FEN FINANCIAL EDUCATION NETWORK

Financial Education Measurement and Evaluation Framework 2.0

Tracking Progress, Transforming the Future

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INTRODUCTION

The Financial Education Measurement and Evaluation (FEME) Framework, first introduced in January 2024, provides a structured, outcome-based approach to measure and evaluate the impact of Financial Education Programmes (FEPs) conducted across the Financial Education Network (FEN).

It is intended for financial educators, programme designers, and implementation partners within the FEN Family, guiding them from planning through implementation to reporting. The framework emphasises practical steps that help providers demonstrate improvements in participants' knowledge, behaviours and attitudes, and ensure that programme evidence meaningfully supports national policy and resource allocation decisions.

Note: This document is considered a living document, intended to reflect the changes in the environment and emerging vulnerabilities.

WHAT’S NEW IN FEME 2.0?

The key enhancement to this version lies in its alignment with the second National Strategy for Financial Literacy 2026–2030 (NS2.0) issued in October 2025. The NS2.0 aims to empower Malaysians from all walks of life to navigate today’s financial environment with confidence and competence.

NS2.0 aspires to help people manage debt and risk more effectively, build financial resilience for the unexpected, promote safe and informed use of digital financial services and support vulnerable communities so that opportunity is shared by all.

While the earlier FEME Framework was anchored to the National Strategy 2019 - 2023, NS2.0 sets forth renewed Strategic Priorities to address current consumer vulnerabilities, the new realities identified from the Financial Capability and Inclusion Demand Side Survey 2024, and introduces Headline Indicators and Targets to monitor national progress. These indicators will serve as benchmarks for national achievement and provide direction for financial education efforts. By embedding these indicators, FEME 2.0 ensures that grassroots interventions contribute to a coherent picture of national goals of fostering financial resilience, inclusion, and well-being across all segments of society.

Key Enhancement to the Framework

Specifically, this edition introduces several key improvements:

1. **Direct alignment with the National Strategic Priorities**

   NS2.0 establishes a renewed set of strategic priorities to address current consumer vulnerabilities and the behavioural patterns observed in the FCI Survey 2024. In response, FEME 2.0 is deliberately structured to mirror these priorities so that programme-level outcomes can be interpreted in direct relation to national targets.

Diagram 1: Alignment of FEME 1.0 Strategic Outcomes to NS2.0 Strategic Priorities

FEME 1.0 Strategic Outcome (SO)	
SO1:	Understand and able to apply basic financial knowledge, skills and values when making financial decisions
SO2:	More resilient, adaptable and financially prepared for unexpected expenses
SO3	Able to manage debt prudently
SO4:	Able to manage day-to-day finances
SO5:	Have long term plans to meet future financial needs and retire comfortably
SO6:	Able to make informed investment decisions
SO7:	Able to use Digital Financial Services (DFS) safely and avoid falling prey to financial scams

FEME 2.0 Strategic Priorities (SP)	
SP1:	Promote wise financial planning and preparation for retirement
SP2:	Foster smart and responsible debt management
SP3	Secure financial future with risk protection
SP4:	Promote safe, confident and meaningful usage of digital financial services
SP5:	Encourage investment for wealth creation

2. **Alignment of Evaluation Questions with National Indicators**

   In addition, evaluation questions that map directly to **NS2.0 Headline Indicators and Targets** and the **MYFLIC Index from the Financial Capabilities and Inclusion Demand Side (FCI) Survey** are designated as **Core Questions**, forming a consistent evidence base across the entire FEN ecosystem. Complementing these are the **Optional Questions**, which give programme owners flexibility to explore focus areas unique to their objectives while maintaining comparability over time.

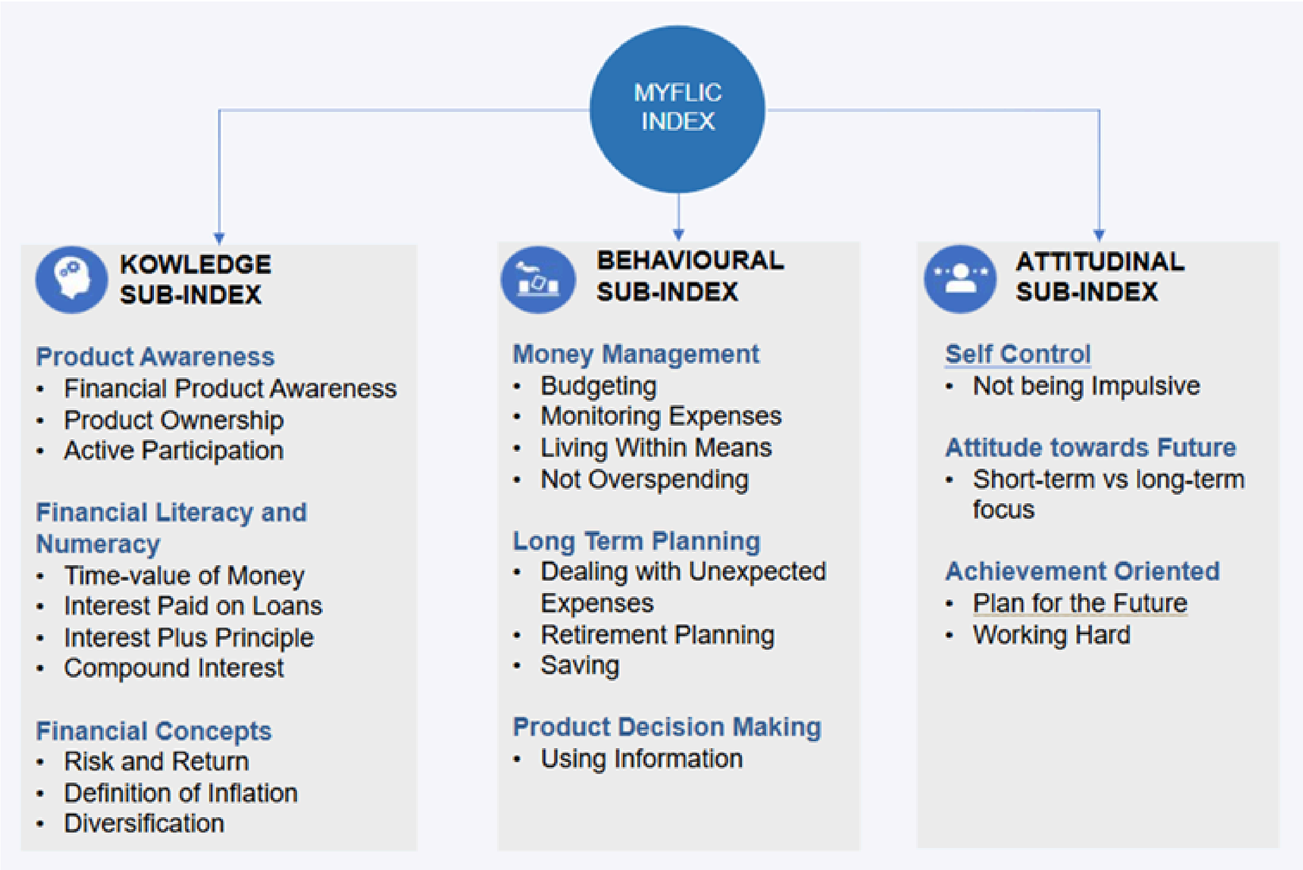
Diagram 2: NS2.0 Headline Indicators and Targets for 2030

Headline Indicators and Targets for 2030

	Baseline (2024)	Target (2030)
Overall financial literacy		
OECD/INFE Adult Financial Literacy Score *Evaluates the financial literacy levels of adults across various countries and facilitates a comprehensive understanding of financial literacy across different regions and economic contexts*	Second highest quartile of OECD/INFE ranking	Move up to highest quartile of OECD/INFE ranking
Malaysia Financial Literacy and Capability (MYFLIC) Index *Constructed based on the FCI Survey, and assesses the level of financial capability of Malaysians across components of financial knowledge, behaviour and attitude*	59.1	≥65
Strategic Priority 1: Promote wise financial planning and preparation for retirement		
% of Malaysians who prioritise long-term financial planning over short-term gratification	49.8	≥60
% of Malaysians worried about the ability to cover expenses in old age	31	≤20
% of Malaysians who plan ahead for anticipated expenses	*New indicator; Target to be established in 2027*	
Strategic Priority 2: Foster smart and responsible debt management		
% of Malaysians who feel they have too much debt	26	≤15
% of household borrowers with debt service ratio (DSR) of ≥60%[4]	20.5	≤20
Strategic Priority 3: Secure financial future with risk protection		
% of Malaysians able to sustain their living expenses (at least 3 months) when faced with unexpected events	37	≥45
% of Malaysians who find it difficult in getting emergency cash of RM1,000	61	≤45
Index on the sufficiency, clarity and reliability of information on financial products and services	53.6	≥65
Strategic Priority 4: Promote safe, confident and meaningful usage of digital financial services		
Digital financial literacy index	42.2	≥55
% of Malaysians who share passwords and/or PIN of bank accounts with close friends	15	≤10
% of Malaysians who pay attention to website security before making online transactions	39	≥60
Strategic Priority 5: Encourage investments for wealth creation		
Capital market literacy index	*New indicator; Target to be established in 2027*	

Source: OECD/INFE 2023, FCI Survey 2024, Securities Commission Malaysia

Diagram 3: Financial Capability and Inclusion Demand Side Survey: MYFLIC Index



The framework continues to align with the Financial Literacy Core Competencies, ensuring that evaluation instruments preserve trend continuity and able to track progress meaningfully over time.

This integrated approach strengthens the coherence between programme-level measurement and national-level reporting. It ensures that insights generated at the micro level feed directly into the broader narrative of progress under NS2.0, enabling more targeted interventions and a clearer assessment of how financial education efforts contribute to the achievement of Malaysia's strategic priorities.

FEME FRAMEWORK

Why evaluation and measurement of FEPs is important?

1. It is increasingly evident that many FEPs continue to highlight outputs such as participant numbers and activity counts, often placing less emphasis on the outcomes that truly matter. While reach and topic coverage remain important, this output-focused approach tends to overlook the core objectives of financial education—strengthening knowledge and cultivating meaningful, lasting changes in financial behaviours and attitudes.

2. Robust evaluation strengthens programme effectiveness and credibility. It helps providers prioritise content that matters most for participants, tailor delivery for specific segments, and demonstrate where resources are best allocated. Continuous measurement also strengthens accountability to stakeholders and sustains public trust. Importantly, the insights generated at programme level feed into national reporting, enabling a whole-of-nation view of progress in financial literacy.

Diagram 4: Objectives of Evaluation

Efficient Resource Allocation

- Help allocate financial and manpower resources efficiently to maximise the impact of FEPs
- Enables policymakers and FE practitioners to identify FEPs that deliver the best results
- Optimise resource allocation by focusing on FEPs that could meet most critical aspects of FE

Programme Improvement

- Identify areas to further refine or improve
- Provide insights for customisation of FEPs for specific target groups
- Evaluate the impact on different demographics and segments of the population

Ensure Accountability and Transparency

- Allow stakeholders, policymakers, and the public to understand how resources are being used and the impact generated

3. This iterative approach ultimately leads to better engagement, participation, and outcomes, fostering a more inclusive and impactful FE experience. It also helps build trust and credibility in the FEPs, ensuring that it aligns with its stated objectives and meets the needs of the target group.

Overview of the Framework

At its core, FEME applies an outcomes-based logic model. Educators make their intended changes explicit—how inputs and activities produce outputs, which in turn lead to short-term outcomes (knowledge and self-efficacy), intermediate outcomes (behaviour and attitudes), and long-term outcomes (resilience and financial well-being). The framework combines **quantitative evidence** (e.g. pre/post assessments) with **qualitative insights** (e.g. open-ended feedback, interviews, focus groups) to present a rounded view of impact. The indicators are designed to generate insights across various initiatives, applicable to different delivery modes (online or physical) and diverse target segments including children, youth, micro-entrepreneurs, by demonstrating the outcomes and impact achieved.

Diagram 5: FEME Framework at a Glance

FEME FRAMEWORK

VISION
Effective National Strategy for Financial Literacy to improve financial well-being of Malaysians

OBJECTIVES	Outcome-driven measurement to achieve goals	Efficient resource allocation	Continuous improvements

STRATEGIC PRIORITIES

- Promote wise financial planning and preparation for retirement
- Foster smart and responsible debt management
- Secure financial future with risk protection
- Encourage investments for wealth creation
- Promote safe, confident and meaningful usage of digital financial services

AREAS OF EVALUATION

- KNOWLEDGE
- BEHAVIOUR
- ATTITUDE

Using the FEME Framework: A Three-Phase Guide

FEME establishes a structured measurement framework that empowers financial educators to stay focused on their intended outcomes and drive meaningful progress. The framework is organised into three (3) key phases that guide the end-to-end evaluation process.

Diagram 6: How to Use FEME Framework?

Phase 1

Planning by FEN Family

- *Align programme objectives with Strategic Priorities*
- *Determine the pre-requisite considerations*
- *Determine evaluation questions*
- *Consider factors for successful implementation*

Phase 2

Implementation by FEN Family

- *Implement programme and collect data from participants*
- *Data quality and reliability*
- *Data analysis and interpretation*
- *Submit to FEN National Coordination Office (FENNCO)*

Phase 3

Sharing Outcomes by FENNCO

- *Analyse collective impact of FE Programmes*
- *Identify merits and gaps to improve the FE Programme*
- *Sharing insights with FEN Family*

Phase 1 - Planning by FEN Family[1]

Aligning programme objectives with Strategic Priorities

1. Acknowledging the diversity in goals and objectives among various FEPs, it is imperative that in this initial phase, financial education providers diligently **assess and align their respective FEP's objectives with at least one (1) of the Strategic Priorities (SP) outlined under NS2.0.**

    - SP1: Promote wise financial planning and preparation for retirement
    - SP2: Foster smart and responsible debt management
    - SP3: Secure financial future with risk protection
    - SP4: Promote safe, confident and meaningful usage of digital financial services
    - SP5: Encourage investments for wealth creation

2. Financial education providers can filter the 'Strategic Priorities' column in the [FEME Questions Database](#) and click on the desired Strategic Priority (Diagram 7). Note that the FEPs could have multiple Strategic Priorities. For example, the objectives for **InvestSmart** programme by the Securities Commission Malaysia may support Strategic Priority 4: Promote safe, confident and meaningful usage of digital financial services and Strategic Priority 5: Encourage investments for wealth creation.

Diagram 7: Choosing Strategic Priorities

Strategic Priority	Question no.	Area of Evaluation	Target Audience	Type of Questions	Component	Sub-component
SP1 - Promote wise financial planning and preparation for retirement	SP1_C1	Knowledge	Adult	Core	Literacy and numeracy	Interest plus principal

[1] FEN Family comprises of FEN Members, Associate Members, Partners and Community Champions

Determine the Pre-requisite Considerations

1. **Target Audience** – Filter the questions based on the target audience (Diagram 8) i.e. Children (up to 14 years old) or Adults (including youth, aged 15-year-old and above[2]).

Diagram 8: Choosing Target Audience

Strategic Priority	Question no.	Area of Evaluation	Target Audience	Type of Questions	Component	Sub-component
SP1 - Promote wise financial planning and preparation for retirement	SP1_C1	Knowledge	Adult	Core	Literacy and numeracy	Interest plus principal

2. Type of Questions - Identify the **Core questions** relevant to the FEPs (Diagram 9). Core questions are the questions that are compulsory to be included in the assessment relevant to the respective Strategic Priority identified.

   If a FEP does not address the Core Questions, the financial education provider should enhance the programme content to incorporate these essential areas. Doing so ensures that the FEP is aligned with the required elements necessary to achieve the intended Strategic Priority.

Diagram 9: Choosing The Type of Questions

Strategic Priority	Question no.	Area of Evaluation	Target Audience	Type of Questions	Component	Sub-component
SP1 - Promote wise financial planning and preparation for retirement	SP1_C1	Knowledge	Adult	Core	Literacy and numeracy	Interest plus principal

3. Select Optional questions to supplement the Core questions that best suit the coverage of the FEPs.

[2] Department of Statistics Malaysia - working age refers to those who are between 15 to 64 years age group (in completed years at last birthday) during the reference week, and who are either in labour force or outside the labour force. United Nations defined 'youth' as those persons between the ages of 15 and 24 years.

Determine the Evaluation Questions

The guiding principle to choose the evaluation questions from the FEME Questions Database:

1. **For short-term FEPs** (less than one week or one-off programmes), providers should select **(i) pre-programme Core** and Optional (if any) questions and **(ii) post-programme Core** and Optional (if any) questions, as illustrated in Diagram 10(a). This approach enables measurement of changes in participants' **knowledge** as well as shifts in their **intended behaviours** or attitudes after the programme.

Diagram 12 (a): Short-term FEPs

Pre-programme questions (before programme)	Post-programme questions (immediately after programme)	Long-term Post-programme questions (at least 3 months post programme)
I save RM1,000 in a bank with an interest/profit rate of 5% per year. I do not make any further payments into this account and I do not withdraw any money. After a year, my total savings plus interest/profit is RM1,050. a) True b) False c) Not sure	I save RM1,000 in a bank with an interest/profit rate of 5% per year. I do not make any further payments into this account and I do not withdraw any money. After a year, my total savings plus interest/profit is RM1,050. a) True b) False c) Not sure	I save RM1,000 in a bank with an interest/profit rate of 5% per year. I do not make any further payments into this account and I do not withdraw any money. After a year, my total savings plus interest/profit is RM1,050. a) True b) False c) Not sure

2. If the programme intends to assess the **same group of participants** over a longer period, providers should select **(i) pre-programme Core** and Optional (if any) questions, **(ii) post-programme Core** and Optional (if any) questions, and **(iii) long-term post-programme** Core and Optional (if any) questions, as shown in Diagram 12(b). This enables measurement of changes in knowledge as well as the **actual behaviours or attitudes** demonstrated by participants after the programme.

Diagram 12 (b): Long-term FEPs

Pre-programme questions (before programme)	Post-programme questions (immediately after programme)	Long-term Post-programme questions (at least 3 months post programme)
I save RM1,000 in a bank with an interest/profit rate of 5% per year. I do not make any further payments into this account and I do not withdraw any money. After a year, my total savings plus interest/profit is RM1,050. a) True b) False c) Not sure	I save RM1,000 in a bank with an interest/profit rate of 5% per year. I do not make any further payments into this account and I do not withdraw any money. After a year, my total savings plus interest/profit is RM1,050. a) True b) False c) Not sure	I save RM1,000 in a bank with an interest/profit rate of 5% per year. I do not make any further payments into this account and I do not withdraw any money. After a year, my total savings plus interest/profit is RM1,050. a) True b) False c) Not sure

Consider Factors for Successful Implementation

1. To maximise the benefits of evaluation, it is essential to integrate evaluation considerations from the very beginning of FEP development. The first step involves clearly defining the programme's Theory of Change (TOC), which outlines the planned activities and the expected changes in participants' knowledge, behaviours, and attitudes. Tools such as the logic model—which maps Inputs, Activities, Outputs, Outcomes, and Impacts—help clarify these elements and make underlying assumptions explicit.

2. TOC development is an iterative and continuous process. By regularly reviewing and refining the TOC, organisations can better understand cause-and-effect pathways, learn from implementation experiences, and improve programme planning, execution, and evaluation over time. A well-constructed TOC therefore provides a strong, structured foundation for explaining the rationale behind the programme design and the outcomes it intends to achieve.

3. Financial education providers may also encounter several challenges during FEME implementation. Identifying these potential constraints early and addressing them proactively during the planning stage can significantly enhance the quality and effectiveness of the evaluation. Common challenges include:

    (i) Resource Constraints
    This includes limitations in staffing, budget allocation, and infrastructure or technology needed to support measurement and evaluation activities.
    Tracking participants—especially for long-term FE programmes—can be demanding, requiring dedicated personnel and sufficient time. Sustaining participant engagement for follow-up assessments is often a major barrier. Strategies such as regular communication, appropriate incentives, and reliable participant-tracking systems can help strengthen engagement and improve follow-up response rates.

    (ii) Access to Accurate and Complete Data
    Obtaining reliable demographic information and response data is crucial for meaningful evaluation. Incomplete or inaccurate data reduces the quality of insights and undermines the ability to assess programme effectiveness. Establishing clear data-collection procedures and ensuring consistent data recording practices can mitigate this issue.

    (iii) Collaboration and Cooperation with Stakeholders
    Successful FEME implementation relies on active support from participants, partner organisations, and other stakeholders. Early stakeholder engagement, clear communication on data requirements, and securing commitment for data sharing and participation in evaluation activities are key to overcoming potential cooperation challenges.

4. By anticipating and addressing these challenges during the planning phase, financial education providers can significantly enhance the effectiveness of FEME implementation. This proactive approach leads to more robust, reliable, and meaningful evaluation outcomes, ultimately strengthening the impact of financial education programmes.

Phase 2 - Implementation by FEN Family

Implement programme and collect data from participants

1. During the implementation phase, financial education providers must carry out data collection in accordance with:

    (a) the criteria established during Phase I; and
    (b) the required demographic sampling parameters (as shown in Diagram 13).

Diagram 13: Demographic samples

Age Group Can you please tell me your age as of your last birthday?	Location / Record State	Education What is the highest academic qualification that you have completed?
14 and below	Johor	Post Graduate (Masters / PhD)
15 - 17 years old	Kedah	University / College (Degree / Professional Qualification / Diploma)
18 – 29 years old	Kelantan	Technical vocational education beyond secondary school level
30 – 39 years old	Melaka	Complete secondary school
40 – 49 years old	Negeri Sembilan	Some secondary school
50 – 59 years old	Pahang	Complete primary school
60 – 69 years old	Pulau Pinang	Some primary school
70 years and above	Perak	No formal education
	Perlis	Don't know / refused / not applicable

2. Data is systematically collected from participants including both quantitative data (e.g. pre and post-FEPs' assessments) and qualitative insights (e.g. interviews, focus groups, open-ended survey responses). FE providers are encouraged to leverage technology and digital solutions—such as Microsoft Forms or other digitalised platforms—to streamline data collection, minimise human error, and improve data management efficiency.

Data quality and reliablity

All data must be thoroughly reviewed for **accuracy, completeness, and consistency.** Any missing or incorrect data points should be identified and resolved promptly to maintain the integrity and reliability of the dataset. To ensure comparability and consistency across submissions, FENNCO will only review and analyse datasets that are complete, specifically those containing **both pre-and post-assessment data.** As part of the enhancements introduced under the FEME framework, financial education providers are also required to assign a **unique participant ID during data collection.** This enables precise matching of each participant's pre-, post-, and (where applicable) long-term post-programme responses, ensuring accurate tracking of changes over time and minimising errors during analysis.

Data analysis and interpretation

Conduct a comprehensive analysis and interpretation of the collected data. Both quantitative and qualitative information should be examined to uncover patterns, trends, and key insights. This analysis enables stakeholders to evaluate the effectiveness of the FEP, assess participants' progress, and understand the programme's overall impact.

Submission to FENNCO

Submit the compiled dataset to FENNCO. The FEME Submission Form serves as a guidance tool to illustrate the required data structure and reporting format. The completed file should be named according to the following convention:

[FE Provider]_FEME Submission Form
Example: EPF_FEME Submission Form

- All completed submissions should be emailed to the FENNCO at **fennco@bnm.gov.my,** using the subject line:
  [FE Provider]_FEME Submission Form
  Example: EPF_FEME Submission Form

The data submission is to be made within 2 weeks after the FE programme ends.

Phase 3 - Sharing Outcomes by FEN National Coordination Office

1. During this phase, FENNCO will evaluate the overall effectiveness and outcomes of the FEPs by reviewing the data and evidence submitted by each FE provider. This assessment includes:

   (a) Identifying the **strengths and positive** elements of the FEPs that contributed to meaningful impact. These successful components may serve as models and could be scaled or adapted for use in other FEPs.

   (b) Identifying **areas for improvement** by analysing participant feedback, survey or interview findings, and the extent to which programme outcomes align with the intended objectives. This helps pinpoint specific enhancements needed in programme design or delivery.

2. Drawing on these insights, FENNCO will develop and propose strategies based on good practices and lessons learned. These recommendations will then be shared with FEN Family to support continuous improvement and strengthen the effectiveness of future FEPs.

Development of the FEN Dashboard

To further strengthen the national measurement ecosystem, FEN is developing a centralised digital dashboard to facilitate seamless data submission, aggregation, and reporting. Targeted for completion in 2026, the dashboard will:

- Standardise reporting across all financial education initiatives, ensuring consistency and comparability.
- Enable near real-time tracking of programme performance and participant outcomes.
- Link programme-level outcomes to the headline indicators under NS2.0, reinforcing alignment with national priorities.
- Provide comparative insights and benchmarks across stakeholders, enabling evidence-based decision-making and continuous improvement.

Once launched, the dashboard will be formally integrated into the FEME Framework, accompanied by detailed usage protocols and guidance for implementers to support smooth adoption and consistent application.

Future Directions

The FEME Framework will continue to evolve to remain responsive, adaptive, and impactful. Key future directions include:

1. **Digital Integration** – Full adoption of the FEN Dashboard to support standardised evaluation, streamlined data submission, and comprehensive national-level reporting.

2. **Mid-Term Review** – FEME will be reviewed alongside NS2.0 to ensure continued alignment with national financial literacy goals and to remain responsive to emerging needs and challenges.

3. **Capacity Building and Knowledge Sharing** – Expanded training and greater use of the dashboard as a knowledge hub will equip programme implementers to apply FEME consistently and benefit from shared best practices.

Through these forward-looking directions, FEME will function not only as a measurement framework but also as a catalyst for continuous improvement, collaboration, and strengthened accountability across Malaysia's financial education ecosystem.

Conclusion

The FEME Framework remains a foundational pillar for financial education evaluation in Malaysia. This enhanced edition—now aligned with NS2.0—further strengthens its relevance by integrating strategic priorities, headline indicators, and digital advancements.

With the upcoming FEN Dashboard and a strengthened focus on continuous improvement, FEME is well-positioned to drive measurable progress and support Malaysia's aspiration for a financially resilient, inclusive, and empowered nation by 2030.

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