Management under Strategy 2020 document.*

32. **Professional Staff.** An analysis of the data reveals that during the past year the Professional Staff have become slightly more positive of ADB's KM Implementation Framework. However, when taking into account the support provided by ADB programs targeted at this functional group, there still appears to be widespread misunderstandings and/or even opposition to the ADB KM Implementation Plan. These misunderstanding and/or opposition is typical of key knowledge workers in the early stages of KM implementation, but after six years of ADB KM implementation efforts a more positive view would be expected from this group.

33. In this year's KM Survey, 36% of the Professional Staff (107 individuals) gave the ADB's KM implementation process a score of less than 40 points. In the 2009 KM Survey, 42% of the Professional Staff (108 individuals) gave the ADB's KM implementation process a score of less than 40 points. Over the past five years there has been almost no change in PO's perceptions regarding how effective is the ADB Management is at: (i) encouraging and sustaining the practice of knowledge management, such as incorporating KM as an activity in performance reviews, implementing incentive mechanisms, etc., and (ii) improving ADB knowledge products (publications, newsletters) in terms of value added, accessibility, relevance, quality, etc.

34. *The challenge for ADB Management is to work with Professional Staff to demonstrate the value of the KM Implementation Framework. The Professional Staff need to understand that their expertise will not be less valued, but on the contrary will be more valued as the KM implementation process continues to unfold.*

35. **Administrative Staff.** An analysis of the data reveals that Administrative Staff (AS) continue to be very supportive of the ADB's KM Implementation Framework. The Administrative Staff's perception of ADB's KM implementation process has improved significantly during the past year after remaining unchanged during 2008 and 2009. In the 2009 KM Survey one of the recommendations was that ADB Management review KM initiatives directed towards Administrative Staff and establish a new program of KM initiatives, especially in the area of 'Enhanced Staff Learning and Development,' to more deeply inculcate the change process within this key knowledge group. This recommendation has produced positive results (a conclusion supported by the *2010 Learning for Change Survey*); the AS's views concerning ADB's ability to successfully develop and sustain a learning and sharing culture has increased by 0.56 points (7.52 – up from 6.96) – an 8% improvement.

36. *The challenge for ADB Management is to support AS's by encouraging the integrations of knowledge management in all work practices, continuing to develop Administrative Staff intellectual growth, and helping AS's to manage ADB knowledge assets.*

37. **ADB Departments.** Most ADB Departments are now supporting the KM Implementation Framework; however some Departments see no need to change, while there remain a few Departments (especially those in ‘backoffice’ areas which are skeptical that any change is possible. Successful KM implementation is not guaranteed, even in those ADB Departments currently registering significant improvements in their Total Scores (as revealed by the fact that several Departments which were supportive of the ADB KM Implementation Framework last year are now less supportive).

38. *It is recommended that the ADB Management consider introducing special KM programs and initiatives to address Departmental resistance to change. It also is important that ADB Management examine those Departments where perceptions of the KM Implementation Framework have undergone significant negative change in order to understand the reasons why. If left unchecked, it is possible that those Departments with increasingly negative views of the ADB KM Implementation Framework may act as barriers to successful KM implementation throughout ADB.*

39. **ADB Resident Missions.** Based on the responses of the ADB staff located at the Resident Missions (RM), there is a more positive view (mean score of 50.56) of the ADB Knowledge Implementation Framework when compared to All ADB Staff (49.88). This is not surprising since similar studies have revealed that groups located away from the headquarters often believe that they are not kept ‘in the loop’ with regards to organizational communications and knowledge sharing. Groups like the ADB RMs are therefore often more positive than Headquarters staff regarding the benefits of a KM implementation process.

40. *ADB Management should attempt to identify possible KM best practices at RMs with high scores and transfer to these best practices to RMs with low scores to improve the knowledge capabilities at all ADB RMs.*

### 3. **ADB's Knowledge Management Implementation Framework, (December 2009)—Survey**

41. The fifth electronic KM Survey was conducted in September-October 2009. This Report compares the 2009 data findings against previous results and highlights KM trends in ADB, and the following are the recommendations.

- (i) **KM Implementation Framework Stretch Goals.** ADB Management should ensure that the KM Implementation Framework continues to be aligned to the organization’s current Vision, Mission and Goals. ADB Management should review the Enhancing Knowledge Management under Strategy 2020: Plan of Actions for 2009-2011 document to ensure that the Plan of Actions for 2010-2011 are aligned to Stage 3 of the MAKE KM Implementation Model; where required, they should prepare a list of new KM ‘stretch’ goals to embed knowledge creation, knowledge sharing (including Communities of Practice) and collaboration (including strengthening external partnerships) into every aspect of the organization’s activities.
- (ii) **Organizational Knowledge Capabilities.** When ADB Management reviews the organization’s KM Plan of Actions for 2009- 2011, they should continue to revise/develop new programs/initiatives across all eight MAKE knowledge performance dimensions, but especially focus on the ADB ‘weakness’ – developing staff’s intellectual growth and managing knowledge assets.
- (iii) **National Officers.** It is important that the annual review of the ADB KM Implementation Framework and Enhancing Knowledge Management under Strategy 2020: Plan of Actions

for 2009-2011 document address the lack of support by some National Officers. ADB Management should create programs and initiatives to increase their active support.

- (iv) **Professional Staff.** The challenge for ADB Management is to continue to work with all Professional Staff to demonstrate the value of the KM Implementation Framework. The Professional Staff need to understand that their expertise will not be less valued, but on the contrary will be more valued as the KM implementation process continues to progress. It is critical that the annual review of the ADB KM Implementation Framework and Enhancing Knowledge Management under Strategy 2020: Plan of Actions for 2009-2011 document address the lack of support by a significant minority of Professional Staff. ADB Management should create new programs/initiatives, especially in 'Enhancing Staff Learning and Skills Development,' to gain the support and active participation of the Professional Staff.
- (v) **Administrative Staff.** The challenge for ADB Management is to focus their efforts on National Officers and Professional Staff, but at the same time not to neglect the involvement of Administrative Staff in the KM Implementation Framework. Therefore, it is important that the annual review of the ADB KM Implementation Framework and Enhancing Knowledge Management under Strategy 2020: Plan of Actions for 2009- 2011 document address the creation of new programs/initiatives, especially in 'Enhancing Staff Learning and Skills Development,' to gain the support and active participation of the Administrative Staff.
- (vi) **ADB Departments.** ADB Management should pay special attention to staff in 'non-participating' Departments (especially those in development groups with significant numbers of Professional Staff), otherwise they could act as focal points – indeed barriers – to the successful adoption of ADB's KM Implementation Framework. Implementing new KM programs/initiatives supporting the four pillars found in the Enhancing Knowledge Management under Strategy 2020: Plan of Actions for 2009-2011 document should encourage all ADB staff to fully engage in the adoption of the KM Implementation Framework.

#### 4. **ADB's Knowledge Management Implementation Framework, (December 2008) — Survey**

42. The fourth electronic survey was conducted in October-November 2008. This Report compares the 2008 data findings against previous results and highlights KM trends in ADB, and the following are the recommendations.

- (i) ADB Management should consider as a matter of urgency a review to ensure that the KM Implementation Plan continues to be aligned to the organization's current Vision, Mission and Goals. If required, ADB Management should revise the KM strategy for Stage 3 of KM Implementation and prepare a list of new KM 'stretch' goals to embed knowledge creation, knowledge sharing and collaboration into every aspect of the organization's activities. The ADB Management also should consider existing as well as new communication channels to convey to ADB staff the importance of knowledge management and organizational learning in order to stress the organizational importance of KM and learning.
- (ii) It is important that the revised ADB KM strategy and implementation process address this issue of lack of support by National Officers.
- (iii) The challenge for the ADB management is to continue to work with Professional Staff to demonstrate the value of the KM implementation process. The Professional Staff need to understand that their expertise will not be less valued, but on the contrary will be more

valued as the KM implementation process continues to unfold. It is critical that the revised ADB KM strategy and implementation process address this issue of lack of support by Professional Staff.

- (iv) The ADB should pay special attention to staff in 'non-participating' Departments, otherwise they could act as focal points – indeed barriers – to the successful implementation of ADB's knowledge strategy.
- (v) When ADB Management reviews the organization's KM strategy and implementation process, they should include specific activities to improve the organization's knowledge-driven culture, ADB Management support and communications, the value content of knowledge products, as well as working with all stakeholders in knowledge-sharing and development activities.

#### **5. ADB's Knowledge Management Implementation Framework, (December 2007) — Survey**

43. The third electronic survey was conducted in September-October 2007. This Report compares the 2007 data findings against the 2005 and 2006 results and highlights KM trends in ADB, and the following are the recommendations.

- (i) ADB management should revise the KM strategy and prepare a list of new KM 'stretch' goals to embed knowledge creation, knowledge sharing and collaboration into every aspect of the organization's activities.
- (ii) It is important that the revised ADB KM strategy and implementation process address this issue of lack of support by National Officers.
- (iii) It is critical that the revised ADB KM strategy and implementation process address this issue of lack of support by Professional Staff.
- (iv) The challenge for ADB management is to focus their efforts on National Officers and Professional Staff, but at the same time not to neglect the involvement of Administrative Staff in the KM implementation process.
- (v) The ADB should pay special attention to the staff in these 'non-participating' Departments, otherwise they could act as focal points – indeed barriers – to the successful implementation of ADB's knowledge strategy.
- (vi) When ADB management reviews the organization's KM strategy and implementation process, they should include specific activities to improve the organization's intellectual capital management and organizational learning capabilities, as well as address the issue of enhancing ADB's knowledge sharing and collaboration environment.

#### **6. ADB's Knowledge Management Implementation Framework, (December 2006) — Survey**

44. The second electronic survey was conducted in July-August 2006. This Report compares the 2006 data findings against the 2005 results and highlights KM trends in ADB, and the following are the recommendations.

- (i) In the 2006 KM Survey there was a noticeable decline in the score to the question: "Does your management address knowledge management as a priority; incorporates KM as an activity in performance development plan?" The most likely explanation for the decline in the average score for this performance dimension is that the expectations of the ADB staff have exceeded reality. In other words, ADB senior executives have 'promised' significant improvements in management's commitment to KM, but to ADB staff this has not been matched by observable actions. This does not mean that there have not been improvements in knowledge leadership, but it indicates that ADB officials have not

'managed' the expectations of the staff. Teleos research shows that this is a very common problem – individual expectations outpace organizational reality. It is critical that ADB managers deal with this perceived problem quickly in order to avoid 'disillusionment' among staff. ADB managers should demonstrate by their actions that they support the KM implementation process. They should also attempt to reduce unrealistic expectations of ADB staff by clearly informing staff of any 'limits' to a KM initiative and/or the anticipated initiative outputs. Although setting KM stretch goals is an important management tool, without staff understanding how and why KM can positively benefit themselves and the organization, situations can emerge where staff become so 'disillusioned' that they reject the entire KM implementation process.

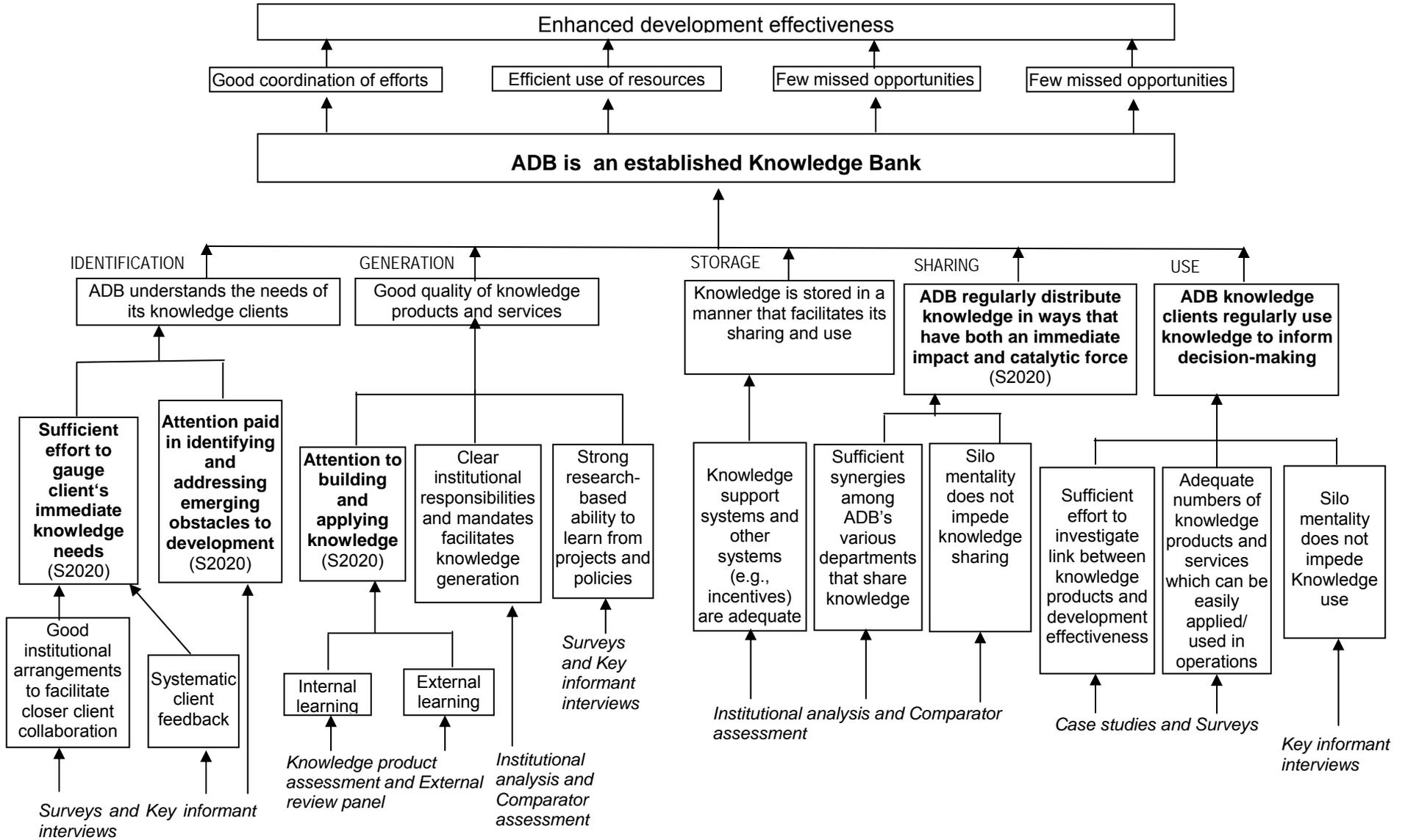
- (ii) An analysis of the data reveals that National Officers are in general supportive of ADB's KM implementation process and are working to ensure the success of KM initiatives. The National Officers are beginning to understand that a successful ADB's KM implementation process will take a number of years to yield substantial positive benefits for the organization. It will also require constant managerial attention and support. This new 'realistic' view is most apparent in Dimension 2 ("Does your management address knowledge management as a priority; incorporates KM as an activity in PDP?") and Dimension 4 ("How effective is ADB in developing staff intellectual growth?"). These are the two knowledge performance dimensions where National Officers must take a lead in order to ensure the success of ADB's KM implementation process.
- (iii) Data analysis reveals that Professional Staff continue to be skeptical of ADB's KM implementation process. They apparently are taking a "wait and see" attitude when it comes to ensuring the success of KM initiatives. This view is typical of key knowledge workers in the early stages of KM implementation. In many instances the Professional Staff consists of the key experts and knowledge workers in the organization. The early stages of KM strategy implementation can be a confusing time for these individuals. The challenge for the ADB is to continue to work with Professional Staff to demonstrate the value of the KM implementation process. The Professional Staff need to understand that their expertise will not be less valued, but on the contrary will be more valued as the KM implementation process continues to unfold. Dimension 4 ("How effective is ADB in developing staff intellectual growth?") had the lowest score for the Professional Staff and should be a priority area for improvement during the next 12 months.
- (iv) The scores in this year's KM Survey indicate that Administrative Staff positively view the ADB's KM implementation process, and are, in general, supportive of current KM initiatives. The challenge for the ADB is to focus their efforts on National Officers and Professional Staff, but at the same time not to neglect the involvement of Administrative Staff in the KM implementation process.
- (v) Some Departments are now supporting the KM implementation process, others see no need to change, while a few Departments are very skeptical that any change is possible. The ADB must pay special attention to the staff in these 'non-participating' Departments, otherwise they could act as focal points – indeed barriers – to the successful implementation of ADB's knowledge strategy.
- (vi) The ADB should use the knowledge performance scores of Asian and Global MAKE Leaders, discussed in Section 4.4, as benchmarks in its efforts to improve its knowledge capabilities.

**7. ADB's Knowledge Management Implementation Framework, (July 2005)—Survey**

45. These are the recommendations of this 2005 MAKE Survey report:

- (i) It appears that there is considerable skepticism within the ADB about the value of surveys. It is critical that these survey results are disseminated to ADB staff as appropriate to encourage ADB staff to participate in future surveys.
- (ii) The ADB should use the knowledge performance scores discussed as benchmarks in its efforts to improve its knowledge capabilities.
- (iii) Based on the results of this Enterprise Assessment, it appears that the National Officers could be 'barriers' to the successful KM strategy implementation. It is critical for the success of the ADB's knowledge strategy that this important group of individuals becomes enthusiastic supporters of the KM strategy and initiatives.
- (iv) Many Junior Professionals and Support Staff, for example in Information Technology, Contracts and Purchasing area, appeared focused on their own (or department's activities) and do not understand the part they must play in the successful implementation of KM within the ADB. It is important that these individuals become part of the KM implementation effort.
- (v) Some Departments see no need to change, while other Departments are very sceptical that any change is possible. The ADB must pay special attention to the staff in these Departments, otherwise they could act as focal points – indeed barriers – to the successful implementation of the Bank's knowledge strategy.

# OBJECTIVE TREE ANALYSIS



## STUDY COMPONENTS

1. Literature review. A review will be undertaken to identify relevant issues for the evaluation and will be drawn from literature relating to knowledge management (KM), as well as from other development partners and within Asian Development Bank's (ADB's) member countries. Particularly useful will be the series of assessments of ADB's KM implementation process, including similar Independent Evaluation Department evaluation. In addition, KM evaluations undertaken by development partners will also be reviewed.

2. Knowledge products and services assessment. An assessment on the effectiveness of ADB's knowledge products and services (KPS) will be undertaken in terms of the following: (i) effects of KPS content use; (ii) buy-in or commitment to see value of KPS content by audiences; (iii) increased awareness of KPS content by audiences; (v) extent to which audiences read and receive KPS; (vi) distribution of KPS to key audiences; (vii) creation of KPS; and (viii) research and implementation efforts needed to complete KPS. This component will be undertaken through:

- (i) Citation Analysis. The citation analysis will be conducted on the KPS. Citations are important because they are evidence of diffusion and utilization of a study. The citation analysis will include the variables such as average citations per study per year, and citations by topic.
- (ii) Focus-group discussions. Key issues identified in various sectors will be discussed in small focus group discussions, which will have a structured agenda as well as the flexibility to accommodate the unanticipated issues.

3. Knowledge systems related to the KPS will be reviewed, including all those related to identification, generation, storage, sharing and use of KPS. In terms of knowledge storage, knowledge libraries, document sharing and collaboration systems will be inventoried and reviewed. Systems like eSTAR and MyADB will be reviewed to see how they have met knowledge storage demands. In terms of knowledge sharing, the results of the Department of External Relations' (DER) Publications Committee Working Group on quality assurance and dissemination will be reviewed and reflected in the study. Also, DER's distribution networks (e.g., e-alerts, news releases, e-flyers, online database for the dissemination of publications) will be inventoried and reviewed. Likewise, regional departments' dissemination efforts through email newsletters will be inventoried and reviewed, to the extent possible. Innovative collaborative efforts, such as the urban knowledge hub established with Tongji University in Shanghai, will also be reviewed. Finally, other systems, such as those to incentivize and motivate staff to undertake knowledge work, will also be reviewed.

4. Case studies of influential knowledge products and services. This component is aimed at identifying the actual use and impact of ADB's knowledge work. It will consist of case studies of KPS that achieved their expected impacts and those that did not achieve their impact. To determine a population from which these case studies will be drawn, ADB's designated knowledge departments and the five regional departments will be requested to provide examples of successful KPS (e.g., those that were influential and/or achieved their intended impact) and unsuccessful KPS. IED's KPS will not be covered by these case studies analyses.

5. Institutional assessment. This component will assess the existing institutional arrangements and structures within ADB concerning KM, including the ADBI Institute, Knowledge Management Center at RSDD, the Economic and Research Department (ERD), the Department of External Relations (DER), the Office of Regional Economic Integration (OREI), KM focal points in the regional departments, and the communities of practice. As part of this

assessment, a detailed organizational analysis will be undertaken to assess KM as a “change management” approach, with a view to helping ADB to further improve its KM efforts, particularly at the corporate level. Also, a strengths-weaknesses-opportunities-threats analysis will be undertaken to explore the advantages and disadvantages of various organizational models to enhance KM in the ADB. This component will use some of the outputs of the comparator assessment and be undertaken both through a desk review and interviews with ADB staff and other internal knowledge stakeholders.

6. Comparator assessment and benchmarking study. This component will identify the existing KM processes, structures and arrangements within the other multilateral development banks (MDBs)/aid agencies. The outputs of this comparator assessment will be a summary of other MDBs'/aid agencies' activities and how they compare to ADB, as well as the performance of the MDBs/aid agencies and drawing up of relevant lessons. This component will include a desk review of other MDBs/agencies websites, selected interviews with key MDBs/aid agencies, and benchmarking using various publications.

7. Questionnaire surveys. Questionnaire surveys will be undertaken to ascertain perceptions of key knowledge stakeholders on KM efforts, including products and systems. Questionnaire surveys will be structured in terms of the IED's main evaluation criteria of relevance, responsiveness and contribution to results-orientation of the KM implementation efforts. Stakeholders surveyed will include (i) ADB staff, both Headquarters-based and those in resident missions and the ADB Institute; and (ii) developing member country government officials. Questionnaires will be tailored for each of these groups. To the extent possible, the questionnaires will be complementary to the triennial ADB Perceptions Survey which will be undertaken in 2012.

8. Key informant interviews. Interviews with key informants will be undertaken to ascertain perceptions of key knowledge stakeholders on ADB's KM efforts. Key informant interviews will complement the questionnaire surveys and seek to gain more in-depth perceptions from the stakeholders. Interviewees will include (i) knowledge department staff (including staff of the the ADB Institute); (ii) regional department staff (including resident mission staff); (iii) staff of other ADB departments involved in the generation, sharing, and use of knowledge; (iv) KM Community of Practice members; (v) external KM stakeholders in developing member countries (including policy makers); and (vi) other external KM stakeholders, such as academia, non-government organizations, and think tanks. Selection of DMCs for possible field visits will be mainly based on the basis of frequency of ADB KM efforts undertaken in the country and opportunity to interview key KM stakeholders.

9. External review panel. A panel of external reviewers will be engaged in evaluating the quality of selected KPS, such as flagship publications and knowledge and research publications. To the extent possible, they will also compare the quality of ADB's knowledge products with peer institutions at other multilateral development banks and bilateral organizations. IED's KPS will not be reviewed by the panel.

## HIGHLIGHTS OF SELECTED KNOWLEDGE EVALUATIONS OF OTHER DEVELOPMENT PARTNERS AND BIBLIOGRAPHY

### I. Overview

#### A. Common Issues and Recommendations that Came out of the Evaluations

##### 1. Issues

- (i) Limited value and low relevance of research:
  - Research papers lack sufficient country and institutional context.
  - Research papers were driven too much by the concerns of journals and their referees and too little by the policy needs of the institution.
  - Not making use of the institution's comparative advantages of local knowledge and a constant stream of important new problems
  - Little consultation with country authorities on research themes
  
- (ii) Quality:
  - A substantial body of work not successful either academically, or in policy relevance: A large fraction of research papers had neither a great relevance to policy nor claim to academic distinction and so they, on reading, did not seem to be very useful from the perspective of either an academic or a policymaker.
  - Some technically-flawed projects have run for years, and have been incorporated into country work without appropriate certification and review.
  
- (iii) Poor conclusions from lacking balanced views of evidence:
  - Often message-driven, mainly due to pressures to align their conclusions with the institution's view
  - Research being used to proselytize on behalf of the institution's policy without a balanced view of evidence and appropriate skepticism
  - Most less-than outstanding papers frequently drew conclusions just to demonstrate policy relevance, with being little supported by the evidence.
  
- (iv) Inappropriate interpretation and management of results:
  - Management has not always kept ahead of researchers in their understanding and familiarity with statistical and econometric methods, and that this has sometimes led to a failure to appropriately interpret and manage research results. Management's misplaced confidence in cross country regressions on growth, poverty and aid, is an example.
  - Management lacks a full understanding of the limitations of the innovative methods developed by researchers to estimate poverty for small areas; once again, results were sold without appropriate caution and qualification.
  - Serious risks: when management selectively appeals to 'relatively new' and 'untested' research as hard evidence that its preferred policies work, it lends unwarranted confidence to the institution's prescriptions. Placing fragile selected new research results on a pedestal invites later recrimination that undermines the credibility and usefulness of all research.

- (v) Institution's biased or unbalanced stance:
  - Too much pressure to publish leads researchers to ignore important policy issues in favor of an academic style, which is sometimes of limited value.
  - Little consistencies in research priority or coordination within the institution
  - Research that was favorable to Bank positions received great prominence, and unfavorable research ignored.
  - World Development Report (WDR): While being instrumental in changing the way that the world thinks about some aspect of development, WDR has, to an extent, become the victims of its own success. It seeks to minimize conflict and to emphasize "win-win" situations instead of trade-offs. It often lacks sharpness and focus, and is sometimes incoherent, especially when it proves impossible to reconcile the views of the various commentators and authors.
- (vi) Other issues:
  - Unorganized data activities in World Bank. Its website is often of poor quality and difficult to use, not only for accessing data, but even for the relevant publications and reports. It had no coherent policy for data release, for its own researchers, nor for client countries to which it provides support in data collection.
  - Some flagships are also extraordinarily expensive; e.g., WDR absorbing about ten percent of the resources of the research department.

## 2. Recommendations

- (i) Rigorous review of technical quality:
  - The review of research products should be strengthened to improve quality and to prevent the publication of low-quality products. It should conduct a periodic strategic review of the function and uses of its research product lines to establish whether they should be strengthened, redesigned, or discontinued.
- (ii) Up-front and close consultation with authorities:
  - Consultation with authorities on research topics and discussions of results should become standard practice. Research based on up-front close consultation with country authorities on research themes will enhance relevance and the country and institutional context
- (iii) Greater prioritization of research topics and coordination with other departments or peer institutions:
  - Management should designate a senior staff member to coordinate research activities across the organization, including by setting standards for quality review processes and publication policies, to promote greater openness, and to address other weaknesses identified in this evaluation.
  - Research coordinating body should prepare an indicative medium-term research agenda, in consultation with member countries and the board members, and it should report annually to them on its implementation.
- (iv) Adequate resources:
  - Adequate time and resources be allocated to each research project, even if this leads to fewer publications.
  - Sufficient budget be secured to undertake multiple tasks that research fulfills

- (v) Tighter check-and-balance procedure for quality and reputation of research:
  - Working papers should reflect the results of technical analysis even if these are not well aligned with messages in surveillance activities documents.
  - Should not be hiring consultants whose track records gives clear advance indication that they are unlikely to produce good work

## **B. Common Evaluation Methodologies and Instruments**

- (random sampling) Document review—peer reviews by panels of top-notch experts and studies of citations at peer institutions
- Reviews of technical quality from external evaluators
- Surveys: soliciting views from current/past staff, country authorities and policy makers, academics in DMCs, and other stakeholders
- Technical and statistical work, including a citation analysis
- Interviews of senior staff and budget officers and review of institution's budget documents

## **II. Highlights of Selected Knowledge Evaluation**

### **A. Evaluation of Research Products and Knowledge Services**

#### **1. Independent Evaluation Office (IEO) of the International Monetary Fund (IMF). 2011. *Research at the IMF: Relevance and Utilization*. Washington DC**

1. *Objective and scope.* This study evaluates the relevance and utilization of IMF research to member country authorities, to IMF staff and to other stakeholders. The IMF produces a large body of research, ranging from background studies for bilateral surveillance activities to working papers and external publications dealing with topics of more general interest. This evaluation assessed research produced at the IMF between 1999 and 2008. It focused on relevance and utilization, but also examined technical quality and management. Research is defined broadly to capture most analytical publications of the IMF, ranging from surveillance-oriented output, for example, selected issues papers (SIPs) prepared for Article IV consultations and the analytical chapters of the *World Economic Outlook (WEO)* and *Global Financial Stability Report (GFSR)*, to more academically-oriented output, for example, working papers (WPs) and publications in external journals. These outputs comprised a large body of research, about 650 publications annually, at a cost of about 10 percent of the IMF budget.

2. The main questions addressed in this evaluation include: (i) *How relevant was IMF research to authorities in member countries, IMF staff, and other stakeholders? How was it utilized? (Was the thematic coverage adequate? Was it widely read in member countries? Within the IMF? How familiar were authorities and other stakeholders with its findings and messages? Did it play a role in policymaking? In the dialogue between IMF staff and authorities?)* (ii) *What was the technical quality of IMF research? (Did it generate new knowledge or broaden the understanding of policy frameworks? Did it allow for alternative perspectives?)* (iii) *How were IMF research activities organized and managed? (How were activities prioritized and coordinated? How was research reviewed? Was dissemination effective?)*

3. *Methodology.* The evaluation used a variety of methods of analysis and several sources of evidence, which allowed for triangulation of findings and contributed to the robustness of conclusions. The main sources of information for this report were: (i) Document review—mainly reflected in six

background papers presenting the assessment of peer review panels on specific product lines, for example, *WEO/GFSR* and SIPs; (ii) Interviews—more than 350 semi-structured and open interviews of authorities, staff, and other stakeholders; (iii) Surveys—two surveys were conducted—one of authorities and one of staff; and (iii) Technical and statistical work, including a citation analysis.

4. The assessment focused on the views expressed by authorities, staff, and other stakeholders. It also drew on findings of several previous IEO evaluations, which covered the relevance and utilization of research in specific areas or issues. The evidence on technical quality was mainly based on peer reviews by panels of external experts and a study of citations of IMF WPs at peer institutions. This was complemented with views on technical quality from authorities, IMF staff, academics, and economists in other international organizations. Evidence on management of IMF research was gathered from interviews of senior staff and budget officers; surveys and semi-structured interviews of country authorities and staff; a review of IMF budget documents, including departmental budgets and business plans; and data from IMF time reporting systems.

5. *Main findings and recommendations.* This evaluation found that the vast body of research produced by the IMF includes high-quality products, many of which are widely read in member countries and play a significant role in policy making; this was particularly true for the *World Economic Outlook* and *Global Financial Stability Report*, but also for other publications. At the same time, the evaluation identified a number of shortcomings in IMF research. Of particular importance, there is a widespread perception that Fund research is message-driven. The evaluation also found that the relevance of research suffered from lack of consultation with authorities on research topics and inadequate country and institutional context; it also found insufficient quality control.

6. The study emphasized that the IMF Management and its Executive Board need to cultivate an open, independent, and innovative research environment, explicitly encouraging staff to explore differing and alternative views. It recommended greater consultation and cooperation with country authorities, and an enhanced quality review process—reforms that would bring greater diversity of research methods and perspectives, and ensure that conclusions and recommendations in research papers are better linked than is the case today to actual findings.

## **2. The World Bank. 2011. *The State of World Bank Knowledge Services: Knowledge for Development 2011.* Washington DC**

7. This Report is the first in a series of World Bank (WB) Knowledge Reports. It provides the first comprehensive overview of the Bank's knowledge work. It takes stock of the various types of World Bank's knowledge activities and their evolution in response to the fast changing world of development and multiple sources of knowledge flows. Stemming from the 2010 Knowledge Strategy, it is a tool to strengthen the management and development impact of the Bank's knowledge services. It identifies actions to improve the Bank's ability to respond to the changing needs of our clients and ensure a greater outcome orientation for our knowledge services. It recognizes the globally proliferating sources of knowledge, the changing demands of the Bank's clients, and the role of technology.

8. *WB's contribution to global development knowledge.* WB has two unique capabilities on which to build — cross-sectoral and cross-country learning from engagements in policy and project implementation in more than 120 countries, and in-house capacity to combine data, research, practice, and policy analysis to create customized solutions to specific development challenges. This Report shows how WB is drawing on its roles as a producer, customizer, and connector of knowledge to respond to client needs. The Bank produces and disseminates quality global and country knowledge that clients appreciate. It also works with clients to customize policies, programs, and products to meet specific challenges, based on the best knowledge available. It connects official, civil,

and private actors with others who have faced—and met—similar challenges. Able to play any or all of these roles, WB's scale, range, and diversity, including the interaction of knowledge with its lending operations, lie at the core of its specialized role as a key contributor to global development knowledge.

9. *Key trends and the knowledge paradox.* This Report demonstrates the growing importance of knowledge services among the services provided by the WB to its clients. Over the last nine years the WB management has steadily allocated a larger share of its administrative budget for core knowledge work. In 2011 this came to 31 percent of the WB's budget, compared with 24 percent in 2002. The Report also illustrates how the knowledge products and services are creatively responding to a swiftly changing development knowledge landscape. The Report identifies three key trends, which show how the Bank is becoming more responsive to its clients.

- (i) It is providing more technical assistance, a service highly valued by clients. At the same time, it is producing fewer of the longer analytical pieces and shorter just-in-time policy notes for clients.
- (ii) Trust funds and fee-based services are becoming more important. Trust funds now support 40 percent of core knowledge, and fee-based services are becoming the predominant practice for some countries.
- (iii) Its knowledge services are becoming more open. The Open Data Initiative and the Knowledge Platforms are two examples.

10. Surveys show that clients cite knowledge services as WB's most valuable contribution, more than twice as often as financial resources. Yet its knowledge work is not seen internally, or by independent evaluators, as having the impact it could. Managers and staff see limited internal support for their knowledge work and some of them feel that such work is undervalued. This gives rise to a knowledge paradox. Most staff feel, despite the growing importance of knowledge work, that the WB's main internal incentives are still related to lending. One reason for this apparent contradiction may be the lack of robust and systematic evidence that knowledge work brings demonstrable and measurable returns. By contrast, lending has built-in metrics. Lending volumes and disbursement rates are easily understood and communicated (even though money spent may not be a valid measure of impact).

11. To address this paradox, the Report points to three directions for improving the way WB manages its knowledge services: (i) establishing consistent standards for governance and stronger results frameworks, (ii) strengthening connectivity across the core knowledge product lines and developing a framework for a comprehensive approach to managing knowledge as a portfolio—setting strategic priorities and ensuring complementarities, and (iii) moving toward a more open and collaborative approach to knowledge services. The WB's Knowledge and Learning Council will guide this agenda forward.

**3. Independent Evaluation Group (IEG), The World Bank. 2009. *Independent Evaluation of IFC's Development Results: Knowledge for Private Sector Development*. International Finance Corporation (IFC)-The World Bank Group. Washington DC**

12. *Objective and scope.* In this report, IEG provides a first global review of advisory services by IFC - knowledge services to private firms and governments in support of private sector development, such as customized training or advice on investment promotion and policy. IFC's advisory portfolio has grown tenfold, to nearly \$1 billion, in the last seven years, and IFC now has more advisory than investment staff in the field. The substantial growth of this business line raises important questions related to the appropriate balance of advisory and investment services to ensure maximum development impact.

13. In terms of results, the report focuses on IFC investment operations that reached early operating maturity between 2006 and 2008, and IFC AS projects with Project Completion Reports during the same period. The review of AS development effectiveness comes with certain caveats, given that the monitoring and evaluation system was only introduced in 2006, and considering the often intangible nature of knowledge transmission. Nonetheless, the report, for the first time, provides a combined account of both arms of IFC's business—investments and AS—including situations where these instruments have been offered to the same client. The report also complements a recent IEG evaluation of the effectiveness of World Bank economic and sector work and technical assistance, which was completed in 2008<sup>1</sup> (see item B2. below)

14. *Main findings and recommendations.* The main findings of this review are:

- (i) Investment Services (IS) results improved overall. Seventy-two percent of IS operations maturing between 2006-08 achieved high development outcome ratings, compared to 63 percent between 2005-07. Performance was especially strong in Europe and Central Asia (ECA) and Latin America and the Caribbean (LAC). But there was no improvement, from a low base of around 50 percent, in East Asia and Pacific (EAP), Middle East and North Africa (MENA), and Sub-Saharan Africa (SSA).
- (ii) The rapid growth of IFC Advisory Services (AS) has changed the nature of IFC's business. The 1,262 AS staff make up nearly half of all IFC's operational staff, and AS teams now dominate IFC's presence in the field. Quality trade-offs are possible, given the high reliance on relatively new staff, outsourcing work through some 1,300 short-term consultants, and considerable organizational change. An overall strategy has been lacking.
- (iii) In terms of results, 70 percent of reviewed AS operations achieved high development ratings. Performance has been strongest in Southern Europe and Central Asia (SECA) and weakest in LAC.
- (iv) Key drivers of AS performance have been: client commitment; programmatic approaches; IFC's additionality including through some, though not all, AS-IS links; and local presence and ownership and M&E quality. Charging for AS has been associated with better performance.

15. On IFC's role in advisory services, IFC needs to do the following to enhance its development effectiveness and additionality: (i) Set out an overall strategy for IFC AS that addresses the need for a clear vision and business framework, and is closely linked with IFC's global corporate strategy; (ii) Pursue more programmatic AS interventions; (iii) Improve execution of the AS pricing policy through greater client contributions; and (iv) Strengthen AS performance measurement and internal knowledge management.

#### **4. Banerjee, Abhijit, et al. 2006. *An Evaluation of World Bank Research, 1998–2005.* Washington D.C.**

16. *Objective and scope.* The World Bank researchers and their consultants produced nearly 4,000 papers, books, and reports between 1998 and 2005. The World Bank researchers regularly publish in the leading academic journals in economics, and more extensively in the leading field journals in development. The Development Economics Group is also responsible for the annual *World Development Report*. It also publishes a large number of policy documents and reports that summarize the state of the art in various policy areas that are designed to communicate and

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<sup>1</sup> IEG. 2008. *Using Knowledge to Improve Development Effectiveness: An Evaluation of World Bank Economic and Sector Work and Technical Assistance, 2000–2006.* Washington, DC: The World Bank.

disseminate research to policymakers and their advisors. The objective of the evaluation is to assess the quality of the World Bank research activities.

17. *Methodology.* This evaluation of the World Bank research between 1998 and 2005 was carried out by a panel consisting of Abhijit Banerjee (Massachusetts Institute of Technology), Angus Deaton (Princeton University, chair), Nora Lustig (United Nations Development Programme), and Kenneth Rogoff (Harvard University). The panel selected a large random sample of research projects, which were read and assessed by a team of 25 evaluators. Panel members also solicited views from current and past World Bank staff, as well as from policy makers and academics in developing countries.

18. *Main findings and recommendations.* The external panel view can be summarized as follows:

- (i) The World Bank needs a research department in that its research needs cannot be fully met by hiring consultants from the outside. Research is a central part of quality control in the World Bank and is crucial to its claim to be a “Knowledge Bank.” Without a research-based ability to learn from its projects and policies, the World Bank could not maintain its role as the world’s leading development agency. The 2.5% of its administrative budget that the World Bank spends on research is surely too low, given the multiplicity of tasks that research is expected to fulfill.
- (ii) The World Bank researchers have produced innovative and important new research that has maintained the World Bank’s position as the intellectual leader among development agencies. At the same time, they have provided extensive support to their colleagues in operations. Researchers in the World Bank’s research department devote 30% of their time to such operational “cross support.”
- (iii) Data collection and dissemination is another area where the World Bank has many great achievements but there are also many problems. Data activities are organized haphazardly, whether in collection, archiving, or dissemination. The World Bank website is often of poor quality and difficult to use, not only for accessing data, but even for finding the relevant publications and reports. The World Bank has no coherent policy for data release. Too little has been done to build on the early success of the Living Standards Measurement Surveys to help build internationally comparable data on such central topics as poverty or mortality.

## **B. Evaluation of Knowledge Management and Sharing**

### **1. OED, World Bank. 2003. *Sharing Knowledge: Innovations and Remaining Challenges.* Washington DC**

19. *Objective and scope.* In 1996, the World Bank made a commitment to become a global knowledge bank. Since FY1997, the World Bank has spent some \$220 million for corporate, network, and regional knowledge-sharing activities and more than \$60 million for its three main global knowledge initiatives, the Development Gateway, the Global Development Learning Network (GDLN), and the Global Development Network (GDN). This evaluation examined the relevance of that strategy and the institutional infrastructure put in place to implement it. It also reviewed the effectiveness of the strategy’s three main areas of innovation: (i) network and regional internal knowledge-sharing activities among the World Bank staff; (ii) regional and country external knowledge sharing with clients; and (iii) the three Bank-supported global knowledge initiatives that have the broadest knowledge-sharing scope—the Development Gateway, the GDLN, and the GDN.

20. *Methodology.* The evaluation framework used the characteristics of strategic alignment, quality of shared knowledge, accessibility, and operational usefulness to measure the World Bank's knowledge initiative against the standard OED evaluation criteria of relevance, efficacy, efficiency, and adequacy. The review used several approaches: review of the literature on knowledge management and transfer; desk reviews of relevant World Bank policy and strategy documents and program reports; surveys of 15 network advisory services and 28 thematic group leaders; structured interviews of 25 task team members to obtain information on the actual use of various knowledge-sharing activities, and the extent of knowledge capacity building as an explicit project objective; more than 30 additional interviews with World Bank management and staff; expert reviews of the degree of innovation, quality, and relevance of the World Bank's knowledge and knowledge-sharing efforts in four issue areas—education, power, water, and public expenditure management; reviews of GDLN and the Development Gateway; and a survey of the views of officials, academics, nongovernment organizations, journalists, and representatives from the private sector.

21. *Main findings and recommendations.* The World Bank had made good progress in establishing tools and activities to support its initiative, but it had not established adequate business processes and management responsibilities for achieving the strategic intent of making knowledge sharing a way of doing business and empowering clients. This review recommended that the World Bank take three sets of actions:

- (i) Management should exercise more strategic direction and oversight over the World Bank's knowledge processes.
- (ii) Network and regional units should tightly link their knowledge-sharing activities to lending and non-lending processes.
- (iii) Vice-presidential units should set monitorable outcome objectives and supporting performance indicators for their respective knowledge-sharing programs and activities.

**2. IEG, World Bank. 2008. *Using Knowledge to Improve Development Effectiveness: An Evaluation of World Bank Economic and Sector Work and Technical Assistance, 2000–2006.* The World Bank, Washington DC**

22. *Objective and scope.* This evaluation focused on two of the analytical and advisory activities through which the World Bank provides knowledge to its client countries: economic and sector work (ESW) and nonlending technical assistance (TA). The objectives of ESW are to inform lending, inform government policy, build client capacity, stimulate public debate, and influence the development community. The objectives of TA are to assist in policy implementation, strengthen institutions, and facilitate knowledge exchange. ESW and TA are essential parts of the World Bank's engagement with its clients—it spent \$910 million (26% of its spending on country services) on these products during fiscal 2000–2006.

23. *Methodology.* Twelve countries were selected for in-depth reviews. In-depth reviews entailed structured interviews of World Bank staff, World Bank management, and in-country stakeholders in the field (government officials and representatives from the private sector, civil society, academia, the media, and the legislature). The structured interviews sought stakeholder views (with quantitative ratings) on various dimensions of a portfolio of World Bank ESW and TA and the extent to which these tasks met various objectives (lending, policy, institution and capacity building, public debate, donor activities, and knowledge exchange). The interviews also sought the views of stakeholders on the relative importance (with rankings) of the following for the country concerned: (i) the different World Bank instruments (lending and nonlending), (ii) the different types of World Bank ESW and TA,

and (iii) the various dimensions of ESW and TA. The country reviews also included desk reviews of ESW, documents on TA and loans, country assistance strategies, and poverty-reduction strategies.

24. *Main findings and/or recommendations.* The majority of ESW and TA met their objectives at least to an average extent during FY2000–2006. Between 65% and 80% of users of ESW and TA in client countries and between 74% and 87% of users within the World Bank gave ratings of average and above when asked to what extent these products met their stated objectives. There were substantial differences in ratings across countries and tasks, some of the reasons for which are as follows: (i) the technical quality of ESW and TA influenced their effectiveness; (ii) close collaboration with clients was important for ESW and TA to be effective; (iii) sustained follow-up after the completion of the tasks, rather than just dissemination, was important for effectiveness; (iv) whether clients requested the tasks or not did not matter for their effectiveness, although tasks not requested by clients needed to be tailored to client needs and interests to be effective; and (v) ESW and TA were less effective in countries where government capacity was lower.

25. Five recommendations to obtain even better results from ESW and TA were to:

- (i) reinvigorate the mandate for country teams to maintain a strong knowledge base on countries and sectors where the World Bank is providing or planning to provide funds;
- (ii) ensure that ESW tasks in International Development Association countries are adequately resourced;
- (iii) enhance institutional arrangements for ESW and TA by ensuring substantive task team presence in country offices to facilitate closer client collaboration, and including a clear strategy for ESW and TA dissemination and follow up at the concept paper stage;
- (iv) recognize, receive, and build on client preferences and feedback to counterbalance current World Bank incentives for lending over nonlending and ESW over TA; and
- (v) take the results tracking framework for ESW and TA more seriously, including by incorporating systematic client feedback.

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