



---

# **Approaches to Assessment and Evaluation**

---



## Assessment and Evaluation<sup>28</sup>

***Assessment and Evaluation: Why are they important and what is usually wrong with most efforts?***

***What is the difference between assessment and evaluation?***

---

---

---

***Why are assessment and evaluation important?***

---

---

---



### **Small Group Work**

With the other participants at your table, generate a list of what you think may be or go wrong with most financial education assessment and evaluation efforts.

---

---

---

<sup>28</sup> This section is borrowed with permission from the Assets Alliance Financial Education Training of Trainers Curriculum. Copyright to the author, Inger Giuffrida, 2006. Please cite when using. Thanks!



## Summary of Key Points

Assessment and evaluation are two terms often used interchangeably. While related, they are different.

**Assessment** is defined as the process of gathering evidence about someone's knowledge, ability, and feelings or beliefs (attitudes). Within this context, it would be determining a person's knowledge, abilities and beliefs about specific financial education topics. There are two purposes of assessment.

- Purpose 1:** To determine where someone "is" before they begin a financial education program. This can be used to:
- Determine both the content and the approach for a financial education program
  - Provide a baseline measure of participants' knowledge, skills and feelings. This baseline could then be compared with a post training assessment to see if the financial education program caused change or improvement.

**Purpose 2:** Program evaluation.

**Evaluation** is a process of determining whether the financial program is effective. While there are many ways to determine effective, it can be simply defined as achieving the stated outcomes and goals.

Assessment and evaluation for financial education programs are important for many reasons. Some of these include:

- Helping you to design and implement a financial education program reflective of the needs of the people you serve; the program is helping your participants make a better lives for themselves and their children, find money to save, build assets, etc.
- Helping you determine whether the financial education program you operate is working and ways to improve it if it's not.
- Proving to funders that your work is achieving results and justifies current level of support.
- Demonstrating to funders that your work justifies increased levels of funding.
- Demonstrating to potential partner and other stakeholders that financial education is achieving meaningful outcomes.

All assessment and evaluation for financial education is based on:

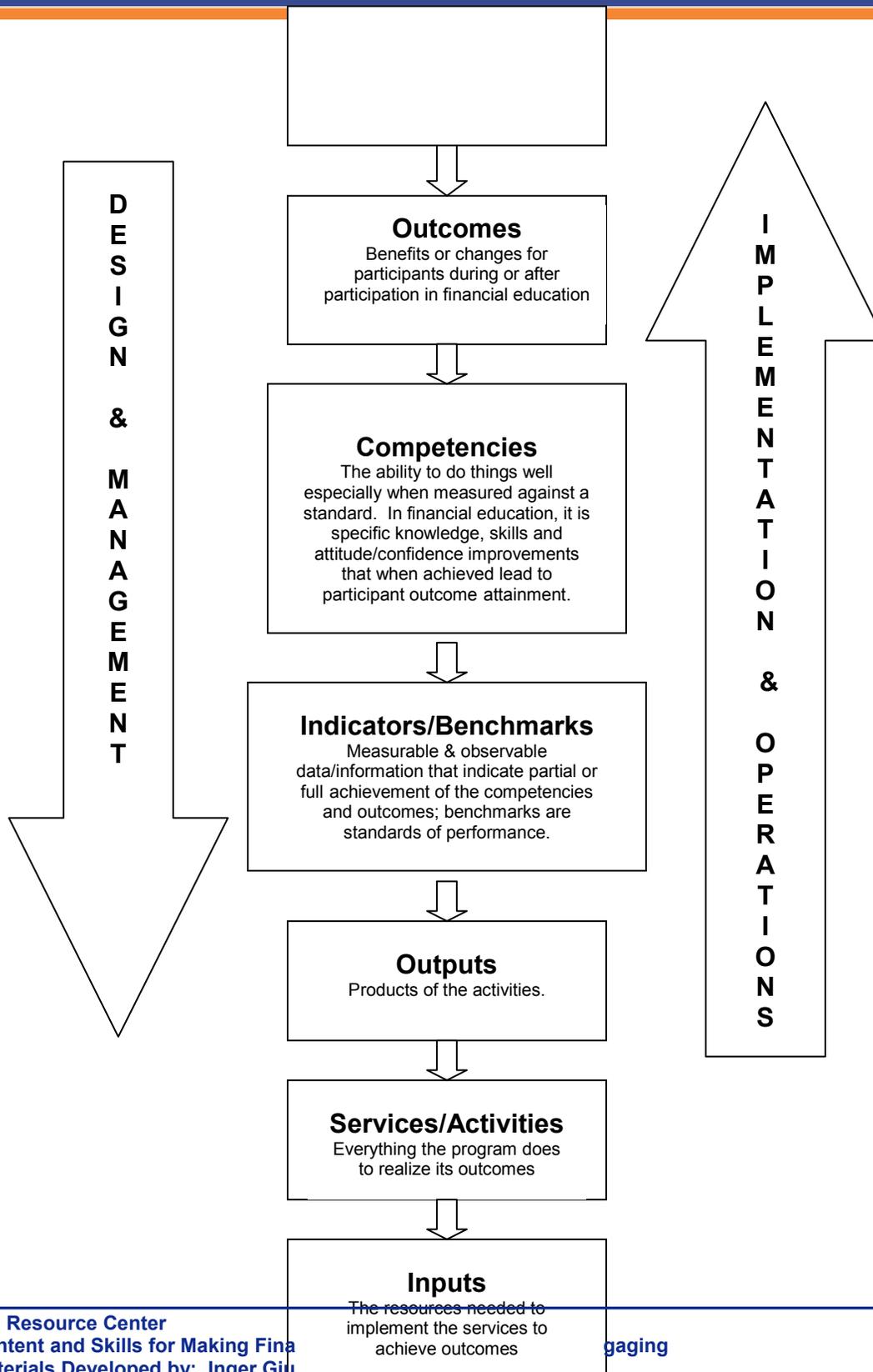
- Financial Education Program Outcomes (statements about the benefits or changes participants will experience as a result of participating in the financial education)



- Financial Education Competencies (what participants will be able to do, what they will know or how they will feel about specific financial education topics)

Most practitioners understand the need for assessment and evaluation. Their efforts are commonly hampered by the following:

- Lack of resources dedicated to assessment and evaluation.
- Lack of staff with knowledge about or experience with assessment and evaluation.
- Lack of capacity to implement, collect, organize, analyze and use the outputs of assessment and evaluation activities.

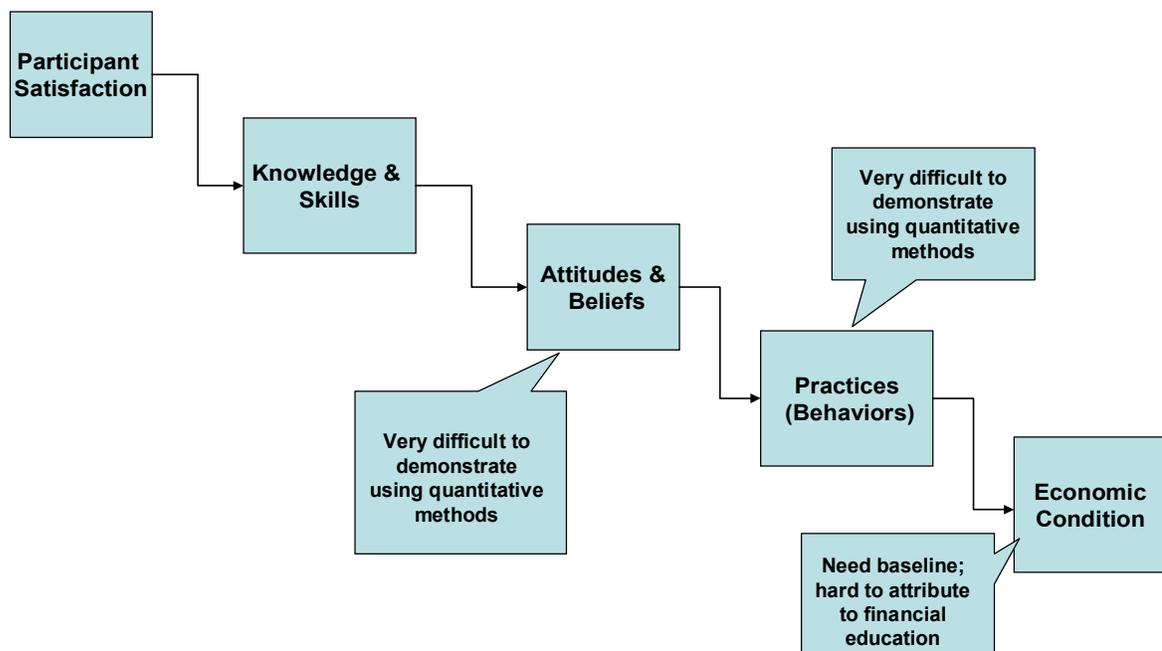


## Framework for Understanding Assessment and Evaluation<sup>29</sup>

### Levels of impact

The following chart shows the levels an organization may attempt to assess and evaluate in a financial education program.

## Levels of Impact



**Financial Education Participant and Program Outcomes**  
**Financial Education Competencies**

<sup>29</sup> This section is borrowed with permission from the Assets Alliance Financial Education Training of Trainers Curriculum. Copyright to the author, Inger Giuffrida, 2006. Please cite when using. Thanks!



**Participant Satisfaction** = determining whether participants' expectations were met by an individual training session or the training overall.

**Knowledge and Skills** = determining whether participants have developed new knowledge or skills as a result of a training session or the financial education program overall.

**Attitudes and Beliefs** = determining whether participants' attitudes or beliefs have changed as a result of the financial education training program.

**Practices or Behavior** = determining whether participants' behaviors or practices have changed as a result of the training. For financial education in the context of IDA programs, people often want to see:

- Increase savings
- Diversification of savings (from IDA or savings accounts to other depository and investment accounts for other goals such as emergency funds, children's education or retirement)
- Regular use of a budget and budgeting skills to reduce spending
- Decrease in outstanding debt
- And more

**Economic Condition** = determining whether financial education has led to increases in income, net worth, credit scores and financial security in general.

## Approaches to assessment and evaluation of impact

The following chart shows some of the approaches to assessment and evaluation based on the levels of impact.

Levels of impact	Assessment and Evaluation Tools		
<b>Participant Satisfaction</b>	Written session or training evaluation	Discussion or focus groups to find out satisfaction levels, suggestions for improvements and to get anecdotes and stories	Interviews to find out satisfaction levels, suggestions for improvements and to get anecdotes and stories
<b>Knowledge and Skills</b>	Written session or training evaluation with content questions	Pre-Test and Post-Test with a Focus on Content or Retrospective Pre Test	Interviews to find out knowledge and skills and to get anecdotes and stories
<b>Attitudes and Beliefs</b>	Pre-Test and Post-Test or Retrospective Pre Test with a focus on attitudes and beliefs (KABS)	Interviews to find out changes in attitudes and beliefs and to get anecdotes and stories	
<b>Practices and Behaviors</b>	Pre-Test and Post-Test or Retrospective Pre Test with focus on knowledge, skills and behaviors	Interviews to find out practices and behaviors get anecdotes and stories	Observation and documentation
<b>Economic Condition</b>	Baseline economic information from applications	Post training collection of economic information	Interviews and observation and documentation



## Questions<sup>30</sup>

Tools are not easy to develop. Without a logic model to follow, they are impossible to develop. Before showing an example of the logic model, it is important to understand the kinds of questions that can be asked on assessment and evaluation instruments.

The basic difference is between open-ended and close-ended questions. Open-ended questions do not force a choice between a finite set of responses. Instead, the respondent is free to say (write) as much or little as she/he desires. Open-ended questions can produce a lot of information, but can be difficult to analyze and compare with other respondents. Here are examples of open-ended questions:

- What did you like the most about the training?
- How will you use this information?

Close-ended questions do force choice among a set of responses. The most basic kind of close-ended question is the “yes” or “no” question. Following are the types of questions you may be able to use in constructing assessment and evaluation instruments:

### Yes/No

The facilitator listened and effectively encouraged participation and discussion among the other participants and me.	Yes	No
---	-----	----

### True/ False

Credit reports are completely accurate; you never need to check for mistakes.	True	False
---	------	-------

### Multiple choice (one best answer)

**What is generally the relationship between risk and return?**

- a. The higher the risk, the lower the return
- b. The higher the return, the lower the risk
- c. The higher the risk, the higher the return
- d. There is no relationship between risk and return

### Rating scale

<sup>30</sup> University of Wisconsin Cooperative Extension Evaluation Resources.  
<http://www.uwex.edu/ces/pdande/evaluation/evaldocs.html>



How would you rate this workshop (please circle one)?

Very Useful

Useful

Not Useful

	Does not apply	Strongly disagree	Disagree	Agree	Strongly agree
I am satisfied with the amount of money I am able to save.	0	1	2	3	4

### Sidebar—Likert Like Scales<sup>31</sup>

Likert-like scales are a tool used in evaluation and assessment to capture participants' feelings, attitudes, beliefs or practices around a range of issues. A true Likert Scale has a range of labeled numbers (each number = a specific response) in which each description has its exact opposite (Strongly Disagree v Strongly Agree) organized around a neutral middle. The most common scale is 1 to 5 where 1=strongly disagree, 2=disagree, 3=not sure, 4=agree, and 5=strongly agree.

Likert-like or Likert-type scales are based on this idea with some variations. They may not include a neutral middle, they may include an even rather than odd number of responses, or they may use different labels such as 1= Does not describe me at all, 2 = Somewhat describes me 3 = Mostly describes me 4 = Completely describes me.

### Matching

___ Asset	1. Something you owe
___ Liability	2. Amount of money you have coming in
___ Income	3. Assets less liabilities
___ Obligation	4. Something you own that has value
___ Net Worth	5. Something you must pay because you have been ordered to do so or you owe the money

### Check those that apply

Which of the following things do you think the workshop will help you achieve (check all that apply)?

<sup>31</sup>Source: Uebersax JS. Likert scales: dispelling the confusion. *Statistical Methods for Rater Agreement* website. 2006. Available at: <http://ourworld.compuserve.com/homepages/jsuebersax/likert2.htm>. Accessed: October 2007.

- \_\_\_ Start a Business
- \_\_\_ Fund a Business
- \_\_\_ Run my Business
- \_\_\_ Get a Better Job
- \_\_\_ Improve my Confidence Level for Dealing with Financial Issues
- \_\_\_ Improve my Retirement Investment Strategy
- \_\_\_ Make Better Financial Decisions

Following are example questions based on the level of assessment or evaluation. These are just examples and should not be used. Assessment and evaluation questions come from your outcomes and competencies, not example evaluations that lack specific target audience and logic model context.

**Participant Satisfaction**

**What did you expect or hope to get from this training?**

---

---

---

**Overall, did the training meet your expectations? (please circle one)**

Below expectations

Met expectations

Exceeded expectations

*If below expectations, please explain:*

---

---

---

**List at least three things that were MOST useful and those that you feel were LEAST useful.**

Most useful:	Least useful:
1. _____	1. _____
2. _____	2. _____
3. _____	3. _____



**Specific Activities—check whether we should keep the activity, drop it or change it for the next financial education course**

	<i>Keep for next time</i>	<i>Drop</i>	<i>It's o.k., but here is how I'd change it . . .</i>
<i>Vision Poster with Group and Obstacles</i>			
<i>Asset Building Information</i>			
<i>Information on the Costs of Living, Median Wages for Some Professions and the Self Sufficiency Standard</i>			
<i>Bean Budget Simulation</i>			
<i>Guest Speaker from Bank of OK on Savings</i>			
<i>Secret History of Credit Cards Video</i>			
<i>Money Associations and Discussions about Attitudes about Money</i>			

### **Knowledge and Skills**

**Circle your answer to each of the following questions.**

1. Decreasing debt increases your net worth.	True	False
2. A credit report is a document that contains some of your bill paying history, tax lien information and judgments.	True	False
3. Credit reports are completely accurate; you never need to check for mistakes.	True	False
3. Lenders use the following C's to determine whether to lend money to someone: capacity, character and collateral.	True	False
4. There are many companies that can fix your credit or improve your credit score.	True	False

**Circle the best response to each question.**

**How are goals related to budgeting and financial management?**

- They are not related
- Goals can provide some general direction to the budgeting process but they are not an essential component
- Goals are generally unrealistic and therefore do not provide much meaning to budgeting which is more exact because it's related to numbers
- Goals are the foundation for the budget; they provide direction to the budget

**Circle the following process you think best represents how to make a budget:**

- Write down all of your income and then all of your expenses and see whether or not your income is covering your expenses
- Fill in a budget form
- Get a program like Quicken and fill in the worksheets
- Set your goals, take stock of where you are, set spending targets and track your progress

**Wealth comes from:**

- Wages from your job.
- Equity you build through assets
- Debt
- Playing the lottery



**What is net worth?**

- a. The value of your assets.
- b. The amount you could get for your things if you sold them.
- c. The value of your assets less all of your liabilities.
- d. The amount of money you make in a year.

**What is debt?**

- a. Money you owe
- b. Money you spend
- c. Money you earn

**Attitudes and Beliefs**

Circle the number that best describes you.

	Does not apply	Strongly disagree	Disagree	Agree	Strongly agree
I am satisfied with the amount of money I am able to save.	0	1	2	3	4
I have difficulty living on my income.	0	1	2	3	4
I worry about being able to pay monthly living expenses.	0	1	2	3	4
I worry about how much money I owe.	0	1	2	3	4
I feel confident about saving for a comfortable retirement.	0	1	2	3	4
I think I will have enough income to live comfortably throughout retirement.	0	1	2	3	4

**Practices and Behaviors**

Intent to engage in practice or behavior.

**As a result of this session, do you plan to:**

	No	Maybe	Yes	Already Doing This	Does Not Apply
<b>Make and keep a budget.</b>					
<b>Save money.</b>					
<b>Make a net worth statement.</b>					
<b>Pay off debt and use less credit.</b>					
<b>Open a savings or checking account.</b>					



	No	Maybe	Yes	This Already Doing This	Apply Does Not Apply
<b>Contribute to an employer sponsored retirement account.</b>					

**Economic Condition**<sup>32</sup>

	<b>At enrollment</b>	<b>Upon course completion</b>	<b>6 months following course completion</b>
Monthly income			
Monthly expenses			
Value of Assets			
Monthly Debt Payment			
% of Unsecured Debt			
Debt to Income Ratio			
Credit Score			

**Retrospective Tests**

A discussion of assessment question development would not be complete without an explanation of the retrospective pre test. The retrospective pre test has participants rate themselves with respect to knowledge, attitudes, behaviors and skills as a result of the training, and then where they were when they started the training. This eliminates the standard pre test the first day of training and post test the final day of training and sometime afterward.

This also corrects two common problems with pre/post tests:

- Participants may rate themselves higher on the first day and lower following the training because they thought they knew more than they did on the first day of the training. And the training, effectively, helped them see the breadth or depth of a topic.

<sup>32</sup> Derived from the NEFE Evaluation Handbook. See <http://www.nefe.org/eval/> for full acknowledgement and disclaimer. Please cite when using. Thanks!



- ❑ Participants may not have enough knowledge about the subject at the beginning of the training to accurately assess their own knowledge, attitudes, behaviors and skills.

## Using Logic Model to Develop Approach<sup>33</sup>

**Step 1:** Assess strengths (assets), needs and aspirations of participants.

**Step 2:** Set outcomes based on these—statements of benefit or change. Participant level and project level.

**Step 3a:** Identify competencies necessary to achieve participant outcomes (first) and project outcomes (second).

**Step 3b:** Where appropriate, set benchmarks.

**Step 4:** Develop training and facilitation plan based on competencies

**Step 5:** Use competencies as basis for assessment and evaluation.

### Simplified Example

**Step 1: Need**—repair and improve credit and credit score

**Step 2: Outcome**  
Improve credit history and credit score.

**Step 3: Competencies**

- Explain credit
- Describe how a credit history is created
- Explain how to get a credit history
- Explain how the credit score is created
- Describe strategies to increase credit score

**Step 4: Develop training and facilitation plan based on competencies**

**Step 5: Asses and Evaluation based on Competencies**

---

<sup>33</sup> This section is borrowed with permission from the Assets Alliance Financial Education Training of Trainers Curriculum. Copyright to the author, Inger Giuffrida, 2006. Please cite when using. Thanks!



- *Knowledge and Skills*
  - A credit report shows your entire bill paying history. **True False**
- *Attitudes and Beliefs*
  - I feel confident about improving my credit.

Does Not Apply	Strongly Disagree	Disagree	Agree	Strongly Disagree
----------------	-------------------	----------	-------	-------------------

- *Practices (Behaviors)*
  - Order and review your credit report this year.

No	Maybe	Yes	Already doing this	Does not apply
----	-------	-----	--------------------	----------------

- *Economic Condition*
  - Baseline credit score; post training (6 months to one year) credit score

### **Timing and the “How” for Data Collection**

#### **Participant Satisfaction**

Assessment and Evaluation Tools	How	Timing
Written session or training evaluation	Written instrument  Based on outcomes and objectives for session or training  Should include: <ul style="list-style-type: none"> <li>▪ Satisfaction/expectation questions</li> <li>▪ Content questions---level of material, relevance of material, recall of material</li> <li>▪ Process questions—training methodology, quality of instruction and facilitation</li> <li>▪ Logistics—questions about satisfaction of training space, location, cost (if applicable), etc.</li> </ul>	End of a session  End of training program
Discussion or focus groups to find out satisfaction levels,	Discussion based  Should have either pre-designed	End of training session if just a couple of

Assessment and Evaluation Tools	How	Timing
<p>suggestions for improvements and to get anecdotes and stories</p>	<p>questions or protocol linked to session objectives or overall training objectives and outcomes</p> <p>Include questions to solicit ideas for improving content, process and logistics</p> <p>Record the discussion (use audio or video AND written)</p> <p>This is a good approach if you are working with many participants that have lower literacy levels</p>	<p>questions</p> <p>End of training program for full focus group</p>
<p>Interviews to find out satisfaction levels, suggestions for improvements and to get anecdotes and stories</p>	<p>Discussion based</p> <p>Should have either pre-designed questions or protocol linked to objectives and outcomes</p> <p>Include questions to solicit ideas for improving content, process and logistics</p> <p>Record the discussion (use audio or video AND written)</p> <p>This is a good approach if you are working with many participants that have lower literacy levels</p>	<p>Throughout training</p> <p>End of training program for full focus group</p>

### Knowledge and Skills

Assessment and Evaluation Tools	How	Timing
<p>Written session or training evaluation with content questions</p>	<p>Written instrument</p> <p>Based on outcomes and objectives for session</p> <p>Should include:</p> <ul style="list-style-type: none"> <li>▪ Content questions---level of material, relevance of material, recall of material</li> </ul>	<p>End of a session</p> <p>End of training program</p>

<p>Pre-Test and Post-Test with a Focus on Content or Retrospective Pre Test</p>	<p>Use pre-test based on outcomes and objectives of training</p> <p>Ensure that only material to be covered in the training is covered in the pre-test assessment</p> <p>Post-test should include the same questions</p> <p>You are looking for an improvement on a per question basis as well as improvement overall from pre-test</p>	<p>Before any training has occurred (during the first training session OR during an enrollment interview)</p> <p>After the training has concluded—during the final training session</p>
<p>Interviews to find out knowledge and skills and to get anecdotes and stories</p>	<p>Discussion based</p> <p>Should have either pre-designed questions or protocol linked to objectives and outcomes</p> <p>Include questions to solicit participant understanding of content</p> <p>Take notes</p> <p>This is a good approach if you are working with many participants that have lower literacy levels and you want anecdotes and stories</p>	<p>Before any training has occurred (enrollment interview) if you want baseline measure</p> <p>Throughout training or after the training has concluded</p>

### Attitudes and Beliefs

Assessment and Evaluation Tools	How	Timing
<p>Pre-Test and Post-Test with a focus on attitudes and beliefs (KABS) or Retrospective Pre Test</p>	<p>Written instrument</p> <p>Based on outcomes related to attitudes, beliefs and behaviors</p> <p>Generally constructed using Likert-like scales (See side bar)</p> <p>These questions are difficult to create; therefore finding someone with</p>	<p>Pre-test prior to start of training either during first session OR during enrollment interview</p> <p>Post-test following the conclusion of training during the final session</p>

	<p>evaluation expertise can be useful</p> <p>Looking for self reported improvement between pre- and post-test</p> <p>Pre- and post-tests should include the same questions or statements</p>	<p>Many people want to see if attitudes, beliefs or behaviors continue to evolve weeks and months following the training and attempt to collect this information 6, 12 or even 18 months following the training. This presents a range of logistical challenges and is expensive.</p>
<p>Interviews to find out changes in attitudes and beliefs and to get anecdotes and stories</p>	<p>Discussion based</p> <p>Should have either pre-designed questions or protocol linked to outcomes related to attitudes and beliefs</p> <p>Take notes</p> <p>This is a good approach if you are working with many participants that have lower literacy levels and you want anecdotes and stories</p>	<p>Before any training has occurred (enrollment interview) if you want baseline measure</p> <p>Throughout training or after the training has concluded</p>

### Practices and Behaviors

Assessment and Evaluation Tools	How	Timing
<p>Pre-Test and Post-Test with focus on knowledge, skills and behaviors or Retrospective Pre Test</p>	<p>Written instrument</p> <p>Based on outcomes related to desired behaviors or practices</p> <p>Looking for self reported improvement between pre and post test</p>	<p>If conducting a pre-test, prior to the first training</p> <p>Post-test should follow the final session of training and then</p>

Assessment and Evaluation Tools	How	Timing
	Pre- and post-tests should include the same questions or statements	periodically after (3, 6, or 12 months after)
Interviews to find out practices and behaviors get anecdotes and stories	<p>Discussion based</p> <p>Should have either pre-designed questions or protocol linked to outcomes related to behaviors or practices</p> <p>Take notes</p> <p>This is a good approach if you are working with many participants that have lower literacy levels and you want anecdotes and stories</p>	<p>Before any training has occurred (enrollment interview) if you want baseline measure</p> <p>Throughout training or after the training has concluded</p>
Observation and documentation	<p>Observe participants behavior or practice or review proof</p> <p>This generally requires base line information</p> <p>Examples include asking to see a budget, increasing balances in savings accounts, increases in types of depository accounts, use of direct deposit, etc.</p> <p>In the outcome development stage of program design, you will have identified those practices to track and measure</p>	<p>Before any training has occurred (enrollment interview) if you want baseline measure</p> <p>Throughout training or after the training has concluded</p> <p>Given that changes to practices and behaviors is “higher level” impact, you may also choose to observe and document 3, 6, 12 or more months following the training</p>

## Economic Condition

Assessment and Evaluation Tools	How	Timing
Baseline economic information from applications	<p>Ensure meaningful economic information is collected on application or enrollment documents</p> <p>Need to balance “need to know” with invasion of participant privacy and burden on participant and program to document and prove economic information</p> <p>Choose 3 to 4 pieces of economic information that best indicate change in economic condition based on your program’s outcomes</p> <p>Determine whether you will rely on self-reported information or require validation—check stub or tax return, credit report, etc.</p>	At enrollment
Post training collection of economic information	<p>Provide participants with form to that requires same economic information as provided at enrollment</p> <p>Can be done in written instrument</p> <p>Need to determine whether self reported will be sufficient</p>	Following the training— immediately and then again 6 – 12 months later
Interviews and observation and documentation	<p>Discussion based</p> <p>Should have either pre-designed form to complete during the interview</p> <p>Take notes</p> <p>May ask participants to bring evidence of economic measures: income, outstanding debt, credit score, savings</p> <p>This is a good approach if you are working with many participants that have lower literacy levels and you want anecdotes and stories</p>	At enrollment and following the training— immediately and then again 6 – 12 months later



## Understanding Your Capacity

Why is a discussion about understanding your capacity part of this session on assessment and evaluation?

---

---

---

How do you determine the amount of assessment and evaluation your organization can handle?

---

---

---

## Assessing Organizational Fit for Assessment and Evaluation<sup>34</sup>

On the following page is a checklist that can be used to quickly get sense of the organizational fit and capacity for undertaking or expanding assessment and evaluation within an IDA program.

### Quick Initial Check for Organizational Fit and Capacity<sup>35</sup>

Indicator	s t r o n g	f a i r	w e a k	n o n e
Resources dedicated to assessment and evaluation beyond basic requirements of funders.				

<sup>34</sup> This section is based on a section of the IDA Training Institute. Copyright to the authors, Jan Huneke and Inger Giuffrida, 2004. Please cite when using. Thanks!

<sup>35</sup> This section is borrowed with permission from the Assets Alliance Financial Education Training of Trainers Curriculum. Copyright to the author, Jan Huneke, 2004. Please cite when using. Thanks!

Staff with assessment and evaluation expertise.				
Staff with adequate time to manage and implement the assessment and evaluation processes.				
Staff that value assessment and evaluation and see it as part of their responsibility to clients.				
Linkages to potential partners with expertise in assessment and evaluation.				
Executive management and Board commitment – internal champion(s).				
Clear outcomes from which to base the assessment and evaluation.				
Clear data collection policies and processes.				
Strong management information system that has the capacity to store assessment and evaluation data (like pre/post test scores, baseline economic information, etc) and generate reports for analysis.				
Organizational culture that promotes examination of results and continuous service improvement; this includes an organization that allows for staff mistakes (it's difficult if not impossible to get staff buy in to assessment and evaluation if they fear reprisal for anything that indicates program weaknesses).				

A good starting place for many organizations considering implementing or expanding assessment and evaluation activities is doing a SWOT analysis. SWOT stands for **S**trengths, **W**eaknesses, **O**pportunities and **T**hreats. SWOT analysis is a planning tool for organizations to use when developing or expanding a program, service or area of activity.

Strengths and weaknesses are those traits internal to your organization. For instance, strength may be internal processes that capture baseline economic data linked to program outcomes while a weakness may be a lack of organizational tolerance for underachievement.

Opportunities and threats are external to your organization.

Following is a SWOT analysis format. Complete this considering the quick check you completed above. First, do an internal assessment to identify your strengths and



weaknesses. Then, assess the external environment to identify relevant opportunities and threats. Finally, analyze your strengths and weaknesses against the opportunities and threats to develop and implement strategies for putting the organization in the best position to take advantage of the opportunities and minimize the impact of the threats.

### SWOT Analysis

	<b>Strengths</b> Positive characteristics and advantages of the organization or IDA program assessment and evaluation efforts.	<b>Weaknesses</b> Negative characteristics and disadvantages of the organization or IDA program assessment and evaluation efforts.
<b>Opportunities</b> Factors, situations that can benefit, enhance or improve the organization or IDA program.	<b>Strength-Opportunity Analysis</b> <i>How can strengths be employed to take advantage of opportunities?</i>	<b>Weakness-Opportunity Analysis</b> <i>How can weaknesses be overcome to take advantage of opportunities?</i>
<b>Threats</b> Factors, situations that can hinder the organization or IDA program.	<b>Strength-Threat Analysis</b> <i>How can strengths be used to counteract threats that may hinder achievement of objectives and pursuit of opportunities?</i>	<b>Weakness-Threat Analysis</b> <i>How can weaknesses be overcome to counteract threats that may hinder achievement of objectives and pursuit of opportunities?</i>



### **Summary of Key Points**

Organizational capacity is a critical consideration in the design of an assessment and evaluation program for your financial education program. Often, assessment and evaluation efforts are frustrated because the staff don't have time to follow through with the planned approach, staff don't have the skills to compile and analyze the data to produce meaningful information about results, the management information system does not generate the reports staff need, or staff fear that "problems" exposed through assessment and evaluation will threaten their position.

Reviewing your organizational capacity, you can better determine which assessment and evaluation measures are feasible for your organization now. You can also determine what elements you need (go back to "Quick Initial Checklist of Organizational Fit and Capacity" and "SWOT Analysis") in order to develop a robust and meaningful assessment and evaluation component for your IDA Program.

## Developing Tools to Measure Impact



### Small Group Work

With the other participants at your table, complete the exercise that corresponds with your group number.

#### Group 1—Participant Satisfaction

Financial Education Program Outcome--Increase frequency and diversity of savings.

Assessment or Evaluation Tool (Approach)	Questions	How	Timing

#### Group 2—Knowledge and Skills

Financial Education Program Outcome--Increase frequency and diversity of savings.

Assessment or Evaluation Tool (Approach)	Questions	How	Timing

#### Group 3—Attitudes and Beliefs

Financial Education Program Outcome--Increase frequency and diversity of savings.

Assessment or Evaluation Tool	Questions	How	Timing



(Approach)			

**Group 4—Behaviors and Practices**

Financial Education Program Outcome--Increase frequency and diversity of savings.

Assessment or Evaluation Tool (Approach)	Questions	How	Timing

**Group 5—Economic Condition**

Financial Education Program Outcome--Increase frequency and diversity of savings.

Assessment or Evaluation Tool (Approach)	Questions	How	Timing

**Summary of Key Points**

This exercise hopefully demonstrated that you must be very clear about what you are trying to measure—participant satisfaction, changes in knowledge and skills, changes in attitudes and beliefs, changes in practices and behaviors, or changes in economic condition. Even with the same outcome, the goal of the assessment or evaluation ultimately drives the tool or approach you use in assessment and evaluation, the questions you ask, how you implement the assessment or evaluation, and the timing. When measuring change, you generally need to have some baseline information on the key measures prior to any financial education being received.



## Communicating Results of Assessment and Evaluation

Why is considering how you will communicate results important?

---

---

---

Who do you communicate assessment and evaluation results to and why?

---

---

---

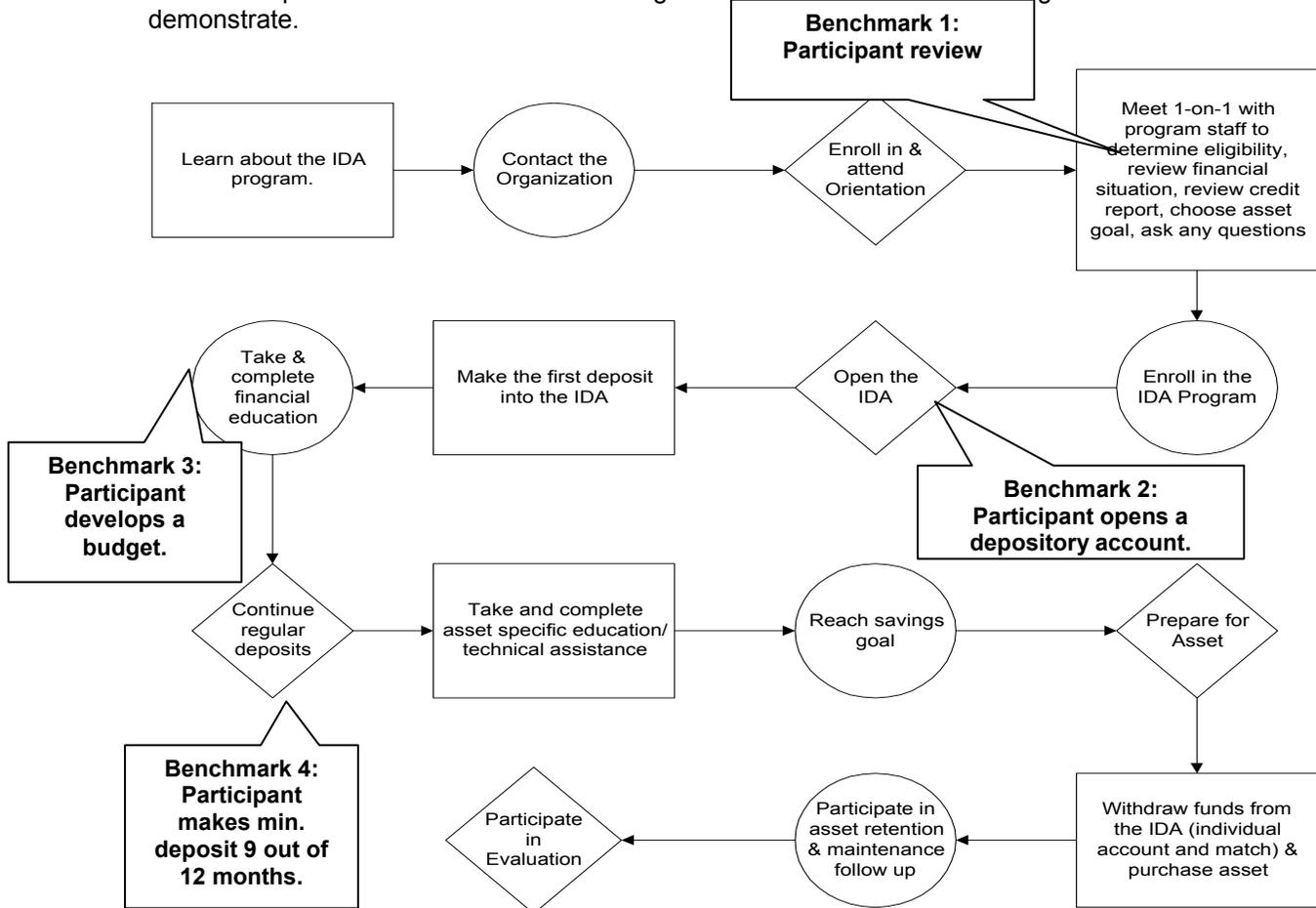
## Benchmarks<sup>36</sup>

A benchmark is simply something by which other things are measured. Typically this can include performance criteria of a participant with respect to financial management knowledge application and skills (practices) or desired amount of change in economic conditions.

Benchmarks can be established for two levels within a financial education program:

- Internal which focus on benchmarks established for the participant
- External which focus on the program

Benchmarks are tricky to establish as they set up a certain performance standard programs and people in those programs are expected to meet or exceed. In a culture that truly embraces unbiased information and change, benchmarks can be useful tools to ensure participants and programs are striving toward outcome attainment throughout the cycle of participation. Here are some examples of internal benchmarks using an IDA Program Participant Progression to demonstrate.



<sup>36</sup> This section is borrowed with permission from the Assets Alliance Financial Education Training of Trainers Curriculum. Copyright to the author, Inger Giuffrida, 2006. Please cite when using. Thanks!

## Benchmarks



### Small Group Work

With the other participants at your table, complete the following worksheet.

Are benchmarks appropriate for the work you are trying to do? YES NO

Make a case for benchmarks and a case against using benchmarks.

Case FOR Benchmarks	Case AGAINST Benchmarks

Here are the basic benchmarks used for financial education work in Massachusetts:

- established and living within budget
- opened checking/saving account(s)
- established good credit/reduced bad debt
- achieved savings to cover 3 months of minimal expenses
- contributing to long term savings

Would you change these? Improve these? Are there any missing? Use the list of core competencies below to identify other benchmarks you would develop.

Competency Area	Ideas for Benchmarks
<i>Financial planning</i>	

Competency Area	Ideas for Benchmarks
<i>Financial services</i>	
<i>Credit</i>	
<i>Recordkeeping and taxes</i>	
<i>Contracts</i>	
<i>Insurance</i>	
<i>Investing and retirement</i>	

\* Adapted from Greater St. Louis Asset-Building Collaborative's General Financial Education Core Competencies, October 2006. In concert with Lawrence Literacy Works' Basic Competencies, August 8, 2006; MIDAS' Sampling of Financial Literacy Across Massachusetts Components; United Way of Massachusetts Bay's Financial Education Survey Report, 2006.



### **Financial Planning (Goal Setting, Budgeting, Saving)**

- Understand that attitudes and values affect how you view and use money; explore strategies for family conversations; recognize the tradeoffs and opportunity costs to personal choices.
- Learn how to set realistic and measurable financial goals; consider all sources of income (for example, self-employment).
- Learn how to plan for future asset development.
- Understand how to calculate monthly income and expenses.
- Learn how to develop a spending plan that includes saving for goals and emergencies.
- Learn how to manage regular monthly payments and savings.
- Explore strategies for bringing income and expenses into balance (include employee benefits, public benefit/work supports); understand the reduction of certain benefits when earnings increase.

### **Financial Services (Basic Banking)**

- Assess the benefits of using a financial institution.
- Learn about the different types of financial institutions and services offered.
- Learn ways to evaluate and compare institutions and services to choose those that best fit your needs.
- Learn how to write checks and manage checking and savings accounts (include direct deposit/online banking).
- Review procedures used to address and resolve problems related to your accounts.

### **Credit**

- Learn about the advantages and disadvantages of using credit.
- Learn about different types of credit and how to get credit.
- Learn how to establish good credit history.
- Recognize the cost of credit.
- Learn how to compare credit terms, and evaluate your credit situation.
- Review wise ways to use credit.
- Learn about credit reports and credit protection.
- Learn to identify and resist predatory lending.

### **Recordkeeping and Taxes**

- Understand how planning your finances and keeping good records can reduce your taxes.
- Identify what records to keep and create (documenting verbal as well as paper transactions), and where to keep them.
- Understand the context of the economic and tax systems, and your responsibility and benefits. Where do taxes come from and where do they go?

The topics of Contracts, Insurance, and Long-term Financial Planning (Investing and Retirement) may be added, if time allows.