Learning to make policy: development cooperation agencies and knowledge management

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INTRODUCTION

Development agencies are in a period of major refocusing. On the one hand, the information and communications technology revolution, globalisation and the rise of knowledge economies lead them to develop new knowledge management systems. On the other, commitments to partnership, greater inter-agency coordination and the emphasis on sectoral and cross-sectoral planning fundamentally reorient their ways of working.

This paper outlines the provisional understandings being made by a research project that is directed at the interplay between these two sets of trends; where they complement each other and where they are at odds. In order to explore these issues, the research will draw on case studies of four agencies: the World Bank, the Department for International Development (DFID-UK), the Swedish International Development Cooperation Agency (Sida) and the Japan International Cooperation Agency (JICA). This paper is based on preliminary visits to three of these agencies\(^1\) and a consideration of some of the documents they have produced. Its purpose is to develop a provisional account of the key issues that the project will need to address.

This paper will be organised around four questions that go to the heart of the relationship between knowledge and policy:

- What strategies and structures are used by agencies to manage their knowledge?
- What is the inter-relationship between new development cooperation processes (partnership, sector wide approaches, coordination) and new agency learning strategies?
- How do agencies learn from each other?
- What rationales govern their dissemination and development awareness activities?

STRATEGIES AND STRUCTURES FOR KNOWLEDGE MANAGEMENT

The growing perception in policy circles that competitive advantage now lies in the ability to manage knowledge has led to an emergent interest in knowledge management amongst development cooperation agencies. This interest has two dimensions. First, there is a concern that agencies should be better able to manage knowledge and to learn from their own and others’

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\(^1\) These visits included 65 interviews.
experiences (Wolfensohn 1997). Second, there is a belief, most visibly represented by the World Development Report for 1998/9, that knowledge is essential for development (Sida 1999; Wolfensohn 1997; World Bank 1998c).

These two strands combine most clearly in the World Bank, which has declared itself to be a knowledge bank (Wolfensohn 1997):

By 2000, the World Bank intends that relevant parts of its knowledge base will be made available to clients, partners, and stakeholders around the world. The objective is to develop a dynamic knowledge management system capable of distilling knowledge and making it available for further adaptation and use in new settings. To do that effectively, however, also requires building the capability in developing countries to assess and adapt relevant policy and technical knowledge to local situations, and when necessary to create new knowledge, which in turn may be relevant for other countries. (World Bank 1998c: 7)

This vision has led the Bank to develop a complex knowledge management system that seeks to make the organisation a clearing-house for development knowledge both from inside and outside its staff. This has led to the development of "communities of practice" bringing together Bank and non-Bank practitioners, policymakers and theorists in sectoral or sub-sectoral groupings. It has also facilitated the development of an on-line knowledge database, help desks and advisory services (World Bank 1998c).

Other agencies are also embarked upon knowledge management activities, although less expansively. DFID is developing the Project Reporting and Information System Management (PRISM) model, designed to provide a single system for reporting of information across the agency's different divisions. Sida has sponsored research into knowledge management issues (Forss, Cracknell and Stromquist 1997) and continues to explore ways of becoming a better learning organisation.

Notwithstanding these developments, it is apparent that agencies still have much to do to overcome past failings in their knowledge systems. Whilst agencies need to learn, it is argued that they are bad at it (Forss, Cracknell and Stromquist 1997). In particular, they are poor at learning from past mistakes and across sectors and disciplines (Cassen et al 1986; Forss 1996; Forss, Cracknell and Stromquist 1997).

At the heart of the drive towards knowledge management systems is the belief that it is possible to capture the knowledge embodied in the experience and networks of staff. It is through this codification of what was previously tacit that the management consultancies pioneering knowledge management believed that they could acquire competitive advantage. This, however, is far from simple. On the one hand, a database containing the accumulated knowledge of staff past and present would be a massive resource for any agency in advising others and could also be opened to other users with minimal agency mediation. On the other, there is a strong concern that most of what can be learnt cannot be learnt through codified knowledge (Stiglitz 1999). In this view, any attempt to codify and distil main messages is likely to result in distorting over-simplification.
Across agencies, there are worries that systems currently being developed to codify knowledge may be inadequate for capturing real knowledge of how systems and processes work; knowledge that can then genuinely inform practices. Instead, the new systems may be more likely to accumulate large amounts of information, unsynthesised and unsystematic chunks of data that are an insufficient basis for learning and transfer across contexts (King and McGrath 2000).

This concern appears relevant to the emerging system of nuggets that parts of the World Bank are developing. Questions here arise as to whether these nuggets are developmentally useful or are too abstracted from field contexts and their initial embeddedness in individual staff members’ experience. Equally, similar concerns can be raised about DFID’s attempts to develop the PRISM model. There is also a question of whether the process of developing such codified knowledge is more appropriately a task of sectoral staff than database managers.

Organisational cultures, structures and incentive systems are crucial to the operation of knowledge systems and to how agencies learn and make policy (Forss, Cracknell and Stromquist 1997; World Bank 1998c). Forss et al present a critical perspective on how agencies are facing up to this challenge:

Several contradictions face development agencies at the present time. Though they may desire to become learning organisations, they: (1) seek to cover more issues with fewer staff. The time problems of their personnel remain unsolved; (2) limit their knowledge search to personal experiences and individual and organisational peers; (3) are willing to consider only successes (“best practices”) but not errors; (4) do not provide sustained training in critical substantive areas to their personnel; (5) do not have mechanisms to reward appropriate behaviour at the individual and unit levels; and (6) seek to create effective institutional memories but they still remain oral cultures when it comes to learning. They want to increase participation and capacity-building in the developing countries but interact mostly with the state and do not give appropriate attention to members of the civil society. (Forss, Cracknell and Stromquist 1997: 26)

On the other hand, it must be noted that the World Bank is planning to make knowledge sharing an integral part of their formal personnel evaluation system (World Bank nd[b]).

There are also disagreements as to whether decentralisation is positive or negative in its impact upon organisational knowledge systems. In the World Bank, decentralisation was seen by staff as allowing the Bank to draw upon very rich sources of knowledge regarding what was actually happening in a wide range of development contexts. However, there is an opposing concern that central capacity has been weakened seriously. As a result, the Bank’s previous intellectual power was perceived to have declined and its ability to do policy research had been reduced. Forss et al argue that decentralisation leads to increased chance of local knowledge influencing individual projects but reduced impact at the global level (Forss, Cracknell and Stromquist 1997).

Agency staff have gained much of their knowledge traditionally through their organisations’ programmes of training, research and evaluation. The purpose of these activities has been to acquire information, turn it into useful knowledge and then disseminate it to agency staff. It is
important, therefore, to consider the relationship between trends in these activities and those towards new knowledge systems.

Of course, knowledge does not automatically lead to related policies. Instead, having good knowledge for policy change has to be balanced with political imperatives regarding policy (Forss, Cracknell and Stromquist 1997).

This section illustrates that, in order to better understand the strategies and structures that are used by agencies to manage their knowledge, it is necessary to consider a series of issues, of which the following are only a sample:

- What structures can help agencies to become better learners?
- What is the effect of decentralisation on agency knowledge management?
- How embedded are knowledge management systems within institutional cultures?
- Do agency incentive systems promote knowledge work?
- Can codification of knowledge be successfully achieved?
- In what ways does knowledge management lead to a rethinking of research, evaluation and training?

NEW WAYS OF WORKING; NEW WAYS OF LEARNING

This section has two main themes. First, it considers the effect of sector wide and cross sectoral approaches on the work of agencies and, in particular, on their knowledge requirements and use. Second, it examines the relationship between the knowledge, sectoral policy and partnership agendas of agencies.

**Sectoral policies and learning**

The emergence of sector wide approaches (SWAPs) as an important tool of development cooperation is another of the major phenomena in this field of the late 1990s. A SWAP seeks to bring together the principal development cooperation agencies involved in the sector with the host government and its civil society to construct a national policy that is agreed upon as the basis both for internal action and external support. Although there are actually very few sector programmes as yet in existence that bring together the bulk of the agencies involved in the particular sector at the country level (Buchert 1999; King 1999b), the idea of the SWAP holds far greater significance in policy debates.

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2 DANIDA has established 45 sector programmes in 20 project countries as the leading exponent of the approach (WGICTVSD 1999: 6).
For their supporters, sector programmes represent a fundamentally new way of pursuing development cooperation (WGICTVSD 1999). The new approach is seen as more transparent, longer-term, more cooperative and harmonising of donor approaches. One of the aims of the SWAP is to create one basket into which all donor funds supportive of a particular national policy programme can be placed. Where the money donated then goes into the main national budget rather than be earmarked for particular projects, debate about the use of such monies is possible in parliament. Thus, sector programmes can promote democratic scrutiny of development assistance.

However, a number of questions can be raised about the feasibility and desirability of the approach. The universal suitability of the approach is far from clear. Are sector programmes suitable for all donors? Certainly, they are not popular as yet with a number of agencies and it may be that they are particularly suited to smaller donor countries, such as their Nordic pioneers. Are they suitable for all recipients? In current thinking about sector programmes, it is explicit that they are only to be for certain partners (see below) with capacity and policy focus being two key issues. Are they suitable for all sectors? Early evidence suggests they might not be and that more complex sectors, such as skills development may be less likely to see sector programmes.

Questions are also raised about the extent to which the approach supports other elements of the overall development cooperation system. In the South, it is not certain that civil society is actually promoted as a development partner. DANIDA, for instance, point to the difficulties in getting civil society to be meaningful partners in sector programmes (WGICTVSD 1999).

In the North, if donor funds cannot be traced to concrete projects, such as the functioning of an institute or the provision of textbooks, then it becomes more challenging to be shown to be accountable for funding decisions. Given the growth of auditing systems in the North, this is a major learning challenge for the SWAP. One of the advantages of the previous project approach to development assistance was that the national flag on the project helped with development awareness at home. In the context of declining development funding and awareness in the North, development of sector programmes needs to take into account ways of promoting development awareness. A further concern with the SWAP's concentration on fewer sectors is the potentially negative impact this could have on development cooperation as diplomacy. As with development awareness, lower visibility may reduce diplomatic impact. Given the location of many agencies within the broader diplomatic service, this issue cannot be regarded as trivial or inappropriate (WGICTVSD 1999).

We shall explore the issue of partnership in more detail subsequently, but it is apparent that there are important issues to be raised about sector programmes and partnership. Sector programmes are envisaged as a tool for partnership in which control over policy is shifted to the host government and donors are regimented into a coherent supporting role. However, partnership in the SWAP clearly contains an understanding that certain countries make good partners and others bad ones. The level of donor coordination they bring is not necessarily desirable, as we shall again discuss subsequently, and it is important to consider whether proper dialogue is undermined by the apparent consensus at the heart of the SWAP. In particular, Hoppers (1999)

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3 E.g. because of the nature or breath of stakeholders; multiplicity of line ministries involved; or no International Development Targets to organise around.
highlights the danger that cooperation is based upon technical issues of budgetary support and financial management rather than real discussion of values and goals.

Sector programmes, if genuinely long term and partnership-based, have the potential to be a fertile source of learning and knowledge sharing. In the shorter run, the main knowledge challenge seems to lie with developing appropriate evaluatory procedures. Mechanisms are needed to judge on-going progress towards long-term programme goals; to allow fine tuning of relationships; and in the worst cases, to terminate failing partnerships (WGICTVSD 1999). Such mechanisms are likely to be more complex than current evaluatory tools. A more qualitative and process-focused approach is likely to be more challenging than tracking delivery against quantifiable indicators and will need to be carefully negotiated and delivered jointly by partners (WGICTVSD 1999).

**From sector policies to cross sectoral policy frameworks**

In the SWAP account, projects are critiqued as being too isolated from overall sector thinking. In this way of thinking, it is clear that a sector programme seems to make little sense unless articulated to a broader national development strategy (King 1999a). Thus, there is a potentiality within sector programmes to lead to cross sectoral frameworks. In a sense, a cross sectoral framework already exists in a barebones form through the International Development Targets and the other commitments agreed at the various world conferences of the 1990s. The OECD's attempt to develop a "a working set of core indicators" for "measuring development progress" (Chang et al 1999) is indicative of a perception that there are a set of policies and targets that amount to a minimalist version of an overall development framework.

However, it is the World Bank, under the direct leadership of James Wolfensohn, that has done most to popularise the notion of a "comprehensive development framework" (CDF) (Wolfensohn 1999; World Bank 1999). Many of the issues that have been raised about sector programmes (and will subsequently be raised about partnership) apply equally to the CDF approach. However, given its attempt to be comprehensive, it is apparent that this is potentially far more powerful than the SWAP.

Our principal interest in the CDF process is likely to be in its implications for partnership. However, here it is worth highlighting the importance of charting the ways in which the CDF shifts the Bank's structures, processes and culture.
**Knowledge and partnership**

Before turning to the relationship between knowledge and partnership, it is necessary to consider some of the debates about partnership. There is an apparent donor consensus on the need for partnership and that such partnership should be Southern driven. However, there does not appear to be any balancing Southern consensus on either the desirability or detail of partnership.

In the donor discourse of partnership there are a series of positive elements. Partnership is seen as privileging local ownership and as inclusive of civil society (DFID 1997; Chang et al 1999; Wolfensohn 1999). It is seen as contributing to the development of local capacity and better adjustment of donors to local procedures (Chang et al 1999). It is seen as promoting transparency and dialogue (Chang et al 1999); and openness, transparency and humility (Gustafsson 1999)

However, it is clear that there are other rationales for partnership that are also operating in donor thinking. In the following formulations from the World Bank, the process and values of partnership appear of less importance than its efficiency as a development tool:

> Experience shows that developing country ownership of its development strategy is a necessary condition for development effectiveness and poverty reduction. (World Bank 1998b: 1)

> there is wide agreement that partnership is needed to improve efficiency of development assistance, and to deliver more effective results on the ground. (World Bank 1998b: 1)

> it must be remembered that the goal is not partnership *per se*. Partnership is a *means to an end*. The real goal is the shared objective. Partnership is a tool to reach this goal more effectively, and more efficiently, for the benefit of all involved. (World Bank 1998b: 5)

Although there is a growing sense in some Bank documents about the ineffectiveness of conditionality, a continued focus is present in other documents alongside a belief that loans and information can be used to sell policies (Devarajan, Dollar and Holmgren 1999). A similar sense can be gained of the DFID view of partnership, which is seen a depending on “sensible policies” being adopted by the Southern partner (DFID 1997: 2.21). King (1999a) suggests that IDTs may be more important that partnership for donors. Certainly, the World Bank and DFID make it clear that partnership involves selecting those deemed suitable in the South (DFID 1997; Wolfensohn 1997).

It is important to consider how the world conferences of the 1990s and the activities of the Development Assistance Committee shape policies North and South, and the extent to which this agenda setting has been collaborative in nature (King 1999a). As Klees (1999) argues, it is necessary to reinfuse partnership debates with power. How can we talk of partnership in the context of falling development expenditure by the North (Stromquist 1999) or asymmetrical and exploitative economic relations (Mugambi 1999)? How does partnership face up to a history of past exploitation (Mbele 1999; Odora Hoppers 1999)?
These issues are important and inform our prime challenge in this section, which is to consider the interaction between partnership and agency knowledge policies. Agencies have typically been poor at learning from the South and have, instead, tended to learn from others within the development community (Forss, Cracknell and Stromquist 1997). They have also tended to be rather too good at telling the South what is best for it. With the Neo-liberal orthodoxy of the 1980s and the early 1990s came too great a readiness to distil best practices, often in reality best theories, and seek to apply them to all Southern contexts. In this promulgation of development policy, the superior knowledge resources of the agencies were frequently supported by the power of conditionalities.

However, this way of doing business is inconsistent with the discourse of knowledge management. In the knowledge economy, it is argued that knowledge needs to be locally embedded and networked between partners. Indeed, the World Bank's former Chief Economist argues that best practice is rarely generalisable: if it is adopted successfully, it is probably because it was adapted successfully (Stiglitz 1999). Rather than best practice; there are good practices. Rather than centralised knowledge creation; there is local social discovery. Thus, the World Bank has begun to conceptualise the multiplicity of flows in the global knowledge economy: north-north; south-south; south-north; and north-south (World Bank nd[a]). In this light, it is argued that the Bank's resources should be directed to fostering information flows and supporting Southern capacity to create, acquire and apply knowledge. In so doing, advocates of the World Bank as Knowledge Bank talk about the ethics of knowledge management:

Now that new technology makes sharing potentially much easier and cheaper than ever before, it is vital that the tools be used in a spirit of inclusion, and for the public good. To achieve this, collaboration and openness need to become the dominant principles of operation, particularly in the area of international assistance. (World Bank nd[a])

In this formulation, knowledge management and the partnership discourse are fundamentally intertwined to create knowledge partnerships.

However, this trend towards knowledge partnerships is not the only way that developments may unfold. Within the World Bank, for instance, there is a powerful counter-current that harks back to the Neo-liberal certainties of the recent past. In this approach, the word "management" is highlighted. Rather than being a knowledge broker, the Bank would seek to be a certifier and repository of knowledge for development. The major Assessing Aid report (World Bank 1998a) is an example of an older conditionality view of policy and a transmission mode of knowledge interaction. Its emphasis is on the need to transmit knowledge of best theory and practice to reluctant recipients and to train future policymakers and stakeholders in sound thinking.

Thinking about knowledge management in the agency context cannot be divorced from consideration of sectoral policies and partnerships, and the tensions that we have pointed to in those regards clearly impinge upon the challenge of creating and maintaining knowledge partnerships. In all three debates, as Klee (1999) points out, there is a tendency to mask the role of power, in a way typical of Neo-liberal thinking. Each debate focuses on consensus and downplays conflict. Throughout it is implied that policy flows from free agreement of equal stakeholders based on value-neutral decisions regarding the best available knowledge. However,
this assumption can break down at a number of points. For knowledge partnerships to really work, power needs to be acknowledged, analysed and confronted.

Other agencies lack the intellectual resources of the World Bank and cannot hope to play such a nodal role in the overall architecture of development knowledge management. Nonetheless, their knowledge management strategies should be subject to the same analyses as those of the Bank. One area in which they do have a powerful potential role to play is in the restructuring of their research programmes in order to facilitate knowledge partnerships. Potential and performance in this area may be a useful focus for analysis.

LEARNING FROM EACH OTHER

One element of emerging development knowledge networks is the inter-relationship between the increasing role of collaboration amongst agencies and processes of inter-agency knowledge transfer. The importance of this area is highlighted by DFID’s series of Institutional Strategy Papers (ISPs) and Thematic Strategy Papers (TSPs). ISPs are explicitly concerned with understanding how other agencies work and how DFID can best work with them to further DFID goals. The TSPs focus on the IDTs and goals for development policy, with the subtext of lobbying other agencies to support DFID positions.

Intra-agency cooperation was a growth area of 1990s development cooperation. The decade saw the increasing formalisation of this cooperation through a series of networks and world conferences and a growing capacity with the Development Assistance Committee of the OECD.

As with the SWAP and the CDF, there are questions to be raised about the relationship between coordination and partnership. At the country level, DAC state clearly that coordination must be Southern driven (Chang et al 1999). However, there is clearly a challenge to turn this into reality. At the international level, there are great variations in practice. Some networks remain firmly inter-agency, whilst others, such as the Association for the Development of Education in Africa, have far stronger Southern participation and more symmetrical relationships. At both national and international levels, there has been little attention to date to the nature of the knowledge shared, the processes by which such sharing takes place and the impact it has upon policies of both donors and recipients.

DISSEMINATION AND DEVELOPMENT AWARENESS

Under our fourth heading, we are interested in electronic and textual dissemination decisions as indicators of agency commitments to knowledge sharing, partnership and transparency. Allocation of information to intranets versus the internet is one important element of this study. Across a number of agencies there appear to be issues arising about the range of data that is made available on the organisation’s intranet only and that which is also available for public scrutiny through the internet. Both intranets and internets are rapidly developing and are becoming core sources of information about development cooperation agencies, both for insiders
and outsiders. As these sites are developing, so decisions are being made that some data should only be shared within the agency, whilst other sources are suitable for external view. In this light, it is worth considering the difficult question of how to best balance the knowledge strategy inherent in the intranet – internet divide with the organisations’ more general concerns with transparency and sharing. It is important to explore the extent to which internet sites are providing a sanitised, public relations account of agency activities. It needs to be considered whether the information on the internet sites of the agencies is of maximal use to a public wishing to scrutinise agency activities; a researcher or practitioner seeking to learn from agency experiences; or a Southern partner seeking to understand the agencies agenda in their country.

The World Bank is a central player in two on-going major attempts to share knowledge across the development community North and South. The Global Development Network is a mechanism for information sharing between policy researchers and policymakers rather than an internet portal, but its development will clearly be heavily web based and will have major implications for the website policies of its participants. The Global Development Gateway is intended to be a massive development portal and will even more fundamentally reorder the way that agencies and other development actors use and present developmentally useful knowledge.

We are also interested, as are agencies, in the creation and maintenance of development awareness. Here, it is important to ask whether the agency knowledge strategies are sufficiently linked to their concerns with development awareness. Equally, it should be considered whether the information that they provide does allow the development of meaningful knowledge about the South or is locked into a sound-bite, spin-doctoring culture.

MAPPING THE DEVELOPMENT COOPERATION - KNOWLEDGE MANAGEMENT INTERFACE

The knowledge, partnership and coordination trends in development cooperation are strongly interpenetrated and require joint analysis. Such analysis should be sensitive to the genuine efforts of agencies to improve on their practices. However, it must seek to balance this with an awareness of alternative, especially Southern views. In doing so, it will need to go behind the apparent donor consensus on development cooperation and highlight the role that power inevitably will play both in development discourses and practices.

To chart the intersections between knowledge management and development cooperation, the above understandings will need to be turned into detailed readings of the processes, strategies and structures of agency learning and doing in the twin fields of knowledge and development. This is the challenge that lies ahead of us.
REFERENCES


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