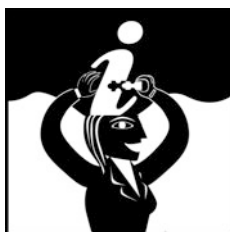


## Proposition 14

# Enhancing Knowledge Management Strategies

**In a Word** Despite worldwide attention to strategic planning, the notion of strategic practice is surprisingly new. To draw a strategy is relatively easy but to execute it is difficult—strategy is both a macro and a micro phenomenon that depends on synchronization. One should systematically review, evaluate, prioritize, sequence, manage, redirect, and if necessary even cancel strategic initiatives.<sup>1</sup>



## Background

On 4 May 2009, at the 42nd Annual Meeting of the Board of Governors of ADB, Haruhiko Kuroda—ADB President and concurrent Chairperson of ADB’s Board of Directors—stressed the importance of knowledge to that organization:

*To be fully effective, we must also consciously and actively blend knowledge with financing. We will focus on developing, capturing, and sharing knowledge in all our work, ensuring that ADB serves an intermediary role for both financing and knowledge.*

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<sup>1</sup>These *Knowledge Solutions* abridge *Enhancing Knowledge Management Under Strategy 2020*, the plan of action for 2009–2011 that the Asian Development Bank approved in July 2009.

## Enhancing Knowledge Management Under ADB's Strategy 2020

These *Knowledge Solutions* showcase the set of actions/outputs that, on 31 July 2009, President Kuroda then approved to advance the knowledge management agenda under *Strategy 2020*, the long-term strategic framework of the Asian Development Bank (2008). Four pillars will support them: (i) sharpening the knowledge focus in all ADB operations, (ii) promoting and empowering communities of practice for knowledge capture and sharing, (iii) strengthening external knowledge partnerships to develop and disseminate knowledge, and (iv) scaling up staff development programs to improve technical skills and manage knowledge. The four pillars are closely related: the set of actions/outputs that make up the first focuses on adding value to ADB's operations in its developing member countries; the other three sets deal with how that might be achieved.

### Articulating Actions/Outputs

*Plans are only good intentions unless they immediately degenerate into hard work.*

—Peter Drucker

ADB's plan of action for knowledge management connotes a pragmatic, step-by-step approach: the initial actions/outputs are for a 3-year time frame; measures for their implementation will be incorporated into ADB's Work Program and Budget Framework (2010–2012); and the progress will be monitored and reviewed at the time of ADB's annual budget review by the Regional and Sustainable Development Department in ADB, in consultation with ADB's Budget, Personnel, and Management Systems Department and Strategy and Policy Department.

### Identifying Complementary Measures Contributing to Actions/Outputs

*Half the failures of this world arise from pulling in one's horse as he is leaping.*

—Julius Hare

ADB's plan of action does not discuss but flags aspects that support and facilitate knowledge management practices, viz., budgetary allocations, business process improvements, and information technology. Several measures are already under way; ADB's Budget, Personnel, and Management Systems Department, Office of Information Systems and Technology, and Strategy and Policy Department will address others separately, after consultations with relevant parties. These offices and departments were requested to ensure that complementary measures contribute to and fully support the implementation of the actions/outputs presented in the plan.

**Box: Enhancing Knowledge Management Under Strategy 2020: Plan of Action for 2009–2011**

**Introduction**

Knowledge management at ADB is evolving purposefully in the right direction, although more needs to be done. In 2001, *Moving the Poverty Reduction Agenda Forward in Asia and the Pacific: The Long-Term Strategic Framework of the Asian Development Bank (2001–2015)* stressed the role of knowledge management and committed ADB to becoming a “learning organization”. In 2002, ADB established a Knowledge Management Committee, among other measures, to guide the implementation of the long-term strategic framework. In 2004, ADB issued a framework paper on *Knowledge Management in ADB* that set out five areas to prioritize ADB's knowledge management actions.<sup>2</sup> The progress made is highlighted below:

- (i) Enhanced appreciation for ADB's flagship knowledge products, such as the *Asian Development Outlook*, *Key Indicators for Asia and the Pacific*, and *Asia Economic Monitor*, among many others.
- (ii) The launch of communities of practice and the establishment of regional knowledge hubs, both adding to ADB's growing array of knowledge partnerships.
- (iii) Improved coordination mechanisms that govern cooperation between the knowledge and operations departments, and encouraged development of approaches such as the Technical Assistance Strategic Forum.<sup>3</sup>

<sup>2</sup>The framework sought (i) improved organizational culture for knowledge sharing, (ii) an improved management system, (iii) improved business processes and information technology solutions for knowledge capture, enrichment, storage, and retrieval, (iv) well-functioning communities of practice, and (v) expanded knowledge sharing, learning, and dissemination through external relations and networking.

<sup>3</sup>The Technical Assistance Strategic Forum was introduced in 2008 to provide direction for ADB-wide research and development technical assistance and knowledge products on topics of high relevance and impact to developing countries in Asia and the Pacific.

- (iv) Nomination of focal persons for knowledge management in the operations departments, and establishment of knowledge management units in several departments.
- (v) New information technology solutions for improved knowledge sharing in ADB, such as C-Cube and e-Star.
- (vi) Corporate-level recognition of knowledge management and learning by inclusion of chapters on sector and thematic highlights, generating and sharing knowledge, and independent evaluation in ADB's annual reports.
- (vii) Transformation of the ADB Library into a knowledge hub to encourage knowledge networking. The Library hosts book launches and activities of the communities of practice, and provides kinesthetic informational resources such as a touch screen that allows staff to show project locations. In addition to its self-service information resources, it provides timely information support to ADB staff engaged in project design and development. Demand for the Library's knowledge services is driven by the human need for connectivity, collaboration, and storytelling. The Library also created new staff positions to align its operations with the information requirements of *Strategy 2020: The Long-Term Strategic Framework of the Asian Development Bank (2008–2020)*.

To further accelerate progress, better institutionalize knowledge, and help ADB change the way it conducts its core business, the Knowledge Management Center in the Regional and Sustainable Development Department conducted in 2008 a fundamental review of knowledge management practices in ADB, with support from the German Agency for Technical Cooperation. The review involved ADB staff, including those in resident missions, in surveys and focus group meetings. It confirmed the progress made in the five areas of the Knowledge Management Framework, and contributed the following strategic findings and recommendations:

- (i) While the main thrusts of *Knowledge Management in ADB* remain valid, ADB needs to make adjustments to strengthen its work on knowledge.<sup>4</sup>
- (ii) Adjustments must be practical, incremental, and forward-looking, and in particular be aligned progressively to the new corporate strategy (then) being finalized.

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<sup>4</sup>Data from ADB's fourth Most Admired Knowledge Enterprise survey, conducted in 2008, indicate that many staff remain unconvinced of ADB's commitment to knowledge management and learning. Notwithstanding the small number of questions on which it is based, which suggests that ADB should develop additional mechanisms with which to assess progress at distinct organizational levels, the survey invites action to guide more effectively ADB's transformation into a knowledge-based institution.

- (iii) Emphasis should be placed on improving ADB's ability to deliver more adequate and focused knowledge support to developing member countries.
- (iv) A renewed effort in knowledge management is needed vis-à-vis the coordination mechanisms that drive internal and external knowledge partnerships.

The review conducted in 2008 emphasized also that knowledge management is not the sole responsibility of a department, office, or unit: it is an ADB-wide responsibility and all departments have important roles and accountability—the Knowledge Management Center serves as focal point to coordinate knowledge management practices across the institution.

Under Strategy 2020, knowledge solutions are one of five key drivers of change that underpin ADB's lending and technical advisory services to developing member countries. The generation—and application—of knowledge underpins development effectiveness. It increases the relevance of ADB to developing member countries but also to other development partners. The strategy states that “ADB will play a bigger part in putting the potential of knowledge solutions to work in the Asia and Pacific region”. Recognizing the steadily increasing value that developing member countries attach to knowledge services and knowledge solutions, Strategy 2020 explains that ADB's knowledge management activities must be enriched through (i) internal learning from operational practice, and (ii) external learning from long-term strategic partnerships with other international finance institutions and world-class academic and research institutions. Strategy 2020 also calls for streamlining and enhancing institutional arrangements for knowledge management where appropriate.

Based on the findings of the 2008 review and in light of Strategy 2020, this paper presents a practical set of actions/outputs to further advance ADB's knowledge management agenda. The fundamental premise considered when drafting the paper was: “What does ADB need to know to achieve its goals?” The associated questions considered regarding knowledge in ADB were: “When do we need it?”, “Where do we source it from?”, and “How will we use it?” Knowledge is treated mainly in terms of flow, not stock, to emphasize the need to continue to develop insights and new practices and actively support knowledge intermediation through ADB's operations. Knowledge, if not replenished continuously, is likely to be the fastest depreciating resource in ADB over time and even across ADB's clients. The implication is that ADB must invest in knowledge very judiciously from realistic assessments of what value a particular knowledge product or service will provide to ADB and its clients with emphasis on “usability” and “use,” that is, knowledge that can and will be used in clearly defined and intended ways. All this, in turn, has implications for human resources and recruitment of relatively “specialized” expertise against a range of “knowledge positions”.

The action plan starts with emphasis on sharpening the knowledge focus in ADB's operations, to be supported by efforts to empower communities of practice for knowledge capture and sharing, since internal demand is important, with related knowledge demonstrating faster value to feed in at critical points of corporate planning and priority setting. The plan then aims to strengthen external knowledge partnerships for knowledge development and dissemination, and finally scale up staff development programs. Taken together, the action plan represents a pragmatic and step-by-step approach, and the actions/outputs are initial measures for a 3-year time frame beginning 2009. Measures for their implementation will be incorporated into the Work Program and Budget Framework (2010–2012). The progress of implementation will be monitored and reviewed as part of the annual budget review. The draft paper benefited from interdepartmental comments, which were incorporated as appropriate. This final paper reflects the comments from a Management briefing session on 4 June 2009 and from the Management Committee Meeting held on 21 July 2009.

The paper does not offer detailed discussions of aspects that facilitate knowledge management practices, such as budgetary allocations, business process improvements, and information technology. These are critical to implementation but must be addressed separately. For example, the involvement of the Office of Information Systems and Technology is essential to ensure that follow-up facilitative actions/outputs fully support the implementation of those presented in the paper.<sup>5</sup>

### **Proposed Actions/Outputs**

The action plan rests on our pillars:

- **Sharpen the Knowledge Focus in ADB's Operations** ADB's unique abilities to generate, disseminate, and apply knowledge are based on three

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<sup>5</sup>Advances in information technology can leverage knowledge solutions and knowledge services, and the Office of Information Systems and Technology has a significant role to play in helping deliver the increased effectiveness that Strategy 2020 seeks, both in ADB and outside it. Indeed, progress cannot be achieved in the absence of information technology. It can help ADB collect and connect knowledge (that often gets lost) more systematically. One such example is an ADB-wide, web-based repository of good practice notes capturing lessons learned throughout the program or project cycle. Information technology can also be deployed for staff profile pages that store and share information about the knowledge, skills, experience, and interests of staff, and for content-rich communications within ADB, and across resident missions. Improvements in information technology systems can also support web-based communications with external stakeholders, and thus store and share their know-how (and possibly even add value to it). It stands to reason that the Office of Information Systems and Technology should be a bigger part of ADB's knowledge agenda, in coordination with the knowledge and operations departments. The motive, the means, and the opportunities can be clarified when the Office of Information Systems and Technology formulates a follow-up to the Information System and Technology Strategy (2004–2009).

areas of comparative advantage: ADB's central position in identifying trends within and across the region; its capacity for interdisciplinary and integrated approaches; and its ability to then blend knowledge and insight with large, concessional financing. Knowledge enriches financing operations and, in combination with ADB's convening power, spurs development effectiveness. Effective knowledge management can—in fact, must—help identify and put potential knowledge services and knowledge solutions to work through regional and country partnership strategies, investment programs and projects, and technical assistance and policy dialogue. The following actions/outputs are proposed to sharpen the knowledge focus in ADB's operations at the regional, country, and project levels:

- (i) At the regional level, ADB has made notable progress in undertaking and disseminating high impact regional studies. ADB is increasingly recognized as a lead policy advisor that actively contributes to regional forums on key challenges facing developing Asia. Regional strategic studies also support ADB's corporate operational planning. To better serve this function, ADB needs a focused and coordinated approach to identifying and organizing priority regional studies. The Technical Assistance Strategic Forum is one such mechanism to coordinate, over the medium term, research and sector work among knowledge and operations departments.
- (ii) At the country level, the country partnership strategies are key documents that guide medium-term operational programming, in line with international good practices, with focus on results and development effectiveness. Measuring results and assessing development effectiveness call for attention to explicitly reflecting knowledge management as part of formulating and implementing country partnership strategies.<sup>6</sup> In particular, the results matrix in country partnership strategies should specify knowledge indicators. Knowledge management activities should also be properly resourced in the country operations budgets, including resources for economic and sector work, and country diagnostics to inform the country partnership strategy preparation and policy dialogue.
- (iii) At the project level, there is ample room to sharpen the knowledge focus. Lending and technical assistance grants are among the primary

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<sup>6</sup>This invites revision of the template for country partnership strategies. For instance, the new format for country strategic opportunities programs introduced by the International Fund for Agricultural Development in 2006 contains a section on knowledge management and communication that articulates the Fund's knowledge management strategy relative to country-level objectives. It aims to ensure that knowledge management processes are effectively mobilized in country-level policy dialogue, program development, and program implementation.

channels through which ADB brings value to its clients. Lending and technical assistance operations also represent unique opportunities for introducing innovation and promoting learning. Is a project relevant and responsive to the specific problem being considered? Does the design of interventions reflect the knowledge, lessons, and insights of similar situations? What innovative features characterize the project design and implementation? How can the project or program be designed to support rigorous impact evaluation, and to encourage learning and knowledge sharing? These are questions project teams are encouraged to emphasize when developing loan and technical assistance proposals and presenting them to the clients and the ADB Management for decision making.

Implementation of these actions/outputs, especially to sharpen the knowledge focus at the country and project levels, will be supported by the ongoing review of ADB's business processes. This will strengthen ADB's ability to provide innovative services to its clients—both to respond to new challenges and opportunities as they emerge and to implement tried and tested practices.

- **Empower the Communities of Practice** Communities of practice are a potential instrument with which to implement knowledge management within ADB, ultimately to the benefit of its clients. The communities of practice keep know-how of a domain alive by sharing what they know, building on that, and adapting knowledge to specific sector and project applications. ADB introduced the concept of communities of practice in 2002 at the time of ADB's reorganization, with adjustments in 2005. At present, ADB has 12 communities of practice in key sector and thematic areas. The performance of the communities of practice was reviewed in 2009. The exercise identified that (i) the communities of practice have limited outreach to all staff, especially those in resident missions and representative offices; (ii) the budget for staff development and knowledge sharing through the communities of practice is limited; and (iii) there is a need to realign the work and mandates of the communities of practice with the priorities of Strategy 2020. The following actions/outputs are proposed to empower the communities of practice to act as drivers of change, to promote exchange of ideas and good practices, and to upgrade technical skills among peers:
  - (i) Ensure that communities of practice become an integral part of ADB's business processes. Supervisors should fully support both professional and national staff (including those in resident missions and representative offices) to participate in the communities, with the staff's contributions recognized more vigorously in the performance and development planning exercise. Management will ensure provision of

sufficient time for the chairs of the committees to perform their functions for the communities of practice.

- (ii) Increase the budget of the communities of practice, based on a clear set of objectives and, most importantly, measurable “outcomes” of improved knowledge management. Increased budgets will be allocated clearly, directly, and explicitly in proportion to how practical and tangible knowledge management occurs. This will be a case of “output-based financing,” rewarding those who generate and share useful and usable knowledge. Communities of practice with vague or input and/or process-focused proposals will not be funded. This will entail revising the current purpose and structure of the sector and thematic biannual reports.
- (iii) Require the communities of practice to more purposefully engage in external partnerships including especially the regional knowledge hubs that ADB finances. (Engaging nonregional knowledge hubs is to be considered as well.)
- (iv) The role of the knowledge management coordinators in ADB will be reviewed and ways to harness their knowledge, skills, experience, and interests in the form of a community of practice in knowledge management will be proposed.

- **Strengthen External Knowledge Partnerships** Knowledge networks facilitate information exchange toward practice-related goals. ADB will need to further augment internal knowledge sharing through communities of practice by strengthening its knowledge networking and partnerships with external institutions within and outside Asia and the Pacific. Through such external knowledge networking, ADB can share insights from its development financing practices with external partners and benefit from knowledge generated by others. Significantly, external knowledge networking enables ADB to serve one of its core roles as a multilateral development bank—to promote learning and innovation for the benefits of developing member countries.

ADB (2005) decided early to encourage research and networking on innovative knowledge products and services. This led it to establish seven regional knowledge hubs under regional technical assistance in 2005. These hubs are expected to facilitate learning and dissemination, exchange, and sharing of knowledge with and among developing member countries including South–South cooperation. It is important that ADB make them work effectively, including by tasking and using them itself. Other thematic and sector knowledge networking arrangements are through the Asian Development Bank Institute, Economics and Research Department, Office of Regional Economic Integration, and Regional and Sustainable Development

Department. The operations departments have also initiated strategic and policy research partnerships with institutes in and outside the region.

A framework for knowledge partnerships that focus on the region's future development needs must be established—based on Strategy 2020s overarching goal of an Asia and Pacific region that is free of poverty and to meet the Millennium Development Goals. The Regional and Sustainable Development Department reviewed the performance of the regional knowledge hubs in 2008. That review concluded that knowledge partnerships should be based on a better understanding of the forms and functions of networks, and clear definition of expected outputs and outcomes in response to needs. It should also be understood that networks that tie developing member countries to other developing member countries do exist: ADB needs to position itself to add value accordingly. Additionally, it is crucial to foster closer links between ADB's communities of practice, the knowledge and operations departments, and relevant external knowledge partners. Accordingly, the following actions/outputs are proposed:

- (i) Develop criteria for the selection of external knowledge networks including nonregional institutions (from ADB's member countries). Key criteria include (a) the three strategic directions under Strategy 2020 (namely, inclusive socioeconomic growth, environmentally sustainable growth, and regional cooperation and integration); (b) the priority sectors and thematic areas; and (c) the research priorities established under the Technical Assistance Strategic Forum.
  - (ii) Ensure that expected outputs and outcomes are strategically aligned to ADB and developing member country priorities, specified during the selection process, and include requisite support from the relevant communities of practice. For hubs located in developing member countries, the active involvement of the resident missions is strongly recommended. Most importantly, highlight a few well-focused performance and "output and outcome" targets that knowledge hubs know they will be held accountable for delivering against.
  - (iii) Make sure that agreements with knowledge networks spell out the need to conduct proactive dissemination activities in ADB and its developing member countries, and encourage the networks to disseminate ADB's knowledge products too.
  - (iv) Consider knowledge partnerships when ADB enters into agreements with other institutions through documents such as letters of intent and memorandums of understanding.
- **Further Enhance Staff Learning and Skills Development** The ability of ADB and all staff to learn is a precondition to the success of Strategy 2020. Engaging all staff in knowledge management is crucial to generating and sharing knowledge. Yet mainstreaming knowledge management in ADB takes time and resources. Staff learning and development should

be reflected in annual performance and development plan reviews. This is included in the Human Resources Action Plan (ADB 2009). Staff need not only update technical and professional skills but must also acquire and master methods and techniques specifically for knowledge management.<sup>7</sup> The Budget, Personnel, and Management Systems Department has already begun to review ADB's staff learning and development program. The following actions/outputs will complement the ongoing work:

- (i) Design and implement a focused (and needs-based) knowledge management and learning program for all staff, including those in resident missions and representative offices. This program would be jointly developed by the Knowledge Management Center and the Budget, Personnel, and Management Systems Department and involve the communities of practice.
- (ii) Introduce the concept of "sabbatical" in the current "Special Leave Without Pay" arrangement that is based on merits and focused on results, to encourage staff to compete for external learning and knowledge-sharing opportunities (and be recognized for their accomplishments).
- (iii) Invite a number of senior and junior researchers to ADB for short-term assignments in forward-looking studies that are aligned with the priorities of Strategy 2020, with nominations subject to approval by the Vice-Presidency for Knowledge Management and Sustainable Development.
- (iv) Increase the budget for external training for administration by the Vice-Presidents.
- (v) Capture the knowledge and experience of departing staff, especially retiring members, through exit debriefings and participation in the induction program.

These actions/outputs are intended to incorporate knowledge management and learning into ADB's learning and development program, and to enhance knowledge sharing. The overall goal is to ensure that ADB's activities are henceforth based on more innovative and creative approaches that meet the changing needs of developing member countries.

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<sup>7</sup>The Knowledge Management Center began to publicize knowledge management and learning tools in October 2008: the *Knowledge Solutions* series specify tools, methods, and approaches to propel development forward and enhance its effects; the *Knowledge Showcase* series offers an effective tool to disseminating innovative ideas and good practices from ADB operations; *Learning for Change in ADB* offers timely, practical guidance to support and energize ADB's organization, people, knowledge, and technology for learning.

### Next Steps

The actions/outputs proposed above are practical, incremental, and supportive of Strategy 2020. Several of them are already under way. A critical next step to ensure continuing and effective implementation is to incorporate all firmly in ADB's Work Program and Budget Framework (2010–2012). As noted at the beginning of this paper, knowledge management is a bank-wide agenda, and all departments and offices are to be actively involved in implementing the actions/outputs proposed.

Another critical step is to set up a system that monitors and reports on the implementation progress, with a particular focus on “results” and what is actually happening that is different. As the corporate focal point, the Knowledge Management Center will serve this function in collaboration with other relevant departments and offices.<sup>8</sup> The center will facilitate and monitor action plan implementation and report annually through the Regional and Sustainable Development Department to the Vice-Presidency for Knowledge Management and Sustainable Development, and subsequently to the Senior Management Team. The annual report on implementation progress will highlight implementation issues and propose remedial measures and follow-up actions/outputs for Management endorsement. These will be incorporated into subsequent annual budgets and work plans for implementation and continuing monitoring.

## Appendix: Results Framework for the Action Plan

**Impact:**<sup>9</sup> The capacity of ADB and its developing member countries to reduce poverty is enhanced.

**Primary Outcomes:**<sup>10</sup> (i) an improved management system; (ii) improved business processes and information technology solutions for knowledge capture, enrichment, storage, and retrieval; (iii) improved organizational culture for knowledge sharing; (iv) well-functioning communities of practice; and (v) expanded knowledge sharing, learning, and dissemination through external relations and networking

**Responsibility Centers:** All knowledge and operations departments; Asian Development Bank Institute; Budget, Personnel, and Management Systems

<sup>8</sup>Year-on-year monitoring of the progress toward the directions of change will be assessed. This will be effected through the annual budget planning exercise in consultation with the Budget, Personnel, and Management Systems Department and the Strategy and Policy Department.

<sup>9</sup>The impact targeted is that indicated in *Knowledge Management in ADB*.

<sup>10</sup>The primary outcomes supported are those listed in *Knowledge Management in ADB*.

Department; Community of Practice Committees; Economics and Research Department; Office of Co-financing Operations; Office of the General Counsel; Office of Regional Economic Integration; Regional and Sustainable Development Department; and Strategy and Policy Department

| Outcome Indicator  | Action/Output  | Complementary Measures Contributing to Action/Output     | Assumptions and Risks <sup>a</sup>  |
|--|--|--|---|
| <b>First pillar statement: the knowledge focus in ADB's operations is sharpened</b>  |  |  |   |
| At the regional level, ADB is increasingly recognized as a lead policy advisor, notably through the knowledge agenda that its technical assistance for research and development advances | Coordination of the Technical Assistance Strategic Forum is improved   | Business process improvements <sup>b</sup>               | <ul style="list-style-type: none"><li>• Strong commitment by the Senior Management Team</li><li>• ADB values adjust in support of knowledge management and learning</li><li>• Close coordination among offices and departments</li><li>• Availability of adequate resources</li></ul> |
| At the country level, country partnership strategies guide medium-term operational programming with a focus on results and development effectiveness                                     | Country partnership strategies make explicit reference to knowledge management <sup>c</sup>  | Business process improvements                            |   |
| At the project level, key documents embody quality, knowledge, and innovation  | Project processing documents for lending and technical assistance operations incorporate the knowledge, lessons, and insights of similar situations, display innovative features, and lend themselves to learning and knowledge sharing <sup>d</sup> | Business process improvements                            |   |
| <b>Second pillar statement: the communities of practice are empowered</b>  |  |  |   |
| Communities of practice become an integral part of ADB's business processes  | Participation in communities of practice is encouraged and recognized  | Business process and information technology improvements | <ul style="list-style-type: none"><li>• Availability of staff capabilities (experience, competencies, and technical and professional skills)</li></ul>  |
| Output-based financing rewards communities of  | The budgets of communities of practice are increased   | Budgetary allocation                                     |   |

(continued)

(continued)

| Outcome Indicator  | Action/Output  | Complementary Measures Contributing to Action/Output                           | Assumptions and Risks <sup>a</sup>  |
|--|--|--|---|
| practice that generate and share useful and usable knowledge                   | based on a clear set of objectives and measurable outcomes of improved knowledge management  |  | <ul style="list-style-type: none"> <li>Staff attitudes (values and beliefs about innovation, commitment, and flexibility) adjust in support of knowledge management and learning</li> </ul> |
| The communities of practice engage more purposefully in external partnerships  | Partnerships are struck between communities of practice and regional (and nonregional) knowledge hubs                              | Business process and information technology improvements, budgetary allocation |   |
| The contributions of the knowledge management coordinators in ADB are enhanced | Terms of reference for knowledge management coordinators are drawn and a community of practice in knowledge management is proposed | Business process improvement, budgetary allocation                             |   |

**Third pillar statement: external knowledge partnerships are strengthened**

|   |   |  |   |
|---|---|--|---|
| The selection of external knowledge networks is improved  | Criteria for the selection of external knowledge networks are developed <sup>c</sup>                            | Business process improvement, budgetary allocation | <ul style="list-style-type: none"> <li>Staff behaviors (performance, productivity, teamwork, and cooperation) adjust in support of knowledge management and learning</li> </ul> |
| Outputs and outcomes of external knowledge networks are strategically aligned to ADB and developing member country priorities | Expected outputs and outcomes are specified with support from the communities of practice and resident missions | Business process improvement                       |   |
| The external knowledge networks disseminate knowledge products proactively  | Agreements spell out proactive dissemination activities   | Business process improvement, budgetary allocation |   |
| ADB's partnerships agreements encourage knowledge partnerships  | Letters of intent and memorandums of understanding consider knowledge partnerships                              | Business process improvement                       |   |

(continued)

(continued)

| Outcome Indicator  | Action/Output  | Complementary Measures Contributing to Action/Output | Assumptions and Risks <sup>a</sup> |
|--|--|--|------------------------------------|
| <b>Fourth pillar statement: staff learning and skills development are enhanced further</b>         |  |  |                                    |
| Staff skills in knowledge management and learning are developed                                    | A focused (and needs-based) knowledge management and learning program is designed  | Business process improvement, budgetary allocation   |                                    |
| Staff are encouraged to pursue learning and knowledge sharing opportunities when on special leave  | The concept of a results-based and competitive sabbatical is introduced  | Business process improvement                         |                                    |
| Research in priority areas of Strategy 2020 is boosted   | Senior and junior researchers are invited to conduct short-term, forward-looking studies   | Business process improvement, budgetary allocation   |                                    |
| Opportunities for external training are expanded   | The budget for external training is increased  | Budgetary allocation                                 |                                    |
| The tacit knowledge of departing staff is captured to drive organizational performance improvement | The knowledge and experience of departing staff are captured through exit debriefings and participation in the induction program | Business process improvement                         |                                    |

<sup>a</sup>The assumptions and risks identified apply across the four pillars. *Learning for Change in ADB* specifies roadblocks to learning and identifies 10 challenges that ADB can overcome to minimize the risks listed

<sup>b</sup>A business process is a collection of related, structured activities or tasks that produce a specific service or product for a particular client. In ADB, business processes are revised from time to time, typically to strengthen (i) the country ownership in ADB operations; (ii) the partnerships ADB develops with national and international development partners; (iii) ADB's capacity to more effectively engage with civil society; and (iv) ADB's capacity to provide a wider range of services, including knowledge products and services, to developing member countries. Examples of what business process improvements might be called for in relation to some actions/outputs are given in footnotes below. In most instances, their definition will require consultations between the Budget, Personnel, and Management Systems Department, the Regional and Sustainable Development Department, and the Strategy and Policy Department

<sup>c</sup>This will likely entail a revision of the Board document template for preparation of country partnership strategies

<sup>d</sup>This will likely entail a revision of the Board document template for preparation of reports and recommendations of the President, technical assistance reports, etc.

<sup>e</sup>This will likely entail preparation of guidelines on designing knowledge partnerships for collaborative advantage

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