

Theory of Change & Key Performance Indicators



What is the Theory of Change?

The Theory of Change (TOC) is a tool to create a continuous process to explore and explain change. Widely used by international organizations and NGOs, it outlines how change is expected to occur in a particular context, and the contributions needed from various stakeholders.

- Why are we using TOC?

- 1.Environmental and health issues are often highly complex and result from a wide range of interconnected societal factors. The theory of change helps address these root causes, making it possible to respond to these challenges more effectively.
- 2.The ToC is a valuable tool for building partnerships. Involving stakeholders early in the planning process allows their input to contribute to broader, long-term goals.
- 3.It provides a flexible framework that can be adapted if unexpected risks arise, allowing for timely course correction as mentioned in our Impact Assessment Policy.
- 4.The ToC serves as a powerful communication tool, clearly conveying the mission and impact of our work to beneficiaries, partners, funders, governments, and other key actors.

At Danone Ecosystem, the Theory of Change framework helps us identify actions that lead to the achievement of our long-term goals.

- How do we build it?

The Theory of Change relies on a cause-and-effect analysis grounded in existing evidence from scientific literature, stakeholder consultations, and previous projects. We collaboratively develop these theories of change with various stakeholders involved in the project.

The ToC is divided into four parts, from left to right:

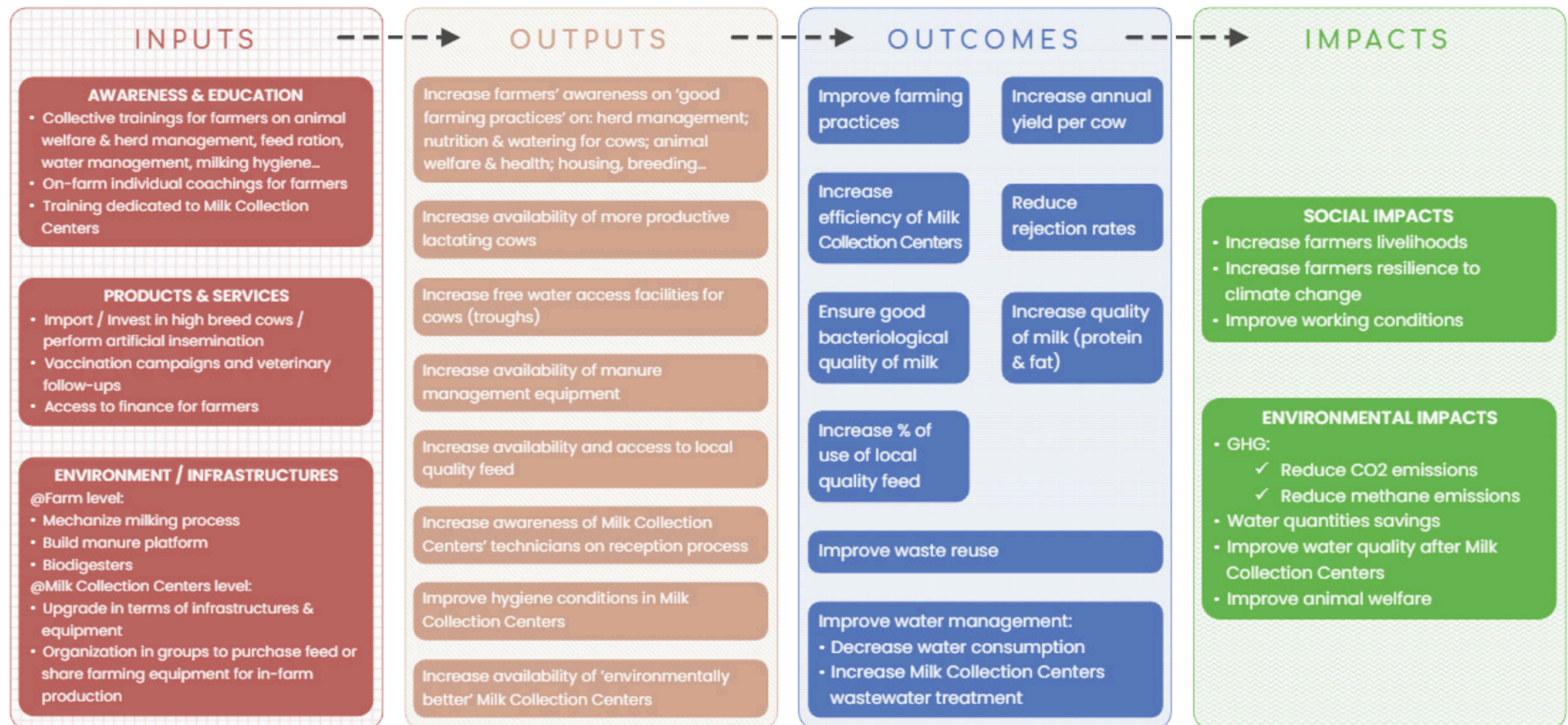
- Inputs: Concrete investments and actions towards the end game
- Outputs: Gains in knowledge, abilities and awareness, or availability of new products and services
- Outcomes: Changes in behavior, attitude or condition for beneficiaries induced or enabled by an intervention
- Impacts: Positive and negative long-term effects produced directly or indirectly, and intended or unintended

To better understand how the TOC is applied, let's explore two examples illustrating the process from inputs to impacts.



Theory of Change - Smallholder dairy farmers*

*This Theory of Change has been simplified.



Theory of Change - Ageing well*

*This Theory of Change has been simplified.

