

# Theory of Change

How to develop and work with theories of change

[Read more](#) →



Reana Rossouw  
Next Generation Consultants

# Overview

Developing a theory of change is essentially the process of making explicit collective assumptions about how change will happen — in other words, **making thinking visible**.

A theory of change explains **how** an intervention (a project, a programme, a policy, a strategy) is understood to contribute to a chain of results that produce the intended or actual impacts.



# A Theory of change: The fundamental requirement to design, manage, measure and report on impact

A Theory of Change (TOC) is essentially a comprehensive description and illustration of how and why a desired change is expected to happen in a particular context.

Why is the intervention needed?



Who is the intervention for?



How will it work?



What difference will it make?



# A THEORY OF CHANGE HAS A SPECIFIC FORMAT



01

## Context and Assumptions

The context, the stakeholders, the assumptions and the risks you have considered in the design of your strategy and programme

02

## Inputs

What resources you will dedicate and contribute to bring about the change you envisage

03

## Activities

The programme aspects and components you will apply to bring about the change you envisage

04

## Outputs

The things you will measure along the way - the people you want to impact

05

## Outcomes

The changes that have resulted from your intervention and that can be attributed to your interventions

06

## Impact

The things that have changed as a result of your intervention over time that can be validated

# The purpose of a theory of change

Regardless of its format, a useful theory of change will depict or clarify:



- The **broad impact goals** or results being sought
- **Strategies and related actions** to be implemented, which may include multiple areas of effort or different intervention points that reinforce or build on each other
- The **outcomes** that are expected or assumed to result from actions, as well as the expected sequence of outcomes (also known as the **pathway of impact**) that leads to achieving the goal
- Key beliefs or **assumptions** about the pathway of impact, including:
  - how actions will be implemented and by whom
  - the relationships and hypotheses connecting actions, outcomes and end goals
  - how much time is required to realize key outcomes or the end goal.

# The beauty of a theory of change



## Clarify your strategy

An impact statement clearly defines what you want to achieve



## Clarify your expected end goal

An impact hypotheses clearly defines what impact objectives you want to achieve



## Clarify your intended beneficiaries

A stakeholder map clearly defines who will be impacted and in what way



## Clarify your intended objectives

Impact objectives clearly defines what changes you are expecting - quantitatively or qualitatively



## Clarify your thinking

Impact risks and assumptions clarify what you will have to manage along the way



## Clarify your expectations

Affecting change is a complicated and lengthy process requiring clarity

# The theory of change development process



## Step 1: Define the goal

Start by identifying the goals that reflect the impact intent of a program or strategy.



## Step 2: Develop the strategy

Identify strategies and activities that are expected to lead to goals.



## Step 3: Identify the outcomes

Clarify the outcomes that result from activities and lead to goals ("the messy middle").



## Step 4: Reflect the purpose

- Test the logic and relevance of your theory
- Review and document key assumptions
- Analyze external forces and context



## Step 5: Along the way

Explore underlying assumptions and beliefs about your strategy and programme, outcomes and goals, as well as potential risk factors within the context and environment and the conditions that must exist or work in harmony to make progress.

# Theories of change is guided by impact strategies

01

## What do you want to achieve?

Impact really is about changing something



02

## What is the end goal?

Impact is really about the future and it allows us to create a different future



03

## What will success look like?

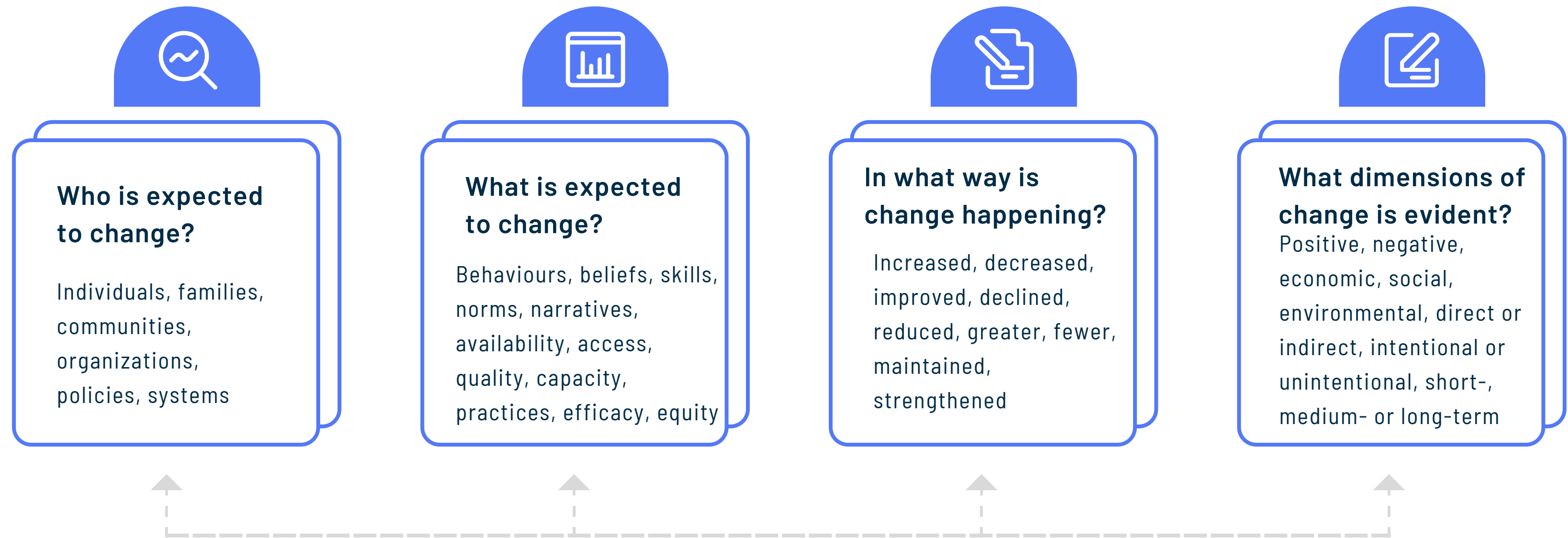
Impact never really happens in isolation therefore a deep understanding of the context and levers of change is important





# Theories of change is about outcomes and impact

Outcomes and Impact is about change – over time



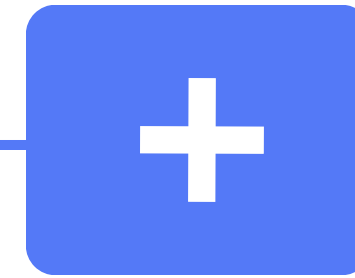
# Using a theory of change for different audiences



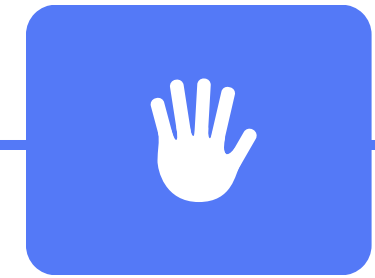
For **PEOPLE AND COMMUNITIES** at the heart of the work, a theory of change can help ensure transparency, build trust and provide a mechanism for the community to hold initiative leaders accountable for results.



For **THOSE IMPLEMENTING A PROGRAMME OR STRATEGY**, a theory of change may function like a strategic plan; a common reference point to keep the work on track; and a tool for documentation and communication.



For **THOSE SEEKING TO MEASURE PROGRESS**, a theory of change can help frame useful evaluation, including evaluation that supports learning and informs actions or decisions related to continuous improvement.

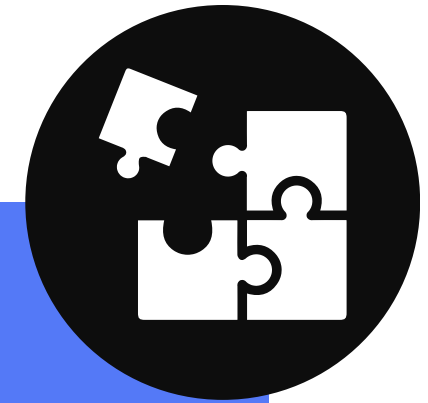


For **ORGANIZATIONAL LEADERS, BOARD MEMBERS OR FUNDERS**, a theory of change can function as a communications tool that clearly delineates what is expected to change and by when, including assumptions about how the theory of change upholds and prioritizes equity.

# A theory of change requires multiple voices



Those involved in developing a theory of change — ideally before the theory is implemented — should consider whether the people most affected by proposed actions or goals have opportunities to voice their priorities and contribute to the theory of change. Inclusive theory of change processes create space for multiple perspectives, experiences and voices and invite greater input into key choices and decisions.



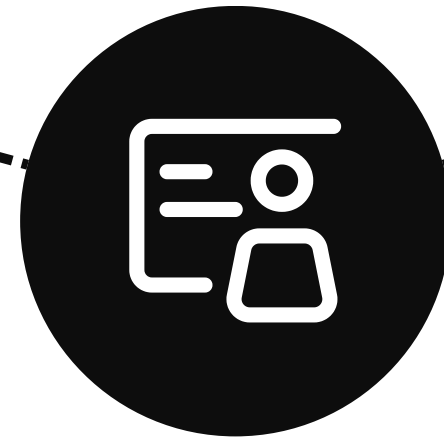
Inclusive processes make it more likely that teams will be able to recognize and sufficiently address the root causes of the problems being examined, as well as large-scale, systemic factors that affect their social change efforts. When those most affected by proposed goals, actions and interim outcomes take part in creating the theory of change, it is more likely to identify meaningful components and assumptions.

# What can theories of change be used for?



## Planning

- Define the scope and scale of your work.
- Help focus attention on key outcomes and powerful strategies for achieving these outcomes.
- Provide a framework for sequencing and prioritizing your work.



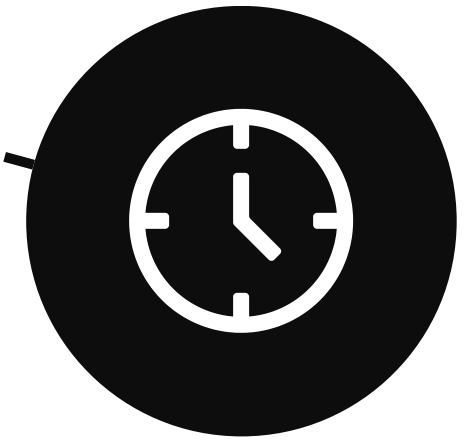
## Accountability

- Define the scope and scale of your work.
- Help focus attention on key outcomes and strategies for achieving the envisaged objectives and outcomes.
- Provide a framework for sequencing and prioritizing your work.



## Resource Allocation

- Provide a framework for investing resources in strategies that are linked to your initiative's prioritized outcomes.
- Guide decision making about how to spend limited resources.
- Provide a basis for discontinuing and refocusing funding to the most effective area.



## Communication

- Communicate your social investment and development change roadmap to partners, stakeholders, investors and the community.
- Provide transparency to your work by clearly identifying your prioritized strategies and expected accomplishments.
- Tell a consistent story about your achievements and results.

# The value of a theory of change

## Theory of change development can help organizations to:

- Experience significant breakthroughs in their thinking
- Increase their agreement and alignment about how change will happen
- Better acknowledge and address power differences between those involved
- Promote equity in the pursuit of impact goals
- Better understand the roles and expectations of different contributors and participants
- Better understand where to invest time and resources
- Better measure the intended outcomes of strategies



# A good theory of change should answer 6 questions

## Who

Who are you seeking to influence or benefit (target population)?

## When

When will you achieve the intended impact (time period)?

## Where

Where and under what circumstances will you do your work (context)?



## What

What benefits are you seeking to achieve (results)?

## How

How will you and others make this happen (activities, strategies, resources, etc.)?

## Why

Why do you believe your theory will bear out (assumptions)?



# KEY COMPONENTS OF A THEORY OF CHANGE



## **Introduction**

An introduction to what the theory of change is about and a description of the process you have taken to create it, including who has been involved.



## **Context**

An analysis of the context and situation, which provides insight into the issues you are trying to address, your target group, and their needs and characteristics. This is sometimes called a situation analysis.



## **Narrative**

A written narrative can be used as an alternative, as well as an addition to theory of change diagrams explaining your impact story.



## **Evidence**

References to existing evidence, including evidence that you have already collected, and any relevant published research.



## **Measurement Framework**

Plans for measurement and evaluation that arise from the theory of change, including the details of what data you need to collect to test whether the theory of change is delivered.

# The contents of a Theory of Change

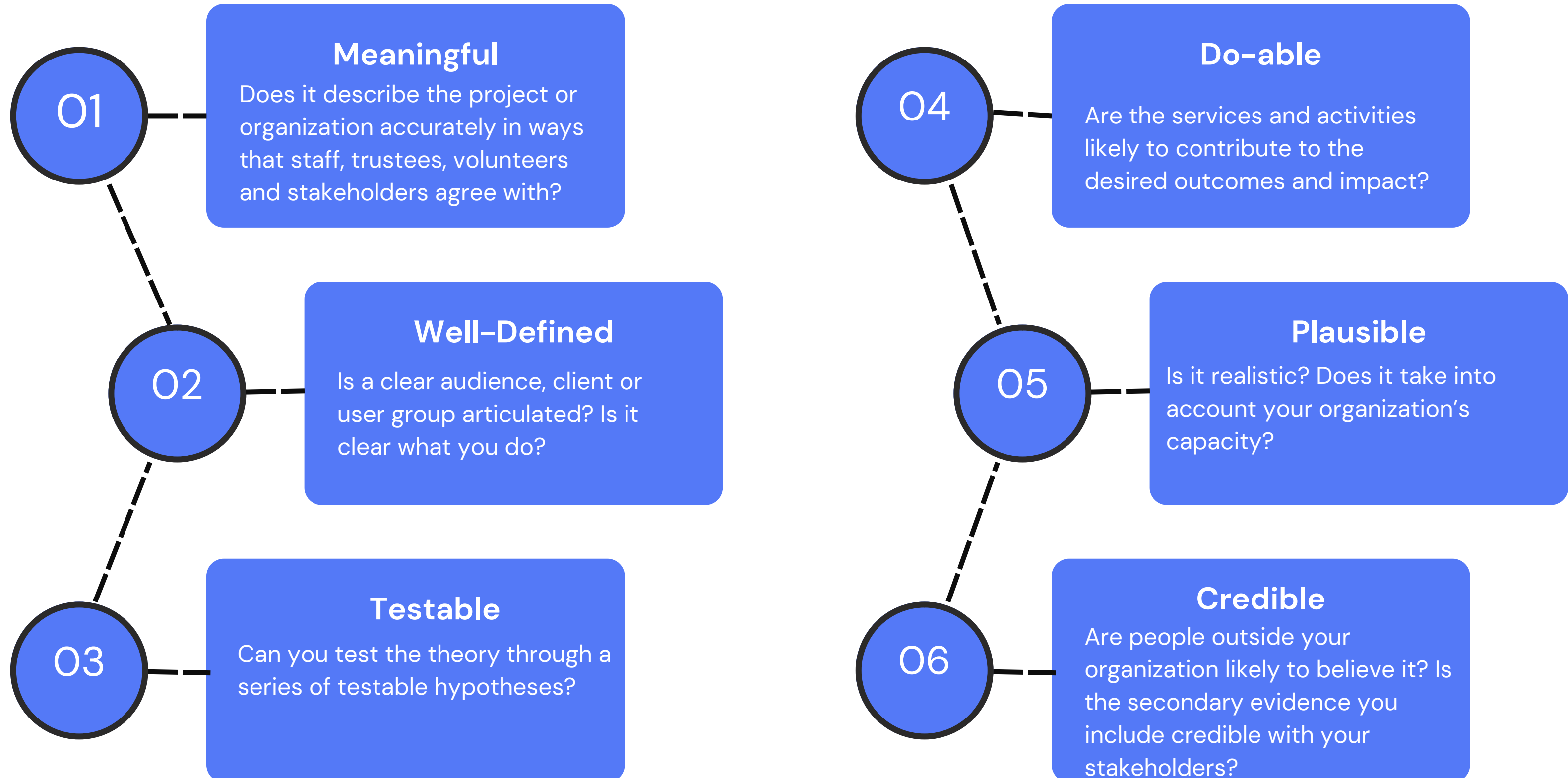
- 01 Setting a context:** Define the problem, including the identified root causes and stakeholders
- 02 Define the desired end-goal (impact),** commonly referred to as an impact statement or impact hypotheses
- 03** Explain what **resources** will be invested  
Map activities that will be implemented that will lead to the short- and long-term results
- 04** Define **outcome and output results** needed to achieve the desired end-goal (impact) – over time
- 05** Identify the main **assumptions and risks**; how valid or uncertain are they?

In summary, a theory of change identifies the goals, preconditions, requirements, assumptions, interventions, and indicators of a programme, providing important insight into and guidance on intervention and impact evaluation design.



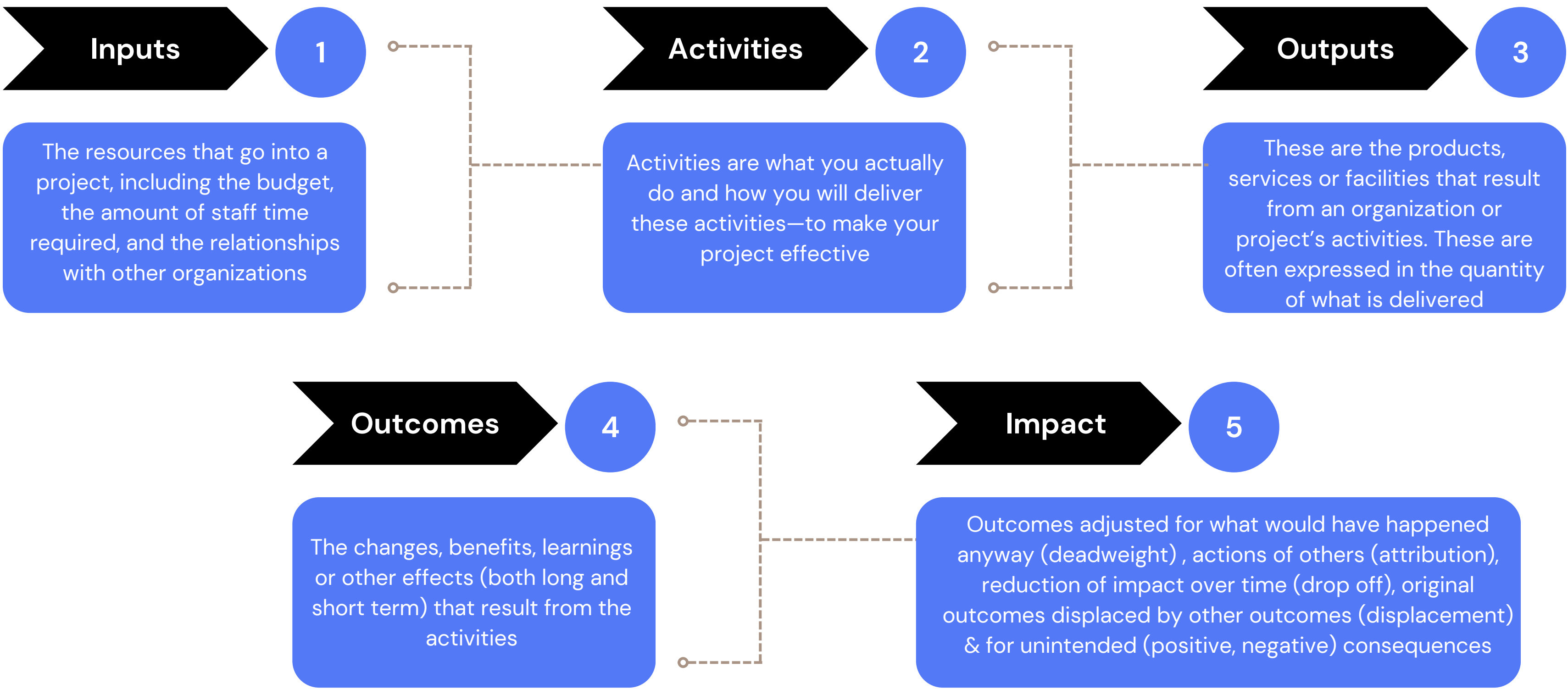


# Reviewing a theory of change



# Logic model framework

A diagrammatic representation of a programme or organisation is the centrepiece of most theories of change



# Contact Us



Want to learn more about the development of theories of change, or need help with the development of your organization or programme theories of change, then reach out and connect with us or follow us across social media for more insights about social investment development practices and impact management and measurement.



[nextgeneration.co.za](https://nextgeneration.co.za)



[info@nextgeneration.co.za](mailto:info@nextgeneration.co.za)

