



Theory of change in ten steps

James Noble

October 2019



Contents

Background	3
What exactly is a theory of change?	3
Everyone can do this	4
It's about the journey	5
Knowing what to include	6
A structured approach	7
Ten steps to theory of change	9
Step 1: Situation analysis	10
Step 2: Target groups	12
Step 3: Impact	13
Step 4: Outcomes	14
Step 5: Activities	15
Step 6: Change mechanisms	16
Step 7: Sequencing	18
Step 8: Your theory of change diagram	19
Step 9: Stakeholders and 'enabling factors'	20
Step 10: Assumptions	22
Next steps	24
Glossary	25
Appendix (Logic Model and Diagram)	26



We are grateful to Esmée Fairbairn Foundation for their generous support for this work.

What exactly is a theory of change?



Throughout our work and personal lives we have aims and ideas about how to achieve them, but we rarely take the time to think these through, scrutinise and articulate them.

This is what a theory of change process does. It encourages us to reflect on our aims and plans, to discuss them with others and to make them explicit.

The output from a theory of change process describes how we believe our activities will lead to the outcomes and impacts we want to achieve. At NPC, we tend to think of theory of change as the foundation of charity strategy, evaluation and communication.

The terminology and the different options can be confusing at first. We even hear that the phrase 'theory of change' is off-putting because it sounds 'jargonny' or 'academic'. But please do not feel intimidated, this guidance will give you a solid grounding in the concepts, and a way to approach it step-by-step and produce something useful.

Our existing guidance, published in 2014, is one of our most widely read publications. Since then, we have learnt a lot about where our thinking works well, and where it falls short. This guide is a ten step handbook to creating a theory of change, built on many years of developing them for charities and funders. It focusses on the basics, our core approach. It gives you the information you need to do any theory of change and is directly applicable to smaller projects and charitable services. This handbook will soon be accompanied by fully updated guidance going into more detail and exploring different situations, including those that are more complex, like charitable campaigns and organisations as a whole.

We hope these ten steps provide a practical working guide for charities and funders, enabling you to think through your work and provide the best services possible. To dig deeper, NPC runs regular training sessions and workshops, and our consultants are ready to support you should you so desire.

There's a lot we've learnt, and a lot still to learn, but we are confident that the thinking contained here is a good way to approach theory of change and get the most out of it.

James Noble

Principal: Measurement and Evaluation

Everyone can do this

We believe theory of change is applicable to any project or organisation that is trying to do good. What 'doing good' means varies a lot. It could mean curing a disease, changing a policy, or tackling a social problem. But equally it could mean helping other professionals do a better job, rolling out a new IT system, or changing attitudes. A great thing about theory of change is it can be applied to all these things and at all levels of focus, from small scale projects to whole organisations and even whole sectors.

We have found it helps to distinguish between three broad areas of charitable activity that theory of change can be applied to:

- 1. Services - Activities supporting individuals or organisations directly. For example, advice to people, social and educational programmes, mentoring.**
- 2. Campaigns - Activities that aim for more general change in policies or across populations, communities, or 'systems'. For example, campaigns for changes in the law or to increase awareness of a health problem.**
- 3. Organisations - Sometimes people in larger charities will group services and campaigns together to think about theory of change for their organisation as a whole. This lets them see how their services and campaigns fit together.**

This guide is written primarily for people thinking about services and smaller campaigns / organisations, although it should give everyone a good grounding in the main ideas. We plan to publish further guidance discussing how to use the theory of change approach for thinking about for more complex campaigns and organisations.

What about research? Work with animals and the environment? Preserving heritage?

Charities are involved in many things. For example, health charities fund scientific research and environmental charities aim to preserve wildlife. The theory of change approach is still useful in these circumstances, but they raise different kinds of challenges and to keep things brief we have decided not to cover them here. Our upcoming guidance will say more about applying theory of change in these situations.

It's about the journey

Before creating your theory of change, it helps to appreciate the distinction between process and output.

In short, theory of change **processes** are the discussions and research that go into a theory of change and the **output** is a summary of those discussions (which might include a diagram).

- **The process** gives you the opportunity to think, discuss and collaborate. Strengthen your projects through more considered decision making and stronger teams as people are brought together.
- **The output** gives you a greater sense of clarity and purpose, and a clear plan that will help you evaluate and communicate your work, both internally and externally.

Your process should include dialogue with staff, consultation with beneficiaries and other stakeholders, looking at the evidence base, a willingness to think hard and challenge yourself, and someone to lead. Our full guide goes into more detail on the different elements.

When designing your theory of change process it helps to think about where your priorities lie. There are two extremes:

Developmental theories of change emphasise the theory of change process, and aim to take stock, reassess priorities or design new services/campaigns. You may be using the theory of change process to consult people and develop new strategies.

All theories of change for campaigns, larger programmes and organisations are likely to be developmental, because there are so many things to think about, the context is constantly changing and there is a greater need for ongoing review.

When you are in developmental mode it is important to take more time, involve more people, and ask challenging questions like 'what is the real cause of this?', 'what is the best use of our time and resources?' and 'why do we think this?'

Descriptive theories of change emphasise the theory of change output. You may already be running a service or campaign (or have a good idea about what you want to do) and are using the theory of change to articulate your thinking more thoroughly and clearly. A descriptive process is generally only applicable to existing services.

When you are in descriptive mode it is still important to test your underlying thinking, identify the key elements of the relationships you want to have with people and identify any weaknesses or challenges. But a descriptive process can be shorter and more straightforward.

In all likelihood, you will find yourself between these two extremes, and even if you set out in descriptive mode you should find that the process will raise valuable developmental questions. Reflecting on where you are at the start will help you design the right process, and what you need to put into it.



Knowing what to include

Theories of change focus on connecting activities and impact. Charities often have a clear sense of what they do (their activities) but sometimes lack clarity about what they are trying to achieve (impact). One of the early parts of the process is to make sure everyone is on the same page about the impact you are trying to achieve.

As well as helping people to be clearer about their intended impact, theory of change also focuses on the intermediate steps between activities and impact, sometimes referred to as 'filling in the missing middle'. This can help organisations identify gaps, priorities and things to change or improve, ultimately leading to clearer goals and better plans for achieving them.

Theories of change have a general and broad focus. The detail comes later. A recurring challenge when working on a theory of change is knowing what to include or what is most important. A common mistake is to include too much detail. Here's how you can focus on what is important:

1. **Theory of change should relate to the essence of your plans for doing good - your 'social impact'.** This might seem obvious, but it is worth keeping in mind. People can get it mixed up with plans for delivery, growing the organisation, business planning/funding etc. These are all important, but should be postponed until later. We suggest you first get a really solid understanding of your underlying thinking about how you want to do good, and then build from there.
2. **Outputs and targets come later.** We suggest working on your underlying thinking before looking at how much change you aim to achieve, how many people you reach etc. We see this mistake quite often. An organisation might start by saying that they want to reduce a problem by x% or reach x% of people concerned, but this is

an unhelpful distraction where you risk getting bogged down in targets rather than focussing on your underlying thinking. In a services context, your intervention itself is usually the same whether you reach 1 person or 100 people, so the numbers are irrelevant at this stage. Once you have developed a theory of change you can start thinking about the scale of what you want to achieve. But this is always best left until the end.

3. **Performance management and evaluation comes later.** Theory of change is about thinking through and communicating your hope, your desire for change, your theory. As such, we see it as the first side of a coin, the second side of which is data collection and evaluation which focusses on testing whether things actually happen that way in the real world. Introducing measurement questions too early is a common mistake. During theory of change workshops, we sometimes hear people wondering whether something they are discussing is 'measurable'? This is an irrelevant question at this stage: If something is important it should be in the theory of change regardless of whether it is measurable.
4. **Keep things as broad/high level as possible.** A theory of change is about the essence of your plans, but the truth is that the world we are in is so complex and varied we don't know exactly what will happen when we start trying to implement them. Think about a coin fall machine in an amusement arcade, if we try to predict exactly what will happen when we drop our two pence in, we will get it wrong, we cannot know how all the coins will move. But we can understand the relevant forces and parameters, and broadly what we hope will happen. This is the right level for thinking about the theory of change: broadly what we hope to happen and what forces or mechanisms are relevant.

A structured approach

Theory of change is a structured and systematic process for thinking things through. The issues we are trying to tackle are complex, so there is a risk that our reflections can become too open-ended, unfocussed and not produce results. The theory of change process gives us a structure to prevent this, and the key elements of this structure are outlined below.

We rely on a few standard components. Theory of change, like similar approaches such as logic modelling and log frames, is associated with a set of terminology (activities, outcomes, impact and so on).

While this irritates some people, the reality is that all projects, programmes and campaigns do have these components; and distinguishing between them is always useful because it gives us a common language that helps people work together. Confusion can be avoided by having a reasonable understanding of what the terms mean without being too purist about them.

A glossary is provided at the end of this guide.

We address components and questions in sequence (backwards). It is best to think about the components of your service or campaign in sequence. Most advice is to start from the impact you want to achieve and work backwards to consider the intermediate steps. A process sometimes referred to as 'backwards mapping'.

This advice has an obvious rationale, it makes sense to start by defining what we want to achieve and then think about how we do it. By working backwards we ensure our plans are orientated towards achieving impact for beneficiaries.

However, our advice is not to work entirely backwards. Instead we suggest starting with a thorough understanding of the issue you are trying to address and its causes through situation analysis, so you can decide the precise target groups you want to work with.

Then, you do the backwards mapping, starting with impact, moving on to intermediate outcomes, and then to your activities. Finally you think about how your activities are intended to work, which we call 'mechanisms' and the 'quality' of work you intend to deliver.

Work towards consensus. Ultimately your process should try to achieve consensus amongst your team. Not a constraining consensus or sense that everything is fixed, but a broad agreement on the key elements of the theory of change. Any major disagreements or misunderstandings should be resolved, and everyone should feel their views have been heard and represented.

By the end of the process, participants should feel a sense of accomplishment in having negotiated some complex issues, and having contributed to a better and clearer understanding about an organisation's work. We would contend that if people haven't felt these things then the process hasn't been quite right.



A structured approach, continued

Often represented as a diagram (optional). A theory of change process is often focussed on developing a diagram (an example can be found in the Appendix).

However, we worry that some people see theory of change as just a diagram or chart; it's more than this. Your diagram is best seen as a summary of the process and of your thinking. It is useful for communicating your theory of change and creating diagrams challenges us to be succinct, prioritise and identify overlaps. But the diagram will not capture the entirety of the work, and it is perfectly acceptable to have a theory of change without a diagram.

The process ends with scrutiny and challenge. We suggest you imagine yourself as your worst enemy and seek to highlight its weaknesses or risks (see Step 10 on identifying 'assumptions').

Scrutiny might prompt you to make some immediate changes to your theory of change or to fill in some gaps. Or you might decide that these weaknesses are genuine and that the only way to test them is to test your theory of change against the data you collect. Hence, by challenging your theory of change you can identify the most important research questions for your project, programme or campaign.

Used and updated. The final feature is that once you have your theory of change you need to use it! Your theory of change should be published and shared widely. Everyone involved in the programme should be familiar with it, especially the people delivering the work. Your theory of change should be the starting point for further conversations about how things are going, your strategies and your tactics.

You should see theories of change as 'living documents'. As you collect data, learn and discuss what is happening you should be revisiting your theory of change and potentially updating it.



Ten steps to theory of change

Our step-by-step approach to developing a theory of change suggests questions to consider in sequence. The process should draw upon the existing evidence base, discussion with colleagues, and consultation with potential beneficiaries and other stakeholders. Challenge yourself throughout to reflect and ask difficult questions.

Step 1: Situation analysis begins the process by encouraging you to take a step back, define and think about the ‘problem’ you want to tackle, its causes, the context/systems you are working in, and the resources you have.

Steps 2-8: The theory of change itself. We encourage you to clearly define your target groups: the people or institutions you aim to work with, their characteristics and needs. Next define the sustained impact you hope to achieve for each target group. Then, working backwards define the shorter term outcomes you believe are needed to make this impact more likely, and in turn the ‘activities’ and ‘mechanisms’ that you believe will make outcomes more likely. Finally, think about the sequence in which change might occur and summarise it in a diagram if you want.

Steps 9-10: The process concludes by encouraging you to think again about how your external context might influence your theory of change and what the weaknesses or ‘assumptions’ are.

Step 1: Situation analysis

The first step is to develop a good understanding of the issue you want to tackle, what you bring to the situation and what might be the best course of action. You might feel that this is revisiting old ground, but we think it's always useful to take stock. You will definitely have useful conversations. There are three parts to this process:

1a: 'Problem' definition. What, succinctly, is the issue your project is aiming to tackle?

To help frame the rest of the process, it's useful to start by agreeing a short 'problem statement' in one or two sentences. We are conscious that the word 'problem' has negative connotations and that some prefer not to use it. For us, it's simply a way to get clarity and agreement around the issues you are seeking to tackle.

Be careful about taking on too big a task. Don't try to solve all the problems in the world. Aim to narrow things down. For example, focus on the elements of a wider problem, or think about particular populations or places. This is particularly true if you are a small charity or project.

1b: Take time to think about the 'problem' you want to tackle.

Try to suspend all thoughts about your own services or organisation and focus on the 'problem' itself.

Consider the following questions:

1. Who is affected? Who is particularly vulnerable? What type of person?
2. What are the consequences of the problem?
3. What are the causes of the problem? Think about:
 - a. **Individual capacities and relationships:** Those affected by the problem, such as children and young people, parents, people with a health condition etc.
 - b. **Institutions:** Organisations (schools, hospitals, local government) and professionals (doctors, teachers, health professionals, community organisations).
 - c. **Infrastructural systems:** Policies, rules and regulations, public opinion etc.
4. What are the barriers to change?
5. What are the opportunities to overcome these barriers?
6. Who else is working to tackle the issue? Who are the other relevant stakeholders?
7. What is not happening? What are the gaps?

In answering these questions you should draw upon data about the problem, previous research and consultation with those affected.

1c: Think about what you bring / offer:

Now it's time to think about what solutions to the problem might look like.

Some questions to consider are:

1. What resources do we have to tackle the problem? Think about things like:
 - a. Reputation
 - b. Expertise
 - c. Experiences
 - d. Connections and networks
 - e. Funding
2. Given our resources, what broadly will we do? Where might we make the most difference? What are our best bets? What should our role be?
3. Who do we need to work with?
4. What options, strategies or approaches are we ruling out? Why?

By the end of this step you should be ready to describe the broad rationale for your work.

Example: Throughout this handbook, we follow a fictional local charity, *One Small Step*, run by teachers and youth workers to help young people enter employment, education or training.

One Small Step defined their problem statement as: "Too many young people in our area are leaving school and not entering education, employment or training".

They looked at data about the number and proportion of young people affected, and how their region compared to others. In doing so they confirmed their region had a serious

problem with young people not in education, employment or training (NEET). *One Small Step* identified the causes as a lack of skills, qualifications, suitable programmes, entry level jobs and role models, compounded by high rates of school absences. Consequently, these young people suffered long-term socio-economic hardship and higher risks of poor health.

One Small Step ruled out lobbying for local authority funding, as it was obvious there was none to be had. Instead they chose to work with young people directly. They researched good practice and decided to focus on providing direct support to young people as their primary approach.

Step 2: Target groups

Who are the people you can help or influence the most?

Based on your situation analysis in Step 1 you can now describe the types of people or institutions you want to work with **directly**. We refer to these as your target groups. Remember your target group is just those you work with directly. For example, if you plan to train health professionals to better support patients, then the health professionals are your target group, not the patients.

You can opt to work with one or multiple target groups. Services will tend to work with fewer groups than campaigns. You will need to think about each target group separately (i.e. go through stages 2-8 for each). However you do not need to do a separate diagram for each. When describing target groups, try to be **as precise as you can**.

For example:

- Young people aged 11-16, from disadvantaged backgrounds, falling behind in school, with a behavioural report in the last term.
- Prison governors in prisons, category B or above, with lower than average staff morale and high reoffending.
- Local councillors in rural areas with responsibilities for planning decisions.

Next, spend some time thinking about the characteristics of your target groups. Aim to describe the people that you can help or influence the most. Try to identify factors most connected to your 'problem'. And think about the strengths and assets people have as well as the challenges they face.

Consider:

1. **Objective factors:** Age, location, education, personal histories etc.
2. **Subjective factors:** Knowledge, attitudes and behaviours etc.

Example: *One Small Step* chose to target young people at risk of becoming NEET (not in education, employment or training) within three secondary schools in their local authority area.

They identified the objective characteristics of a potentially troubled home life, unhealthy lifestyle, risk of mental health issues, and limited exposure to new experiences. Subjective characteristics included a lack of aspiration, low self esteem, disengagement with school, and risk of anti-social behaviour.

Strengths and assets identified included close relationships with families and peers, intelligence, and openness to new ideas and experiences.

These characteristics enabled *One Small Step* to narrow down their target group to three precise criteria:

1. Academic performance below expectations.
2. Little interest in future career options.
3. Poor behaviour or attendance in the previous term.

Step 3: Impact

Think about the sustained or long term change you want to see

This is where you describe what the project or campaign hopes to achieve in the long run. Think about what you want the 'sustained effect on individuals, families communities, and/or the environment' to be.

Tips for defining impact are:

1. Think about the impact you aim to achieve for each target group one at a time.
2. Remember that impact is sustained over the long-term. It's potentially something that's achieved after your project has run its course. Ask yourself how you want your target group to be better off in a year, or even five years' time because of your work.
3. Impact is something important and meaningful: reduced offending, increased employment, improved wellbeing, a change in policy etc.
4. Impact is something your target group will achieve for themselves, in their own lives. Our services and campaigns don't make people healthy, educated or informed; people do that for themselves. Charities help people make these changes through outcomes.
5. Impact is something that you will **contribute** to, alongside others.
6. Try to keep impact statements succinct; one or two sentences is ideal. For example, reduced reoffending, increased wellbeing, increased employment, a change in the law.
7. You can think about impact in different stages as illustrated in the example below.

Example: *One Small Step* set out three levels of impact they wanted to achieve.

Direct: Increased likelihood that targeted young people will stay in school and progress to sixth form (or an equivalent opportunity).

Knock on: Higher levels of progression into higher education and employment.

Community level: Improved prosperity and social mobility.

Step 4: Outcomes

What shorter-term changes for your target group might contribute to impact?

Outcomes happen before impact. In a services context, it's often good to see them as changes in the strengths, capabilities or assets that you aim to equip your target group with, to achieve the impact you set out in Step 3.

Time can be a helpful lens here. If impact is what you want to achieve over years, outcomes are more about weeks and months. You will want and expect to see outcomes changing more quickly.

Questions for thinking about outcomes include:

1. What assets will people gain or retain? How will people be different within a few days or weeks, and how might that help them to achieve sustained change in the long run?
2. It can help to break the discussion down into changes in your target groups:
 - a. Knowledge and/or skills
 - b. Attitudes
 - c. Behaviours
3. What would you like your target groups to know? What would you like them to think and do differently?
4. Try brainstorming. First write down as many outcomes as you can think of on post-it notes, and then look to see if they can be grouped or themed. Try to figure out which are essential and distinct.

It is worth stating that these definitions of impact and outcomes are NPC's definitions. We think they work and are helpful, but there are many others you might come across.

Example: *One Small Step* defined their outcomes in terms of knowledge, skills, attitudes, and behaviours of the young people they were working with.

They wanted young people to know more about the options available to them and what they might be able to achieve in future. They also wanted to help young people get a better understanding of the factors that influence their lives and how

to deal with them; to appreciate the strengths they have; and to help them to improve their communication skills.

Boosting aspirations was identified as a priority, as was building self-esteem and self-awareness.

Together these could lead to behavioural change in attendance and engagement at school, and increased participation in positive activities inside and outside of school.

Step 5: Activities

What are you going to do?

You can now move on to thinking about your activities. This step is about stating what you are doing or plan to do to encourage the outcomes from Step 4 to happen. You should find this the easiest part of the theory of change.

Don't describe things in too much detail, that comes in the following steps.

Think about:

1. What are the key features of your activities?
2. What will these features look like? How often and for how long will you deliver to groups or individuals?
3. Who will deliver these activities?
4. How will you get people to find out about you and engage with your activities? For example, through referrals, outreach, or marketing.

Example: Trained volunteer mentors from *One Small Step* provide weekly one to one mentoring sessions with targeted young people. Meanwhile, schools provide drop in space that pupils can use at any time to access support or just take time out.

One Small Step organise occasional trips and extra-curricular activities and signpost young people to opportunities they might be interested in. School data and conversations with staff are used to monitor attendance and progress.

All of these activities run throughout the school year.

Step 6: Change mechanisms

How will your activities cause the outcomes you want to see?

The mechanisms stage is where you describe how you want people to engage with your activities, or experience them, to make outcomes more likely. This can be as simple as stating that people need to listen to your advice to make a change, but it can be more subtle - that they need to feel your advice is relevant to them and believe it is something they can take action on.

Mechanisms have traditionally been included in theories of change as part of the 'assumptions' process, but we believe they are too important for that. They should be explicit, front-and-centre. Defining mechanisms can be one of the hardest parts of the process, but it is also the most useful. In this step you are getting to the heart of how your work is intended to achieve change.

Prompts to get people to think about mechanisms include:

1. What do you want people in your target group to be thinking, feeling or doing **whilst they are experiencing your service or campaign?**
2. Think about things like feeling safe, trusting staff, having fun, feeling listened to, feeling supported, starting to think about things differently, feeling motivated. All of these are mechanisms.
3. How will we be able to tell whether things are working as planned, whilst it is happening?
4. It can help to look at different outcomes in turn. Take a single outcome and consider what will need to happen, or how you want people to feel during your activities to trigger this outcome for people.
5. In a campaigning context, think of mechanisms as the 'messages' that you want your stakeholders to get or take from your work.

Alongside 'mechanisms' you can also consider what quality looks like for your service or campaign. We define quality as how we plan to deliver our services or campaigns, so that people experience them in the way we want. This allows us to maximise the chance of change mechanisms being experienced and outcomes achieved.

Prompts for thinking about quality are:

1. What will make your activities particularly effective?
2. What is unique, distinctive or special about your service or campaign?
3. What are the qualities that staff and volunteers need to have and show?

Note the distinction: 'qualities' are about how you plan to deliver your activities, and 'mechanisms' are about how you want your activities to be experienced by your target groups. Mechanisms is a more recent concept in theory of change. You can read more about it at thinkNPC.org/resource-hub/mechanisms.

Example: *One Small Step* described the mechanisms by which they wanted young people to experience as:

- Enjoy and engage positively in programme activities.
- Be willing and able to talk to us about their lives, their strengths/challenges, and things affecting future employment options.
- Feel listened to, respected, treated as an individual.
- Trust volunteers and the process.
- Feel their career and lives matter, and that they have control over it.
- Feel a sense of choice and ownership.
- Feel a sense of progress and achievement as they stay with the programme.
- Feel supported and encouraged to think about their future and explore different options.

In considering quality, *One Small Step* were determined that their activities would:

- Be tailored, not off the shelf, with everyone's expertise, professionalism and creativity applied to the needs of the young people rather than reproducing pre-planned programmes.
- Encourage young people themselves to contribute to developing the support and have choice and ownership over what they do.
- Develop and implement a holistic approach to working with individual young people, covering all aspects of their lives and building on their strengths.
- Delivered in a non-threatening and non-judgmental way, clearly outside of the school hierarchy.
- Involve different parts of the community who want to support young people (businesses, community groups, older children, experts).
- Focus on the workplace and future career options to help activities seem more relevant.
- Be delivered in a safe space with volunteers from the local community.

Step 7: Sequencing

It's sometimes helpful to think about the order outcomes and impact might occur in, especially when you expect change to take time or happen in stages. Thinking about sequencing requires and demonstrates a deeper level of thinking about how change will occur and what your contribution might be. You might identify gaps in your reasoning or appreciate how some activities are more applicable to different stages. For more ambitious or longer-term projects, thinking about sequencing helps you set more intermediate objectives and early indicators of success.

Remember that in describing a sequence you are not saying that this is always how things will go, or the only way things can be done. It's more about identifying a broad logical pattern. In the real world we know that people will move back and forth, jump from one stage to another, or achieve things simultaneously.

Tips for thinking about sequencing are:

1. Focus on outcomes and mechanisms and work backwards from your impact. Ask yourself, is there a logical sequence in which things might occur? If you identify a sequence you can map your activities on to it later.
2. Try to stay at a higher level, this is about summarising a broad pattern. Your sequence might only have two or three stages.
3. Use post-it notes. One point on each, and move things around to explore your thinking.
4. For services which involve working with people over a period of time, think about the relationship you aim to have with people and the journey you want them to go through.

Don't worry if there is no obvious sequence. There are many situations where sequencing does not make sense or is not needed. Our full guidance discusses this in more detail.

Example: Having already sketched out a simple impact sequence in Step 3, *One Small Step* reviewed their mechanisms and found a broad pattern they expected young people to go through:

1. Feeling listened to, respected, treated as an individual.
2. Starting to trust volunteers and the process.
3. Being willing and able to talk to us about their lives and things affecting their future employment options.
4. Starting to feel that their career and lives matter and that they have control over it.
5. Identifying the kinds of activities they want to do and feeling a sense of choice and ownership.
6. Enjoying and engaging positively in the programme.

7. Feeling a sense of progress and achievement as they stay with the programme.
8. Continuing to feel supported and encouraged as they think about their future and explore different options.

This sequence could be characterised as building trust and engagement, and young people feeling supported as they progress into the next stages of education or training.

When *One Small Step* compared how this sequence linked to the outcomes they had identified in Step 4 they found that while some might be the intended product of the programme as a whole, others were more directly associated with particular activities. These activities could be mapped on to a diagram (see next step).

Step 8: Theory of change diagram

It can often help to make a diagram of your theory of change.

The two main benefits are:

1. The discipline of creating a diagram on one page prompts further reflection. It may help you be more succinct, see new connections, identify gaps in your thinking, and be clearer about the sequence of outcomes.
2. A diagrammatic theory of change is a useful communications tool.

Diagrams can be fairly simple like a logic model, or more sophisticated to show how specific activities correspond to mechanisms or outcomes, and any broad sequence that exists. Examples of both can be found in the Appendix.

The trick is to be careful about what to include in your diagram and what to leave out. Usually, less is more. The most important things to include are impact, outcomes, mechanisms and activities. Information about context and assumptions can be appended.

More sophisticated diagrams tend to require a bit of skill and experience to do. There is a risk of getting stuck at this stage and the example we present in the Appendix is intended to illustrate what the result can look like rather than something you must aspire to.

Example: *One Small Step* started with a basic 'logic model' diagram. But then they felt that this didn't capture the work well enough and started to think about a more sophisticated diagram based on the sequence set out in Step 7.

They put all their activities, outcomes and impacts on post-it notes and started to move them around to plot a rough map.

In doing this they saw that some of the wording from earlier steps could be improved and that things that aren't central didn't need to be included (e.g. 'close monitoring of attendance and progress by looking at school data and talking to staff').

When they looked at the first draft of their diagram they realised there was a gap (highlighted on the chart). They realised that they had focussed a lot on the earlier part of the programme and securing initial engagement with young people, but that the later stages could be stronger.

They decided that young people 'having and maintaining a plan for their future career and training' was an important outcome and should be added, and that they needed to add 'follow-up' support as an activity to help young people sustain their progress.

Step 9: Stakeholders & ‘enabling factors’

You have already thought a lot about the external environment in Step 1. Steps 2-8 have been about your own work, which helps you to focus. Now it’s time to think again about how the external environment will affect your aims and plans. Specifically, what you need others to do to support your theory of change and what factors might help or hinder your success.

Things to consider are:

1. What do you need other stakeholders or institutions to do, or not do, to support your theory of change?
 - a. Which other people or organisations could affect the delivery of your theory of change?
 - b. What do you need them to do? How could they help you?
 - c. How can you encourage them to do this?
2. What factors outside your control might affect your theory of change?

There are likely to be things in the wider environment that are outside your control and which will have a knock-on effect. These might be quite high-level or systemic like government policies, the wider economic or social environment, public opinion, and the actions of institutions.

Questions to consider might be:

- a. What factors outside your immediate control might help you?
- b. What factors outside your immediate control might hinder you?
3. What other contextual conditions will affect your theory of change?

Finally, it can be useful to consider any contextual factors that might affect how well your theory of change could work for individuals. For example, things that are going on in people’s lives that could affect people’s engagement with your service or campaign, and the likelihood of outcomes or impact for individuals.

Consider:

- a. What will support or hinder your target groups to engage with you and achieve change?
- b. What else might be going on in their lives that might affect success?

Example: *One Small Step's* desire to work collaboratively with schools and the community identified several important requirements from stakeholders, including:

- The school will need to be supportive of *One Small Step's* aims.
- The school will need to provide space and facilities for *One Small Step* to run their activities.
- The school will need to give pupils time off from lessons to take part.
- The school will need to promote activities to young people in the target group.
- The school will need to share data with us so the right young people are targeted and the effectiveness of the work can be measured.
- Local employers need to work with *One Small Step* to host workplace visits.
- Local businesses need to come in to schools to talk to young people about career opportunities.
- Funders need to be willing to pay for the work.

The external conditions that need to be in place are:

- The right employment and training opportunities will exist for young people to go on to.
- Government training schemes and apprenticeships will continue to be available.
- The school careers service will be available to young people and offer effective support.
- Cost-effective public transport will be available to take young people to training or work.

One Small Step's theory of change could be affected by the following contextual conditions:

- Levels of support and encouragement from families.
- The presence of role models in young people's lives.
- Encouragement or discouragement by peers.
- Participation in wider youth activities that might help prevent harmful behaviours.

Step 10: Assumptions

'Assumptions' are often talked about as an important part of the theory of change process. Broadly they refer to 'the thinking that underlies your plans'. We find the concept a bit nebulous though and that it conflates important things. Hence, we have already covered lots of what would normally be included under 'assumptions' in Steps 1, 6 and 9.

What's remaining for Step 10 is to identify where your theory of change is weak, untested or uncertain. This is worthwhile because it helps you clarify what the biggest concerns are. It is also the best way to identify your main research questions.

To identify assumptions, put yourself in the position of your fiercest critic. How would they pick holes in your project? What would they question, doubt, or challenge? Alternatively, think about what you are worried about. It might help to go through the four different types of assumptions as follows:

10a: Delivery assumptions

1. What aspects of your project delivery are you worried about?
2. Can you really reach the people you need to reach? Who are you worried about engaging?
3. Can you really deliver what you say you can? What are the chief concerns?
4. Do your staff and volunteers have the right skills and abilities? Do they have the resources and support they need?
5. Do you have the resources you need? How can you get them if not?

10b: Impact assumptions

1. What fundamental aspects of your theory of change are questionable?
2. Is your model really going to make a difference? Does it seem plausible that you will contribute to the outcomes you want through the activities, outputs and engagement you have described? What are your biggest 'leaps of faith'. This assumption is relevant to nearly all theories of change.
3. What types of people is your theory of change most likely to work for? Who will it not work for?
4. What does the external evidence say about the links and connections in your theory of change? To what extent does the evidence support what you are saying? Where are the gaps in the evidence?

10c: Unintended consequences

1. What could go wrong? What are the risks?
2. What would be unexpected?
3. Will your project distract people from something else important?

10d: Theory of change process assumptions

1. How confident are you that your theory of change team and process has genuinely had the resources and knowledge required to develop a good theory of change?
2. Have beneficiaries' views, experiences and perspectives been genuinely and representatively reflected?

These questions provide a list of the most vulnerable aspects of your thinking, which are the key 'assumptions' upon which your plans are based. These assumptions are the most important things to investigate through evidence and data collection. You could do this by looking at existing evidence or by collecting your own data.

Example: Finally, *One Small Step* considered the following assumptions and challenges relating to their theory of change:

Delivery assumptions:

- Volunteers have capacity to give young people time.
- The right young people are identifiable.
- We have capacity to support all young people who qualify.
- It will feel different enough to be a safe place.

Impact assumptions:

- Support feels relevant to young people.
- Sufficient support and guidance can be given for young people to feel more confident and have a clearer plan for what they are going to do after school.
- The gains in skills and confidence are sufficient to secure more positive employment and training impacts.

Possible unintended consequences:

- Stigma from attending.
- We cause negative cohort effects, in which young people reinforce each other's negative expectations.
- Distracting students from studying.

Theory of change process assumptions:

- We consulted schools enough on their priorities and the best way to make our programme work.
- We have spoken to a wide range of young people on what they think the barriers and solutions are.
- We know enough about the issue to design an effective solution.
- We spent enough time in Step 1 to really think through the problem.

Next steps

Writing-up your theory of change

We think the best format is a short document structured in the same order as the ten steps. Begin with the context, then describe your theory of change itself before concluding with assumptions. If you do a diagram it will naturally be a centrepiece, but its purpose is to summarise. Most of the detail should be covered elsewhere in the document.

Operational planning, performance measurement and evaluation

Once you have a good theory of change you can turn your attention to how it affects your work.

You might need to do more operational planning to deliver your theory of change. For example:

- How should you change your skills mix? Do you need to recruit? What training will they need?
- What resources will you need? What processes need to be in place? How much it will cost?

You might see these things referred to in some places as 'inputs'. We believe these are important but not part of the theory of change. A better way of looking at it is that having a good theory of change should help you to think about what resources you will need.

You can also add in expectations about numbers or flow. For example:

- What volumes will you deliver?
- How many people do want to reach?
- What are your expected retention rates?

In some situations, making assumptions about the numbers you expect to reach through your theory of change can help you think about how realistic your

plans are and whether they offer good value for money. For example, you might predict that 100 people will see your campaign, 80 will read about it, 60 will agree with you, and 40 will do something different. This process can help you test whether the expected level of outcome is worth the effort and resources invested.

Performance management is how you check you are delivering as planned, that people are engaging with you, that your services or campaigns are starting to work the way you want, and to collect feedback.

The purpose of performance management is to help you improve your work. Performance management should be seen as routine for all services and campaigns.

By articulating the key aspects of your service or campaign, your theory of change is a good platform for thinking about performance indicators. The questions to pose are:

- How will you measure your performance?
- What will indicate that you are doing this successfully?

Of particular importance are:

1. Reach/engagement: Is your target group noticing and working with you?
2. Quality: Are you doing your activities well?
3. Mechanisms: Are people in your target group engaging and responding in the way you want and expect?

While it is good to have outcome and impact goals, it is unwise to have specific targets for them because they are influenced by things beyond your control, often far into the future, and difficult to measure routinely.

Evaluation is the process for testing whether services or campaigns have made the difference you wanted and so you can learn how to do better.

Smaller-scale or light touch evaluations will be based on easier methodologies like before-and-after surveys and qualitative research. These tend to focus on outcomes.

More formal or robust evaluations will be based on more challenging and costly methodologies such as larger surveys and comparison groups. These tend to focus on impact.

Charities do not need to evaluate all of their work routinely, it's more applicable to particular circumstances and can be done periodically or amongst samples of people. The main driver for evaluation should be to test ideas that are new or experimental. To evaluate well you need to have access to enough budget and expertise.

The process of reviewing assumptions as part of your theory of change, and the existing evidence base, will help you determine whether you have big enough questions to warrant a formal evaluation. You should be thinking about this if there is significant doubt about the potential of your work to achieve impact.

Glossary

These are definitions that work for us, but you may see others being used elsewhere.

Theory of change: A process for thinking about and describing; the change you want to see; and your plans for achieving that change.

Problem: A summary of the issue or challenge your work is aimed to tackle.

Target group(s): The group(s) of people you believe you can help or influence the most.

Impact: The sustained change you want to see in your target group, which they will achieve themselves.

Outcomes: Changes in your target groups that you believe will contribute to impact.

Activities: Whatever actions you take.

Mechanisms: What you want people to be thinking, feeling or doing whilst they are experiencing your service or campaign.

Quality: How we plan to deliver our services or campaigns, so that people experience them in the way we want.

Enabling factors: Things outside your immediate control which might help or hinder the theory of change.

Assumptions: Challenges or weaknesses, that reveal the main underlying beliefs on which your theory of change is based.

Performance management: Routine data collection to check on delivery and learn how to improve.

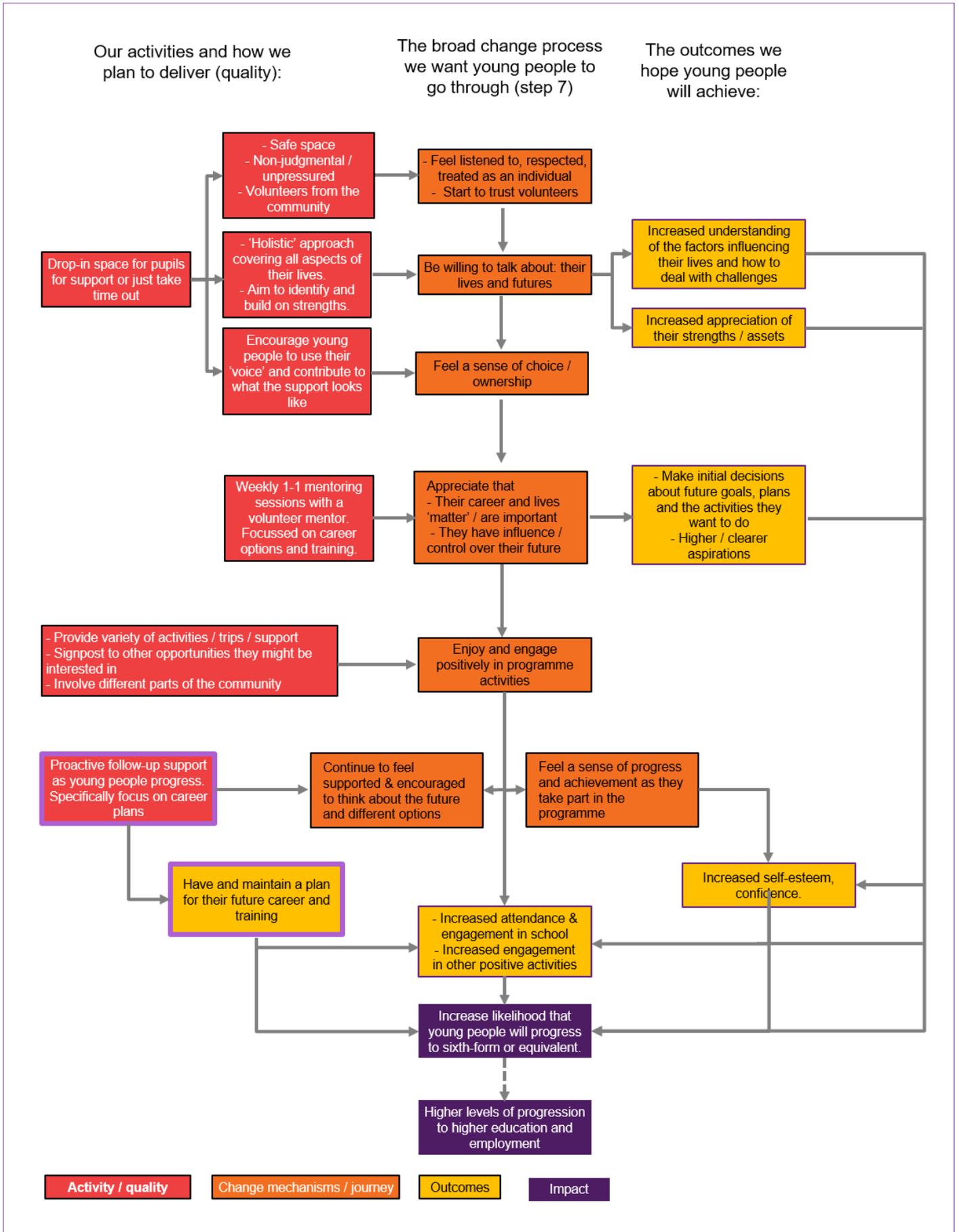
Evaluation: Occasional data collection to explore whether change is being achieved and learn how to do better.

Appendix: Logic Model

Target group: Young people at risk of becoming characterised by lower than average academic performance, little interest in future career options and poor behaviour or attendance in the previous term.

Activities	Quality	Mechanisms	Outcomes	Impact
<p>Weekly 1-1 mentoring sessions with a trained volunteer mentor. Focussed on career options and training.</p> <p>Drop-in space within the school that targeted pupils can access at any time to access support or just take time out.</p> <p>Occasional trips and extra curricular activities.</p> <p>Close monitoring of attendance and progress through looking at school data and talking to staff.</p>	<p>Tailored. Applying everyone's expertise, professionalism and creativity to the needs of the young people.</p> <p>Ensure young people themselves have a voice and contribute to the development of support.</p> <p>Holistic approach- covering all aspects of their lives and build on strengths.</p> <p>Non threatening and non-judgmental. Delivered in a safe space, clearly outside of the school hierarchy.</p> <p>Volunteers from the local community.</p>	<p>Enjoy and engage positively.</p> <p>Willing and able to talk to us about their lives and things affecting future employment options.</p> <p>Feel listened to, respected, treated as an individual.</p> <p>Trust volunteers and the process.</p> <p>Feel that their career and lives 'matter' and that they have control over it.</p> <p>Sense of choice / ownership.</p> <p>Sense of progress and achievement.</p> <p>Feel supported.</p>	<p>Increased knowledge of:</p> <ul style="list-style-type: none"> Options available. Factors that influence their lives. Their strengths / assets. Communication skills. <p>Changes in attitudes:</p> <ul style="list-style-type: none"> ↑ Aspirations. ↑ Self-esteem, confidence. ↑ Self-awareness / understanding. <p>Changes in behaviours:</p> <ul style="list-style-type: none"> ↑ Attendance and engagement in school. ↑ Engagement in other positive activities. 	<p>Increase likelihood that targeted young people will stay in school and progress to sixth-form or equivalent.</p> <p>Higher levels of progression into higher education and employment.</p>

Appendix: Theory of Change Diagram



Transforming the charity sector

NPC is a charity, think tank, and consultancy to the social sector. Over many years we have worked with charities, funders, philanthropists and others, supporting them to deliver the greatest possible impact for the causes and people they exist to serve.

NPC occupies a unique position at the nexus between charities and funders. We are driven by the values and mission of the social sector, to which we bring the rigour, clarity and analysis needed to better achieve the outcomes we all seek. We also share the motivations and passion of funders, to which we bring our expertise, experience and track record of success.

Increasing the impact of charities: We exist to make charities and social enterprises more successful in achieving their missions. Through rigorous analysis, practical advice and innovative thinking, we make charities' money and energy go further, and help them to achieve the greatest impact for people.

Increasing the impact of funders: NPC's role is to make funders more successful too. We share the passion funders have for helping charities and changing people's lives. We understand their motivations and their objectives, and we know that giving is more rewarding if it achieves the greatest impact it can.

Strengthening the partnership between charities and funders: Our mission is also to bring the two sides of the funding equation together, improving understanding and enhancing their combined impact. We can help funders and those they fund to connect and transform the way they work together to achieve for people.

New Philanthropy Capital
Harling House, 47-51 Great Suffolk St,
London SE1 0BS
020 7620 4850
info@thinkNPC.org
[@NPCthinks](https://www.npc.org.uk)

Registered charity No 1091450
A company limited by guarantee Registered in England and Wales No 4244715

www.thinkNPC.org