



# Co-Developing a Theory of Change

## What will you learn?

How the “Theory of Change” (ToC) can be used to describe how the impact of change initiatives is expected to happen

How to develop a “Theory of Change” in a core group using the **Collective Leadership Compass** as a guide.

## What will it help you with?

To jointly design how collaboratively planned activities will lead to desired goals

## When is this factsheet particularly relevant?

In Phase 1 of the **Dialogic Change Model**



For an in-depth understanding of making collaboration work, please view our open access publication

Kuenkel, P., Kuehn, E., Stucker, D., Williamson, D.F. (2020)

**Leading Transformative Change Collectively**  
A Practitioner Guide to Realizing the SDGs

# Planning transformative change In multi-stakeholder collaborations

Successful multi-stakeholder initiatives benefit from a jointly developed *Theory of Change* that serves as the basis for planning processes and activities. It enables actors to see how success is built step by step, and how the actors, together, contribute to achievements. Even though collaborative change is more complex, and the approach to change might need to be adjusted more often, it ensures that all stakeholders have a shared understanding of what makes success likely and how to get there.

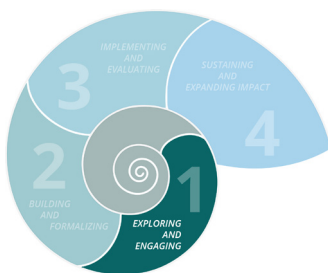
The term “**Theory of Change**” (ToC) describes how actors in collaborative change initiatives expect that impact can be achieved. This description of an ‘impact logic’ of a project or change initiative can also be graphically represented in such a way that it

shows how measures and activities lead to expected results in a certain context, and on which assumptions of the situation they are based. This helps stakeholders to jointly see how collaboratively planned activities lead to the desired goals.

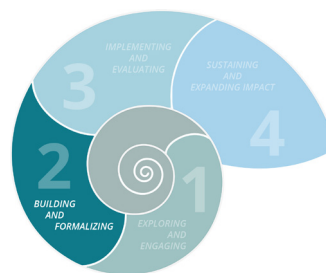
A *theory of change* can therefore be used as

- a powerful communication tool with which the complexity of a change initiative can be recorded and visualized,
- a framework for checking milestones and staying on course in multi-stakeholder collaborations,
- a basis for project applications to funders, and
- a reference for reporting to funders, decision-makers, and participating stakeholders.

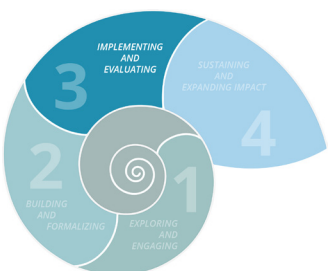
A *theory of change* should be developed in Phase 1, latest in Phase 2 of a multi-stakeholder collaboration. Throughout the four phases of the **Dialogic Change Model**, the assumptions and strategies in the theory of change should be tested and checked with facts, too.



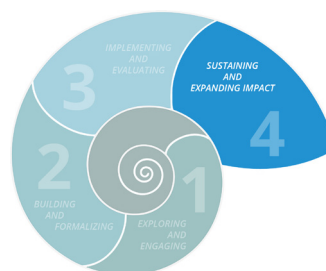
■ **Phase 1:** Develop an initial **Theory of Change** with initiating key collaboration partners involved, based on a thorough context and stakeholder analysis (see **factsheet 12**), concrete facts, data, studies, and stakeholder interviews.



■ **Phase 2:** Cross-check the initially developed **Theory of Change** with all key stakeholders of the emerging collaboration ecosystem.



■ **Phase 3:** Review the **Theory of Change** regularly with key stakeholders and adjust according to learnings and based on results from strategy reviews.



■ **Phase 4:** Develop an adjusted **Theory of Change**, or expand the existing, together with new key stakeholders, based on an adjusted context and stakeholder analysis (see **factsheet 12**).



## Crafting a theory of change with the Compass requires six steps



### Step #1:

Systems check / **What should change and why?**

### Step #2:

Mandate / **Who are we and what is our role?**

### Step #3:

Impact and outcomes / **What exactly would we like to achieve?**

### Step #4:

Assumptions / **What conditions influence change?**

### Step #5:

Strategic Components and Outputs / **How will we bring about change?**

### Step #6:

Activities / **What do we actually do to bring about change?**







## Step #1: Systems check / What should change and why?

Get all your information ready about what you have done to understand the context of your multi-stakeholder collaboration initiative. These could be, e.g.:

- Studies, research and literature about the issue and the situation
- Results from conversations with stakeholders
- Evaluation of interviews with stakeholders (see [www.compass-tool.net](http://www.compass-tool.net): Collaboration Ecosystem/ Understand Systems Patterns/Evaluate Stakeholder Interviews)
- Conclusions from the stakeholder landscape analysis (see **factsheet 12**)

Agree on the overall purpose of the multi-stakeholder collaboration initiative

- Use the **Collective Leadership Compass** as a filter to understand system patterns (see [www.compass-tool.net](http://www.compass-tool.net) collaboration ecosystem/Understand Systems Patterns/Diagnose Stakeholder System)
- Additionally, you can summarize the results in the table below (**Scale: 1 = low, 2 = medium, 3 = strong presence**)

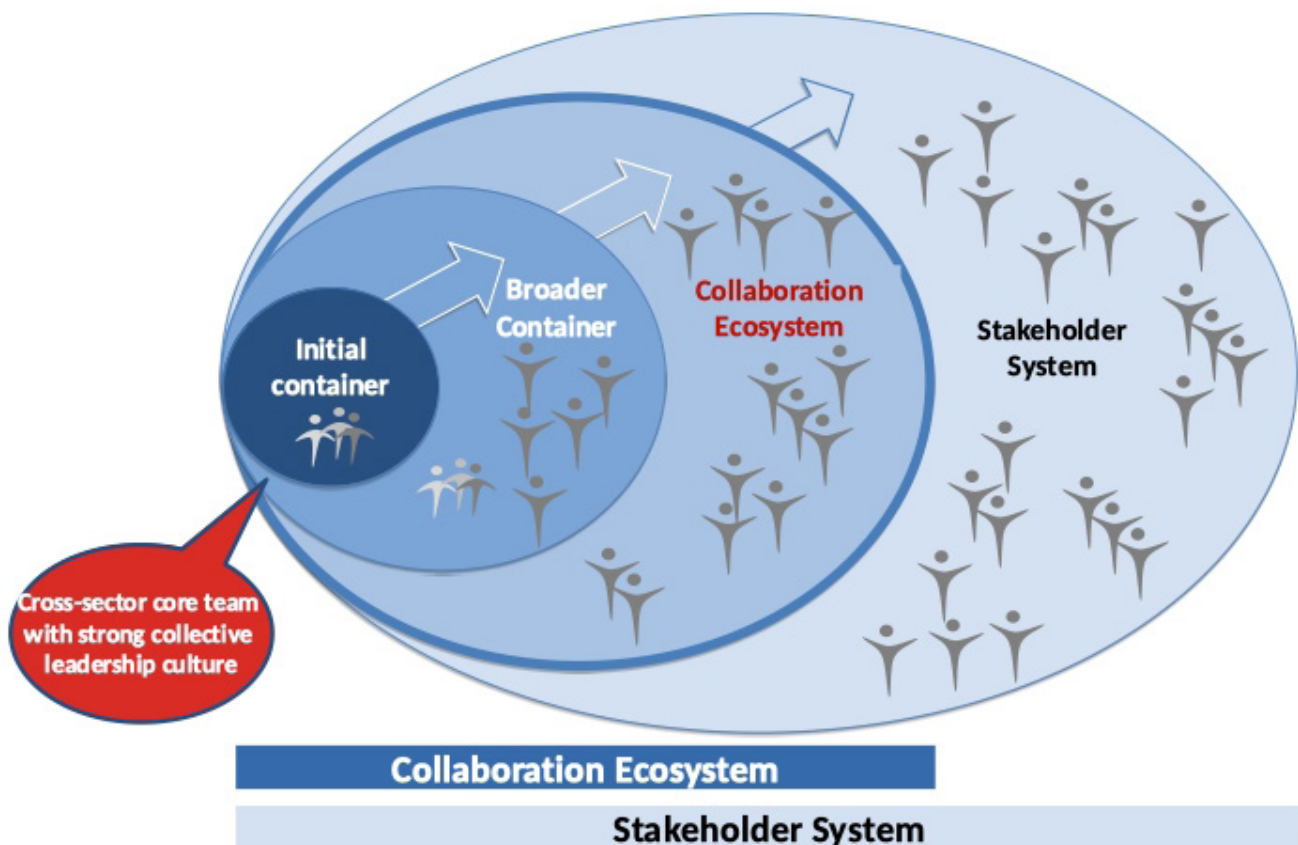
Compass dimensions		Presence
<b>Future possibilities</b> 	Challenges are known to all; resonance for change exists; an emotionally convincing vision is shared by all relevant stakeholders.	1 - 2 - 3
<b>Engagement</b> 	Organizational capacities, structures, networks, or platforms for change exist and work in favor of the envisaged future.	1 - 2 - 3
<b>Innovation</b> 	Change initiatives exist; new and creative approaches have been developed.	1 - 2 - 3
<b>Humanity</b> 	Mutual understanding exists; joint reflection takes place; stakeholders respect each other.	1 - 2 - 3
<b>Collective intelligence</b> 	Structured dialogues take place and enable knowledge exchange and understanding of different perspectives.	1 - 2 - 3
<b>Wholeness</b> 	The contribution of change to a larger goal is seen by all relevant stakeholders; complementary cooperation with other initiatives takes place.	1 - 2 - 3

## Step #2: Mandate /

### Who are we and what is our role?

Draw conclusions from the system check in relation to the role and possible mandate of you the initiators of the multi-stakeholder collaboration. This is about your role in the system, your potential or existing credibility to induce change and convene different stakeholders. It is also about deepening the *stakeholder landscape analysis* (see **factsheet 12**), understanding how you can *build good containers for change* (see **factsheet 2**) and looking at the best possible – and most effective – set of collaboration partners who could bring about change. Consider questions such as:

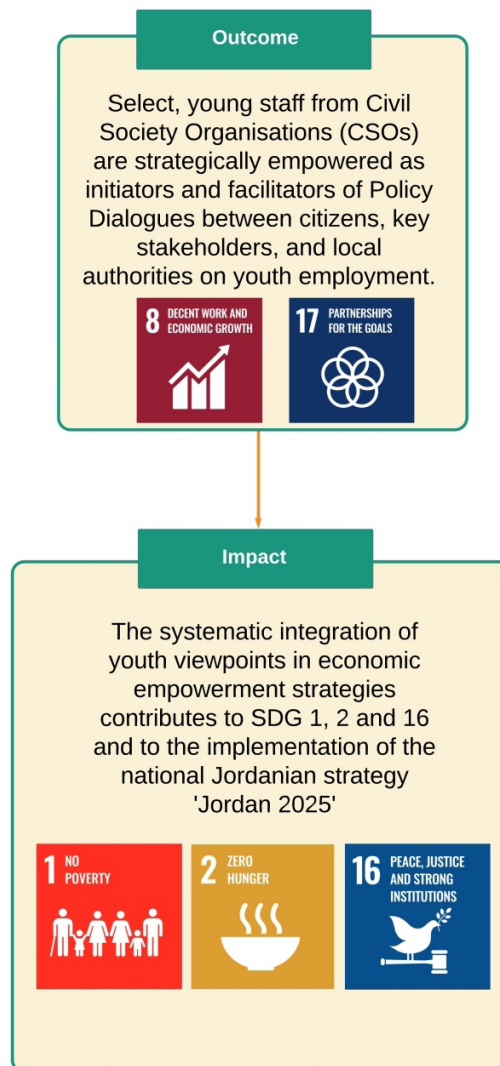
- How will we be perceived as initiators by relevant stakeholders?
- Do we have a mandate to initiate the change process or how can we gain it?
- Who shares interest in change?
- Who do we have to work with to make a difference?
- Which important actors can support our concern?
- Where is there already “energy” or the will to bring about change?
- What is the composition of the collaboration ecosystem we would like to build?



### Step #3: Impact and outcomes /

## What exactly would we like to achieve?

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**Impact** refers to broader, long-term change to which the multi-stakeholder collaboration will contribute, if successfully implemented by a broad range of stakeholders. This is followed by the joint development of the long-term and medium-term outcome of the project or the change initiative, which make a decisive contribution to the impact.

**Outcomes** refer to the medium-term effect the collaboration initiative is expected to have on structural, behavioral, and institutional changes in the stakeholder system.

- Jointly agree on impact and outcomes while considering the hints in the template below

A useful method to arrive at a formulation of impact and outcomes is backcasting (Robinson, 1990). In backcasting, the core group or initiators of a multi-stakeholder collaboration, mentally move into the future state that shows a desired change. They then visualize this future situation and describe it in detail, as if it was already there.

The first set of key questions for backcasting is:

- What will the future look like at a certain point in time?
  - How would we notice the change?
  - How do the stakeholders behave?

**From this, the impact of the change initiative can be formulated.**

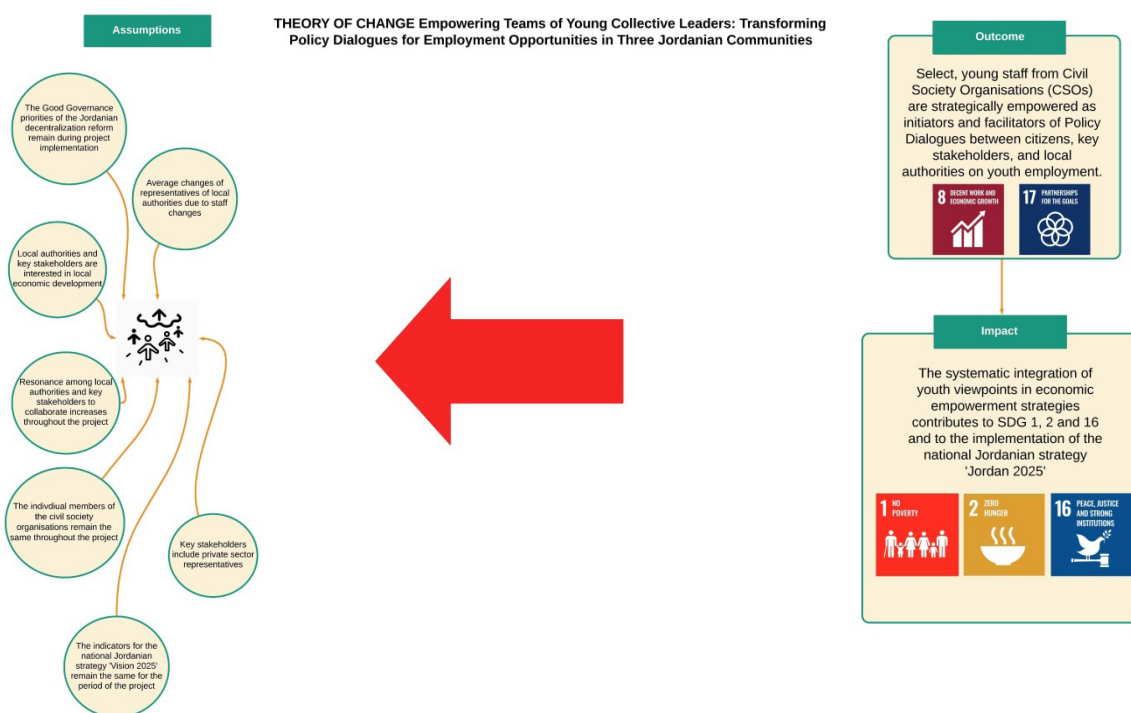
The second set of key questions for backcasting is:

- How did we get there?
- What had to happen?
- What strategies were useful?

From the backcasting and responses to the above questions, the short-term and medium-term outcomes can be formulated accordingly.

**The second set of questions together with the results from the system check in step #2 generates first ideas for strategic components of a collaboration initiative.**

## Step #4: Assumptions / What conditions influence change?



- Based on your context analysis, discuss the conditions that are influencing the situation and the envisaged change, but cannot necessarily be influenced by you. Phrase them as up to 7 assumptions.

**Assumptions** are conditions that are influencing the situation and the envisaged change, but cannot necessarily be influenced by the initiators or the core group of a multi-

stakeholder collaboration. These assumptions should be checked and adjusted continuously, particularly in Phase 3 of implementation and evaluation.



## Step #5: Strategic components and outputs /

### How will we bring about change?

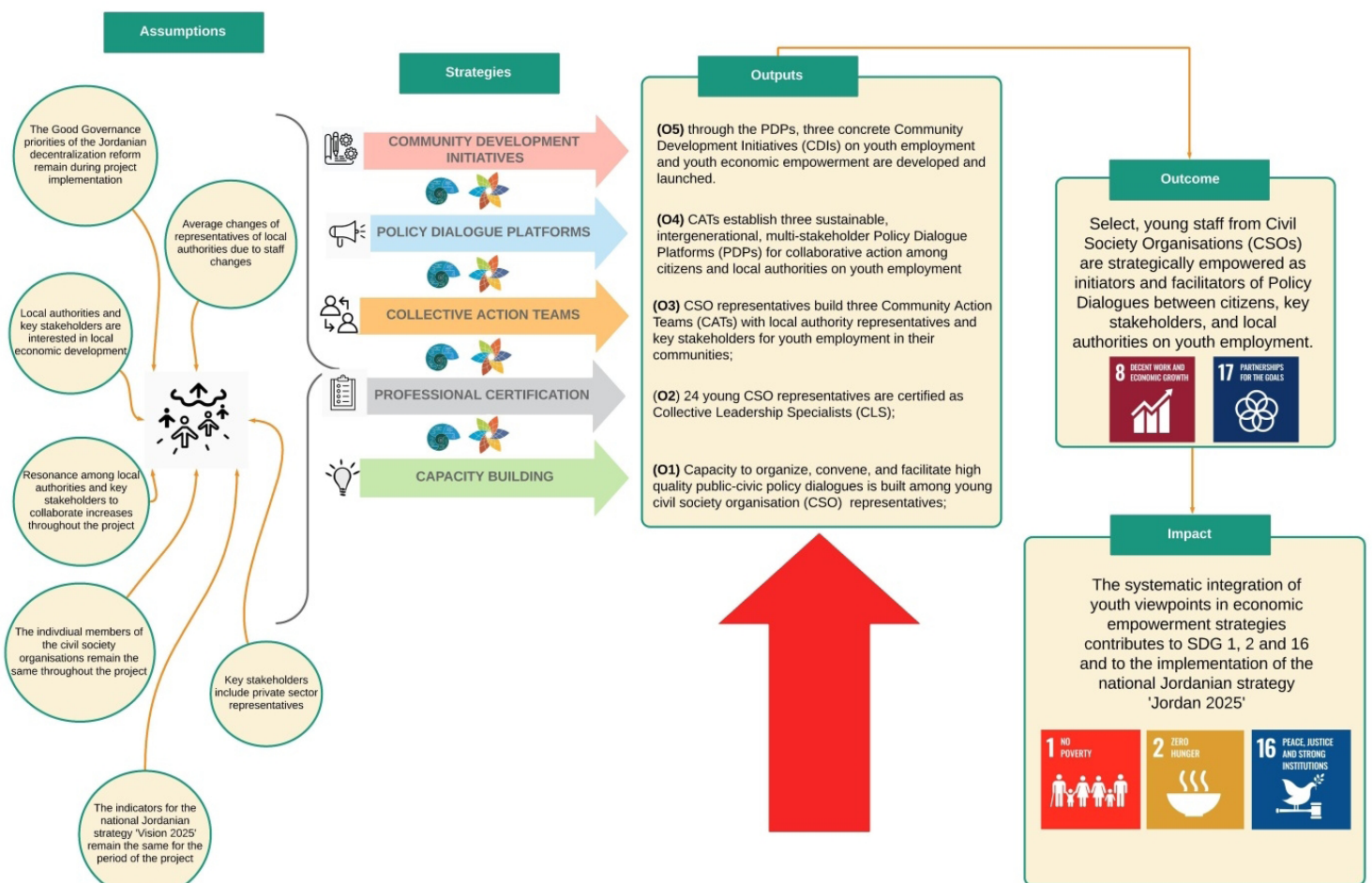
- Based on the results from **step #2** and **#3**, as well as by taking **step #4** results into consideration, develop ideas for clusters of strategic components that you could implement to work towards outcomes and impact. Get inspired by ideas generated through the Compass dimensions. Consider the hints in the template below.
- Define for each strategic component at least one measurable output. Consider the hints in the template below.

Dimensions as change enablers	Key questions to generate strategic components	Examples for strategic components
 <b>Future possibilities</b> Cultivating inspiring narratives and showing opportunities	With which future narratives can we engage relevant stakeholders?	<ul style="list-style-type: none"> <li>Media and communication strategies</li> <li>Conversational spaces</li> <li>Collective learning (study visits, showcasing innovation)</li> </ul>
 <b>Engagement</b> Creating collaborative, cross-institutional network structures and high-quality processes	Which cooperation structures promote transparent and effective change processes?	<ul style="list-style-type: none"> <li>Collective action teams</li> <li>Collaboration capacity building</li> <li>Collective learning (study trips, showcasing innovation)</li> </ul>
 <b>Innovation</b> Prototyping the future	How is space and support created for social, scientific, and technological innovations that accelerate change?	<ul style="list-style-type: none"> <li>Nurturing innovators</li> <li>Awards for new ideas</li> <li>Implementing pilots and prototypes</li> </ul>
 <b>Humanity</b> Furthering awareness and mutual understanding	Which forms of information and encounter help people to see reality or progress so that they drive change?	<ul style="list-style-type: none"> <li>Advocacy strategies</li> <li>Media campaigns</li> <li>Learning journeys</li> <li>Bringing diverse stakeholders together</li> <li>Field trips</li> </ul>
 <b>Collective intelligence</b> Enhancing ownership through governance structures, dialogue, and learning spaces	What kind of cross-stakeholder exchange promotes implementation and joint learning?	<ul style="list-style-type: none"> <li>Dialogue platforms</li> <li>Governance structures</li> <li>Communities of practice</li> </ul>
 <b>Wholeness</b> Enhancing linkages with other initiatives as well as with high-level decision makers	How can a new way of acting be embedded in powerful structures and procedures? Which connections created will increase impact?	<ul style="list-style-type: none"> <li>Policy dialogues</li> <li>Engagement of high-level decision-makers</li> <li>Complementary collaboration with other initiatives</li> </ul>



**Strategic components** are clusters of activities that - together - will contribute to the outcomes formulated in **step #3**. Each of these strategic components leads to particular **outputs** (the tangible results collaboration

initiative delivers described as a changes situation) that must be measurable and for which you later on will have to define indicators.



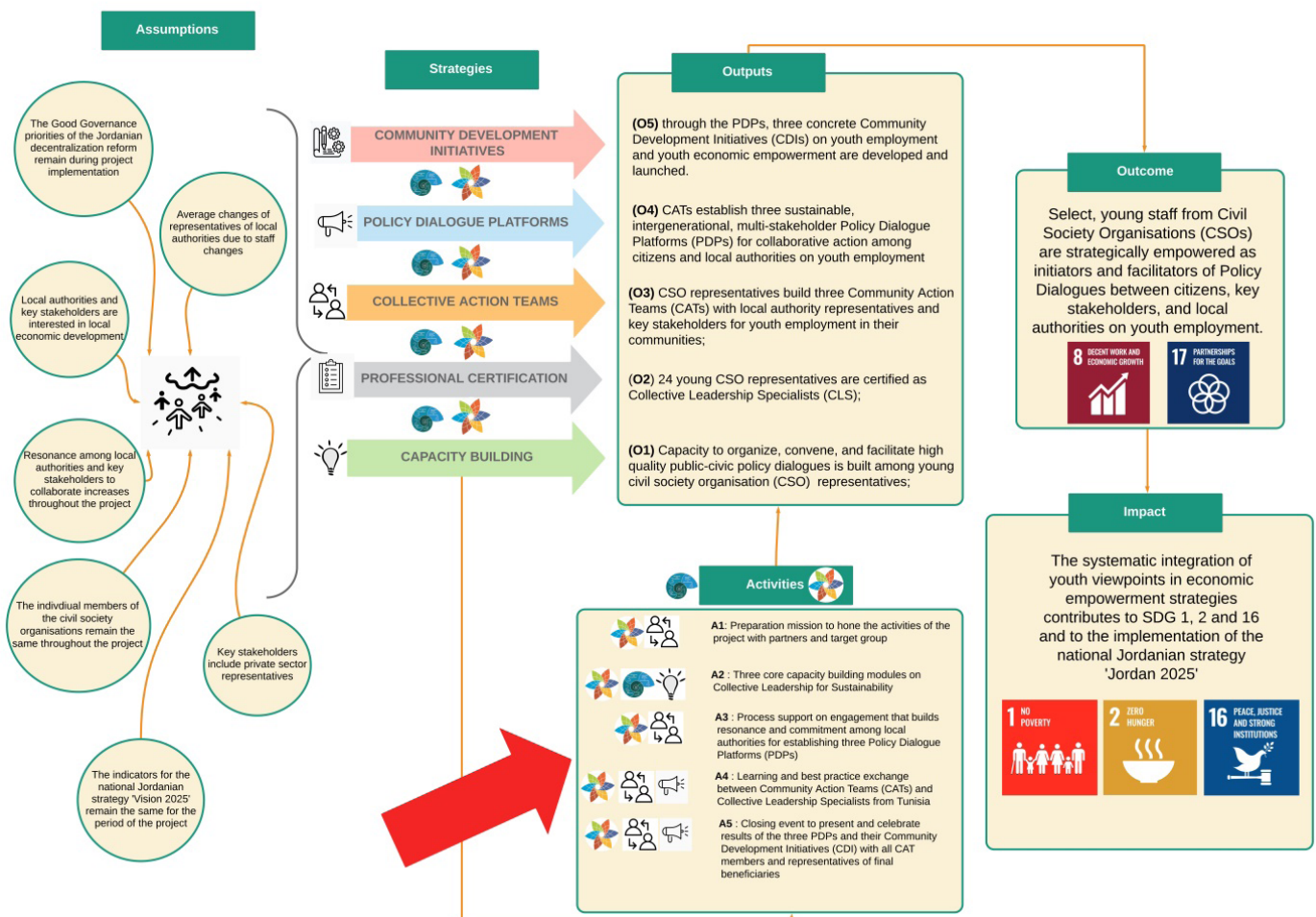
## Step #6: Activities /

### What do we actually do to bring about change?

- Discuss and finally agree on the major activities that you will implement in order to achieve the outputs formulated in **step #5**. Ensure that each activity is clearly related to an output.

**Activities** need to be logically related to the outputs and show how each step will contribute to the changes situation which the outputs describe.

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- Jointly review the entire *Theory of Change* and check inconsistencies and logic. Is the result convincing?
- Create an attractive graphic that you can use for conversations with funders, supporters and stakeholders.
- Be open to feedback and adjustments.



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