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Knowledge partnerships for development: what challenges for evaluation?

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Abstract

Building upon the case study evaluation of the training partnership between the World Bank and the University of Sao Paulo, the paper highlights the challenges to evaluate knowledge partnerships for institutional development. The paper reconstructs the underlying theory of the partnership policy vis-à-vis the current literature on development and knowledge networks. The evaluation focuses on the organizational structure of partners, their institutional opportunities and constraints. The analysis explores different types of conflict of interest, risk, and accountabilities, considering partnership as a global management reform policy in the field of higher education, research and development. The evaluation shows that partnership favours organizational change through codified and tacit knowledge transfers, and that tangible and intangible benefits and costs reinforce with each other. Yet, global and national implications arise as to how to assure partnership management vis-à-vis lack of formal authority and enduring asymmetries in power relations.

Keywords: Knowledge; Development; Public–private partnerships; Evaluation; International Development Cooperation; Organizational change

1. Introduction

Training partnerships between international technical assistance bodies and research and education institutions throughout the world have become a fashionable strategy for knowledge generation and dissemination. Partnerships are pursued by donor agencies as a participatory way for human and institutional development and by research institutions in developing countries seeking knowledge exchanges and funding within international networks. The rationale for this policy lies in the assumptions that a participatory approach to knowledge creation and diffusion: (i) addresses relevant issues and wider audiences throughout the world; (ii) makes it possible cost-sharing and cost-recovery; and (iii) contributes to institutional capacity development.

The partnership approach seems to be predicated on efficiency and effectiveness considerations as much as it is expected to bring about organizational and managerial change. However, there is scant empirical evidence on how partnerships work and on whether they bring about the desired outcomes. At the same time, there is not much agreement on how to assess partnerships in the knowledge domain. This paper presents the findings of a case study evaluation of the training partnership between the World Bank Institute (WBI) and the University of Sao Paulo of Brazil (USP),[1] offering empirical insights on how knowledge partnerships work in the field of international research and development cooperation. The aim of this article is to highlight the challenges that are likely to emerge in evaluating partnering experiences at the international level.[2]

The case presented here is an international public–private partnership, where both partners share market-based incentives and a high-profile mission of public goods' provision. The experience is representative of the different types and levels of conflict of interest, risk, power, accountabilities, and tangible and intangible dimensions of partnering, which are critical issues for co-financing projects between for-profit and non-for-profit organizations.

The analysis unfolds along two stages, developing a 'dialogue between ideas and evidence' (Barzelay, 2000). In the first stage, the dialogue is dominated by ideas—the underlying premises of the partnership policy, the current theory and discourse on economic and social development, and international knowledge networks. This social science literature overview helps reconstruct the theory underlying

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[1] The author was directly involved in the evaluation of this case as WBI evaluation consultant.

[2] This case study evaluation draws on the broader evaluation of the first two phase cycle of the Partnership Program piloted by WBI during 1998. See Colinet and Marra (2000), Fostering Training Partnerships in Developing Countries: An Evaluation of the WBIEP Partnership Program, FY98-99.

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the partnering policy. As explained in Section 1, the partnership between WBI and USP originates in the current economic development thinking and rhetoric but the existing literature does not provide conclusive answers as to what extent these theoretical underpinnings are valid.

In the second stage, this 'dialogue between ideas and evidence' is grounded in the case evaluation. The study perspective builds on the notion of embeddedness that helps 'understand human and social action in terms of its location within different layers of social realty' (Pawson & Tilly, 1997). Partnering is not a contract that binds rational, utility-maximizing individual, but a complex organization that draws upon the organizational structure of partners, their institutional opportunities, constraints, and history, their expectations for the future, and interaction in the present (Rosenau, 2000).

After a brief account of methodology (in Section 2), Sections 3 and 4 present the rationale and experience of partners' collaboration. Section 5 discusses efficiency considerations, such as cost reduction and performance improvement, which are among the major factors driving the partnership policy in the case of the World Bank. Section 6 analyzes the effectiveness of partnership as a broader and longer-term management reform policy in the field of higher education, research and development. The University of Sao Paulo, in line with a growing number of national science and education institutions throughout the world, has opted for decentralized, flexible, and privately-funded 'networks' for knowledge creation and diffusion in addition to state-funded Research and Development (R & D) projects. The case evaluation suggests a number of verifiable outcomes for assessing the impact and policy implications of such networks, identifying those factors that favored and impeded knowledge transfers and organizational change. Section seven draws some key lessons for future evaluations of partnering programs.

2. Ideas and processes underlying partnership

In definition of Rosenau (2000), a partnership is the 'formation of cooperative relationships between government, profit-making firms, and non-profit private organizations to fulfill a policy function. Working together—the author states—they seek to meet the objectives of each while, hopefully, performing better than either one acting alone'. Thus, effectiveness and efficiency are key evaluative criteria to assess partnerships. Furthermore, partnering is not only a policy goal, but it entails a process through which partners come to share financial, organizational, and human resources, building a common culture and understanding of their actions (Rosenau, 2000). The challenge for evaluation is then to uncover the policy premises implicitly or explicitly embedded within partnering programs, and reconstructs their implementation process.

In line with Hulme (1996), two basic assumptions underlie the partnering policy in the field of development assistance. The first is economic: markets and private sector initiatives are seen as the most efficient mechanisms for achieving economic growth, producing goods, and providing services. Beyond privatization, public-private partnerships represent the second generation of efforts to bring competitive market discipline to bear on the government provision of goods and services (Rosenau, 2000). The second assumption is political: 'good governance' is seen as essential for a healthy economy. In this regard, Linder (2000) speaks about partnerships as collaborative arrangements where the differences between sectors become blurred and policymaking turns out to be a shared responsibility. Partnership then becomes a process to design, organize, and implement action for development in a participatory way, including non-governmental organizations (NGOs), grassroots organizations, and particularly R & D institutions, which have recently been awarded a key role in the democratization process by bilateral and multilateral agencies (Hulme, 1996).

Over the past decades, international development and donor agencies, including the World Bank, have given prominence to the roles of government agencies, NGOs, education institutions, and private sector organizations in partnering for poverty alleviation, social welfare, education, research and development, organizational capacity building, and the development of 'civil society.' Non-governmental organizations are seen as an integral component of civil society and an essential counterweight to state power, opening up channels of communication and participation, providing training ground for activists (Hulme, 1996), and ensuring national competitiveness through research and innovation (Hellstrom & Jacob, 1999).

As the state's monopoly over development projects has declined, so bilateral and multilateral organizations have begun to interact with other agents of social change at the local and community level (Hirschman, 1984). Specific funding, such as the so-called social funds, technical assistance, training, and other types of services in kind have become the typical instruments used by these organizations for grassroots development. In parallel, because of the very transformation of the role of the state in development, NGOs, grassroots organizations, and universities have begun to proactively seek out partners among the international community of donors to enhance their activities. The two ends of the development spectrum have increasingly met without the traditional government intermediation—the partnership between the World Bank and the University of Sao Paulo being a clear example.

Specifically in the context of education, research and development, Hellstrom and Jacob (1999) argue that such activities evolve out of a decentralized research network, in a multi-actor environment, where the traditional central rule of the state fails to meet the multiple demands weighing over its limited financial and organizational resources. Hellstrom and Jacob (1999) point to the growing emphasis on knowledge produced within the context of global

University–Industry (UI) partnerships or alliances as supported through increasing corporate investments in international R & D networks. Corporations are moving away from having a nationally based R & D unit and are placing more emphasis on global R & D teams since the globalization pressure urges to foster innovation across nations. University-based research teams are also increasingly moving in this direction as they become more dependent on external funding because network formation is now often a prerequisite for funding. 'The resulting R & D effort emanating out of such networks—Hellstrom and Jacob (1999) state—is predicated on cooperation or non-cooperation between interdependent parties whose interest, rationalities and strategies may conflict or converge depending on a number of factors peculiar to the network at hand'.

For instance within and among Japanese firms, Nonaka (1994) notes that processes of 'socialization' and 'externalization' of tacit and codified knowledge facilitates learning, trust, and mutual understanding. Tacit knowledge is the product of experience, intuition, and professional rule of thumb, while codified or explicit knowledge draws on the cumulative, scientific discoveries and theories about how society works (Nonaka, 1994; Polanyi, 1966). Socialization enables organizations to convert tacit knowledge through interaction between individuals; externalization implies the conversion of tacit knowledge into explicit knowledge. The questioning and reconstruction of existing perspectives, interpretation frameworks, or decision premises lead to elicit new understanding (Nonaka, 1994). According to Nonaka (1994), tacit and explicit knowledge transfers help create a patrimony of formal and informal networks, normative values and beliefs which private and public organizations share in their everyday dealings.

Yet, not much is known about how partnerships for policy purposes by government, multilateral organizations, universities and research institutes, commercial enterprises, and not-for-profit private organizations in the public and private sectors work. The empirical difference and complexity provide raw material for case-oriented research and evaluation to capture the specifics of these networks, their inner working and policy implications. Evaluation could, in fact, help define the appropriate policy role for the private sector and the public sector, 'suggesting when each should have principal responsibility, where the two can work together, and the extent to which they can share responsibility' (Rosenau, 2000). But how to evaluate these collaborations? Particularly in the domain of knowledge creation and distribution, Hellstrom and Jacob (1999) note that intangible activities are often difficult to specify and map among the various participants in the system. There are no stable formulae or recipes for translating inputs into outputs of knowledge (OECD, 1996), nor is there much agreement on the analytical and methodological approaches to evaluation. As shown later on, these experiences reveal the important role of people, knowledge, ideas, and their interaction in the development process, thus calling for qualitative social research methods to elicit information relevant for policy making.

3. Methodology of the case study evaluation

The case evaluation presented here aimed to reconstruct the process of partners' collaboration, and their formal and informal organization vis-à-vis their institutional mission. The case study approach built on a theory driven analysis uncovering the two partners' rationale, stemming from different historical, financial, organizational, and institutional contextual conditions. The case study methodology responded to the need to explore a complex reality and the partners' behavioral patterns in the process of building the partnership. The evaluation team conducted 20 face-to-face interviews with USP faculty and organizers (including the then-directors of the economic department and FIPE) and five interviews with WBI trainers and managers, involved in the training during January 1999 and April 1999. The direct access to both settings facilitated participant observation and further informal interviewing, which favored an in-depth understanding of the culture and decision making process specifically within the World Bank Institute. Finally, the evaluation intended to be participatory involving both program co-managers and beneficiaries in the definition of the main research questions. The aim was to overcome the donor-driven and control-oriented approaches that predominate the field of development cooperation and mobilize local knowledge with outside expertise (Jackson, 1998).

4. The partners' theory for collaborating

The case under investigation is a training partnership between an international donor organization and a well-known university rooted in the Brazilian education and research milieu, aimed at generating and disseminating knowledge for human development. In particular, WBI's mission is to build the institutional capacity of developing countries through training, policy services, and knowledge networks, and partnering is not a new practice in this organization.[3] For instance, the now-phased-out 'FICONG program' built upon a broad network of NGOs in Latin America for providing training and technical assistance. Before the launching of the Partnership Program, WBI managers were already delivering regional events, using facilities of institutions in developing countries, and sometimes also engaging local speakers for specific presentations. Typically, a newly arrived manager would obtain from WBI regional coordinators the references of institutions for potential collaboration. More seasoned managers would nurture their own network of previous course

[3] Based on interviews with WBI managers.

participants as well as the training institutions in developing countries with which they had already collaborated (WBI, 2000).

Interviews with WBI mangers highlight that this network is of paramount value as it facilitates knowledge sharing, wider dissemination of training activities throughout the world, and a multiple impact through a 'cascade effect'. WBI offers training and instructional materials and these institutions are expected to incorporate them into their curricula (WBI, 1997). But the drawbacks of such a system were significant: when a task manager left the division, there was no guarantee that the efforts that had been invested into developing the network would not be lost. There was no centralized information mechanism signaling the strengths and weaknesses of partners across countries and regions. In short, a loss of a network patrimony was ever present and perpetuating (Colinet & Marra, 2000).

In light of these problems, WBI Global Partnership Program explicitly put emphasis on 'creating a network of partners in developing countries around the teaching of the knowledge that is generated in the work the World Bank does' (WBI, 1998b). Partnership is defined as 'a clearly articulated arrangement between entities to work toward mutually agreed goals with mutually agreed division of costs, risks, rewards, and mechanisms to assess progress and make adjustment' (WBI, 1998b). This policy fulfils at least two objectives. First, it improves performance through a better targeting of training activities. Second, it reduces costs through the sharing of human, organizational, and financial resources. Furthermore, thanks to the fee-based course system, training can become an income-generating activity both for WBI and its partners, by marketing courses for different regional audiences throughout the world (WBI, 1998a).

For USP, the training partnership is not part of an explicitly defined program, with clearly articulated goals, planned activities, and yearly resource allocations, as in the case of WBI. Nor is a standing alone activity, which does not have any follow-up over time. Interviews with USP faculty and FIPE leadership suggested that partnering responds to opportunities for research and education exchanges, and funding needs that arise on a case-by-case basis. Partnering has begun to offer a new modus operandi for the Department of economics to broaden the university's research and education scope, the regional and international exposure, and to increase funding from private sources.[4] To keep up with the diminishing state resources and growing domestic and international competition in economics research and education,[5] USP has moved away from relying only on publicly funded research activities within the university's rigid institutional structure.[6] To escape the bureaucracy of the very large public university, USP's department of economics has created the private foundation of FIPE, which deals with all continuing education programs.[7] FIPE gathers revenues by marketing its training programs, then retains a share for internal management and transfers the rest to the department of economics to be invested in research and education projects. The promotion of the economics department through FIPE is a shared commitment among professors and researchers who shift from purely research tasks to active fund-raising and image-promoting initiatives. The continuing education program' capacity has been the product of the teaching effort from the faculty, and an investment in tangible and intangible infrastructure carried out by the university leadership. That is, a new center for professional development; distance education equipment and educational software; publications in international referred journals; regional and international conferences and seminars; and consulting work both for the public and the private sector in Brazil.[8]

The rationale for USP to partner with WBI lied in the mutual intellectual, financial, and organizational contributions for the delivery of joint courses in the short run as well as in the potential mutual knowledge exchanges and networking with other research and education institutions on a global scale and over a longer period of time. Partnering with the World Bank meant, therefore, the opportunity for USP to enhance its capacity to 'compete' at the international level,[9] tapping into the global knowledge network related to the World Bank Institute. WBI, with other research and evaluation oriented departments within the World Bank, is the repository of the accumulated development experience of the World Bank, in connection to academic institutions in North America and Western Europe.

5. The joint course on macroeconomic management

Within the 'Global Knowledge Partnership Program,' launched in 1998 to promote knowledge exchanges and dissemination with partner training institutions in developing countries,[10] on January 1999, at the Center for Continuing Education of the USP Department of Economics, WBI delivered in association with USP and FIPE (Fundacao Instituto de Pesquisas Economicas da Universidade de Sao Paulo) a joint course on 'Macroeconomic Management'.[11] The partnership with the University of Sau

[4] Based on interviews.

[5] According to interviews with USP faculty, Rio Catholic University and Getullio Vargas Foundation are USP direct competitors.

[6] Based on interviews with USP faculty and FIPE leadership.

[7] Based on interviews with USP faculty and FIPE leadership.

[8] Most USP economics faculty received PhD from the most prestigious US universities. They speak a fluent English and entertain scientific exchanges with other research institutions in the US and Europe.

[9] Based on interviews with USP faculty and FIPE staff.

[10] See, World Bank Institute (1998), Partnership Program, Program Brief.

[11] Evaluation data were gathered through: (a) content analysis of official documentation; (b) semi-structured interviews of program managers, local organizers, professors, and speakers; and (c) observation during the field visit.

Paolo built on a locally adapted version of the WBI regular course on Macroeconomic Management. The training dealt with the main macroeconomic policy instruments and examined the conditions under which they can be used to respond effectively to short-term shocks and stabilize economic cycles, adjust to permanent shocks, and foster economic growth in the longer term. The policies examined ranged from standard fiscal and monetary policy to less traditional instruments, such as those affecting the workings of the goods market (regulatory framework and competition policies); the financial market (banking regulation, financial market oversight); and the labor market (government hiring, education policies, labor market regulation),[12] As emerges from interviews, this topic was chosen by both partners as responding to the then-economic situation in Brazil, threatened by financial crisis and currency devaluation.[13]

The Brazilian version of the course was agreed upon after an iterative decision-making process, in which the two partners conceptualized the course content, budgeted the costs and revenues with the respective shares to be borne, chose the speakers and the presentations, and set up the logistics. Having already carried out other training partnerships, WBI set out the partnership's conditions in the official legal agreement: that is, WBI's training quality standards, instructional materials, and the cap of its financial contribution.[14] Yet, the organization was carried out on site by tailoring the content of the WBI standard course to the needs of the Brazilian participants—central bankers and other investment bank staff.

The course was fee-based and the tuition was collected through FIPE—the private foundation, which is the research and training arm of the department of economics. According to the financial partnership agreement,[15] cost recovery was estimated on a base of at least forty participants' tuition revenues. However, the withdrawal of more than half of the WBI invitees resulted in a loss for both partners, leading to much disagreement on the re-partition of the financial burden and the interpretation of the financial clauses contained in the formal contract. Although the partnership was not disrupted, the financial, organizational, and psychological implications of this experience were not meaningless. Another joint-course was indeed planned, but several concerns were raised.

What lessons this experience may suggest both policy-makers and evaluators? How to assess efficiency and effectiveness gains? In other words, were the financial losses only accidental, due to a constellation of implementation faults, or, rather, were the program design and logic inherently flawed? What asymmetries—besides the financial one—did partners encountered in their collaboration? What learning occurred in the process of, and as a result of, the partnership? The remainder of the article seeks to address these questions.

6. Beyond efficiency: tangible and intangible dimensions of partnering

The current policy literature points out that one of the major driving forces for partnering is efficiency: that is, performance improvement, and/or cost reduction. Similarly, as interview findings suggest, efficiency considerations seem to be predominant for WBI to undertake partnering projects. Since there was no data on costs and budgetary allocations for the partnership program, the evaluation team could not measure quantitatively efficiency gains. It was possible, however, to qualitatively compare WBI approach with other experiences documented within the existing social science literature. For instance, the empirical evidence reported by Navaretti and Carraro (1996) shows that multinationals in the knowledge industry prefer to build a partnership with local producers rather than create a subsidiary, because (i) partnering does not involve the fixed costs of setting up a new productive unit in a foreign country, and (ii) knowledge spillovers can be internalized only through contracts that give the partners a large enough incentive not to defect. Navaretti and Carraro (1996) highlight that knowledge spillovers are greater in the case of partnership than in the case of subsidiary.

Despite the positive findings of this study, no generalizable conclusions can be advanced as to whether partnering is an efficient vehicle for knowledge generation and dissemination. Rosenau (2000) makes this point by reviewing a series of public–private partnering projects in education, R & D, public infrastructure, transportation, and environmental management. Mixed evidence shows that cost reduction does not always occur in the long run nor is it conducive to better performance. Particularly for R & D partnerships, Stiglitz and Wallsten (2000) suggest that to achieve optimal results from research and development partnering projects, the best proposals, defined as the ones with commercialization potential, should not be funded. Research and development partnerships should give priority to projects that 'would benefit society but would not be privately profitable without a subsidy'. This observation points to the nature of public goods of training and research efforts and adds to the assessment of efficiency other criteria, such as quality, equity, accountability, and risk (Linder, 2000; Rosenau, 2000). Linder (2000) particularly stresses that partnering may turn out as a risk shifting arrangement, undermining quality, equity, and accountability of cooperative initiatives.

[12] See, World Bank Institute (1998), Partnership Program, Program Brief.

[13] Based on interviews.

[14] WBI was expected to provide the instructional materials, which set the theoretical reference to build the course; USP, instead, had to take over all organizational and logistic concerns and enrich with Latin American case studies and Brazilian articles provided by the local speakers the syllabus of the joint-course.

[15] Formal agreement of the partnership between WBI and USP, August, 1998.

In this regard, the evaluation of the WBI/USP case shows first that efficiency gains and losses are both tangible and intangible, which are difficult to translate into monetary terms to account for their net result. Think, for instance, of the cost for WBI to conceptualize a policy-oriented course backed up with up-to-date instructional materials (i.e. articles, case studies, exercises, and policy notes and syntheses, etc.). Although contestable in their content and underlying 'ideological' assumptions, these materials embody the codified and tacit knowledge that WBI builds through the sustained effort of its trainers' international expertise and development experience. And this is the intellectual product, which WBI trades with its partners and which is mostly an intangible input.

Second, the WBI/USP partnership highlights that efficiency needs to be assessed in relation to the risk sharing arrangements. In the WBI/USP case, the uneven risk level due to partners' competing financial priorities led to their financial losses—the tangible unintended consequences of their cooperative venture. Although WBI is moving toward a business-like organization that internationally markets policy learning services—as a donor agency is called for investing in institutional development (WBI, 1998a). At least in principle, any potential loss or additional cost for partnering ought to be justified by its institutional mission and budget. By contrast, USP has a hybrid nature in between a for-profit and non-for-profit organization: it is a publicly funded university, but FIPE—the Department's training arm—works as a private foundation. Thus, if the department engages in partnering projects at the international level, it will need to reconcile high investments to reach international educational quality standards with the financial pressure for full cost recovery. FIPE serves to expand the scope of the department's research and education activities by pursuing revenue-enhancing initiatives. If cost recovery is not assured, FIPE will bear a financial loss while the department will be deprived of its additional resources.

In the case at hand, it is clear that WBI enjoyed a 'stronger' financial position and the partnership even lowered its risk level. Since FIPE was in charge of marketing the course, WBI ended up passing the risk of cost recovery onto its financially weaker partner. In the circumstance of WBI invitees withdrawal, unclear reciprocal responsibilities for sharing the financial burden further weakened the two partners' mutual trust and loyalty, casting a shadow on the overall training performance quality and its future continuation. These intangible consequences played a critical role in this case, cumulatively reinforcing both the strengths and weaknesses of the partnership.

Partnerships, in fact, rely as much on the legal and financial agreements as they thrive on trust, loyalty, pride, prestige, commitment, common understanding and shared images and cultures beyond narrow self-interest and opportunism (Hirschman, 1984). In the WBI/USP partnership, the international and high-profile reputation of WBI played a symbolically positive role: USP engaged in the partnership not only for the potential financial revenues, but for the returns in terms of image and prestige at the international level. This symbolic drive translated into a powerful incentive for USP to reach WBI training quality standards and build a 'joint image'. USP commitment[16] helped create open, collaborative, and trustworthy relationships. The problem solving process was flexible and tailored, building upon the consensus of the two partners around their common motives and image of the training.[17] Although the financial loss led to a loss in the reciprocal trust, weakening the initial confidence and pride in the shared high-profile initiative, it seems plausible that the network of interpersonal relations was quite dense and potentially long lasting. Expectations of repeat business discouraged efforts to seek narrow advantages, while neither partner resorted to lawsuits for breach of contract to settle their financial 'divergences'.

These conclusions are consistent with Hirschman's (1984) analysis of the link between tangible and intagible (or symbolic) benefits in cooperatives that points out that:

> There is something rather complex about these symbolic, non-monetary benefits (…). Intangible benefits (trust, pride, self-confidence, feeling of liberation, etc.) enhance the purely monetary benefits of the coop, but they do not make up for the monetary losses for the simple reason that they do not survive such losses. Once the coop falters, the intangible benefits turn into losses and the demoralization over the various hopes that have gone sour will induce disloyalty among the members along with, perhaps, corrupt behavior among the staff.

Thus, intangible benefits or losses have a significant bearing on the tangible ones. The intangibles respectively reinforce or compound rather than offset the tangibles. As a result of this cumulative effect, 'one might expect partnerships to be in either excellent or terrible shape, more so than private business' (Hirschman, 1984). These considerations contain important implications for future evaluation of partnerships. First, a narrow focus on efficiency may set aside legitimate concerns for equity, accountability, quality, and risk sharing (Rosenau, 2000). These concerns are key for co-financing projects between for-profit and non-for-profit organizations, as they may become a source of conflict of interest, risk-shifting arrangements, divided loyalty and reduced accountability. Second, all symbolic and monetary aspects are important since social relations spill over economic relations and vice versa (Granovetter, 1985), reinforcing and/or undermining each other. Although

[16] Based on interviews.

[17] An anecdote illustrates this point: one of the selected speakers was a very well-known Brazilian economist, former professor at USP, however, difficult to be reached unless the World Bank was asking for his consulting and teaching services. A WBI manager contacted this person while the other Brazilian presenters were directly invited by USP.

partnering seems to improve short-term cost performance (efficiency), long-term calculations are more complicated, bearing social and symbolic implications: the unintended consequences may shift the balance in the other direction.

7. Grasping political asymmetries and knowledge transfers

To assess partnership effectiveness, evaluators need to identify verifiable outcomes and trace back the implementation process. But, there are at least two kinds of problems that can arise. First, process and outcome variables in partnering experiences cannot be neatly distinguished in the short run (6 months or 1 year after the course took place). From the outset, partnership has been defined both as a process and a policy goal, thus, implementation, organization, and management are key facets of partnering, which evolve over time. Second, as the literature on implementation suggests, both a top-down and a bottom-up approach should be adopted to grasp the organizational change resulting from partners' interaction.

From an organizational perspective and combining both the top-down and bottom-up approaches, the evaluation of WBI/USP partnership highlights a number of key implementation issues, which call for a broader discussion on partnering policies. According to the evaluation findings, the nature of relations between the partners, their mutual adaptation, and the processes of knowledge socialization and externalisation (Nonaka, 1994), through which partners share and contest existing perspectives and create new understanding are critical implementation and management aspects, which bring to bear on the success and failure of the knowledge partnership over time.

From a structural point of view, the partnership under investigation was embodied in the formal agreement that bound the partnering institutions together. In the case of WBI and USP, this legal accord showed:

(i) a quite hierarchical structure as WBI sets the rules for the course organization and the financial clauses;
(ii) weak horizontal communication regarding the financial needs of both institutions;
(iii) considerable centralization from WBI's side as far as the course materials' selection; and
(iv) slow response to changes since the whole elaboration process of this agreement coincides with the longest phase of preliminary activities carried out before the actual preparation of the course (based on interviews).

These conclusions are in line with other empirical studies on top-down implementation reported by Sabatier (1986) on Lipsky's (1980) 'street-level bureaucrats' theory. Policy makers can strongly affect the implementation process through a number of legal mechanisms for affecting the preferences and/or constraining the behavior of street-level bureaucrats. USP appears to be a peripheral actor within the constraining WBI's formal procedural framework. This observation is also consistent with the general emphasis of the new institutional economics on the cost of economic transactions. Those that are uncertain in outcome, and require specific investment in time, money, and energy are more likely to take place within hierarchical organized arrangements (Granovetter, 1985; Williamson, 1975).

From a political standpoint, the actual interplay between WBI and USP revealed their bargaining power over budgetary matters, rule setting and the division of labor. The previously emphasized financial asymmetry translated into a political asymmetry in favor of WBI, more experienced with partnering agreements at the international level and firmly determined to enforce its financial, and training quality standards. The uneven power sharing of the two partners recurred to authority relations to tame opportunism (Granovetter, 1985), considering that the knowledge WBI conveys is intended to build public consensus and support for economic reform, not to generate or pick up on popular critiques of the World Bank's work (O'Brien, Goetz, Scholte, & Williams, 2000).

Given the enduring unbalanced financial and power relations between the World Bank and the University of Sao Paulo, the immediate problem for the evaluation team was to grasp the way the two partners achieved their goals in a situation of mutual dependency and lack of formal authority in the network. Through a bottom-up[18] approach to the analysis of partnership implementation (Sabatier, 1986) evaluation shifted the focus on the local actors, to understand how they perceived, participated in, and affected the implementation process and the knowledge content. From the Brazilian perspective, USP appeared to enjoy a considerable margin of maneuvering in the selection of participants and speakers, and during the conceptual preparation of the course materials.[19] According to USP local organizers, WBI's materials were the indispensable theoretical reference for building the joint course.[20] But, their adaptation to the Brazilian context meant not only a mere replacement and addition of lectures and case studies. It accounted for an in-depth modification of the course program and format. From a general seminar on macroeconomic management, the joint course ended up being a Brazil-centered policy-oriented training. It focused on the causes and effects of the then-financial crisis, through a series of logically linked presentations on the various macroeconomic and financial indicators of the 1998

[18] The bottom-up perspective introduced by the work of Hjern, Porter, Hanf, and Hull adopts a networking technique to identify the people actually involved in planning, financing, and executing the relevant programs. According to this analysis program success is far more dependent upon the skills of specific individuals in local implementation structures than upon the effort of central government officials.

[19] Based on interviews.

[20] Based on interviews.

currency devaluation.[21] Thus, the efficacy of hierarchical power and authority within the partnering was curbed by the USP active intervention in the traditionally asymmetrical WBI's pattern of relations, 'contesting' the knowledge conveyed in WBI instructional materials.

As emerges from interviews, the Brazilian audience 'personalized' the learning event by bringing its specific job-related concerns.[22] For instance, the econometric model of macroeconomic assessment taught in the course was analyzed in light of the work-specific needs of central bankers and the other investment bank staff participating in the course, spurring an open research study group between the department of economics and the Brazilian Central Bank.[23] The questioning and reconstruction of the then-World Bank analysis led to challenge the existing perspectives and create new knowledge. In Nonaka's terms, the training partnership favored the 'externalization' of codified knowledge (Nonaka, 1994).

Furthermore, USP could not be lumped together just a single actor but needed to be considered as an ensemble of actors, including the organizers, course participants, local speakers, and a number of graduate students, each contributing to and affected by the partnership in different ways. According to the five interviewed local speakers, for instance, the interaction with international presenters and WBI managers meant the opportunity for reciprocal learning, through exchanges of ideas, and research findings, and networking with colleagues from different parts of the world. Thus partnering helped combine and socialize speakers' codified and tacit knowledge as they shared different practices of course delivery for high-professionals, alternating lectures to presentations, collective debates to study-group simulations.

Overall, this cooperative undertaking was a complex interaction, which led to learning, knowledge exchanges, a strongly emphasized joint image of the training, and an organizational open network, where financial and political asymmetries, trust and opportunism, loyalty and self-interest alternatively played in a interpersonal and organizational network. Both institutions have shared resources, practices, organizational and intellectual perspectives, and cultures. This experience is the precedent to which both will refer, bearing it in their institutionally historical memory.

8. Lessons learned

WBI/USP partnership is representative of a knowledge partnership in the field of education and international cooperation. As a development policy for professional and higher education, training partnerships are expected to create 'knowledge networks' among newly empowered actors of development and social change at the local, national, and international level. Partnership has become the new development paradigm within the multilateral and bilateral donor community as well as the new modus operandi for decentralized, flexible, and dynamic research and education cooperative ventures between university, industry and other public or private sector organizations.

Yet there are global and national implications for network management because of lack of formal authority and enduring asymmetrical Northen–Southern power relations. Thus, it becomes difficult to capture these international experiences from a national or regional perspective. The WBI/USP partnership involved an inter-organizational activity that gave rise to interactions among actors playing at different levels—local, regional, international. In these circumstances, the global and national implications in terms of network management are ambiguous (Hellstrom & Jacob, 1999; Mandell, 1990), depending on the capacity and willingness of mutual adaptation through negotiation and consultation between actors.

From an evaluative point of view, the challenge is to detect the directions of relationships and assess their nature, since partnering does not lead to change, regardless of the nature, the goals, and the mission of the institutions and organizations partaking in it. Rather, partnership unfolds in a wide variety of organizational arrangements: global and local, tangible, intangible, formal, and informal. These are closely linked to, if not dependent upon, the actual institutional constraints, opportunities and interests inherent to the partners and their common undertaking.

As shown in the WBI/USP case, the partnership led to knowledge transfers and organizational change through

[21] Based on interviews and content analysis of WBI/USP instructional materials.

[22] Based on interviews.

[23] Based on interviews. The author was directly involved in the evaluation of this case as WBI evaluation consultant., This case study evaluation draws on the broader evaluation of the first two phase cycle of the Partnership Program piloted by WBI during 1998. See Colinet and Marra (2000), Fostering Training Partnerships in Developing Countries: An Evaluation of the WBIEP Partnership Program, FY98-99, Based on interviews with WBI managers, see, World Bank Institute (1998), Partnership Program, Program Brief., Evaluation data were gathered through: (a) content analysis of official documentation; (b) semi-structured interviews of program managers, local organizers, professors, and speakers; and (c) observation during the field visit, WBI was expected to provide the instructional materials, which set the theoretical reference to build the course; USP, instead, had to take over all organizational and logistic concerns and enrich with Latin American case studies and Brazilian articles provided by the local speakers the syllabus of the joint-course., Formal agreement of the partnership between WBI and USP, August, 1998. According to interviews with USP faculty, Rio Catholic University and Getullio Vargas Foundation are USP direct competitors. Based on interviews with USP faculty and FIPE leadership. Most USP economics faculty received Ph.Ds from the most prestigious US universities. They speak a fluent English and entertain scientific exchanges with other research institutions in the US and Europe., An anecdote illustrates this point: one of the selected speakers was a very well-known Brazilian economist, former professor at USP, however, difficult to be reached unless the World Bank was asking for his consulting and teaching services. A WBI manager contacted this person while the other Brazilian presenters were directly invited by USP.

processes of externalization and socialization (Nonaka, 1994). These outcomes were consistent with the premises underlying the two partners' strategies and missions, and in line with those theoretical strands of the economic development thinking that put emphasis on learning organizations and participatory processes. Yet, the financial losses and the dispute that arose between the two partners cast some doubts on the sustainability of this experience in the future. As Hirschman points out, monetary and non-monetary benefits and losses reinforce with each other.

In this regard, the evaluation of the partnership design and implementation needs to carefully take into consideration the institutional, financial, organizational, and symbolic aspects related to cooperative undertakings. This calls for identifying the underlying causal mechanisms that link inputs, implementation processes, and outcomes: that is, taking into consideration the dimensions of cost (monetary and non-monetary), risk sharing, accountability, power, prestige, commitment, and trust. Uncovering these mechanisms allows to grasp potential or hidden problems at the project, program, and policy level.

Yet, much of the ability of programs/projects to take-off and develop depends upon the 'local chemistry' and 'embeddedness' of implementation. That is, the historical and socio-political–perhaps cultural-conditions leading actors to behave in one way or another. A good understanding of these conditions is just the first step to formulate some kind of flexible 'working hypothesis' about future behavior. The implementation process is therefore a major concern for evaluation. The budgeting of costs and revenues; the financial scheme of the research or training project; the partners' intellectual contributions and materials; the practical organization and logistics are the milestones of the implementation process. Monitoring and evaluation are of paramount importance for promptly correct deficiencies underway and promote organizational learning. To some extent, some kind of 'success' criteria for a training and research partnership can be specified *ex ante*, as far as financial, organizational, and performance standards. For instance, mutual exchanges of tacit and scientific knowledge, more participatory and democratic arrangements, a strengthened financial and institutional capacity, and sustainability in the future are those long-term desired outcomes, which assure the efficacy of the partnering policy for education, research and international development.

Yet, these criteria are continuously reformulated and attained through an interactive process where information about goals, problems, means and resources is traded between the actors, to establish a common understanding and sense of mission. This *political economy*—i.e. the ensemble of structural, and financial constraints, institutional, organizational and political balances and imbalances, the psychological and symbolic drives—contributes to forging the actual shape and future prospects of a partnership.

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