NONPROFIT MANAGEMENT

Six Theory of Change Pitfalls to Avoid

Simply putting boxes and lines down on paper doesn't guarantee that your organization will make better decisions.

By Matthew Forti | May 23, 2012

Over the past decade, more and more nonprofits have developed a theory of change—that is, an articulation of the results an organization must achieve to be successful, and how it, working alone or with others, will achieve them. Organizations do this either of their own volition or because funders, board members, or other parties ask them to do so. In fact, according to Innovation Network's State of Evaluation 2010, half of nonprofits report having a theory of change, and of those, nearly 80 percent either created or revised it in the past year. But simply putting boxes and lines down on paper doesn't guarantee that your organization will make better decisions.

To start, a good theory of change should answer six big questions:

1. *Who* are you seeking to influence or benefit (target population)?
2. *What* benefits are you seeking to achieve (results)?
3. *When* will you achieve them (time period)?
4. *How* will you and others make this happen (activities, strategies, resources, etc.)?
5. *Where* and under what circumstances will you do your work (context)?
6. *Why* do you believe your theory will bear out (assumptions)?

Theories of change come in all shapes and sizes, from "wiring diagrams" typically used by direct service organizations (see Nurse Family Partnership's) to "systems maps," typically used for more complex interventions that need to influence multiple actors (see Healthy Child Care Washington's, page 36). Organizations sometimes use different versions for different audiences; for example, they may use a summary graphic for outside audiences, and a detailed prose version for leadership and

staff.

In our ten-plus years of supporting clients in theory of change work, we've found six major pitfalls that, if avoided, can help nonprofits create actionable theories of change.

1. **Confusing accountability with hope.** A theory of change must clarify what results a nonprofit will hold itself accountable for achieving; in other words, what results must it deliver to be successful. Defining results in this way will force your organization to get real about the impact you are signing up to create, not just what you hope will happen. While dreaming big and setting lofty goals, such as ending world hunger, can inspire your stakeholders, these are better left for your mission statement rather than your theory of change.

2. **Creating a mirror instead of a target.** A good theory of change doesn't simply reflect what an organization is already doing; rather, it articulates what the organization wants to be held accountable for, and works backward to identify necessary activities, strategies, resources, capabilities, culture, and so on. If your theory of change work hasn't led you to propose any changes to these elements, you probably haven't taken a hard enough look.

3. **Failing to take the external context into account.** The best theories of change explicitly integrate the anticipated actions of regulators, the work of peer organizations, expected changes in the economic climate, and other factors. For example, if you are battling homelessness in a community, knowing that a coalition is soon forming to triage and coordinate the activities of providers may lead you to think differently about what activities you deliver and what results are achievable. A deep understanding of the external context will help you create a more realistic theory of change.

4. **Not confirming the plausibility of your theory.** While internal dialogue is a common starting point for theory of change development, the process should not conclude without a concerted effort to verify whether your "theory" is plausible. Consider the example of *FIRST*, a nonprofit that inspires young people to become science and technology leaders through hands-on, mentor-based programs. The organization's recent effort to refine its theory of change included a thorough "literature review" of key evaluation studies and meta-analyses to determine what it takes to get youth into science and technology majors; discussions with evaluators and academics to assess whether *FIRST*'s activities

were sufficient to generate its proposed results; and reviews of qualitative data from mentors, coaches, and alumni to understand what was most valued by the organization's constituents. Though these efforts took time, they helped *FIRST* perfect their program model and program delivery practices in advance of implementing changes.

5. **Creating a theory that isn't measurable.** To be able to test, refine, and improve your theory of change over time, you need to be able to measure its key elements. A common way to operationalize your theory of change is to get specific—articulate the input, output, and outcome indicators the theory of change suggests you should track (also known as creating a "logic model"). If you can't actually gather these indicators at the right frequencies to learn what's working, you may not be specifying your theory of change at a deep enough level (for example, you may need to define intermediate outcomes that are predictive of longer-term aspirations).

6. **Assuming you've figured it all out.** To get the most out of your theory of change, you need to recognize and explicitly account for the uncertainties that underlie your plan. Learning organizations carefully specify their assumptions, regularly reflect on whether those assumptions are bearing out, and consider what new assumptions they might test to further improve impact. One simple but powerful mechanism to accomplish this is to create a "learning agenda"—a simple list of assumptions and hypotheses that your organization can test at some frequency. A learning agenda can help ensure that your organization's theory of change is constantly revisited

Do these pitfalls resonate with your experience? Have you observed others?

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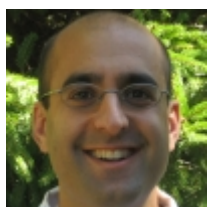
Matthew Forti is the Performance Measurement Capability Area manager at the Bridgespan Group, an advisory firm to mission-driven leaders and organizations. Matt has supported several leading organizations in the design and implementation of performance measurement systems that promote continuous learning and improvement, the primary focus of his blog, *Measuring to Improve.* Matt is also the founding board chair of One Acre Fund, a nonprofit that assists over 50,000 smallholder farming families in East Africa to triple their crop yields.

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