

State of the art on use of Theory of Change in the development sector

Introduction

The purpose of this briefing note is to add to SDC's understanding of Theory of Change (ToC), drawing on the literature and practice to sketch out the current state of the art approach. This involves expanding on ToC beyond SDC's current practice of using Impact Hypotheses (IH) to bridge it to operational practice and use ToC more explicitly in the project/programme cycle management (PCM) processes.

Sharing the state of the art on use of ToC in the development sector, this briefing note outlines what a ToC is, what it is used for and why it is needed in the development sector. It discusses ToC as both a process and a product, providing step by step guidance on how to facilitate a ToC process. The differences between a ToC and a logframe are highlighted. Some key criteria for recognising when you have a 'good' ToC are also included.

This brief is aimed at SDC staff, in particular Programme Officers, and staff of partner organisations involved in the management of SDC interventions.

What is Theory of Change (ToC)?

Across the PCM and monitoring and evaluation disciplines there are many different definitions of ToC (e.g. Chen, 2015; Davies 2012; and others listed in the Resources and References section at the end of this Briefing Note). SDC defines ToC (or IH) as a narrative "describing the whole chain of influences (from outputs to impacts) of a project or programme up to its intended contribution to improve the lives of people in poverty, which is the ultimate aim of all our interventions" (SDC, 2015b, p. 1). This essentially focuses on ToC as a brief descriptive hypothesis of what needs to be in place in a programme in order to have its intended outcome.

In exploring different types of ToC for different purposes, Mayne (2015) describes three different versions of a ToC: narrative, overview and causal. The IH approach sits at the narrative level in Mayne's classification: "a text version, describing in a sentence or two how the specific intervention being planned or implemented is intended to work" (p. 135). This is useful as the public version of the programme's underlying ToC, briefly outlining the underlying logic. For example:

An implicit impact hypothesis of the SDC in the thematic domain "Rule of Law and Democracy" (SDC, 2015b, p. 6):

Through strengthened democratic law-making, capacitated local governmental authorities and a vivid civil society that holds local and central government accountable, Macedonian citizens obtain better access to improved, equal, equitable and non-discriminatory services, which contribute to their well-being.

In further articulating a ToC, visual overview products and causal pathway diagrams (Mayne, 2015) depicting the proposed impact pathway or "chain of influences" (SDC, 2015b, p. 1) outlined in the narrative are usually produced. These depict activities, outputs, outcomes, impacts and causal linkages between them at an overview and more detailed level, respectively, usually with boxes and arrows:

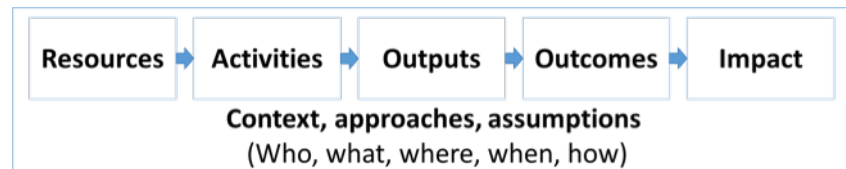


Vogel (2012) takes this further explaining ToC as more than a product: a process "which applies critical thinking to the design, implementation and evaluation of initiatives and programmes intended to support change in their contexts" (p. 3).

It is this critical thinking that enables the hypotheses and assumptions about how a programme may bring about change to be examined, ultimately presenting a coherent depiction of the whole programme. Using this approach, ToC becomes more than a basic narrative or a 'boxes and arrows' product. It is a reflective and iterative process drawing out and articulating the assumptions underlying the programme about how any change can and will happen as a result (Taplin et al., 2013; Valters, 2015; Vogel, 2012). This approach fits well with SDC's ambition of explicitly and continuously reflecting on IHs to be more systematic in approach and actively incorporating reflection into programmes for improvement and enabling conscious emphasis to be placed on SDC's focus areas e.g. poverty reduction (SDC, 2015b).

Such a detailed and visual approach of the causal linkages does not seem, however, to be emphasised in the SDC PCM approach. The challenge with using only an IH narrative overview of the planned impact as the basis for an operational ToC is that it may not provide enough detail to enable a critical exploration of the programme's results chain and causal logic, and the resulting logframe. Using ToC as more than a product, making it a participatory reflective process throughout a programme, better enables it to inform programme learning and adaptive management and should, therefore, be emphasised throughout the PCM process. Some of these, such as the context, results framework elements and the impact hypothesis description in the

ProDocs, Cooperation Strategy, Credit and Entry Proposals, do provide some detail. However, the SDC PCM process could benefit from further unpacking the activities, outputs, outcomes, impacts, contexts, approaches, assumptions and especially the causal linkages between them both narratively and visually and explored from a full participatory ToC process (SDC, 2010, 2017, 2018a-c). This would allow for an opportunity to bring in research evidence in assessing the causal links and better feed into the planning, monitoring and evaluation functions of the various programme documents and the logframe (SDC, 2010 and 2017).



Why is a ToC needed?

“To understand how and why an intervention is working, there is a need to understand how the activities of the intervention are expected to lead to the desired results – both the pathway or results chain from activities to outputs to a sequence of outcomes to impacts, and why the various links in the pathway are expected to work.” - Mayne and Johnson (2015)

The process approach to ToC creates a space for the reflective critical questioning that best enhances all aspects of the programme, by exploring whether all stakeholders think of the programme in the same way, whether the programme plan will in fact work, and what alternative approaches there might be.

Ideally this process should involve stakeholders from across the programme, including potential participants and community groups. The Beneficiary Assessment (SDC, 2013) is a key tool in the PCM process that could support this. This supports planning and adaptive management in the PCM by uncovering assumptions underlying the approaches, from a variety of perspectives, and thinking about how these might change if the programme context changes.

What goes into your ToC?

ToC is both a process and a product (Taplin et al., 2013). The process, best undertaken as a facilitated participatory exercise to get broad and meaningful input, provides the material from which the product (i.e. the ToC diagram) can be produced.

ToC as a process

Approaching ToC as a facilitated participatory process allows a greater level of transparency and learning. For facilitating a ToC process you will need to gather a range of key stakeholders together to discuss and share their perspectives on the programme’s ToC, outlining the key activities, outputs, outcomes and their understanding of how the planned intervention can lead to the desired impacts. They should also look at all the possible approaches and explore what might work, given the programme resources and the contextual factors. The exercise should also help to

surface the assumptions inherent in this approach to the programme. Ideally, at the end of the session, some degree of consensus about the programme's approach has been reached.

To maximise this as a learning opportunity, holding a workshop which brings together these key people is preferable. These stakeholders, with the guidance of a trained facilitator, can then articulate their ToC by building up, rearranging, adding to and changing it using any of a number of tools such as markers, flipcharts, post-it notes, cards and arrows. When facilitating the development of a ToC, there are several steps (adapted from van Es et al., 2015) that can guide you through the process:

1 Why do you want to go through a ToC process?

This step helps you to articulate the purpose of the ToC. For example, are you interested in using your ToC for monitoring and evaluation only or also as a reference point for staff across the programme with regard to management and implementation? A ToC product and process can help support a programme in a number of ways at a number of stages. These stages could be at any point in the PCM. This highlights the fact that ToCs aren't meant to be static products but instead they should be dynamic processes.

It is the purpose of the ToC which determines when¹ it would be most useful to conduct the ToC process:

- **Design and consensus building tool:** At the design phase of an intervention, the ToC process helps to draw out a common understanding of how change happens in a programme as well as highlight differences between stakeholders and flag up points where the approach may not be causally sound. Undertaking a ToC process in collaboration with as many stakeholders as possible promotes buy in and a commitment to use the ToC productively throughout the life cycle of the programme.
When: At any stage, but most useful before the programme begins/in the early planning stages.
- **Reflection and adjustment tool:** By providing a model of the planned programme, the ToC becomes a tool against which assumptions and hypotheses can be tested. This helps to establish what will bring about the planned outcomes.
When: At any stage, and most useful if first done before the programme begins/in the early planning stages.
- **Implementation planning tool:** At the implementation phase, the ToC provides the basis of the implementation plan.
When: At any stage pre-implementation, but most useful in early planning stages.
- **Communication tool:** The ToC product provides a visual reference point of your change process and what needs to be in place for success.
When: At any stage.

¹ See SDC (2015b) section 5 (p. 3), for some SDC-specific key moments in the programme cycle

- **Monitoring and evaluation tool:** For evaluation, ToCs help to map out the underlying change pathways that programme aims to use to achieve their goal. A ToC also can help identify what indicators are appropriate and where and when in the programme certain indicators could be measured.

When: At any stage, even towards the end or after the programme for a summative evaluation, but most useful for indicator development before the programme begins/in the early planning stages.

2 What is the change your programme is aiming to bring about?

This step helps you to begin putting together an articulation of your ToC by exploring what your programme's goal is, which stakeholder groups it is focused on and how this change (e.g. poverty reduction) will be brought about. It may be useful to take the views of a few of the key stakeholders to build up a draft ToC as a starting point for broader engagement and comment. This is equivalent to the IH or narrative ToC.

3 What is the context of the system in which your programme will take place?

When you have articulated your programme's goal and how it will be reached (in the previous step), you can use this information to map out the current situation in which it will operate. Analysing the context in which a programme will operate should consider:

- Stakeholders and systems operating in that context
- Social, economic and political spheres
- Potential influence of gender and power dynamics

This can involve various situational analyses including context analysis, stakeholder mapping and power analysis and should always be done with a conflict sensitive approach.

4 What are the potential pathways for change in the programme?

There is generally more than one possible impact pathway or ToC for any programme. This is because there are potentially many pathways to the outcomes and impacts the programme is working towards and in development sector programmes there is often uncertainty over whether these pathways can and will result in the desired change. This step helps you to draw out any alternative or supplementary change pathways that could be included in your ToC as well as an opportunity to draw on research and evidence of what has worked in similar programmes and contexts. It also allows for thought to go into how the programme and its context might change in the future. This doesn't need to (and can't) reflect every possibility, but it allows space for generating better approaches.

5 What are the assumptions underlying the ToC?

Change pathways are only strong if the assumptions that underlie them and their causal logic are plausible. Any ToC is based on a set of assumptions. Uncovering these assumptions as part of the ToC process makes them explicit and allows them to be tested to see if they are valid and evidence-based.

Checking the assumptions can be done in several ways, ideally using a combination of:

- Using research findings that have explored similar contexts, programmes and/or causal linkages relevant to your ToC
- Comparing with good practice from similar programmes
- Drawing on what the programme stakeholders know from their experience of what does and doesn't work in similar programmes/contexts

6 What is the strategic plan to operationalise the programme?

This step involves outlining how the programme will be implemented. This intervention strategy outlines how it will be operationalised.

7 How will the programme be evaluated and how will this allow for learning to take place?

This step takes what has been articulated in the ToC and uses it as a reference point from which to develop the results-based management framework for the programme. This is equivalent to the function of the logframe in the SDC PCM process, although learning and adapting is not necessarily emphasised in the logframe (SDC, 2010). The annual and end of phase reporting processes includes reporting on outcomes and impacts, indications of any changes in implementation and the IH and any lessons learnt (SDC, 2015a). As such, there is potential to explicitly reflect on these results and changes, including any contextual changes, and how these may affect the ToC, underlying project logic and assumptions at this part of the PCM process and close the learning loop to allow for programme improvement going forward.

ToC as a product

The core components of your ToC as a product are the elements that outline the programme logic (Impact, Outcomes, Outputs and Activities) and the causal links that join them together. It is also vital to include how it is hoped change will occur (mechanisms) and assumptions underlying the whole ToC.

Theories of change can be displayed in a variety of ways and can be set out at different levels of detail. While attempting to show in real terms the complexity of an intervention, it is also important to try not to over-complicate your depiction of your ToC. Part of the benefit of undertaking a ToC process is to produce a clear visual depiction of how change will happen as a result of the programme. If this product is unclear, it is of limited value. As Mayne and Johnson (2015) caution: avoid the 'spaghetti' diagram – ToCs should be represented in a clear and coherent way to

be useful. In complex programmes it may be necessary to have nested ToCs to fully unpack the necessary links rather than trying to fit them all into one diagram (Mayne, 2015). These nested or layered ToCs can be included in supplementary pages which can allow for more detail at particular points in the ToC. The points of intersection between these ToCs should be carefully highlighted in order to make sure that all the ToCs intersect and connect in a logical way.

How do you know you have a 'good' ToC?

Once you have developed the programme ToC, reviewing it with an eye on the following criteria is a useful exercise to assess whether it is useable and evaluable:

- **Understandable:** Does the ToC make sense to various stakeholders in the same way?
- **Verifiable:** Can what is represented (i.e. activities, causal links) be verified in some way?²
- **Testable:** Is the programme logic and its causal links shown? Are appropriate indicators articulated?
- **Explained:** Are the underlying assumptions included?
- **Complete:** Does the causal chain include activities, etc. relevant to all actors (e.g. beneficiaries and implementers)?
- **Inclusive:** Does the ToC represent different contexts where needed?
- **Justifiable:** Are the causal linkages evidence-based?
- **Plausible:** In light of any evidence and the context, is it likely that the programme will work as represented in the ToC?
- **Feasible:** Can the programme realistically succeed in achieving its outcomes given the resources it has available?
- **Owned:** Has who is responsible for which elements in the ToC been indicated?
- **Embedded:** Is the ToC a reference point for all aspects of the programme?
- **Useful:** Will the ToC be an effective support process and tool for the programme?

[These criteria are a mix of those suggested by Davies (2012), James (2011), Kubisch (1997), Taplin et al., 2013]

² This equates to a means of verification in the logframe i.e. methods to collect data (SDC, 2010).

ToC vs Logframe – What’s the difference?

In the SDC’s PCM, the ToC forms the basis for the logframe (SDC, 2010 and 2015b). In thinking about how using a ToC process in the PCM can add value, articulating what additional elements the ToC brings to the table in comparison to the logframe is useful. While some overlaps are evident, this table highlights the additional layers of complexity and depth of a development programme that a ToC process can help to draw out, including exploring multiple impact pathways and where and how the programme could contribute (Dhillon and Vaca, 2018). This comes back to the necessity of a ToC process to bridge the gap between the IH narrative overview and the logframe with further detail to enable a critical, complexity-aware exploration of the programme’s results chain and causal logic.

Logframe	Theory of Change
Purpose: Planning, monitoring	Purpose: Design and consensus building, reflection and adjustment, implementation planning, communication, monitoring and evaluation
Tabular representation of change, simplifies reality into the basic logic of the intervention	Critical thinking, room for complexity and deep questioning
Descriptive: States only what is thought will happen/what will be achieved	Explanatory: Articulates and explains the what, how and why of the intended change process and the contribution of the initiative
Three result levels: Output, outcome, impact; includes indicators	Pathways of change, unlimited and parallel result chains or webs, feedback mechanisms
Suggests causal relations between results levels without extensively analysing or explaining these	Ample attention for the plausibility of assumed causal relations; evidence-based checks
Focuses on assumptions, generally about external conditions and risks	Articulates assumptions underlying the strategic thinking of the design of a policy, programme or project

[Information from van Es et al. (2015) and SDC (2010)]

Tensions between complexity and simplicity

A ToC of a complex development programme is unlikely to fit well with simple, linear representations of programme logic (Dhillon and Vaca, 2018; Jenal, 2016; Mayne, 2015 and 2018; Rogers, 2008). For context, approaches and assumptions and throughout the ToC process, it is important to consider complexity of the real world and how development programmes fit into it. This context is characterised by a variety of different viewpoints and many possible solutions or linkages between cause and effect. However, this complexity doesn't mean that you can't develop a ToC, as Jenal (2016, p. 1) says "... we need to capture our hypotheses of how we think we can get to the change we want". This does need to be balanced, however, with the need for a ToC that isn't too complex to understand and use. For more on complexity-aware ToC approaches, see Briefing Note 08 'Opportunities for using complexity-aware approaches to Theory of Change.'

Resources and references

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Other resources:

- Food security and nutrition network have a useful and very comprehensive ToC checklist – available at: www.fsnnetwork.org/sites/default/files/Theory%20of%20Change%20Checklist_4.23.docx
- Dana Taplin and Helène Clark have produced a primer on ToC: <https://www.alnap.org/help-library/theory-of-change-basics-a-primer-on-theory-of-change>

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This Collaboration between SDC and the Institute of Development Studies explores how poverty relates to politics and power. It is supporting SDC staff in improving the quality and effectiveness of SDC processes and operations focused on poverty. The Collaboration uses an ‘organisational learning and change’ approach to accompanying SDC activities, which is reflective, demand-based and rooted in the realities of SDC’s work. It runs until December 2018.

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