

Isabel Vogel for the UK Department of International Development

Review of the use of 'Theory of Change' in international development

Executive Summary

This report was commissioned by the UK Department for International Development (DFID) and authored by Isabel Vogel, an independent consultant.

The views expressed in this report are those of the author and do not necessarily represent the views of DFID.

Authored by Isabel Vogel, August 2012

Please send comments and feedback to: info@isabelvogel.co.uk

1. Executive Summary

‘Theory of change’ is an outcomes-based approach which applies critical thinking to the design, implementation and evaluation of initiatives and programmes intended to support change in their contexts.

It is being increasingly used in international development by a wide range of governmental, bilateral and multi-lateral development agencies, civil society organisations, international non-governmental organisations and research programmes intended to support development outcomes.

The UK’s Department for International Development (DFID) commissioned this review of how theory of change is being used in order to learn from this growing area of practice. DFID has been working formally with theory of change in its programming since 2010. The purpose of the review was to identify areas of consensus, debate and innovation in order to inform a more consistent approach within DFID and to share this learning with the wider international development sector.

Key messages from the review

‘Theory of change’ as an approach is not new. It has much in common with other structured approaches to programme design, implementation and evaluation. Many contributors to this review consider that the current interest in theory of change reflects a need to re-emphasise the deeper analysis that the original Logical Framework Analysis was designed to elicit but that has recently become a more superficial contractual exercise.

The key messages from the review reflect the aspects of theory of change that people consider to be central to its effectiveness. Theory of change is viewed as most effective when applied flexibly and with a clear purpose to support critical thinking throughout the programme cycle.

1. Theory of change requires both logical thinking and deeper critical reflection

Theory of change draws its methodological credentials from a long-standing area of evaluation which deals with programme theories. It is also informed by an equally long-standing development practice - reflective practice for empowerment and social change.

The presence of both traditions in the current evolution means that a wide range of development organisations, from grass-roots initiatives in developing countries to donor agencies, have found it an accessible and useful approach.

Some people view it as a tool and methodology to map out the logical sequence of an initiative from inputs to outcomes. Other people see it as a deeper reflective process and dialogue amongst colleagues and stakeholders, reflecting on the values, worldviews and philosophies of change that make more explicit people’s underlying assumptions of how and why change might happen as an outcome of the initiative.

Theory of change is at its best when it combines both approaches. The mapping of the logical sequence is strengthened by critical thinking about the contextual conditions that influence the programme, the motivations and contributions of stakeholders and other actors, and the different interpretations (assumptions) about how and why that sequence of change might come about.

2. Consensus exists on the basic elements of theory of change

The review found that there is no single definition of what theory of change is and no set methodology. People work with theory of change flexibly, according to their needs.

Rick Davies, a well-known evaluation specialist, defines a theory of change simply as:

*'The description of a sequence of events that is expected to lead to a particular desired outcome.'*¹

Patricia Rogers, another well-known evaluation expert puts it like this:

'Every programme is packed with beliefs, assumptions and hypotheses about how change happens – about the way humans work, or organisations, or political systems, or eco-systems. Theory of change is about articulating these many underlying assumptions about how change will happen in a programme.'

There is consensus on the basic elements that make up the theory of change approach. As a minimum, theory of change is considered to encompass a discussion of the following elements:

- **Context** for the initiative , including social, political and environmental conditions, the current state of the problem the project is seeking to influence and other actors able to influence change
- **Long-term change** that the initiative seeks to support and for whose ultimate benefit
- **Process/sequence of change** anticipated to lead to the desired long-term outcome
- **Assumptions** about how these changes might happen, as a check on whether the activities and outputs are appropriate for influencing change in the desired direction in this context.
- **Diagram and narrative summary** that captures the outcomes of the discussion.

These aspects should be reviewed at key stages in the programme cycle to assist reflection and learning on how the context is changing and how the programme should adapt over time.

3. Theory of change is best kept flexible, not prescribed

The strong message from the contributors to this review is that theory of change is best seen as **theory of change thinking**, a flexible approach to think through these fundamental issues. It is both a process and a product.

If donors and funders are keen to encourage the benefits of theory of change thinking in programmes, then mandatory requirements, products or a prescribed process as conditions of funding are best avoided. Contributors to the review felt strongly that, if prescribed, theory of change would quickly become a compliance exercise and lose much of its value.

4. Theory of change inspires and supports innovation and improvement in programmes

The central idea in theory of change thinking is making assumptions explicit. Assumptions act as 'rules of thumb' that influence our choices, as individuals and organisations. Assumptions reflect deeply held values, norms and ideological perspectives. These inform the design and

¹ Rick Davies, April 2012: Blog post on the criteria for assessing the evaluability of a theory of change <http://mandenews.blogspot.co.uk/2012/04/criteria-for-assessing-evaluability-of.html>

implementation of programmes. Making assumptions explicit, especially seemingly obvious ones, allows them to be checked, debated and enriched to strengthen programmes.

By activating critical reflection, theory of change's real potential is seen as supporting programmes' innovation and adaptation in response to dynamic contexts.

As it encourages on-going questioning of what might influence change in the context and drawing on evidence and learning during implementation, theory of change thinking can inspire improvements in programmes, moving beyond technocratic responses towards more realistic and feasible interventions that are responsive to dynamic contexts.

5. Working with theory of change requires performance management approaches to accommodate uncertainty and flexibility

Theory of change is not a magic bullet. It is challenging to work with because it requires a commitment to take a reflective, critical and honest approach to answer difficult questions about how our efforts might influence change, given the political realities, uncertainties and complexities that surround all development initiatives.

To be applied well, theory of change demands an institutional willingness to be realistic and flexible in programming responses, both at the design stage and, more importantly, in implementation and performance management.

To support a better fit between programme and context, it may be that chosen interventions are not technically the most efficient or effective, but are justified as the most appropriate for influencing change within the social, political and environmental realities of their particular context.

Contributors to the review acknowledged that a realistic, adaptive approach should be recognised as good programme practice, but the realities of funding and performance management systems in the international development sector make this very challenging to achieve at all levels.²

Review findings

The findings of the review are summarised below:

- **Theory of change is both a process and a product.** It should be seen as an on-going process of discussion-based analysis and learning that produces powerful insights to support programme design, strategy, implementation, evaluation and impact assessment, communicated through diagrams and narratives which are updated at regular intervals.
- **The quality of a theory of change process rests on 'making assumptions explicit' and making strategic thinking realistic and transparent.** Practical experience highlights that this is not straightforward to do, as these tap into deeper beliefs, values, worldviews, operational 'rules of thumb' and analytical lenses that all individuals in development bring to their work.

It takes time and dialogue to be able to challenge assumptions. Power relations, both in the programme's context and within organisations, limit the ability to challenge established ways of

² A point emphasised by a wide range of participants from donor agencies, implementing organisations, civil society organisations and research initiatives at the workshop held at DFID to discuss the draft version of this review report, 2nd May 2012

thinking and working. So a theory of change process often brings to the surface conflicts and tensions which require negotiation. This is why people often prefer to work with a facilitator.

- **The time and resource needed to work effectively with theory of change needs to be taken seriously.** Staff in donor agencies, country programmes and civil society organisations are all under time pressures – pragmatic approaches can get theory of change habits seeded, but institutional and funding support for theory of change processes is needed to get the benefits in terms of more effective initiatives and programmes.
- **Working with theory of change thinking can be challenging but it can create a strong organising framework to improve programme design, implementation, evaluation and learning if some of the following enabling factors can be achieved:**
 - People are able to discuss and exchange their personal, organisational and analytical assumptions with an open, learning approach.
 - Theory of change thinking is used to explain rationales and how things are intended to work, but also to explore new possibilities through critical thinking, discussion and challenging of dominant narratives for the benefit of stakeholders.
 - Critical thinking is cross-checked with evidence from research (qualitative and quantitative) and wider learning that brings other analytical perspectives, referenced to stakeholders', partners' and communities' knowledge and interpretations of the situation.
 - A number of theories of change are identified as relevant 'pathways' to impact for any given initiative, rather than a single pathway, with acknowledgement of the non-linearity and emergent nature of these.
 - Documented theories of change and visual diagrams are acknowledged as subjective interpretations of the change process and used as evolving 'organising frameworks' to guide implementation and evaluation, not rigid predictions or prescriptions for change.
 - Theory of change frameworks and visuals are used to support a more dynamic exchange between donors, funders, grantees, development partners, programmes and communities, to help open up new areas and challenge received wisdoms.
 - Donors, funders and grant-makers are able to find ways to support justified adaptation and refocusing of programme strategies during implementation, while there is time to deliver improvements to stakeholders and communities.

Scope of the review

This review was commissioned by DFID Evaluation Division. The reviewer conducted 40 interviews with staff from 25 development organisations, including 9 donor agencies, 7 international NGOs and 9 research and training organisations (see Appendix 3 for a list of people and organisations).

Organisations were identified through an email survey, self-identification and recommendations. There was also a light-touch review of published and grey literature on theory of change, in particular to identify guidance and tools available. The draft report was shared at a DFID workshop with external stakeholders on 2nd May 2012, by email and through a blog posting for wider discussion. Comments and feedback have been incorporated into the final version of the report.

Conclusions

As the findings of this review highlight, theory of change is not new. It has great potential but requires a commitment to a reflective and realistic approach. It is simply less effective when applied in a formulaic or superficial way.

Given that international development has so many existing formal standards, performance management and results-based frameworks, the people who contributed to the review felt strongly that there was no need to create another prescriptive, and potentially restrictive, management tool based on theory of change.

The main message that people gave was the theory of change, if handled lightly as a flexible way to think through fundamental questions about their programmes, could create better informed hypotheses of change, inspire innovations and improvements in programme strategies, and strengthen the potential of programmes to support the development outcomes they seek.

The rich insights shared by contributors to the review illustrate how a greater understanding is emerging about enabling and supporting theory of change thinking in programmes. The full report presents and discusses how people are approaching some of the key conceptual, practical and institutional challenges.

For each review topic (see below), key points are highlighted at the start of each section and the findings illustrated with examples. Practical suggestions are also presented, alongside more in-depth Box Examples to illustrate people's experience, from donors to implementing agencies and projects.

The appendices present a selection of resources and examples. Appendix 1 presents links to resources and guides to working with theory of change, including extracts from DFID's own draft internal guidance from 2012. Appendix 3 presents annotated examples of a range of theories of change developed for different purposes.

These resources highlight different ways of tackling the same challenge – how to develop practical resources that support people to find their own version of theory of change thinking and gain the benefits of the approach, but without stifling the inspiring reflection that so many people appreciate about working with theory of change.

Structure of the report

The review report is structured around nine topics that were identified through scoping interviews with key DFID staff and partners. The review focused on the practical aspects of working with theory of change in programmes throughout the project cycle.

Section 2: Who is using theory of change in international development?

Section 3: What is 'theory of change thinking' in practice?

Section 4: Why are the 'assumptions' so important in theory of change?

Section 5: What makes a good quality theory of change process and product?

Section 6: Representing theories of change

Section 7: Using evidence to support a theory of change process

Section 8: Using theory of change thinking to support evaluation, impact assessment and learning

Section 9: Using theory of change to address complex aspects of programmes and emergent strategy

Section 10: Embedding on-going theory of change thinking and learning

Section 11: Conclusions

The full report and appendices are available to download on the Department for International Development's research portal, R4D <http://www.dfid.gov.uk/R4D/Project/60922/Default.aspx>