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**HOW TO CHANGE THE WORLD?
AN ANTHOLOGY ON THEORIES OF CHANGE**

Kim Forss and Númi Östlund (editors)

How To Change the World? An Anthology on Theories of Change

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to

The Expert Group for Aid Studies (EBA)

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Foreword by EBA

Aid must achieve results; it must contribute to positive change for people living in poverty and oppression. The question of how to achieve such change has followed Swedish aid since its inception in the 1960s. The answers have been many, just like the different methods or models used to manage and plan the activities.

For a number of years, “theory of change” has been the most common model for Sida and other agencies to describe in general terms how they will achieve the goals formulated by the government. Normally, individual theories of change are also developed for all the projects and initiatives that will contribute to a government strategy.

The importance of understanding theories of change, as a central part of aid, is the starting point for this anthology. With its different perspectives, we hope that there is something of interest to many readers, at the Ministry for Foreign Affairs and Sida, in partner organisations and in academia. Overall, the anthology provides a picture of theory of change as a potentially valuable tool for planning, learning and evaluation. At the same time, several texts show that it is important to approach the method with a clear understanding of what you want to achieve and how you contribute to constructive learning about results and change. Otherwise, there is risk that the method leads to burdensome administrative tasks that do not contribute to the organisation.

The report was prepared by an editorial team led by Kim Forss and Númi Östlund. The analyses and conclusions are by the authors.

Gothenburg, Augusti 2022



Helena Lindholm

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Introduction

Númi Östlund and Kim Forss

Over the past ten to fifteen years, the term *theory of change* has been applied in a wide range of contexts to the planning, implementation and evaluation of interventions of various kinds. The term is applied in many ways and to various ends and has become very common in both Swedish and international humanitarian aid and development cooperation. Theory of change could be said to have become a so-called semantic magnet – an abstract term that attracts and assimilates related terms. Whenever the use of a new term grows exponentially in this way, sceptical and critical reflection is warranted.

At the same time, there is no doubt that theory of change fulfils a function; whatever this semantic magnet is perceived to stand for, it is in great demand. If it fulfils a need, it must be taken seriously. In this anthology, we have gathered a number of writers to both discuss and test the term and analyse its use. They draw on Swedish and international experiences in development cooperation and from other areas and organisations. We hope it will contribute to the judicious and practical use of theory of change.

In this introductory chapter, we fill in the background to theory of change and its application to development cooperation, as well as presenting the structure of the anthology, the contents of the different chapters and some overall conclusions. While not all readers will find everything here useful, we hope that most readers will find at least one or two contributions that meet their needs. However, it is not a book to be read from cover to cover.

This chapter has been translated into English by EBA.

Some reflections on the term

First, a few words on the term *theory of change*. Semantically, it clearly consists of two parts: *theory* and *change*. So, what does ‘theory’ mean in this context? It is not entirely clear but we surmise four different meanings in particular.

1. First of all, it refers to a scientific basis for the aims of the intervention, usually in the form of a causal statement: if measures a, b and c are taken, there is scientific evidence that x, y and z will happen. Sometimes the term *evidence-based theory of change* makes an appearance. We interpret this to mean that the knowledge is assumed to be based on scientific method.
2. Not everything is subject to scientific investigation and there may be many areas in which one builds up a body of proven experience of ‘what works’. Such knowledge can also be expressed in a theory of change.
3. In aid policy, as in other areas, innovative interventions are sometimes launched that experiment with new ways of solving problems and tackling issues that have not been previously recognised.¹
4. In such cases, there is neither research nor proven experience on which to base a theory of change. Instead, one may offer hypotheses about expected outcomes; about why measures a, b and c might be expected to lead to outcomes x, y and z. Of course, in terms of knowledge, any such hypothesis is entirely different from scientifically proven theories and proven experience (Rondinelli 1993).

¹ Being innovative is also part of the administrative policy objective that applies to all government activities: “An innovative and collaborative central government administration that is legally secure and efficient, has well-developed quality, service and accessibility and thereby contributes to Sweden’s development and effective EU work.” Public administration for democracy, participation and growth (Bill 2009/10:175, Bet. 2009/10FiU:38, written communication from the Riksdag, 2009/10:315).

5. Finally, there are examples of theory of change without any scientific basis and without proven experience or hypotheses to guide implementation. Rather, they rely on pious hopes of causality between policy, intervention and outcome.

As a semantic magnet, theory of change attracts all of these widely diverse approaches to intervention. It is also important to recognise that science does not always provide a single given solution to a problem; there are often competing theories that contradict one another.

The second component of theory of change is change itself. This has two main aspects: what causes change and how do things change?

More often than not, the key is causality, the relationship of cause and effect. In all phases of an activity, from planning through implementation to monitoring and evaluation, the question of what causes change is raised. The concept of causality has a long history and is still evolving in theory and practice (Losee, 2011). In many contexts, the criterion is that something – a cause – is a necessary and sufficient condition for an effect – a change – to occur.

In practice, societal changes have multiple causes: they have multiple causality. To reflect this complexity more realistically, one can speak of *causal packages*, each containing potential causes of change (Pettersson and Sandahl, 2016).

While analysing causality can explain why change happens, it is equally important to understand how things change. As we all know from experience, sometimes change is sudden and rapid, sometimes slow and steady (Levinthal, 1998). There are also so-called *tipping points*, the critical threshold beyond which a system that previously changed only slowly reorganises, often abruptly and/or irreversibly, a term that has come to be associated with many ecological systems over recent decades. It is important to know whether or not this change is reversible – whether, so to speak, there is any way back – as this must be taken into account in planning and implementation. There is also a difference between the extent and depth of change.

When an organisation changes, it may be relatively easy to adopt new technology, to create rules and procedures, but changing core values and attitudes, developing organisational culture, presents a change of a different order. Understanding the “anatomy of change” (Woolcock, 2009; Forss, 2021) is an important part of working with theory of change.

Theory of change in aid

In 2017, the Swedish Government decided that when operationalising a new strategy, in addition to a plan for implementation and monitoring, the responsible government agency must also prepare a theory of change (Government Offices of Sweden, 2017). So, when operationalising a development cooperation strategy, Sida or any other government agency must prepare one or more theories of change describing how the agency envisages Swedish aid contributing to the change the Government wishes to see, such as reducing poverty in a partner country. Later, when implementing organisations plan their interventions, they too must develop a theory of change for their specific activities.

While, as a concept and approach to development cooperation, theory of change is in itself worthy of this and possibly further anthologies, there are additional motives behind this particular publication.

In late 2020, the Swedish Agency for Public Management and the Swedish National Financial Management Authority (ESV) published a report on the Government’s governance of development cooperation and Sida’s internal governance and controls. One important theme of the report was the theories of change that Sida is required to prepare when operationalising strategies. Although the authors state that the Government’s governance is so unfocused that it is difficult to determine the actual priorities of Swedish development cooperation, they also conclude that Sida should develop its work with theory of change (Swedish Agency for Public

Management and ESV 2020) in a manner that supports learning, the application of experience and evidence and following up and reporting results.

The report's recommendations to Sida were a direct contributing factor to the Expert Group for Aid Studies' (EBA's) decision to begin work on this anthology. In discussions concerning the challenges Sida faces in developing its work, EBA noted that there were a number of different challenges that need to be addressed, including the fact that there are different approaches to applying theory of change and that there is an important discussion to be had about the practical and theoretical aspects. The format of an anthology was chosen in order to cover these diverse issues in a coherent manner.

While work on the anthology was ongoing, the Swedish National Audit Office also published a review of Sida's work, specifically on how the agency chooses cooperation partners and forms of aid (Swedish National Audit Office 2022). The review simply asked how Sida decides which partner to choose in a given context, and how the agency should design its support (e.g. grants, guarantees, etc.). The Swedish National Audit Office concluded that, at an overall level, Sida's choice of partner should be justified by a clearly formulated theory of change for the specific activity.

However, the Swedish National Audit Office concluded that Sida was not clear about how it decided on priorities and strategic choices. Nor was it clear whether previous results and lessons learnt have influenced how the agency chooses its partners on the ground. The Swedish National Audit Office also recommended that Sida develop its work on theory of change. Among other things, they emphasise that the working method must be embraced by the entire agency. However, they also warn against this work becoming too administratively demanding.

So, Swedish development cooperation is governed by specific Government strategies. In 2022, there were 31 geographical strategies (covering countries or regions) and 12 thematic strategies.² Each strategy must be operationalised by the government agency or agencies responsible for its implementation. This includes the formulation of a theory of change describing how Swedish development cooperation can contribute to the Government's objectives in the country/region or thematic area in question. As described above, the Swedish Agency for Public Management, ESV and Swedish National Audit Office have all stated that Sida's work in this area needs to be developed. While this anthology focuses on theory of change on a more general level, this does not mean that the articles are irrelevant to the very specific work on theory of change being conducted in the thousands of activities financed by Swedish development cooperation each year.

An anthology in three parts

The anthology is divided into three parts, each on a different theme. These three themes capture what theories of change are and how they have developed into the current model, how different actors use theories of change to describe their activities and how they can be used for learning and evaluation in development cooperation.

The first part, "**Theories of change in development cooperation yesterday and today**", provides an introduction to how theory of change is currently used by Sida, as well as previous working methods used by the agency, its predecessors and its Norwegian equivalent, the Norwegian Agency for Development Cooperation (Norad). This section also addresses issues concerning the extent to which theory of change is actually new to development cooperation, and what today's aid actors can learn from history.

² Budget Bill 2022, UO7, pages 57–58. In addition to these strategies, there are also multilateral organisational strategies. However, these are not covered by the requirements for theories of change.

In an introductory chapter (Chapter 2), *Henrik Nordström and Rebecca Heine* describe how Sida works with theory of change today. The authors work at Sida and provide us with an insight into how the agency has developed its processes since 2017, when the Swedish Government imposed theory of change on all bilateral strategies. The article illuminates how the agency is currently governed and the working methods Sida has put in place to develop theories of change for the strategies that the agency is responsible for. Nordström and Heine describe the entire process from start to finish, with examples from Bolivia and Guatemala.

The first part of the anthology contains three more chapters, all of which highlight how theory of change has emerged as a model in Swedish and international aid. In their article (Chapter 3), *Janet Vähämäki and Númi Östlund* describe Sida's previous work on so-called "results initiatives", with the aim of creating working methods for following up and reporting results, both for internal governance and learning. In their article, the authors contend that several lessons can be learned from previous initiatives, all of which were discontinued after a couple of years without having wrought any major changes to the way the agency worked.

The importance of learning from history is also the theme of Chapter 4, written by *Lennart Wohlgenuth and Jonas Ewald*. They describe the link between theory of change and the underlying view of development, and how this has developed since the start of Swedish development cooperation. They also argue that, without clear local ownership, theory of change cannot lead to lasting change.

The first part of the anthology concludes with an article by *Hilde Reinertsen* (Chapter 5) describing the history and family tree of theory of change. By describing how theory of change emerged as a working method, she provides us with an understanding of how the theory relates to and resembles previous approaches to aid, such as the Logical Framework Approach (LFA), Results-Based Management (RBM), etc. The article highlights several of the issues that underpin the anthology, and which are also addressed in various

ways in subsequent chapters. These include tensions between flexibility and rigidity and between formulating strategic objectives and being able to have concrete measurable results.

The second part of the anthology, “**Theories of Change in Practice**”, brings together four chapters describing how theory of change is used by other aid and development actors (Finland, International IDEA, IKEA and EBA), and two chapters discussing how theory of change can be applied to different types of thematic activities (institutions and biodiversity). The common thread running through these six articles is that they highlight how to use theory of change at a strategic or organisational level. The texts highlight not only the approach to change, i.e. the theories of change themselves, but lessons learnt from the process of developing them.

The four organisations that present their work with theory of change are diverse, they are different sizes, use theory of change in different ways and each have different mandates. The first of these chapters, written by *Suvi Virkkunen and Alva Brun*, describes how the Finnish Ministry for Foreign Affairs developed thematic theories of change for Finnish development cooperation (Chapter 6). The article addresses not only the theories of change themselves but, perhaps most importantly, also the two processes that were used to develop and revise them. The article also discusses important challenges from a donor perspective, such as how theory of change can be used for both internal learning and reporting back to the Finnish Parliament. The article concludes with a discussion of how different perspectives (human rights, climate, etc.) can be incorporated into thematic theories of change.

In Chapter 7, *Joakim Molander and Wolfgang Biersack* describe how International IDEA has developed overarching theories of change for its activities, and for each part of its work in promoting democratic institutions. They also describe the evidence-based logic underlying IDEA’s assumptions about how to promote change. Molander and Biersack then describe how outcome mapping is used

to follow up and describe IDEA's contribution to the change that has taken place. Finally, they discuss how a similar model could be used by Sida in the thematic area of democracy.

In Chapter 8, we get a perspective on theory of change from an actor outside the aid sector, IKEA. *Jens Andersson* describes how theory of change is used within IKEA as one of the group's tools for strategic management towards sustainability. In his article, Andersson underlines the practical lessons he has learnt from his work, emphasising the importance of viewing theory of change as a participatory process. He also emphasises the value of not complicating things; theory of change should be a simple tool for applying lessons learned in a way that is meaningful to the organisation.

The theme of learning continues in the following chapter, written by *Jan Pettersson*, managing director of EBA. In his article (Chapter 9), he describes EBA's theory of change and the background to why it exists. The issue of learning is somewhat reversed here, as EBA's entire mission is to produce knowledge about Swedish aid and disseminate lessons learned to contribute to the Swedish Government's governance and development of aid. As the publisher of the anthology, the chapter is also intended, as Pettersson puts it, "to over the course of a few pages, shine a light on ourselves".

The section on theories of change in practice concludes with two chapters with a more thematic focus. First, *Adam Pain* describes lessons learned from Swedish development cooperation with Afghanistan and Sida's bilateral research aid (Chapter 10). The common denominator is the ambition to build or support institutions, a common theme in international aid. Pain discusses the more or less implicit theories of change that existed in the two cases, and critically analyses a number of shortcomings. Against this background, he then highlights an alternative way of looking at how institutions can be supported, and how theories of change could be developed.

In Chapter 11, *Tilman Hertz* first provides a background to one of today's most important global challenges – the rapid loss of biodiversity. He goes on to discuss the role of development actors in general and donors such as Sida in particular. He formulates three questions that focus on the potential role of development actors in supporting or promoting the transformation needed to achieve not only biodiversity goals, but the Sustainable Development Goals in general. These questions were then discussed at a roundtable of leading international experts convened by EBA. The main conclusions of the roundtable are presented in the second part of the chapter, which discusses whether it is possible for aid to promote the radical change needed to prevent biodiversity loss and, if so, how.

The third and final part of the anthology, “**Theories of Change for Evaluation and Learning**”, brings together three articles addressing these two interconnected themes.

In Chapter 11, *Léonie Borel, Julian Brett and Erik Bryld* explore an issue raised in several of the previous chapters – that theory of change should be part of an ongoing process. Given that aid operates in an ever-changing world, theories about how to promote change must be flexible, or adaptive as it is often called. Focusing on some of the most changeable contexts, fragile and conflict-affected situations, the authors discuss how theory of change can be the basis of an adaptive aid process. They then go on to discuss how evolving change processes can form the basis for evaluating results in comparison to intended outcomes, which may have changed over time.

Evaluation is also the focus of *Markus Burman's* article in Chapter 12. We are presented with a practical four-step guide to evaluating results with theory of change, known as theory-based evaluation. Through the lens of evaluation, we as readers are given an overview of how to formulate or recreate a theory of change, and how it can then be used to evaluate results. Burman thus provides a handy guide that is equally useful to those commissioning or performing an evaluation as it is to readers seeking to gain a more in-depth understanding of how to formulate a theory of change.

In the final chapter of the anthology, three researchers from Stockholm University, *Viktor Rubin, Aron Schoug Öbman and Jon Ohlson*, discuss one of the main challenges that theory of change is intended to address – increased learning. As noted here in the introduction, one of the messages to Sida from the Swedish National Audit Office, Swedish Agency for Public Management and ESV was that, by developing the agency's work with theory of change, learning can be increased. But how is learning actually promoted in organisations? Using organisational pedagogy as a starting point, the authors discuss what research can contribute in terms of organisation, collective learning and knowledge transfer.

Recurring themes pinpoint tensions

A number of different themes are also highlighted throughout the anthology's three parts and thirteen chapters, in the form of recurring challenges or issues that are described in chapters on history, theory and practice. As a recurring pattern in many of the articles, perhaps this underlines some of the most vital questions about the use of theory of change.

Promoting change in development cooperation is about operating in complex environments. There are many external factors that can change along the way. In principle, it is a given that the situation at the time the strategy is operationalised or the intervention planned will change at some point along the way. One inescapable conclusion from the articles in the anthology concerning earlier working methods in development cooperation is that, even if the ambition has been to remain flexible, one will ultimately become bogged down in rigid matrices (see Vähämäki & Östlund and Reinertsen's chapter). So, **how do we promote a flexible working method?** Several of the authors in the anthology emphasise the importance of working with theory of change as a process rather than as a deliverable (see Andersson, and Bryld et al.). In their article on how the Finnish Ministry for Foreign Affairs has tackled assignments, Virkkunen and

Bruun describe Finnish theories of change as processes, both in terms of how they are formulated and how they are followed up. A theory of change is a tool for regular collegial dialogue in which large parts of the organisation participate. Depending on how work with theory of change is organised, it can either lock up operations or liberate individual interventions, programmes or strategies. An overly rigid interpretation that does not allow for learning and adaptation is a straitjacket. If used for dialogue, learning, specification and building knowledge about how an intervention can contribute to change, the tool can be more liberating.

Another related issue is **how complex a theory of change should be**. It is tempting to think that an organisation striving for change in difficult circumstances must also have a very detailed explanation of how change is to be achieved. Here, however, several authors seem to be striving for something relatively “simple”, without the need for complicated structures, templates and models. This is also in line with the conclusions of the reports from the Swedish National Audit Office, Swedish Agency for Public Management and ESV, which emphasise that any development of the work should not lead to an increased administrative burden. And readers can also find support here in several of the articles, which continuously underline the importance of dialogue and process (see, for example, Andersson, Reinertsen, Vähämäki & Östlund, Bryld et al., Virkkunen and Bruun).

At the same time, it is also clear that theory of change can and should be based on evidence, or at least assumptions that can be tested against reality. In their chapters, Molander and Biersack, as well as Pain, describe how theories of change for complex systems can be formulated based on clear and explicit assumptions about change. Like Hertz, they also assume that there is plenty of existing evidence to build on. Virkkunen and Bruun and Ohlson et al. also describe the importance of successfully extracting the “tacit knowledge” that exists within organisations.

At the same time, several chapters maintain that it is perhaps most important to continuously test and critically question your assumptions to ensure that you are on the right track. Burman's chapter provides a very practical example of how to approach this challenge, and how it can then be evaluated.

The issue of evaluation leads to a further theme discussed in several of the articles, and one of the perennial questions in development cooperation: **how can the results be reported?** Although we have articles that describe evaluation (Bryld et al. and Burman) or that present specific ways of following up results (Molander and Biersack, Nordström and Heine), several authors also emphasise the difficulty of aggregating performance information (Vähämäki & Östlund) and the tension between following up and accountability on the one hand and learning on the other (Reinertsen). At the same time, this is a question that aid actors must continuously try to answer. In their chapter, Virkkunen and Bruun describe how Finland has recently tackled the issue in conjunction with the development of work on theory of change for all Finnish development cooperation. Unsurprisingly, they also note that this process has not been without complications, nor is it complete.

Learning is also a recurring theme, perhaps the most consistently recurring in the anthology. This is also one of the main points made in the recommendations to Sida in the reviews of the agency's work. So, **how can we promote learning** and is developing work with theory of change a way forward? Not only is this question interesting in itself, but it also links to the other questions or themes addressed here. How can learning be promoted if the approach is too complicated, inflexible and does not allow us to follow-up the results? In the introductory section with a historical review, both Reinertsen and Vähämäki & Östlund underline how much there is to learn from previous attempts to establish new methods or models that were themselves intended to contribute to learning. Still, the difficulty of learning from experience is emphasised by Wohlgemuth and Ewald's articles, in which they describe how, since its inception

in the 1960s, development cooperation strategy has repeatedly stated the same things, emphasising the importance of ownership for sustainable change, only to shortly thereafter implement a different form of aid in practice.

Several chapters stress the importance of working with theory of change as a participatory process in which learning is something that arises in collegial dialogue and cooperation with partners. Virkkunen and Bruun describe how the Finnish Ministry for Foreign Affairs holds a broad-based annual dialogue concerning the results of development cooperation, deliberately seeking out the knowledge and experience, the *tacit knowledge*, of colleagues. The importance of tacit knowledge also reappears in the concluding chapter on learning organisations by Ohlson, Rubin and Schoug Öhman. They point out that numerous studies have demonstrated that attempts to disseminate experiences and knowledge within an organisation by storing the information in various types of databases and expecting members of the organisation to retrieve it rarely succeed. Rather, it is joint reflection and dialogue that are crucial to creating a learning organisation.

It is also important to be clear about what constitutes a theory. As is amply demonstrated in the various chapters of this anthology, while a *theory* of change may be based on scientific knowledge or proven experience, it can just as easily be purely hypothetical or an expression of pious hope. Is there a risk that hypotheses and wishful thinking will be legitimised by dressing them up in the language of science? There is nothing wrong with taking calculated risks and, clearly, not everything we wish to achieve can necessarily be backed up by science. However, it is important to know when the foundation of knowledge is weak or non-existent and to adapt our monitoring and evaluation accordingly.

Concluding reflections

The breadth and diversity of development cooperation and humanitarian aid place particular demands on an organisation to explain both internally and to the outside world what difference it hopes to achieve by allocating resources. It is a mammoth endeavour and attempting to come to grips with aid is undoubtedly a challenge, operationally but also strategically. That, however, is why it is so important. Without logical, coherent narratives, there is a risk that a broad approach may become fragmentary, something that favours neither aid nor the development it is intended to foster.

Formulating a theory on how to achieve change can be a way of creating such a narrative, a narrative on which to base both internal and external dialogue. It is a matter of answering fundamental questions about what we are doing and why we are doing it, and what we intend to achieve and why we want it to happen. It can provide an opportunity to utilise not only external evidence but all the knowledge that exists in the aid sector, in Sweden and internationally. And to contribute to continuous learning.

Our view is that in no way does this learning stand in opposition to accountability. On the contrary, serious attempts to create clear narratives on which to base operations are a way of re-establishing accountability for the changes development cooperation intends to achieve, not only for financial order but for doing things right and doing the right things.

At the same time, this anthology as a whole underlines that theory of change is by no means a panacea. Previous experience demonstrates that when developing theories of change we should be analytical, critical and even sceptical. Why are we doing this? Who are we doing it for? How can we ensure that it doesn't become an administrative burden? How do we find our own path, avoiding the risk that theories of change will serve to legitimise and control, rather than analyse and build knowledge?

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Theories of Change in Aid, Yesterday and Today

Theory of Change at Sida: A Point of Departure for Planning, Following Up and Reporting¹

Henrik Nordström and Rebecca Heine

The results achieved by Sweden's development cooperation are a key and recurring issue for the Swedish International Development Cooperation Agency (Sida). In late 2020, the Swedish Agency for Public Management and the Swedish National Financial Management Authority (ESV) recommended that the agency should develop its work with theory of change at a strategic level in order to strengthen learning, evaluation and monitoring.² The purpose of this chapter is to describe the Swedish Government's governance of Sida and to illuminate Sida's approach to theory of change at a strategic level. It also looks at how the agency has developed its operations to incorporate theories of change. By doing so, we hope to provide a basis for continued discussion and the work of learning from, evaluating and following up results from a holistic perspective

The chapter begins with an overview of the governance of Sida's work with theory of change and how the agency follows up and reports results. This is followed by a description of the development of theory of change at a strategic level from 2017 onwards, after Sida received new guidelines from the government on implementing development cooperation and humanitarian assistance strategies. We

¹ This chapter has been translated into English by EBA. There can be translation errors in the text as the translation has not been reviewed by the authors.

² *Verksamhetsanpassad styrning – en översyn av regeringens styrning och Sida interna effektivitet, ledning och uppföljning*, ESV (2020:47), 30 November 2020 p. 103.

will then look at how Sida works with theory of change today at initiative and strategic level and at the agency's system for following up and reporting results, as well as how these relate to one another and the fulfilment of Sida's mission. Throughout the analysis, we will provide examples from the strategies for Sweden's development cooperation with Bolivia and Guatemala, both of which have been operationalised recently and offer good examples of the strengths and weaknesses of Sida's approach. The chapter reflects the opinions of a number of individuals working on governance-related issues at Sida and should not be considered as the official position of the agency.

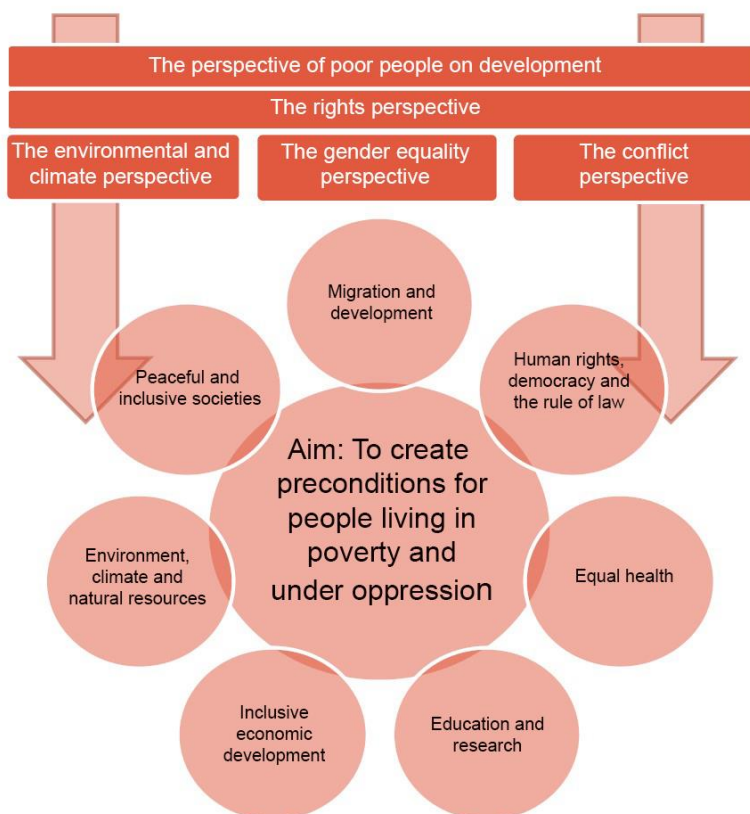
How Sida is governed

The aim of Swedish development cooperation and the overall governance of Sida

Swedish government agencies are governed by the instructions and appropriation directions issued by the government. They also receive separate government assignments. The governance of Sida is unique, however, in as much as the agency is also tasked with operationalising the government's development cooperation strategies, which cover a period of several years. Like other agencies, Sida's tasks are defined in the instructions to its governing board, while its annual appropriation directions contain instructions on the agency's objectives, tasks and reporting requirements for the coming year. It is the strategies, however, that decide where, to what ends and, to some extent, even how Sida's work should be carried out.

Sida's instructions, appropriation directions and strategies are all permeated by the long-term direction set out in the government communication *Policy framework for Swedish development cooperation and humanitarian assistance*.³

Figure 1: Sida's thematic governance and perspectives



³ Policy framework for Swedish development cooperation and humanitarian assistance (government communication 2016/17:60) 14 December 2016.

The framework underlines that the aim of Swedish international development cooperation, as stipulated by the Riksdag, is to create preconditions for better living conditions for people living in poverty and under oppression.⁴ The point of departure for development cooperation and its direction is the partner countries' own visions, priorities and plans, based on the principle of the partner countries' ownership and responsibility for their own development.⁵

The framework also states that work must continue to be guided by the government's international commitment⁶ to the four principles of effective development cooperation:⁷ country ownership, focus on results, inclusive partnerships, and transparency and mutual accountability.⁸ The four effectiveness principles agreed within the framework of the Global Partnership for Effective Development Cooperation (GPEDC) recur regularly in the governance of Sida. For example, the government's instructions to the governing board of Sida include contributing to the government's international commitment to the four principles.⁹

The policy framework presents five central perspectives that must be integrated into all Swedish development cooperation, two of which are overarching and three thematic.¹⁰ The overarching perspectives are the *rights perspective* and the *perspective of poor people on*

⁴ Policy framework for Swedish development cooperation and humanitarian assistance (government communication 2016/17:60) 14 December 2016 p. 56.

⁵ Ibid. p. 56.

⁶ These commitments currently encompass the Paris Declaration (2005), the Accra Agenda for Action (2008), the Busan Partnership for Effective Development Cooperation (2011) and the Outcome Document of the Second High-level Meeting of the Global Partnership in Nairobi (2016).

⁷ Ibid. p. 50.

⁸ Global Partnership for Effective Development Cooperation, Nairobi Outcome Document, 1 December 2016.

⁹ Section 2 of the Swedish Ordinance (SFS 2010:1080) with instructions for the Governing Board of the Swedish International Development Cooperation Agency (Sida).

¹⁰ Policy framework for Swedish development cooperation and humanitarian assistance (government communication 2016/17:60) 14 December 2016 p. 14.

development. The three thematic perspective are the *environmental and climate*, *gender equality* and *conflict* perspectives.¹¹ All of these perspectives must be integrated when making decisions about, planning, implementing and following up development cooperation,¹² and included in Sida's instructions.¹³ In the policy framework, the government also establishes the thematic direction of development cooperation in relation to the Sustainable Development Goals (SDGs) of the 2030 Agenda.¹⁴ There are nine thematic areas: 1) human rights, democracy and the principles of the rule of law, 2) global gender equality, 3) environmentally and climate-related sustainable development and sustainable use of natural resources, 4) peaceful and inclusive societies, 5) inclusive economic development, 6) migration and development, 7) equal health, 8) education and research, and 9) humanitarian assistance. The framework does not prioritise between or within these thematic areas. Rather, development cooperation must be founded on knowledge and analysis. adapted to conditions and needs and provided where Swedish development cooperation provides added value for countries, regions or organisations.¹⁵

¹¹ Section 2 of the Swedish Ordinance (SFS 2010:1080) with instructions for the Governing Board of the Swedish International Development Cooperation Agency (Sida).

¹² Policy framework for Swedish development cooperation and humanitarian assistance (government communication 2016/17:60) 14 December 2016 p. 15.

¹³ Section 2 of the Swedish Ordinance (SFS 2010:1080) with instructions for the Governing Board of the Swedish International Development Cooperation Agency (Sida).

¹⁴ Policy framework for Swedish development cooperation and humanitarian assistance (government communication 2016/17:60) 14 December 2016 p. 17.

¹⁵ Ibid. p. 18.

Sida is governed through 45 strategies

The process of preparing and operationalising strategies is governed by the document *Guidelines for Strategies in Swedish Development Cooperation and Humanitarian Assistance*.¹⁶ Strategies may be bilateral, regional or thematic (global) and normally cover a period of five years. At the time of writing, Sida is governed by 45 strategies containing 466 strategic objectives.¹⁷ Each strategy states which objectives or outcomes development cooperation should contribute to; how Sida goes about achieving this within the framework of the strategy is up to the agency itself. The guidelines also state that the principles of effective development cooperation must be followed and further developed in Swedish development cooperation as an important prerequisite for planning and implementing initiatives and following up results.¹⁸

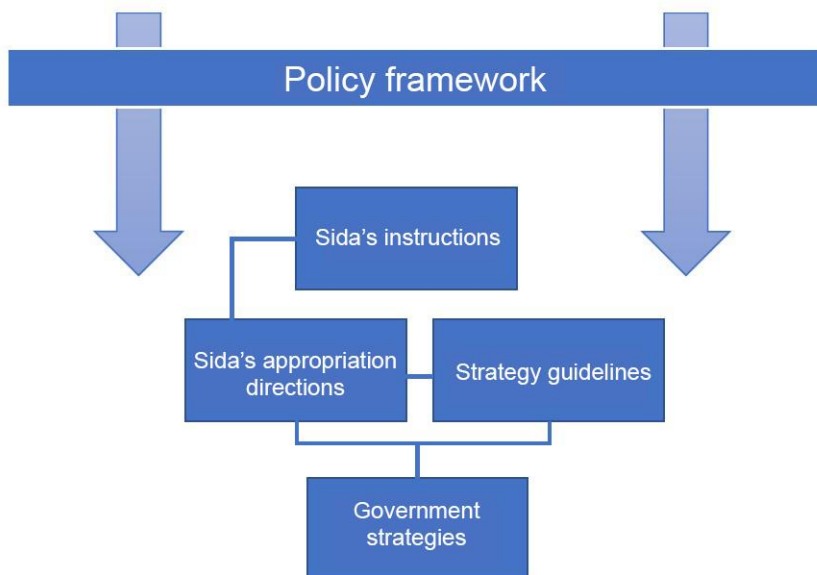
Strategic objectives are based on the thematic areas established in the policy framework. For the purpose of the strategies, the term objective refers to the desired future conditions that the strategy is intended to contribute to. As strategies are limited to one geographic or thematic context, they are also the means by which the government governs where Sida conducts its operations and which themes the agency is to prioritise. In addition to strategic objectives, the government also specifies a number of “shall” requirements and, to a certain extent, how Sida should operationalise the strategy. For example, Sida may be instructed to limit its operations to a certain target group or use specific forms of financing.

¹⁶ Guidelines for Strategies in Swedish Development Cooperation and Humanitarian Assistance, 21 December 2017 (UD2017/21053/IU).

¹⁷ Data retrieved 03.05.2022.

¹⁸ Guidelines for Strategies in Swedish Development Cooperation and Humanitarian Assistance, 21 December 2017 (UD2017/21053/IU) p. 3.

Figure 2: The relationship between the policy framework, governance documents and strategies



Strategies prepared in a cyclical process

The strategies are prepared by the Government Offices of Sweden and as such are shaped by current political priorities and events. These priorities are also reflected in annual appropriation directions, which take precedence over strategies. The fact that the government issues new appropriation directions each year, while strategies cover a period of several years, means that at any given time the agency may have governance documents with conflicting objectives.

Development cooperation strategies are prepared according to a standardised, cyclical process that follows the same steps during a given period of time.¹⁹ The development of a strategy begins with an assignment from the government to Sida to prepare a strategy

¹⁹ At the time of writing, the Government is reviewing this process and an interim procedure is in place for 2022.

briefing. The point of departure for the strategy briefing is the overall direction set out in the assignment. The briefing will include proposed strategic objectives, a presentation of the context, including a summary of or reference to a multidimensional poverty analysis (MDPA) if one has been performed, and a description of how the five central perspectives are to be integrated into activities.²⁰ Based on the strategy briefing, the Ministry for Foreign Affairs will formulate a strategy for a decision by the government.

Figure 3: The strategy cycle



²⁰ Guidelines for Strategies in Swedish Development Cooperation and Humanitarian Assistance, 21 December 2017 (UD2017/21053/IU) p. 6.

Operationalising based on theories of change

Once a strategy has been adopted, the responsible government agency will be tasked with translating it into a roadmap for operationalisation, implementation and follow-up. Part of operationalising a strategy is the preparation of theories of change for the strategic objectives or thematic areas.²¹ All of this will be documented in a plan prepared at the beginning of each strategy period. The responsible strategy team will then update the plan on an annual basis. If necessary, the team can also adjust its theory of change on an ongoing basis. In this sense, the theory of change is a living document that can be adapted to new circumstances. Any such changes are documented internally in the strategy plan and reported externally to the government in the annual strategy report.

Sida's results reporting

Sida reports the results of strategies twice a year, in strategy reports and in Sida's annual report. The annual report focuses on Sida's results in terms of the agency's performance, while strategy reports focus on how Sida contributes to achieving strategic objectives based on the results of initiatives and activities.

Strategy reports are intended to provide information on short- and long-term results in the form of both qualitative and quantitative data, and to answer the key question of whether the agency's operations are making a difference and, if so, how and for whom.²² They should also describe how Sweden's development cooperation is contributing to change, for example in relation to the contributions of other donors or the influence of external factors. Where relevant,

²¹ Guidelines for Strategies in Swedish Development Cooperation and Humanitarian Assistance, 21 December 2017 (UD2017/21053/IU) p. 7–8.

²² Ibid. p. 3.

the report will also provide an account of changes in the conditions for implementation and, where necessary, an updated theory of change.²³

Similar requirements are also placed on Sida's annual report, with the important distinction that the results reported consist solely of the direct consequences of the agency's operations – i.e., the agency's performance – and not any effects that such operations may have contributed to.²⁴ Annual reports shall contain analyses and assessments of the agency's performance and its development in relation to the objectives decided on by the government. Sida is also required to formulate key performance indicators for the agency's operations to be presented in annual reports, so that results can be compared over time.²⁵

Sida's annual appropriation directions also include a requirement to report on aid operations thematically in the agency's annual reports. This reporting is to be based on strategic objectives and give an account of development cooperation in the nine thematic areas. Based on these areas, reporting should focus on the most common objectives and the results and effects the agency's operations have contributed to. It shall also contain an assessment and analysis of goal attainment and be comparable over time.

²³ Guidelines for Strategies in Swedish Development Cooperation and Humanitarian Assistance, 21 December 2017 (UD2017/21053/IU) p. 8.

²⁴ "Vad är resultat?" Retrieved from: "Resultatredovisningen ska vara ett underlag för regeringens bedömning" [Results reporting shall provide a basis for the Government's assessment] Swedish National Financial Management Authority (esv.se).

²⁵ Swedish Ordinance (SFS 2000:605) concerning the Annual Reports and Budget Documentation.

The background to Sida's work with theory of change

Sida has worked with both theories of change and various results initiatives for many years, both on the agency's own initiative and at the behest of paymasters keen to see proven results.²⁶ Our own point of departure is 2017, the year in which the Swedish Government issued new guidelines for development cooperation and humanitarian assistance strategies, requiring Sida to formulate theories of change when operationalising strategies. Before the government introduced this requirement, the extent to which theories of change were used, and the methods used to formulate them, differed from one department of Sida to the next. Some departments gave clear instructions to authorities in partner countries on how to operationalise the Swedish Government's strategies, including the requirement to draw up an operational plan. Other departments refrained from doing so, considering it unrealistic for some strategies (especially global, thematic strategies).

When the requirement to formulate theories of change at a strategic level was first introduced in 2017, Sida had no standardised instructions or templates on how to do so. It was still left to each department and strategy team, as Sida was keen to create leeway and flexibility for managers and teams to adapt strategy plans to the unique conditions, priorities and needs of the many contexts the agency works in.

However, as desirable as it seemed, this flexibility led to very different results in terms of processes and end products in the form of strategy plans. The organisation began to seek support to find a reasonable level of ambition and a more standardised working method. During spring 2018, a strategy plan template was therefore developed. The

²⁶ For examples of results initiatives over the years, see Janet Vähämäki and Númi Östlund (2022), *Is It That Time Again? Lessons from Previous Attempts to Measure the Results of Development Cooperation* in this anthology.

strategy plans drawn up by Sida for the period 2019–2021 were the first to include the statutory theory of change. During spring 2019, work continued to prepare additional support in the form of clarified instructions. The work continued in stages during the period 2019–2021 with the development and supplementation of operationalisation with various types of methodological support.

Recent overviews of Sida's governance and work

In autumn 2020, the Swedish Agency for Public Management and ESV published a joint overview of the government's governance of Sida's internal efficiency, management and follow-up of results, in which theory of change was highlighted as one important area for improvement.²⁷ The two agencies recommended that Sida should develop its work with theory of change in a manner that supports learning, the application of experience and evidence and following up and reporting the results of the government's strategies.²⁸ The Swedish Agency for Public Management and ESV were also of the opinion that theories of change have the potential to support adaptive working methods and continuous dialogue between Sida and development cooperation partners.²⁹ Theories of change also provide a structure for following up and evaluating results and can help to ensure that follow-ups take a holistic perspective.³⁰ The overview did show that Sida's internal governance is effective in as much as it provides staff implementing strategies with the flexibility and leeway to run operations effectively.³¹ The overview also highlight the risk that elaborate theories of change may complicate operationalisation, planning and implementation, or make the implementation of strategies too static.

²⁷ *Verksamhetsanpassad styrning – en översyn av regeringens styrning och Sida interna effektivitet, ledning och uppföljning*, ESV (2020:47), 30 November 2020 p. 104.

²⁸ *Ibid.* p. 103.

²⁹ *Ibid.* p. 103.

³⁰ *Ibid.* p. 105.

³¹ *Ibid.* p. 7.

The Swedish Agency for Public Management and ESV also warn against the government's strategies containing so many governance signals that Sida's room for manoeuvre is reduced. The fact that strategies often contain objectives that combine multiple thematic areas from the policy framework makes governance ambiguous and may cause problems for Sida when implementing strategies and reporting results.³² The Swedish National Audit Office's report *Who, how and why: Sida's choice of partners and aid modalities* also underlines that the comprehensive nature of the strategies makes it difficult for Sida to take a holistic view when implementing strategies and to make effective choices.³³ That said, the report from the ESV and Swedish Agency for Public Management notes a tendency in recent strategies towards more refined thematic areas with objectives that generally relate to the themes, something that may simplify implementation.³⁴

How Sida formulates theories of change and follows up results

Below is an account of how Sida goes about formulating a theory of change and following up results in practice. To illustrate how this impacts Sida's operations, we also provide examples from the operationalisation of the strategies for Swedish development cooperation with Bolivia and Guatemala. These examples are based on interviews with heads of development cooperation at the Swedish Embassies in La Paz and Guatemala City. Both country strategies were operationalised during 2021 and are thus good examples of the strengths and weaknesses of Sida's work with theories of change.

³² *Verksamhetsanpassad styrning – en översyn av regeringens styrning och Sida interna effektivitet, ledning och uppföljning*, ESV (2020:47), 30 November 2020 p. 22.

³³ *Who, how and why: Sida's choice of partners and aid modalities*, Swedish National Audit Office (2022:9), 27 April 2022, p. 6.

³⁴ *Ibid.* p. 101.

Multi-dimensional poverty analyses as a basis for theories of change

According to Sida, a theory of change should be based on a problem analysis of the situation, including any relevant SDGs. In turn, problem analyses are based on a multidimensional poverty analysis (MDPA) performed while preparing the strategy briefing. Sida views poverty in four different dimensions: resources, opportunities and choice, power and voice, and human security. An MDPA should be performed or reviewed whenever a new strategy briefing is prepared. Sida's MDPAs also take into account the five perspectives on development cooperation presented in the policy framework.

The issue of who is considered to live in poverty is central to Sida's framework for analysing poverty. According to Sida, anyone who lacks one or more of the basic dimensions (resources, opportunities and choice, power and voice, or human security) is living in poverty. By analysing the various dimensions of poverty, we reveal how poverty is expressed differently for different groups. The ability to escape from poverty is, however, also affected by the context in which people live. An MDPA therefore includes an analysis of context from four perspectives: socioeconomic, political and institutional, conflictual, and environmental. By analysing the context of development cooperation, we can identify not only obstacles to lifting people out of poverty, but also opportunities to do so. All dimensions and contexts, and their components, are clearly linked and analysed as a whole. This analysis is an important basis for formulating and operationalising the strategy. Hence the strategy process is permeated by the five perspectives and the agency's principal mission: to create preconditions for better living conditions for people living in poverty and under oppression.

Figure 4: Sida's framework for multidimensional poverty analyses



MDPAs performed while preparing the strategy briefing were key to operationalising the strategies for Swedish development cooperation with Bolivia and Guatemala. In both cases, the strategy briefing was based on reports, thematic studies and evaluations linked to multiple objectives with a common thematic direction. In Bolivia, most documents were related to operations conducted during the previous strategy period, meaning that the team was able to ensure that lessons learned and experiences gained from the previous strategy were incorporated into the new strategy. The Swedish Embassy in La Paz also commissioned an external evaluation of the previous

development cooperation strategy for Bolivia (2016–2020).³⁵ This evaluation was used as a point of departure for the new strategy. Evaluations of bilateral strategies are however rare; aside from the evaluation of the Bolivia strategy, there are only two such recent reports in Sida’s publication database.

Strategy briefings as learning support

One recurring operational challenge faced by Sida is ensuring that knowledge gained is assimilated by the organisation despite the regular rotation of personnel. Strategy briefings are thus a vital tool for ensuring that the lessons learned and experiences gained while implementing earlier strategies are incorporated into subsequent strategies, regardless of the level of turnover in the strategy team. In Bolivia, the process of preparing a strategy briefing also encompassed several conferences with relevant actors and stakeholders within each thematic area to ensure that a wide range of perspectives and proposals could be considered. One thing that characterised the preparation of strategy briefings – and later, strategy plans – for both Bolivia and Guatemala was the collective nature of the process, which involved all colleagues at the Section for Development Cooperation at the Swedish Embassies in La Paz and Guatemala City. The strategy briefings were also a tool for ensuring local support and creating a common understanding of conditions and needs for the teams implementing the strategies. So, these documents provided a basic framework when the time came for strategy groups at each embassy to formulate theories of change for inclusion in strategy plans.

³⁵ *External Evaluation of the Swedish Cooperation Strategy with Bolivia 2016–2020* (2021:12), 8 December 2020.

Formulating a theory of change

The first step in formulating a theory of change for a strategy is to perform a problem analysis, which may be based on the conclusions of the MDPA in the strategy briefing. In a problem analysis, the strategy team must take a position on who can be considered to be living in poverty and why, which dimensions of poverty are most important given the strategic objectives and the priorities of the country or policymaker in question, what added value Sida can contribute over and above the contributions of other actors, and the lessons learned and results achieved since a theory of change was last formulated.

The Strategy for Sweden's Development Cooperation with Bolivia provides an example of this process. The strategy team in Bolivia began the work of operationalising the strategy with a joint reading and discussion of various texts on development cooperation – both support material from Sida and more academic texts – in order to construct a common conceptual framework for their work. This was also a way to improve the team's competence in the field of theory of change. Not only was the team keen to ensure that everyone working on the strategy shared a common image of contextual conditions and needs, but also that the team was using common terminology and understood all of the strategy's thematic areas. This collective approach was also shared by the team in Guatemala, although there particular emphasis was placed on mixed working groups, so that those responsible for a thematic area were working outside their immediate area of expertise. This was intended to provide fresh perspectives and create an integrated process in which everyone in the group was able to offer input in various areas.

The components of a theory of change

Currently, Sida's theories of change consist of three components: anticipated changes and results, types of change actors and forms of financing, and assumptions and risks. Based on the problem analysis,

the strategy team will first describe the anticipated changes and results that Sida will focus on in order to achieve the strategic objective. This includes which groups Sida will prioritise and how operations will be divided between initiatives targeted directly or indirectly at the target group, and between initiatives that benefit the target group in the short or long term. Based on the problem analysis and anticipated changes and results, the team will describe important choices and priorities, i.e., what and who Sida will focus on in order to achieve the strategic objectives, and why, as well as which actors Sida will collaborate with and in what form. The team will also highlight the assumptions on which the theory is based and the associated risks. Based on these choices and prioritisations, the strategy team will develop a portfolio of initiatives and activities.

The overarching logic is that, by answering the questions *what*, *who*, *how* and *why*, the assumptions on which Sida as an aid actor bases its work to achieve the government's strategic objectives will also be revealed. It will also make clear what is required of the strategy team in terms of developing a portfolio of relevant initiatives and activities designed to achieve the strategic objectives. The Government's objectives are formulated at an overall level, leaving considerable leeway for each strategic team to adapt its theory of change to the context in which it is working. This means that Sida can conduct adaptive development cooperation in which a theory of change is the basis and an active tool for the continuous adjustment of initiatives, activities and partners required during the implementation of a strategy.

Operationalisation in practice

Operationalisation is primarily a matter of taking the ideas developed in the strategy briefing and making them implementable and instrumental. In the case of Bolivia, this involved formulating a cohesive theory about how the proposed activities might be expected to help achieve the overall objective. In Guatemala too, the strategy

team had a general idea of where the greatest challenges lay. In most areas of the strategy, the team already had some idea of how Sida's activities and initiatives could contribute to achieving strategic objectives. One important part of the process was thus to test the assumptions on which the portfolio of activities and initiatives developed for the previous strategy period was based. The assumptions made by the team also needed to be able to be reassessed and adapted both to new circumstances and in the event that it became apparent that the desired results were not being achieved. It was therefore vital that the strategy team had a broad conceptual understanding of theory of change and saw it as a dynamic and mutable process.

In Bolivia, in addition to following up and reassessing its theories of change in conjunction with the annual strategy report, the team also scheduled regular reviews to ensure that the theories of change remained relevant throughout the strategy period. In Guatemala, particular emphasis was placed on revisiting the MDPA a couple of times a year, as this analysis is fundamental to operationalisation. Based on the reassessment of the MDPA, theories of change as a whole were also up for discussion.

The levels of theory of change

Another aspect to consider when operationalising a strategy is whether the strategy team should formulate a theory of change for each strategic objective or for a collection of strategic objectives in the same support area. While the most common approach at Sida is a theory of change for each objective, the organisation is generally open to the idea that there is no one-size-fits-all solution. Some strategy teams have chosen to formulate a common theory of change for a group of objectives in the same thematic area, such as climate and environment, while others have opted for a single theory of change for the strategy as a whole. The solution a team chooses depends on the breadth and scope of a strategy, how many objectives

and “shall” requirements it contains and how the objectives are formulated. As governance instruments, strategies therefore provide Sida with various degrees of leeway to perform its assignments.

Figure 5: The various levels at which a theory of change can be formulated

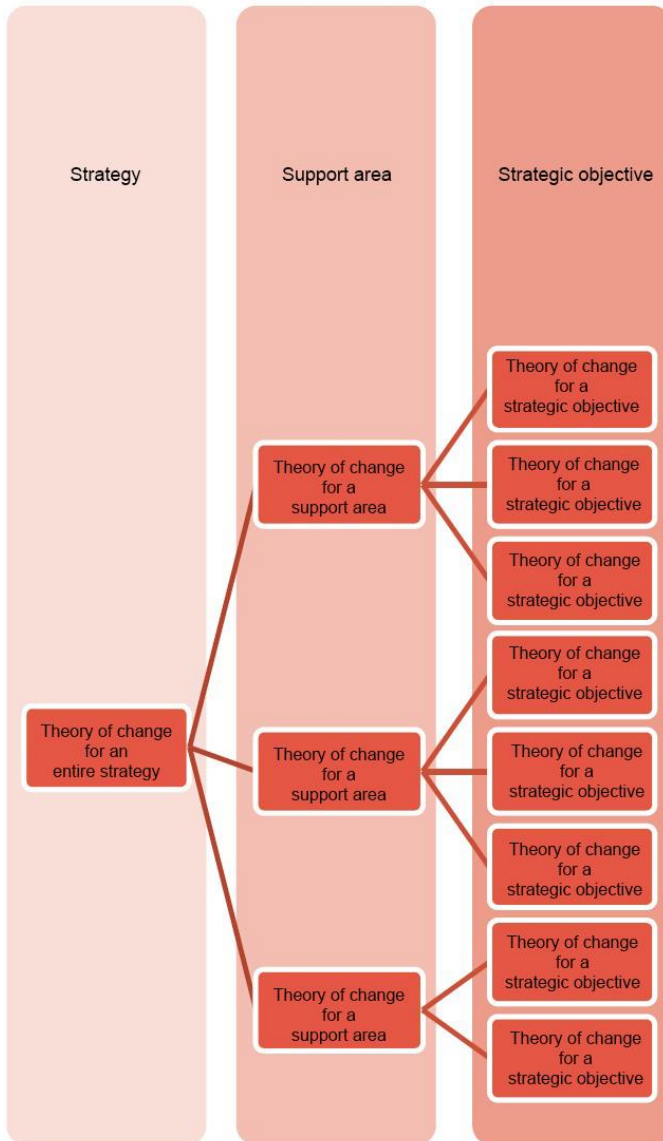


Figure 5 illustrates the various levels at which a strategy team may choose to formulate theories of change. At a bare minimum, a team will formulate a single theory of change at strategy level, while at most it may decide to formulate a separate theory of change for each strategic objective. As the most common approach is the latter, Sida has close to 400 active theories of change at any given time, each of which is followed up at least once a year. Simply documenting so many theories of change can prove a challenge for strategy teams. However, having a theory of change for each objective does provide a foundation for discussions within and between strategy teams, something that promotes both learning and the exchange of experiences. Sida's internal analyses of strategy plans show that a theory of change formulated for a single strategic objective is likely to be more specific concerning choices and priorities.

When it came to implementing the strategy for Bolivia, as the strategic objectives were so varied it was decided to formulate a theory of change for each objective rather than each support area. As each strategic objective had its own rationale and context and demanded different approaches and perspectives, combining them would have risked oversimplifying a complex reality. The team did consider integrating two environmental objectives in a single theory of change, as they were based on similar assumptions and problem analyses. In the end, however, it was decided to formulate a separate theory of change for each to ensure that the portfolio contributed equally to achieving both objectives. Still, formulating a theory of change for each strategic objective based on Sida's template for strategic plans was a time-consuming process. In the established strategy plan, some theories of change were necessarily longer and more detailed than others in order to capture all of the assumptions and ideas underpinning the theory. This in turn shows how difficult it can be to adapt complex theories of change to predetermined templates and formats. Staff in both Bolivia and Guatemala underline that the process of formulating a theory of change is the most important thing, not the document in which the theory is described. While the strategy plans in which theories of change are

documented are admittedly valuable sources of information when embassy staff rotate, the theory of change itself is greater than the sum of its documented parts.

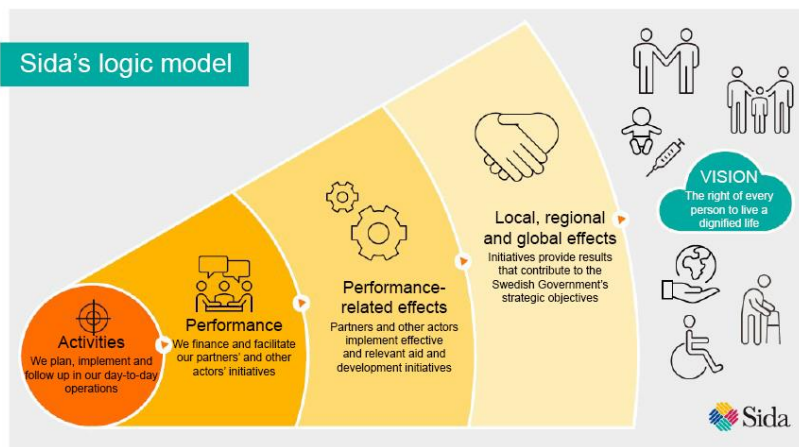
Following the agency's results

Sida's system for following up its operations is based on the four principles of effective development cooperation, particularly the principle of local ownership and that partner countries' own planning, monitoring and reporting systems should be used when following up the results of initiatives and activities.³⁶ To a large extent, Sida therefore allows partners to decide how to collect data and follow up results, rather than imposing standardised results indicators. That said, it is vital that Sida continuously follows up its operations in order to assess whether the theory of change on which the agency's activity or initiative is based is still relevant. To this end, Sida monitors the changes in the contexts in which the agency operates and the results achieved by partners in the initiatives the agency supports.

The diagram below illustrates how Sida views the relationship between the agency's activities and the anticipated outcomes that can be achieved in collaboration with partners and other actors that will contribute to achieving the Swedish Government's strategic objectives. By following the progress of work at the various stages of the logic model, the agency can gain an understanding of what needs to be adapted and adjusted in order to stay on course towards achieving the strategic objective.

³⁶ Global Partnership for Effective Development Cooperation, Nairobi Outcome Document, 1 December 2016 p. 14.

Figure 6: Sida’s logic model



It is also important to emphasise that, in the vast majority of cases, only after a number of years will the local, regional and global effects of the initiatives we support become apparent in terms of improving the living conditions for people living in poverty and under oppression. Sida operates in complex contexts together with many other actors. The impact of the initiatives that Sida supports must therefore be considered alongside a number of other factors outside the agency’s control that affect development at global and country level. As such, stating categorically what the cumulative effect of Sida’s operations are in relation to the strategic objectives presents something of a challenge. ESV and the Swedish Agency for Public Management say as much in their overview.³⁷

Sida’s main tool for monitoring the implementation of strategies at an overall level is the traffic light system. Traffic lights are used as a common point of reference for analysing, reporting and learning from strategy implementations based on the stages of the logic model. An assessment is made twice a year and is used for both internal monitoring and external reporting. The strategy team

³⁷ *Verksamhetsanpassad styrning – en översyn av regeringens styrning och Sida interna effektivitet, ledning och uppföljning*, ESV (2020:47), 30 November 2020 p. 80.

conducts the assessment at strategic level for both the strategy as a whole and the individual strategic objectives. Each is assigned a colour (red, amber or green) and a written justification for the position of the traffic light. Three different traffic lights are used to assess different stages of the logic model.


Figure 7: Sida's traffic signals



The **implementation** traffic light is used to assess the agency's activities. The member of the strategy team performing the traffic light assessment (usually a manager) will assess how implementation is progressing in everyday operations. So, this is an assessment of all of the activities that the strategy team is implementing in order to achieve an objective, such as entering into an agreement with a partner.

The **relevance** traffic light is used to analyse the relevance of the portfolio of activities Sida is implementing and initiatives it is supporting. The colour of the relevance traffic light depends on how well the portfolio meets the challenges of achieving the strategic objectives and contributes, or can be expected to contribute, to the desired results in line with the theory of change.

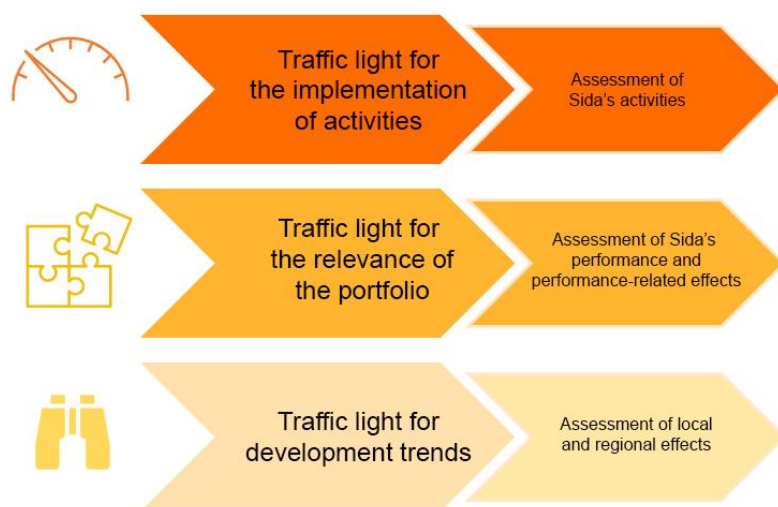
Table 1. Traffic light assessment of an objective in the Strategy Report for Burkina Faso 2022

<p>Objective 1.2: Stronger democratic institutions and increased openness and capacity in public administration</p>	
<p>The relevance of the portfolio</p>	
<p>The embassy considers that, during 2021, through support for the national parliament and the electoral support project with UNDP, the portfolio continued to develop well in line with the operationalisation plan. Plans for a new initiative for parliament have been paused due to political developments in the country, as has the initiative in support of the National Institute of Statistics and Demography. Due to the coup d'état, the electoral support project will be terminated. Since the elected government was overthrown and Burkina Faso is now governed by a military junta, it is important that the embassy seeks out non-governmental actors to strengthen democratic institutions before, during and after any transitional period.</p>	

In this way, the traffic light system facilitates an assessment of the agency’s performance and, to a certain extent, performance-related effects. An amber or red light indicates that the portfolio is no longer sufficiently relevant. This may be, for example, because the context has changed dramatically, as was clearly the case in Burkina Faso (see Table 1), that some initiatives funded by the agency have failed to deliver the anticipated results, or that Sida has come up against significant difficulties that demand a change of approach and direction. In certain cases, a single initiative in a portfolio designed to achieve an objective may be lacking in relevance. An amber or red light may even require the strategy team to rethink its theory of change and the problem analysis and assumptions underlying the portfolio.

The **trend** traffic light is used to analyse how development cooperation is progressing in relation to the strategy and the extent to which Sida’s initiatives and activities are contributing to achieving the desired effects. This traffic light is an important point of reference for the agency in understanding and comparing trends in the contexts in which we work.

Figure 8: The relationship between traffic lights and logic model



For each traffic light, there is a set of assessment criteria for deciding the colour of the signal. However, the crucial factor is the knowledge and expertise of the individual making the assessment. This knowledge and expertise can be found in the strategy team. Sida also provides various types of support and tools to reinforce the ability to make well-founded, objective assessments.

Assessing results in practice

In conjunction with preparing the annual strategy reports submitted to the Swedish Government in 2022, the strategy teams in both Bolivia and Guatemala conducted traffic light assessments that, especially in the case of relevance of the portfolio, led them to reconsider their theories of change. One concrete example of this is provided by Bolivia, where theories of change were predicated on extensive cooperation with the Bolivian authorities in order to achieve broader change. Small-scale pilot projects were to be implemented with partners before being scaled up with the aid of the country's government agencies. While certain pilot projects had

achieved positive results, they had not yet been scaled up as collaboration with government agencies in the country had failed to deliver the desired outcome. This led the team to conclude that the portfolio for many of the strategic objectives was now only partly relevant. The assumptions on which the theory of change was based – including that the possibility of making any real contribution to achieving the strategic objective was contingent on collaborating with the state – were thus challenged and this was reflected in the report submitted. The same issue raised its head in Guatemala, where collaboration with the state had deteriorated, altering the conditions under which work was being conducted.

How results are assessed may differ from one thematic area to the next. In Guatemala, there were a number of results to be reported in the area of democracy and human rights. This is an area in which Sweden has long been active and therefore has a well-established network of partnerships with organisations whose methods and approaches have proved effective when it comes to achieving results. Thanks to robust, long-term cooperation with civil society, these are also issues where Sweden feels it can contribute most added value in relation to other donor countries. That said, it has become more difficult for development cooperation to have a broad impact and to scale up support within this area due to a deteriorating democratic climate and the lack of political will shown by the Guatemalan authorities. This means that, despite initiatives delivering on their objectives, it is difficult to contribute to overall development and generate effects at local and regional level. The area of climate and the environment, on the other hand, was new to the strategy and the portfolio not as well established, hence there were fewer results to give an account of in the strategy report. However, initiatives and activities in the area of climate and the environment may be a way for Sida to gain legitimacy in the country context and thereby also strengthen its work with democracy and human rights.

Sida takes a two-part approach to reporting results to the Swedish Government: firstly, an assessment of the relevance of portfolios, the implementation of activities and development trends; and secondly, qualitative narrative descriptions and analyses of the results and effects of initiatives collated by the agency based on reports received from partners, field visits, evaluations, reviews and reports. As traffic light assessments of the relevance of portfolios and trends in development cooperation are conducted at the level of strategic objectives, and all traffic lights are assessed at strategy level, data can also be edited and aggregated to describe Sida's overall performance or performance in relation to a specific bilateral, regional or thematic strategy, appropriation category or strategic objective. This allows Sida to aggregate assessments of implementation, relevance and development trends at objective or strategy level without the need for standardised results indicators.

Following the results of initiatives

Sida's approach to following up results at initiative level is imbued with the four principles of effective development cooperation to which the Swedish Government is committed.³⁸ Sida does not require that partners' theories of change for initiatives contain any specific terminology or are presented in a specific format; rather, they should use whatever results-based working methods they consider suitable. This implies, for example, that partners may describe the relationships between objectives, various levels of result-attainment and underlying assumptions using terminology they are already familiar with. This is in accordance with the principle that it is not the donor's but the partner country's existing system for planning, monitoring and reporting that should be used to follow up development cooperation initiatives.³⁹ This also implies that theories

³⁸ Global Partnership for Effective Development Cooperation, Nairobi Outcome Document, 1 December 2016.

³⁹ Ibid. p. 14.

of change at initiative level may differ significantly from one initiative and partner to the next depending on the complexity of the initiative and the method the partner chooses to manage the initiative.

The theory of change proposed by the partner is reviewed by Sida's case officer as part of the process of preparing an initiative. Among other things, Sida assesses whether the initiative is in line with the strategy and the theory of change formulated by Sida. In the relationship between the theories of change at strategy and initiative level, the guiding principle is that Sida's partners themselves are responsible for, implement and own their own development plans and funds, in line with the principle of country ownership.⁴⁰ Sida's own theories of change at strategy level thus provide guidance in dialogue with partners before and during the preparation phase. This approach ensures that strategic objectives and Sida's theories of change do not exert too much control over how potential partners design their own initiatives and that partner countries' own development strategies take centre stage. The point of departure is that theories of change are so ingrained in the teams working on a strategy that they will permeate the choices the agency makes when compiling and adapting a portfolio of activities, partners and initiatives to achieve the strategic objectives. This places overall responsibility on the team implementing the strategy, particularly on the case officer preparing the initiative.

Theories of change provide a structure for following up from a holistic perspective

To illustrate how theories of change in strategies are used in practice by Sida today, let us return to Bolivia and Guatemala. Theories of change are used to some extent when choosing which initiatives to support in these two countries. However, both strategy teams

⁴⁰ Global Partnership for Effective Development Cooperation, Nairobi Outcome Document, 1 December 2016, p. 9–10.

emphasise that, when it comes to achieving the theoretical change envisioned in a given strategic objective, the most important thing is the composition of the portfolio as a whole, not the individual initiatives. According to both teams, this bigger picture is a constant presence, as theories of change at strategic objective level are so ingrained in the team. In this sense, the theories of change contained in the strategic plan are a common platform used to reevaluate the assumptions and conditions on which the choices of case officers are based, rather than a fixed document that must be reread before every choice is made. The important thing is the process of arriving at a theory of change; it is here that the underlying analysis and the shared picture of what the portfolio needs to contain is institutionalised in the team. Theories of change thus provide a structure for following up from a holistic perspective, as recommended by ESV in its overview.⁴¹

Sida uses theories of change to follow up the results of each initiative by relating to the strategy level in two different phases. Firstly, when preparing an initiative, the relationship between its objective and theory of change and the theory of change at strategic level, to ensure that we are funding an initiative that will contribute to achieving the strategic objective. Secondly, the relationship between the anticipated results of the initiative and the anticipated results formulated in the agency's theory of change for the strategic objective. This takes place within the framework of the traffic light for the relevance of the portfolio. In this way, we can understand whether the initiative and its anticipated results are relevant to the strategic objective.

Sida's approach is highly dependent on the strategy team's ability to keep the theory of change updated and relevant to the activity. It also relies on the ability of case officers to communicate and discuss the links between the theory of change at strategy level and initiative level with partners in a constructive and mutually reinforcing

⁴¹ *Verksamhetsanpassad styrning – en översyn av regeringens styrning och Sida interna effektivitet, ledning och uppföljning*, ESV (2020:47), 30 November 2020 p. 104.

manner. At the same time, the quality and consistency of theories of change vary from one strategy to the next. ESV's report notes that the theories of change in certain strategies are so vaguely formulated that they provide little support for decisions on which partners and initiatives to fund.⁴² In its most recent audit of Sida, the Swedish National Audit Office also states that the agency has generally not presented and justified the overarching choices and priorities that have been made to contribute to the strategic objectives and that led to the choice of initiatives.⁴³ During 2021 and 2022, Sida prepared clearer instructions, templates and support with the ambition of finding a balance between the need to provide teams with support and guidance and external and internal requirements for documentation. In so doing, the agency hopes to continue to base its operations on the principles of effective development cooperation while at the same time anchoring the theories of change in strategies more firmly in the agency's initiatives.

Responsible case officers at Sida also assess the results of an initiative annually and when the initiative is completed. The initiative's theory of change is a useful tool during such assessments. Assessments at initiative level can be aggregated to analyse the results of all initiatives related to a strategic objective or strategy. This type of aggregation and analysis is used when preparing annual strategy reports to, for example, support assessments of the combined contribution of initiatives to achieving a strategic objective. This demonstrates that, today, it is possible to follow how performance has been assessed in relation to the initiative's own objectives and theory of change. That said, we also know that the quality of theories of change and of follow-up and evaluation plans at strategy level is variable and in some cases too vague to provide adequate support for choosing and designing initiatives. It is therefore not possible to say with certainty that an assessment of an initiative's results is the same thing as an

⁴² *Verksamhetsanpassad styrning – en översyn av regeringens styrning och Sida interna effektivitet, ledning och uppföljning*, ESV (2020:47), 30 November 2020 p. 70–71.

⁴³ *Who, how and why: Sida's choice of partners and aid modalities*, Swedish National Audit Office (2022:9), 27 April 2022, p. 5.

assessment of whether the strategic objective has been achieved. Strengthening work with theories of change and follow-up and evaluation planning may also make it possible to more clearly link theories of change at initiative level with the strategic level. This would allow assessments of the results achieved by initiatives to be used as, for example, a basis for the traffic light test of a portfolio's relevance.

External factors are the main reason why Sida needs to continuously adapt its operations to ensure that they contribute to achieving strategic objectives. At the same time, Sida's processes for following up results are vital to knowing when we need to revisit a theory of change and reconsider what the agency should be doing in order to actually contribute to achieving objectives. This is why the link between assessments of Sida's contributions and theories of change at strategic level are so important. Each assessment, whether of the agency's performance or of the results of our partners' initiatives, has the potential to take us back to our theory of change at strategy level to ask ourselves: are we doing all we can to achieve our strategic objectives.

Concluding reflections

The purpose of this chapter is to describe the Swedish Government's governance of Sida and to illuminate Sida's approach to and development of theory of change at a strategic level. We have also looked at how Sida follows up and reports results based on the principles of effective development cooperation and the conditions laid down by the Swedish Government in its governance of the agency.

Sida's approach to management by results is to promote adaptive, needs-driven development cooperation that strengthens local ownership and focuses on the priorities and needs of recipient countries, partners and target groups. To achieve this, Sida has chosen to disregard standardised indicators in favour of its own

traffic light system for monitoring the agency's results. The challenge facing Sida is to follow up and report results in a manner that facilitates both needs-driven development cooperation and aggregated reporting of the agency's results. The point of departure for operations is the assumptions made about the relationship between Sida's activities and the results intended to contribute to achieving the strategic objectives.

Some of the main points of departure when designing the instructions, templates and support tools for formulating theories of change and assessing Sida's contribution is compliance with the four principles of effective development cooperation. Moreover, the analyses and assessments performed at the various stages of the logic model are designed to provide the broadest possible view of development cooperation, so that the agency can continuously adjust its work to remain relevant and effective. It is, however, important that the agency is able to strike a balance that provides strategy teams with both sufficient support and the necessary leeway to formulate theories of change that can truly support planning, monitoring and evaluation. The simpler theories of change are at strategy level, the easier it should be to integrate them into the preparation, implementation and evaluation of Sida's initiatives, thus helping the agency to operate from a holistic perspective. This working method should also give the agency a better understanding of how it can contribute to the main aim of Swedish development cooperation: to create preconditions for better living conditions for people living in poverty and under oppression.

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Is It That Time Again? Lessons from Previous Attempts to Measure the Results of Development Cooperation¹

Janet Vähämäki and Númi Östlund

Answering the question of how the results of international humanitarian assistance and development cooperation contribute to change has been a key concern, and challenge, ever since Sweden began donating bilateral aid in the 1960s. In late 2020, the Swedish Agency for Public Management and the Swedish National Financial Management Authority (ESV) recommended that the Swedish International Development Cooperation Agency (Sida) should develop its work with theory of change at a strategic level in order to strengthen learning, evaluation and monitoring when implementing the Swedish Government's strategies (Swedish Agency for Public Management and ESV 2020). While the two supervisory authorities affirm that Sida's governance, follow-up and reporting generally function well, their report states that "Sida needs to continue to develop its work with following up and describing aggregated results at objective and portfolio level" (Swedish Agency for Public Management and ESV 2020, p. 68). In 2022, the Swedish National Audit Office once again stated that Sida should be developing its work with theory of change (Swedish National Audit Office 2022).

External pressure on Sida to develop its processes for following up and demonstrating the results of humanitarian assistance and development cooperation is nothing new; indeed, previous research

¹ This chapter has been translated into English by EBA. There can be translation errors in the text as the translation has not been reviewed by the authors.

suggests that, a decade having elapsed since the last results initiative was launched, it is “that time again”. In her doctoral thesis *Matrixing Aid: The Rise and Fall of ‘Results Initiatives’ in Swedish Development Aid*, Janet Vähämäki shows that additional pressure to demonstrate results has been exerted at 10–12-year intervals since the 1960s (Vähämäki, 2017). On each occasion, this external pressure – whether from supervisory bodies, the media, debates in the Riksdag or on the Committee on Foreign Affairs, or from a harsher climate on international aid in general – has led to Sida launching an agency-wide results reporting initiative. The most recent example was the so-called “results agenda”, mainly imposed under the centre-right government from 2006 onwards. Then, as now, there was external pressure on Sida to develop its processes for following up and demonstrating results. On that occasion, the outcome was upheaval at the agency, which was reorganised, its management replaced and new working methods introduced (Sundström 2022). Today, as then, in addition to the recommendation from the Swedish Agency for Public Management and ESV, we see significant political pressure being exerted on aid, including motions to increase results reporting and quality assurance.

As noted, the results agenda was not unique; on the contrary, external pressure on the agency to develop its work with following up and reporting results is a recurring theme in the history of Sida. The agency’s response is equally predictable and strengthened reporting requirements are currently being considered in an attempt to more clearly demonstrate the results produced by development cooperation. In total, Sida has now implemented four major results initiatives, each intended to improve the follow-up and reporting of results at the agency. In addition to its response to the results agenda in 2006, Sida implemented similar initiatives in 1971, 1981 and 1998 (Vähämäki, 2017).

So, there is no shortage of experience gained and lessons learned from previous results initiatives that could contribute to the development of the new model for operationalising and following up strategies and the theories of change that the Swedish Agency for Public Management and ESV are seeking. In this article, we describe previous results initiatives and the experiences and lessons that may prove invaluable when considering new models for describing how Swedish aid contributes to international development.

Previous results initiatives

Any development of Sida's work with theory of change in development cooperation strategies can only benefit from the lessons of previous results initiatives implemented by the agency over the years. While these earlier initiatives differ significantly in design, one common denominator is that, to some extent at least, they were all initiated in response to external pressure to develop the agency's work with following up and reporting results. Another thing they have in common, and one that should not be overlooked when planning new results initiatives, is that each died a death after a couple of years without having any lasting impact on the overall governance of the agency. Interestingly, it should be noted that they did perform one important function in as much as they all contributed to the legitimacy of the agency, and thus to the legitimacy of development cooperation (Vähämäki 2007, page 241).

The previous initiatives are briefly described below, before the potential lessons and highlighted in the next section.²

² The review of earlier initiatives in its entirety is based on Vähämäki 2017, cf.: pages 72–98, “SIDA’s Results Valuation Initiative (1971–1974)”; pages 99–128, “SIDA Project/Program Follow-Up System (1981–1987)”; pages 129–162, “Sida Rating System (1998–2007)”; and pages 163–197, “The Results Summary Initiative (2012–2016)”.

SIDA's Results Valuation Initiative (1971–1974)

The second half of the 1960s saw pressure building on Sida's predecessor, the Swedish International Development Authority (SIDA), to develop a working method for demonstrating the results achieved by Swedish aid. Critical reports were published by both the Riksdag and the National Audit Bureau (RRV) and the role of the authority was also being questioned in the public discourse. SIDA was first instructed to include qualitative and quantitative data on results in its reporting in 1969.

During 1971, SIDA launched the results valuation initiative, the main purpose of which was to systematise the authority's planning work and replace subjective assessments of the effects of aid with objectively verifiable data. One important point of departure at this time was that aid should "help countries to help themselves", hence detailed objectives for a given project or programme were to be specified by the recipient of aid, not by SIDA. The primary users of the collected data concerning the results of aid were to be the recipient countries. A secondary benefit was that SIDA would have better data on which to base decisions at an overall level.

The authority's principal assignment within the framework of the initiative was to ensure that a plan was in place for the implementation of development cooperation initiatives that included details of how results were to be evaluated and followed up. A hypothesis was to be formulated concerning how this was to be achieved, together with a plan for sub-goals, activities and costs. Data concerning results was primarily to come from recipient countries as part of ongoing follow-up and reporting. When necessary, SIDA could also ensure that additional information or assessments were obtained from external experts. Based on this data, it was then up to SIDA to contribute an assessment of the results achieved in relation to set objectives. Theoretically, it should have then been relatively simple to calculate the actual results based on statistics or other objectively verifiable information; in principle, the results of aid could be calculated as the sum of [formulated objectives] divided by [actual outcome].

It is interesting that aid recipients in SIDA's partner countries were seen as the primary users of results data, which they were to utilise in decision-making, planning, improvement measures and for learning. This was in line with the ambition of giving ownership of international aid to recipient countries rather than donors driving the agenda.

When the results valuation initiative was launched, it immediately sparked discussion within SIDA concerning how measurable objectives might be formulated and at what level. One widely held belief among staff at SIDA was that the measurable goals being demanded would not directly contribute to the practical implementation of initiatives, nor to achieving the desired results. Rather, they were formulated to meet reporting requirements handed down from SIDA's head office in Stockholm. For this reason, the results initiative was largely viewed as an administrative imposition taking valuable time away from the actual work of supporting international aid initiatives in the field. Indeed, field managers at the time underlined that resources were being redirected from operations to following up and evaluating results without providing any added value. Nor was there any demand from recipients for more detailed results reporting.

When the results valuation initiative were eventually followed up, it was confirmed that its model for calculating results was only applied in approximately 10 per cent of SIDA's initiatives. Nor did the data received by the authority during the initiative have any practical use as a basis for reaching decisions, as it was deemed to be substandard and too difficult to compile/aggregate. Of course, from the outset of the initiative SIDA had been clear that the primary users of results data were to be recipient countries rather than the authority itself. With time, as it became clear that there was no real demand for support with results reporting from recipients, but there was clearly still a need for statistics for SIDA's own reporting, this attitude shifted.

In 1974, there was a shake-up of the results valuation initiative and a new programme was launched incorporating many of the lessons learned. Among other things, the new programme clarified the

relationship between Swedish aid and various objectives in both the recipient country and Sweden. A hierarchy of objectives was also introduced in order to distinguish SIDA's specific contribution. The emphasis on "simple" quantitative metrics for following up and reporting results was also dropped in favour of qualitative narrative accounts of SIDA's activities.

SIDA Project/Programme Follow-Up System 1981–1987

The wind of neoliberalism that blew through many societies during the 1980s had an obvious impact on international aid. The previous ownership imperative shifted to a donorship view of aid with the emphasis on rules, controls and monitoring. In donor countries, there was an explosion of interest in evaluating aid and all major donors established departments to this end. In the public discourse too, there was stinging criticism of how international aid had been managed during the 1960s and '70s. In the eyes of the public, Swedish aid policy was in the hands of naive zealots who were throwing money at problems without any consideration for whether results were being achieved. External criticism of aid agencies and their inability to demonstrate results became harsher in the early 1980s. The Riksdag's Committee on Foreign Affairs took up the matter in a number of debates and motions, noting that the Swedish public was well within its rights to demand better insight into the results and benefits of international aid. Now, the ultimate aim of compiling results appeared to be domestic reassurance – of the Riksdag, the government and the Swedish tax payer – rather than to provide tools for the recipient country to implement future aid initiatives. Naturally, in this landscape a new interest in results reporting was born.

In the early 1980s, the general picture within SIDA was that the authority lacked systematic data concerning the results the authority was contributing to achieving. It was noted that, should the need

arise, the director-general would be unable to answer the questions of politicians and journalists concerning the results of international aid. To deal with this challenge, SIDA looked to fellow aid actors USAID and the World Bank, both of which had developed a results framework. Duly inspired, in 1981 SIDA launched a new initiative, the SIDA Project/Programme Follow-Up System.

While the main purpose of the new system was to follow up, catalogue and publish the overall results of Swedish aid, the initiative was also intended to promote learning that could contribute to future operations. The ambition was to publish an annual catalogue of the results of Swedish aid. This was to be compiled by sending a results matrix to SIDA field offices in Swedish embassies in recipient countries. The results of all initiatives were thus to be described according to the same model.

It is interesting to note that the launch of the new working method does not appear to have been informed by the analysis of the 1971 results initiative, nor the lessons learned. There was no reflection on the difficulty of describing results.

The initial response from SIDA's field offices contained significant warnings about the risk that the new system would prove to be an administrative burden and difficult to implement with any degree of quality. The forms sent from SIDA in Stockholm were amended several times over the coming years due to internal criticism and SIDA's departments and field offices continued to voice misgivings about the value of compiling results in this way throughout the lifetime of the initiative.

The first results catalogue was not published until 1984. This, however, mainly contained information about the objectives of SIDA's initiatives rather than the results. The utility of the document was questioned internally and it was therefore decided to limit distribution to within SIDA and the OECD Development Assistance Committee (DAC) Network on Development Evaluation. Both the catalogue and the model itself were criticised

internally for failing to deliver any added value to SIDA's operations. Despite these doubts, further requests were sent to SIDA's field offices to complete forms on the results of development cooperation. The second results catalogue was published in 1987. This too mainly contained descriptions of projects rather than data on results. The initiative was wound up after the second publication without either catalogue having an appreciable impact. Remarkably, despite this seeming failure, the initiative succeeded in silencing the external criticism that prompted it.

Sida Rating System 1998–2007

The aid discourse of the 1990s was dominated by the emerging international agenda to improve the effectiveness of development cooperation through common working methods and standards. In Sweden, the results achieved by development cooperation, and how these were followed up and reported, were a near-constant source of debate throughout the decade. In 1995, the government tasked Sida with compiling and reporting the results of the agency's country strategies. However, in 1998, the Parliamentary Auditors noted that Sida's internal planning was inadequate as a basis for following up results. The agency also lacked adequate "reporting discipline". As a consequence, in the same year Sida was given the government assignment of developing methods for the management and following up of results. In 1995, Sida adopted a new working method, Logical Framework Analysis (LFA). LFA was not new in itself; originally developed by a consultancy firm to support the U.S. Department of Defense during the Vietnam War (cf. the chapter by Reinertsen), it had been used by aid actors since the 1960s. The plan was to use LFA in the agency's contribution management and all Sida employees were encouraged to attend LFA training courses. The Sida Rating System (SiRS) was launched at the same time, once again inspired by the World Bank. The ambition was to provide the agency and its staff with unambiguous and comparable data on the implementation and results of development cooperation. LFA was

to provide a framework for rating the efficacy of an initiative. The rating model was similar to the traffic light model used by Sida and many other organisations today (cf. the chapter by Nordström and Heine). The information compiled did not consist of objective data on goal-attainment in a project but of subjective assessments by case officers and managers of how well an initiative was working. Initiatives were rated on a standardised scale and the intention was to aggregate the data for use in SiRS. A draft model was circulated for comments in 2000 and trialled within Sida in 2001.

In common with earlier initiatives, feedback from the organisation made clear that this too was largely perceived as an administrative burden with no obvious benefit to the practical implementation of development cooperation initiatives. Respondents also questioned the purpose of collecting the data, and for whom it would create value. Another problem that SiRS came up against was that, in practice, the LFA model was not being used in initiatives to a sufficient extent to provide the necessary data. Despite these teething troubles, it was decided to roll out SiRS to the entire agency beginning in 2003.

The roll-out was however greeted with indifference. The value of SiRS continued to be questioned internally and participation was minimal. In a review conducted in 2004, only 4 of 5,000 initiatives had been reported in full in SiRS. In the same year, reporting was made mandatory for most initiatives. Despite this, the problem continued and use of the system never took off.

The decision to discontinue SiRS in 2007 was in part blamed on problems with the IT system, which it was claimed made the administrative burden unsustainable. In truth, however, SiRS was simply never embraced by Sida's organisation, which saw no benefit to development cooperation initiatives in the model. Nor was the data on which initiatives were to be rated ever available, as LFA was not used to a sufficient extent.

The Results Summary Initiative (2012–2016)

A new centre-right government came to power in Sweden in 2006, and with it a new policy on the results of development cooperation. From now on, aid was to be transparent and result-oriented. According to the government's transparency guarantee, it should be possible to follow the aid chain all the way from the government's strategic objectives to individual initiatives, both in terms of where the money went and the results obtained. The issue of results was high on the political agenda of the coalition government and Minister for International Development Cooperation Gunilla Carlsson. The Swedish National Audit Office was critical of Sida's management of development cooperation initiatives in multiple reports, as well as in annual audit statements (2008–2012). This media was also critical of development cooperation and how it was being managed. The question of results was also high on Sweden's international policy agenda under the umbrella of effective development cooperation.

In 2007, the government introduced a new model for the results-based management of development cooperation. Stricter reporting requirements were also included in Sida's next appropriation directions and the following year a new director-general was appointed and the agency was reorganised.

This sharper focus on results reporting was however widely impugned by Sida's employees, as well as the organisations supported by Sida, and both managers and staff wrote to the minister to underline not only the administrative burden but also that it was unrealistic to expect them to demonstrate causal relationships between Swedish aid and results achieved in partner countries.

Despite Sida's attempts to open up a dialogue on what it considered to be unreasonable demands, in its appropriation directions for 2010 the government once again imposed stricter reporting requirements on the agency. This included the requirement that results reporting be based on validated results indicators and related to the government's strategic objectives for development cooperation.

Although Sida responded by placing greater emphasis on results reporting and instituting a number of new procedures for following up results, the government was not placated. The agency was sharply criticised by the Swedish National Audit Office on several occasions for deficiencies in internal governance and control. Against this background, in 2012 Sida launched a new working method for managing initiatives intended to meet the external requirements placed on the agency, including a reorganisation of the entire organisation. The ambition was to help Sida to do the right things when reporting results and to ensure organisational learning.

This new working method placed demands on case officers at Sida to assess the results frameworks presented by partners and incorporate the most important components from these into the agency's summaries of the results of each initiative. In practice, this was a results matrix with explicit results indicators for each initiative, with a specific baseline.

In conjunction with launching the new approach to initiative management, the agency also started two additional results-oriented projects: the first to prepare standardised results indicators, and the second to develop results communication. The ambition behind both was to contribute to quantifying and aggregating the results of development cooperation.

As in previous years, the new model met with significant internal criticism at Sida. Staff considered the amount of administration involved to be excessive and the model to be too rigid to suit the agency's work, and only a minority of initiatives were registered completely in the system. A review conducted by external consultants in 2013 concluded that, in their design, the results summaries were verging on counterproductive. As a result of the consultants' report, Sida decided to introduce a results register instead, listing selected results from each initiative. This was implemented alongside the traffic light system for assessing whether an activity or initiative was being implemented according to plan.

The results register too would be subject to criticism and an evaluation published in 2016 showed that the information in the register was not used as intended and if anything limited the ability of Sida's staff to gain a wider understanding of possible results. It also took up a great deal of time that could have been used for other more pressing tasks. It was recommended that the results register be discarded, a recommendation that led to some documentation requirements made by Sida's administrators being removed and the promotion of a so-called "simplification agenda". Sida's current model is described in the chapter by Nordström and Heine.

Lessons that can inform future work with results frameworks

In this chapter, we briefly describe the major results initiatives taken by Sida and its predecessor over the past 50 years. The question is, how much of this is relevant to anyone interested in initiating new ways to follow up and describe the results of development cooperation today? One obvious parallel is the external pressure that prompted earlier initiatives and that is once again visible in the public discourse. Largely the same stakeholders, political parties and supervisory authorities are making very similar demands for a greater focus on results.

In the Riksdag, the issue is being raised in debates, motions and committee reports. As recently as autumn 2021, it was argued in the chamber that "... one can no longer turn a blind eye to all of the deficiencies uncovered. It is time for effective, fit-for-purpose aid" and that "... our work must be evidence-based and we must have the courage to quantify our objectives and ambitions so we are better able to evaluate how effective aid is" (Riksdag 2021).

The Committee on Foreign Affairs has stressed the importance of good governance and results reporting for many years now, as well as underlining the importance of basing decisions on an analysis of results (Committee on Foreign Affairs 2021). Motions from certain

parties go further, demanding a “results guarantee” for development cooperation that allows Swedish citizens to follow all aid and see the results to which it contributes (Moderate Party 2021).

In line with the Committee on Foreign Affairs’ emphasis on good governance, the government tasked the Swedish Agency for Public Management and ESV with analysing and assessing management, governance and controls at Sida, as well as the agency’s effectiveness and how it follows up results. In their subsequent report, the two agencies raise a question that has recurred many times over the years: How can Sida report the results of its many initiatives to both promote internal learning and to describe those results to the government, the Riksdag and the public. In the end, their recommendation – the basis for Sida’s present work with theory of change – was couched in the following terms:

“In its follow-up and evaluation of initiatives and results, Sida primarily focuses on the initiative level. Even if the initiative level is the basis for following up [results], it is important that Sida develop its work with follow-ups and evaluations at portfolio and strategic level. Otherwise, there is a risk that follow-ups will thwart an integrated working method in which Sida takes its theories of change as a point of departure for choosing initiatives that complement and reinforce one another to promote goal-attainment. Sida should therefore to a greater extent design its follow-up and evaluation processes so that they support a holistic approach. Sida also needs to continue to promote dialogue and the exchange of information and experiences between strategy teams. This is vital to raising the quality of and increasing learning from the implementation of strategies, as well as improving the quality of annual reports.” (Swedish Agency for Public Management and ESV p. 92).

The Swedish Agency for Public Management and ESV's report also emphasises that Sida should “develop its follow-ups of strategies so that the results can be reported at a more aggregated level” (Swedish Agency for Public Management and ESV p. 7). It is also recommended that Sida should “to a greater degree base follow-ups at initiative and portfolio level on the theories of change underlying the agency's implementation of the strategies” (Swedish Agency for Public Management and ESV p. 9). It is clear that the two agencies would like to see a more comprehensive approach to integrating theories of change into the various levels of implementation (initiative, portfolio and strategy) and believe that Sida should be able to provide aggregated data on results. Like the results initiatives of yore, here too there is an envisioned endgame in terms of what improved results reporting can contribute to.

In spring 2022, the Swedish National Audit Office published an audit report on Sida that also recommended that the agency develop its work with theory of change.

Some dozen years after the last results initiative, Sida once again finds itself facing a familiar challenge: external pressure to develop a model – based on theory of change or some other logic – that is better able to demonstrate the results that Swedish development cooperation contributes to.

So, what can the agency learn from previous initiatives? Below, we will address five questions:

1. What can we actually learn about working with theory of change from previous initiatives?
2. What are the challenges and opportunities associated with aggregating the results of development cooperation?
3. Who uses results data and for whom is the model for following up results being instituted?
4. How can Sida and the recipient of aid own the development of a new model for governance and learning?
5. What is a reasonable cost for legitimacy?

1. What can we actually learn about working with theory of change from previous initiatives?

Sida has been recommended to develop its work with theory of change at portfolio and strategy level. This recommendation is rooted in many of the same concerns as the previous demands and expectations of Sida described above. This suggests that previous initiatives have much to teach us about how Sida can work with results models in general and how a new working method for theory of change might be designed in particular.

A theory of change is quite simply a way of describing how different types of activities can be assumed to contribute to an intended change. A theory of change can be formulated for anything from a single initiative, such as a project or programme, to all of the initiatives in a strategy or an entire organisation.

There are various ways to formulate a theory of change but usually activities are linked to results at various levels based on assumptions about what is required to achieve these results, i.e., assumptions about why change will happen. Theories of change are often linear, moving from activity to output, outcome and finally impact. There is however nothing to prevent us from formulating more sophisticated theories of change based on multiple nonlinear relationships and assumptions (see, for example, Vogel 2012 for a review of the use of theory of change in development cooperation).

Anyone working in international aid is likely to make the association between the above and the logical framework approach, an important development cooperation tool for many decades and the core of the Sida Rating System (SiRS) from 1995. A logical framework – i.e., a structure, or logframe, for describing the relationships between activities and results – must be built for every initiative at the planning stage. At first glance, it is not easy to distinguish LFA from later iterations of theory of change, nor is any practical difference immediately apparent to most users. Studies have also shown – and this is backed up by experience – that aid actors

generally stumble across the same difficulties with later versions of theory of change as with LFA (Ho et al., 2020; Vähämäki & Verger, 2019; cf. the chapter by Reinertsen). It is therefore crucial to ensure that the lessons learned from other methods, including LFA, inform our work with theory of change, so that we avoid the same pitfalls.

As described above, LFA was the ordained working method at Sida for almost a decade. Despite this, one of the reasons why SiRS was abandoned in 2004 was the organisation's unwillingness to embrace the approach. An external review commissioned by Sida in 2005, *The Use and Abuse of the Logical Framework Approach*, confirmed that, while LFA was seen as an important tool for providing donors and recipients with a common overview of a project's implementation, it was also the subject of stinging criticism by both practitioners and researchers for almost twenty years (Sida 2005). The report describes criticism from non-governmental organisations concerning the conceptual limitations of LFA as a working method. Among other problems, the model was seen as a simplification that failed to describe the complex reality of development cooperation, with a concomitant negative impact on both planning and following up activities. The authors also highlight the practical difficulties of using the approach. Experiences at Sida and NGOs demonstrated that, despite the major investment in time and resources, it was difficult to put a common working method in place. Once established, logical frameworks were also perceived as overcontrolling and activities were designed based on the logframe rather than real needs.

Theory of change was launched as a more adaptive and flexible working method than LFA. The ambition was thus to escape the problems identified above. Research also shows that theory of change may have a positive impact on the implementation of development cooperation, as long as continuous dialogue is maintained between the recipient and donor concerning the theory and the theory remains mutable during implementation. A theory of change is not simply a product, but rather an ongoing process. To escape the previous problems, it is also vital that the assumptions

underlying a theory of change are continuously and critically examined (Vogel 2012; Alexius & Vähämäki 2019). If a theory of change is viewed as a commandment handed down from on high, it will often meet resistance and may be counterproductive to the objective of the initiative, just like a logframe.

“We are deeply concerned that this way of working has reduced Theory of Change to serving the well-documented tendency of development assistance to standardize, to pretend to be able to capture messy realities and practices in neat, administratively convenient frameworks” (Ho et al., 2020).

As Sida strives to integrate theory of change at the various levels of implementation (initiative, portfolio and strategy), it is important to deal with both the formulation and use of theories of change at all levels, so that they are genuinely continuously adapted to the different conditions at each level. Among other things, this precludes simplifying theories at strategic level in order to meet a perceived need for aggregated data. It is also important that Sida succeeds in explicitly describing how more overarching theories of change contribute to activities in each strategy, rather than simply seeing them as an administrative burden imposed by Sida HQ. At strategy level, dialogue is therefore likely to be internal, in order to ensure that the organisation owns the theory and that it continues to be viewed as operationally valuable.

2. What are the challenges and opportunities associated with aggregating the results of development cooperation?

All earlier results initiatives have included a desire to aggregate data concerning all of the results achieved by Swedish development cooperation. Aggregating data on all of a donor’s results is seen as highly desirable and is very much de rigueur among aid donor’s

(Vähämäki & Verger, 2019; see also the chapter by Virkkunen and Bruun, on experiences in Finland). Aggregation is often seen as a simple way to report the overall results of development cooperation to the government, parliament and public in the donor country.

In Sweden, aggregated data has not historically been something that the external stakeholders that regularly criticise Sida have demanded. Apart from in 2012, when the government tasked Sida with investigating whether it was possible to introduce standardised indicators for development cooperation, aggregated data has been Sida's own hobby-horse. More often than not, aggregation initiatives have been designed by staff at Sida keen to see greater efforts to follow up and report results. In all of these initiatives, standards and indicators have therefore been developed in a specific thematic area or for reporting initiatives at a specific link in the results chain (output, outcome, etc.). During the SiRS initiative, a scale was developed on which case officers could subjectively rate how well an initiative fulfilled its objectives. The idea was that these ratings would later be aggregated. The rating system was similar to the present-day traffic light model used to follow up operational plans, etc. In addition to trying to improve results reporting within the scope of ongoing initiative management, all results initiatives have attempted to aggregate results data at initiative level for use at portfolio or strategy level, and so that Sida can report aggregated statistics in its annual reports.

So, why has it proved so difficult? And what general difficulties do other aid donors come up against (see Vähämäki & Verger, 2019)? The major difficulty, and something that can make aggregation counterproductive, is that there are simply no standardised indicators that all partners in recipient countries report on. Hence aggregation may hinder the implementation of development cooperation. Although indicators have been agreed on for measuring the sustainable development goals (SDGs) of the 2030 Agenda, there is no obligation on countries to report on them. This means that partners and countries follow developments in an area in various

ways. Donor countries are also committed to following up progress in an area using national/local systems pursuant to the Paris Declaration and subsequent principles for effective development cooperation. Donors have made this commitment because research shows that aid is most effective when it is adapted to local/national systems (see, for example, Wood 2011 and reports preceding the Paris Declaration on Aid Effectiveness). When donor's ask for reports on specific indicators in which they are particularly interested so that they can aggregate data, it may therefore incur significant administrative costs for the recipient country/partner to retrieve data on that particular indicator. This can prove counterproductive to implementation. The recipient country's problems will be compounded if different donors require different standardised indicators depending on what is currently "in fashion".

The fact that aggregation has been demonstrated to make implementation more difficult for recipients is one of the reasons why Sida's case officers have been reluctant to use templates or standardised indicators issued by head office. They have seen how difficult it is for recipients to retrieve the requested data and that asking them to do so has a negative impact on aid initiatives. Case officers have also seen that this data is not used in decision-making and is therefore "superfluous", something that undermines their efforts.

It is difficult to standardise results indicators that allow the aggregation of results data from different programmes, countries and themes. Sida's operations span a great many strategy areas and contexts. Development cooperation is also implemented by various types of partner organisation. In the region of 2,000 initiatives are implemented each year (Sida 2021). In their report on the government's governance of Sida, the Swedish Agency for Public Management and ESV note that the government defines so many priorities that it is difficult to discern what actually constitutes a priority (Swedish Agency for Public Management and ESV 2020). A further difficulty is that each initiative must relate to the local

objectives formulated by the partner. Historically, the outcome has been that standardised results indicators requested of recipients in the field are often perceived as irrelevant to the activity in question.

One clear pattern in earlier results initiatives has been an ambition to demonstrate specific causalities in development cooperation (Vähämäki 2017). Three of the four initiatives also sought to demonstrate the specific Swedish contribution to the results of development cooperation, despite this not being a formal request from the government. While having a hypothesis about the causality between activity and outcome at the planning stage can be perceived as contributing to an understanding of the proposed initiative, establishing a results chain in the plan and expecting the recipient to rigorously pursue it has been shown to be counterproductive. In reality things never go exactly to plan. This is why the new trend for adaptive follow-up is so important.

Attempting to isolate how Swedish initiatives contribute to results runs counter to commitments on effective development cooperation, including donors' commitment pursuant to the Paris Declaration to rely, as far as possible, on partner countries' results-oriented reporting and monitoring frameworks. In practice, Sweden's desire to follow the results chain to see how our funding has contributed to results has led to a "projectification" of development aid, as it is impossible to know exactly what impact Swedish funds have in a joint programme. The futility of attempting to isolate how Swedish initiatives contribute to results should therefore be acknowledged.

Perhaps any new model should avoid the temptation to aggregate results across strategies or portfolios in an overly simplistic manner. Given the breadth of development cooperation both thematically and in terms of country context, it is debatable whether establishing specific Swedish results indicators is the right way to go. Perhaps aggregation should be based on a more in-depth qualitative analysis in each individual result area. The question is: Who is most qualified to do so? The waves of interest among in results reporting in the

wake of new public management has led Sida, like many of its fellow aid actors, to employ more experts in financial control and budgeting, more lawyers, more monitoring and evaluation professionals, and so on (see, for example, Alexius & Vähämäki, 2021; Vähämäki & Verger, 2019). This has been at the expense of staff with thematic competence or research backgrounds who are qualified to perform in-depth analyses. Because of public procurement legislation etc., Sida and other aid actors also work with consultants and consultancy firms to a greater extent today, rather than researchers and the scientific community. If Sida wants to perform more in-depth analyses of thematic areas, it may prove necessary to actively counter this trend, both by once again recruiting those with thematic and analytical skills and by collaborating with those who can contribute them, such as researchers.

3. Who uses results data and for whom is the model for following up results being instituted?

One lesson to be learned from previous results initiatives is the importance of clearly articulating who a results model is for. Is it for Sida's internal governance and decision-making, for external communication or to provide results data to partners? As observed in the section on aggregation, it is problematical if we begin from a Swedish perspective rather than from results measured in recipient countries. So, is our model being designed for our own internal governance, thematic learning or external auditing and reporting? It might not always be possible, or indeed necessary, to deliver to all of these areas of use with a single model or form.

What earlier results initiatives make abundantly clear is that previous demands for results reporting imposed on the organisation have failed to take root because the agency's staff saw no obvious value in them for their everyday work with Sida's core operations. While staff might well agree that results are paramount, previous research initiatives have failed to convey how the data collected might

contribute to improving Swedish development cooperation. Instead, results reporting has simply meant more work, redirecting resources from what staff considered to be their “real” jobs. This has not been helped by the perception that the reported results were never used by policymakers or those making decisions in day-to-day operations. This same tension is described in the chapter by Reinertsen.

Previous research initiatives have been propelled by external expectations, primarily related to results reporting and accountability, and were perhaps designed primarily to meet these expectations. Still, once the initiatives were launched, the secondary purpose was clearly that results data could also benefit internal governance and learning. While, at least in the case of individual initiatives, this eventually came to pass, the demands have largely been viewed as an administrative burden.

When considering any new model for formulating how aid is to deliver results, and that can form the basis for following up and organisational learning, it behoves us to keep these lessons in mind. Which types of data or processes are required to meet the various needs that different aid actors are likely to have? And is there any reason why we have to meet every need with the same kind of solution?

Perhaps, for example, general information describing development can be retrieved from data that Sweden and others have agreed to use within the framework of the 2030 Agenda. Maybe processes for internal governance and learning could be more qualitative, acknowledging the thematic expertise that should be available within Sida.

There is a sustained lack of belief that development cooperation can adequately contribute to the general good, even if its level has varied over time. Although the result data generated in earlier initiatives was not used for the intended purpose, according to Vähämäki (2017) it did succeed in increasing the legitimacy of development cooperation. It is clear that external criticism of Sida’s follow up and reporting of results has subsided once the agency has rolled up its sleeves and

made an effort to improve by launching an initiative. It is vital to maintain a dialogue about results and how they are followed up, but also to inform politicians and the public about the complexity of development cooperation and the inherent challenges of measuring results.

These are lessons Sida needs to assimilate in order to be better at communicating results, perhaps more than anything to avoid conflating demands for functioning internal governance and learning with external reporting requirements.

4. How can Sida and the recipient of aid own the development of a new model for governance and learning?

As described above, all previous results initiatives have been impelled by external pressure on Sida to develop its work with management by results. In addition to criticism from outside the organisation, there have also been proposals or demands from external “reformers” keen to impose their own views. This is very much the situation today, in which general criticism is combined with recommendations from external agencies (the Swedish Agency for Public Management and National Audit Office). The actual task of designing working methods for results reporting and management by results has, however, always landed on the desks of staff at Sida HQ. In the face of external criticism, these inhouse “designers” have enjoyed the support of Sida’s management and the director-general for their ideas and proposals and the proposals and decisions to launch these results initiatives have been made jointly by their designers and Sida’s management. Once the decision was taken, the initiatives were left in the hands of their designers.

As previously noted, earlier results initiatives have not been embraced as sustainable working methods by Sida’s staff, but have largely been perceived as an administrative burden without any

obvious added value for the organisation. There are clearly important lessons to be learned from previous results initiatives for anyone designing a new planning and monitoring model, whether based on theory of change or some other method.

The design of previous initiatives was not a collective effort but rather the work of a few individuals, mainly designers at Sida HQ in Stockholm. Models and matrices have been circulated for comments before being trialled but most staff members felt that their comments fell on deaf ears, leading to conflicts and an unwillingness among staff to buy into the initiatives. This raises the important question of how genuine co-creation and co-ownership of a new model can be ensured, even among aid recipients. Like in the chapter by Ewald and Wohlgemuth, we consider this to be a pressing need, both for the producers of results data – i.e., Sida’s staff, the organisations that conveys aid and recipients in the field – and the users of the data, i.e., recipients, Sida’s management, the Government Offices of Sweden, the Riksdag and the media and the Swedish public.

A more collective approach to designing results initiatives may contribute not only to the design itself, but also to spreading a sense of ownership of the new working methods throughout the organisation. Where previous initiatives were the de facto result of external pressure, in effect handed down from above, the agency could instead design a working method based on Sida’s own needs as defined by its employees.

The Swedish Agency for Public Management and ESV have affirmed that Sida needs to develop its work with theory of change at a strategic level in order to strengthen learning. This is nothing new; on the contrary, many studies have been conducted concerning how and whether Sida learns its lessons. In a review conducted in 2008, the Swedish Agency for Development Evaluation (SADEV) noted that the Sida’s working methods at the time were hindering organisational learning, stating that systems and administrative

procedures appeared to be designed to meet the needs of others and were contributing to a feeling of “administrative fatigue” rather than learning (SADEV 2008).

This highlights not only the importance of allowing the organisation to participate in designing working methods and structures, but also of having working methods that inherently contribute to internal learning and the development of the organisation. In so doing, working methods shift from being an obstacle to learning to actually promoting learning.

5. What is a reasonable cost for legitimacy?

Despite the fact that previous results initiatives failed to achieve their intended purpose, they were deemed to have been effective in giving the organisation legitimacy at a time when development cooperation and Sida’s administration of aid was being widely criticised. While international aid is always likely to attract criticism, the timing of previous results initiatives suggests that pressure intensifies in cycles of 10 to 12 years. By responding to criticism by offering reassurance that the agency was in the process of building up a system to improve the follow-up of results, the organisation gained legitimacy and blunted external criticism. However, as the results were never used for the intended purpose, and results initiatives incurred significant costs in time and resources, it is reasonable to ask if legitimacy alone was worth the price. Could legitimacy have been secured in some other way? While it is difficult to give a definitive answer to this question, when planning future systems for following up results it is important to give careful consideration to the purposes for which data on results is being collected.

One possible classification of purpose is: 1) accountability, 2) communication, 3) learning, and 4) decision-making (Vähämäki & Verger, 2019). Previous results initiatives have shown that legitimacy is achieved simply by the organisation demonstrating that it is making efforts to collect results data in some form as well as verbally

or narratively describing the results of development cooperation. As no aggregated data was delivered yet external criticism still subsided, one can draw the conclusion that, historically at least, legitimacy has not been contingent on providing aggregated data on results (Vähämäki 2017). Nor has aggregated data been used for organisational learning or internal decision-making to any great extent. This raises the question of whether it is worth the cost of collecting aggregated data.

Whether following up results gives value for money does not appear to have been a matter for discussion to any great extent since the 1970s. Sida's guidelines for results valuation issued in 1976 include a rule of thumb concerning what was considered reasonable expenditure for following up results: for an experimental project, between 5 and 10% of the budget; and for a normal project, 1 to 2% of the budget. This reflected the prevailing attitude in the 1970s that it was important not to burden those implementing initiatives with demands for following up results. Might it be worth examining this issue again? The evaluation of results is often seen as a means of assessing the cost-effectiveness of a project, but is evaluating results cost-effective in and of itself?

Still, the financial cost is not the only undesirable side-effect of requirements for the evaluation and reporting of results. There is also a psychosocial price to be paid for imposing stricter controls and demands on staff who do not see any benefits to the organisation, in terms of declining job satisfaction, increased stress and strained relationships between staff and management (Vähämäki 2017 p. 243).

Conclusions

This article has described how Sida has historically responded to external pressure and criticism of the agency's work with management by results. The agency has launched major results initiatives intended to strengthen its results reporting. One common thread running through all of these initiatives is that they started as a

response to external expectations and ended because they made an insufficient contribution to the agency's operations. Now, with a new external recommendation and ongoing debate in a number of forums, including the Committee on Foreign Affairs, there is every reason to look back and assess what lessons we can learn from earlier attempts to strengthen the agency's results reporting. For obvious reasons, this article barely scratches the surface of this issue. However, it does illuminate a number of important questions that Sida needs to address going forward.

Earlier results initiatives were largely viewed as an administrative imposition on the part of management and were never integrated into day-to-day operations. Many of the issues described above are rooted in a lack of broad internal ownership. Staff did not see any benefits for development cooperation from the reporting requirements that were imposed. This may be because earlier initiatives were multipurpose (external communication, internal governance and learning) and because of uncertainty about who was the intended end user of the data generated. It is therefore important that when developing a new working method – whether based on theory of change or something else – one is clear about the purposes for which results data is being collected and the intended users of the data. It is also vital to ensure that the purpose and objectives are supported by the intended users and producers of data (i.e., staff at Sida, organisations conveying aid and the recipients of aid). Otherwise, there is a risk that a new model will be rejected by the organisation, as well as incurring not only significant direct costs but also psychosocial costs for staff.

Previous results initiative also demonstrate the dilemma in the desire to, and sometimes necessity of, simplifying the results of development cooperation at the risk that doing so will prove counterproductive for both the recipient and internal governance. Those who administer Swedish development cooperation would like nothing more than to be able to offer the tax payer a simple answer to the question of what aid achieves. This often leads to attempts to

standardise performance indicators and aggregate results data, which in turn complicates development cooperation by imposing new demands on results reporting, thus redirecting resources from the implementation of initiatives. Finding a balance is no easy matter but it is possible if the purpose is well-defined, implementation is carefully planned and continuous dialogue maintained with both the producers and users of results data. We also see the value of continuously evaluating the results of the work itself with surveys of the organisation, both from a cost-effectiveness perspective and because the introduction of new requirements in an organisation always requires change work. Perhaps developing a theory of change for Sida's work with theories of change – and after a while evaluating the extent to which this work has gained a foothold in the organisation – may be one way forward?

One important conclusion that can be drawn from research into and the practical application of theory of change is that it must be rooted in an understanding that the theory is not an end in itself but an ongoing process in which the assumptions on which the theory are based are always up for discussion, both internally at Sida and with partners in Swedish development cooperation.

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Views on Development, Change and Ownership in Swedish Aid Policy: A Retrospective¹

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Today, the term *theory of change* is mostly used in relation to project planning and evaluation. When studied from a historical perspective, the term is elevated to macro-level and linked to broader development theories.

This chapter begins with a review of how development cooperation policy has changed and been discussed over time, and assesses the impact this has had on aid policy and methodology. From this review, we have drawn the following conclusions:

1. Swedish aid has had the same overarching objective for the last 50 years – the reduction of poverty.
2. Various theories of development have provided the basis for how the desired reduction of poverty is to be achieved. These development theories have varied over time, and at times they have existed in parallel to one another. Different actors may also have different views on development, and hence different theories of development.
3. The use of theory of change in development cooperation is an attempt to formulate how one might contribute to development in practice, often in line with a specific development theory.

¹ This chapter has been translated into English by EBA. There can be translation errors in the text as the translation has not been reviewed by the authors.

4. Although different development theories have held sway over the years, one key feature that has been consistently highlighted is the ownership perspective: aid is there to help people to help themselves.
5. Despite the fact that, in theory at least, ownership has always been a priority, it has not always been easy to integrate it into the theories of change that govern donors' practical implementation of development cooperation.
6. Regardless of which development theory is applied, a theory of change that fails to take local ownership as a point of departure is doomed to fail. This also applies under circumstances in which less and less Swedish aid is going to state partners and more and more is being channelled through other actors, and the percentage of local partners is increasing.

Background

Over recent years, the term *theory of change* has become increasingly associated with project planning and evaluation, in which it is used to answer the question of how and why a desired change can be expected to happen in a given context. Theories of change are used to map or fill in the missing pieces between the activities in a programme or initiative and how these lead to achieving the desired objective. In practice, this is a matter of first identifying the desired long-term objectives and then working backwards to identify the necessary outcomes to achieve them (Greene, D., 2018). As Goodier et al. (2018) point out, there are many different definitions of theory of change.

For our purposes, we will mainly use the term to describe a method that applies critical thinking to the design, implementation and evaluation of programmes and projects intended to achieve change in a specific context (Taplin et al., 2013; Valters, 2015; Vogel, 2012). This involves reflecting on both explicit and implicit assumptions about the project and the context in which it is implemented and the

envisioned long-term changes one wishes to achieve. To study the term from a historical perspective, we will depart from the discussion at project level to address how the discourse and literature published both in Sweden and internationally deal with change on a macro level, as project- or programme-specific theories of change are explicitly or implicitly linked to broader development theories. The means by which one intends to achieve change through development cooperation are, and have always been, linked to a broader view of how change contributes to development in general.

How development theory has shaped development cooperation²

The more or less explicit development theories applied during different eras reflect the debate within and development of the social sciences, the international community, ideological currents and civil society. Important themes include: the obstacles to development and how these can be overcome; which sectors drive development; the balance between state-led and market-led development; identifying actors and striking a balance between actors, institutions and structures; and with what types of interventions and by what means development cooperation can contribute (Carmody 2020; Hettne 2009; Overton and Warwick 2021; Pieterse 2010; Preston 2006; Rist 2020). One important distinction is between the challenges to development that arise from factors within a country's borders and those that arise outside and can only be dealt with

² This is a summary of the international discourse on the scope and terms of development cooperation and its role in supporting development processes up until the present day. To immerse oneself in this discourse, we recommend that you read the extensive literature on development theory (e.g., Hettne, 2009; McEvan, 2019; Pieterser 2010; Rist 2019). For a Swedish perspective, we recommend *Biståndets idéhistoria – Från Marshallhjälp till millenniemål* [Development Cooperation's History of Ideas: From the Marshall Plan to the Millennium Development Goals] (Odén, 2006).

through international cooperation. The theories of change formulated within development cooperation are thus based on discussion and debate in the field of aid policy, research into change processes, the political context and debate in developing countries.

Development cooperation as we know it today emerged during the 1950s and '60s, although not without extensive theoretical discussion concerning development in general and how it was to be achieved in practice, and the role of aid in this process. During this period, the debate was dominated by various forms of modernisation theory, including Rostow's (1960) stages of growth, and Huntington's (1968) theory of political development. These were highly influential and largely based on Western role models.

As more and more former colonies secured independence, they too entered the discussion, buoyed by self-belief and an optimistic view of the future and often critical of what was perceived as continued Western domination and the fact that modernisation theory failed to give due consideration to their varying structural, cultural and institutional conditions. This led to the emergence of more or less radical structural theories, including one that was to have a particularly strong impact, Andre Gunder Frank's (1966) dependency theory. According to Frank, the main reason why development was lacking was not the developing countries themselves but the actions of Western countries, which systematically held back development for their own profit through a system of global capitalism in which resources from these "peripheral countries" were transferred to the core developed nations. For poor countries to develop, a structural change was required to both the global system and developing countries. Alongside dependency theory, more liberal theories were also being formulated, such as the Lewis model of structural change – which proposed moving national economies away from agricultural to industrial production – and Gunnar Myrdal's book *Asian Drama: An Inquiry into the Poverty of Nations* (1968), which highlights the interaction of economic, political, social and cultural factors and the

importance of fighting poverty. Dependency theories and neo-Marxism would also play a political role in many of Sweden's development cooperation partner countries, including Tanzania, Ethiopia, Nicaragua and Vietnam, and later in the independent nations of Lusophone Africa. These structural development theories were the basis for a strategy developed by the Committee for Development Planning under the chairmanship of Jan Tinbergen. The committee, which consisted of both theoreticians and practitioners, was appointed by the Secretary-General of the United Nations in the late 1960s to come to grips with development problems. Its members included Ernst Michanek, then Director-General of the Swedish International Development Authority. This strategy encompassed everything that would become Swedish development cooperation policy: clear division of responsibilities between donor and recipient, a sharp focus on administrative problems, unconditional support for the one per cent target, and the redefinition of development to emphasise the importance of redistribution and social equalisation. This discourse included demands for structural reforms in recipient countries to ensure that aid would actually be translated into national policy for the benefit of the majority of the population. The environment was also discussed on the committee (Berg et al., 2021 p. 258). The Nordic countries were at the forefront of this discussion and the issues were thoroughly debated in academia, government offices, the trade union movement and the business community. This is well-documented in three historical works published in Sweden, Denmark and Norway respectively (Berg et al., 2021, Fries et al., 2008 och Simensen et al., 2003).

With the debt crisis and changing political winds of the late 1970s, neoliberal development theories began to hold sway. These theories saw bloated, inefficient and corrupt states, the lack of market mechanisms, import substitution and politically controlled exchange rates as the main problems and called for structural adaption by reducing state control, creating the conditions for market-led development, privatisation, market and currency deregulation and

export-led growth. This was an idea whose time had come and donors responded with increased demands on recipient countries in exchange for the resources they needed to escape the debt crisis.

By the 1980s, however, these neoliberal development theories were already facing severe criticism for underestimating the need for functioning institutions. It was argued that market-led development strategies were failing to create effective, inclusive economic growth, undermining the ongoing process of industrialisation, reducing access to education and other social services and contributing to extreme poverty. UNICEF and civil society organisations began to highlight the negative social consequences of structural adaption programmes. Although they did not question the need for structural reforms of economies and national budgets and for deregulation, it was stressed that these must not be achieved at the cost of investment in the social sector (Cornia, Jolly and Stewart, 1987). In 1989, the United Nations Economic Commission for Africa (ECA) published the *African Alternative Framework to Structural Adjustment Programmes for Socio-Economic Recovery and Transformation*, which emphasised the importance of functioning institutions, investment in people and long-term development: some form of developmental state was required (UN ECA, 1990).

The rapid development of the Asian tiger economies contributed to the theory of the developmental state as a vital precondition for overcoming market failures: *Bringing the State Back In*, as Evans et al. (1985) put it in their groundbreaking book. This was, however, to be a well-maintained developmental state that, like the Four Tigers, were to be characterised by good governance (World Bank 1993, Page 1993). With the cessation of the Cold War, there was also greater consensus that good governance demanded transparent mechanisms for accountability, participation and democracy (Smith 2007; Craig and Porter 2006). The perspective shifted from economic growth as a prerequisite for democracy to democracy as a prerequisite for applying pressure for change, maintaining good governance, combating corruption and the abuse of power, and

inclusive development policy. Democracy holds those in power to account and forces them to implement policies that benefit the majority of the population (Pietersee 2010).

During the 1990s, the United Nations Development Programme (UNDP) introduced the human development approach to advancing human wellbeing. Economist Amartya Sen was an important advisor during the development of what was to become a development theory based on human rights. According to Sen, people living in poverty have been deprived of their human rights, which must be restored by strengthening their capability to raise themselves out of poverty; development as freedom from various kinds of oppression but also the right to have basic needs met, to political participation and self-realization (Sen, 1999). Views on what drives development had shifted from the modernisation theories of the 1960s – focused on structuralist models that, for example, assumed that a large enough middle class was a prerequisite for establishing democratic governance – to a focus on individuals and actors.

Fighting poverty had become a common theme. Within UN organisations, structural adaption programmes were renamed poverty reduction programmes. At the World Summit for Social Development (WSSD), held in March 1995 in Copenhagen, governments agreed that the focus should be on reducing poverty and providing social services. In 1996, the Organisation for Economic Cooperation and Development (OECD) adopted the guidelines *Shaping the 21st Century: The Contribution of Development Co-operation*, which formulated a number of goals for global development. This fed into the discussion leading to the adoption of the Millennium Development Goals (MDGs) in 2000, with the goal of halving global poverty by 2015. Criticism of the MDGs led to a successor, the 2030 Agenda with much broader ambition in the form of 17 Sustainable Development Goals (SDGs) that apply to all countries, not just developing countries.

The foundations of Swedish development cooperation: From objective to development theory and ownership

The general development theories described above have shaped not only the international view of humanitarian aid and development cooperation but also the Swedish. That said, a historical review of Swedish development cooperation policy reveals a policy that has been built around the same core consideration for 70 years.

The roots of Swedish development cooperation can be traced back to Government Bill 1962:100, which was preceded by a commission of inquiry appointed to look into various aspects of development aid. Government Bill 1962:100 described the motives, objectives and means of Swedish development cooperation, which once the bill was passed grew rapidly throughout the 1960s and first half of the 1970s until by 1975/76 it reached one per cent of GDP. The motivation was an underlying sense of international solidarity. The overall objective was to “help raise the living standards of people living in poverty” and the means was to help recipient countries to help themselves, with the emphasis on taking responsibility for their own development. The overarching objective of Swedish development cooperation has remained largely unchanged since then, even if the formulation has changed slightly over time.³ Changes to thinking about the overarching objective can also be traced in the more detailed descriptions that have followed the formulation of the objective.

The Riksdag has also adopted a number of goals intended to contribute to achieving the overarching objective. These can be said to reflect not only the shift in the international discourse on development theories over the decades but also changing Swedish

³ Since 1962:100, the Riksdag has passed three subsequent bills establishing the objective of Swedish development cooperation: Government Bill 1968:101, Government Bill 1977/78:135, and Government Bill 2002/03:122.

policy priorities during the period. Government Bill 1962:100 included three governing goals: 1) contribute to an increase in productivity that is more rapid than population growth, 2) work towards the political development of society in a democratic direction, and 3) work towards a societal development in the direction of social equality.

During the late 1960s, Government Bill 1968:101 added an additional goal: to promote economic independence.⁴ During the 1980s, there was an increasing focus on the environment and ecological balance in the international discourse and Swedish development cooperation was consequently given a fifth goal: development cooperation should also lead to farsighted management of natural resources and care for the environment (Government Bill 1987/88:100). The 1990s saw greater attention paid to women's participation in development. Hence a sixth goal was adopted in Government Bill 1995/96:153: development cooperation should lead to gender equality between men and women.

So, with minor but important additions and reformulations, the overall objective for development cooperation has remained the same for half a century. At the same time, the focus, organisation, working methods and priorities have changed dramatically, in some cases completing a 360° turn so that in certain regards we have returned to a situation resembling the 1960s, although under external conditions with little or no resemblance (Odén 2006 and 2011, Wohlgemuth, 2012).

It is based on this motive, international solidarity, on the overarching objective of reducing poverty and the six sub-goals, and on the emphasis on the recipient countries ownership and responsibility for its own development, that we will address the issue of theory of change as a method for development cooperation.

⁴ Government Bill 1977/78:135 codified four goals in a single formulation: development cooperation should lead to increased resources, greater economic and social equality, economic and political independence and democratic societal development.

Development assistance is channelled through various aid actors, including the UN, regional organisations and the EU, bilaterally from state to state, through civil society organisations and actors in the private sector. All of these channels are important and each actor has their specific role in development cooperation. It should, however, be emphasised that there is a fundamental difference in the degree of influence Sweden can exert over bilateral development cooperation compared to that which goes through other channels. That said, in the following discussion we will largely deal with these jointly.

From development theory to theory of change and practice

Sida's Investigation Bureau was formed in the early 1970s. Its remit included developing a solid theoretical foundation for the long-term development of Swedish development cooperation, which at the time was in its most expansive phase. One of the tasks was to study development theory as a basis for developing and, above all, operationalising the goals of Swedish development cooperation. The fruits of this labour were published during the 1970s in a series of papers titled *Meddelande från Utredningsbyrån* [Communication from the Investigation Bureau]. This work was subsequently carried on by the Commission of Inquiry into Aid Policy, which led to Government Bill 1977/78:135 on guidelines for international development cooperation. As previously noted, extensive research and discussion was underway internationally that would culminate in the UN Report *A Study of the Capacity of the United Nations Development System*, also known as the Jackson Report after its main author.

All of this formed the basis for Sida's work with what we now call development theory and theory of change, a process perhaps best summarised in the report *An Analysis of Sida* published by the National Audit Bureau (RRV) in 1975. The auditor's report still stands up and is recommended reading for anyone seeking to understand the Swedish view of how a theory of change for development cooperation

should be formulated (RRV, 1975).⁵ The RRV first studies the development theory on the which the Government and the Riksdag is working, then the role of development cooperation in achieving the objectives prompted by this theory. The point of departure for the RRV is the Riksdag's stated position that the most essential means of development cooperation was to help recipient countries to help themselves, with the emphasis on taking responsibility for their own development. As underlined in Government Bill 100:8, "The nature of aid is mutual cooperation rather than unilateral assistance". According to the RRV, this implies that:

"Development theory analyses the causes of underdevelopment and proposes how it can be ended. The aid theory, on the other hand, proposes how resources in the form of capital and services should be transferred in order to achieve the aims of the chosen development policy."
(RRV 1975, Wohlgemuth 1976)

According to the RRV's reasoning, it was clear that the role of development cooperation was to apply the development theory and the development policy each recipient country has chosen to follow, rather than to directly influence and control it.

"The theory underlying aid policy thus does not have the same function as the theory for development policy; rather, it consists of analyses and arguments for the concrete design of aid. The aid theory is not intended as a roadmap for solving the problem of underdevelopment but for how the chosen aid policy contributes to supporting a given desired development policy established by the recipient country's government." (RRV, 1975).

⁵ It is also summarised in Chapter 2 of the anthology *Bistånd på mottagarlandets villkor* [Aid on the Recipient Country's Terms] (Wohlgemuth, 1974).

We will follow this reasoning in our own study of development theory and theory of change in development cooperation. We will find that, while the 1970s was a period when radical theories dominated the mindset, directly affecting how aid was managed, the situation took a remarkable turn during the 1980s, which was characterised by neoliberal development theories that had a significant impact on which theories of change and which aid policy and projects were pursued. From a situation in which state-led development was viewed as a prerequisite for building up institutions and economies, the state came to be viewed as an obstacle to development, which was to be led by the market and civil society. Aid policy focused on supporting economic liberalisation, privatisation and cooperatives, as well as social services. The situation changed again in the early 1990s, as it became apparent that this policy was having severe consequences in terms of widening income gaps, increased poverty and ill health and falling literacy rates. Market-led development needed to be combined with a functioning state and institutions.

Aid policy was changed to support institution-building and good civic governance, something that clearly demanded transparent mechanisms for accountability, participation and democracy. Neoliberal development theories were replaced by a theory that recognised democratic governance as a key factor in both economic and social development. Consequently, support was developed for democratic processes and institutions in the broadest sense. Increased human rights became a prerequisite for inclusive and sustainable development. In this sense, the theories of change formulated in development cooperation were following in the footsteps of broader social sciences theories: from structural to actor-oriented, from the collective to the individual. From the 1980s onwards, rational choice theory led to much more actor-oriented development theories. As a result, theories of change at project level also changed. They no longer involved extensive state or economic reforms; now, it was the actions of civil society and individual actors that were to create development. At the same time, there was

increasing focus on the individual and their human rights. Development cooperation increasingly shifted from bilateral state-to-state aid to funds funnelled through civil society and multilateral organisations and market actors, even if the importance of efficient institutions was still emphasised.

Ownership as a point of departure for theories of change in development cooperation

As previously noted, Government Bill 1962:100 was very clear that development cooperation should be a form of self-help and that the recipient country was responsible for its own development. There was already a keen awareness of the limited opportunities available to external partners to exert influence. The Swedish view has also been confirmed internationally over the years. In 1992, when the OECD Development Assistance Committee (DAC) drew its conclusions on the lessons learned from 30 years of international development cooperation, it too emphasised the importance of ownership, that development cooperation must enjoy some kind of support in the recipient country if it is to be sustainable. In his chapter in the anthology *Bistånd på utvecklingens villkor*, which is in part based on the DAC report, Börje Ljunggren underlines:

“That the recipient country and its government is responsible for its own development. That development cooperation must be provided in forms that are compatible with the aim of building up the country’s own ability to develop. This presupposes awareness of the relationship between donor and recipient and a desire to give aid in forms that promote the development of an effective administration and functioning institutions. The recipient administration must

not become a body at the service of a continuously expanding development cooperation project. Dialogue should be focused on policy issues and institutional obstacles. One consistent ambition should be to steer development to improve the country's ability to control the development and thus the country's ownership of the development process.” (Ljunggren in Wohlgemuth, 1974).

So, we consider the principle of ownership to be fundamental to Swedish development cooperation. Operationalising development cooperation in a specific context and formulating a theory of change should, in other words, not be attempted unless it is based on the specific development theory that the country itself is working from. Below, we will look at how the conclusions drawn in Government Bill 1962:100 are emphasised time and again as being key to development cooperation, most recently and strongly in the 2005 Paris Declaration on Aid Effectiveness, which was endorsed by virtually the entire international aid community, donors and recipients alike but has proven so difficult to implement in practice.

At this point, it should be emphasised that, while ownership is admittedly a necessary condition for development cooperation to have a lasting impact, one cannot ignore the many obstacles and problems, the scope of which sometimes seem insurmountable. Today, the implementation of development cooperation is increasingly dispersed among a wide range of aid actors under circumstances that often make it impractical for recipient country's to take responsibility for their own development, either because states are moving in an authoritarian direction or because assistance is being rendered in a fragile environment.

No (theory of) change without ownership

Some 60 years of development cooperation have taught us that, unless development is owned and driven by the government and/or population of the partner country, there will be no sustained benefits. This implies that the reforms or project being funded by development cooperation must, in one way or another, be rooted in the environment where they are to be implemented. Those affected must participate in or be responsible for their own development.

This has however proven difficult to implement in practice, not least in countries that are developing in an authoritarian direction. In the name of effectiveness and results, more often than not donors push forward with initiatives without waiting for recipients to demonstrate any interest and commitment. If anything, lack of ownership has been the Achilles heel of development cooperation since the earliest interventions in the mid 1950s.

Despite the emphasis on ownership in Government Bill 1962:100 – or in the parlance of the time, the importance of assisting recipient countries to help themselves – it was not until the early 1970s that development cooperation was reformed to reflect ownership on the recipient country's own terms. Both Swedish and international development cooperation passed through three stages from the Second World War until 1975, during which ownership went from non-existent to strong and views on how change could be accomplished (theory of change) varied accordingly.

During the first stage, Swedish projects were implemented in developing countries in accordance with modernisation theory. In practice, change was to be achieved by Sweden transferring its technical knowledge directly to a poor country, where it would trigger a development process. Projects were planned, implemented and followed up by Swedes, with only limited participation from representatives of recipient countries (Wohlgemuth 1976).

During the second half of the 1960s, attitudes to development assistance gradually changed. As described above, modernisation theory was abandoned in favour of placing the onus on recipient countries to take responsibility for their own development and development projects. Change could be promoted by providing recipients with external resources. Donors still believed that their own development cooperation organisation must critically review each individual project proposal to ensure that funds were being spent where they could have a significant impact. As a result, this stage saw the development of a cornucopia of methods for reviewing projects. This philosophy, which was developed in some detail by the World Bank based on the model of commercial credit checks on investment projects, did shift formal responsibility from the donor to the recipient, even if the donor retained a considerable amount of responsibility to review proposals and evaluate results.

Over the years, poor countries demanded greater, undivided responsibility for their own development and how development funds were spent, especially within the framework of the Jackson Report (UNDP, 1970). This did come about, partly due to pressure from poor countries, but also due to changes in donors' attitudes to development cooperation.

This led to a third stage characterised by a more equitable relationship between donors and recipients. Recipient countries were to assume all responsibility for planning, implementation and following up activities funded by development assistance. This new model was dubbed country programming, the theory and practice of which are well documented in the 1976 anthology *Bistånd på mottagarlandets villkor* (Wohlgemuth 1976). This was a period notable for its optimism. Economic curves were pointing upwards and it was hoped that poor countries would begin to catch up in the not-too-distant future.

The oil crisis of the 1970s was a disaster for the poorest countries, where structural development reforms in the shape of state-led economic policy and loan-financed industrialisation proved to be both insufficient and ineffectual. Like public opinion in many major

donor countries, development cooperation moved in a neoliberal direction, with growing demands for structural adjustment programmes, deregulation, privatisation and balanced budgets in exchange for continued development assistance. This led to aid actors taking on more and more of recipient countries' undertakings, but without taking over any real responsibility. The ownership imperative was dropped in favour of donorship, with devastating consequences for the sustainability of development cooperation interventions (Craig and Porter 2006; Carmody 2020; Overton and Murray 2021; Smith 2006).

Attitudes changed once again during the late 1980s. Considerable effort was expended in attempting to draw conclusions from previous experiences, both with regard to how development does or does not happen in the poorest countries and the role that development cooperation plays in such a process. Above all, experiences from South Asian countries that had succeeded in rising from poverty to join the ranks of Newly Industrialised Countries (NICs) were studied. Sida appointed a special commission to draw conclusions about what had gone wrong with earlier interventions, while the DAC published a summary of the international aid community's experiences and lessons learned during 30 years of development cooperation (Wohlgemuth 1994). Development cooperation swung from market-led development to embracing institution- and democracy-building with strong local ownership.

The importance of partner countries shouldering responsibility for their own development has been demonstrated in a number of historical overviews, evaluations and studies of development cooperation. The overall conclusion is that there was a failure to maintain this principle in practice due to donors taking on too much of the responsibility and leaving no one on the ground to take it on once the donor has left. This is very much true of the poorest and therefore often the weakest countries, many of which are in Africa. A great deal has been written about this and the box below only refers to four of the studies that have been particularly significant for Swedish and Nordic development cooperation.

Box 1: Evaluations and studies of ownership in Nordic development cooperation

The first is an extensive Nordic evaluation (DANIDA et al., 1988) of the effectiveness of personnel assistance in 55 projects in the three African countries: Kenya, Tanzania and Zambia. This showed that, while the short-term project goals had been achieved in most cases, in almost all projects sustainability in terms of lasting results after the aid donor ceased its support was notable by its absence.

The second is *The History of Norwegian Aid: A Case for Contextualisation* (Wohlgemuth, 2003), an extensive three-volume work covering the first 50 years of Norwegian aid. This work clearly demonstrates that time and time again the conclusion has been drawn that recipients must be given greater responsibility for their own development, only for this to be ignored in practice for various reasons to the detriment of interventions. For our purposes, the third volume – which attempts to explain why an ambitious attempt to refocus Norwegian aid on ownership in 1990 failed – makes particularly interesting reading.

The third is an evaluation commissioned by Sida in 2002, *Ownership of Sida Projects and Programs in East Africa* (Sida, 2002), which confirms most of the conclusions drawn in the many earlier studies.

The fourth is the report *Seeking Balanced Ownership in Changing Development Cooperation Relationships*, published by the Expert Group for Aid Studies (EBA) in 2018. This extensive and thorough study concludes that: “the principle of ownership remains a valid guiding principle for international development cooperation, both as a legitimate aim in itself and as a means to effective cooperation. Nevertheless, in order to ensure its continuing relevance as a guiding principle, the understanding and process of promoting ownership needs to radically adjust to today’s new realities” (Keijzer et al., 2018).

Despite the best of intentions, it was not until the early 2000s that the international aid community could agree on a new approach to effective development cooperation in which ownership was once again a priority. This process led first to the Rome Declaration on Harmonization in 2003 before culminating in the 2005 Paris Declaration on Aid Effectiveness. The Paris Declaration and the subsequent Accra Agenda for Action have had a significant impact on development cooperation methodology.

The Paris Declaration is based on an analysis of current development cooperation that found a lack of national ownership, increasing fragmentation, high transaction costs, parallel systems and external solutions that were not adapted to local needs and conditions. The declaration outlines five fundamental principles for making aid more effective:

- Ownership. Partner countries exercise effective leadership over their development policies and strategies and coordinate development actions.
- Alignment. Donors base their overall support on partner countries' national development strategies, institutions and procedures.
- Harmonisation. Donors' actions are more harmonised, transparent and collectively effective.
- Managing for results. Managing resources and improving decision-making for results.
- Mutual accountability. Donors and partners are accountable for development results.

So, the Paris Declaration is a practical framework for implementing and organising development cooperation. It describes a view of development based on the partner country's ownership. The Paris Declaration was followed up by the Accra Agenda for Action, which was agreed in Ghana in 2008, and the Busan Partnership for Effective Development Cooperation, agreed in South Korea in 2011.

These confirmed commitment to the declaration and more specific undertakings regarding the use of partner countries' own institutions, increased insight into the work of donors and improving the predictability of aid, as well as the division of donors' tasks.

The briefing note *Where is the Paris Agenda Heading?* (Odén and Wohlgemuth, 2011) documents developments until 2010. The authors confirm that the process of increasing ownership was already underway in many countries during the decade preceding the Paris Declaration, and that as a result development cooperation underwent significant changes during the period from circa 2000 onwards, including budget support, stronger horizontal and vertical accountability, decentralisation and greater investment in education, healthcare and, not least, democratic governance. New working methods were developed and new dialogue structures applied. Significant progress was made in terms of ownership, harmonisation and management by results. Alignment and mutual accountability proved more difficult to assimilate.

After the 2008 global financial crisis, progress slowed and relationships between donors and partner countries deteriorated. In several countries, relationships were thrown into crisis (Odén and Wohlgemuth 2011). Once again, we witnessed a situation in which, despite the stated aim of strengthening partner country ownership, change was externally driven. Donors and recipients blamed one another, creating countless problems for cooperation. Over-complicated and bureaucratic dialogue structures failed and both sides sought solutions beyond the joint strategies that had been agreed and signed. As a result, the trust that had existed between the parties evaporated to be replaced by growing mutual distrust. This led to micromanagement and the imposition of more terms and conditions by donors, while recipients were less inclined to fulfil agreements, instead relying more heavily on new aid actors such as China, whose influence was growing. Greater demands for accountability were placed on partner countries, while donors became increasingly interested in tracing the results of their own

interventions, but less so in any demands for accountability on their own part. This illustrates how difficult it is to strengthen ownership in practice and that there are obstacles on both the donor and recipient side.

This development has continued into today's increasingly troubled world in which new actors are playing a more significant role. The fourth wave of autocratisation is also raising new questions about what "ownership" actually means: Whose ownership are we talking about and how can it be granted in practice? This poses new challenges to theories that assume that good governance and democracy are prerequisites for stable development.

The various crises we have lived through since 2008 from a European and Swedish perspective have focused minds on mutual interests or, as we say in development cooperation, enlightened self-interest. Increasing inequities risk leading to conflict and increased streams of migrants that will become more difficult for us to manage. They also raise questions of an international nature about sustainable development, climate change, pandemics, antibiotic resistance, food security and international crime. If these are not managed globally, we will be affected to the same degree as everyone else. While the increasing focus of bilateral donors on interest-driven cooperation complicates the debate about ownership, due consideration must be given to the lessons learned from the long history of development cooperation. And today's aid actors must have all of this in mind when they shape present-day development cooperation in order to achieve change that can in turn drive development.

However, even when using a theory of change supported by development theory, the challenge remains to combine different donor-actors' theories of change with ownership for actors at national and local levels in the process of formulating theories of change. This is especially true in conflict and post-conflict zones, the most difficult situations in which to work and meet needs. There is always a risk that the theories of change will be formulated and handed down from on high, rather than from "below", from the

perspectives of rights-holders/actors at local and national level. It is in this light that the debate on developing decolonising methodologies and epistemological perspectives should be seen (Smith, 2022; Veltmeyer and Bowles, 2022).

As development cooperation has been increasingly targeted directly at non-state actors, so ownership has become increasingly muddled. Who could “own” the myriad interventions aimed at multiple non-state actors that constitute a typical present-day country programme? Of course, it is intended to somehow reflect the development theory/theory of change we applied to the country in question, but how can we get all of these actors we work with to feel a sense of ownership for this theory of change, especially in a non-democratic context. This no-solution equation, theory of change + x = ownership, is hard to deal with practically in actor-oriented development cooperation. The only way around it is to always keep the end user in focus, irrespective of which channels one uses. After all, it is they that development cooperation ultimately aims to assist.

Theories of change concerning the content and methodology of development cooperation

The above overview of the historical process that views on development theory in aid have undergone attempts to deal with both how the theories evolved with regard to development theory and development policy in general, and the subsequent impact on the practical implementation of development cooperation. Particular emphasis has been placed on the latter, as it is our strong belief that this has been underestimated.

It is no easy matter to synthesise the two approaches that must somehow coexist in practice in the real world: the donor’s view of development policy and how it should permeate aid versus the awareness that, without ownership, aid is never sustainable. By

connecting the dots between the broader development theories – which demonstrate the relationships between long-term change processes and thus which strategic areas are significant to long-term development – and more specific theories about the methods that are appropriate/practical in a given context, more effective development cooperation can be achieved.

A large measure of mutual trust is demanded for a donor to hand over responsibility for an intervention in good conscience. Lack of this kind of trust is one important explanation as to why it has proved so difficult for donors to unfetter recipients.

Nor has this become easier over time. After witnessing a breakthrough for democratic development and human rights as the last century drew to a close, we now see a trend in the opposite direction, with more and more states becoming increasingly authoritarian, restricted opportunities for opposition parties, the press and civil society to act, increasing human rights violations and a deteriorating situation for women and girls. It is increasingly difficult to find sympathy for what we in Sweden consider the beacons of sustainable development. The fundamental principle agreed in the 2005 Paris Declaration of giving developing countries ownership of their own development is increasingly falling by the wayside. In many failed and fragile states, the government no longer has control over development and it is in these countries, where the conditions for delivering effective aid are worst, that the need for support is greatest. And in its determination to aid those who are worst off, this is where Sweden finds itself operating. While this clearly involves taking risks, it is also necessary. With good contextual knowledge and clear long-term strategies supported by overall development theories and well-developed, tactical theories of change for the practical implementation of aid, the risks can be mitigated.

Swedish policy – which we hope can still rely on broad public support – is to, as far as possible, offer support to international sustainable development designed to both lift people out of poverty

and work towards a world that is economically, socially and environmentally sustainable, so that people can lead a decent life. How this is to be achieved in a manner that encourages aid recipients to feel a sense of responsibility for their own development has always been, and always will be, the key question that must be answered if development cooperation is to be successful and effective.

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Is a Semantic Magnet a Good Governance Tool? A Historical Exploration of the Tensions Inherent in Theory of Change^{6 7}

Hilde Reinertsen

So, what is theory of change actually? And how do we differentiate theory of change from other tools and methods for managing and evaluating development cooperation?

These are questions I have wrestled with regularly over the past decade. I am a historian and social scientist by profession, and I wrote my doctoral dissertation on the early days of aid evaluation in Norway during the 1980s (Reinertsen 2016, 2018). The term *theory of change* first began to appear in reports and discussions in around 2013, towards the end of my own empirical fieldwork in the corridors and archives of Norwegian aid management. Back then, theory of change was the big new idea – a welcome and obvious improvement on the increasingly criticised results-based management (RBM). For me, these discussions were a fascinating echo of a debate a quarter of a century earlier, one that I had come across in archives and interviews. In those days, the debate revolved around the logical framework approach (LFA), which had been introduced in 1990 and was, according to its critics, too comprehensive and inflexible.

⁶ The text has been translated into English by EBA. There can be translation errors in the text as the translation has not been reviewed by the author.

⁷ The original article in Norwegian has been published as a background report by EBA under the title *Endringsteori som styringsverktøy: En historisk utforskning av innebygde spenninger*.

Introduced in the mid-2000s, RBM was intended to solve this problem by making project management more flexible. But LFA too was originally touted as a simple and practical tool, not rigid and bureaucratic. As I was gradually beginning to concentrate my research on the initial phase of aid evaluation, I did not have the opportunity to study theory of change in any great detail. My initial curiosity about what theory of change actually is has therefore persisted until now.

The point of departure for this article, and indeed the anthology in which it is contained, is the report *Verksambetsanpassad styrning – en översyn av regeringens styrning och Sidas effektivitet, styrning och uppföljning* [Fit-for-purpose governance: An overview of the government's governance of Sida and Sida's effectiveness, management and follow-up of results], published by the Swedish Agency for Public Management and the Swedish National Financial Management Authority (ESV) in 2020. One of the report's recommendations is that Sida should use theory of change to a greater extent than is currently the case. The report underlines that doing so can contribute to both organisational learning and results reporting, and to meeting several challenges in the governance of Sida.

This is an interesting recommendation that bears careful analysis: Will it be possible to achieve both of these objectives with the help of theory of change? Alas, such expectations – that a single governance tool might fulfil two very different and at times conflicting purposes – are commonplace in the world of development cooperation. Theory of change is only one example of how a term can become, as Evert Vedung so aptly phrased it, a “semantic magnet” (Vedung 2017), a term so broad that it attracts a multitude of meanings and users and may therefore mean very different things to different actors.

I have previously studied how results-based management can become an obstacle to learning if its purpose is to ensure control and demand accountability, rather than to build trust and facilitate change (Reinertsen et.al 2017, 2022). It is therefore of interest to look

more closely at how theory of change can harbour such contradictions and tensions. Although often presented as a new and promising governance tool, in many ways it overlaps with other similar tools, all of which have well-documented weaknesses and challenges. This article will therefore analyse theory of change as a governance tool and examine the various contradictions and tensions that may arise.⁸ As noted, aside from learning and accountability there are many other inherent tensions that Sida already needs to deal with, tensions that, in the worst-case scenario, the increased use of theory of change will exacerbate rather than resolve. It is important to take this into account when Sida considers scaling up the use of theory of change as a governance tool.

In this chapter, I will examine the historical parallels in more detail. The historical perspective is useful in understanding what theory of change actually is. LFA, RBM and theory of change were all heralded as something new and improved, something that would help to simplify and clarify, only to be later criticised as a bureaucratic waste of resources. However, the fact that tools with so many similarities followed hot on the heels of one another, rather than there being a paradigm shift in aid management, offers us a better understanding of the historical continuity that characterises development cooperation.

These similarities are what I find most striking and my question about what was, and is, different about theory of change is based on the following observation: Theory of change is bewilderingly like these other similar tools and, the more I examine them, the harder it is to discern any significant differences. In fact, they look increasingly alike. So, what is actually new and different? And more importantly, what value is there in constantly changing the terminology we use? In this chapter, I will argue that such terminological substitutions are highly significant. In part, this is practical: as soon as a new term – in our case, *theory of change* – is adopted in a governance model it creates new requirements to write, document and report using the term in

⁸ For a description of the analytical method, please refer to Asdal and Reinertsen 2020 and 2022.

question. This propagates and may lead to new areas of expertise, the practitioners of which have their own internal methodological discourses, training courses and continuing professional development. When a novel approach is introduced, older existing expertise may become devalued. Such changes may also lead to shifts in power and influence, both between the departments of an organisation and between internal and external forces.

Replacing an accepted term and governance tool with another may disguise the fact that they actually overlap to a greater extent than it might appear at first glance. This in turn may focus attention on change in the sector at the expense of continuity, which receives less attention. The “next big thing” is applauded as something good in itself, unlike the “old”, which is by definition inferior, of lesser value. As a historian, this is an attitude I have come across myself in aid and development cooperation circles; historical experiences are easily dismissed as irrelevant curiosities and the assumption is that “we do things much better today than they did in the past”. While both development cooperation itself and its evaluation have admittedly become much more technically sophisticated over recent decades, it is striking how many of the tensions, dilemmas and paradoxes of yesteryear persist despite the professional development that has taken place.

This chapter will develop these points in a manner that will hopefully both contribute to candid reflection and provide practical benefits to Sida and other aid actors. The chapter has two main parts: a historical comparison followed by a discussion of persistent tensions and dilemmas. The common thread will be my initial question: What is actually new and different about theory of change and will it help us to avoid these dilemmas? My conclusion is that no amount of development will resolve these tensions. They are inherent in the management and evaluation of aid and must quite simply be recognised and dealt with as such. So, the most important question is how these tensions can be addressed in the best possible way – and whether more theories of change are the answer, or perhaps fewer or none at all?

Theory of change as a governance tool

In the first part of this chapter, I will examine theory of change as a governance tool. I will begin by charting when and how theory of change made its way into Norwegian development cooperation as a tool for governance and evaluation. I will then look at the introduction of the logical framework approach during the 1980s and '90s and results-based management in the 2000s, placing these tools in their historical context. I am not interested in recounting the whole story but rather in studying these tools as concrete methods and, more specifically, in how they have been described and visualised. We will then discuss what differentiates and unites them.

Theory of change has emerged as a key concept in the field of international aid and aid evaluation over the past 15 years.⁹ The meaning of theory of change is, however, often ambiguous. What is clear is that it has been used as a governance tool to increase the likelihood that development cooperation will achieve its objectives. It describes how, in a given context, a project, programme or portfolio of initiatives is expected to bring about change over time.

The first use of theory of change in Norway was by the Department for Evaluation at the Norwegian Agency for Development Cooperation (Norad). A search of Norad's publications database shows that the first use of either the Norwegian term *endringsteori* or *theory of change* was in an evaluation report published in 2005, after which the terms appear occasionally in evaluations conducted over subsequent years.¹⁰ A shift is noticeable in 2013, when theory of

⁹ For a review of Swedish and Finnish experiences, please refer to the chapters by Janet Vähämäki and Númi Östlund; Jonas Ewald and Lennart Wohlgenuth; and Suvi Virkkunen and Alva Bruun in this anthology. For international examples, see Funnell and Rogers 2011; Mason and Barnes 2007; and McLellan 2020.

¹⁰ Searches in Norad's publication database for "endringsteori" and "theory of change".

change is a main theme of the Department for Evaluation's Annual Report (Norad 2013). In her foreword to the report, the Director of the Evaluation Department writes:

“Many evaluations call for the use of Theory of Change in development aid. Theory of Change has become an increasingly popular term in aid work and evaluations in a number of other countries, while it is relatively little used in Norway. But what is Theory of Change?

Briefly, Theory of Change is a description of how it is thought that an intervention contributes to a desired change. It describes the change processes that will presumably come about in the situation at hand and within a given social, institutional and political context, and explains how the relevant intervention plays a part in these processes. It thereby makes explicit which assumptions underpin the intervention to create results. This is important information for making a decision about an aid intervention and for putting the correct strategies in place. Theories of change may be made before, during and following an intervention, and will generally alter as experience is gained.”

So, the Director highlights the utility of theory of change as a planning tool. However, she also directly links it to evaluation activities and demonstrates that the need to evaluate is in itself an imperative for the application of theory of change:

“In addition to being a planning tool, Theory of Change is also useful in evaluation work. There is much to be learned from evaluating what happened compared to what was presupposed in the Theory of Change. Moreover, a Theory of

Change is often a necessary tool for assessing causality, i.e. the degree to which it was actually the aid intervention which caused the changes observed. This is especially interesting in light of developments in the past few years in many aid recipient countries. As a result of economic growth, for example, improvements are occurring in the majority of the development goals. Therefore many aid interventions can report on achievement of objectives, but we cannot take for granted that the improvements are attributable to aid. Further analysis – and a Theory of Change – is required to give an evaluation of aid contribution to the achievement of development goals.”

This is a very interesting point, as it shows that, in practice, theory of change demands that aid actors contextualise their own operations: What has actually contributed to this project, right here? Which changes are attributable to the project and which would have occurred anyway? The Director develops her reasoning, pointing out that aid actors’ own systems and procedures for reporting results tend to look at the role of aid in “isolation”. This makes it more difficult to assess its value and thus more difficult to evaluate. As she puts it:

“A Theory of Change is actually no more than a strategy, and in development aid the Theory of Change is most often reflected in what is referred to as a results framework. However, the fact that the demand for better theories of change in the last few years has arisen from the evaluation community is because the Theories of Change in development aid are often not suitable for evaluation purposes. Firstly, the results framework places most emphasis on the types of

results to be achieved, not on how they are to be achieved. Those responsible may have had many thoughts, but have perhaps not written them down in such a way that we can learn from them afterwards. The evaluators may have a demanding job to reconstruct the original Theory of Change. Secondly, there has been a tendency to look at the role of aid in isolation without taking account of all the other factors that play a part in change, both positive and negative. Thirdly, the results framework of development aid has placed little emphasis on the weakest link in the results chain: important assumptions that form the foundation, but which cannot be taken for granted. From an evaluation perspective it is often the weak links in the Theory of Change that are most significant, for it is by studying these more closely that we can help reduce uncertainty and improve aid.”¹¹

The three points made in the foreword efficiently summarise a fundamental problem with results reporting, that it fails to isolate aid operations from external factors and to sufficiently articulate assumptions. In other words, there is no basis for analysing whether a given aid initiative is going to plan and leading to the desired change. This is actually a fairly fundamental criticism of how management by objectives/results works in practice and highlights the difference between results-based management and evaluation: the former is a matter of demonstrating that things have gone to plan, while the latter is a matter of questioning why something has happened and what the consequences were and will be. The Director might be seen to be contending that theory of change can contribute to making both project planning and results reporting more contextual, transparent and dynamic. She asks two things of aid

¹¹ Norad 2013. Evaluation of Norwegian Development Cooperation. Annual Report 2013, pp. 2–3.

workers: to place their own work in the context in which they are operating, and to formulate their own assumptions in such a way that they can be evaluated later. This dual message has a very interesting historical parallel, as we will see later.

Theory of change was regularly discussed in subsequent years in the evaluation reports commissioned by Norad, often with the conclusion that the programme under evaluation was lacking that exact thing.¹² One recommendation that appears with increasing frequency is to “develop a theory of change” for the programme in question.¹³ Although theory of change is not a theme of later annual reports from the Department for Evaluation, certain evaluation assignments do include an express request to assess the theory of change, or reconstruct one if it is not documented.¹⁴ This is particularly prominent in an evaluation report published in 2020, in which one of the four main tasks of the evaluation team is to reconstruct and assess theories of change for a number of pilot projects for instituting portfolio management in Norwegian development cooperation.¹⁵ This report is of particular interest for our purposes, as it contains an active discussion of theory of change as a concept and tool. The report’s definition underlines that a theory of change may be both a visualisation and an active process:

¹² See, for example, ‘Diskusjon av programmets endringsteori, inkludert underliggende antakelser, mangler eller er svakt analysert i et flertall av rapportene.’ Accompanying note from EVAL to the Ministry of Foreign Affairs, 01.02.2017, p. 4, concerning the report *Quality of Review and Decentralised Evaluations in Norwegian Development Cooperation* (Report 1/2017).

¹³ See, for example, *Rapport om oppfølging av evaluering av norsk støtte til kvinners rettigheter og likestilling i utviklingssamarbeidet*, 2016, Ministry for Foreign Affairs.

¹⁴ See, for example: *Evaluation of the Norwegian Aid Administration’s Approach to Portfolio Management*, 2020, Norad.

¹⁵ *Evaluation of the Norwegian Aid Administration’s Approach to Portfolio Management*, 2020, Norad.

“Theory of change – an evolving explanation of how and why an intervention contributes to change. A ToC details the causal chain between interventions and outcomes, and the underlying assumptions. It is both a product (a diagram) and an ongoing process of reflection and learning about how change is happening in practice.”¹⁶

It is also interesting to note how the report fully integrates theory of change into the “results chain” and its underlying assumptions. Here, theory of change is construed as a component of the well-established model, as an elaboration rather than an anomaly. At the same time, the definition makes it clear that it is not a snapshot of a moment in time but a constantly developing, ongoing process of reflection and learning. Theory of change helps us to “see” aid in context, to imagine its potential effects – the changes that aid might create – and demands that we formulate assumptions that must be true for this to happen. Moreover, theory of change makes it easier for us to evaluate the results of aid in relation to our original plans. As the Director of the Department for Evaluation at Norad observed a few years previously, it is a tool that enhances the evaluator’s view of aid. We might view it as a pair of “evaluation glasses” (Reinertsen 2016, 2018).

From 2016 onwards, as it became apparent that evaluation assignments would increasingly require a theory of change, and evaluation reports revealed that these were often lacking, Norad began to implement theory of change when developing new aid initiatives.¹⁷ Here too, theory of change – or an “understanding of change” – is an integrated part of the programme’s “goal structure”. In one of the programme documents, theory of change is included as one of three elements of the “aid initiative’s working method”,

¹⁶ *Evaluation of the Norwegian Aid Administration’s Approach to Portfolio Management*. Report 2/2020, p. 14.

¹⁷ Programveileder for Olje for Utvikling, 2016, Norad, Nytt ordningsregelverk for demokratistøtten, 2016, Norad, Styringsdokument, Fisk for Utvikling, 2018, Norad, Styringsdokument, Hav for Utvikling, 2020, Norad.

alongside objectives and management by results. In all of these documents, the theory of change is in the form of a narrative description, i.e., running text and no large diagrams. They basically formulate objectives and interim goals in greater detail in a more narrative and reasoned manner. One thing they all have in common is that they appear to be extremely general, to the point where, to this reader at least, it is somewhat unclear what practical contribution they will make to project management. It is also interesting to note that theory of change is notable by its absence when these programme documents specify what the potential recipients of aid should deliver in terms of plans and results frameworks. So, even though Norad has built theory of change into its documents, internal coordination appears to be lacking.

The most concrete examples of in-built theories of change in Norwegian development cooperation can be found in grants to civil society, aid that is channelled via Norwegian non-governmental organisations.¹⁸ A theory of change was a compulsory item in application forms for the first time in 2015.¹⁹ During 2017, a theory of change was expressly requested as part of each programme's contextual analysis.²⁰

Here, theory of change was viewed as a link between development cooperation and its context – an analysis of and justification for how the project was expected to contribute to change. This perspective was also built into Norad's reporting form: *“Reflect on lessons learned during the project period and present an analysis of the project's theory of change*

¹⁸ There is no mention of theory of change in the rules for support to civil society, even if it is built into the application form.

¹⁹ Spørsmål og svar knyttet til søknadsrunde 2023, Norad website.

²⁰ “Section 2.2 Description of the programme: 2.2.2 Contextual analysis of the project/programme: Describe how cultural, social and political factors have been used as a basis for the initiative, including a theory of change. 2.2.6 Summarise the most important results to be achieved. (Give details in the attached results framework.) 2.2.7 State the most important anticipated changes for the target group and whether a written justification and/or a separate theory of change has been prepared concerning how the initiative will meet the main challenges.”

in this light”.²¹ Here, theory of change is once again clearly linked to analysis, reflection and learning, not to the ongoing reporting of results. There is no requirement for a theory of change to be discussed and revised along the way, only for reflection once the project is completed.

Theory of change is however built into Norad’s methods for assessing project grant applications. A document containing assessment criteria states:

“Standard 4: Assessment of the result management in the initiative The applicant has a knowledge-based theory of change and/or justification of how the change will take place and the degree to which it is probable that the initiative will be able to create the expected changes. There is a direct link between the theory of change and the logic of the results framework.”²²

Once again we can see that a theory of change is considered to be integral to managing results, and that there is an expectation that it will be directly linked to the “the logic of the results framework”. While admittedly it is to be uploaded as a separate document, it is also to be written as an integral component of the project’s logical framework.

Judging by the FAQs, it seems that it is not entirely clear to organisations applying for funding what a theory of change is and how one should be formulated. Here, Norad states that a theory of

²¹ ‘Mal for resultatrapport og avslutningsrapport’, pt. 3.4. See Norad’s guidelines for applicants: <https://www.norad.no/tilskudd/sok-stotte/sivilt-samfunnfrivillige-organisasjoner/> This is one of the requirements for the content of a final report and can be found under “Samarbete – hållbarhet – lärande”.

²² ‘RAM v.6.’, Norad. The Resource Allocation Model (RAM) is Norad’s internal tool for assessing the quality of proposals and initiatives.

change is intended to simplify and promote a holistic²³ mindset. At the same time, the application form requests that “the description shall include assumptions and evidence (research, evaluations, experiences gained from similar measures) to support the theory of change”.

This reveals that theory of change is not simply intended to anchor the project to its societal context but also to a knowledge context. This is one way of demanding that aid workers perform an evidence-based analysis of why their project is the “right medicine” for the ailment in question, given what we know about earlier, similar initiatives.

Clearly, this can be viewed as linked to the growing awareness of the need for evidence-based aid policy over the preceding years, including within Norad, where it was principally pushed by the Department for Evaluation. During the period 2012–2013, the department had a head with a strong commitment to evidence-based policy, who compared the assessment of aid to the testing of pharmaceuticals. It is indefensible to launch a great many projects when we have no idea whether they will achieve the anticipated results, she argued.²⁴

In summary, theory of change found its way into Norwegian development cooperation as an evaluation tool. It is fully integrated into the management of aid to civil society organisations and gradually being integrated into Norad’s own programmes, primarily through governance documents for new programmes. This review of how theory of change is understood and utilised demonstrates that, as a governance tool, it is suspended somewhere between

²³ “Norad expects all applications to have a theory of change that explains in simple terms how all projects for which funding is being sort will contribute to the objectives of the call. In our opinion, theory of change is a good way to link the results framework to implementation.” See:

<https://www.norad.no/tilskudd/sok-stotte/sivilt-samfunnfrivillige-organisasjoner/informasjonsstotte/qa--informasjonsstotte-2020/>

²⁴ See the interview “Klinisk blikk på bistand” in *Bistandsaktuelt*, February 2021.

performance management and reporting on one side and analysis and learning on the other. Theory of change is understood to belong to both and is variously presented as fully integrated and as a separate addition to existing goal structures and logical frameworks. While this review provides us with a clearer image of what theory of change can contribute, it also reveals that there is much that remains unclear, something that is very interesting in itself, especially in a historical light. We will therefore examine this more closely and I will demonstrate how historical parallels highlight some of the key tensions and dilemmas that have dogged aid management since the 1980s. This in turn will provide us with a better basis for understanding the potential of theory of change as a governance tool.

Theory of change's family tree

It is both useful and interesting to place theory of change in the context of a large family tree of related tools. The members of this family go by many names but often have a great deal in common: programme theory, the logical framework approach (LFA), logframes, management by objectives, management by results, intervention logic, results chains and results frameworks are all methods and models for planning, managing and evaluating aid. They are sometimes represented as a succession of methods, each one replaced by the next. However, it is also possible to view them in a completely different light, as evolutions of the same basic model that often overlap. This becomes apparent when one applies historical analysis. The question then is how is theory of change related to other members of this “family”, rather than viewing it as something new and unique that improves on its predecessors.

The first time we in Norway came across something similar to programme theory and theory of change was in Norad's first evaluation manual, which was prepared by the recently instituted Department for Evaluation in the late 1970s and published in 1981. The manual states: “Requests have been made by recipient countries,

Norwegian government agencies and public opinion for reliable knowledge about the effects and benefits of aid". To this end, experiences have been gathered from abroad. The proposed solution is to introduce "systematic aid evaluations" from planning via follow-ups to evaluation – and that this must be viewed in context. In addition to describing how the evaluation process should be structured, the manual devotes considerable space to introducing two specific tools, the goal pyramid and the assessment matrix, which are described as key elements in a "logical project analysis" or "logical framework". These will probably be recognisable to anyone presently working with a results framework:

Figure 1: Goal pyramid from Norad's evaluation manual (1981), p. 5

Fig.1 Nivåene i en målsetningspyramide

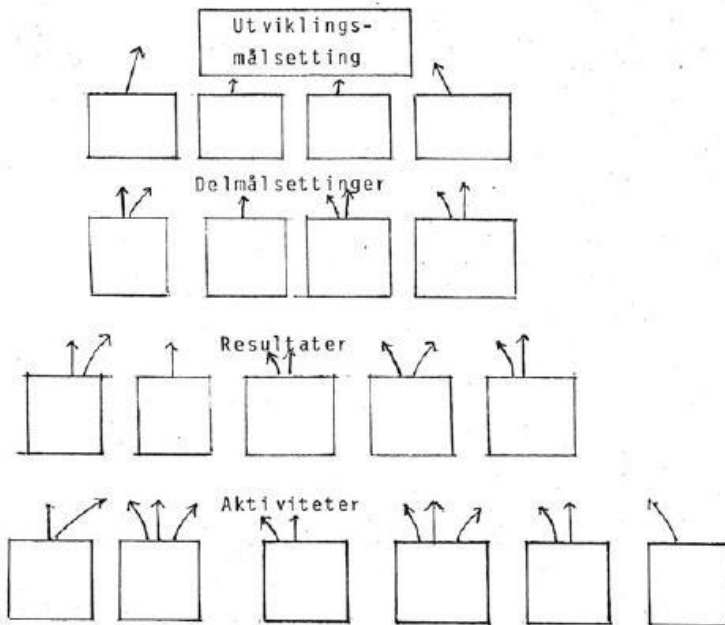


Figure 2: Assessment matrix from Norad’s evaluation manual (1981), p. 13

Fig. 2. Vurderingsmatrise for evaluering

	Oppsummering av målsetningspyramiden	Data eller indikatorer	Metoder for innsamling av data og indikatorer	Viktige forutsetninger
Utviklingsmålsetting				
Delmålsetting				
Resultater				
Aktiviteter				
Innsats				

The manual that introduces these matrices deals with evaluation and it was from this evaluation perspective that the need for more thorough and systematic planning was seen.²⁵ This implies not only a desire to institute more, and more thorough, evaluations, but also to change development cooperation itself – both to make it easier to evaluate and because it had fundamental weaknesses. The manual states that aid was too deeply rooted in aid workers’ personal experiences of social change in their own country, the donor country, rather than in specific local needs and social scientific analysis. To address this, the manual presents a model based on a basic social scientific critique of aid, in which the Department for Evaluation’s collective experience of academic studies of development cooperation and practical fieldwork in recipient countries provides a stark contrast to prevailing ideas about what constitutes good aid and how it should be implemented. So-called “expert aid” and large-scale industrial projects in particular met with opposition from both researchers and evaluators. The solution was to introduce the logical framework approach (LFA) to Norad. The proposal to implement

²⁵ This section is based on Reinertsen 2016 and 2018.

such a fundamental reform to aid management itself was initially met with considerably internal resistance at Norad but, after several public controversies during the 1980s and a highly critical report from the Office of the Auditor General of Norway, the reform was pushed through in 1990.²⁶ The dormant plan to introduce LFA was dusted off and the approach was instituted as the main governance tool for Norwegian aid.

So, In Norway LFA was introduced due to a desire for better documentation of the efficacy of Norwegian aid and to make it more evaluable, but also to involve the recipients of aid more actively in designing objectives and initiatives (Reinertsen 2016). A separate handbook on LFA was prepared by Norad and translated into several different languages, with a number of editions published during the 1990s and 2000s (Norad 1990, 1999, 2004). The LFA handbook describes a project tool that is much more extensive and detailed than the evaluation manual (the 1999 edition of the English-language version of the LFA handbook ran to 111 pages). For our purposes, the most relevant points are as follows: The project tool is largely based on a workshop approach in which donors and recipients jointly follow a number of specific steps to first develop a common understanding of the problem and then an operationalizable project matrix. The basic model looks like this:

²⁶ Cf. Liland and Kjerland 2003.

Figure 3: The basic LFA model from Norad's LFA handbook (2004), p. 11

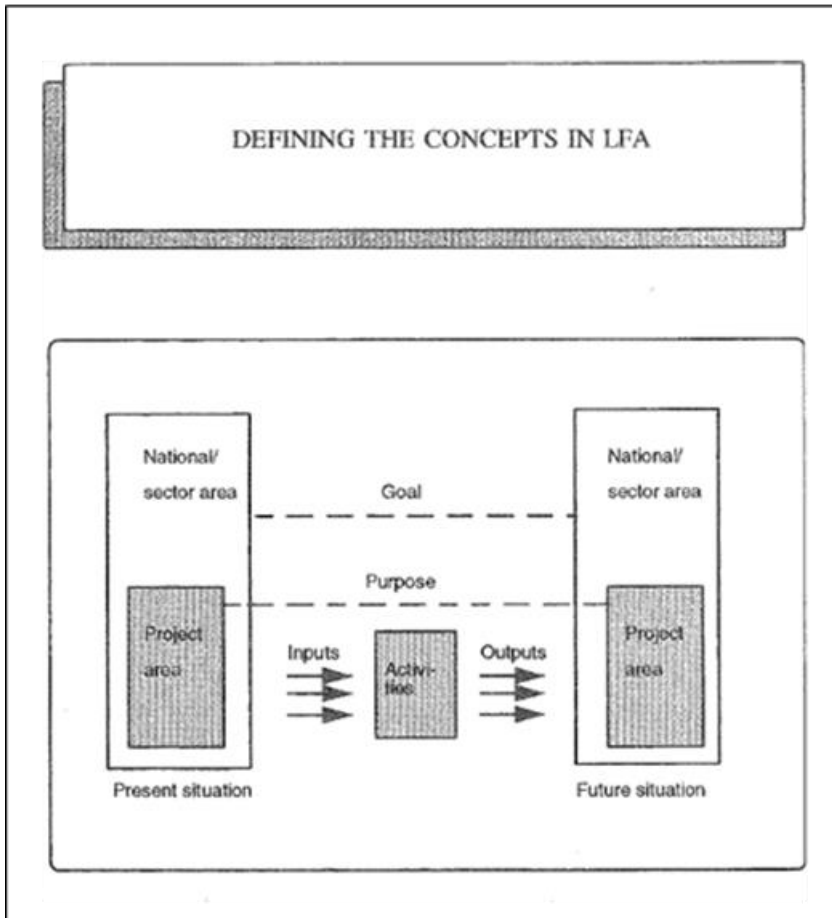
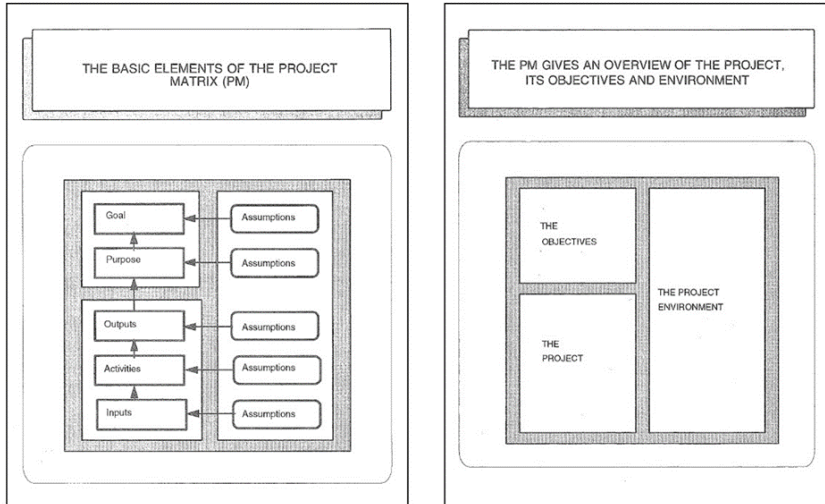


Figure 4: The basic project matrix from Norad’s LFA handbook (2004). pp. 13 and 15



Here, there is clearly an understanding of change over time, from the “current situation” to the desired “future situation”, the anticipated result of the change created by the project in question. Basic terminology is unchanged from the original pyramid model, although assumptions are given a more prominent place. This can also be understood as the project environment. In explaining what the term assumption means at different levels of the goal hierarchy, the LFA handbook states:

“We assume that:

if the inputs are available, then the activities will take place.

if the activities take place, then the outputs will be produced.

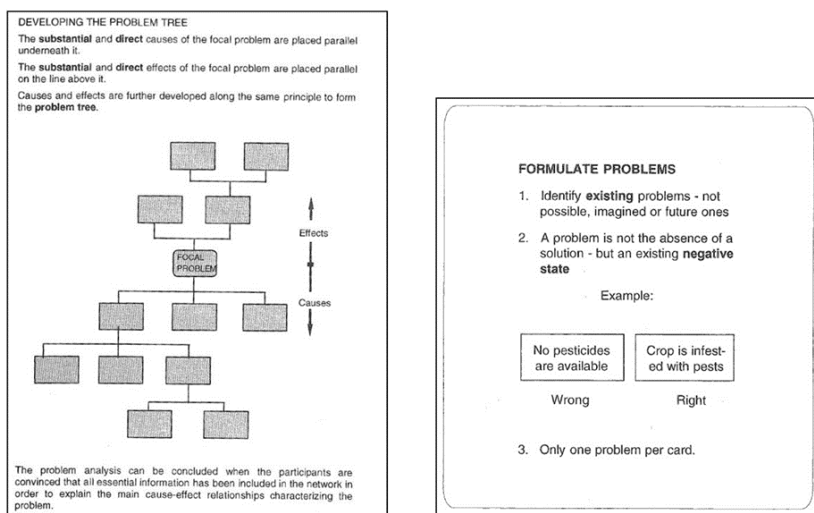
if the outputs are produced, then the purpose will be achieved.

in the long run this will contribute to the fulfilment of the goal.”²⁷

²⁷ Norad 2004. 12.

Change is clearly understood in terms of cause and effect; the *assumption* is that if A happens, then B will happen, and so on. One key element of the process of developing a project matrix was participation in a workshop at which visualisation was an important method: participants were instructed to develop a “problem tree” and an “objective tree”, by briefly formulating problems, objectives and solutions:

Figure 5: Formulation and visualisation of problem analysis from Norad’s LFA handbook (2004)

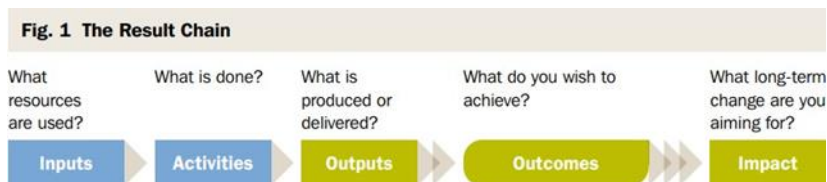


So, a problem analysis involves relating a set of problems to one another by identifying causes and effects and then identifying project objectives and aid initiatives that can help to solve a given problem. Here, we can see that *cause* and *effect* have become key terms in the logical framework approach. In this sense, it is similar to theory of change in as much as it involves actively thinking about how an initiative will bring about a desired change. Instead of a coherent narrative description, however, the LFA handbook demands brief and specific formulations that are visually linked in a tree diagram. In fact, this is strikingly similar to the diagram highlighted in the Norwegian evaluation report referred to in the previous section, in which theory of change was described in both a diagram and as an ongoing process.

While those who instituted LFA at Norad emphasised that it should be a simplified and activating method, in practice it proved to be an extensive process that attracted criticism for being both inflexible and donor-driven (even if Norway was one of the more permissive donors; there were others who demanded significantly more detailed project matrices).²⁸

Norad reviewed its use of LFA in the mid 2000s, after which it switched from management by objectives to results-based management (RBM). The LFA handbook was replaced by the practical guide *Results Management in Norwegian Development Cooperation*, with the argument that it would simplify matters as LFA had become too rigid.²⁹ One aspect of this simplification was the problem matrix itself, which was now reduced to a model known as the results chain. In the 2008 edition of *Results Management in Norwegian Development Cooperation*, the results chain is visualised thus:

Figure 6: The results chain from Results Management in Norwegian Development Cooperation (2008), p. 10



²⁸ Rottenburg 2000; Liland and Kjerland 2003; Reinertsen 2016.

²⁹ “Norad has now switched to the related but less rigid approach Results Based Management. The manual in Logical Framework Approach has therefore been replaced by the practical guide Results Management in Norwegian Development Cooperation.” Logical Framework Approach: Handbook for Objectives-Oriented Planning, 1999, Norad.

The authors of *Results Management in Norwegian Development Cooperation* emphasise that this is a simplified model, and that the key is to understand cause and effect over time.³⁰ The main focus should be on outcomes: “The purpose of defining clear outcomes is for managers to stay focused on what ultimately matters: the effects of their interventions on people and systems”.³¹

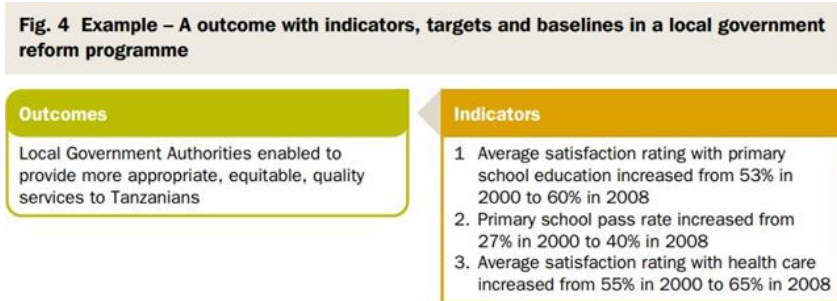
As made clear by the question above the “Impact” box in the diagram – “What long-term change are you aiming for?” – this is a matter of identifying change. Meanwhile, there is no requirement to formulate how or why this change might be expected to happen. Nor are there boxes equivalent to those for “Assumptions” and “Environment” in the LFA diagram above (Figure 4). It is apparent that both “Outcomes” and “Impact” relate to the concrete, overarching societal changes that the project is intended to contribute to, but the more analytical dimension that would contextualise the project is notable by its absence. To a certain extent, this aspect could be said to be covered by the requirement for a risk assessment, which would naturally involve identifying contextual conditions that may make it difficult to achieve the desired effects. However, here too the project itself is the key and the context is only relevant to the extent it poses a risk. So, the question being asked is no longer what assumptions the project is based on more generally but how risk can be managed.

On the other hand, indicators are still a key element. This is illustrated in *Results Management in Norwegian Development Cooperation* by an additional box, “Indicators”, which are intended to help clarify whether performance targets have been met:

³⁰ “A central element in results thinking is the ‘results chain’, which is an illustration of the anticipated causal relationship between various elements over time. In other words, we talk about a cause-and-effect relationship.” Norad 2008, p. 10.

³¹ Norad 2008, p. 10.

Figure 7: An example of an outcome with indicators from Results Management in Norwegian Development Cooperation (2008), p. 14



In this illustration, it is striking that indicators are represented by a percentage change from a baseline. Although the guide does point out that indicators may be either qualitative or quantitative, this illustrates a shift towards understanding outcomes and improvements as quantifiable, measurable changes. The guide emphasises that the more exact, distinct and clearly stated an indicator is the better.

If we look more closely at how these different governance tools are visualised and described, they appear surprisingly similar over time:

input → output → outcomes → results → goal/impact

While this model constitutes a basic structure, how it is visualised varies; sometimes it is a chain, sometimes a tree or pyramid. There are also different emphases on how assumptions, risks, context, indicators and modes of verification should be incorporated. As we saw in the previous section, theory of change has been adopted as a separate element over the past five years. The main change is thus that the emphasis has shifted to narrative descriptions of how change can be assumed to happen – how aid initiatives will create the necessary changes to achieve the strategic objective – in the form of an overall analysis, a *theory of change*.

It is interesting to observe how this desire for holistic reasoning has arisen after a period when results-oriented management has moved towards a more atomistic form of project management in which projects are formulated and assessed based on their own internal logic and concrete, measurable effects are most in demand. Interestingly, this was presented as a simplification of LFA and, in practice, this proved to be the case once the more analytical elements – such as visualising assumptions and contextualising conditions – where toned down in favour of risk assessment. However, as we saw, LFA itself contained inherent tension between the critical analysis and contextualisation emphasised in the first handbook and the oversimplification and rigidity seized on by its critics.

Can theory of change therefore be understood as a return to the more analytical, reflective and qualitative aspects of aid management? While LFA and RBM models increasingly emphasised the *content* of boxes, which became more specific over time, the original goal pyramid also emphasised the *arrows* connecting the boxes; in other words, *what was required* to progress from one box to the next. The importance of these arrows was highlighted at a session on theory of change at the Norwegian Evaluation Conference in October 2021. As a member of the audience enthusiastically enquired after a presentation on the use of theory of change in an evaluation process:

“The really interesting thing is what is behind the arrows, between the boxes. What has to exist for the results to be achieved, for the impact to happen? I mean: *the arrows between the boxes!*”³²

I sat up in my chair when I heard this, as it was exactly the same point made by Norad’s Department for Evaluation in its handbook in 1981, when seeking more systematic analysis of and reflection on the relationship between development cooperation and societal

³² From the author’s notes, Norwegian Evaluation Conference 21–22 October 2021.

change. The significance of the arrows was highlighted there too. From this historical perspective, my initial question – what is actually new and different about theory of change? – is not really the most pertinent. Actually, what this review shows is that theory of change might simply be a new name for what was already a key element of critically evaluating aid; namely, insight into one's assumptions about what will achieve results in the local context one is working in and why it will work.

The original idea behind LFA was that it would practically force aid administrators to critically analyse their own assumptions, to be receptive to local voices and to connect the project to its specific context (Reinertsen 2016). It is therefore paradoxical to find LFA and its cousin RBM criticised so often for doing just the opposite – leading to donor-driven aid, atomistic project management and an overemphasis on results. Norad itself echoes this criticism, if in milder terms, in several of its own reports on theory of change, including the Department for Evaluation's annual report mentioned above, which calls for a more reflective and holistic attitude.

There is, however, reason to question whether formal requirements for theories of change will prove to have the same dynamic, if the original aim of flexibility and analytical reflection may paradoxically lead to more standardisation and rigidity. Here, the highly specific, practical design of documentation is of great importance: How are people asked to describe their theory of change, to which block does it belong, how strict is the genre format and how is it assessed? We have seen that Norad incorporated theory of change into its overall goal structure but kept it separate from the results framework in its own appendices and text boxes. This is how the agency maintains the somewhat unresolved status of theory of change as both part of results-based management and something slightly apart. The big question going forward is therefore: Will descriptions of theories of change actually perform the analytical, flexible, reflective and process-oriented function for which they are intended? Or will they become a technocratic duty that demands the inclusion of certain

formulations and points? If the latter proves to be the case, there is a risk that the same fate will befall theory of change as its predecessors; it will be nothing more than empty phrases used to tick predefined boxes.

The tensions inherent in theory of change

Thus far, I have presented a set of contradictions and tensions that have long been inherent in development cooperation. In this section, I will summarise these, as well as expanding the discussion to cover aspects raised in other literature on theory of change.

The first tension I would like to highlight is between *overall strategic objective* and *specific, measurable result*. Identifying a planning method that both takes a holistic view and ensures that all components of an aid initiative – what one spends money on, what individual aid actors do and the results they achieve – work well individually and in unison is of course a demanding exercise. To visualise and understand these components as a whole, the methods we have examined in this chapter employ various metaphors and models: the goal pyramid, the programme matrix, the problem tree, the results chain. All have one thing in common. When implemented and established as governance tools, they may become rigid and labour intensive.

This brings me to the second tension I would like to draw attention to, that between *flexibility* and *rigidity*. Here, it is interesting to note that theory of change was introduced as a tool for active adaption during the project period, one that could prevent inflexible and atomistic project management. A report published in the Norad Knowledge Bank makes exactly this point, that theory of change can be a useful tool if one is open to preparing multiple theories of change to avoid painting oneself into a corner with predefined situation analyses and understandings of change:

“In complex contexts in which one can rarely predict how the various causal mechanisms will work, playing it by ear appears to be an important method. Instead of concentrating on one project with a single theory of change, one should remain open to multiple theories of change that emerge from the context. Even if programmes are often specialised collaborations, Norwegian actors should avoid confining their partners and programmes to well-trodden solutions and experiences.”³³

The report does however recognise that this is not necessarily easy to achieve within the current system for planning aid initiatives:

“Given the present overall results framework, within which aid administrators are expected to have detailed advanced information about a measure’s goals, activities, indicators, overall effects, sustainability and relevance to the partner country’s priorities and plans, it can be very demanding to describe and report on multiple theories of change. This may obstruct experimentation with and variation in theories of change and methods.”³⁴

The report illuminates how the prevailing planning and reporting situation, and the demands of donors in that regard, provides clear guidelines concerning whether flexibility or rigidity is the order of the day. In other words, one of the main obstacles to the successful implementation of theory of change is the donor’s existing systems and procedures.

³³ Hegertun 2021, p. 6.

³⁴ Ibid. p. 54.

The two tensions mentioned above are related to a third, namely the tension between the *contextualisation* and *atomisation* of aid initiatives, two considerations that clearly create a powerful inherent tension in aid administration. Researchers have long pointed out that, while aid initiatives may be successful on their own terms, largely achieving their set objectives, the big question is if they contribute to the desired societal change, whether that be fighting poverty, achieving economic growth or any of the SDGs of the 2030 Agenda.³⁵ Here, theory of change can be viewed as one more attempt to highlight the importance of contextualisation and to bake this into governance itself by paving the way for a more open, reflective narrative.

This is the fourth tension I would like to discuss, the tension between a *reflective, narrative style* and a *compact, technical style*. Since the 1990s, there has been a distinct development in aid auditing from narrative-based internal communication to a more auditing-oriented approach. This is reflected in both a shift from qualitative to quantitative reporting and obvious changes in document templates in terms of what one is expected and given the opportunity to put in writing (Reinertsen 2016). One reason for this has been the desire to aggregate results from multiple projects and programmes, a purpose to which quantitative information submitted on standardised forms is best suited. As demonstrated above, theory of change is now baked into Norad's application and reporting procedures. This opens the way for more reasoning and reflective narratives that, rather than simply focusing on results, also analyse and discuss the project more openly. However, if theories of change becomes nothing more than an extension of the existing management apparatus, – i.e., simply one more document to be incorporated into the already extensive flora of application forms and management documents – there is a danger that they will take on the almost technical character of other documents in the field of aid, such as the forms, tables and diagrams beloved of LFA and RBM.

³⁵ This was one of the main points made in Roger Riddell's 2009 book *Does Foreign Aid Really Work?*. See also Rottenburg (2000) for a more in-depth analysis of this paradox.

The discourse on whether different governance tools encourage reflection and analysis or simply “ticking boxes” leads us to a fifth tension, that between *learning* and *accountability*. I have previously covered this particular tension in the context of the evaluation of development cooperation (Reinertsen et.al 2017, 2022). It is also clearly present in theory of change in as much as, while theory of change is promoted as a tool for reflection and learning, it is also built into exactly the kind of governance systems that demand documentation that the anticipated results have indeed been achieved and that aid grants have thus been spent in the intended manner. In this regard, major deviations – whether in the form of experiments, errors or losses – are both undesirable and problematic and as such any risks must be identified and mitigated. As Hegertun (2021) suggests in the above citation, experiment and risk are incompatible with predefined project management. Nor is there, by definition, any room for manoeuvre based on what we learn along the way. So, demands for control, transparency and clear accountability may be at the cost of risk-taking, change and learning. It is highly doubtful that theory of change can contribute to both as proposed by the Swedish Agency for Public Management and ESV in their report (2020). At the very least, a thorough analysis should be performed of how this might eventually be achieved and, if so, whether Sida’s management and reporting systems need to be overhauled to facilitate it.

The aforementioned tensions related to objectives, contextualisation and learning also have a temporal element. This is the sixth tension I would like to highlight, that between development cooperation’s *short-term* and *long-term* horizons. Fundamentally, a theory of change is intended to help us lift our gaze and actively formulate how change happens in both the short and long term. At the same time, results frameworks provide strict guidelines, breaking down planning into periods of three to five years and linking specific results to the project’s interim goals and overall objective. Requirements to follow up results and submit a final report also encourage short-term thinking, as they provide strong incentives to complete the project

within the allotted time. Reliability is clearly an issue if a project fails to achieve its objectives on schedule and this will probably make it less likely that further funds will be granted. This is a good illustration of the tension between short-term and long-term thinking, the latter being a luxury that one can rarely afford. A requirement for a theory of change may help redress this, as it makes it possible to change course, and even the ultimate objective and anticipated results, along the way. But this presupposes that the donor has built this possibility into the governance system itself, and into the specific document templates used to plan development cooperation and report its results.

Theory of change also highlights another aspect of the temporal dimension of aid, something that constitutes what I would describe as a seventh tension, that between a *future orientation* and *retrospective reporting*. This tension is made plain in a study by researcher Timothy McLellan (2020), who demonstrates that, in practice, theory of change is used in a number of different ways, even within the same organisation: it is both a vision of the world that one wishes to bring into being and a definition of what we should specifically have achieved in a few years time. In practice, the latter is a matter of designing a monitoring, evaluation, learning and accountability (MELA) framework, which demands that one sets objectives to be achieved within a given timeframe and define how this can be verified and documented. In this context, it is fascinating how from the beginning LFA placed great store in preparing a step-by-step model for proceeding from the visionary to the documentable, i.e., from the future oriented to the retrospective. McLellan's study illustrates how theory of change stands in an undefined relationship to the various versions of LFA, RBM, MELA and their other relatives, and can thus be interpreted and used in a number of different ways, just like Vedung's semantic magnet.

The final tension I would like to highlight – that between *donor-driven* and *recipient-oriented* aid – is a fundamental paradox in all development cooperation. It is remarkable that LFA – which sprang from a large-

scale reform intended to wrest aid planning from the grip of donors and explicitly link it to the needs and priorities of target groups and recipient countries – became something of a symbol for donor-driven aid. Performance-based governance frameworks such as RBM and MELA have not helped to change this perception, as was highlighted over a long period during the global process to harmonise and increase the effectiveness of development cooperation.³⁶ The role of theory of change in this is unclear: on the one hand, it has the potential to be used for contextualisation, analysis, reflection, learning and adaptation, including local adaptation and change over time; on the other, will enough power be shared to actually reduce the dominance of donors? The examples we have examined in this chapter suggest otherwise. Who designs the theory of change? Who writes the text and edits the document? Who defines the context and the changes being sought?

The eight tensions I have described here are intended to open a debate on the effects of different governance tools on what we “see” and what we do through development cooperation. This is important when management decides which tools to use: what can be achieved, how many resources will be required, who will do what and what effect will it have on how development cooperation is conducted. It is therefore important to analyse the type of tool we have before us: is it a Swiss army knife that can serve a wide range of functions, or does it contain so many inherent contradictions that its utility is illusionary and, in the end, it will achieve none of its aims? When it comes down to brass tacks, is theory of change more of the same or is it actually something different? Some of the literature on aid evaluation contends that such tensions and contradictions are manageable, that different considerations can be combined without any major trade-offs (see Reinertsen et al. 2022). Meanwhile, the failure to learn the lessons of development cooperation persists, as

³⁶ Cf. the Paris Declaration on Aid Effectiveness (2005), Accra Agenda for Action (2008) and Busan Partnership for Effective Development Cooperation (2011).

noted in the report from the Swedish Agency for Public Management and ESV. I believe that it would be wise to examine our choice of tools and how we use them more closely to ensure that, rather than exacerbating the tensions and contradictions that are inherent to aid management, they help to curb and overcome them.

The first step is to accept that these tensions are built into the tools used to plan, follow up and evaluate development cooperation and that they will not be resolved simply by tinkering with the tool or giving it a different name. The next step is to avoid tools that are intended to achieve a series of conflicting purposes and as such are vague, fluid and imbued with a range of different meanings, like Vedung's semantic magnets. McLellan too underlines that theory of change as a concept and model can be interpreted and practiced as open-ended and experimental, but also as rigid and retrospective. This is truly fascinating: Why is this the case? How can a method initially intended to be flexible and activating become controlling and intransigent? Why would those who govern development cooperation so hopefully and ambitiously introduce a tool like theory of change when recent history tells us that it is unlikely to meet the challenges they are faced with?

Finally, we must ask ourselves: Is theory of change even a theory in the scientific sense, or something else entirely? Perhaps it is simply a hypothesis about how the world fits together and how development cooperation will create change in specific circumstances. Proposing a rationale for and assumptions about how a measure will achieve an objective is not the same thing as a theoretical argument. There are no scientific laws, no theoretical certainty, to prove that the desired societal change will actually occur, because we are trying to bring it about in a very specific, mutable and unpredictable context.

This final point is a fundamental insight of historical research, which is a matter of understanding change over time. In history, the terms *change* and *continuity* are key analytical tools and, as I have demonstrated in this chapter, the relationship between the two is a

particularly fascinating aspect of theory of change: those involved in development cooperation are urgently engaged in creating change and yet show astonishingly little interest in understanding historical continuity.

Afterword

In this chapter, we have examined theory of change as a specific type of governance tool. We have seen that historically it is rooted in earlier, similar governance tools – particularly the logical framework approach (LFA) and results-based management (RBM) – and explored the tensions inherent in this method. This poses a number of fundamental questions: What exactly do we do when we use theory of change to arrange and visualise the world. What does it help us to see? What are the consequences for development cooperation and the results thereof when we choose this tool rather than another? These are pertinent questions for anyone considering using a new governance tool in development cooperation. What difference does it actually make if we apply theory of change?

In writing this chapter, my aim is not to determine whether theory of change is a good or bad tool, or whether Sida should use it more or less, or not at all. Rather, my aim is to underline that, like other governance tools, theory of change has certain specific effects the significance of which we must understand. Governance tools are disciplinal and can fundamentally alter how an institution functions. Rather than something brand new, theory of change is a continuation of past practices. Interestingly, theory of change appears to be a reaction or correction to a planning and management approach that has long valued easily understood, predictable progress and measurable results above reflection, openness and flexibility. Perhaps we see a need to return to the critical-analytical and reflective approach that originally prompted the introduction of the logical framework approach in the early 1980s?

The historical perspective afforded by this chapter reveals that, rather than being a new solution to a persistent problem, theory of change may well be an old solution to a more recent problem. By this, I mean that even if the term *theory of change* is relatively new, its purpose is to promote a view of governance that in practice has been gradually marginalised in development cooperation over the last 30 years. At the same time, greater pressure for measurable results has increased the need to restore analytical, reflective working methods to aid management. So, the desire to institute theory of change can be seen as an indication that the pendulum is swinging back to a time when there was greater emphasis on the actual process of designing, implementing and contextualising aid measures, rather than looking at objectives and results in isolation.

At the same time, it behoves us to have realistic expectations of what a simple governance tool can help us to achieve. As shown in this chapter, there are a number of inevitable and inherent tensions in the governance and evaluation of development cooperation that no single governance tool will resolve once and for all. The way in which theory of change is combined with existing systems and procedures for governance and results reporting will of course be highly significant in terms of the impact its introduction has in practice. When the time comes to assess this, might it therefore be a good idea to formulate a theory of change concerning the extent to which Sida should develop its use of theory of change? Which insights and experiences from other countries and organisations are relevant to Sida? It is also important to ask what resources and system changes this will demand, and what kind of streamlining and additional workloads this will create, and for whom. If theory of change is to be developed, what will then be phased out? And, finally, two essential questions: Will developing the agency's work with theory of change lead Sida in the right direction? Or are there other completely different tools that will take the agency to where it wants to be and reveal what it needs to see?

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Theories of Change in Practice

Thematic Theories of Change

Contributing to the Agenda 2030

Suvi Virkkunen and Alva Bruun

Development policy forms a key part of Finland's coherent and comprehensive foreign and security policy. It is guided by the Government Programme and their foreign policy sections as well as separate development policy documents.

Discussing the complexity of development challenges and assessing their impact is not new in Finland's development policy. However, following the global public debate on development policy, there has been an increased discussion about development effectiveness and a significant demand to deliver more robust long-term results, improve effectiveness and ensure better reporting of Finland's development policy.

Finland's development policy experienced dramatic years in 2015–2016 when the Sipilä Government, formed by the Centre Party of Finland, the National Coalition Party and the True Finns, cut the Official Development Assistance (ODA) and staff resources drastically as part of national austerity measures. This also highlights how political priorities can shift very quickly. Decisions on cuts were difficult to make on the basis of competing priorities or due to a lack of robust result knowledge.

The Ministry for Foreign Affairs (MFA) in Finland oversees development policy and administers all development cooperation. Finland does not have a separate agency for development

cooperation.¹ The MFA's Department for Development Policy is responsible for development policy and much of the programming, while other MFA policy or regional departments administer development policy as part of their other foreign policy duties.

The process of designing Theories of Change (ToCs) for Finland's Development Policy has been led by the Department for Development Policy at the MFA. This department had a significant facilitation and coordination role.

The ToC process was initiated to systematically assess global development challenges and the interlinkages between different priorities in Finland's development policy and cooperation. It became evident that, to maximize Finland's contribution to development in line with internationally agreed frameworks, it needed to clarify its strategic focus. This was a shift from the earlier, more decentralised Finnish approach.

Finland has created thematic ToCs for its four policy priority areas and humanitarian assistance. It has also created a holistic ToC for its entire development policy. The ToCs can be said to have enabled clarity on the impact Finland aims to have based on its interventions as well as the Agenda 2030. The ToCs are also based on the application of the "Leave no one behind" (LNOB) principle. They support results management, reporting and accountability at the holistic level.

The process of reflecting together among the MFA staff and stakeholders on priorities, assumptions, and interlinkages is considered important an element in crystallising Finland's contribution to solving global development challenges. The ToC structure provided this reflection a new and more detailed structure.

¹ The Department for International Development Co-operation was formerly called FINNIDA, this name having been phased out since 1995.

The crucial question for Finland in embarking on the ToC-process was: what Finland does need to be able to deliver as a development partner? Amid the growing threats of climate change, increasing vulnerability and fragmented governance as well as conflict, it was important to ensure a very critical and real conversation. What path could help Finland strengthen multilateralism while driving results through most effective programming?

One might say that Finland's rounds of ToC development (2017–2020) were both complex challenges and opportunities for the MFA staff to 'think out of the box'. While the entire process has offered an important sense of vision, it also invites to reflect on a number of key lessons learned.

Background: Finland's development policy journey

Finland's development policy is managed through a results-based management (RBM) approach. This is due to the understanding that managing for results is one key element in ensuring development effectiveness. The latest international guidance on the topic dates from 2019 when OECD DAC adopted Guiding Principles for Management for Sustainable Development Results.²

Finland started to stress the importance of improving its RBM in 2012. The work has been guided by two Action Plans (2012–2014 and 2016–2018) and management decisions based on related strategic evaluations (2011, 2015 and 2019).³ A "first generation" of

² OECD (2019), *Managing for Sustainable Development Results: Guiding Principles*, OECD Publishing, Paris.

³ *Results-Based Approach in Finnish Development Cooperation, Evaluation report 2011:2* Ministry for Foreign Affairs, Finland, *Evaluation: Finland's Development Policy Programmes from a Results-Based Management Point of View 2003–2013*, 2015, Ministry for Foreign Affairs, Finland, *Evaluation on Knowledge Management: "How do we Learn, Manage and Make Decisions in Finland's Development Policy and Cooperation"*, 2019, Ministry for Foreign Affairs, Finland.

project and policy channel RBM practices were developed, a Guiding Document approved in 2015 and development policy level RBM system set up. A clear milestone was achieved in 2018 with the publication of the first comprehensive Results Report of Finland's Development Policy.⁴ The report is based on data and information on inputs and results collated and aggregated across countries and aid modalities per priority area – as well as conclusions on the basis of their analysis.

Earlier, the overall planning and monitoring was focused mostly on inputs (budgets) and (types of) partnerships while a result-orientation concerned only project level management. A lot of the processes and priorities were established in a more ad-hoc manner, spreading Finland's involvement quite broadly. While this allowed flexibility to engage with a number of important initiatives, it also prevented a global overview and systematic assessment of results.

A crucial element in preparing the *Development Policy Results Report of 2018* was the development of the thematic and the holistic ToCs for Finland's development policy. They clarified what and why certain results were included in the report while many were not – what Finland was accountable for achieving or contributing towards, and what not.

The RBM reform was later integrated into a broader development cooperation management reform at the MFA, with a clear focus on strategic leadership at the comprehensive/corporate level. The ToCs were taken as an important tool for this strategic decision-making, for which a “second generation” of ToCs and aggregate result indicators were developed. Additionally, more specific timelines were defined so that it was more clear what information needed to be gathered for what stage of strategic decision-making during an electoral period and an annual cycle. Moments of analysis, joint reflection and learning were more clearly identified.

⁴ Development Policy Results Report of 2018, Ministry for Foreign Affairs, Finland.

As an outcome of these reforms, Finland's development policy decisions are now expected to be informed by results knowledge – result knowledge is understood as a combination of data, evidence-based information, research and experience (so called tacit knowledge).

One contributory factor to the creation of thematic ToCs was a request from the Finnish parliament for the Government to report on results, effectiveness and impact, including challenges, each parliamentary period. This request was included in a response to a development policy report on effectiveness and coherence of development policy in 2013.⁵ The Foreign Affairs Committee had earlier requested not to receive annual reports – describing programmes Finland was supporting in various countries – and was not pleased with the way results were presented t as what it called “anecdotes”. It also was critical of the manner where the exact role of Finland's (or EU's) development policy interventions remained vague. It was deemed, that in order to be accountable for results at a holistic level, more clarity and precision on the expected results of Finland's development policy on the whole was needed.

A second contributing factor behind the creation of thematic ToCs was an external evaluation on Finland's policy guidance.⁶ This evaluation assessed how the Finnish Development Policy Programmes of 2004, 2007 and 2012 had succeeded in defining the foundation for results-based development policy and cooperation. It found that despite a result focus at programme/project level, Finland lacked a comprehensive approach and tools to manage based on results at the corporate level. The evaluators recommended that future policy implementation should be guided by a long-term strategic plan underpinned by a comprehensive Strategic Results Framework.

⁵ UaVM 9/2014 vp – VNS 5/2014 vp.

⁶ EVALUATION, Finland's Development Policy Programmes from a Results-Based Management Point of View 2003–2013, 2015, Ministry for Foreign Affairs, Finland.

The evaluation considered ToCs at corporate level useful. It included a peer analysis highlighting various experiences of different countries and noted that linking results across the different results framework levels was challenging.⁷ A comprehensive Theory of Change emerged as a good basis for selecting meaningful organisational and institutional performance measures that enable development results and a relevant hierarchy of development results measures. *“A sound Theory of Change also renders transparent inherent difficulties in attributing development outcomes to the activities and the funding of individual donors”*, the evaluators stated.⁸

The evaluators recommended Finland to develop a ToC and a Strategic Results Framework at the MFA corporate level. They emphasised a ToC as a tool to provide a logical and plausible storyline, explaining the causal steps through which the MFA’s corporate and implementation activities and outputs (e.g. policies, strategies, decisions, projects, programmes) are intended to achieve development outcomes and impacts, covering all policy implementation channels.

Identifying underlying assumptions and the degree to which the MFA has control over results along the chain was seen an important element of the ToC. It was also introduced as a tool to provide a rationale and criteria for prioritising between and within channels, for example which types of countries, multilateral organisations, and international NGOs to fund.

A third contributing factor to the creation of thematic ToCs was the Government’s new development policy, presented to parliament in 2016. In many ways it responded to the evaluation

⁷ These challenges, of course, are not unique to Finland, but rather has many similarities in view of that of Sweden and Sida, as described in the chapters by Nordström & Heine, and Vähämäki & Östlund in EBAs forthcoming ToC anthology.

⁸ EVALUATION, Finland’s Development Policy Programmes from a Results-Based Management Point of View 2003–2013, 2015, Ministry for Foreign Affairs, Finland.

recommendations. Finland's four priority areas were defined for the first time in a result statement form: *“Finland will strive to ensure, for its part, that:*

- *the rights and status of women and girls have strengthened;*
- *developing countries' own economies have generated jobs, livelihood opportunities and well-being;*
- *societies have become more democratic and better-functioning;*
- *food security and access to water and energy have improved, and natural resources are used sustainably.”*⁹

It endorsed Finland's development policy as fully anchored in a Human Rights Based Approach (HRBA) and additionally promoting specific cross-cutting objectives: gender equality, inclusion, climate resilience and low-carbon development.

The 2016 government policy defined more specific goals for each priority area, and linked each priority area to specific SDGs. It also highlighted some of the main means for Finland's contribution. Thus, some elements (different levels of results, assumptions) of a ToC were already partially defined in the government policy.

Fourthly, the need for thematic tools is also explained by the fact that MFA of Finland has an organisational and budgetary structure without a clear thematic division. The departments and units are either geographical or regional (Africa and the Middle East, Asia and the Americas, Europe) or organised by type of cooperation or partnerships (multilateral, civil society, private sector etc.). Those individual units with thematic focus remain very horizontal in nature (human rights, peace mediation, etc.).

⁹ Finland's development policy. One world, one common future, towards sustainable development. Government report to Parliament, 4 February 2016.

Managing for results for the thematic result areas in a multi-disciplinary way in the “Agenda 2030 era” required a comprehensive and cross-organisational approach. There was a need to provide clarity on the expected results in each of the thematic result areas and how they contribute to the SDGs and LNOB principle.

Finally, the use of the ToCs for strategic leadership was encouraged by the most recent relevant strategic evaluation in 2019, on knowledge management.¹⁰ The evaluation highlighted the need for capabilities, motivation and opportunity to use results information. Time, processes and space for analysis, joint reflection and utilization of knowledge were identified as areas of improvement. As a result of this evaluation, processes of strategic decision-making have explicitly been created and structured for annual stock-taking, including annual gatherings for staff working on development policy and those working in other policy areas, as well as embassies.

An important part of the processes is the “priority area perspective”. How does the existing programmatic and funding portfolio look like vis-à-vis the ToCs? What are the key lessons learned concerning successes or challenges on the basis of annual reports? How could Finland further ensure relevance?

Annual thematic analysis and reflection aims to support cross-organisational reflection and learning as well as thematic leadership. Despite several rounds of reflection, the process would benefit from more effort to really distil learning and strategic decisions from this work.

The annual reflection also provides an opportunity to acknowledge new challenges and setbacks, such as the COVID-19 pandemic, and to bring in new elements for the consideration of strategic leadership. When it comes to COVID-19, the reflection led to a collective consideration that the priority areas and the ToCs were relevant event at the times of the pandemic.

¹⁰ “How do we Learn, Manage and Make Decisions in Finland’s Development Policy and Cooperation” 30 August 2019.

Finland's perspective on a Theory of Change and its usefulness

Definition and added value of a Theory of Change

Finland identifies a ToC as a theory in the sense that it represents the best available hypothesis on how change happens, and how it is assumed the MFA contributes to these changes. This approach of course presents many similarities with the approach by Sida, as described by Vähämäki and Östlund.¹¹ It is important to recognize that many ToC approaches put a stronger emphasis on actors and contributions, described more in detail by Molander & Biersack.¹² The ToC approach recognizes that the hypothesis might not hold and the ideas need to be regularly tested and refined, in order to increasingly develop a more plausible and realistic theory. It specifically includes the notion of contribution to change.

A useful tool for development policy and cooperation, a ToC recognizes that change is complex, systemic and non-linear. Using a ToC for instance on country programme or intervention level, implicitly shifts the emphasis from heavy planning and compliance in implementation, to constant monitoring and revisiting of the chosen pathway, and as such is in line with the RBM approach Finland uses – including emphasis on adaptiveness and learning.¹³

Importantly, a ToC for Finland is both a flexible, iterative process including consultation with key stakeholders and a tool for

- critical reflection as part of strategic planning,
- communicating the intended contribution,

¹¹ A chapter in a forthcoming EBA anthology on ToCs.

¹² Ibid.

¹³ Borel, Brett & Bryld and Reinertsen further look at the issues around rigidity/adaptability. A chapter in Forthcoming EBA anthology on ToCs.

- reflecting results, assumptions and risks vis-à-vis the theory and therefore the adopted strategy as part of managing/directing for results and
- reflecting the underlying causal assumptions, the strategy and the theory as part of learning.

In the case of Finland, an important added value lies in the assumptions of a ToC. An analysis of causal assumptions and the whole ToC help reflect the extent to which the development results expected from Finland's development cooperation are realistic.

A ToC process guides thinking through the underlying causes and factors of development challenges, and how they influence each other. In case of country strategy ToCs, this is backed by a Political Economy Analysis (PEA) and a mandatory human rights analysis (see also Chapter by Borel, Brett & Bryld). In some cases, conflict/fragility analyses, context-specific system analyses or scenarios have been conducted, to support the development of a ToC.

Assumptions define the understanding of the relation between the changes that are expected as a result. Assumptions include conditions in the context that need to be in place for the change to happen. In other words: What works? For whom? Under what conditions? They can be seen as a tool to bring realism to the expected contribution as well as the external factors that may support but also hinder the success.

In the case of Finland, assumptions that are needed for the outcomes to contribute to the expected impact relate to external actors. Thus, assumptions make more visible what is expected of others. Or to put it the other way, a ToC makes visible the dependence on others and thus in some ways clarifies and puts in perspective the burden of accountability of any individual actor.

In the priority area ToCs, assumptions that are needed for the outputs to contribute to the expected outcomes often relate to changes in the immediate enabling environment or in the capacity

and behaviour of organizations. Finally, assumptions between inputs and outputs often relate to internal capacities, resources and partnerships. The importance of highlighting this as a basis of the ToC, is understandable in the case of Finland, where the development policy resources have fluctuated in the recent history.

The chosen approach to developing priority area Theories of Change

Finland's ToCs for each policy priority area are considered and used individually and as a whole, defining the contribution of Finland's development policy to the achievement of the Agenda 2030.

A clear choice was made, to ensure critical reflection on the priorities and realism of Finland's focus/expected results, to encourage and allow for clear, or direct, pathways per outcome-area. But it was clear from the outset that Finland's development policy areas – as well as the understanding of how ToCs support it – are interconnected.

Thus, the priority area ToCs should be looked at as systemic, holistic theories in themselves, where contributions take place from one outcome-pathway to another. Similarly, Finland's contributions in one priority area are understood and expected to contribute to the realisation of results in another. For instance, the expected result in the priority area “Sustainable Economies and Decent Work” of creating or supporting jobs, is highly dependent on the results in the priority area “Climate and natural resources”, with outcome areas relating to agriculture, forestry, energy or water.

The linkage between outcome areas or ToCs could have become even better defined in assumptions defined in the ToC. However, when aggregate result indicators were defined based on the ToC result statements, these links became very evident.

Finland's priority area ToCs are holistic also in the sense, that they are an illustration of ToCs used at programme or project level throughout various cooperation modalities. This means, that

Finland's bilateral country programmes have their own ToC, main civil society cooperation have their programme ToC and various other modalities may have their own as well. The main purpose of the priority area ToC is to define an overall prioritised umbrella theory, which creates a logical contribution pathway in relation to Finland's efforts, encompassing all these various modalities, which in turn links to all other ToCs.

At a broader level, Finland's ToCs interlink to the SDGs in several ways: the SDG goals to which the priority area impact statement is seen to contribute, are identified. Equally, the SDG targets to which at outcome and output level result statements contribute, are identified. The result statements and assumptions have been formulated with the intention to include the LNOB principle through the integration of the HRBA. The aggregate indicators developed based on the ToCs are mainly aligned with the SDGs and include an expectation of disaggregation according to sex, age and disability wherever possible.

It is important to note, that Finland's priority area ToCs were not an academic exercise and was not intended as such. Sometimes ToCs are extensive narratives that explain, on the basis of applied research and academic literature, how change takes place (eg. how learning improves) either generally or in a particular context. However, Finland took the approach that the ToCs are explicitly theories describing how Finland expects its contribution to development change to take place. Thus, it is Finland's theory, not a general one.

In the process of designing ToCs, academic knowledge, evidence from evaluations and results information was, however, used widely, both in the critical reflection of the validity of the created pathways and assumptions. However, the process was facilitated clearly to identify a very limited number of expected outcome and output results for each impact. At one stage of the process, wide consultations took place, and a number of actors, be it civil society, academic, private sector entities and others provided important critical inputs that further helped shape the thinking and process.

The many stages of Finland’s Theory of Change design

The ToCs have been designed in two stages of thorough and lengthy internal processes that were as crucial as the end result. Reflecting on the most important and collective expected results across the relevant development cooperation modalities, including policy influence, has been extremely useful for collective learning and information-sharing. Rubin, Öhman and Ohlson goes further in elaborating on organisational learning perspectives and opportunities.¹⁴

The original ToCs (2018) have so far been updated once (in 2020). The update included both changes to the content and methodological improvements. Additionally, a consultative process with a wide range of stakeholders to develop aggregate indicators on the basis of the first ToCs contributed greatly to the second ToC.

In the first round external consultants supported the process to ensure expertise of successful facilitation of such a process, the second round was internally conducted by the MFA.

Finland’s priority area “crystallising” process 2017–18

The first ToC process was called “crystallising” the priority areas. This started in January 2017 and took approximately 9 months.

The process was very interactive and participatory in nature within the MFA of Finland. The discussions were seen a crucial part of the crystallising – creating a collective understanding across the organisation – through learning from work and priorities of others in the same priority area, sharing thoughts, debating and going through evidence (evaluations, academic studies) together.

¹⁴ A chapter in Forthcoming EBA anthology on ToCs.

The teams of colleagues who worked with a certain priority area – senior advisers, desk officers from various units with identified sectoral focal point responsibilities or staff involved in relevant projects or partnerships – came together to discuss in three stages what they knew about the current programmes, policy influence or policy coherence topics, what could be considered the main results expected in this priority area and what the assumptions were.

The discussion on expected results needed to be a combination of what the current versus the desired or ideal result statements and assumptions would be. This is where the process required policy leadership, to ensure that some of the result statements were refined to reflect the policy direction, rather than the existing state of affairs. How well this succeeded in reality, varied, and a lesson learned was that this process requires smart facilitation to ensure that it doesn't derail or lose focus.

Important discussions were held on how the HRBA should be reflected in Finland's ToCs, how the cross-cutting objectives should be integrated in the priority areas and how the interlinkages and cross-contributions between the priority areas should be managed. Many aspects remained challenging and called for clarifications.

The “crystallising” process was a step towards a portfolio thinking – that Finland's priority areas have a portfolio of programmes, partnerships, policy influence and coherence activities that are initiated and managed across the organisation. It made clear that the manner with which the MFA worked on its development policy priority objectives required reflection. For instance, tools for thematic leadership and more continuous dialogue, in the form of so called *Communities of Practice* or other peer networks, were called for during the process as ways to support the continuation of the clarity, learning, synergy building and coherence of activities within a priority area. This discussion contributed to the creation of positions of Thematic Leaders at ambassador level. The Thematic Leaders work with thematic teams and hold cross-organisational responsibilities to drive and coordinate the work on a particular priority area.

Communities of practice for peer learning were considered, but never institutionalised. Partly this was due to lack of resources, but partly due to the creation of more permanent processes where colleagues collaborate on a regular basis. These, so called knowledge based strategic leadership processes, led by the development policy management, including the aforementioned Thematic Leaders, bring together thematic colleagues to analyse the situation vis-à-vis the ToCs and the Government policy each year (as explained above).

The draft ToCs went through many revisions, which was important to ensure that the final product reflected the desired elements, but also to gain the maximum level of ownership within the MFA. The process led to the adoption of four ToCs, one for each policy priority area. They were formally adopted by the policy leadership, not political decision-makers (minister or cabinet) as they are considered an interpretation by the administration of the political will of the government (that was highlighted in the government development policy).

The ToCs were prepared in a graphic form, but also into a short narrative. They were the basis on which Finland's focus in each priority area was presented in the Results Report. An overall, whole of development policy

ToC was included in the introduction of the report, also on the basis of the iterative “crystallising” process. The priority area ToCs were included in the annex.¹⁵

The aggregate indicator development

The existence of the priority area ToCs lead to a process of revisiting indicators with which aggregation of results would be possible. This was a widely participatory process that led to a large pool of voluntary aggregate indicators for Finland's development policy.

¹⁵ Development Policy Results Report of 2018, Ministry for Foreign Affairs, Finland.

In the Results Report of 2018 all in all twelve results were aggregated. They were selected based on what was possible – which results were monitored with internationally agreed and harmonised, quantitative indicators so that results could be pooled together from a variety of programmes. This selection did not highlight the most important results or correspond quantitatively to the priority areas. For instance, several of them were priority area 4 results – related to water, energy and food security. Finland had not had any policy on aggregating results nor on harmonisation of indicators.

All other information in the results report were collations of result data and narratives on qualitative results. It was made clear from the start, that the report was not comprehensive – rather, it aimed to give indications on the types and quantities of results that are being achieved through Finland’s involvement. Out of an “ocean” of result knowledge in programmes and projects, certain elements were extracted in a way that resembles a “fish net”.

A new round of aggregate indicator selection took the ToCs as the starting point – how could we in the future give a more even and comprehensive indication on Finland’s development policy? What should the “fish net” look like to capture the “right” results?

In order to avoid incoherence with Finland’s development policy principles, that emphasised relevance and country ownership, the work started with the notion of voluntary indicators. They were meant to be a selection of indicators useful for the overall reporting of Finland’s ToC-focused results for future accountability purposes. Programmes, projects and partners were expected to use a varied variety of indicators that were relevant in their contexts to monitor, adapt and learn for the purpose of managing for better results. It was assumed, however, that international harmonisation of indicators vis-à-vis for instance the SDG indicators will iteratively support the usefulness of these selected indicators.

This exercise, if anything, proved that it's a helpful exercise to link data to ToCs, to keep them grounded. It became evident that in some cases the ambition of what was under Finland's sphere of influence wasn't realistic. Also the expectation on resources for production of relevant data to monitor the results might be challenging. An example is the indicator on number of people who have had access to decision-making outside the mainstream political mechanisms. While the intention is to be able to truly measure the impact on civic engagement outside ordinary political challenges, such data continues broadly to remain inaccessible or difficult to collect.

In discussions with colleagues and stakeholders what are and should be the best suited indicators, it also became clear that many of the result objectives in the priority area ToCs were not quite clear or contained illogical elements. This discussion contributed to the fact that the ToCs were revised as a part of this process.

Revision of the Theories of Change in 2020

Do the ToCs reflect Finland's development policy?

A revision of the ToCs was made in 2020 following parliamentary elections in 2019. The parliament had endorsed importance of continuity over parliamentary/government periods when discussing the 2018 result report – and thus Finland's priority areas were not drastically changed by the new government. However, it placed more emphasis on certain topics: the protection of human rights and dignity, with stressing a human rights-based foreign policy, and the importance of gender equality, non-discrimination and climate resilience as cross-cutting objectives.

As the process of developing aggregate indicators had raised various issues concerning some result statements and logics in the ToCs, the period after the government programme was seen a good moment to both improve the ToCs as such and integrate the government emphasis into the ToCs.

To discuss how this would be done was a good opportunity to clarify what these new priorities meant for Finland's development policy, while respecting the idea of continuity, thus ensuring a more long-term commitment.

What need to be assumed for the portfolio to reflect the expected outcomes?

The second round of discussing the ToCs included debate on the underlying assumptions of some of the ToCs. For instance, under Priority Area on Sustainable Economies and Decent Work, Finland's possibilities to support sustainable trade, responsible business conduct and innovation was thoroughly debated. The ToC-team spent a significant amount of time elaborating and defining what economic activity, decent work and innovation meant as part of the Finnish priorities. The reflection also extended to what elements the outcome- and output levels could contain and what the possible means to support these results were.

Concepts such as *leverage* and *sphere of influence* were given a more prominent role. What was the contribution Finland could make with its current modalities of cooperation to support developing country governments to promote responsible business conduct and support a solid business-enabling environment? What were Finland's possibilities to influence how job creation and economic activity overall would support the decent work agenda in line with the Sustainable Development Goals and African Union's Agenda 2063, and notably ILO standards? This discussion was underpinned by the reality of a reduced number of bilateral activities by geographical departments and embassies and a rapid growth of private sector initiatives, loans and guarantees to direct funding through investment funds. How could Finland actually influence through these modalities?

Understanding collectively how change happens in the fast-developing area of sustainable economies and decent work is complex. It became evident that a great number of issues needed to be addressed in the assumptions. These included the need for ownership and willingness on the side of governments and key stakeholders to use sustainable solutions and avoid any adverse impacts they may have. In essence, the discussions about assumptions became critical for the ToC to be completed, and this highlighted the need for a regular review of the solidity of ToC – to see whether the assumptions were in fact holding.

What is a priority area, what is cross-cutting?

Gender equality

The new government set in 2019 a high ambition and clear target for Finland's cross-cutting objective of gender equality – to reach the target level of 85% of development cooperation containing gender-specific activities and ensure gender mainstreaming in all development cooperation. While this cross-cutting objective has been a long-standing element in Finland's development policy, promoting the rights of women and girls was defined as a separate priority area only in the 2016 development policy.

There were many diverging views on how Finland's contribution to protect and promote the rights of women and girls specifically and gender equality more generally takes place. It was agreed that the logic and underlying assumptions in all of the 2018 ToCs needed to be 'tried and tested', including some amendments. The question of intersectionality came up very strongly in these discussions.

It was assessed that the priority area on 'Rights of Women and Girls'-ToC should be explicit in identifying solutions that respond to the gaps in fulfilment of rights of women and girls and ensure they are empowered as agents of change and can benefit from the intended impact. The focus in the priority area on Rights of Women ToC was

put on key priority issues that would not be covered elsewhere, such as sexual and reproductive health and rights. Other areas such as women's political empowerment were covered under other priority ToCs. A lot of effort was therefore put on discussing the cross-linkages. It must be noted that there were and are diverging views about this, with some concerns about how this would impact the priority attached to those areas not directly covered by this ToC.

Certain elements were decided to be included across the priority area ToCs. Each priority area needed to address root causes of inequality and discrimination as well as systemic injustice and structural barriers to exclusion. The importance of effectiveness of institutions and mechanisms that are targeted to empower women and girls also needed more attention. The discussions about how this should be reflected in result statements or assumptions were important for the collective understanding Finland's development policy. This proved challenging in many ways, as in certain areas there was a desire to tackle more immediate challenges.

Climate change

Similarly, an important discussion was needed to clarify how the increased emphasis on climate action by the Government would be reflected in Finland's development policy. It was an important cross-cutting objective; Finland would adhere to the do no harm principle and seek to support low carbon development and climate resilience. The policy guidance on what this meant in practice was still being finalised and experience of how this would translate into practice on an intervention level had not yet accumulated.

After the first round of ToCs the priority area on Natural Resources (energy, forests, food security, water) had included the interrelation with climate change very clearly. Climate change was, however, not sufficiently articulated in, for instance the priority area on Sustainable Economy and Decent Jobs due to various reasons, including the lack of evidence and data.

In the end climate change was set as an overarching objective, i.e. highlighted at the top of the holistic ToC, so that all of Finland's priority areas are expected to contribute to the realisation of the SDG 13 and the Paris Agreement. Placing climate as an overarching objective supported the understanding that no intervention under Finnish development cooperation should cause adverse impacts on climate or increase vulnerability to climate change. The expectation was that climate-related risks would be screened, assessed and mitigated across all priority areas. While it is evident that such an overarching objective is a challenge to link to certain types of modalities, the process fostered a greater sense of understanding of the interlinkages between climate and various sectors and areas, even when they might be linkages that are distant or difficult to recognize at first.

Additionally, climate change was formulated as an expected impact of one priority area, now named as Climate Change and Natural Resources. Also, the outcome and output statements or assumptions in various ToCs were reviewed to integrate climate resilience and low carbon specific objectives and finally, a new outcome area with meteorology and disaster risk related outputs was added to that ToC.

All in all, the second round of the ToC process yielded new thinking in the MFA on the role of climate change, given not only the interlinkages between the Agenda 2030, but the Finnish cross-cutting objective on climate. It was necessary to outline more clearly how the linkages between priority areas, and between outputs and outcomes in particular were expected to contribute to climate action. It proved challenging to work in parallel under complex systems in ToC-development and therefore the ToCs are still to some degree unbalanced or uneven.

Important processes related to Finland's approach to climate finance, cross-cutting objective implementation and explicit policy influence of Finland's partners are currently under way. It can be argued that the ToC revision and the discussions during the revision stage have helped move the processes forward.

How does HRBA/LNOB reflect across the ToCs?

Finland, having committed fully to Agenda 2030 on one hand, and a Human Rights Based Approach to development on the other, was committed to ensuring that all priority areas would ensure alignment with the LNOB principle and towards tangible solutions that empower and support the most vulnerable and marginalised segments in society, including women and girls, in most vulnerable and marginalised situations.

Finland's HRBA to development cooperation also played a key role in execution of the ToCs.¹⁶

The ToC process offered an opportunity to discuss how HRBA had guided Finnish development policy and how it should be increasingly present across the different priority areas. It opened a window of opportunity to look at all priority areas through a HRBA-lens: critically assessing what this would mean for the execution of Finnish development policy and programming. It was evident that the ToC process and HRBA was important but not easy to link up, for various reasons.

The process provided an opportunity to reflect on how Finland had integrated HRBA into development programming since the adoption of the latest HRBA guidance of 2015. It became evident that while HRBA is well known across the organisation, including the embassies, it still remains fairly abstract in terms of how to integrate it fully into program implementation. This came as no surprise, as it had earlier been expressed by an external review. The Quality Assurance Committee at the Finnish MFA has also noted that HRBA is seen by many as bureaucratic to integrate in the planning of new interventions, hence, often also omitted from the monitoring phase.¹⁷

¹⁶ Human Rights Based Approach in Finland's Development Cooperation: Guidance Note, 2015, Ministry for Foreign Affairs.

¹⁷ Review of Human Rights-Based Approach in Finland's Development Policy related to Forthcoming Evaluation (2019).

Especially in elaborating the ToC Priority Area on Sustainable Economic Development and Decent Work it was not evident how HRBA would guide it. This could be due to the strong normative foundation of the HRBA, which isn't easy to integrate with economic aspects, especially as a partial objective of some interventions in this sphere had been to support Finnish businesses. HRBA is about both process and outcomes, as it requires full attention to the way development interventions are implemented, but also place an expectation on human rights realisation as part of the outcomes. Overall, a "do no harm"-approach as part of trade initiatives have only recently gained traction with discussions about mandatory due diligence surfacing in an increasing number of countries. So also in Finland.

Designing a ToC that is resting on HRBA placed an expectation on the staff of the MFA to be ready to anchor the ToC in discussions about how to conceptualise change and see the added value of doing so. This required internal discussions about the way in which an inclusive and bottom-up approach could be beneficial as well as a discussion on power structures and the role of civil society or human rights defenders.

The aim was to ensure that all ToCs would genuinely reflect both the actual desired changes concerning both rights-holders and duty-bearers, in a realistic way. This did not surprisingly prove challenging on many levels (see for instance: Ewald & Wohlgemuth, p.84). A lot of information was readily available from grassroot level consultations, encompassing a wide range of perspectives relevant to a ToC. The challenge became, however, reflecting the complexity and diversity of these perspectives. As ToC by nature needs to stay compact, the needs to generalise or simplify information is evident. It became a difficult, at times frustrating process. This perhaps was easier for the ToCs that were directly dealing with, for instance, the rights of women and girls and that of good governance and human rights.

A ToC integrating HRBA inherently required willingness to open up for a ‘political’ discussion: about the political will to engage on human rights especially in contexts where it remains sensitive and where governments are not showing willingness to promote human rights.¹⁸ In essence, the ToC showed that there would be need for more reflection on what “Human rights up front” could mean for Finland, in terms of principles leadership and commitment to human rights at all levels of leadership and by all staff.¹⁹ Through the ToC-process it became evident that it’s essential to continue sensitising MFA staff and investing in capacity building on human rights norms and the key elements of HRBA.

What is the role of development finance/leverage?

When it came to development finance, the second round of ToCs was an opportunity to clarify whether leveraging private finance to support sustainable development was seen as a result or a means to an end. It was clear that Finland’s ambition was to contribute to solving the development finance challenge identified in the Addis Abeba Action Agenda on development finance – private finance was crucial and actions to support it are urgently needed.

There was a clear desire to spell out the role it could have in this sphere, as part of recent developments in this domain (increased exchanges on best practices between the development financing institutions) and increased investments on Finland’s part.

¹⁸ Regrettably, as described by Ewald and Wohlgemuth (A chapter in a forthcoming EBA anthology on ToCs), we are witnessing an increased number of authoritarian regimes, in which human rights in general, and promotion of women’s rights in particular, get little resonance. Such differences in views and sensitivities require due attention.

¹⁹ ‘Human Rights up Front’ was a Secretary-General Ki-Moon (2013) initiative to strengthen the UN’s prevention of serious human rights violations. The initiative aimed to realize a cultural /operational change and encourages staff to take a principled stance and to act with moral courage in relation to human rights promotion and protection.

One of the key challenges was finding a common understanding of Finland's anticipated role and how Finland could not only adapt to a fast-changing development finance landscape but also be part of driving this change. Was supporting the private sector or leveraging private finance an outcome area within the priority area on Sustainable Economy and Decent Jobs? How about within the Priority Area on Climate Change and Natural Resources with, for instance, an energy related outcome area?

Important discussions among colleagues were needed to identify finally, that increasing private development finance is not a result statement in any of the thematic ToCs, but rather, it is identified as an overarching objective to which all of Finland's ToCs contribute. Addis Abeba Action Agenda is mentioned along with Paris Climate Agreement and the SDGs 1, 10 and 13 in the holistic ToC of Finland's development policy.

Challenges and key lessons learned

The ToCs have clarified how Finland sees its contribution to the SDGs and identified what parliament can hold Finland's development policy accountable for. The ToCs supported the notion of continuity over parliamentary periods and, strengthened the implementation of HRBA and cross-cutting objectives in all priority areas of Finland's development policy. It is fair to say, they have provided new meaning to development effectiveness in the Finnish context. Linking the ToCs to the aggregate indicator selection and thus the accountability to the Finnish parliament on the one hand as well as to the annual strategic leadership process for portfolio management and learning on the other hand have been really valuable changes in the management for results of Finland's development policy as a whole.

Keeping to a selected and limited number of result statements was a strategic choice, which embedded for a ToC-process with strict focus. It was however not a clear nor an easy choice. Development

policy in Finland is placed in an integrated Ministry for Foreign Affairs, the role of development policy is traditionally seeking a balance between a narrow focus for development results and a wide scope for a variety of foreign policy purposes.

Having a collective, dynamic reflection process over a longer period of time, allowing for revisions and a great deal of refining, was overall a good way to proceed with the ToCs. Two rounds have improved the ToCs as well as increased internal ownership of the theories. This not only helps embassies and entire divisions plan their work and contribution, but also motivates staff to understand their role as part of the clearly defined strategic goals. One could say that ToCs provided important shared vision of success.

However, it has been challenging to facilitate a ToC process which aims to unite many priorities and frameworks (Agenda 2030, HRBA etc). In addition, uniting results of local, national, multilateral, public and private and other actors as well as results of policy dialogue and policy coherence under the same framework adds an additional layer of complexity. The annual cycle of strategic leadership aims for collective reflection based on various result syntheses to provide clarity in the complexity and to review factors of success and challenges that can be scaled up or addressed at the priority area level in future decisions.

A ToC process requires openness and transparency. The ToC-process was a call to enter frank discussions about solutions on many levels to complex development challenges, the assumptions on which they rely and the shortcomings of various existing cooperation modalities. At the same time, it is sensitive and difficult to openly discuss where Finland's approach, logic or resources are not especially successful in supporting the expected development change, while it may be relevant and reasonable from the perspective of other policy priorities of Finland. Result knowledge is an important element in these discussions.

The Finnish ToC-process required and found commitment and buy-in from the entire organisation, including the political, trade and geographic departments at the MFA. The process also highlighted the importance of strong facilitation and leadership. Bringing together staff from very different disciplines, with different values, expectations and understanding made for very rich and inclusive but also at times confrontational discussions. If not mastered well, these could lead to increasing internal division and hamper finding consensus. It must be noted that the size of the Finnish MFA also could contribute to the success: such a process is perhaps easier to carry out by small entity, in which people already have collaborated and know each other through other internal mechanisms and processes.

The ToC processes raise questions for the future about the importance of a thematic or a portfolio approach. At the same time the interactions between the Thematic Leaders, Thematic Teams and various departments required a great deal of coordination and clarity on roles and responsibilities. The success of such a time-consuming process depends largely on the commitment and contribution of divisions/individuals.

Thematic ToCs require thematic leadership across the organisation. There is a risk that the ToCs become side-lined as a tool for strategic guidance unless this is the case. In Finland, the MFA management structure is based on geographical regions or partnerships in certain areas/sectors and thus more attention has been given to coherently guiding and steering the thematic portfolios across departments and co-operation modalities based on the ToCs. Overall, the ToCs received good feedback by staff, including in embassies. This could be at least in part due to the consultative process on which they were developed. Yet, in an MFA with staff in many departments on mobility/rotational schemes ToCs need to be a core part of staff onboarding to ensure that they remain in the institutional memory as the key tool they were developed to be.

Including expected results of policy influence and policy coherence in the ToCs has not been easy or straightforward, even though they are an important part of the contribution of Finland. The ToCs aim to represent the expected contribution of a combination of both financial support and policy dialogue.

Importantly, the ToC process exposed gaps in newer policy areas where outcomes and outputs needed to be cross-checked with evidence from research. It also called for more analytical and innovative thinking with the support of external partners.

The ToC process of the Finnish MFA called for innovative reflection and transformational thinking. But development cooperation appropriations and their use are governed by laws and under strict budgetary constraints – and collaboration modalities cannot be changed within a short time frame. It is thus difficult to approach the ToC process with as transformational of a mindset as the process would benefit from.

At the time of the final adoption of the ToCs in 2020, the world had already entered a COVID-19 crisis.²⁰ Two years later, the world has witnessed a ruthless and unjustified Russian invasion of Ukraine. The ToCs were designed to hold their relevance through shifting global events and foreign and security policy situations, as they widely support strengthening the resilience of communities and societies.

However, the significant shifts in the overall development policy landscape demonstrate that– while a tool for ensuring continuity – the ToCs could perhaps benefit from being seen as “living documents” or tools for adaptive management to an even greater extent. Through the annual reflection and analysis processes, they should factor in how the changing circumstances and contexts affects the expected contribution of Finland and if there is a need to

²⁰ In 2020, Finland disbursed USD 85 million in support of the COVID-19 response in partner countries, of which USD 74 million was for health-related investments.

make even further-reaching assumptions (see also Borel, Brett and Bryld). It remains clear that assessing the impact of recent events, be it COVID-19 or the consequences of the war in Ukraine, globally and on Finnish development cooperation will take time. New revisions, but not complete overhauls of Finland's priority area ToCs are to be expected in the future.

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An Approach to Theory of Change for Swedish Development Cooperation?

Joakim Molander and Wolfgang Biersack

The stream of work leading to the use of theories of change can be traced back to the late 1950s with Donald Kirkpatrick's "Four Levels of Learning Evaluation Model" and Daniel Stufflebeam's CIPP (context, input, processes and products) Model.¹ These models set out to articulate how programmes are intended to work by unpacking the linkages between investments in a project to its intended results. The Logical Framework Approach (LFA) which sets out causal chains from inputs, activities and outputs, to outcomes and impact comes from the same theoretical family.² LFA has been the dominant method for applying theory of change thinking in development cooperation since 1969, when it was developed for the U.S. Agency for International Development (USAID). Regardless of its wide use among bilateral and multilateral donor agencies LFA has been criticized both within the development community and from influential theoretical evaluation scholars such as Carol Weiss, Huey Chen, and Michael Quinn Patton.

¹ Center of Theory of Change, ToC Origins, <https://www.theoryofchange.org/what-is-theory-of-change/toc-background/tocorigins/#:~:text=Weiss%20popularized%20the%20term%20%E2%80%9CTheory,each%20step%20of%20the%20way>

² Vogel, Isabel, Review of the use of 'Theory of Change' in international development, 2012.

The criticism within the development community is captured well in a study by the Development Assistance Committee (DAC) of the OECD.³ The study concludes that the way in which donors implement results-based management has undermined its potential and lead to negative, unintended effects. According to the study the reason is that donors tend to: i) prioritize what can be measured easily; ii) pursue the purpose of accountability at the expense of learning; and iii) become overly bureaucratic and rigid, thereby increasing transactions costs and hampering innovation. Some of these challenges derive from a rigid application of the Logical Framework Approach⁴, including:

- *A causality and accountability challenge:* The assumption that development processes follow a linear theory of change model with clear causal relationships between project activities and societal changes. In reality development processes are complex, meaning that these processes tend to be affected by several unpredictable factors, are non-linear, and difficult to model. One of the side-effects of overstating the causal relationships between activities and societal change is that accountability claims on projects are misplaced, as project implementers are held accountable for results which are not within their sphere of influence.
- *A validity and measurability challenge:* Many donors have a strong preference for quantitative indicators and struggle to include qualitative indicators and qualitative assessments in standardized logframe templates. The problem is that it is difficult or even impossible to unpack, illustrate and track complex development processes with quantitative techniques alone. A consequence of

³ OECD/DAC, “Learning from Results-Based Management Evaluations and Reviews” (OECD 2019).

⁴ Initially LFA aimed to support an in-depth participatory discussion with project stakeholders about the problems the project aimed to address and the goals it would contribute to. However, it is now often a mandatory funding requirement by many donors, with standardized templates that allow little flexibility.

this is that quantitative indicators in logframes often lack validity (i.e. they are not properly measuring what they intend to measure). Hence the indicators that are meant to track results at the various stages of a project's theory of change fails to do so. This is a particular challenge for the changes of human behaviours, relationships and practices necessary to achieve higher level societal change goals. As such changes are complex, unpredictable and often difficult to quantify as they are often not captured in logframes. This has led to what is often described as the "missing middle" (between what a project does and how these activities contribute to desired societal goals being achieved) in project design and results analysis.

Research by Isabel Vogel has shown that many practitioners find it difficult to separate Theory of Change models from the logical framework approach.⁵ As they come from the same theoretical family, this is hardly surprising. Yet, in recent years the interest in Theory of Change models have increased within development cooperation. This newly awakened interest stems from a need to return to the more robust analysis that logframes were originally designed to elicit. More specifically, Theory of Change thinking helps to bridge the 'missing middle' that logframes seldom capture by analyzing the change processes that take place between a programme's activities and the long-term societal goals it seeks to contribute to, while taking contextual assumptions and risks into account. In practice this is ideally done by working backwards: the first step is to identify the long-term societal goals that a project is intended to contribute to and then work back from these to identify all the conditions and change processes (often referred to as 'outcomes') that the project can realistically influence. Through this process the linkages between activities and the long-term goals can be unpacked and analyzed.

⁵ Vogel, 2012.

International IDEA's theory of change

International IDEA's theory of change is designed to address the missing middle between activities and desired societal changes by utilizing a slightly revised version of the theory of change approach developed in Outcome Mapping. Outcome Mapping is a methodology for planning, monitoring and evaluating development projects designed by the International Development Research Centre in Canada. The methodology is not based on a traditional cause-effect framework; rather, it recognizes that multiple, nonlinear events lead to change. It does not attempt to attribute societal changes (which are often referred to as impacts) to a single intervention or even series of interventions. Instead, it looks at the logical links between interventions and changes of behaviours and relationships of target groups, or *boundary partners* as they are labelled in the methodology.

As a main assumption which is underpinning International IDEA's theory of change is that democratic change processes in societies *always* require changes of behaviours, relationships and practices by the people who make up these societies, Outcome Mapping is well suited for designing and assessing democracy projects. Moreover, as International IDEA recognizes that democratic change processes are shaped by complex power dynamics in between various institutions in society as well as between people in the institutions that development projects support, a behavioural change focused approach to result-based management is a necessity. Outcome Mapping is shaped by a similar approach to development processes and provides the tools necessary for analyzing how shifting power relations affects behavioural changes.

Drawing on the conceptual framework in Outcome Mapping International IDEA's theory of change identifies how activities and outputs inspire and support boundary partners to adopt new behaviours, relationships and practices. If this process is successful the boundary partners will contribute to societal changes in

democratic practices within International IDEA's three impact areas: electoral processes, constitution-building processes and political participation and representation. This theory can be summarized in the following aggregated Theory of Change model:

1. **If** International IDEA effectively delivers high-quality products and services to relevant institutions and actors (so-called boundary partners);
2. **And if** the boundary partners that International IDEA aspires to assist then obtain, improve and retain the skills, knowledge and tools needed to fulfil their roles in a democratic system to a greater capacity;
3. **And if** these boundary partners then utilize these skills, knowledge and tools to improve their institutional behaviours, relationships and practices;
4. **Then** they will contribute to societal changes in *democratic practices* in societies where they operate.⁶

International IDEA has formalized this theory of change into a results framework which is utilized both at institutional and project level. For every project the theory of change will be shaped in a slightly different way and it will also be underpinned with a contextual analysis of assumptions and risks. However, some risks associated with the type of capacity development processes International IDEA engages in are regarded as generic and should always be assessed.

At the overall goal level there is an overarching set of risks that might hamper overall development in a country: i.e. risk that political and/or economic instability or an unfavorable environment for democratic processes undermines the possibilities of delivering project results. The risk assessment at this level of the theory of change guides the choice if International IDEA shall work in a

⁶ Annex 1 illustrates the framework in a theory of change model.

country or not, and if the Institute decides to do so whom it works with. At the outcome level International IDEA has identified the following three top risks:

1. Risk that the persons who participate in a project cannot utilize the opportunities provided for learning and networking (due to e.g. time constraints).
2. Risk that the persons who participate in a project do not have the *mandate* to change behaviours, relationships and practices in accordance with the outcome objectives and progress markers.
3. Risk that the institutions and actors in a project do not have the *resources* to change behaviours, relationships and practices in accordance with the outcome objectives and progress markers.

For delivery of outputs the risks are associated with the efficiency and effectiveness of internal organizational practices at International IDEA. The risk identification and management of organizational risks are dealt with by International IDEA's risk management policy and guidelines and are not to be explicitly considered in projects.

Societal goals and impact objectives

International IDEA's vision – a world in which democratic processes, actors and institutions are inclusive and accountable and deliver sustainable development for all – represents the overall goal for all activities undertaken by the Institute. In the theory of change this vision is illustrated by four SDG targets:

- SDG target 5.5: Ensure women's full and effective participation and equal opportunities for leadership at all levels of decision-making in political, economic and public life.
- SDG target 16.3: Promote the rule of law at the national and international levels.

- SDG target 16.6: Develop effective, accountable and transparent institutions at all levels.
- SDG target 16.7: Ensure responsive, inclusive, participatory and representative decision- making at all levels.

These SDG targets serve as overall goals for projects and programmes which align them to the international development agenda and demonstrates why a set of activities are relevant from a development perspective. To specify what a project intends to contribute to at an over-arching level in a country the overall goal shall be complemented by an impact objective. Impact objectives are high-level changes that a project or programme are striving to contribute to within International IDEA's three impact areas: electoral processes, constitution-building processes, and political participation and representation.

A crucial assumption in International IDEA's result framework is that solutions to societal problems depend on factors outside of the influence of a single project. Hence, societal development in relation to SDG targets or impact objectives in a society cannot be attributed to the interventions by International IDEA or any other development assistance provider. In other words, the achievement of the overall goal and impact objective/s lies beyond the Institute's various projects' capabilities or sphere of direct influence. However, SDG indicators, impact indicators and various qualitative analyses provide useful data on whether societies are making progress towards overall goals or not. Such information is important to better understand development mechanisms in a context and for analyzing and clarifying the role of various projects in that context.

International IDEA has pre-defined impact objectives, as listed in table 1. The Institute has also pre-defined impact *indicators* which consist of a mix of attributes, sub-attributes and indicators from

International IDEA’s Global State of Democracy indices (GSoD).⁷ These indicators can be used for establishing baselines and measure progress for impact objectives as they are updated annually and provide scientifically reliable numerical values for the status of impact variables over long time series. GSoD indicators may be complemented with impact indicators used by the country where a specific project or programme is implemented.

Table 1: International IDEA’s impact objectives and impact indicators

Impact objective electoral processes	Impact indicators
Credible and well-run electoral processes.	1.1 Clean Elections 1.2 Inclusive Suffrage 3.1.30 Election and other electoral violence
Impact objectives constitution building processes	Impact indicators
An inclusive constitution building process informed by international knowledge and experiences on constitutional design and process.	There are no suitable impact indicators for constitution building processes. Progress needs to be tracked with qualitative methods.
The constitution is implemented under agreed constitutional frameworks and contributes to reduced tensions and conflicts.	2.2.23 Internal conflict 2.3.6 Religious tensions 2.3.7 Ethnic tensions 4.2 Predictable enforcement
Impact objectives political participation and representation	Impact indicators
Public administration is inclusive, impartial and rigorous.	3.8.7 Rigorous and impartial public administration 4.2 Predictable enforcement 5.1 Civil Society Participation

⁷ <https://www.idea.int/gsod-indices/sites/default/files/gsod-indicators-and-sources.pdf>

Civil society engage freely with representative institutions in a democratic and effective way.	2.2.10 Freedom of Association and Assembly 3.6.6 Engaged society 3.10.3 CSO repression 5.1 Civil Society Participation
The parliament exercises effective control of the executive power and represents the interests of all citizens.	3.1 Effective Parliament 1. Representative government
Political parties and movements contribute to a party system that is inclusive, responsive and accountable to all citizens.	There are no suitable impact indicators for this impact objective. Progress needs to be tracked with qualitative methods.
Oversight agencies monitor, prevent and mitigate threats posed by both illegal and illicit money in politics.	3.1.3 Disclosure of campaign donations 3.1.4 Public campaign financing

The number of the indicator in table 1 indicates which number it has in the GSoD indices, with the exception on indicator 3.1.30, which is an indicator from V-dem’s democracy’s indices.

Outcome objectives

As mentioned previously International IDEA’s theory of change is underpinned by the assumption that democratic change processes in societies always require changes of behaviours, relationships and practices by the people who make up societies. In order to determine how to contribute to a higher societal impact objective, it is therefore important to determine *who* can drive a development process towards that objective, and how various stakeholders’ behaviours, relationships and practices must change to achieve that objective. For that reason outcome objectives are to be linked to an organization, group or individual whose capacity International IDEA aims to strengthen or develop, a so-called *boundary partner*. This means that results in the Institute’s theory of change are to be ascribed to *who* changes rather than to what changes and that the results assessment and analysis focuses on the changes of behaviors, relationships and practices of the boundary partners.

To facilitate the process of establishing outcome objectives and solid theories of change for projects and programmes International IDEA has identified 13 categories of boundary partners (listed in table 2), grouped by the Institute’s three impact areas. For each of these a standardized outcome objective has been formulated. International IDEA works both with boundary partners that are rights-holders (such as civil society organizations)⁸ and duty bearers (such as governments)⁹. The purpose of working with duty bearers is to inspire and support them to fulfil their roles to lead and implement credible, inclusive and conflict sensitive democratic processes. The purpose of working with rights-holders is to inspire and support them to organize and hold duty bearers accountable in an inclusive and conflict sensitive manner.

Table 2: International IDEA’s boundary partners and outcome objectives

Boundary partners in the electoral processes programme	Outcome objective
Electoral assistance practitioners	Electoral assistance practitioners provide support, informed by norms, good practices and research in electoral processes. They contextualize norms, practices and research to local conditions.

⁸ Rights-holders are individuals or social groups that have entitlements in relation to specific duty-bearers. In general terms, all human beings are rights-holders under the Universal Declaration of Human Rights. A human rights-based approach does not only recognize that the entitlements of rights-holders needs to be respected, protected and fulfilled, it also considers rights-holders as active agents in the realization of human rights and development – both directly and through organizations representing their interests.

⁹ Duty bearers are those actors who have an obligation or responsibility to respect, promote and realize human rights and to abstain from human rights violations. The term is most commonly used to refer to State actors.

Electoral Policymakers	Policymakers support practices which foster inclusivity and accountability in electoral processes. They recognize and consider risks in electoral processes.
Electoral management bodies	Electoral management bodies recognize and respond to complexities and risks in the electoral processes and effectively implement the Electoral Cycle Approach. They embody principles of impartiality, integrity, transparency, efficiency, professionalism and service-mindedness.
Civil society	Civil society engage and collaborate in national and international discourse on electoral reforms in an informed and effective way. They demand accountability from policymakers and electoral management bodies and identify and advocate for the removal of obstacles to accountability to promote public participation.

Boundary partners in the constitution-building processes programme

Outcome objective

Advisors to constitution makers	Advisors to constitution makers utilize International IDEA's knowledge and networks to give high-quality advice to constitution makers, civil society, and constitution implementers. They expand coordination and collaboration in a coherent and communicative community of practice to advance good practices in constitution-building processes.
Constitution makers	Constitution makers apply increased knowledge and skills to make more informed choices regarding constitutional design and process.

Civil society	Civil society hold constitution makers accountable, inform the public on constitution-building processes, and promote public participation in the process.
Constitutional implementers	Constitutional implementers interpret and operationalize constitutional provisions following ratification in a manner that respects fundamental democratic principles and human rights. They promote respect for rule of law and constitutionalism under agreed constitutional frameworks.

Boundary partners in the political participation and representation programme	Outcome objective
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Political parties and movements	Political parties and movements exercise their functions (mobilizing citizens, aggregating their interests into political programmes, recruiting political leaders to contest elections, and organizing governments and parliaments) so that they contribute to a party system that is inclusive, responsive and accountable to all citizens.
Public interest groups	Public interest groups engage with representative institutions in a democratic and effective way to improve public policy and practice, and to hold political decision makers to account.
Oversight agencies	Oversight agencies monitor, prevent and mitigate threats to democracy, and threats posed by both illegal and illicit money in politics.

National and subnational parliaments	National and subnational parliaments exercise their legislative, oversight and representation functions and institutional systems to become transparent, inclusive, responsive and accountable to all citizens.
National and subnational governments	National and subnational governments exercise practices and decision-making processes to become more transparent, inclusive, responsive and accountable to all citizens.

For each of International IDEA's three impact areas these outcome objectives have been used to elaborate a behavioural-change focused theory of change. For Electoral Processes it is expressed as follows:

By working with, through and together with a professional community of electoral assistance practitioners International IDEA aims to inspire and support electoral management bodies, electoral policy makers and civil society to adopt behaviours, relationships and practices that are conducive for credible and well-run electoral processes inclusive. The Institute does so by providing non-prescriptive comparative knowledge and options rather than solutions and facilitates processes that help stakeholders to explore and adopt solutions that suit their context. The theory of change underpinning this approach is that:

- **If** electoral assistance practitioners are informed by norms, good practices and research and have skills to contextualize such knowledge to local conditions, then they can effectively inspire and support policymakers, electoral management bodies and civil society to adopt behaviours, relationships and practices that enable credible and well-run electoral processes.
- **And if** electoral policymakers increase knowledge and skills on electoral processes and apply these competencies to recognize and consider risks in elections and to create an enabling environment for inclusivity and accountability in electoral

processes, then this would create an environment for electoral management bodies and civil society to develop knowledge and skills on electoral processes.

- **And if** electoral management bodies then increase knowledge and skills on electoral processes and apply these competencies to effectively respond to complexities and risks in electoral processes, implement the Electoral Cycle Approach, and embrace principles of impartiality, integrity, transparency, efficiency, professionalism and service-mindedness in their work.
- **And if** civil society then increase knowledge and skills on electoral processes and apply these competencies to effectively demand accountability from policymakers and promote public participation in electoral processes.
- **Then** political institutions would become more effective, accountable and transparent (SDG target 16:6) and all citizens would be more politically included, irrespective of age, sex, disability, race, ethnicity, origin, religion or economic or other status (SDG target 10.2). **And then** the likelihood of credible and well-run electoral processes would be strengthened.¹⁰

For Political Participation and Representation it is expressed as follows:

By cooperating with political parties, national and sub-national parliaments and governments, public interest groups and oversight agencies as an interconnected ecosystem where shifts in one actor affects the other actors' International IDEA aims to inspire and support these actors to adopt behaviours, relationships and practices that are conducive for political participation and representation. The Institute does so by providing non-prescriptive comparative knowledge and options rather than solutions and facilitates processes that help stakeholders to explore and adopt solutions that suit their context. The theory of change underpinning our approach is that:

¹⁰ See annex 2.

- **If** political parties increase their knowledge and skills and apply these competencies to mobilize all citizens effectively without discrimination, aggregate their interests into political programmes, recruit political leaders to contest elections, and organize governments and parliaments effectively, then the party system becomes more inclusive, responsive and accountable to all citizens.
- **And if** national and subnational parliaments increase their knowledge and skills and apply these competencies to exercise their legislative, oversight and representation functions effectively, then they become more effective, accountable and transparent as well as more responsive, inclusive and participatory.
- **And if** national and subnational governments increase their knowledge and skills and apply these competencies to become more responsive to constituents, use increased knowledge to make evidence-based policy decisions, and explain their decision-making processes to their constituents, then government become more effective, accountable and transparent as well as more responsive, inclusive and participatory.
- **And if** oversight agencies increase their knowledge and skills and apply these competencies to monitor, prevent and mitigate threats to democracy, and threats posed by both illegal and illicit money in politics by carrying out investigations, applying sanctions when needed and proposing legal reforms to hold political decision makers to account, then political institutions become more effective, accountable and transparent.
- **And if** public interest groups increase their knowledge and skills and apply these competencies to engage with representative institutions in a democratic and effective way and hold political decision makers to account, then political institutions become more effective, accountable and transparent and public policy and practice become more responsive to the needs of all citizens.

- If all of this is in place **then** the political ecosystem is in balance: political institutions will be effective, accountable and transparent (SDG 16.6), decision-making by legislators and government will be responsive, inclusive, participatory and representative (SDG target 16.7); all citizens will be politically included, irrespective of age, sex, disability, race, ethnicity, origin, religion or economic or other status (SDG target 10.2); women will be politically included and have equal opportunities for political leadership (SDG target 5.5). In such a political ecosystem the legitimacy of the political institutions would be strengthened, which would **then** reduce tensions and conflicts in society.¹¹

For Constitution-building Processes it is expressed as follows:

By working with, through and together with a professional community of advisors to constitution makers International IDEA aims to inspire and support constitution makers and civil society to adopt behaviours, relationships and practices that are conducive for designing inclusive constitution-building processes and legitimate constitutions, and constitution implementors to interpret and operationalize the constitution under agreed constitutional frameworks. The Institute does so by providing non-prescriptive comparative knowledge and options rather than solutions and facilitates processes that help stakeholders to explore and adopt solutions that suit their context. The theory of change underpinning our approach is that:

- **If** advisors to constitution makers utilize International IDEA's knowledge and networks to expand coordination and collaboration to advance good practices in constitution-building processes, then they can effectively inspire and support constitution makers and civil society to constructively engage in inclusive constitution building processes, and constitution implementors to implement the constitution under agreed constitutional frameworks.

¹¹ See annex 3.

- **And if** constitution makers increase their knowledge and skills on constitution-building and apply these competencies to design a well-informed inclusive constitution making process.
- **And if** civil society increases knowledge and skills on constitution-building and apply these competencies to hold constitution makers accountable, inform the public on constitution-building processes, and promote public participation in the process. **Then** SDG target 16.7 (that decision-making by legislators will be responsive, inclusive, participatory and representative) is ensured in the constitution-building process. **And then** the likelihood of legitimacy of the constitutional reforms increases.
- **And if** the constitution-building process and the constitutional reforms are considered as legitimate.
- **And if** constitution implementers increase their knowledge and skills and apply these competencies to interpret and operationalize constitutional provisions following ratification in a manner that respects fundamental democratic principles and human rights, and if they promote respect for rule of law and constitutionalism under agreed constitutional frameworks.
- **Then** tensions and conflicts in society are likely to reduce.¹²

Unpacking theories of change at project level through progress markers

International IDEA's outcome objectives describe how behaviours, relationships and practices of a boundary partner will change if a project achieves its full potential as a facilitator of change. However, to contextualize outcome objectives and unpack the complete theory of change for a particular project, the outcome objectives need to be specified in so-called *progress markers*. Progress markers serve both as indicators and targets, but they do not need to be quantitative. On

¹² See annex 4.

the contrary, the best way to formulate a progress marker is often as a short description of a desired behavior, relationship or practice. They identify, in concrete terms, practices, behaviours and interrelationships that will emerge during and continue beyond the life and influence of a project. Progress markers cannot be standardized as all projects aim to solve problems that vary depending on context. Hence, the starting point for developing progress markers is to identify the main challenges or obstacles for change for the boundary partner. This problem analysis will result in a baseline description of current behaviours, relationships and practices by the targeted boundary partner.

To unpack the theory of change of a project the progress markers should advance in degree from the minimum one would *expect to see* the boundary partner doing as an early response to the project's activities, to what one would *like to see* them doing during the project's life span, to what one would *love to see* them doing if the project were having a profound influence. For instance, progress markers that indicate participation in the project by the boundary partner and active learning or engagement are necessary first steps toward change and are listed in the 'expect to see' category. In International IDEA's theory of change such changes are referred to as 'intermediate outcomes'. Changes that demonstrate that increased awareness of an issue and new knowledge are translated into new behaviours and relationships are listed under the 'like to see' category; and new practices that are truly transformative and likely to be sustainable are listed under the 'love to see' category.

One way to think about progress markers is thus to visualize a transformation of deepening competence and commitment and to develop milestones for each of the following stages in such a journey:

Expect to see:

- Increased awareness about the possibility of change
- Strengthening of skills and knowledge for change
- Taking the first tentative steps to change

Like to see:

- Changing behaviours and relationships
- Investing time and resources in the changes

Love to see:

- Leaving a legacy by establishing sustainable practices
- Leading and influencing others

Ideally the boundary partners participate in the process of identifying progress markers. Their involvement does not only build ownership for intended results, but also helps identify realistic targets while taking contextual assumptions and risks into consideration. This is important, as risks at this level of the theory of change can often be mitigated if a project can address factors that might hamper the boundary partners ability to change. For example, such a joint analysis may reveal:

- If a project work with staff members in an organization that do not have enough time to take part in training sessions or study material that is included in the training, one can mitigate the risk by negotiating study time for participants and formalize such agreements in learning contracts.
- If an organization proposes to send junior staff members to a capacity development project one need to analyze whether these staff members have the mandate to undertake the intended change processes in the organization. If not, one may request that some senior staff also participate in the project.

- If a project works on changes of a policy or practices for an organization, it is important to consider if the organization has the financial resources to implement the intended changes. If not, financing of such changes needs to be addressed before the project begins.
- If a project intends to work on changes of relationships and practices of an organization, it is vital to assess whether there are organizational practices that might hamper changes. For example, gender training of staff in an organization is likely to be fruitless if that organization have formal or informal discriminatory organizational practices or policies. If so, the project needs to address such obstacles.

Therefore, before a project starts the context needs to be carefully analyzed with an aim to identify “hidden” assumptions and pertinent risks that may hamper outcomes.

The results framework in Annex 5 illustrates how progress markers are included in the theory of change for a project with a parliament. The results framework also shows how assumptions underpinning the theory of change can be translated into projects risks.

Output categories and output indicators

When overall goals, impact objectives and outcome objectives have been established the next step is to determine which activities will be most appropriate to bring about the desired results. As a single activity seldom leads to changes in behaviours, relationships or practices International IDEA’s theory of change takes its departure from the assumption that four complementary approaches are needed to achieve outcomes. The types of approaches can be thought of as complementary pieces of a jigsaw puzzle, as illustrated in Figure 1.

Figure 1: International IDEA’s complementary approaches and output categories

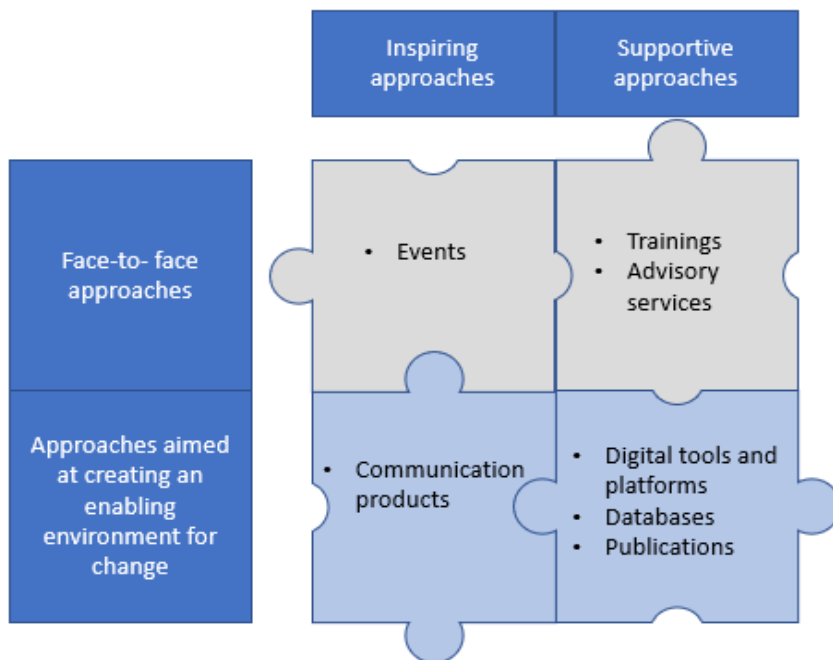


Figure 1 illustrates a generic strategic approach to change where two of the approaches are aimed at *inspiring* institutions and actors to change:

1. Convening of (i) *events* such as dialogues, short training sessions, workshops, conferences and study visits provide fora for face-to-face interaction with boundary partners. During such events they may be inspired to engage in a change process.
2. As a complementary approach (ii) *communication products* with similar messages may be produced and/or made available to the boundary partners. This contributes to inspiring their interest in change.

If the targeted boundary partners are inspired to engage in a change process five types of *supportive* approaches may be applied:

1. Through targeted face-to-face (i) training programmes and (ii) advisory services boundary partners learn how to adopt new behaviours, practices and relationships.
2. As a complementary approach (iii) interactive tools and professional networks, (iv) databases and (v) publications may be made available to boundary partners on-line.

In sum, the jigsaw puzzle illustrates that some of the work that International IDEA is undertaking is aimed at inspiring institutions and actors to engage in change processes. Such inspiring activities do not in themselves lead to sustainable outcomes. However, they are crucial means to create an enabling environment for change. They also create and deepen relationships with various actors and institutions. Through such relationships interest for change processes may emerge and tailored supportive activities can be developed.

To assess and report on performance International IDEA has grouped activities into eight output categories and developed a set of 15 standardized output indicators, which measures the quantity of products and services delivered and how many men and women have been reached by activities across projects.¹³ Output indicators are important from an accountability perspective, but to assess whether the activities yield results one needs to know whether the outputs actually help the boundary partners to obtain, improve and retain the skills, knowledge and tools. Moreover, one also needs to understand if and how they utilize new skills, knowledge and tools to adopt desired behaviors, relationships and practices. That is why International IDEA's results system is outcome focused and utilizes progress markers as a tool to track, analyze and understand if and how boundary partners change behaviors, relationships and practices during the course of projects.

¹³ This set of output categories and indicators are found in annex 5.

How International IDEA's theory of change could be applied in Swedish Development Cooperation

As mentioned previously Outcome Mapping is a methodology for planning, monitoring and evaluating development projects. International IDEA has utilized its theoretical and conceptual framework to develop an institutional theory of change and a systematized approach to results management. We believe it would be possible to take this Outcome Mapping-based approach one step further and utilize it as a framework for Swedish democracy assistance and possibly in other sectors of Swedish development cooperation as well.

Starting with democracy assistance Swedish development cooperation is guided by a policy framework, that was adopted by a government decision on 15 December 2016¹⁴. One of the eight thematic priorities in the framework is human rights, democracy and the rule of law.¹⁵ Under this thematic priority the government has listed ten priorities for the long-term direction of the policy. However, all priorities are not necessarily applicable for every Swedish bilateral, regional or global development cooperation strategy. Instead, each strategy will clarify which aspects of the framework that will be prioritized in that strategy and set out objectives for these aspects. Priorities are decided upon in a process where the government prepares guiding priorities and overarching

¹⁴ Regeringens skrivelse 2016/17:60: Policyramverk för svenskt utvecklings-samarbete och humanitärt bistånd.

¹⁵ The eight priorities are: (1) Human rights, democracy and the rule of law; (2) Global equality; (3) Environmentally and climate-sustainable development and sustainable use of natural resources; (4) Peaceful and inclusive societies; (5) Inclusive economic development including (a) Productive employment with decent working conditions and sustainable entrepreneurship, and (b) Free and fair trade and sustainable investment; (6) Migration and development; (7) Equal health; (8) Education and research.

goals (Ingångsvärden) for a strategy and then requests the Swedish Agency for International Development Cooperation (Sida) to respond to these priorities with a context-specific analysis (Underlag till strategi) including a theory of change for how overarching goals could be achieved. This analysis constitutes a basis for a government decision on the final development cooperation strategy. Subsequently the so-called *strategy implementor* (strategigenomförare) develops a plan for how to operationalize the strategy where the theory of change from the initial analysis is refined.

This process could be facilitated by a theory of change similar to International IDEA's. In particular, such an approach would facilitate Sida's work with theories of change in response both to the guiding priorities and overarching goals provided by the government and in the operationalization of the strategy. The main reason is that the method would support Sida in addressing the missing middle between activities and the high-level development goals formulated by the Swedish government by utilizing the theory of change approach developed in Outcome Mapping.

As Swedish priorities and goals for human rights, democracy and the rule of law both in the policy framework for international development cooperation and for individual bilateral, regional and global strategies are broader than International IDEA's priorities the Swedish framework would need to be adjusted to these goals and priorities. A potential way of doing this would be to utilize International IDEA's Global State of Democracy (GSoD) Indices framework. In the framework democracy is conceptualized as popular control over public decision-making and decision-makers, and equality of respect and voice between citizens in the exercise of that control. These principles have been translated into five main democracy attributes that cover 16 sub-attributes, as follows:

The *Representative Government* attribute measures free and equal access to political power. Of the five attributes of democracy outlined by the Global State of Democracy indices, Representative Government is arguably the most essential as it emphasizes contested and

inclusive popular elections for legislative and directly or indirectly elected executives. This attribute includes four sub-attributes: Clean Elections, Inclusive Suffrage, Free Political Parties, and Elected Government.

The *Fundamental Rights* attribute measures individual liberties and access to resources. This attribute of democracy draws heavily from liberal and egalitarian democratic theories. It emphasizes liberal and social rights that support both fair representation and the vertical mechanism of accountability that the Representative Government attribute seeks to achieve. This attribute has significant overlap with the rights and liberties covered by the International Covenant on Civil and Political Rights, as well as the International Covenant on Economic, Social and Cultural Rights. It includes three sub-attributes: Access to Justice, Civil Liberties, and Social rights and Equality.

The *Checks on Government* attribute measures effective control of executive power. The responsiveness of representatives to citizens is not sufficient for effective popular control over government, rather it needs to be supplemented through various institutions, such as parliament, the courts and other watchdog agencies. This attribute is related to the liberal-democratic tradition in political theory. This attribute includes three sub-attributes: Effective Parliament, Judicial Independence, and Media Integrity.

The *Impartial Administration* attribute measures fair and predictable public administration. Since impartial administration overlaps with the concept of the rule of law, this attribute is also rooted in the tradition that emphasizes liberal aspects of democracy. This attribute includes two sub-attributes: Absence of Corruption and Predictable Enforcement.

The *Participatory Engagement* attribute measures the level of citizens participation at all levels of government and make actual use of these opportunities, through participation in dynamic civil society organizations, and national and subnational elections and

referendums. This attribute includes four sub-attributes: Civil Society Participation, Electoral Participation, Direct Democracy, and Local Democracy.

If operationalization plans in Swedish development cooperation were linked to the GSoD indices this would allow a convenient and systematized approach to analyzing in which areas projects could be most relevant and for measuring progress in terms of over-arching development goals for democratic assistance, as the indices depict democratic trends at the country, regional and global levels and is updated annually. Importantly, such overall goal lies beyond the sphere of direct influence of Swedish development cooperation, but it would allow analyses on if societies are making progress towards overarching democratic goals or not. Such information is important to better understand development mechanisms and for clarifying the role of Swedish development cooperation in a context.

However, to be able to assess the specific results of Swedish development cooperation the strategic overall goals would need to be unpacked in more specific and assessable objectives which are linked to the projects in the development cooperation portfolio. As democratic change processes in societies always require changes of behaviours and relationships by the people who make up these societies, we believe that this process would be facilitated by focusing on the democratic actors and institutions that need to change behaviors, interrelationships and practices if societies are to become more democratic. To implement such a behavioural focused approach would assist strategy implementers to address the missing middle between activities and desired societal goals by identifying the potential agents of change and in formulating concrete outcome objectives for these institutions and actors. An important step in this direction would be to develop a theoretical framework where the main democratic institutions and actors under each attribute in the GSoD were identified and formulate standardized outcome objectives for each of these.

Based on such a theoretical model each strategy owner could choose which of these actors they could and should support in a particular country, regional or global context. Such a decision would have to depend on a number of criteria, such as who other donors are supporting, which actors and institutions that have willingness and potential to change, in which areas Sweden has comparative advantages etc. If boundary partners were chosen from a framework of this type it would be easier for Sida to report results across strategies, as analyses of similar actors and institutions could and would be undertaken across programmes. It would also be easier to compare progress between strategies and assess global patterns in regard to outcome results (or lack of results).

During strategy implementation such assessments would be elaborated further and as boundary partners for Swedish support would be decided upon, more detailed baseline assessments would serve as a point of departure for formulating progress markers for each project. As mentioned previously the progress markers identify, in concrete terms, practices, behaviours and interrelationships that will emerge during and continue beyond the life and influence of a project. In this way they help to define a theory of change and a results framework for the particular project, which is more detailed than the theory of change at strategy level.

Draft framework for human rights, democracy and the rule of law in Swedish development cooperation

What could the theoretical model look like? Grouped by the attributes and sub-attributes in the GSoD framework we have identified 17 categories of potential boundary partners for Swedish democracy assistance, in table 3. This list of partners is not exhaustive and would need to be revised to suit Swedish development cooperation priorities.

Table 3: Potential boundary partners per attribute in the Global State of Democracy Indices

GSoD Attribute	GSoD Sub-attribute	Boundary partners
Representative Government	Clean Elections ¹⁶	Electoral policy makers
	Inclusive Suffrage ¹⁷	Electoral Management
	Free Political Parties ¹⁸	Bodies
	Elected Government ¹⁹	Political parties
Fundamental Rights	Access to Justice ²⁰	Legal policy makers
	Civil Liberties ²¹	Law enforcement agencies
	Social rights and Equality ²²	Courts
		Legal aid practitioners Ombudsmen
Checks on Government	Effective Parliament ²³	Legal policy makers
	Judicial Independence ²⁴	Courts
	Media Integrity ²⁵	Parliament Public interest groups Media
Impartial Administration Participatory Engagement	Absence of Corruption ²⁶	Oversight agencies
	Predictable	Government agencies
	Enforcement ²⁷	Public Interest Groups
	Civil Society Participation ²⁸	Government agencies
	Electoral Participation ²⁹	
	Direct Democracy ³⁰ Local Democracy ³¹	

¹⁶ This sub-attribute denotes the extent to which elections for national, representative political office are free from irregularities, such as flaws and biases in the voter registration and campaign processes, voter intimidation. Six indicators capture the clean elections sub-attribute: EMB autonomy, EMB capacity, Election other voting irregularities, Election government intimidation, Election free and fair, Competition.

¹⁷ This sub-attribute denotes the extent to which adult citizens have equal and universal passive and active voting rights. Two indicators capture the inclusive suffrage sub-attribute: Suffrage, Election voter registry.

¹⁸ This sub-attribute denotes the extent to which political parties are free to form and campaign for political office. Six indicators capture the free political parties sub-attribute: Party ban, Barriers to parties, Opposition parties' autonomy, Elections multiparty, Competitiveness of participation, Multiparty elections.

¹⁹ This sub-attribute denotes the extent to which national, representative government offices are filled through elections. Four indicators capture the elected government sub-attribute: Elected executive index, Competitiveness of executive recruitment, Openness of executive recruitment, Electoral.

²⁰ This sub-attribute denotes the extent to which the legal system is fair (citizens are not subject to arbitrary arrest or detention and have the right to be under the jurisdiction of—and to seek redress from—competent, independent and impartial tribunals without undue delay. Five indicators capture the access to justice sub-attribute: Access to justice for men, Access to justice for women, Judicial corruption decision, Judicial accountability, Fair trial.

²¹ This sub-attribute denotes the extent to which civil rights and liberties are respected (citizens enjoy the freedoms of expression, association, religion, movement, and personal integrity and security). For the Civil Liberties sub-attribute five subcomponents have been constructed: freedom of expression (captured in eight indicators), Freedom of Association and Assembly (captured in six indicators), Freedom of Religion (captured in four indicators), Freedom of Movement (captured in six indicators), Personal Integrity and Security (captured in seven indicators).

²² This sub-attribute denotes the extent to which basic welfare (social security, health and education) and political and social equality between social groups and genders have been realized. For the Social Rights and Equality sub-attribute three subcomponents have been constructed: Social Rights and Equality (captured in ten indicators), Basic Welfare (captured in seven indicators), Gender Equality (captured in seven indicators).

²³ The Effective Parliament sub-attribute denotes the extent to which the legislature is capable of overseeing the executive. Five indicators capture the free effective parliament sub-attribute: Legislature questions officials in practice, Executive oversight, Legislature investigates in practice, Legislature opposition parties, Executive constraints.

²⁴ The Judicial Independence sub-attribute denotes the extent to which the courts are not subject to undue influence from the other branches of government, especially the executive. Six indicators capture the judicial independence sub-attribute: High Court independence, Lower Court

independence, Compliance with High Court, Compliance with judiciary, Law and order, Independent judiciary.

²⁵ The Media Integrity sub-attribute denotes the extent to which the media landscape offers diverse and critical coverage of political issues. Five indicators capture the media integrity sub-attribute: Print/broadcast media critical, Print/broadcast media perspectives, Media bias, Media corrupt, Media freedom.

²⁶ The Impartial Administration attribute measures fair and predictable public administration. Five indicators capture the impartial administration sub-attribute: Public sector corrupt exchanges, Public sector theft, Executive embezzlement and theft, Executive bribery and corrupt exchanges, Corruption.

²⁷ The Predictable Enforcement sub-attribute denotes the extent to which the executive and public officials enforce laws in a predictable manner. Six indicators capture the predictable enforcement sub-attribute: Executive respects constitution, Transparent laws with predictable enforcement, Rigorous and impartial public administration, Criteria for appointment decisions in the state administration, Criteria for appointment decisions in the armed forces, Bureaucratic quality.

²⁸ The Civil Society Participation sub-attribute denotes the extent to which organized, voluntary, self-generating and autonomous social life is dense and vibrant. Six indicators capture the civil society participation sub-attribute: CSO participatory environment, Engaged society, CSO consultation, Engagement in independent non-political associations, Engagement in independent political associations, Engagement in independent trade unions.

²⁹ The Electoral Participation sub-attribute denotes the extent to which citizens vote in national legislative and (if applicable) executive elections. One indicator capture the electoral participation sub-attribute: Election VAP turnout.

³⁰ The Direct Democracy sub-attribute denotes the extent to which citizens can participate in direct popular decision-making. Two indicators capture the electoral participation sub-attribute: Direct popular vote index, Electoral.

³¹ The Subnational Elections sub-attribute denotes the extent to which citizens can participate in free elections for influential local governments. Two indicators capture the local democracy sub-attribute: Local government index, Subnational elections free and fair.

To give an indication of what the outcome objectives for these boundary partners could look like we have also identified tentative outcome objectives for some of these boundary partners.

Representative Government (Clean Elections, Inclusive Suffrage, Free Political Parties, and Elected Government).

- *Electoral policy makers* create policies, regulatory frameworks and resources for elections that ensure inclusivity and accountability.
- *Electoral Management Bodies* recognize and respond to complexities and risks in the electoral processes and effectively implement the Electoral Cycle Approach.
- *Political Parties* exercise their functions (mobilizing citizens, aggregating their interests into political programmes, recruiting political leaders to contest elections, and organizing governments and parliaments) so that they contribute to a party system that is inclusive, responsive and accountable to all citizens.

Fundamental Rights (Access to Justice, Civil Liberties, and Social rights and Equality).

- *Legal policy makers* create policies, regulatory frameworks and resources that ensure fundamental rights.
- *Courts* interpret the law in a manner that respects fundamental democratic principles and human rights. They promote respect for rule of law and constitutionalism under agreed constitutional frameworks.

Checks on Government (Effective Parliament, Judicial Independence, and Media Integrity).

- *Legal policy makers* create policies, regulatory frameworks and resources for elections that ensure inclusivity and accountability
- *Parliament* exercise their legislative, oversight and representation functions and institutional systems to become transparent, inclusive, responsive and accountable to all citizens.
- *Public interest groups* engage with representative institutions in a democratic and effective way to improve public policy and practice, and to hold political decision makers to account.
- *Media* engage with representative institutions and citizens in a democratic and effective way to inform the public and to hold political decision makers to account.

Impartial Administration (Absence of Corruption and Predictable Enforcement).

- *Government agencies* exercise practices and decision-making processes to become more transparent, inclusive, responsive and accountable to all citizens.
- *Oversight agencies* monitor the performance of government, prevent and mitigate threats to democracy, and threats posed by both illegal and illicit money in politics.

Participatory Engagement (Civil Society Participation, Electoral Participation, Direct Democracy, and Local Democracy).

- *Public Interest Groups* promote public participation in a manner that is transparent, inclusive, responsive and accountable to all citizens.

Theories of change for other sectors

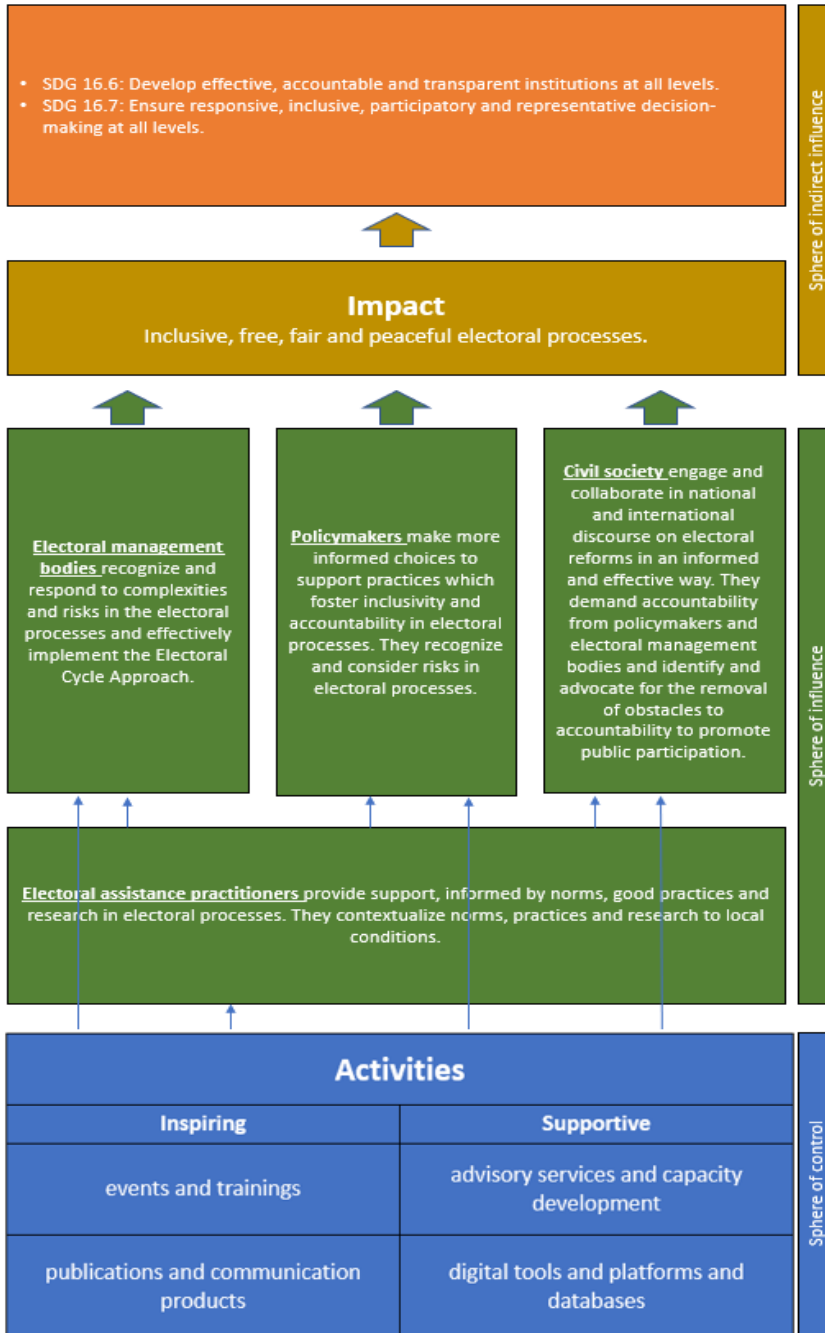
It goes beyond International IDEA's expertise to outline similar frameworks for other sectors in Swedish development cooperation. However, development processes in societies always require changes of behaviours, relationships and practices by the people who make up societies. In order to determine how to achieve changes in any sector or area, it is therefore important to determine who can drive a development process towards that goal, and how various stakeholders' behaviours, relationships and practices must change to achieve that goal. For that reason outcome objectives for development processes are inevitably linked to an organization, group or individual. This means that results in any theory of change for a process where people are involved must include aspects of who needs to change and how.

Hence, we believe that a behavioural-change focused theory of change approach would be applicable to the other seven Swedish thematic priorities for development cooperation and that specialists within these sectors could identify the organizations and actors who could serve as agents of change in these areas, as well as define outcome objectives for these.

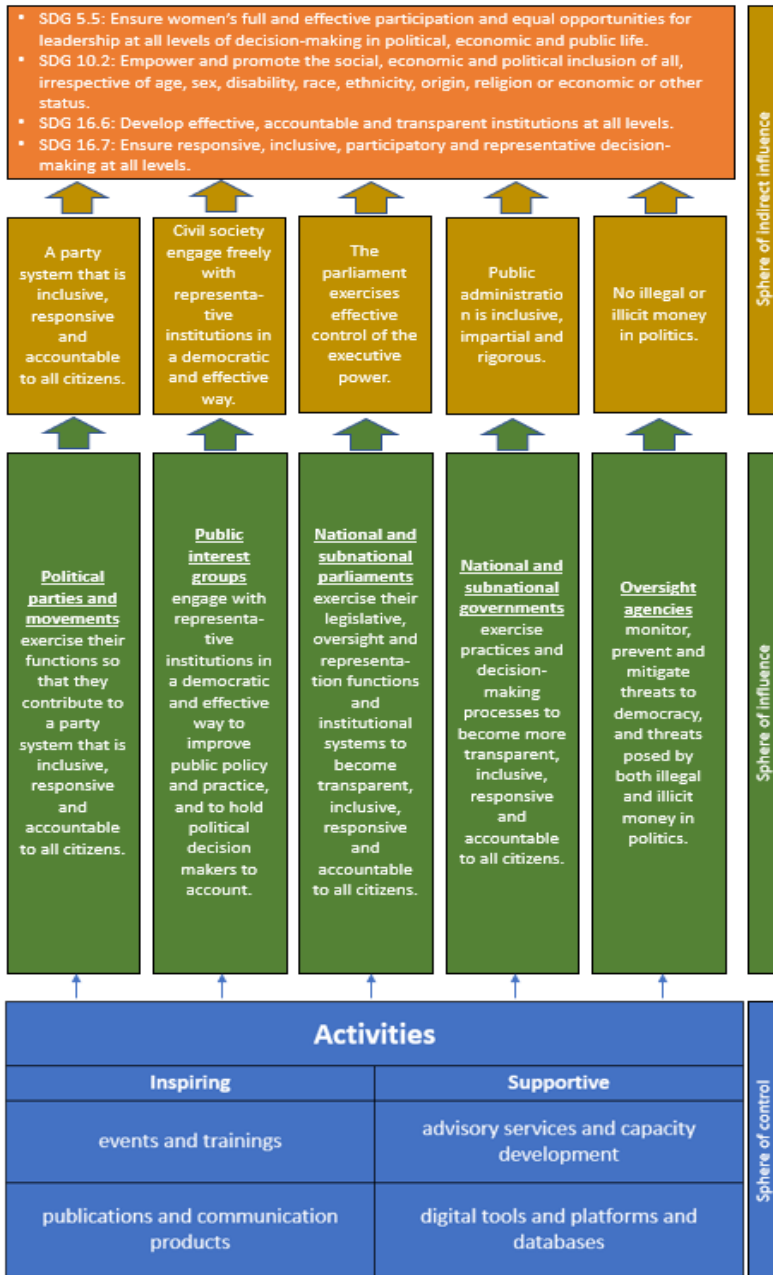
Annex 1: International IDEA's theory of change



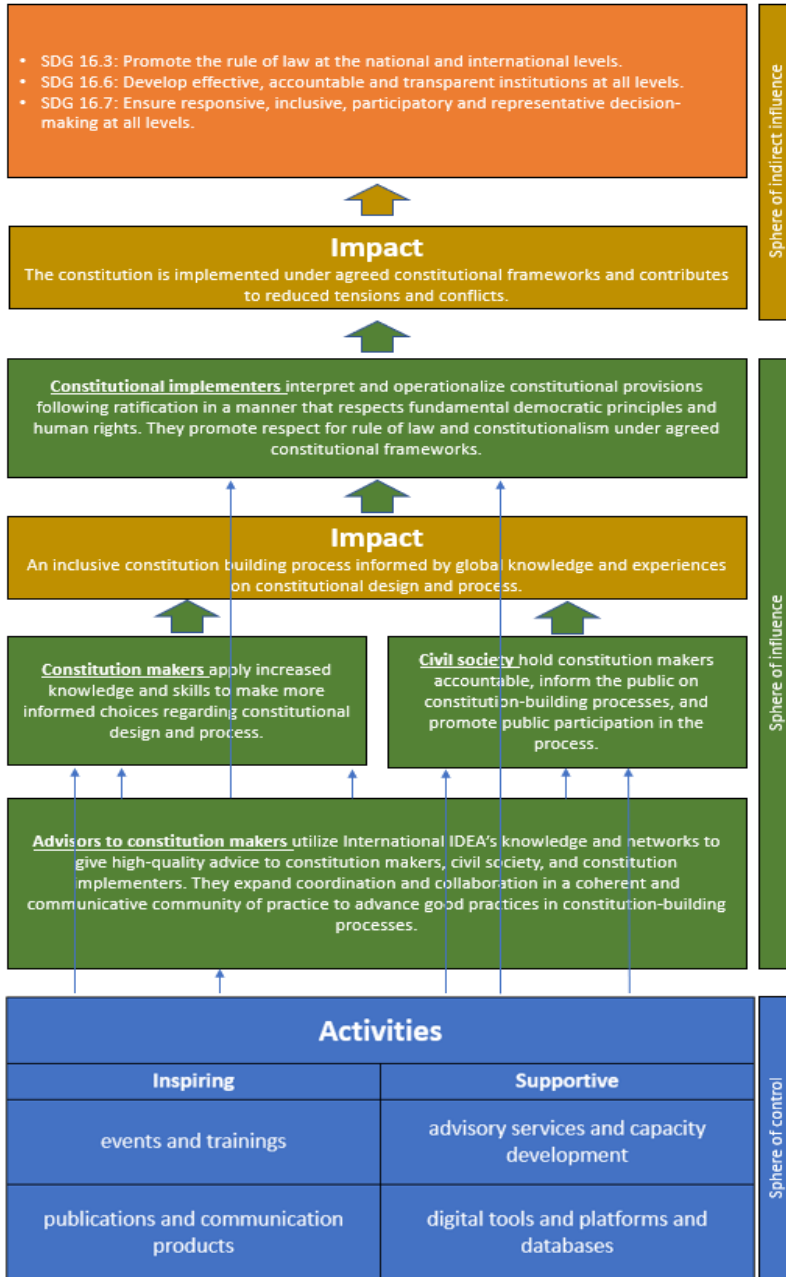
Annex 2: Theory of change for electoral processes



Annex 3: Theory of change for political participation and representation



Annex 4: Theory of change for constitution-building processes



Annex 5: Example of theory of change for a project

Impact Objective			
Impact objective	The parliament exercises effective control of the executive power and represents the interests of all citizens		
Impact indicator	Baseline	Current value	Year
3.1 Effective Parliament	0,53		
1. Representative government	0,44		
Risk	Likelihood	Consequence	Risk Rating
Risk that unfavourable environment for democratic processes undermines the possibilities of delivering project results which contribute to the impact objectives.	2	5	10
Outcome Objective			
Boundary partner/ target group	Members of Parliament (MPs)		
Outcome Objective	National and subnational parliaments exercise their legislative, oversight and representation functions and institutional systems to become transparent, inclusive, responsive and accountable to all citizens.		
Outcomes for Members of Parliament (MPs)			

Outcome Objective			
Baseline for MPs	<p>The MPs currently have limited capacity to undertake budget analysis and do not utilize their staff for this task. The task is made more difficult by the fact that the timeframe for conducting budget analysis is only ten days and that the budget information is not shared by MoPF in an accessible format. Furthermore, the JPAC is not sharing the budget information with other committees (such as the PACs) in an effective way. There is very limited interaction with state and regional parliaments, but a desire to harmonize budgeting procedures and laws. Interaction with civil society and citizens is very limited and civil society is not recognized as an asset for budget analysis and oversight.</p>		
Risks MPs	Likelihood	Consequence	Residual Risk Rating
Risk that the persons who participate in the project cannot utilize the opportunities provided for learning and networking due to e.g. time constraints.	1	5	5
Risk that the persons who participate in the project do not have the mandate to change behaviours, relationships and practices in accordance with the outcome objective and progress markers.	2	4	8

Outcome Objective			
Risk that the boundary partner does not have the resources to change behaviours, relationships and practices in accordance with the outcome objectives and progress markers.	1	5	5

Progress markers for MPs		
Progress marker level	Progress markers will be verified by monitoring and evaluation procedures as outlined in the Monitoring & Evaluation Plan.	Progress
Expect to see that	MPs actively participate in programme activities.	
Expect to see that	MPs are open to change relationships with parliamentary staff and assign them more qualified tasks.	
Expect to see that	MPs take action to improve information sharing between government agencies (in between committees, with the MoPF and with state and regional parliaments).	
Expect to see that	MPs are open to explore new ways of engaging with civil society and citizens in a gender equal way.	
Like to see that	MPs allow staff to engage in budget research and outreach to civil society and citizens.	

Progress markers for MPs	
Like to see that	MoPF share budget information (in a transparent and workable format) with JPAC well in advance of the decision on the budget, and JPAC share this information with other committees.
Like to see that	MPs at national, regional and state level exchange information on budget procedures and laws.
Like to see that	MPs explore new ways of explaining the differential impact of the budget on gender equality.
Love to see that	There are written and established procedures for how to share budget information between MoPF and between JPAC and other committees that allows sufficient time for budget oversight.
Love to see that	There are written and established procedures for how to involve civil society as experts in the budget process, including experts on gender budgeting.

Annex 6: International IDEA's output categories and output indicators

#	Output category	Output indicators
01	Publications	<ol style="list-style-type: none"> 1. Number of released publications 2. Number of copies distributed 3. Number of downloads from International IDEA's websites
02	Communication products	<ol style="list-style-type: none"> 4. Number of released communication products 5. Number of visits to individual web pages
03	Digital tools and platforms	<ol style="list-style-type: none"> 6. Number of visits via International IDEA's websites 7. Number of countries where visitors come from
04	Databases	<ol style="list-style-type: none"> 8. Number of visits via International IDEA's websites 9. Number of external media mentions
05	Events	<ol style="list-style-type: none"> 10. Number of events convened 11. Number of participants disaggregated by gender
06	Training	<ol style="list-style-type: none"> 12. Number of trainings held 13. Number of participants disaggregated by gender
07	Advisory services	<ol style="list-style-type: none"> 14. Number of boundary partners that receive advice from International IDEA
08	Capacity development	<ol style="list-style-type: none"> 15. Number of projects with restricted funding

Theory of Change as a Strategic Tool for Sustainability Within IKEA¹

Jens Andersson

The tension eases and tiredness comes on after a couple of hours of full concentration in front of the screen. Yet another digital workshop on theory of change comes to an end. It went well again, despite the complexity of the topic and the fact that the term *theory of change* was new to so many of the participants. At the end, they were above all appreciative of the time given over to joint open reflection on objectives and means. However, a great deal of work remains before the theory of change we were working on is complete and ready for use.

The interesting thing about the scene described above is that it is happening in a large corporation, perhaps not where one would expect to find theory of change being used. It is hardly a tool one is likely to come across in Business Administration 101, nor is it particularly adapted to commercial operations. There are many other strategy models for the private sector.

On closer inspection, however, the strategic tools that companies use to govern their operations are fundamentally similar to those used in the public sector and civil society. All kinds of organisations, whether run for profit or otherwise, need strategies, plans,

¹ This chapter has been translated into English by EBA. There can be translation errors in the text as the translation has not been reviewed by the author.

performance indicators and learning processes in order to formulate objectives and understand how and if the various parts of the organisation are contributing to these.

The growing importance of the sustainability agenda means that companies must deal with increasingly complex social and environmental challenges. And this is where theory of change comes in as one of the corporate world's relatively new strategic tools for understanding and managing sustainability issues.

As Sida already understands, this presents an opportunity to broaden collaboration with the business community. If we are to meet the sustainability challenges of our age, this relationship must be deepened. The development of joint theories of change appears to be a potentially powerful tool for identifying common priorities at the intersection of commerce, sustainability and aid.

A theory of change can be viewed as an ongoing activity to identify an organisation's objectives and means and the changes that link them. It encompasses both process and structure. The process consists of involving relevant individuals in formulating and using a theory of change. The structure consists of formulating results according to the internationally established logic of output-outcome-impact (which in itself encompasses many, often similar variations, see the chapter by Hilde Reinertsen).

This chapter deals with how theory of change is used as a strategic sustainability tool within IKEA. It describes the context and specific areas of use and summarises lessons learned, based on my personal experience of working with theory of change within IKEA. For the weary or busy reader, the chapter's message can be summarised as follows:

- As we become more immersed in the sustainability agenda, so the company's need for a strategic tool adapted to understanding and dealing with societal impact increases. Theory of change meets that need.

- Theory of change also fills a gap in the company's strategic toolbox on a more general level by facilitating a participatory, structured discussion of objectives and means, and of the relationship between business and sustainability.
- In a complex organisation operating in a changing business environment, theory of change comes into its own as part of a learning organisation, as pointed out in several other chapters in this anthology.
- In organisations in which theory of change is less well-established, it is advantageous to make it as easy as possible to formulate and use theories of change.

Towards sustainable entrepreneurship

Sustainability is undoubtedly having an increasing impact on business. International surveys demonstrate that corporate sustainability management has developed and deepened over time.² Nordic companies are considered to be at the forefront of sustainability thanks to a tradition of welfare, equality and consensus.³

As social and environmental challenges multiply, sustainability management is driven by consumers, legislators and the companies themselves, which see increased business opportunities and risks. There is also growing criticism of companies' earlier work with corporate social responsibility (CSR) and concern that we know little about the real impact of corporate sustainability management.⁴ The sustainability agenda itself is also continuing to expand to encompass complex areas such as human rights, the climate, the circular economy and biodiversity.

² KPMG (2020), Scott (2021).

³ Bjerg (2021).

⁴ Rønholt Albertsen (2021).

One consequence of this is that, although no one seems clear about what sustainable entrepreneurship actually means, sustainability is having an increasing impact on companies' commercial operations.⁵ To this can be added other uncertainties related to rapid technological development, misgivings over globalisation and, more recently, the COVID-19 pandemic and the war in Ukraine, all of which are placing enormous pressure on companies to change.

This is forcing companies to question established solutions, experiment with new, sustainable business models and reconsider the correlation between profit-maximisation and societal benefit.⁶ Both the path and the objective are far from certain and the need for innovation within the private sector and society in general is enormous.

The rapprochement between business and society means that what was once a clear dividing line between commercial and societal concerns is increasing a sliding scale.⁷ It is not simply that traditional corporations and investors are becoming increasingly socially and environmentally aware; traditional voluntary organisations are beginning to think in terms of business models and a new sector of social entrepreneurship is emerging within what the EU refers to as the social economy.⁸

Famous traditional businesses with a high sustainability profile include Patagonia and Unilever, while Danone is working to become a certified B Corporation, a movement of companies verified to be meeting the highest standards of social and environmental criteria and using their business as a force for good.⁹ Ben & Jerry's is among the famous pioneers of social entrepreneurship, while Dutch

⁵ Meyer (2018).

⁶ Bocken et al. (2014), UNDP and World Economic Forum (2019).

⁷ See, for example, <https://evpa.eu.com/about-us/what-is-venture-philanthropy>

⁸ See, for example, <https://www.socialeconomy.eu.org/>

⁹ The B Corp movement does not appear to be well-established in Sweden, with only four Swedish companies listed on its website as of 12 April 2021, see <https://bcorporation.net/>

confectionery company Tony's Chocolonely is among the fair-trade companies finding more space on supermarket shelves. In Sweden too, increasing attention is being focused on social enterprise with the establishment of support organisations such as Ashoka, Reach for Change, the Norrskan Foundation and the Forum for Social Innovation Sweden.¹⁰

In this new, complex and hopefully more sustainable corporate world, it will be imperative to understand the societal impact of businesses, to integrate sustainability into corporate strategies and follow up and report the outcomes of sustainability management. Extensive efforts are underway to agree international standards for environmental, social, and governance (ESG) reporting, with previous frameworks such as the Global Compact and the Global Reporting Initiative, as well as initiatives to integrate sustainability into accounting standards, being described as an “alphabet soup” of regulations.¹¹ From this multitude of frameworks, theory of change emerges as a key tool.¹²

The relevance of theory of change to corporate sustainability management is obvious in as much as it designed to formulate objectives and means in complex areas beyond the organisation's normal areas of operations, over which the company often has very little control. Accordingly, theory of change is already being used by companies with a social focus, such as impact investors to identify and select investment objects or social businesses seeking to articulate their impact on target groups and environments. However, it is likely that theory of change is used to a far lesser extent by traditional businesses.

¹⁰ Ministry of Enterprise and Innovation (2018).

¹¹ Murray (2021).

¹² See, for example, WBCSD (2013).

Corporate strategy and theory of change

Let us pause for a moment to consider how companies usually perform corporate strategy work. Corporate strategy is basically the establishment of long-term objectives and the identification of the measures and resources needed to achieve them.¹³ Organisations prepare strategies to plot a course for their business, to ensure that the necessary resources are available and respond to external events. One might reasonably claim that all operations are based on a strategic idea of some kind, even if it is unspoken, experimental and short term.

While strategy in general has a long history dating back thousands of years – Sun Tzu’s *The Art of War* is one oft-referenced early work – the term *strategic management* is much more recent and only came into serious use in the private sector during the 1960s. Much has been written on the subject since then, with Alfred Chandler, Michael Porter and Henry Mintzberg among the renowned international experts. This has led to the founding of various schools of strategic thought. These tend to focus on different aspects of the strategy process and are therefore more complementary than competitive.¹⁴ One thing they have in common is that they adopt a top-down approach:

”Senior executives supply an ambition and direction, business units develop a more detailed plan grounded in market and competitive analysis, and the plan is challenged, finalized, and adopted until the next planning cycle,”

as the Boston Consulting Group puts it in an overview.¹⁵

¹³ “Strategy is the determination of the basic long-term goals of an enterprise, and the adoption of courses of action and the allocation of resources necessary for carrying out these goals.” Chandler (1962, p. 13).

¹⁴ Mintzberg och Lampel (1999).

¹⁵ Reeves et al. (2018).

There are two main problems with this top-down approach: there is a risk that the strategy will be divorced from the implementing organisation, while rapid external changes can quickly render obsolete a strategy that took a great deal of time to prepare. This underlines the importance of choosing an appropriate strategy process, planning in greater detail for a stable operating environment or more adaptively when the environment is unstable (cf. the chapter by Léonie Borel, Julian Brett and Erik Bryld in this anthology).¹⁶

There is also increasing criticism of the present-day focus on planning and bureaucratisation in both the private and public sectors. Jonna Bornemark's point of departure is the public sector when she writes about the need to place greater emphasis on core operations and the competence and judgement of employees.¹⁷ This has its counterpart in management literature, which includes Jan Carlzon's classic *Moments of Truth* and, more recently, Henrik Eriksson's *Sveriges bästa verksamheter* [Sweden's Best Businesses], which downplays strategy in favour of continuous dialogue within the organisation and with customers.¹⁸ Such approaches pervade modern forms of leadership and organisation that reject a top-down approach in favour of a bottom-up approach, such as servant leadership and Teal organisations.

In this context, theory of change can be viewed as a general tool for strategizing that fills a gap in the company's toolbox. Unlike other tools commonly used in the private sector – such as SWOT analysis and the BCG Growth-Share Matrix, which tend to focus on the analysis phase itself, or balanced scorecard, which is largely used for following up progress – theory of change is structured to formulate a strategy. In contrast to traditional strategy processes, which can seem like something of a “black box”, their mechanics known only to senior management, specialists or consultants, when used

¹⁶ Martin et al. (2018).

¹⁷ Bornemark (2018, 2020).

¹⁸ Eriksson (2019).

correctly theory of change offers transparency and participation (cf. experiences at the Finnish Ministry for Foreign Affairs in the chapter by Suvi Virkkunen and Alva Bruun).

Theory of change in a learning organisation

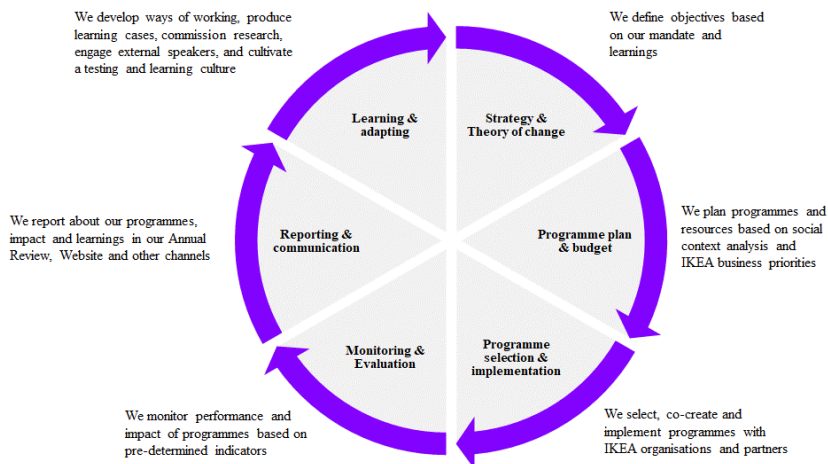
One alternative to top-down management is the learning organisation, which is based not on planning but feedback, an advantage in a complex and changeable world that is difficult to understand and predict. I would contend that it is in such an organisation that theory of change comes into its own, as a good theory of change is based on previous experience, candid reflection and participation and designed to deal with complexity (for an in-depth discussion of learning organisations, see the chapter by Viktoria Rubin, Aron Schoug Öhman och Jon Ohlson).¹⁹

A learning strategy cycle is graphically represented in Figure 1 based on how we try to work within IKEA Social Entrepreneurship.²⁰ The cycle begins with the formulation of a strategy and associated theory of change, defining the organisation's main objectives and means. IKEA Social Entrepreneurship's first theory of change was formulated when the company was founded in 2019. This stage is based on the organisation's mission, as well as previous analyses, lessons learned and the personal preferences and experiences of staff. In the next stage, a programme plan and budget are prepared to contribute to the strategy. An interesting issue here is the amount of flexibility required to manage the unforeseen opportunities and challenges that will undoubtedly arise during the planning period.

¹⁹ Regarding learning organisations, see, for example, Dahler-Larsen (2011).

²⁰ For further information about IKEA Social Entrepreneurship, including theory of change and annual reports, please visit <https://www.ikeasocialentrepreneurship.org/en>

Figure 1: Theory of change in a learning strategy cycle



Source: The author.

In the next stage, programmes are selected, co-created and implemented according to or outside the plan. Together with partners, theories of change are formulated for each programme to clarify joint ambitions and form a basis for following up and reporting results.

At this stage, it is important to integrate a learning mentality: we test, reflect and improve. In-depth monitoring is largely conducted at programme level. Monitoring and evaluation at organisational level mainly involves collecting quantitative data for each programme, as well as when required for external evaluations. We are also experimenting with a programme rating system for programme managers.

This data is the basis of the next stage, which includes an annual report focused on learning within the various results areas of the theory of change. Communication activities take place on an ongoing basis throughout the strategy cycle, playing an important role in collecting and presenting basic information about our programmes and the lessons learned. Explaining what we are doing in an interesting manner is vital in the interests of transparency and involving others. The final stage encompasses a number of different activities to further consolidate organisational learning, such as

regular presentations on various topics by internal and external experts, collaborations with researchers, funding studies and developing our internal procedures and tools. Ultimately, however, learning is a mentality that must be shared within the group to truly flourish, and for the learning circle to be closed.

Areas of use within IKEA

Let us now look at how theory of change can be applied in practice based on my own experiences from IKEA. The following focuses mainly on the formulation of theories of change rather than their use or following them up over time, as the tool is relatively new to the company and one that coexists alongside more established forms of governance.

Like other large corporations, IKEA's organisation is far from homogeneous. IKEA is operated as a franchise system.²¹ The IKEA stores we in Sweden are familiar with are not actually owned by IKEA but by the largest franchisee, INGKA, which is part of the traditional IKEA sphere. The IKEA concept, product range and main purchasing organisation is owned by Inter-IKEA. Inter-IKEA owns only one store, the IKEA store in Delft in the Netherlands, where the Inter-IKEA head office is located.

Until recently, the use of theory of change within IKEA was limited to individual sustainability projects. Other models and processes adapted to an ongoing business operation have mainly been used to prepare strategies and plans both within and outside the sustainability area. While theory of change has been used to a greater extent recently as a strategic tool within the sustainability area, at the time of writing it has still not been formally adopted as a working method at IKEA.

²¹ See <https://www.inter.ikea.com/en/this-is-inter-ikea-group/the-ikea-franchise-system>

It use thus far allows us to begin to map out possible strategic areas of use for theory of change in a major corporation such as IKEA, as shown in Figure 2. Although theory of change is slowly gaining a foothold at corporate strategy level, especially in the area of sustainability, its impact at this level has thus far been limited, as other strategy formats and processes dominate.

The most far-reaching use of theory of change at organisational level is probably found here at IKEA Social Entrepreneurship and, as mentioned above, we also use theories of change at programme level. The use of the theory of change tool at IKEA Social Entrepreneurship has inspired its use in other areas of IKEA, especially in sustainability initiatives, which need clear objectives and means, but also in individual cases in areas outside sustainability. Theory of change is however already incorporated into IWAY²², the IKEA supplier code of conduct, and it is also used at partnership level to govern IKEA's collaboration with various organisations, such as our long-term collaboration with the World Wildlife Fund (WWF) on forests, cotton, water, climate and biodiversity.²³

²² See <https://about.ikea.com/en/sustainability/building-a-better-business-with-iway>

²³ See <https://www.wwf.se/ikea/>

Figure 2: Map of potential areas of use for theory of change in a large corporation



Source: The author.

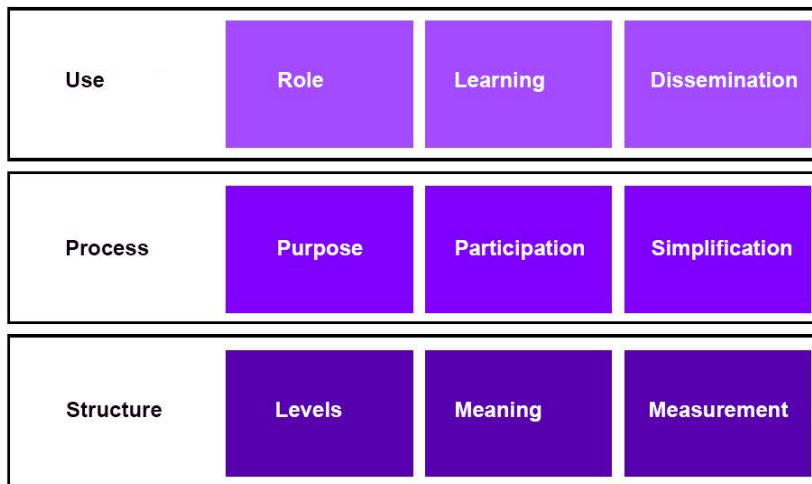
Theory of change has also been gradually introduced over a number of years at supplier level for social-oriented product collaborations with selected social enterprises, including the Jordan River Foundation in Jordan and Rangustra in India. These theories of change are particularly interesting as they integrate social and commercial dimensions on the premise that social sustainability goals cannot be attained without an economically sustainable business model. Finally, theory of change has been used at what one might call impact level as part of extensive efforts to identify IKEA’s economic, environmental and social impact.

Lessons

The increased use of change theory within IKEA shows its value as a strategic sustainability tool in a for-profit organisation. There are a number of lessons worthy of attention, primarily based on my own experience of leading and participating in the formulation of theories of change within the company. As illustrated in Figure 3, these

lessons can be divided into three themes: how theory of change is used as a strategic tool in an organisation, how the process of formulating a theory of change is designed, and how the theory of change is structured.

Figure 3: Lessons divided into themes



Source: The author.

Use

Role. The first question to ask oneself is what role theory of change has in the organisation. As implied above, with a few exceptions, at IKEA theory of change has primarily been used as an informational tool to facilitate strategic consideration of objectives and means. Project managers’ personal interest in testing the tool has been an important factor. It has not replaced traditional strategy tools, rather it has been used to involve colleagues and provide a basis for further planning, implementation and following up results.

Learning. A theory of change is never finished. To remain relevant it must be updated as lessons are learned, hypotheses tested and circumstances change. That said, there must be continuity if it is to be accepted and understood and provide guidance. Realising ambitions takes time.

Dissemination. At IKEA, theory of change has not been imposed from on high. The tool met a need and has consequently been used, primarily within IKEA Social Entrepreneurship. This in turn has generated interest in other parts of the organisation, especially in the area of sustainability where there is a need to identify objectives and means for IKEA and society at large. One lesson is that it takes time to integrate a new and unfamiliar tool and for employees to become accustomed to it.

Process

Purpose. This brings us to an important issue that should be discussed before beginning to work with theory of change, especially in an organisation in which it is not an established working method: What is the purpose of preparing a theory of change? While a theory of change can provide structure throughout the strategy process, its primary use is as a basis for writing the strategy, formulating objectives and following-up results, elements that are not always linked in traditional strategizing. If the ambition is to use theory of change as the load-bearing structure of a strategy, broad support is required.

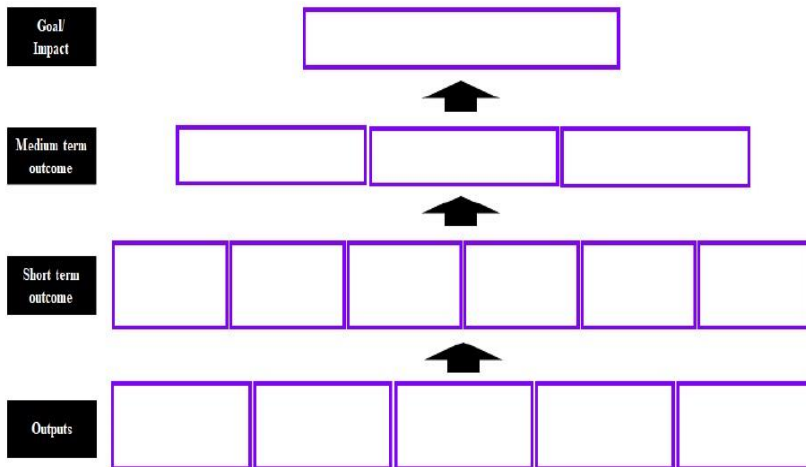
Participation. The team preparing a theory of change should be adapted to its purpose and scope; invite those who are directly affected or who have relevant expertise. In my experience, a bottom-up perspective is preferable. There is no need for senior executives to participate in the work itself, but they are essential as clients, moral support and decision-makers.

As a tool, theory of change is generally appreciated even by those who have no previous experience of using it, as it gives participants time to sit down, reflect and build something together. That said, for most

people it is a big step to go from participating in formulating a theory of change to leading the process. This is partly because a certain level of familiarity is required in order to become comfortable with the process and terminology. It may therefore be a good idea to employ internal or external resources as facilitators, ensuring that structure is maintained, driving the process forward and helping to find unambiguous formulations that are acceptable to all participants. Participants will bring their own perspectives and jargon that will need to be challenged, broken down and simplified, so that shared meaning and understanding can be created in the best possible way.

It is also worth mentioning that the digital development accelerated by the pandemic has created opportunities to easily plan and implement online workshops for participants dispersed across a wide geographical area. Even if this offers significant benefits in terms of efficiency and the environment, personally I miss old-fashioned physical workshops in which it was easier to create a group dynamic and deeper reflection.

Figure 4: A simple theory of change template



Source: The author.

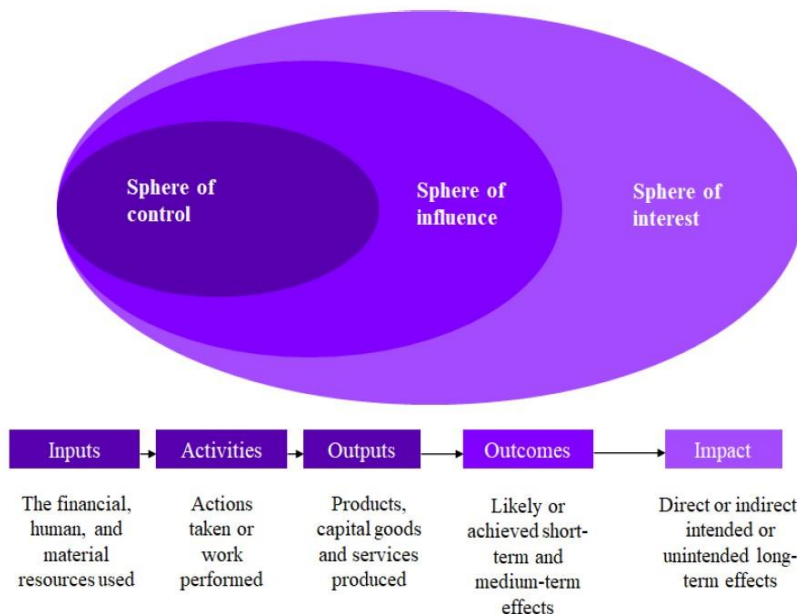
Simplification. In common with other strategy tools, theory of change is intended to simplify and create meaning from a complex reality. I prefer to work with simple, linear theories of change (Figure 4). This makes it easier for more people to understand and contribute to the work. At IKEA, theory of change is most commonly used as an input to other governance models, which is why it is not always relevant to prepare in-depth problem statements, assumptions, risk assessments and indicators, as would usually be the case.

Structure

Level. While most people accept that theory of change is a participatory process, it is more difficult for many of them to differentiate between the levels of results: output, outcome and impact. One must simply accept that it takes some practice to get to grips with this and that results are defined differently by different organisations. You will, however, usually get far by having a facilitator provide examples and explain the terminology and, as already noted, to maintain the structure of the process. Thinking in terms of the degree of influence or time between the different levels, as shown in Figure 5, seems to be a good way to help many people understand the difference between them.

Generally speaking, one can say that theory of change is considered to facilitate discussion concerning outcomes, thus avoiding too big a gap or a lack of clarity between vision and action, an otherwise common issue with conventional strategies. This does however depend on the context; I find that impact formulations are important in showing what the overall purpose is, while a discussion of outputs can be useful in clarifying the scope of operations. But of course, a theory of change should always be read and understood in its entirety.

Figure 5: The results chain



Source: Adapted from ODI.

Meaning. Theory of change is at its strongest when it makes it possible for participants to create meaning and clarity together. Ultimately, this is a matter of wordsmithery. There are a few basic guidelines for how to formulate results in a theory of change, such as using passive voice when describing the changes one wishes to see, explaining what is to be changed and in who or what it is to be changed. At IKEA, for example, it is important to be clear about which part of IKEA’s organisation or value chain is being referred to and to differentiate between business and social results. It is also important to avoid jargon and use widely understood language. To facilitate the work and avoid obstacles in the process, one should allow certain terms to be defined at a later stage, as long as they are reasonably clear to the participants.

Measurement. Finally, one useful control question to ask when formulating a theory of change is whether the desired results are measurable and if they can be followed up. Not all results need to be measurable, but ensure that the formulations and ambitions you are working with are relevant and realistic. I do not agree with the manual that states that at least one (preferably quantitative) performance indicator should be defined for each result in a theory of change. This is a formalistic view that rejects the value of theory of change as a meaning-maker and unifying force. I consider too many or unmeasurable indicators to be a greater problem. This is especially true of indicators for portfolios of measures, which are intended to aggregate the outcomes of different types of projects. Here, it pays to be sparing and realistic. Above all, it is challenging to identify uniform, cost-effective indicators at strategic level in the social area, which is, after all, a matter of people's living conditions and wellbeing. These multidimensional concepts are not readily captured by simple quantified and aggregated data and often require expensive surveys.

In the end, it is up to those responsible to use their judgement about how measurements can realistically be taken. One can discern a reaction against the current obsession with measurement in the aforementioned learning organisation movement. One organisation that has begun to apply this insight is the Rabo Foundation in the Netherlands, which recently slashed the number of metrics it reports on after realising how difficult it is to interpret these aggregated figures. Instead, in its latest annual report the foundation describes five lessons learned over the past year.²⁴

A final call to action

Many are the strategies that, despite good intentions, suffer from a lack clarity and context, weak ownership and a lack of objectives and a monitoring framework. This causes frustration, difficulty in formulating implementation and poor follow-up.

²⁴ Rabo Foundation (2019).

When used correctly, theory of change is unrivalled when it comes to creating clarity and participation in an organisation's strategic development, even in unexpected contexts like a major corporation such as IKEA. In my opinion, theory of change should be considered a natural part of ongoing strategic work to promote a learning organisation, a simple tool for translating lessons learned into strategic formulations in a manner that is meaningful to the organisation. We then increase the chances of strategies being relevant and actually affecting the focus of the organisation and how it works. Have the courage to have an open discussion. Roll up your sleeves and get to work (see Square 1 for a simple process). After all, the job will never be completed.

A theory of change in seven simple steps

1. Decide to use theory of change in your strategic process and what role it will play in the strategic cycle.
2. Begin with existing assignments or strategies, as these represent previous ideas and lessons.
3. Appoint an internal or external facilitator.
4. Identify relevant participants to formulate your theory of change.
5. Invite participants to attend one or more workshops to brainstorm a theory of change.
6. Refine your theory of change to ensure it is structurally sound and supplement with assumptions, risk assessments and indicators as necessary.
7. Consider how work with theory of change can promote a culture of continuous learning and improvement.

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A Note on EBA's Theory of Change¹

Jan Pettersson

The Expert Group for Aid Studies (EBA) is a committee reporting to the Swedish Ministry for Foreign Affairs. While the committee's terms of reference contain certain instructions about how the committee should conduct its work, they mainly specify the organisation's objectives and leave considerable leeway for the committee to decide how it will deliver in accordance with the directive. This chapter describes how EBA's secretariat has staked out the intended path from committee meeting to goal fulfilment.

This anthology is an introduction to theory of change that will hopefully prove useful to staff at other government agencies. In part, it is intended to contribute to developing the work of the Swedish International Development Cooperation Agency (Sida) with theory of change at a strategic level. In this context, it may be fitting to dedicate a few pages to self-examination. In doing so, my purpose is to show how EBA's secretariat has attempted to create an organisation-specific narrative that explains why we work in a certain way, both to increase understanding externally and to offer support internally when designing new activities. The fundamental idea is that this logic should evolve as the committee's terms of reference and operational environment change. The ambition is not to appear as an exemplar (further reading of this chapter demonstrates that this would be in vain) but nor should it suggest that EBA does not practice what it preaches.

¹ This chapter has been translated into English by EBA.

We call the document we have prepared a logical framework and it has the somewhat portentous title *From Expert Group to improved living conditions for people living in poverty and oppression*. Our intention was to capture the consensus about the organisation that had developed among the committee's members during EBA's first year in order to facilitate the work of the secretariat. The document was discussed and adopted by the secretariat during a planning day in October 2018 and has since served as a basis for the expert group's discussions on relevance and utility. This, EBA's theory of change, has never been formally adopted by the expert group; its primary function is as an internal working document for the secretariat.

EBA's mission

EBA's mission can be summarised as shaping high-quality output of relevance to a political organisation from which EBA is independent; work that should also be relevant to other groups and whose relevance is made clear through active communication on the part of EBA.

The committee's terms of reference include a number of "shall" requirements linked to the main objective of evaluating and analysing the direction, governance and implementation of Sweden's development cooperation on behalf of the government (but that may be of interest to aid actors in Sweden and abroad, including in partner countries, as well as to the Riksdag, the media and the Swedish public). Pursuant to its terms of reference, EBA shall:

- commission or perform evaluations, analyses and studies of the implementation, results and effectiveness of development cooperation;
- independently issue guidelines and methods for the organisation, prioritise areas and themes for study and decide which evaluations, analyses and studies should be performed and published;

- assure the quality of analysis and evaluation activities, where appropriate guided by the OECD-DAC Principles for Evaluation of Development Assistance;
- actively disseminate lessons learned, conclusions and recommendations from completed studies in an appropriate manner to relevant target groups; and
- study the operations covered by the aid budget (expenditure area 7, International development cooperation) or matters of relevance thereto.

Each stage of this mission raises issues that are covered in literature on organisational research or other disciplines. How is knowledge accumulated, dealt with and disseminated in political organisations? How does an external actor ensure that a government or government offices assimilate and utilise the knowledge and evidence it produces and that, in the long term, it has an impact on the direction of development cooperation, something that is after all at the core of EBA's mission? How do we quality assure our work? How do we ensure the relevance of an independent organisation such as EBA? How do we know what we should be doing? How do we know that we are doing the right things (or the wrong things for that matter)?

Why does EBA need a theory of change?

EBA has been entrusted with translating this relatively broad assignment into activities deemed meaningful by its paymasters. What constitutes “good” results is, however, not particularly well-defined. All analytical functions must find a form capable of balancing, or making conscious choices between, sometimes conflicting goals. One example of this is the constant challenge faced by independent evaluators in reconciling their independence with relevance and utility, something often portrayed as a conflict between accountability and learning. It is therefore valuable to have a frame narrative from which we can approach different challenges.

This will hopefully help us to clarify how what we are tasked to do translates not only into the things we would like to do but also into activities that can contribute to our goal attainment.

EBA's organisation is described in various documents, including rules of procedure, operational strategy, work models and a number of other documents dealing with specific issues. These describe as succinctly as possible what is to be done and how, but the logic behind the guidelines, principles, rules and recommendations is not developed to any great extent. To make all of this coherent, both intellectually and practically, an overarching narrative is required concerning how we think our activities will make a difference. This narrative should capture the most important causal assumptions about how we as an organisation can foster proven knowledge in our intended users.

Points of departure

Experiences from our predecessors, international sister organisations and our own initial activities have given EBA an understanding of what our surroundings look like and how we as an organisation can influence our operating environment. The insights and assumptions on which our theory of change is based include the following.

The government's need for knowledge and the practical opportunities for developing knowledge vary from one policy area to the next. All policy areas present their own particular challenges. Among the challenges for aid is that it is both complex and complicated. Swedish development cooperation has activities corresponding to all national budget expenditure areas, as well as in civil society and the private sector. Operations are conducted in many different countries. Target groups do not correspond to financiers, ruling out the “automatic” evaluation (feedback loop) that takes place when voters regularly use tax-funded services. An activity is rarely financed by a single aid actor.

EBA can only meet part of the government's need for knowledge. A government has a (shifting) need for knowledge on which to base short- and long-term policy in order to effectively govern the nation. To some extent, all studies must be able to assist a decision-making process. EBA is well-positioned to evaluate major reforms and adopt varying perspectives on conceptual issues. Monitoring and evaluation of individual projects and programmes are best left to the implementing organisation.

The main target group has a limited institutional memory. Due to staff rotation, EBA's main target group at the Government Offices of Sweden is impermanent, making it difficult to accumulate knowledge.

EBA is small; the outside world knows more than the committee, and sometimes better. As a minor actor in a major policy area, in practice it is impossible to encompass all of the contextual and methodological expertise that would be needed for the organisation to conduct high-quality studies of Swedish aid internally. By developing and maintaining an international network, EBA can procure the necessary expertise in competition. When appropriate, reports are written at the secretariat, allowing staff to retain and develop factual and methodological competence. When necessary, EBA collaborates intersectorally with other actors in Sweden, or with sister organisations in other countries.

The breadth of the mission must be reflected in a broad not a sprawling operation. The breadth of the activities that EBA studies must be reflected in what EBA does. The committee can therefore not focus on a few subareas. That said, different subareas and issues demand adaptation to the situation being studied. This applies to form (analyses and evaluations), methodology, design, budget and processes. This risks making the organisation difficult to understand, difficult to explain and difficult to organise. Hence the need for a clear frame narrative and a clear understanding of what constitutes quality in the activities being conducted.

A collection of hypotheses in a logical structure ...

These and other assumptions about the government's needs and EBA's ability to meet them form the basis of the steps that can be jointly described as EBA's theory (or general hypothesis) about how the organisation contributes to change (see appendix). The assumptions subsequently made in each step are taken as given conditions for the implementation of activities, although the vast majority are testable hypotheses. Some of these hypotheses relate to internal matters, such as that EBA recruits the right people and communicates effectively, and others to external conditions, such as that government policy influences the direction of development cooperation.

Many of the hypotheses regarding external conditions, such as the effectiveness of governance and results of development cooperation, are central to EBA's evaluation remit. Regularly testing our assumptions about our own organisation, by directly questioning the crucial and sensitive nodes in our working methods, is both important and easily overlooked. Even if we do regularly test the internal steps – for example, by following up the impact of our studies, asking for feedback on our processes and performing self-evaluations – this can always be developed further to obtain a better understanding and to apply feedback. A structure that clarifies which of our assumptions, whether internal or external, are on shaky ground is therefore helpful. It contributes to transparency and, in my opinion, serves a function in both learning and accountability, which in this case are not necessarily in conflict with one another. Here, our theory of change is not simply a narrative but also a useful tool for organisational development.

A final word about usage

EBA's theory of change largely follows the logical framework and thus exposes itself to the same criticism, that it is linear and static. Such a structure can still be helpful in a policy area in which there is a great deal of complexity and, moreover, many more things are described as complex when in reality they are simply complicated. The main question is not whether the narrative is true but whether it helps us understand who we "want to be" and how we then need to think about our organisation.

The document is seldom up for review or discussion so its formal use can be considered limited. New expert group members are informed of its existence along with other governance documents. So, since it was written it has remained oddly unchanged. In another way, it is used actively. It reflects our organisational concept and approach to issues that pose challenges to an organisation like EBA. The text captures the way committee members and staff talk about EBA. It helps us to describe, explain and sometimes defend ourselves, by providing a logical basis for why EBA looks like it does. One might think that it is inaccurate, inadequate or overly detailed. On rereading it in preparation for writing this note, I see some things that could and should be amended and assumptions that would benefit from more structured testing. Strikingly, the current version has a strong emphasis on physical reporting and less on ongoing discourse (both as activity and output). But this is part of the charm of formulating things that do not readily lend themselves to formatting. Hopefully, this will contribute to sharper analysis and better organisation and, in the long-term, to better development cooperation.

Appendix: EBA's theory of change: From Expert Group to improved living conditions for people living in poverty and oppression

Input	Assumptions
<p>An expert group consisting of Sweden's leading experts on aid, development and evaluation ...</p> <p>... with relevant resources ...</p> <p>... and independence in relation to the Ministry for Foreign Affairs and Sida ...</p> <p>... leads at regular meetings ...</p> <p>... a secretariat with expertise in evaluation, aid, development and methodology ...</p> <p>... as well as communication and knowledge transfer to policymakers.</p>	<p>The Ministry for Foreign Affairs has recruited a group with relevant expertise ...</p> <p>... and allocated relevant resources.</p> <p>The managing director has recruited a secretariat that actually has expertise in aid, development, evaluation and communication.</p>

Activities – first order	Assumptions
<p>The expert group tasks the secretariat with monitoring external conditions and maintaining dialogue with policymakers and Swedish aid actors ...</p> <p>... and with arranging dialogue with researchers and other experts ...</p> <p>... who provide knowledge about which vital issues or problems should be addressed if aid is to function effectively ...</p>	<p>The secretariat follows the expert groups directives and governance signals.</p> <p>The expert group and secretariat speak to aid workers and researchers with valuable knowledge about development cooperation.</p> <p>EBA arranges forums that engage and attract researchers and practitioners.</p> <p>Researchers and practitioners are interested in meeting.</p>

Activities – first order	Assumptions
<p>... what works well in Swedish aid and when, how and why it does so ...</p>	<p>The secretariat has the ability to develop proposals for studies of relevance to Swedish development cooperation.</p>
<p>... about bottlenecks and inefficiencies ...</p>	
<p>... and about the multidimensional development processes in low- and middle-income countries.</p>	
<p>EBA thus participates actively in and cocreates the Swedish discourse on aid research, evaluation and development.</p>	

Activities – second order	Assumptions
<p>Dialogue and external monitoring ...</p>	<p>Relatively open invitations to tender and calls are more attractive to qualified evaluators and researchers.</p>
<p>... together with invitations to tender and calls for proposals based on a handful of key issues or purposes ...</p>	<p>A higher degree of freedom for researchers/evaluators leads to better study proposals.</p>
<p>... with a high degree of freedom to develop methods and approaches ...</p>	<p>EBA identifies leading researchers, evaluators and experts.</p>
<p>... and that are targeted at leading researchers, evaluators and experts ...</p>	<p>EBA's terms and conditions are attractive, or at least reasonable, to researchers and experts.</p>
<p>... improve the conditions for procurement and calls for high-quality evaluations and studies ...</p>	<p>More open calls facilitate greater innovation.</p>
<p>... and that high-quality proposals for studies are submitted to EBA ...</p>	<p>Researchers and experts are aware that they can submit proposals to EBA.</p>
<p>... or can be developed in dialogue with researchers and other experts.</p>	

Activities – third order	Assumptions
Proposals result in credible, fair and independent ...	The expert group adopts the secretariat's study proposals.
... evaluations, research, mapping and analysis processes ...	EBA works in the right ways to evaluate proposals from tenderers and other submitted proposals.
... or with the emphasis on synthesising existing knowledge ...	Studies conducted with integrity are fairer.
... performed with integrity...	A working method based on broad scientific methods, epistemologies and disciplines increases the legitimacy of EBA with target groups.
... by researchers, evaluators or staff at the secretariat ...	EBA's reference groups have members with the ability to assess (and convey ideas and opinions about) the quality of studies and evaluations.
... based on broad scientific methods, epistemologies and disciplines ...	People in EBA's target groups participate in reference groups.
... which also contribute process learning ...	The members of reference groups consider the work of reference groups to be of high quality.
... in EBA reference groups where evaluators, researchers and practitioners meet ...	
... and ensure the quality, credibility and legitimacy of and insight into EBA's studies and processes.	

Outputs – first order	Assumptions
Studies generate new and improved knowledge about Swedish development cooperation the implementation and results of international development cooperation in general and development (for people living in poverty and oppression) in areas of relevance to Swedish development cooperation.	EBA's reference groups function as a mechanism for quality assuring studies and evaluations, as the authors listen to and consider the reference groups' opinions and advice.
Outputs – second order	Assumptions
The studies result in reports, working papers and briefs of new aid-related doctoral theses, that ...	The expert group decides that the reports should be published. The studies are not prematurely discontinued. Swedish doctoral students focus on issues of relevance to Swedish development cooperation.
Outputs – third order	Assumptions
The reports are presented and discussed at seminars workshops and separate, adapted presentations for the main target group, the Swedish Ministry for Foreign Affairs and for Sida and other aid actors in Sweden, for embassies, partners and the Riksdag the knowledge is also disseminated via social media, policy briefs, blogs, podcasts and EBA's YouTube channel.	The studies' most important target groups want to and are able to attend seminars, workshops, presentations, etc. EBA uses channels of communication appropriate to the target groups.

Outcomes – first order	Assumptions
<p>Activities to disseminate knowledge have an impact on the public discourse and public opinion ...</p> <p>... increase knowledge among Swedish aid professionals ...</p> <p>... which facilitates improved dialogue between the profession and the scientific community ...</p> <p>... and more effective demands for accountability from the media, the public and civil society.</p>	<p>The Ministry for Foreign Affairs requests and has a need for separate presentations.</p> <p>EBA reaches the right people with invitations to seminars.</p> <p>The social media channels used by EBA are adapted to and used by EBA's target groups.</p>

Outcomes – second order	Assumptions
<p>Reports and dissemination activities enable instrumental (short-term, procedural) and ...</p> <p>... conceptual learning (greater knowledge and understanding in the long term) among staff in the Swedish aid sector ...</p> <p>... among policymakers, employees in the aid sector ...</p> <p>... and among partners.</p>	<p>Learning from research and evaluation is sometimes instrumental, short term and procedural ...</p> <p>... but above all conceptual through greater knowledge and understanding in the long term.</p>

Outcomes – third order	Assumptions
<p>Learning and uptake at various levels has an impact on strategies and policy ...</p> <p>... accountability from policymakers in development cooperation.</p>	<p>The system is actually able to transform new ideas and impulses into new or altered development cooperation.</p> <p>EBA develops knowledge that has a bearing on existing strategies and policy.</p> <p>Studies and evaluations are delivered at a point in time when they can be utilised when preparing new strategies.</p>

Impact – first order	Assumptions
<p>Learning, impact on policy and demands for accountability lead to new and better decisions about development cooperation and its impact ...</p> <p>... at all levels of the system: in the Riksdag, at the Ministry, at Sida, at embassies, in civil society ...</p> <p>... among politicians (of all colours) and civil servants.</p>	<p>The strategies developed at the Ministry for Foreign Affairs influence the direction of development cooperation.</p> <p>Sida’s governance of partners influences development cooperation interventions.</p>

Impact – second order	Assumptions
<p>New and better decisions improve Swedish development cooperation in terms of its ...</p> <p>... sustainability, long-term results, relevance, effectiveness and value for money ...</p> <p>... under the goals of development cooperation policy and the policy for global development.</p>	<p>Decisions (at various levels) of the Swedish aid system, including changes of policy, influence the direction and implementation of development cooperation.</p>

Impact – third order	Assumptions
This helps to improve the living conditions for people living in poverty and oppression.	Development cooperation has the ability to change people's living conditions.

EBA follows up its own activities in a systematic manner ...
... and can thus convert previous experience, lessons learned and new knowledge into new and improved processes, reports and seminars that benefit Swedish development cooperation.

Between Radical and Realistic: Biodiversity, Transformation and Development Cooperation

Tilman Hertz

The last decades have seen the emergence of global and complex challenges related to biodiversity loss, climate change, desertification, and many others. The failure to address these successfully explains partly why the world has not reached the overarching goal of eradicating poverty. Indeed, the prevalence of malnutrition and hunger is one sign that the world is far from eradicating poverty – a situation the current COVID pandemic may not have caused but exacerbated significantly (FAO 2021).

As part of a long process of international collaboration, the latest framework for addressing these challenges is the Sustainable Development Goals (SDGs) which the General Assembly of the UN agreed upon in 2015 with the goal of reaching them by 2030. Underlying the SDGs is the recognition that poverty cannot be addressed in a silo-like manner but needs to be addressed within the general framework of sustainability.

The SDGs are interconnected and complex: Holistic approaches are necessary if we are to succeed in our efforts towards sustainability. Our work on biodiversity is part of that effort. Addressing issues related to biodiversity cannot be done without, for example, addressing issues related to poverty while at the same time being based on principles such as gender equality and human rights.

The work on biodiversity is not only connected to goals 14 (Life below Water) and 15 (Life on Land) but to all SDGs. The Aichi targets¹, the predecessors of the new post-2020 Biodiversity targets, were – by and large – not met. It is unclear, at the present moment, whether the SDG goals will suffer the same fate as Aichi but the evidence, as of now, points towards it (Sustainable Development Goals Report, 2021)².

Nine years before the deadline which the world has set itself for reaching the SDGs, and one year before the world will agree to a post-2020 Global Biodiversity Framework (GBF), it seems critical to *re-think* the role of development cooperation.

This working paper has two parts. A first part starts by introducing a series of tensions and concepts that define some crucial issues for development actors when conceptualising their role in the transformation needed to reach the post-2020 Biodiversity targets. Next, three strategic questions facing development cooperation are formulated. This first part guided a roundtable discussion held February 2022. The second part of this working paper summarises the key insights from that discussion and articulates tentative recommendations for those actors in development cooperation which are mandated to design a Theory of Change (ToC).

Tensions: thematic vs systemic, direct vs indirect, local vs global

For re-thinking the role of development cooperation it is useful to characterize what we may call a field of tensions within which development cooperation worldwide operate. Those deciding on

¹ The 20 Aichi targets were adopted by the conference of the parties to the CBD in Nagoya (Japan) in 2010 and were meant to address the global biodiversity crisis as part of a “Strategic Plan for Biodiversity” for the years 2011–2020. For more info see: <https://www.cbd.int/sp/targets/>

² <https://unstats.un.org/sdgs/report/2021/The-Sustainable-Development-Goals-Report-2021.pdf>

and designing a ToC and corresponding programmes for development cooperation need to choose, first, between what can be called a **“thematic”** orientation and a **“systemic”** one. Underlying this tension is the question of whether we are facing a “biodiversity crisis” that can supposedly be addressed by designing targeted biodiversity programmes, or whether it is not possible to isolate our work on the matter, and the focus should be on the intertwinedness of the biodiversity topic with various other topics of concern. The first draft of the new post-2020 GBF (CBD 2020) describes the situation as follows:

“The framework is a fundamental contribution to the implementation of the 2030 Agenda for Sustainable Development. At the same time, progress towards the Sustainable Development Goals will help to create the conditions necessary to implement the framework”.

But then, what and how to prioritize? And how to ensure that what is prioritized is the most effective?

This introduces a second tension which is not only about the difficulty of prioritizing but about what development cooperation is effectively mandated to do and what not. Irrespective of whether development cooperation aims to go thematic or systemic, how far can (or should) it go to address the root causes of a problem? This point can well be made by referring to the IPBES Global Assessment Report from 2019. Here, a distinction is made between **“direct”** and **“indirect”** drivers. Clearly, focusing *only* on the impacts of direct drivers and acting accordingly, such as adapting a particular habitat to climate change, or developing alternative livelihood schemes to reduce the exploitation of some particular resource, will not suffice in the long run. Such problems are ultimately caused by indirect drivers such as, for example, global consumption patterns. To use causal terminology, one could say that direct drivers are an *effect* of indirect drivers. Implicit in this line of argument is that thematic and systemic portfolios need to account for and address direct as well as

indirect drivers. But if development cooperation were to address these, then this might require interventions at different administrative and geographic scales which possibly go beyond what development cooperation is mandated to do.³

Finally, third, while a **“local”** problem can have complex indirect drivers, this complexity is exacerbated when dealing with **“global”** public goods, such as the climate, the ozone layer, oceans and biodiversity (as an aggregate). In regard to global public goods the indirect causes tend to be more diverse and multifaceted, and where a variety of different actor types may need to be included. Numerous scholars highlight that a mode of delivery via traditional north-south cooperation focusing on the provision of capacity building and financial resources might not be the most promising approach for managing global public goods (Kaul 2015, Scholz and Kaul 2013; Mordasini 2012).

In practice, development cooperation focuses – to varying degrees – on both, thematic and systemic concerns, and addresses both direct as well as indirect drivers, by tapping on different tools, e.g. targeted thematic portfolios as well as mainstreaming thematic concerns into all operations. What is more, we see that different instruments and mechanisms are used for addressing local and global public goods respectively (for example, support to biodiversity action is not exclusively channelled via bilateral aid but also via global mechanisms, such as the global BIOFIN initiative⁴).

³ For example, if development cooperation from country A wants to support country B in addressing direct exploitation of resources in some area, then it might turn out that the best way of doing so would be to address consumption patterns in country C – which might be difficult for a development cooperation from country A.

⁴ <https://www.biofin.org/>

Re-thinking development cooperation?

Yet, in light of the limited success of Aichi and at a time when the world will conclude a new post-2020 GBF (see CBD 2020) it is timely to re-think the modus operandi for development cooperation. What would “re-thinking” mean? Concretely this would mean to reflect on what modus operandi might be best suited for 1) reaching post-2020 biodiversity goals, while 2) at the same time acknowledging that development cooperation operates in the midst of the tension fields identified above. Naturally, such a re-thinking needs to be based on the principles set out by the Paris Declaration (2005) as well as the Accra Agenda for Action (2008).

One prominent example of such a “re-thinking” can be found in the OECD’s recent development co-operation Report (2020). As part of this, Kaul (2020) argues for a new architecture for international cooperation consisting of three pillars. First, the existing arrangements for bilateral or regional development assistance should be retained. Second, there would be a new pillar focused on the provision of global public goods and a third one aimed at ensuring instantaneous and decisive support to both countries and global public goods in crisis. She notes,

“The creation of such a tripod-shaped architecture with these three pillars would be an act of policy making that catches up with reality and creates a system fit to meet the different types of global challenges confronting us today”.

Separating funds for traditional, bilateral or regional development assistance from those for global public goods, the argument goes, might be a promising way to more efficiently address indirect drivers

and to design appropriate and effective mechanisms for the management of global public goods. Amland (2021)⁵ summarizes:

“The dynamics that drive effective aid and global goods investments can differ. Sometimes effective efforts to eradicate poverty do not consider “bigger” global issues. At others, global public goods can be delivered faster by putting money to work in countries that are not defined as recipients of Official Development Assistance (ODA). In other words, both aid and global public investments might become more effective if their mandates were less intertwined.”

In addition, this re-thinking should naturally consider past experiences: What substantive approaches have worked, what barriers have been faced and what kind of instruments have worked – and which have not?

This issue can be explored by discussing it alongside three biodiversity-specific questions, presented below.

1. What do development actors prioritize in the area of biodiversity? What leverage points have the potential to maximize the transformative potential?

The concept of “leverage point” and “levers” originally come from the field of systems analysis (Meadows 2008). Leverage points refer to places, or key points for intervening in a system in view of transforming it. A powerful leverage point, for example is a point

⁵ <https://www.development-today.com/archive/dt-2021/dt-7--2021/norads-test-balloon-separate-funding-for-global-public-goods-from-aid> – Amland draws on a report prepared by Nikolai Hegertun for Norad titled “Aid and global investments: What is the next step for development cooperation?”

where a small amount of change has an exceptionally large effect on a system, whereas a weak leverage point is one where a high amount of change has only little effect on the system. Leverage points are diverse, found on different levels and do not have specific “levels”, nor “actors” in mind. Rather, they may be targeted by international institutions, national governments, development actors, civil society or academia, or individuals, for that matter.

O’Brien and Sygna (2013) argue that leverage points can be mapped onto three spheres: a practical sphere (e.g. practical interventions such as technical responses to a problem or changing behaviours), a political sphere (systems and structures influencing the practical sphere) and a personal sphere (beliefs values and worldviews and paradigms that influence how we see systems). Some argue that much of our attention and efforts have gone into leverage points situated in the practical and/or the political spheres and/or trying to align those two spheres while – arguably – not paying enough attention to those leverage points from the personal sphere which determine our very understanding of systems (O’Brien 2019). Indeed, successfully transforming a system might require us to first transcend the very way we understand a system. This would involve, for example, moving beyond our dominant way of conceiving of “nature”, where nature is mainly conceived of as a resource and which would allow, in turn, rethinking our interactions with it. When we stick with the given, current understanding of a system, the argument goes, we can at best hope to buy some time and postpone the necessary transformation while proceeding as usual (Stengers 2014). Contrary to popular belief, changing values, paradigms and worldviews is certainly difficult and complex, but might not necessarily be impossible. As Meadows (1999) notes:

“You could say paradigms are harder to change than anything else about a system, and therefore this item should be lowest on the list [...] But there’s nothing physical or expensive or even slow in the process of paradigm change. In a single

individual it can happen in a millisecond. All it takes is a click in the mind, a falling of scales from eyes, a new way of seeing. Whole societies are another matter – they resist challenges to their paradigm harder than they resist anything else. So how do you change paradigms? [...] In a nutshell, you keep pointing at the anomalies and failures in the old paradigm, you keep coming yourself, and loudly and with assurance from the new one, you insert people with the new paradigm in places of public visibility and power. You don't waste time with reactionaries; rather you work with active change agents and with the vast middle ground of people who are open-minded.”

For the area of biodiversity the IPBES Global Assessment report (2019) identifies eight key leverage points:

1. enabling **visions of a good life** that do not entail ever-increasing material consumption;
2. lowering **total consumption and waste** by taking account population growth and per capita consumption differently in different contexts;
3. unleashing **values and action**, for example extending norms of responsibility to include impacts related to consumption;
4. addressing **inequalities** related to income and gender;
5. promoting **justice and inclusion in conservation**, for example by ensuring fair and equitable sharing of benefits arising from the use of conservation decisions;
6. addressing socioeconomic-environment interactions that produce negative **externalities** (directly or via distances, so called **telecouplings**);

7. ensuring that **technology, innovation and investment** have positive impacts at the global scale (and not only at the local one);
8. promote education and knowledge generation and sharing, particularly with respect to indigenous and local knowledge regarding nature, conservation and its sustainable use.

Leverage points have associated “levers”, or governance interventions that can activate the leverage points in view of letting them unfold their transformative potential. Put differently, if leverage points are conceived of as being the places in a system one should focus on, the levers are those elements that can activate their leveraging effect. The IPBES Global Assessment report (2019) identifies five of these (which can be mutually reinforcing): 1) incentives and capacity building to foster environmental responsibility, 2) coordination across sectors and jurisdictions to promote across sectors and jurisdiction, 3) pre-emptive action to avoid, mitigate and remedy the deterioration of nature, 4) adaptive decision-making to deliver decisions that are robust in a wide range of scenarios and 5) strengthening environmental law and its implementation.

Undoubtedly, all leverage points are important. But, from the experience with working towards Aichi over the past ten years, are there some leverage points that should merit particular attention? What is more, as it is noticeable that many of the leverage points identified by IPBES go beyond the area of biodiversity *per se*: Who to work with, considering that the approaches and mechanisms for the work on local or global public goods differ? Finally, is the list of corresponding levers complete or are there important ones missing which have emerged in the past few years?

2. Barriers to implementation: The particular case of policy incoherence

But, are the most powerful leverage points also necessarily those that development cooperation should prioritize? What prevents, in practice, the use of particular levers to tap the transformative potential of such leverage points? Development cooperation is often faced with barriers which either lead to the development and implementation of levers not being sustainable, or being in outright contradiction to what's in place. Barriers to implementation are manifold, and a recent work by Koh, Ituarte-Lima and Hahn (2021) identifies those that countries themselves reported to be of major importance when implementing Aichi. These range from barriers related to the difficulty of defining metrics, to those related to monitoring, lacking institutional capacities, to inconsistent or incoherent policies, to name just a few.

Next to the barriers related to metrics and monitoring which have only been partially addressed in the draft of the new post-2020 GBF (see e.g. Birdlife, WWF and IUCNs initial reactions to the first draft) the barriers related to policy inconsistency or incoherence have been identified by the Global Biodiversity Outlook 5 (GO5) (2020) as being a particular area of concern. Here, the GO5 singles out especially harmful government subsidies for agriculture, fossil fuels and fishing. Earlier attempts (as part of Aichi Target 3) to phase out harmful subsidies have not had the desired effect⁶, and last year the executive secretary of the CBD, Elizabeth Maruma Mrema emphasised again that each year governments worldwide provide the staggering amount of \$345bn in such subsidies.⁷ In the presence of these, it is questionable whether, for example, a capacity development campaign for the sustainable management of fish stocks (see lever 1 above) can activate leverage point 6 to have the

⁶ <https://www.cbd.int/aichi-targets/target/3>

⁷ <https://www.theguardian.com/environment/2021/may/02/redirect-harmful-subsidies-to-benefit-planet-un-urges-governments-aoe>

desired and lasting effect. This is a clear example of conflicts between the practical and the political spheres which demonstrates the importance of keeping both, direct (resource exploitation) and indirect drivers (subsidies) in mind. The first draft of the post-2020 GBF (CBD 2020) advocates levers of type (2), notably a “whole-of-government” approach:

“The implementation of the global biodiversity framework requires integrative governance and whole-of-government approaches to ensure policy coherence and effectiveness, political will and recognition at the highest levels of government”.

The argument is that a whole-of-government approach can ensure an alignment between the practical and the political spheres, thus rendering initiatives aimed at preserving biodiversity more sustainable. However, the request for a whole-of-government approach is equally addressed to developed countries, which makes sense if one aims to tackle key indirect drivers, e.g. international consumption patterns that manifest in developing countries. This points towards the need of thinking beyond the dichotomy of developing and developed countries. But then development cooperation quickly ventures into arenas where they might not have a mandate, nor the power to act, as this is often perceived as being in the domain of the political/structural sphere and the task of policy actors at ministerial or governmental levels.

For the key barrier of harmful subsidies, and the policy incoherence they bring about: How can development cooperation support the ministerial and government levels (their own *and* the ones from developing countries) in the quest for international policy alignment? Trying to better synchronize activities between those working in developed countries and developing countries alike, e.g. focusing on areas such as sustainable food chains with the aim of providing alternatives to biodiversity-harming, subsidy-supported food? Funding research to better understand indirect drivers? Increasing activities “at home” in view of achieving domestic policy coherence?

But beyond that, what can be the role for leverage points from the personal sphere in this process, considering that these are responsible for how one sees and understands systems, and thus are also partly responsible for how the structural sphere manifests? The draft of the new post-2020 GBF mentions next to the “whole-of-government” approach also a “whole-of-society” approach which might be a promising approach for aligning all three spheres. The IPBES clearly sees an important potential in leverage points from the personal sphere in bringing such an alignment about, considering the importance given to leverage points such as “embrace diverse visions of a good life” or “unleash values and action”. But what kind of change agents to focus on to increase domestic and international policy coherence?

3. Elements of a successful *Theory of Change (ToC)*: How should development cooperation organize itself and what instruments to draw on?

The previous discussion about most powerful leverage points and key barriers to their implementation culminates into following questions: What does it all mean for a Theory of Change (ToC) and, subsequently, how development cooperation should organize itself? Do we need a tripod shaped architecture, as proposed above by Kaul (2020), or are there other ways? And, depending on the specific architecture, what mix of instruments to draw on, e.g. what is the right mix between specific thematic portfolios and mainstreaming? Currently, mainstreaming biodiversity seems to be the instrument of choice when it comes to, on the one hand, strengthen and deepen the work of development cooperation on biodiversity and, on the other hand, aligning operations of development cooperation with the post-2020 GBF (see for instance the decision of the Swedish Government from 2020 requiring Sida to mainstream biodiversity into all operations). What is more, mainstreaming is considered to be an obvious candidate for bringing about the required policy

coherence discussed in the previous section. But there are voices that call for more clarity with respect to the application of this instrument, a recent example being OECD's concept note⁸ on transformative change which identifies:

“the need to move beyond focussing on mainstreaming in individual projects to include a longer term and more systemic perspective [...] At the same time, raising the bar to support climate and sustainability transformational change and not only safeguarding the environment in individual projects poses interesting challenges versus more traditional modes of mainstreaming.”

The concern is that by simply mainstreaming biodiversity in all operations one is unlikely to be able to realize the commitments made across conventions (next to other difficulties related to e.g. monitoring). The tool of mainstreaming might be too passive, mostly being based on a “do no harm” rationale. More critical – even though slightly dated – Jerneck and Olsson's (2008) note:

“Mainstreaming, as a process, may not solve burning social, political and environmental issues. [...] Mainstreaming may create conflicting goals, loss of political edge, and methodological problems resulting from an overloading of the discourse. As examples, sustainable development is more complex than the ‘greening’ of development projects, while gender inequalities are more complex than the often simplified ‘gendering’ of development projects.” (Kabeer, 2005).

As part of another piece, Jerneck and Olsson (2010) summarize that for the wider transformation to sustainability a mainstreaming approach might disregard three core links within sustainability:

⁸ Can be provided upon request by EBA.

between nature and society, between rich and poor and between past and future societies. They conclude with the provocative statement that mainstreaming might just postpone a necessary transformation to sustainability because it keeps the status quo – an understanding of development on the basis of resource extraction – in place rather than replacing it.

Are these critical statements with respect to the instrument of mainstreaming justified? If only partly, how concretely are we to “do” mainstreaming to avoid above concerns from realizing while at the same time tapping its potential benefits?

Way forward

The elements discussed above – biodiversity, leverage points, levers, different spheres of action and transformation towards sustainability – can be brought together in an analytical framework (source: Sida, Government assignment on Biodiversity, available upon request from EBA).

According to this framework, transformative change requires a focus on all spheres simultaneously, tapping on different leverage points and levers. The conceptual clarity that this framework provides, however, is rarely reflected in the practice of development work. Finding a good mix amid the tensions articulated above, and being as radical as realistically possible doing so, might be one step in the right direction. The aim of the roundtable discussion was to contribute to this endeavour.

Summary of the roundtable discussion

“One shouldn’t complicate things for the pleasure of complicating but one should also never simplify or pretend to be sure of such simplicity where there is none. If things were simple, word would have gotten around” (Jacques Derrida).

The background paper stimulated a lively discussion among the participants and the quote by Derrida (1988) which opens this summary – while being slightly used out of its context – echoes a key point of it: The issue is complex and messy and there are no easy or quick solutions. Attempting to get rid of this complexity/messiness by simplifying it, be that as part of purely disciplinary or sectoral approaches, might only provide a partial answer. On the contrary, we need to embrace the issue in its full multi-sectoral, transdisciplinary dimension, as forcefully reminded us French philosopher Edgar Morin (2007).

What emerged very clearly in the discussions was that it is not possible to address the biodiversity crisis without recognizing that this crisis is inextricably intertwined with many other crises. Thus, participants agreed that one could not hope reaching post-2020 biodiversity goals, without at the same time addressing other concerns and vice versa. This puts the emphasis on finding the right constellation of agents (development cooperation and others) to allow collaboratively addressing the tensions identified above. It is within such a concrete and context-specific collaborative arrangement that a theory of change for development cooperation needs to take shape, that is, with respect to what it does (leverage points and levers) and how it does it (modes of delivery). In what follows, we attempt to summarize the gist of the discussion and identify future areas of work.

Commenting on the challenges identified by the background paper ... and adding new ones

Participants highlighted that development cooperation not only need to spend a lot of time and effort to coordinate/collaborate with other agents, but the situation is made more difficult by the fact that national and international systems for aid administration have not developed at the same pace than the challenges they are meant to address. While clearly a change in discourse has taken place since 2015 (the year the

SDGs were agreed upon) this has not been echoed by practice: The ODA (official development assistance) system is deemed unfit to deal with such global challenges. One participant remarked that, strikingly, no leverage point/lever identified by IPBES is able to be thoroughly addressed by ODA. This might be due to the fact that, as participants observed, there might be a tendency about sticking with existing institutions. Many actors are concerned and hesitant to abolish this system now because it might be difficult to set up a different (supposedly better) system, given the geo-political power dynamics that characterize today's global political arenas, where aid increasingly tends to be seen as serving national interests. Indeed, it was observed that the very nature of aid developed from a focus on poverty alleviation to increasingly focus on how it best serves national interests of donors. It was argued that not only does development cooperation needs re-thinking, but that the *very nature of aid* needs re-thinking if we are to address the power dynamics that manifest across the three spheres, and which are held in place by them being continuously reproduced through our daily practices.

Also, an issue that was perhaps not discussed enough in the first part but that came out strongly on several occasions during the discussion was that there is a need to complement the above conceptualization of the task in terms of “tensions fields” by a more rigorous elaboration of the notion of transformation. Put differently, there needs be clarity about what perspective on transformation one takes, as this term varies quite strongly across contexts and stakeholders, see e.g. Linnér and Wibeck (2019).

Complexities involved in fostering transformations vary. Sectoral, or partial transformations are of a different nature than those of whole civilizations, with the latter one requiring a humbler approach. Depending on what perspective is adopted, stakeholders might have different understandings of the scope, timescales and actions required for transformation to happen. While some refer mainly to incremental changes (e.g. mainly focusing on the practical/structural spheres targeting partial transformations), others refer to profound, enduring,

and non-linear structural change in a system (e.g. encompassing all three spheres that might foster civilization wide transformation). Differences in perspectives on transformation lead to differences as to where to situate oneself in the tension fields identified above and thus to differences in what to focus on, what drivers to address, what mechanisms to deliver support. A particular perspective on transformation thus defines what can or cannot be a successful leverage point. It is thus important to be clear about what is meant by transformation in a particular situation as this will in turn define the particular approach to transformation. And, most crucially, the question of how to design a theory of change is tightly associated to this.

This variety of perspectives and approaches on transformation and transformative change also implies, as participants highlighted, that we should not conceive of the leverage points/levers in the IPBES reports as a “blueprint” solution for the biodiversity, and connected to it, the larger sustainability crisis.

Participants by and large also agreed that the instrument of mainstreaming (as a pure “do-no-harm” instrument, e.g. via Safeguards) may be ineffective because it is deemed too passive and does not provide any positive incentives – and thus falls short of triggering or realizing transformative potential.

Lastly, other issues that were seen as preventing collective action from materializing have been found in uncertainty about consequences (of biodiversity loss), trajectories (e.g. where are thresholds of irreversible change) and measures (consequences of the measures aimed at addressing biodiversity loss).

Ideas and impulses for addressing these challenges – For development cooperation and beyond

One participant referred to the famous structure/agency conundrum introduced first by Anthony Giddens (1986), who claimed structure to be reproduced by agency, while at the same time mediating

agency. The provocative question was posed whether we needed an outright revolution or whether there can be hope of achieving transformation by fostering agency via niche experiments, with the hope of upscaling successful experiments. In the past, there have been clear examples where the latter succeeded, and it was argued that development cooperation could contribute to creating the conditions for agency to unfold its transformative potential. In the discussion, fostering agency was conceived of as the most important and powerful leverage point towards reaching the post-2020 biodiversity goals as well as contributing to the broader transformation towards sustainability. Referring back to the conceptual framing introduced in the background paper the question thus became: How can agency be fostered, and agents empowered, across the three spheres, that is, across the practical, structural and the personal spheres? In the discussion, participants adopted a broad definition of agency, that is, agency is as much a property of individuals as it is of organizations, or states. This, in turn, means that agency can be found at various scales, such as the local, regional, national and international, and development cooperation typically works at all of these. In what follows we discuss some of the levers which are meant to foster agency that emerged in the discussion.

For instance, one participant argued that in the work done by development cooperation at the local level the biodiversity topic is never seen as being separate from broader environmental concerns. While development cooperation **provides guidelines for officers** on the ground these are rarely prescriptive in a substantive sense (i.e. when it comes to defining concrete outputs). In other words, it is the partners that are in the driving seat. This is in line with an approach of seeing leverage points not as a blueprint solution, but rather as a boundary object aimed at kickstarting discussions and to explore in participative processes how partners perceive of the system and thus identify the most powerful intervention points themselves. This, the argument goes, can foster agency, and potentially empower agents across all spheres. At the same time, it was emphasized that there is a need to strengthen the ability of

policy/programme officers on the ground, by developing better tools/approaches to think and implement projects systemically. In this context one participant invited development actors to engage more closely with some of the works by Michael Quinn Patton, e.g. Principles-focused evaluation (Patton 2017).

Interestingly, while a lot of critical voices surfaced with respect to the tool of mainstreaming, participants also identified some positive aspects, particularly on the basis of the Swedish Government assignment to Sida to mainstream biodiversity into all operations. Concretely, the very **process of reporting** on the assignment generated a systemic view, and provided valuable information for developing a systems approach. However, equally important, it was mentioned that there needed to be structures in place that would allow iterative **learning, and agility** (capacity to deal also with unforeseen events) on the basis of such a reporting. This was something that – while very present in discourses around the issue – is still found to be hard to comprehensively implement in practice. Finally, during the discussion ideas surfaced that might help “empowering” the instrument of mainstreaming with respect to the deficiencies identified in the previous section and in the background paper. Participants argued for the instrument to be handled actively and for it to be complemented with trainings, clear action plans, learning and similar. In this way mainstreaming would not only be treated as a tool for checking that aid ‘does no harm’ to biodiversity but have the potential to contribute to transformation.

However, participants noted that more was needed, especially when addressing policy incoherence, characterized by complex indirect drivers beyond national boundaries. They highlighted several levers, such as improving decision-making capacity by undertaking **specific studies, intensifying dialogue** with other actors in the development field, and **developing/improving mechanisms for increasing policy coherence**. We will present them in turn.

Specific studies are needed in light of the controversies around the notion of transformation and transformative change that were identified in the previous section. Differences in the understanding of transformation can be reduced by governance approaches that are integrative, inclusive, informed and adaptive, as noted by IPBES (2019). How to best navigate the consequences of the diversity in understanding of the term across contexts and scales is however still unexplored. Thus, participants encouraged studies that empirically map the current practices of development cooperation onto the different spheres discussed in the first part of the paper. This could help, the argument goes, to get a better sense of what kind of ideas about transformation particular programmes or initiatives are harbouring. Such knowledge could be used as basis for a discussion between development cooperation and other actors in the development field, in view of increasing overall coherence of programmes and initiatives.

Another proposal discussed was to **intensify dialogue** with relevant stakeholders in view of reaching actors that actually do have mandates in areas where development cooperation hasn't. These actors could be one's own country's diplomats, national and international companies, representatives from educational systems etc. What is more, participants urged development cooperation actors working in the area of biodiversity to look beyond the Ministry for the Environment in view of intensifying dialogue with other Ministries, such as Finances and Economics, Health etc. And beyond that, as one participant noted, one could intensify dialogue with international bodies such as IPBES or CBD to push for the inclusion of more social sciences and humanities into the major global assessment projects. This would allow better dealing with the transdisciplinary dimension of biodiversity loss in its intertwinedness with other concerns – alongside the practical and also ethical challenges that surface with it.

What came out very strongly from the discussion was the need to set up efficient **mechanisms for increasing policy coherence**, whether that'd be at the national or at the international level. The Swedish policy for global development from 2003, with its inter-ministerial coordination, could serve as an example, even though its status and implementation has been severely weakened over the years. Further proposals come from Germany, where Scholz and Kaul (2013) proposed to appoint a Commissioner for Global Affairs and Sustainable Development directly in the Chancellor's Office, which could be part of a solution to facilitate both coherence between domestic and foreign policy and inter-ministerial cooperation. There were also interesting ideas to overcome policy incoherence in its manifestation specifically around the dichotomy developed/developing country. A particular mode of delivery for support, notably global partnerships, was identified as being promising (In this context, development actors were encouraged to have a close look at Chakrabarti and Chaturvedi, 2021 as well as Hegertun, 2021). Next to going beyond this dichotomy, global partnerships also allow to break silos and to engage in systemic thinking (Gavi is an example of such a partnership – <https://www.gavi.org/>). Such partnerships have the potential to combine:

1. PDIA (Problem Driven Iterative Adaptation), defined by the Harvard's Centre for International Development as “a step-by-step approach which helps you break down your problems into its root causes, identify entry points, search for possible solutions, take action, reflect upon what you have learned, adapt and then act again”⁹
2. Searcher approach by Easterly (2005), which refers to a bottom-up, locally driven approach.

⁹ <https://bsc.cid.harvard.edu/PDIAtoolkit>

What is more, as one participant noted, the younger generation clearly cares about global public goods such as biodiversity, so giving these ways and means to be addressed beyond ODA, in terms of global partnerships and alliances might allow for different forms of participation and thus foster collective action.

Finally, other elements that participants highlighted was the importance of **changing dominant narratives and developing new ones**, possibly even with novel concepts. To expand on this point with Lakoff and Johnson (1980): "Changes in our conceptual system do change what is real for us and affect how we perceive the world and act upon those perceptions". And of course, the whole array of **instruments from political economy** was highlighted. Here, participants singled out especially the importance of pooling research and development (R&D) into sectors that employ biodiversity-harming practices. The agricultural sector was identified as being particularly concerned. As a price-taking sector, fostering technological innovation in view of increasing productivity of a sustainable agricultural production that would allow it to become competitive with respect to its biodiversity-harming counterparts, was deemed to be a promising if not essential way forward. Finally, it was mentioned that transformations always tend to not only have winners but also losers. Thus, the creation of financial mechanisms for economic compensation needs to be an important element of any transformation. Such mechanisms (e.g. a universal income for those who live in and around biodiversity hotspots) were highlighted as being important because a transformation towards sustainability can only be sustainable – and this was emphasized repeatedly – if it is perceived as being just and inclusive. Beyond instruments for economic redistribution, the necessity of human rights-based approaches was seen as fundamental in this context.

Drawing on these elements might support a – if not civilization wide, but partial – transformation beyond the dichotomy of developed and developing countries in ways that do justice to the complexities of the process (iterative and adaptive).

Implications for a development cooperation theory of change in the area of biodiversity

The ideas discussed in the previous section are about creating conditions for agents to engage in biodiversity related initiatives that are at the same time transformative and go across different spheres and levels. How are we to turn these into a theory of change (ToC) for development cooperation? We propose to cluster the ideas along two dimensions: those which are more of a **processual nature** (i.e. related to how to plan and implement initiatives as part of a theory of change) and those which are more of a **substantive nature** (i.e. related to what concrete initiatives should be part of a theory of change and how it should be organized).

A central and overarching point that emerged from the discussion with respect to the **processual** character of a theory of change and that should serve as an overall lens, is that theories of change should be complexity aware. This means, for example, to move away from blueprint type of desired outputs towards processes which are structured by principles, or guidelines, as discussed in the previous section. As part of this, learning and agility (i.e. the capacity to deal with unforeseen events) were identified by the participants as key capacities. Learning, here, needs to be a central concern, not only as instrument for development cooperation itself but beyond. Also, other actors working in concert with development cooperation or connected in other ways need to be involved in learning processes. This is valid both in donor and partner countries in view of reaching “whole-of-society” approaches beyond the dichotomies ‘developed’ and ‘developing’ countries.

When it comes to the **substantive** ideas about initiatives that should be part of such a complexity-aware theory of change, and of which some have been discussed in the previous section, it should come as no surprise that there is no *one* way forward. Instead, what to choose depends on the context and the exact constellation of actors the development cooperation in a particular country is embedded in, and

operates out from. Nevertheless, a few general reflections as to where to situate the work of development cooperation within the tension fields we discussed in background paper allow us to provide some examples of initiatives that could make up a theory of change.

The first tension the background paper identified was between a thematic orientation and a systemic orientation of a theory of change. It emerged from the discussion that, clearly, both are important. But perhaps the focus on a systematic orientation should – if not increase – at least always be an option whenever engaging with partners. For this, a development cooperation could draw on many of the ideas discussed in the previous section, but the instrument of mainstreaming seems especially promising – as long as it is not understood as simply safeguarding a status quo but moves toward actively exploring opportunities for coherent action. Further work on how to concretely “empower” mainstreaming might be required.

But just “going systemic” might not be enough for addressing direct and indirect drivers (while it might dampen its effects across practices). The second tension discussed in the background paper was about to what extent development cooperation should address direct or indirect drivers, with a non-alignment between these drivers possibly leading to various policy incoherencies. Summarizing the discussion, we can say that working on direct drivers is important, but that an increased attention should be directed towards indirect drivers. More concretely, such an approach is about identifying actors that matter, and have interests as well as leverage beyond the mandates of development cooperation. Many of the ideas and initiatives identified in the previous section, such as intensifying dialogue with a wider variety of actors beyond the dichotomy “developed” and “developing” country, might allow a development cooperation to engage with these other actors. As part of this, conflicts will surface, and they need to be disclosed, discussed and communicated to a variety of potential agents of change. To give a few examples, a theory of change could then incorporate elements

aimed at changing narratives, supporting R&D to increase productivity of biodiversity-friendly agricultural production systems, or financial mechanisms aiming at economic compensation in view of addressing indirect drivers.

The third tension discussed in the background paper was about how to organize and deliver support, via global or local means. It was mentioned that ODA faces limitations when addressing biodiversity concerns as many of the drivers for biodiversity loss lie outside of what ODA can address (see e.g. discussion around direct and indirect drivers in the first part of the paper). It emerged clearly in the discussion that a theory of change should have a global component to be able to address direct and indirect drivers beyond the dichotomy of developed and developing countries, in the form of partnerships or alliances that can focus on many different elements, some of which were highlighted in the previous section.

Conclusion

Hopefully, this working paper will contribute towards addressing the challenges faced by development cooperation in the area of biodiversity. Some of the suggestions seem radical (but necessary, e.g. re-thinking aid), while others seem to be possible to be implemented without any major difficulties. However, designing a theory of change for development cooperation along the lines which were identified and discussed in the previous sections does not come without a further challenge for development cooperation and other actors in the development field (political and beyond): What is the right balance between letting things emerge in line with systems thinking, and with many other points mentioned above (letting the thousand flowers bloom, as one participant put it) and at the same making sure we reach the goals at the times we need to reach them to avoid crossing irreversible tipping points? What kind of mechanisms might help us here? The climate community developed an ambition raising mechanism as part of the NDCs, aiming to close

the gap between top-down goals and bottom-up processes – even though this mechanism is not without criticism. The new post-2020 GBF contains global, overarching goals, but to date no mechanism to connect them to such bottom-up processes. Further work on the development of such a mechanism is thus a necessary task.

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Engaging with Institutions: Clarifying Goals and Developing Theories of Change

Adam Pain

In the 1980s and 90s the consensus in mainstream economics was that development happened through an increase in a country's capital stock. This was linked in development practice to pushing back the role of the state and the promotion of free markets solutions. But as criticism mounted of the consequences of the structural adjustment processes to achieve these aims, thinking returned to the role of the state and of institutions and governance in the development process (Grindle, 1997). This institutional turn, underpinned by the writing of Douglas North (1990) was to lead to the conviction by World Bank and others that 'institutions matter' and 'getting institutions right' should be a primary focus of development. As a consequence, intervening in processes of institutional change have come to be at the heart of many development initiatives in the global south. These have often been grounded in efforts to develop individual and organizational capacities and establish procedures and practices to support the building of rational rules-based organizations.

But as the title of this chapter suggests and as argued in the two case studies that provide its evidence core, institutions are multi-layered and with deep histories, reflecting the complex nature of social life. There is no quick route through "skipping straight to Weber" as Pritchett and Woolcock (2002) memorably put it, to shift one set of institutional practices in one context to mimic those developed in another. Efforts to quickly reach service delivery performance goals

or democratic ideals by simply replicating the organisational forms of a well-functioning state ignore why and under what circumstances these organisational forms developed the way they did and the long-contested history of their evolution (North et al., 2009).

The two cases that are used to ground the argument in this paper are very different in terms of scale and intent. As two case studies they cannot be used to make generalisations about what institutions are, what goals for institutional change should be set or what theories of change should support them. Rather, following Lund (2014) they are used for an exercise of abstraction to identify and elaborate key concepts relevant to understanding institutions and processes of institutional change. The point of this chapter is not to provide a tool kit but to develop more of a conceptual framework to think with in the development of theories of change for institutions.

This chapter focusses on just three concepts, understanding of which are seen as crucial to constructing a plausible model of institutional change. These are those of *context*, *leadership* and *social agency*. However, they have to be considered with respect to the specific goals that are set for an institutional change intervention. These are not necessarily the only aspects of institutional change that matter but they are specifically raised to draw out a consideration of key factors that influence institutional change processes, as illustrated in the two case studies. These are seen to be fundamental to how actual institutional change comes about and to provide understanding of when and why this does not happen.

The first case study comes from the National Solidarity Programme (NSP) in Afghanistan that was implemented between 2002 and 2018. It had a total budget of USD 2.7 billion over its three phases and was supported by Sida through the Afghanistan Resource Trust Fund. The core of this massive community driven development (CDD) exercise was block grants linked to the delivery of public goods such as drinking water or road culverts and the formation of Community Development Councils (CDCs). But as we shall see it had much greater ambitions in terms of bringing about institutional change.

The second case draws from Sida's Bilateral Research Programme (BRC). Sweden has provided long term core funding to research based universities in some 25 countries in the global south. The modalities have changed over time, but the broad principle of this support has been to build capacities for high quality research of relevance to poverty and sustainable development.

The chapter argues, drawing on the two contrasting case studies, that both their ToC's were underspecified, largely untheorized and poorly attuned to context. They were also unhelpful in generating understanding and learning about the effects of the intervention on actual institutional performance. In part this was because in both cases the intervention was highly instrumental in seeking to use existing institutions for broader goals which largely they did not achieve. The key weakness, it is suggested, lay in the fact that these two interventions did not actively factor in the existing context. They ignored the key role of leadership, social actors and collective action in managing, negotiating or resisting change in their specific contexts.

The chapter will present, in summary form, background for the two case studies and identify a set of comparative themes from this account. Four themes are identified and address i) the problems of multiple panacea-like goals for the intervention, and ii) the lack of attention to context. As a consequence of this insensitivity to context, the interventions generated incoherence with the logic of existing practice. This highlights iii) the critical role of leadership and the role of social agency in understanding processes of institutional change before iv) the limits of the existing ToC are summarised.

This then leads into a summary discussion of a theory of fields (Fligstein & McAdam, 2012) to offers a set of meta-theoretical principles which could provide the foundation of ToC of how institutional change in these two contrasting cases might be developed. Theories operate at different levels of abstraction and precision and ToCs are not intended to offer anything more than a plausible account to understand and clarify what might be expected to happen and why. But a ToC should be informed by an explicit

cognitive lens (a set of meta-theoretical principles) through which the world is seen, that guides how reality is perceived and how it should be explored and assessed.

Institutions and institutional change

So, what are institutions and how do they change? The institutional turn has been all encompassing and the concept of institutions has often come to be used to cover everything related to institutions from organisations to norms and social structures. But institutions are not social structures in themselves although they contain social structures (Giddens, 1984) as reflected in the organizational relationships and roles that underpin them. This paper follows the definition of Portes (2012:55) in seeing

“..institutions [as] the symbolic blueprint for organisations. They comprise the sets of rules, written or informal, governing relationships among role occupants in organizations like the family, the schools and the other major institutionally structured areas of social life [such as] the polity, the economy and religion.”

As Portes conceptualizes it, organisations are often the most visible element of social life but are underpinned by deeper less visible elements concerned with norms, values, cognitive repertoires (or cultural tool kits) and values. The importance of being conceptually clear about what institutions are is fundamental to constructing a coherent ToC for institutional change. But there is a further challenge. Much of what has been described in development practice as seeking institutional change has in effect been organization building. This has often been reflected in the establishment of rules and procedures, training in so called best practice and skill development that has characterized much of the capacity development industry. This approach to institutional

change, if not always explicit, has been informed by the principles or the theorisation that underlay new institutional economics (NIE) (Harriss et al. 1995).

The institutional turn has certainly encouraged a “blueprinting” of institutional forms with attempts to transplant those developed in the west into diverse contexts in the global south. These blueprints, to caricature them, have largely been normative, emphasising universalistic rules, roles, functions and relationships that institutions and their resulting organisations should contain. But as Chang (2002) has pointed out even within comparable European institutions that fulfil comparable functions, while the outer form might appear similar, in practice their structures may be very different, reflecting the context and culturally specific nature of their development.

Not surprisingly these attempts at what Peter Evans has called institutional “monocropping” (Evans, 2004) have not led to the outcomes that have been expected. On the surface transplanted institutional blueprints may appear to create what is in the mind of their architects. In reality superimposing or the grafting on of new rules and institutional forms might meet oppositional forces generated by the deeper structures of norms, values, interests and power that exist in the recipient organisation. This creates what Pritchett et al. (2012) have termed isomorphic mimicry where the outward form of the institution represents the blueprint, but it disguises or camouflages a different reality which may lead to functional failure of the institution. The clash between the discipline-based order that donors attempted to impose on the Afghanistan state and its actual discretionary practices provide a vivid example of this and this is reflected in the NSP programme.

The work both of Peter Evans (2004) and Elinor Ostrom (Ostrom et al., 1993) point to alternative approaches to institutional change. Evans has argued for a more deliberative approach to change working with for example participatory budgeting processes and addressing basic values and cognitive repertoires in order to bring about change. Ostrom similarly focussed on engaging with the

users of common property resources to develop better rules and procedures and was hostile to attempts by external actors to impose external rules.

So how does institutional change come about? Portes (2010: 63–67) summarises five possible routes or drivers that lead to institutional change or transformation. The first is the long term and evolutionary one of path dependence that gradually through contention and class conflicts leads graduated change. The long conflictual route to the emergence of Western State is a classic example of this. Secondly, diffusion of new ideas or technology can also drive the evolutionary route, to follow the Darwinian terminology. This route can, thirdly, also be punctuated by periods of dramatic change. In the non-biological world this has been achieved by scientific or technological change such as the rise of the internet that dramatically altered for example access to information and generated new demands for accountability.

There are also two radical sources of change. The first is revolutionary change through class conflict and possibly armed conflict leading to the overthrow of existing power structures. The recent takeover of power by the Taliban of Afghanistan is an example of that. A second one is the role that charismatic religious leadership such as Martin Luther in the 16th century and his namesake in the 21st century Martin Luther King in driving respectively the reformation in Europe and the civil rights transformation in the U.S.

It is self-evident that three of these potential pathways – path-dependent change, revolutionary change and charismatic religious leadership – are not what is envisaged by the current development agenda although in practice elements of all three may be encountered on the ground. What it is left for the development intervention is the role of diffusion of new ideas and/ or technology that may speed up evolutionary change and just possibly drive a period of transformation (see also Hertz, this volume).

Background to the two case studies

This section briefly presents the background to each of the case studies, describes the design intentions, the implementation processes and the findings from evaluations of each of the programmes. It concludes by identifying the key themes that will be addressed in the subsequent comparative discussion.

Afghanistan's National Solidarity Programme

Afghanistan's NSP was seen as central to the state building agenda for Afghanistan after 2001 and was rolled out over three phases (2003–2007; 2007–2010 and 2010–2016) and came to include around 36,100 designated communities (MRRD, 2015). It covered about 88% of rural communities. A core inspiration behind the NSP was the Kecamatan Development Programme (KDP) in Indonesia (Guggenheim et al., 2004) funded by the World Bank and a key architect of that program was also a principal adviser to the NSP since its formulation. The KDP was largely seen as a way of addressing poverty through a community-based planning process that supported the construction of simple productive infrastructure. This process was seen as a vehicle to develop community capacities so that they could take a more active role in improving the quality of other social services.

Central to the NSP programme was provision of a block grant to be used by the community for the provision of public goods and instrumentally linked to the formation of Community Development Councils (CDCs). The broad goals of the programme were to "build, strengthen, and maintain CDCs as effective institutions for local governance and social-economic development" (MRRD, 2015:12). Key activities in relation to the creation and support of CDCs included elections, committee formation and training in bureaucratic procedures to develop project proposals and implement them.

Nowhere within the NSP documentation is there an explicit ToC but the justification provided by Beath et al. (2015) probably encapsulated the thinking behind it:

”Spurred by academic studies that affirmed the ability of communities to solve collective action problems, CDD programs sought to emphasize participatory planning modalities by which community members identify projects that address their specific priorities. Such processes, it is often hypothesized, may not just provide for better-targeted and more efficient projects, but also can increase participation in local institutions and, with it, build social capital.”

This reveals the assumptions about what were seen to be the deficits of existing village life and broad claims were made for the role and success of NSP, including that “community-driven development strengthens state-society relations in Afghanistan.” (World Bank, 2011). The same report asserted that “democratically elected gender balanced councils [have built] representative institutions.” By 2015 the ambitions for the NSP grew into a new programme called the Citizens Charter (CC) which specifically set out to build a new social contract between communities and government (GoIRA, 2015), underpinned by legislation that would give CDC formal legal status as the lower rung of government.

Core indicators of progress in relation to the role of the CDCs used by the World Bank (2015) related to changes in perceptions of legitimacy of the CDC, functions, service delivery, representation, elections and external linkages. These indicators were essentially the public text of what constitutes success and outcomes of programme processes although these ignored the reality of a networked relationship-based state (Jackson, 2016). To take just one of the World Bank project development indicators (the first which assesses “recognising the CDC as the legitimate institution and representative of communities”) there are issues of how exactly they can fairly be

assessed. Who, for example, is judging (and how) “legitimacy” and “representativeness” and does the data collected on “communities recognizing their CDCs as the representative in decision making and development of their communities” amount to the same thing?

More generally these indicators spoke more to process compliance rather than being clearly linked and instrumental to some other wider objective. There was also a lack of clarity and agreement over what those objectives were. Villages are not islands and they existed in a sea of other local and meso level governance practices (Jackson, 2014, 2015). These worked to a different rationale so quite how one would know if CDCs were effective and what that meant was far from clear. The World Bank monitoring indicators are aggregate figures and, in their focus, addressed what CDCs did with no reference to what is happening around them. This is understandable given the scope and scale of the NSP. To take just two dimensions – those of legitimacy and linkage making – as an example. It was clear that legitimacy and linkage making is often conferred and undertaken by informal processes and customary structures rather than through any rule-bound discipline based impartial practice which the NSP governance agenda incorporated. Thus it is perfectly possible for both the CDC and customary authority to be both legitimate at the same time, but used for fulfilling very different purposes.

The NSP and its successor, the CC had multiple objectives seeking to combine improvements in economic wellbeing, with building a social contract with the state and improved community governance. There was widespread appreciation of the provision of public infrastructure funded and there are reports from many sources of the positive assessment of the NSP in this respect in comparison with other reconstruction projects (Gordon 2011).

But there was limited evidence for improvements in village governance and economic wellbeing found by a major impact evaluation during phase II. The findings from this evaluation (Beath et al., 2015) were somewhat equivocal in relation to the impacts of CDC formation, reporting somewhat more favourably on

some (women's representation for example) than others (village level governance and economic impacts). It was also clear that the creation of CDCs by the NSP had few lasting effects on the identity or affiliation of customary village leaders.

It was evident that the programme had not taken account of how villages organized and managed their affairs before the intervention, or if it did, judged it them as incapable or un-democratic. It worked to a model of a tabula rasa, implicitly assuming in the design that there was a landscape of identical villages with few legacies from the past. It also assumed that new interventions to reorder village government would simply displace what was there before.

Sida's Bilateral Research Programme (BRC)

At least four modalities or types of approach can be identified in relation to building research capacities in universities in the global south. The first two are the most ambitious in scope.

- The first is a centre of excellence model that the World Bank, for example, has aimed to support using a competitive funding approach (World Bank, 2018).
- The second is more of a whole university approach while various donors including Sida has taken and could be seen as an institutional approach. We discuss later what this implies.
- The third modality, which has a long history, is more individualized or a small group approach that is often modestly funded but intent on building long term links between universities in the global north and south. Examples of this include the British Council Links programme (Stephens, 2009) and the Sida funded International Science Programme (ISP) (Pain et al., 2018).
- A fourth modality and in effect a development of the third is more of a networking approach which ranges in scope from a central hub with spokes to one that is more decentralized with

multiple hubs and spokes, reflecting the increasingly globalized nature of research partnerships (Royal Society, 2011). The Cambridge–Africa programme and African Economic Research Consortium (Tvedten et al., 2021: 66–67) are examples of the central hub and spokes model.

These modalities are ideal types and in practice elements of each may be included in any one approach. They also are implemented over different time horizons and work at different levels to increase research capacity but all have prioritised a focus on science, technology and mathematics (STEM), agriculture and health related disciplines. Some are more intentional and interventionist and others operate through organic and incremental processes. Implicitly they often have different assumptions of how universities and research capacity can be built and models of institutional change.

Sida’s Bilateral Research Cooperation (BRC) Programme

Sweden has been supporting research capacity development (RCD) since the 1970s. Its support has been unique in providing core-long term funding to research based universities and in the case of Tanzanian universities, for example, has lasted more than 40 years. Over that time the intervention logic and modalities of engagement with its partner universities in the global south has shifted through several phases (Tvedten et al., 2021). From the mid-1990s Sida adopted what it termed a holistic or systemic approach focusing on building up first research universities as a whole and then supporting wider processes including national research councils, research as a sector including regional research initiatives and promoting the development of local research training capacity.

Sida’s evolutionary approach has reflected its understanding that the building of research capacity takes time and that it should be seen as a partnership of equals in which the partner country increasingly leads on the control and direction of the programme. The formal adoption of a “System Approach” was conceptualised as a

framework to think with and a core value in Sida's approach. But it was also underpinned by the belief that a comprehensive model was needed that linked the different layers of research organisations with their institutional context. This in turn would lead to the systemic strengthening of systems and structures to support and promote research. Underpinning this System Approach Sida developed what it termed as a "Basic Logic" that supported the model for research capacity development and it was elaborated as follows:

"Research training, as well as support to an environment conducive to research, leads to more and higher quality research. Better trained researchers at the universities are expected to incorporate their findings into their teaching, leading to improved higher education, and contribute to scientific frontiers in their respective disciplinary fields. The research produced is expected to contribute to science-based policy-making and improved products and services, contributing to sustainable societies".
(Tvedten et al., 2021: 20–21)

This is essentially a set of wished for linked causalities but with no theoretical underpinnings. For the purposes of argument here we term it as a simple ToC (although Sida were adamant that they did not see it as a ToC).

A review of Sida's Systems approach and its ToC through an examination of the BRC programme in four countries reached several conclusions concerning the specific effects of the BRC programmes. The specific assumptions of the approach and logic were also described.

The BRC delivered in terms of many of the explicit outputs, such as individual capacity development (PhD graduates), improved research environment in terms of physical facilities (infrastructure such as ICT, libraries and laboratories) and in terms of research

outputs in the form of publications. Moreover, the bilateral cooperation between Swedish universities and their country partners worked well, even if they tended to end when Sida funding stopped.

But moving beyond these specific effects, the evaluation showed an inability of newly PhD qualified staff to continue and develop their research, an absence of supportive environments to help both with funding and the conditions to do research. There was limited evidence of contribution to science-based policy making or poverty relevant research outputs. This all suggested that the wider ambitions of the approach had not been achieved, in part reflecting country context. While individual capacities have undoubtedly been built, the evidence on shifts in organizational and institutional capacities was much more limited. The evaluation concluded the BRC programmes had largely been implemented and monitored on the assumption the goal fulfilment at one level in the model would lead to the achievement of goals at the next level.

“we have located the key programme challenges ...in the limited interlinkages between (i) the relevant regional and national external institutions and the universities; (ii) the university research environment/ research capacity and more and better research; and (iii) more and better research and contributions to knowledge frontiers, science-based policy making, improved products/services and ultimately to poverty reduction/ sustainable societies” (Ivedten et al: 2021:60).

The development of Sida’s System Approach and ToC clearly emerged incrementally out of programme practice and probably in tandem. Undoubtedly it drew from experience, learning and experimentation and was an attempt to make clear the rationale of the programme and develop it. However, both the ToC and System Approach were relatively under-specified in terms of providing detailed explanatory mechanisms of how change would come about, what would drive it or what exactly the system was.

Key insights

The outcomes of both programmes – the NSP and Sida’s BRC – could, as judged by the evaluations, be seen as disappointing given both the level of investment and in the case of Sida’s BRC the longevity and commitment of Sida to support processes of change. In both cases it should be acknowledged that it is possible that the evaluations themselves failed to accurately assess the effects of the programmes. In the case of NSP the implementing Ministry (Ministry of Rural Reconstruction and Development, MRRD) disputed the evaluation findings and commissioned critical reviews of the methods used. In the case of Sida’s BRC there was also disquiet amongst the steering group of the BRC about the findings of the evaluation and they were challenged. As ever evaluations can do relatively little to unpack why a programme does or does not appear to deliver as intended but can simply point to an assessment of results in relation to design intentions.

Moreover there are other aspects of programmes that time bound evaluations have little room to assess such as the modalities of implementation of a programme or the output strength. Given the incremental nature of social change, it may well have been premature to assess the NSP through an in-time evaluation although that charge cannot be levelled at the BRC evaluation.

It has to be recognized that the principle of a ToC is to clearly lay out how it is that the intervention is expected to affect the final outcome. It should establish the goals and try to map out the preconditions and pathways needed to achieve them. It should lay out the main assumptions, identify the key indicators of progress and suggest a timeline over which effects are likely to be seen. But this presumes that there should be an agreed or dominant model of university or community driven development, in each case supported by a clearly articulated, theoretically well-founded consistent theory of change guiding the programme. But in both

cases neither of these conditions seem to hold true. We start by considering the goals of both programmes, some of the challenges that they raise and possible ways of responding to these challenges.

Addressing the challenges of multiple or panacea like goals

There are three categorical schema (this draws from the thinking of Bennett and D’Onofrio, 2015) that might be useful to help think through and clarify objectives and outcomes. These three schemas represent a set of possible ways to clarify the motivation and objective of development interventions – a necessary step in improving theory, design and measurement. They are not distinct alternatives but framing them in this way makes clear the choices being made. We will use research capacity development (RCD) interventions as an example.

The first way is to disaggregate the standard outcomes of RCD into its three components: (i) increased research capacity, (ii) improved research environments and (iii) increased contribution to knowledge. The Sida BRC addresses all three. Breaking it down like this raises the question as to whether and how these outcomes might work with or against each other and how this might change over time. It also provides an opportunity to specify a primary objective and to weight design choices accordingly. RCD can of course have multiple effects across different outcomes but a prioritisation of outcomes might encourage greater precision in the development of a theory of change hypotheses and the design of the intervention.

A second categorical distinction can be made between RCD as primarily a means to deliver products e.g. new knowledge as a means of changing processes. If RCD is focused on products such as more qualified researchers or more international research publications, then the intervention becomes narrowly focussed. But if the objective of RCD is defined in terms of affecting processes, and this is where Sida BRC positioned itself, those elements of the

intervention that potentially influence behaviour, attitudes and norms become the crucial focus of design, implementation and measurement strategies. Sound contextual knowledge of existing socio-political processes becomes significantly more important than it would be for a “product delivery” approach.

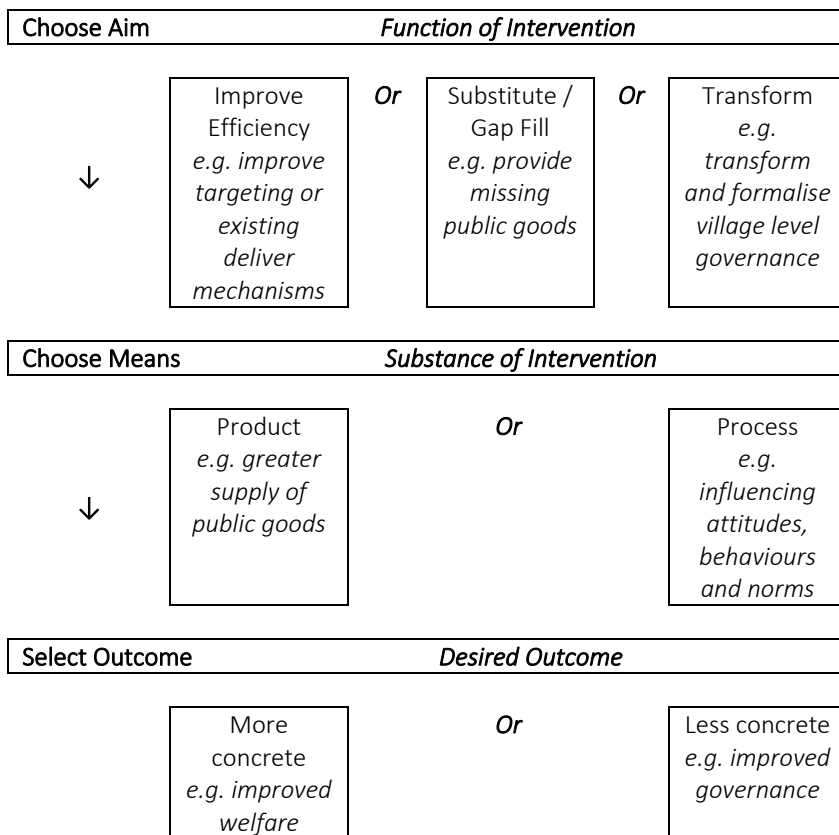
A third way of bringing greater precision to the objectives of an RCD intervention is to be as specific as possible about the extent to which the intervention seeks to (i) improve efficiency, or (ii) provide a temporary substitute or (iii) transform norms and institutions. These three functions are often lumped together, with a transformative aspiration typically implied in the framing of the intervention. Each provides a distinct flavour to an RCD approach, however, and separating them out provides another lens through which to clarify and prioritise objectives.

The efficiency function entails the deployment of an RCD approach to improve how an already existing process or delivery mechanism works. Conversely, the substitutive function concerns the use of RCD to address system failures or the absence of functioning systems e.g. through ICT systems. A transformative function is focused beyond the improvement of existing systems or addressing their failures. It intentionally seeks to transform some aspect or aspects of social organisation, which in turn need to be specified.

In contrast the NSP certainly reflected a wider problem of CDD designs in conflict settings. King (2013:3) describes how they “have been plagued by panacea-type approach to goals”. Somehow it is assumed that the delivery of public goods (a welfare outcome) at the same time can “improve governance”, strengthen social cohesion and help build state-society relations, all in the short term with small amounts of money. These were the claims of success that the World Bank made for NSP. But as Bennett and D’Onofrio (2015) observed that is a lot to expect for a programme that is essentially supply driven seeking to create a demand but in the name of community participation. All good things do not come together.

Even more so than with the BRC, there is a need to sort out and prioritise goals, separating out the welfare objectives, from those of governance and social cohesion. A second distinction in aims can be made in determining whether the purpose of the intervention is to simply deliver effectively desired public goods or is it to change processes concerned with participation over decision making. These are of course not entirely mutually exclusive aims but public good delivery does not require the close attention to context that efforts to change norms and behaviour do. Finally the same issues as with the RCD of separating out whether NSP was primarily concerned with efficiency, or substitution (of missing public goods) or transformative change can be distinguished. Clearly in the case of NSP its primary function was to deliver missing public goods but then burdening it with transformative dimensions without understanding the logic of existing practice and the incentives that drove that, was essentially a goal too far.

Figure 1: Possible decision tree in relation to goal setting for NSP



Adapted from Bennett and D’Onofrio, (2015).

It is possible to see these three schemas as a set of layered, if not sequential, decision-points in the design of a given RCD or CDD (NSP type) intervention (see Figure 1). Increasingly, more specific knowledge of the context and theory become necessary as one progresses through this chain of decision-making points. One might, for example, first choose the function of the intervention – transformative – then choose the substance of the intervention – process – then choose the theme or outcome category to be prioritized. In the case of BRC it might be the formation and functioning of strong research groups (or strategic action fields) with

entrepreneurial leaders. The subsequent decision would be around the type of improvements or change that are sought and the corresponding outcomes to be measured e.g. group publications, number and nature of collaborative networks, external collaborations and levels of funding. In the case of NSP a more realistic set of goals (see Figure 1) would have been to see the function of the intervention as substitution – providing the absent public goods, then focussing on the product of the intervention – greater supply of public goods – and then selecting improved welfare as the core outcome.

Ignoring context

Programme design must take account of the factors or frictions that might moderate the way in which a particular set of goals and underpinning ToC actually engage on the ground in a specific context. As Barron (2010:24) has put it “when an environment is conducive to change, projects are more likely to act as a catalyst”. Equally when the logic of the intervention is not coherent with existing practices and generate contradictory incentives (Pritchett, 2016) the outcome will be much more uneven. Understanding these contextual factors matters but, in both cases, there is little evidence that this happened.

The BRC evaluation in reviewing the relevance of the programme considered whether the ToC was applicable to specific university contexts and whether the systems approach in the cases where it has been applied (e.g. Bolivia, Rwanda and Tanzania) had been appropriate. There was little explicit evidence that the approach has been attuned to circumstances. Observations on the different behaviours of two Bolivian universities supported by BRC, the contrasts between the institutional contexts of Rwanda and Tanzania and a judgement on the pace of change in university capacity in Tanzania in the light of the Basic Logic were the basis for this conclusion. Equally the empirical evidence from the case studies

raises major questions as to whether the very notion of a system is appropriate to describe how things work at university levels, let alone at the national, regional or even international levels.

Inevitably if there are doubts about the relevance of the ToC and systems approach to specific university contexts, then this brings into question the effectiveness of the ToC in capturing and explaining change processes within the universities themselves and as a reliable guide to intervention. Limited use could be made of the ToC to explain the missing interconnections between interventions to improve the research environment and support research capacity on the one hand and more and better research and contributions to knowledge frontiers on the other. The ToC did not provide an effective explanatory mechanism. It also did not account for the relative pace of change in Tanzania, in contrast to that of Rwanda or engage with the differences of the two Bolivian universities.

The case for the prosecution for lack of attention to context can be made particularly forcefully for the NSP and its institutional blueprint and the frictions that it generated with existing practices. Many empirical studies in Afghanistan have drawn attention to the durability of village-level organizations, their complexity, and their changing nature over time (see Noelle-Karimi, 2006; Murtazashvili, 2016). There is also considerable evidence that these customary organizations played an important role in the provision of public goods within the village, particularly in relation to dispute resolution and basic welfare provision (MRRD & CSO 2007).

There is also evidence that points to significant differences in the ways in which villages are run and for whose benefit (Pain, 2018). Much depends on the role and the relative numbers of their elite. Where land inequality is relatively low, the elite were likely to be both relatively economically insecure and more numerous. They were therefore likely to have a shared interest in promoting and supporting social solidarity and ensuring the provision of public goods. Where, on the other hand, the elite were relatively small in number and where they were economically secure, often as a result

of large landholdings, the incentives to promote social solidarity and widen access to public good provision were likely to be more limited. Here the elite were prone to act more in their own interests rather than in the interests of the village population at large.

Accordingly, village context may be described as the relationships of responsibility and accountability between the customary village leadership, village elites, and the other households in the village. Responsibility relates to the management of internal village affairs and the provision of basic public goods. It is also the basis of expectations by village households and individuals for the role of village leadership in relation to the wider world and the securing of resources and assistance for the village and its inhabitants. Village context does not exist in isolation but is affected by, and in turn affects, the wider context of district and province.

But the NSP intervention in its design elements was in some respects and in some contexts incoherent in relation to the incentives and motivations that structure community life. Understanding the sources of this incoherence and where it is likely to arise speaks directly to design elements of the programme, its monitoring and its ToC (Pritchett, 2016).

Incoherence existed in the relations of accountability. Finance was specifically used in NSP to motivate the formation of CDCs so that they could get money for projects. Certain other functions were also mandated to CDCs such as undertaking dispute resolution or making linkages with government or other organisations. These do not specifically carry with them funding. The persistence of dispute resolution through customary authority or the making of linkages to district or province through personal networks suggests that CDCs were not sufficiently motivated to fulfil these tasks because other factors outside the NSP relationship encouraged them to behave in a different way.

Incoherence also existed in the monitoring information that was collected by MRRD on CDCs which was largely concerned with finance, input provision and to some extent organisational performance of the CDCs. An example is the collection of data on the election of women to CDC membership. This is essentially input information and says nothing about the ability of women to act as citizens or agents in CDCs with equal weight to men. Many of the informants (Pain, 2016) when asked about the role of women on CDCs simply suggested that women were there in name only and nominated to fulfil the CDC requirements. They knew that the presence of women on CDCs did not signify real change or give women voice.

In sum NSP failed to take account of village context. Afghan villages could not be treated as if they are all the same in the design, implementation and evaluation of interventions. Some villages were historically governed better than others and there are reasons why this is so. This influenced efforts to bring change to village governance. There was also a need to have a much more nuanced view of working with village elites. Village elites fulfil important functions in village governance in relation to the broader institutional landscape of risk and uncertainty. In many cases they have considerable legitimacy. Finally, rather than seeing new organisational structures such as the Community Development Councils (CDCs) running in parallel to existing customary structures, greater attention needs to be paid to the processes of institutional “bricolage” whereby the old (the customary structures) and new (CDCs) borrowed from and mutually reshape each other’s practices and ways of thinking (Cleaver 2012).

Taking account of leadership and social agency

The model of democracy and leadership that the NSP brought to the village was essentially the sanctions model characteristic of western democracies and based on principle-agent relations. The agents –

those who are elected to office by secret ballot – can be subject to sanctions by the principles who voted them in and can vote them out. This is seen to promote accountability and transparency.

But there is a contrasting model of principle-agent relations which Mansbridge (2009) has termed the selection model. This works, she suggests, when the interests of the agent are well aligned with those of the principles. Here, agents come to be selected based on prior performance and reputation. It is this selection model of leadership that can characterize the selection of village leaders in Afghanistan and elsewhere (Fischer, 2016). It could also be seen to characterise the way that army leadership can emerge (Sharp, 2021). It is a model of leadership selection that of course speaks to specific contextual circumstances of risk and uncertainty and the roles that leaders need to play under these conditions. It also has relevance to thinking about leadership in university contexts.

Of course, as seen in Afghanistan, village leadership may not be accountable and can be self-interested. But elections rarely displaced such leadership (Pain, 2016) and removal may not necessarily resolve the challenge or the underlying power structures that allowed such leadership to emerge in the first place. It is here that the arguments of Grindle (2011) in terms of seeking change through incremental processes are important. This requires a graduated approach to improving the accountability of leadership to collective institutions and a step-by-step approach in doing this.

The critical issue of village leadership in Afghanistan, its variability, how it is selected and how it is judged is however not just in terms of its ability to manage village affairs. It is also in relation to its ability to establish and maintain networks of relationships outside the village in the village's best interests. There is clear evidence (Pain, 2016: 36–38) that external connections from villages were made on a highly personalised basis and the village elite play a key role in maintaining and exercising these connections. These connections mattered both for the village as a collective – to access resources and project for the village or resolving certain conflict – as

well as for individuals to process documents or find jobs for family members. The evidence on these connections made reference specifically to key people or individuals in positions of power rather than the institution such as district government or provincial government, provincial council or central government that the key person might be a member of. Better-connected villages often spoke of connections at multiple levels, but where one of them was a key national figure, this could be the point of access to address provincial or district connections.

In sum, the evidence strongly supported the arguments and evidence of Jackson (2014, 2015) in characterising the critical role of informal networks and patronage relations in securing access by households and villages to resources. As Jackson argues, it is the dynamics of these informal networks that have shaped the process of formal institution building. Thus, villages are connected to the external world on the basis of the personalised connections that they can build and maintain and customary authority plays a key role in maintaining these connections.

There was also evidence for the role of leaders in specific universities finding ways to manoeuvre within specific institutions and using social networks to negotiate the institutional context in ways that were not envisaged by Sida's design. In Vietnam (see Tvedten et al., 2021:75 from which this section is drawn) in both the Health systems research and in Agriculture, key graduates from the former Sida BRC in different ways brought innovation and change into their respective university system by establishing new research groups. In Health doctors found ways to put pressure on health systems through initiatives outside it. In Hue key actors established new programmes in Rural Development and used these to broader networks of collaboration in Vietnam. Two research studies on the nature of the

research system in Vietnam (Zinc, 2013; Le Thi Kim Anh, 2016) point to the significance of social networks within research providing both constraints and opportunities.¹

In Bolivia, the relations between the Department of Chemistry at one university and a commercial pharmaceutical laboratory developed over years, with the head of the department (a former BRC-Bolivia student) and the owner of the company having a common interest in studying the possible uses of Bolivia's vast array of traditional medical herbs. In a second university a strong research group had developed around the issue of water resource management. The group was led by a professor and former BRC-Bolivia student and was the basis for the first local PhD programme. The strength and impact of the group was based on a combination of keen academic interest of the researchers involved, a shared understanding of the critical nature of water quality for the city in which it was located and early contact between the university and relevant municipal authorities.

As the BRC programme in Rwanda showed, the importance of change agents is also related to the ability of key actor to manoeuvre under structural/ institutional constraints and opportunities. The long-term head of the BRC-Rwanda programme office has an academic interest in institutional change and has combined this with developing practical insights and social networks in a way that made the UR programme efficient in terms of outputs. The increasing importance of networks of collaboration in global science (Royal Society, 2011) emphasises the significance of collective action and networking by social actors.

¹ In Cambodia the development of a research group in Physics developed over time with Sida ISP support has been one of the most successful groups in terms of publications and its leader, previously informally and now formally has become a key player in the development of the Royal University of Cambodia leading key processes of institutional change.

Summing up: rethinking the existing Theories of Change

It is evident from the earlier discussion on goals that both interventions had not clearly thought through the goal setting process and linked specific ToC to specific goals. In both cases the ToCs, such as they were, were either extremely simplistic or too generic. NSP needed to be underpinned by a much a much better understanding of context to inform design, monitoring and evaluation (Bennett and D’Onofrio, 2015). Research on village context and its variability offers one way by which this can be approached (Pain, 2016). Equally the ambitions for the contribution of RCD lead to unrealistic goal setting, under-specification of intended outcomes and lack of articulation of robust change pathways leading from RCD to desired outcomes in theoretically informed and credible ways.

There was certainly a friction between technocratic imperatives that drove the NSP design and implementation and the logic and motivations that drive village life. What the evidence from the village context analysis (Pain and Sturge, 2015) and provincial social orders revealed (Jackson, 2014, 2015) was the power and relational dimensions of social interactions and the logic of networks of association and patron client relationships. Addressing these is not a technical issue and drawing on a relations of accountability framework is useful to point out where the particular points of friction arise.

In the case of BRC there could be scope to develop and specify in greater detail the explanatory mechanisms of the ToC. The higher up a causality chain one goes, the more elaborated the causal connections and assumptions being made about the relations between the individual links in the chain become. It is one matter to make clear in more detail the assumptions linking changes in individual research capacities to institutional changes within the university research environment. But linking changed institutional

capacities to informed policy making, improved contributions to products and services and contributions to sustainable societies begs all sorts of questions about the assumptions being made. It also requires considerations about how policy is made in different context works, the model of science and technology driven futures being used and unpacking the assumptions behinds what drives economic growth.² Aspirations of what changes one would like to see happen are not a good guide to actually making them happen.

A more fully elaborated ToC for each specific programme might make clearer some of the assumptions and necessary causal connections³, and there may be scope for working more with adaptive theories of change (see Borel et al. this volume). But there is the considerable danger that the more one seeks to specify the logic and elaborate the assumptions, the more one becomes overwhelmed by the detail, creating a causality map (and monitoring frameworks) that in practice is difficult to test or monitor and is therefore not useful.

One could certainly add to the existing ToC a more specific recognition of spheres of influence. A Sida programme is likely to have more influence and generate stronger input-output relations at the start end of the ToC. The strength of these connections however become more attenuated (both in terms of attribution and time dimensions) the further along the ToC you move. Equally the further up the system level you move the more diffuse and less certain will be the influence that can be exerted.

² Notably missing in the Sida ToC is any recognition of the political processes that enable or obstruct economic growth; see Williams et al. (2009).

³ The elaborated UK Global Challenge Research Fund (GCRF) ToC indicates a route that could be pursued https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/810137/GCRF_Evaluation_Foundation_Stage_Final_Report.pdf, p. 2.

There is scope to elaborate the Systems Approach. As it was constructed it related to specific interventions as particular levels – individual research capacity, research infrastructure and research management at the university level and research strategy and funding at the supra-university level.

But the moment one starts using the language of systems, one has to address inter-relations, interdependence, synergies, structures, feedbacks, system behaviour, complexity and scale (for example). Question of timing and where best to intervene become important. Simply intervening at different levels without that understanding does not amount to a systems approach – but rather a multi-level intervention which is not quite the same thing. The challenges of elaborating exactly what the system is and how it functions are considerable. As King (2013) suggests complexity theory is also relevant to a CDD programme. Trajectories of change can follow multiple routes and be of different durations in order to arrive at the same outcome. This observation is consistent with that of Mansuri and Rao (2012, 12) who state that

“effective civic engagement does not develop within a predictable trajectory. It is instead likely to proceed along a punctuated equilibrium where long periods of seeming quietude are followed by intense, and often turbulent, change”.

In sum a theory of institutional change, whether for Afghan villages or universities, has to incorporate a role for social actors, agency and collective action often through networking that is not just driven by individual utility maximisation but by other motivations as well. It also has to engage with the NIE understanding of how organisational and bureaucratic structures work and the inter-relations between actors and structures (Giddens, 1984).

A theory of fields: understanding social change and order

The chapter outlines here, drawing from a theory of fields, a set of meta-theoretical principles which could inform a ToC of how institutional change can be understood.⁴ It uses the case of university capacity development to make the argument. While it is relevant to institutional change within Afghan villages, Afghan villages are not as clearly embedded in a hierarchy of institutional structures as university departments are.

The optic focuses on research as a social field, as a collective endeavour giving a key role to social actors or institutional entrepreneurs. It marries these social dimensions with an understanding of institutions whether formal or informal, as rules and structures. It incorporates key relevant concrete concepts such as power, context, discourse, structure and agency (and unintended consequences of purposive action) that help us understand the ways in which universities work and change.

Universities are bureaucratic hierarchies with both formal and informal elements, which in turn are embedded to varying degrees in higher level structures or authority, particularly if they draw on public funding as all the Sida BRC partner universities do. Within universities there are hierarchies of authority from the Vice Chancellor downwards through university boards, faculties, schools, departments and units. They can be visualized as a form of a Russian doll (Fligstein and McAdam, 2012) with lower levels of the hierarchy formally nested within higher level systems.⁵ They are a constructed social order and they contain social actors at all levels. To understand what confers stability and change we must unpack the way things work.

⁴ This section essentially paraphrases the first chapter of the book.

⁵ A Russian Doll contains a set of wooden dolls of decreasing size placed one inside another.

At the base (or at the centre of the Russian doll) are what are termed **strategic action fields**. These are research groups and one or more may comprise a department and a department in turn may be a higher-level strategic action field located within the university hierarchy. Research groups often, particularly in science subjects, are comprised of two or more members and are therefore a collective enterprise. These are socially constructed arenas characterised by both cooperation and competition. Members of the collective have a general shared understanding of what is going on and where matters are settled there will be a consensus even though some members may have more power than others. There is likely to be a shared understanding of the rules by which the field operates.

Within a university department there may be one or more strategic fields with ties or links to each other but also to the department. In this sense there is an interdependence between strategic fields and the boundaries are not fixed. They may cooperate or compete according to the issues at hand. Each has the potential to bring about change in another both through horizontal (between research groups) and vertical linkages (research groups to department). These links are the sources of change and stability. Most fields are in a state of flux, sometimes maintaining stability over time, at other times experiencing stress and rupture.

The sources of stability, conflict and change are to be found in the role that social actors play. On the one hand there are **incumbents** who may have a strong interest in the status quo, yield disproportionate influence and seek by whatever means to maintain their position. Then there are **challengers** who may have a different view on how things should be and may challenge the order of things in a low key way or through more direct action and conflict. Both challengers and incumbents will draw on the **internal governance units** that exist to ensure compliance with the rules and the smooth running and reproduction of the system. Both have an ability to understand and negotiate the rules and constraints (e.g. manage context) in a way that donor organisations and external partner universities do not.

The rules are usually stacked or interpreted in favour of the incumbent who may exercise power and authority through coercion, competition or cooperation, or often elements of all three. Stable fields, effective research teams and strong departments are usually an outcome of cooperation which provides both material and “existential” benefits to its members. By existential we refer to the social benefits of belonging, a belief in the enterprise and values of the group and membership within it.

But the key element of stability and change with a given strategic field is the role of social skills exercised by people who might be termed as **institutional entrepreneurs**. These are the research leaders (or collective actors) who

“possess a highly developed cognitive capacity for reading people and environments, framing lines of action and mobilizing people in the service of broader conceptions of the world and of themselves” (Fligstein and Mcadam, 2012:17).

This is not just about narrow instrumental action but requires appealing to wider values, meanings and identities of collective action. These individuals (or groups) have the ability to move beyond their own individual or group interests to see the bigger picture, allowing them through empathetic and communicative skills to mobilize others. They are able to exercise strategic action and control in the specific context in which they work.

However strategic action fields are embedded in a complex web of other fields. Their relationship with other fields is central to understanding the constraints and opportunities for change. The room for manoeuvre for institutional entrepreneurs depends enormously on context as the contrast between Rwanda (where there is limited room for manoeuvre) and Bolivian universities (where there is much more) show. A distinction can be made with those “other” fields that are proximate and have direct and recurring ties to the field in question (e.g. a research group within a department) to a distal field

that lack ties and have limited capacity to influence a strategic action field. Sida's Stockholm research unit might tentatively be characterised as a distal field to the departments and universities that it is funding.

A distinction can also be made between **dependent** and **interdependent** fields and those that are **independent**. Within a formal hierarchical university structure lower-level research groups and departments could be seen to be dependent on higher level systems. To an extent that may be true, particularly where coercive practices to ensure compliance are more prevalent. But in practice there is often more interdependence between strategic action fields even if they exist within a hierarchical structure. In part this is because research groups can have bilateral relations and networks outside the university which can give them authority and because higher level authorities in a university will often depend on strategic support from strong social actors, research groups and departments which are formally lower in the hierarchy. Much will depend on the authority structure within the university.

So how does change at a university level come about? Given the interdependence of fields there are rarely moment of crisis and rupture although this can happen (as happened in one of the Bolivian universities) and these are largely a result of internal crises or exogenous shocks. Such shocks can lead to dramatic change, the third of Portes (2010) routes of institutional transformation. Rather I suggest it is key social actors (or groups) working at various levels who are able to mobilize around opportunities and threats to create new ways of working or manage disturbances and contention who might support the possibilities of accelerated change.

Towards a new theory of change for RCD

It was suggested in the discussion on goals that if one first choose the function of the RCD intervention as transformative and then choose the substance of the intervention as a focus on process the outcome category to be prioritised could be seen as the formation and functioning of strong research groups.

It is at this point that there would be a need to articulate theories of change, which would then influence choices over the types of activities, inputs, and strategies that could plausibly lead to the desired outcome or effect. In the scenario outlined above – a focus on transformation focussing on processes with outcomes of strong research groups, the key theory that would draw on to develop the ToC would be theories of fields.⁶ An outline and schematic ToC based on this is shown in Figure 2.

Figure 2: A ToC around based on a theory of fields

Qualified researchers + Entrepreneurial Research Leader	▶	Common Research Theme of Social Relevance	▶	Acquire sufficient resources & support	▶	Individual, Group & Wider Societal Benefits	▶	Wider scale effects beyond the Research Group
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The ToC line of argument runs as follows: if *sufficient qualified* researchers come together under *an entrepreneurial research leader* around a *common research theme* of social relevance and attract *sufficient resources* they will be able to work together productively to provide *individual, group and wider social benefits* which will have *larger scale effects*.

There are of course a number of assumptions that need to be made to make this ToC plausible including a presumption around sufficient shared values of group members, the ability to work together productively and the ability of the research leadership to manoeuvre through the structural constraints and find opportunities.

⁶ Drawing on both the work that addresses the role of social actors e.g. Fligstein & McAdam (2012) op.cit and those that focus on institutional design e.g. Ostrom, E., Schroeder, L. and Wynne, S. (1993) *Institutional Incentives and Sustainable Development: Infrastructure Policies in Perspective*, Boulder, CO: Westview Press.

As a result of the narrowing and specification exercises described above more appropriate measurement and evaluation strategies can be identified and developed.

In the same way that the RCD approach is complex and requires deliberate clarification and prioritisation, the ToC that underpins it must be addressed. The aim should be to develop a ToC from which practical implications for design can be drawn. ToC at lower levels of abstraction with arguably more specificity would clarify hypothesised causal mechanisms and processes that could probably make RCD interventions more effective and more amenable to rigorous evaluation. ToC of change linked with a single, more precisely defined outcome may further help.

Summing up

This paper has drawn on two contrasting cases of external interventions that aimed in various ways and over different time frames to drive institutional change. As we have seen in both cases the goals of the intervention have not been fully realised. The paper has argued that part of the problem has been that the objectives of each intervention have been panacea like and all good things do not come together. There are as Rodrik (2011) has put it, stark trilemmas where each of the goals contains inherent tensions and trade-offs with the others. Choices have to be made and an exploration of the goals in both cases show how this might be done.

It is also clear in both cases that little attention has been given to developing and monitoring a robustly theorised model of change to underpin the intervention. While in both cases the assumptions or foundation of the logic of the intervention is to be found in NIE, there has been an under-specification of the theory and limited if any attention to context.

Attention to context suggest that in both cases the interventions did not work in the manner expected of them or in a straightforward way. Rather the trajectories of change towards the outcome are likely to follow multiple possible routes to get to a specific outcome. There is non-linearity in the process of change suggesting that ideas or theories of complexity need to inform the thinking behind the programmes. This might include notions of critical thresholds, punctuated equilibriums and so forth.

The paper has drawn on a theory of fields to offer a more social account of institutional change and to highlight the critical role of leadership, agency and social fields in explaining how change comes about and its incremental and contested nature. External actors rarely if ever have either the understanding or the relationships to steer change outside their own cultural and specific institutional settings. External interventions can often be incoherent with existing relationships of accountability. Rather external actors should rely more on those who know how to manoeuvre in any specific context and help them to develop their capacities to do so in appropriate ways.

No single theory of change can ever encompass all the dimensions of change or speak to the multiple goals that institutional change processes are often burdened with. Equally the ambitions of those seeking to induce change in institutional arrangements need to be more aware of the wider evidence on how institutions do change and recognise the incremental endogenous nature of such processes.

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To Work with Theories of Change

Applying Adaptive Theory of Change in Fragile and Conflict Affected Settings

Léonie Borel, Julian Brett and Erik Bryld

Problems of poverty, vulnerability and human rights realisation continue to persist in fragile and conflict affected contexts for several reasons. For one, they continue to be affected by violence and political instability, and second the complexity and fragility of social, economic, and political systems in which the issues are situated persevere (Booth et al., 2018). Traditionally, the aid community prefers a tight control and management of development initiatives. Such control results in linear and rigid programme management and favours predictability (Arora et al., 2019). As a consequence, aid programmes can be unresponsive to change in the settings in which they are located unless they are alert to the complex interplay between contextual factors and have ways to internalise and reflect upon changes that may occur.

The aid community is increasingly recognising that the complexity of problems, the high pace of change, and interconnectedness of variables, particularly in fragile and conflict affected settings, requires a more adaptive approach (Arora et al., 2019). These contexts are typically exposed to unpredictable changes in the interplay between stakeholders, security, governance, climate etc. As the Fragile States Index illustrates, there are a significant number of countries performing consistently poorly in relation to group grievances, fractionalised and kleptocratic elites, predatory security actors, crime, corruption, uneven economic development, weak human rights – each with implications for the predictability (or lack of) political, economic, and social performance and cohesion (Fund for Peace, 2021) and thus the assumptions upon which programming is based.

Uncertainties and change in strategy development and intervention programming assumptions require adaptative, rather than the traditional rigid and tight management (Arora et al., 2019). Particularly in fragile, and conflict affected contexts, there is a need for regular Monitoring, Evaluation and Learning (MEL) that considers the applicable variables affecting interventions (GSDRC, 2007; Walden, 2013). Monitoring and Evaluation (M&E) in these contexts should be flexible, iterative, adaptable and allow for the involvement of stakeholders in a participatory manner (GSDRC, 2007; Walden, 2013). In other words, an adaptable M&E mechanism needs to monitor assumed causalities as well as expected and unexpected results. This focus on causality underscores the relevance of the use of theory of change in programme design and implementation in these contexts.

Theory of change explains the assumptions that underpin expected results. It is a multifaceted and more flexible tool compared to traditional logical frameworks and allows for causality explanations that are relevant in complex settings where there is a risk of programme failure if the assumptions behind expected results do not hold true.

By providing a stronger basis for MEL, theory of change also helps facilitate adaptation over time. Indeed, adaptability “requires an environment that promotes intentional learning and flexible project design” (USAID, 2018:1), from minor programming adjustments to wholesale revision of results frameworks and programme assumptions. Theories of change are therefore often used in development programmes and evaluations as a reflection tool and results-focused approach that describes the logical change pathways that are embedded in programming (Vogel, 2012, Tana 2014). However, in practice, much development programming has had weak or absent theories of change (Bryld et al., 2019) which poses challenges for programme management as well as evaluation.

As is evident in the current global COVID-19 health crisis, instability is not limited to certain operational areas; it can be global. An adaptive answer is therefore not only necessary in the field, but at every level of an operation (field, country, and headquarters) and between stakeholders (Carrier, 2020). The more unstable the context, the more vulnerable to change will be the intervention and the greater the demands for monitoring and adaptability. However, such adaptability has implications for evaluability, especially regarding the object of the evaluation considering that the expectations for results and the assumptions underpinning them are changing over time. In short, it raises the question of what one is evaluating?

This article explores the implications for the planning, implementation and evaluation of aid programmes as well as strategies in fragile and conflict-affected settings where an adaptive management approach has been used and it includes reflections on the tools and approaches that can be drawn upon to improve these processes. The article will start by considering adaptive management, its definition and use in aid and development. Then, three key tools in adaptive management will be presented: theory of change, political economy analysis and action research. Finally, the article will discuss how these tools can be applied to improve the evaluation of aid programmes employing adaptive management in fragile and conflict affected settings.

Overview of Adaptive Management

Being able to adapt requires institutional learning and a management environment that promotes flexible project design and implementation. Such an environment allows for managing in an adaptable way (USAID, 2018). Adaptive management is thus particularly suited for work in environments that are unstable, fragile and/or in transition, where the context, operational objectives or methods can change significantly (USAID, 2018; Carrier, 2020) and

which demands flexibility. It is in such environments that practitioners must be able to adapt in response to contextual changes and new information. Adaptation to new circumstances allows for programmes to move forward, even if the information needed for the programme is incomplete (Carrier, 2020). However, even in the most stable contexts, circumstances may change and therefore affect programming in irregular ways (USAID, 2018).

As an alternative approach to development programming, adaptive management challenges the traditional, rigid technical assessment of a problem and its associated solution (Schlingheider et al., 2017). The approach puts more emphasis on non-linearity, local relationships, and leadership, and at the same time criticises traditional programme management for being “distant from the ground reality and encouraging short-termism over the larger problem” (Arora et al., 2019:3).

Adaptive management is defined as an “intentional approach to making decisions and adjustments in response to new information and changes in context” (USAID, 2018:1). It is not about changing the objectives during the implementation of a programme. Rather, it is about adapting the way those objectives are achieved, if needed, in response to wider changes (USAID, 2018). The overall objective of the approach is to incorporate a real-time learning element into programme management to ensure that the intervention remains fit for purpose. As Bunnefeld et al. (2015: i) define it:

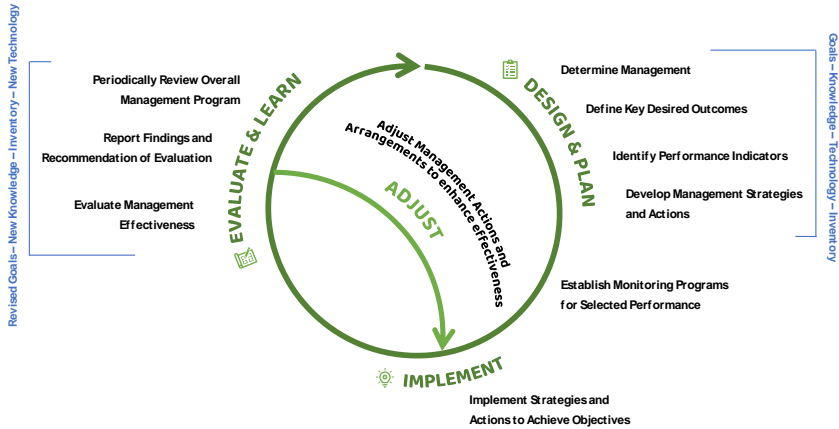
“It is an iterative process for continually improving management by learning from how current management affects the system. Adaptive Management is therefore based on monitoring and evaluating past management and devising alternative actions that can be tested against desired objectives”

Arora et al. (2019) base adaptive management on six core principles: 1) an evolving theory of change, 2) stakeholder alignment, 3) experimentation, and learning, 4) locally led and politically savvy, 5) resource availability, and 6) management flexibility. In turn, OXFAM recognises three pillars: 1) fostering flexibility for planning, 2) developing locally owned tools, practices, and partnerships for M&E, and 3) creating an enabling environment for learning (in Schlingheider et al., 2017). There is a degree of agreement between the two; notably in the emphasis on the learning environment and leadership. Importantly, the approach should also be context specific (Arora et al., 2019; Pasanen & Barnett, 2019; Schlingheider et al., 2017). Thus, while adaptive management is defined differently depending on the author or the organisation, the following are the most common components of this approach (Carrier, 2020):

- Accepted uncertainty about what will (or will not) work to meet the given challenges.
- Priority given to understanding ‘why’ changes are occurring.
- Short cycles and iterative decision-making.
- Continuous and rapid learning.
- A particular focus on human relations.

Importantly for our consideration of its application in fragile and conflict-affected settings, adaptive management allows for programmes to move forward even if there is incomplete information. Notably, the approach is not an excuse to default from commitments made by donors and reduce the accountability of the delivery partner to produce results (Arora et al., 2019). Instead, it aims to secure results through actively responding to changes that would otherwise risk programme failure. Figure 1 illustrates the adaptive management cycle.

Figure 1: The Adaptative Management Cycle, adapted from Carrier (2020) and DPIPWE (2016)



As the diagram shows, adaptive management is fundamentally dependent upon the injection of empirical knowledge and learning at critical phases of the project or programme cycle, notably during the design and planning phase (to ensure that plans reflect the environment in which they are located, that objectives are relevant and realistic, that activities are feasible and appropriate etc.) and then subsequently during implementation to ensure that experience and lessons are captured and fed back into the project, informing adjustments to implementation as required.

The following Box 1 highlights how adaptive management was used in the unstable and fragile aid/development context of Sierra Leone during the Ebola crisis.

Box 1: Adaptative Management in Sierra Leone in the context of Ebola

Two education projects in Sierra Leone responded to the Ebola situation in very different ways even if they faced the same change in context. Both initiatives were implemented by the International Rescue Committee (IRC) and showed how adaptive management helps projects to accomplish results in the face of changing circumstances. The IRC was managing several education projects in Sierra Leone when the Ebola outbreak began in May 2014. The Ebola outbreak rendered both the LWOL (Lê Wi òl Lan) and GEC (Girls' Education Challenge) projects impossible to implement in their original forms, as schools were closed nationwide. LWOL was designed iteratively from the start, with a flexible funder who trusted the implementing agency and gave field employees autonomy. This project immediately switched its focus and continued to promote education in the Kenema district of south-eastern Sierra Leone. By contrast, the GEC project featured a complicated coalition as well as stringent donor conditions. At the height of the Ebola outbreak, it shut down operations for nearly nine months before resuming with a new strategy that swiftly proved obsolete.

While the GEC project suspended all field activities, the LWOL project conducted an informal risk assessment of the outbreak's impact on learning. This led to the development of an alternative model focused on small groups learning, facilitated by unsalaried community teachers, and supported by community members. The LWOL levered existing adaptive capabilities and enablers in the face in crisis, while the GEC was unable to overcome its changing context. Donor flexibility and trust in the project implementer, devolved decision making and empowered field staff, and team culture and flexibility enabled LWOL to succeed even when the environment changed. On the contrary, consortium challenges, donor rigidity and delays were barriers to the GEC project.

(Mercy Corps, 2016)

Key Tools in Adaptive Programme Management

There are a number of tools that can be employed to facilitate an adaptive approach to aid management. Here we will explore three of the most common.

Adaptable Theory of Change

While traditional logical framework approaches can be seen as being rigid and linear, rooted in implicit understandings of causality, adaptive management considers theory of change as a key tool because it helps explain the causality involved in developmental change and thus provides us with the opportunity to adjust implementation when it appears from project monitoring that key assumptions and pre-conditions will no longer hold true. The validity of a theory of change and the assumptions on which it is based should constantly be tested through interaction with the real world (Arora et al., 2019).

Within adaptive programmes, a theory of change approach is most useful when it is regularly updated and reflected on throughout the programme implementation (Pasanen & Barnett, 2019). Indeed, it needs to be recognised that the assumptions underlying the theory of change do not necessarily hold true throughout the programme cycle (Pasanen & Barnett, 2019; USAID, 2018; Bryld et al. 2020). Theory of change should therefore not be treated as an “one-off exercise for a design or inception phase” (Pasanen & Barnett, 2019:14). Rather, underlying assumptions and theories on how change is expected to happen (and actually happens) should be regularly reviewed to bring value and facilitate learning and adaptation that enables the intervention to remain relevant. The continued validity of programme assumptions and explanations of change thus become a key focus for programme monitoring and learning.

In traditional results terminology, while outcomes can remain the same in adaptive programming, it is the outputs, assumptions, strategies and pathways that can change with the context, or when new information emerges (Pasanen & Barnett, 2019). USAID (2018), for example, recommends defining higher level outcomes, but to leave lower-level outcomes undefined to allow for adaptation during implementation. Theory of change should start with a simple results framework and gradually include different pathways, assumptions, and causal feedback loops (Pasanen & Barnett, 2019). These pathways explain how change is expected to happen and thus, if made explicit, can be checked and tested and can be adjusted if found wanting due to changes in the context.

USAID (2019) also sees the theory of change as a living document that should be revisited and adjusted throughout implementation. The following Table 1 illustrates how theory of change can be useful for adaptive programming, especially in complex and fragile settings.

Table 1: Usefulness of Theory of Change in Function of the Type of Adaptive Programming (Pasanen & Barnett, 2019)

Type of adaptive programming	Usefulness of Theory of Change
Innovative	Can aid in the mapping of original thoughts, as well as the discovery of implicit assumptions and prospective change routes. It's critical to keep track of new evidence as it comes in.
Uncertain or contested pathway of change	Can aid in the mapping of various or contentious change pathways, as well as the updating and reorganization of a team's ideas as a programme progress. It can also be used to reach an agreement between opposing ideas or to encourage strategy innovation.

Type of adaptive programming	Usefulness of Theory of Change
Operate in uncertain or unstable environments	In addition to the foregoing, theory of change can aid in the clarification and comprehension of assumptions and constraints relating to an uncertain and complicated environment.

Applying the participatory, reflective and context specific approach upon which adaptive management rests demands a strong alignment with and cooperation between stakeholders, especially the intended beneficiaries. Decision-making should be cognisant of and take into account the experiences and observations of the field level. Such an approach ensures that programmes integrate local considerations and a strong understanding of the context into their decision making (Arora et al., 2019). Furthermore, the approach should accept ‘successful failure’ as a basis for adaptation. Programme managers should clearly identify, understand, and accept that a path taken did not work. There should be an understanding between stakeholders that pathways can fail but be an occasion for learning. Box 2 and Box 3 below provide examples of how an adaptable theory of change was used in two projects in South East Asia. What is common to both is the employment of participatory monitoring and learning processes that enabled the projects concerned to be adjusted to reflect changes in the contexts and planning assumptions.

Box 2: Adaptable Theory of Change in Action of Climate Today

ACT was a £23 million DFID funded technical assistance programme to support countries in South Asia to mainstream climate change resilience factors into their policies and budgets. The programme started in 2014 and lasted until March 2019. It was managed by a consortium of partners across five countries (Afghanistan, Bangladesh, India, Nepal & Pakistan). The overall programme theory of change, results framework and monitoring indicators evolved over the duration of ACT. The original log

frame was designed in a way that outcomes were clear, and outputs flexible to meet the demand of government partners. The inception period being very short, it was challenging for the team to design the full programme scope. There were further risks to adjust in relation to relationships with stakeholders and delivery partners.

The programme managed those challenges through an evolving theory of change principle:

- The planning period extended from the inception period to the first year of implementation.
- Long-range exercises were used in which consultations with government and non-governmental partners informed the selection of focal sectors.
- The use of location-specific strategies which articulated the theory of change in each location, as well as analysis of risks and key decision points.
- A participatory annual governance on climate change assessment, involving focus group discussions with local stakeholders, documented changes on a range of indicators related to the local enabling environment. This was a critical point to the evolution of the strategy.
- Use of a flexible and rapid response mechanism to respond to unanticipated requests from government.
- A sustainability planning exercise was carried out in the last two years to identify elements introduced by the programme that needed to be sustained.

(Arora et al., 2019)

Box 3: Adaptable Theory of Change, Sabal Programme in Nepal

After two years of operations, the Sabal programme team in Nepal felt that a collaborative review and restructuring of Sabal's theory of change would help the team reflect on contextual and operational changes. These changes included a devastating earthquake, budget cuts, and an administrative restructuring of the Government of Nepal. The Sabal programme organised two workshops for staff members from districts, central and headquarters levels to analyse evidence, review mid-term evaluation findings, test previous theory of change links and assumptions, and adapt the programme's implementation design and approach accordingly.

It was reported that the process felt like a burdensome donor requirement by many staff members. However, after the workshop, the mindset changed. The theory of change revision helped the team visualise the different contextual and operational changes that had taken place and adapt components of implementation based on these changes and new evidence. The theory of change was understood as a living project tool for improving implementation. As a result, Sabal shifted its implementation to improve integration and layering of livelihoods, health and nutrition, and disaster risk reduction and climate change adaption activities to enhance resilience outcomes.

(Pasanen & Barnett, 2019)

Political Economy Analysis and Action Research as Enabling Adaptability

Political economy analysis (PEA) and action research are well suited for an adaptive management approach. PEA is a diagnostic tool that captures nuances and change in stakeholders, contexts, institutions, norms, power relations, relationships and other issues that may affect the programme (Pasanen & Bernett, 2019; USAID, 2018; Whaites, 2017). It allows us to understand what is ‘going on’ in a situation – being political, economic, social and cultural – and what lies behind the surface of the immediate problem (Whaites, 2017, USAID, 2018). PEA should help to prepare programme strategies, theories of change, and not simply to satisfy one’s curiosity (Whaites, 2017; USAID, 2018). It is mostly used at the beginning of a programme but can be used at regular intervals during the implementation, especially in fragile and complex contexts to highlight changes from baselines and assess the continued validity of assumptions. Importantly PEA can help adaptive programmes to think politically by facilitating regular reflection and analysis among programme teams on what developments in power relations mean for the programme. It has implications on how a team might think, revise, or adapt the theory of change and the expectations regarding results. The following Table 2 outlines the usefulness of PEA in different contexts and shows its particular value when operating in fragile and conflict affected environments.

Table 2: Usefulness of Political Economy Analysis in Function of the Type of Adaptive Programming (Pasanen & Barnett, 2019)

Type of adaptive programming	Usefulness of Political Economy Analysis
Innovative	Understanding the relationships, dynamics, and context in which the programme runs can help you understand why a new service or solution works (or doesn't). Programmes that attempt to find innovative solutions for a problem, on the other hand, may benefit more from a problem analysis or user requirements study.
Uncertain or contested pathway of change	It's critical to appreciate variances in the socioeconomic and political environment, especially if a programme with ambiguous or controversial change paths operates in various places, and how changes in the context may influence the programme. PEA can also help a team have a better grasp of how change occurs and what external influences can influence it.
Operate in uncertain or unstable environments	In fragile and conflict-affected situations, where the issue of constructing stable societies is fundamentally political, understanding opportunities and impediments for policy reforms, as well as the role of a programme in supporting those reforms, is critical.

To illustrate how these considerations apply in practice, we can consider the experience of a long-term project aimed at enhancing the accountability of informal camp managers (so-called “gatekeepers”) in internally displaced areas in Mogadishu, Somalia. Here, PEA was used throughout the project cycle to understand how gatekeepers became a resilient power structure and remained unavoidable power brokers in relation to the protection and assistance of internally displaced persons (IDPs). The project based the PEA on two steps:

- A concept note based on the original study on gatekeepers in Mogadishu (Bryld et al., 2013), outlining the main theory of change and approach for a possible improvement of gatekeepers’ accountability.
- A feasibility study, after reviewing the relevance of the concept note, to reassess the local political economy and identify possible IDP settlements to work in, while articulating specific work streams.

This PEA informed the intervention actions of the project, carried out under the form of an action research implementation. The PEA, however, was not a one-off exercise. Instead, it was updated regularly and used to validate the assumptions underpinning the project. Combining PEA and action research, the team found that some of the assumptions identified in the theory of change in the project design phase could not be validated (see Box 4 below). These findings meant that the project team needed to reassess the project’s theory of change and realign it with the new information. The resulting change to the implementation strategy enhanced the effectiveness of the project (Bryld et al., 2020).

Box 4: Adapting the theory of change of the Tana Copenhagen Gatekeeper project in Mogadishu using action research and PEA

The gatekeeper project in Mogadishu was designed to ensure that informal settlement managers (aka Gatekeepers) of informal IDP settlements became accountable to the IDPs in an otherwise predatory IDP environment.

The first theory of change was based on the assumption that IDPs would move to IDP settlements with the best services. However, the PEA and action research found that IDPs settled with clan and ethnic likeminded groups and that movements between settlements were challenging. The initial assumption was thus not validated.

Based on the action research and PEA work, the team found that what motivated accountability of the informal settlement managers was recognition and linkages to authorities and the aid community. Using this motivation, the team changed the project theory of change by introducing the assumption that linkages with the authorities and international community would motivate the settlement manager to improve services and accountabilities to IDPs. This change enhanced project effectiveness.

(Bryld et al., 2014; 2017; 2020)

Action Research is a label that covers similar approaches used to carry out research that is typically values-based, action oriented and participatory (Popplewell & Hayman, 2012). It is usually defined as:

“A participatory, democratic process concerned with developing practical knowing in pursuit of worthwhile human purposes ... it seeks to bring together action and reflection, theory and practice, in participation with others, in the pursuit of practical solutions to issues of pressing concern to people and more generally the flourishing of individual persons and their communities” (Popplewell & Hayman, 2012:2).

Being a cycle, action research is well suited for facilitating and promoting organisational learning and informing theory of change adaptation. Researchers and practitioners collaborate on planning, acting, reflecting, and learning cycles (Popplewell & Hayman, 2012). Individuals research, analyse, and assess their activities and experiences before learning from them, rather than learning something, banking it, and then implementing it (Popplewell & Hayman, 2012). Action research is especially favoured in M&E by practitioners due to its participatory nature. The approach enhances the retention of learning, facilitates downward responsibility, and develops in-depth understanding of local communities and situations during project implementation and not only at the project design phase (Popplewell & Hayman, 2012).

Action research has the possibility to facilitate downward accountability (to stakeholders, participants, and beneficiaries), as well as upward accountability (to donors and senior organisational management). The following Box 4 highlights the different components of the action research undertaken in this in the gatekeeper project to inform project theory of change adaptation (Bryld et al., 2020).

Box 5: Action Research Components Enabling an Adaptive Approach to Making Gatekeepers Accountable to IDPs in Somalia

- Throughout implementation, different action research was undertaken to inform activities and test the theory of change. Results from this research were used to adjust implementation. The action research included the following components:
- Open- and closed-ended questionnaires surveys with IDPs and host communities in around the targeted settlements.
- Semi-structured interviews with informal settlement managers, District Commissioners and NGOs representatives.
- Focus group discussions with IDPs and informal settlement managers – 16 in total in the project cycle.
- Social mapping carried out jointly with IDPs in three settlements.
- Observations during six different training events utilising role-plays to gain further insights into the social and power dynamics.
- Multiple field monitoring visits.

(Bryld et al., 2020)

Building on political economy analysis and an action research implementation, Bryld et al. (2020) demonstrated the effectiveness of an adaptive management approach in theory of change application to enhance accountability in difficult environments in the aid/development sector. Without adaptation, the project would have been set in stone from the design phase and would have been less likely to adjust as it was implemented. As Booth et al. 2018:9 states: adaptive management is where the theory of change is “revisited and reassessed at regular intervals [...], on this basis decisions are taken to adjust, extend and/or abandon current operations until optimal effectiveness is achieved.”

Evaluations using adaptive Theory of Change

Adaptive management brings additional challenges for “monitoring and evaluating programmes as they need intentional design from the start that is oriented toward both learning and accountability” (Pasanen & Barnett, 2019:7). However, there are a few components to consider before conducting evaluations of programmes implemented through an adaptive management approach. This section will look at the evaluation of programmes using adaptable theory of change and results frameworks in complex and fragile settings.

In the context of an evaluation, the theory of change approach is concerned with overall programme outcomes and synergies between various strands of an intervention or a portfolio of interventions (Blamey and Mackenzie, 2007). Traditionally, evaluations are often undertaken towards the end of a programme and result in the production of a single evaluation report. They assess the performance of an intervention according to a set of criteria, typically relevance, efficiency, effectiveness, impact, sustainability and coherence (OECD, 2021). Performance is assessed against the objectives set in the results framework – did the engagement achieve what it set out to do and did the assumptions underlying the theory of change hold true?

As referred to above, using a theory of change approach allows to develop evaluation questions and methodologies that are context-related, while also reflecting hypotheses about how change occurs. These hypotheses can be tested and validated/disproved in relation to the context in question provided that sufficient and correct data is collected and analysed. As part of this, the theory clarifies the assumptions relating to the context, and is a way of mapping out the logical sequence of an initiative (Tana, 2014).

However, fragile and conflict-affected settings pose special challenges for evaluation, not least because of their fluid contexts and the effects of these on programme implementation. As we have discussed,

adaptive management provides a means to reflect such changes in programme assumptions and activity, thereby maintaining programme relevance and effectiveness. But for evaluation purposes, it also means that reconstructing a theory of change from the original project design is often insufficient to capture results actually achieved because such an approach will disregard formal and informal changes made during the course of an adaptive implementation.

To mitigate this, evaluations will need to capture such formal and informal changes to assess relevance, effectiveness and impact. In some instances, using an adaptive “theory in-use” approach to evaluations may mean doing evaluation real-time during the implementation. Such real time evaluations (RTE) allow teams to make changes to implementation, using information from the evaluation. Referring to figure 1 on the adaptable management cycle, the light green arrow ‘adjust’ illustrates the aforementioned approach, also known as ‘double-loop learning’.

In other cases, ex post evaluations conducted following the conclusion of an intervention will need to take into account the formal and informal changes made during the intervention’s lifetime and assess the relevance and effectiveness of such changes in relation to the overall objectives. In results terms, it will make most sense to assess the effects of changes in outputs (normally the focus for adaptive management) on an intervention’s outcomes and overall impact. Thus, the evaluation question will be whether the adaptation served to maintain or improve the intervention’s outcomes and contribution to impact? To answer this, there will be a need to know what the original theory of change was, what the changes in context were, and whether and how the intervention responded to these.

In the evaluation of Sida’s support to peacebuilding in conflict and post-conflict contexts over 25 years, a timeline theory-based approach was developed and applied (Bryld et al., 2019). As this evaluation covers several decades, the theories of change underpinning the interventions in a number of case study countries were reconstructed (based on an assessment of the portfolio through

documents and interviews) for important strategy periods or for their significant contextual relevance (Bryld et al., 2019). The identified theories of change were then mapped and assessed against: (1) the contextual events in the period; (2) their explicit and implicit targeting of key conflict and peace drivers in the country; (3) major international events; and (4) engagements by other development partners in the period (Bryld et al., 2019). This timeline approach provided an overview of Sida's ability to respond to the peacebuilding context in a relevant and effective manner across different periods through the application by the evaluation team of an adaptive theory-based evaluation approach.

The same time-line theory-based approach has also been used in recent several Norad-funded evaluations. As an example, the Evaluation of Norway's engagement in South Sudan 2005–2018 found that:

“Norway and implementing partners were able to adapt to a changing context and to maintain the ability to operate. ... However, this adapted engagement was not always driven by an explicitly articulated Theory of Change, which often requires a different technical and evidence-based perspective. Programme management on the basis of trust and relationship lacked systematic reflection that would have allowed Norway and its partners to assess their learning, or clearly articulate on what evidence or experiences programmatic adaptations were made.”
(Norad 2020b: 83).

However, a timeline theory-based approach should not be the only approach considered to evaluations with adaptable theories of change. The following table 3 provides a summary of other tools and approaches that can be used.

Table 3: Key Tools for Evaluations with Adaptative Theory of Change

Tools	Use in Evaluation with Adaptable Theory of Change
Double Loop Learning	Expansion of single-loop cycle of acting-adjusting-acting by adding systematic reflection and interpretation that looks beyond the immediate course of events and questions context variables, assumptions, or theory of change. (DMFA, 2020; William & Brown, 2018).
Most Significant Change	It entails the gathering and selection of change stories created by programme or project stakeholders. It is a participatory strategy that entails involving stakeholders in a discussion, analysis, and documentation of change. This tool can be used in projects and programmes where it is not possible to precisely predict desired changes beforehand and is therefore difficult to set pre-defined indicators of change (INTRAC, 2017a).
Contribution Analysis	Contribution Analysis is a technique for determining the impact of a development intervention on a change or collection of changes. Rather than producing conclusive proof, the goal is to create a believable, evidence-based narrative of contribution that a reasonable person would likely agree with. Contribution analysis can be utilized during, after, or during a development intervention (INTRAC, 2017b). It is a theory-based confirmatory evaluation approach to understand a programme’s contribution to observed changes, by building and verifying the programme’s contribution story (Pasanen & Barnett, 2019).

Tools	Use in Evaluation with Adaptable Theory of Change
Outcome Harvesting	Outcome Harvesting can be used to support causal analysis at specific time-points. Outcome Harvesting is an objective free exploratory evaluation approach to capture a variety of outcomes, including unintended ones (Pasanen & Barnett, 2019). Outcome Harvesting has proven to be particularly beneficial in complex scenarios when most of what an intervention wants to achieve, or even what precise activities will be conducted over a multi-year period, cannot be defined concretely (Wilson-Grau,2015).
Outcome Mapping	Outcome Mapping, as a method of evaluation, deconstructs an initiative’s theory of change, provides a framework for collecting data on immediate, fundamental changes that lead to longer, more transformative changes, and allows for a realistic assessment of the initiative’s contribution to outcomes. It is a strong methodology that can be adapted to a wide range of contexts (Hearn, 2013).

Applying adaptive management at strategy level

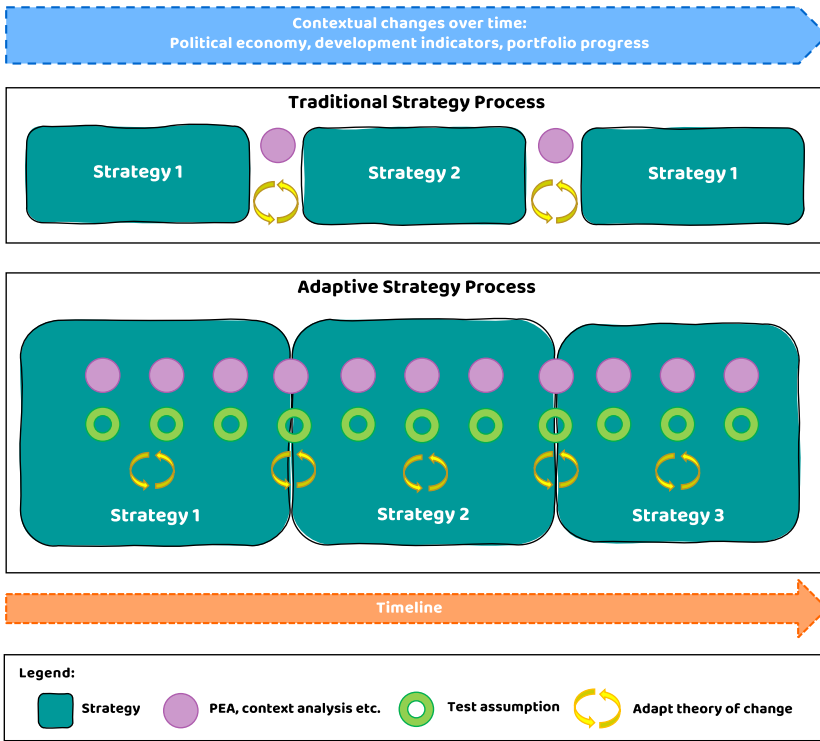
Adaptive management can also be applied at a strategy level using the same principles and tools as outlined above. This is well illustrated from an evaluation perspective as described in the three evaluations referred to above, which all pertain to either global strategies (the Sida peacebuilding evaluation) or multiple year country strategies (the Norad evaluations). Often adaptation takes place when one strategy period is about to expire and stock-taking processes provide inputs to a new strategy period.

There are very few actual examples of strategy adaptation during the course of implementation. In many contexts where adaptation is needed there is instead a tendency to let a strategy expire or extend the current strategy. An example of this has been the last year or two's engagement in Afghanistan where several countries decided to extend existing strategies in a situation where the future has been uncertain. Interviews undertaken by the authors to this article in September 2020 revealed that key development partners such as USAID, EU, FCDO, UN as well as smaller partners such as Denmark refrained from updating their strategy but instead either let the strategy run out or extended it.

The lack of new strategy development provides a lot of flexibility, but also risks undermining strategic direction in the work undertaken. Based on past evaluation of strategies (Bryld et al., 2019; Norad, 2020a and 2020b), we can show how strategies can be adapted and how the use of scenario planning can further improve this process.

We argue that the tools and processes presented above are suited to the adaptation of strategy processes in the same way as they are applied to programmes. This means applying political economy analysis and regularly updated research to assess the context and inform decision-making about challenges or opportunities which may merit or require adaptation. As highlighted in the text above, the key to adaptation is the identification of a theory of change and regular assessment of the underlying assumptions. These need to be precise enough to provide a monitorable foundation against which to assess change. Assumptions can then be validated during the course of strategy application. And changes will be reflected in adjustments to the strategy and programming.

Figure 2: Strategy Adaptation Processes



We illustrate the strategy adaptation process in the figure 2 above and how this relates to the tools for application and assumption validation processes over time. The figure here shows how (i) a normal strategy process typically involves an assessment of context and needs at the end of a strategy period, which then informs a new strategy. Often the strategy period is five years during which considerable changes in context may be expected (changes in government, for example) causing the strategy to become less relevant. And such changes will be reflected in the new strategy, but obviously with a time-lag. The figure also illustrates (ii) an adaptable approach where more regular PEA and research is undertaken. These analyses are used to test assumptions of the underlying theory of change at regular intervals. If assumptions cannot be validated, this will result in an adaptation to the theory of change, with knock on effects requiring changes at intervention level.

This therefore provides greater opportunity for maintaining theory of change and programming relevance, maintaining effectiveness, minimising risks, including the potential for harm.

Needless to say, an adaptive strategy process requires the same mindset of accepting 'successful failure' and the willingness of the management to change strategies as they are implemented. It furthermore requires resources to undertake the needed analysis which can inform the validation of assumptions. Clearly, contexts such as typically found in fragile and conflict affected states which are vulnerable to rapid and possibly significant and multi-sector change, require both risk taking and regular assessment to keep strategies and programming up-to-date. The consequences of not doing this include weak results, programme failure and possibly also harm.

Conclusion

Adaptive management is not a new concept in the aid/development sector. However, it is becoming increasingly promoted for development projects in unstable, fragile, and insecure contexts and there is therefore a need to consider its implications for planning, implementation, monitoring and evaluation. Indeed, these contexts continue to be affected by political insecurity and have complex and fragile social, economic, and political systems, allowing fragility to persevere. As an approach to strategy development and development programming, adaptive management challenges the rigid traditional technical assessment of the problem and its associated solution (Schlingheider et al., 2017). Adaptive management requires regular Monitoring, Evaluation and Learning in all contexts but is especially important in fragile and complex settings. A variety of tools can be considered for adaptive programming management, such as theory of change, political economy analysis and action research.

Traditionally, evaluations have often focused on the formal or reconstructed theory of change from the programme design. However, this will not capture formal and informal changes from the

project implementation or strategy application and the reasons for these adaptations, understandings which are as important for evaluation as they are for successful implementation. The use of action research and political economy analysis will provide greater clarity of contextual changes that have implications for programme implementation – specifically, they will provide knowledge about the implications of such changes for the assumptions underpinning programme theories of change. Such knowledge can be used to adapt assumptions about the causal links between different levels within the results chain, notably between outputs and outcomes, and allow adjustments to activities and outputs to be made. Regular monitoring will enable interventions to assess their continued relevance and effectiveness provided that the factors affecting change are made explicit.

To be meaningful, real time and ex post evaluations need to also use an adaptive theory-based approach that assesses the reasons for changes to programme implementation and their effects. This will be particularly relevant in fragile and conflict-affected settings where change can be expected to be frequent and complex. As illustrated in this article, there are a variety of tools available to undertake adaptive management as well as tools for evaluating such adaptations. This article shows how a time-line theory-based approach can be considered if the evaluation is undertaken ex-post. The approach can be applied irrespective of whether an intervention has an explicit theory of change or not. It works on the basis of theories of change that are reconstructed from the evidence (or lack) of changes to interventions' results frameworks, changes in context that are documented through political economy analysis or similar approaches, and primary data collected from implementors and beneficiaries. The changes can then be set against a timeline of contextual changes. It requires that changes to an intervention's outputs are documented and enables the assessment of the relevance, efficiency, effectiveness, sustainability and coherence of these and their outcomes and contribution to impact.

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Evaluating Impact With Theories of Change: A Four-Step Guide¹

Markus Burman

Why a guide?

Used correctly, theory of change has enormous potential for evaluating outcomes and impact. With the help of this guide, evaluators can study causality more closely and attempt to understand how and why an outcome has arisen, something that also provides a solid foundation for learning. While theory of change is a relatively common approach among evaluators working in development cooperation and other policy areas, the theories are often incomplete (Burman, 2021). They are vague, not integrated into the evaluation design nor tested systematically against data (*ibid.*).² Links to earlier studies and evaluations in the field are often weak.

¹ This chapter has been translated into English by EBA. There can be translation errors in the text as the translation has not been reviewed by the author.

² The evaluator often discusses the theory of change instead of defining and testing it. This may be because evaluators tend to rapidly and a priori dismiss theories of change with the benefit of hindsight, when the use of theory of change in evaluations very much needs to be constructive, forward-looking and a summative assessment of various parts of the process, both in the initial phase and on an ongoing basis.

The purpose of this chapter is to propose a guide to using theory of change when evaluating the outcomes of development cooperation interventions and projects.³ The questions the evaluator can answer are: 1) has the evaluated initiative (or component) **contributed to** the expected outcome/objective and, if so, 2) how and why?

A definition of theory of change

“...a visual and narrative description of the main program inputs, activities, outputs, and desired outcomes. A central aspect of a program theory is the specification of how these are connected, that is, how the program activities and outputs are assumed to generate the desired outcomes.”

Source: Vaessen et al., 2020.

By focusing on four basic steps, the intention is to help to make available what is probably the most fundamental approach to evaluation beyond experimentation. As Vedung (2012) notes, theory of change is “not evaluation research’s only contribution to social studies but probably the foremost”.

The target group for this guide consists of evaluators, the clients who order evaluations or others who want to navigate, discuss or refresh their knowledge of the process of evaluation using theory of change. The purpose is to discuss and clarify what can and should be done in an individual study and what constitutes a high-quality theory-based evaluation.

³ The contents of the chapter are largely adapted to the evaluation of individual projects, programmes, organisations or limited interventions. I have not been able to find any previous publications in Swedish that describe step by step how theory of change can and should be used to evaluate results. That is not to say that there are no books about evaluation in Swedish that have discussed theory of change and described how it can and should be used in evaluations; examples include Karlsson Vestman 2011, Faugert and Sandberg 2012 and, most exhaustively, Vedung, 2012. Krogstrup, 2017, has also written about this in Swedish and internationally there are many books and articles on the subject, including Bamberger et al., 2019.

The points of departure for the chapter are what are perhaps the most discussed forms of evaluation that use theory of change: theory-driven evaluation (Chen, 1990), realist evaluation (Pawson & Tilley, 1997) och Bayesian theory-based evaluation (Befani, 2021). The most influential work with theory of change has been conducted by John Maynes in his contribution analysis approach (Mayne, 2001, 2012, 2017). The guide focuses on the basic features of these related but parallel traditions to hopefully answer the question: How does one conduct a theory-based evaluation of outcomes and impact?

A four-step method

The first analytical question an evaluator should ask themselves is: Which theory of change am I testing? As Pawson and Tilley (2001) observe, interventions are theories and evaluations test them. An evaluation of a theory of change must concentrate on data collection and analysis so that the theory can be thoroughly tested. Work on the theory of change – and the often necessary reconstruction thereof – must therefore begin early, before the empirical evaluation strategy is established.

Many evaluators spend too little time on the initial processing, reconstruction and specification of the theory of change, including strategic objectives.⁴ As a consequence, they may embark on data collection and analysis without a grasp of how the intervention in question was intended to/can work.⁵ Such an evaluation may prove ineffectual in design and operationalisation, lacking in validity and reliability, unfocused and unable to deal with causality – including the how and why question – and there is a risk that it will not contribute to learning. According to Weiss (1996), the idea of using

⁴ Forss (2007) argues that evaluation teams tend to allocate too little of their total time to the preparatory phase.

⁵ This phenomenon is comparable with someone attempting to repair a pocket watch without any understanding of how it works and with the wrong tools. If one makes no attempt to understand the basic mechanism, there is a significant risk one will do the wrong things and use the wrong instruments.

theory of change in evaluations is to ensure that available resources are directed towards key aspects of the intervention. To work with the most thorough possible theory of causality and gradually seek to clarify the intervention's contributions by testing the theory.

The evaluator should not assume that the “official” theory of change formulated for the intervention is so clear and precise that it can serve as the basis of evaluation. Many studies (Tarschys 2006, Weiss 2007) have shown that public-sector interventions and programmes are often based on imprecise assumptions and have unclear objectives. An evaluator needs to be able to clarify and reconstruct objectives and a theory of change (Leeuw, 2003).

Theories of change or logical frameworks have generally been formulated for purposes other than evaluation, such as meeting the requirements of financiers, or for governance or communication purposes. A theory of change used to evaluate results needs detail, clarity and a critical discussion of assumptions, whereas these other purposes often demand the opposite: simplicity, stylisation, or the ability to “sell” an intervention. It therefore falls primarily to the evaluator to bring about the clarity a theory of change needs if it is to be the basis for evaluation.

While conceptually the use of theory of change is described in various ways in the literature with regard to process and assumptions, beneath the surface there are obvious similarities between the schools of thought. At an overall level, we translate these similarities into four basic steps (cf. Befani, 2021):

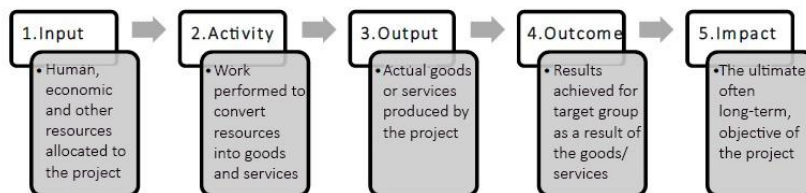
1. Working from or reconstructing a theory of change that can be empirically tested.
2. Designing and implementing data collection based on the theory of change.
3. Updating the theory of change and reassessing its trustworthiness on an ongoing basis based on iterative empirical testing.
4. Drawing conclusions on the initiative's contribution to the expected outcomes.

Below, we discuss the four steps, why they are needed, how each step should be understood and what specifically needs to be done. Finally, we will discuss some of the challenges and opportunities as discussed in the literature on theory-based evaluation.

1. Working from a theory of change that can be empirically tested

The reconstructed theory of change⁶ must describe how and/or why the initiative directly or indirectly leads to the expected outcomes. It is important not to simply claim that one thing leads to another; the theory must describe *how* the change takes place and *why* the impact happens. A theory of change worthy of the name must fill in the gaps in the logical framework (see Figure 1) and explain why the activity can be assumed to lead to a given result.

Figure 1: The logical framework



⁶ Unlike traditional scientific theories, which have a broader ambition, a theory of change only seeks to explain a single intervention or type or group of interventions (projects, programmes, etc.) and is linked to a single evaluation. Theories of change deal with a specific type of change, how and why an intervention is expected to lead to expected or unexpected outcomes. Theories of change can be strengthened and clarified by relating them to and supporting them with scientific theories or the empirically observed, everyday perceptions or practical knowledge of people in and around the project or organisation.

It is not sufficient for the causal chain to consist of abstract assumptions in the form of arrows and boxes, it should reveal the vital mechanisms or forces of change in the causal theory that are then empirically tested (Beach and Schmitt, 2015). The theory of change must have empirical implications if it is to guide the evaluator's data collection. Box 1 (below) describes a fictitious initiative intended to strengthen knowledge of gender equality among pupils in upper-secondary school and thus influence gender equality locally. The evaluator in this example has just started their evaluation and is not yet sure how the theory of change should be interpreted and described in detail. The purpose of the example is to describe a theory of change as it might look in the early stages of an evaluation and how it might be perceived by the evaluator.

Box 1: Simple theory of change: gender equality in education⁷

As knowledge of gender equality issues among upper-secondary pupils in Municipality X has been shown to be low (the municipality has a low ranking on a gender equality index of municipalities), the Board of Education has decided to implement a three-year project aimed at teachers working in the municipality's upper-secondary schools. Teachers attend training sessions once each semester "lunch-to-lunch", with the aim of: 1) strengthening teachers' knowledge of gender equality issues, 2) providing teachers with pedagogical tools to improve gender equality teaching, and 3) giving teachers the opportunity to meet inspirational role models in former teachers with a passion for gender equality, who also hold the course. By providing teachers with new and improved knowledge of gender equality and how they can and should integrate gender equality into teaching, and by inspiring them, the municipality hopes that the teachers will focus more on various aspects of gender equality based on an improved, more pedagogical approach, with the assumptions that, as a result, pupils will take in more of what the teachers are conveying and, in the long term, this will lead to greater knowledge and ownership of gender equality issues among young adults in the municipality.

Source: Example constructed by the author.

⁷ Please note that all of the text boxes in this chapter should be read for understanding. Theories of change can be described in writing rather than as a visual model. The evaluator does not always need arrows, boxes or flowcharts, which are sometimes more useful once work with the theory of change has reached a more advanced stage. A written theory of change is not always the most pedagogical and a visualisation may be easier to assimilate and communicate. Arrows can be used to indicate the direction of causality, lines a temporal relationship, colours can differentiate and clarify processes, etc. It is important to bear in mind that a visualisation should clarify how, according to the theory, the initiative will bring about the desired change.

On a general level, the evaluator needs to clarify and process five factors when reconstructing a theory of change:

1. **Problems or needs** (underlying initiatives and objectives, specifications, scope, driving forces).
2. **Objectives/expected outcomes** (specifications, limitations, target groups, long- and short- term in the theory of change).
3. **Interventions/measures** (what was to be done to contribute to the objectives).
4. **External influences** and forces that might influence the results.⁸
5. **Relationships, connections and assumptions** between 1–4 (problems or needs, interventions/measures, objectives/expected outcomes, and external influences).

These five factors are the components of the theory of change that are combined into a logical whole. The purpose of reconstruction is to make the initiative's implicit theory of change explicit. This is not a matter of describing the practical changes wrought by the project but what it was assumed would happen in theory. Generally speaking, evaluators find factors 4 and 5 (above) most challenging.

It is often easier (and more logical) to begin with the problem when reconstructing a theory of change and then clarify the objectives before moving on to the other stages (Bergström, 2021).

Problem/need. According to the rational model, interventions and projects are implemented because there is a problem to be solved or need to be met, because something needs to be remedied, improved or developed.⁹ This problem is (ideally) converted into objectives by

⁸ The initiative itself is rarely the only factor that influences or drives results.

“...most development interventions are ‘contributory causes’. They ‘work’ as part of a causal package in combination with other ‘helping factors’ such as stakeholder behaviour, related programmes and policies, institutional capacities, cultural factors or socio-economic trends.” (Stern et al., 2012).

⁹ The fact that in practice interventions often appear to be based on a vague analysis of the problem is only one more reason to include this step in the analysis.

the programme maker, reflecting a more desirable future situation to which the evaluated initiative must contribute (Krogstrup, 2017).¹⁰ The reconstruction therefore begins with the problem or need that the intervention is intended to address (e.g., low gender equality in a municipality or, at a lower level, teachers' lack of knowledge, pedagogical tools and inspiration to teach gender equality).

When reconstructing the underlying problem or need, the evaluator needs to specify the nature and scope of the problem and, if possible, what caused it (cf. Forsstedt, 2018).¹¹ Starting from the underlying problem may make the next step of reconstruction – clarifying objectives and analysing how the intervention relates to anticipated results – that much easier. The five factors listed above constitute a logical point of departure for the evaluator's work.¹²

Objectives/anticipated results. The objectives of many interventions and projects are unclear, something that the evaluator should address as it makes evaluation more difficult.¹³ The evaluator's aim should be to make objectives/expected outcomes *as measurable as possible*. In practice, this means entering into a dialogue with those

¹⁰ A delineation or focus is often made when an underlying problem is translated into objectives.

¹¹ What constitutes and causes the problem of low gender equality in the municipality more specifically according to the implicit theory of change? Was the municipality thinking about specific gender equality issues? Did it consider gender equality in the labour market, gender power relations, economic gender equality, gender equality in unpaid care and housework, etc.? And what do we know about the causes of these problems?

¹² Theories of change are also formulated in evaluations to create a common understanding between stakeholders and actors such as evaluators, project managers and financiers. This is important, as it facilitates interaction, lays a solid foundation for communicating conclusions and reduces tension in the work. There may also be other reasons why a theory of change needs to be reviewed before beginning an evaluation: the stakeholders may have different views of the theory of change, views on the initiative may have changed over time, or changes in circumstances on the ground may have affected the theory.

¹³ The alternative is to conclude that a significant proportion of publicly funded interventions are non-evaluable, which is incorrect.

responsible for funding and implementation to specify, define and put a timeframe to the initiative's objectives/anticipated results.¹⁴ It should be noted that short- and long-term outcomes are almost always found at various levels along an extended chain of change.

One way to clarify an objective is to ask oneself *what the situation would be if the objective was achieved*, for example: What would lessons look like if a gender equality perspective had been integrated? In some cases, an imprecise objective can be clarified if, in practice, the intervention turned out to be targeted at something more specific, such as the gender-segregated labour market for certain occupational groups in the municipality, or men's violence against women in a couple of residential areas. The underlying problem that prompts an intervention and, not least, the practical activities it involves are often more targeted, intentional and delimited than the overall objective might suggest. As long as the evaluator informs those responsible for funding and implementation, and the evaluation is transparent about the delimitations and can report the results, the objective can be circumscribed. In certain cases, after dialogue with those responsible, the evaluator may also recommend that an overall objective be interpreted as a vision (e.g., greater gender equality in Municipality X) and instead focus on adjacent geographically and temporally delimited sub-objectives based on what has actually been done in practice and on the impact. The evaluator breaks down the objective into a hierarchy of sub-objectives beneath the vision, thus clarifying earlier (perhaps more realistic) results stages in the theory of change.

¹⁴ One common problem is that objectives are formulated in verb form (something is to be done, worked on, almost like a process goal, such as "improve gender equality in school"), rather than as a desirable future state ("By 2024, half of the schools' teachers are gender mainstreaming teaching"). The former is less desirable, and less useful for evaluation purposes, as the objective may be achieved by a weak or strong result. A more evaluable objective might be that "the majority of teachers working in upper-secondary schools in Municipality X at the turn of the year 2024 actively gender mainstream teaching", or as a more overarching objective: "a majority of pupils graduating from upper-secondary school in Municipality X in 2025 have completed a course in a gender-mainstreamed core subject").

Intervention/measure. In addition to ensuring that each objective has a corresponding intervention/measure (the Tinbergen rule¹⁵), it is also important to study and describe at an early stage how the intervention is intended to intervene, thus specifying a *theory of action*. The theory of action is a subset of the theory of change corresponding to planned activities/initiatives that those responsible assume should be implemented in order for the change to be “set in motion”, for example: a two-day course in gender mainstreaming for upper-secondary teachers to provide knowledge, pedagogical support and inspiration). What specifically is to be done – and when, how and to what level of quality – in order to gain influence over and eventually change the situation in the direction of the expected outcome?

The theory of change and theory of action are very much integrated but are kept separate analytically. This allows the evaluator to distinguish between theoretical errors and errors in implementation (Vaessen et al., 2020; Faugert and Sandberg, 2012) to make learning more specific.¹⁶ A theory of action is often easier to reconstruct than a project objective, as those responsible generally have a good idea about what they planned to do and did in the intervention, as this is described in project documentation, grant applications, reports, etc. One reason to describe the theory of action for an intervention in detail is that knowledge about how it was planned to implement the intervention and how it was subsequently implemented in practice may offer vital clues to when the time comes to analyse the results. This is important to distinguish from a planned course of action and what one does in practice (which is the focus of step 2, below).

¹⁵ The rule is named after the Dutch economist and Nobel laureate Jan Tinbergen (1903–1994). It states that at least one independent policy instrument is required to successfully achieve each independent policy target.

¹⁶ Errors in theory and errors in implementation roughly correspond to two questions: 1) Did we have the right idea, and 2) did we put our idea into practice? An error in theory is more a failure of planning, analysis and logic, while an error in implementation is a failure of execution and organisation.

One key question is whether implementation has actually taken place; if not, one should consider discontinuing the evaluation. Unfortunately, it is not unknown for evaluations to start without any activity having been completed in accordance with the theory of action.

Assumptions, relationships and external influences. The evaluator then begins to reconstruct the assumptions and logical relationships between interventions/measures, objectives/results and problem/need, with the emphasis on relationship between intervention and outcome at various levels. This process is based on various project documents and perhaps interviews or other sources of knowledge about how the intervention was intended to work. External factors that may have influenced outcomes are also considered. The evaluator performs what Vedung (2012) calls a “reconstructive interpretation”. The work of reconstruction and interpretation then continues in several stages (see step 3 below).

Context is key to theory of change (Pawson and Tilley, 1997). Rogers (2017) argues that a strong theory of change describes not only “what we do but also what others do”. An intervention is impossible to understand outside its context and without everything that influences and interferes with the chain of change and outcome.

External influences should not be treated as alternative or competing explanations but as other factors that, along with the intervention, create a “causal package” in combination with other factors that help achieve the desired result in various ways and to varying degrees (Stern et al., 2012; Mayne, 2019). The question is not whether there are alternative explanations, but rather which factors are, or are not, necessary to explain an outcome as part of a greater whole.

Box 2 contains a number of assumptions about and external factors that may influence our school intervention.

Box 2: Assumptions and external factors: Gender equality in education

Assumptions in the theory of change for our school intervention include that, through attending the training course, teachers will be sufficiently inspired and knowledgeable to want to improve and develop their teaching, and that it is possible in practice for the teachers to gender mainstream lessons. One fundamental assumption is that the problem is a lack of knowledge, inspiration (or motivation) and pedagogical tools. Another assumption is that pupils who attend gender mainstreamed lessons will assimilate and retain knowledge, skills, attitudes or perspectives that help them to live and act in a more gender equal manner (in family and working life, leisure activities, etc.).

The theory of change does not weigh up external factors that may affect teachers' and pupils' knowledge of and views about gender equality beyond what they learn on training courses or in lessons – such as individual comprehension, social context, the attitudes and values of friends and parents – to any great extent. Other factors that the evaluator may choose to include are the likely variation in motivation, prior knowledge and existing values of teachers and pupils concerning gender equality issues and the varying conditions for gender mainstreaming in, for example, different subjects. Teachers and pupils are individuals with their own group affiliations, personal circumstances, preconceptions, attitudes and desires. There is obviously a risk that the training course will not be welcomed by all and that the teachers will convey inconsistent messages. One assumption appears to be that inspiration and motivation will be maintained over time and the intervention will continue to influence teachers, lessons and pupils in the longer term. The evaluator may need to consider previous research into what influences and impels norms and preconceptions concerning gender equality at upper-secondary age, among teachers and in the community in which the project is being implemented.

Source: The author.

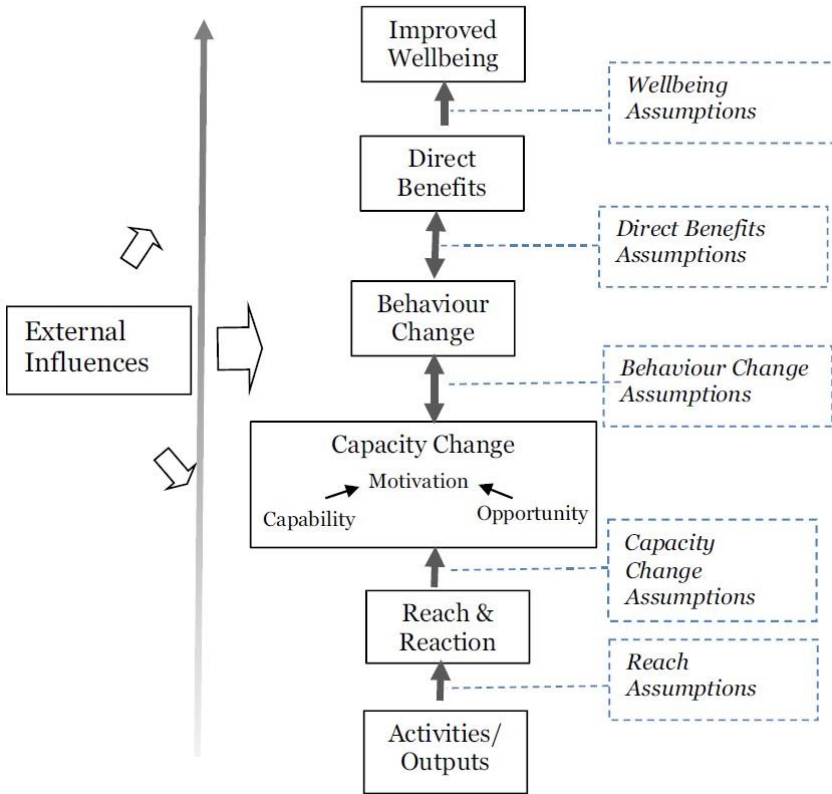
The work of reconstruction includes visualising, arranging and labelling at all stages of the theory of change. The most common basic model for this is the logical framework (Figure 1). In reality, however, the chain of change rarely fits neatly into a logical framework. If it does, it may indicate that the theory of change has been simplified (cf. Davies, 2018).

Mayne (2019) proposes an alternative model, the COM-B model¹⁷ (see Figure 2), which divides the chain of change into activities/outputs, reach & reaction, capacity change, behaviour change, direct benefits and improved wellbeing, plus assumptions and external influences. This model helps to condense the theory of change, is more specific than a logical framework and recognises that most interventions involve influencing and changing the behaviour of individuals or groups through new or improved knowledge, new working methods, altered norms, incentives or through new/increased opportunities in some area.

The model emphasises that target groups, organisations and systems consist of people, individually or in groups, with diverse motivations, capabilities and opportunities that affect how new knowledge, insight or opportunities translate (or fail to) into behaviour change, new habits and improved working methods, systems or processes within a given context.

¹⁷ The model is based research on behaviour change by Michie, Atkins and West (2014), who argue that behaviour (B) is changed through the interaction of three necessary elements: capabilities (C), opportunities (O), and motivation (M). Hence the name: the COM-B model (Mayne, 2019).

Figure 2: Basic theory of change model: Capabilities, Opportunities and Motivation = Behaviour Change (COM-B)



Source: Mayne, 2019.

Whether the model holds depends on whether or not the intervention reaches its target group¹⁸ (teachers working in upper-secondary schools in Municipality X) and whether (or not) it has the desired impact on their capabilities, opportunities and motivation, thus increasing capacity. Increased capacity is assumed to change the behaviour of the actor – in our case, teachers who take the initiative to gender mainstream teaching – who, given that other assumptions

¹⁸ One can reach individuals and groups in various ways, with different levels of intensity, accuracy, quality, perseverance, etc.

and intermediate outcomes hold true, in turn achieve more general benefits (such as increasing knowledge about gender equality among young adults).

The model is not a complete theory of change but rather a point of departure for working with theory of change that may be better adapted to a specific type of intervention than a logical framework. While the model is not suitable for all interventions, it will probably prove useful for quite a few types.

On what does the evaluator base their theory of change?

Leeuw (2003) describes three approaches to reconstructing a theory of change: one based on an empirical–analytical strategy based on interviews, documents and argumentation analysis; another based on strategic assessment, group dynamics and dialogue; and a third based on cognitive and organisational psychology, especially at management level regarding change and efficiency. These approaches can be combined in various ways. Leeuw (Ibid.) and Vedung (2012) highlight opportunities to search for “traces” of what initiators or program makers considered to be problems and solutions using text analysis and if-so clauses in preliminary work and documents in which actions, mechanisms, conditions or measures are directly or indirectly raised as problems. In certain cases, a theory of change can be extrapolated from statements by or discussions between politicians and/or civil servants.

One recurring criticism of evaluations is that they lack links to previous knowledge, research and evaluations (see Samoff, 2016). Theory-based evaluation has the potential to avoid this pitfall. The evaluator is welcome to investigate whether and, if so, how the theory of change relates to previous research and evaluations. (In our example, they might ask: What research has been conducted on gender mainstreaming? What earlier interventions have been made in the school district? How were these implemented and what were

the results? What mechanisms were assumed to be at work?). When developing a theory of change we can, and indeed should, draw on previous research and knowledge, both theoretical and experiential.

Assumptions about how results and success can be achieved are not limited to research, they are everywhere in modern society, in organisations, groups, individuals and networks. There are also theories, ideas, trends and preconceptions of relevance to theory of change to be found in, for example, management literature, publications from thinktanks, in the work of consultants or within organisations themselves. Ray Pawson has described “mentorship” as a recurring mechanism in projects and programmes, while Rogers discusses the idea of “low-hanging fruit”.¹⁹

It is unlikely that one will find untried or genuinely innovative ideas about and/or mechanisms for societal change in publicly funded projects and programmes. This is illustrated by the so-called *implementation research* published in a large number of articles and books since the 1960s examining the implementation of public programmes from all angles (see Pressman-Wildavsky, 1973; Vedung, 2016). Swedish development cooperation has traditionally worked repeatedly with, at least to some extent, similar types of intervention and theories of change. These could be grouped under headings such as capacity-building (Statistics Sweden’s cooperation projects to build capacity to produce relevant, independent and reliable statistics), educational initiatives (the Folke Bernadotte Academy’s training activities), core support for multilateral and civil society organisations, a human rights based approach to development, Sida’s guarantee instrument, cash transfer programmes, challenge funds, market systems development, transboundary water cooperation, sector budget support, twinning, loan instruments, support for partner universities, road building, etc.

¹⁹ The sometimes dubious nature of such organisational theories is illustrated by an article in Swedish management journal *Chef* (09.06.2019), which lists five trends in modern management noticeable in management literature: live your values in everything you do, focus on the team, be open and transparent, focus on customers, and have courage and empathy.

All of these types of interventions have their own specific implications for theories of change. Grouping activities, and previous evaluations and research, could form the basis for in-depth analysis of theories of change beyond individual interventions and evaluations.

Different policy areas have different requirements or expectations concerning whether projects, programmes or organisations should have some form of theory of change. In development cooperation, there is sometimes a requirement for a logical framework matrix²⁰ as one of several bases for the evaluator's work with theory of change. Programme and project documentation is important when reconstructing a theory of change. Other useful sources of information include pilot studies or other preliminary work and interviews with those involved in planning, project management, etc.; indeed, it may be necessary to review every available document that might contain significant information about problems and needs, objectives, implementation and assumptions (Krogstrup, 2017).

How is a theory of change reconstructed?

In the early stages of their work, the evaluator may choose to interview those who drafted or implemented the intervention, or arrange group exercises in which stakeholders or actors reconstruct the theory of change under the evaluator's supervision.²¹ Various participatory approaches are recommended in order to formulate a theory of change that is representative of the views of various categories of actor regarding the intervention. The diverse perspectives of participants facilitate discussions with the potential

²⁰ The logical framework approach (LFA) has a long history at Sida. Generally speaking, an LFA matrix does not serve as a basis for evaluation in the same way as a theory of change, although it can be used as raw material. An LFA matrix is linear and lacks the context and assumptions found in a theory of change. In practice, it rarely tells us anything about how and why an intervention will achieve a given outcome.

²¹ As Andersson (2021) notes in this volume, there are good conditions for working on a theory of change in groups on online platforms such as Zoom, Skype, etc.

to reveal weak or “critical” points. It is generally a good idea to develop a theory of change in a seminar or workshop, with access to aids such as a whiteboard, post-it notes and flipcharts. Various digital tools and software have emerged over recent years that can be used to visualise and develop theories of change.²² The valuator’s picture of the theory of change post-reconstruction should also be rigorously checked with those responsible for the intervention under evaluation.²³

What makes a theory of change empirically testable?

According to Befani (2021), to be testable a theory of change must be detailed and closely connected to empirical observations.²⁴ So, the theory must have empirical implications. It should clarify as many underlying assumptions and external influences as possible, preferably all of them, and be precise temporally, spatially and in other details. Ideally, the theory of change should be easy to understand, avoid ambiguous terms and include all activities, outputs and interim outcomes needed to understand the causal logic of the

²² For example, Theory of Change Online (TOCO), Lucidchart, Miradi, Scapple, the Visual Understanding Environment (VUE), Changeroo, Logframer Theory Maker and Dylmo.

²³ Even if the evaluator is responsible for reconstructing the theory, it is not her or his theory of change.

²⁴ We can compare this with Karl Popper’s idea of falsifiability, which implies that a scientific theory should say something about reality that is observable and thus falsifiable (refutable).

programme and achieve the anticipated result.²⁵ As previously noted, in a theory of change it is important to attempt to specify any additional and external factors that will, or have the potential to, impact the result. That said, this is the ideal and not something that is always easy or even possible to achieve.

One challenge facing evaluators is that projects and programmes often include parallel or interdependent theories of change and multiple parallel or related objectives. In such cases, it is important to discuss whether delimitations can and should be made. Evaluations often throw up a goal conflict between depth and breadth (see Burman and Hårsmar, 2015). In the individual case, it may be more important to test certain theories of change, as some objectives may be of particular importance to the client, future decisions about the intervention, etc.

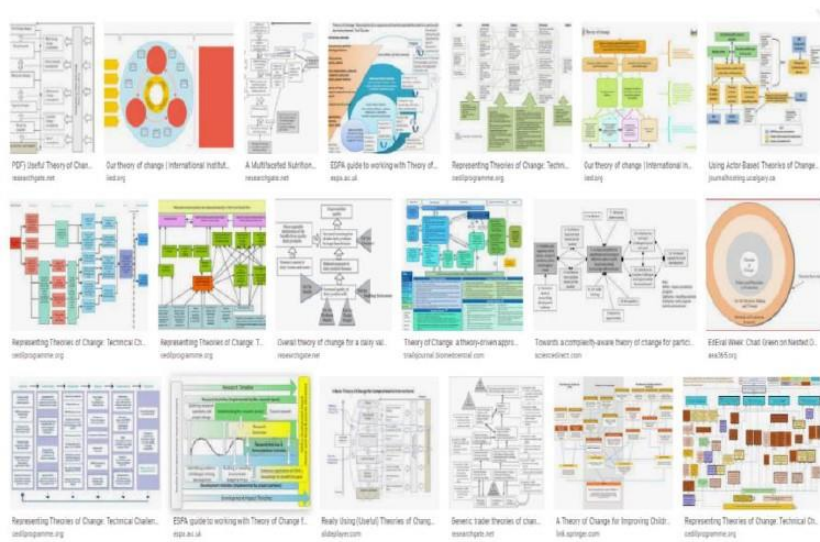
The evaluator should also ask themselves whether the theory of change is oversimplified or overcomplicated in its description of how the intervention can be assumed to lead to the desired outcome. A complicated theory of change may indicate a well-developed understanding of the intervention or, conversely, that as yet there is

²⁵ In a summary of the problems with theory of change, Davies (2018) claims that they: "...frequently fail to adequately describe the expected causal connections in the most basic way i.e. events are left unconnected, or only connected at a macro level by being part of a group of activities. Where connections are made the nature of these linkages is inadequately described. Most often, there is no colour or shape coding or text annotation. Where linkages are described there can often be more causal pathways than are practically evaluable, sometimes astronomically so. Feedback loops are uncommon whereas in reality, these are ever-present, both in dyadic relations between actors and in larger social structures. When feedback loops are present in Theories of Change they convert complicated models into complex models and make evaluation planning more challenging. Theory of Change diagrams partly because they are circumscribed and intentional simplifications tend to have few linkages to the wider surrounding world of other actors who could potentially constrain what is often an optimistic view of what can be achieved. This lack of constraining feedback and wider connections can weaken another aspect of evaluability, which is the plausibility of the Theory of Change working as described."

little understanding. It may also be because of an insufficient or problematic demarcation between the theory of change and the wider context or system in which the intervention is to be implemented because, for example, one is unsure of what is and is not relevant to include. Davies (2018) claims that it is common for theories of change to be described as complex (emergent outputs, recursiveness, feedback loops) when they are simply complicated (multiple levels, parallel or interrelated chains of change, etc.), something that can make evaluation more challenging (cf. Rogers, 2011).²⁶ A theory of change should not be any more or less complicated than is absolutely necessary.

Figure 3 exemplifies the above reasoning with a visualisation of theory of change according to Google.

Figure 3: Google image search: “theory of change”



Source: Google image search, inspired by Davies, 2018.

²⁶ Rogers (2008) writes: “Complicated programme theory may be used to represent interventions with multiple components, multiple agencies, multiple simultaneous causal strands and/or multiple alternative causal strands. Complex programme theory may be used to represent recursive causality (with reinforcing loops), disproportionate relationships (where at critical levels, a small change can make a big difference – a ‘tipping point’) and emergent outcomes.”

2. Designing and implementing data collection based on the theory of change

So, what does it mean to base empirical evaluation on theory of change? Vaessen et al. (2020) underlines that data collection must focus on and encompass the most prominent activities, outputs, assumptions and outcomes. As such, the theory of change builds a framework for data collection. Befani (2021) emphasises the opportunities to imagine observations, alone or in combination, that can be empirically captured and that might strengthen or weaken the theory of change. A theory of change for an intervention designed to, for example, develop the competence of staff, can be strengthened or weakened by specific information about the situations, intentions and motivations of staff and management to integrate the knowledge generated into their day-to-day work (cf. Box 1 and 2 and Figure 1).

The point of departure for data collection may be the data needed by the evaluator to answer questions or confirm or discount hypotheses about the theory, activities, outputs, assumptions and outcomes. More general questions the evaluator might ask include: Is the theory credible? Is so, why? If not, why not? Which part of the theory should be especially scrutinised and how? Have activities been implemented according to plan and the theory of action? Does the theory of change correspond to other knowledge or earlier interventions in the area? More detailed questions may be asked about assumptions, relationships and results in each part of the theory of change (see Box 3).

Box 3: Questions to test assumptions and external factors in the theory of change: Gender equality in education

In our own example, among other things the evaluator should scrutinise the third assumption, that teachers will be inspired to gender mainstream lessons (cf. Boxes 1 and 2). Questions the evaluator might ask include: What was it that those who planned and implemented the training course thought the teachers would find inspirational? What specifically did the course arranger do to inspire the teachers? Were activities implemented according to plan? Were inspirational elements integrated in other elements of the course or as separate activities? Were the teachers inspired by the training course? Did results differ between schools, districts or groups of teachers? If teachers were inspired, might this have been for other reasons, such as something that happened before the course? Is there any proof of the outcome aside from self-assessment? What do headteachers or pupils have to say? Does another picture emerge if one asks the teachers' colleagues? What are the teachers' views of the practical conditions/realistic opportunities to translate inspiration into behaviour change or new elements in lessons? If all or some of the teachers did not feel inspired, what were the reasons? Was the intervention based on a correct theory about inspiration? And if the teachers were inspired, did the feeling endure? Were teachers who attended the training course late in the project more or less inspired than those who attended early? If teachers were not inspired yet still gender mainstreamed their lessons, does this suggest that the inspirational element was not a necessary factor for change?

Source: The author.

During step 2, it is important to establish whether the intervention was implemented according to the theory of action, i.e., did it go according to plan? This may be a matter of people doing what they were supposed to or doing something else entirely, doing more or less, doing things better, worse or less efficiently, or doing nothing at all.

Data collection should be based on the assumptions underlying the theory of change and on empirical needs. One should therefore avoid getting bogged down in routine concerns about what data to collect and when and how to collect it. Data can be collected from interviews, focus groups, questionnaires, follow-ups, earlier evaluations, published statistics, but also from emails, photographs and videos, text messages, participant observations, archival material or news articles. One should strive to triangulate²⁷ the conclusions drawn about assumptions, links and interim outcomes in the theory of change. Credibility is strengthened when conclusions about the theory of change are confirmed by other types of data. At the same time, complicated theories of change generally demand more and more varied empirical testing.

One common preconception about qualitative evaluation is that the evaluator asks those responsible for an intervention and members of the target group whether the intervention has had the anticipated result, something that may of course give rise to various types of bias, such as courtesy bias (Camfield et al. 2014). There is also a risk that bias will creep in when an evaluation is largely dependent on information from actors or stakeholders involved in or affected by the intervention in question. However, the primary purpose of qualitative data collection is not to allow respondents to assess the results of an intervention but to gather evidence that supports or contradicts the theory of change (Mayne, 2019). This allows the evaluator to concentrate on searching for, making transparent and evaluating the evidence for their conclusions about the intervention as a theory (cf. Befani, 2021).

²⁷ Forms of triangulation include data triangulation, method triangulation, theory triangulation and researcher/evaluator triangulation. The triangulation referred to here is empirical data, method and source triangulation, i.e., testing conclusions against various types of data, using different methods and based on different sources.

That said, in order not to overlook any knowledge, perspectives or insights, the evaluator should give actors and target groups the opportunity to offer their views on how realistic and relevant the theory of change is. In a theory of change concerning gender equality in schools, for example, it is likely that headteachers, teachers, parents, men/women and girls/boys will have different attitudes, perspectives, experiences and knowledge. The evaluator should investigate whether views vary on what has been achieved, whether the assumptions hold true or whether the material reveals goal conflicts or conflicts of interest. If the evaluator collects data through interviews or focus groups, from individuals, actors and groups, the question of “whose theory of change” is likely to arise (White, 2009). Different actors, groups and experts may have different views on the theory being tested and may propose alternative theories of change (women and men in the faculty?), something to which the evaluator should give due consideration (were female teachers the only ones who were inspired?). There may have been unanticipated effects – perhaps teachers and parents interpret the training course as an attempt to steer opinion – that make certain target groups less rather than more inclined to gender mainstream teaching?

How should the use of different data sources be planned? One possibility is to use different methods at different stages. For example, the project’s internal follow-up or reporting data can be used in the first step, which can then be supplemented by a survey and, finally, qualitative interviews or group interviews, thus gradually strengthening the evidence at the specific stages of the theory of change. In the end, however, the evaluation is governed by the needs of the theory of change and in some cases these may be so complex that the evaluator must work with different types of data in parallel.

Data collection should be planned with enough flexibility to allow the process to go back and forth between the increasingly explicit theory of change and the data that facilitates the step-by-step evaluation and triangulation. There are practical considerations that may make this more difficult, such lack of time or not being able to revisit the same places. In part, these can be resolved through

planning and dialogue with the client. When evaluating development cooperation at a large geographical distance, greater flexibility can be achieved by, for example, the judicious use of digital tools for interviews and focus groups.

3. Updating the theory of change and reassessing its trustworthiness on an ongoing basis based on iterative empirical testing

“If there are gaps or potential implied stages in the theory of intervention ... (...) ... we do not satisfy ourselves by noting this and claiming that this renders the theory irrational. Instead, we continue our search.” (Vedung, 2012).

In the third step, the evaluator draws preliminary conclusions about the theory of change based on empirical testing. Perhaps the data has revealed that some links, interim outcomes or assumptions in the theory need to be defined, deleted or added. Perhaps some interim outcomes have held up under empirical testing while others have not. The evaluator may have obtained preliminary evidence but it needs to be supported by empirical observations. Based on this, the collection of complementary data is planned with the emphasis on answering unresolved questions, triangulation and ensuring sustainability at the various stages.

If the intervention changed in terms of its measures/implementation over the course of the project, leading to an amendment to the theory of change, the evaluator should say so, specifying how it has been adjusted and subsequently giving due consideration to the amendment and its impact on the theory of change and analysis (cf. Borel et al., 2022).²⁸

²⁸ Analysing whether or not amendments to the theory of change have improved goal-attainment/results may contribute to learning if, for example, one wishes to link major strategic operational changes to questions about outcomes and learning.

The various activities and measures implemented as part of a project or programme are often intended to support one another in various ways. This means that dropping one activity may have a knock-on effect on the theory of change. Our example contains three change mechanisms: inspiration, knowledge and pedagogical tools. What happens if one of these mechanisms is discarded? How will it affect the theory of change and outcomes? Is any factor unnecessary or particularly important to achieving the desired outcome? Complicated, nonlinear theories of change often require more empirical testing.

Perhaps when conducting interviews the evaluator will discover feedback loops, such as teachers passing on negative reactions to colleagues who have not yet completed the training course, something that may make work more difficult over time. In such cases, the evaluator must ask themselves what the nonlinear conclusion means for the theory of change and how it is tested.

Many interventions and theories of change intervene in formal and informal systems, regulatory frameworks or institutions in various ways. These may set the conditions for the theory of action and theory of change through institutionalised preconceptions, regulatory processes and procedures, legislation, technology, financial years and timeframes. Interventions intervene in a greater whole that may have a significant impact on the theory of change being evaluated. These systems and institutions should always be given due consideration when evaluating a theory of change. Our example relates to teaching in upper-secondary schools and is thus affected by curricula, legislation and policy documents relating to schools, the local authority's governance of upper-secondary schools, the schools' owners, management and headteachers, trade unions, the teachers themselves and their educational backgrounds and how they plan lessons, and so on.

As the theory of change in our example focuses on knowledge about gender equality, perhaps only one assumption should be tested: that the training course provides knowledge of gender equality. Maybe

the evaluator should investigate how the term *knowledge about gender equality* is understood within the project. Is the training course research-based? If not, where was the knowledge content obtained? How has research or proven experience of gender equality been integrated into the course? Does the course administrator have sufficient knowledge to make the connection with subject areas such as biology or mathematics with specific course content? If not, has this affected teachers' views of the training course?

4. Draw conclusions about the intervention's contribution

The final and perhaps most difficult step in evaluation is to draw conclusions about the intervention's contribution to achieving a set objective or expected outcome. Here, it is important to underline that a theory-based evaluation does not "measure" outcome and impact; it attempts to prove whether or not, as part of a broader "causal package", an intervention has made a difference to a certain outcome and, if so, how and why. Credible conclusions demand credible arguments about cause and effect that clearly and transparently demonstrate to the reader that the intervention has or has not contributed to the outcome. Mayne (2019) calls this a "contribution claim" or "contribution story". It can be advantageous to visualise conclusions in the form of a refined theory of change revealing the causal model on which the conclusions are based.

At the same time, an evaluation of this kind cannot answer questions about the size of the intervention's contribution to an outcome; the conclusions in a theory-based evaluation are narrative, not numerical or statistical.

The quality and conclusions of a theory-based evaluation are judged on the strength of the evaluator's arguments given the demonstrated relationship between the theoretical and empirical, including the value of the empirical evidence presented (cf. Befani, 2021). The evaluator or their reviewers ask themselves whether the reconstruction of the

theory of change appears reasonable and sufficiently well-developed, whether the important stages of the theory have been assessed, including external factors, and whether the data supports the conclusions drawn. If the evaluator is unable to fully evaluate the theory of change, any limitations should be clearly stated in their report.

It is vital to assess the value of the empirical evidence presented in terms of its ability to strengthen or weaken the theory of change. Which pieces of empirical evidence are crucial to a conclusion? What does a given empirical finding imply for a specific stage of the theory? How, in our example, are we to interpret and evaluate our qualitative data if half of the teachers claim that on completing the course they lacked the pedagogical tools to gender mainstream their lessons. Does this constitute strong evidence that the theory of change is (un)sustainable? What conclusion should the evaluator draw if headteachers paint a rosier picture of the project than teachers? Does the evaluator need to dig deeper into why certain teachers felt that they remained pedagogically ill-equipped after the course, while others felt they had the necessary tools?

Timing and temporal factors are often considerations when evaluating a theory of change and drawing conclusions. For example, a teacher who has not yet attended the training course cannot have gender mainstreamed their lessons because of the course. If the school's teachers have yet to begin teaching a subject that semester, there has been no time for a change to teaching behaviour to have results. Pupils whose teacher has not attended the course can hardly have been affected. In some cases, when combined with data, logic in the form of spatial and temporal factors can be very important to reasoning. The evaluator may also need to weigh up factors such as the scope of the intervention and available resources in relation to expected outcomes, what results one might have expected to see, whether the theory of change stands up, the consistency and logic of the detailed and tested theory and whether it has been possible to verify all chains of change and interim outcomes.

Finally, one should be cautious about applying the conclusions drawn from this type of evaluation to other contexts (Pawson and Tilley, 1997).

Conclusion: Challenges and opportunities

“There is nothing so practical as a good theory.”
(Lewin, 1943)

The intention of this guide is to show how a theory-based evaluation can be performed in four steps. By the very nature of the matter, there can be no simple, mechanical *guide* that applies in all situations; the questions the evaluator must ask, the project, the theory of change and the context will all change from one evaluation to the next. Nevertheless, it is clear that the majority of approaches to qualitative (or mixed-method) results evaluations are based on variations of theory of change, with an underlying pattern of analysis that can be described in four steps.²⁹

Perhaps the most important lesson in this chapter is that a theory-based evaluation very much stands or falls on the theory of change one formulates. Any success one enjoys in steps 2, 3 and 4 is dependent on the work one puts into step 1, which the evaluator develops and refines on an ongoing basis thereafter. However, experience shows that reconstructing theories of change poses a challenge to evaluators (Burman, 2021).

So, is there a risk that the evaluator will formulate a flawed theory of change, overlook alternative explanations or explanatory models, or that the theory will cause the evaluator to develop tunnel vision? These risks are present in virtually all evaluations and in all scientific studies but it should be possible to mitigate them by formulating a meticulous theory of change that takes external influences into

²⁹ Of course, one can discuss whether we are strictly dealing with four free-standing steps, given that the method is based on an iterative process that moves back and forth between theory and data.

consideration, as this will clarify the evaluator's assumptions. Traceability and reproducibility increase when a theory of change explains which assumptions have been tested and describes its theory of causation. The alternative, an evaluation without a theory of change, risks ending up in an aimless, ineffectual search for results and mechanisms. A theory of change not only contributes to more efficient and controlled data collection but also to making the analysis more transparent for the evaluation's target groups and external reviewers. Methodological stringency is not simply a matter of thinking and doing the right things but also of performing a transparent assessment that can be replicated or interrogated.

It is sometimes claimed that methods such as contribution analysis are demanding if one is to clarify, observe or assess every external influence (Sandahl and Petersson, 2016, page 158). Some contend that theory-based evaluations are "easier said than done". In a recent article (Mayne, 2019), John Mayne recants his earlier position (Mayne, 2001 and 2012), arguing that there is no need to explore every alternative or rival explanation for the result if these are not the focus of one's evaluation: "*One can explore whether or not a causal factor in a causal package made a contribution and how it did so without considering the other causal factors at play, outside the package, such as external influences, except of course if they are causally linked. A robust ToC sets out the intervention as a contributory cause. Empirically verifying the ToC allows the contribution claim to be made*" (Mayne, 2019, page 175). Mayne seems to suggest that the evaluator need not understand the specific role of every conceivable causal factor in the result, but simply show whether it is likely that the intervention contributed when other causal factors are taken into consideration. The question is not whether there are "alternative explanations" or exactly what impact other causal factors have, but rather if it is likely that the intervention has played some role as part of a package of necessary but otherwise insufficient factors. One should however acknowledge that the critics have a point when they say that contribution analysis has been somewhat unclear about how external influences in the causal package should be dealt with and taken into account in the analysis.

One limitation of the model is the difficulty of drawing conclusions about the size of an impact, something that can make evaluation harder and reduce the clarity of conclusions and hence their value to policymakers. Some developments do however appear to be underway in this area (Ton et al., 2019). Even if we can say nothing about the size of an impact, there are other ways to clarify the significance and value of an intervention's contribution.

Faugert and Sandberg (2012, page 79) argue that it can be time-consuming to reconstruct objectives and theories of change in the manner advocated in this chapter. However, the evaluator has no real alternative when interventions with unclear objectives must be regularly evaluated and the failure to clarify those objectives makes meaningful evaluation difficult, regardless of the method used. The alternative to reconstruction is a potentially weak and unreliable evaluation with vague conclusions, or no evaluation at all.

Another objection to theory reconstruction and four-step evaluation is that an evaluation of development cooperation that must answer evaluation questions not only on effectiveness and impact but also relevance, efficiency, coherence and sustainability (cf. OECD DAC's evaluation criteria for development cooperation) is likely to prove laborious and time-consuming. This may however be a hasty conclusion, as each of these questions can also be advantageously answered by a theory of change. Theory of change is particularly important for creating structure and concentration if the evaluator has a great many evaluation questions to answer. For example, the relevance criterion closely corresponds to the underlying problem (step 1), the efficiency criterion to the logical framework's relationship between input and output and cost effectiveness to the relationship input, outcome and impact. Sustainability relates to the temporal nature of the results, while the coherence criterion relates to the internal and external contextual conditions of the theory of change, something a thorough evaluator cannot fail to study.

Another recurring objection to theory-based evaluation is that a strong focus on a specific, predefined theory of change can lead to tunnel vision that may cause the evaluator to overlook the side-effects of an intervention (Vedung, 2012). Still, a theory-based evaluation is rarely purely deductive or inductive; it is abductive, jumping back and forth between theory and data (cf. Befani 2021b). It is possible to conduct an initial inductive evaluation to identify unforeseen outcomes (cf. outcome harvesting), followed by a second step to seek explanations based on a theory of change reconstructed to include the identified outcomes. White (2009) contends that the careful application of theory of change can identify possible unintended consequences, such as environmental implications. Conducting field work and dialogue with affected groups and stakeholders at an early stage can also help to identify unforeseen outcomes that can then be incorporated into the theory of change. Although this chapter concentrates on expected outcomes, in theory a theory-based evaluation can both generate and test theories and identify unexpected outcomes and effects, as well as assessing DAC's evaluation criteria relevance, efficiency, coherence and sustainability.

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Sida's Internal Change Management: Three Perspectives from Organisation Pedagogics¹

Aron Schoug, Viktoria Rubin and Jon Ohlsson

Formulating and using theories of change in order to create sustainable societal change places high demands on the Swedish International Development Cooperation Agency's (Sida's) internal organisation (Swedish Agency for Public Management and ESV, 2020). Among other things, this involves following up results and ensuring that lessons are learned, something that can be understood in terms of organisational learning (see Dixon, 1994). As Vähämäki and Östlund (2022) observe, although initiatives to follow up the results of development cooperation have been launched at regular intervals since the 1970s, the data generated has often been of little use when it comes to developing the organisation. It is hardly unusual for initiatives designed to foster a learning organisation to fail to deliver and, while there are many theories as to how organisational learning and development can be achieved, it has generally proved difficult to translate these into practice (Marsick & Watkins, 2019). We contend that this challenge is linked to assumptions about how organisations work that may, for example, lead to over-reliance on the ability to measure an organisation's results and manage complex organisations from the top down using predetermined systems and models.

¹ This chapter has been translated into English by EBA. There can be translation errors in the text as the translation has not been reviewed by the authors.

In this chapter, we will present and discuss a number of key perspectives from organisation pedagogics and link these to Sida's present situation and development needs, with the focus on the agency's internal organisation. Organisation pedagogics is a research field that studies learning in organisations at individual, group and organisation level. According to organisation pedagogics, it is vital to create good conditions for individuals to learn, and to put their learning to good use to develop the organisation. Interpersonal relationships in the workplace are very much in focus in this field of research and many researchers have studied how learning processes can be facilitated, improved and systematised. It is largely these learning processes that determine the internal learning capacity of the organisation, that is, the potential embedded in its practices, networks and culture. In this chapter, we look at a number of lessons from organisation pedagogics, with examples from established theories and current research. The chapter thus provides the reader with a general understanding of organisational learning and ideas for possible courses of action in their own organisations.

To begin with, we briefly describe the challenges facing Sida with regard to learning and development. We then examine organisation pedagogics research from three key perspectives: *organisation*, *collective learning* and *knowledge transfer* between the various parts of an organisation. Finally, we will discuss the results of the research presented in relation to Sida's challenges and strategies and draw a number of conclusions that may point the way forward.

Sida's challenges and strategies in change management

In a report on Sida's internal effectiveness, management and results follow-up published in 2020, the Swedish Agency for Public Management and Swedish National Financial Management Authority (ESV) underline that the agency must develop its learning and the use of past experience and evidence. The two supervisory authorities

recommend that Sida develop its learning by strengthening its use of theory of change when implementing government strategies. The report highlights a number of areas of importance to Sida's learning and development that we believe can be encapsulated in three key challenges. We will use these as points of departure for a discussion of how organisational learning can be developed.

First, Sida's internal organisation needs to create the conditions to learn lessons from its operations and evaluations. As Sida's operations generally relate to a specific and unique context and period in time, it is rarely possible to apply lessons learned from one operation directly to another; they must be adapted to new circumstances. We consider the focus of this challenge to be the relationship between *the specific* and *the general*. Different lessons are learned in different parts of the organisation but, for these to be applied to other activities, the specific must be distinguishable from the general.

Another challenge is posed by the rotation of personnel, who only remain in overseas postings for a short period of time. This places demands on both how the individual is onboarded and how they subsequently hand over to their successor to ensure operational continuity. Since frontline staff are generalists, the organisation is based on a functioning transfer of knowledge from expert functions. That internal expertise is available and utilised in an appropriate manner is thus critical to learning. Despite Sida having a well-developed organisation for thematic support, it is difficult for staff to gain an overview of where they should turn to for advice and assistance. We consider the focus of this challenge to be the relationship between *continuity* and *change*.

A third aspect relates to Sida's overall governance. The existing organisation of relatively autonomous departments and units promotes flexibility and room for manoeuvre. However, balancing such trust-based governance with the need for strategic control presents a challenge. While it is necessary to follow up results in order to guarantee that tax-payers' money is being spent wisely, there

is a risk that follow-ups will be perceived by staff as an administrative burden with no obvious operational benefits. The individual parts of the organisation also need to have a common duty to exchange information and knowledge. We consider the focus of this challenge to be the relationship between *room for manoeuvre* and *governance*.

In summary, there is much to suggest that Sida needs to develop its capacity for organisational learning and to function as a learning organisation. Such an organisation creates favourable conditions for staff to learn and to put this learning to good use in the ongoing development of the organisation (Granberg & Ohlsson, 2018).

Three perspectives from organisation pedagogics

Against this backdrop, we will now describe a number of lessons that can be drawn from research in the field of organisation pedagogics. The points of departure for this review are three key perspectives, each of which reveals different aspects but that also intersect with one another.

Firstly, we adopt an *organisational perspective* on organisations themselves. This means focusing on the coordination of actions that take place in the course of everyday work, rather than on formal structures. This perspective on organisation can be seen as a general theory concerning how we view organisations and what goes on within and between them. From such a vantage point, organisational learning is something that goes on all the time in all organisations, not simply on the initiative of management. However, it is not always easy to control the direction or results of this learning.

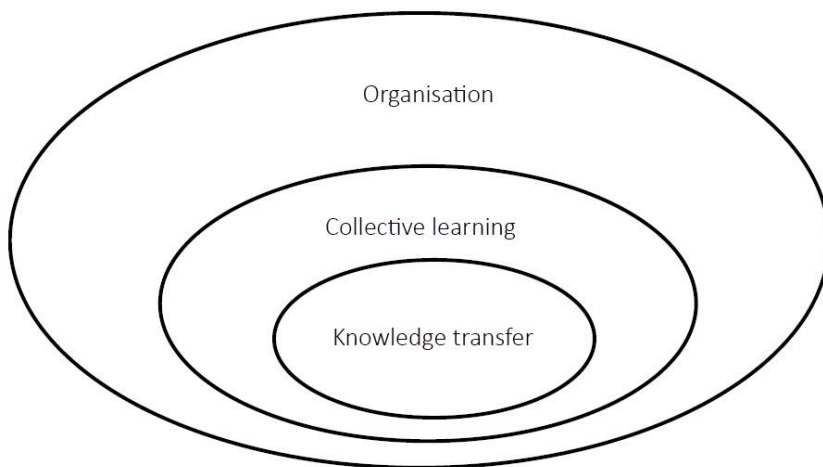
Secondly, we emphasise the importance of *collective learning* if an organisation is to develop and achieve its goals. Collective learning can be seen as a means to understand and analyse organisational learning from an organisational perspective on organisation. This implies that an organisation does not learn as if it were one enormous

entity but rather out of an interaction in which the learning of many individuals coalesces. This occurs when individuals search for information, learn by experience and exchange experiences with one another.

Thirdly, we highlight how the learning take takes place in different groups and functions can be disseminated for the benefit of other activities through *knowledge transfer*. This perspective reveals learning across organisational boundaries and can thus be understood as a form of collective learning. The transfer of knowledge between different parts of an organisation is a vital element of organisational learning.

These three perspectives are closely related. The structure of the rest of this chapter follows this logic, meaning that we begin with the overall organisational perspective, then move on to discuss collective learning and, finally, knowledge transfer. In this way, we journey from the broad and abstract towards the specific and tangible (see Figure 1). These perspectives constitute a toolkit for developing the capacity for organisational learning. We believe that each of these three perspectives has clear relevance for Sida's work to develop its learning in line with the recommendations formulated by the Swedish Agency for Public Management and ESV. As we will see below, the different perspectives contribute insights that can inform various parts of this work, from overarching principles of organisation to the preconditions for collective learning and the transfer of knowledge between Sida's employees.

Figure 1: Three perspectives from organisation pedagogics and how their interrelationship



An organisational perspective

Organisations are generally viewed as stable entities, which is to say some kind of object. However, many researchers question this viewpoint, arguing that organisations are actually much more fluid and mutable than this formal image suggests and that they are better understood as ongoing *organisational processes*. Weick (1995), for example, contends that organisations are best understood by studying how individuals and groups interpret what is happening and organise themselves accordingly, something he describes as “sensemaking”. This provides a more accurate picture of what actually happens in an organisation than would be possible by examining the formal structures, which simply show how the organisation is intended to function. According to Weick, the formal structures studied by researchers can at best be viewed as a snapshot of how the organisation functioned at the time the study in question was conducted; a snapshot that rapidly becomes outdated. Attaching too much importance to these snapshots can thus be misleading, as the organisation may well function entirely differently a year later.

Inspired by Weick, Czarniawska (2005) has developed a theory of organisation with the focus on how people link their actions to the actions of others in their day-to-day work, creating a kind of informal organisation that runs parallel to the formal organisation.

There is good reason to investigate how this informal organisation works. While formal structures may play an important role in legitimising an organisation, and make it possible to follow up results and demand accountability, employees often get the job done despite rather than because of these structures (Rennstam & Kärreman, 2020). Meyer and Herscovitch (2001) use the term *discretionary behaviours* to describe how employees exceed the requirements of their formal roles, something that the researchers believe is important for catching things that might otherwise fall through the cracks.

One context in which an organisational perspective may be particularly useful is change processes. Larsson and Löwstedt (2020) compare an organisational perspective with a planning perspective. From a planning perspective, changes occur at specific times when initiated by the organisation's management. Some changes are handed down from above, often implemented with the assistance of external consultants, while other change processes include activities to obtain the support and involvement of employees and take account of their experiences and opinions (Jacobsen, 2019). However, Larsson and Löwstedt argue that a planning perspective tends to overlook the fact that change happens continuously as part of day-to-day activities, something that is apparent from an organisational perspective. Planned changes that clash with employees' preferred working methods risk meeting resistance. It may therefore be useful to adopt an organisational perspective in order to understand why so many change initiatives fail despite giving every appearance of being well planned.

It is not our contention that an organisational perspective is superior to a planning perspective nor that researchers should stop studying formal structures, nor that management should stop managing with

the aid of such structures. Our point is that an organisational perspective is a necessary complement in order to understand how organisations actually work, rather than how they are intended to work. Schoug (2022) defines an organisational perspective based on three assumptions: that organisations are never organised once and for all, that organisations are characterised by loose couplings, and that organisation stabilises the organisation. These three assumptions serve as the structure for the remainder of this section.

Organisations are never organised once and for all

The term *organisation design* is regularly used by researchers who study the formal structures of organisations, as if an organisation were something that could be designed first and then put to use. The term *design* also suggests that, as soon as the formal structures are in place, the organisation is organised once and for all. Of course, formal structures, processes and procedures may well play an important role in an organisation and are deserving of researchers' attention. Our point is that one should not confuse organisation design with the act of organising.

From an organisational perspective, when management and consultants design structures they are performing an *organisational trial*. These trials are part of the ongoing process of organisation but managers and consultants are not the only ones conducting trials. Various actors, both management and staff, are continuously trying to organise the organisation, sometimes through formal decisions and sometimes by less formal means. Czarniawska (2005) suggests that individuals within an organisation are constantly coordinating their actions in a chaotic network. From this perspective, organisation can be viewed as an interaction in which the various actors negotiate how the organisation should be understood and developed. With this attitude, it seems somewhat disingenuous for management to say that it is going to impose a new working method, as this suggests that only managers are involved in organising. According to Czarniawska, who draws inspiration from Latour (1998), the introduction of a new

working method is always a process of translation in which employees interpret and adapt the new ideas to local conditions, not always with the knowledge of management.

These translation processes are described by Gioia and Chittipeddi (1991) in a study of a reorganisation at a large university. Taking Weick's term *sensemaking* as their point of departure, the researchers demonstrate how a management initiative can be understood as sensegiving, i.e., how management presents its vision to influence employees' sensemaking processes. Employees then translate the ideas to suit local conditions and their interpretations form the basis for management's sensemaking processes and its continued efforts to develop its visions and lead the change process. Studies like this one illustrate how management and employees alike attempt to organise the organisation, and that the emerging result is formed in an ongoing negotiation between various individuals and groups within the organisation. So, the organisation is not organised once and for all simply because management has drawn up an organisational chart and paid the management consultant's invoice.

Organisations are characterised by loose couplings

Many organisations and much of the field of organisation research are convinced that the various parts of an organisation have, and should have, strong couplings to one another. Studied from an organisational perspective, however, it is apparent that these couplings are conspicuously loose. Weick (1976) argues that, while departments, roles, tasks, objectives, actions and events are certainly receptive to one another's influence, this influence is often unpredictable and indirect. It is seldom possible to predict or control exactly how the different parts will interact and influence one another. Research into loosely coupled systems has developed over the decades and has both confirmed and refined Weick's original theory (Orton & Weick, 1990; Hautala, Helander, & Korhonen, 2017).

According to Weick (1995), loose organisational couplings are often linked to the fact that people's ideas and actions are generally loosely coupled to one another. Research into decision-making in organisations was long based on the assumption that people are rational in the sense that their actions are calculated to achieve a given objective, such as financial gain (Sjöberg, 1983). Such rational choice models presuppose strong couplings between thought and deed, with the thought preceding the deed. These models have however been called into question from many directions. As early as the 1970s, research was showing that decisions in organisations were seldom as rational as the theories prescribed (see Cohen, March, & Olsen, 1972) and over the years many researchers have demonstrated that people's decisions are often based on emotion, habit, moral conviction and values (Zey, 1992). Over the years, extensive research in the field of behavioural economics has shown that people's ability and inclination to act based strictly on financial calculations is lower than assumed by traditional economic theory (Cartwright, 2018).

Not content to rest on the idea that there are loose couplings between thought and deed, Weick has turned his attention to causality and demonstrated that people often retrospectively construct motivations for their actions after seeing the results. This is expressed in the rhetorical question "how can we know what we think until we see what we said?" (p. 12). Weick's point is not that what we say and do is entirely independent of what we think, but that the couplings are loose and therefore unpredictable.

This insight into how people's thoughts and deeds are connected may help to explain why, in practice, work in organisations is rarely conducted in the manner prescribed by the formal structures but in a far more improvisational manner. Just as an individual's actions are not necessarily the consequence of a predetermined intention, so the actions of employees are not necessarily as management intended. Rather, as previously noted, organisations are governed and developed through interaction, negotiation and translation.

Naturally, the fact that organisations are characterised by loose couplings does not mean every part of every organisation is always loosely coupled. There are also tight couplings in many organisations; in manufacturing industry, for example, where every link in the production chain is dependent on the adjacent link functioning correctly. These tightly coupled chains are however sensitive to disruptions that may cause the entire chain to come to a halt. Loosely coupled work processes provide greater flexibility, as the workflow can take different routes and an end product can be delivered even if a fault arises in part of the organisation.

Even if many organisations are characterised by loose couplings, these may be hard to discern. This is because people working in organisations tend to speak more about tight couplings and to overestimate the strength of couplings. This attitude is particularly prominent in organisations in which management relies on designed structures with measurable results and performance indicators, with little insight into what employees actually do (Weick, 1976). Researchers who fail to complement the planning perspective and who focus overly on formal structures also risk adding to this overemphasis on the significance of tight couplings, something that conceals loose couplings and thus gives a misleading picture of how work is performed.

That said, describing the couplings between the various parts of an organisation as tight when they are actually loose need not be a major problem. In fact, many researchers suggest that this is a prerequisite for large organisations to function. Brunsson (2002) argues that an organisation's ideas (policies, plans, decisions, etc.) are not even loosely coupled to the work that is actually done. According to Brunsson, the official image of an organisation fulfils its function by creating legitimacy in the eyes of those outside the organisation, rather than by structuring the work itself, which needs to be decentralised and improvisational in nature (see also Meyer & Rowan, 1977). By this reasoning, organisations need to be loosely coupled while giving the appearance of being tightly coupled.

This may seem counterintuitive, as it clashes with the prevailing view of how an organisation should function, at least from a planning perspective from which tight couplings are the norm and loose couplings appear to be a weakness. From an organisational perspective, however, one can see that loose couplings can be a strength. However, Orton and Weick (1990) argue that it is not sufficient to confirm that different parts of an organisation are loosely or tightly coupled. Rather, researchers and anyone else seeking to understand organisations need to study *how* the various parts are coupled, whether loosely or tightly.

Organisation stabilises the organisation

Many organisation researchers have studied how organisational structures make the work of individuals or groups easier or harder (Burns & Stalker, 1961; Heckscher & Donnellon, 1994; Davila & Ditillo, 2017). Such studies clearly view organisations from a planning perspective, as the structures are taken for granted as a backdrop against which activities and interactions take place; structures create stability and help people to coordinate their actions.

Adopting an organisational perspective turns this relationship on its head. Formal structures – and indeed other forms of governance – emerge when people coordinate their actions. As Czarniawska (2005) puts it, organisation stabilises the organisation. By this, she means that negotiations between the members of an organisation result in certain ways to act and coordinate actions being perceived as legitimate and therefore part of the organisation's organisation. These are formalised as structures and procedures as and when they gain acceptance from the members of the organisation. Of course, management may impose procedures straight off the drawing board, but these tend to meet problems with compliance.

As a rule, from a planning perspective there is a clear demarcation between management, which designs formal structures, and staff, who either fall into line or protest. From an organisational perspective, this demarcation is of little interest, as all members of the organisation participate in the ongoing organisation. Of course, certain people wield more influence than others, but this is not necessarily due to their formal title or job description. Once again, the organisational perspective reverses causality. According to Czarniawska (2005), influential individuals do not create stability; the stabilising organisational process confers influence on these individuals. They are perceived as managers because they act like managers and coordinate their actions with others as a manager might be expected to do. According to Czarniawska, this applies to all individuals in an organisation. The role and influence of the employee is shaped by the organisation, they do not precede it.

As previously noted, the organisational perspective should not usurp the planning perspective; it should be viewed as a complement. By deepening their understanding of how organisations function in practice, managers and staff can create more favourable conditions for their joint work. Even if, from an organisational perspective at least, an organisation cannot be designed, awareness of naturally occurring processes and mechanisms can help an organisation's management to work with instead of against the way that people coordinate themselves.

Döös (2004) has demonstrated that organisations can be understood as networks of competence-based relationships in which people utilise one another's expertise to help them perform tasks. One important point is that employees do not necessarily turn to someone with whom they have a formal working relationship but to whoever has the relevant knowledge and skills. The fact that competence is supported by relationships means that employees can perform tasks together with others in the network that they would not have been able to perform alone. While such competence-based networks take time to build, as they develop through specific people

interacting in the workplace over time, they can be quickly torn down, including by reorganisations focused solely on formal structures. By looking at an organisation from an organisational perspective, we reveal the informal network, a prerequisite for giving due consideration to it when developing the organisation.

In a comparative study of digitisation in Swedish schools, Larsson (2004, 2021) shows that teachers who collaborated, observed one another's lessons and exchanged experiences found it easier to integrate digital tools into their work than those who kept to themselves in their respective classrooms. The study also demonstrated that collaboration was easier when teachers identified with the school as a whole rather than only with their own subject and teaching. Adopting an organisational perspective helped Larsson to see the differences between the schools in the study. As the differences were in organisational culture rather than organisational structure, they would not have been visible from a planning perspective. According to Larsson, seeing one another in action and identifying with the organisation are two necessary conditions for *collective learning*, a term we will now examine in more detail.

Collective learning

Learning from experience is an important key to success for an organisation. If they can't be avoided, failures and poor performance should at least not be repeated and, ideally, they should be used to improve the organisation. Research into organisational learning has long recognised that there are different ways to learn. Argyris and Schön (1978) differentiate between single- and double-loop learning. In the former, organisations modify their rules and procedures for acting based on evaluations of the outcomes of previous actions. Double-loop learning is more extensive and may involve profound organisational changes that demand a great deal of both management and staff. This is a matter of applying previous experience to question, and to have the courage to change, ingrained ways of

working or organising operations. As Argyris and Schön note, it may even involve questioning the existential and ideological foundation of the entire organisation.

The importance of dialogue

These descriptions of organisational learning as looped may have contributed to considerable consensus in the research that the organisation itself appears to be learning, like some giant entity. Organisation pedagogic studies, on the other hand, show that learning takes place collectively through continuous interaction, the learning of many individuals intertwining. Many researchers have highlighted the importance of dialogue in this regard (for example, Senge, 1990; Dixon, 1994). By maintaining dialogue, people in an organisation exchange experiences and share insights, thus contributing to greater common understanding. Dixon (1994) describes an organisational learning cycle in four steps. The first step is the widespread generation of information within the organisation concerning external conditions and operational outcomes. This information must then be disseminated and integrated into the organisation, so that everyone has access to it. Perhaps the most critical step in the collective learning process – which also takes place through dialogue – is collective interpretation of the information, as this clarifies different ways to understand the information. Collective interpretation creates what Dixon calls a “collective meaning structure” in the organisation. The fourth step in Dixon’s model is collective action, which is shaped by the interpretation of available information and must respond to the objectives the organisation is striving to achieve. Actions have consequences that must also be fed back into the organisation to facilitate a continuous cycle of collective learning.

Ohlsson describes collective learning in teams in similar terms (for example Ohlsson, 1996, 2021). He emphasises the importance of continuous narratives within the team that reconstruct previous

experiences and make them available to every member. Even if these narratives and dialogues involve listening and receptiveness to opinions in the team and organisation, it is important to realise that these are not solely harmonious, consensus-building processes. Dialogue may reveal diverse understandings of tasks and problems and, not least, conflicting interests and values. The exchange of experiences within an organisation also provides opportunities to question one another's narratives, which in turn may generate what Olsson (1996) refers to as reflective discourse. In collective learning in teams, shared reflection is a dialogical activity that creates synergies in as much as the team members actively help one another to learn in a manner that they would not have done alone. They may, for example, help one another to discover new ways of interpreting and understanding experiences and information, or identify alternative courses of action that were not previously common knowledge.

So, in teams collective learning takes place through interaction and communication between members. This is a step-by-step process that, while potentially continuous, may come to a halt or be interrupted by team members or circumstances. Joint reflection may lead team members to a shared understanding and strategies on which to base future action, thus strengthening the team's collective competence (Granberg & Ohlsson, 2005). On the other hand, joint reflection can also uncover differences of opinion and conflicts within the team that may be difficult to deal with constructively and preclude rather than promote further dialogue. Collective learning is thus an open-ended process that does not begin and end according to a plan or any specific intention. While collective learning may admittedly be steered in a given direction by management intervention or the initiatives of team members, it remains an ongoing process in the day-to-day work of the organisation, very much tied to the continuous process of organisation described above.

One cannot emphasise enough that joint reflection does not necessarily lead to consensus about what must be done. Instead, the discourse may reveal that team members interpret their own and other people's experiences in very different ways, or that they have completely different values that influence the performance of the work and the chosen course of action.

Critical reflection and conflict as driving forces

Conflicts of interest and power struggles within an organisation are often toned down or ignored in research into organisational learning. There are studies that address power and conflict more explicitly (Coopey, 2005; Field, 2017) but these are the exception rather than the rule. We believe that this is related to the fact that practical management literature rarely involves critical analysis of power and conflicts due to its normative function and desire to highlight opportunities for harmonious development. Meanwhile, collective learning depends on the exchange of experiences, dealing with various attitudes and perspectives and exposing conflicts (Schoug, 2022). There is every reason to suppose that conflicts and tensions are important potential sources of collective learning, both in teams and in organisations, in that they contribute to critical reflection. Critical reflection can be described as an interrogation of something previously taken for granted (Mezirow, 1991; Ohlsson, 2021). This may, for example, be a matter of questioning and criticising norms or established working methods. So, critical reflection involves raising awareness of certain conditions in the organisation that have not previously been brought to light (see, for example, Reynolds, 1998). Joint critical reflection is thereby a powerful driver of collective learning in the organisation and in the team.

Much of the collective learning that takes place in an organisation occurs with relatively little reflection. Through unreflective narratives and information, the members of an organisation – or a team – develop a common habitualness, such as ways of speaking and

working that everyone assumes to be correct. Through the continuous interaction between people in an organisation, a common context is shaped, i.e., a socially and culturally shaped context of meaning that, to a certain extent, is taken at face value. This context therefore constitutes the conditions for organisational learning, both facilitating and restricting which actions are taken and considered to be competent. Organisational changes and skills development initiatives are dependent on and may stimulate collective learning processes. Designing favourable conditions for collective learning is a challenge for organisational culture. It is often a matter of breaking with habitual action and questioning ingrained procedures. By facilitating and promoting joint critical reflection, it is possible to more profoundly question patterns of action and to create an awareness of what the existing conditions for learning within the organisation are. This will not only fuel ongoing collective learning in the organisation, it will also facilitate collective meta-learning, i.e., learning about how collective learning happens in one's own organisation. We will now turn our attention to how knowledge generated in one part of an organisation can be transferred to another.

Knowledge transfer

So far in this chapter we have highlighted the value of revealing organisational processes taking place outside the formal structures of the organisation and how collective learning can be understood and developed. We will now narrow our focus to examine obstacles and opportunities for the transfer of knowledge. For our purposes, the term *knowledge transfer* refers to a group, department or entire organisation acquiring knowledge, information or procedures from another actor. This transfer is characterised by the existence of some form of boundary between the two actors that must be crossed. This boundary may be because the actors fulfil different functions, because they operate in different contexts or at different times, because they are in separate locations or have different purposes.

In order to outline the challenges and opportunities presented by knowledge transfer, we must first clarify which epistemological approach underlies our reasoning. The epistemological approach that previously dominated the research, and that remains common, views knowledge as an “object” that can be passed from a source to a receiver. According to this view, knowledge transfer is simply the reporting of information, with the focus on transmitting and receiving activities. In recent years, however, researchers have become increasingly interested in social epistemology and how knowledge finds its way into new social contexts and is interpreted to make it meaningful to the recipient. From this perspective, knowledge transfer is rarely a matter of cutting and pasting; the transferred knowledge must be processed or reinterpreted before it is useful to the recipient. At the centre of this process is the social interaction between the bearer of knowledge and the recipient, and their joint meaning-making, which is consistent with our previous reasoning concerning organisation and collective learning. It is on this view of social interpretation that we base our further analysis.

The importance of context

One of the main challenges of knowledge transfer is that it is difficult to recreate similar conditions in different contexts (Argote & Fahrenkopf, 2016). Szulanski (1996) underlines the “stickiness” of knowledge in as much as it tends to remain where it is and is difficult to transfer to another part of the organisation. To use the knowledge elsewhere, meaning-making and interpretation are required to make the knowledge meaningful in the new context. One might therefore say that new understanding is created through the translation rather than simply the transfer of knowledge. Here, the absorptive capacity (Balle et al., 2020) of the receiving organisation is crucial, i.e., the ability of the organisation to identify and learn from external knowledge. Absorptive capacity is dependent on the same cyclical processes as collective learning: the ability to generate and disseminate information, interpret it in dialogue and then act collectively based on that interpretation (Dixon, 1994).

The formal structure of the organisation can also affect absorptive capacity, as demonstrated by Swan et al. (2010) in their study of knowledge transfer from projects to the wider organisation. The authors show that knowledge transfer is most effective in project-centred organisations, rather than organisations that only conduct occasional projects. This is because project-centred organisations create better standardised approaches, both in purely routine activities and more advanced project management. As knowledge transfer between projects primarily takes place in project work itself, the recurring repertoire of tasks, refined approaches and rotation of staff are the factors that constitute the conditions for successful knowledge transfer.

The importance of tacit knowledge

One common way to attempt to transfer knowledge within an organisation is to store information in some form of database from which the members of the organisation are expected to retrieve necessary knowledge and experience. Countless studies have demonstrated that this approach rarely works (see, for example, Rose et al., 2020). One reason for this is that much of the knowledge used in an organisation's work is tacit (Axelson & Richtnér, 2017; Chatterjee, Pereira and Sarkar, 2018; Grisold et al., 2020). The term *tacit knowledge* was coined by Michael Polanyi in the 1960s to describe knowledge or understanding that the holder themselves has difficulty putting into words or is unaware of. As individuals, we often understand the entirety of a phenomenon by combining measurable and explicit components with an implicit understanding of how the components are related. This tacit knowledge is only possible to attain by focusing on the joint purpose and meaning of the components in their practical application (Polanyi, 2009). This implies that tacit knowledge can only be acquired through personal experience, practice and social interactions.

By this reasoning, one can understand why social learning practices such as dialogue and reflection have a greater impact on knowledge transfer than documentation. For this reason, it is also common to view formal and informal/social methods as complementary. For example, Prado and Sapsed (2016) demonstrate that it is possible to benefit from documentation by promoting a learning culture. The authors studied a project-based organisation in which earlier innovations were stored in a database for reuse in future projects. They contend that the key to success is to combine two aspects: a database that is used in a systematic manner containing information that is subject to expert scrutiny to assure quality, and to work actively for an organisational culture that encourages people to utilise previous experience. There are several significant factors in such a culture: firstly, senior management must expressly support it; secondly, relevant expertise must always be available in project groups for support and dialogue; and thirdly, it must be recognised that to use previous innovations in a new context a great deal of work and adaption will be required.

The temporal aspect

When it comes to transferring knowledge from one project to another, time is always a factor (see, for example, Canonico, 2020). This temporal aspect affects both the way in which we take experience with us and how long it takes to interact with others. When transferring knowledge from a completed project to a new one, one may ask how earlier experiences can be made relevant to those starting the new project. According to Hartmann and Dorée (2015), this is a logical fallacy, as handing on experience across the gap between ending one project and starting another seldom works satisfactorily. Instead, the researchers show that knowledge must be continuously transferred during the project by seeking out the help of people and documents from previous projects as and when the need arises. In this way, knowledge transfer becomes a helping hand in the course of day-to-day work instead of being perceived as a heavy burden to be

shouldered at the start of each new project. Needs-based knowledge transfer allows the members of the project to connect knowledge directly to their own circumstances, to make meaning in relation to their own problems as and when it suits the new project.

One adjacent temporal aspect is the time it takes for employees to familiarise themselves with a given context and to be of benefit within a limited period of time. This is a particular challenge for consultancy practices, whose entire business is based on rotating staff between different assignments and clients. However, Pantic-Dragisic and Söderlund (2018) do not consider this temporary nature to necessarily be run counter to the need for contextuality. Rather, they contend that transferrable knowledge is a fundamental aspect of consultancy; a balance must be achieved between staying long enough to get to know the business and create value and remaining mobile so that the experiences gained can be transferred to the next client. This is how consultants keep their expertise vital and create value for their clients. This cycle can thus be viewed as a prerequisite for knowledge transfer rather than an obstacle (Pantic-Dragisic & Söderlund, 2018; Waisberg & Nelson, 2019).

The power and interests aspect

The contextual nature of knowledge transfer is highlighted when actors from different professions and/or organisations meet with different points of departure, objectives and perspectives. This implies that experience must be reinterpreted to suit the organisation in question and that employees must translate the information to make meaning of their own problems. It is not, however, always certain that once conveyed, new knowledge and approaches will be received with open arms; they are just as likely to be perceived as a threat to existing working methods and positions and relations of power. For new knowledge to benefit an organisation, it may therefore require not only a new understanding but also a negotiation between new power relations and interests actualised by that new understanding (Carlile, 2004).

Engstrand and Enberg (2020) illuminate how power relations affect knowledge transfer in project work. In a study of an interdisciplinary project, they describe a power struggle between the various disciplines and project members with different backgrounds. This struggle is expressed by project members informally ascribing competences and roles to one another, thus reinforcing or undermining the various boundaries and making the knowledge of the various disciplines more or less likely to be integrated in the project work. According to the authors, this is key to understanding how knowledge transfer develops: one is more inclined to make use of knowledge contributed by someone perceived to be knowledgeable based on one's own assessment of the background a "knowledgeable" person is likely to have.

An adjacent aspect is how the members of the organisation assess the strategic value of knowledge transfer in relation to their own interests. In a study of large-scale infrastructure projects, Aerts et al. (2017) identify several factors that promote knowledge transfer at individual level from projects to the wider organisation. At organisational level, however, employees saw no benefit to drawing on these lessons, as they felt that the projects did not contribute any strategic value to the organisation as such. This highlights another reason for considering the bigger picture of power, competing interests and motivation for knowledge transfer before moving on to the minutiae of implementation.

Discussion and conclusions

Having reviewed three perspectives from the field of organisation pedagogics, we will now return to the challenges facing Sida. The Swedish Agency for Public Management and ESV (2020) have identified a need for Sida to develop its work with theory of change, one aspect of which is making use of the knowledge and experience that exists within the organisation. This implies developing the agency's capacity for organisational learning (see Dixon, 1994).

From the three organisation pedagogics perspectives we have presented, various aspects of reality and the organisation being studied are revealed. It is not our contention that one should choose one of these perspectives from which to analyse an organisation, rather that they complement one another. An organisational perspective reveals the unpredictability and governance difficulties that exist in most organisations. This may contribute humility and help to explain why so many change initiatives imposed from above fail, including the results initiatives developed at Sida over the years (see Vähämäki & Östlund, 2022). Such insights may give rise to a sense of resignation, but by focusing on collective learning, we see opportunities to create the preconditions for effective organisation by stimulating local autonomy and creating space for dialogue and exchanges of experience. This perspective too may lead to a certain amount of resignation on the part of management, as its implications are of a general nature. A knowledge transfer perspective is more tangible and can be used to design specific approaches that can help to integrate new knowledge in the various parts of the organisation. The organisational and collective learning perspectives do however offer a more profound understanding of the principles that should guide knowledge transfer.

These three perspectives illuminate different aspects of organisational learning, aspects that anyone wishing to contribute to the development of a learning organisation needs to be aware of. At the same time, every organisation has its unique challenges and areas for improvement. In Sida's case, three areas for improvement are key to organisational learning. These are described in the introduction to this chapter in terms of the relationships between 1) the specific and the general, 2) continuity and change, and 3) room for manoeuvre and governance. These three relationships provide the framework for the conclusions of this chapter.

The specific and the general

Sida's internal organisation needs to create the conditions to learn lessons from its operations and evaluations. As Sida's operations are generally conducted in a specific and unique context and period in time, it is rarely possible to apply lessons learned from one activity directly to another; they must be understood and adapted to new circumstances. The question is how general lessons can be learned in a specific context and then applied to another, something that is also one of the core questions in research into organisational learning.

When one observes an organisation from an organisational perspective, it appears to be crawling with activity, with actions and the coordination of actions, that often slips under the radar of formal organisational structures. Each part of the organisation is thus unique and characterised by its own specific "action net" (Czarniawska, 2005). Learning specific lessons always involves processes of interpretation and abstraction and it is never possible to capture every dimension in general strategies or procedures. Even if such strategies and procedures are necessary to clarify which lessons are important at a central level, it is also important to remain open to other lessons. Moreover, it is seldom possible to implement these general lessons in other activities with any great rigour. The organisational perspective reveals the importance of allowing scope to translate lessons to local conditions.

Collective learning at local level is a vital component in the processes by which individuals' specific knowledge is reformulated into general lessons that can be transferred to other projects. Such processes are also important when integrating general lessons into new projects. This may lead to double-loop learning, where we not only alter our actions or behaviour to correct or avoid mistakes, but also critically review the underlying causes. The organisation needs to create favourable conditions for collective learning processes, including freeing up time from other duties.

The very idea of transferring knowledge from one context to another is open to question, as it is based on the assumption that knowledge is something abstract and independent of the people who bear it. We argue that it is not actually between contexts that knowledge is transferred but between people, who must then take it and apply it to another activity. The ability to take lessons from one project and apply them to another is thus very much a matter of increasing the learning capacity of oneself and the organisation, rather than doing exactly the same thing elsewhere (cf. Swan et al., 2010).

Transferring knowledge across different types of boundary could be said to be a central issue in the relationship between the specific and the general. Organisations need to create awareness about the kinds of boundaries that exist and what characterises them. Geographical boundaries are of course important but so too are temporal boundaries, and power relations and competing interests must also be considered. Each part of the organisation needs to develop its absorptive capacity, i.e., its ability to make external knowledge and knowledge from other parts of the organisation meaningful and useful in its own operations. In Sida's case, one significant boundary is that between the agency's organisation in Sweden and its operations in partner countries. Vähämäki and Östlund (2022) also underline the importance of finding ways to transfer knowledge between these two parts of Sida.

Continuity and change

Sida's staff often spend a relatively short time in overseas postings (Swedish Agency for Public Management and ESV, 2020). This places demands on both how the individual is onboarded and how they subsequently hand over to their successor to ensure operational continuity. Since frontline staff are generalists, the organisation is based on a functioning transfer of knowledge from expert functions. That internal expertise is available and utilised in an appropriate manner is thus critical to learning. Despite Sida having a well-

developed organisation for thematic support, it is difficult for staff to gain an overview of where they should turn to for advice and assistance. One key question is how continuity can be possible in a climate of constant change. To a large extent, organisational learning is a matter of exchanging experiences between individuals with different perspectives.

From an organisational perspective, change is a normal condition. At the same time, continuity is made possible by habituality, established norms, and working relationships between people who have learned to collaborate with one another. These stable networks tend to collapse when personnel are replaced (Döös, 2004). From an organisational perspective, formal organisational structures and procedures appear to give a false sense of security, as they may displace the informal discourse through which knowledge and experience are shared between people who work together for an extended period. We contend that formal handover procedures when staff are replaced are a good example of this false sense of security. This is because it is difficult for an individual on a given occasion to formulate everything their successor needs to know about what has been done previously and what they should bear in mind in future. Less emphasis should be placed on long reports and other formal documentation in favour of greater emphasis on interpersonal contacts in the form of competence-bearing relationships.

Stimulating and facilitating collective learning processes may be a good way to create continuity despite the rotation of personnel. This can be achieved by establishing communication channels and infrastructure and the exchange of experiences between outgoing and incoming staff on site. One important aspect to keep in mind in this regard is that the knowledge that needs to be transferred between outgoing and incoming staff is often tacit, making it hard to formalise or put in writing. This makes points of contact between staff especially important. The incoming officer must be able to contact the outgoing when they see the need. If an overlap period

between the outgoing and their successor is allowed, they can watch each other in action and exchange interpretations of the situation, thereby developing a joint approach that becomes part of the organisation's culture. Such collective learning promotes continuity even when there is a great deal of change.

Room for manoeuvre and governance

Sida's organisation of relatively autonomous departments and units promotes flexibility and room for manoeuvre. However, balancing such trust-based governance with the need for strategic control and following up results presents a challenge. This raises the question of how room for manoeuvre can be combined with effective governance, something that is also key to developing the capacity for organisational learning.

An organisational perspective teaches us that the various parts of an organisation are often coupled more loosely than one might first believe (Weick, 1976). Among other things, this implies that it is difficult to manage organisations from the top down by designing and administering organisational structures. Staff in a given part of the organisation will solve problems based on local needs that the organisation's management has limited knowledge of. Even if there are formal rules and procedures in place, it is sometimes necessary to circumvent these in order to perform the necessary work. Local room for manoeuvre is essential if the organisation is to respond flexibly to complex external challenges. This may help to explain the resistance to increased administrative control experienced on previous occasions when Sida has instituted results initiatives (cf. Vähämäki & Östlund, 2022).

Of course, Sida must be governed, not least because its operations are funded by the tax payer and its objectives are set by the Swedish government. Here, striking a balance between room for manoeuvre and governance poses a challenge. In this regard, we consider the pair of terms *sensemaking* and *sensegiving* to be useful (see Gioia &

Chittipeddi, 1991). Instead of viewing governance as a one-way, top-down relationship, from an organisational perspective it is a two-way relationship of mutual influence. The government, with its policies and strategies, can be understood as the sense-giver, influencing sensemaking at local level. When staff report back and put their own interpretations into action, they are acting as sense-givers, influencing the government's sensemaking.

This is by no means a recommendation as to how the organisation should function, it is simply a description of how it functions at present viewed from an organisational perspective. The question is whether the governors work with or against this interactive dynamic in their efforts to govern the organisation. Below, we therefore consider the various approaches that may help Sida to work with an interactive governance dynamic.

While following up results is a central tenet of governance, the activities designed to do so are often viewed as an administrative burden with little obvious benefit to the organisation (cf. Vähämäki & Östlund, 2022). So, one might ask for whom does following up results create value and how can procedures be designed so that they make life easier for staff, not more difficult.

Vähämäki and Östlund (2022) describe how Sida has regularly taken the initiative in an attempt to follow up the results of development cooperation, but that each new initiative has been discontinued due to difficulties measuring the impact of initiatives on outcomes. The authors claim that, while the initiatives have failed on these terms, they have succeeded in legitimising the organisation in the eyes of external critics (see also Brunsson, 2002). At the same time, following up results makes it more difficult to follow up other important factors. Consequently, we would like to underline the value of following up not only results but also processes. Research in the field of organisation pedagogics shows that it is through qualitative learning processes that one achieves good results. Following up processes might be of more benefit to the development of the organisation than solely focusing on results.

Local collective learning demands ample room for manoeuvre, as learning involves trialling the ideas that emerge from joint interpretation. Ongoing dialogue is also needed between different levels of the hierarchy to prevent the parts of the organisation from splitting off in different directions. This type of vertical collective learning is just as important as the horizontal variety taking place within the various parts of the organisation. The organisation needs to establish and maintain channels for this vertical collective learning. It also needs a culture of trust in which those at different levels of the hierarchy do not view one another as obstacles to their work or problems that must be dealt with. It is especially important that staff do not view management as controlling in a manner that makes it more difficult for them to perform their duties. There is a risk that this would lead to conflict that would prove detrimental to the organisation. Critical opinions and critical analysis should be welcomed and discussed. This is something that can lead to double-loop learning, i.e., the problematisation and reevaluation of things that were previously taken for granted.

By establishing fit-for-purpose support for knowledge transfer across organisational boundaries, as described above, management can win the trust of staff. In this way, strategic governance and the following up of results will be viewed as a framework that promotes commitment and provides direction rather than an obstacle, scaffolding rather than a blueprint (cf. Maier & Branzey, 2014; Schoug, 2022).

Afterword

In this chapter we have presented and discussed some of the lessons of organisation pedagogics in relation to the strategies for and challenges facing Sida's organisation. Our hope is that this will contribute to Sida's learning and development by inspiring and offering fresh perspectives. More specifically, we wish to help Sida increase its capacity for organisational learning. The Swedish Agency

for Public Management and ESV (2020) have recommended that Sida develops its work with theory of change when implementing development cooperation. We have taken a step back to focus on the agency's internal processes, more specifically the organisation's ability to formulate and utilise theories of change in a fruitful manner.

To a large extent, this is a matter of creating the preconditions for exchanges of experience and dialogue and room for manoeuvre for individuals and groups. Organisational learning means continuously changing the way the organisation works in response to experiences gained from both success and failure. This process involves measuring and following up results but, for this to contribute to organisational learning, it is important that the data generated is meaningful to those who work in the organisation. In the end, it is their knowledge and learning that bridges the gap between a theory of change and practical change. It is then also important to follow up the processes themselves. Do they create favourable conditions for individuals to learn and exchange experiences? And do the lessons learned by individuals and groups contribute to the ongoing development of the organisation?

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Theories of change have emerged as a model for governing, planning and monitoring aid. In this anthology, a range of researchers and practitioners explore the use of theories of change in aid. The various texts offer a mix of historical lessons, international perspectives and critical analysis. EBA's hope is that the anthology, through its breadth, will offer many readers new insights into theories of change, both in theory and practice.

Förändringsteorier har vuxit fram som en modell för att styra, planera och följa upp bistånd. I den här antologin utforskar en rad forskare och praktiker användandet av förändringsteorier i biståndet. De olika texterna bjuder en blandning av historiska lärdomar, internationella utblickar och kritisk analys. EBAs förhoppnings är att antologin genom sin bredd ska erbjuda många läsare nya insikter om förändringsteorier, både i teori och praktik.