

Approach Paper

Learning in World Bank Lending

February 23, 2024

1. Background and Context

1.1 The World Bank has a comparative advantage in development knowledge. External assessments, Independent Evaluation Group (IEG) evaluations, and client surveys done by the World Bank and others consistently show that countries and partners value the World Bank’s knowledge. In fact, the World Bank’s knowledge sets it apart from other development organizations and helps it attract partners, funding, and new business.

1.2 The World Bank aims to promote the use of the best global and country knowledge available to inform operations. The World Bank’s knowledge contributes to outcomes directly (by informing clients in their reform efforts) and indirectly (via World Bank financing). Knowledge is embedded in World Bank–financed operations and is an important part of the World Bank’s value proposition for clients. The World Bank also learns from and synthesizes clients’ policy reforms, experiences, and outcomes. However, credible, operationally relevant knowledge is critical to inform (i) the choice and design of operations and (ii) course correction during project implementation.

1.3 Managing knowledge in a large organization like the World Bank is inherently complex. The World Bank has responded in many ways over the years—for example, through the concept of the “Knowledge Bank” (1996), the creation of the networks (predecessors to the Global Practices [GPs]) in 1997, the 2010 knowledge strategy, the 2014 organizational reforms that created the GPs to strengthen global knowledge flows, the 2017 Knowledge Management Action Plan and the creation of a central knowledge management team led by a director (since disbanded), and the 2019 and 2020 adjustments to the reporting lines intended to ensure that global knowledge serves country programs. More recently, the World Bank developed the Strategic Framework for Knowledge (SFK) in 2021 (World Bank Group 2021). The SFK’s objectives are to help the World Bank Group “realize its vision to deliver the best knowledge for development solutions provided to client countries and for the global development agenda” (World Bank Group 2021, 25) and to “move from being impactful most of the time to being impactful all the time” (World Bank Group 2021, 30). The SFK identifies three pillars for actions to improve the Bank Group’s knowledge contributions: (i) systems for prioritization, including learning from projects, quality assurance, knowledge management, and so on; (ii) incentives for staff (such as management signals, attention, and accountability), performance and promotion criteria, and encouragement for staff to

engage in knowledge flows; and (iii) staff's human capital, including hiring practices and skill upgrading.

1.4 The new Knowledge Compact for Action is the World Bank's latest approach to articulate its vision and approach to knowledge. Still in draft form at the time of writing, February 2024, the Knowledge Compact for Action aims to transform the World Bank's approach to knowledge, positioning it as a "21st century Knowledge Bank," and to create a dynamic knowledge ecosystem that facilitates knowledge flows within the World Bank and externally. The draft proposes changes to knowledge products, processes and systems, partnerships, training, and capacity building. It also discusses the need for new or improved internal selectivity processes, knowledge budgeting practices, and incentives for staff to generate, curate, and share knowledge. IEG is engaged in discussions with the office of the senior managing director, which will help inform the context for this evaluation.

Past Independent Evaluation Group Evaluations and Research

1.5 Past IEG evaluations have covered different aspects of knowledge. IEG's two previous evaluations of learning in World Bank operations (World Bank 2014, 2015) found that for most staff, informal learning and tacit accumulation of knowledge predominate and are driven by incentives, mindsets, and aspects of organizational culture, such as group norms and diversity of teams. IEG's evaluation *Behind the Mirror: A Report on the Self-Evaluation Systems of the World Bank Group* (World Bank 2016) stressed the role of staff values, motivations, and incentives regarding results measurement and using self-evaluation. IEG's evaluation *Knowledge Flow and Collaboration under the World Bank's New Operating Model* (World Bank 2019a) examined the relationship between knowledge and the operating model, highlighting that although some GPs had coherent and systematic approaches to managing and investing in knowledge, others did not, and that differences in managerial signals and incentives could explain much of the observed variation. *Enhancing the Effectiveness of the World Bank's Global Footprint* (World Bank 2022) found that locating staff in country offices improves client relationships and brings other benefits but poses challenges to a global knowledge flow because many of the World Bank's knowledge processes center on headquarters. IEG's evaluations *Data for Development: An Evaluation of World Bank Support for Data and Statistical Capacity* (World Bank 2017a), *World Bank Group Engagement in Upper-Middle-Income Countries: Evidence from IEG Evaluations* (World Bank 2017b), and *The World's Bank: An Evaluation of the World Bank Group's Global Convening* (World Bank 2020c) confirmed that data and knowledge are core sources of comparative advantage. Appendix B lists past IEG evaluations' key findings touching on knowledge.

1.6 Projects informed by knowledge inputs—both explicit and tacit—tend to perform better. Econometric studies using IEG project ratings have linked the quality and stability of the project’s task team leader (TTL) to project performance (Denizer, Kaufmann, and Kraay 2013; Geli, Kraay, and Nobakht 2014; Moll, Geli, and Saavedra 2015). Ashton et al. (2021) reported that project design, including the estimated value added of design staff and the presence of prior analytic work, predicts project success. A key determinant of staff’s contribution is their experience with previous World Bank projects, indicating the contribution that knowledgeable staff make. Foundational knowledge work during project preparation matters for quality at entry because it not only enhances World Bank’s understanding of local policy, capacity, and institutions but also allows it to build trusting relationships and fine-tune procurement arrangements (World Bank 2019b). Time pressures during preparation have a statistical association with projects’ quality at entry, presumably because of less time to invest in knowledge work (World Bank 2020b).

1.7 This evaluation will assess how knowledge interacts with World Bank financing projects. It will build on the following three evaluations of learning and knowledge flows in the World Bank: *Learning and Results in World Bank Operations: How the Bank Learns* (World Bank 2014), *Learning and Results in World Bank Operations: Toward a New Learning Strategy* (World Bank 2015), and *Knowledge Flow and Collaboration under the World Bank’s New Operating Model* (World Bank 2019a). Whereas previous research and evaluations (cited in chapter 1) established the importance of knowledge for Bank performance, including positive links between knowledge and outcomes, this evaluation will identify, in a granular manner, the types of knowledge the World Bank uses to design and implement successful projects, how and when it uses the knowledge, and the enabling, or explanatory, factors for use.

2. Purpose, Objectives, and Audience

2.1 This evaluation’s broad purpose is to assist the ongoing efforts of the World Bank and the Committee on Development Effectiveness to improve learning in World Bank–financed operations. The purpose and scope are informed by the SFK and the new Knowledge Compact for Action, as well as interviews and engagements with managers and directors from Regions, Practice Groups, and the Development Economics Vice Presidency. This evaluation is timely and relevant because it is aligned with management’s efforts to renew the World Bank’s leadership in development knowledge and develop the new Knowledge Compass.

2.2 This evaluation will focus on identifying knowledge enablers that promote better learning across the World Bank. Conversely, the evaluation will also identify barriers or practices that might inhibit learning from knowledge. To do so, the evaluation will seek

to (i) identify what types of knowledge inputs were used (including how, when, and why) to inform the design and implementation of World Bank–financed operations; (ii) survey current knowledge management practices across operational units to identify processes and practices that enable learning; (iii) review which of these could be continued, reinforced, adjusted, or dropped (and under which conditions); and (iv) provide recommendations to help operational units achieve more consistent learning in operations. IEG plans for this evaluation to be the first of two evaluations on World Bank knowledge, with the scope and objectives of the second evaluation to be decided.

2.3 IEG expects a wide audience for this evaluation given the strong interest in the topic from inside and outside the organization. IEG added this evaluation to its work program because of (i) the articulation of the Knowledge Compact for Action, (ii) the strong interest from the Committee on Development Effectiveness in the knowledge agenda, and (iii) demand from parts of World Bank management to understand what more could be done to learn from World Bank–financed operations, which was one of the SFK’s key challenges. IEG is particularly keen for this evaluation to reach and inspire mid-level management in GPs and Regions, and the staff who support them, for example, in development effectiveness, quality assurance, operations management, and knowledge management roles. IEG also expects interest in the evaluation from World Bank clients, partners, and observers.

3. Evaluation Definitions, Questions, and Scope

Definitions

3.1 The terms *knowledge* and *learning* are ambiguous and have various meanings depending on the context. This evaluation will use the following working definition of these terms:

- Knowledge input is the different types of knowledge available to project teams that are used to inform the project design and implementation.
- Knowledge management processes include the broad set of activities conducted by everyone in the organization to hold, arrange, apply, and expand knowledge for the organization. They can be both formal processes set up by the organization and informal ones used by teams and individuals.
- Knowledge enablers include opportunities, capacities, processes, and motivations that are conducive to knowledge generation and use.
- Learning is the application of different types of knowledge to inform the design and implementation of World Bank–financed operations.

Evaluation Questions

3.2 The evaluation will be guided by the high-level question, How can the World Bank improve learning in its financing operations? This question aligns with SFK goals. Three subquestions will inform the evaluative work.

Evaluation question 1: To what extent do different types of knowledge inputs inform the design and implementation of World Bank financing operations?

3.3 This analysis will seek to map the types of knowledge inputs that went into a sample of World Bank projects through the project cycle and determine the enabling factors (knowledge enablers). The analysis will assess the extent to which the formal processes associated with the project cycle, such as peer review, Mid-Term Reviews, and TTL turnover, create spaces for learning. It will also assess informal processes, such as exchange of tacit knowledge among staff. The evaluation will examine the extent to which knowledge enablers, such as capacity, opportunities, and motivations, affect learning. Examples of knowledge enablers include trust funds, knowledge partnerships, and artificial intelligence. IEG expects this analysis to generate a wealth of granular findings and hypotheses about what works under what conditions. For example, the analysis will consider differences across lending instruments and countries' stages of development (further details are provided in appendix A). To arrive at a limited set of robust findings, the evaluation will test the most important of these hypotheses using methods such as quantitative techniques, text analytics, and direct observation, among others.

Evaluation question 2: To what extent have different operational units put effective knowledge enablers in place?

3.4 Having identified the types of knowledge that typically benefit World Bank projects and their moments of use, IEG will survey current practices across operational departments and assess where those knowledge inputs are being systematically enabled, where they are not, and why. This work will consider the role of the GPs, in particular the global units, and the role of the Regions in enabling learning.

Evaluation question 3: What would it take to have more consistent learning across World Bank financing operations?

3.5 Having mapped the current knowledge enablers across the World Bank, the evaluation will then be able to identify which of these could be continued, reinforced, or adjusted and under which conditions effective practices could be scaled and mainstreamed. The evaluation will also assess the experiences in taking forward IEG's earlier recommendations pertaining to knowledge. This will lead to conclusions and

recommendations on how to realize the SFK’s vision of consistent knowledge in World Bank financing.

Scope

3.6 The focus of this evaluation is on learning in World Bank financing operations—specifically, how the task teams and management in the GPs and Regions apply and expand the knowledge available in lending operations. The evaluation will review projects across all Regions and all financing instruments (investment project financing, development policy financing, and Program-for-Results financing). Both country knowledge and sector knowledge will be covered. Country knowledge is specific to the development challenges and opportunities in the country—for example, related to stakeholders, political economy, or the implementing agency. Sector knowledge, sometimes referred to as global knowledge, is specific to the issue, sector, objective, and key intervention—for example, about intervention design. The scope includes both formal and informal knowledge processes and both tacit and explicit knowledge. Peer reviews, advisory services and analytics, and other diagnostics are all part of the scope.

3.7 The evaluation period is 2014–23. IEG will review learning in operations approved after 2014 to coincide with the creation of the GPs. The review of knowledge enablers in operational units will focus on current practices.

3.8 This evaluation’s main focus is internal—on learning by World Bank staff and management. The evaluation covers a wide range of knowledge inputs, including learning from and with clients, partners, and academia in the context of financing operations. That said, client learning and capacity building more broadly are outside the evaluation’s scope because these are large topics with important outcomes that would merit their own review. The evaluation covers only the World Bank rather than the entire Bank Group for two reasons: (i) to keep the scope focused and manageable and allow for detailed findings specific to different World Bank financing instruments, Regions, and sectors and (ii) because it is unlikely that there would be synergies from reviewing World Bank, International Finance Corporation, and Multilateral Investment Guarantee Agency knowledge issues jointly.

4. Evaluation Design

Conceptual Framework

4.1 The team will be guided by the conceptual framework shown in figure 4.1, in which different types of knowledge are generated or used differently at different moments in time. The conceptual framework postulates that the generation and use of knowledge inputs is influenced by factors such as the capacity of the organization,

teams, and individuals, including their skills and funding, along with the opportunities they have to use knowledge in relevant processes, and their motivations to use it.

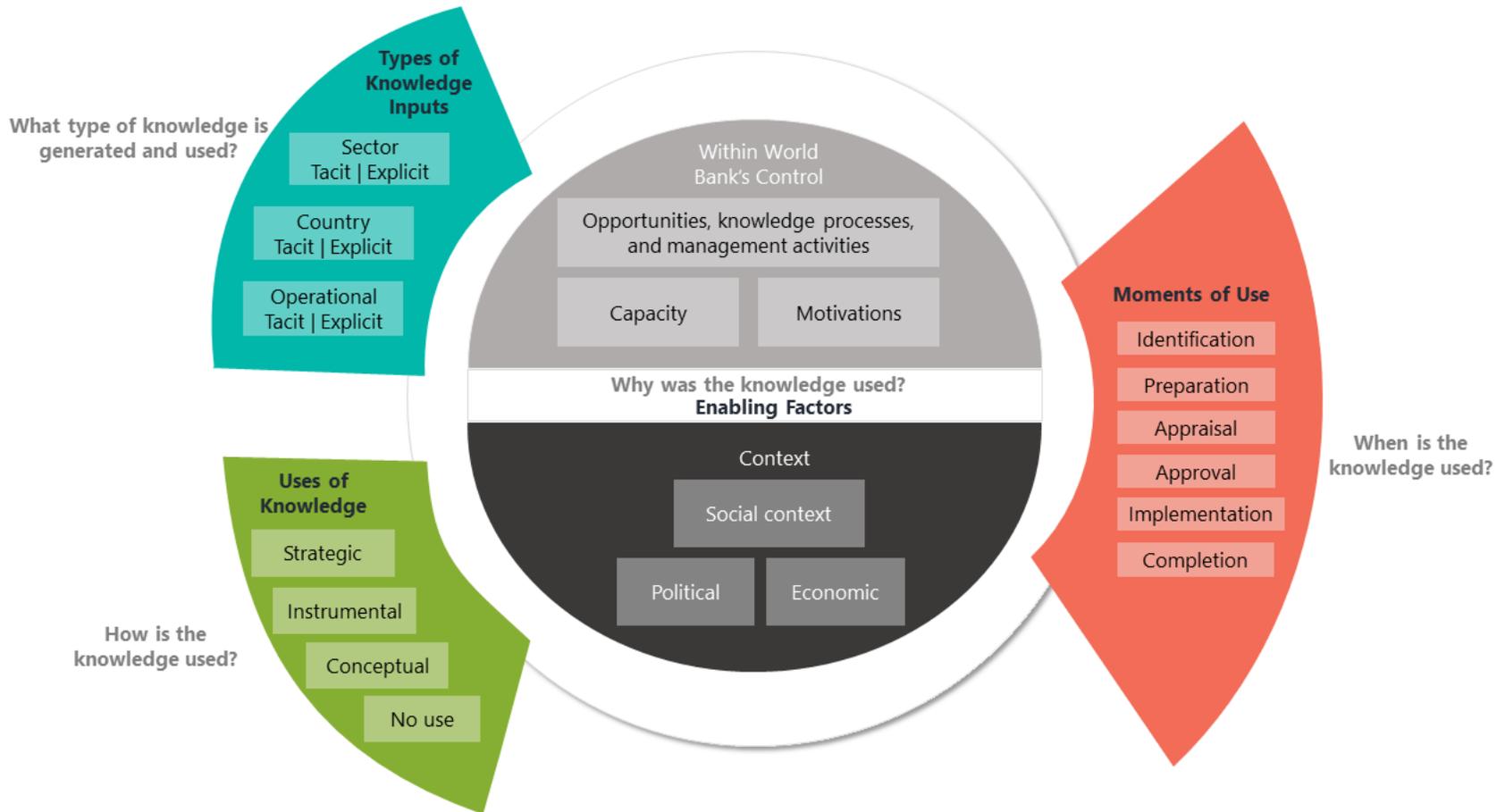
4.2 As shown in figure 4.1, knowledge can be explicit or tacit. Explicit knowledge is in tangible forms (reports, books, and databases) and in writing. Conversely, tacit knowledge is gained through experience and engagement with peers relying on relationships to some extent.

4.3 The sector and country contexts are also relevant for project design and implementation. Knowledge inputs are likely to be far more critical in (i) complex settings (for example, in countries affected by fragility, conflict, and violence and those undergoing political instability) and (ii) projects that are multisectoral or experiment with novel approaches. Similarly, new client relationships and new sectoral issues present more challenges than clients and issues that are familiar to the World Bank. The learning needs also differ by lending instrument with development policy financing, for example, underpinned by analytic work that is different from the diagnostics that inform investment project financing. This evaluation will aim to capture these nuances.

4.4 Knowledge inputs are used for various purposes by a diverse set of staff in financing operations. Knowledge can be used for strategic purposes to build a business case for a project or to motivate a decision. Knowledge can also be used for instrumental purposes—for example, for solving a problem, such as how to design a specific project component. Instrumental use requires that task teams have access to the right knowledge inputs at the right time, often in the design stage. Some knowledge use is more conceptual in nature, informing thinking and promoting shared understanding of an issue, and timing is less important.

Learning in financing is tied to the project cycle. The World Bank has several structured entry points for learning during the project cycle, including quality at entry reviews, Concept Note discussions during appraisals, decision meetings for approval, Mid-Term Reviews at the time of implementation, regular Implementation Status and Results Reports, and lesson learning through the Implementation Completion and Results Report at closing.

Figure 4.1. Conceptual Framework for Learning in World Bank Financing



Source: Independent Evaluation Group.

4.5 Many factors—internal and external to the World Bank—influence learning in financing. Capacity is shaped by the ability to generate knowledge, undertake analytics, and reflect on what works and what does not. These are a function of funding, time, and staff capacity—that is, the knowledge the organization holds in terms of intellectual capital represented by its staff (including skills). Opportunities in the form of processes and practices create space for learning and can be World Bank–wide centers of expertise located in global units or trust-funded programs, or practices created by GPs and teams, including mechanisms to codify tacit knowledge, handover notes, checklists, guidance documents, knowledge packages, and mechanisms specific to a GP, such as the “Ask Water” service. These can also be external, such as partnerships for learning with the clients. Motivations are more intrinsic with staff being driven to learn from past projects, global best practices, and so on. Some of the factors are outside the control of the World Bank, such as the political, economic, and social contexts affecting operations, including shocks, elections, and so on. At the heart of this evaluation is the assessment of how these factors influence learning in lending for different instruments, at different points in the project cycle and under different sector and country contexts.

4.6 This evaluation’s concepts align with the pillars of the Knowledge Compact for Action. For example, explicit knowledge inputs referenced in figure 4.1 include what the Knowledge Compact for Action refers to as “upgraded knowledge products” and “extended core ASA [advisory services and analytics].” The opportunities and capacity categories in figure 4.1 cover most of the other action areas of the Knowledge Compact for Action, such as training and capacity building for staff and clients, knowledge partnerships, and knowledge processes and systems.

Methods

4.7 The evaluation will use a mixed methods phased approach. Figure 4.2 summarizes the different techniques that will be leveraged for each evaluation question. Appendix A details the methodological approach.

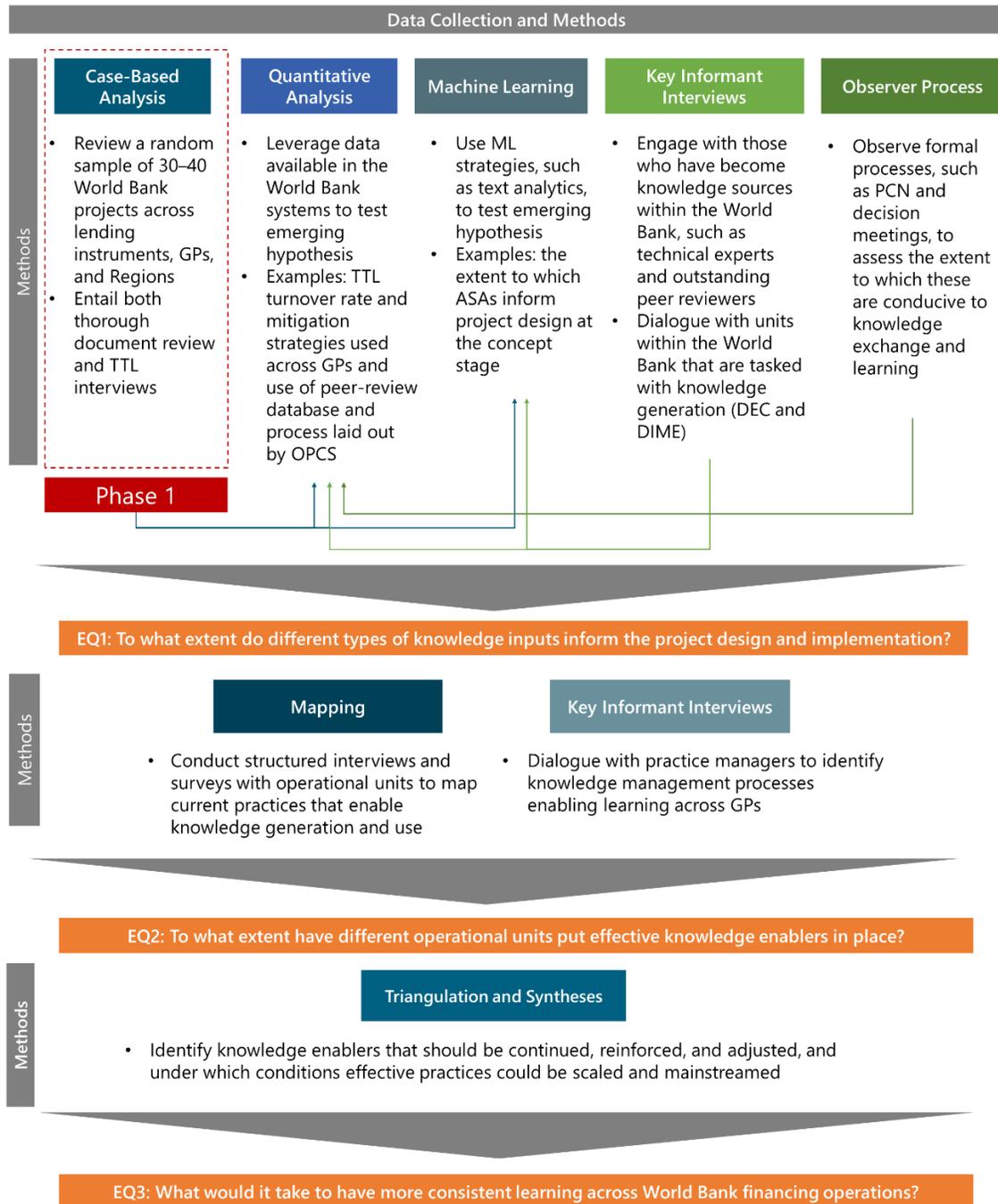
4.8 In phase 1, IEG will use case-based methods to review a stratified random sample of World Bank projects approved over 2014–23. The sample of approximately 35 project case studies will include investment project financing, development policy financing, Program-for-Results, and Multiphase Programmatic Approach projects to allow for generalization by type of financing instrument. The sample will include both active and closed projects to allow for analysis of knowledge inputs across the project cycle. The sample will span all Regions and many sectors to ensure sufficient variety, but IEG does not plan to disaggregate the case analysis by Region or sector. IEG will use this case analysis to generate granular hypotheses about what types of knowledge

inputs are used, in what stage of the project cycle, how they are used, how this depends on the financing instrument, and what factors enable learning.

4.9 In phase 2, IEG will test the most important of the hypotheses from phase 1. It will use quantitative methods to add depth and robustness to the phase 1 findings. It will use interviews and surveys to map out knowledge enablers across departments. It will triangulate across all the various qualitative and quantitative methods to test hypotheses and arrive at robust findings.

4.10 The team will extract and use data from different sources for each method. For case studies, the team will review project records, including project documents, meeting minutes, comment matrices, advisory services and analytics, and other knowledge inputs recorded in the Operations Portal, and conduct semistructured interviews with project teams and TTLs. For quantitative analysis, the team will leverage project-level data from the World Bank's internal systems, including, for example, databases of vetted and actual peer reviewers, data on team composition and roles, and data on TTL transitions and overlaps between successive TTLs (appendix A provides further details).

Figure 4.2. Methodological Design



Source: Independent Evaluation Group.

Note: ASA = advisory services and analytics; DEC = Development Economics Vice Presidency; DIME = Development Impact Evaluation; EQ = evaluation question; GP = Global Practice; ML = machine learning; OPCS = Operations Policy and Country Services; PCN = project Concept Note; TTL = task team leader.

Design Strengths and Limitations

4.11 The evaluation takes a systematic, sequenced approach, where qualitative and quantitative analyses inform each other. Moreover, given the breadth of the topic, the phased approach helps narrow the scope based on findings. The detailed evaluation design will help ensure a level of granularity in our findings and recommendations. The key challenge for the evaluation design is that knowledge is an intangible topic where it can be challenging to establish a solid evidence base. Several factors contribute to this challenge: there is not a clear definition for knowledge, and common terms are often perceived in different ways by different stakeholders. It is hard to assess knowledge quality and influence and to link knowledge inputs to projects' outcomes.

5. Quality Assurance Process

5.1 The evaluation will follow IEG's standard quality assurance process. The evaluation will be peer-reviewed by Dr. Ruth Levine (former chief executive officer of IDinsight, internationally recognized leader in impact evaluation, development finance, and organizational learning), Ellen Goldstein (international development consultant and former World Bank country director), and an additional reviewer to be identified. A previous version of this Approach Paper was peer-reviewed by Dr. Ruth Levine, Ellen Goldstein, and Ajay Narayanan (former manager, Group Internal Audit).

6. Expected Outputs

6.1 This evaluation is engaging closely with management's efforts to develop the new Knowledge Compact for Action. IEG will use engagements with operational counterparts and the senior managing director's office to inform the evaluation's design and execution, seek alignment with management's ongoing work to develop the Knowledge Compact for Action, explore joint work with operations, help the evaluation land well, and support dissemination and implementation. IEG will seek to engage counterparts from all Regions, GPs, the office of the senior managing director, and the Operations Policy and Country Services.

6.2 **Outputs.** The evaluation expects to complement the standard evaluation report with brief notes or audiovisuals on findings in key areas for easy absorption.

7. Resources

7.1 **Team.** The team will be led by Rasmus Heltberg (lead evaluator) and composed of Pascal Saura (senior knowledge management officer, providing cross-support), Stuti Sachdeva (evaluation officer), Harsh Anuj (data scientist), Farhana Sonia Ahmad (consultant), Gaby Loibl (program assistant), and Maximillian Ashwill (developmental

editor). Maan Roanna Sayes will help with designing the graphics. Onno Ruhl (retired World Bank staff) and Thomas Delahais (associate, Quadrant Conseil) are external advisors to the team.

7.2 **Oversight and timeline.** Galina Sotirova (manager), Theo David Thomas (director), and Sabine Bernabe (Director-General, Evaluation) will oversee the report. The completed evaluation is scheduled for submission to the Committee on Development Effectiveness in the first quarter of fiscal year 2025. The report has an estimated budget of US\$750,000.

Bibliography

- Ashton, Louise, Jed Friedman, Diana Goldemberg, Mustafa Zakir Hussain, Thomas Kenyon, Akib Khan, and Mo Zhou. 2021. "A Puzzle with Missing Pieces: Explaining the Effectiveness of World Bank Development Projects." Policy Research Working Paper 9884, World Bank, Washington, DC.
- Denizer, Cevdet, Daniel Kaufmann, and Aart Kraay. 2013. "Good Countries or Good Projects? Macro and Micro Correlates of World Bank Project Performance." *Journal of Development Economics* 105 (November): 288–302.
- Geli, Patricia, Aart Kraay, and Hoveida Nobakht. 2014. "Predicting World Bank Project Outcome Ratings." Policy Research Working Paper 7001, World Bank, Washington, DC.
- Knack, Stephen, Bradley C. Parks, Ani Harutyunyan, and Matthew DiLorenzo. 2020. "How Does the World Bank Influence the Development Policy Priorities of Low-Income and Lower-Middle Income Countries?" Policy Research Working Paper 9225, World Bank, Washington, DC.
- Moll, Peter, Patricia Geli, and Pablo Saavedra. 2015. "Correlates of Success in World Bank Development Policy Lending." Policy Research Working Paper 7181, World Bank, Washington, DC.
- Raimondo, Estelle. 2016. "What Difference Does Good Monitoring and Evaluation Make to World Bank Project Performance?" Policy Research Working Paper 7726, World Bank, Washington, DC.
- World Bank. 2010. "Transforming the Bank's Knowledge Agenda: A Framework for Action." Board Report 52989, World Bank, Washington, DC.
- World Bank. 2014. *Learning and Results in World Bank Operations: How the Bank Learns*. Independent Evaluation Group. Washington, DC: World Bank.
- World Bank. 2015. *Learning and Results in World Bank Operations: Toward a New Learning Strategy*. Independent Evaluation Group. Washington, DC: World Bank.
- World Bank. 2016. *Behind the Mirror: A Report on the Self-Evaluation Systems of the World Bank Group*. Independent Evaluation Group. Washington, DC: World Bank.
- World Bank. 2017a. *Data for Development: An Evaluation of World Bank Support for Data and Statistical Capacity*. Independent Evaluation Group. Washington, DC: World Bank.
- World Bank. 2017b. *World Bank Group Engagement in Upper-Middle-Income Countries: Evidence from IEG Evaluations*. Independent Evaluation Group. Washington, DC: World Bank.
- World Bank. 2019a. *Knowledge Flow and Collaboration under the World Bank's New Operating Model*. Independent Evaluation Group. Washington, DC: World Bank.

- World Bank. 2019b. *Results and Performance of the World Bank Group 2018*. Independent Evaluation Group. Washington, DC: World Bank.
<https://ieg.worldbankgroup.org/sites/default/files/Data/Evaluation/files/rap2018.pdf>.
- World Bank. 2020a. *Management Action Record Reform: IEG's Validation Report*. Independent Evaluation Group. Washington, DC: World Bank.
- World Bank. 2020b. *Results and Performance of the World Bank Group 2020*. Independent Evaluation Group. Washington, DC: World Bank.
- World Bank. 2020c. *The World's Bank: An Evaluation of the World Bank Group's Global Convening*. Independent Evaluation Group. Washington, DC: World Bank.
- World Bank. 2022. *Enhancing the Effectiveness of the World Bank's Global Footprint*. Independent Evaluation Group. Washington, DC: World Bank.
- World Bank Group. 2018. "Sustainable Financing for Sustainable Development: World Bank Group Capital Package Proposal." Prepared for the Development Committee Meeting, April 21, 2018, DC2018-0002/P, World Bank Group, Washington, DC.
- World Bank Group. 2021. *Realizing the World Bank Group's Knowledge Potential for Effective Development Solutions: A Strategic Framework*. Washington, DC: World Bank Group.
- World Bank Group. 2023. "Ending Poverty on a Livable Planet: Report to Governors on World Bank Evolution." Prepared for the Development Committee Meeting, October 12, 2023, DC2023-0004, World Bank Group, Washington, DC.

Appendix A. Methods

The evaluation will use a mixed methods phased approach. Initial phases will consist of inductive and exploratory analysis aimed at generating hypotheses. These hypotheses will be tested (deductively) through additional quantitative and qualitative analyses in subsequent phases.

Approach to evaluation question 1: To what extent do different types of knowledge inputs inform the design and implementation of World Bank financing operations?

This question will be answered in two phases.

Phase 1 will allow us to establish hypotheses on what types of knowledge inputs inform World Bank–financed operations, to what extent, in what context, and why. The most important of these hypotheses will then be tested and refined using mixed qualitative and quantitative methods.

In phase 1, the evaluation will review a stratified random sample of approximately 35 World Bank projects for the period 2014–23. The team will ensure that the sample includes projects in different sectors covering all Practice Groups, instruments (investment project financing, development policy financing, and Program-for-Results), country capacity, and project complexity (using intentional oversampling as needed). The team will review both active and closed projects to allow for better analysis of knowledge inputs across the project cycle and repeater projects to ensure that the lessons learned from one project are used to inform subsequent World Bank engagements. Evidence will come from data and documents in the Operations Portal, including project documents, advisory services and analytics, Implementation Status and Results Report ratings, Mid-Term Reviews, meeting minutes, and semistructured interviews with project teams.

The evaluation will review the types of knowledge inputs, explicit or tacit, that inform projects during preparation and implementation. In particular, the evaluation will focus on how teams use these various types of knowledge inputs to inform project design, quality at entry, Mid-Term Review, and restructuring. The evaluation will review to what extent various knowledge inputs have influenced project design, for example leading to simpler and clearer operations; to what extent knowledge inputs have influenced Mid-Term Reviews and decisions to restructure projects or otherwise improved implementation; and whether knowledge inputs have facilitated stakeholder engagement over the course of the project cycle.

Different types of tacit and explicit knowledge inputs can inform project design and implementation in several ways. The Independent Evaluation Group plans to assess

whether the knowledge input was actionable; in what ways the knowledge input changed the task team's understanding; what the task team did differently because of the knowledge input; and to what extent the knowledge input resulted in a meaningful change in the project design, its implementation progress, and its outcomes.

The analysis will cover formal knowledge processes, such as peer review and use of reports and other analytics; informal knowledge processes, such as the exchange of tacit knowledge between task teams and individuals; and the conditions and processes that enable knowledge flow. To do this, the analysis will take the following steps:

- Develop granular findings for each case (each case being a World Bank financing project), by triangulating between systematic document review and interviews on what knowledge inputs were used and how learning occurred.
- Develop hypotheses across the sample of projects to identify common patterns and potential enablers or hinderances to learning in lending. The team will systematically review and compare case studies, identify key patterns, and develop hypotheses.

For phase 1, the team has developed an evaluation tool to help answer evaluation question 1. The tool captures information on types of knowledge inputted during formal processes (including project Concept Note, decision meetings, use of analytics, and so on) through cross-support and via informal channels (including insights from peers and global leads). To further understand the variety of knowledge inputs used, it disaggregates explicit knowledge into data, analytics, impact evaluations, World Bank internal research, academic research, learning with partners, and so on, and gathers insights on the extent to which lessons from the past and ongoing projects are used to inform project design and implementation. The tool also aims to capture the extent to which information is arranged (refer to approach for evaluation question 2 in this appendix).

In phase 2, the team will leverage other methods and techniques, such as quantitative analysis, machine learning, surveys, key informant interviews, and direct observation to test and refine the findings and hypotheses from phase 1. Examples include quantitative analysis of choice of peer reviewers, task team leader turnover rates, and project document references based on data in the World Bank's operational systems.

The team's evaluation tool and broader approach to evaluation question 1 were designed based on a pilot review of a sample of closed and ongoing education projects. The findings from the pilot demonstrated that the proposed approach is viable. The review of available project evidence (Concept Notes, meeting notes, project documents, peer-review notes, and so on) allowed a broad mapping of knowledge inputs that

influenced project design and quality at entry of projects. The pilot found that project teams had been able to access global technical knowledge via peer reviewers and communities of practice or similar mechanisms and had been able to access country knowledge via Country Management Units and country office staff. The pilot also confirmed that document reviews need to be complemented with interviews with project teams to arrive at sufficient information.

Approach to evaluation question 2: To what extent have different operational units put effective knowledge enablers in place?

After identifying the types of knowledge inputs that typically benefit World Bank projects, the team will survey current practices across operational units to assess to what extent and how units enable robust knowledge inputs.

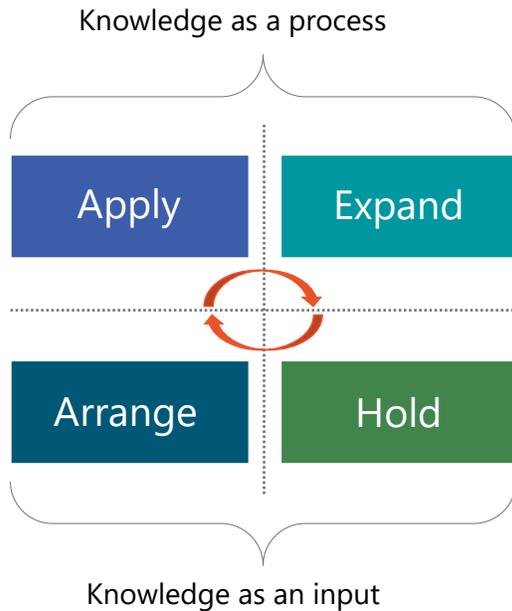
The team will then map out existing or missing knowledge management processes across World Bank operational units in the Global Practices and Regions that provide knowledge inputs across the dimensions of type (tacit, explicit, country, sector, or operational) and audience (task teams, Global Practices, and Country Management Unit management). The team will focus on knowledge priorities, partnerships, and systems and capacities (including Global Solutions Groups, communities of practice, and other initiatives designed to support learning in lending). To complete and validate the mapping, the team will use focused surveys of knowledge management and learning specialists and key informant interviews. The expected output is a comprehensive mapping of knowledge processes and enablers and a stylized representation of knowledge management maturity across the World Bank.

Conceptual Model for Knowledge

Underpinning the team’s examination of knowledge inputs is a simple conceptual model according to which knowledge in organizations can be managed both as an input (or stock) and as a process (or flow). The following conceptual model is adapted from Wiig (1993), with insights from McInerney and Koenig (2011)¹ and Mohajan (2017). In this model, knowledge management consists of holding, arranging, applying, and expanding knowledge for the organization (figure A.1). Knowledge is embedded in people (staff, consultants, and experts inside and outside the organization)—what we define as tacit—and in knowledge assets (files, books, databases, and so on)—what we define as explicit knowledge in this evaluation.

¹ The model is more specifically derived from The Stages of KM (Knowledge Management) Development section in chapter 1 and the Knowledge as Resource and Process section in chapter 3 (McInerney and Koenig 2011).

Figure A.1. Stages of Knowledge Management in Organizations



Sources: Independent Evaluation Group; McInerney and Koenig 2011; Mohajan 2017; Wiig 1993.

Managing Knowledge as an Input

- **Holding:** Understanding the stock of knowledge that the organization holds, its intellectual capital, through its staff and consultants (tacit) and through the entire body of analytic work accessible to the organization (explicit). The stock of knowledge is typically constituted through human resource management and records of research and analytic and advisory activities.
- **Arranging:** Making specific parts of this knowledge ready to use by way of organizing it. This is typically achieved through information technology systems (including document and expertise management tools, collaboration tools, taxonomies, search engines, and so on) and operational units (including business units, professional family mappings, task teams, communities of practice, and task forces, among others). In our conceptual framework (figure 4.1), these are captured under knowledge enablers because these organizational practices make knowledge relatively more accessible and easier to use.

Managing Knowledge as a Process

- **Applying:** Retrieving and applying specific parts of this knowledge where and when needed for decision-making and day-to-day operations. This is about connecting questions and answers and challenges with just-in-time solutions. This is typically achieved through operational processes and mechanisms

designed to embed or inject just-in-time knowledge into the activities of the organization, particularly financing operations. Checklists, peer reviews, decision meetings, quality enhancement reviews, safe space meetings, and Mid-Term Reviews are all examples of processes where knowledge is applied. These processes also often contribute to expanding knowledge.

- **Expanding:** Growing the stock of knowledge available to the organization. New knowledge is generated by the feedback loops that occur while applying knowledge and through stand-alone, deliberate, and formal efforts to import new knowledge into the organization. New knowledge may come from feedback loops that recombine, synthesize, or aggregate existing knowledge (for example, via all processes listed in the Managing Knowledge as a Process section). New knowledge may also be created via external consultation, research programs, analytic and advisory activities, self-evaluation, independent evaluation, training, and learning programs.

Important processes for applying and expanding knowledge in the context of World Bank financing include the following:

- Applying advisory services and analytics
- Convening peer reviews
- Using other aspects of quality assurance and contestability
- Using cross-support
- Incorporating sector-specific knowledge and learning mechanisms
- Leveraging advice and inputs provided by global leads, Global Solutions Groups, communities of practice, and so on
- Creating and using checklists, guidance documents, and handover notes
- Organizing training

Approach to evaluation question 3: What would it take to have more consistent learning across World Bank financing operations?

Having identified which knowledge management processes are effective for which type of operations and under what conditions, the team could recommend which of these should be continued, reinforced, or adjusted.

Although the methods will be refined once the answer to evaluation question 1 is available, this part of the evaluation will rely on a triangulation and synthesis of existing

literature on knowledge management maturity levels, results from surveys and interviews conducted for evaluation question 2, and so on.

References

- McInerney, Claire R., and Michael E. D. Koenig. 2011. *Knowledge Management (KM) Processes in Organizations: Theoretical Foundations and Practice*. New York: Springer.
- Mohajan, Haradhan Kumar. 2017. "The Impact of Knowledge Management Models for the Development of Organizations." *Journal of Environmental Treatment Techniques* 5 (1): 12–33.
- Wiig, Karl M. 1993. *Knowledge Management Foundations: Thinking about Thinking—How People and Organizations Create, Represent, and Use Knowledge*. Arlington: Schema Press.

Appendix B. Past Independent Evaluation Group Evaluations on Knowledge

Table B.1. Independent Evaluation Group Evaluations on Knowledge and Relevant Findings

Title	Year	Scope	Relevant Findings
<i>Learning and Results in World Bank Operations: How the Bank Learns</i>	2014 and 2015	These reports covered learning that takes place through World Bank projects.	World Bank staff often rely on informal learning and gradual accumulation of tacit knowledge. Such learning and knowledge are based on observing and copying the behavior of others in the group. They depend on mindsets, group effects, and institutional incentives. Staff value mentoring and learning from peers. Therefore, the World Bank should focus on making better use of informal learning and tacit knowledge, and an updated strategy for learning and knowledge sharing might be helpful in this regard.
<i>Learning and Results in World Bank Operations: Toward a New Learning Strategy</i>			
<i>Behind the Mirror: A Report on the Self-Evaluation Systems of the World Bank Group</i>	2016	The report covered the World Bank Group's self-evaluation instruments, including ICRs.	The mandatory self-evaluation systems are seldom used for organizational learning. ICRs are seen as not useful and provide only generic lessons. Staff operational knowledge often comes from tacit sources (which is insufficient because weaknesses in documenting lessons and overreliance on personal connections can lead to loss of important knowledge). Self-evaluation systems do not exploit dialogue and tacit knowledge formats to foster operational learning. Self-evaluation systems would benefit by being more flexible and geared toward socializing learning.
<i>World Bank Group Engagement in Upper-Middle-Income Countries: Evidence from IEG Evaluations</i>	2017	This synthesis report covered the outcomes and lessons from the Bank Group's work in upper-middle-income countries.	The Bank Group's analytic and advisory work has been key in supporting reforms in upper-middle-income countries and valued by country stakeholders. The analytic and advisory work also shapes the quality of the World Bank's assistance, particularly in quality at entry of development policy financing and during crises. However, there is little assessment of the outcomes of knowledge services, and the potential for South-South knowledge exchange has been underused.
<i>Knowledge Flow and Collaboration under the World Bank's New Operating Model</i>	2019	The evaluation covered how well the World Bank's post-2014 operating model stimulates knowledge flow and enhances collaboration to deliver multisector and multiservice tasks to clients.	Some GPs have coherent and systematic approaches to managing and investing in knowledge; others less so. Some GPs focus on learning by doing and tacit knowledge flow to support operations but do not emphasize generating or curating knowledge, innovation, client training, or global thought leadership. Differences in GPs' attention to knowledge often reflect the availability of trust funds and leadership support. Contestability in quality assurance is uneven. The mechanisms designed to pursue knowledge excellence have been met with mixed results. Global leads have unclear roles and unfunded mandates. A few GPs made their Global

Title	Year	Scope	Relevant Findings
			Solutions Groups work largely as intended, whereas others recast or disbanded the model. The World Bank should focus more on incentives, culture, and collaboration mechanisms than on structure. Incentives to enhance knowledge flow could include senior management support for knowledge excellence; metrics for knowledge uptake, impact, quality, and influence; more contestability in quality assurance; and nimbler budgeting arrangements.
<i>The World's Bank: An Evaluation of the World Bank Group's Global Convening</i>	2020	The evaluation covered which global issues the Bank Group convenes on, the factors that drive its convening choices, and the determinants of its convening effectiveness.	The Bank Group's knowledge is key to its global role. The Bank Group's convening power as an independent generator and broker of global knowledge allows it to inform policy makers and take a lead role in setting the agenda for global discussions on development.
<i>Enhancing the Effectiveness of the World Bank's Global Footprint</i>	2022	Among other things, this evaluation covered how staff decentralization affects the World Bank's knowledge flow.	An expected benefit of decentralization is that it helps integrate local knowledge into the World Bank's global knowledge network and informs World Bank strategies and operation, but decentralization also poses challenges to a global knowledge flow when staff are away from headquarters for extended periods. Knowledge Management is often headquarters focused, and formal knowledge from the field is less appreciated and used globally. The evaluation recommended that the World Bank take measures to safeguard knowledge flow and the World Bank's global nature.
<i>Results and Performance of the World Bank Group 2022</i>	2022	Among other things, the report presents a qualitative analysis of the use of ASA based on Completion and Learning Review Validations ^a for 50 countries.	There is a good match between ASA topics and government policies, and the World Bank often uses ASA in its policy dialogue. However, there is limited evidence on governments' ownership and use of ASA findings and on the use of ASA in World Bank programs and projects, and what evidence there is shows mixed effectiveness, for example, because of issues with ASAs' timing and dissemination.

Sources: Independent Evaluation Group; World Bank 2014, 2015, 2016, 2017, 2019, 2020, 2022a, 2022b.

Note: ASA = advisory services and analytics; GP = Global Practice; ICR = Implementation Completion and Results Report; IEG = Independent Evaluation Group.

a. The Completion and Learning Review Validation was called Completion and Learning Review before May 1, 2023. No change was made to the methodology.

References

World Bank. 2014. *Learning and Results in World Bank Operations: How the Bank Learns*. Independent Evaluation Group. Washington, DC: World Bank.

World Bank. 2015. *Learning and Results in World Bank Operations: Toward a New Learning Strategy*. Independent Evaluation Group. Washington, DC: World Bank.

- World Bank. 2016. *Behind the Mirror: A Report on the Self-Evaluation Systems of the World Bank Group*. Independent Evaluation Group. Washington, DC: World Bank.
- World Bank. 2017. *World Bank Group Engagement in Upper-Middle-Income Countries: Evidence from IEG Evaluations*. Independent Evaluation Group. Washington, DC: World Bank.
- World Bank. 2019. *Knowledge Flow and Collaboration under the World Bank's New Operating Model*. Independent Evaluation Group. Washington, DC: World Bank.
- World Bank. 2020. *The World's Bank: An Evaluation of the World Bank Group's Global Convening*. Independent Evaluation Group. Washington, DC: World Bank.
- World Bank. 2022a. *Enhancing the Effectiveness of the World Bank's Global Footprint*. Independent Evaluation Group. Washington, DC: World Bank.
- World Bank. 2022b. *Results and Performance of the World Bank Group 2022*. Independent Evaluation Group. Washington, DC: World Bank.