

Step 2b

Choose your evaluation approach

In brief

Once you have developed a set of evaluation questions, based on your Theory of Change and a review of existing evidence, you are ready to find the designs and methods for your evaluation. Use the [Outcome Frameworks](#) to identify how you will measure changes in people's financial capability, and add a mix of other methods to help you understand how your programme has brought about the changes you measure.

Key resources

- Evaluation Plan

Why it's important

- ▶ To capture evidence to improve your service or secure future funding;
- ▶ To think about the most appropriate and proportionate way to understand how your programme works;
- ▶ To demonstrate that your programme has had an impact;
- ▶ To make the best use of your resources for evaluation.

What's involved

There are a variety of different evaluation approaches and methodologies you can choose from, depending on what you need to learn. Your evaluation approach should always take into account three essential components:

- the evaluation questions you want to answer;
- the attributes of your programme: how you think it will work (your Theory of Change), where it will be delivered, how many people will be engaged, etc; and
- the range of available evaluation methods.

This Toolkit focuses on the measurement of financial capability outcomes and impact, and understanding how your programme causes those changes. If you want to understand the impact of your programme, then you first need to measure a change in people's financial capability outcomes and you can use the Outcome Frameworks to do this.

- First, decide what outcomes you need to measure and select the relevant framework questions;
- Using these questions, capture your users' responses to these questions before they start your programme. This will give you a starting point or 'baseline' measure against which you can measure changes by asking the same questions during and at the end of their engagement in your programme;
- This tells you about the effect your intervention has had on the outcomes you are seeking to effect. For example, have your beneficiaries typically moved from saving little or nothing each month to regularly saving the same amount?

When you have measured a change, you then need to understand why it has happened: is your programme the direct, and only, cause of the changes you measure? Or is your programme one of several contributory factors to that change? Doing this will give you a more powerful claim to the impact of your programme by highlighting how it – and not something else – has caused the changes in your beneficiaries.

One of the most rigorous ways of doing this is using control or comparison groups, although there are a number of other approaches you can use which recognise that our programmes often operate in a complex environment with multiple and inter-related influences. Thinking about this is a good way to start identifying your overall evaluation approach and we have signposted to more information on the Toolkit webpage.

Here are some more things to consider that we hope will help:

- **Think about the length of your programme and your evaluation** and the period of time over which you expect outcomes and impacts to be realised. Some outcomes can happen quickly (improved understanding of the cost of short term credit), but other outcomes and impacts can take longer to happen (reduced use of short-term high-cost loans). If your programme is going to run for several years then your evaluation also needs to be flexible, and possibly run in stages, so that it can adjust to unforeseen changes;
- As well as measuring outcomes, think about how your evaluation can help you to **understand how your intervention works, improve** the effectiveness and efficiency of what you do and **capture useful learning to share** internally and with others;
- **Consider some qualitative work** (for example interviews or group sessions) with your beneficiaries or frontline staff, alongside measurement of outcomes, to get a richer picture of why your intervention did or did not work.

While this programme focusses on measuring and understanding changes in people's financial capability outcomes, it is important to remember that there are many other aspects of a programme that can be evaluated, and a variety of approaches that can be used to do so. For example, if your programme is brand new, it may not be the right time to invest in a rigorous assessment of impact. Instead you may want to understand how your programme is being delivered, capturing learning about how it can be delivered more efficiently. You may want to test some assumptions in your Theory of Change by measuring some key outcomes, supported by qualitative interviews with the people your programme is serving, to understand how and why they engage with and respond to the service.

Finally, you also need to be aware of your own evaluation resources and budget, including whether you will carry out the evaluation in-house or commission an independent evaluator. If you are new to evaluation and planning to carry it out in-house, you may decide that you need expert support to select the right evaluation approach – and you can get in touch with us for help. If you want to commission an independent evaluator we can help you to think through the commissioning process.

When you have decided what approaches are appropriate to answer your evaluation questions, you should record this in your evaluation plan (STEP 2c – Create an Evaluation Plan), mapping out your approach in more detail, thinking about when you will need data by and how you will ensure your evaluation is not too burdensome for beneficiaries and delivery staff or organisations.

Remember that we can help you with this – get in touch with us at: whatworks@fincap.org.uk

Further reading

- [Balancing Act: A Guide to Proportionate Evaluation](#) (New Philanthropy Capital, 2016) – guidance on selecting the right evaluation approach for your intervention
- [Information collection methods](#) (Charities Evaluation Service) – an overview of the range of methods you can use to capture evaluation data
- [Impact Evaluation, A Guide for Commissioners and Managers](#) (Bond et al, 2015) – summarises different approaches to understanding causality for Impact Evaluation.