



## Knowledge Management for Anti-Corruption: Problems, Perspectives and Prospects (Summary Note with Peer Review)

Summary Note:  
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(based on study by Bryane Michael)

Peer Review:  
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U4 ([www.U4.no](http://www.U4.no)) is a web-based resource centre for donor practitioners who wish to effectively address corruption challenges in their work. We offer focused research products, online and in-country training, a helpdesk service and a rich array of online resources. Our aim is to facilitate coordination among donor agencies and promote context-appropriate programming choices.

The centre is operated by the Chr. Michelsen Institute (CMI), in association with Transparency International. CMI is a private social science research foundation working on issues of development and human rights, located in Bergen, Norway.

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## Summary Note of Commissioned Study (Including Peer Review)

## KNOWLEDGE MANAGEMENT FOR ANTI-CORRUPTION:

### PROBLEMS, PERSPECTIVES AND PROSPECTS

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B. Michael at: [www.u4.no/themes/km/](http://www.u4.no/themes/km/)

### 1. The Knowledge Management challenge for donor organisations

Until the 1990s, the donors took it upon themselves to deliver “products” such as dams, schools, and clinics. In the mid-90s increasing concerns about corruption both inside agency operations and in partner countries led to the coming of a new strand in the development industry – that of anti-corruption. Safeguarding aid and sponsoring governance initiatives has made development co-operation more complex and costly. The results have been mixed, at best. Lessons have, however, been learned during the past decade. Management of this knowledge has so far been unorganised, driven more by default and less by good design.

Bilateral and multilateral agencies have focused on finding an elusive set of best practices to promote. Unfortunately, no one set of keys exists to unlock a set of problems that are so multifaceted across countries and sectors – all with their own set of unique dynamics. Even so, an emerging body of both academic and practitioners’ experience now points to several viable avenues that can reduce the propensity for corrupt practices by individuals and systems. This knowledge is to often wedged within organisations and in the heads of knowledgeable individuals.

Increasingly, donors have become aware of the complexity of delivering “knowledge products” such as effective anti-corruption interventions.<sup>1</sup> For the purposes of this report *information* is defined as data descriptive of a set of relationships. *Knowledge* however includes an understanding of how such descriptive information applies to a given context, so as to be able to selectively use the information. An example would be an economics paper on civil service pay and corruption (information), and knowing whether in fact in

a given context this would have the result suggested in the paper. Agencies (among others) have managed to develop significant new information and knowledge but have struggled to coordinate and disseminate it, leading to significant inefficiency.

Much information is now available on the internet (however imperfectly), or in academic books and journals. This availability of information does not constitute knowledge sufficient for the needs of pro-integrity reform. Historically tacit (i.e. hands-on) and contextual information has been under-represented in the literature.

Perhaps as a response to this gap, information and knowledge has often been dispersed through a large number of meetings between the main stakeholders in this field, and more often still between a select group of insiders. The biannual Transparency International Anti-Corruption Conference (IACC), for example remains an important venue for sharing of information, as do large scale political meetings such as the *Global Forum on Fighting Corruption and Safeguarding Integrity among Justice and Security Officials*.

In order to complement this partially informal method of co-ordination the OECD has tried to serve as a coordination point through its outreach activities and the hosting of several donor co-ordination meetings. However, as donor activity is driven by many internal priorities, it has proved complex in practice both to co-ordinate activity and to share useful knowledge to support the anti-corruption reform agenda.

### 2. Aims and Objectives

Viewing development – and especially anti-corruption – as a knowledge product, demands a rethink in terms of how this knowledge is extracted and shared. One major challenge for the development community is to “learn how to learn”, in other words to have knowledge replicate knowledge.

The U4 Utstein Anti-Corruption Resource Centre has identified this challenge and, as part of its daily work, seeks operationally relevant information to support the donor community. U4 has commissioned a report which tries to answer the following questions:

- What is knowledge management and why does it matter?
- How can knowledge management systems be analysed and ranked?
- Are the Utstein agencies collectively and individually good learning institutions?
- How can the Utstein agencies improve their management of anti-corruption knowledge?
- How can the U4 Resource Centre become a better information facilitator?

In order to answer these questions the study has focused on the approach to knowledge management the major donors have used in their project design and the use made of the internet to disseminate knowledge. While this is a partial analysis it is intended to provide some insight into the extent that knowledge is generated and is shared with non-insiders, who remain a largely untapped resource in anti-corruption reform.

<sup>1</sup> The 1997 World Bank report *Helping Countries Combat Corruption* was a first attempt at thinking systematically about how donors fight corruption – followed up in their 2000 report *Helping Countries Combat Corruption: Progress at the World Bank Since 1997*. A number of evaluations – also supported by the World Bank – suggested that more could be done to fight corruption.

### 3. Knowledge Management as a practical approach to understanding and improving organisational behaviour

Knowledge management arose as a major trend in management thought in the 1980s. Businesses accepted that knowledge and services comprise a larger part of value added than the firm's capital stock or the number of its employees. Such knowledge – usually involving the link between knowledge which can be written down (codified) and knowledge in the heads of people on how to do things (tacit) – allows organisations to develop new and better 'products'.

Knowledge Management (KM) is however not a homogeneous concept. It has developed thematically to address different perspectives on the relationship between knowledge and organisations. The main approach is normative, and sees KM as a means to progressively improve the ability to manage and to solve problems.<sup>2</sup>

What Knowledge Management offers, then, is a systematic way of thinking about what knowledge is, how organisations can learn, remember, and develop their knowledge to respond to their own context.

Much anti-corruption and indeed overall development work has been epitomized by single-loop learning – doing and evaluation. The process of Knowledge Management is generally judged to be successful if codified knowledge is taken, combined with tacit (experience) and recodified, the so called 'double loop' learning process. Double loop learning thus represents an attempt to establish informal systems which encourage constant self-monitoring and improvement. This is in essence the challenge for agencies hoping to use knowledge to change behaviour concerning corruption and integrity in organisations in numerous contexts.

### 4. Analysing the Utstein agencies as 'learning institutions'<sup>3</sup>

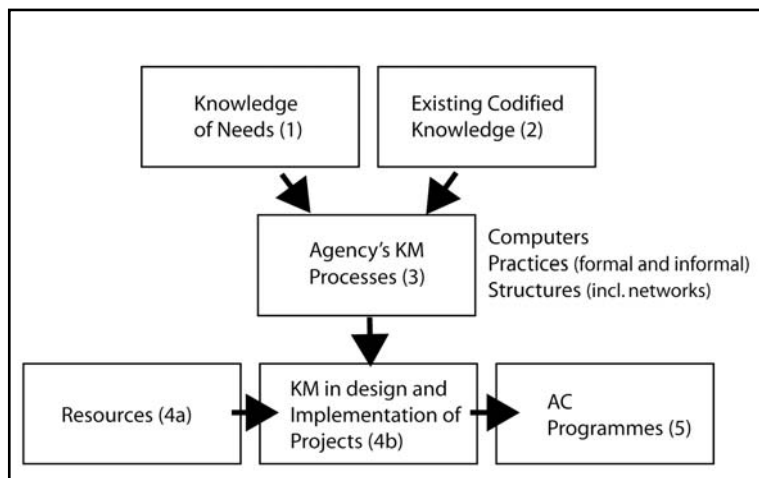
A knowledge management system must be strategic. It must understand its resources, its objectives and its context. Figure 1 shows the methodology used to assess how knowledge management can be used in anti-corruption reflecting the double-loop stressed by the knowledge management approach.

2 Other perspectives include:

- The Interpretive approach, which is primarily concerned with people in organisational settings as the means of knowledge creation and management.
- The Critical approach, which is concerned with the consequences on power relations of KM; and
- The Dialogic approach which explores the fragmented and situational characteristics of knowledge.

3 I.e. successfully using KM.

Figure 1. A Schema for capturing an Anti-Corruption KM system



(Adapted from Fig. 3 by Bryane Michael)

This study does not attempt to be comprehensive in its analysis of how Knowledge Management is used within agencies to develop and coordinate their activities. It focuses specifically on the processes for project design and implementation (1, 2, 4 and 5) published on the web. The internal KM processes (3) are largely inferred from 1,2,4 and 5. The rationale for this is that information systems play an increasingly large role in the management and dissemination of information and knowledge (this should not however obscure the significant role of face to face meetings that have characterised the anti-corruption 'movement' referred to above.)

In order to provide comparative data for this study Utstein Agency projects were compared to Non-Utstein projects using the above schema.

### 5. Evaluating Knowledge Management in Anti-Corruption Projects

The main output of Donor organisations is projects; their use of knowledge management in the selection, design, development, evaluation, and dissemination of projects is thus our central concern.<sup>4</sup> Knowledge is useful only when it is accessible. Inaccessible knowledge concerning projects is the same as nonexistent projects to someone seeking to use the knowledge. Lack of high quality information on how the Utstein donors' conduct their business was a major challenge for the authors of this report and with a limited number of projects assessed it is important to note that the findings only point the evaluators to trends in the material and should not be used to discredit any one agency. Choosing other projects might have yielded other results. Private knowledge suggested that

4 The anti-corruption projects covered varied by organisation. Each organisation had between 2-6 projects assessed. A total of 49 projects were assessed, roughly even distributed between Utstein and non-Utstein agencies. The information sources though often differed significantly between Utstein and non-Utstein members. Almost all of the Utstein projects were reported by agencies other than the implementing agency (most were reported by U4).

the donors were engaged in knowledge management practices that were not publicly reported.<sup>5</sup>

The Knowledge Management approach adopted here reflects the normative approach, concerned with making knowledge available in such a manner as to progressively improve the performance of projects. The scaling characteristics are intended to identify the extent to which a systematic approach is adopted that will lead to a ‘double loop’ process as a result of the project.

### A Normative Evaluative Framework of Knowledge Management in Anti-Corruption Projects

Sub-standard and standard projects received scores of 4-6.

- 6. Poor – Activities make little mention of anti-corruption measures, or only provide a cursory list of measures with little organisation or no apparent model governing the discussion. Discussion focuses on abstraction rather than concrete examples. No organisational structure apparent.
- 5. Needs improvement – The activity describes a number of anti-corruption measures but only provides a cursory discussion of the pros and cons of implementation based on “accepted wisdom” rather than hard analysis. An organisational structure might be in place for working on anti-corruption issues.
- 4. Adequate – The activity’s objectives, target groups, and methods of implementation are clearly defined. The activity creators had some model or intellectual framework which guided project design rather than simply choosing “best practice” at random. The adoption of activity elements is guided by and refers to concrete and specific cases. Possible risks and inadequacies in current knowledge are clearly identified. Assertions can be falsified.

Standard to excellent projects 3-1 are part of a large organisational programme which takes the knowledge perspective.

- 3. Fair – Projects are adequate (as defined above). In addition, a system of anti-corruption project evaluation has been clearly defined and is actually implemented – both for own projects and for projects which serve as best practices and lessons learned from other organisations. A system has been developed to train staff and external partners about anti-corruption.
- 2. Good – Projects are fair (as defined above). Furthermore, projects attempt to use knowledge from stakeholder groups and about stakeholder groups during implementation. Such knowledge may consist of the groups’ financial interest, political interest, as well as knowledge about people involved, resources used, processes, and types of relationships.
- 1. Excellent – Projects are good (as defined above). Moreover, the activity has in its design staff time and resources for learning from and making better anti-corruption projects. These are “learning anti-corruption projects”.

<sup>5</sup> The incentives for using private or restricted knowledge management may in part be an artifact of the organisational imperatives as alluded to above, but also the importance of tight and more personal networks in the process of designing and implementing projects.

## 6. Results of an internet survey

The scores given summarise the extent to which an anti-corruption project looks at needs, considers the competitive environment, and incorporates the knowledge management perspective. The better the score the more likely the outcome of double loop learning as a consequence of its KM approach.

Table 1. Scores for agencies

Organisation	Number of Projects	Number of 1-2 projects	Number of 3-4 projects	Number of 5-6 projects
<b>Utstein Group</b>				
Norad	5	2	3	
DFID	4		3	1
Netherlands	6	2	4	
SIDA	6	2	3	1
CIDA	4			4
GTZ	4	3	1	
<b>Non-Utstein</b>				
World Bank	2	2		
IMF	3		1	2
USAID	4	3	1	
OECD	3	3		
PwC	2	1	1	
TI	4	4		
Soros	3		3	
<b>Totals</b>	<b>49</b>	<b>21</b>	<b>20</b>	<b>8</b>

Table 1 shows that the majority of the projects were within the 1-4 range. Poor projects may reflect lack of information disclosure rather than faulty project design and thus these inferences must be viewed as tentative. Most of the Utstein agencies were relatively evenly distributed between scoring categories. Non-Utstein agencies tended to clump toward the upper end of the scoring scale – and these non-Utstein group members consistently performed better than their peers in the Utstein group.

Based on the indexing of the projects the report considered how the processes within the schema (See figure 1 page 4) were carried out and the effect this has had on the quality of KM.

### Assessing needs (1)

- The report highlights five main ways that needs assessments appeared to be conducted with reference to projects in our sample group.
- The “speed dating approach” usually consists of an assessment mission asking various individuals their opinions about the nature of a future programme.
- The survey approach uses opinion surveys to assess subjective levels (degree) of corruption.
- An internet survey approach seeks to find as much information about the country on the Internet, including other donor’s work.
- The own-reasons approach derives from the assumption that corruption exists and the attempt to use “best practice”

– combined with an implicit donor organisation’s view about corruption -- in an attempt to remedy the corruption problem.

- Through long-term relationships not only between organisations, but individuals in those organisations as well.

The “own reasons” approach was found to be the most common approach. Anti-corruption units and departments in the donor organisations have the same institutional pressures as other departments. According to informal discussions with donor organisations, three institutional factors are responsible for donor organisations choosing anti-corruption projects relatively independently of assessed needs.

First, the donor is engaged in other sector and country-level work with the country and the client specifically requests anti-corruption activity in these areas. Second, an institutional mandate and funding is given to the donor organisation to fight corruption. Management subsequently looks for areas in which to use this money. Third, the organisation is eager to quell external criticisms that it is not responding to the corruption issue.

All of these approaches are problematic in terms of needs identification. Donor project documents reviewed for this report spend little or no time discussing detailed needs.

One explanation for the lack of needs assessment information is that the definition of anti-corruption makes needs assessment inherently difficult. Anti-corruption is a “clinical science” – it is only diagnosed by its symptoms and no accepted framework exists for agreeing that certain problems require certain projects. Given the role institutional design plays in corruption, many anti-corruption projects have other aims. For example, a civil servant wage adjustment may aim as much to increase incentives to boost effort, as much as to reduce incentives to seek bribes.

Second, “need displacement” (the identified anti-corruption need being caused by an underlying factor) also makes needs identification difficult. Much petty corruption – such as the seeking of bribes – occurs as part of a patronage system designed to finance political parties. Addressing petty corruption would simply promote the circumvention of these rules in an ongoing attempt to finance parties.

Third, the anti-corruption practitioner does not know what he or she does not know. While such a “meta-knowledge” problem exists in all projects, the problem is especially acute in anti-corruption work. The corruptor and corrupted both have incentives to keep anti-corruption needs secret.

The compartmentalisation of anti-corruption knowledge and action also contributes to poor information. The implicit aim of several national anti-corruption programmes has been to get the Ministry of Interior (who works on enforcement) to work with the Ministry of Finance (who tracks the finance) to work with the public procurement office (who may be generating corrupt incentives), to communicate with the business associations (who may be turning a blind eye to the problem). And like in any system political and bureaucratic in-fighting over who controls anti-corruption work may also lead to information not being shared – both within donor organisations as well as within government bureaucracies.

## Learning from past experience (2)

Once needs have been assessed, other donors’ project experiences should be considered. This process does however not seem to be managed properly. Donors tend to use one of five methods (or several in combination) to learn about previous relevant efforts.

- The first method is the Hail Mary Approach. With this approach, the donor does *not* seek information about others’ experiences and goes blindly into the project. These projects tend to be one-off activities – often involving a large number of foreign “experts.” Little knowledge accumulation occurs.
- In the “search approach”, the project manager searches the Internet for information and during an assessment mission, the project manager may meet other donors. While little hard data supports the conclusions drawn, the “search method” is probably the most common method of finding and using other project data. Search methods tend to produce knowledge useful for the project only and which disappears once the project is underway and/or the project manager moves.
- The “partnership” approach provides an easy and quick way of collecting data about other donors’ work – especially if every donor working on anti-corruption for the country is included. Broad programmes – such as support for national anti-corruption programmes – tend to involve a significant amount of partnership, presumably given the resource requirements. Highly specialised projects – such as those focused on tax administration reform – also involve partnership, presumably due to the ability to delegate highly specialised tasks.
- “Own-track” approaches involve partnership, but within the organisation rather than between organisations.

Unsurprisingly, “long-term relationship” approaches are probably the **best and least used** methods of collecting knowledge from others’ work. These tend not to be projects, but long-term structures where donors constantly interact with one another and with the recipient. Long-term relationships are expensive and costly for project staff who must remain with the project during a significant part of their working life. In the case of structures such as networks, one donor generally provides leadership for the benefit of all.

## Challenges to information collection

In general, finding information about donor work is difficult for a number of reasons. First, the problem of defining corruption forces the task manager to include a wide range of activities. Each month, a wide range of project documents, internal discourse, and published reflections from the over 20+ organisations are produced dealing with anti-corruption. Such written work also includes the hundreds of published academic and semi-academic articles written in the world’s journals and other publishing outlets. Much of this anti-corruption knowledge is not being peer-reviewed and disseminated in the mainstream knowledge outlets.

Second, the lack of cross-referencing makes anti-corruption research extremely difficult. Almost none of the projects covered by our assessment provided links to similar projects. Projects did not even have links to other projects conducted by the same organisation. Even the World Bank, which requires on its project briefs links to other World Bank projects (but not to external projects), does not exclude explicit Internet links. Lack of cross-linking might

have reflected organisational culture or time constraints – though the exact reason might be a question of trust.

Third, lack of an anti-corruption Yellow Pages or expert lists prevents access to much anti-corruption knowledge. Anti-corruption experience may reside in colleagues in the same organisation, in other development agencies, or within other government officials at the national and sub-national levels. Useful information also resides in the business contacts, journalists, and NGO members operating internationally and domestically. Often, persons listed as responsible for a project are the co-ordinators responsible for administrative functions within the funding organisation rather than the experts who worked on the project. Many anti-corruption project managers in both the Utstein and non-Utstein group have little or no direct experience in anti-corruption.

Fourth, extraction problems arise due to the gap between what groups know versus what their individual members know. The individual members of the Independent Commission Against Corruption (ICAC) in Hong Kong may not have taken international courses in anti-corruption and yet as individuals and especially as an organisation, the ICAC was extremely effective. Extracting and replicating the work of the ICAC has proven extremely difficult for donor sponsored anti-corruption agencies in Bolivia, Georgia, Latvia and in other countries. The extraction problem generally affects organisations trying to recruit talent to bolster their anti-corruption knowledge. Despite repeated work with international experts in anti-corruption, many of the Utstein donors have not developed their own experts in anti-corruption.

Fifth, systematising anti-corruption information is difficult. The various definitions of anti-corruption contribute to classifications problems. Popular categories for anti-corruption best practice are either based on the institution covered (Ministry of Justice, Civil Society) or the country covered. A “normal” project could for example be categorised under Ukraine, Eastern Europe, national strategies, awareness raising, participation, and a number of other categories. As the number of categories increases, the amount of time and resources needed to cover these topics increases.

Sixth, differing interpretations for the same information make collecting and using anti-corruption knowledge extremely difficult. Within a single project report, paper, or discussion, a wide range of different observations, best practices, and lessons learned may exist covering different areas. Any individual has a collection of experiences which be drawn upon. We suspect that most projects could be considered a success by one person and political spin by another. Such difficulties have resulted in increasing communication gaps between practitioners.

**Implementation and resourcing (4a,b and 5)**

A significant inference from the study is that the agencies have been rather poor at putting in place systems that identify and share the knowledge generated within the organizations. Most often “difficult issues” like whether or not an agency should go for more budget support has either been left to a small group of specialists within the agencies, with weak links to the knowledge generated elsewhere in the organization. Sometimes knowledge generation and analysis may be left to outside agents. It seems that the primary tactic of the Utstein agencies is an implicit strategy of “outsourcing” anti-corruption work.

Outsourcing is fine per se but should attempt to incorporate external expertise within the donor organisation rather than simply

pass-through the responsibility of implementing an anti-corruption contract. Table 2 highlights the main advantage of outsourcing which lies with the potential decrease in anti-corruption project cost and increased access to specialised or creative anti-corruption knowledge. However, the contracting agency, by pursuing such an “arms length” relationship can often fail to observe the methods used to generate anti-corruption knowledge or gain more than a cursory understanding of what recommendations produced actually mean. The many anti-corruption projects co-financed by the bilateral agencies and run by the World Bank could serve as an example to this.

**Table 2: Anti-Corruption Outsourcing: Positive and Negative Attributes**

Outsourcing target	Advantages	Disadvantages
External consultants	1. Access to specialised knowledge  2. Independence of advice	1. Lack of long-term commitment  2. High costs
Country-based consultants	1. Access to local networks and knowledge  2. Possible long-term commitment	1. Possible hidden agendas  2. Lack of advanced skills
Other donors	1. Consolidation of command and learning  2. Results orientation	1. Funding institution learns little  2. Accountability weakens  (possible advantage for donor?)

The agencies have also outsourced the sharing of anti-corruption knowledge to outside agents. While Respondanet appears to be a preferred venue of sharing for USAID and the OECD for sharing information about international legislative action against corruption, then U4 is the main information consolidator for the U4 agencies. For almost all the Utstein donors, the lack of in-house mechanisms for sharing anti-corruption information appears deliberate, given a large number of passing references to the issue of corruption – thus supporting the “outsourcing” hypothesis.<sup>6</sup>

The knowledge sharing issue and use of out-sourcing represent two linked dilemmas for agencies. Firstly, their internal incentives to show performance to their funders may lead to ‘private’ behaviour, so as to benefit from investment or innovation they may

6 The effect on costs may be ambiguous. Many donor agencies account for external consultants differently than their own staff. Therefore, assigning several members of staff on an anti-corruption project may only represent opportunity cost for any particular budgetary unit in a donor organisation whereas hiring an external consultant would require a separate budget. The engagement of an external consultant would therefore appear as a large expenditure even though the salaries of the staff assigned to the same project may greatly exceed the cost of an external expert.

make. However possibly, in order to meet cost efficiency targets, to overcome the very significant costs of having high quality (tacit) knowledge applied in a project the agency may discount its ability to retain and develop new knowledge as a consequence of the project. The agency thus has less to share beyond the reports themselves.

The role of info-mediaries can improve or reduce the amount of knowledge. These info-medaries – such as Respondanet, Anti-Corruption Network for Transition Economies and the U4 site – provide information which would not otherwise be available, organised according to categories. Most of the projects assessed were taken from U4's pages as DfID and GTZ did not provide easily accessible project information on their own sites. Yet, the information obtained from U4 was cursory and did not provide the details required to make an informed evaluation.

## 8. Improving Donor Knowledge Management

To recap, a learning organisation assesses needs and is able to choose targeted interventions which are directly relevant to the anti-corruption project's objective and fit within a branch of pre-existing work. A learning process reduces variance over time and addresses the underlying problem(s) more closely. This report has identified a number of challenges for U4 donor agencies generally, and for the U4 ACRC particularly.

General Challenges for U4 Agencies:

### 1. Identifying needs

At present, Utstein donors appear to be erring on the side of too little structured and co-ordinated thinking on recipients needs. Building of suitable networks in client countries would help reduce the costs of this process.

### 2. Building 'institutional memory' to support future projects

Future work on knowledge management must allow donor agencies to develop and retain anti-corruption knowledge. One priority for donor organisations is to open their projects to public scrutiny if they hope to receive the information they need to convert client needs into anti-corruption knowledge. For examples of other KM activities which can be considered see <http://www.u4.no/themes/km/examples.cfm>

Additional methods may include:

- Let staff publish (reference to PREM notes or Staff Advisory Notes)
- Set aside time at the end of longer missions for staff that are willing to write down their experiences
- Review whether the rotation system is a part of the problem. Should staff in key positions be able to stay on to sustain institutional memory?

### 3. Systematising project knowledge

The difficulty of categorising anti-corruption projects should be addressed as this will help make knowledge more accessible. Consideration should be given to using the categories of knowledge being addressed as referred to in this report, as well as others.

### 4. Producing shared resources

Communicating systematised information and knowledge should receive high priority. Making chaotic knowledge available is unlikely to assist the KM project.

- Producing search tools adapted to the needs of users will lower the cost of access to all stakeholders.
- Producing some form of directory of contacts working in the field would aid knowledge sharing and the development of new networks.

### 5. Moving the knowledge 'centre of gravity' towards the 'consumers'

If moving the centre of gravity of knowledge out towards the local sources of need can be achieved through active capacity raising then a number of practical KM problems may be addressed: partnerships can be forged in the process, needs analysis can be facilitated and ideally, donor co-ordination might be enhanced through demand, rather than attempting it through supply.

### 6. Incentivise demonstrable double loop learning

- Consider a "Project of the year" award within the agencies
- Evaluate more AC projects looking not just at impact but also looking more specifically at KM issues

### 7. Increasing Incentives for Donor Coordination

In order to develop co-ordinated project strategies, the donors will need to address the incentives to compete between themselves, which undermines the ease with which knowledge sharing takes place formally. [It may further partly explain the preference for face to face meetings workshops and conferences as a means of knowledge management.] Although this is a significant task in itself, one way of enhancing this would be for individual projects to have to justify their value added to existing and planned projects (so far as could be known). At least all project proposals/ documents should refer to research/other/ similar projects/ within the organisations

### 8. Achieving an "inside" understanding of donor KM practices

This study has not attempted a detailed study of the formal and informal processes by which knowledge is managed in Agencies. It has inferred much from the material published on the web. While this provides a view on how non-insiders can interact with the KM processes, it is not possible to say a great deal about insider co-ordination. It is not a given that poor dissemination to outsider groups will result in poor learning, although we should not be surprised if this were the case. Such a detailed study would complement the 'non-insider' perspective presented here.



## Final comments on the U4 Resource Centre

The U4 Resource Centre is, as noted, concerned with addressing knowledge management challenges to the extent its resources allow. During the second phase of its work, it has shifted from producing anti-corruption research to providing services like training and a helpdesk where best/current knowledge on specific topics is brought forward. More effort could certainly be spent on extracting the many good practices that are available and sharing them on the web.

Knowledge about anti-corruption comes to the organisation largely second-hand. To create a double-loop learning organisation, U4 will either become a centre of excellence in anti-corruption knowledge production itself or will act as an advisor in knowledge management efforts by – and among – individual Utsein agencies. If it chooses the first route, U4 will need to decide whether it wishes to act as a hub of tacit knowledge, attracting the best anti-corruption practitioners or focus on interpreting printed knowledge instead. U4's work in Public Financial Management represents one step towards developing its own competences. More in-depth project analyses (often on the homepage) present better researched examples of good practice. Improving the information on the U4 project database is another avenue which will let the project managers develop their own types of anti-corruption knowledge and make the U4 a center of excellence.

## Peer Review of Summary Note on

# KNOWLEDGE MANAGEMENT FOR ANTI-CORRUPTION:

## PROBLEMS, PERSPECTIVES AND PROSPECTS

Bruce Bailey

### PURPOSE OF THIS PAPER

The purpose of this paper is to offer feedback on selected aspects of the “Knowledge Management for Anti-corruption – Problems, Perspectives and Prospects” and to develop some ideas and questions for further discussion. In doing so, I would like to acknowledge the considerable work done in the background study and the Summary Note. The area of anti-corruption is challenging enough and even more so when combined with the topic of knowledge management.

### ORGANIZATION OF COMMENTS

The detailed comments focus on the following areas:

- The knowledge management challenge for donor organisations;
- The choice of projects as the basis of analysis and the use of the Internet as the main source of information;
- Mining more deeply the experience of various donors in knowledge management;
- Observations from the CMI web-based training;
- Donor knowledge management needs with respect to anti-corruption;
- Questions for further discussion

### THE KNOWLEDGE MANAGEMENT CHALLENGE AND USING PROJECTS AS THE BASIS OF ANALYSIS

There is no disagreement that the challenge involves problems that are multifaceted, cross countries and sectors and have their own unique dynamics. However, as with many complex issues it would be helpful if the paper could disaggregate them and make them more specific in order to get a better idea of the knowledge management needs and how to approach their analysis. Several things need greater consideration in our attempt to define the challenge of knowledge management for fighting corruption.

**Donors are not all the same.** The notion of what constitutes a donor in the area of anti-corruption is highly variable. The size, nature, role and organizational arrangements of donors vary and now include many non-traditional “donors” (as defined by the OECD). Discussions in donor forums about fighting corruption now include organizations such as Transparency International and

the United Nations Center for Crime Prevention. Donors also differ widely in terms of organizational arrangements, decentralization, and many kinds of pressure – political, commercial, popular expectations, and priority calls on resources. Such differences complicate comparisons as well as assessments of knowledge management needs. Nor does it help that too many observers tend to see donor agencies in simplistic and paternalistic terms.

**Partners, the doers of development, need better access to knowledge.** Most donor agencies continue to build knowledge and strengthen access to it in their countries and agencies, while limiting the access of development partners (governments, CSOs, individuals, etc.), who are most in need of it. As with many areas this is part of the larger, somewhat circular issue of “those who have get more” while those who need greater access to knowledge lack the capacity to generate and access it. The “partnership” aspect of knowledge sharing needs much more attention.

**Understanding the forces working against reducing corruption.** Many people, when they are fighting the “good fight”, adopt a blinkered belief to what they are doing. We need to understand better the environments and the forces which feed and sustain corruption.

**The problems are usually holistic and systemic.** Donor assistance, particularly in Africa, is clearly moving toward more programmatic and policy-oriented approaches such as Poverty Reduction Strategy Papers (PRSPs), Sector-wide Approaches (SWaPs), Direct Budget Support (DBS), as well as towards policy and institutional changes aimed at deregulation and strengthening market mechanisms. Strategic and programmatic approaches to fighting corruption are being encouraged. These approaches are being combined with attempts at greater donor harmonization, coordination and collaboration, calls for greater partnership, and increased attempts to ensure partner ownership. In this environment, looking at either the fight against corruption or at knowledge management from a project point of view is too limited.

Projects are simply not an adequate basis for assessing what or how well donor agencies are doing in knowledge management for anti-corruption. In addition, the Internet is a very incomplete source of information about donor activities and knowledge about fighting corruption. There is a wide range of valuable information (diagnostic studies, mission reports, anecdotal information, etc.) as well as (probably) a large amount of evaluative information “out there” but not easily accessible to those outside the organizations – and often to those inside as well. It is not on the Internet but in the heads and files of individuals as well as in extranet systems.

### MINING MORE DEEPLY THE EXPERIENCE OF VARIOUS DONORS IN KNOWLEDGE MANAGEMENT

Several donors have considerable experience in knowledge management and have learned a great deal about its benefits and its challenges. Many innovative activities are also taking place within parts of many donor agencies which may not formally be called knowledge management – but they are. Specific examples include the use of extranets which are accessed by employees of the agency but also by many from outside. Another example is the posting of various reports on Yahoo Briefcase and making them available to a wider audience. We need to know more about these kinds of effort, formal and informal, and how they have contributed to better knowledge management.

## OBSERVATIONS OF PARTICIPANTS IN THE U4 TRAINING ABOUT KNOWLEDGE NEEDS

A very quick review of the assignments of participants in the “Donor Strategies” component of the U4 Resource Centre’s on-line anti-corruption training suggests several areas of knowledge management need and/or areas which could use more in-depth investigation. The key issues which seem most relevant to knowledge management for anti-corruption are:

- Weaknesses in the U4 database due to incomplete uploading by all the Utstein agencies (out of date or incomplete project information as well as a lack of evaluative information);
- Lack of information about the anti-corruption activities (strategies, policies, projects, assessments of results) of local partners (governments, CSOs, private sector);
- Inadequate partner government strategies, policies and programs, which result in donor projects that are not linked to national plans;
- A similar lack of information or difficult to access information about various activities of other, non-U4 donors;
- Frequent frustration, but also positive remarks, about coordination with other donors;
- The importance, and frequent lack, of initiative, strategies, political will, leadership, ownership and commitment on the part of government partners;
- Weak donor coordination, collaboration, policy coherence and transparency. Despite the increased use of SWaPs, PRSPs, Direct Budget Support and other attempts at harmonization and coordination, poor donor coordination and lack of transparency is a continually recurring theme which involves donor agencies/countries as much as partners;
- The dilemmas, need for, and concerns about the effectiveness of conditionality, benchmarking, incentives, pressure and sanctions. Many also expressed frustration with the us-them nature of many aid relationships;
- The importance of having better knowledge about the local environment (political economy of corruption, clans, oligarchic relationships, etc.), which was a constantly recurring theme;
- Donor lack of transparency with respect to evaluations, assessments and many other areas;
- Inadequate efforts to control the supply side of corruption on the part of donor countries and international organizations. This includes a wide range of sub-issues related to the need for other donor country agencies to be more assertive in attempting to control their own companies involved in extractive industries, in taking stronger action on issues related to stolen assets and extradition, as well as in monitoring and enforcing anti-corruption conventions.
- Highly variable perceptions as to whether the effects of greater economic liberalization, privatization, deregulation, etc. increased or decreased corruption;
- integrating anti-corruption into poverty programs, requiring different strategies and approaches;
- The evolution, growing sophistication and competence of both national and international CSOs and NGOs;
- The importance of strengthening the demand side in fighting corruption, nurturing partnerships, encouraging citizen participation and not relying completely on governments;

## DONOR NEEDS IN TERMS OF ANTI-CORRUPTION KNOWLEDGE

Donors vary widely, as do their information needs. The importance of being highly strategic cannot be understated. Anti-corruption knowledge needs may fall into the following subject matter categories:

- **Donor Agency Anti-Corruption Policy/ies and Strategy/ies.** It is difficult to imagine how an agency which wishes to take corruption seriously can function without policy statements of some kind at agency, country/program and project levels that clarify for a range of stakeholders what the agency thinks and wants to do about corruption issues;
- **Who is doing what – and evaluation results.** Projects, diagnostic work, strategies, evaluations and assessments of results from various donor-related organizations, partners (government and civil society), and the private sector;
- **How agencies organize themselves and what works.** Competencies needed (at various levels), operational policies and procedures, leadership, incentives, organizational arrangements, creating a community of learners, etc;
- **Fireproofing agency activities.** Ensuring the integrity of funds over which the agency has direct control – whether the funds are involved in anti-corruption activities or not;
- **Working on anti-corruption activities with partners.** This could include a range of project-level activities such as training, diagnostic work, needs assessments, program or project design and implementation that are explicitly aimed at fighting corruption or have an implicit anti-corruption component. They could also contribute policy-level assistance in areas such as an anti-corruption strategy, privatization, de-regulation, etc.
- **Policy dialogue with partners and other donors (bilateral and multilateral).** This could include dialogue at country or international level among donor agencies; participation in development fora with development partners; dialogue between multilateral agencies and donor agency contributors; and issues related to conditionality, incentives, benchmarking, etc.
- **Understanding the dynamics of corruption in a country or region.** Elite/crony systems, the political-social-economic realities of corruption, the roles of monopolies/oligopolies, dysfunctional regulations, etc.
- **Home country activities.** Money laundering, repatriation of plundered assets, stronger monitoring of the application of anti-bribery and anti-corruption legislation in international transactions, etc.

The categories listed above are only one part of the equation. Access to information, management leadership, incentives, organizational culture, and many other factors have a bearing on how and to what extent information is shared and to what extent the knowledge gained is actually used. Simple questions such as knowledge for what purpose and for whom are still important. And, at the risk of repetition, donors and those who work with them have to be highly strategic if the above list of topics is to be turned into something useful and not to create another section in the information junkyard of “needed” but unused information.

## IMPROVING KNOWLEDGE MANAGEMENT

If we go back to the aims and objectives stated in the summary, two broad questions arise: (i) How can the donors improve their anti-corruption knowledge; and (ii) How can the U4 Center become a better information facilitator?

The summary pulls together 8 points. Let me comment briefly on each of the challenges detailed in the summary.

### 1. Identifying needs

The identification of needs is obviously important. It is also one of those activities that has to be very closely linked to some kind of specific problem or issue that is in turn linked to a specific change or improvement that is wanted. Too general a discussion about needs does not allow for an adequate consideration of obstacles to meeting those needs and of the kind of resources and effort required.

### 2. Building institutional memory

I completely agree that donor agencies have to become much more open, not just in terms of project information but, more broadly, in terms of evaluations, assessments, etc. The World Bank site demonstrates the potential and challenges for greater openness. What influence this greater sharing of knowledge and opinion has on its policy is, of course, open to debate. However, the Bank demonstrates the advantages of greater openness and may help to reduce fears that the institution can survive possible internal dissent and debate as well as greater public scrutiny.

The suggestions made are sensible ones and certainly the rotation of staff often works against strengthening institutional memory. However, there seem to be other issues affecting the strengthening of institutional memory which involve organizational culture, leadership and incentives. At the same time, some parts of the same organization often seem to be better at building and using memory. We need to understand better the non-technical factors that assist and impede this process.

### 3. Systematizing project knowledge

The U4 database managers have had plenty of experience in grappling in detail with this issue. This is not simply a technical problem but a mini-example of the challenges of donor coordination. The cost and effort of translation is also a factor which cannot be ignored.

### 4. Producing shared resources

This is an area which has a lot of potential. I suspect that the realities of this issue and number three above need a much more specific discussion. I also suspect that there is a lot more experience and experimentation about sharing knowledge in the donor agencies than we are giving them credit for, and that we can now go far beyond generalizations and discuss very specific kinds of approach that either do or do not work.

### 5. Moving the knowledge centre of gravity

I tend to favour the use of “doers of development” rather than consumers or clients, but this may just be semantics. It would be helpful to look at a few examples of attempts at knowledge sharing, whether locally driven and independent or supported by donors, that seem to work or show promise so as to get a better insight into how this general objective might be met.

### 6. Incentives for double loop learning

This gets into the area of the role of management in donor

organizations, leadership etc. I think one has to come at this kind of issue from quite another perspective that is more management oriented and speaks the language of managers.

### 7. Increasing incentives for donor coordination

Obviously there are things to be learned and improvements to be made, but the issues related to donor coordination are too big and too complex to be dealt with in any sensible way in this kind of study.

### 8. Achieving an “inside” understanding of donor KM practices

This could lend itself very well to a study which would have to be planned and implemented in close collaboration with donors.

## CONCLUSION

A great deal of potential exists for increasing the dissemination and sharing of knowledge, not only by donors but also between donors and NGOs, research institutions and various development partners. Several things come to mind which are not new, but may be worth repeating.

### Undertake collaborative efforts to create and share knowledge.

There are a number of potential areas of common need or interest. One example is diagnostic studies which several donors might need and which would be of common interest to NGOs and partner governments. A specific example might be an anti-corruption diagnostic study of a specific government agency (procurement, customs, etc.). There will always be some disagreements about purpose, focus, and making results available. However, these kinds of study offer the possibility of combining resources and developing more transparent ways for government, NGOs and donors to work together and produce one study that is accessible to all, rather than several studies which may only be partially available. If there are concerns about the potential quality of the study, a peer review process could be set up. The process would not have to take longer than the current production of many studies.

### Minimize duplication of effort and expand the sharing of knowledge which already exists.

Let me provide a concrete example from recent experience. CIDA, as part of planning a project, commissioned a number of studies on a variety of topics ranging from the structure and function of various government agencies at various levels of government, an inventory of CSOs, a general assessment of capacity, and a study of land tenure issues – to name only some. The reports were put up on Yahoo Briefcase and are available to CIDA employees and a number of consultants. The information contained in many of the reports could be of considerable use to anyone who is planning projects. It could also minimize the work of consultants or others and avoid duplicating work already done. The reports could be updated from time to time and if there were concerns about the quality of some of the reports, a peer process could be used to review them and make improvements.

**Summaries of studies and/or annotations.** The explosion of information is only going to continue. New search engines may be of some assistance. However, we need other tools to help us sift through documents and make judgements about relevance. An

obvious and simple way is to strengthen the making of summaries and annotated lists of documents which help to direct us to what we think we need.

The above ideas lend themselves extremely well to greater and better sharing of assessment and evaluation information. Evaluations are where the lessons are learned and best practices can be identified in order to inform better planning and policy. A great deal of information is already available. Accessing it does not require new search tools. It requires leadership, shifts of attitude towards transparency and sharing - and some risk taking.

There are limits to any study and the depth to which its analysis can go. However, primarily because of the methodology, the study does not capture many of the initiatives and experiments in knowledge management that are almost certainly going on within individual units of donor organizations, as well as at some of the larger NGOs. If CIDA is at all representative, there are a variety of experiments with different kinds of networks and extranets (some internally managed some using outside resources such as Yahoo Briefcase) that are serving a diverse range of users, both in and outside the organization. These networks seem to develop, persist and decline somewhat independent of overall organizational leadership and policy. The technology is only one part of why they seem to work. We need to know more about the needs they serve, how and why some networks work well when others do not, and the interplay of factors such leadership, individual initiative, the culture of the sub-units versus the larger organizational culture, and some entrepreneurial efforts to find resources to run them.





U4 is a web-based resource centre for donor practitioners who wish to effectively address corruption challenges in their work. We offer focused research products, online and in-country training, a helpdesk service and a rich array of online resources. Our aim is to facilitate coordination among donor agencies and promote context-appropriate programming choices.

The centre is operated by the Chr. Michelsen Institute (CMI – [www.cmi.no](http://www.cmi.no)), in association with Transparency International. CMI is a private social science research foundation working on issues of development and human rights, located in Bergen, Norway.

U4 Partner Agencies: DFID (UK), Norad (Norway), Sida (Sweden), Gtz (Germany), Cida (Canada), and the Netherlands Ministry of Foreign Affairs.

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