



Independent Evaluation Office
of the International Monetary Fund

IEO Evaluation

Research at the IMF – Relevance and Utilization

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Structure of Talk

- Preview
- Motivation/Evaluation Questions
- Findings
- Recommendations
- **Message for Think tanks**

A Preview of Findings

The evaluation came up with some very positive findings about IMF research

- The IMF produces a large body of research, which includes a large number of high-quality products.
- Many of these products are widely read, greatly appreciated, and quite influential in policymaking.

But identified a number of shortcomings

- Relevance was hampered by lack of consultation on research topics and insufficient country and institutional context.
- Too much control over the message, not enough control over quality.

Why evaluate research at the IMF?

- Research contributes to the development and updating of conceptual models and tools that form the basis for IMF analysis and recommendations.
- High-quality research contributes to **IMF reputation and credibility**.
- Research accounts for **10** percent of the annual administrative budget. The IMF produces about **650** pieces of research per year.
- Timely to look at how research has evolved since the external evaluation (Mishkin Report) conducted in 1999.

What is IMF research?

- The evaluation adopted a practical and broad definition.
 - Goal was to capture the variety of analytical output produced across all Fund Departments.
- Defined two categories of research output:
 - **Surveillance -oriented:** WEO, GFSR, REO, SIPs, OPs, SDNs
 - **Academic-oriented:** WP, External publications, Books
- 6500 publications issued 1999-2008
 - 40 percent are Working Papers
 - 40 percent are SIPs

Main Questions

- How relevant was IMF research to authorities in member countries, IMF staff and other stakeholders? How was it utilized?
 - Familiar? Read? Coverage? Impact?
- What was the technical quality of IMF research?
 - **Different yardstick for each product:**
 - Generate knowledge? Broaden understanding?
- How were IMF research activities organized and managed?
 - Prioritization of activities? Consultation? Review? Incentives?

Methods for Evaluation

Surveys

Country authorities (MoF and CB) - 75% of countries responded
IMF economists - response rate of over 60%

Interviews

Semi-structured interviews (over 350 interviews)

- *Authorities in over 30 countries,*
- *Think tanks, Academia, other Intl. organizations*
- *IMF staff*

Documents

Inventory

Catalog of research output.

Peer reviews

Assessment of quality of research (sample) by academics and external economists using clear metrics.

Citations

Citations in academic work and citations in related policymaking publications.

Findings

Relevance and Utilization

Views on products varied widely...

For Surveillance-oriented output

Analytical chapters in flagship publications were greatly appreciated and widely used ...

- **WEO**: universal awareness and widely read – led by interest in outlook and projections; valued.
- **GFSR**: frequently used by central bank officials; respected.

Some important for Fund-Country dialogue

- **SIPs**: often played important role in policy discussions, especially LICs. However, not used much by academics or staff.

Not widely read

- **REOs** not well known with the exception of Africa where it was highly **appreciated**.

Academic-style outputs selectively used...

- **WPs:** read by authorities and research organizations, more in advanced and emerging market economies than in LICs.
 - Many said IMF WPs a useful starting place but sometimes difficult to find the “gems” and often seen to have ideological biases.
 - Most staff read some WP.
- **Macro-models:** Not a stand-alone product but frequently noted as regularly used by many Central Banks especially the latest DSGE models. However, some thought they were black boxes.

Think tank use of IMF Research

- In a background paper on Eastern Europe (written by Marcelo Selowsky), the usage of IMF research in CASE papers and those from the Institute for the Economy in Transition in Russia was reported on to get a sense of utilization.
- We found that think tanks tend to be more interested in IMF research that examines cross-country experiences.
- In some other regional citation work, we found IMF citations were linked to WEO publications.

**Table 2. Citations of IMF Sources in the Publications of Think Tanks in Poland and Russia
2007-09**

	Total number of papers examined	Total number of IMF citations in publications	Factual description or data use	Reference to the analytical content	Analytical citations per publication
CASE – Poland	38	160	80	80	$80/38 = 2.1$
Institute for the Economy in Transition – Russia	39	80	67	13	$13/39 = 0.3$

Source: IEO estimates

Relevance and utilization was hampered by ...

- Important gaps in coverage of issues (e.g. macro-financial linkages; aspects of monetary policies; and capital account liberalization)
- Lack of consultation on research topics for SIPs
- Insufficient country and institutional context
- Lack of alignment to intend audience of some publications
- Difficult distilling relevant findings and policy implications across vast output
- Concerns about objectivity

Message-Driven Results

- About half of the authorities thought that IMF research is message driven.
- Predictable conclusions within narrow set of perspectives
- More than half of the staff felt pressure to align conclusions with IMF positions
- **Too much control over the message**

Technical Quality

Technical Quality

Source of Evidence

- Document Review: by product
 - Assessment of different products by external experts.
 - Evaluation criteria adjusted to take into account different goals and intended audiences
- Interview and Surveys
- Citation Study

What characterized good research products?

- Questions are relevant to the corresponding audience
- Solid analytical framework
- Analysis executed with care, with consistent conclusions and recommendations
- In addition,
 - High standards of quality review
 - Successful dissemination

Quality is all over the place ...

For Surveillance-Oriented Output

- Analytical chapters of *WEO*, *GFSR*, and external publications were viewed to be of **high** quality.
- However, **SIPs and REOs** were viewed to be of **lower** and more variable quality.
 - REOs highly prescriptive, with unsubstantiated claims;
 - SIPs highly variable: better for advanced economies and often subpar for LICs

Quality of Academic Output is also diverse

For Academic-Oriented Output

- The **WP** series contained a number of first-rate papers that tended to be cited by peer institutions.
- But 5-10% constitute a reputational risk for the IMF, while another 30% have significant technical weaknesses
 - Those based on SIPs tended to be among the weakest.
 - Many lacked theoretical grounding and had weak formulation of models.
 - Gaps between results and conclusions
- **External publications**, including *IMF Staff Papers* were rated above average.
- Why is this a concern?
 - Reputation
- Why the disparity?
 - **Insufficient quality control**

Findings: Management of Research

No Fund-wide leadership of research

- There was **no Fund-wide leadership** of IMF Research.
 - Views from current and past Directors of Research Department reinforced this finding. One Director said that his focus was not on research per se, but on providing advice to the MD and to countries.
- No IMF-wide priorities
- No quality standards
 - Process for reviewing products across the Fund lacked consistency
 - Hard to distill research; uneven dissemination efforts
- Very limited coordination across departments
- **Little incentives ...** to share information, to collaborate, and to produce high-quality research.

Recommendations

Recommendations

- **To enhance relevance:** Consult, Collaborate, and Prioritize
- **To improve quality:** Enhance review process and create incentives
- **To promote openness:** Bring in to new ideas and perspectives to IMF
- **To improve management:** Establish responsibility and accountability for research, set standards, consult with membership

Messages for External Users of IMF Research

Messages for Think Tanks

- Greater engagement with IMF which will help dialog and country context:
 - Provide platform for IMF dissemination of research
 - Host IMF researchers as visiting scholars
 - Collaborate on research projects
 - Participate in IMF research conferences and visit IMF
- Encourage the creation of a data repository for research, including WEO and WPs.



Visit us at
<http://www.ieo-imf.org/>

Thank you!

Recommendations: More Details

Enhance relevance of IMF research

- Periodic strategic review of function and uses of product lines.
- Indicative medium-term research agenda
- Consult country authorities on research topics for bilateral and regional surveillance.
- Preliminary results should be discussed with authorities and other in-country experts
- Longer country assignments

Enhance the technical quality

- Allocate adequate time and resources to research project, even if this leads to fewer publications.
- Quality standards for different products.
- Establish quality assurance and review processes
- Incentive to improve quality in annual performance reviews

Promote openness to alternative perspectives

- Cultivate an independent and innovative research environment.
- This could be difficult, particularly for surveillance-oriented papers
- WPs should reflect analysis even if they are not aligned with surveillance messages
- Changes in Incentives and Culture

Improve the management of research

- Research Coordinator
- Agenda and Resource Allocation
- Standards for review and quality
- Dissemination and Outreach
- Annual Report to Board and membership on priorities and achievements

Management, Staff, and Board Reactions

Management Response

- Balance assessment of Fund research.
- Welcomed IEO's constructive recommendations.
- But mentioned strides taken since 2008 in tackling relevant policy issues in their research.

Staff Response

- Agreed with thrust of findings and recommendations.
- Agreed with the need to promote openness to alternative perspectives.
- But mentioned that:
 - Medium-term research agenda may limit flexibility and could be quite bureaucratic;
 - Consultation of research topics with authorities should vary by product.
 - Coordination of research could stifle individual research efforts.

Board Discussion: Summing Up

- Directors broadly endorsed the recommendations.
- Directors saw merit in
 - Conducting periodic review of research products;
 - Re-examining the value added of REOs
 - Improving the allocation of resources among products;
 - Consulting more with country authorities on research prepared for bilateral and regional surveillance;
 - Improving quality controls and review process; and
 - Promoting greater coordination and collaboration of research.

Extra Background Slides

Research outputs 1999-2008 by type and originating department

	RES	FAD	MCM	Other Functional	Area Dptmt	Total
SIP					2,402	2,402
WEO	62					62
REO					55	55
GFSR	8		31			39
WP	500	293	307	492	878	2,470
External Publications	395	131	73	284	262	1,145
Others ¹	29	39	43	38	101	240
Total	994	463	454	814	3,698	6,423

¹ Others include Books, Conference Volumes, Occasional Papers, Policy discussion papers/Staff Position Notes, Pamphlets and IMF Special Issues

Field Visits

Africa

Botswana, Burkina Faso, Cameroon, Ethiopia, Kenya, Nigeria, Senegal, and Zambia

Asia

Bangladesh, Cambodia, India, Japan, Korea, Nepal, and Vietnam

Middle-East

Armenia, Azerbaijan, Bahrain, Saudi Arabia, and United Arab Emirates

Europe

Albania, France, Germany, Israel, Norway, Poland, Russia, Sweden, Switzerland, and the United Kingdom

WHD

Argentina, Bolivia, Canada, Chile, Mexico, and the United States

More on Dissemination

Availability

- Awareness of e-alerts/more information in alerts (e.g. NBER)
- Enhance website making it easier to search by topic
- Searchable databases for SIPs (IEO has attempted to create one)
- Create a data repository
- Free Publications or review pricing of publications to LICs
- Hard copies for LICs
- Translation in different languages

Outreach

- Wider presentation of research material out of capital cities
- More joint seminars/conferences with local researchers
- Interact more with local researchers
- Create database of local journalist and senior retired researchers to help in dissemination.

Suggestions to improve quality

Screening

- Establish clear standards
- Establish accountability – who signs off
- Referee process
- Be more selective on SIPs → WPs

Feedback

- Encourage more collegial feedback
- Editorial feedback
- Encourage Collaboration

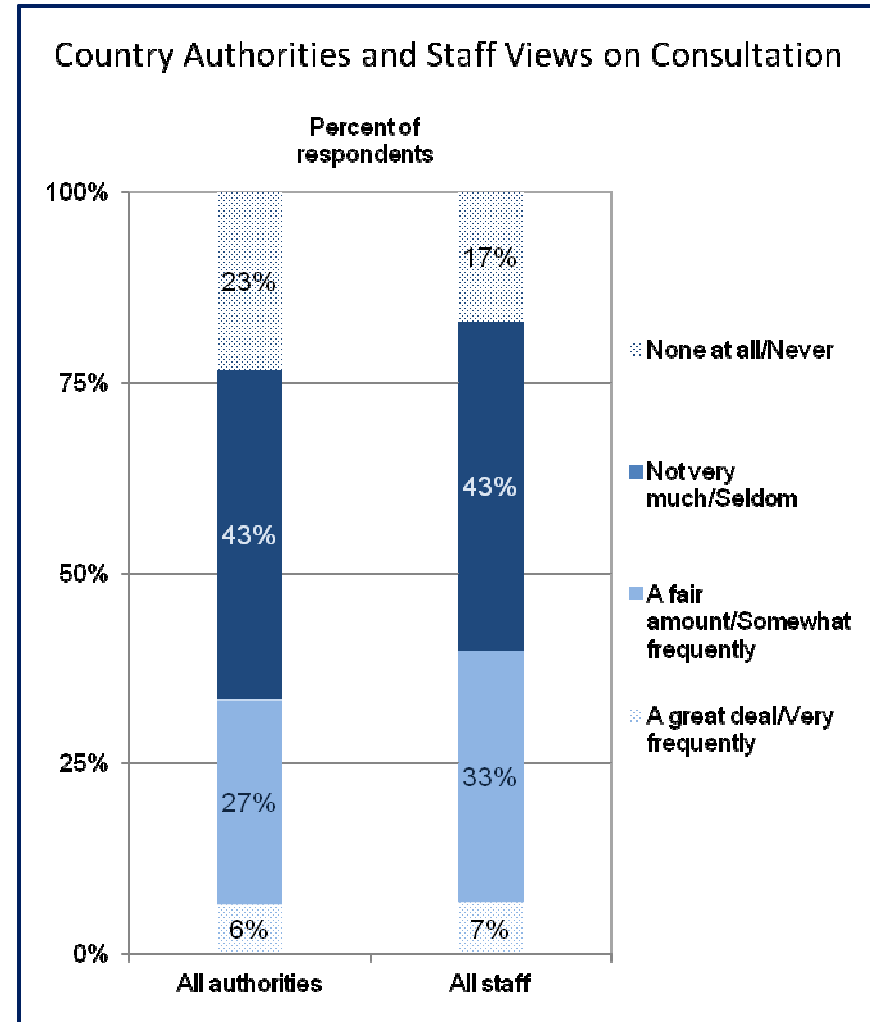
Documentation

- Standardize documentation of data and methods in WPs
- Create a data repository for published research

More on Relevance and Utilization

A number of impediments to utilization included ...

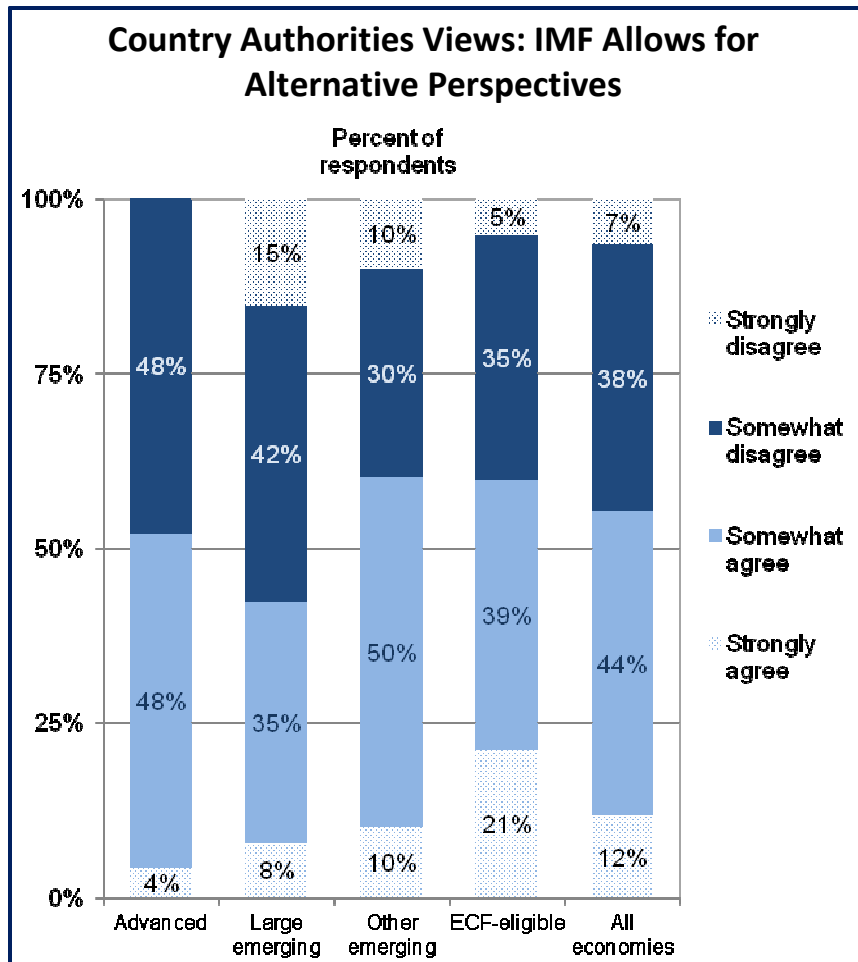
- **Lack of consultation on topics**
 - Little consultation with country authorities on research topics – topics come from out of the blue.
 - Surveys show over 60 percent of authorities and staff agree there was no consultation. Interview results even stronger
- **Lack of collaboration on projects**
 - Very little takes place
 - Yet there is a demand for it and authorities suggest it would help to provide country context



Research misses its target ...

- **Lack of country context**
 - Analytical framework not suited to the realities of the country.
 - Research was quite insular – only cite IMF research and not local research.
- **Lack of alignment of research to goals and intended audience**
 - Many WPs too theoretical and mathematical with little applicability.
 - Cross-country panel regression research is not informative
 - Strong preference for in-depth case studies

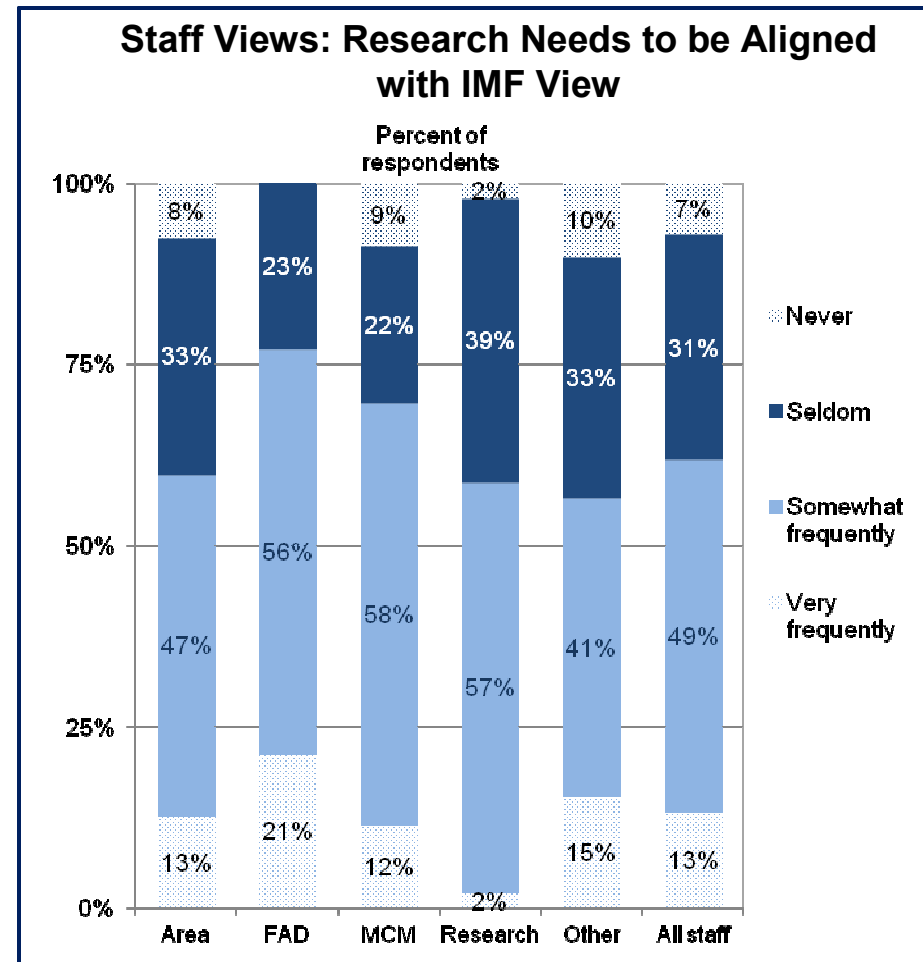
Research was message driven



- **Authorities** believe IMF research is predictable and does not allow for alternative perspectives.
 - **Survey results:** About half of authorities reported IMF research does not allow for alternative perspective.
- **External researchers** shared this view.

Staff: Research must align with IMF views

- **Staff** also believed that IMF research did not allow for alternative views.
- 62 percent of staff reported that research and conclusions had to be aligned with Fund views



Hard to distill research

- Dissemination critical for utilization but was very uneven: great for WEOs but little for WPs and SIPs.
- Hard to know what had been published.
- Lack of searchable database for SIPs
- Lack of hard copies, especially in LICs, hampered utilization.

More on Technical Quality

Indicators of Quality: Evaluation Criteria

	S	AA	A	BA	U
Framework					
1. Question is well posed and clearly focused					
2. Places work within the context of existing literature					
3. Specifies contribution to existing literature					
Analysis					
4. Uses an appropriate theoretical/conceptual framework					
5. Uses appropriate data and empirical methods proficiently					
6. Includes critical discussion and/or robustness analysis of results					
Output					
7. Writing is clear and well organized					
8. Adds value relative to existing research					
9. Conclusions are firmly grounded on the analysis					
10. Articulates policy relevance of findings					

WEO/GFSR high quality

Surveillance and policy-oriented research

- **WEO** chapters were thought to be consistently of high quality, especially core area chapters, throughout the review period.
- The technical quality of **GFSR** chapters has improved over the review period, and they are now at a level similar to that of the WEO analytical chapters.

REO and SIPs quality was mixed

- **REOs** lower quality than other flagship pubs. They have been improving over time. They tended to be highly prescriptive with incoherent or incorrect analysis and unsubstantiated claims. Quality varies by region.
- The technical quality of **SIPs** varied considerably.
 - SIPs for advanced countries tended to be of higher quality.
 - About 10% are below minimum standards.
 - In another 25% the question to be addressed was often not clearly specified, and there was a disconnect with the questions and data, and the techniques being employed.

Quality of Working Papers is also diverse

- The **WP** series contained a number of first-rate papers that tended to be cited by peer institutions.
- But 5-10% constitute a reputational risk for the IMF, while another 30% have significant technical weaknesses
 - Those based on SIPs tended to be among the weakest.
 - Many lacked theoretical grounding and had weak formulation of models.
 - Gaps between results and conclusions
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Mixed Messages in evidence

- Feedback on quality on SIPs and WPs was sometimes inconsistent between survey and interviews.
 - This partly reflected large dispersion of quality of papers.
 - In interviews, people were sometimes quite candid about quality.
 - While in survey, they were less candid responding that quality was more favorable.

More on Management

Significant resources devoted to research

- **Budget:** Research activity accounted for 10 percent of IMF gross administrative budget and 8 percent of staff time annually.
- **Time:** Research Department staff (80 percent) found they had sufficient time to conduct research; but only 40 percent of staff in other departments felt they had enough time.

Review and Dissemination

- **Review Process**

- There was no systematic and uniform process for reviewing research across the Fund.
 - Some products subjected to formal inter-departmental review (WEO/GFSR).
 - Quality control mechanisms varied across departments for WPs and SIPs.

- **Dissemination of research**

- Dissemination of WEO and GFSR effective, reaching widespread audiences.
- SIPs, WPs and OPs were not well publicized and charges for OPs constrained access for some users.
- Internal dissemination of research was constrained by the search engines on the IMF website and by the lack of searchable databases on SIPs.

Some details from Selected Background Papers

WPs Peer Review: The Process

- Sixty randomly selected papers; 3 well-known academics
- One primary reader, one secondary per paper
- Scores, short “referee reports”
 - **S** (superior), **AA** (above average), **A** (average), **BA** (below average), **U** (unsatisfactory)
- Meeting to discuss ratings & observations

Rating rubric

- ***Framework***

- (1) Well posed, clearly focused question, (2) Placed within literature, (3) Specifies contribution.

- ***Analysis***

- (1) Good theoretical/conceptual framework, (2) Technical proficiency, (3) Skillful use of data, (4) Robustness & critical discussion.

- ***Output***

- (1) Clear writing, (2) Adds value, (3) Firmly grounded in the analysis, (4) Articulates policy relevance.

Summary ratings

Example from Monetary Framework Cluster

Rating	Empirical	Theoretical	Country studies	Thought pieces	ALL
Superior	7	4	1	0	12
Above Average	18	12	4	1	35
Average	15	8	17	1	41
Below average	7	2	14	4	27
Unsatisfactory	1	0	2	2	5
Total	48	26	38	8	120
Average	3.5	3.7	2.7	2.1	3.2

Note: the scale was 1–5, where **S**=5 and **U**=1.

Observations

- ***Some terrific papers:*** focused, original, technically accomplished, informative.
- ***Some great topics:*** interesting questions. Strong on policy relevance.
- ***Uneven quality.*** Many lack theoretical/conceptual grounding. Gaps between conclusions & results. Weak on robustness and critical discussion.

Citation Study: Relevance and Utilization

- Used citations of WPs to assess the relevance and utilization of IMF research.
- Benchmark IMF performance with 7 peer institutions.
- Examined citation of research among the peer institutions.
- Peer institutions:
 - Bank of Canada
 - FRB – Governors
 - FRB – New York
 - FRB – San Francisco
 - IDB
 - OECD
 - World Bank

Design of Citation Study

- Focus on citation of working papers, but also examined citations and impact measures of published papers.
- For WP Examined:
 - How many WPs were issued per institution
 - 3 types of citations:
 - Total
 - At all peer institutions
 - Self
 - Comparison of citation of top papers cited at peer institutions
 - Rate of publication of WPs
 - Journal publication impact ratio

Basic Facts on WPs and Citations

Table 1: citation of Working Papers 1/

	Number of WPs in Sample	Overall citations	Citations by peer institutions	Non Self- Citing 4/
IMF	2016	5405	1808	462
FED 2/	2604	7384	1771	845
WB	2092	4576	1591	297
Others 3/	1910	2637	618	218
Total	8622	20002	5788	1822

Source: IEO Estimates.

1/ Only includes citation with a 2 year window after publication, written from 1999-2006.

2/ Includes the FRB, FED NY and FED SF.

3/ Includes the OECD, BCA and IDB.

4/ Non Self Citing (NSC) stands for citations by publications outside the peer institutions.

Matrix of Citations at Peer Institutions

Number of Citations by Peer Institutions 1/

	BCA	FEDSF	FRB	FEDNY	IDB	IMF	WBK	Total
BCA	170	2	9	3		18	2	204
FEDSF	42	298	102	28	4	49	18	541
FRB	34	154	451	80	7	100	29	855
FEDNY	24	35	65	177	6	45	22	374
IDB	1	11	5	1	230	31	24	303
IMF	40	82	43	32	63	1346	202	1808
WBK	10	21	28	4	83	151	1294	1591
Total	321	603	703	325	393	1740	1591	5676

Source: IEO estimates.

1/ Only includes citation with a 2 year window after publication, written from 1999-2006.

Citations across denote citations of that institution's work at other organizations.

On citations: IMF about average

Citation Study – study of WPs – a comparison across peer institutions and not impact per se.

- Findings included:
 - Share of IMF WPs cited by peers was highest at 40 percent.
 - But on citations per paper the IMF lagged behind **FRB** institutions.
 - Comparison of top 10 percent of papers showed IMF citation rate steadily increasing but behind **FRB**.
 - IMF tended to cite its own papers more than other institutions.
 - Performance gap widens between the **three Feds** and other institutions including IMF.
 - Publication rate of IMF WPs in professional journals was low relative to **FRB** institutions.