Theory of change template

Tools for Shared Agendas, No. 4

July 2026

Shared Agendas

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Tools for Shared Agendas is a series of practical instruments designed to support collective work on place-based challenges under conditions of complexity. The tools build on established frameworks in systems thinking and transformative innovation policy and are adapted for use within Shared Agenda processes.

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1. Why working with a theory of change matters

Shared Agendas bring together organisations, institutions and people working around a place-based problematic situation. Through this work, they define a shared direction of change.

They also identify the system conditions that shape movement in that direction. Some conditions act as facilitators because they strengthen collaboration, experimentation or the development of alternatives. Others act as inhibitors because they reinforce the current situation or make change more difficult.

Portfolios of actions are then organised to influence these conditions and to develop alternatives aligned with the shared direction.

A theory of change makes this reasoning explicit. It clarifies how actions are expected to influence relevant system conditions, how they contribute to the development of alternatives, and how progress will be observed over time.

It also distinguishes between direct outputs produced by actions and system-level signals that indicate how the situation is evolving in relation to the shared direction.

2. What the theory of change template is for

The theory of change template structures the reasoning that connects shared direction, system conditions, portfolios of actions and learning. It is used to:

- clarify the shared direction of change
- identify the facilitators and inhibitors most relevant to that direction
- organise actions into coherent portfolios
- make assumptions about contribution explicit
- distinguish action-level outputs from system-level signals
- support learning as implementation evolves

The result is a shared reference that shows how different actions relate to one another and to the wider transformation process.

3. How the theory of change template is structured

The template is organised around six elements.

Shared direction of change

The shared direction defines the orientation of change agreed within the Shared Agenda.

It provides the reference for understanding the problematic situation, identifying relevant system conditions and configuring portfolios of actions.

System conditions

System conditions are the structural features that shape how the current situation is sustained and how alternatives may emerge. They are usually analysed across five dimensions:

- Policies and governance
- Markets
- Investment and financing
- Science, technology and infrastructures
- Society and culture

In relation to the shared direction, some conditions function as facilitators and others as inhibitors:

- Facilitators strengthen movement towards the shared direction.
- Inhibitors reinforce the current situation or constrain the development of alternatives.

Portfolios of actions

A portfolio brings together actions that contribute to a shared objective within the Shared Agenda. Portfolios may focus on influencing specific facilitators and inhibitors, developing alternatives to dominant practices, or combining both purposes.

Each portfolio defines an area of collective work, the organisations and people involved, and the actions required.

Assumptions about contribution

Assumptions explain why the actions in a portfolio are considered relevant. They clarify:

- which facilitators and inhibitors the portfolio seeks to influence
- how the actions are expected to develop or strengthen alternatives
- how these changes are expected to contribute to the shared direction

Making these assumptions explicit allows the reasoning behind the portfolio to be discussed and revised as implementation unfolds.

Outputs (action-level)

Outputs are the direct results produced by actions. They may include initiatives launched, partnerships created, instruments introduced, resources mobilised, operational arrangements established or new models developed.

System-level signals

System-level signals are observable developments that indicate how the situation is evolving in relation to the shared direction.

They may include shifts in dominant practices, changes in investment patterns, regulatory adjustments, reorganisation of value chains or wider uptake of emerging alternatives.

These signals are interpreted collectively. They help those involved understand where movement is visible and where assumptions need to be revisited.

4. How SharedAgendas.org uses the theory of change template

SharedAgendas.org uses the theory of change template once the problematic situation, the shared direction of system change and the main system conditions have been defined.

The template is used in facilitated work with the organisations, institutions and people involved in the Shared Agenda. It brings together the systemic diagnosis, the systemic portfolios and the assumptions about how these portfolios are expected to influence relevant system conditions.

As collective work evolves, the template becomes a working reference. It is used to document outputs, observe system-level signals and revisit assumptions as conditions change.

This makes the theory of change a practical tool for maintaining direction, interpreting contribution and connecting learning with ongoing collective work.

5. The theory of change template

