



**Knowledge matters: A guide to PDF II's
knowledge management and monitoring system**



PDF II

Policy Development Facility Phase II

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Summary

The introduction of a unified knowledge management and monitoring system represented a significant institutional shift in the approach of Policy Development Facility Phase II (PDF II) to monitoring and the creation, capture and use of knowledge.

The proactive gathering, creation and dissemination of knowledge was recognised as integral to every aspect of PDF II's performance, with respect to informing and driving improvements in all PDF II domains of policy formulation. Knowledge management improved PDF II's support to the Champions of Change, by sharing knowledge gleaned from the work of Embedded Advisers (EAs) to influence the framing of political debates, secure public sector commitments, and impact the design and execution of policies, including through behavioural change within the public sector.

Knowledge management has a direct bearing on the successful promotion of inclusive growth and the implementation of pro-poor policies in Nigeria, where data and information are known to be difficult to access. It improves the collective knowledge and joint impact of PDF II's EAs. Internal knowledge products and processes – such as tracer studies, interviews and anecdote circles – were key elements, providing much more than 'add on' information for monitoring/reporting purposes. They enabled peer-to-peer learning among EAs, the development of common objectives and best practice protocols, the discovery of tacit as well as explicit knowledge, and more effective communication and coordination among programmes funded by UK aid from the UK government.

Overall, PDF II's knowledge management and monitoring system provided continuous and flexible support for innovative approaches, in keeping with PDF II's role as a responsive facility.

Why did we need to introduce a unified knowledge management and monitoring system?

- **Knowledge management focused on the creation of opportunities to consolidate knowledge and facilitate learning within PDF II and its team of EAs.** It moved beyond formal reporting, to seeking to capture both formal and informal insights about successes and failures, and fostering interaction among EAs to enhance peer-to-peer learning.
- **Integrating knowledge management and monitoring helped to streamline knowledge-gathering processes, avoiding inefficiencies and unnecessary expenditure.** Knowledge management in PDF II drew from and provided feedback into monitoring processes, and incorporated communication and dissemination needs. It also informed annual reviews and other formal evaluations by the UK's Department for International Development (DFID).
- **Effective knowledge management by PDF II enhanced the impact of DFID programmes.** Knowledge management improved the systematic dissemination of PDF II's projects and knowledge products. It also facilitated peer-to-peer learning and coordination among different DFID programmes through a knowledge management network, which helped DFID programmes in Nigeria to enhance their collective impact.
- **PDF II's knowledge management and monitoring system supported value for money.** Knowledge management contributed to demonstrating the value for money (VfM) of PDF II projects, by identifying and collecting evidence on related questions about efficiency, effectiveness and equity from monitoring reports and activities. This information was combined with economic data collected by the finance team, enabling PDF II to demonstrate VfM.

Learning from PDF I and SPARC

The four important features outlined above came from evaluations of the first phase of PDF and of the State Partnership for Accountability, Responsiveness and Capability (SPARC) programme, which included a knowledge management function. The lessons were combined with requirements in PDF II's key founding documents and led to a new knowledge management strategy designed to drive improvements in PDF's outcomes and impact.

Learning from PDF I (2010–2015)

A review of PDF I identified some internal and external knowledge-related shortcomings. In particular, a lack of dedicated resources meant that it was not possible to capture outcomes or measure impacts in detail. There were also fewer non-trade seminars and knowledge-sharing events than originally intended. Reporting was also problematic: consultants initially failed to understand the need to verify outcomes (as opposed to outputs); and many reports were submitted erratically, even though payment depended upon them. The review also revealed a lack of awareness about PDF I projects among the public and key stakeholders.

However, some of these shortcomings were addressed to a significant extent when responsibility for monitoring and evaluation (along with mentoring and training activities) was moved to the in-house team instead of being assigned to an external consultant. Improved processes led to well-structured terms of reference, work plans and reports, and a wider understanding of the importance of results-based project management.

Relevant external knowledge-related factors also impacted the delivery of PDF I. These included a lack of coordination between government ministries, resulting in contradictions and conflicting outcomes; a failure to evaluate policy implementation; and, again, poor understanding of the value of monitoring and evaluation and systematic results-based planning and budgeting.

The review recommended that PDF II devote more resources to sharing and disseminating information and policy proposals, mapping and coordinating its relationships with larger DFID Nigeria programmes, and introducing monitoring and measuring processes to improve VfM. It also stated that improvements made to monitoring and evaluation needed to be maintained and resourced.

Knowledge management and SPARC (2008–2015)

Knowledge management was a key function of SPARC, a joint partnership between the governments of Nigeria and the UK to enhance the efficiency and effectiveness of Nigerian state-level governments' use of public resources. SPARC aimed to capture learning about its work on an ongoing basis, sharing knowledge about common themes and good practice with Nigerian states, for them to adapt and adopt as appropriate.

SPARC found that this approach required the establishment of clear processes for learning and knowledge sharing, such as a knowledge management system that included the analysis of lessons learned to produce useful knowledge, and the strengthening of ways in which knowledge can be accessed by those who need and will benefit from it. In SPARC, monitoring and evaluation operated quite separately from knowledge management, leading to several conversations about how these roles could be integrated.



Knowledge management: challenges and opportunities

Successful knowledge management in PDF II required the following challenges and opportunities to be taken into consideration:

Flexibility

The PDF II programme was flexible, responsive, and open to exploring new approaches. However, this brought its own challenges: a risk of failure as well as success, and a need to match knowledge management methodologies to a variety of beneficiaries and EAs. At the same time, the programme offered the opportunity to implement new and innovative approaches to generating critical knowledge that might otherwise have been overlooked.

Mainstreaming

Experience shows that organisations often find it challenging to embed knowledge management as a cross-cutting set of skills and responsibilities. Team members may think of it as something done by someone else – the knowledge management unit or person. In PDF II, knowledge management was recognised as an opportunity to significantly enhance the programme's outcomes and was mainstreamed across the facility. This meant that all team members were actively involved in and educated about knowledge management, and that it was included in the terms of reference of all EAs.

Maximising knowledge

Accessing tacit or 'soft' information can be a challenge in formal monitoring procedures. In addition, EAs are very busy, with limited opportunities to share their knowledge. The knowledge management system offered opportunities to access this tacit knowledge in 'real time', or as close to real time as possible, while memories were fresh, by using informal tools and mechanisms that also aimed to reduce the time burden for advisers.

Relationship with DFID

DFID maintained direct relationships with PDF II beneficiaries. This was a challenge in terms of the contacts needed to promote learning and replication within the government. However, PDF II's knowledge management system recognised that enabling EAs to learn from each other, and to pass their learning on to government staff with whom they worked, helped to overcome this challenge and assisted DFID.

The link with monitoring

Mainstreaming knowledge management and aligning it with the monitoring process was critical to the successful evolution of PDF in Nigeria. This created the opportunity to draw knowledge from the monitoring process and feed back into it with information that was useful in accounting for results, validating assumptions, and making strategic decisions about ways to improve the relevance and quality of future support to Champions of Change and DFID.

Knowledge management assessed PDF II's performance, including by seeking feedback from Champions of Change and DFID Nigeria. It fed into and learned from DFID-owned and led annual reviews and more formal and rigorous evaluations, and it sought to identify emerging opportunities.

Figure 1: Types of information that monitoring generates



What is knowledge management?

Knowledge is the combination of data and information, to which is added expert opinion, skills and experience, resulting in a valuable asset that aids decision making. In organisational terms, knowledge is generally thought of as know-how, applied information, information with judgement or the capacity for effective action. Knowledge may be tacit, explicit, individual and/or collective. It is intrinsically linked to people.

Knowledge management is the explicit and systematic management of processes enabling vital individual and collective knowledge resources to be identified, created, stored, shared and used for benefit. Its practical expression is the fusion of information management and organisational learning.

Learning is the way we absorb and generate knowledge and improve ourselves. In the context of knowledge management and learning, a *learning organisation* is an organisation that is skilled at identifying, creating, storing, sharing and using knowledge, and then modifying its behaviour to reflect new knowledge.

Olivier Serrat, Chicago School of Professional Psychology

Defining knowledge management and monitoring for PDF II

PDF II's knowledge management and monitoring system drove improvements in the overall performance of the programme, in terms of supporting Champions of Change and delivering lasting change relating to economic reform and poverty reduction in Nigeria. It prioritised the clear and systematic management of vital knowledge, both explicit and tacit, and associated functions that create, capture, store, share and apply knowledge. However, the knowledge management strategy was also flexible. It was designed to respond to changing objectives within PDF II and the needs of EAs and beneficiaries identified through monitoring activities, and to evolve over time.

Key strategic approaches

PDF II's knowledge management system aimed to be comprehensive, informing a wide range of related decisions, including those made by Champions of Change, PDF II's management team and EAs, and DFID Nigeria. Structurally, PDF II divided the system into two key knowledge management functions: external among DFID programmes, other donor agencies and PDF II's beneficiaries; and internal within PDF II and its EAs.

Speed of delivery had been characterised as one of the key successes of PDF I, and the knowledge management system aimed to build on this by systematically ensuring that necessary knowledge flowed to those who need it, in the right formats and at the right time. This promoted informed and coordinated approaches to policy change among the various different actors.

Guiding principles

- The knowledge management and monitoring system had a flexible structure that supported PDF II's aims and objectives.
- Knowledge management and monitoring was mainstreamed across all aspects of PDF II, and everyone was actively involved in it.
- PDF II's knowledge management and monitoring system focused on people and processes, using knowledge drawn from monitoring to inform design of knowledge management activities that create spaces to foster critical reflection and direct peer-to-peer exchanges as a valuable means of knowledge transfer.
- Lesson learning was at the core of PDF II's knowledge management and monitoring system, which facilitated technical backstopping to EAs, and learning among the EAs and with other DFID programmes.
- Tacit ('soft') knowledge was sought frequently through informal channels so that lessons could be learned and used quickly. This was combined with explicit knowledge gained from formal reporting procedures to provide more detailed insights into reasons for success or failure.
- Knowledge analysis and outputs produced to professional quality standards enabled sharing with stakeholders within Nigeria and internationally.

Key objectives

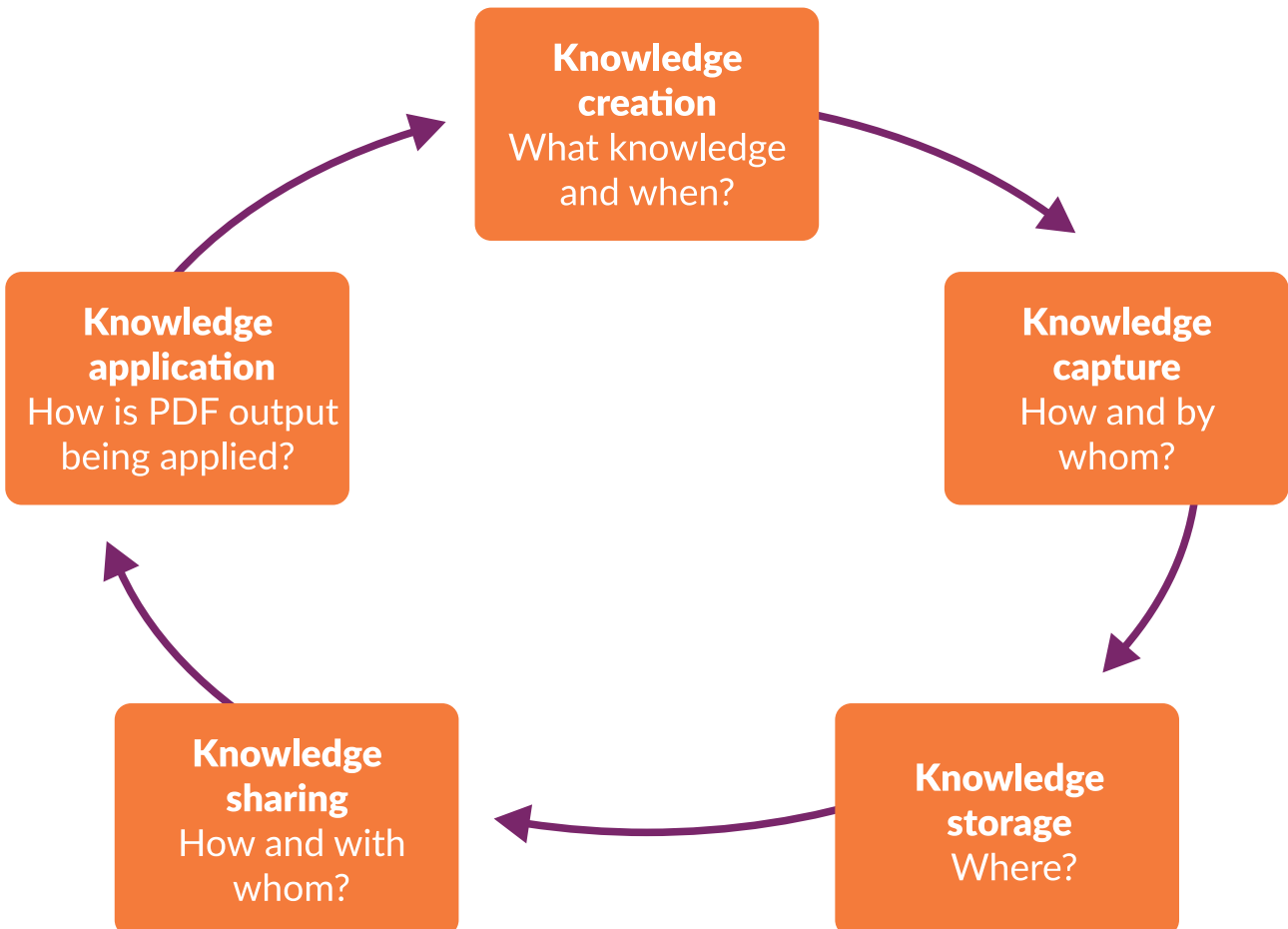
- To fully integrate knowledge management and monitoring into one system and mainstream knowledge management across PDF II.
- To improve delivery of PDF II projects by feeding back to project design, EAs and beneficiaries where relevant to support ongoing work.
- To ensure that knowledge, both formal and informal, was captured, stored, shared, interpreted and disseminated appropriately, benefiting a range of stakeholders, including EAs, the Champions of Change/beneficiaries and other DFID programmes.

- To embed a learning culture across PDF II that underpinned and promoted constant improvement.
- To maximise the potential benefits of PDF II's EAs as a professional knowledge network, fostering peer-to-peer learning to promote the frequent sharing of experiences, collective problem solving, and the identification of a common goal and best practice protocols.
- To support EAs by flagging emerging opportunities to DFID, which are usually those that EAs have identified as useful to delivery on ongoing projects; and to facilitate improved responses to emerging issues by PDF II, DFID programmes, beneficiaries and other partners, based on knowledge held.
- To collect, collate and share feedback, passing it on to relevant stakeholders in as timely and effective a fashion as possible, with a view to improving, not just reporting on, performance.
- To monitor efficiency, effectiveness and equity, drawing from monitoring reports and associated knowledge management activities, to help ensure that better VfM was achieved throughout project cycles (including by assessing client satisfaction and use of PDF II products, and the extent of inclusive growth and other pro-poor policy impacts).

The knowledge management cycle

PDF II's knowledge management system was a cyclical process involving five key steps: knowledge creation, capture, storage, sharing and application.

Figure 2: Knowledge management cycle



Creating knowledge

Two forms of knowledge were created in PDF II's knowledge management system – explicit and tacit knowledge. Much of this knowledge was created by the EAs supporting Champions of Change, through formal monitoring processes, and products developed from PDF II research and studies. It was further enhanced through personal experience and the expertise and knowledge gained as projects progressed.

Learning is critical to knowledge creation. Learning again included both explicit and tacit knowledge – about project successes, challenges and how they were overcome, processes and procedures that were employed, and the identification of key people who were instrumental to success.

Capturing knowledge

A range of tools and activities facilitated the identification, verification and capture of the results of and lessons learned from PDF II projects. Efficient data collection processes ensured that data was available for analysis, planning and decision making. It involved all stakeholders, ensuring they 'owned' their data and used it for making policy decisions.

Knowledge capture needed to take place before, during and after each activity in order to ensure that important knowledge was captured throughout a project's life cycle. The knowledge management team also collected knowledge from various sources in thematic knowledge diaries.

Storing knowledge

Once knowledge about results, experiences and lessons learned had been captured, it was critical to organise it and make it easily available for the people that needed it. PDF II had storage facilities on a shared drive which could only be accessed while connected to the office internet network.

Practical tips:

- Seek to elucidate and incorporate the experience and judgement of EAs.
- Use project monitoring processes to generate new knowledge as well as recording progress.
- Foster discussion about knowledge products after dissemination.
- Create opportunities for knowledge building by bringing DFID programmes together.

Practical tips:

- Review projects' terms of reference to ensure all relevant knowledge will be captured.
- Use formal and informal processes, including formal reporting and annual formal reviews of a sample of EAs, along with anecdote circles, and interim and exit interviews, to capture consultants' knowledge.
- Organise formal and informal knowledge-sharing events including with other DFID programmes.
- Create opportunities for stakeholders, including Champions of Change and DFID, to contribute feedback about outputs and about the knowledge management system.

Practical tip:

- Use the information system on the shared drive to keep records of: the status of projects; whether or not projects are achieving expected results; and how well projects are perceived to be aligned with the overall outcome of the programme (at design phase, during implementation, and at end of project).

Sharing knowledge

The organisation of various theme-based knowledge-sharing events – large or small, formal or informal – was an important way of facilitating peer-to-peer learning and communities of practice involving a range of partners and stakeholders, as well as sharing and publicising analytical work. Key stakeholders were invited and given the chance to engage with the issues being discussed and speak about their own experiences. Tools for sharing PDF II's knowledge assets included reports, 'stories of change' and guidelines; and dissemination channels include PDF II's website, an email newsletter, and social media platforms including Facebook, Twitter and YouTube.

Knowledge sharing also included an annual gathering of EAs, informal internal sharing events, the sharing of feedback from EAs with DFID, quarterly coordination meetings with DFID programme managers, and facilitating synergy and alignment across PDF II projects.

Practical tips:

- Present communications products in a user-friendly, visual format, utilising the skills of communications professionals, to get key messages across effectively.
- Ensure government stakeholders are updated regularly, including about capacity constraints limiting the number and type of projects that can be taken on board.
- Regularly assess progress on knowledge management against expectations to identify risks before they become serious bottlenecks.

Anecdote circles

Anecdote circles are a good example of informal knowledge sharing within PDF II. An anecdote circle typically included five to seven EAs, and provided them with an opportunity to share stories of their experiences, achievements and challenges. The circles were particularly beneficial because they facilitated gatherings of small groups – when larger gatherings were not possible because of busy schedules – and because they fostered open discussion. Anecdote circles were moderated by the Knowledge Management Adviser using indirect questions relating to a common theme that was identified from EAs' reports. This was used to spark debate, peer-to-peer learning and problem solving among the advisers.

The knowledge management network

PDF II facilitated a knowledge management network of key DFID programmes. Members of the network included knowledge management, monitoring and evaluation and/or communications staff from the following programmes: Accountable, Responsive and Capable (ARC) Government, Emerging Capital Partners (ECP), Enhancing Nigerian Advocacy for a Better Business Environment (ENABLE), the State Accountability and Voice Initiative (SAVI), Growth and Employment in States (GEMS) 3, GEMS 4, Propcom Mai-karfi, the Facility for Oil Sector Transparency and Reform (FOSTER), Market Development in the Niger Delta (MADE), Mafita, the Youth Alive Foundation, Monitoring of Recovered Asset through Transparency and Accountability (MANTRA), Women in Politics and Voices 4 Change.

Applying knowledge

Knowledge captured was applied dynamically by PDF II to inform its knowledge products and management processes; to maximise the collective impact of EAs; and to make recommendations to DFID about future project and programme design or redirection. A focus on the adaptation and replication of proven practice helped to avoid the reinvention of the wheel and the repetition of mistakes, saving time and accelerating progress.

Practical tip:

- Create a working environment and processes that enable the use and reuse of available resources and ideas. For example, incorporate feedback into project terms of reference.



Other management and monitoring tools

The knowledge management and monitoring system incorporated existing monitoring processes that created information from which knowledge was captured. This knowledge fed into DFID annual reviews, and programme and project evaluations. It also aimed to reduce the burden of formal reporting for EAs, which had been assessed as time consuming, through 'light touch' and informal monitoring and reporting processes, in addition to periodic formal reports.

Practical tips:

- Ensure project terms of reference provide clear benchmarks for future monitoring and evaluation.
- Compile monitoring results from EAs' monthly status updates, quarterly interviews, annual reports and exit interviews.
- Conduct 'after action' reviews of research projects.
- Use annual tracer studies to assess a sample of reports on project successes.



PDF II's knowledge management and monitoring system in practice

Knowledge management and monitoring outputs and outcomes

Outcome

Nigeria's Champions of Change use increased capacity and evidence to enable them to pursue vital economic and social reform

Knowledge management and monitoring activities

- Tracer studies for Output 2 (see below)
- Reviews of project completion reports by the Programme Manager and the Project Design and Monitoring Coordinator to enable feedback to the knowledge management team on issues to explore during interviews
- Interim and exit interviews with consultants
- EA reviews
- Feedback from beneficiaries

Outputs

Output 1. Relevant and high-quality PDF II organisational support delivered to beneficiaries

Knowledge management and monitoring activities

- Terms of reference that ensure quality and knowledge capture
- 15-minute quarterly interviews with EAs
- Exit interviews with EAs
- Monthly status updates, interim/quarterly and project completion reports from EAs
- Technical backstopping sessions that provide new evidence and lessons to support work of EAs
- Biannual anecdote circles with five to seven advisers/circle
- Semi-formal annual gathering of EAs

Output 2. Relevant and high-quality PDF II policy research, explorative studies and consultation products delivered to beneficiaries

- Terms of reference that ensure quality and knowledge capture
- Planning and implementation of PDF II events in collaboration with wider team
- Feedback mechanisms in place
- After action review as each project ends
- Dissemination of research knowledge products through a range of events and channels

Cross-cutting

Trade policy work

Knowledge management and monitoring activities

- Support to all PDF II events and dialogues including trade policy dialogues

Improved collaboration and communication across relevant DFID programmes

- Facilitate knowledge coordination, sharing and peer-to-peer learning among DFID programmes through informal events such as quarterly knowledge management network meetings

Conclusions

The knowledge management and monitoring system improved PDF II outcomes and impacts. In particular, participants in PDF II initiatives found they had a lot to learn from each other, and that knowledge management tools and processes helped to embed a cross-thematic learning culture.

A key lesson across all areas was the importance of communicating and disseminating knowledge – in the right formats and at the right times – to all stakeholders, both within and across ministries, departments and agencies, and with the private sector and communities involved in projects. This was done through various dissemination channels including PDF II’s website, social media platforms and monthly newsletters. As a result, Champions of Change and other stakeholders were better informed and more receptive to the significant changes proposed and supported by PDF II, and transparency and accountability were enhanced.

EAs found that they share many experiences and needs, despite the disparate areas in which they work. Collaborative knowledge gathering and sharing enabled the EAs to identify the benefits of operating together as a professional knowledge network. These included communicating collective successes, sharing best practice, making connections between and drawing on each other’s expertise and experience, and identifying overlaps in their work. EAs established a need to elaborate common goals spanning their different perspectives and benefitted from sharing experiences about the difficulties they can face working within government.

The capture of both tacit and explicit knowledge was a particularly important development, leading to a more in-depth understanding within PDF II of what worked and what did not, and why. Combining the knowledge generated by EAs, team members, beneficiaries and other stakeholders enabled PDF II to chart lessons learned, improve the overall performance of PDF II and create a growing and lasting legacy.





PDF II

Policy Development Facility Phase II



About us

Policy Development Facility Phase II (PDF II), funded with UK aid from the UK government, is a flexible, rapid-response facility set up to support Champions of Change in implementing economic and social policies that lead to poverty reduction in Nigeria. Its goal is to provide Champions of Change with improved capacity and evidence to enable them to pursue vital economic and social reforms.

