

NGOs: learning from experience?

# Aid is a knowledge industry

In the complex field of development cooperation, where there are no silver bullets, knowledge is essential. Although NGOs are taking more interest in knowledge management, they have so far failed to recognize that they are part of a knowledge industry, of which the delivery of goods and services is only a part.

By **Mariëtte Heres**

**W**ithout knowledge, providing aid is rather like taking a shot in the dark. All that can be hoped for is that it will do some good somewhere, but sustainable poverty reduction is impossible. Non-governmental organizations must know what the problems are in the various developing countries in which they operate, and they must have an idea of what interventions are possible – what will work and what will not. They must also be aware of the ambitions, experiences and knowledge systems of those who receive aid.

The process seems simple: with the support of knowledge, an organization makes a diagnosis of a problem or situation. Then, again with the support of knowledge, it draws up a formula for an effective solution, and decides what actions are needed to solve the problem or improve the situation. But what exactly is meant by knowledge? How does an organization acquire knowledge? And how does knowledge become part of the core business of organizational processes?

Knowledge goes further than data and information. Experts in knowledge management, such as Russell Ackoff and Milan Zeleny, speak of the chain linking *data–information–knowledge–wisdom*



(DIKW). The first link in the chain is data, the actual facts and figures. Add context and interpretation or analysis, and the data becomes information. Information only becomes knowledge when it is combined with skills, attitudes and experiences. In other words, knowledge is about how information is used. That is why knowledge cannot be seen in isolation from the people who have to use it, or from the social, political and cultural contexts that give meaning to information. The final link in the DIKW chain, wisdom, is knowing when, why and how to use knowledge. Wisdom only comes after the knowledge has been applied and reflected upon.

## Knowledge industry

NGOs have used knowledge from the early days of development aid, but often intuitively. In 1998 the authors of the World Development Report, *Knowledge for Development*, claimed that knowledge had become a more important indicator of living standards than natural resources. Since the publication of that

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report, knowledge has received increasing attention in the development sector, and most NGOs, donors and research institutes have now adopted 'knowledge-based strategies'. In the same period NGOs (and bilateral aid agencies) started to scale up their aid programmes and projects to the sector level. They would no longer focus on building schools or latrines, but would help to create or improve education systems or health services, and to strengthen governance structures and civil society to monitor those achievements. Staff who used to coordinate development projects now had to analyze complex social and political issues, even though they lacked the necessary skills, and their organizations rarely had the right instruments in place to monitor and evaluate these new activities.

'Knowledge has become more important for ensuring the quality of our work', says Peter Konijn, deputy director of the Dutch NGO Cordaid. 'The focus used to be on the effectiveness of individual activities. We needed knowledge about projects and the local context, which we acquired through our networks. Now that we want to have greater impact at the sector level, we need knowledge about, for example, entire health systems. We are also active in the area of peace and security. For that sort of knowledge we have to rely on experts. The whole process is reinforced by the growing demands from grant providers for results at that higher level'.

Knowledge management for development aims to bring together and channel the many levels of knowledge – within organizations, among partners, and the research and academic communities – in order to improve the effectiveness of development aid. Although most NGOs are now familiar with knowledge management, many seem to lack an all-embracing vision of how to promote knowledge and learning within their own organizations, in the form of a knowledge strategy. 'It is important that we do something about it', is an often-heard response. But NGOs do not see knowledge as their core business, with the result that many

knowledge-related initiatives have no underlying support framework.

Few organizations are doing enough to develop a knowledge strategy, says Mike Powell, an independent consultant who has worked with many development organizations. In his view, they incorrectly see the development sector as a service sector. They regard the Millennium Development Goals primarily as a set of goods and services to be delivered, whereas development is about the process of bringing about sustainable changes in social and economic conditions, says Powell. International cooperation aims to bring about social transformations, but that is only possible with knowledge and understanding of the reality that has to be changed by development policy or projects, and how local people perceive that reality. In Powell's view, interventions often fail due to lack of knowledge of the specific context and of possible intervention strategies. Development cooperation is therefore fundamentally a knowledge industry, of which the delivery of goods and services is only a part. 📖

Such a redefinition of development cooperation has important implications in terms of how NGOs handle and approach knowledge. If an NGO sees itself as part of a knowledge industry, its main task is to accumulate and link up the various knowledge components in the best way possible in order to achieve the aims of the organization. That process is completely different from that of delivering products and services in the most efficient way possible.

### 'Stocks' and 'flows'

Development organizations are certainly aware of the importance of knowledge for their work, but that does not mean that they see the sector as a whole as a knowledge industry. Knowledge is still often regarded as a commodity, which requires efficient logistics management. This view of knowledge is known as the 'stock approach' and falls under the first generation of knowledge

## Knowledge activities of Dutch NGOs

Development organizations are more active than ever in the field of knowledge. But what is their focus? In the Netherlands, Hivos seems to be taking the lead. Over the next four years Hivos will invest €23 million in knowledge programmes under the new cofinancing programme of the Ministry of Foreign Affairs. Allert van der Ham, director of programmes and projects, explains why knowledge is important for Hivos: 'Development issues are far more complex than ever before, and the sector can't always provide adequate solutions. We need knowledge in order to develop effective strategies for creating sustainable change'.

Hivos has launched a series of research programmes that will generate knowledge that can be used for lobbying, for devising new strategies, and capacity building. Hivos is working with researchers, trainers and civil society organizations who apply the knowledge in practice. 'These days, it is not enough for one organization to seek knowledge alone. The whole sector must contribute to filling the gaps', says van der Ham. Hivos is working with the University for Humanistics (Utrecht), the Centre for the Study of Culture and Society (Bangalore, India), the Institute of Social Studies (The Hague) and the University of KwaZulu Natal (South Africa).

The NGOs' apparent focus on the stock approach is reflected in their ICT initiatives. Oxfam Novib's Knowledge Infrastructure

with and between Counterparts (KIC) project, for example, has created a web portal to promote the exchange of knowledge, practical experiences and lessons learned, with relevant documents, so that partners can learn about each other's experiences. Monica Maassen, who works with the KIC project, is enthusiastic. 'Last year we financed about 50–60 'learning paths' for our partners and facilitated meetings where partners were able to exchange strategies or map out who is doing what about HIV/Aids in Malawi, for example'.

The ICCO alliance is developing a different kind of online tool. This will be an open communication and information system, not only for partners, but for everyone interested in ICCO's work. It is hoped that by sharing information and experiences via the web, members of this 'community of practice' will be able to reflect on their work, and in turn create new knowledge.

As well as sharing their knowledge via databases, many NGOs also ensure that knowledge circulates internally through meetings, lectures or workshops, to enable their staff to keep up to date with new developments. At Oxfam Novib, for example, all work stops twice a year for collective 'learning days'. Cordaid also organizes internal learning sessions to discuss topics proposed by staff members, such as the attitude of the Catholic church to HIV/Aids.



management theories. They see knowledge as information (explicit knowledge), which can be made accessible with the aid of technology. If knowledge is approached in this way, the emphasis is often on the accumulation and storage (stock) of data, in which information and communication technologies (ICTs) play an important role.

It is clear that ICTs offer enormous opportunities. It is now much simpler, for example, for NGOs to store data and information in databases, which can be accessed and shared by users both within and outside the organization. There are problems, however, in that the contents of a database are only worthwhile if people make use of them. Experiences within many NGOs (see box) have shown that people's attitudes to their work do not always change from one day to the next, so the process of change can be slow.

In recognition of the limitations of the technology-driven approach, a new, second generation of knowledge management theories has emerged, known as the 'flow approach'. Since knowledge flows between people, this approach focuses on ways of encouraging people to be proactive in gathering, generating and using knowledge rather than waiting for it to come to them. Because knowledge is linked to people, proponents of this approach believe, knowledge management initiatives should focus on the creation of *learning organizations*. When designing and constructing a knowledge infrastructure, organizations must give priority to facilitating learning among their staff. But the current

emphasis on producing measurable results in the development sector makes it difficult for NGOs to become learning organizations, says Ben Ramalingam, a knowledge and learning specialist. For many organizations, having to produce quantitative data on the impacts of their work restricts the scope for learning and reflection. Learning is after all difficult to measure. It is not always possible to prove that the work of an organization is more efficient or effective as the result of a learning process. 📌

Self-knowledge and an understanding of how organizations learn are essential in improving internal learning processes, according to Maaïke Smit, formerly a learning facilitator at PSO, an association of Dutch NGOs. Based on a recent survey of organizational learning processes within the 45 members of PSO, Smit concludes that most NGOs do not have an explicit learning strategy, or a clear concept of what learning is, although they do have many implicit ideas about it. They believe, for example, that supporting learning involves transferring knowledge through training, and that this will automatically result in better and more efficient work. 📌

If an NGO implicitly assumes that learning occurs simply by transferring knowledge (knowledge sharing), there is good chance that this will result in a 'stock approach'. In other words, no one will be concerned with what is done with the knowledge acquired. This conclusion is supported by the findings of a study by Ben Ramalingam of how 13 aid agencies and international NGOs approach knowledge and learning. He found that nearly all of the organizations regard knowledge as a commodity, and see learning as an activity that contributes to the use and enhancement of that commodity. The end product of knowledge management initiatives is often a new or improved information system, rather than improved processes or changes in behaviour that encourage learning within the organization. The findings of Smit and Ramalingam support the idea that most organizations are focused on improving their stocks of knowledge, and do not know how to transform themselves into learning organizations.

### Learning

If an NGO wants to become a learning organization, it is important that – in addition to acquiring substantive knowledge – it learns more about learning. This is the view of Russell Kerkhoven, consultant and former head of the PSO knowledge centre. International cooperation is about trying things out, reflecting on the results and learning from them, says





Kerkhoven. 'You need a learning attitude in this sector. And if you want to learn, you have to experiment. Even if the experiment is a failure, you still learn from it. Knowledge is the result of reflection'. 📖

Both Russell Kerkhoven and Wenny Ho, a PhD student at the Universiteit van Amsterdam, emphasize the importance of interactive learning. That entails people both within and outside the organization reflecting together on the lessons learned and then giving them meaning. In that way, a lot of *tacit knowledge* can come to light, so that it is explicit and available to others. 'If you bring knowledge holders together', says Kerkhoven, 'they can create new knowledge'. But it is crucial, Ho believes, that there is a vision behind it. 'You can organize all kinds of "linking and learning" activities, but if there is no overall vision, they will become a learning spiral without a purpose. You have to create space for a completely different way of thinking, so that alternative solutions can be found'.

In her study of PSO members, Maaïke Smit found that interactive learning is often informal, linked to specific projects, but that it is difficult for organizations to impose joint reflection from above. But if an NGO wants to apply a second-generation KM approach and create a learning organization, learning and reflection will have to be imposed from above. Without that, lessons learned and new solutions will get no further than the individual employees on the work floor, and will never filter through to inform management or influence new policy.

Julie Ferguson, a researcher at the VU University Amsterdam, sees the same problem in communities of practice. She observes that knowledge management is largely dependent on community members sharing and fulfilling each others' knowledge needs. 'These communities are most successful when they emerge spontaneously, without management interference. But if the aim is to use this knowledge at management level, you have to intervene', Ferguson says. 'This is the paradox of knowledge management, and resolving it is a great challenge'.

### Knowledge management scan

There is no standard management method that an NGO can adopt to become a knowledge or learning organization. Each organization must develop its own knowledge structure, one that is compatible with its own needs and characteristics. Methods, systems and tools will only work if they are supported by the culture of the organization. According to the flow approach, NGOs must become learning organizations, but how are they to do that? Julie Ferguson is quite clear: 'If you want to tackle it thoroughly, you first have to know how your organization works: what knowledge it needs, and whether the knowledge systems that already exist are actually used'. This all sounds rather logical; after all, many failed development projects have demonstrated that blueprints and top-down approaches do not work. NGOs now listen far more closely to the demands from the field. They now have to take that same step in terms of their own knowledge infrastructure.

The ICCO alliance is one of the few NGOs to have taken a step towards adopting the flow approach to knowledge. Recently, ICCO conducted a scan of the organization to map out its learning capacity. It looked at how the staff learn and what their needs are. But having conducted the scan does not mean that ICCO and the other members of the alliance are done. They now have to decide what to do with the results. Creating a learning organization will take time, says Maarten Boers, policy advisor to ICCO's capacity development programme. 'Based on the results of the scan, we will

draw up a plan to create an environment where systematic and collective learning is possible. The working methods and processes, the instruments we use, and the attitudes of everyone involved will have to change'. As an example, Boers notes that 'people feel that they are held accountable for what they produce, but not for their creativity and what they learn. Managers could influence this process by devoting money and time to "learning" and showing that they appreciate its importance. The whole organization is involved in this process of change'.

But all this remains very abstract. And that is the main problem with the flow approach: there are no simple instruments to learn how to learn. There is also a risk that creating a learning organization gets no further than good intentions. It is therefore much easier for an NGO to adopt the stock approach. 'It is very difficult for an organization to change its culture', Boers admits. 'You can incorporate individual learning into assessment interviews and draw up personal development plans, but it is difficult to make the general conclusions concrete'. The stock approach is a much more concrete form of knowledge management than the flow approach, and it therefore seems logical that learning is often limited to using and increasing the organization's knowledge 'assets'. This approach is also encouraged by the donors and their demand for accountability. International organizations have to show results, and the sector is therefore treated as a service industry.

Knowledge management (and the sharing of information) can be based on both a stock approach, with the emphasis on knowledge dissemination, and a flow approach, where the focus is on organizational learning. The choice made by each NGO will depend on how it regards knowledge and how it wants to use it within the organization. To make knowledge management work, NGOs need to adjust their vision of knowledge and their organizational structure. Knowledge has to become an integral part of their functioning and strategy, instead of something external. In other words, NGOs have to regard the development sector as a knowledge industry. ■

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