The Theory of Change and its concrete application in development projects.

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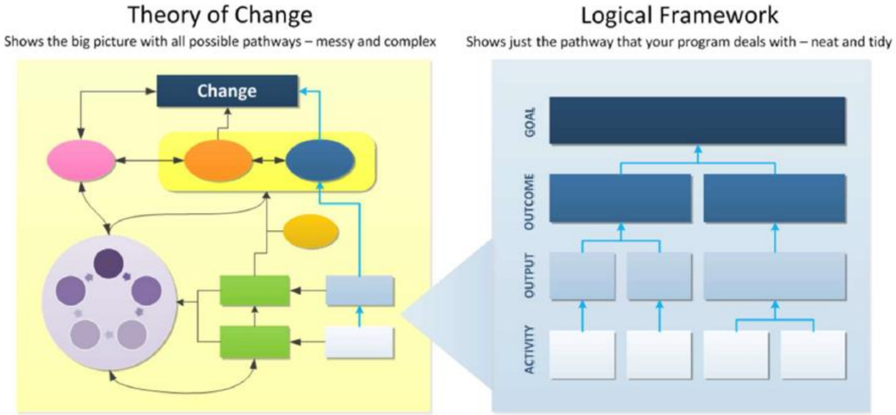
Lesson content

1. Brief introduction on the Theory of Change
2. How to draft a Theory of Change
3. The *New* Logframe matrix
4. Working groups
5. Discussion and suggestions about work done by the groups



Brief introduction on the Theory of Change: Why?

CHANGE: **Development is about change.** Development projects are tools to promote **change** processes.

IMPACT: International cooperation has constantly questioned its ability to generate profound and lasting changes, attacking the very complex and multilevel causes of poverty, injustice and inequalities in the world.

ACCOUNTABILITY: Governments, donors and civil society are increasingly asking those involved in international cooperation to be able, in a rigorous and transparent way, to give an account of their real capacity to generate change, to be “accountable”. , in a historical period, however, of reduction of the overall budget available.

Theory of Change (ToC) has shown that it can accompany professionals and organizations, donors and institutions in focusing their intervention, in constantly measuring and enhancing the real change produced, correcting inefficiencies and waste and enhancing the relationship with the main stakeholders, leaving behind logic self-referential and self-congratulatory.

What is a Theory of Change (ToC)? A definition

“a theory of how and why an initiative works.”

“a roadmap, a blueprint, an engine of change, a theory of action and more.”

“A rigorous and participatory process in which different groups and stakeholders in the course of a planning articulate their long-term objectives [**impact**] and identify the conditions that they believe must unfold in order for these objectives to be achieved. These conditions are schematized in the desired outcomes and are graphically organized in a causal structure[**results chain**]”.

In other words, instead of asking "*what actions must we take to achieve our goals*?", We should ask "*what medium-long term change do we want to achieve for the benefit of the main recipients of our efforts and what are the best pre-conditions to achieve it?* ". This is a substantial difference, which draws a clear dividing line between two completely different modes of intervention. And this is easily understood, for example, when applying the ToC to design.

What is a Theory of Change (ToC)?

Isabel Vogel realized a research for the il UK Department of International Development (DFID) titled “Review of the use of ‘Theory of Change’ in international development”

Toc is a dynamic and adaptive learning framework, and can be used in all phases of the project cycle because:

- supports in context analysis;
- indicates the way to achieve the objectives: how and when;
- helps to define target groups and stakeholders;
- creates the basis for agreements between partners (what has to happen and who does it);
- identifies the framework of the action (the activities that must be done);
- demonstrates if the change has occurred, and if there is an impact;
- lays the foundations for monitoring and evaluation activities.

A ToC includes always:

- a clear explanation of the reasons behind real and lasting changes in a specific thematic area (not only the "if", but above all the "why" and "how" occur, as well as the "when / in what times / for how long ");
- the articulation of a path that leads to these changes through the development of specific programs, structures and organizational skills (and the procurement of the related human and economic resources);
- an Impact Management & Evaluation system capable of testing both the assumptions and the strategy and the tools deployed in itinere and ex post.

How to draft a ToC

The best method is the participatory one, possibly in a workshop, lasting 3 days or more, depending on the context in which you are and the complexity to be faced, in terms of organization and the impact you want to generate. The ideal would be to involve all those who in some way are **stakeholders**. The participation of key stakeholders is of fundamental importance because with them it will be possible to design all phases of the intervention, establish roles and responsibilities, obtain the necessary information and be able to foresee a greater number of unforeseen events and therefore solutions.

To develop a theory of change, it is necessary to proceed in stages.

1. Context analysis
2. Definition of long-term change
3. Definition of hypotheses and preconditions (assumptions and pre-conditions).
4. Definition of the relationships between inputs, outputs and outcomes

1. Context analysis

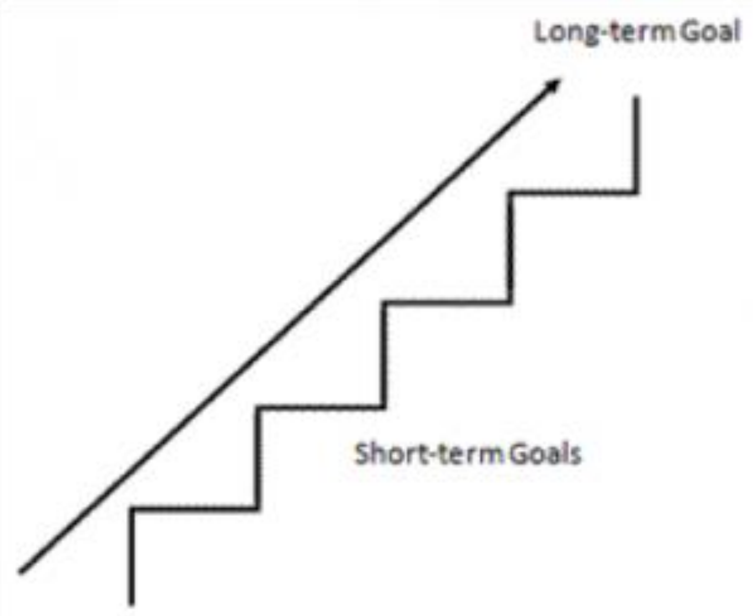
Key stakeholders will have to try to answer some questions:

1. what is the problem to solve?
2. what are the key factors to consider?
3. what and who must change, in the system, in people, in organizations?
4. who can contribute to the change? What are the actors to involve?
5. what elements of previous experiences can be considered?

2. Definition of long-term change

The second step is the most difficult and represents the heart of the ToC.

It is necessary to define the long-term goal (impact): where do you want to go? What or who needs to change?



3. Definition of assumptions and pre-conditions.

- **What are the necessary and sufficient conditions to achieve the long-term goal?** By answering this question, through a brainstorming process, and going backwards, it is possible to define everything that must happen (preconditions) in order to achieve the set goal.
- **A further step is the clarification of the beliefs (assumptions)** underlying the reasons why a strategy or project can achieve the expected results. Assumptions, often implicit and not based on evidence, risk being unfounded and adversely affect the entire work of an organization.
- It is therefore necessary to identify everything that we take for granted: **what must happen in the context for the ToC to work? What are the hypotheses on which our project or program must not intervene, but which are fundamental to achieve results?**

4. Definition of the relationships between inputs, outputs and outcomes

- **General logic**: explain the logical sequence with brief comments in the diagram, how from one passage to the other and how each level is connected to the next; Describe the relationship between: activities (example: training course); result (example: number / gender / types of people trained); change (example: improvements induced to benefit communities by training)

- **Indicators:** define indicators for each outcome and precondition; to measure and verify results and changes

- **Narration:** to tell the logic in one or two pages, explaining how events will change and why you think that this is the right way to go.

INPUT

Physical and financial resources made available and committed for the activities

ACTIVITIES

Use of resources to generate products and services.

Eg. Wells built, training courses performed

OUTPUT

Products, goods or services that are generated by the activities

Eg. People improve access to drinking water; People are aware of the advantages of supplying wells (compared to the river)

OUTCOME

Short and medium term effect of the outputs: generation of a **change in the behavior** of the Target group

Eg. All people get water from the new wells and perceive the benefits

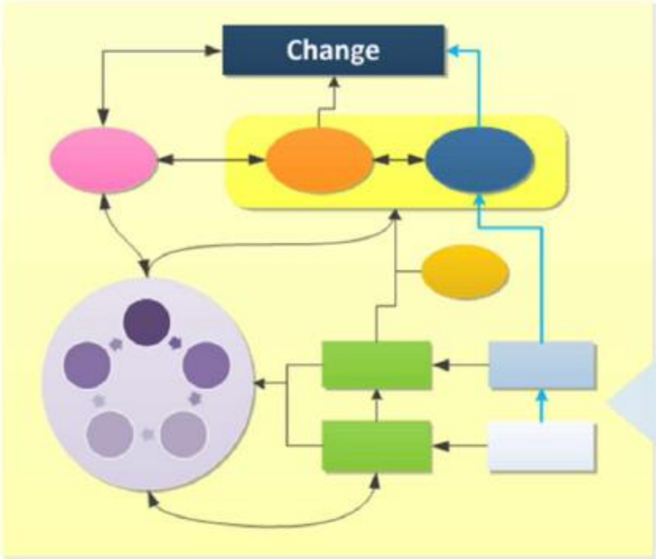
IMPACT

Long-term change

Eg. Water-related diseases decrease

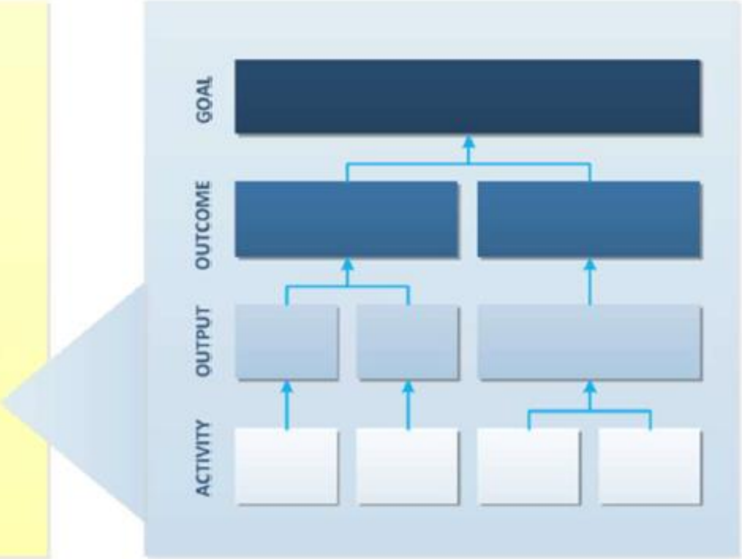
Theory of Change

Shows the big picture with all possible pathways – messy and complex



Logical Framework

Shows just the pathway that your program deals with – neat and tidy



Since 2015, in EuropeAid calls there is a new Logical Framework model

Results	Results chain	Indicator	Baseline (value & reference year)	Target (value & reference year)	Current value* (reference year) (* to be included in interim and final reports)	Sources of data	Assumptions
Impact (Overall objective)	*As per OECD-DAC definition, the impact is "the overall objective of the Action entailing positive and negative, primary and secondary long-term effects produced by a development intervention, directly or indirectly, intended or unintended."* *The impact is the long-term expected effect of the action fulfilling the overall objective to which the action contributes at country, regional or sector level, in the political, social, economic and environmental global context which will stem from interventions of all relevant actors and stakeholders.* *Please delete this row once the Logframe is completed.*	*Quantitative and/or qualitative variable that provides a simple and reliable mean to measure the achievement of the corresponding result* *To be presented, when relevant, disaggregated by sex, age, urban/rural, disability, etc.*	*The value of the indicator(s) prior to the intervention against which progress can be assessed or comparisons made.* *(Ideally, to be drawn from the partner's strategy)*	*The intended final value of the indicator(s).* *(Ideally, to be drawn from the partner's strategy)*	*The latest available value of the indicator(s) at the time of reporting* *(* to be updated in interim and final reports)*	*Ideally to be drawn from the partner's strategy.*	*Not applicable*
		Impact indicator 1:	Baseline for impact	Target for	Current value	Sources of data for	*Not applicable*

Specific objective

Expected results

	Results chain
Impact (Overall objective)	The broader long-term change to which action contributes at national, regional or sectoral level, in the political, social, economic and environmental context that will result from the interventions of all actors and stakeholders.
Outcome (s) (Specific objective(s))	The main medium-term effect of the intervention focuses on the behavioral and institutional changes resulting from the intervention (It is good practice to have only one specific goal, however for large actions, other short term goals may be included here)
*Other Outcomes (*where relevant)	If relevant, other short-term effects of the intervention that focus on the behavioral and institutional changes resulting from the intervention (e.g., intermediate outcomes may be listed here)
Outputs	The direct / tangible products (infrastructures, goods and services) delivered / generated by the intervention (* outputs should in principle be linked to the corresponding outcome through clear numbering)
Activities	What are the key activities to be carried out to produce the expected outputs? (* Activities should in principle be linked to corresponding outputs by clear numbering)

LOGICAL FRAMEWORK AND ACTIVITY MATRIX

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Indicators

DEFINITION: what can be observed in reality when a goal is achieved;

"The empirical trace of a concept" - Looking for an indicator, we should find the traces that this desired improvement has left, traces that can be detected through (empirical) experience, therefore observable, measurable and precise traces. They measure and show the achievement of all project objectives (specific objective, general objectives and results), giving a description and quantification of the improvements induced by the project.

Objectively verifiable indicators (Iov)

The term objectively indicates that what the indicator expresses should be verifiable by anyone, and its measurement should not change depending on who verifies or the way of interpreting its constituent elements.

SMART indicators

- **Specific:** *indicators should relate to the specific conditions the project seeks to change. For this reason, they need to be defined together with the local counterpart and the stakeholders and according to the local conditions*
- **Measurable:** *quantitative indicators are often preferred as they are easier to manage and allow further statistical analysis of the data. However indicators can also capture qualitative issues*
- **Achievable:** *the information related to the indicators must be attainable at reasonable costs*
- **Relevant:** *indicators must be relevant to the management information needs of the people who will use the data*
- **Timely:** *the indicators need to be collected and reported at the right time*

How an indicator is composed

The fundamental characteristics to consider in the construction of an indicator are the following.

a) **The variable**, which indicates what is seen and therefore can occur in reality when a benefit is achieved. The variable indicates what changes. The variable is the most important part of an indicator and each objective can give rise to more than one variable and can therefore generate several different indicators. OC: **"The access of young people to the labor market has improved".** Some examples of variables:

- the number of young people starting to work increases;
- the number of young people receiving unemployment benefit decreases;

b) The target group. That is, who changes. In other words: in which subjects we can observe the change of the variable, in our example the subjects could be specified as: young people aged 18 to 25

c) The dimension of change. That is how much what changes: 250 new units.

d) The localization of the change. That is where you can go to measure change: in Municipalities X and Y.

e) The timing of the change i.e. when it will be possible to observe in that place that that variable has changed to that extent for those people: within 36 months from the start of the project**.**

The outcome indicator therefore combines the 5 elements described and can be formulated as follows:
The number of young people aged 18 to 25 starting to work increases by 250 new units in Municipalities X and Y within 36 months from the start of the project.

New Logical Framework Matrix: 3 new columns

Results chain	Indicator	Baseline (value & reference year)	Target (value & reference year)	Current value* (reference year) (* to be included in interim and final reports	Source and mean of verification	Assumptions

The Baseline column, in which to report the data (starting values) on the problem to be addressed (context analysis) at the beginning of the project

The Targets column, which does not refer to the "beneficiaries", but to the measurable qualitative or quantitative level to be achieved with respect to the indicators at the end of the project, for each of the levels of the Results chain (output, outcome or impact).

The Current value column, which is assumed to coincide with the Baseline when submitting the proposal, and the relative Reference date, necessary to update the values during the project.

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Source and mean of verification

The sources indicate how and where to check if the project objectives have been achieved within the terms indicated by the indicators. In other words, they answer the question: where can I find the data to verify the achievement of a goal?

The constituent elements of the sources of verification are:

- **what**. which document contains the data I should quantify? reports, statistics, projections ...?
- **who**. which subject (person or organization) is in charge of compiling, drafting and making available the information I need?
- **when**. when the materials indicated above will be available or verifiable? Or, when will the information be available or likely to be detected by anyone who requests it?
- **where**. where should I go to be sure to find that the information I need?

External sources and internal sources of the project

Assumptions

- the assumptions external to the project that it is important occur in order to carry out the sequence described in the intervention logic;
- the conditions that it is assumed will be fulfilled so that it is possible to pass from each level of the result chain to the higher level;
- the assumptions which are outside the project intervention, but that are indispensable for the activities to be carried out and for these to achieve the expected results and objectives.

Assumptions

The assumptions underlie risk factors; the fact that they are always expressed positively denotes the forecast / hope that the risk will not materialize. Since external conditions are probable but not certain (they are hypotheses), there is still the possibility that they will not occur; in this case the project risks failing to achieve its objectives or carry out its activities →risk management plan

A hypothesis must be included in the LFM if these two conditions exist at the same time:

- the hypothesis has a narrow margin of not being realized;
- the fact of not being realized would cause serious damage to the project (it is a relevant hypothesis).

Example

Output: "Facilitated access to entrepreneurship".

It could happen that although access to self-employment is free of obstacles, young people do not create businesses due to lack of confidence in the future or due to lack of self-confidence (the fear of not succeeding).

We could therefore formulate two **hypotheses:**

- positive attitude of young people towards the future and the economic situation;
- existence of self-confidence.

PRECONDITIONS

These are conditions prior to the start of the project or preparatory to the activities or their completion. If not verified, they lead to the project not being able to start, or prevent the actions from being completed as planned.

Examples of preconditions can be:

- the partners maintain the co-financing commitments undertaken during the identification phase;
- the political will of the local actors to carry out the project remains even in the event of a turnover of offices;
- the bodies responsible for carrying out the activities have the technical skills;
- political stability and security.

Sitography and bibliography

WEBINAR:

- La Theory of change e il Logical Framework Approach - YouTube
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EuropeAid Programme

The EuropeAid program is the EU's international cooperation program. It finances projects on issues such as equal opportunities, children and young people, health, education, culture, human rights and democracy, immigration and asylum.

Through annual programs the Commission (Directorate General for International Partnerships - DG INTPA) publishes calls for proposals for grants with an invitation to present projects on specific actions in third countries that can be co-financed, in variable measure, from the European Union. [Online Services - Online Services - Programmes de coopération extérieure - Commission européenne (europa.eu)]