

Step 2a

Decide what you want to know, and develop your evaluation questions

In brief

Next you need to decide which aspects of financial capability you want to measure and understand, and develop a set of evaluation questions. Use your Theory of Change to identify the financial capability outcomes that are most important to understand, and investigate existing evidence for achieving those outcomes, so that you can see what you will need to understand for yourself. It's also important to consider what your stakeholders may need to learn from your evaluation.

Key resources

- Evaluation Questions Template

Why it's important

- ▶ To identify the financial capability outcomes that you need to evaluate, and to target your evaluation accordingly
- ▶ To make use of existing evidence
- ▶ To inform decisions about evaluation design

What's involved

Once you have developed a clear Theory of Change, you should use it to help you decide which financial capability outcomes you want to know about, so that you can develop a set of questions that your evaluation will answer (your 'evaluation questions').

Your evaluation questions are crucial: only by asking the right questions in the first place will you get the answers you need to make well-informed decisions. Remember that, while an evaluation can answer questions about any aspect of your programme, this Toolkit focuses specifically on measuring and understanding financial capability outcomes.

First, think about the users and purpose(s) of your evaluation, which might include any or all of the following:

- **Who will use the findings from your evaluation?** Staff or senior decision-makers at your organisation? Those to whom you are accountable, such as funders or government? The people you engage through your programme?
- **How will findings from your evaluation be used?** Do you want to learn about and improve your programme as it runs? Do you need to demonstrate the impact of your programme to funders, government or other stakeholders? Do you want to contribute to the broader evidence base about financial capability?

Next, think about evidence that might already exist about achieving your desired financial capability outcomes. What has already been tested, and how? Depending on the strength of that evidence, you may not need to demonstrate these things again. This evidence may come from your own programmes or elsewhere.

When you have done this, start to put together a list of evaluation questions that will help you to measure your outcomes and understand how and why they have been achieved. It may help you to think about whether you need to:

- **understand** how your programme works and how it interacts with outside influences;
- **shape and improve** the delivery of your programme;

- **measure** the outcomes and impact of your programme;
- **adapt** it for use elsewhere or **scale it up** for greater reach; and
- **share learning** with your stakeholders and the wider financial capability sector.

Once you are happy with a list of broad questions, try to refine them – making them as specific as possible and ensuring that each question has a clear purpose and relevance. Avoid the temptation to measure everything – prioritise the outcomes that are most important. Here are some things to think about to help you prioritise:

- What parts of your Theory of Change have already been tested, paying attention to the assumptions you have made about how your intervention works?
- Can you draw on evidence from your own programmes, or from elsewhere? (For brand new programmes you should still be able to evidence the need for your programme and why you have come up with your approach)
- Is it important to programme staff and stakeholders?
- Can the question be answered with available resources, including funds, personnel expertise and within the timeframe?

Further Reading

- [Balancing Act: A Guide to Proportionate Evaluation](#) (New Philanthropy Capital, 2016) – describes the types of evaluation questions you may consider and how this is related to the stage of development you are at, taking into account how well evidenced your approach is and how you and your stakeholders want to use the evidence, for example, are you trying to improve the effectiveness or efficiency of your intervention or are you thinking about if and how this may be scalable / delivered in another context?