

# How to develop a theory of change

## About this guidance

This guidance seeks to ensure that UK Aid Direct applicants and grant holders understand what the Department for International Development (DFID) means by a [theory of change \(ToC\)](#), and more specifically, that they:

- Understand the terms used in relation to ToC in UK Aid Direct guidance and templates
- Understand the purpose of ToC what they help us to achieve and why they are a useful tool for project design
- Learn how to develop a ToC and how to use it during project design.

Each of these areas is addressed in the following sections. At the end of the document, there is a list of useful websites for further information and reference.

## Why do we need a theory of change?

A theory of change for a project or an organisation is a simple concept that takes our assumptions about what we want or expect to happen and tests those assumptions to see if they hold true.

A theory of change can be used:

### As a strategy tool

- To assist teams to work together to achieve a shared understanding of a project
- To make projects more effective by understanding outcomes and their causes
- To identify any hidden assumptions and their importance (or lack of)

### As a monitoring and evaluation (M&E) tool

- To determine what needs measuring (and what not) to support evaluation activities
- To encourage teams to think about evidence in a more focused way
- To act as the basis for claims about attribution

### As a communication tool

- To provide a quick visual picture of the project's aims
- To highlight and describe the process of change
- To improve partnership working through development of a shared understanding.

## How to develop a theory of change

Most often a ToC is represented by a diagram or flow chart, but in order to help you design this diagram it is important to first think and talk through what it is you are trying to achieve, what the barriers are to achieving it, and what evidence you have to support your assumptions.

- **Discuss and design it with all those involved in making the change happen.** This way you can build consensus among those supporting the project and discuss the value of different approaches. Establishing, what they expect to happen at each stage of the process

- **Within your project, define your aims and objectives.** This should describe the change you want to see in your target population of beneficiaries. It should be a long-term change, relevant to the target population, realistic and straightforward.
- **Consider your context and look at the barriers to achieving your end goal.** Your project may be contributing towards achieving long-term change rather than being directly responsible for this success.
- **Think through how your project or approach can work towards achieving this goal.** Now work backwards to decide the best and most appropriate ways and approaches you need to take. Is there evidence available to demonstrate the effectiveness of that approach in a similar context? What is the outcome you are expecting to achieve?
- **The outcome should be directly attributed to the project and the work you are doing.** What is the specific change that will come about as a direct result of the project? Are there others doing similar work that you can partner with or build on their experiences?

By thinking through this systematically you will need to consider what evidence exists to support the approach you are planning. If there is no available evidence how do you know your approach will work? Can you generate evidence as a result of the project? Outline your assumptions on how one level of the pathway leads to change at the next level along.

Think about the enabling environment in which your proposed project will work. What needs to be in place internally for your project to be a success at each layer of the change process? Consider the external factors that may be out of your control. How will you deal with those?

Finally, put in place procedures to measure and evaluate your theory of change. Test its validity at regular intervals to see if your assumptions still hold true. You can then revise your theory of change accordingly to ensure it still responds to the context and needs of your target population.

### What kinds of Theory of Change are there?

There are several ToC models in use.

- [Planning triangle](#).
- Logic model which is in frequent use in development and often provides a visual version of the logframe
- Outcome chains.
- Narrative ToC

[Guidance is available](#) when deciding on which model to choose.

### Further reading and references

- DFID, 2012. Review of the use of 'Theories of Change' in international development. Isabel Vogel, 2012.

- NPC<sup>1</sup>, 2014. Creating your Theory of Change. NPC's practical guide. Ellen Harries, Lindsay Hodgson and James Noble November 2014
- JSRP<sup>2</sup>, 2012. Understanding Theory of Change in international development. Danielle Stein and Craig Valters, August 2012. JSRP Paper 1
- JSRP, 2014. Theories of Change in International Development: Communication, Learning, or Accountability? Craig Valters August 2014. JSRP Paper 17
- Charities Evaluation Services (2014) CES Planning Triangle
- [www.theoryofchange.org](http://www.theoryofchange.org)
- <http://learningforsustainability.net/evaluation/theoryofchange.php>

**Software resources with free (limited) usage include:**

- <https://www.lucidchart.com> – user-friendly flow-chart creation for simple designs
- <https://insightmaker.com> – user-friendly for complex or systems designs
- Powerpoint

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<sup>1</sup> NPC – New Philanthropy Capital

<sup>2</sup> Justice and Security Research Programme