

A Constituency Voice Tool



Developing a Theory of Change

A Framework for Accountability and Learning
for Social Change

A Keystone Guide

Keystone operates on open source principles. We invite you to share your experience and learning from use of this tool with us and other users through our website at www.keystonereporting.org

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Glossary of terms

What is a theory of change?

A theory of change is like a road map¹. It helps us plot our journey from where we are now to where we want to be. Or, to put it another way, it helps us answer the question: What is the change we are working for, and what needs to happen for the change to come about?

But this is a little too simple to be really useful. So let's briefly look at some of the elements that make up a theory of change:

Question	Element	Example Khanya Youth Training Project for ex-offenders (KYTP)
What is the long term, sustainable social change we want to help bring about?	A theory of change starts at the end of the change process: with a long-term <i>vision of success</i> . This needs to be more than just a general statement of a mission or goal – it needs too be a detailed picture of what success would look like.	A vision of success for KYTP might look like this: Young ex-offenders in Johannesburg are able to find secure, long-term employment and become responsible citizens again.
What needs to happen for this change (or vision of success) to come about?	The organisation then proceeds to identify <i>all</i> the prior changes that <i>must happen</i> if the vision of success is to be achieved. These are <i>necessary pre-conditions</i> for success – which means that they all have to exist if the long term change is to be realised and sustainable.	KYTP identified the following pre-conditions for their vision of success: <ul style="list-style-type: none"> • Youth have marketable vocational skills • Youth have acceptable work habits and culture • Attractive job opportunities are accessible • Youth have adequate counselling, housing and child care support
What needs to happen in order to achieve the pre-conditions?	For each of the pre-conditions, the organisation then creates a <i>'pathway of change'</i> . This is a list of short term goals, or outcomes, that will help achieve the specific preconditions of success.	KYTP then identified a number of short term changes that would contribute to bringing about the preconditions. They identified <ul style="list-style-type: none"> • The skills relevant for job opportunities in the area • What workplace habits and behaviours are essential • How to persuade employers to take on youth • What support services were needed
How will we know when these pre-conditions have been achieved?	The final element of a theory of change is to identify <i>indicators of success</i> . These are specific, visible changes that will tell us that success has been achieved. They are the evidence we would see if we had been successful	KYTP then identified the evidence that would tell them that each of the changes had been successfully achieved. For example, when we would know youth were sufficiently skilled, or displayed the correct habits etc.

¹ We are very grateful for the support and assistance of organisations like Actknowledge (www.actknowledge.org) who have been pioneers of a theory of change approach for the last ten years. We hope they are happy with how we have developed their original ideas.

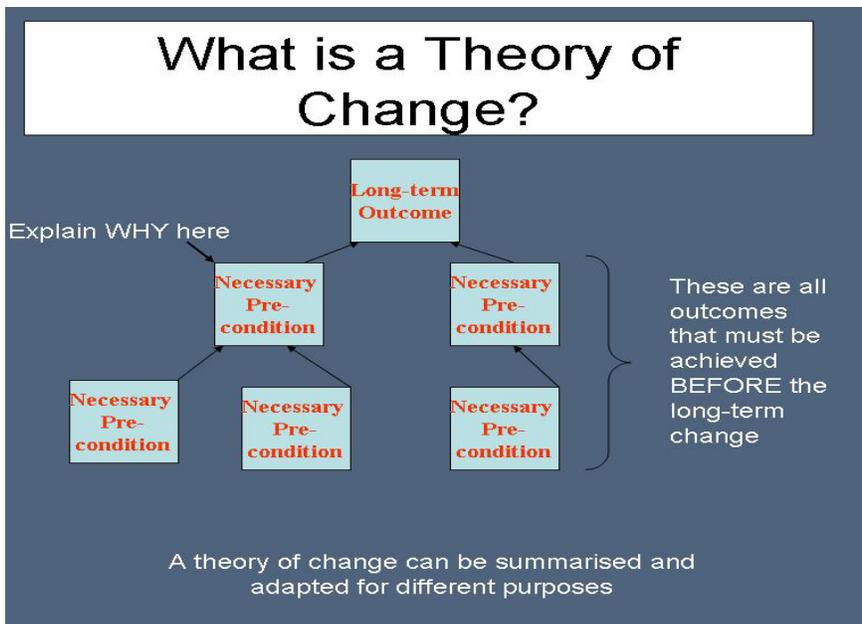
The theory of change is a framework for strategic planning, dialogue and monitoring

<p>What can <i>WE</i> do to help bring these preconditions about?</p>	<p>Once there is a clear theory of change, it becomes possible to think about what strategies and activities the organisation can realistically undertake.</p> <p>A theory of change is also an excellent reference point for involving stakeholders and beneficiaries in the planning and monitoring of the organisation's work. It provides framework for accountability and learning – as well as for understanding the ecosystem and collaborative partnerships.</p>	<p>Then they identified a range of skills training and life skills programmes that they could offer that would equip youth for job opportunities in their area.</p> <p style="text-align: center;"><i>but</i></p> <p>They also realised that they could not do everything and so sought to identify and collaborate with other actors who could provide the skills and services that they could not themselves.</p> <p>They shared their theory of change with other stakeholders, including the youth themselves, and were able to revise their strategies in important ways that made them more responsive to the needs of youth and employers, and ultimately more successful.</p>
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So, a theory of change is a **formal tool** to help us understand the real difficulties of bringing about lasting social change in our world. It helps us understand everything that has to happen to bring about a long term goal. It enables us to share these ideas with others and create a shared vision of the long-term change we all want to see in a given community, how this change will be reached, and how we will measure our progress along the way.

At Keystone we recognise that developing a good theory of change is not easy to start with. It requires organisations to think and work very differently from what they may have been doing up to now. It might also clash with the pressure they face from donors to think and plan in terms of short term projects using other operational planning tools like logical frameworks.

But we believe that the benefits this will bring to any organization working for lasting developmental social change, the benefits of beginning to base their work on a plausible, achievable theory of change will make all the effort worthwhile.



What are the benefits of a theory of change?

Sustainable change in the 'well-being' of people and communities is complex and depends on many different factors. Social change organizations need to plan for results that will contribute in meaningful ways to bringing about sustainable long term solutions. But lasting solutions to problems and complex developmental change are seldom achieved by one organization working in isolation.

A plausible theory of change helps organizations understand how their work and their relationships are contributing to complex, long term social change. It provides a clear framework within which organizations can plan their activities, conduct their stakeholder dialogue, learn and communicate their success.

A theory of change helps us to identify and explain the *pathways of change* or the 'mini-steps' that we need to take in order to achieve our long term goals. This makes it much easier to measure our progress and contribution to long term change. We are able to concentrate on the short term and measurable goals while not losing sight of our ultimate destination.

A theory of change also helps organizations understand their own work in relation to the *activity ecosystem* in which they operate. It provides the basis for a learning system that weaves organizations, their constituents and their investors into a relationship of mutual accountability and learning. It helps the organization forge and manage strategic collaborations and partnerships that can lead to greater impact.

Ending the tyranny of the 'project'?

Because lasting social change is complex, it requires us to address many different factors, and work closely with many different actors in finding lasting solutions. A theory of change allows an organization to think and measure its work in terms of *its contribution* to a comprehensive solution, rather than try to aim to bring about solutions on its own.

This is what makes it so powerful. A theory of change supported by informed by deep accountability and learning is the most powerful weapon we have to change the way funding decisions are made and cultivate new sources of funding for our work. It enables us to begin to develop funding and organizational models that truly enable comprehensive solutions to social problems. And perhaps we can begin to imagine a life beyond the tyranny of the 'project' and the 'log frame'.

Or rather, the project and the log frame will take their rightful place in development management: as useful operational tools within comprehensive solutions and strategies. The way they are used now actively prevents us finding comprehensive solutions.

A good theory of change is plausible, achievable, and measurable.

When you have a good theory of change you have:

- A clear and testable hypothesis about how change will occur that encourages learning and innovation and enables you to demonstrate accountability for your results.
- A visual representation of the change you want to see in your community and how you expect it to come about.
- A clear framework for developing your strategies and a blueprint for monitoring your performance with your constituents because measurable indicators of success identified have been identified.
- Agreement among stakeholders about what defines success and what it takes to get there.
- A justification for developing your organisational capabilities.
- A powerful communication tool to capture the complexity of your initiative.

You can use your theory:

- As a framework to check milestones and stay on course.
- To document lessons learned about what really happens.
- To contribute to social learning about what works in development
- To keep the process of implementation and evaluation transparent, so everyone knows what is happening and why.
- To persuade donors to invest in longer term outcomes rather than short projects.
- As a basis for reports to stakeholders, donors, policymakers, boards.

Some frequently asked questions

How is a theory of change different from a mission statement?

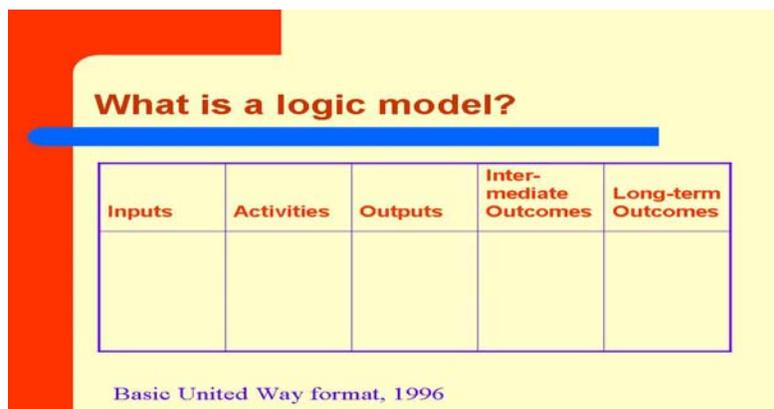
A mission statement is usually a short statement summarising the purpose of an organisation and its philosophy of action. It does not explain how change happens, and what is required to succeed, in the same detail as a theory of change.

How is a theory of change different from a strategic plan?

A strategy is the specific actions that you choose to adopt to reach a goal. A theory of change explains the big picture. It provides the framework of understanding how change happens within which the organisation and its constituents can formulate their strategy and plan their activities.

It is also more than a 'contextual analysis' or a 'needs analysis' because it focuses on causes and solutions: what causes the problem, and what changes will address the problem.

How is a theory of change different from a logical framework?



The illustration above shows the basic format of a logical framework model – though there are many variations on this theme as well. The table below allows us to compare the two models.

Logical frameworks	Theory of change
Graphically illustrate program components, and creating one helps stakeholders clearly identify outcomes, inputs and activities	Link outcomes and activities to explain HOW and WHY the desired change is expected to come about
<i>Usually</i> start with what the organization is doing – its program activities – and illustrate its components.	Start with outcomes and seek to work backwards to identify ALL causal factors before deciding what programmatic approaches are needed. Allows for dialogue on what success looks like and the pathways to achieving success.
Clearly show how program components link to each other, but don't explain why activities lead to outcomes – or the pathways that may need to be followed.	Develops a hypothesis of why one change leads to another. Is more more suited to long term strategy development and learning about what works.
Seldom includes indicators of success	Includes indicators of success.
Most useful when you want to: <ul style="list-style-type: none"> Summarise inputs, outputs and outcomes of a pre-defined project at a glance. Manage the inputs and outputs of a project. 	Most useful when you want to <ul style="list-style-type: none"> Design a complex initiative and want to have a rigorous plan for success. Engage in dialogue and learning with stakeholders. Evaluate appropriate outcomes at the right time and the right sequence. Explain why an initiative worked or did not work, and what exactly went wrong.

Logical frameworks have become the most popular planning and reporting tool in development work today. They can be very useful as a planning and monitoring tool for short term specific projects where the objectives are clear, the resources known, the activities planned in advance and the expected results are clearly defined. However, many people feel that logical framework models are seen as too rigid to use for planning and learning around complex long term solutions.

The problem comes when we try to use a tool designed for managing projects to develop comprehensive, long term strategies.

How deep and detailed should we go?

Some people find developing a theory of change too complex and difficult to be helpful. This is probably because they have tried to cram in too much detail. A theory of change should reflect the true complexity of change, so that you can take into account all the things that you cannot do or control so that you have a realistic sense of what is possible. But it should try to stick to the main outcomes the factors that cause them.

It is difficult to prescribe a rigid rule, but if you find yourself making long lists of detailed preconditions that you lose the clarity of focus, then you are probably going too far.

Activities to develop a theory of change²

- Activity 1: Creating a 'vision of success'
- Activity 2. Mapping 'pathways of change'
- Activity 3. Developing indicators of success

The activities that follow are written so that they can be partially completed in a single initial workshop.

But developing a full and comprehensive theory of change will take longer than this.

We recommend that an organisation begins this activity with a full day induction workshop attended by all relevant staff at which they make a start on *each* of the activities.

Then a smaller group can develop the comprehensive theory of change in manageable stages. A theory of change is a constantly evolving working document that should be the focus of regular reflection and revision with staff, constituents and other stakeholders.

² We have drawn on the example of one of our pilot partners in the Philippines to illustrate some of these processes. The Cartwheel Foundation is a small NGO running educational programmes for marginalised indigenous minorities in the Philippines. The examples are as they came out of the workshop – incomplete, unpolished – but even so they have already helped the organisation rethink many of its strategies.

Activity 1: Creating a 'vision of success'

The purpose and "aha" moments we are seeking in this activity are:

Purpose

- *To generate an initial statement of a long-term "vision of success" for the organisation that is plausible, achievable and measurable.*

Aha!

- The kind of clarity that comes when people clearly describe a set of specific, measurable long term 'outcomes' at which they can aim their interventions. When the complexity becomes manageable – and there is something concrete to aim for, and you can know when you're making progress towards it.

1a. An epitaph for the organisation (60 minutes)

As an introductory activity, we recommend that the facilitator begins with a fun and challenging activity that gets people thinking – and expressing themselves succinctly and clearly – getting to the core of their purpose and reason for being – but in lively every day speech – not the formal language of a mission statement.

Organisations are living things – they are born, they grow, they work and they die. Participants are asked to imagine, in the vast graveyard of dead CSOs, what they would like to have inscribed on their tombstone (or other non Christian equivalent were appropriate).

What would you like the world to remember you for? The epitaph should be a very, very brief statement that captures as briefly as possible the difference they have made in the world. They could start by brainstorming some of the changes that they would like to see in their community.

The facilitator should capture whatever people blurt out on cards or on a flip chart. For each statement they could ask things like:

- If you read this on a gravestone, would you stop and want to know more?
- Is it powerful and snappy enough to be on a grave stone?
- Does it really say what you'd like to be remembered for?

An epitaph needs to be a short, striking, memorable statement – one that would grab the interest of a passer-by in the cemetery and make them stop and think "This sounds like a really interesting organisation – I wonder what its story is?"

After a while the facilitator should begin to draw the different thoughts together into a single coherent statement.

Case example: An epitaph for the Cartwheel Foundation (a small organisation working with indigenous communities in the Philippines)

Some of the 'brainstorming' ideas that emerged in the discussion:

- That we were there first organisation in the area
- We empowered 1,000 young people
- We helped indigenous people stand on their own
- We brought them into the modern world
- We helped empower indigenous people through education to stand up on their own (What would it look like when they are standing on their own?)
- Helped them attain cultural richness
- Helped them have control of their own future
- Live a good life free from poverty, violence, ignorance

CARTWHEEL'S EPITAPH

The Cartwheel Foundation empowered indigenous people to live a good life free from poverty, violence, ignorance.

1b. What would success look like?

This activity moves from the epitaph to a fuller description of a vision of success.

Define the range and scope (10 mins)

What is sufficiently long time to be able to see the deep social change you are working on? What would you like to see that will indicate that you have succeeded?

Choose a **time** horizon. It could be, say, five or ten years.

Define the geographical **range** of your work. This could be within a specific a community, a region, or a sector.

Describe your **primary beneficiaries and stakeholders**.

How would you describe the **field** of work that you are in?

Briefly identify what you think are the primary causes of the issue or problem you address – if this is appropriate.

Brainstorm the vision (1 hour)

Now try to imagine and describe what success **would look like** for you as an organisation, if you had all the resources you needed and there were no major disasters to derail you from your path. If the visitor who was fascinated by your epitaph went to visit your community, what would you want them to see?

This activity continues the epitaph brainstorm, but is much more specific and precise.

A variation of this activity is called the helicopter activity. Participants are asked to imagine they are flying above the community in a helicopter. They are asked to imagine the changes they would see on the ground if they had been completely successful.

Here are some questions that will help participants describe the changes they would see in specific detail. It is important that the changes are always written in the form of *outcomes* or *results*.

1. What material conditions have changed in the lives of your beneficiaries and stakeholders?
2. To what extent have they become active participants in their own development rather than just 'beneficiaries'?
3. What has changed in their 'environment'?
4. How have relationships changed between people, groups and institutions like government, business and CSOs?
5. What new opportunities exist for whom?
6. How have you as an organisation changed?
7. How has your role changed?

Do not be satisfied with vague and general goals.

Describe the changes specifically in terms of specific constituents. Each statement must be written in the form of an **outcome**: a changed situation that can be described and measured.

After a period of brainstorming, all the thoughts should be brought together into a statement – which is recorded. This statement must be written in the form of an **outcome**: a changed situation that can be described and measured. It should be much more specific than a general aim. The role of the facilitator in this activity is to constantly ask: 'Is this plausible?' and 'Is this measurable – what evidence would tell us that we have succeeded?'

In their first Keystone workshop in 2005, the Cartwheel Foundation expressed its vision of what success would look like thus:

Empowered indigenous communities

Indigenous communities have the individual capabilities and the collective capacity (through education) to act independently and take meaningful control of their own development.

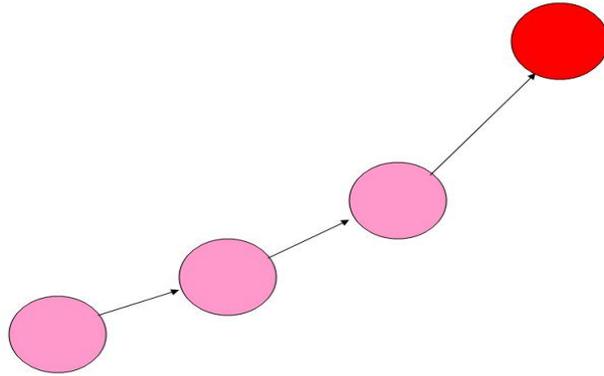
They then proceeded to identify indicators of success – what success would look like over a 10-15 year horizon. This gave them a far more specific set of developmental outcomes to aim for as they planned their interventions. Their first draft indicators were:

Extract from Cartwheel’s brainstorm: What would you like to see that will indicate that you have succeeded?		
Indigenous People	Wider Society	Us
College scholars are leaders and change agents in the community.	Indigenous people are fully represented in the different sectors of society	We have a large volunteer base within our partner communities.
Community leaders are better trained and more effective.	Indigenous individuals occupy key posts in organisations and public offices	We enjoy longer term, more sustainable funding relationships with at least half our budget as multi-year grants with core support
Leaders have meaningful relationships with local government over services	Indigenous interests are present in policy-making bodies	Greater collaboration with other actors in govt and civil society and business to achieve outcomes.
Traditional and modern rights and values are in balance	Rights of indigenous communities to land guaranteed	

The vision of change exercise often forces an organisation to begin thinking outside of itself and into seeing itself as one actor in a wider activity eco-system. Real and lasting social change seldom comes about as a result of a single organisation working in isolation – it is usually the result of complex interrelated interventions. The Keystone method requires organisations to map the actors in its activity eco-system AND the possible relationships that might develop over time for more effective change processes.

Activity 2. Mapping 'pathways of change' – how we think change happens in our context.

Create a pathway to CHANGE



A theory of change, at its most basic, is a road map of how we think we will get most effectively from “where we are now” to “where we want to be”.

The question we now need to ask ourselves is: What needs to happen for the change we envisage to take place – both what we do ourselves directly, and what others in our activity system do – and how we can best align our efforts.

The purpose and “aha” moments we are seeking in this activity are:

Purpose

- To map, designing back from the vision of success, some broad ‘pathways of change’ that lead from where we are now to where we want to be.

Aha!

- When participants ‘see’ a clear pathway of change – where a long-term outcome can be achieved by bringing about a number of prior, more easily achieved and measured, outcomes.
- When they see themselves in relation to other actors in an activity system and can identify strategies and relationships between actors that can bring about more effective interventions and more lasting results.

When they see their theory as an as the basis for learning, and turning information into knowledge – as an emerging hypothesis based on a sound rationale to be strengthened through stakeholder dialogue and to be tested in practice, constantly reflected on and revised.

2a. Brainstorming preconditions (30 minutes)

The group now works systematically backwards from the long term strategic vision and identifies **preconditions** - changes and processes that are necessary for the long-term change to be achieved.

Question: What changes have to happen for your vision of success is to come about?

Participants should brainstorm **all** the preconditions that they can think of that are NECESSARY for the long-term change to take place. These are written onto cards and stuck on the wall.

As they are presented, test the pre-condition by asking: Does this statement describe **clear, achievable and measurable outcomes**.

Preconditions and indicators must be specific and describe

- What?
- For Whom?
- How many?
- How good?
- By when?

2b. Grouping and identifying the primary preconditions

Now the group attempts to group the ideas into broadly related groups. Whatever seems to make the most sense.

Within each group, participants should now seek to define ONE **primary precondition** that captures the main ideas of the group. This may be one of the ideas that has been put forward in the brainstorm, or it could be a composite of a number of those suggested. Primary preconditions are themselves medium to long-term preconditions of the long-term change – but they are more specific than the long-term vision. These are then placed at the top of the wall space, just beneath the vision of success.

The remaining preconditions in the group can then be grouped, and rewritten, as **secondary preconditions** of the primary outcome. They may need to be rewritten slightly for this purpose.

In this initial activity, organisations do not break down these preconditions any further. They are listed as necessary and sufficient **secondary preconditions** in the change pathways map. However, as the organisation works and develops its theory of change, it may choose to break down some of these further, or elevate a secondary precondition to become a primary one.

The facilitator's role here is to ensure that

- the preconditions are also written as **outcomes** that are plausible, achievable and measurable
- there is a clear, logical link between the pre-condition and the long-term outcome
- the precondition is at the right level - i.e. that primary preconditions sit above the secondary ones – and are precondition of the long-term change rather than a precondition of some of the secondary pre-conditions.

2c. Mapping the secondary preconditions

Now participants look at what is left, and slowly arrange these preconditions to create a flow chart of clear, logically linked outcomes leading to the primary precondition of that group. The example of Cartwheel's change pathways map on the next page shows how this can be done.

In the initial workshop itself, it will only be possible to map secondary preconditions for one or two of the primary pre-conditions. In most cases, completing the social change pathways will be done by the organisation outside of the induction workshop. A smaller group should be tasked with completing the pathways map.

Over time, the organisation should meet to discuss the emerging theory of change and to refine it. In particular, it will require time to identify the indicators of success that will help them in the planning and monitoring of their strategies and programmes as they slowly align these to their theory of change.

Road maps, rationales and indicators of success

The basic statement of a theory of change takes the form of a '*Pathways of change*' diagram. There is an example of Cartwheel's Pathways of change diagram on the next page. When this is complete, it functions as a clear and accessible road map. You should probably not try to clutter this pathway diagram with rationales and indicators.

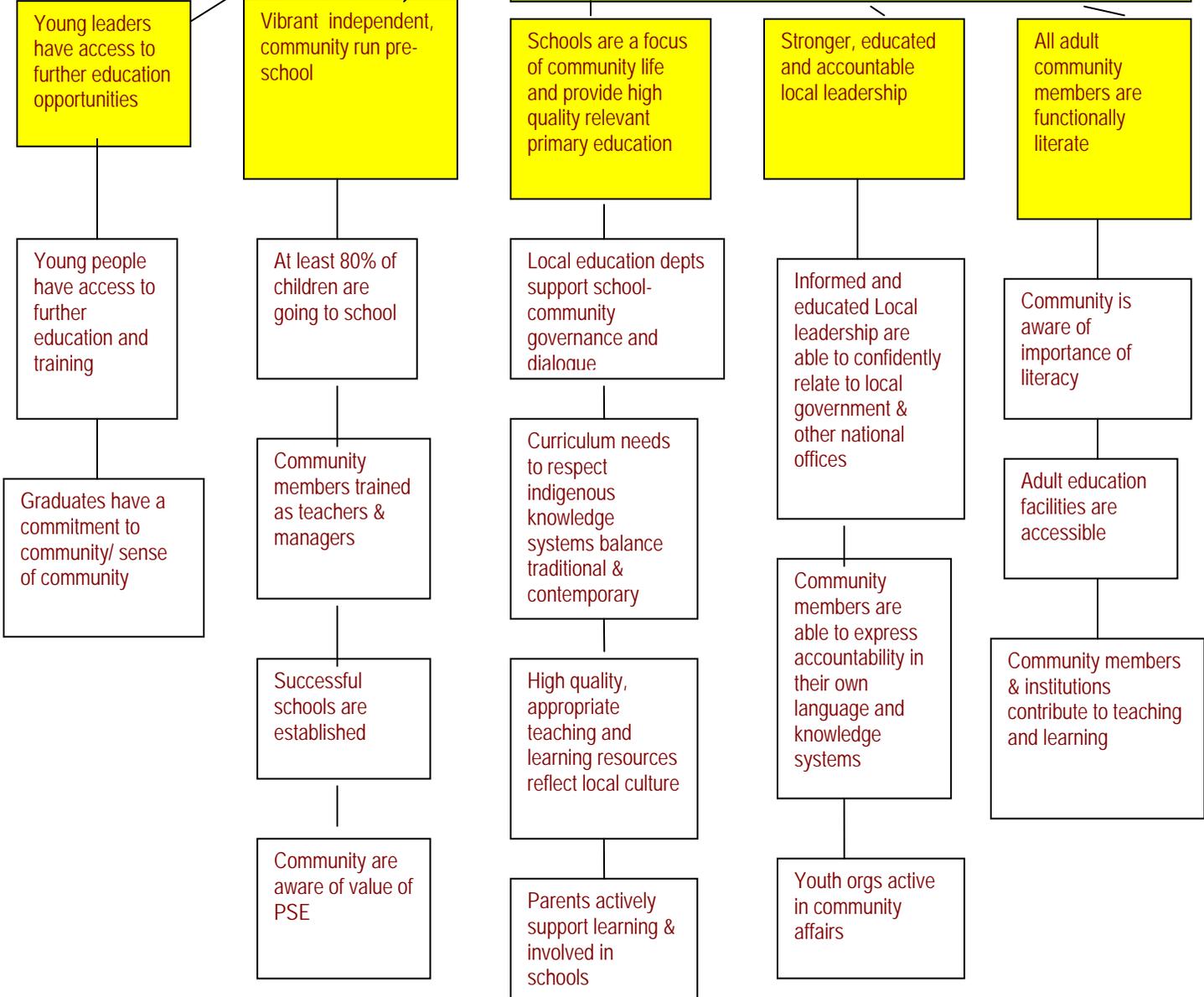
However, every outcome that is mapped in the pathway of change must have a clear rationale – or explanation – of why it is a necessary pre-condition for success. After all, the only reason short term outcomes are useful is if we can argue that achieving this goal takes us closer towards the comprehensive solution we are ultimately aiming at.

However, there should be background documentation for each pathway in which the rationales are recorded together with the indicators of success. This is especially important for reflection and learning with stakeholders, and for justifying your decisions in evaluations.

Remember though, a theory of change should always be seen as a working hypothesis which should be adapted and changed as you learn from experience.

Cartwheel's Pathways of change diagram

Empowered indigenous communities
 Indigenous communities have the individual capabilities and the collective community capacity (through education) to enable them to independently take meaningful control of and manage their own development.



This change pathways map is a graphic representation of the key outcomes they identified as pre-conditions for success. Primary preconditions are in yellow. Secondary outcomes are in white. It is a first attempt to do this, and there are still gaps and questions, but new strategic insights are already apparent. It does not have to be perfect to be meaningful! It will be refined and deepened over time.

The organisation will use this as the basis for elaborating a written statement of their theory of change, that will also include their philosophical approach to development, which of these strategic outcomes they see themselves playing central role in bringing about, their analysis of their 'activity system' and who they will work with.

Activity 3. Developing indicators of success

The last component of a theory of change is to identify clear indicators of success for each of the main outcomes in your Pathways diagram.

Indicators of success should, as noted above, be written as specific measurable outcomes and describe things like:

- What?
- For Whom?
- How many?
- How good?
- By when?

An indicator should describe what you would see on the ground if the organisation had been successful. We can use the same questions that we used in the vision of success activity to derive success indicators for any of the short term and intermediate outcomes that we identify. These are:

Changes in conditions (eg access to water, greater safety, etc)

Changes in behaviour (eg people conserving resources, being more responsive, etc)

Changes in relationships (collaborations, power)

Changes in capabilities (better able to solve problems)

Changes in opportunities (more equitable access to opportunities)

As an example, we repeat the indicators of success that Cartwheel identified for their vision:

Extract from Cartwheel's brainstorm: What would you like to see that will indicate that you have succeeded?		
Indigenous People	Wider Society	Us
College scholars are leaders and change agents in the community.	Indigenous people are fully represented in the different sectors of society	We have a large volunteer base within our partner communities.
Community leaders are better trained and more effective.	Indigenous individuals occupy key posts in organisations and public offices	We enjoy longer term, more sustainable funding relationships with at least half our budget as multi-year grants with core support
Leaders have meaningful relationships with local government over services	Indigenous interests are present in policy-making bodies	Greater collaboration with other actors in govt and civil society and business to achieve outcomes.
Traditional and modern rights and values are in balance	Rights of indigenous communities to land guaranteed	

Conclusion

From theory of change to strategic plan

Identifying the outcomes that the organisation itself seeks to bring about within its mission

The social change pathways will almost always include outcomes that do not fall within the ambit of the organisations own mission to bring about. It is important to map these though. They help the organisation to think of the entire “activity system” working for change in a given space – and think about how what they do can align with what others do to make for more effective change.

Once it has a basic theory of change the organisation will proceed to do two things:

1. Begin to refine its theory of change in dialogue with its constituents and other stakeholders. Keystone’s guide to stakeholder dialogue, “Learning with Stakeholders”, provides detailed guidance as to how this can be approached.
2. Begin to bring its strategies and programmes into line with its theory of change. This will most likely be a process of adaptation rather than sudden change, and will emerge out of the organisations planning processes. In doing so, the organization may wish to deepen its understanding of how it may work with others also affecting the problem it addresses. For this purpose, the organization may wish to refer to Keystone’s guide to mapping the activity eco-system and planning and managing collaborations, “Becoming Eco-Intelligent”.

Glossary

Theory of change: A theory of change is an explanation of how the organization thinks that social change is brought about. It identifies the essential preconditions that are needed for this change to occur. These preconditions enable the organization to trace a number of 'outcome pathways': visible and measurable short- and medium-term outcomes that will lead to its long term goals. Finally, it includes a reference to other actors working in parallel and complementary ways in order to achieve that change, which identifies the long-term relationships needed with other actors in order to achieve its impact.

Outcomes: are lasting developmental results or changes that an organization wants to bring about in their society. They are the reason why the organization exists.

Outputs: the activities, products and services that an organization *does* (workshops, shelters, training materials, advice, etc.). The outputs help the organization achieve its desired outcomes, but outputs are a means to an end – they are not the end itself.

Accountability: How organizations hold themselves to account externally, especially to those they affect most, and internally to their values and their mission. Our understanding of accountability goes beyond simply complying with the demands of those with the power to demand accountability. It involves developing mutually accountable learning relationships among organizations, their constituents and donors that enhance developmental processes and outcomes.

Developmental performance and developmental impact: Applying a developmental approach to social change – not simply 'doing for people' or 'transferring resources', but working alongside and maximising people's ability, especially the vulnerable and marginalised, to influence and shape the conditions, institutions, systems and relationships that impact on the quality of their lives.

Stakeholders: all people and institutions that are affected positively or negatively by its decisions and actions.

Primary stakeholders or Constituents: Those groups or communities that are **most affected** by the organization and in whose name the organization defines its mission. A commonly used term is 'beneficiary' – but the passivity that this term implies makes it unsuitable in developmental processes.

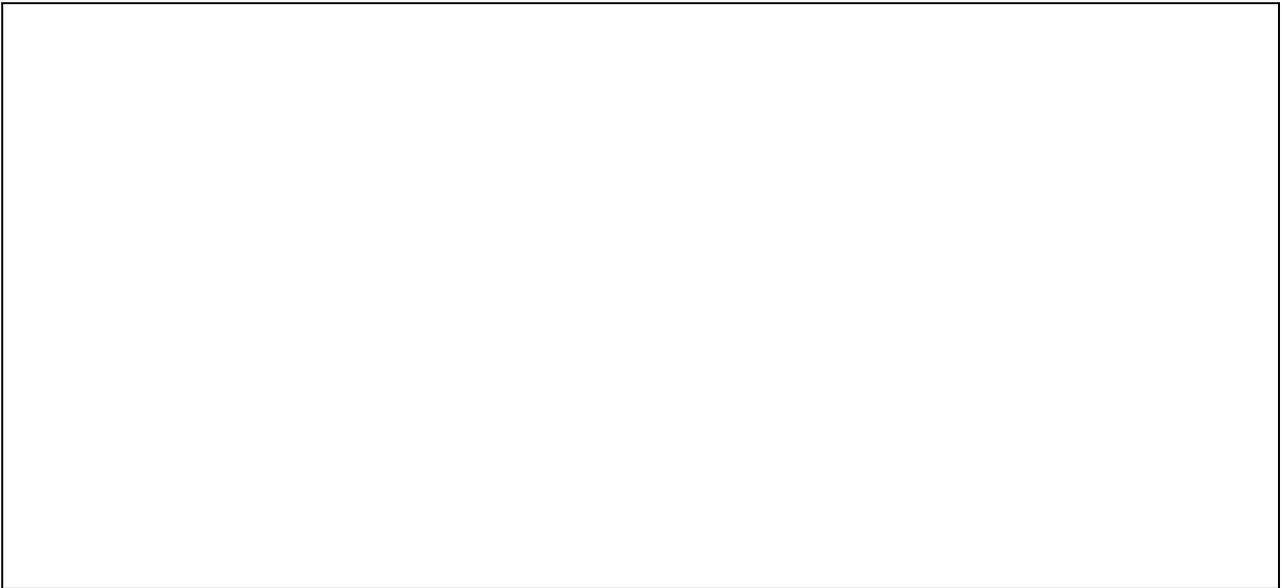
Stakeholder dialogue: Dialogue involves an exchange of views and opinion. It seeks to explore different perspectives and needs with a view to creating a shared understanding, trust and agreement on future action. It requires transparency and trust. It requires all parties to be willing to listen, learn, and then act in good faith. The language and form of the dialogue should empower vulnerable stakeholders rather than exclude them, and make sure that it is not a one-way communication. Stakeholder dialogue is usually long term.

Activity ecosystem: The system of actors that influence the outcomes (positively or negatively) that the organization wishes to achieve. All organizations work within a complex and dynamic ecosystem of people and organizations acting simultaneously. Current reporting and funding practices often reinforce competition and insular mindset among actors working on the same problem. The keystone method seeks to encourage the opposite: to reward actors who seek ways of building alignment and collaboration within an ecosystem.

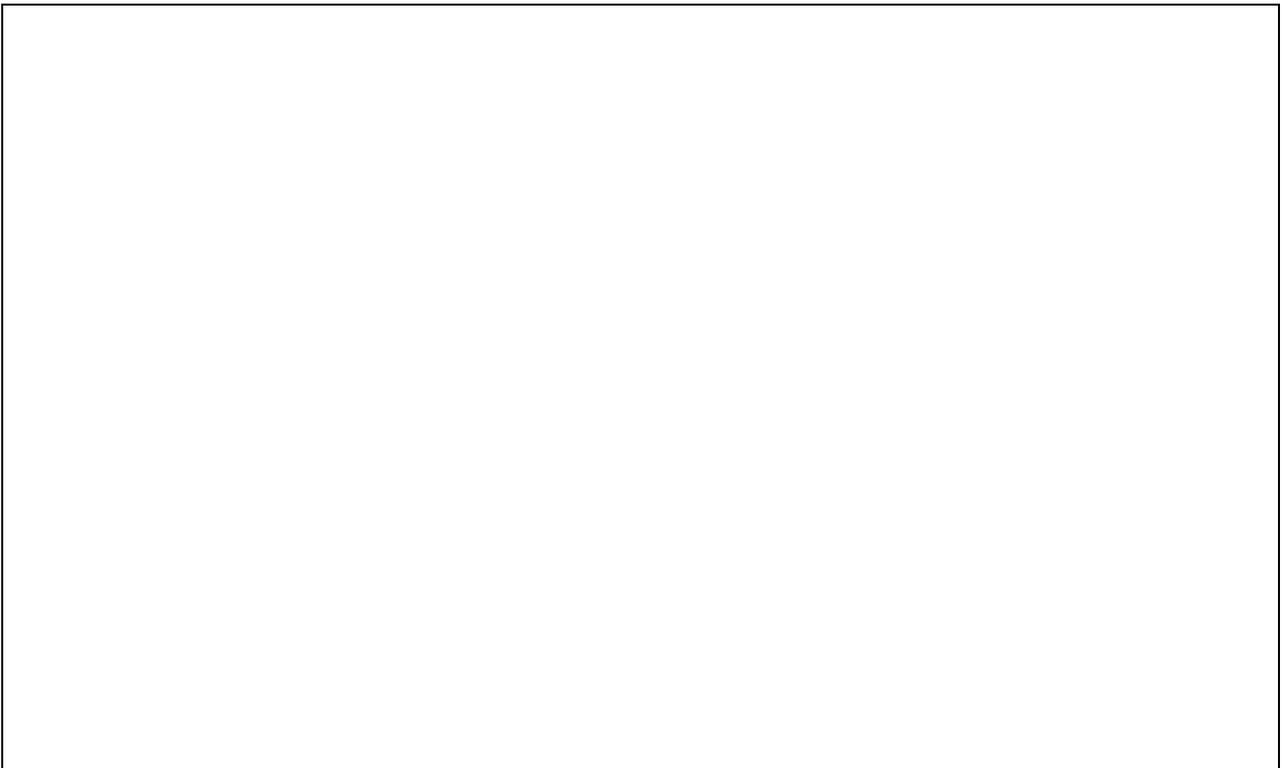
Ecosystem thinking and the collaboration capability: the understanding that complex and sustainable social change is seldom brought about by an organization acting in isolation. The capability to think systemically and collaborate effectively will enhance both the impact of the organization itself and the activity ecosystem as a whole. It implies mapping actors (people and institutions) that form part of an organization's space of activity, and developing strategic alignments and collaborations that enhance overall impact of all parties.

Some theory of change planning templates

Our Epitaph



Our vision of success



The preconditions for success

The pathways to change

(the secondary preconditions)

The primary pre-condition