

The World Bank's Evolving Knowledge Strategy:



World Bank

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The World Bank and KISR as Knowledge Institutions...

- ❑ Knowledge and analytics are the core DNA of both institutions and should be a key comparative advantage
- ❑ Recent Gallup poll confirms Bank's pre-eminence as a leading destination for developmental knowledge
 - AAA and Bank-led research have shaped debates on development
 - ⦿ WDRs, Cost of Doing Business, poverty work, statistics
 - ⦿ Country based strategy papers
 - Our rigorous analysis and methodologies for lending products and economic and sector work are widely recognized
- ❑ **BUT** recent studies have also identified areas for improvement. Knowledge products and services are not:
 - Meeting the demands for sophisticated and timely products
 - Reaching top level government decision makers
 - Strategically chosen
 - Disseminated adequately

Pressure is mounting on all knowledge Institutions, from the outside...

- **Vast expansion of information and knowledge over the last 10 years**
 - fast pace of technology change and search engines; information cost is close to zero
 - Increasing number of actors on the scene: foundations, NGOs, consulting firms, increasing competition
- **Demand on Bank services is also expanding from country focus to global issues, and shifting from knowledge generation to knowledge sharing – cultural change**
- **Meanwhile, major clients are also demanding increased agility, customized solutions, and new 'how to' rather than "what to" advisory services**

And from inside the institution (the Bank)

- Increased Atomization:
 - Increasing gap between Regions (focused on countries) & Network Anchors (focused on global public goods and corporate agenda)
 - Difficult to access, navigate and share institutional knowledge (2,000+ websites; 2,700 courses, but no unified basic training; cross-support < 2%.)

- Incentives:
 - Incentives and organizational culture need to be fully supportive of knowledge sharing (knowledge budget atomized, little incentive to extract knowledge out of operations)

- Fragmented Knowledge Governance:
 - Extreme decentralization of budget decisions and multiplicity of Knowledge codes creates an opaque resource allocation system
 - Silo mentality leads to duplications and gaps

- Resulting in eroding corporate culture, which may be further exacerbated by the rapid pace of decentralization.

We need to be ready for a rapidly evolving environment, requiring continued adaptation and flexibility.

- Current financial crisis will reshape the development debate and role of the Bank for many years to come.
- In addition, emerging recent trends will likely continue
 - **Broadening WB agenda**
 - ⊙ Global public goods
 - ⊙ Future MIC agenda
 - ⊙ Expanding role in fragile and post conflict states
 - ⊙ Review of Bretton Woods Institutions
 - **Evolving aid architecture**
 - ⊙ Growing role of bilateral TFs
 - ⊙ Growing role of private foundations and NGOs
 - ⊙ Growing voice of emerging economies
 - **Expanding diversity of financial products**
 - ⊙ Treasury
 - ⊙ New financing instruments
 - ⊙ Carbon finance
 - ⊙ Fee for service advisory products
 - **Continued decentralization**
 - ⊙ Knowledge agenda as a glue to maintain global brand and to link global - local mandates.

In response, the Bank needs to transform itself...What About KISR?

“To meet the challenges of the 21st century, the World Bank Group needs to

- Strengthen its global reach & deepen its local roots
- Evolve into a dispersed but tightly networked organization,

that:

- **Responds quickly to client needs and changing global and local conditions,**
- **Uses knowledge as the critical comparative advantage,**
- **Manages its resources to achieve excellence in services to clients, thus:**
- **The Bank must drive global agendas that matter for poverty reduction, economic growth and development.**

To do so, Bank needs to act as a “trusted partners of choice– not of necessity.”

Implying the following key characteristics for the Knowledge agenda.

- Knowledge-based:
 - Knowledge at the center of our agenda, driving our business, not a simple add-on or parallel activity
 - Promoting innovative solutions and faster client response
- Both local and global:
 - Connecting knowledge, country experiences and know-how across the Institution and across the world
 - Providing both global knowledge and local solutions in a two-way exchange
- Open:
 - Open culture based on learning, participation and transparency
 - Platform for active debate on key issues
- Driven by results
 - Focus on impacts and results of the whole development efforts rather than outputs of Bank/KISR products alone

How far Is the Bank from this vision?

What About KISR?

1. Key characteristics of Knowledge-based institutions:
 - Strong professional practices at the core of the competitive advantage, including strong strategic positioning, staff mobility and flexibility, and strategic selectivity
 - New IT technologies fully integrated in the way to do business
 - Strong focus not only on quality of advice but also on knowledge products (extraction, packaging, dissemination, standards and quality to provide branding)
 - Strong focus on partnerships and flexible staffing arrangements (links with best universities, roster of experts, etc.)
 - Strong focus on talent management and incentives structure based on knowledge sharing and client engagement skills
 - Non-hierarchical, network-based institutions

Objective 1: Strengthening Global Practices

Vision: More flexible institution, with mobile global teams managed along institutional priorities; re-calibrating the balance between technical excellence and client relations.

- ❑ **Rejuvenate and streamline global practices through (i) selectivity (Global Expert Teams) in areas of high strategic relevance; and (ii) review and rationalization of thematic groups and networks along clear business lines.**
- ❑ **Supported by roster of external experts and networks of practitioners;**
- ❑ **With focus on rapid deployment; knowledge capture through agreed standards and recognized products; and**
- ❑ **Strengthen the whole professional expertise, also linking field and HQ staff.**

Program:

- June 2009:** - launching 10 GET pilots & review of TGs and networks
2010: - agree on concept and number of GETs, agree on management and budget, agree on structure of TGs and networks

1. Rejuvenate Communities of Practice – Proposed pilot GETs

1. Public Sector Performance Management
2. Growth
3. Disaster Management *
4. Climate Change Adaptation
5. Public Private Partnerships *
6. Capital Markets *
7. Fragile States *
8. Safety Nets
9. Health System Support
10. Science, Technology and Innovation

* *With participation from IFC*

Objective 2: Modernize web and operational IT platforms

Vision: modern and flexible IT infrastructure and search engines in place to support: decentralization; open space for debate and partnerships; and knowledge sharing and operational processes.

- ❑ **Huge and complex agenda with separate governance structure**
- ❑ **For Bank On-going programs in various areas:**
 - Security
 - OKSP and web pilots underway
 - Capital budget to support hardware infrastructure

Program

- ❑ **Overall IT strategy and implementation plan completed by January**
- ❑ **Integration of knowledge products as a core part of OKSP (Operations and Knowledge management Systems Portal; The Know Portal), by December 2009**
- ❑ **Simultaneously launch key pilots (web, OKSP) and develop appropriate knowledge products and standards, and new tools for collaboration and dialogue (wikipedia; blogs; etc) to support the knowledge agenda**

Objective 3: Strengthen quality, relevance & responsiveness of knowledge products & research agenda.

Vision: To deliver consistent knowledge products, aligned with strategic priorities and provide relevant and timely advice to clients.

- **Issues are numerous: uneven quality and relevance; limited knowledge capture from operations; poor dissemination; etc.**
- **Need to redefine knowledge products and research agenda along distinctive framework:**
 - Knowledge as public good
 - Operational knowledge
 - Knowledge as business line
- **streamline processes, improve knowledge capture and strengthen standards and dissemination, for high impact**
- **Align research program with strategic priorities and operations, while leaving room for research into new future agendas.**
- **Review governance mechanisms (Web, K-products, etc.)**
- **Agree on a few visible knowledge products to “brand” the Bank (and KISR? – Urban Observatory?)**

Objective 4: Strengthen knowledge partnerships with external networks

Vision: a fully networked organization with partnerships with key research networks, networks of local think tanks and networks of practitioners.

- ❑ **Rapid spread of partnerships over the last few years (270+ at present) may have reinforced atomization. DEC review also points to prominence of N-S partnerships, and lack of strategic focus.**
- ❑ **Objective would be to develop a few strategic knowledge partnerships and review mechanisms for funding (DGF, multi-year TFs, etc.) and to support specific partnerships with bilateral agencies for the main business lines and GETs.**
- ❑ **South-South platform launched**
- ❑ **DEC preparing specific proposals; working group to also include WBI and IFC on funding and governance issues.**

Objective 5: Align Incentives with the Knowledge agenda

Vision: New HR policies and incentive framework to promote excellence, mobility and a knowledge-based culture.

- **Current incentive structure reinforces individualistic culture, task management, and management stream with little mobility or contribution to knowledge, leading to erosion of the global dimension of the Bank.**

- **the overall HR Reform agenda is broad-based and far-reaching:**
 - **Rotation policy**
 - **Decentralization**
 - **Global recruitment for Professional Stream**
 - **Compensation review**
 - **Integrated talent management**

Objective 5: Revitalize our learning & training program

Vision: The Bank is a learning institution, fully integrating learning and on the job training as the other side of the knowledge coin.

- **Detailed review of staff survey indicates that knowledge and learning are neither perceived nor recognized as central for professional development and client services.**
- **Learning activities are atomized, with outdated pedagogical techniques and internally driven.**
- **A new learning program should support:**
 - **Global Bank values and priorities as “glue” in our decentralized framework – core courses, certification?**
 - **Professional leadership and technical excellence, and**
 - **Flexible outward-oriented learning methods**

Objective 6: Rejuvenate WBI

Vision: WBI is fully integrated into the Bank's knowledge agenda, providing a platform to promote innovation; connect knowledge, know-how and country experiences across the world; and support active debates on key development issues.

- **Four key roles:**
 - Incubator of innovative solutions
 - Dissemination of demand-driven, state-of-the-art knowledge and learning products
 - Facilitation of knowledge exchange and collaboration through peer networks
 - Catalyst for multi-stakeholder consensus building on key development issues.

- **Selectivity and partnerships**
 - Focus on strategic areas, supporting selective GETs, on knowledge capture, branding and dissemination
 - Working in partnership internally and externally

Next Steps

- Show results as soon as possible
 - **Launched GETs by December, especially on crisis response**
 - **Launched working groups, with deliverables by June 2009**
 - **Focus on HR deliverables that will send clear signals to staff**

- Complete strategy note for the Bank with appropriate benchmarking

- Prepare detailed recommendations (including budget implications) by the summer of 2009

- Launch communication strategy -
 - **Regional, country and sector directors retreat**
 - **Townhall and other fora**
 - **Board engagement with TTLs through internal meetings**
 - **Announcement of the GETs**