



# Impact Measurement & Management Deep Dive

Strengthening practice and  
addressing industry challenges

January 29, 2018

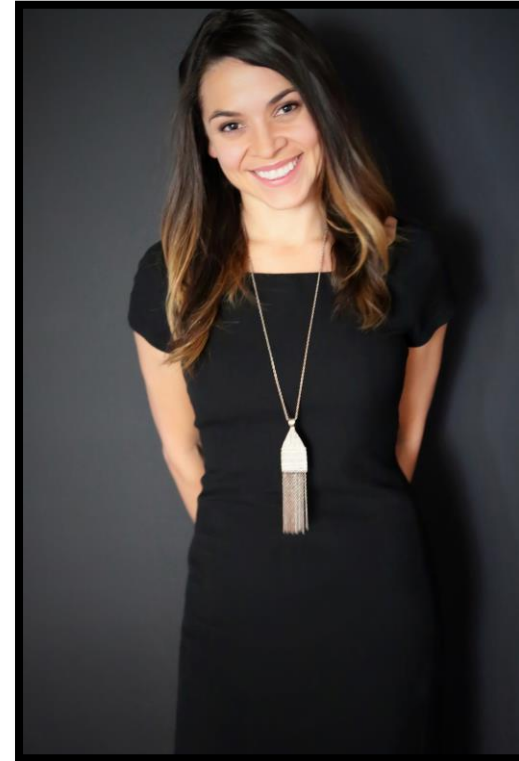
# Thank you for joining us today!

Please note:

- All participants are muted.
- Use the “chat” function to submit questions during the broadcast.
- We’ll share a recording after the webinar.

# Kelly McCarthy

Director, IRIS and Impact  
Measurement and Management



# Hannah Dithrich

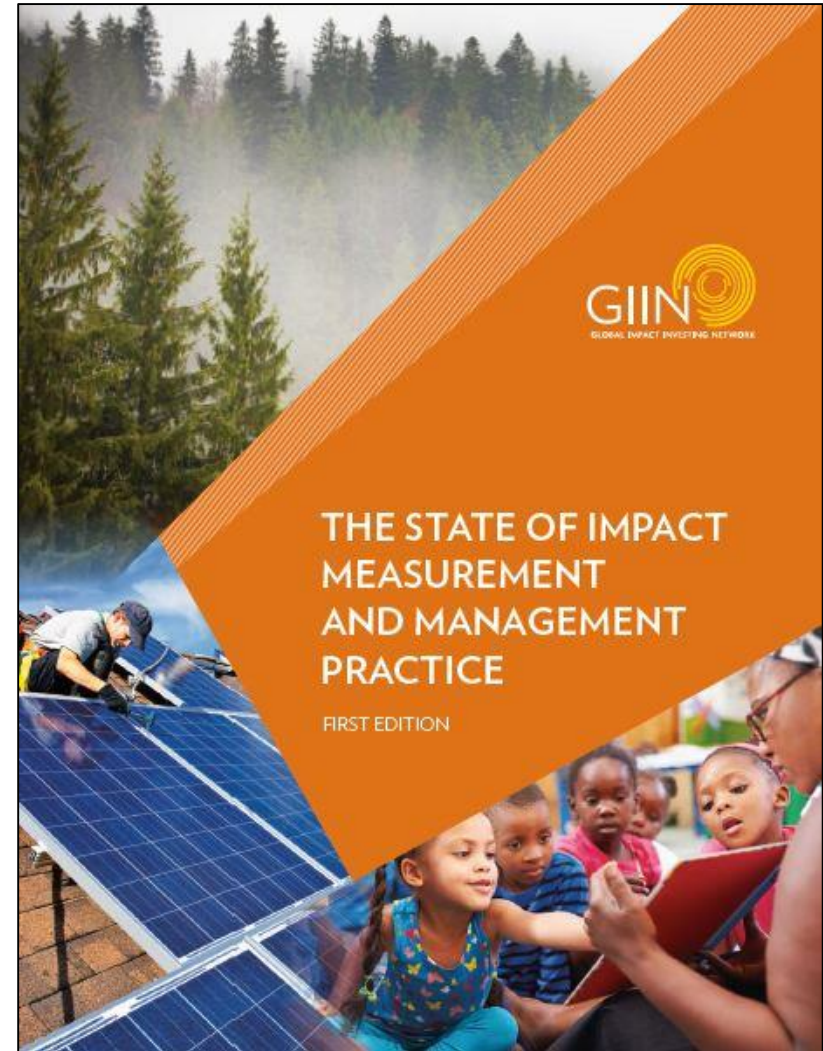
Associate, Research



# *The State of Impact Measurement & Management Practice*

# 169

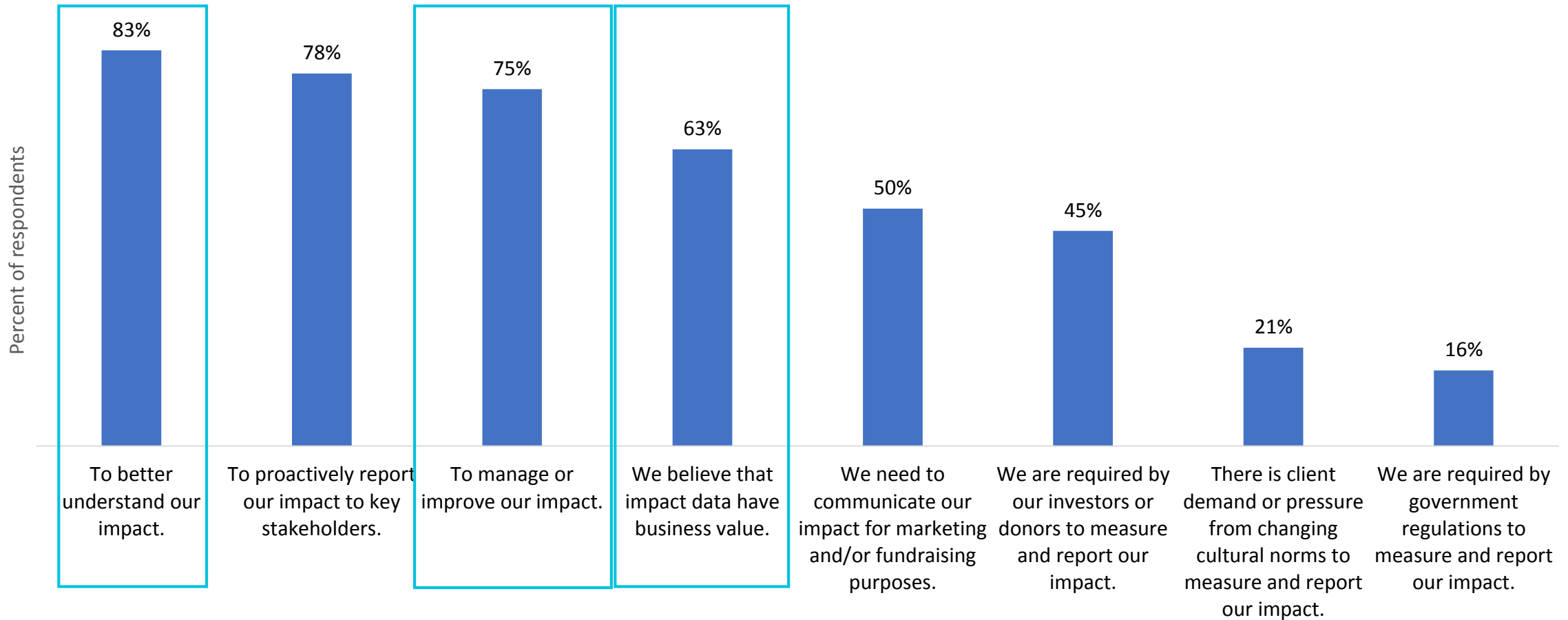
impact investor  
respondents



December, 2017

# A variety of motivations drive IMM practice

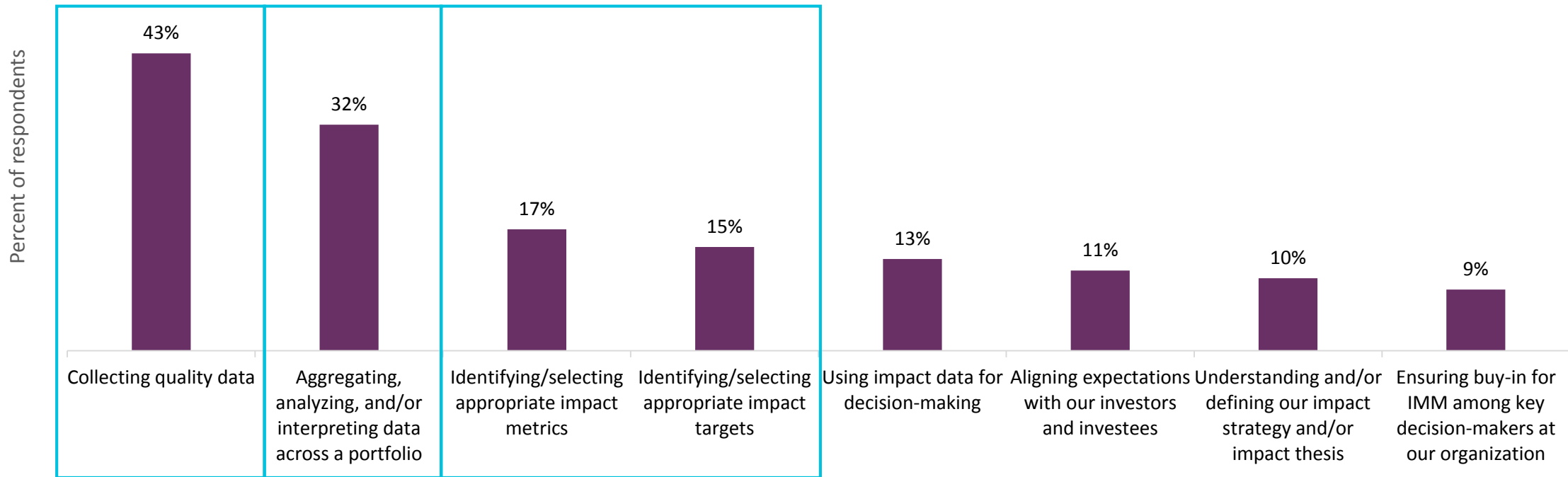
Motivations for measuring and managing impact



n = 113 – 169; Source: GIIN

# Key challenges lie in collecting and analyzing impact data

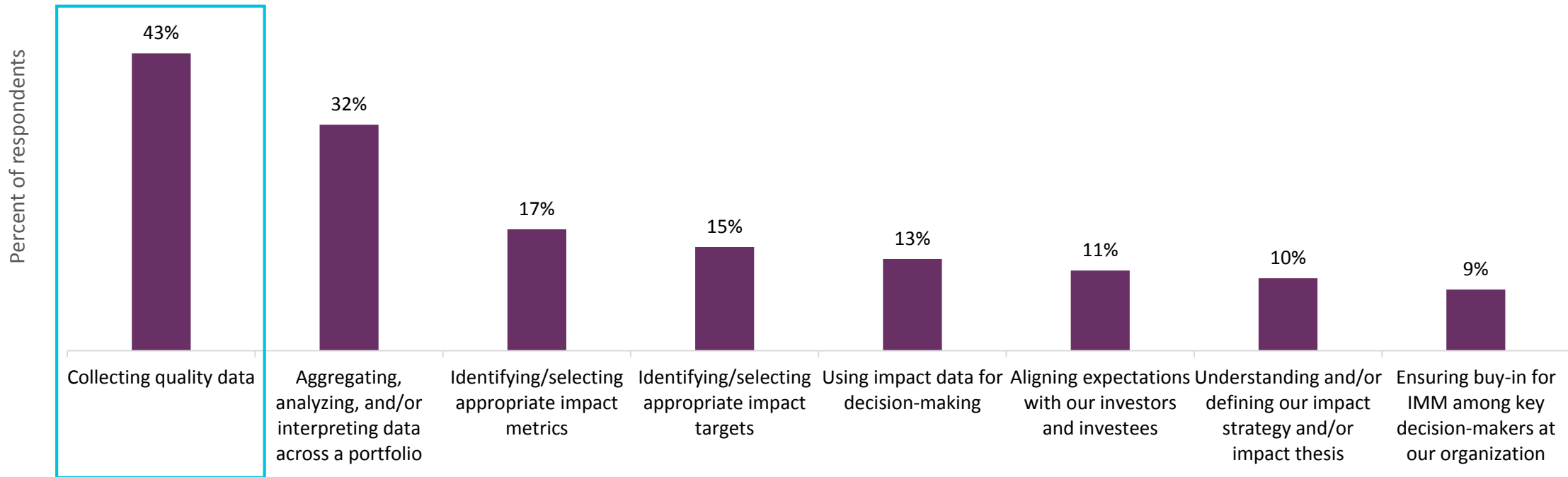
Percent of respondents reporting significant challenges



n = 155-167; Source: GIIN

# Key challenges lie in collecting and analyzing impact data

Percent of respondents reporting significant challenges

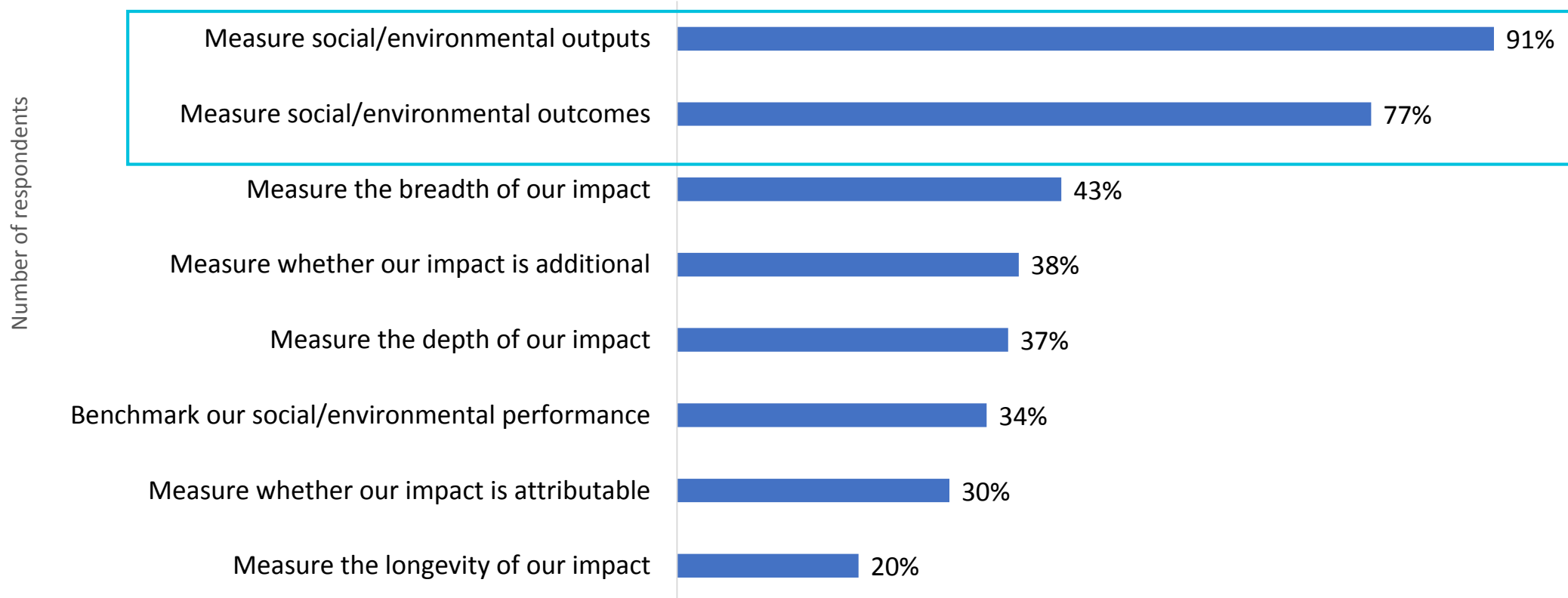


n = 155-167; Source: GIIN



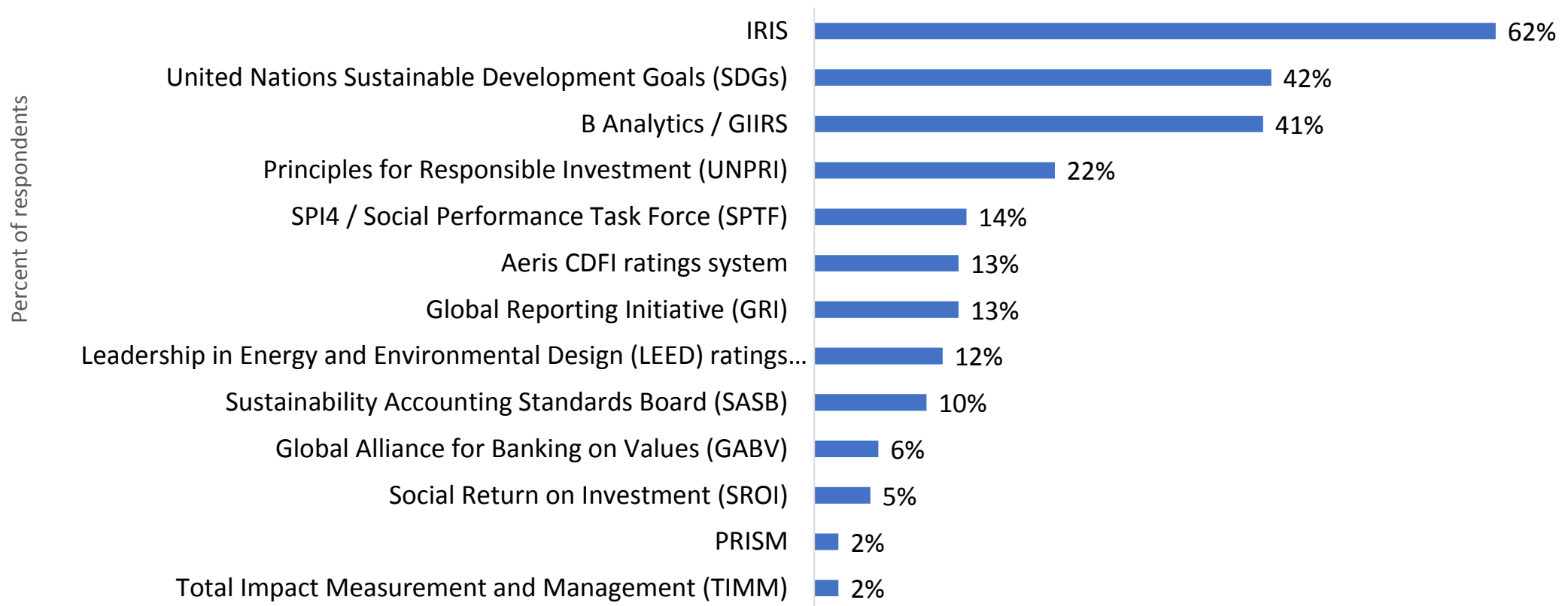
# Investors measure different types of impact

Types of impact measured



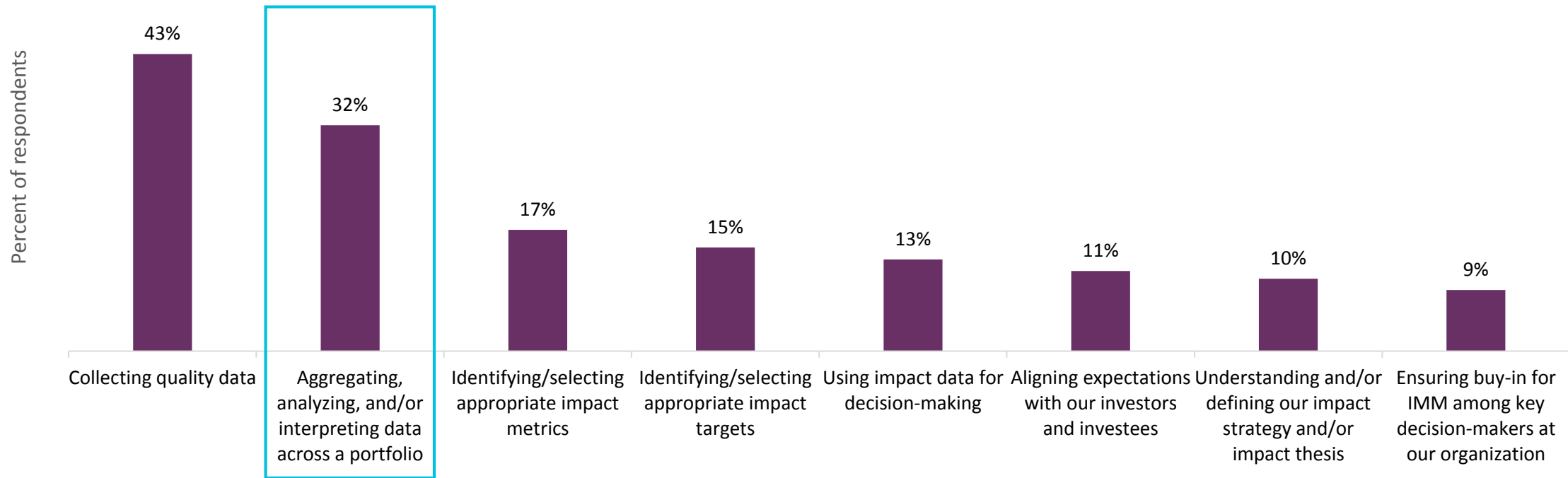
# ...using a wide variety of resources

**Tools, standards, and indicator sets used**



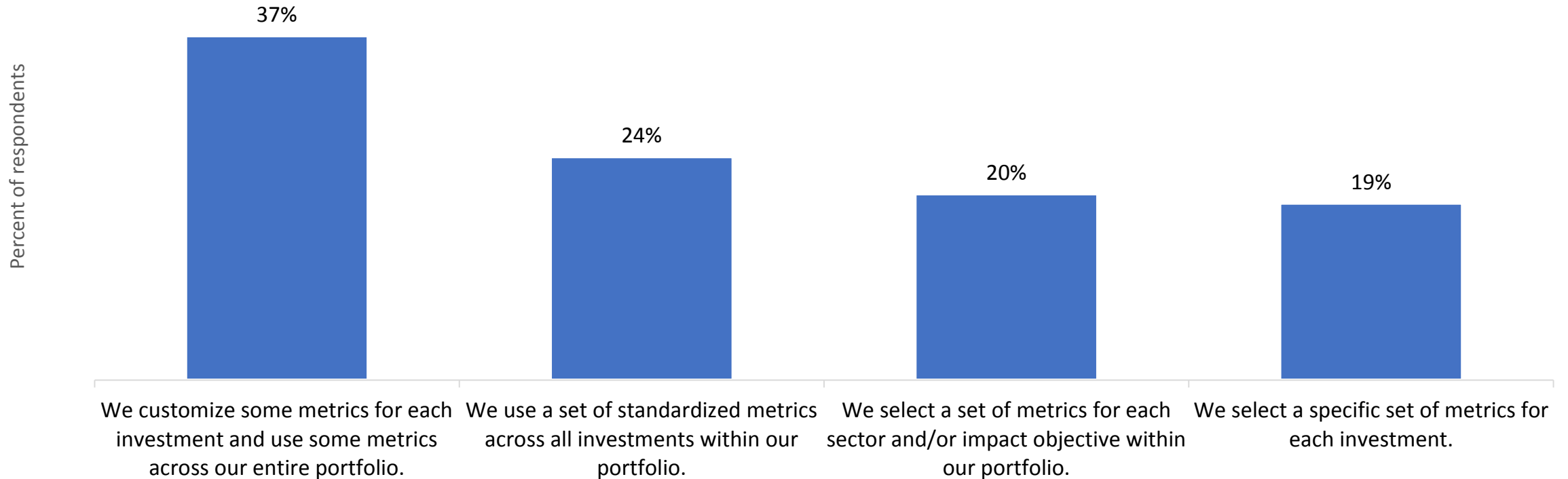
# Key challenges lie in collecting and analyzing impact data

Percent of respondents reporting significant challenges



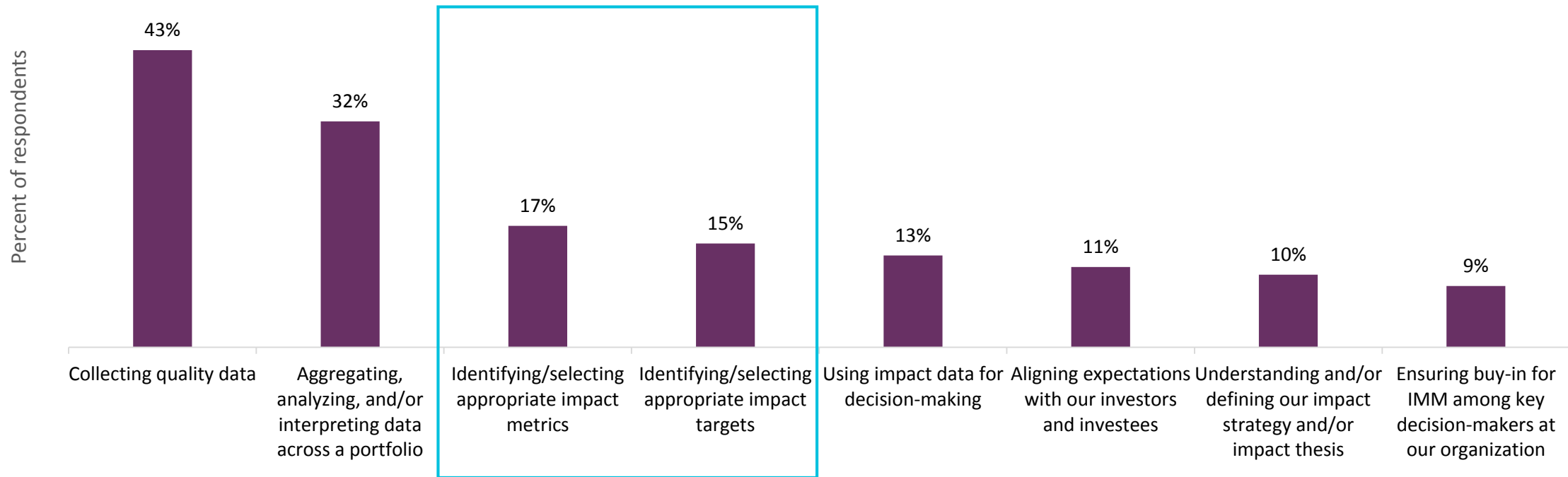
# Investors use both customized and standard metrics

**Ways investors customize their impact metrics**



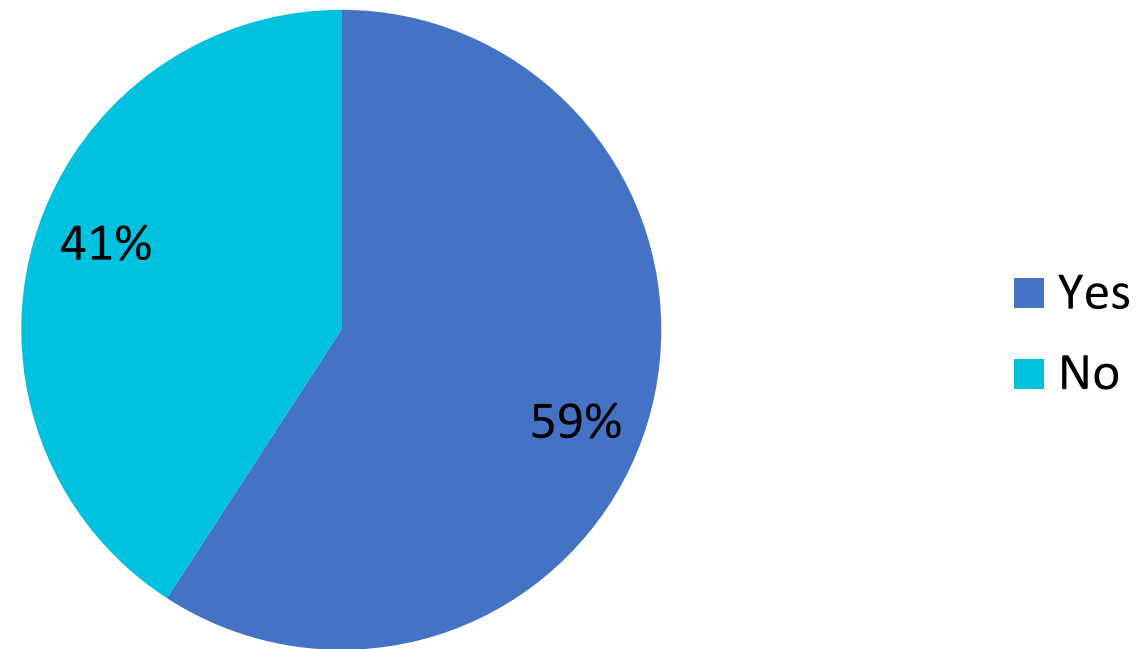
# Key challenges lie in collecting and analyzing impact data

Percent of respondents reporting significant challenges



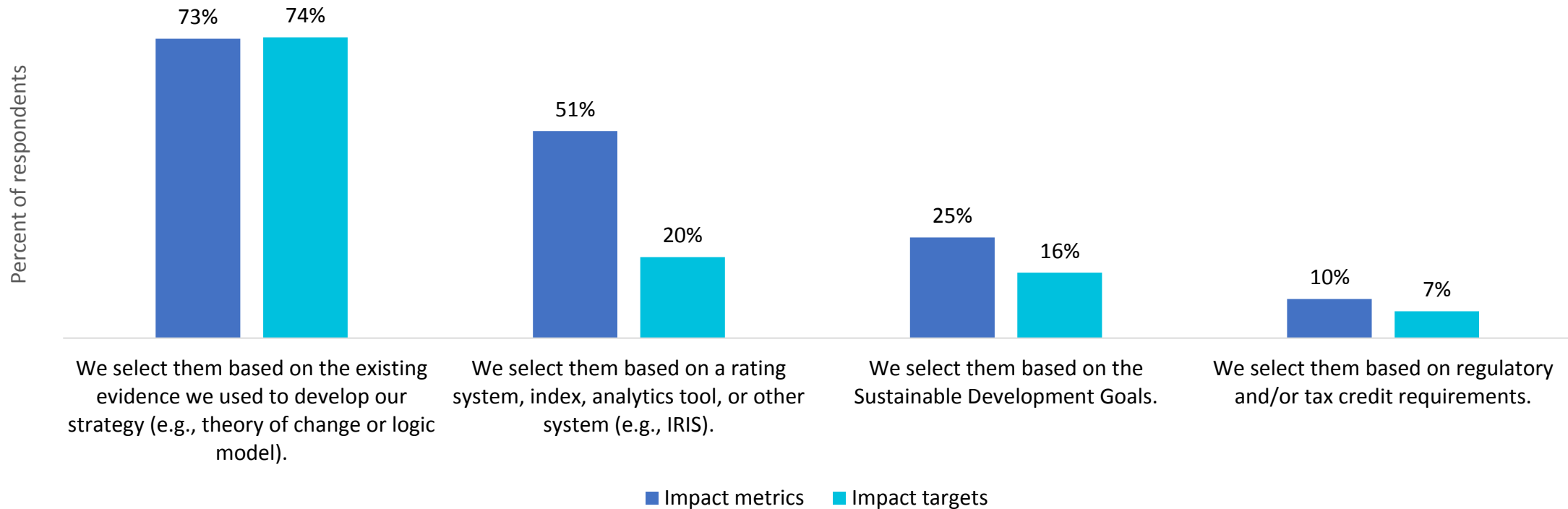
# Most investors set impact targets

Percent of respondents that set impact targets



# Investors use evidence to select impact targets and metrics

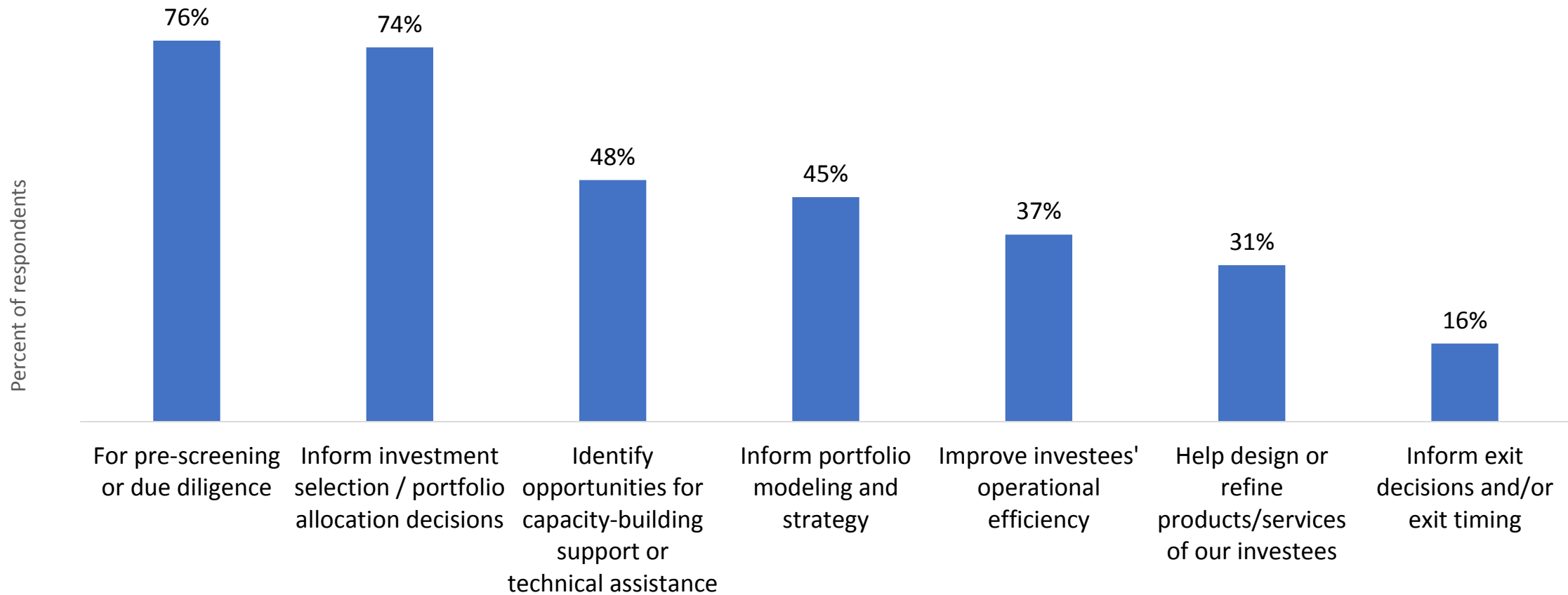
Ways of selecting impact targets and metrics



Impact metrics: n = 146; impact targets: n = 106; Source: GIIN

# Impact data inform key investment decisions

Uses of impact data for investment management

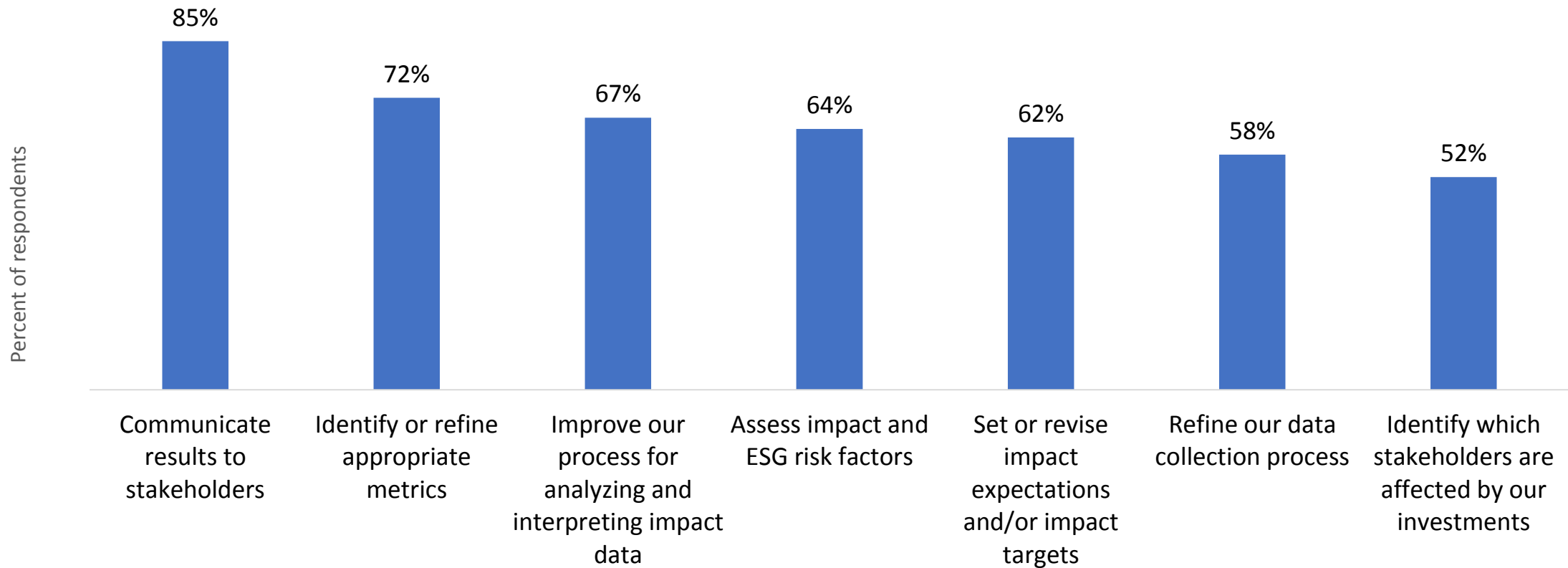


n = 144; Source: GIIN

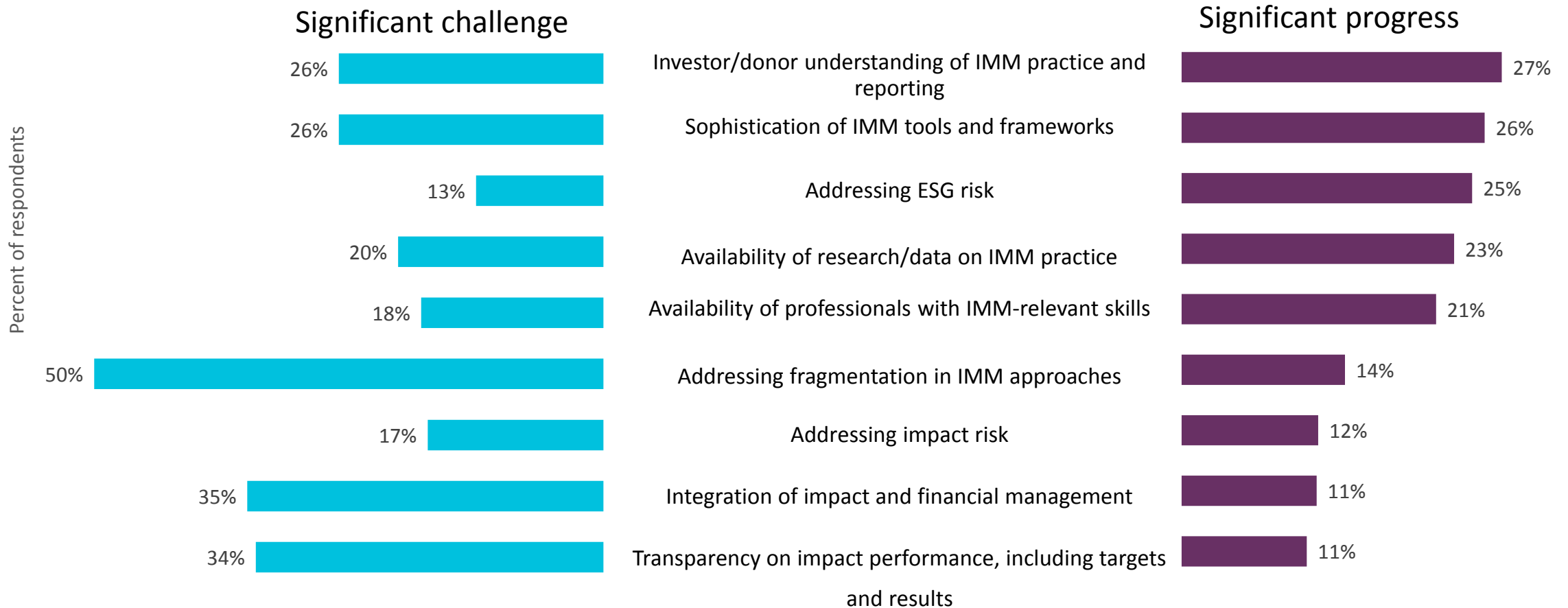


# ...and improve impact achieved

**Uses of impact data in impact management**

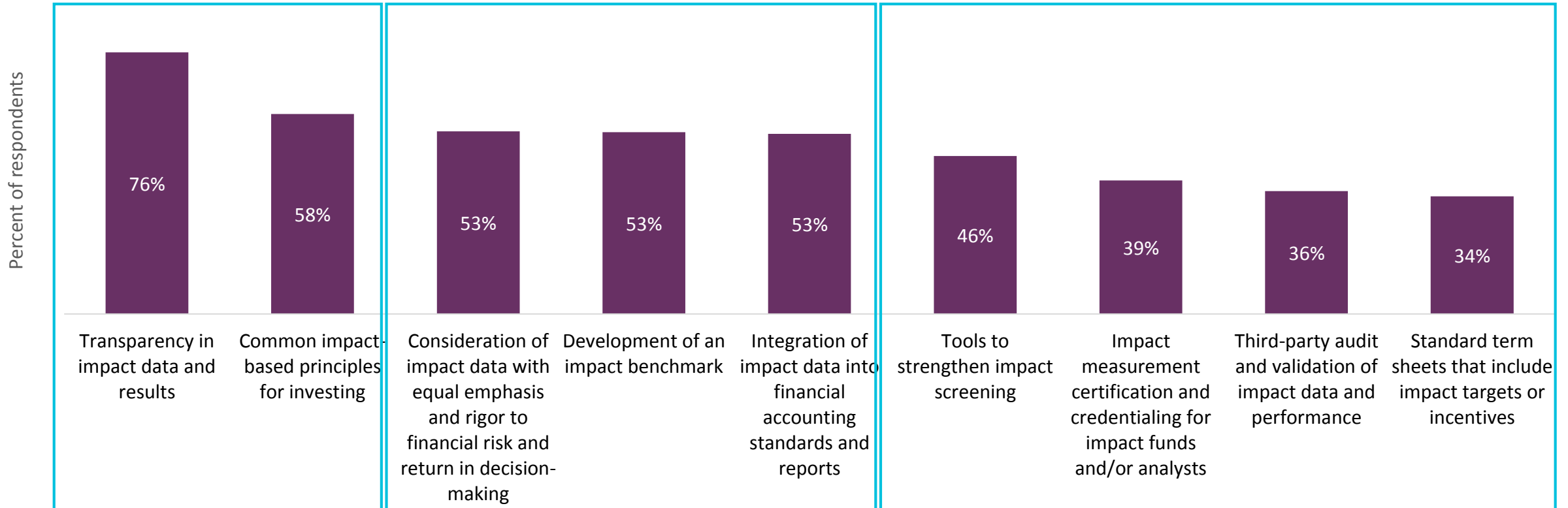


# Investors perceive progress in IMM, but challenges remain



# Transparency and standardization key to advancing practice

Importance of opportunities to strengthen IMM practice (% selecting 'significant')



n = 128-136; Source: GIIN

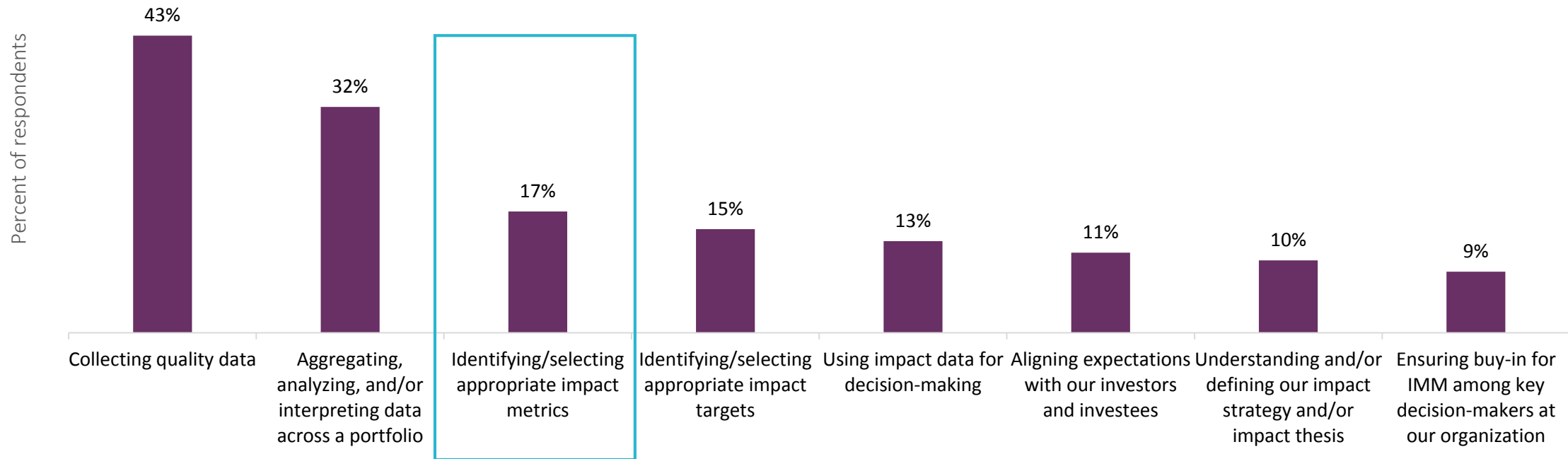
# Lissa Glasgo

Senior Associate, IRIS and Impact  
Measurement & Management



# Key Challenges in IMM

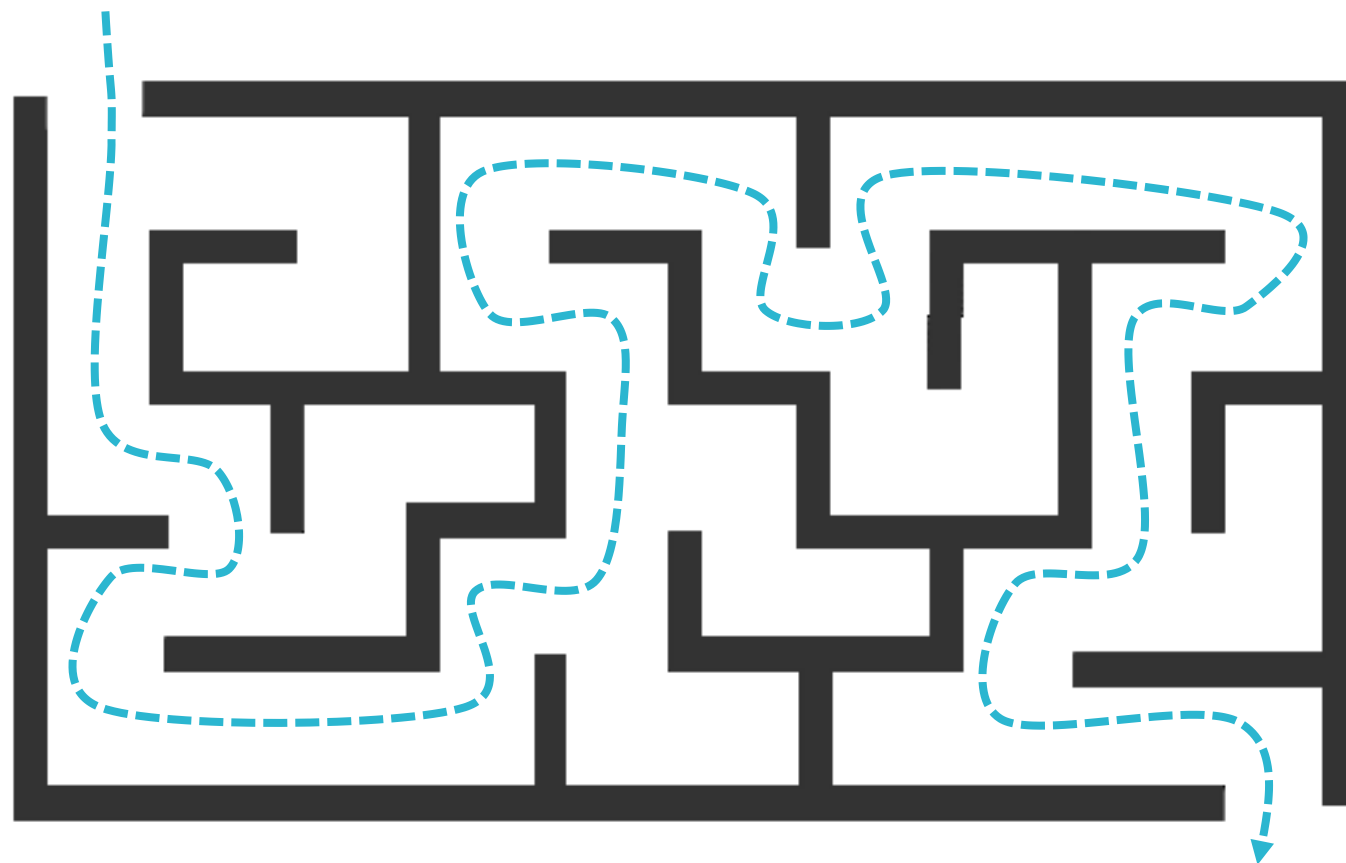
Percent of respondents reporting significant challenges



n = 155-167; Source: GIIN

# Challenge: Connecting Objectives to Metrics

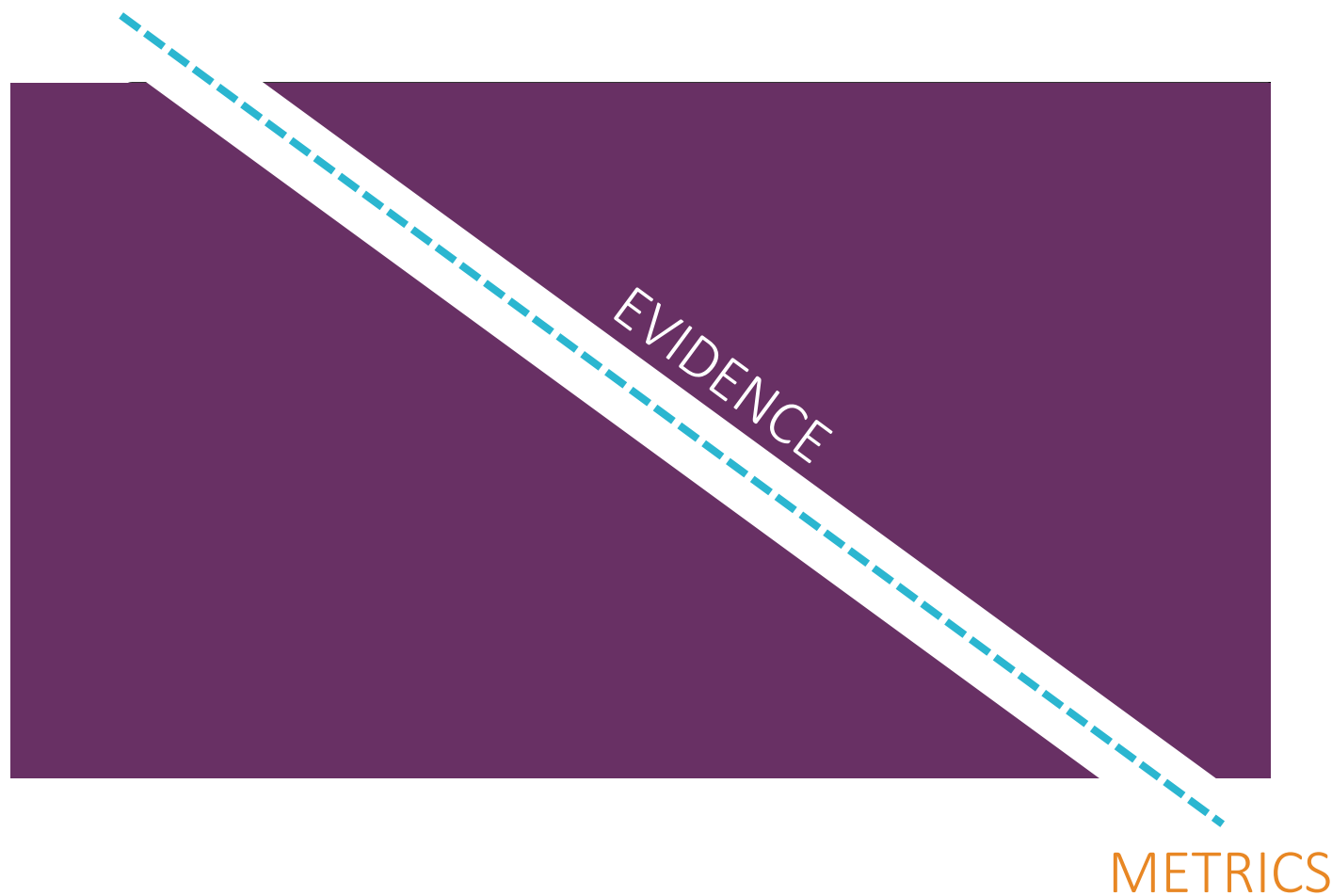
IMPACT OBJECTIVES



METRICS

# Challenge: Connecting Objectives to Metrics

IMPACT OBJECTIVES



# The Navigating Impact Project

- Helps investors **connect their impact objectives** to evidence-backed strategies and **core metrics** that show performance toward their goals
- Developed in consultation with industry experts, impact investors, and standards setters



# Investment Themes To Date



Affordable  
Housing

***DEVELOPED  
MARKETS***



Clean Energy  
Access



Smallholder  
Agriculture

***EMERGING  
MARKETS***

# Investment Themes To Date



Affordable  
Housing



Clean Energy  
Access



Smallholder  
Agriculture

DEVELOPING



Financial  
Inclusion

*PARTNER:  
SOCIAL  
PERFORMANCE  
TASK FORCE  
(SPTF)*

DEVELOPING



Health

*PARTNER:  
CENTER FOR  
HEALTH MARKET  
INNOVATIONS  
(CHMI)*

# Select An Investment Theme



Affordable  
Housing



Clean Energy  
Access



Smallholder  
Agriculture



Financial  
Inclusion



Health

# Explore Strategies

## STRATEGIES:

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Smallholder  
Agriculture

- Improved Access to Better, Stable Pricing
- Improved Access to Quality Inputs
- Improved Access to Training and Information
- Improved Farm Profitability
- Improved Food Security
- Improved Market Linkages
- Improved Options for Finance and Savings
- Improved Options for Risk Mitigation

# Explore Strategies

## STRATEGIES:

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Smallholder  
Agriculture

- Improved Access to Quality Inputs
- Improved Access to Training and Information
- Improved Options for Finance and Savings

# Each Strategy Includes...

## 1. Overview of the Strategy

- **What** problem does the strategy solve for?
- **Who** does it best reach?
- What **contribution** toward shifting the problem is likely?
- **How much** of a change can an investor in this strategy expect?

## 2. Evidence Map

Academic and field studies connecting finance and savings products to outcomes and impacts

## 3. Core Metrics

Seven core metrics to measure toward progress, plus additional for more nuance as desired

## 4. Curated Resources

CSAF Responsible Lending Principles, FAST Shared Impact Assessment, Client-Centric Approach: Impact Evaluation guide

# Will Morgan



Head of Impact, Sonen Capital

# Michael Etzel



Partner, The Bridgespan Group





Thank you!

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