OECD/INFE Tools for evaluating financial education programmes

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• Terminology
• Overview of the research and tools
• Motivation for their development
• Summary of findings from preparatory work (stock-take and framework)
• Focus on High-level Principles
• Introduction to the 2 practical guides
What is ‘M&E’ or Monitoring and Evaluating?

- The collection of processes employed to assess whether a programme has achieved its aims.
- This typically includes:
  - Checking whether targets were met by monitoring inputs and outputs, keeping track of take-up and drop-outs
  - Assessing outcomes and impact
  - Monitoring and assessing processes to explore what worked and what didn’t.
Evaluation research and tools

Fact-finding stock take of programme evaluation amongst INFE members (2009) (30 countries-50 programmes)

Comparative and analytical **framework for evaluation** of financial education (2010)

OECD/INFE high-level **principles** on evaluation of financial education programmes (2011)

OECD/INFE **Guides** to Evaluation (2011)
Motivation for focusing on evaluation

Widespread policy interest requires answers to pressing questions

- Does financial education work?
- When is it the appropriate method and when is regulation required?

Addressing these in a robust and consistent way is essential

- Describe outcomes, impact, draw conclusions about quality and efficiency
- Show whether policy objectives have been met, justify use of resources
Yes!!!!

Good evaluation allows:

• **Growth:**
  – **Identification of elements that can be up-scaled or replicated**
  – **Indications of where fine-tuning could be useful**

• **Cost effectiveness and accountability**
  – **Learning from other evaluations rather than repeating mistakes**
  – **Showing that objectives are being met**
  – **Testing different approaches to see which is most cost efficient**
The OECD INFE stock-take

- 46 Authorities from 29 countries responded to the request for info
- 28 authorities in 23 countries provided information about evaluations of financial education programmes aimed at adults
- Challenges included:
  - Identifying and quantifying goals (such as increased awareness)
  - Lack of national benchmarks or targets
  - Choosing appropriate evaluation methods for the diversity of programmes and participants
  - Practicalities vs ideals: knowing what is a ‘good enough’ evaluation given resources
Stock take findings: Reasons for evaluating

Reasons for evaluating

- Assess macro-economic impact: 6
- Reinforce accountability: 6
- Extent to which meeting policy goals: 7
- Identify improvements: 12
- Efficiency of programme: 16
- Satisfaction of participants: 20

Number of authorities
## Summary of the framework

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<thead>
<tr>
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<th>Examples of what to measure</th>
<th>&amp; how to measure it</th>
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<tr>
<td><strong>Need/ Objectives</strong></td>
<td>Financial literacy score</td>
<td>Survey of financial literacy</td>
</tr>
<tr>
<td><strong>Accountability/ Inputs</strong></td>
<td>Cost of programme Teaching methods</td>
<td>Accounts Qualitative study; classroom observations</td>
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<tr>
<td><strong>Fine-tuning/ Delivery</strong></td>
<td>What was effective What should be changed</td>
<td>Follow-up surveys Qualitative interviews; observations, analysis</td>
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<tr>
<td><strong>Micro-impact/ Outcomes</strong></td>
<td>Knowledge Attitudes Behaviour</td>
<td>Tests; surveys; interviews; focus groups Administrative records; diaries</td>
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<tr>
<td><strong>Macro-impact/ Impact</strong></td>
<td>Indicators of financial wellbeing</td>
<td>National surveys of financial literacy, wealth, assets, over-indebtedness</td>
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5 key principles:
1. New programmes should be evaluated; existing programmes should be evaluated to the extent possible
2. Budget for evaluation
3. External evaluators: adding credibility, skills and independence
4. Appropriate evaluation design
5. Reporting

3 steps: planning, implementation, reporting
1. New programmes should be evaluated

*FE Programmes planning should include evaluation*

**New programmes:**

- Develop a strategy for monitoring and evaluating alongside programme design
- Keep in mind the benefit of collecting information *before* the programme starts

**All programmes:**

- Encourage dialogue and collaboration with key stakeholders to ensure clarity and consistency of aims and objectives
- Reassure providers that evaluation is not designed to judge them, but to improve efficiency if appropriate and to identify successful programmes that will ensure the best possible outcomes for future participants
A good evaluation ensures that resources are being well spent: it is a wise expense!

- Find out how much other evaluations have cost and gather estimates before finalising the budget.
- The amount of money available shouldn’t determine the design of evaluation, but may indicate the need to prioritise certain aspects of evaluation.
- Look for ways of reducing costs: e.g. sharing questionnaires, drawing on existing data and international methodology and drawing on contacts; piloting programmes before large scale roll-out.
3. External evaluators: adding credibility, skills and independence

- External evaluators bring skills and independence
- It's important to check that they understand the subject matter and can report findings clearly

Also look for other ways to ensure objectiveness e.g.

- **Use technology:** Administrative systems and websites can automate data collection. Electronic games can store scores and measure improvement.
- **Corroborate findings from surveys where possible** e.g. check bank statements, look at pension fund records, see whether complaints are falling
4. Appropriate evaluation design

- **Continuous monitoring:** Count/measure/quantify—how many participants, hours of contact, leaflets distributed etc.

- **Measure change according to programme type and objectives:** Monitor improved awareness, evaluate behaviour change strategies, test knowledge.

- **Identify ways of attributing change:** Create a control group—lottery for places, random marketing of courses—according to programme design.

- **Undertake comparisons of:** Knowledge, behaviour, attitudes before vs. after—and long after; participants vs. non-participants; targets vs. achievements; budget vs. expenditure, opinions of providers vs. users.
5. Reporting

Reporting is critical for the future of FE programmes

- Avoid over generalisation: check carefully and get advice on whether findings may apply more widely
- Also report the method and limitations of the evaluation
- Disseminate the findings widely, using different styles of reporting (newsletter, academic paper...)
- Draw on the report when making future funding decisions & designing future programmes
- Compare your results to those of other programmes
Non-technical 7 page guide, answering questions such as:
• Why evaluate?
• What types of questions will an evaluation answer?
Providing guidance on:
• The principles of a good evaluation
• The key steps
• Suggested methods
16 page, detailed guidance in non-technical language:
• Information about the ‘theory of change’ and how it can be used to think about evaluation
• Detailed guidance on the steps of evaluation
• Information about analysis and interpretation of data
• Reminders about reporting the results
• Annex with information about additional resources
Please don’t hesitate to get in touch for further information

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www.financial-education.org