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Learning to evaluate transformational change

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We urgently need a low carbon and climate-resilient future. Incremental adaptation may no longer be enough – transformational change offers the potential for fundamental change across and within complex and messy systems. There is significant recent interest in transformational change, but what does it mean in practice, and how can we know whether we are making progress?

Setting the ambition

The concept of transformational change has gained traction and significant interest internationally, as the complex challenges of climate change demand immediate and uncompromising action to affect large-scale change across the globe. The potential to encourage far-reaching and lasting changes in market, governance, technological, and behavioural systems reflects the interconnected challenges behind the Sustainable Development Goals. Within this context, climate change programmes aim to catalyse or support transformational change that accelerate low carbon and climate-resilient development.

Transformational change is generally understood as a fundamental change at a systemic level, across complex, dynamic challenges that have a web of interconnected elements. The scale of ambition distinguishes transformational change from incremental adaptation processes. Transformational changes are multi-faceted, multi-causal, and non-linear, and as such, they may manifest in diverse ways, as changes across scales, innovative or catalytic changes, wider systemic changes and sustainable impacts.

> Transformation is both a process and a long-term outcome so both programme design and how it is evaluated must take this into account.

Transformative pathways need to be intentionally designed-in from the inception of a programme, and evaluators should focus on the processes that lay the foundations for evolving and ongoing change, as well as the outcomes of transformation that may or may not be observed.

Evaluating this nebulous concept has come a long way but there are still many questions to answer, and much to learn. Our thinking has evolved across a number of recent projects, including our award-winning evaluation of the Climate Investment Fund's (CIF) Transformational Change Learning Partnership (TCLP), our work on transformation through evaluating the UK's International Climate Finance (ICF) Climate Change Compass, and DFID's BRACED programme. Our work is starting to influence other sectors beyond climate change, so it feels like a good time to take stock, reflect on what we've learned so far and help to set the direction for future evaluations.

Signals of change

A great deal of thought has been put into the concept of transformational change, what it is, and how it may come about. Evaluating such a complex concept requires an innovative approach to M&E, to explore change within and beyond the boundaries of a programme, detect unexpected as well as expected outcomes, use broader signals of change (rather than indicators) and qualify the strength of those signals.

In our evaluations on this topic we used 'dimensions' of transformation to understand and track changes. For example, in TCLP key dimensions of change are relevance (strategic focus e.g. programs have been designed for transformational success), scale (supporting replication and expansion to result in contextually large-scale impacts and processes), systemic (overcoming barriers to support fundamental shifts in structures at a systems level) and sustainable changes (robustness and resilience of change e.g. able to respond and adapt over time). For BRACED,

the dimensions include impacts at scale (impacts beyond direct beneficiaries), catalytic effects (replication) and sustainable changes.

In recognition of the non-linear nature of change, the different stages of implementation across a programme, and varied rates of change across sectors, in both programmes we used progress markers to unpack and understand change processes. For TCLP, we developed 'signals' to assess early, interim or advanced indications of transformational change[1], and included proxies for future change that might not be detectable during or immediately after the programme ends. While the framework to assess the likelihood of transformational change in BRACED was fairly simple, TCLP was more intentional with assessing transformation, and took a more granular approach. To operationalise and tailor this approach, the team spent time upfront co-developing and piloting a framework with a wide range of interested stakeholders to assess change across each of the CIF investment areas. This allowed for sector-specificity without becoming prescriptive. For each investment area the framework was centred on indicative signals of change, across the four dimensions of transformational change.

Challenges for detecting transformational change

Availability of data: As an emerging concept, there tends to be a scarcity of data on transformational change. Beyond baseline data - which are often not available - some signals of change are easier to measure than others. Some types of change are messier, more nuanced. It is more difficult to detect progress in private sector supply chains compared to technology sales for example. Data availability across sectors differs too. To address this, evaluators need to innovate, and spend more time gathering data for some aspects of change, or in some contexts than others. A further challenge is the availability of data about sustainable change, which is often not captured given the timeframes over which it may manifest (after the intervention ends), and given the scale at which it must be measured (beyond the boundaries of a project). More resource is needed in evaluations to support this, to strengthen the evidence base and ensure confidence in the signs of progress.
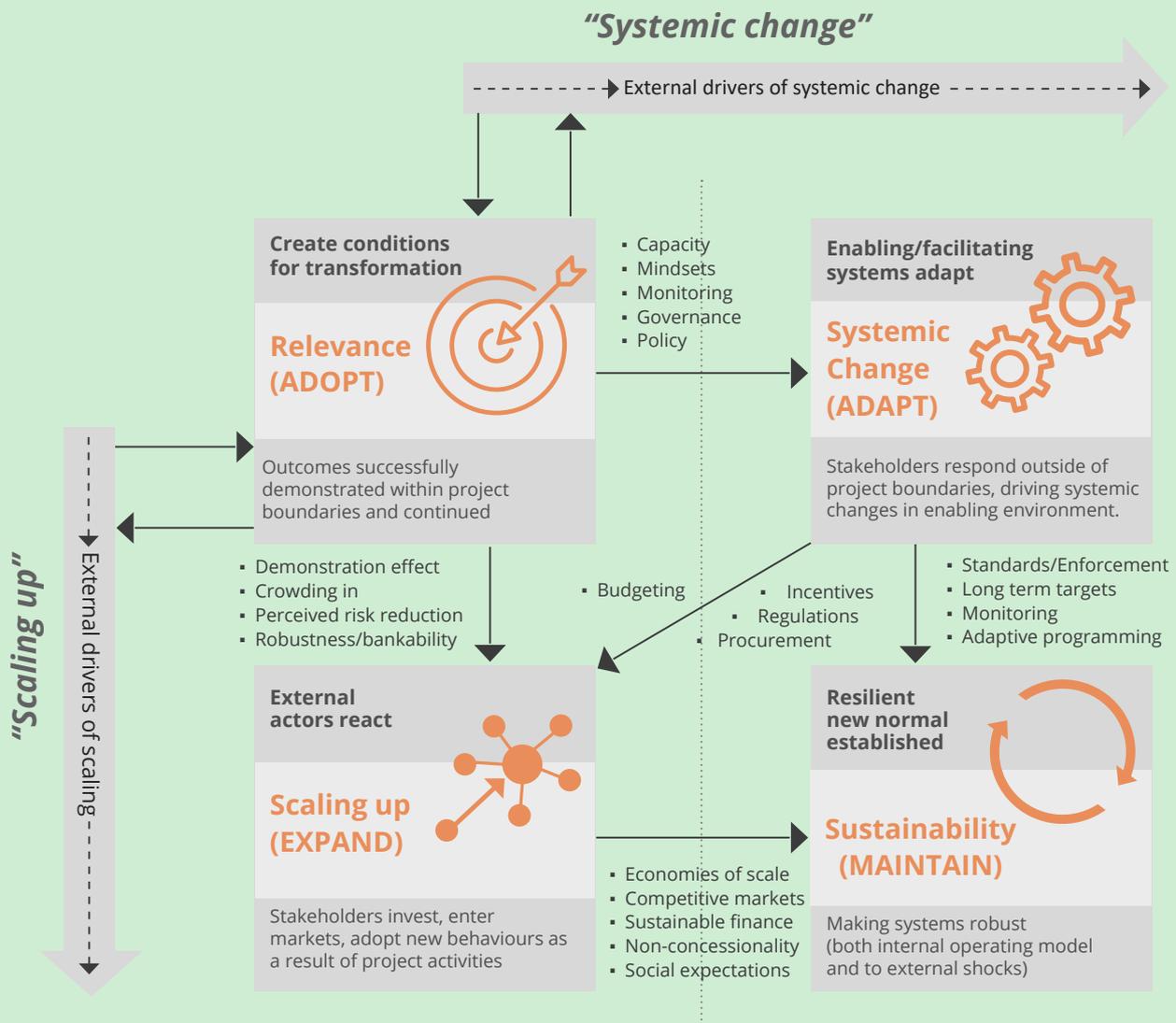
> Change is non-linear, so while there may be much investment in some sectors, they may show relatively less progress towards transformational goals than others.

Resource intensive: To understand complex change processes, participatory engagement seeking multiple perspectives builds the richest picture of interconnected and dynamic elements within each context. This should involve more multi-stakeholder workshops or other participatory forums, more in-country data collection, and focusing wider data collection efforts beyond the boundaries of a project or programme. This adds up – increased resource, better data – but this is a more costly approach. There is no short-cut to unpacking transformational change to build a better understanding of how and why change happens.

Context is key: Blanket criteria for understanding advancement towards transformational goals are not appropriate – broad categories are too general but there needs to be some flexibility for context-specific change.

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1. https://www.itad.com/wp-content/uploads/2020/02/tc_signals_brief-1.pdf

Understanding transformational change

"Systemic change"

External drivers of systemic change

Create conditions for transformation

Relevance (ADOPT)

Outcomes successfully demonstrated within project boundaries and continued

- Capacity
- Mindsets
- Monitoring
- Governance
- Policy

Enabling/facilitating systems adapt

Systemic Change (ADAPT)

Stakeholders respond outside of project boundaries, driving systemic changes in enabling environment.

"Scaling up"

External drivers of scaling

- Demonstration effect
- Crowding in
- Perceived risk reduction
- Robustness/bankability

- Budgeting

- Incentives
- Regulations
- Procurement

- Standards/Enforcement
- Long term targets
- Monitoring
- Adaptive programming

External actors react

Scaling up (EXPAND)

Stakeholders invest, enter markets, adopt new behaviours as a result of project activities

- Economies of scale
- Competitive markets
- Sustainable finance
- Non-concessionality
- Social expectations

Resilient new normal established

Sustainability (MAINTAIN)

Making systems robust (both internal operating model and to external shocks)

Source: Itad (2020)

For example, TCLP Forestry Investment Programme shows fewer signs of progress than the Clean Technology Fund. This may be a result of project design, or it may be that change in some sectors is slower than others – more evidence is needed. In some cases, contextualising progress may show that the conditions or foundations for catalytic change are being established but are yet to manifest in detectable larger-scale change. Context matters also for understanding the significance of change. Small changes in some challenging contexts may be transformative, where in other contexts these are seen only as moderate signals of change.

Lessons learnt for evaluators & commissioners

Transformational change is tricky to define, let alone to measure. We have found that broad qualitative frameworks and qualitative benchmarks of progress add explanatory power and enable progress towards larger and longer-term goals to be measured so long as the results are also

contextualised. There are a generalisable lessons drawn from our experience that we believe are important for evaluating transformational change and commissioning those who can do it:

- Investing time upfront to develop comprehensive, well-researched and tested frameworks before rolling them out, is well worth the time.

- Developing broad frameworks that capture the key dimensions and signals of progress towards longer-term goals are effective for understanding non-linear change.

- Using a signals framework, it is possible to assess transformational change across a programme, even before longer-term outcomes have fully manifested.

- Spending time on data collection and analysis, to gather sufficient, good quality data may require greater resource in data collection stages of an evaluation.

- Build in monitoring for transformational change from the programme or portfolio outset and mandate implementing partners or entities to contextualise the type of data to be collected

- Consider ex-post evaluations in areas where signals of change are strong but where more definitive evidence is required

What next for evaluating transformation?

The frameworks we have developed in our evaluations of transformational change are informing our ongoing climate change work, where we are building on this knowledge, and aiming to improve our understanding of this concept and how best to evaluate it. Gaps in understanding include unpacking the pathways and processes that drive transformational change – something we are keen to explore in future work.

It is worth noting also that many of the complex facets of transformational change as a concept apply also to the concept of resilience. The two concepts are also intrinsically linked. We know from other programmes that transformative processes matter to resilience outcomes, and to sustainability. We will continue to evolve our thinking and approaches to evaluating both resilience and transformation, as well as their interlinkages in our work.

Finally, these concepts are not exclusively useful in climate change, but are also valuable and useful in other fields. For example, we've started using the transformational change framework developed in our TCLP evaluation in ongoing health systems strengthening work, adapting signals and dimensions to that context. There is much scope for knowledge sharing, and we look forward to meaningful cross-sector debates to improve understanding and move this field forward.

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