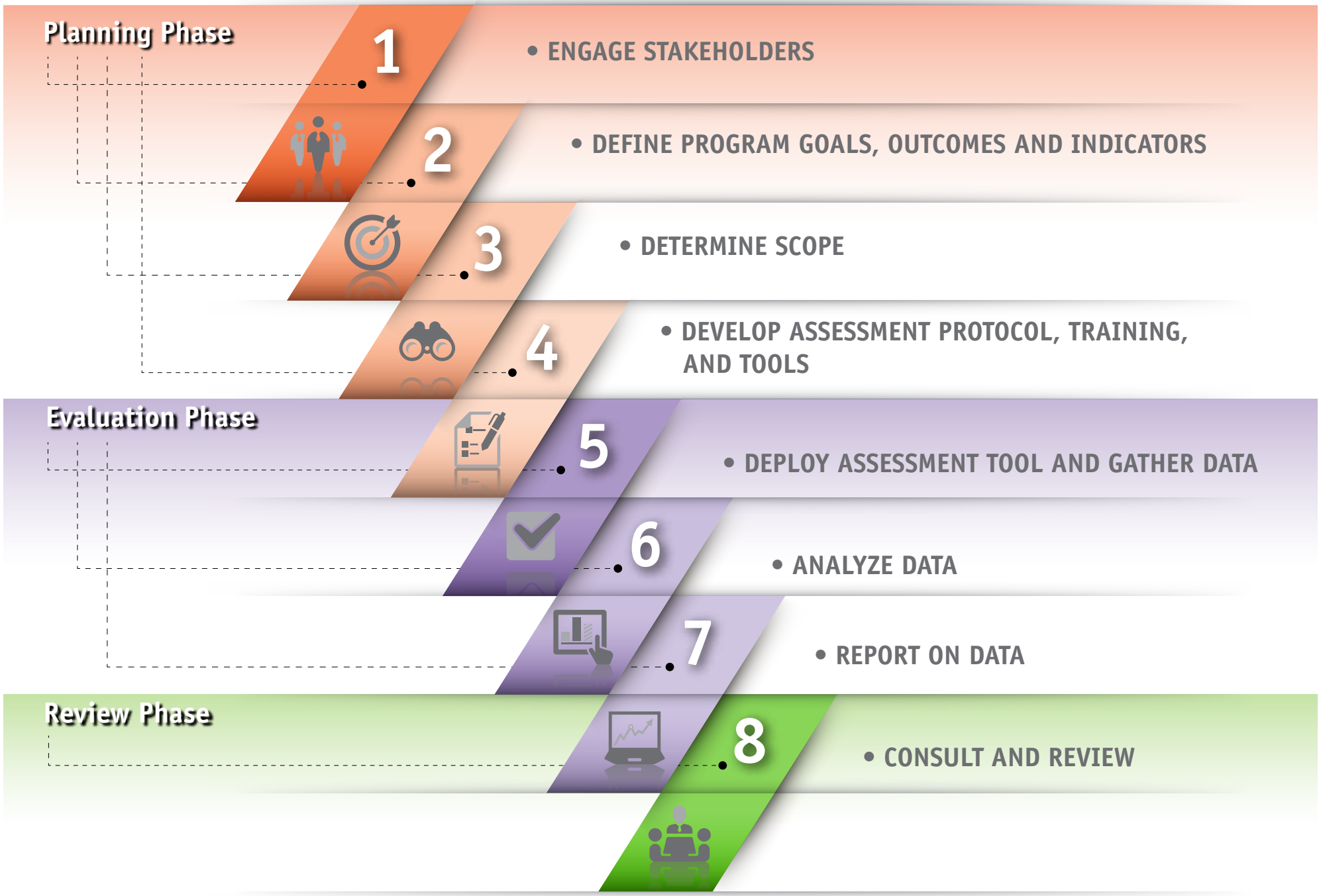
Standardized Financial Literacy Evaluation Framework



Organizations in the public, private and non-profit sectors across Canada have developed courses, workshops, seminars and other learning programs to improve financial literacy.

By measuring the effectiveness of their financial literacy initiatives, organizations providing such programs can ensure they are making good use of resources. Evaluation can also highlight needed improvements to such initiatives.

The Financial Consumer Agency of Canada (FCAC) has developed this *Standardized Financial Literacy Evaluation Framework* to:

a. provide organizations across the country with the process required to effectively conduct a financial literacy evaluation
b. help guide the development of the tools and training required to properly evaluate programs and initiatives designed to strengthen the financial literacy of Canadians.

FCAC developed this framework based on best practices in evaluation methodology and what it has learned in evaluating its own financial literacy resources and program.

Planning phase

Step 1: Engage stakeholders

- Engage the people and organizations interested in the evaluation's findings. These could include people running the program, participants and funders.
- Consider establishing an evaluation committee.

Step 2: Define program goals, outcomes and indicators

- Clearly state the program's goals, intended outcomes and performance or success indicators:
  - **Goals** are broad, general statements about what the program intends to accomplish, as defined by the national strategy for financial literacy.
  - **Outcomes** are statements that describe specific learning or competencies that participants in the program could achieve, related to the accomplishment of the goals. Outcomes should be measurable.
  - **Indicators** are observable, specific and measurable changes or characteristics that will represent achievement of the outcome.
- Consider using a logic model (simplified example below) to link the inputs, activities, outputs and outcomes.

Inputs	Activities	Outputs	Outcomes*
- staff - money - materials	- conduct budgeting workshop	- number of students taught - number of hours of instruction	- increase in number of workshop participants who have a budget

* A program's logic model may include immediate, intermediate and final outcomes.

For a more complete logic model, please see Prosper Canada's sample for a simple financial literacy program: http://prospercanada.org/getattachment/fbd4dd14-83d2-45c7-ab9b-d01b01633ff7/Sample-Logic-Model.aspx

Step 3: Determine scope

- Determine the scope of the evaluation:
  - What is the purpose of the evaluation?
  - Who will read it?
  - What questions will it answer?
  - What is the budget?
  - What are the timelines or deadlines?

Step 4: Develop assessment protocol, training and tools

- Determine the evaluation design. Some examples are
  - comparing participants' knowledge or some other factor before and after the program
  - comparing participants' knowledge to that of a control group
  - evaluating behaviour over an extended time.
- Select or create appropriate assessment tools. For example: surveys, focus group questions, checklists, interview guides, etc.
- Develop appropriate protocols for implementing the assessment tools according to the evaluation design.
- Train program facilitators or other individuals to administer the evaluation according to the protocols.
- Consider these examples:
  - Canadian Financial Capability Survey (CFCS): http://www23.statcan.gc.ca/imdb/p3Instr.pl?Function=getInstrumentList&Item_Id=201522&UL=1V&
  - Measuring Financial Literacy: Questionnaire and Guidance Notes for Conducting an Internationally Comparable Survey of Financial Literacy: http://www.oecd.org/daf/fin/financial-education/49319977.pdf
  - FCAC Self-Assessment Tool: http://www.fcac-acfc.gc.ca/Eng/resources/educationalPrograms/ft-of/Pages/sa.aspx

Evaluation phase

Step 5: Deploy assessment tool and gather data

- Use the assessment tools as outlined in the protocol step, and collect data. For example, this may include distributing a paper-based survey, collecting responses and entering the data into a database or spreadsheet program; or it could include interviewing participants and transcribing recordings of the interviews.

Step 6: Analyze data

- Analyze the data collected. Depending on the assessment tools used, this could involve comparing test scores, analyzing statistics from responses to a questionnaire or finding common themes in interviews.

Step 7: Report on data

- Report on the findings. This may include making presentations, writing reports or entering numerical results into a central database for analysis.

Review phase

Step 8: Consult and review

- Distribute the report to stakeholders and other interested parties.
- Consult with stakeholders and consider the implications of their feedback for future programming, such as changing the program, refining the target audience or expanding its reach.

Other resources:

- OECD Toolkit: http://www.oecd.org/finance/financial-education/Toolkit-to-measure-fin-lit-2013.pdf
- Prosper Canada Toolkit: http://prospercanada.org/Resources/Financial-Literacy-Evaluation-Toolkit.aspx