



Overseas Development  
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# **Institutional Learning and Policy Change in Cash-based Programming: Preliminary Findings**

**ODI Programme: Cash transfers and their role in  
social protection**

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\* Disclaimer: The views presented in this paper are those of the authors and do not necessarily represent the views of SDC

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## Summary

Cash transfers are increasingly being implemented as both longer-term development approaches to poverty reduction and as emergency responses to crises. Cash-based approaches such as direct cash transfers or cash transfers conditional on human development or work, are being supported by donors and implemented by international agencies as well as national governments.

Concurrently in recent years, there has been more and more emphasis on the improved application of knowledge and learning as a means to improve development and humanitarian work which has led to the widespread adoption of learning and knowledge-based strategies among the range of agencies involved in such work, including donor agencies, multilaterals, NGOs, research institutes, and the plethora of institutions based in the South, including national governments (Ramalingam 2006).

In an attempt to understand more about the way institutional learning has influenced the support or take-up of cash-based social protection in donors and NGOs, this paper explores the following:

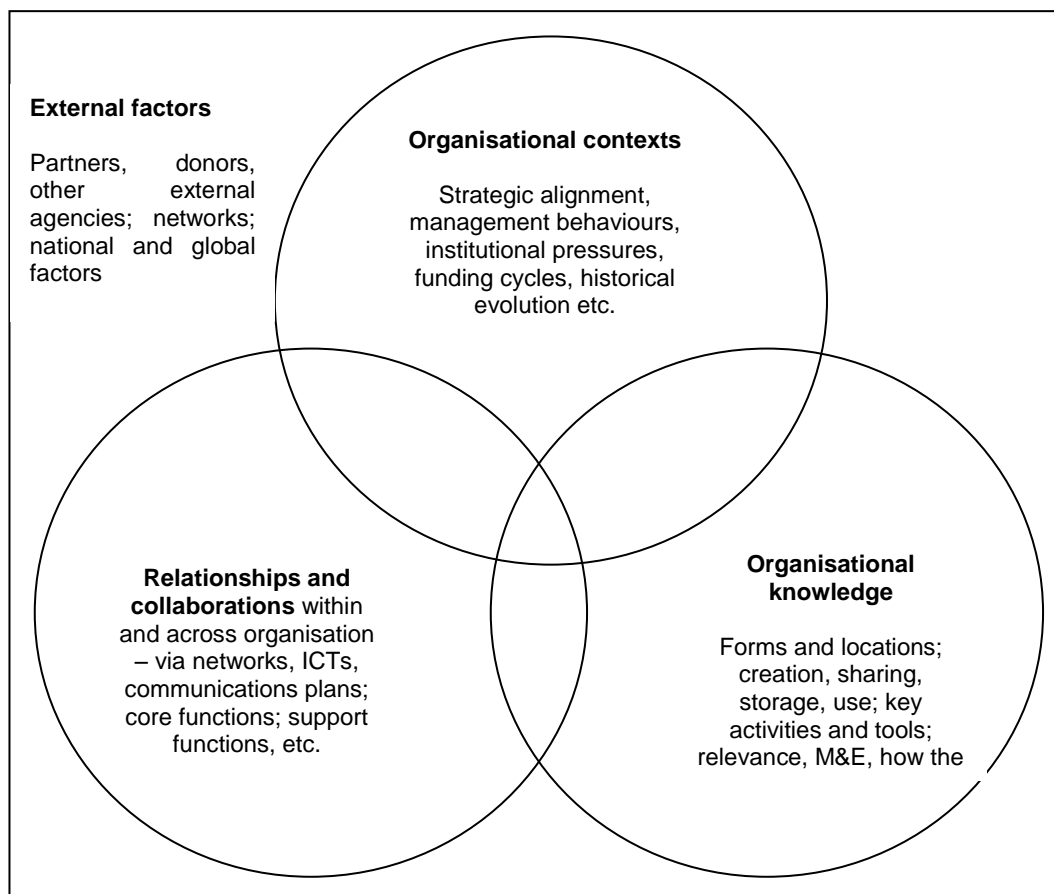
- The mechanisms by which experience with cash has been shared in institutions
- The extent to which institutional learning has enabled a better understanding of when and how cash is an appropriate response
- What the barriers are to increased uptake of cash where it can be effective.

Three donors (one focusing on emergency cash transfers), one NGO and one technical assistance organisation were interviewed for this study. Due to the small number of interviewees, this study offers preliminary findings into institutional learning and knowledge on cash transfers.

## 1. A conceptual framework for understanding organisational change

Figure 1 below has been developed as part of RAPID's (Research and Policy in Development, ODI) framework and demonstrates the importance of using knowledge and learning tools as part of a holistic approach to understanding organisational change. The diagram takes account of the specific environment and pressures faced by development and humanitarian agencies. Findings have indicated in particular that where these knowledge tools and processes, relationships and collaborations, organisational contextual factors and external factors are dealt with in an integrated and coherent manner, resulting strategies may prove more effective (Ramalingam 2005).

**Figure 1: A holistic view of knowledge and learning tools**



### A conceptual model of knowledge strategies<sup>1</sup>

For the purposes of this study, knowledge and learning activities are viewed as those activities that form the processes by which individuals, teams, organisations and groups of organisations become skilled at creating, sharing, storing and using knowledge in order to achieve positive change and realise their goals. More specifically:

- *The creation of knowledge* comprises activities associated with the entry of new knowledge into the organisational system, e.g. research work, participatory workshops etc.
- *Sharing knowledge* relates to the flow of knowledge from one party to another. This includes the diverse tools used for translation, conversion, filtering and two-way communication

<sup>1</sup> This section is taken from Ramalingam (2006)

- *Storing knowledge* relates to the preservation of knowledge, allowing it to remain within the organisational system, and to those activities that help to maintain the viability of this system. These include intranets, search engines, content management systems (CMSs) and electronic publishing systems
- Finally, the *use of knowledge* relates to its application in organisational policy and practice. This involves taking and shaping decisions, making informed actions and modifying behaviours in order to achieve goals.

Various tools may be used to facilitate these knowledge activities, ranging from Information Management (IM) systems through structured learning activities, to comprehensive M&E processes. To identify the most appropriate tools to use in a given situation or context, it can be useful to distinguish between three different types of knowledge:

- *Tacit knowledge* is unconscious and intuitive; it allows experts to make decisions without referring to rules or principles (e.g. knowing how to perform medical operations, knowing how to network at a conference);
- *Explicit knowledge* is clearly articulated and accessible to anyone who reads, hears or looks at it (e.g. a training guide on using a software package or the conclusions of a policy briefing paper);
- *Implicit knowledge* helps individuals know what is socially and culturally appropriate in a given circumstance; it is knowledge of shared beliefs, values and expectations (e.g. knowing that it is inappropriate to undermine colleagues in public, understanding management attitudes within a given organisation)

In brief, the different types of activities and the different forms of knowledge can be brought together in a format as shown in Figure 2 (ODI, 2004b, adapted from Nutley et al, 2003 cited in Ramalingam 2006). Knowledge-based or learning-based strategies can then be defined as *the strategic application of knowledge and learning based processes and tools in order to meet organisational goals.*

**Figure 2: Knowledge and learning tools (adapted from Nutley et al. 2003)**

		Knowledge		
		Tacit	Explicit	Implicit
Purpose	Create	Research Workshops Challenge sessions	Business intelligence e.g. funding analysis	Statistical modelling Reasoning tools
	Store	Capacity assessments Exit IVs Handovers	Shared Drives Info Centre Taxonomies Databases	Space Mgmt Workflow M&E Process Map
	Share	Mentoring Coaching Communities Training	Intranet Internet Email Publications CD ROMs	AARs Retrospects Evaluations

## 2. How does institutional learning influence the support for, or take-up of, cash transfers?

The framework illustrated in Figure 1 provides a structure for analysing and comparing processes of change made through institutional knowledge and learning strategies in the organisations which were interviewed for this study.

Ramalingam (2006) identifies an emerging framework for looking at knowledge and learning (from organisation policy to organisation practice) which has been adapted here to incorporate our sub-questions on knowledge and learning around cash-based approaches.

- *Organisational knowledge*: How is knowledge and learning on cash transfers applied within each organisation?
- *Organisational links*: How does knowledge and learning on cash transfers link to structures, functions, core activities and supporting activities a given organisation?
- *Organisational context*: How do issues of institutional governance, politics and economics support or hinder the take up of cash-based approaches where they are appropriate? How can impacts of learning be measured?
- *External factors*: How does knowledge and learning on cash transfers work across the boundaries of the organisation, notably with beneficiaries, partners (Southern and Northern), donors and fieldworkers?

### How is knowledge and learning on cash transfers shared and applied within each organisation?

There are various mechanisms by which information on cash-based social protection is created, shared and stored within organisations. This ranges from *ad hoc* and informal chats with colleagues to formal Knowledge Management teams. All of the organisations use both informal and formal ways to learn about cash transfers in the organisation. Figure 3 shows the kinds of tools which are used in the organisations interviewed.

**Figure 3: Specific knowledge and learning tools used by donors and NGOs interviewed for this study**

		Knowledge		
		Tacit	Explicit	Implicit
Purpose	Create	Research Workshops De-briefing workshops	Creation of co-ordinating/advisory job role Creation of topic areas	
	Store		Databases	
	Share	Training Networks Informal sharing	Intranet Internet Publications Toolkit Knowledge Management Section Seminars Retreat	

All organisations have mechanisms to create, store and share knowledge about cash transfers, but much more emphasis is currently on creating and sharing knowledge rather than storing it. This might be because the cash transfers agenda is still relatively new and therefore there is a need to generate evidence around cash transfers, and also because creating and sharing information around cash transfers are crucial to how this knowledge is to be applied in practice in NGOs and Donors.

Two organisations have specific knowledge management structures in place to facilitate learning around cash transfers (and other issues). Two other organisations have recently created new job roles to facilitate learning within the organisation on social protection more broadly (including cash transfers): one is a regional co-ordinator and the other a regional advisory role. Additionally, the same two organisations have also created new “topic areas” such as the Regional Hunger and Vulnerability Programme (funded by DFID) which will undertake research into the role of cash transfers as part of the social protection agenda.

**Box 1: Knowledge Management tools in SDC**

SDC have a strategic and structured knowledge management system in place around cash transfers. This includes a website which provides a tool-kit and evidence on different types of cash transfer experiences, factsheets, and reports on the strengths and weaknesses of different cash-based programmes. Different events are also organised, including briefing workshops which assess the appropriateness of cash as a potential emergency response and de-briefing workshops when a cash-based intervention has finished. A pool of experts specialising in the implementation of cash transfers are given training and attend a specific course on cash programming. International networking and sharing knowledge at events has also been a key part of the knowledge management system.

The creation of job roles and topic areas reflect the growing need of some organisations to put in substantial resources into their institution to create and share information on cash transfers. Overall, most the organisations use publications, seminars and workshops as the key mechanisms with which to promote lesson learning within (and outside) the organisation. Some organisations also emphasised the importance of head office staff travelling to country offices and experiencing cash transfer programmes first hand.

Individuals also placed great value on informal ways to share knowledge even where formal mechanisms are in place. Indeed, it seems that in most organisations it is up to the individual or team to promote learning around cash transfers through existing structures available in the organisation, rather than knowledge sharing being promoted by organisational knowledge strategies or systems around social protection or cash transfers (except for SDC). This also implies that sharing knowledge across the organisation is predominantly learnt by those who have an interest in the first place to read publications or attend meetings if it is not an integral part of their job description.

**Box 2: emergence of Social Protection Coordinator in DFID**

DFID have recently appointed an African and South Asian regional social protection coordinator in part to move from ad hoc to strategic communication systems around social protection. The role is a response to increased evidence-based policy making and because social protection is rapidly rising up the policy agenda.

**How does knowledge and learning on cash transfers link to structures, functions, core activities and supporting activities in organisations?**

Only two organisations interviewed mentioned having specific knowledge management structures within the organisation. One was reported fairly successfully, the other one not so successful.<sup>2</sup> Box 3 discusses the successful experience in SDC.

**Box 3: Knowledge Management structures at SDC**

SDC's Humanitarian Aid Department has a different approach to learning around cash transfers than the other organisations interviewed. This is in part because the humanitarian aid department is unique because it is a donor institution that implements projects itself when rapid responses are needed. Cash transfers in emergencies are just one option which is considered as a possible implementation tool in an emergency.

The knowledge management structures on cash link closely to the way that SDC operates as a donor and implementer. Cash transfers are an integral part of the Rapid Response structures and procedures. The knowledge management tools (described in Box 1) mean that institutional awareness enables cash transfers to be a possible option for rapid response, and teams are prepared to implement cash-based projects which are ready to go a few hours after an emergency happens.

The decentralised nature of most of the organisations interviewed provides very real challenges, and potential opportunities, for how information around cash transfers is created and shared.

The movement of staff from countries where cash transfers are being implemented has led to increased lobbying for cash-based approaches when these staff have moved to head offices. More than one interviewee said that first hand experience in seeing how cash transfers work is an extremely effective way to learn about cash transfers. In some organisations this has certainly been part of the reason for increased support of cash transfers in the policy/head office division.

On the other hand learning between the field and head office can be a huge challenge. In more than one organisation it is up to country advisors/country offices to disseminate evidence and facilitate discussions. Where country offices are autonomous the structures to share information are possibly thin. Sharing experiences is thus often dependent on individual motivation and/or personal relationships with other people in different parts of the organisation. Indeed, one interviewee noted that how information is spread between country offices and head office has a lot to do with personal relationships. More formally, using an organisation-wide retreat or regional meetings can be useful to share information horizontally across countries as well as vertically from country offices to head offices.

In many organisations people who work on cash transfers are part of a social protection team which either is a team of its own, or often is part of a broader team focusing on the provision of social services. The responsibility for sharing work on cash transfers outside of these sector groups is thus at the individual or group level. The development of networks, emailing lists and regional advisors can go some way to assist cross-sector information sharing, but it does highlight the difficulties associated with linking cash transfers to, for example, economic development departments, and even more so to linking long-term cash transfers in development contexts to cash transfers in emergencies.

Social protection and cash transfers used to be under one social sector division at IADB. The increasing profile of social protection however means that social protection has moved away from health and education and has its own Social Protection Division. IADB realise that there is a need for general guidelines on cash transfers but there is a stronger focus on operationalising cash transfers than on learning coupled with a feeling that there is not time for people to sit down and build up knowledge within the institution. IADB noted that the level of sharing information amongst

<sup>2</sup> This knowledge management system was reported to have failed because it was too centralised.

the team members (only 4/5 people) is mostly informal. Information within this team is shared extensively, but there is limited knowledge sharing outside of it.

How is knowledge on cash transfers then used within the organisation? Knowledge on cash transfers has been used for lobbying and advocacy within the organisation for donors to finance cash transfers where appropriate (Box 4), to ensure that cash transfers can be used as a rapid response to emergencies and to improve programming to reach the very poorest.

**Box 4: Cash transfers commitment in DFID White Paper 2006**

The Social Transfers Practice Paper (2005) was produced by DFID to facilitate discussion and initiate buy-in for social transfers within DFID. It was important for cash transfers to be seen as a priority by Ministers and in 2005 Hillary Benn facilitated this by supporting the potential use for cash transfers during two speeches (one at the MDG review 2005 and the other at a UNICEF OVC conference). This space which was created at the very top of DFID enabled engagement with the White Paper team and through a process of negotiation and after a number of options were presented for DFID's commitment to social transfers in the White Paper (DFID 2006), the following were accepted:

- Significantly increase spending on social protection in at least ten countries in Africa and Asia by 2009, supporting national programmes and working with the UN and NGOs in fragile states
- Working with European partners and national governments in Africa, double to 16 million the number of people moved from emergency relief to long term social protection programmes by 2009
- Support partnerships between developing countries to share experience of expanding social protection

**Measuring the costs and benefits of learning and not learning**

Throughout the interviews questions were asked about the extent to which institutional learning has enabled a better understanding of using cash transfers. It was almost impossible for people interviewed to measure the kind of impact which sharing knowledge within the institution had on the take-up or support of cash transfers and to separate it out from other influencing factors. There was a general agreement that over the last few years a lot of evidence has been generated around cash transfers which shows their effectiveness. One organisation was able to say that institutional learning certainly has had a positive effect, but overall the expectations of the investment in knowledge management to facilitate learning had less impact than expected (0.5 million Swiss francs have been spent on knowledge management around cash experiences since 2001). Other positive outcomes of institutional learning include pushing the debate of cash transfers to higher levels of the organisation resulting in financial commitments to supporting cash transfers in a variety of countries, and assisting the shift in policy discussions around cash transfers to actually operationalising them.

**How do issues of institutional governance, politics and economics hinder the take up of cash-based approaches where they are appropriate?**

People's own existing implicit knowledge has been a key barrier to the take up of cash transfers by certain individuals within the organisations. Stereotypes around social assistance in general and cash transfers in particular are often rooted in cultural ideologies and experiences around welfare and social security systems in developed countries. Furthermore in most organisations it was reported that some individuals are against cash transfers on the basis that food aid is the most appropriate response. Even knowledge creation and sharing tools are unable to overcome some of these personal opinions.



Other barriers included that individuals do not have enough time to create knowledge around their work on cash transfers. Also, one interviewee noted that it is not easy for *any* new topic to come up in the policy debate and then be approved operationally. One interviewee noted that the lack of institutional memory in terms of documenting how policy evolves is a key institutional challenge. Another interviewee noted that because they were working closely with the government on politically sensitive issues (such as targeting) they were not able to store or share this information freely with the rest of the organisation.

### **How does external context influence take up of cash transfers in an organisation?**

All the organisations interviewed have strong institutional linkages to other organisations and work in a highly political environment working closely with national governments. This context can both facilitate and hinder learning processes around cash transfers. For instance, the links between one donor and USAID and WFP meant that the way learning around cash transfers was dealt with had to be slightly revised. Messages around food and cash, to keep USAID and WFP in discussions (as they were partners) had to be very pragmatic.

IADB in fact have tended to prioritise learning between countries and facilitated south-south discussions rather than feeding it back into the organisation. The emphasis has been on facilitation of external learning rather than internal learning. Thus, IADB has financed events, conferences and south-south exchanges between national governments, and cash transfer schemes themselves have been designed to incorporate lesson learning.

Furthermore one NGO said that donors have really influenced their work and take-up of cash transfers because there has been funding available of cash transfers as well as a certain degree of exposure and working in partnerships in countries. Staff members of the NGO were involved in national processes when the debate on social protection and cash transfers arose. There is also a distinction between European donors which are seen to be pushing the policy and advocacy side of cash transfers in comparison to North American donors and institutions, which has implications for NGOs based in the UK and US and the types of work they are funded to carry out.

### 3. Concluding remarks

This paper has briefly explored *how* institutional learning has influenced the take-up or support of cash transfers as well as identifying some of the challenges which institutions face.

Preliminary findings suggest that there a number of mechanisms by which learning around cash transfers is both created and shared, but these are often used in an ad hoc manner rather than as a system to strategically disseminate information across the institution on cash transfers. Furthermore, whilst there are these formal mechanisms in place, it is crucial to recognise the importance of personal relationships and informal lesson learning which contributes to sharing knowledge around cash transfers.

Some of the significant institutional barriers to sharing learning around cash transfers results from the decentralised structure of donors and NGOs which can create bottlenecks from country offices to head offices. Furthermore, where social protection or cash transfers “sit” in an organisation team can influence how learning is shared between different sectors (or not). The development of networks, emailing lists and regional advisors can go some way to assist cross-sector information sharing, but it does highlight the difficulties associated with linking cash transfers to, for example, economic development departments, and even more so to linking long-term cash transfers in development contexts to cash transfers in emergencies.

It is difficult to measure the extent to which institutional learning has enabled a better understanding of when and how cash is an appropriate response and to separate learning out from other influences. Only GTZ currently has a policy on cash transfers, which is internal and continues to be developed in an attempt to harmonise several policies and identify cross-cutting issues and shared understanding of how to roll out cash-transfers. However, it is clear that the increased evidence base around cash transfers and sharing of this knowledge, whether strategic or ad hoc has contributed to outcomes, such as commitments in the DFID White Paper and the development of cash transfers as part of SDCs Rapid Response, and continues to inform advocacy and lobbying processes within organisations. However, there remains a significant amount on knowledge that is currently untapped.

## References

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