

Formative Assessment of the Knowledge for Development Program

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Acronyms and Abbreviations

AFR	Africa region
CAS	Country Assistance Strategy
CEM	Country Economic Memorandum
ECA	Europe and Central Asia region
ESW	Economic and sector work
EU	European Union
HDI	Human Development Index
ICT	Information and communications technology
K4D	Knowledge for Development
KAM	Knowledge Assessment Methodology
KE	Knowledge Economy
KEI	Knowledge Economy Index
LCR	Latin America and Caribbean region
MNA	Middle East and North Africa region
PREM	Poverty Reduction and Economic Management network
WBI	World Bank Institute
WBIEG	World Bank Institute Evaluation Group

EXECUTIVE SUMMARY

The World Bank Institute Evaluation Group (WBIEG) conducted a formative evaluation of the Knowledge for Development (K4D) Program to identify program strengths, opportunities for improvement, and demand for new products and services. This study examined the perceptions and experiences of 23 Bank staff who were involved with program implementation. Overall, stakeholders reported that K4D initiatives represented the future crosscutting work of the Bank and provided recommendations accordingly.

K4D PRODUCTS AND SERVICES

The Knowledge Economy (KE) Framework. The KE framework was helpful in conveying basic concepts on how a country can pursue an integrative approach to development. Concerns were primarily about the framework being too abstract and the pillars being arbitrary. Further, the framework does not lead to concrete policy implications and does not provide guidance on what actions should be taken.

Knowledge Assessment Methodology (KAM). The KAM was viewed as the cornerstone of the K4D Program. It was deemed a useful tool for starting a KE dialogue, and for informing countries about the areas where they had relative shortcomings and strengths by providing international comparisons. Suggested areas of improvement included: the need for additional outcome indicators to strengthen the KAM's utility for Bank operations particularly in low-income countries; adding a tracking component to monitor progress; and increasing the accessibility of repository data underlying the KAM diagrams.

INTEGRATING THE K4D PROGRAM INTO BANK OPERATIONS

The program's visibility among Bank staff. Familiarity with the program was limited. The various anecdotes about how stakeholders became engaged with the program underscored the need for more focused marketing efforts, especially a clear articulation of K4D services.

Linking to operational projects. K4D should be more integrated into planning Bank projects and operational work. Suggestions for promoting more systematic coordination with Bank operations included working more directly with country teams, establishing a review of KE indicators as part of the country assistance strategy process, and identifying a champion with crosscutting expertise to promote the program's value. In fact, some stakeholders went so far as to suggest that K4D could better support Bank Operations if it were based in PREM. Others asserted that WBI was the best home for K4D because its focus is on using knowledge to enhance productivity growth through

various channels such as innovation and ICT.

Collaborating with client counterparts. Stakeholders' experiences pointed to the following opportunities to work more effectively with clients: (a) Adapt the KE approach to the country context; (b) Identify a client counterpart to champion the KE initiative; (c) Coordinate KE-related dialogues between the Bank and clients through the country office; (d) Provide case studies to show how other comparable countries have developed innovation systems; (e) Convey KE concepts in language that is accessible to an audience broader than academics; and (f) Follow up with clients over time, recognizing the long term nature of the KE agenda.

Suggested K4D products and services to support Bank operations. To maximize the value of K4D initiatives within the broader development agenda, K4D should increase outreach to Bank staff by marketing more refined products. One way to do this would be to emphasize support to Bank projects through products such as monographs, productivity enhancement studies, and policy enhancement briefs. These products could serve as "how-to" guides that highlight concrete examples of best practices based on past experiences. K4D could share these successful cases and familiarize staff with K4D products through brown bag lunches that would also provide a forum to connect K4D across regions and thematic groups.

CONCLUSIONS AND RECOMMENDATIONS

Overall, the evaluation concluded that a program specifically focused on the KE agenda is essential to future Bank operations. However, the results also showed that K4D had not remained abreast of current developments to meet operational needs. Stakeholders had varying views of the program's mission or objectives and felt that implementation processes could be more effective. Thus, this evaluation recommends a three-step action plan for WBI management and K4D to improve its implementation and effectiveness:

1. Establish a committee to review and clarify the K4D Program's role vis-à-vis the future work of the Bank—including representatives from WBI management, the K4D team, and major stakeholders in Bank operations.
2. Develop a strategic plan for achieving the program's mission and objectives. Specifying the program's objectives and intended outcomes will have direct implications for K4D's work program and the mix of staff skills and resources required.
3. Implement program improvements according to the project objectives and the strategic plan, considering suggestions from stakeholders examined in this report related to products and services, education and marketing, and linking to Bank operations.

Together, these steps will enable the K4D Program to serve an even more valuable and recognized role in facilitating and supporting knowledge-based economies and furthering the Bank's development agenda.

1. INTRODUCTION

1.1 The World Bank Institute’s Knowledge for Development Program helps build the capacity of client countries to gain access to and use knowledge to increase their economic and social well-being and to strengthen their competitiveness. This process occurs through advanced development strategies—simultaneously addressing the intangibles of education, information and communication technology infrastructure, innovation, and the needed economic and institutional regime. In collaboration with the Bank’s regions and sectors, the K4D Program offers policy services and studies, knowledge products and tools, and learning events to support the Bank’s knowledge and learning agenda (e.g. the flagship report “Building Knowledge Economies: Advanced Strategies for Development”). In particular, the program works with clients to develop strategies for accessing and using knowledge that are tailored for their contexts vis-à-vis political economy, governance, and the need to develop ownership among stakeholders. Additionally, the K4D team provides consulting services on demand to Bank operational teams. For instance, individual team members meet various requests for support such as contributing to World Bank books by writing chapters, serving on committees, and attending meetings as part of cross-support.

1.2 In FY07, the World Bank Institute Evaluation Group conducted a formative evaluation of the K4D Program to identify program strengths, opportunities for improvement, and demand for new products and services. The primary objective of this study was to assess the K4D Program’s implementation processes. Specifically, the focus was on issues and processes in the following areas:

- Awareness and understanding of the K4D program,
- The program’s visibility and demand for services,
- Collaboration and partnerships,
- Assessment of clients’ needs,
- Design and delivery of products and services, and
- Monitoring and evaluation.

1.3 This formative assessment explored these topics by examining the perceptions and experiences of 23 Bank staff who were involved with program implementation. The program selected a purposive sample of activities and products and associated key

informants (Bank staff) to identify individuals for qualitative interviews.¹ The sample reflected the following range of products and services in active programs where ongoing collaboration among the K4D Program, Bank operations, and clients was expected:

- A series of reports and technical advisory activities created for Algeria, Armenia, Azerbaijan, Brazil, China, Qatar, Senegal, Slovakia, Tanzania, and Tunisia.
- A variety of learning events, conferences, and workshops designed to raise awareness and bring together practitioners in order to provide opportunities to network, share experiences, and build communities of practice.

1.4 After the K4D team provided the initial list of potential respondents, the evaluators added other individuals to the list by asking for the names of key informants during interviews. Collectively, the Bank staff interviewed represented five of the Bank's six regions and WBI.²

1.5 The interviews were based on an open-ended protocol, structured enough to address the key topics of the evaluation but flexible enough to explore specific interests or concerns of individual stakeholders. Given the diverse country contexts of the Bank staff interviewed and the K4D Program's involvement in sample selection, all stakeholders' views on key topics were considered in the evaluation even when a particular issue was raised by only one individual. Additional details on the methodology and evaluation questions are in appendix A.

¹ The WBIEG team designed this study as a utilization-focused evaluation. A utilization-focused evaluation is based on the premise that the evaluation focus should be centered on the "intended use by intended users" (Patton 2002). Consequently, the users also informed all design decisions. The K4D Program, the primary intended user of the evaluation results, provided input to guide data collection.

² No stakeholder represented the South Asia region although several referred to K4D work in India in reflecting on program implementation issues; India was not a focus of this evaluation because QAG already evaluated K4D in India and rated it positively.

2. K4D PRODUCTS AND SERVICES

2.1 K4D initiatives serve a range of objectives, from raising awareness of the knowledge economy concept and framework to providing in-depth country analyses. Events and policy services are tailored to the specific circumstances of the country or region for which they were developed. In general, stakeholders stressed the importance of the program for achieving their development objectives and found K4D's Knowledge Assessment Methodology to be an effective catalyst for fostering a dialogue with countries about a knowledge economy. However, most stakeholders also noted that refinements to K4D products and services can increase program effectiveness.

PERSPECTIVES ON THE VALUE OF THE K4D PROGRAM

2.2 The interviews yielded reflections on the role(s) that K4D products and services had played in respondents' work programs. Bank staffs were asked to describe their involvement with the K4D Program and their perspectives on major program components such as the KE framework and the KAM. The evaluators did not ask for general reflections on the value of the program; however, the potential contributions of the K4D program and the increasing importance of KE work were dominant themes voiced by nearly all stakeholders interviewed. Selected reflections are in box 1.

Box 1. Key quotes on the perceived value of the K4D Program

"This issue of knowledge is really hot and gaining traction. Everyone is into innovation...it's easy for country units to sell these knowledge studies."

"[The program] is getting to intellectuals that the wider Bank program has difficulty getting access to. Events are really spectacular, with highly regarded officials and intellectuals having real dialogue."

"We owe a lot to the K4D program. It had a major impact and really was once cutting edge. But now they need to improve their sophistication ... need to get back on to the cutting edge."

"Middle-income countries have a thirst for knowledge demands. Clients demand lending only if it comes within a knowledge framework. So the Bank should facilitate this. The old way of doing business is history. For the institution to survive, programs like K4D are absolutely vital, but what is more vital is to use these programs better, and to integrate them."

"The Bank has such an advantage to convene experts and provide the whole picture. When you see the whole picture then you understand what is needed to fix the problem."

2.3 Several stakeholders noted that K4D initiatives represented the future crosscutting work of the Bank, particularly in middle-income countries where there is less demand for lending and more emphasis on technical assistance. Further, the program was viewed to have great potential for sub-Saharan Africa, in terms of pulling Bank projects out of a “silo mentality” and fostering a cross-sectoral dialogue to address problems holistically. Indeed, the ability of the K4D Program to convene experts across sectors was viewed as a clear strength: Bank staff observed that many countries could independently enlist an expert for a specific sector but still lacked the capacity to coordinate initiatives across multiple government ministries.

2.4 In all cases, comments on the importance of K4D work were coupled with opinions, conjectures, and specific suggestions on how products and services could be refined to more effectively address the needs of Bank operations. Dominant concerns focused on the need to improve the KAM, establish greater program visibility, and link the program more systematically to Bank projects. These themes are explored throughout this report.

THE KE FRAMEWORK

2.5 The program is based on a KE framework which consists of four pillars to help countries understand their strengths and weaknesses with respect to knowledge and to develop appropriate strategies for a transition to a knowledge-based economy. As described in the Knowledge for Development Program Brief, these pillars include:

- “An *economic and institutional regime* that provides incentives for the efficient use of existing knowledge, the creation of new knowledge, and the flourishing of entrepreneurship.
- Educated and skilled populations that can create, share, and use knowledge well.
- A *dynamic information infrastructure* that can facilitate the effective communication, dissemination, and processing of information.
- An *efficient innovation system* of firms, science and research centers, universities, think tanks, consultants and other organizations that can tap into the growing stock of global knowledge, assimilate and adapt it to local needs, and create new knowledge and technology.”

2.6 Comments on the usefulness of the KE framework were mixed (see box 2 for examples). Most stakeholders who were familiar with the four-pillar model noted that it was helpful for conveying basic concepts on how a country must pursue an integrated approach to development. Two stakeholders emphasized that the framework had been particularly relevant for new European Union (EU) member countries in informing government strategies. Once this conceptual foundation was established, countries were better able to focus their resources effectively on the pillar(s) of greatest interest and need. However, there was no consensus on how to set priorities among the pillars, even

among stakeholders representing the same country or region. For example, regarding Africa, one stakeholder argued that an innovation system was the “entry point” and therefore most important, as opposed to others who argued that innovation was irrelevant in conflict-ridden countries without electricity.

2.7 Most positive comments were tempered with concerns that the framework was too abstract, or that the pillars seemed arbitrary. In particular, some stakeholders stated that the framework did not lead to concrete policy implications and did not provide guidance on what actions should be taken. Two stakeholders, reflecting on K4D work in the Middle East and North Africa region (MNA), observed that notable gaps in the framework were diminishing with the emergence of a fifth pillar. This new pillar was characterized as “the glue to hold the others together,” addressing governance issues to build trust and enable a society to develop a vision.

Box 2. Example quotes about the KE framework

“We can look at those four pillars to see where the country stands, what are the main areas of need...I really like the concept of the framework. It will be up to me to use it the best way, complementing it with other things... Flag this fact, use it wisely.”

“There is nothing conceptually useful there: the framework misdirects the whole discussion. Yes, they need to improve the innovation climate pillar, but nothing in the framework tells you what that actually means. And what is the point of having ICT? Why ICT and not roads? Rwanda has no electricity...”

“KE is like a cooked food: it may be tasty but you don’t know what has gone into it. The framework is helpful to convey concepts.”

2.8 Many stakeholders emphasized the need to define the KE concept clearly, particularly since some clients view KE more narrowly as pertaining to information and communications technology. Some Bank staff reflected that the K4D case studies and country studies have made the term more concrete, however the definition should be adapted to the country context in which it is being introduced. As one stakeholder noted, a knowledge economy in Mali would look very different than a KE in Yemen. Overall, reflections on the general KE concept and the KE framework underscored the need for education and communications strategies, for both Bank staff and client counterparts.

KNOWLEDGE ASSESSMENT METHODOLOGY

2.9 The KAM is an Internet-based benchmarking tool based on the KE framework.³ This tool uses a cross-sectoral approach to provide a basic assessment of KE readiness based on 83 structural and qualitative variables. Data are available for 140 countries to allow for comparisons on a global scale, on a regional scale, on the basis of income levels, or on the basis of the Human Development Index (HDI).⁴ The KAM produces

³ The KAM is available at www.worldbank.org/wbi/kam

⁴ As defined on the K4D website, the HDI is a composite Index produced by the United Nations which measures average achievement in three basic dimensions of human development - a long and healthy life

various charts and figures, including a basic scorecard commonly used to provide an overview of countries' performance in all four KE pillars. The K4D Program updates KAM data semiannually and expands the country coverage as possible.

2.10 The KAM was viewed as the cornerstone of the K4D program. In fact, for some Bank staff, the K4D Program and the KAM were perceived as synonymous. All interviewees were familiar with the KAM, either by having been directly involved in its use or by having attended a brown bag lunch introducing the benchmarking tool. Overall, stakeholders found the KAM to be helpful for launching a KE dialogue, but some also warned that the tool was no longer cutting-edge and needed updating to serve Bank operations more effectively.

2.11 Stakeholders praised the KAM as having the following attributes:

- A provocative, attention-getting device that serves an important role,
- A user-friendly and convenient tool where anyone can go to the website and do benchmarking,
- A useful diagnostic that informs countries of the areas where their relative shortcomings and strengths are, and
- A valuable database for providing international comparisons.

2.12 However, in most cases, statements about these attributes were accompanied by suggestions for needed improvements. These stakeholders emphasized the need for follow-up after the initial KAM assessment to provide concrete policy advice.

2.13 Stakeholders expressed concerns about the KAM and suggested ideas for improvements. These are described below in combination with program considerations for each issue raised.

- Some of the comparisons and generalizations produced by the KAM were not constructive according to stakeholder perceptions.
 - Some stakeholders believed that variables based on perceptions such as from the global competitiveness reports should not be used comparatively because they mean different things in different contexts. For example, business leaders provide their assessment of university collaboration. In an unsophisticated economy, leaders have low expectations and might therefore give higher ratings than leaders in a more sophisticated economy. Comparing perceptions across countries was viewed as problematic. The program has been transparent about the limitations of indicators based on perceptions.

(measured by life expectancy at birth), knowledge (measured by adult literacy rate and gross enrollment ratio) and a decent standard living (measured by GDP per capita (PPP US)).

However, in the absence of real observable indicators, data based on perceptions provide the best available guidance. To minimize potential risks, data for the KAM come from highly reputable sources with scientifically rigorous data collection methods.

- Interviewees also suggested that KAM overlooks regional differences within countries. In other words, in their view the KAM would be more effective if it were equipped to be sensitive to subnational differences. For example, the Knowledge Economy Index (KEI) for Shanghai will be different than that of a rural area in China. Unfortunately, aggregating quantitative data often results in a loss of specificity such as in the example above. The KAM cannot be used for subnational measurement. The data sources that the K4D team draws on for benchmarking focus on variables at the country level.
- Additional outcome indicators would strengthen the tool's utility for Bank operations.
 - The KAM benchmarks only at the input level for some variables which do not necessarily lead to outcomes. For example, investment in research and development could result in outputs, such as new processes and production methods. In contrast, it might just be absorbed by a huge administration with no outputs. Thus, the input level alone is not enough to gauge where a country stands in terms of innovation. Ideally, variables should be measured in terms of inputs, outputs, and outcomes. These limitations are primarily due to the KAM's reliance on extant data for indicators available across countries. The team explained that resource constraints prohibit primary data collection.
 - A larger selection of indicators would help the KAM be more relevant to low income countries. According to the KAM, knowledge generation is zero in African countries. While stakeholders agree that the indicators are correct, it is not clear what actions should be applied. Additional indicators might be more relevant in this context. For example, the number of patents produced will be zero but some indicators on the adaptation of technology in Africa would be useful. The K4D Program has been exploring possible indicators that could be more valuable for low-income countries.
 - The KAM database was viewed as sometimes missing country context-dependent nuances thereby lessening indicator relevance for operational use. For example, indices show that Qatar scores highly in the education sector; however, there are three women for every one man enrolled because men have no incentive to attend university. The KAM misses the important story in this case. The program acknowledges that there is an inherent tradeoff in providing a tool for

comparative use across many countries versus providing a tool that provides accurate in-depth analysis for a single country.

- Staff suggested that the KAM be updated to provide a tool for tracking progress. This was viewed as a shortcoming because some of the indicators do not change for years. Additionally, staff thought it would be useful to make the KAM more dynamic by showing actual versus predicted change over the years. The program has been researching methods to increase the tool’s utility—including additional indicators (noted above) and the ability to view progress over time.
- The KAM houses a rich repository of data to which staff requested access. Interviewees thought the raw data underlying the cobweb diagrams could be useful for supporting economic and sector work (ESW).

2.14 Overall, stakeholders noted that the KAM had been instrumental in furthering the KE dialogue but that the tool was no longer cutting-edge. Where KE issues were now of central importance to many Bank projects—such as in the Latin America and Caribbean region (LCR)—the KAM was viewed as doing a disservice to this important work. As one stakeholder noted, “These benchmarking ideas need refining and need to be anchored in microeconomic theory. How do you know this is a problem of innovation and not a barrier to entry of firms? K4D has been unable to work at that level of conceptual rigor.”

2.15 Despite these perceived shortcomings, Bank staff provided numerous examples of how the K4D team had used the KAM and other resources to provide valuable products and services—including KE analyses for countries, research and technical assistance to inform government strategies, policy forums to convene high-level officials and intellectuals, and KE reports to provide input into a country assistance strategy or country economic memorandum (CEM). These types of collaboration with Bank operational staff and the role of the K4D Program within the larger Bank context are explored in the following sections.

3. INTEGRATING THE K4D PROGRAM INTO BANK OPERATIONS

3.1 The K4D team conducts KE studies and designs learning exchanges and policy activities in collaboration with operational counterparts. These products and services are delivered through team-based program initiatives and through individual-based KE consulting provided by the appropriate expert on the K4D team. Interviews with stakeholders explored the strengths and weaknesses of the collaboration with Bank operational staff by examining perspectives on the program's visibility, the ability to link to Bank projects or other operational efforts, and the best practices for delivering K4D services to clients.

THE PROGRAM'S VISIBILITY AMONG BANK STAFF

3.2 Stakeholders described how they first became involved with the K4D Program and reflected on the program's identity and visibility at the Bank. In general, familiarity with the K4D program was limited, even among staff who had been actively engaged in K4D initiatives. This falls in line with previous evaluation studies indicating low awareness of WBI activities by Bank staff (Ling et al. 2006, Quizon et al. 2005, 2004). Box 3 presents examples of reflections on the program's visibility.

3.3 Although some informants named members of the K4D team as individuals whose expertise they relied on and described them as participating in their initiatives, they did not consider themselves in collaboration with the K4D Program per se. Some of this confusion appeared to be due to a misconception that the program consisted entirely of demonstrating and implementing the KAM. Those stakeholders who were not using the KAM as a key component in their work did not necessarily recognize the ongoing involvement of the program despite the contributions of K4D team members. Moreover, some interviewees asserted that the program did not have the capacity to assist with KE initiatives beyond providing the initial knowledge assessment. In two cases, key informants identified by other stakeholders declined to be interviewed, noting they were completely unfamiliar with the program.

3.4 In instances where Bank staffs were very familiar with the program, they had either (a) been approached by the K4D team to contribute to a specific initiative or (b) contacted the K4D team for help as KE issues gained traction in their projects. For the latter example, these stakeholders had often gained their initial awareness of the program through brown bag seminars offered by the program in Washington, or via networking (word of mouth) in country offices. The various anecdotes about how stakeholders became engaged with the program underscored the need for more focused marketing efforts, especially a clear articulation of the K4D services available to support Bank operations.

Box 3. Reflections on the visibility of the K4D Program

“I must say that I am not entirely familiar with the program. They need to disseminate [program information] to the country department and get feedback on the framework.”

“I found it appalling that some country directors or task team leaders did not want to know anything about Knowledge for Development. An education process within the Bank is needed... the silos need to be integrated.”

“More education is needed within the Bank itself. When we come to the country, there needs to be consensus on how this concept will be communicated. Bank staff can’t question the concept as we are conveying it.”

“They have not had enough seminars on K4D in Washington. Many economists still don’t know what K4D is.”

LINKING TO OPERATIONAL PROJECTS

3.5 Stakeholders generally believed that the K4D Program should be more integrated into the planning of Bank projects and other operational work. Many characterized this as a communications problem, where Bank staff did not have sufficient awareness of the program to enlist its help and the K4D team did not have sufficient knowledge about upcoming Bank projects to initiate their engagement. Without any current systematic link, the coordination between the K4D Program and Bank operations appeared to occur on an *ad hoc* basis. Examples of stakeholders’ reflections on the connections between the K4D Program and Bank projects are in box 4.

3.6 In noting the growing importance of KE work, several stakeholders advised that the K4D Program should coordinate more directly with country directors and teams. This coordination was viewed as important for both project-based work and consultancy services and would start with having the program develop a strategy for communicating with country teams and describing the K4D tools and services available. Some stakeholders also noted that the program should become involved in Bank operations at the CAS stage to provide a knowledge assessment and perhaps even contribute knowledge economy indicators to a standardized annex for the CAS.

3.7 Bank staff cited some examples of where Bank projects had received cross-funding with KE components to provide the K4D Program with a direct hook into operations. But they also frequently acknowledged that the integrative nature of the KE framework posed a major challenge to operational counterparts, who typically approached projects from the vantage point of their own sectors. In fact, this integrative approach represented both the greatest asset and the greatest challenge for the K4D Program: whereas the traditional Bank approach has been to deal with knowledge economy components (pillars) such as education and ICT separately, the program embraces a holistic strategy to development. Ideally, several stakeholders observed that a macroeconomist or someone with crosscutting expertise was needed to understand the value of the K4D approach and to champion the program’s value in a country or project.

Box 4. Experiences with linkages between the K4D Program and Bank operations

“To date, K4D hasn’t been sufficiently *integrated into the planning of operational work*...the point is that the program would never know that our project is coming up and how do we then coordinate it into our process. There needs to be a more systematic link to build KE into project preparation.”

“What is very difficult for us in the region is to see how the structure of this program fits with all the country programs with which WBI negotiates...We do actually have requests from our clients to help with innovation policy. *K4D should be a cornerstone of country negotiated programs* with WBI.”

“Really *at the CAS stage, K4D should be brought in for dialogue* to work closely with the country team.”

“For [country], the Bank has more of a consultancy role, it’s not really project work...For dialogue with government on overall strategy, WBI can really play an important role. For *EU new member states, [K4D] serves a TA role, a form of advising*. This is not really Bank operations, but it could be a combination.”

“It is really *critical to have good coordination with country teams*. Teams are working on a number of initiatives and it can be extremely embarrassing if WBI marches in with activity that country team isn’t aware of... The real advice here is for WBI to reach out to country teams and regions at the highest level.”

“I think a *better articulation of the various products and services* that the program has would be a first step to strengthening links with Bank operations and being able to engage with those Bank operations where the program can add some value.”

“People see Bank projects in terms of their own sector rather than a more global approach...It’s very difficult to find someone to implement this K4D approach. *You need a trooper on the ground, a macro economist*.”

“The Bank doesn’t know how to sell, how to get the business...K4D is a good concept. In the private sector, you would have a group of people follow up on activities to *gain countries’ demand for projects*, but this never happens.”

THE PROGRAM’S CONTEXT WITHIN WBI

3.8 Although questions about the program’s location in WBI were not part of the standard interview protocol, a majority of the stakeholders interviewed highlighted this issue as an important factor in how well K4D services were linked to Bank operations. All individuals who raised this point noted that the K4D Program faced inherent challenges by being based in WBI, including one or more of the following:

- This placement did not signal any explicit “hard wiring” or formal connection to Bank operations;
- The program did not fit clearly within WBI’s work program and was not part of WBI’s country-negotiated programs; and

- Questions about the value of WBI in general hindered the program’s effectiveness. For example, one stakeholder in operations noted the difficulties of achieving program visibility on a “sinking ship.”

3.9 Despite the recurrent concerns about the program’s location, there was no consensus on where the program should be placed within the Bank’s organizational structure. Some stakeholders argued that the program should be based in the Poverty Reduction and Economic Management network (PREM). Others were concerned that the Bank had no department focused on innovation. These stakeholders believed that WBI was therefore the best location to ensure that program activities were not curtailed due to the constant time pressures of delivering operational projects. Others reflected that the Bank structure did not accommodate any crosscutting program well and warned against associating the program too closely with any one pillar of the KE framework.

3.10 Overall, the interviews described some possible steps for linking the K4D program to Bank operations, regardless of the program’s location within the Bank:

- Use a matrix management structure to make the K4D team accountable to units in both WBI and Bank operations;
- Ensure that the K4D leader has the reputation and skills to network effectively across Bank units;
- Include the K4D products and services as part of WBI’s country negotiated programs; and
- Develop an informal K4D network across the Bank to foster KE dialogue among Bank staff, solicit input, and provide ongoing communication about K4D products and services.

COLLABORATING WITH CLIENT COUNTERPARTS

3.11 Bank staff recounted various ways in which they had participated in delivering K4D services to external clients. Examples of these direct experiences include:

- Providing input for national development strategies (Slovakia and Qatar);
- Convening government officials, private sector executives, academics, civil society leaders, and media representatives for policy dialogues (Senegal, Tunisia, Algeria, and Morocco);
- Providing KE-related learning events or forums to enhance knowledge-based development strategies (AFR, MNA, and ECA);
- Conducting KE analyses or follow-up studies for countries (China, Brazil, Senegal, and Tanzania); and
- Studying diaspora-related research (LCR).

3.12 These experiences provided lessons on how to work effectively with client counterparts to implement K4D initiatives. Six clear messages emerged from these reflections:

- *Adapt the KE approach according to the country or regional context.* Interviewees generally reflected that KE initiatives take hold more easily in middle-income countries where there is a limited dependence on lending and more interest in consultation to capitalize on human resources. The K4D program faces more obstacles in low-income countries but is still relevant and important. In this context, the program must plan for a longer-term involvement and experiment with institutional arrangements (forming local steering committees and/or partnerships with other donors or local institutions), and rely on client representatives to navigate political economy.
- *Identify an individual (client counterpart) to champion the KE initiative.* Regardless of the context, stakeholders reflected that a client representative who is loyal to the KE agenda should ultimately champion the cause to facilitate sustainable dialogue across government ministries. Development initiatives with cross-sectoral components generally remain challenging, so locating this champion was seen as an important ingredient for the success of K4D implementation.
- *Coordinate all KE-related dialogue that happens between the Bank and the client.* Bank staff noted that the lack of clear communication channels and the need for more education within the Bank sometimes led to parallel dialogue with clients that made the overall KE effort appear splintered or disorganized. Ideally, all communication should be conveyed via the relevant country department or Bank region. Furthermore, all members of the Bank team should be sufficiently educated about the K4D component so that terms are not questioned by Bank staff in the presence of the client during implementation.
- *Provide case studies and other concrete examples.* Clients are interested in how other countries have developed innovation systems. Several stakeholders reflected that the K4D Program can (and sometimes does) serve a valuable role by sharing concrete examples.
- *Avoid jargon.* KE concepts are often conveyed in language that is primarily accessible to academics. More communication and educational materials are needed in plain language so that the messages can reach broader audiences and facilitate institutional and policy changes.
- *Follow-up with clients over time.* Many KE events and products have been well-received by clients, but there has not been sufficient follow-up to ascertain how best to further these efforts. Bank staff observed that this lack of follow-up was likely due to confusion about responsibilities and communication; however, they noted that the K4D team should purposefully

approach Bank operational counterparts to develop formal strategies for checking with clients over time. Follow-up is particularly important given the long-term nature of the KE agenda.

SUGGESTED K4D PRODUCTS OR SERVICES TO SUPPORT BANK OPERATIONS

3.13 Stakeholders made suggestions on how to guide program implementation in the future—including demands, expectations, and general advice. After discussing numerous topics in depth, staff advised on how to maximize the value of K4D initiatives vis-à-vis the broader development agenda.

- *Refine K4D products and services to offer more concrete policy guidance.* As discussed earlier in relation to the KAM, stakeholders would like the program to prioritize practical applications rather than academic research for bookshelves. In particular, they would like to see the KAM diagnostic exercise accompanied by an education process and policy advice regarding where a country is and where it wants to be. Bank staff hoped that the program could adapt indicators that are more appropriate to their country contexts while still keeping a core set of indicators for broad crosscutting comparisons. However, the K4D team indicates that this goes beyond the scope of the KAM's and that the country policy reports are better customized to the country situations.
- *Develop more knowledge products and educational materials to guide and support Bank projects and consultations.* Similar to client counterparts, Bank staff demand products with concrete examples to draw on lessons learned. Specific suggestions included:
 - *Monographs with detailed analysis to share practical knowledge in areas of interest.* For example, to support a discourse on private versus public research, a study could explore how Sweden has managed without public research institutions.
 - *Productivity enhancement studies.* Stakeholders are eager to learn from past experiences and to share this knowledge with clients. For example, Spain increased productivity without investing in research and development, and Latin American countries are interested in this model.
 - *Policy enhancement briefs.* Some Bank staff desire “more targeted pieces.” For example, the program could divide countries according to their stage of development in a particular area and then produce a brief that provides KE cases that are relevant to the specific client's situation.

- *Market the program more purposefully within the Bank.* Stakeholders also requested that K4D products and services be articulated more clearly for Bank staff. In particular, suggested actions include:
 - *Taking stock of how well program information has been disseminated to date.* Who has been using the in-depth country studies and what is happening as a result? Have communities of practices formed around some of the program's major themes, and if so, how have they been sustained? Lessons from past communication efforts should inform new strategies.
 - *Developing a standardized document on the KE framework.* Several stakeholders suggested that such a document would be helpful for their work, especially if it explained the pillars in lay person's language and was translated into clients' languages. The suggested length ranged from 5 to 20 pages.
 - *Providing how-to guidance based on past experiences.* Operational staffs want to know their options for how to best draw on K4D expertise. Where should they start? How long will it take? What is the expected level of resources? In resource-constrained areas, what should they do with what they have? This underscores the need for better integration and connectivity with Bank operational teams.
- *Act as a forum to connect regions.* The K4D program should act as an observatory for new KE developments and cutting-edge practices and then facilitate an ongoing dialogue among Bank staff. Examples of how this function could be served well included hosting more brown bag lunches focused on successful examples and communicating these examples through thematic groups.
- *Prepare a holistic vision for the future of the program.* Underlying all of the advice from stakeholders was the belief that this program has been innovative and needs to be future-oriented. To this end, stakeholders suggested that the program focus on strategic planning and especially consider the following:
 - *Drawing on other expertise within the Bank to leverage scarce resources.* In presenting their array of suggestions and demands, several stakeholders noted that the program would have insufficient resources to meet expectations. Given the importance of KE work for the development agenda, some suggested that the program strengthen its network within the Bank. In particular, the program should identify advocates in each pillar and strategize how best to incorporate their expertise into the K4D work program.
 - *Exploring best approaches to support non-lending activities.* As the program serves middle-income countries, there are growing

opportunities for contributions outside of traditional Bank projects. For example, the program could explore how to combine services with EU structural funds.⁵

- *Developing KE monitoring and evaluation strategies and tools.* Although the K4D Program emphasizes that countries should take a systemic approach to development that encompasses the four pillars, stakeholders noted that monitoring and evaluation efforts still gauge progress in one pillar at a time. Additionally, the KAM was not viewed as a comprehensive monitoring and evaluation tool since indicators take a long time to change and do not provide formative guidance for program implementation. Given these concerns, the program should explore the development of composite indicators appropriate for the holistic approach heralded by the KE framework.

⁵ EU8 countries include Poland, Czech Republic, Hungary, Slovakia, Slovenia, Lithuania, Latvia, and Estonia.

4. CONCLUSIONS AND RECOMMENDATIONS

4.1 Overall, the K4D Program is at a critical juncture regarding its history and role at the World Bank. While Bank staff observed that such a program specifically focused on the KE agenda is essential to future Bank operations, they also expressed concern that the K4D Program has not remained abreast of current developments to meet operational needs. In particular, stakeholders' concerns focused on the degree to which the KAM remains a valuable and innovative benchmarking tool and the limitations of the K4D team in providing concrete ongoing policy guidance based on KE analyses.

4.2 This concurrent praising of the program's value and lamenting of the program's weaknesses highlighted a central issue: stakeholders do not have a consistent view of what the program's mission or objectives are. Is the main purpose to foster innovation through academic research or to support Bank operations? Or is it a combination thereof? If the program should provide practical guidance and substance for Bank operations, then should this occur through a coordinated and strategic work program? Or should the collaboration with operational staff occur on an *ad hoc* basis as K4D team members either launch KE initiatives or are enlisted by the Bank's regions to further KE agendas? These are important questions that must be answered to allow for clear and decisive implementation processes.

4.3 Within the context of these overarching questions, the range of suggestions from stakeholders presented provides formative guidance for the K4D Program. Collectively, these support a three-step action plan for WBI management and the K4D team to improve program implementation and effectiveness:

1. *Establish a committee to clarify the program's mission and objectives.* To effectively think through the K4D Program's role vis-à-vis the future work of the Bank, this committee should include representation from WBI management, the K4D team, and major stakeholders in Bank operations. Formally identifying the program's main purpose(s) will likely both empower and oblige the K4D Program to assume meaningful leadership and authority for furthering the KE agenda.
2. *Develop a strategic plan for achieving the program's mission and objectives.* Defining the program's objectives will have direct implications for the K4D's ongoing work program and the mix of staff skills and resources required. Just as the program has provided input for countries' ten-year development strategies, the K4D team should be forward-thinking in terms of how best to address current and future needs and stay abreast of KE issues over time. This planning process will likely include defining the conditions under which the K4D team should be engaged in operational work and the level and type of

staffing and technological capacity that will be necessary to achieve the envisioned work program. The program might also plan to draw on a network of expertise within the Bank to leverage scarce resources in meeting operational demands.

3. *In the context of program objectives and the strategic plan, consider the suggestions throughout this report to implement program improvements.* Stakeholders throughout the Bank have provided constructive ideas to strengthen the K4D Program, particularly in the following areas:
 - *Products and services:* If the K4D team continues to provide KE assessments, then improvements to the KAM should be considered. The addition and adaptation of indicators and an exploration of next-generation software to add features might be warranted. If the K4D team will provide policy advice or how-to guidance, policy or productivity enhancement briefs and other materials with concrete examples will likely increase program effectiveness.
 - *Education and marketing:* This assessment identified the need for greater program visibility among Bank staff. Addressing this need will require developing materials for lay audiences explaining the knowledge economy components (pillars), articulating the available products and services clearly, and then developing a comprehensive effort to disseminate program information via seminars, thematic groups, and other means as appropriate.
 - *Linking to Bank operations:* Systematic processes need to be established in accordance with program objectives. Stakeholders' views suggest that these are likely to include an investigative effort to determine where the K4D Program can add value, an intentional and systematic method to reach out to country teams to solicit feedback on operational needs and the usefulness of K4D products and services, and some clarification as to how the K4D work fits within WBI's larger work program.

4.4 Together, these steps will enable the K4D Program to serve a valuable and recognized role in facilitating and supporting knowledge-based economies and furthering the Bank's development agenda.

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APPENDIX A: METHODOLOGY

I. Evaluation questions

The primary objective of this study was to assess the K4D program's implementation processes rather than to identify outcomes and impact. This first phase of the study therefore explored the perceptions and experiences of selected Bank staff who had participated in program implementation. As part of this first phase, information was collected from operational staff to identify key client informants on K4D. A subsequent phase could be designed to explore the perceptions and experiences of program clients.

The perspective of K4D's operational counterparts is critical to assessing the implementation process. This formative evaluation addressed key questions to explore program experiences to identify additional opportunities and suggested improvements for the program in the future. Specifically, this study used the following evaluation criteria:

- *Program visibility and demand for services*
 - How do potential implementers (Bank staff) learn about the K4D program?
 - Under what circumstances do Bank staffs request the involvement of the K4D program?
 - How familiar are implementers with the “knowledge economy” concept? Does the term elicit common understanding among stakeholders?
- *Collaboration and partnerships*
 - Under what conditions should Bank operational staff and the K4D program collaborate to build client capacity? In other words, what factors need to be in place for the K4D program to leverage resources effectively and contribute to the Bank's knowledge and learning agenda?
 - How do K4D teams develop partnerships with client governments, private sector organizations, nongovernmental organizations, and donor agencies? How do implementers define successful partnerships?
 - What lessons can be derived from these partnerships to inform program implementation in the future? What factors contribute to, or hinder successful partnerships?

- *Assessing client needs*
 - How do K4D teams (K4D staff and Bank operational staff together) determine which products or services to offer to support clients in their transitions to knowledge-based economies? How are the four pillars in the framework prioritized?
 - What factors do K4D teams consider in offering additional services or follow-up activities to existing program clients?
- *Design and delivery of products and services*
 - How familiar are implementers with the K4D framework and the Knowledge Assessment Methodology (KAM)? How useful do they perceive these to be in facilitating client countries' transitions to knowledge economies?
 - What are the main challenges in meeting clients' demands for K4D products and services?
 - What ideas do implementers have for enhancing current K4D products and services or developing new product lines in the future?

Based on these evaluation criteria, an overall assessment was made of the implementation of the K4D program.

II. Evaluation methodology

This formative study explored program implementation in selected cases and countries where K4D anticipated continued program delivery. K4D identified a purposive sample of products with associated key informants (Bank staff) to inform the future of the program. These products, described below, reflected a range of K4D products and services in active programs where ongoing collaboration among K4D, Bank operations, and clients was expected:

- (a) A series of reports and technical advisory activities created for the following countries: Algeria, Armenia, Azerbaijan, Brazil, China, Qatar, Senegal, Slovakia, Tanzania, and Tunisia.
- (b) A variety of learning events, conferences, and workshops designed to raise awareness and bring together practitioners in order to provide opportunities to network, share experiences, and build communities of practice.

We conducted qualitative interviews with 23 Bank staff that were familiar with the K4D program and the countries in which the products were delivered. After the K4D team provided the initial list of potential respondents, the evaluators added other individuals to the list by asking for the names of key informants during interviews.

The interviews were based on an open-ended protocol, structured enough to

address the key topics of the evaluation but flexible enough to explore specific interests or concerns of individual stakeholders. Given the diverse country contexts of the Bank staff interviewed and the K4D Program's involvement in sample selection, all stakeholders' views on key topics were considered important to the evaluation even if a particular issue was raised by only one individual. The team also gathered information on local client counterparts as potential resources for future phases of this study.

Interview instrument

The methodology for data collection will follow the "interview guide approach." Based on the topics outlined above, this type of interview takes a comprehensive and systematic approach to data collection by reviewing Bank staff's experiences with and perspectives on K4D. However, the interviews remain fairly conversational and situational.

In other words, the interviewer will decide the sequence and wording of questions in the course of the interview. Compared with a standardized open-ended interview or closed, fixed-response interview, this approach is advantageous because it allows the flexibility to customize the conversation to the respondent and the natural flow of the discussion.

APPENDIX B: K4D FORMATIVE EVALUATION INTERVIEW GUIDE FOR BANK STAFF

[Note to interviewer: This is an exhaustive list of questions, not all of which will apply to each respondent. This guide need not be followed in sequence. The conversation should dictate the order in which topics are addressed but all issues should be broached, no matter how briefly.]

Introduction to the interview: brief statement about K4D and their involvement

- Overall, what is the nature of your collaboration with the K4D program?
 - Policy studies
 - Reports
 - Consulting advice
 - KAM
 - Workshop for exchanging experiences
 - Skills building

Program Visibility and Demand

- How did you first learn about the Knowledge for Development program?
- How did you first become involved with the K4D program? What were the main factors that fostered this collaboration?
- To what extent does the phrase “knowledge economy” resonate for you? Is there a better alternative to elicit common understanding in the broader development community?

Collaboration and Partnerships

- Based on your experience, when should Bank operational staff and the K4D team work together to build client capacity? What factors need to be in place for this collaboration to contribute effectively to the Bank’s knowledge and learning agenda?
- What role(s) have you played in developing K4D partnerships with clients?
[probe for details on how these partnerships developed and who the partners are—

client governments, private sector organizations, nongovernmental organizations, donor agencies, etc.]

- How would you define a successful partnership? [probe for factors that challenge or facilitate partnerships]

Assessing Client Needs

- In your work with [note relevant K4D products or activities], how was it determined which products or services to offer to the client(s)?
- Do you expect to offer additional K4D services or products to your client(s)? What factors determine whether additional services or products are offered?

Design and Delivery of Products and Services

- How familiar are you with the K4D framework? Which pillars are applicable to your work? [probe as needed on economic and institutional regimes, education, ICT infrastructures, and innovation and research]
- Have you found the K4D framework to be useful for discussing processes in transitioning to a knowledge-based economy? [probe for details on why or why not]
- Would your work with country clients benefit from an increased focus on a pillar? If so, what demand do you perceive for new products in specific pillars?
- How familiar are you with the Knowledge Assessment Methodology (KAM)? Have you or your clients used it? [probe for specific examples]
- Is the KAM useful for dialogues with stakeholders (including Bank staff and clients)? Are there improvements you would suggest to make the KAM more useful?
- In your experience, what are the main challenges in meeting clients' demands for K4D products and services? Do you have suggestions for how to minimize these challenges?

Final Comments and Suggestions

- Do you have additional reflections or experiences with the K4D program that you believe could help inform program improvements?
- Are there new products or services that K4D should develop to support the transition to a knowledge economy in your country?
- Can you recommend another person familiar with K4D who was not involved in program delivery?

- Can you recommend local counterparts familiar with the K4D program or potential opportunities for K4D?