2. Knowledge Exploitation and Knowledge Exploration

**Highlights**

- The Bank staff perceives that there is a lack of time for learning.
- The range of knowledge sources consulted is limited, in particular the use made of non-Bank sources.
- Of the various documentary sources used, country and region-focused analytic work is used the most for project preparation—less attention is given to research, impact evaluations, and IEG evaluations.
- The written record provides a poor map of Bank learning.
- The Bank’s technology and systems for capturing, storing, searching, and collating knowledge do not allow staff to make the most of documentary sources of learning.
- Recent technology developments, such as Spark, SkillFinder, and CommunityFinder, are promising ways to build learning exchanges within and beyond the Bank.
- Knowledge that is country specific in nature appears to be shallower than technical and operational knowledge; this may be a concern given that lessons generated in one country may not easily be generalized to other countries.

**What the Literature Says**

The academic and management literature indicates that learning in projects has two aspects: the creation of new knowledge (exploration) and the use of existing knowledge from various sources (exploitation). In the long-term, both elements are crucial for the success of an organization (Eriksson 2013). Still, there is potentially a tension between exploration and exploitation (Andriopoulos and Lewis 2010; Katila and Ahuja 2002; Lavie and Rosenkopf 2006; O’Reilly and Tushman 2011; Uotila et al. 2009). “A short-term focus on efficiency, based on exploitation of existing knowledge and technologies” may conflict with “a long-term focus on innovation and strategic development, based on exploration of new knowledge and technologies” (Eriksson 2013, 333).

Organizations need to succeed in both exploration and exploitation and keep an appropriate balance between them. March (1991) argues that firms focusing too much on exploration may suffer the costs of experimentation without gaining many
of its benefits due to many undeveloped new ideas. Exploiters on the other hand may obtain short-term efficiency gains based on current competences, leading to success and thereby more exploitation. Due to the direct benefits of exploiting current competencies, firms may get stuck in a competence trap. Because of exploration's greater uncertainty, most organizations focus more on exploitation than on exploration (Uotila et al. 2009). This may result in short-term success but long-term stagnation and failure (O’Reilly and Tushman 2008; Eriksson 2013, 334).

The tension between short-term and long-term goals resonates throughout the literature. A study on project-based learning in different organizations found that project-oriented organizations tend to privilege actions that produce the quickest acceptable outcomes rather than actions that produce optimal outcomes in the long term. This approach not only limits the learning within projects but also restricts the transfer of knowledge across projects by not allowing time for it (Swan et al. 2010). Time for reflection is one of the building blocks of the learning organization. Being too busy or overstressed by deadlines and scheduling pressures affects people’s ability to think analytically and creatively, which calls for thoughtful review of work processes (Garvin et al. 2008).

What the Bank’s Evidence Shows

Faced with pressure to meet short-term goals (lending and disbursement targets), Bank employees may feel that they do not have the time to search widely for knowledge or to experiment with new ideas and approaches. In an organization like the Bank, learning must go hand in hand with lending: it is not an either-or choice. At the same time, there may be a case for adjusting the balance to allow more time for learning.

The approval culture is alive and well. According to the 2013 Employee Engagement Survey, 26 percent of all respondents disagreed or strongly disagreed that the World Bank Group prioritizes development results over the number and volume of transactions. But 40 percent of task team leaders (TTLs) showed this level of disagreement. This squares with the findings from the survey of Bank staff conducted for this evaluation by the Independent Evaluation Group (IEG). Seventy percent of the respondents strongly agreed or agreed that lending pressure crowds out learning; although managers are significantly less persuaded that this is the case than the staff who report to them (Figure 2.1).
Respondents to IEG’s survey of Bank staff indicated that learning would be more likely to receive the attention it needs if time and budget are earmarked for this purpose. When asked to select from a list of options the three actions that they thought most likely to encourage learning in the Bank’s lending operations, the highest percentage of staff chose allotting sufficient time for learning in the work program agreement (66 percent), followed by allotting sufficient budgets (57 percent) and giving greater recognition to learning in the staff promotion criteria (38 percent) (Figure 2.2). Creating an enabling environment through time and budgets when combined with incentives such as promotion will ensure that the staff makes time for both knowledge exploitation and knowledge exploration.

While time could be a factor, employees’ use of documents may also be hampered by the Bank’s system for collating knowledge and by the shortfalls in the Bank’s information technology (IT). In addition, to the extent that they consult documents, employees will focus on Bank documents rather than external documents. Finally, the range of Bank documents referred to may itself be limited. The evidence for all three observations will now be examined.
KNOWLEDGE IS EASY TO ACCESS

In surveys dating back to 1997, 60 percent or more of the Bank staff reported that it is easy to access the knowledge they need.¹ The 2012 Organizational Health Index survey found that 61 percent of respondents replied “always” or “often” to the statement that the World Bank holds events to share knowledge and ideas across the organization. In response to the statement “ideas and knowledge are freely shared within the Bank,” 57 percent of respondents agreed. Also, almost two-thirds of respondents (62 percent) agreed, “the World Bank generates enough high quality ideas to achieve its strategic objectives.” The survey sought to benchmark the Bank against other, comparable organizations around the world. It found that, with respect to learning and innovation, the Bank was comparable to the average for public sector organizations but below the benchmark for private sector financial institutions.²

Compared to the earlier surveys, a similar level of favorable response about knowledge access is conveyed by the 2013 Employee Engagement Survey (Figure 2.3). But there are some unanswered questions. Why do employees in country offices report significantly greater ease of access relative to those at headquarters? Why do TTLs report significantly less ease of access than non-TTLs? How much does access refer to knowledge gleaned from talking to people as opposed to reading documents? The findings from IEG interviews and focus groups suggest that while in general people are able to find the knowledge they need, they experience frustration in navigating the systems that the Bank uses for capturing, storing, and collating information and knowledge. Time involved in searching for knowledge reduces time for reflection and exploration.
CHAPTER 2
KNOWLEDGE EXPLOITATION AND KNOWLEDGE EXPLORATION

Figure 2.3. I Can Easily Access the Relevant Knowledge I Need to Serve My Clients

<table>
<thead>
<tr>
<th>Location</th>
<th>Percentage of Responses</th>
<th>Source</th>
</tr>
</thead>
<tbody>
<tr>
<td>CO based*</td>
<td>74</td>
<td></td>
</tr>
<tr>
<td>HQ based*</td>
<td>68</td>
<td></td>
</tr>
<tr>
<td>TTL**</td>
<td>64</td>
<td></td>
</tr>
<tr>
<td>Non-TTL**</td>
<td>74</td>
<td></td>
</tr>
<tr>
<td>TTL, CO</td>
<td>64</td>
<td></td>
</tr>
<tr>
<td>TTL, HQ</td>
<td>64</td>
<td></td>
</tr>
</tbody>
</table>

Percentage of responses: to a "very high" or "substantial" extent

Source: 2013 Employee Engagement Survey; results for IBRD and IDA.
Note: Country office (CO) based (n = 3,782); headquarters (HQ) based (n = 5,727); non-TTL (n = 6,150); TTL (n = 2,924); TTL, CO (n = 655); TTL, HQ (n = 1,216). For two of the three comparison groups (headquarters versus country office and TTL versus non-TTL), the differences were statistically highly significant (p = 0.00). For the third group (TTL based at headquarters versus TTL based in country offices), there was no difference.

Spending on all knowledge products rose from $300 million in FY02 to $690 million in FY12. After technical assistance, analytic work (i.e., economic and sector work [ESW]) is the largest knowledge product produced by the Bank (Figure 2.4).

Figure 2.4. Knowledge Expenditures by Product Line, FY12

<table>
<thead>
<tr>
<th>Product Line</th>
<th>US$, millions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Other knowledge products</td>
<td>112</td>
</tr>
<tr>
<td>World Development Report</td>
<td>6</td>
</tr>
<tr>
<td>Global monitoring</td>
<td>19</td>
</tr>
<tr>
<td>Research</td>
<td>40</td>
</tr>
<tr>
<td>External client training</td>
<td>63</td>
</tr>
<tr>
<td>Impact evaluation</td>
<td>11</td>
</tr>
<tr>
<td>Technical assistance</td>
<td>272</td>
</tr>
<tr>
<td>Economic and sector work</td>
<td>167</td>
</tr>
</tbody>
</table>


FRUSTRATIONS WITH HOW THE BANK MANAGES KNOWLEDGE

Of the various obstacles to learning in lending, 36 percent of respondents to the IEG survey of Bank staff singled out the fragmented system of knowledge management,
making it the third highest ranked obstacle. The staff’s frustration with the Bank’s IT is a relatively small part of the larger problem of poorly collated knowledge. Only 11 percent indicated that the Bank’s lack of state-of-the-art information technology was an obstacle to learning and knowledge sharing in lending operations.

The main problem lies with the Bank’s system for capturing and collating knowledge and learning, which is only partly a hardware or software problem. IEG’s project review demonstrated the limited extent to which the learning embedded in Bank project files can be readily coded and captured. The written record provides a poor map of Bank learning. This is not a trivial observation. Given staff turnover and the associated risk of learning discontinuity, unless outgoing staff are systematically debriefed, it is likely that the learning they have acquired will be lost and hard to reconstruct in retrospect based on a review of project documents. Even if the written record were a sufficient guide to learning, in the course of this investigation IEG found that the filing of these records is not systematic. In particular, peer review comments and the minutes of decision meetings are often hard to track in the Operations Portal and in some cases are simply missing.

IEG’s evaluation of the Bank’s matrix organization reported: “Most staff, particularly those in the Regions and country offices, are unable to draw efficiently on knowledge generated inside and outside the Bank. Knowledge products are not stored in an easily searchable and retrievable form and are rarely used by staff outside the units where they are produced. As a result, and notwithstanding the analytical quality of the Bank’s AAA [analytic and advisory activities], much of the Bank’s knowledge has limited shelf life and use value. The knowledge produced by the Development Economics Vice Presidency (DEC), the Bank’s research department, is widely disseminated to a global audience. But only 7 percent of operational staff report making direct use of DEC’s knowledge in operational work” (IEG 2012a, xxi).

The difficulty of gleaning evidence of learning from project documents emerged from IEG’s review of the 20 most recently evaluated development policy operations. All of the program documents in this cohort referred to a comprehensive list of sources. However, the link between the documentary sources and project design is rarely made explicit, an observation that has also been made in the various retrospective reports that have been commissioned by Operations Policy and Country Services. The minutes from the Regional Operations Committee’s meetings are scarcely more enlightening, even though the project team is explicitly instructed to show how the proposed reforms built on the use of background documents. Mere citation of documents does not amount to assimilation of their findings. The IEG review found little reference to and use of documents produced outside the Bank.
The sources most regularly cited are government strategy papers and International Monetary Fund reports. The program documents that make the fullest use of knowledge products are those prepared for multisector and human development operations.

Interviewees told IEG that the Bank’s information and knowledge are poorly collated. Project document storage is not systematic; the records in electronic archives are patchy. Also, there is no system for summarizing or synthesizing information, and there are no standardized headings (equivalent to a Dewey library classification system). This makes it hard for the TTL to assess rapidly what information is available and to make full use of what is there. In country offices, it is particularly difficult to obtain the necessary knowledge quickly and to distill it in a way that meets client needs. Some sector specialists launch ad hoc initiatives to store and classify knowledge. But these archives are not regularly updated, and the initiatives tend to fade when the initiator moves on or when the budget dries up. Stored knowledge rapidly becomes obsolete from an operational perspective; this may reduce the incentive to invest in systems for capturing and archiving knowledge.

If the overall system of knowledge management is the main problem, technology is nevertheless a contributing factor (Box 2.1). Satisfaction appears to have dwindled over time. In the 1999 World Bank staff survey, 63 percent of respondents replied favorably to the statement, “The Intranet is a user friendly tool to find the information I need to do my job more effectively.” But in replying to IEG’s survey of Bank staff, only 31 percent of respondents replied that it was very easy or easy. Strikingly, the country-based staff is relatively positive about the intranet system, and the statistical difference between these groups and those based in Washington, DC was highly significant: 45 percent of the respondents in country offices replied that the intranet was a very easy or easy way to find relevant knowledge for lending operations, compared to 26 percent of respondents located at headquarters. The reasons for this discrepancy are not obvious given good global access to the worldwide web (the benchmark), meaning that expectations for the Bank’s intranet may be assumed to be ratcheted up for staff in country offices as much as for those in Washington, DC.

Participants in IEG focus groups and interviews expected more of the Bank’s IT, noting that it compared unfavorably with that of other leading knowledge management enterprises, notably Google and Bing. One person commented, “I cannot find on the intranet my own working papers written for the Bank, but they pop up right away on other websites.” Unlike Google, Bing, or similar systems that were built from scratch and for specific goals, Bank databases have grown piecemeal
over the years by a process of accretion. The original hard files—stored in a Pennsylvania mine—were scanned and digitized and new materials, differently coded, were progressively added. Interviewees noted that, to complicate matters, IT users and IT providers find it difficult to talk to each other in a mutually comprehensible way.

Box 2.1. Using the Bank's Information Technology to Search for Bank Documents Can Be Frustrating

Finding documents on the Bank’s external website is often difficult, even when the exact title of the document is known. For example, a search for “Senegal Public Expenditure Review” pulls up 921 items, the first three of which have nothing to do with the document in question presumably because the search is drawing in everything triggered by the word “public.” In addition, the external website is not intelligent about interpreting typographic or spelling errors in the search terms, unlike Google or Bing. The Open Knowledge Repository, launched in April 2012, is a better external source. However, this too has its limitations. A search for Senegal's public expenditure reviews (PERs) begins by listing the most recent one but then skips to PERs for the Democratic Republic of Congo, Maldives, Poland, and Russia rather than to earlier reports for Senegal. The International Monetary Fund and many other international organizations are ahead of the Bank in this respect.

Searching on the Bank’s intranet is not much easier. Operations Portal and Image Bank will work if the searcher enters the precise title or code, but these systems are incapable of intuiting based on incomplete or partially correct information. If searchers don’t exactly know what they want, the systems are not very helpful. Recent improvements have been ad hoc rather than part of a comprehensive data management reform. Two new tools were introduced in January 2013: a new PER search tool (search.worldbank.org/per) and a new query (bireporting.worldbank.org > Shared Services/Reports > Image Bank), which lists all new, completed, and dropped activities. However, without clear and adequately funded responsibility for monitoring the process and maintaining these tools, the initiative is likely to evaporate.

Limited Use of Other Documents

Bank staff appears to make less use of documents produced outside the Bank when preparing and implementing projects. The IEG survey of Bank staff found that, during preparation, one-third of respondents cited non-Bank products as an important source of learning; for implementation, the proportion was one-quarter. This picture is reinforced by a separate investigation that IEG conducted for this study. A review of all 97 project appraisal documents and program documents produced in the second and third quarter of FY13 revealed that only 36 percent of these documents drew on non-Bank research or other external sources of knowledge. In addition, participants in IEG interviews and focus groups were
unanimous in pointing out that, when preparing projects, TTLs use Bank documents more than documents produced outside the Bank.

More broadly, in their response to another recent survey, staff members indicated that the Bank makes limited use of external knowledge (Figure 2.5). The same message was echoed in a Harvard case study: “The Bank remains strongly inward-oriented and insular in its knowledge activities....Bank operations are exactly the opposite of the open-source movement in software; until very recently, the Bank predominantly relied on its own knowledge rather than opening the institution up for broad-based collaboration with other knowledge centers” (Oppenheimer and Prusak 2011, 5).

**Figure 2.5. The World Bank's Restricted Capture of External Ideas**

<table>
<thead>
<tr>
<th>Statement</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>“The World Bank imports 'best practices' from other organizations and industries.”</td>
<td>35%</td>
</tr>
<tr>
<td>“The World Bank uses external contacts to maximize the flow of ideas into the World Bank.”</td>
<td>45%</td>
</tr>
<tr>
<td>“The World Bank creates active networks with thought leaders to bring new ideas into the World Bank.”</td>
<td>40%</td>
</tr>
</tbody>
</table>

Source: 2012 Organizational Health Index survey.

**Use of Different Types of Bank Documents Widely Varies**

Bank analytic work is an important source of learning. Respondents to the IEG survey cited country or region-focused analytic work as a source of significant learning more often than corporate analytic work, and analytic work was a more important source for preparation than for implementation. In the importance assigned to country-focused analytic work, no significant difference was found between respondents who described themselves as TTLs and those who said they were not; or between TTLs of investment projects and development policy operations. However, to a significant extent, country-based staff valued country-focused analytic work more highly relative to other knowledge sources than headquarters-based staff: 65 percent of the former said that in the past two years this
work had been a source of learning for project preparation, compared to 57 percent of the latter.

The importance of Bank analytic work as a source of knowledge for project preparation has come to light before. A 2008 IEG study found that development policy operations were potentially more likely to have been informed by Bank analytic work (ESW) than investment loans. A sample of 119 loans approved during FY03–05 that was representative of both investment and development policy operations found that 91 percent of the development policy operations were preceded by ESW that could have informed the loans, whereas 61 percent of investment loans were preceded by such ESW. The operative word is “potentially” — in this part of the study, IEG did not attempt to assess actual use of ESW findings for project identification and design. However, the same study also asked Bank staff to rate on a scale of 1 to 6 (with 1 denoting “no extent” and 6 denoting “great extent”) to what extent they used ESW to inform lending. This question was examined in two ways: first, through a review of 12 countries, according to which 74 percent of project TTLs gave a rating of 4 or higher; second, in a separate survey of project TTLs, 87 percent rated the use of ESW at 4 or above (IEG 2008, 21–22).

This message was reinforced in IEG interviews and focus groups. AAA was acknowledged as an important part of the knowledge harnessed for project preparation. In the words of one, “If you don’t have good AAA, you don’t have good projects.”

Bank research is a less important source of learning. In the IEG survey of Bank staff, less than 15 percent of respondents described documents from DEC as having been very large or substantial sources of learning — either for preparation or for implementation. To the extent that DEC research informs the thinking of the experts who staff consult or the analytical work that staff use, DEC’s influence may be underestimated here. Respondents were particularly likely to say that DEC reports were either not applicable to learning or that they did not know about the extent to which DEC reports were a source of learning. Thirty-one percent of respondents replied either “not applicable” or “don’t know” for the project preparation stage, and 38 percent gave one of those answers for the project implementation stage. There were statistically significant differences between sectors and lending instruments (Figure 2.6).

In a separate enquiry, IEG found that of the evaluated projects in the study cohort (Appendix D), 52 percent cited research findings in the appraisal or program
DEC has conducted research on the use that operational staff makes of its work (Ravallion 2011; DEC 2012). A majority of the 555 staff members (grade GG or above) who responded to its survey valued Bank research. Differences between regions were smaller than those between sectors. The proportion of respondents that were highly familiar with DEC research ranged from 67 percent in the Middle East and North Africa to 45 percent in East Asia and Pacific. Staff working on poverty, human development, and economic policy were more familiar with Bank research (over 60 percent responding “highly familiar”) than staff in the more traditional sectors of Bank lending—agriculture and rural development (50 percent), energy and mining (32 percent), transport (45 percent), and urban development (32 percent). Familiarity with research correlated positively with the value placed on it from an operational perspective. The DEC survey revealed that vice-presidential units with higher shares of economists and doctorates in any field tended to value and use Bank research more. The sectors that made the least use of Bank research also tended to rely less on research produced outside the Bank.

Participants in IEG interviews and focus groups shed more light on this topic. Although DEC makes a significant contribution to the analytic work conducted by the Bank Regions—DEC staff are expected to commit 30 percent of their time to
cross support—interviewees said that little of this work feeds directly into project design, and DEC is not strategic in reaching out to TTLs. It does not actively promote its services and instead waits to be called on by the TTL. Sometimes that call never comes from the TTL.

Use of impact evaluations as a source of learning in lending is substantial but with room for further uptake, while systematic reviews are surprisingly missing in action. The learning and utility that operational staff derives from impact evaluations is substantial. IEG’s evaluation of Bank Group impact evaluations reported a substantial number of evaluators and TTLs who perceived them to have contributed to the global knowledge of what works and to be useful in dialogue with clients and donors, though perhaps their contribution was more modest than might be expected given the high profile of this work in recent years (IEG 2012a). According to the IEG survey of Bank staff, at the preparation phase, 28 percent of respondents rated impact evaluations (whether or not they were Bank-sponsored) as a very large or substantial source of learning; for project implementation, the corresponding proportion was 22 percent, in line with the fact that impact evaluations are less well suited and designed to look at implementation issues.

When the data are broken down by the self-identified sector board mapping of respondents and the analysis is confined to three stylized sectors as defined by IEG, statistically significant differences were found between the policy sector and the other two stylized sectors (Figure 2.7).

![Figure 2.7. Extent to Which Impact Evaluations Are a Source of Learning for Project Preparation as Reported by Staff Working in Three Sectors](chart)

Source: IEG survey of Bank staff conducted for this evaluation.
Note: Human development refers to education, health, social protection, and social development; policy refers to economic policy, poverty reduction, and public sector governance; hard sectors refer to agriculture, energy, transport, urban development, and water.

In its review of 134 recently evaluated operations, this evaluation found that only 15 percent cited impact evaluations in the appraisal or program document and 17 percent in the ICR. Given the limited external validity of individual impact evaluations to other settings and countries, one would mainly expect the ICRs to refer to impact evaluations of the project in question. Recent data from Development
Impact Evaluation, commonly known as DIME, show that about 25 percent of projects have impact evaluations attached to them; hence a 17 percent citation in historic projects is probably accurate. What is more surprising is that systematic reviews—that is, reviews that sum up the best available research on a specific question using a systematic and transparent approach to synthesize evidence mainly derived from high-quality impact evaluations—are surprisingly absent from the evidentiary basis in the World Bank’s project documents.

One issue relates to how many projects build in impact evaluations for learning purposes. Given the lack of verified knowledge of effects in many sectors, there is clearly a need to do more. Another issue is the use that is made of existing impact evaluations. An IEG study found that the results of only 47 percent of completed World Bank impact evaluations were used in ICRs to demonstrate project effectiveness. It drew on World Bank team leader and evaluator surveys to report that 37 percent of the impact evaluations linked to a lending project were used as an input to the ICR or midterm review. The report concludes that the feedback loop between impact evaluations and operations is not yet well developed and suggests that this may be associated with factors such as their relevance, timeliness, dissemination, and engagement with local counterparts as well as with monitoring and evaluation culture and political environment (IEG 2012a, xxiii).

While this evaluation report refers to impact evaluations finalized prior to 2012, and measures have reportedly been put in place to improve the feedback loop between impact evaluations and operations since then, this first phase of the evaluation program does not look at those measures. Nevertheless, the TTLs interviewed by IEG were relatively lukewarm in their assessment of the contribution that impact evaluations make to preparation and implementation. Some suggested that the findings of these evaluations were difficult to operationalize. Timeliness of the impact evaluations may also be a factor. They also pointed out that this type of evaluation is not appropriate for all sectors and has mainly been applied to human development. Others said impact evaluations were too costly and time consuming to be a regular part of lending operations. To the extent that case studies selected for the second phase of the learning-in-lending evaluation have associated impact evaluations, IEG will be able to explore this further in that context.

Most staff members do not use IEG products to inform learning in lending. Respondents to the IEG survey of Bank staff also indicate that they make less use of IEG evaluations than they do of impact evaluations. At the preparation phase, 22 percent of respondents rated IEG evaluations as a very large or substantial source of learning; for project implementation, the corresponding proportion was 17 percent. But there was a statistically significant difference between headquarters-based and
country-based staff, with 25 percent of the former and 34 percent of the latter indicating that IEG evaluations were a source of learning for project preparation.

A separate source—IEG’s most recent client survey—corroborates this evidence. Of the 755 Bank staff who responded to the client survey (IEG 2013), only 13 percent indicated that they frequently read IEG reports compared to 25 percent of the 456 external clients who participated in the survey. There is a huge gap between country-based and headquarters-based staff: 23 percent of the former, but only 6 percent of the latter indicated that they frequently read IEG reports. The product most frequently cited was the ICR Review.

In its review of 134 recently evaluated operations, this evaluation found that only 13 percent referred to IEG in the appraisal or program document and 14 percent in the ICR. Comparing investment and policy-based lending, the latter cited IEG more frequently. Of the 14 appraisal or program documents referring to IEG, 11 were for development policy operations.

To what extent do IEG’s standard products inform lending? The Project Performance Assessment Report (PPAR) is IEG’s oldest product line, dating back to the creation of an operations evaluation unit at the Bank in 1972. When IEG conducted a search in July 2013, Image Bank listed about 2,200 PPARs, the first issued in October 1972 (OED 1972). Yet this is a product that is rarely read by World Bank staff—or by members of the Board to whom IEG reports. IEG’s 2012 client surveys asked 434 Bank staff which reports they had read in the past 12 months. There were only 12 mentions of the PPAR (IEG 2013).

It may be that PPARs are not widely used as a source of learning because the staff finds that lessons drawn are not sufficiently detailed or generalizable to be of operational significance. From the very beginning of its existence, IEG sought to maximize the learning potential of PPARs by examining clusters of similar projects.\textsuperscript{3} But there is no evidence that Bank staff use cluster PPARs more than single-project PPARs. In a review of PPARs conducted for this evaluation, IEG found that the cluster PPARs did not generally adduce richer lessons than the reports devoted to single operations. There are some exceptions. For example, a cluster PPAR on finance sector development, which drew on experience in four countries, was particularly thorough in assessing the lessons drawn from the Bank analytic work that presaged operations in these countries (IEG 2012b). The format of this report is particularly attractive, combining a seven-page chapter on Conclusions and Lessons Learned that is well enough evidenced to stand on its own; readers requiring more information on individual country cases can refer to Appendixes, each of which is
equally sound and stand-alone. This is one of the few cases where, from a learning perspective, the PPAR added real value to the ICR.

**LIMITED UTILITY OF LESSONS LEARNED IN ICRs**

Participants in IEG interviews gave differing opinions about the usefulness of ICRs but generally agreed that these are more oriented to accountability than lesson learning. Moreover, people look at are the ratings not the lessons. Some said that reading ICRs before designing projects helped to ensure that mistakes were not repeated. But ICRs for the second or third project in a series rarely convey any sense of cumulative learning. Others said that the lessons cited in ICRs were too general to be operationally useful, and that it was hard to translate lessons from one country context to another. It was acknowledged that there was a tendency to “copy and paste” ICR lessons into appraisal documents without any attempt to adjust project designs to reflect this learning.

There is an important question about the external validity of lessons learned: how generalizable are they to contexts other than the one’s in which they were generated (Box 2.2). In its review of ICRs, IEG has the means to amplify lessons already mentioned or to suggest new lessons. This opportunity is seized to a limited extent. Research conducted for this evaluation led IEG staff to conclude that the learning element in ICR Reviews has been faulted for being drawn largely from ICRs, as being superficial, and as having weak evidence that is poorly substantiated. Enhanced timeliness and operational relevance of the lessons presented in ICR Reviews could enhance their impact.

There is an important question about the external validity of lessons learned: can they be generalized to contexts other than the one’s in which they were generated? It may be that the Bank does not pay sufficient attention to the country specificity of the lessons that are extracted from its operations and the knowledge that is accumulated. Respondents to ICR’s staff survey were asked to what extent useful technical, operational, and country-specific knowledge existed in the Bank. The last of these three was the laggard. Comparing TTLs at headquarters with those in country offices there was no statistically significant difference between them with respect to the extent of the Bank’s useful knowledge on the country context (Figure 2.8). This may appear surprising. Locating staff in country offices is supposed to enhance knowledge of local constraints and opportunities. It is possible that the finding is driven by the fact that country office staff (and other staff for that matter) may have interpreted the question as relating to knowledge they can access, rather than knowledge they themselves possess.
Box 2.2. Lessons Learned and the Problem of External Validity

Over a decade ago, Eliot Berg, a prominent consultant to the Bank, noted the difficulty of generalizing lessons learned in one context to other contexts (Berg 2000, 30).

“A former department director in the World Bank tells me that every year the Executive Board would ask: What is the Bank doing to see that the staff learns from the many ‘lessons’ emanating from the reports of the Operations Evaluation Department? He would distribute relevant reports and have a meeting to discuss them. The staff would say: ‘None of this applies to me. The situations I confront are unique.’”

Furthermore, “the greatest weakness in Bank operations [is the] inability to customize programs to country-specific needs” (Berg 2000, 38). Similar observations about the weak external validity of best practices have been recently made by Woolcock (2013) who also commented:

“The primary rationale for an organization-wide focus on ‘learning’ is that ‘lessons’ can in fact travel across countries (and perhaps even across sectors). But can they? Or rather, under what conditions is it reasonable to presume that ‘lessons’ from project X in country Y translate to country Z? No one seems to have a really good answer to that question. At present, the default assumption is that a sufficiently ‘rigorous’ empirical finding provides warrant for claims regarding the likelihood that the same project implemented elsewhere (or at a larger scale of operation) will attain correspondingly similar findings, but in recent years this assumption has been increasingly (and properly) called into question. The implication should be clear: if the Bank is to become a bona fide ‘learning organization,’ it must of analytical necessity be able to articulate a credible basis on which the various ‘lessons’ emanating from its programs can and cannot be deployed elsewhere.”

Figure 2.8. To What Extent Does the Bank Have Useful Technical, Operational, and Country-Specific Knowledge?

Source: IEG survey of Bank staff conducted for this evaluation.
*p = 0.02.
The logic of the new Global Practices is that sector or thematic knowledge is globally fungible. Various staff interviewed by IEG suggested that to the extent that sector and thematic specialists are now expected to cover the world, there is a risk that the steady accumulation of in-depth knowledge about particular countries will be neglected. One TTL said that if the Global Practices make it mandatory for him to devote 20 percent of his time to working as a non-TTL on teams in the other countries, “his” operations (the one for which he is TTL) would suffer. Some queried what value could be added by “parachuting in” — joining a team in another country for just two weeks. Also, given that the Global Practices will still be sector or theme specific, it is not clear to staff how they will facilitate knowledge transfer in multisector operations. A recent IEG report on the Bank’s response to avian influenza highlighted how cooperation at the strategic level between staff working on animal health and staff working on human health broke down at the project level during supervision because of institutional incentives within the Bank (IEG 2014).

Looking Ahead

It is a source of concern that many staff perceive that they do not have enough time for learning. Time pressure may compromise the two essential aspects of learning—knowledge exploitation and knowledge exploration. Earmarking time for learning in the staff’s work program agreements may be one solution, although staff will also need to be given proper incentives to learn in order to ensure that they make time for knowledge exploitation and knowledge exploration. Some recent innovations address the underuse of knowledge. With respect to increasing the use of findings from impact evaluations, the Africa Region has introduced its “Smackdown Series,” which pits teams from impact evaluation and operations against each other for debates on a priority topic, such as microfinance, youth training, and agricultural innovation. With respect to underuse of Bank research by staff in operations, DEC launched its Visiting Experts Program in FY13, which allows operational staff to take time from their regular assignments to share their field experience with research economists (Secretariat to the Learning Board 2013, 30).

With respect to the Bank’s management of knowledge, despite the shortcomings that have been examined here, some steps have been taken in the right direction. Remote access to the Bank’s systems is now much easier than before. IEG interviewees expressed particular enthusiasm for Spark and other recent initiatives that help TTLs connect with each other and with external experts (Box 2.3). However, more thought is called for concerning ways to improve the accessibility and usability of the enormous corpus of World Bank documents.
Box 2.3. Spark Is Improving Knowledge Sharing across the World Bank Group

What is Spark?

Spark is a virtual collaboration platform that cuts across Bank Group institutions and enables staff to exchange ideas, gather feedback, co-create documents, and easily share knowledge and experiences. In an effort to move toward a “One World Bank Group,” the launching of Spark marked the convergence of Scoop and iCollaborate, the respective online platforms of the Bank and the International Finance Corporation. It also unveiled a more robust, faster, and easier way to navigate a virtual forum for staff to find communities of practice, collaborate with practitioners across the Bank, and create an open space for senior management and staff to transparently discuss decisions associated with the Bank’s internal change process. The platform was launched on August 26, 2013. Over a 30-day period, Spark attracted 12,632 active users (those who viewed at least one document), including 2,824 participating users (who replied to posts) and 872 contributing users.

Why is it useful?

The tools and capabilities offered on Spark are helpful as they can improve the World Bank Group’s knowledge management and sharing potential and facilitate new avenues for staff to identify and access expertise, feedback, and experiences across the World Bank Group. Given the ease with which staff can create conversation threads on Bank issue areas, it has become a means through which staff members share knowledge and best practices on an array of operational issues.

Other initiatives?

CommunityFinder provides a directory of communities of practice, which assists staff in identifying online and offline communities and accessibly organizes key pockets of knowledge embedded at the Bank. SkillFinder enables staff to search the World Bank Group’s people pages for qualified skills, expertise, and specializations among staff featured in the Bank’s enhanced directory. TalentMarketplace features the latest on-the-job opportunities across the organization including cross support for programs and projects, corporate initiatives, innovative pilots, and opportunities related to fragile and conflict-affected states.

References


______. 2012b. “An IEG Comparative Review Based on Project Performance Assessments of: Egypt Financial Sector Development Policy Loan (Loan No. IBRD-73910); Egypt Second Financial Sector Development Policy Loan (Loan No. IBRD-75280); Guatemala Financial Sector Adjustment Loan (Loan No. IBRD-71300); Morocco Financial Sector Development Policy Loan (Loan No. IBRD-73500); Pakistan Banking Sector Restructuring and Privatization (Loan No. IDA-35710); Banking Sector Development Policy Program (Loan No. IDA-40310 FSLT-72700).” Project Performance Assessment Report 70030, World Bank, Washington, DC.


The World Bank surveyed staff perceptions of how well the organization was performing in 1997, 1999, 2002, 2005, 2007 and 2013. In addition, there was an Organizational Health Index survey in 2012, which was intended to provide a benchmark for the latest round of Bank reforms.

The Organizational Health Index survey was conducted in October 2012. There were 6,450 respondents, which is a response rate of 55 percent.

“To the extent possible, lessons are sought as to how the lending activity might have been improved. The 'series' characteristic of the audit arises from the fact that the Bank has made a series of loans to the borrower and that the individual loans cannot be reviewed in isolation from one another” (OED 1972).