



Financial Education Measurement and Evaluation (FEME) Framework

January 2024

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The Financial Education Measurement and Evaluation (FEME) Framework is designed to provide a structured outcome-based framework to measure and evaluate the impact of the financial education (FE) initiatives conducted by the Financial Education Network (FEN) on individuals and their financial well-being.

TRACKING PROGRESS, TRANSFORMING THE FUTURE

FEN has formulated the [National Strategy for Financial Literacy 2019-2023](#), outlining five key Strategic Priorities. These priorities serve as the basis for FEN's efforts to enhance the financial capability of Malaysians and foster collaboration to achieve shared objectives, promoting alignment and synergy. The ultimate goal of the National Strategy is for Malaysians to achieve financial well-being. Therefore, regular evaluation of progress is emphasised to ensure that efforts are yielding tangible results in advancing toward the envisioned future.

Based on a recent assessment, there is a need for FEN members and partners to implement clear monitoring and evaluation exercises to effectively measure the impact of their FE Programmes (FEPs). FEPs can be defined as structured and systematic initiatives aimed at improving individuals' knowledge, behaviours, and attitudes regarding financial concepts, enabling them to make informed and effective decisions about money management, savings, investments, debt management, and other financial matters.

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



Currently, the focus is mostly being directed to measuring and evaluating FEPs' successes through output-driven metrics, prioritising participants' satisfaction, and programme relevance.

Hence, the FEME Framework serves as a timely resource to aid FEN members and partners in **effectively measuring the performance of their FEPs**, leading to **continuous improvement**.

The FEME Framework provides a detailed, step-by-step guide on what needs to be done, why it is important, and how to execute it. Additionally, it includes practical examples from the pilot programmes to further illustrate the concepts. The FEME Framework is organised into:

- 01 Introduction
- 02 Why evaluation and measurement of FEPs is important?
- 03 FEME Framework
- 04 How to use FEME Framework

WHY EVALUATION AND MEASUREMENT OF FEPS IS IMPORTANT?

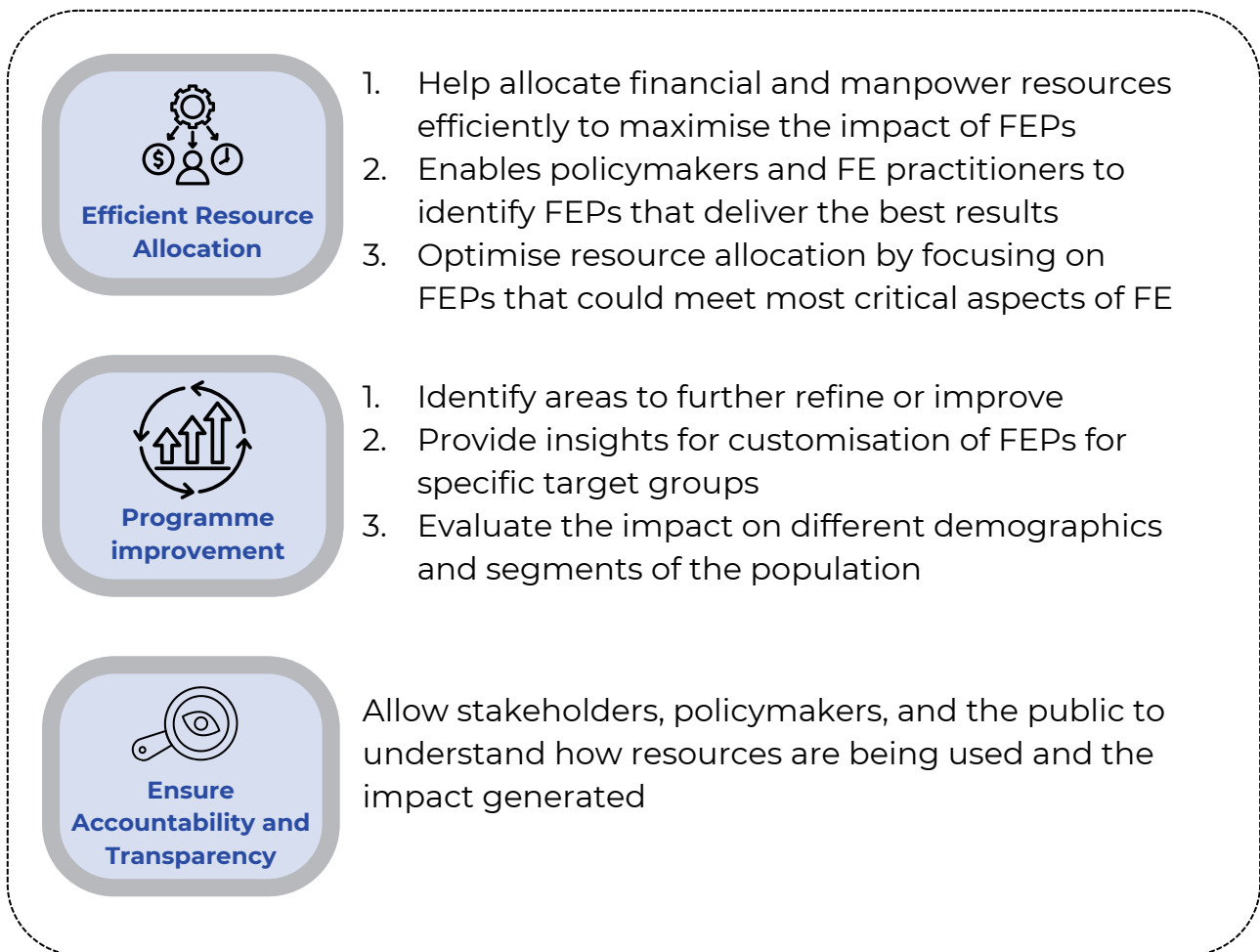
FEPs is a key pillar in the implementation of the National Strategy. FEN is committed to strengthening the measurement and evaluation of FEPs, with the aim of enhancing the impact of initiatives collectively implemented by FEN members and partners.

FEME not only aligns with the pre-set goals of the National Strategy but also undergoes evaluation alongside improvements in knowledge, behaviour, and attitude, which are measured under the [Financial Capability and Inclusion \(FCI\) Demand Side Survey](#) (Diagram 1).



FEME identifies **remaining gaps** and **supports evidence-based policymaking, enabling prioritisation** of critical financial capability initiatives and the design of **targeted interventions**

Diagram 1: Objectives of Evaluation



By continuously evaluating and refining the FEPs, we can ensure that resources are utilised effectively since the evaluations provide insights into the specific needs and preferences of targeted groups and allow customisation to be tailored to the unique challenges of each target group.

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.

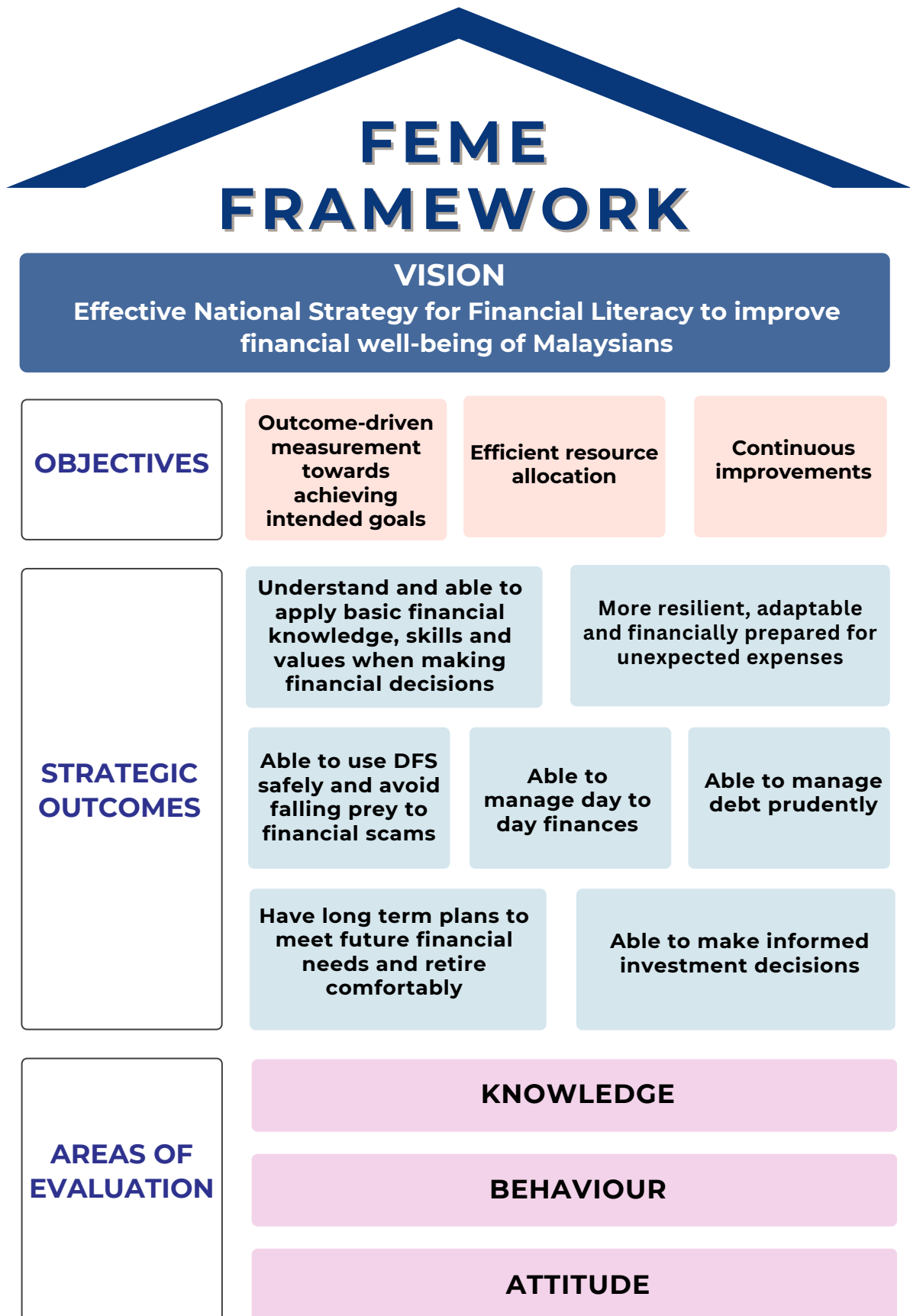
FEME FRAMEWORK

It is becoming increasingly apparent that numerous FEPs are inclined to demonstrate results based on quantity and activities, thereby giving lower priority to desired outcomes. While the number of individuals reached and the range of financial topics covered are important, this approach often overlooks the essential goals of knowledge improvement and fostering meaningful and lasting changes in financial behaviours and attitudes.

FEME is therefore designed to assess the effectiveness of FE initiatives by providing **structured outcome-based guidance** to measure and evaluate the impact of these initiatives on individuals and their financial well-being. By focusing on the outcomes, FEME aims to determine whether FE are effectively equipping individuals with the necessary knowledge and skills, which result in positive changes in behaviour and attitude towards making informed financial decisions to improve financial well-being.

FEME uses **both quantitative and qualitative** methods to achieve a comprehensive and holistic understanding of the effectiveness of FEPs. The combination of quantitative and qualitative data provides valuable information on participants' knowledge attainment, engagement levels, and overall participant satisfaction. This robust evaluation method empowers the implementors or organisers to make informed decisions, enhance programme design, and maximise the impact of their FEPs.

Diagram 2: FEME Framework at a Glance



HOW TO USE FEME FRAMEWORK?

FEME sets out a measurement framework that empowers financial educators to achieve their intended goals and drive effective progress. It consists of three (3) phases:

01 Planning by FEN members and partners

02 Implementation by FEN members and partners

03 Sharing Outcomes by FEN Secretariat

Diagram 3: How to Use FEME Framework?

Phase 1

Planning by FEN members and partners

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

Phase 2

Implementation by FEN members and partners

- *Implement programme and collect data from participants*
- *Data quality and reliability*
- *Data analysis and interpretation*
- *Submit to FEN Secretariat*

Phase 3

Sharing Outcomes by FEME Secretariat

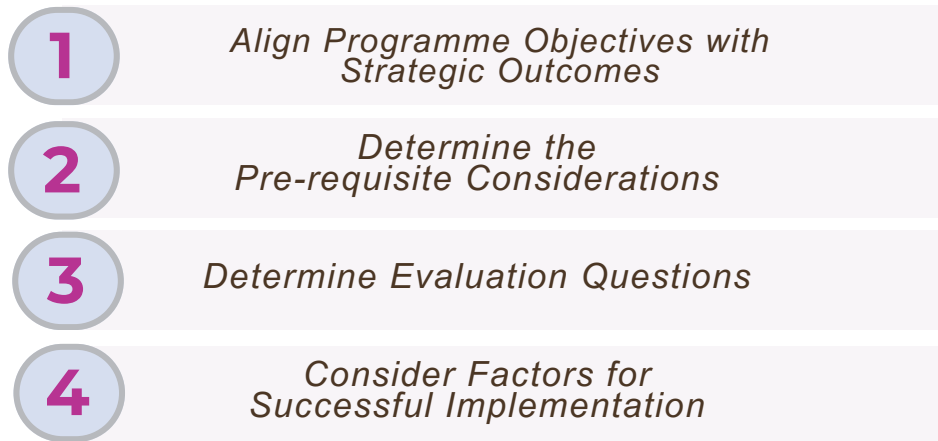
- *Analyse collective impact of FE Programmes*
- *Identify merits and gaps to improve the FE Programme*
- *Sharing insights with FEN members and partners*

The framework is guided by the [FEME Questions Database](#) where FE providers can select the type of questions based on the categories.

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Planning by FEN members and partners

Diagram 4: Phase I – Planning by FEN members and Partners



Step 1 : Align FEPs' Objectives with Strategic Outcomes

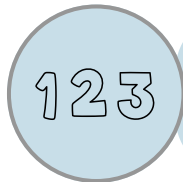
Acknowledging the diversity in goals and objectives among various FEPs, it is imperative that in this initial phase, FE providers diligently **assess and align their respective FEPs' objectives with at least one (1) relevant Strategic Outcome (SO)**.

There are seven (7) Strategic Outcomes to choose from (Diagram 5).

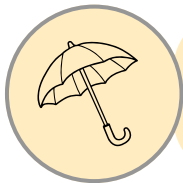
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Planning by FEN members and partners

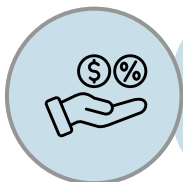
Diagram 5: FEME Strategic Outcomes



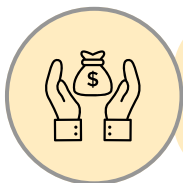
SO1: Understand and able to apply basic financial knowledge, skills and values when making financial decisions



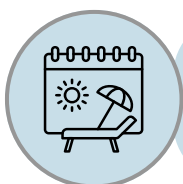
SO2: More resilient, adaptable and financially prepared for unexpected expenses



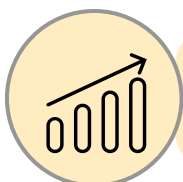
SO3: Able to manage debt prudently



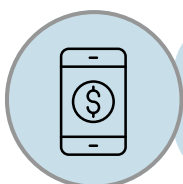
SO4: Able to manage day-to-day finances



SO5: Have long term plans to meet future financial needs and retire comfortably



SO6: Able to make informed investment decisions



SO7: Able to use DFS safely and avoid falling prey to financial scams

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Planning by FEN members and partners

FE providers can filter the ‘Strategic Outcome’ column in the [FEME Questions Database](#) and click on the desired Strategic Outcome (Diagram 6). Note that the FEPs could have multiple Strategic Outcomes. For example, the objectives for InvestSmart programme by the Securities Commission Malaysia may support *Strategic Outcome 1: Understand and able to apply basic financial knowledge, skills and values when making financial decisions* and *Strategic Outcome 6: Able to make informed investment decisions*.

Diagram 6: Choosing the Strategic Outcomes

Strategic Outcome	Outcome	Areas of Evaluation	Target Audience	Type of Questions	Component	Sub-component
1: Malaysians understand and able to apply basic financial knowledge, skills and values when making financial decisions	SO1_C1	Knowledge	Adult	Core	Financial Concept	Risk and return

Step 2: Determine the Pre-requisite Considerations

- (a) **Target Audience** – Filter the questions based on the target audience (Diagram 7) i.e. Children (up to 14 years old) or Adults (including youth, aged 15-year-old and above*).

Diagram 7: Choosing the Target Audience

Strategic Outcome	Outcome	Areas of Evaluation	Target Audience	Type of Questions	Component	Sub-component
1: Malaysians understand and able to apply basic financial knowledge, skills and values when making financial decisions	SO1_C1	Knowledge	Adult	Core	Financial Concept	Risk and return

*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.

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Planning by FEN members and partners

- (b) **Type of Questions** – Identify the **Core** questions relevant to the FEPs (Diagram 8). Core questions are the questions that are compulsory to be included in the assessment relevant to the respective Strategic Outcome identified.

If the FEPs do not cover the Core questions, the FE provider should consider enhancing the content of the FEPs to include areas under the Core questions. This is to ensure that the FEPs integrate the essential elements towards achieving the Strategic Outcome.

Diagram 8: Choosing the Type of Questions

Strategic Outcome	Outcome	Areas of Evaluation	Target Audience	Type of Questions	Component	Sub-component
1. Malaysians understand and able to apply basic financial knowledge, skills and values when making financial decisions	SO1_C1	Knowledge	Adult	Core	Financial Concept	Risk and return

- (c) Select **Optional** questions to supplement the Core questions that best suit the coverage of the FEPs.



If the FEPs do not cover the core questions, the FE provider should consider **enhancing the content of FEPs to include areas under the core questions**. This is to ensure that the FEPs integrate the essential elements towards achieving the Strategic Outcome.

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Planning by FEN members and partners

Step 3: Determine the Evaluation Questions

The guiding principle to choose the evaluation questions from the [FEME Questions Database](#):

- (a) **If the FEPs are short-term** (less than one week or one-off programmes) - to choose (i) **pre-programme core** and optional (if any) questions and (ii) **post-programme core** and optional (if any) questions [Diagram 9 (a)]. This is to assess the difference in **knowledge** and the **intended behaviour** post-programme.

Diagram 9(a): Choosing the Core Evaluation Questions

Strategic Outcome	Pre-Programme Core Questions (before programme)	Post-Programme Core Questions (immediately after programme)	Long-term Post-Programme Core Questions (at least 3 months post programme)
SO1_01	An average annual rate of return of 20% per annum or more is considered 'HIGH' return for long-term investments in the stock market. 1 = True 0 = False 0 = Don't know	An average annual rate of return of 20% per annum or more is considered 'HIGH' return for long-term investments in the stock market. 1 = True 0 = False 0 = Don't know	An average annual rate of return of 20% per annum or more is considered 'HIGH' return for long-term investments in the stock market. 1 = True 0 = False 0 = Don't know

- (b) If the intention is **to assess the same group of participants in the longer term**, to choose (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 [Diagram 9(b)]. This is to assess the difference in **knowledge** and the **actual behaviour** post-programme.

Diagram 9(b): Choosing the Core Evaluation Questions

Strategic Outcome	Pre-Programme Core Questions (before programme)	Post-Programme Core Questions (immediately after programme)	Long-term Post-Programme Core Questions (at least 3 months post programme)
SO1_01	An average annual rate of return of 20% per annum or more is considered 'HIGH' return for long-term investments in the stock market. 1 = True 0 = False 0 = Don't know	An average annual rate of return of 20% per annum or more is considered 'HIGH' return for long-term investments in the stock market. 1 = True 0 = False 0 = Don't know	An average annual rate of return of 20% per annum or more is considered 'HIGH' return for long-term investments in the stock market. 1 = True 0 = False 0 = Don't know

Step 4: Consider Factors for Successful Implementation

To derive maximum benefits from evaluation, it is crucial to integrate evaluation considerations from the inception of FEP development. The initial step involves comprehending and defining the Theory of Change (TOC) for the programme, detailing anticipated activities and expected changes in people's knowledge, behaviour, and attitudes. The use of a tool like the logic model, delineating Inputs, Activities, Outputs, Outcomes, and Impacts, aids in clarifying these aspects. TOC is an ongoing process, aiming to understand the cause-and-effect relationships. Through the continuous development and review of the TOC, organisations can learn from experiences, contributing to improved programme planning, implementation, and evaluation. A deliberately developed TOC provides a structured framework for understanding the rationale behind the programme's design and expected outcomes.

FE providers also may encounter various challenges when implementing FEME. Recognising these challenges and proactively addressing them during the planning stage can help mitigate potential limitations during implementation. Some common challenges include:

- (a) **Resource constraints** including dedicated personnel, sufficient allocation of budget and suitable and reliable infrastructure and technology to implement the measurement and evaluation process.

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Planning by FEN members and partners

- Dedicated resources (time and personnel) to track participants and conduct follow-up assessments could be a challenge. Maintaining contact with participants requires dedicated efforts, especially in long-term FE programmes to obtain continuous feedback and insights from the FEPs. Implementing strategies like regular communication, incentives, and participant tracking systems can help enhance participant engagement and improve follow-up rates.
- (b) Obtaining **accurate and comprehensive data** for evaluation purposes e.g. demographics and responses to conduct meaningful evaluations.
- (c) **Collaboration and cooperation** from various stakeholders such as participants and partnering entities for the successful implementation of FEME. Engaging stakeholders early on, establishing clear communication channels, and securing their commitment to data sharing and participation in evaluation activities can help overcome potential cooperation challenges.

By addressing these challenges during the planning stage, FE providers can enhance the successful implementation of FEME and contribute to a more robust and meaningful evaluation process.

02

Implementation by FEN members and partners

Diagram 10: Phase II – Implementation by FEN members and partners



During the implementation phase, FE providers are to conduct the data collection according to: (i) the criteria set during Phase I; and (ii) the required demographic samples (Diagram 11). The implementation process mainly comprised of the following:

- 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).
- Data will be thoroughly checked for accuracy, completeness, and consistency.** Any missing or erroneous data points are addressed, and measures are taken to resolve discrepancies to maintain the integrity of the data.

02

Implementation by FEN members and partners

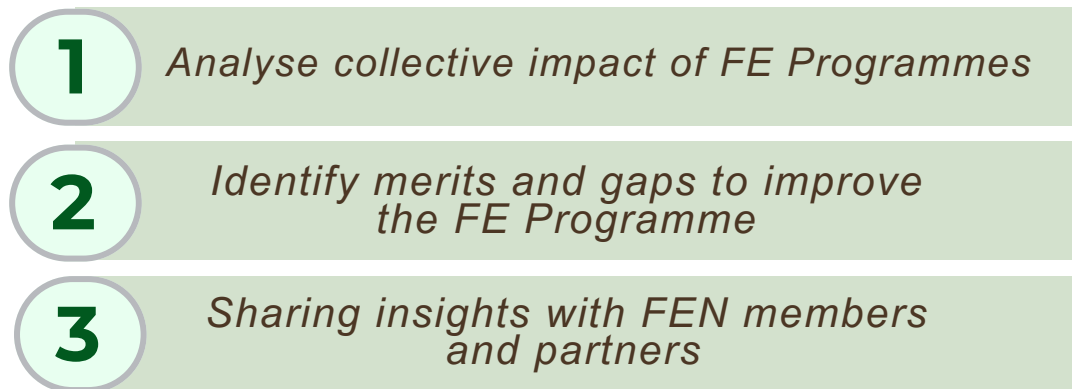
- (c) **Conduct comprehensive analysis and interpretation of the collected data.** Both quantitative and qualitative data are examined to identify patterns, trends, and key insights. The analysis allows stakeholders to assess the FEP's effectiveness, participants' progress, and the overall impact of the FEP.
- (d) **Submission of the compiled data to the FEN Secretariat.** FE providers to download the [FEME Submission Form](#) and fill in the data. The submission form is to be named **FE Provider _FEME Submission Form (example: EPF_FEME Submission Form)** and submitted to the FEN Secretariat at feme@fenetwork.my with the subject **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.

Diagram 11: Demographic samples

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

03 Sharing Outcomes by FEN Secretariat

Diagram 12: Phase III – Sharing of outcomes and insights by FEN Secretariat



During this phase, FEN Secretariat would then assess the overall effectiveness and outcomes of the FEPs by examining the data and evidence provided by respective FE providers, which includes:

- The strengths and positive aspects** of the FEPs that have contributed to their impact will also be identified, and may be scaled up in other FEPs
- Areas where the FEPs can be improved.** This can be done by examining participant feedback, conducting surveys or interviews, and analysing the outcomes of the programmes against their intended objectives.

Learning from these insights, the FEN Secretariat will collectively propose strategies based on good practices and lessons learned and share these insights with FEN members and partners.