## CENTER FOR GLOBAL DEVELOPMENT **ESSAY**

# Building a Think-and-Do Tank: A Dozen Lessons from the First Dozen Years of the Center for Global Development



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#### **ABSTRACT**

CGD turned 12 years old in the fall of 2013. This essay is an effort to distill what we think we have learned in the past dozen years. Neither of us was present at the Center's creation in 2001, but each arrived in the formative years and each has spent a decade helping to build CGD. Between us, we have a pretty good idea of what makes the place tick, one of us working rather more upstream and the other somewhat downstream, with plenty of overlap in the middle.

This is our idiosyncratic list of 12 lessons from the Center's first 12 years as a think-and-do tank—the ingredients in CGD's secret sauce. Some are attributes that other think tanks might seek to emulate. Others are part of our core DNA, bequeathed to us by the circumstances of CGD's birth. These lessons may be of particular interest to our supporters and funders, as well as to laudable efforts (such as the Think Tank Initiative) that seek to support the emergence of high-performing research organizations in developing countries.

In compiling this list, we've tried to abide by one of our unofficial mottos: "We take our work seriously, but not ourselves." We hope this list will be read in that spirit.

The Center for Global Development is an independent, nonprofit policy research organization that is dedicated to reducing global poverty and inequality and to making globalization work for the poor. CGD is grateful for contributions from its board of directors and funders in support of this work.

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When we were six years old we at the Center for Global Development (CGD) felt a bit like Christopher Robin: immensely clever. Now, having turned 12 years old in the fall of 2013, we like to think we are twice as clever! Then again, maybe not.

To be sure, CGD has matured. We have better systems for all the things that make a think tank run, such as finance, HR, IT, and communications. We blog and Tweet and have more books and papers on our website and more people reading them. We hold more events and have a larger and more diverse board. And we are more financially secure. In just 12 years, we have gone from a handful of people squatting in the Peterson Institute to a fully fledged think tank with a European office in London and a newly purchased headquarters in the heart of Washington complete with our own state-of-the-art conference center.

More important than our institutional metrics, we can credibly claim some major successes in our mission to improve the policies and practices of the rich and powerful to make the world a fairer and safer place for all. Our approach, summed up in our tag line "Ideas to Action—Independent research for global prosperity," has underpinned a growing list of real-world changes in which the Center's work has played a significant and sometimes decisive role. A few examples:

- Creation of the first Advance Market Commitment (AMC), a \$1.5 billion pilot that
  accelerated development and delivery of vaccines to prevent pneumococcal diseases,
  averting 1.5 million premature deaths<sup>1</sup>
- Narrowing of the "evaluation gap" through increased attention to rigorous impact evaluation, including playing midwife to the creation of a new global organization the International Initiative for Impact Evaluation (3ie)<sup>2</sup>
- Spurring \$1 trillion to buffer developing countries from the effects of the global financial crisis via a CGD blueprint, which was picked up by the UN Secretary

<sup>&</sup>lt;sup>1</sup> Estimate of deaths averted from the Advance Market Commitment for Pneumococcal Vaccines, Annual Report, April 2012–March 2013, by the GAVI Alliance Secretariat. For an independent assessment of CGD's role in the Advance Market Commitment, see Center for Global Development: Evaluation of Impact, Chapter V: Making Markets for Vaccines Initiative, by Arabella Financial Advisors, produced for Bill and Melinda Gates Foundation, William and Flora Hewlett Foundation, John D. and Catherine T MacArthur Foundation, and Rockefeller Foundation; December 2006.

<sup>&</sup>lt;sup>2</sup> See <u>Closing the Evaluation Gap</u> (video). In this video, Bill Savedoff and Ruth Levine tell the story of how CGD's work led to the creation of the International Initiative for Impact Evaluation (3ie). It includes documents showing CGD's role and an interview with 3ie's founding director Howard White <a href="http://www.cgdev.org/media/closing-evaluation-gap">http://www.cgdev.org/media/closing-evaluation-gap</a>).

General, endorsed by the G-20, and implemented by multilateral financial institutions<sup>3</sup>

- Reducing Nigeria's debt stock by \$30 billion through a CGD proposal for the firstever Paris Club debt buyback<sup>4</sup>
- Inventing and helping to pilot Cash on Delivery (COD) aid, a new model that pays only for independently verified improvements in outcomes<sup>5</sup>
- Inventing Development Impact Bonds (DIBs), a new type of financial instrument that makes it possible for private investors to profit by providing public goods, thus unleashing innovation and flexibility for better results<sup>6</sup>
- Providing economic analysis and market-like thinking to encourage reform within the Global Fund to Fight AIDS, Tuberculosis, and Malaria and other global health funders to ensure more health for the money<sup>7</sup>

We are currently at work on half a dozen other proposals that could make a real difference in the world. These include COD-style payments to protect tropical forests, thus slowing climate change and protecting forest-based livelihoods and biodiversity; preemptive contract sanctions that would increase pressure on regimes such as Syria by denying court enforcement of new contracts; a "publish what you buy" procurement transparency initiative; and an "oil to cash" dividend that would pay citizens a share of the proceeds from natural resource windfalls.

Given our past achievements and our ambitious pipeline, we realize that expectations are high. It is tempting for those of us lucky enough to be in positions of leadership at the Center to imagine that CGD will go from strength to strength, all the while staying young and agile even as we grow. But we also know that institutions have natural lifespans and that some sadly decline into doddering and demise much more quickly than others. This recognition has led us to some self-reflection: How do we continue to push ourselves while also keeping true to our core strengths? What are those core strengths?

We also think CGD might have something worth sharing, in part because we regularly receive visitors from other think tanks who ask us for advice. Influenced by <u>Forces for Good:</u>

<u>The Six Practices of High-Impact Non-Profits</u>, we try to do our part to help build the field. More

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<sup>&</sup>lt;sup>3</sup> See <u>Unlocking \$1 Trillion for Developing Countries</u>. This three-minute video clip describing CGD's role includes interviews with Nancy Birdsall, Lawrence MacDonald, and Ted Truman, a Peterson Institute senior fellow who was, at that time, serving an emergency assignment in the U.S. Treasury (<a href="http://www.cgdev.org/media/unlocking-1-trillion-developing-countries">http://www.cgdev.org/media/unlocking-1-trillion-developing-countries</a>).

<sup>&</sup>lt;sup>4</sup> See Nigerian Debt Relief, CGD website (http://www.cgdev.org/initiative/nigerian-debt-relief).

<sup>&</sup>lt;sup>5</sup> See <u>Cash on Delivery Aid</u>, CGD website (<u>http://www.cgdev.org/initiative/cash-delivery-aid</u>).

<sup>&</sup>lt;sup>6</sup> DIBs were created in partnership with Social Finance, a UK nonprofit organization that develops financial products that link the market, government, and society for the greater good (<a href="http://www.cgdev.org/initiative/development-impact-bonds-0">http://www.cgdev.org/initiative/development-impact-bonds-0</a>).

<sup>&</sup>lt;sup>7</sup> See <a href="http://www.morehealthforthemoney.org/">http://www.morehealthforthemoney.org/</a>.

often than not, we come away wiser from these interactions with peers who are nearly always facing similar challenges.

This essay is an effort to distill what we think we have learned in the past dozen years. Neither of us was present at the Center's creation in 2001, but each arrived in the formative years and each has spent a decade helping to build CGD. Todd first joined as a research fellow in 2002, took leave in 2007–2008 to serve in the US State Department, then returned as a vice president for programs. Today, as a senior fellow and chief operating officer, Todd is responsible for relations with our funders and board, in addition to doing his own research. Lawrence joined in 2004 as director of communications and today serves as vice president for communications and policy outreach, helping to turn CGD ideas into action. Between us, we have a pretty good idea of what makes the place tick, one of us working rather more upstream and the other somewhat downstream, with plenty of overlap in the middle.

Here, then, is our idiosyncratic list of 12 lessons from the Center's first 12 years as a think-and-do tank—the ingredients in CGD's secret sauce. Some are attributes that other think tanks might seek to emulate. Others are part of our core DNA, bequeathed to us by the circumstances of CGD's birth. These lessons may be of particular interest to our supporters and funders, as well as to laudable efforts (such as the <u>Think Tank Initiative</u>) that seek to support the emergence of high-performing research organizations in developing countries. In compiling this list, we've tried to abide by one of our unofficial mottos: "We take our work seriously, but not ourselves." We hope this list will be read in that spirit.

## 1. Start fresh to stay fresh.

Think tanks are in the ideas business, and the ideas business is changing extremely rapidly, driven by ongoing revolutions in information and communications. All institutions face the risk of becoming set in their ways, but this is especially relevant for organizations whose raison d'être is fresh ideas. We've found it liberating to work in a place where we almost never hear "we never did that before" or "we tried that already, and it won't work." CGD benefitted from early incubation inside the Peterson Institute, and we have since helped to birth 3ie. We may feel differently after CGD turns 20 or 25, but for now, we think that younger tanks have an advantage.

## 2. Articulate an inspiring mission and aim for results.

CGD's mission originated with the desire of our founding chair, Edward Scott, Jr., to change how the United States and other rich countries dealt with (what was then called) third world debt. Starting in Washington in early 2001, Ed had a series of conversations with well-informed people, who all urged him to seek out Nancy Birdsall. Ed and Nancy, together with Fred Bergsten of the Peterson Institute, imagined a new type of development-focused think tank—one that would work for practical changes in the policies and practices of the rich and powerful that affect poor people in developing countries. That mission has guided

us ever since, keeping our niche clear and helping to attract some of the best and brightest researcher-practitioners. From the start, Ed pushed for CGD to be explicit and practical in its policy recommendations. He pushed CGD to aim not only for increased knowledge and debate but also for specific real-world changes based on the best available research—and to be impatient about those changes. Ed doesn't hesitate to remind CGD employees that he "set out to make the world better, not make a sandbox for economists." That drive has become a part of our institutional DNA.

## 3. Start with flexible money—but not too much.

An ample and diversified portfolio of financial support is a sine qua non of a think tank that aspires to do more than chase contracts. CGD was fortunate to have a generous start-up gift from our founding chair that proved crucial to the president's ability to attract top professionals and to hit the ground running. Just as important, it enabled her to say no when proffered funding for activities that were not a good fit with our mission. With that initial commitment in hand, CGD's early leaders were able to raise programmatic funds to support specific activities that were a good fit with the Center's mission and skills—and to avoid getting pulled too far from the core mission.

We've found that a healthy financial mix for us is about three-quarters programmatic funds targeted for specific work, with the remainder being unrestricted funding from those who trust CGD to make the best use of their gifts. We use the flexible funds as our precious venture capital, supporting experiments with new programs and work on issues that have yet to attract traditional funders. At the same time, funder priorities are a vital signal of the value of our work, as programmatic grants are the closest thing we get to a market test. If a project has been unable to attract specific support after several years of drawing on our venture capital, it's a pretty strong signal that something is amiss.

By the same token, we approach our interactions with funders as part of an ongoing relationship in which ideas flow in both directions, rather than as a set of transactions. This is so much a part of our DNA that we hadn't bothered to mention it in the initial draft of this essay. But funders tell us it is rare and appreciated. It helps us not only to raise money but at times also to influence the funders' own priorities and practices.

# Hire great people and give them plenty of freedom and responsibility.

A think tank is people. Finding and recruiting the very best requires not only a compelling mission but also a work environment that is highly collegial and enjoyable—and that offers compensation that is competitive enough to attract top people. (This doesn't necessarily mean paying top dollar; in fact, many people who come to CGD accept pay cuts because they see offsetting advantages.)

Within CGD, the process of identifying and attracting colleagues who are knowledgeable, creative, smart, and kind—preferably with a powerful drive for results and a healthy sense of

humor—starts at the top and cascades throughout the organization. This applies to attracting not only well-established scholars, who bring their networks and reputations, but also younger researchers, who keep the energy level high and strive to become future stars.

Part of attracting and retaining great people is to offer them plenty of freedom and responsibility. CGD does not take institutional positions, and fellows are encouraged to follow their interests and reach their own conclusions—provided they can back these up with evidence and clear argumentation. While some senior staff members are hired because of specific expertise (such as trade or health), at least as often the president looks for well-trained, creative, passionate individuals. We are confident that given the proper incentives and environment, they will all shine.

Institutional experience matters, too. The president looks for senior fellows who are topnotch scholars and who have worked in large, complex organizations and thus know firsthand how the policy process works. Many senior staff members, including both of us,
previously worked at the World Bank; others have held senior positions in the International
Monetary Fund, Inter-American Development Bank, US and UK treasuries, US State
Department, World Trade Organization, the United Nations, and large nongovernmental
organizations, such as the ONE Campaign. Similarly, CGD employees have left us for senior
positions in the White House, US Agency for International Development, the Millennium
Challenge Corporation, the Hewlett and Gates foundations, the Carnegie Endowment for
International Peace, World Resources Institute, and the Council on Foreign Relations. We
actively seek institutional diversity as part of our recruitment efforts. We also have lively
debates about whether former World Bankers are over-represented among our staff
members.

Stellar junior staff members are essential to our success. More than half of our employees are recent graduates (bachelor's or master's degrees) in their first job or with just a few years of work experience. They typically work for CGD for just two to three years and then move on to graduate school or to jobs in government and other development organizations. The steady turnover of youthful employees ensures a constant influx of new ideas and energy, helping to keep the rest of us on our toes. This approach has also created a network of CGD alumni; we cultivate these up-and-coming development professionals through social media and face-to-face events.

Our staffing model also includes a variety of arrangements designed to ensure a continual flow of fresh ideas and to extend our influence without necessarily expanding our payroll or having additional people on-site. Nonresident fellows are tenured faculty at top universities working on issues of interest to CGD; the affiliation offers them use of our communications platform (such as publication of working papers and blogging) and a window into the Washington policy world. Visiting fellows are typically policymakers who step back from their daily responsibilities and use a stint at the Center to learn, reflect, and write. Some "visit" by having an office at CGD; others come by only occasionally. Each year we host a postdoctoral fellow, who usually goes on to teach in one of the world's best academic

departments, bitten by the bug of policy-relevant work and forever part of the CGD network.

## 5. Share leadership.

We have been told that our president's ability to participate in a shared leadership model is both unusual and highly valuable. The CGD leadership team extends well beyond the president and the two of us.

The core, which is called somewhat grandly (and ironically; see #7) the Strategy and Planning Group (SPG), meets every other week and comprises the three of us, the chief financial officer, the research manager (who is also a senior fellow), the director for Europe (who usually joins via video connection), and one or two other senior researchers who typically serve on SPG for a year or two. Any SPG member may submit agenda items. Discussions are typically lively, short, and often filled with laughter. Opinions are offered, and typically a consensus is reached rather quickly. In the event that consensus is lacking, the president decides how we should proceed.

Examples of issues brought to the SPG include decisions on resource allocation, funding opportunities, approval of new policy initiatives, recruitment, and affiliations (for visiting and nonresident fellows, for example). Major decisions, such as when to seek board approval to buy new offices, obviously come to the SPG, as do some seemingly minor questions that might otherwise fall between the stools, such as assigning responsibility for bringing order to internal mailing lists.

But leadership goes well beyond the SPG. Many senior staff members assume institutional responsibilities, such as recruitment, screening the many visitor requests, or hosting VIPs. Senior staff lunches, which are held every other week, provide a venue for updates on new and ongoing projects, successes and failures in efforts to affect change, and, most important, informal discussions of what the Center should do and how we should do it. Housekeeping announcements, budget discussions, and other bureaucratic ephemera are handled by email or in smaller meetings.

## 6. Share ideas early and often.

Ideas flourish best with plenty of sunshine and fresh air. By sharing ideas in their formative stages, through regular research-in-progress seminars, blog posts, and working papers, as well as over lots of coffee, we are able to adjust the ideas themselves and how we explain them to get maximum impact. We also discover who else is interested. An example of regular sharing is the online publication of consultation drafts of forthcoming reports. Whatever interest we lose by letting the cat out of the bag before the official release (and it's not clear that we lose much), we more than make up for it by getting early feedback that improves the product.

Thinking out loud is much easier with a two-way communications platform. Web, e-mail, Twitter, news media, and CGD events are all part of this approach. At the heart of it all is CGD's weekly email newsletter, which includes three "features" (items given greater prominence via photos and short blurbs), new publications, blog posts, and upcoming events. Selection of the features each Friday, drawing from the full array of CGD outputs to highlight those most likely to gain traction, guides the updating of the website the following Monday. The weekly letter is sent on Tuesday, and at the end of the week, we analyze open rates and clicks to discover what works best to draw the attention of our audience.

#### 7. Don't plan; experiment!

We are often asked for our strategic plan and elicit quizzical looks when we say we don't have one. In fact, we deliberately don't "plan" upstream, beyond encouraging senior staff members to articulate their major areas of work and expected outputs so we can match them with funding. Using research to affect policy decisions and development outcomes is rarely linear, and opportunities for impact are almost always hard to predict. Our strategy, so to speak, is to be ready to react to the sudden appearance of a policy window by having a good stock of well-researched ideas and providing our fellows with space to respond. This works well when our employees are on the cutting edge and are plugged into current policy discussions. Our trade expert, for instance, can write about agriculture subsidies and World Trade Organization negotiations, but is also ready to jump when there's a US Farm Bill rewrite or a moment to influence the direction of global trade negotiations.

Large structural changes, such as the decline of US economic dominance, are a tougher challenge. How does a Washington-based organization respond to major shifts in the global economy? It's not immediately clear. So, we've opted to try several experiments: a modest office in Europe, a new in-house India program that will draw on a small team, and an expansion of our nonresident fellow network in China and other emerging markets. Time will tell which approach works well and which should be let go.<sup>8</sup>

## 8. Partner with people, not organizations.

Choosing the right partners is never easy. Working closely with other organizations can bring tremendous benefits. If you share the same goals, you may be able to pool resources, expand audiences, and leverage each other. But the hidden costs of such cooperation can be extremely high. Unlike a commercial joint venture, where the profits can be shared via a clear formula, nonprofits lack a clear way to allocate the costs and benefits of collaboration.

<sup>&</sup>lt;sup>8</sup> For further discussion of the distinction between having a written strategy and behaving in a strategic manner, see Lawrence MacDonald's review of *What Should Think Tanks Do: A Strategic Guide to Policy Impact.*Lawrence MacDonald, "What Should Think Tanks Do? Read This Book to Find Out," blog post, January 8, 2014, <a href="www.cgdev.org/blog/what-should-think-tanks-do-read-book-find-out">www.cgdev.org/blog/what-should-think-tanks-do-read-book-find-out</a>.

Differing internal practices (such as tolerance for dissenting views, clearance for publications, comfort with ambiguity) can also be deal killers. We've found that the best partnerships are those with very clear, narrowly defined objectives. We partner with a specific purpose in mind, not just to be part of a broad coalition.

One way that we achieve some of the benefits of partnerships with less of the hassle is through CGD working groups, which tackle a specific problem or set of challenges over a limited time, and CGD study groups, which monitor a problem or policy and bring analysis and sunshine. Recent CGD working groups have tackled such problems as food security, the future of the World Bank's concessional lending arm, improvement of the collection and use of vital statistics and other development data in Africa, and DIBs. Previous study groups have examined US policy toward countries as different as Pakistan and Zimbabwe through a development lens, thus offering policy perspectives and alternatives that would otherwise have been overlooked within the more common geostrategic foreign policy orientation.

Whatever the nature of the task, it is imperative that participants in these groups are drawn from a variety of backgrounds with different perspectives. We have found that these teams work best when people participate on a voluntary basis and in their individual capacities, rather than as representatives of organizations (even if they are employed at key institutions).<sup>9</sup>

#### 9. Resist the growth inertia.

Pressures to grow are tremendous. The universe of good ideas and smart people wanting to work at a think tank is nearly infinite. Working on development, where everything seems to be "important," the potential areas of new research are nearly limitless. The optimal size for a think tank, of course, depends on the organization's mission and business model. For CGD, our size is a deliberate balance of two objectives. We believe we need to be large enough to have a critical mass of senior in-house staff members to cover the breadth of issues and to enable organic interactions (via seminars and over the water cooler) that generate new ideas. At the same time, we want to stay small enough to maintain a family-like culture where everyone knows everyone else, our fundraising and administrative burdens can be kept light, and our research agenda is manageable enough for the president to be well informed about progress in all major areas of CGD's work.

The answer we've arrived at for CGD is about 18 senior researchers, 60–70 total employees, and a \$12 million annual budget. We have been roughly at this level for the past five years, and we do not expect to grow much larger over the next decade. When we do expand, we try to leverage temporary visiting staff members or nonresident affiliations. Our purchase of

<sup>&</sup>lt;sup>9</sup> The way CGD working groups operate is described in greater detail in <u>Learning While Doing: A 12-Step Program for Policy Change</u> (2008), by Lawrence MacDonald and Ruth Levine.

a new headquarters has been guided by this approach. Although our new home at 2055 L Street NW, Washington, DC, represents an increase in our floor space by half, to 33,000 square feet, most of the additional space is for a new conference center, multimedia recording studio, and common areas. We aren't much bigger in terms of the number of offices (about 30) or open-space workstations (40). By buying a home with space for about the same number of people as we have now, we have imposed a binding constraint that we expect will help us stick to our declared intention to stay small. <sup>10</sup>

Pressure to expand the agenda is also constant. There's always another good idea, another brilliant person to hire, another issue that we haven't addressed. In our first couple of years, we focused on low-income country debt and aid effectiveness, trade, reform challenges at the World Bank and the structure of the then-new Global Fund, and US foreign assistance—all areas in which we continue to be active. Early on, our president commissioned research on international migration and climate change, and the resulting CGD books have provided an intellectual foundation for our current work in these important areas. More recently we've been convinced, through conversations among staff members and with policymakers, that CGD can make meaningful contributions in such areas as transparency, illicit financial flows, natural resource management, global inequality, and global governance—not to mention a major rethink of education at the global level.

The list of other issues we could work on is huge: water and sanitation, security and conflict, youth, culture and religion, and much more. But in each of these areas, we've either concluded that we lack a comparative advantage or experimented and struggled to find a niche. We may yet develop new research and policy ideas in one of these areas—gender is currently a top contender under active discussion—but we recognize that given our decision to stay small, this choice will entail confronting tough tradeoffs.

#### 10. Make it fun.

Fun is one of the things we like best about CGD. Perhaps because CGD actively selects people with a good sense of humor during recruitment, laughter is abundant at our weekly staff lunches, which alternate between all-staff Research in Progress (RIP) lunch seminars and the informal senior staff lunches, which are pretty much agenda-free.

We have developed an annual calendar of events aiming to make it easy for our employees to interact informally. Like other organizations, we host a holiday party, but we also organize after-hours drinks, movie nights, a Halloween pumpkin-carving contest, lunchtime basketball, and a proud softball team, the Angry Birdsalls. Each fall we have a staff day with

<sup>&</sup>lt;sup>10</sup> For more on the purchase of our headquarters, see Lawrence MacDonald, "<u>CGD Moving Up," blog post</u> October 28, 2014, <u>www.cgdev.org/blog/cgd-moving.</u>

a morning all-staff service project (such as helping to paint a local school or volunteering at a food bank), followed by a retreat or a social outing, like bowling.

Beyond fun, we seek to make CGD a warm, collegial place. While we certainly wouldn't assert that there's never any conflict, the place is remarkably free of the competitive tensions that afflict other places we have worked. Our small size and centralized funding model mean that fellows are not competing with each other for money is part of the answer.

Culture is also a big part. "Hard-headed, soft-hearted" has become one of the catch phrases by which we define what's special about CGD. It begins with our president, who insists on rigor in her own work and that of others but who is not afraid to become teary eyed when saying farewell to a colleague or discussing the humiliations and depravations endured by the poor and powerless. Part of being soft-hearted is to also be as family-friendly as possible. The Center is full of type-A workaholics, but giving employees the flexibility to manage their work-life balance is core to recruitment, retention, and our internal culture.

## 11. Celebrate and try to measure success.

Tracking success in the think tank business is a difficult and elusive task. Influencing policy is not like delivering bed nets or training teachers. When done right, small policy changes can be leveraged into huge gains. But making that link, much less proving cause and effect, is much harder.

We start by trying to explicitly articulate the change in the world we want to see—through a small number of initiatives listed on our website. Then we hold ourselves accountable for whether we succeed. Naturally, attribution of any particular success to CGD's activities is complex and sometimes impossible. We attempt to address this by tracking events over time and collecting evidence—whether stories, testimonials from third parties, or hard numbers—that help illuminate our contribution to the outcome. Branding ideas with compelling names—Advance Market Commitments, Cash on Delivery Aid, Development Impact Bonds—can help drive implementation and provide a DNA marker that links back to CGD when and if the idea takes hold. Maintaining a list of CGD impacts prominently on our website also helps ensure that we collect the evidence of our successes, while also providing a check on claims that are hard to substantiate. Internally we support this with a simple impacts and influence database, where we gather the bits and pieces of evidence necessary to support such storytelling.

In the past couple of years, we have experimented with more formal measures for assessing our impacts and influence. One of these is the Expected Return (ER) tracker, developed with the Redstone Strategy Group. The ER tracker, a rate-of-return estimator adapted specifically for policy research, is a set of questions that helps our researchers identify project objectives, metrics of benefit, likelihood of success, attributions, and costs. The result is a color-coded scorecard that gives researchers a snapshot of CGD's role in addressing a specific issue, as well as potential allies, obstacles, and a rough rate of return. When starting a

new project, researchers can use the ER tracker to think through where to expend effort to bring their ideas to reality. Later they can revisit and revise their scores to assess progress along the way. Use of the ER tracker is voluntary and not onerous: the questionnaire is available on our intranet, and the entire exercise takes about 15 minutes.

Another experiment is our Policy Pitch tracker. We define a *policy pitch* as a specific suggestion made to an individual or a small group—for example, in a letter from the CGD president or other senior staff member to a policymaker who has the authority to make the decision. Staff members are encouraged to register such pitches with our outreach team, which tracks the pitches on the intranet. As in baseball, although the goal is home runs, it's also important to record hits along the way. A single is a polite and thoughtful reply, with vague assurances to look into the issue. A double is a single with at least one follow-up action. A triple is a double with at least one substantive follow-up action. And a homerun means the goal has been achieved.

## 12. Keep asking tough questions.

Our final lesson is to keep asking ourselves tough questions about what we do and how we do it. Although we don't have a formal, written institutional strategy, we do have a lively, ongoing dialogue about how the Center can maximize its impact. This comes up all the time—in seminars, senior staff member lunches, and the biweekly management team meetings. Some of the most difficult questions reflect the fact that the world is already a very different place than it was 12 years ago when CGD was created:

- How much time and effort should we invest in aid effectiveness—traditionally an area of core expertise for us—when aid is a small and falling share of finance to developing countries and when some emerging powers with large poor populations have themselves become donors?
- How should we respond when a growing share of the world's rich and powerful, our target audience, now resides in the developing world?

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<sup>&</sup>lt;sup>11</sup> The example that inspired the Policy Pitch tracker was a 2011 letter from the CGD president to the president of the World Bank suggesting that economists advising borrowing countries on fiscal policy offer support and encouragement to increase tobacco taxes, a move consistent with the Framework Convention on Tobacco Control. The move, which could have huge benefits to both human and fiscal health, has yet to be adopted; we continue to push it.

- How much of our work should we devote to the crowded area of climate change, an urgent yet seemingly intractable policy issue that poses immense risks for the world's poorest and most vulnerable people? Is there a specific development niche?
- As a Washington-based institution in a world where US power and influence seem to waning, should we attempt to become more global? If so, how?

Other questions reflect institutional dynamics and the unusual nature of the think tank business:

- How can we become a mature organization without losing the culture and flexibility that have served us well so far?
- How can we better monitor and track our own progress in fulfilling our mission?
- How do we best communicate our non-strategy business model to supporters and explain the sometimes-obtuse path from research to real-world outcomes?

We don't know the answers to these questions, but we'll keep asking them.