Government organizations provide essential public services in key areas such as health, education, and infrastructure, and the public sector is especially large in developing countries. However, key determinants of effective governments are still largely unknown. Among the unanswered policy research questions are such important matters as which factor is most relevant to ensure effective delivery of public goods, or which mechanisms can ensure a more transparent and accountable public procurement process. Governance reforms are often long term, complex, and difficult to measure. Thus, rigorous evidence on what works in the sector is in short supply.

**The ieGovern program**

To produce rigorous evidence to improve the results of governance projects and to push the frontier of available evidence on what works in governance reform, DIME and the Governance Global Practice launched the ieGovern program in 2013. To date, 38 impact evaluations (IEs) related to a governance theme have been carried out in all regions of the world, including in fragile and conflict-affected countries. The program studies four main themes: civil service reform; public financial management (tax and procurement); justice; and decentralization/subnational public-sector management.

**Civil Service Reform—The Bureaucracy Lab**

IE research has mainly focused on studying performance incentives for frontline staff, such as teachers, nurses, and doctors, that address such issues as absenteeism or underperformance. To go beyond this, the IE work in the civil service reform theme focuses on research questions related to civil servants who work in core ministries, such as the ministries of finance and education, and who bear the responsibility for key functions such as designing a country’s policies and collecting its taxes. Important policy questions being studied include how to motivate public sector workers to perform better with different (monetary and mission-based) incentives (Liberia and Pakistan); how to improve the governance of the maintenance of public infrastructure (Tanzania); and how streamlined information flows within the public sector can improve bureaucratic knowledge (Ethiopia). The IE work on civil service reform fits into a broader research program called The Bureaucracy Lab, which is co-led by DIME and the Governance Global Practice. The Lab is generating improved administrative data on the characteristics of public officials and their organizations to inform the design of public sector organizations. In addition, the Lab is undertaking experimental work within large-scale surveys of civil servants to generate an evidence base on how to survey civil servants effectively. The Lab is also working with academic anthropologists and sociologists to create a detailed picture of civil services around the world. Each element uses the ieGovern program as a platform for research, while providing inputs that feed back into the design of the evaluations.

A series of conferences around the theme of ‘Innovating Bureaucracy’ allowed the Lab to present its approach to leading scholars and practitioners in the field. The approach combines micro-level diagnostics based on primary data on public officials and their activities; experimentation and adaptation in implementing reforms; and a better understanding of the political economy in which the public sector is situated. The conference also facilitated a review of existing evidence upon which to develop further reforms.

**Tax and Procurement**

Public financial management (PFM) reforms have been a core element of support by
HOW “WALKING ACROSS THE CORRIDOR” CAN INCREASE PERFORMANCE IN AND ACROSS PUBLIC-SECTOR ORGANIZATIONS

DIME supported research in Ghana surveying nearly 3,000 civil servants in the central government and assessing completion of 3,628 projects to gain a detailed view of how effectively the government is functioning, and why. The top figure shows the variation in projects completed by an organization (solid dots) and by divisions within those organizations (hollow dots). The proportion of projects that get completed varies greatly across organizations, but there is even more variation within organizations. Looking solely at organizational averages would hide the immense variability in performance across divisions; some divisions complete all their projects and some do not complete any, even within the best performing organizations. The implication here is that “walking across the corridor” to coordinate units in the Ghanaian public sector and encourage them to learn from one another could increase productivity.

Why are there such large gaps from one office to the other within the same building? DIME research focused on the management practices within and across organizations. The bottom figure shows the wide variation in the quality of management associated with these organizations (solid dots) and divisions (hollow dots), mirroring the diversity in productivity. Our research indicates that management practices explain much of the variation in productivity. A one standard deviation improvement in management practices leads to a 39-percentage point increase in project completion. This large gain stands in contrast to the 21 percent of projects never started in Ghana (see Rasul, Rogger, and Williams, 2017). This finding has important policy implications. Given that Ghana’s government expenditure is roughly 20 percent of the economy, a one standard deviation improvement in management practices would lead to an 8 percent increase in GDP in direct productivity gains, as well as indirect productivity gains through the improved interactions between the public and private sectors.
the World Bank and other donors in client countries for a long time, yet only a few IEs exist on the effectiveness of different PFM systems. Several IEs under ieGovern in the PFM subsectors of tax and procurement have tried to fill this gap. Research questions include the impact of the adoption of e-procurement systems on competition and market entry of new firms, prices, and value for money of government purchases (Bangladesh and Brazil); how centrally coordinated framework agreements affect the procurement process and quality of services procured (Colombia); and how behavioral “nudges” and facilitation measures can affect willingness to pay taxes and tax compliance (Tanzania).

The ieGovern portfolio of tax research has helped spark the creation of a broader research program embedded in the Governance Global Practice, the *Innovations in Tax Compliance* program. This program will develop a framework that looks holistically at enforcement, facilitation, and trust as key mechanisms to improving tax compliance. The work recognizes that technocratic reform focused on enforcement and facilitation remains essential, but more substantial and long-term improvements are ultimately likely to depend on building a relationship of mutual trust between government and taxpayers. The project will serve as a convening force for research partnerships inside the World Bank and with outside academic/research institutions, including the International Centre for Tax and Development (ICTD), the Institute for Fiscal Studies (IFS), and the Chr. Michelsen Institute (CMI).

**Data and Evidence for Justice Reform (DE JURE)**

An efficient, fair, and accessible justice system safeguards peace and security; encourages investment and growth; and is fundamental to notions of citizenship and trust in government. Yet, there is little empirical research on justice system reform, mainly because data are not easily available. In recent years, however, governments around the world have embraced electronic case-management systems and have used innovative technologies to expand access to justice. Leveraging the World Bank’s relationship with governments, the ieGovern work on justice is uniquely positioned to take the lead in justice research. The justice portfolio has evolved into a self-contained research program, *Data and Evidence for Justice Reform (DE JURE)*, that aims to establish a global data infrastructure for the justice sector, and to expand the experimental evidence base on the economics of justice reform.

The DE JURE program has three pillars:

- **Data.** Working with client governments to strengthen case management and administrative data systems, and to pilot a public data depository that brings together key elements from these systems in the form of a series of *Doing Justice* indicators.

- **Measurement.** Using administrative and survey data, in conjunction with economic theory and literature, to develop an empirically validated measurement framework that lays the foundation for research on the economics of justice reform.

- **Learning.** Embedding experimental research into the rollout and scale-up of justice sector interventions to understand the impacts of changes in laws and regulations, information and monitoring systems, and incentives and enforcement mechanisms.

The DE JURE program was launched in 2017 at an impact evaluation workshop that brought together government officials, World Bank staff, and academics from Azerbaijan, Brazil, Colombia, Croatia, India, Kenya, Mexico, Peru, the Philippines, Senegal, and the Solomon Islands to identify immediate opportunities for expanding the evidence base in justice reform. Current research engagements include analysis of high-frequency administrative data in Croatia, Chile, and India; experimental and quasi-experimental work on access to justice in Colombia and the Solomon Islands; and randomized controlled trials of performance management and behavioral interventions in Kenya and the Philippines. The program aims to pilot a global depository of administrative and survey data on justice, and to identify additional priority countries in which to experimentally and iteratively test the impacts of new justice reforms.

**Decentralization/ Subnational Public-Sector Management and Capacity**

Transferring power and responsibilities to local entities has been a very popular reform for many countries, including in OECD, middle-income, and low-income countries. However, the evidence base of how decentralization reforms fare in practice has not kept up with the number of reforms. Unanswered research questions include how to measure and incentivize the performance of local governments; how to deal with potential elite capture at the local level; and how to ensure that local governments have sufficient capacity to handle increasing responsibilities and collect their own revenues. In terms of state capacity, the program is developing new measurement approaches to assess state capability in middle- to low-income countries. Specifically, the program focuses on adaptive approaches on state capability, which have gained more popularity in the last few years, but there is still very little understanding about how these approaches are ignited, implemented on the ground and further no real consensus on impact has emerged.

Current research engagements include analysis of high-frequency administrative data in Croatia, Chile, and India; experimental and quasi-experimental work on impact of digitization of case records in Philippines; and randomized controlled...
For example, two impact evaluations (in Bangladesh and Brazil) explore whether e-procurement acts as an effective incentive to improve transparency and efficiency of the public procurement process. The next generation of evaluations will look at the elements of the systems of accountability within the public sector that should be studied to ensure that e-procurement can lead to a more transparent and efficient public procurement process. By examining both the e-procurement system and corresponding civil service incentives, our work would enable a broader understanding of the impact of the reform.