Theory of Change: an introduction. 1/6

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Working with a Theory of Change in complex change processes
An introduction

The concept
Change in the lives of people, in communities and societies is often a complex process. Its course and outcomes depend on many different forces and actors in the context who are pushing for changes in different directions. Actors with goals of social change – organisations, individuals, networks or coalitions - need to understand how their actions can contribute in a meaningful way to bringing about sustainable long term changes. But lasting solutions to problems and complex developmental change are seldom achieved by one organisation working in isolation.

A plausible “theory of change” helps organisations and other change actors to understand how their work and their relationships are contributing to complex, long term social change. It provides a framework within which they can plan and update their activities, conduct their stakeholder dialogues, learn from their experiences, and communicate the extent of and reasons for their success.

Different kinds of theory of change for different kinds of change processes
Not all change processes are complex. For example: in a vaccination campaign the causal relationship between the activity and the result is quite simple, linear, predictable. Where a change process and its context are of a simple nature and the actor has control over most factors at play, the theory of change is simple and a planning tool such as the logframe is suitable to plan and monitor the process.

However, operating in complex change processes requires a theory of change that allows us to understand multiple causal relationships, intended and unintended consequences, and the direct and indirect effects of what we do. In this paper, the notion of a theory of change is used and explained in relation to complicated or complex change processes and contexts that cannot be controlled by single actors.

Hivos sees Theory of Change as a process-oriented approach for analysing the complex systems in which Hivos and its partner organisations work, and for planning action that we think will influence parts of that system in a positive way. It helps us to navigate in unpredictable and complex processes and to ‘track’ changes in the system that our interventions may have contributed to.

A theory of change can be visualised as a roadmap of change. It sketches a picture of important destinations and roads to travel, and guides us on what to look for on the journey to ensure we are on the right track. It describes the destination of change, the processes to engage in during the journey, our co-travellers, and the belief system which underlies the importance of travelling in a particular way.

While constructing this ‘map’, an organisation explores the (assumed) relationships between goals, intended results and strategies. It helps to identify the steps they think they need to take in order to achieve longer term goals. Breaking down these goals in smaller steps (intermediate results) makes it easier to monitor progress and assess the contribution of the organisation’s work to longer term change. They will be able to plan for the

1 This paper is based on inputs of Hettie Walters (ICCO), Iñigo Retolaza (UNDP), André Proctor (Keystone), Dick van Blitterswijk (MDF), Irene Guijt (Learning by design), and on the following documents:
short-term while not losing sight of their ultimate destination, and to adapt their plans if the environment changes.

Doing a theory of change analysis helps organisations to understand their own work in relation to the institutional context in which they operate. Developing the map should be a participatory process as much as possible right from the start, and include different stakeholders in order to create a large sense of ownership, a common belief system and a solid foundation for the actions required in a often complex context. It provides the basis for a learning system of organisations, their constituents and their investors, fostering a relationship of mutual accountability and learning. It helps the organisation to engage in strategic collaborations and partnerships that can lead to greater impact.

In short, the result of the analysis can be pictured as a change ‘map’ that:

- reflects the system we are operating in, and how we think that change in the system might unfold;
- maps out the ‘pathways of change’, linking our actions to the outcomes we aim for;
- makes our assumptions about cause-effect relationships explicit;
- links our actions to those of other key actors that influence the outcome we want to achieve;
- clarifies the specific role of our organisation in the change process and its main strategic choices;
- locates the above in a time perspective.

Why a theory of change?
The term ‘theory’ can mean two different things:

- a more or less verified or established explanation accounting for known facts or phenomena (e.g. Einstein’s relativity theory);
- a hypothesis, a possible explanation of phenomena or relations, which serves as a basis of argument or experimentation.

In ‘theory of change’ the term is used in the second meaning. A theory of change reflects our ideas and assumptions about how and why change might evolve in the future - not how it will evolve in reality.

Our personal theory of change informs our analysis and strategic decisions
How we personally think about change is based on our underlying beliefs about the world, about the nature of human beings, about power, about society. Those beliefs are formed by:

- our background: class, gender, religion, the history of our family, the values that we have been brought up with, our education;
- the history, culture and context of the place where we grow up; and
- our personal history and life experiences.

These underlying beliefs feed into any discussion we have about change or politics, and into decisions we make in our professional work towards social change.

The way we see the world, our understanding of change and our assumptions about cause–effect relationships in change processes, influence the way we feel we should act to achieve it. In an organisation, network or a community striving for change, it is important to share our views on change, our ‘theories’, as they may be different. Joint action is less likely to be consistent and effective if the actors involved don’t work from a shared vision and a shared understanding of the goals, strategic choices and the values underlying them.

Within most organisations a difference can be observed between the theory of change as reflected in formal policy documents and the practice on the ground. Mapping out the theory of change, and the assumptions underlying it, with different stakeholders from within and outside the organisation can help to bring these differences to the surface, to discuss why this is the case and to decrease the gap between formal policy and actual practice. This may be expected to lead to more effective action and use of resources, to increased engagement of stakeholders, and to more results.
How to do a Theory of Change analysis?

There are different ways of generating one’s theory of change. But most approaches share the common elements outlined below. Please note that this paper is meant as an introduction: if you want to engage in a theory of change exercise, make sure you consult existing guidelines, such as the ones mentioned under footnote 1.

The process evolves in practice not as linear as the sequence presented here might suggest. The discussions in developing the map lead to all sorts of findings that are more systematically investigated in other stages of the process. For example: during the development of the pathways of change many assumptions will be identified and elements of the ecosystem come into view. Where they have direct consequences for the way you construct your map you integrate them immediately. If they raise questions that you think can better be addressed in a later stage you can record them on cards or flip-overs and come back to them later.

1 Formulation of the ‘dream’ or ‘vision of success’ at the goal or impact level

This is the long-term, lasting and positive change in the lives of people or groups, or in society at large, that your organisation wants to contribute to. It is probably a visionary, ambitious statement, but it should be specific, dynamic (describe people and institutions as actively sustaining change) and plausible. To achieve the desired situation many smaller changes must occur ‘on the way’ and it will involve the contributions of many other actors. The vision of success or overall goal should be formulated as a result (the changed situation) and describe the change itself and who should benefit from the change. A delimitation in terms of the location (a country, region, specific districts or communities) and in terms of time (e.g. 10 years) can be added. All participants in the exercise should feel comfortable, included and inspired by the vision or ‘dream’.

2 Develop pathways of outcome

Many changes must occur before the desired situation will be achieved. In order to picture the change process as the participants think it might take place, they map out the sequence of steps on the way to the vision of success (intermediate results) and how they link to one another in the process. These pathways of change can take the form of interlinked results chains or a web. The exercise requires participants to be specific about the ‘logic’ of change as they see it, and the (assumed) cause-effect relationships. The picture that emerges reflects how they think that the change might evolve in the future (their ‘theory’).

The analysis is started by defining the changes – or preconditions - that must be realised before the dream can be achieved. Think of important changes in conditions, institutions, relationships, attitudes and behaviours of actors involved. The changes can be formulated at the level of individuals, families, communities, organisations, other actors and institutions that make up the system. The change must - again – be formulated as a result: what does the changed situation look like?

Conflicting ideologies

In answering questions of what and who should change in order to achieve the desired situation, one may touch immediately upon important underlying beliefs of participants about which change strategies are the most effective to achieve the desired change: people believing in civil society empowerment will make other choices than people believing primarily in the benefits of the market mechanism. The point is not who is ‘right’, but to make differences in view explicit and to develop a shared, consistent theory of change as the basis for effective joint action. If the underlying beliefs and related theories of change of the actors involved are too far apart, a shared approach and joint action may not be possible.

From each of these preconditions or ‘areas of change’, the pathways or web can be further developed, asking the question again: what needs to have changed before this can be realised? There are different approaches to developing pathways of change, depending on the purpose of the analysis and the nature of the change process. More specific information can be found in the available guidelines.

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2 Institutions: “Structures, norms, and rules of behaviour, both formal and informal, that shape the social order of a human community” (ECDPM). Hivos does not use the term as a synonym for “organisations.”
Choices made in the development of the pathways should be discussed and underpinned by arguments. If in the course of the analysis reasons come up to question earlier decisions – for example because they turn out to be based on invalid assumptions, they should be revisited and changed if necessary.

Experience learns that for many people, especially those who are used to logframes, the pathways that emerge may still suggest predictability and linearity of the change process. In reality, complex change processes follow ‘long and winding roads’, move forwards and backwards, make detours, etc. Different changes may take place at the same time and some may stagnate for years.

The emerging map is not a planning tool or a plan in itself (see also the last part of this paper: Use of a Theory of Change). But constructing the map helps us to explore (multiple) cause-effect relationships and the interrelations between different types of intended results, for example how they can reinforce each other. The map is a ‘projection’ of plausible (and desirable) future developments, to be revised over time and to be used during implementation to check and question whether we are on ‘the right track’ and whether our assumptions are valid.

3 Articulate assumptions
We need to refine the map by articulating the assumptions that underlie and influence the map’s design. It helps us to test and improve the validity and the plausibility of the ‘logic’ of the projected sequence of intended results. Assumptions reflect our thinking about cause and effect:

- “if we do this, then that will happen”
- “this can only succeed if …”.

They are strongly related to our underlying beliefs (see box on page 2) about change, about people, about power, etc. Including our - positive or negative – expectations regarding the response of other actors to our actions: “the local authorities will never co-operate with us” or “if we mobilise the women, they will join forces and speak up for themselves”.

Exploring the underlying assumptions in our pathways of change brings our own convictions - and those of others we work with - to the surface, and open them up to critical reflection. It forces us to question how likely it is that a desired result will actually occur, which forces influence that particular step and which strategies may make it happen. We can identify the critical factors in our theory of change. And it helps us to remain realistic about our own role in the process and to strategise for collaboration with others because we cannot achieve that specific change without them.

By exchanging our assumptions and confronting them with the views of others, people may view situations from a different perspective and try other approaches than they normally would choose.

4 Context and the role of other actors: the ecosystem
The intended outcomes identified in our map are never the doing of one single organisation. Other actors and forces in the context influence whether they come about, and in what way. Many issues related to the role of other actors will already have come up while discussing the development of pathways and the assumptions. They need to be explored systematically, in order to answer the more strategic questions related to the map: how are we going to work towards the intended change? The outcome is important input for strategic choices and realistic objective setting in the planning and programming stage.

1. Which actors are active in our context that could influence the outcomes we seek to bring about?
   Do they represent a positive influence and share a similar purpose and values, how important are they for our work and results, and what does that mean for possible strategic collaboration?
   Or do they represent a negative influence and what does that mean for the likelihood of achieving our objectives? Can we involve and enhance the positive forces and benefit from them, and mitigate or counter the negative forces, or are they beyond our control?

2. What change processes are already taking place in our ecosystem, and how do they influence the outcomes that we want to achieve? What does that mean for the appropriateness and timeliness of our

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3 See the Keystone material referred to in footnote 1.
interventions? Can we link up with these other developments?

3. What assumptions do we make in our outcome map about the role of other actors, their response (positive or negative) to our interventions, and about the progress and influence of other change processes? How valid are these assumptions, are they shared by others? What do they mean for our choice of strategies?

4. What common interests in social change outcomes do we share with other actors in the context?

5. What are the common and complementary capabilities that we each possess?

6. How can we best work alongside or in collaboration with other actors and processes to achieve social outcomes more effectively than we could on our own?

5 Role and strategies of the organisation in the change process
Organisations don’t start from scratch: in most cases specific programmes, capacities and relationships already exist. Analyse where existing strategies and programmes are in line with the theory of change, where they are not, or where the theory of change and context mapping suggest other, potentially more effective strategies. Explore especially the question of possible collaboration or dialogue with other actors to achieve the desired outcomes. Define what you see as the main role of your organisation in the change process and how that relates to the theory of change.

There are often two kinds of strategy that an organisation will consider:
- strategies for changes that it can bring about by working directly with constituents,
- strategies for changes that it can bring about in the institutional context: influencing other actors in certain ways, trying to build relationships and partnerships for change, etc.

6 Test the logic and relevance of the theory and consult (more) stakeholders
In the above steps, you have collected and researched the main building blocks for making conscious strategic choices for working in an effective and realistic way towards the achievement of longer term objectives:
- desired outcomes and their interrelationship
- actors and forces in the context that influence the change process
- assumptions about change, cause-effect relationships, and the responses of the context to changing circumstances
- possible strategies, related to your specific role in the process.

Each step in the process has probably led to changes in the overall picture. It is typical for a theory of change outcome map to be revised several times before it provides a complete and clear picture of your change effort. Test whether the most relevant outcomes and strategies are included, the linkages between the strategies, short-term and longer-term results/outcomes are logical, and important assumptions are clear. If you didn’t develop the map together with (all) stakeholders directly involved in the change process, it is important to share the last version of the map with them. Discuss whether they share your vision and main assumptions about the change process, the logic of linkages between strategies and results/outcomes, and the choice of strategies. Based on these discussions you revise again.

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4 Maybe you’ll find that all your ‘building blocks’ do not fit into one picture or map and you need several ‘pictures’ or diagrams. But it is advisable to make them all visual (at first) as it helps to see interrelationships and inconsistencies. When using several ‘maps’, make sure the interrelationship between them are clear to all involved.
Use of a theory of change

When you have developed your theory of change, it can be used for many purposes and enhance the consistency and effectiveness of your programming and planning processes; organisational processes and systems, such as monitoring and evaluation practice; your dialogue with constituencies, donors, collaborating organisations; your learning processes internally and with others, etc.

1. **Planning**
   Based on the map, you can decide on realistic objectives and intended (intermediate) results for a specific time period (e.g., 2-3 years) and further develop and refine the appropriate strategies for the short term. To be clear: the map itself is not yet a plan. But the information in your map is valuable input for any planning tool or format you choose, or are asked to use by a donor. Where you work with different programmes funded by different donors, you can use the map to ensure maximum consistency in your overall programme.

2. **Dialogue with stakeholders**
   In principle, primary stakeholders will be included in the design of your theory of change. But others will not have such a direct influence on your decision-making, or come in at later stages of your work. Based on the map, you can dialogue with (new) groups of *constituents* about their priorities, views on change, concerns, values in the approach on the ground, involvement in monitoring change, etc. With potential *collaborating organisations* or other actors in the process, you can use the map in explaining your vision on the process at hand, discuss possible joint action on specific issues, explore commonalities and strategies to use, identify tensions that need to be addressed, etc. With *donors*, you can use the map to explain your longer term vision and goals, justify your proposals, come up with clear and realistic objectives, argue your strategic choices and prove your organisational quality. It helps you to keep focused and coherent on what you want to achieve and to counter possible donor pressure to compromise on issues you care about.

3. **Organisational practice**
   The map can help you to identify whether your organisational structure, systems and processes are in line with what you need to achieve your goals. Having analysed your organisational make-up in relation to your goals and strategies, you can draw conclusions related to necessary (development of) organisational capacity, use of resources, etc. The map forms the basis of monitoring and evaluation processes as it becomes clear what kind of process and result information needs to be collected and monitored, which stakeholders should be involved in the process, what relevant indicators might be, which assumptions and relationships should be monitored and for what purposes the information should be used. It will be easier to focus on the most crucial processes and results, which will help to keep measurement and reporting as simple as possible.

4. **Monitoring your theory and learning from practice**
   Monitoring the assumptions underlying your theory and plans on a regular basis is crucial in order to ‘test’ your theory: are the assumptions (still) valid? Are intended results showing? Which unintended or unexpected effects are to be seen? What does that say about your theory? If some assumptions prove to be not valid, or if the ecosystem has changed in a way the organisation did not foresee, it may be necessary to revise the map and/or plans and strategies. Revisiting one’s assumptions, seeking evidence to confirm or challenge them, and updating them where necessary is core to critical reflective practice.

Revisiting your map regularly with staff, constituents and other stakeholders will help all of them to learn about the change processes in your context. Reflecting on monitoring information, the initial assumptions, and experiences and stories from practice, will enable the actors involved to analyse and understand better what works and doesn’t work, and why. It becomes clear how relationships develop, maybe as a result of your work, and how new opportunities or possible conflicts develop. When you do this regularly, the overall understanding of the change process will grow, and you will be increasingly able to respond to changing circumstances in a strategic and effective way.