Theory of Change

AENU

Theory of Change

WHAT

What is the Theory of Change?

A Theory of Change (ToC) articulates what impact or change an organization is hoping to achieve and how its work brings about that change.

WHY

Why look at the Theory of Change? Common issues:

- Founders might not have researched fully the social / environmental problem at hand
- Technology might not tackle the root cause of a problem, leading to business as usual
- Science might be inconclusive about a certain technology
- Technology might not directly or meaningfully result in the desired impact
- Business model might be missing valuable stakeholders

1 Problem Definition

What is the problem we are trying to solve? What is the scope of the problem?

2 Root Cause Research

What are the identified root causes that lead to the problem? What is the context of the problem and current interventions?

3 Need Assessment

Why is intervention needed, and why now? What needs to change / what levers could be pulled to meaningfully tackle root causes?

4 Stakeholder Discovery

Who are the direct and indirect stakeholders affected or benefiting from the problem?

5 Assumptions Validation

What are the conditions that need to be in place to make the theory of change work? What are the causal links?

6 Risk Identification

What are potential risks and limitations of the theory of change?

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Context	Inputs	Outputs	Outcomes
	Resources Needed	Services Provided	Impact Changes
	Description: Resources required to address the need (what we invest)	**Decription:** Summary and results of activities conducted or services provided to address the need	**Description:** Measurable change arising from the activities for the target group / beneficiary
1. Problem Definition 2. Root Cause Research 3. Need Assessment 4. Stakeholder Discovery 5. Assumptions Validation 6. Risk Identification		**3 categories:** • Beneficiaries (who we reach) • Activities (what we do) • Products (what we create)	**3 categories:** • Short-term (change in learning) • Medium-term (change in actions) • Long-term (change in conditions)
	Examples: 1) Time / team member 2) Team members, know-how 3) Funding	**Examples:** 1) # of trees planted 2) # of students reached 3) # of farmers supported	**Examples:** 1) Annual CO_2 equiv. emissions avoided 2) Decrease in STEM dropout rate 3) Increase in sustainable income