



## Information Note: Development of the IATI Theory of Change

### Introduction

The Theory of Change (ToC) for IATI was prepared under the leadership of UNDP's Bureau for Policy and Programme Support, Development Impact Group with the guidance of a DFID expert on Theory of Change seconded to UNDP. Whilst different ToC processes exist, the process applied here is a hybrid drawn from established UNDP and DFID processes. IATI Board and Secretariat members were consulted and updated throughout the development process.

The ToC development process draws primarily upon, and has been guided by, resources developed and approved by members at the July 2016 Members' Assembly, namely the IATI Strategic Direction document, the Evaluation conducted in 2015, the Vision/Mission statements and the Standard Operating Procedures (7 October 2016 version).

### Why develop a Theory of Change for IATI?

A ToC explains how and why a given intervention is expected to lead to a specific development change. While a results framework focuses on what changes are expected, a ToC goes beyond this to explain the links between different results levels: how our intended outputs will help contribute to achievement of the outcome, and how that contributes to the impact, as well as what role other external factors and partners will play in bringing about these changes.

Developing a ToC can help to think through the many immediate, underlying and root causes that contribute to a development challenge. By doing this thinking together with other stakeholders who have different perspectives, IATI can tailor its interventions to give the greatest chance of achieving meaningful change. Developing a ToC requires IATI to explain its assumptions about how the proposed intervention will lead to development change, as well as what the key external factors are that might influence whether these results are achieved (both positive and negative), and test those assumptions using available evidence to ensure they are valid. Identifying these assumptions also helps to think through risks that are inherent at every step of the path leading to development change, and that need to be monitored or mitigated during implementation. And finally, if during implementation it becomes clear that the expected development changes are not taking place, the ToC helps to pinpoint what is not working as expected, and to make course corrections informed by the latest evidence.

While a ToC is usually developed at the start of project design, it is never too late to add value by retrospectively developing a ToC for an active project. This requires stakeholders to look back and elaborate the assumptions that were implicit in the original project design, drawing on project documentation and also consulting project stakeholders. The latest available evidence can then be used to check whether these assumptions have so far been confirmed during implementation, or whether they

need to be revised to ensure the rest of the project follows an approach that can be expected to contribute to change.

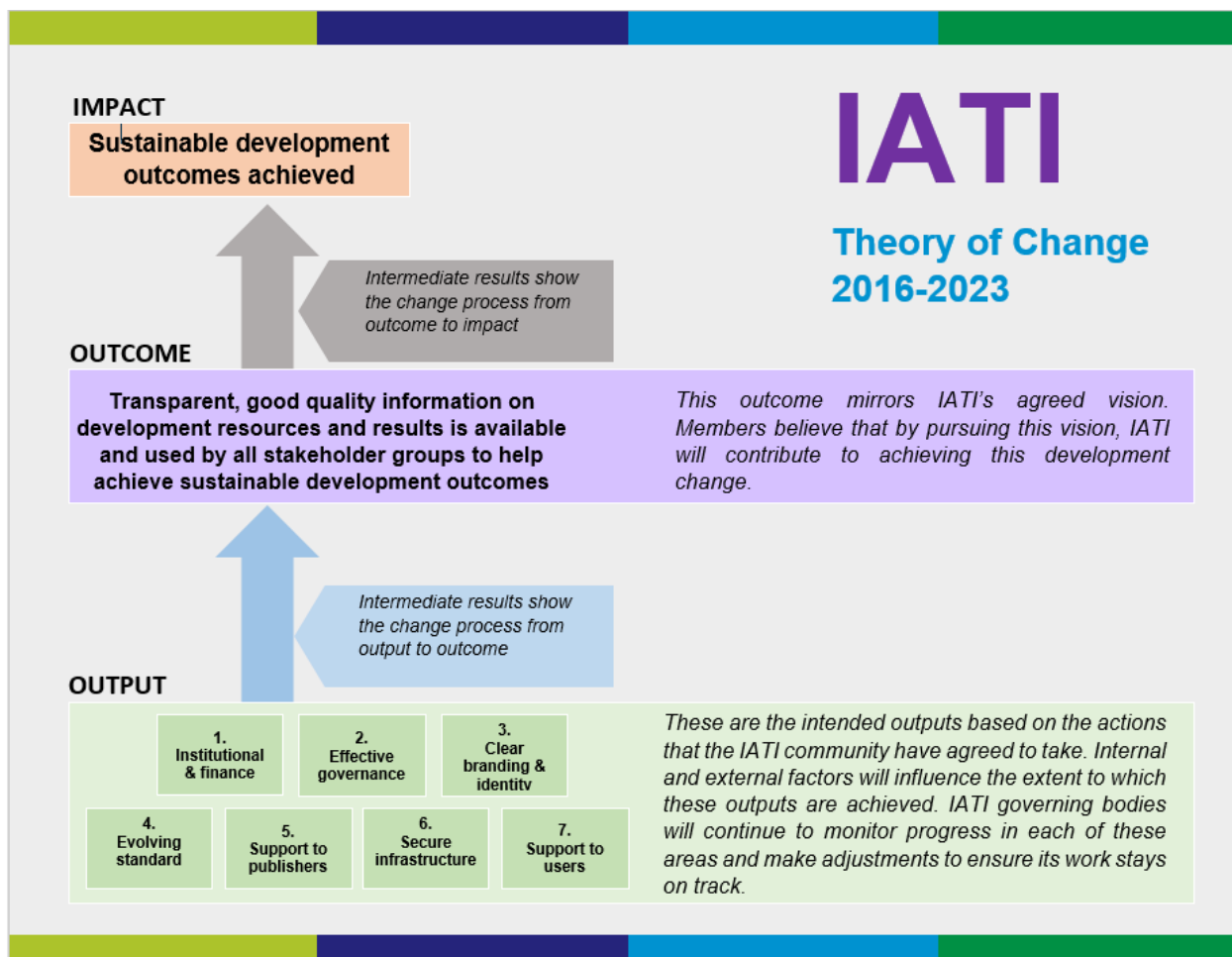
### **Process for developing the Theory of Change for IATI**

As part of the process of developing the ToC, Secretariat colleagues have focused their discussions in the following areas, and documents have been revised to reflect all inputs.

- **Results statements:** The ToC is structured around the results IATI is hoping to achieve, at impact, outcome and output level. The output language has been drawn from *Members' Assembly Meeting 29-30 June 2016, Paper 4C.2 IATI Budget Y4/5 2016-2018 document*, the outcome language is based on the vision statement and the impact builds on the vision statement, but captures the ultimate development changes to which realization of IATI's vision will contribute.
- **Assumptions:** The next step, and the main focus of ToC discussions, was to capture an explanation that all members can agree, of how change will happen. Everyone has different experiences of what has previously happened/what is working/not working, as well as different expectations going forward regarding what will happen if new members join, etc. UNDP as IATI Coordinator began by developing draft assumptions based on a review of the IATI project documents, then consulted across the Secretariat to refine these based on the following questions: Have we correctly captured everyone's assumptions of how the change will take place at each stage of the results chain? Which assumptions do people disagree with/ think should be added/ or refined, to capture what really matters for change to be achieved? Have we captured how they all link to each other? Have we captured the right external factors that will matter most to whether the outputs are delivered, the outcomes are achieved, and the impact is achieved?

### **ToC key**

The draft ToC contains boxes shaded with several colours: green (outputs), purple (outcomes), and orange (impact), and additionally blue (intermediate results between output and outcome level) and grey (intermediate results between outcome and impact level). These intermediate results will not be formally measured through the results framework, but are nonetheless important for conveying a full understanding of the change process envisaged by the IATI project. The assumptions (small, yellow boxes) are numbered according to the themes shown in the top left corner of the diagram, and are shown in full in the accompanying document titled "Assumption themes". "Internal assumptions" relate to causal relationships between results at different levels, and about how the programme is implemented, while "External assumptions" refer to assumptions about the influence of issues outside our area of work (also related to risk management). The graphic below is a simplified representation of the [full ToC](#).



## Validating and finalising the ToC

**Step 1 - Board review (Oct/Nov 2016):** IATI Governing Board members received a presentation on the ToC and the table of assumptions on November 9<sup>th</sup>, 2016.

**Step 2 - Board and member feedback (Nov/Dec 2016):** The ToC and assumptions table were updated to reflect input from the Board and shared with all members (Nov 22<sup>nd</sup> to Dec 16<sup>th</sup> 2016) who were invited to add missing assumptions/risks, as well as available evidence that corresponds with each assumption. Respondents were also encouraged to identify additional external assumptions that might be affecting IATI, keeping in mind whether evidence needs to be collected on any of the blue or grey (intermediate results) boxes as well.

**Step 3 – Build Evidence for assumptions (Feb/Mar 2017):** The Secretariat adds the key evidence sources and gaps against each key assumption. The assessment of whether or not each of the key assumptions made is valid, based on the evidence that is available, is a critical final step for establishing a strong ToC. The following will be considered within this process:

- What are the main evidence sources available (whether 'hard evidence' or anecdotal) to test the assumptions made in the IATI ToC?
- Are there independent sources of evidence such as assessments/evaluations of IATI or similar initiatives that are relevant? Do they provide support for some of these assumptions, or challenge them?
- Does IATI's experience so far suggest that these assumptions are holding, or should the assumptions be adjusted or new ones added to reflect what really matters, e.g. in terms of the attitudes and behaviour of different stakeholders, and also any of the technical aspects?
- For the assumptions made in this ToC that lack evidence: is there a need to design new data collection methods to capture evidence that will allow testing of those assumptions in the future? This could potentially be captured in a future evaluation, which could be designed to help test the assumptions in the ToC that lack evidence. For example: conduct case stories of various cases and follow-up every six months to measure behaviour change.

**Step 3 - Revise and finalize documents with Governing Board (April/May 2017):** The Secretariat shared documents for Board approval.

**Step 4 - Final documents available ahead of 2017 Members' Assembly:** ToC documents will be finalised ahead of the 2017 Members' Assembly. They will be posted online and available for different monitoring and evaluation purposes.

### Key terms and definitions

- **Theories of Change (ToC):** ToCs explain how and why a given intervention is expected to lead to a specific development change. ToCs make explicit our assumptions about how change takes place, including the mechanisms through which the intervention will deliver results and how these in turn contribute to higher level changes, and also the influence of external factors outside our area of work that can facilitate or hinder the expected change.
- **Outputs:** The products, capital goods and services that result from a development intervention. Outputs can be directly linked to a project/programme.
- **Outcomes:** The short-term and medium-term effects of an intervention's outputs; change in development conditions. Outcomes are development results created through the delivery of outputs and the contributions of various partners and non-partners. Outcomes provides a clear vision of what has changed or will change globally or in a particular region, country or community within a period of time. They often relate to changes in institutional performance or behaviour among individuals or groups.
- **Impact:** Actual or intended changes in human development as measured by people's well-being; improvements in people's lives.
- **Data users:** Intended users of IATI data include but are not limited to government policymakers, parliamentarians, local, national and regional NGOs, CSOs, researchers, journalists and academia.

- **Data quality:** Monitoring of timeliness, comprehensiveness, forward-looking nature of IATI data can be seen in the IATI Dashboard. The perception by data users of its relevance and accuracy also contribute to the perception of quality data.

## Resources

IATI Vision, mission and strategic elements are graphically represented here:

<http://www.aidtransparency.net/governance/iati-workplan>

IATI Strategic Direction: <http://www.aidtransparency.net/wp-content/uploads/2016/06/Paper-3-Board-Paper-on-Strategic-direction-for-IATI-2016-2018.pdf>

IATI Vision and Mission: <http://www.aidtransparency.net/wp-content/uploads/2016/06/Paper-2-Board-Paper-on-Vision-and-Mission-June-2016.pdf>

Standard Operating Procedures: <http://www.aidtransparency.net/governance/standard-operating-procedures>

IATI 2015 Independent Evaluation: <http://www.aidtransparency.net/governance/evaluation>