How to develop a theory of change

About this guidance
This guidance seeks to ensure that UK Aid Match applicants and grant holders understand what a theory of change (opens in new window) is, why it is useful and how to develop a strong theory of change.

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 (ToC) for a project or an organisation is a representation of how and why a complex change process will achieve desired outcomes under specific circumstances.

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 tool
- To determine what needs measuring (and what not) to support evaluation and learning
- To encourage teams to think about evidence in a more focused way
- To act as the basis for claims of 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 supplemented by narrative description. At a minimum, a theory of change should encompass:
- 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 who

- Process or sequence of change anticipated to lead to the desired long-term outcome
- Assumptions about how these changes might happen. Assumptions should be used to test and check whether the activities and outputs are appropriate for influencing change in the desired direction in this context
- Diagram and narrative summary that captures the above.

The following outlines the Foreign, Commonwealth & Development Office's approach to developing a clear and comprehensive ToC.

Step 1: analysis of the context

A ToC design process should start by analysing the context, the problem and the changes needed. This process should be undertaken in consultation with a representative sample of key stakeholders. The problem and key factors that influence this issue should be clearly stated, as well as who or what needs to change and how that change will happen.

Step 2: clear hypotheses of change

Causal pathways in the diagram or narrative ToC should be comprehensively mapped in detail and include intermediary outcomes. The diagram or narrative should be conceptually clear and specific to the programme or organisation. Assumptions about the causal links, implementation pathways and context should be made explicit and the narrative should describe the overall logic of the intervention. The key hypotheses underpinning the ToC should be clear.

Step 3: assessment of the evidence.

There should be a narrative assessment of evidence for each key hypothesis and assumption. The strength of evidence should be stated, including an assessment of the quality of evidence and the relevance to the programme or organisation's context. If there is limited evidence for a causal link, this should be stated as a hypothesis and tested through an evaluation. A ToC should be revised in light of new evidence to ensure it responds to the context and needs of your target population.

Theory of Change models

There are several ToC models in use:
- Planning triangle
- Logic model, also called a logical model or an impact model
- Outcome chain or causal chain
- Programme theory or programme hypothesis
- Narrative ToC

Guidance is available (opens in new window) when deciding on which model to choose.

Further reading and references

Learning for Sustainability. Theory of change (opens in new window) New Philanthropy Capital, 2014.

Creating your Theory of Change. NPC's practical guide (opens in new window). Ellen Harries, Lindsay Hodgson and James Noble November 2014

Justice and Security Research Programme, 2012. Understanding Theory of Change in international development (opens in new window) Danielle Stein and Craig Valters, August 2012. JSRP Paper 1

JSRP, 2014. Theories of Change in International Development: Communication, Learning, or Accountability? (opens in new window) Craig Valters August 2014. JSRP Paper 17

Charities Evaluation Services (2014) CES Planning Triangle (opens in new window)

Better Evaluation. Describing the Theory of Change (opens in new window)

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