

# METHODOLOGY

FOR STANDARDIZING  
AND COMPARING IMPACT  
PERFORMANCE

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# ACKNOWLEDGMENTS

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## GUIDANCE AND INPUT

The development of this methodology included a consultative process with investors, academics, and other practitioners. The methodology presented in this approach has been shaped by significant input, guidance, advice, and debate from the following thought partners: Michael Brown of the Wharton Social Impact Initiative, Sam Duncan of Net Purpose, Alnoor Ebrahim of the Fletcher School at Tufts University, Karim Harji of Oxford Saïd Business School, Jessica Jeffers of the University of Chicago Booth School of Business, Katherine Klein of the Wharton Social Impact Initiative, Dinah Koehler of Net Purpose, Marcy McCullaugh formerly of PCV Insight, Karl Richter of EngagedX, Hannah Schiff of Nuveen, a TIAA Company, and Rob Zochowski of Harvard Business School.

## ABOUT THE GLOBAL IMPACT INVESTING NETWORK (GIIN)

The Global Impact Investing Network (GIIN) is the global champion of impact investing, dedicated to increasing the scale and effectiveness of impact investing around the world. The GIIN builds critical infrastructure and supports activities, education, and research that help accelerate the development of a coherent impact investing industry. For more information, see [www.thegiin.org](http://www.thegiin.org).

# LETTER FROM THE CEO

Dear Reader,

As global crises compound, more and more investors are demanding that their capital be allocated to drive social and environmental benefit. Over the past decade, impact investors have proven that strong impact performance not only generates those benefits, but it also attracts more capital.

That said, many of our biggest global challenges are worsening, not improving – enhancing the demand for investments that move the needle in demonstrable, concrete ways. The coronavirus pandemic makes that clearer than ever before.

So, this groundbreaking new *Methodology for Standardizing and Comparing Impact Performance* could not come at a more relevant time. By paving the way for rigorous comparisons of impact results from one investment to another, we believe this new methodology will allow impact investors to do their most effective, most efficient work.

Almost three years ago, our *Roadmap for the Future of Impact Investing* set out a plan to fundamentally reshape financial markets by integrating social and environmental impact considerations into every investment decision. In the years since, we have seen investors striving to meet that transformative goal. And yet, as expected, substantial challenges have lingered. Without evidence-backed metrics and data, analytics, and tools for constructing and managing a portfolio toward their desired impact outcomes, investors' efforts will be aspirational at best; and at worst, their capital allocation will be woefully inefficient.

Alongside many in this community, the GIIN has been working urgently to help address these gaps in industry infrastructure. For impact investing to reach its much-needed potential, the market requires at least three foundational supports: first, a generally accepted system of metrics, evidence, and standards to measure and manage impact; second, analytics that enable comparability of results, ultimately driving toward impact benchmarks, ratings, and other critical tools; and finally, the commitment of investors to contribute impact performance data toward the efforts and a widespread uptake of the new analytics they produce. Much like a three-legged stool, each of those supports is essential, and none works without the others.

Last year, building on more than a decade of working on impact measurement and management, our launch of the IRIS+ system responded to the first of those infrastructure needs. Now, the landmark analytic methodology presented on the following pages is responding to the second. This work presents the foundation from which investors can compare opportunities based on impact results and thus efficiently accelerate progress toward lasting solutions. With rigorous comparisons, impact investors can allocate their capital to the highest-impact investments, manage that capital accordingly, and sharpen their competitive advantage. The GIIN is deeply grateful to the early adopters who contributed their impact performance data to make this milestone possible.

And yet now, as always, the work is not finished. This methodology is not a final product, but rather an evolving approach that requires your feedback to be most effective. So, we encourage comments. Indeed, your input is essential! As impact performance comparisons take root, we are confident that the third pillar of market infrastructure – the commitment of leading investors to contribute data and use new analytics – will develop at scale atop the existing base.

Investors increasingly recognize that the problems of our world are far too urgent for capital to underperform. This methodology marks a major leap forward in addressing that underlying challenge by laying the foundation for impact investment capital to perform at its very best.

Regards,



Amit Bouri

Co-Founder & CEO of the Global Impact Investing Network

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# INTRODUCTION

## OVERVIEW

To shed light on impact performance and enable investors to consider impact indicators with commensurate rigor to financial indicators, the Global Impact Investing Network (GIIN) has begun to conduct analysis on the impact performance of impact investments,<sup>1</sup> documenting the research process and lessons learned along the way, in addition to gauging the impact results themselves.

Yet gauging investment-level impact remains a challenge: until now, there has been no tested, widely accepted methodology to assess and, most critically, compare impact results. It may be easy to conclude that impact can and should be distilled into a monetary figure, yet impact is inherently multi-dimensional and complex.

To optimize impact performance, investors must be able to differentiate the impact of one investment from the impact of another. Across the investment process, investors perceive opportunities to compare and optimize investments' potential or realized impact. For example:

- A venture debt asset manager may receive a couple hundred proposals for funding from companies in the healthcare, financial services, and education sectors. This fund needs to efficiently screen this pool of prospective investments to evaluate each opportunity's likelihood of contributing meaningfully toward its target Sustainable Development Goals (SDGs): SDG 1 (no poverty), SDG 8 (decent work and economic growth), and SDG 10 (reduced inequalities), in addition to their potential risk and return.
- A pension fund seeking to deploy capital into renewable energy infrastructure may evaluate opportunities in wind, solar, and hydropower, each reducing greenhouse gas emissions through distinct channels. It needs to understand which opportunity is best-suited, based on its past performance and operating context, to create a meaningful and lasting reduction in emissions.
- As part of its annual impact measurement process, a foundation may wish to understand how efficiently its mission-aligned portfolios strengthen the availability of affordable housing units in its community. To do so, it needs to compare the number, quality, and durability of new and rehabilitated housing units, among other factors. During this process, the foundation may uncover a relationship between impact performance and the distinct financial returns, investment instruments, or other distinguishing features of the two portfolios. It may also identify areas of underperformance, where additional investment or engagement may improve the benefits of safe and affordable housing for underserved demographics.
- A private equity asset manager wishes to gauge the likely timing of an exit that optimizes the impact of its recent investment in a platform through which smallholder farmers access export markets. To do so, it looks at the relationship between various holding periods and impact performance of analogous opportunities.

Each of these choices enables the investor to deploy its capital more efficiently, effectively, and purposefully.

The work to develop this methodology has been thought-provoking and challenging and creates an opportunity to harness the collective intelligence of the wider community of investors, academics, monitoring and evaluation professionals, and other actors that seek to advance the practice of investing to achieve social or environmental goals. In building this discussion paper, the GIIN has engaged a range of partners, including GIIN members and other investors pursuing impact goals, academics, monitoring and evaluation professionals, and others developing complementary analytic resources.

In an effort to further expand and accelerate this learning journey, this paper describes each step of the methodology the GIIN has developed that can be used for market-level analysis as well as portfolio- or investment-level analysis and key choices made along the way. To this end, the GIIN is publishing this paper to solicit feedback as part of a broader strategy to overcome the complex challenge of understanding impact performance. The Invitation to Comment section of the paper (page 22) offers key questions and describes how to share feedback, thoughts, and reflections which will help strengthen this methodology.

*Readers are invited to share feedback, thoughts, and reflections on this paper. For more information on how to engage, see page 22.*

## KEY TERMS

**Investor:** The individual or organization allocating return-seeking capital either directly into a project, company, or real asset or indirectly through a fund or other intermediary.

**Investment:** The tranche of capital allocated by the investor into the investee.

**Investee:** The project, company, real asset, or fund receiving that capital allocation to then finance its business activities (e.g., operations and design, production, and sales of products or services).

## Objectives of the methodology

The methodology proposed here intends to enable investors and other players in the impact investing ecosystem to answer two critical questions:

1. How much impact does an impact investment generate relative to the magnitude of the existing social or environmental issue?
2. How does that impact compare to the impact generated by other impact investments?

This methodology is designed to answer these questions so that investors will be better positioned to integrate social and environmental factors into decision-making, alongside the consideration of risk, return, and time horizon. In doing so, investors can select investments with high impact potential more effectively, integrate impact and investment management so as to optimize results and course correct as needed, develop responsible exit strategies and time horizons, and strengthen disclosures of impact. For the field overall, the ability to differentiate investments on the basis of impact will enhance the scale, depth, and sustainability of impact results and mitigate the risks of impact washing.

To provide insight into these areas, therefore, requires a standard analytic methodology, as described throughout this paper. Three organizing principles further shape key choices underpinning this methodology:

1. **This methodology seeks to unpack investment-level insight into performance, exploring those impact results reasonably associated with a given tranche of investment capital.** It does not, however, intend to diminish the fundamental role of investees in advancing impact achievements.
2. **This methodology is replicable across investment and impact strategies,** and thus enables investors to compare impact investment opportunities both within a given market segment and across the market.
3. **This methodology assesses the social and environmental impacts associated with investments relative to the magnitude of the corresponding challenges,** and in doing so, seeks to understand how investments move the needle on challenges facing society and the planet.

## Objectives of the public comment period

The methodology presented throughout this paper is intended as a starting point to catalyze discussion and encourage feedback and input. To strengthen the final methodology and corresponding standard, the GIIN invites readers to share their reflections on the various approaches, choices, and applications of the methodology described throughout this document. The following discussion questions are offered as prompts to guide readers' reflections:

- This methodology offers three strategies for binding the investment universe – or setting the parameters for which investments are included or excluded – to enable analysis. For each, several use cases are offered to inform the decision. What other investment choices or activities can each binding strategy inform?
- Several variables pertaining to investment and investee context are described throughout this document. Which additional elements of context do investors consider in their analysis and comparison of impact results?
- To normalize results from the investee level to the investment level, this methodology relies on the consideration of proportionality and time/timing. What other key components inform the translation of investee-level to investment-level results?
- Throughout an investment lifecycle, investors may measure data reflecting both impact outputs and outcomes; however, outputs data are more readily and easily available. What types of decisions do investors inform with outputs-level data? What decisions do investors inform with outcomes data?
- To truly gauge the long-term outcomes associated with impact investments requires longitudinal studies and evaluations, which can be costly, time intensive, and ethically fraught. How do investors assess progress toward long-term outcomes associated with an investment?
- This approach seeks to understand the positive and negative effects of an investment, as well as its intended and unintended consequences. How do investors integrate positive and negative impact to understand outcomes?

## Audience

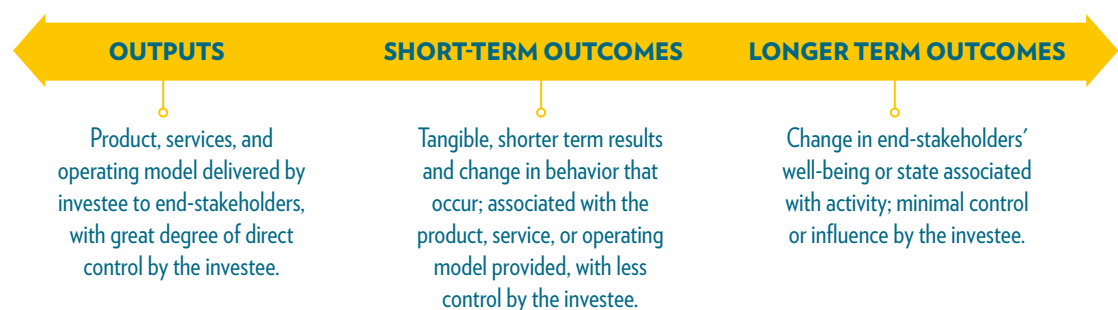
This paper intends to offer greater insight into the methodology for analyzing impact performance in a rigorous and comparable manner and into the development process through which this methodology was created. In sharing this approach, the GIIN seeks to contribute to a wider conversation about the impact performance of investments and the tools and resources needed to analyze and manage that performance. Primary audiences for this paper and for its public comment period include:

- asset owners and asset managers seeking to analyze the realized or potential impact performance of their own investments or portfolios to compare their impact performance to that of peers, to strengthen impact management approaches and enhance impact results, and to drive capital allocations to the highest impact opportunities by using the tools described above or through in-house analysis;
- organizations developing tools and resources for impact performance assessment and management, such as benchmarks, ratings, indices, or other related tools so that the resulting suite of resources can operate in concert;
- academics or other organizations conducting related research who may wish to converge around a core set of principles and analytic standards, thus enabling greater triangulation and collaboration among researchers and strengthening the complementary nature of emerging tools for impact performance analysis and management; and
- other stakeholders in the impact investing ecosystem, including donors or other funders, government agencies, the monitoring and evaluation community, and service providers working with impact investors and their investees.

## METHODOLOGY SCOPE

This methodology seeks to understand investment impact – or the positive and negative effects reasonably associated with an investment into a company, project, real asset, or fund and the activities of that investee. These effects may include both outputs and outcomes, as in the tangible, short-term results associated with those outputs (Figure 1). Notably, outputs and outcomes indicate varying degrees of influence and control between an investment, an organization, and the stakeholders they affect. The outputs and outcomes achieved by impact investments may be intended (e.g., in line with that investment’s target impact) and unintended (e.g., positive or negative externalities associated with the investment). Assessment of both outputs and outcomes are integrated into this methodology. These are described in further detail in the Outcomes Assessment section of this paper.

Figure 1: Spectrum of outputs and outcomes



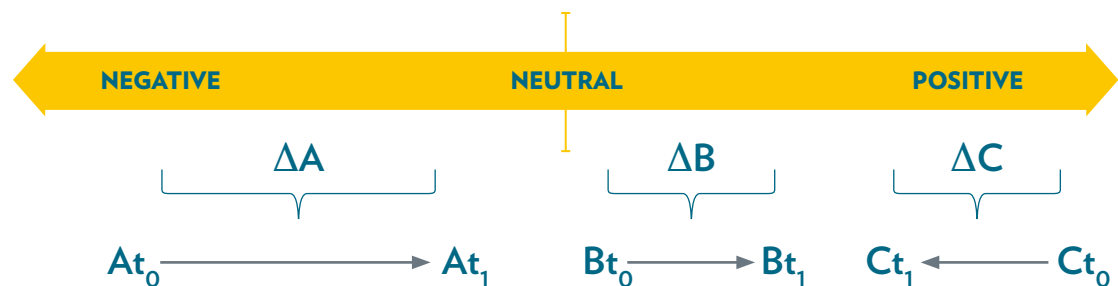
Source: GIIN, *Methodology for Standardizing and Comparing Impact Performance*

These effects can be considered in two primary ways, aligning to the ‘stocks’ and ‘flows’ concept commonly used in economic and accounting theory:

- ▶ **‘Stocks’:** The amount of a given result achieved by a specified point in time ( $t_1$ ), reflecting the scale, depth, and nature of that impact. In analyzing impact results as of a given time period, investors can understand relative performance between investment opportunities at a singular point in time, assess the baseline of performance prior to making an investment, and set performance expectations according to that baseline.
- ▶ **‘Flows’:** The change in impact results during a specified time period ( $t_{1,0}$ ). This approach enables investors to compare the amount of change achieved as a result of a given tranche of investment capital or set of interventions provided via an investee’s products, services, or operations. In doing so, investors are better able to benchmark their investments’ and portfolio’s performance over time relative to the performance of peers during that same time period and to the pace of change required to achieve a set of social or environmental goals.

The implications of each approach may vary, as illustrated in Figure 2. In some cases, the ‘stock’ performance at a point in time may imply greater performance or potential of a given investment (e.g.,  $C_{t_1}$  is higher than  $B_{t_1}$  is higher than  $A_{t_1}$ ) yet the flows or change in performance may indicate a different relative ranking (e.g.,  $\Delta A$  is greater than  $\Delta B$  is greater than  $\Delta C$ ). This may also influence the implications of the directionality of performance: although  $A_{t_1}$  remains negative,  $\Delta A$  indicates positive impact given the movement of  $A_{t_1}$  in a positive direction relative to  $A_{t_0}$ . For example, greenhouse gas emissions are inherently negative impacts, yet a reduction in those emissions represents directionally positive performance. Depending on the purpose of impact performance analysis, as described above, this methodology may be applied to understand ‘stocks’ or ‘flows’. This choice is described further in the Standardized Impact Information section.

Figure 2: Negative to positive spectrum of impact during time period  $t_{1,0}$

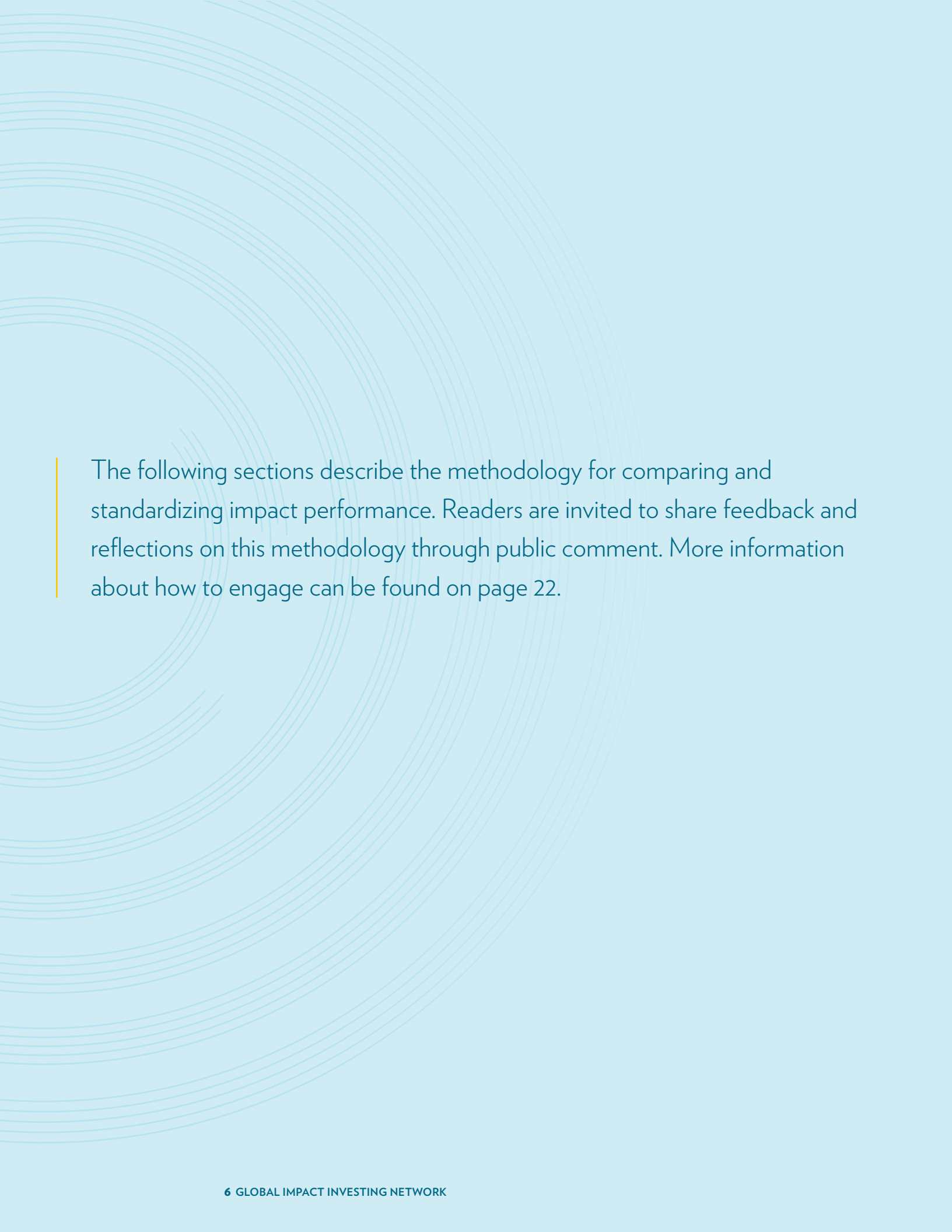


Source: GIIN, *Methodology for Standardizing and Comparing Impact Performance*

## Guiding principles

To guide the development of this methodology, the GIIN strives to adhere to the following principles:

- **Rigor:** A methodology should generate statistically valid, contextualized conclusions about the positive and negative social and environmental results associated with impact investments.
- **Independence:** Methodological choices and analyses will be informed by third-party and statistical evidence to the extent that such information is available.
- **Replicability:** Given the same inputs, any entity that followed this methodology will arrive at the same outputs and conclusions.
- **Transparency:** All methodological choices and assumptions will be documented and made publicly available; this discussion paper will also be opened to public comment.
- **Mindfulness of incentives:** Any analytic methodology will incentivize a given set of behaviors and behavior changes; any known incentives should be documented and shared transparently, and the methodology’s design should seek to minimize any possible, inadvertent negative effects that may result from the application and uptake of its analytic approach.

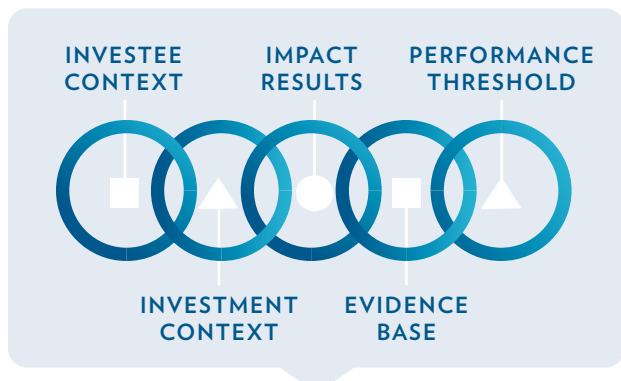
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The following sections describe the methodology for comparing and standardizing impact performance. Readers are invited to share feedback and reflections on this methodology through public comment. More information about how to engage can be found on page 22.

# Standardizing and comparing impact performance: Methodology components

Conducting impact performance analysis to reach decision-useful insight requires four sequential steps.

## METHODOLOGY



1

### BIND THE SAMPLE

Determine the relevant parameters and scope of analysis and bind the sample accordingly.

2

### COLLECT STANDARDIZED IMPACT INFORMATION

Identify and collect the various data needed to assess and compare impact results relative to peers and relative to the magnitude of the corresponding social or environmental challenge.

3

### CONDUCT ANALYSIS

Analyze impact information to enable meaningful comparison and interpretation of results to generate decision-useful insights.

4

### DERIVE INSIGHT

Transparently disclose and utilize insights resulting from analytics to inform key decisions related to investment strategy, selection, management, and exit.

# 1

# SAMPLE BINDING



*Binding the universe of investments by sector elevates insights that inform immediate operational or strategic business choices; binding by theme can inform long-term strategy, portfolio design, and allocations.*

The investment universe is expansive and diverse. As with all research, that universe needs to be segmented and bound by some commonality in order to enable rigorous and comparable impact performance analysis. Binding is the process of establishing and setting the parameters through which market segments are included and excluded from the scope of data collection and analysis – and therefore a key starting point that informs which investments, and which corresponding impact data, are relevant for analysis.

Three approaches enable meaningful and insightful analytics on impact results: by sector, theme, and strategic goal. Notably, since every impact investment belongs to a sector and pursues at least one impact theme (and in some cases several), each investment can belong to multiple impact performance analysis groupings. In some cases, the sector and theme may align closely – such as the energy sector and the energy access impact theme – but in other cases, the framing of the sector and impact theme may differ – for example, investments into health insurance companies fit within the financial services sector but the impact theme of improved healthcare. Binding reflects these areas of sector and impact theme; this methodology is designed to apply across investment strategies (such as by asset class) and geographies. Table 1 below shares the description of each approach as well as sample metrics based on an example investment into an investee offering health insurance products.

**Table 1: Strategies to bind impact performance analysis**

If the objective is to...	Bind the sample by...	Definition	Impact focus	Example: Health insurance	Sample metrics
<b>Inform immediate operational or strategic business choices</b>	Sector	An area of the economy in which businesses share the same or a related product or service. It can also be thought of as an industry or market that shares common operating characteristics.	<ul style="list-style-type: none"> <li>• Outputs</li> <li>• Short-term outcomes</li> </ul>	Financial services	<ul style="list-style-type: none"> <li>• Number of insurance policies sold</li> <li>• Client awareness of insurance policy features and requirements</li> <li>• Number of claims approved</li> </ul>
<b>Drive long-term strategy, portfolio design, and allocations</b>	Theme	A classification which describes a purpose-driven approach to contribute to impact, based on macroeconomic topics and/or trends that an investor can use to identify and assess strong investment opportunities or that an investee can use to frame and communicate its work.	<ul style="list-style-type: none"> <li>• Broad outcomes</li> <li>• Medium- and long-term outcomes</li> </ul>	Improved healthcare	<ul style="list-style-type: none"> <li>• Number of patients accessing healthcare as a result of having insurance policies</li> <li>• Percent of patients experiencing improved health as a result of healthcare access gained from owning insurance</li> </ul>
<b>Inform investment management approaches</b>	Strategic goal	Common investment strategies or goals pursued to achieve a more specific, established social or environmental impact objectives within generally accepted impact categories and themes.	<ul style="list-style-type: none"> <li>• Specific outcomes</li> <li>• Medium- and long-term outcomes</li> </ul>	Reducing financial barriers to health services	<ul style="list-style-type: none"> <li>• Percent change in client spending on healthcare</li> <li>• Number of patients that decrease spending on healthcare</li> </ul>

Source: GIIN, *Methodology for Standardizing and Comparing Impact Performance*

This sample binding choice then informs the review of a Theory of Change framework, a conceptual roadmap or series of cause-and-effect actions through which an investor or organization expects to create its desired impact within a given sector, theme, or strategic goal.<sup>ii</sup> To map out the pathway to intended impact, investors should identify an evidence-backed Theory of Change that aligns with the selected binding. Using the impact information categories described in the following section, investors can reflect on the Theory of Change and understand the impact associated with an investment.

# 2 STANDARDIZED IMPACT INFORMATION



Once the sample has been appropriately bound, standardized impact information that reflects outputs and outcomes in that sector, theme, or goal should be collected. Generating impact performance insights requires the availability of a standard set of high-quality information, with consideration of the various data qualities described in Appendix 2. These qualities reflect the reliability and precision of data, as well as aspirations for the types of insights that impact data may be able to elevate.

For information to be fully standardized, each individual metric must be disclosed using consistent categories, calculations, units, time periods, and rigor. Within this methodology, five categories of information combine to generate insight into impact performance. This includes three categories reflecting the investment: investment context, investee context, and impact results; and two categories that reflect third-party information that enables analysis and interpretation: the evidence base and the performance threshold. Each of these inputs is described in further detail below, and their alignment to the five dimensions of impact is described in Appendix 3. The integration and analysis of standardized impact information to generate insights is described in Step 3: Analytic Process.

## 2.1 INVESTMENT CONTEXT

Context is critical to understanding and interpreting impact results. At the investment level, it is essential to capture data regarding the timing, terms, engagement, and objectives of an investment (Table 2). These factors offer clarity into the potential limitations or mandates guiding a given investment strategy, as well as into the role that investment plays in driving toward the outcome or set of outcomes it seeks to achieve.

Table 2: Key variables to gauge investment context

Factor	Variable	Data type
<b>Timing</b>	Investment year	Year
	Investment horizon	Years
<b>Terms</b>	Investment instrument	Categorical
	Stage of business of the investee at the time of investment	Categorical
	'Enterprise value' of the investee in the reporting year	Numeric, currency-denominated figure
<b>Engagement</b>	Amount of capital invested	Numeric, currency-denominated figure
	Whether technical assistance or other forms of non-financial support are offered	Yes/no
<b>Objectives</b>	Strategic impact goal(s)	Categorical
	Financial targets	Numeric

Source: GIIN, *Methodology for Standardizing and Comparing Impact Performance*

## 2.2 INVESTEE CONTEXT

Similarly, analysis requires an understanding of the context in which the investee operates. At the investee level, it is crucial to understand who is affected and how impact is generated, using a standard set of categories for each qualitative variable (Table 3), information that provides insight to the investee's role in driving toward a given outcome or set of outcomes and offers complementarity to the investment features described above. For investment management purposes, investors may choose to explore additional contextualizing metrics that reflect their specific set of impact goals.

Table 3: Key variables to gauge investee context

Factor	Variable	Data type
How the investee creates change	Sector	Categorical
	Positioning along the supply chain	Categorical
	Types of product/service offerings	Categorical
	Delivery mechanism (e.g., analog versus digital)	Categorical
	Alignment to industry certifications, standard, and ratings	Yes/no and categorical
Severity of need addressed	Stakeholder demographics	Categorical and numeric
	Stakeholder location	Categorical
	Extent to which stakeholders previously had access to a given product/service/resource (e.g., market penetration)	Categorical

Source: GIIIN, *Methodology for Standardizing and Comparing Impact Performance*

## 2.3 IMPACT RESULTS

*Impact results may be intended or unintended and may be positive or negative.*

Impact results themselves – those data depicting how much change end stakeholders have experienced in the depth, scale, or duration of impact effects and the volatility or risk of these changes – are of course an essential layer to the understanding of impact performance. These data are at the heart of impact performance analysis yet require the contextualizing factors and standardization described above to be appropriately compared and interpreted.

To understand how much impact has occurred requires an assessment of four elements that gauge the extent to which stakeholders experience a given outcome. These include:

- **Scale:** number or reach of stakeholders experiencing the outcome (e.g., number of farmers experiencing an increase in yield)
- **Depth:** degree of change experienced by the stakeholder (e.g., change in yield experienced)
- **Duration:** time period for which the stakeholder experiences the outcome (e.g., length of time for which that increased yield is experienced)
- **Volatility:** degree of variation of outputs and outcomes over time (e.g., change in yield from year to year)

Across impact results, investors should track positive and negative results that occur directly as a result of the investment and its investee's operations, products, and services as well as indirectly through the activities of the various stakeholders affected by the investee. These effects may be intended – or aligned with the specific impact objectives or impact mandate of a given investment – or unintended positive or negative externalities associated with the investee's activities (Table 4). The consideration of both intended and unintended effects enables more holistic insight into an investment's complete set of social and environmental effects.

Table 4: Examples of impact outputs or outcomes

Type of impact result	From operations	From products/services
<b>Example market segment</b>	<b>Employment</b>	<b>Agriculture</b>
Positive, intended results	Improved employment benefits	Improved agricultural productivity
Positive, unintended results	Accelerated rate of employee advancement	Job creation
Negative, unintended results	Voluntary employee turnover	Increased use of harmful pesticides

Source: GIIN, *Methodology for Standardizing and Comparing Impact Performance*

In its impact performance studies, the GIIN has used IRIS+ Core Metrics Sets, along with additional metrics as relevant, to capture insight into the positive and negative short- and long-term results associated with impact investments. Launched in May 2019, IRIS+ describes the use of Core Metrics Sets to arrive at a standardized set of quantitative and qualitative indicators of performance and standardized calculations to assess, report, and otherwise make sense of that performance information.<sup>1</sup> These metrics sets seek to address each of the data types described here: scale, depth, duration, and volatility with consideration of positive/negative and intended/unintended consequences of a given investment. Further, IRIS+ metrics include those reflecting both ‘stocks’ and ‘flows’, as described previously. In doing so, they begin to enable investors to gauge net impacts.

## 2.4 EVIDENCE BASE

An evidence base typically includes relevant resources, such as field research and academic papers, that are mapped to impact outcomes or types of interventions and assigned a level of methodological rigor. These resources, when indicating a reasonable level of confidence that a given intervention is likely to create positive impact, strengthen the rigor and reliability of hypotheses or assumptions used within analysis. The body of evidence evolves continuously as new research emerges; naturally, there is risk of relying on a single study, so multiple viewpoints – including potentially contradictory evidence – should be taken into account.

In its impact performance studies, the GIIN has relied on the IRIS+ Evidence Base, which comprises various sets of resources, including studies, impact evaluations, experimental evidence, and academic papers that are mapped to outcomes associated with the IRIS+ Strategic Goals. To assess quality, each resource or study included is assigned a rating score reflecting its level of rigor according to the Nesta Standards of Evidence.<sup>2</sup> These standards of evidence illustrate how evidence is gathered, interpreted, and assessed, and align with academically recognized levels of rigor to demonstrate whether an investment is associated with a positive outcome. In many cases, the evidence base may point to various proxy indicators, such as from outputs data or from other circumstantial data, that can help illustrate a likely short- or medium-term outcome.

1 Core Metrics Sets are defined according to common impact goals, referred to as ‘strategic goals’, targeted by investors within specific impact themes or sectors. Additional Core Metrics Sets are developed on an ongoing basis as IRIS+ expands its thematic coverage in alignment with developments in the understanding of impact or when new investment themes reach a certain level of investment activity. Each IRIS+ Core Metric Set was developed through a collaborative effort with content partners (e.g., ILO, Ceres, World Resources Institute) and a formal advisory body comprised of investors and impact measurement experts and informed by an evidence base of academic and field research. At the time of launch, Core Metrics Sets had additionally been informed by over 800 stakeholders globally through both active engagement and public comment periods.

2 For more information about the Nesta Standards of Evidence, see Appendix 4.

## 2.5 SOCIAL OR ENVIRONMENTAL PERFORMANCE THRESHOLD

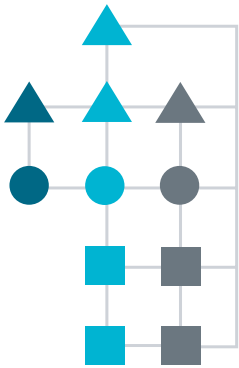
Increasingly, investors seek to leverage their capital to address the world's most pressing social and environmental challenges. To understand then if progress has been achieved, impact results must be further contextualized relative to an external threshold for performance using one of the following two strategies, aligned to the 'stocks' and 'flows' concept used in economics and accounting theory:

*Impact results at a single point in time should be compared to the magnitude of the social or environmental challenge addressed; results over a period of time should be compared to the pace of change required to achieve science-based targets.*

- ▶ When assessing '**stocks**': Impact results at a given point in time, such as an assessment of an investee's baseline performance, should be compared to the magnitude of the social or environmental challenge they address, whether that be a gap in affordable housing, poor natural resource conservation, a lack of access to basic services, or any number of other challenges. To define the problem an investment addresses, analysis should consider the sample's binding, as defined previously, and the relevant geographic context of the investee's operations. In the case of comparison across investors, funds, or portfolios, the country of investment should be considered to enable sufficiently robust and standardized third-party data (e.g., World Bank figures on population, ILO figures on employment). In the case of analysis for the design and management of a specific fund, investors may instead explore a more tailored regional binding, such as by city or state, giving consideration to investees' addressable markets.
- ▶ When assessing '**flows**': The pace of change in impact results over a period of time should be compared to the pace of change required to achieve science-based targets in the relevant sector or impact theme. For example, the rate of reduction in carbon emissions associated with a given investment should be compared to the rate of reduction in carbon emissions needed to prevent global warming beyond 1.5°C, the target recommended by an Intergovernmental Panel on Climate Change (IPCC) special report and embedded into the Paris Climate Agreement.

By assessing results relative to a third-party performance threshold, results can be both contextualized and comparable across investments and can offer insight into performance relative to a neutral benchmark. For more detail on the various strategies to articulate and define the appropriate impact performance threshold and the advantages and limitations of each, see Appendix 5.

# ANALYTIC PROCESS



Standardization of information is a crucial step toward analyzing and comparing impact results, as described above. This next section focuses on the analytic process used to then assess performance along those standardized metrics and indicators. This analytic methodology has been informed by desk research of existing guidance and evidence as well as one-on-one and group discussions with a range of stakeholders, including academics, monitoring and evaluation professionals, impact investors, and service providers within the impact investing ecosystem. The GIIN gathered inputs and feedback from stakeholders about the principles used to shape methodological choices, the assumptions underlying impact performance analysis, and each of the four components of the analytic methodology: normalization, outcomes assessment, and clustering of findings. Notably, each category of impact information described above may inform one or multiple steps of this analytic process.

## 3.1 NORMALIZATION

Normalization is the mathematical process of adjusting values measured on different scales to arrive at a comparable scale, thus unlocking the analytic potential of a given dataset. Crucial to normalization is the avoidance of any distortion of differences in the range of values, so that variance is considered throughout analysis. Normalization is a common component of research that plays a crucial role in understanding impact by enabling more complete and appropriate analysis of a dataset while retaining the meaningfulness and relevance of findings.

Investors typically assess and disclose performance at the investee level – most commonly focusing on data pertinent to direct investees, such as companies, enterprises, or real assets. At this level, data are more likely to align to the core data qualities described in Appendix 2; they are readily available, more reliable to disclose, and less influenced by bespoke or opaque normalization methodologies that may vary widely from one investor organization to the next. Yet investee-level analyses do not offer insight into the effects or influence of a given investment, and thus do not enable investors to compare results at the investment level. To transition from understanding and comparing investee-level data to investment-level performance – or those results that can be reasonably associated with a given tranche of investment capital – requires additional mathematical adjustment. This adjustment grows increasingly complex for indirect investments, such as those made into funds or other intermediaries.

### Key components to normalization

In order to normalize investee-level impact results (Section 2.3) to reflect investment-level performance, two critical factors reflecting investment context (Section 2.1) must be considered:

1. **Proportionality:** Investees vary widely in size, as do the investments they attract. The relationship between these two components, or the proportionality of investment size to investee size, is a crucial input to adjusting total investee impact results. For example, if results are reported at the company level, the share of impact results reasonably ascribed to a USD 1 million investment into a USD 10 million company should be different from the share ascribed to a USD 1 million investment into a USD 100 million company, even though those original investment sizes may be the same. Yet to do this, one can consider various inputs and denominators, such as the company's market value, book value, asset base, or revenues. A full list of options considered can be found in Appendix 6.
2. **Time:** Investments influence investee performance in a number of ways, such as the timing in which they're deployed and the investee's growth or cash flow needs at that point in time and their holding period prior to exit (whether via divestment or the conclusion of loan repayment). For example, a USD 1 million investment into a seed- or venture-stage company may influence that company's growth trajectory and business development differently than a USD 1 million investment into a mature, public company. Further, in the case of debt investments, as principal and interest are repaid from one loan, that capital is often recirculated into new loans – and therefore risks being double counted within a single investors' overall impact figures unless timing is taken into account.

Several other inputs may also affect an investor’s influence on impact performance, such as its level of engagement, provision of non-financial support, investment terms, and impact management processes. In this methodology, these factors are used as contextualizing variables to segment impact results, enable meaningful interpretation and comparison of impact performance, and begin to understand variance among differing investment and engagement strategies. However, these factors are not used to normalize impact results and will remain areas for further investigation and research, particularly as the market seeks to develop tools reflecting the impact achieved as a direct result of an investment. For further discussion, see page 32.

## Normalization analytics

To apply across investment and impact strategies and reflect both proportionality and timing, investee-level results can be translated to the investment-level in the following manner:

$$\text{Annualized investee-level impact results} \times \left( \frac{\text{Investment amount outstanding}}{\text{Enterprise value}} \right)$$

Where, in a given reporting period:

- ‘investee-level impact results’ include metric-specific results, such as greenhouse gas emissions reductions or insurance policies sold, achieved by a company, project, or real asset during that reporting period;
- ‘investment amount outstanding’ is the remaining balance of a debt investment (original loan amount – principal repaid) or the estimated valuation of an equity investment into that investee in the reporting period; and
- ‘enterprise value’ reflects the market value of equity plus the market value of debt for that investee entity in the reporting period.

These normalized results then feed into the following steps of the analytic process. Several alternate strategies to normalize results were considered during the methodology development process and are described in further detail in Appendix 6.

## Caveats and limitations

This approach, naturally, faces a few key limitations. Firstly, while this approach does begin to estimate the share of impact reasonably associated with a given tranche of investment capital, it does not determine the precise amount of impact achieved as a direct result of that investment. To determine the precise contribution of an investment requires further analysis of the full suite of investor inputs, including financial and non-financial factors and processes for investment and impact management, as well as analysis of the impacts that were likely to have occurred regardless of that investment. Secondly, this methodology seeks to unpack investment-level insight into performance, focusing on the proportionality and timing of capital injections. It does not, however, intend to diminish the fundamental role of investees in advancing impact achievements. Lastly, the methodology seeks to enable comparability of impact investments’ impact results across investment and impact strategies. More bespoke mathematical conversions may be better suited to speaking to the specific features and nuances of a given impact objective or asset class but would fall short of enabling broad applicability and comparison.

## 3.2 OUTCOMES ASSESSMENT

### KEY TERMS

**Output:** A specific, measurable quantity associated with the product or service provided by or the operations of an organization.

**Outcome:** The change experienced by stakeholders that is plausibly associated with the operations of or product or service provided by the investee.

**Theory of Change:** An expression of the sequence of cause-and-effect actions or occurrences by which organizational and financial resources are assumed to be converted into the desired results. It provides a conceptual road map for how an organization expects to achieve its intended impact.

*Data on outcomes can be collected directly or extrapolated from a combination of outputs which, together, reasonably indicate a given outcome.*

Evidence-backed Theories of Change that reflect the sample binding, articulated in Section 1, serve to demonstrate how normalized results reflect progress toward longer-term outcomes. An evidence-backed Theory of Change framework is useful in understanding and articulating the various pathways through which investors can achieve impact. This approach leverages that evidence to explore the relationships between outputs and outcomes to contextualize, compare, and assess outcomes associated with impact investments.

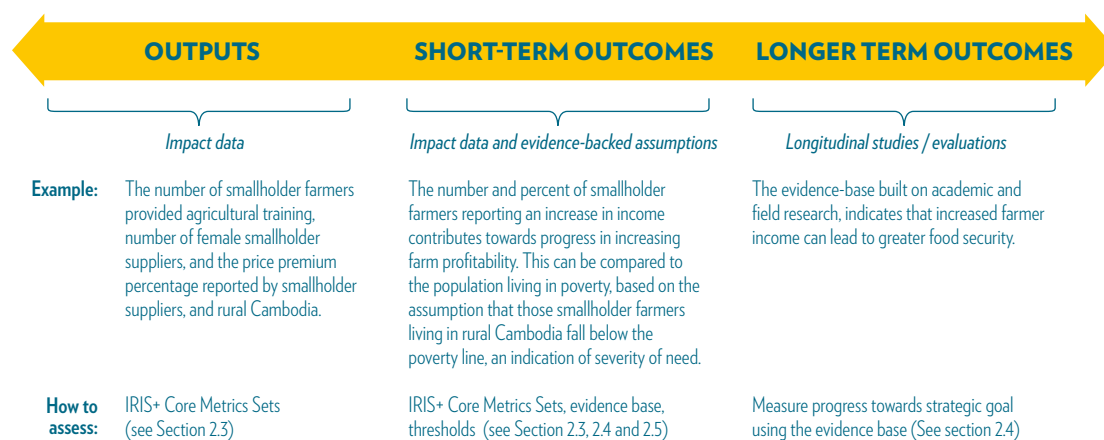
### Outcomes continuum

Naturally, the full range of outputs and outcomes constitute a continuum, distinguished by the level of influence an investor may have over the activities and conditions needed for long-term effects to occur (Figure 3).<sup>iii</sup> Effectively managing impact requires investors or organizations to determine the degree of certainty about the relationship among activities, outcomes, and level of control.<sup>iv</sup> This certainty varies, in part, due to the role that external factors play, which can influence the impact an investment creates. While an organization might have a greater degree of control over direct products and services delivered, resulting in a specific output, it has considerably less influence over the outcomes resulting from the outputs.

For example, the number of bundled inputs products disbursed to smallholder farmers is within control of the organization; however, proper and sustained use of agricultural inputs is not. Similarly, the number of mosquito nets distributed to individuals living in malaria-prone regions is within the control of an organization; yet, ensuring stakeholders use the mosquito nets each night to decrease the incidence of malaria is inherently more difficult to control. Providing additional support, such as technical assistance or non-financial support for trainings, may increase the degree of control an organization or investor has in determining the likelihood of achieving longer term outcomes. An organization can therefore increase its influence by combining multiple interventions, such as providing training or multiple products and services, to meet its objective. For example, providing agricultural training on how to apply fertilizer along with the agricultural inputs themselves, can increase the likelihood of achieving increased agricultural productivity. The context of the investment and its associated impact will determine where along this spectrum an output or outcome falls. These normalized impact outputs and outcomes are subsequently used within impact pathways, as described above, and used to integrate multiple pathways.

Notably, metrics themselves may be evidence-backed. Additionally, each link from outputs to short-term outcomes to long-term outcomes should be supported by the evidence base described on page 11. Further, these links should consider the applicability of an evidence base to investments' varying geographic and demographic contexts (Section 2.2). Outputs can be linked to immediate and longer-term outcomes based on assumptions and relevant sets of evidence (Sections 2.3 and 2.4). These impact pathways require either collecting and analyzing outcomes data or collecting and analyzing a combination of outputs data, which together indicate the corresponding outcome.

Figure 3: Examples of outputs and outcomes



Conducting experimental or quasi-experimental evaluations post-investment to prove whether the intended impact has been achieved, such as randomized control trials, is not necessarily feasible, ethical, or appropriate for most investors. With limited data available at the outcomes level and minimal capacity for investors to conduct rigorous impact evaluations, assessing outcomes in a standardized and accurate way can be challenging. In cases where substantial literature and evidence already exists, however, investors can reasonably rely on the results of evaluations performed by third-party evaluators, NGOs, or other organizations in the development space. Thus, this methodology relies on leveraging such insights and using evidence-backed output metrics as proxies to understand outcomes.

**A. Test assumptions to ensure validity:** Assumptions are often needed to reflect outcomes, such as that the income-level of smallholder farmers living in rural area falls below the poverty line and that access to training and price premiums on crops sold indicate increased farm profitability. However, these assumptions must be rigorous and valid – and thus supported by the evidence base and aligned with the context in which the investments are made – to corroborate the links in a given impact pathway. While the weight and appropriateness of assumptions will vary depending on context, assumptions may be based on:

- **Delivery and uptake:** How an individual accesses, uses, and/or benefits from a product, service, or a given operational model;
- **Exogenous factors:** External factors in the investee’s country of operation that affect the product or service provided or the operating model or that may affect impact results in the future and;
- **Conditions that must hold:** What must be in place for the outputs to lead to outcomes.

These assumptions can illuminate short-term outcomes associated with the investment, such as increases in farm income and profitability. Longitudinal studies and evaluations on the impact of increased client income and farm profitability can help unpack longer-term outcomes on rural economic development and livelihoods – and thus extend the scope of a given impact pathway.

**B. Confirm links from output to outcome are evidence-based:** It is important to note that multiple outputs can lead to multiple outcomes. Once each impact pathway and its respective assumptions have been articulated, the full pathway itself is again tested against the evidence base (Section 2.4) by reviewing the evidence base to ensure each linkage, as with each assumption described above, is sufficiently backed by evidence. When conducting evidence-based analytics, it is critical to be mindful of evidence that both supports the impact pathway and does not support the pathway, recognizing that contradictory evidence plays a role in shaping rigorous assumptions.

To confirm each linkage in the process connecting activities to outputs to outcomes, it is important to systematically review evidence by:



1. identifying and capturing relevant resources (e.g., field research, academic papers, and impact evaluations);
2. assessing the quality and level of rigor for pieces of evidence that support each impact pathway (e.g., using the NESTA Standards of Evidence);
3. conduct scenario-planning to account for various impact risks if assumptions do not hold or the context changes;
4. aggregating the evidence findings to reflect the sample binding (i.e., by sector such as housing, by theme such as affordable housing, or by strategic goal such as increasing economic stability) and with regard to the demographic and geographic focus of that sample (e.g., low-income individuals); and
5. mapping evidence sets to each link from output to outcome to confirm the logic and validity of a given impact pathway.

As described earlier, the IRIS+ Evidence Base maps sets of evidence to impact outcomes associated with IRIS+ Strategic Goals, and therefore also with their corresponding impact themes, and indicates the level of rigor of each study included. The IRIS+ Core Metrics Sets along with the Evidence Base offers a simple starting point that will enable users to accomplish these steps, and tailor to their needs.

Several alternate strategies to estimate outcomes were considered during the methodology development process and are described in further detail in Appendix 7.

**C. Weight outcomes relative to the corresponding social or environmental threshold:** To gauge whether an investment has moved the needle against a social or environmental issue, the outcomes associated with that investment should be compared to the magnitude of the challenge at hand using the thresholds determined in Section 2.5. When assessing ‘stocks’, or outcomes reflecting performance at a specific point in time, figures should be divided by the scale of the relevant, addressable market at that point in time.

For example:

-  **‘Stocks’:** In a hypothetical example, an investor seeks to set a baseline of impact performance at the time of investment in a financial services firm in Bolivia. At the time of investment in 2018, that firm reports 48,032 active clients (after normalizing total client figures using the approach described above). This figure is then weighted relative to the 7,008,806 adult individuals (namely, those individuals that could reasonably become clients) in Bolivia during that same year using statistics from the World Bank. Thusly that investment sees a baseline impact figure of 0.69% of the addressable market. Figures are expected to appear quite small for any one investment given the often-sizeable magnitude of the social or environmental challenges facing the planet and the relatively limited reach of any one investee.
-  **‘Flows’:** In another example, an investor that seeks to gauge progress of an investment in a hydropower plant’s contributions to the electricity grid may compare its reported 8% annual, normalized improvement in reach and efficiency (among other factors) to the 9% annual power sector growth required to limit global warming to 1.5 degrees Celsius. This target is estimated using the Science-based Target Setting tool, and indicates that this hypothetical example is falling short of the progress required to avoid an irreparable climate crisis.<sup>3</sup> These external thresholds – the target pace of change – can be estimated using third-party tools to model emissions figures or based on the pace of change required to achieve the SDGs.

In each instance, the process of comparing or weighting the normalized outcomes associated with an investment relative to an external threshold (1) enables assessment of the extent to which that investment contributes meaningfully to social or environmental progress; and (2) if analysis is conducted at scale, this approach allows for comparison of the effectiveness with which various strategies and peer groups drive change.

## Caveats and limitations

Naturally, estimating outcomes is not always feasible. In some cases, outputs are sufficient since they are often scalable and indicative of immediate, direct effects. Depending on an investor’s investment and impact strategy, using outputs-level data may be appropriate or can serve as a reliable proxy for an outcome indicator. Additionally, the outcomes estimated through this methodological approach are not necessarily proven through rigorous impact evaluations. While some investors or investees may decide to undertake an experimental or quasi-experimental study post-investment, doing so is not general practice in the impact investing industry – nor should it be. This approach recognizes that causal relationships cannot be inferred and instead sheds light on the outcomes that may be associated with an investment. Further, as described throughout this document, context plays a critical role in understanding and responsibly interpreting both the outputs and associated outcomes; contextual or segmentation variables are woven directly into the analytics. Lastly, outputs and outcomes are interconnected and multi-faceted; this analysis provides some illustrative examples, but data available to investors may not necessarily speak to the full Theory of Change. Moreover, an output often informs multiple outcomes, and an outcome may result from multiple outputs. For example, improving equitable access to education and learning may be achieved through multiple outcome indicators, such as average student test scores and job placements, as measured through a series of related outputs. Unintended impacts may not be fully accounted for in this model.

<sup>3</sup> For example, the [Science-based Target Setting tool](#), built in partnership between CDP, the United Nations Global Compact, World Resources Institute, and the World Wildlife Fund, enables investors and investees to arrive dynamically at evidence-backed projections based on key inputs, such as the sector and time horizon.

### 3.3 CLUSTERING OF FINDINGS

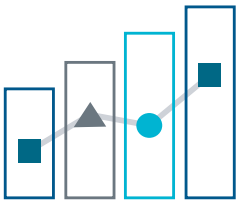
Clustering is the process of disaggregating and grouping impact results into segments which enable responsible and meaningful interpretation of performance. By clustering results, impact can be viewed within the specific context in which it occurred, accounting for the various choices within both the investor's and investee's purview – or the investment- and investee-level factors described previously. Given this broad range of factors that shape impact performance, one investment will fall within several distinct clusters.

#### Strategies to cluster findings

As with all analysis, impact performance findings can be clustered or segmented in various ways, each offering insight into one or more key choices that underpin investment strategy, selection, management, and exit. By disaggregating findings along various categorical variables that describe investment context (Section 2.1), such as investment instrument or stage of business, investors gain insight into the possible relationship between such factors and the resulting impact. Additional segmentation may focus on factors within an investee's control (Section 2.2), such as their product/service offerings, positioning along a value chain, or choice of target market. Discretion should be used to determine which variables enable appropriate and informative analysis for different use cases; this will vary by strategy, mandate, and market position.

## 4

## INSIGHTS



To optimize performance at various points in the investment strategy-setting and decision-making processes, investors need to be able to differentiate one investment from another based on key performance indicators related to risk, return, liquidity, and – crucially – impact. Each phase of the analytic process contributes to investors’ abilities to compare investments, funds, and portfolios.

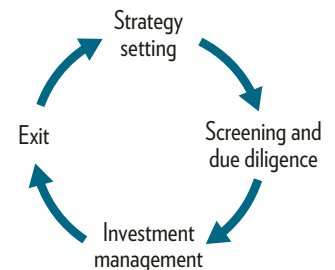
**Normalization:** By mathematically adjusting impact results to exist on a comparable scale, investors can gain better clarity around their impact influence and set the foundations for the comparison of both outputs and outcomes, a critical first step in the analytic process.

**Outcomes assessment:** At the output level, data are typically readily available, accessible, reliable, and material and are often used for both operational and disclosure purposes. This information also tends to be less subjective, requiring fewer assumptions with a greater degree of standardization. For example, investors often track information related to sales of a product or service provided by the investee and therefore the size of that investee’s client base. However, outputs data are not always sufficient in assessing progress toward the real-world impact outcomes associated with an investment. For example, while providing access to financial services to 50,000 individuals sheds some light on the reach of a given investee, it does not alone demonstrate how this access to finance has changed the quality of life for those individuals. For investors who deliberately seek to generate social and environmental change, understanding whether they are achieving that progress and to what extent is critical. For this reason, this methodology considers both outputs and outcomes to shed light on the results associated with investments. Further, by analyzing outcomes relative to the magnitude of the corresponding social or environmental challenge, investors gain deeper insights in the extent to which various strategies may move the needle on pressing issues.

**Clustering findings:** Grouping – and conversely, disaggregating – findings according to key features enables the responsible, meaningful interpretation and comparison of results. Specifically, by aggregating and disaggregating impact results into various clusters based on the investment, investee, or market features described earlier in the Standardized Impact Information section, investors can ensure that comparison of impact results is appropriate and nuanced and understand how impact results vary under different circumstance.

## USES OF IMPACT PERFORMANCE ANALYTICS

This methodological process of normalizing results to the investment level, considering outcomes, and clustering or segmenting findings elevates insights on impact performance which offer investors greater depth of understanding into the performance of their own portfolios, how that performance compares to that of peers, and how that performance varies from one segment to another. This information can then be considered alongside risk, return and time horizon to answer a range of questions—and therefore inform decision-making—across the various phases of the investment process. Simultaneously, investors can strengthen the quality and utility of their internal reporting and public disclosures of impact. As the volume of analyzed performance data continues to grow, so too will investors’ ability to extract meaningful, informative insights about historical and potential impact performance.



A range of decision-useful insights can be elevated through the application of this methodology.

### Strategy setting

Several analyses may be used to inform investors’ impact and investment strategies to optimize impact results. Most crucially, by understanding historical impact performance, investors can direct their capital toward the highest impact potential opportunities, embedding evidence into their investment strategy. By clustering findings by variables indicating investment context – such as asset class, investment terms, time horizon, or engagement strategies – investors gain greater insight into the relationship between investment strategy/structuring and impact results which can then inform investment or fund design. Additionally, analyzing the relationship between normalized impact results and the amount of capital invested can shed light on efficiencies, or the effectiveness of an investment in one market segment relative to another investment of commensurate size.

## Screening and due diligence

Investors can leverage historical impact performance information to shape investment screening, due diligence, and selection. Crucially, the ability to compare baseline impact performance between one prospective investment and another enables investors to screen investments more quickly and with a greater consideration of impact – thus reducing transaction costs. By clustering findings by variables that indicate how investees create change – such as their positioning along a given value chain or their product or service offerings – investors gain greater insight the effectiveness of different business models in achieving a given set of impact results and can inform investment selection. This insight is further amplified if results are segmented or filtered by strategic goal or impact objective. Additionally, analysis of the impact results associated with key investment features and impact strategies can inform investors’ impact targets and milestones, thus shaping loan covenants, term sheets, or other accountability measures.

## Investment management

Through comparisons of one’s own normalized impact performance with that of peers, investors can gain greater insight into areas of out- and under-performance. This information allows investors to run real-time diagnostics on their impact results and to identify areas for additional support of investees such as technical assistance or course-corrective measures in such a way that can strengthen investees’ likelihood of achieving a given set of impact results. Similarly, by setting appropriate targets and milestones during the due diligence process, investors can more effectively gauge progress relative to those goals throughout the investment holding period. Lastly, analysis and comparison of normalized impact results throughout this period can enhance the precision and insightfulness of investors’ public and private disclosures, thus strengthening communications with and reporting to Limited Partners or other capital sources, clients, employees, donors, and other partners.

## Exit

Analysis of the relationship between normalized impact results and financial returns post-exit may illuminate which market segments experienced a positive or negative correlation in performance and what level of target returns is appropriate looking forward. This analysis then reinforces an investor’s strategy and expectations looking forward. Investors can also reflect upon historical, normalized impact performance to gain insight into the relationship between different time horizons and impact results – and thus to determine or identify appropriate exit timing. This insight can also enable investors to set appropriate horizon expectations for future investments within a given investment strategy. Normalized impact performance results at the time of exit can also shape investors’ fundraising strategies looking forward, enabling them to communicate or disclose a track record of performance, as compared to peers, with increasing effectiveness.

### APPLICATIONS OF COMPARABLE IMPACT PERFORMANCE DATA

Together, this comprehensive analytic process enables investors to:

- unlock greater insight into the influence of various investment features on impact performance by clustering findings by asset class, investment terms, engagement strategies, or other variables as described under Section 3.3 and using that insight to shape overall strategy, portfolio or fund design, and investment structuring;
- better illuminate variance in performance among these investment features to shape overall portfolio construction and set achievable and appropriate performance expectations;
- disentangle one investor’s influence on impact performance from that of their peers or of the investee itself, and therefore better communicate and distinguish that investor’s impact results when speaking with their, employees, clients, and other stakeholders;
- gauge the efficiency of one investment strategy versus another in achieving a given level of impact performance by dividing impact results by the amount of capital deployed; and
- determine the influence of investor choices and processes on impact performance – such as impact target setting or reporting – through correlation analysis and regression modeling and thus inform the development of asset allocations tools, impact ratings, and impact indices.

Through the application of comparable impact performance information across each of these use cases, investors can better shape their strategies and their allocations to drive impact through the provision of capital and engagement. This practice allows investors to fully realize the potential of their capital in effecting change.

## NEXT STEPS

The GIIN's role as a global champion of impact investing, dedicated to increasing its scale and effectiveness, requires an ongoing commitment to building the impact performance ecosystem. Increasingly, investors seek to drive progress in addressing poverty, inequality, climate change, environmental degradation, and peace and justice for the sustainability of people and the planet. To make this a reality, investors require three elements of infrastructure to incorporate impact into all decision-making.

Firstly, investors need a standardized system to measure, manage and optimize impact results, such as that presented by IRIS+. Secondly, a suite of benchmarks, ratings, and other tools will enable investors to compare impact results among peers, to specific market segments, and to the magnitude of the social or environmental challenge they address. And lastly, using such tools, investors will be better positioned to account for impact during capital allocations, investment management, and reporting. In doing so, the market should see a new level of healthy competition among investors on the basis of impact results.

The wider network of investors, academics, monitoring and evaluation professionals, and other thought leaders within the GIIN's network have generously contributed to the development of this methodology. The opening of this document to a public comment period as described in the following section represents an important step toward the iteration and refinement of this methodology. These partners, including GIIN members and other investors pursuing impact goals, academics, monitoring and evaluation professionals, and others developing complementary analytic resources, play an essential role in its adoption and the capacity to build further tools.

The following next steps are shared to set out a vision for how the application of this methodology will evolve and inform market development and to assist in deriving the full value of the comment period.

### Establish an analytic standard

Following the period of public comment, described in the Invitation to Comment section on page 22, the GIIN seeks to create a standard method through which impact results are compared. These comments will be reviewed and addressed, and the resulting standard will be made publicly available in 2021. As standardized analytics become generally accepted practice, there will be a reduction in the fragmentation of approaches that plagued initial efforts to standardize impact measurement. This standard and the details of its development process will be shared as a public good so that other actors, commercial or not, can replicate such analytics. This replication has the potential to drive investors toward increasingly competitive impact performance.

### Build benchmarks, ratings, and other impact performance analysis tools

Impact performance benchmarks based on historical performance and ratings that gauge likely future performance are key elements that are absent from the impact investing ecosystem. This methodology forms the foundation for impact benchmarks, ratings, and other impact performance analysis and management tools that will allow for stronger integration of impact into decision-making. As a contribution, the GIIN will develop and refine benchmark prototypes during 2021. The GIIN actively encourages others to improve, further develop, and refine such prototypes in full recognition that a complementary suite of tools forms part of a healthy and vibrant impact performance infrastructure.

### Drive uptake and use of these impact performance tools and information at scale

The insights resulting from benchmarks, ratings, and other tools will drive further integration of risk, return, and impact into decision-making across the investment process. Further, through the ongoing collection of data, the GIIN seeks to evolve its suite of analytic tools and improve the robustness of the analysis encapsulated in its impact performance studies.

# INVITATION TO COMMENT

This methodology is designed to enable investors, academics, standards setters, and the developers of impact performance tools and resources to conduct consistent, comparable, and cohesive impact performance analysis. As part of the public comment period and to strengthen the resulting methodology standard, the GIIN invites all readers to share reflections and feedback on the various approaches, choices, and applications of the methodology described throughout this document.

## DISCUSSION QUESTIONS

The following discussion questions are offered as prompts to guide readers' reflections. Insights and feedback beyond these questions are additionally welcomed.

- This methodology offers three strategies for binding the investment universe – or setting the parameters for which investments are included or excluded – to enable analysis. For each, several use cases are offered to inform the decision. What other investment choices or activities can each binding strategy inform?
- Several variables pertaining to investment and investee context are described throughout this document. Which additional elements of context do investors consider in their analysis and comparison of impact results?
- To normalize results from the investee level to the investment level, this methodology relies on the consideration of proportionality and time/timing. What other key components inform the translation of investee-level to investment-level results?
- Throughout an investment lifecycle, investors may measure data reflecting both impact outputs and outcomes; however, outputs data are more readily and easily available. What types of decisions do investors inform with outputs-level data? What decisions do investors inform with outcomes data?
- To truly gauge the long-term outcomes associated with impact investments requires longitudinal studies and evaluations, which can be costly, time intensive, and ethically fraught. How do investors assess progress toward long-term outcomes associated with an investment?
- This approach seeks to understand the positive and negative effects of an investment, as well as its intended and unintended consequences. How do investors integrate positive and negative impact to understand outcomes?
- This methodology seeks to elevate insights that can enhance decision-making. What key choices can this methodology – and its resulting insights – help investors inform? What conversations can it shape? What gaps remain?

### How to provide input

To share your reflections on the discussion questions posited above or other aspects of this methodology, please submit any thoughts to the GIIN ([impactperformance@thegiin.org](mailto:impactperformance@thegiin.org)) by email or through this [online platform](#) for comments. Comments will be welcomed through January 2021.

# METHODOLOGY IN ACTION: AN EXAMPLE

Analytics providers can leverage this methodology to assess aggregate datasets comprising standardized impact information to enable investors to compare their impact performance to that of peers and to generate insights that inform strategy setting, screening and due diligence, investment management, and exit. The following illustrative example demonstrates how an investor can benefit from the insights derived from applying this methodology at scale.

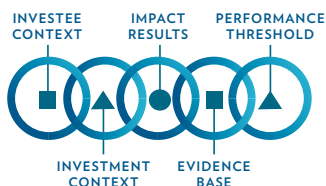
**Investor profile:** The following steps demonstrate how a third-party analytics provider can apply these steps to facilitate decision-useful insights for investors. In this example, Smallholder Capital (SC), a (hypothetical) asset manager that seeks to alleviate rural poverty by improving farm profitability in Sub-Saharan Africa and Southeast Asia, wants to understand how the impact performance across its own portfolio compares to that of similar investors, leveraging the insights generated by this analytics provider. This information will enable SC to benchmark its impact performance, inform its impact target-setting for future investment decisions, and identify areas to further support its investees.



1

## SAMPLE BINDING

To enable investors, such as SC, to inform investment management approaches, an analytics provider would bind the sample by impact theme or sector, namely agriculture. An evidence-backed Theory of Change is then additionally used to map various pathways through which that impact can be achieved based on third-party sector resources.

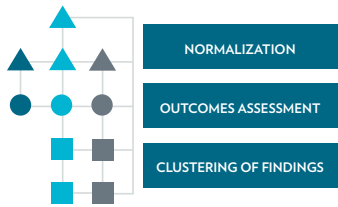


2

## STANDARDIZED IMPACT INFORMATION

Next, the analytics provider gathers data from agriculture investors pertaining to key variables that contextualize investment-level performance, including investment year, horizon, instrument, and amount of capital invested. Additionally, the analytics provider should collect from investors data on participating investors' investees, reflecting variables such as the product/service offered, stakeholder demographics, and geographic region. Once aggregated, this information sheds light on how investees create change and the severity of the needs they address.

Critically, the analytics provider also collects information reflecting the specific impact results of those agriculture investments such as IRIS+ aligned indicators like Client Income (PI9409), Land Directly Controlled: Cultivated (OI1674), and Client Individuals: Low Income (PI7098), among several others. The IRIS+ Evidence Base is a public good that can additionally be used in the analytic process to test assumptions and ensure links are evidence-backed. To assess progress relative to global challenges and the size of the market, relevant social performance threshold information can be found from reputable data sources; in this case, the World Bank's datasets detail the number of individuals living below the national poverty line in each country in which its investees operate.



3

## ANALYTIC PROCESS

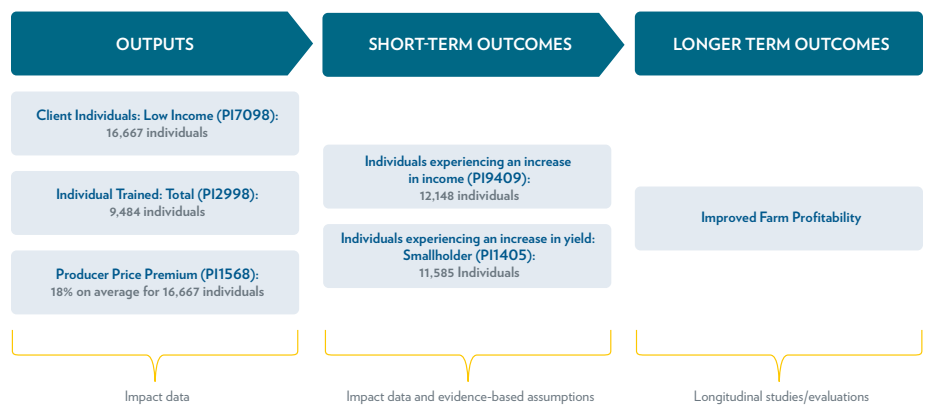
The following process can be applied to normalize impact results, assuming the following figures apply to a given investments:

- *Client Income (PI9409): 100,000 individuals with increased income*
- *Investment amount outstanding: USD 200,000*
- *Enterprise value of investee: USD 1,200,000*

$$100,000 \times (200,000/1,200,000) = 16,667 \text{ individuals}$$

This formula should be applied across each IRIS+ metric for each investment obtained by the analytics provider for which quality data are available.

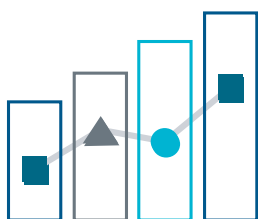
To assess impact outcomes, the analytics provider can channel this normalized impact data into impact pathways, such as improved farm profitability, that draw links between outputs and outcomes. The evidence-backed assumptions supported by the IRIS+ evidence base serve to bolster these links and reflect longer term outcomes. The analytics provider can then weight these 16,667 individuals with increased income relative to the scale of rural poverty in the countries of investment. This weighting should additionally be applied across normalized results in the sample to understand typical performance and variance in performance. To contextualize results further, these figures can be clustered based on geographic region, asset class, and investment time horizon, among other factors.



4

## INSIGHTS

The resulting insights from this analytic process can be reflected in a historical performance impact benchmark to show the distribution of impact results across key performance indicators. This benchmark offers individual investor organizations, like SC, the ability to understand typical performance in a given thematic area. Additionally, by conducting analysis of its own portfolio using the methodology described above, SC can also compare and contrast its effectiveness to that of peers and to science-based targets. Further segmenting analysis by geographic region, asset class, target financial returns, and other variables deepens SC's ability to extract meaningful insights.



Insight into investment impact performance

# APPENDIX 1

## DEFINITIONS

In the context of this methodology and its accompanying Impact Performance Studies, the following definitions are used for key terms:

Term	Definition	Source
Activity	Actions taken or work performed through which inputs, such as funds, technical assistance and other types of resources are mobilized to produce specific outputs.	IMP
Depth	Degree of change experienced by the stakeholder.	IMP
Duration	Time period for which the stakeholder experiences the outcome.	IMP
Impact	In the monitoring and evaluation community, the term “impact” refers to the positive and negative effects resulting from a given intervention. In this discussion paper, we use the term “impact” to reflect the broader concept of positive and negative social and environmental results associated with a given intervention, recognizing that we may not yet be able to directly link or attribute those results to an investment and the products, services, and operations of the investee.	GIIN
Impact pathway	A sequence that connects outputs-level data to short-term and longer-term outcome indicators, based on relevant sets of evidence and rigorous assumptions.	GIIN
Impact theme	A classification which describes a purpose-driven approach to contribute to impact, based on macroeconomic topics and/or trends that an investor can use to identify and assess strong investment opportunities or that an enterprise can use to frame and communicate its work.	IRIS
Indicator	A multivariable measure comprised of one or more metrics and producing information that can be used to describe performance toward key dimensions of impact. These are key to understanding progress or achievement of the impact goals for an investment.	IRIS
Investee	The project, company, real asset, or fund receiving that capital allocation to then finance its business activities (e.g., operations and design, production, and sales of products or services).	GIIN

Term	Definition	Source
Investment	The tranche of capital allocated by the investor into the investee.	Investopedia
Investor	The individual or organization allocating return-seeking capital either directly into a project, company, or real asset or indirectly through a fund or other intermediary.	Investopedia
Metric	Numerical measures used in calculations or qualitative values to account for the social, environmental, and financial performance of an investment.	IRIS
Output	The products, capital goods and services which result from a development intervention; may also include changes resulting from the intervention which are relevant to the achievement of outcomes.	IMP
Outcome	Change for affected stakeholders that is plausibly associated with the products/services of the enterprise.	IRIS
Scale	Number or reach of stakeholders experiencing the outcome.	IMP
Stakeholder	Sometimes referred to as 'beneficiary'; the person(s) or ecosystem(s) that derive advantages from an investment, such as clients, employees, suppliers, etc.	GIIN
Strategic goal	Goals deployed to achieve specific, established social or environmental impact objectives within generally accepted impact categories and themes.	IRIS
Theory of change	An expression of the sequence of cause-and-effect actions or occurrences by which organizational and financial resources are assumed to be converted into the desired results. It provides a conceptual road map for how an organization expects to achieve its intended impact.	IRIS
Volatility	Degree of variation of outputs and outcomes over time.	GIIN

# APPENDIX 2

## DATA QUALITIES

Analysis relies on the presence of core qualities of underlying data which position that data well to elevate insight, enable comparability, or otherwise shed light on key research questions. This methodology considers the six, widely accepted data qualities released by the DAMA UK Working Group.

### Six core data quality dimensions

Data quality	Definition
<b>Completeness</b>	The proportion of stored data against the potential of 100% complete
<b>Uniqueness</b>	No thing will be recorded more than once based upon how that thing is identified
<b>Timeliness</b>	The degree to which data represent reality from the required point in time
<b>Validity</b>	Data are valid if it conforms to the syntax (format, type, range) of its definition
<b>Accuracy</b>	The degree to which data correctly describes the "real world" object or event being described
<b>Consistency</b>	The absence of difference, when comparing two or more representations of a thing against a definition

Source: [The Six Primary Dimensions for Data Quality Assessment: Defining Data Quality Dimensions](#), the DAMA UK Working Group on "Data Quality Dimensions", October 2013.

Additionally, this methodology considers the qualities specific to impact data as defined by the Impact Measurement Working Group within the G7 Social Impact Investment Taskforce. These qualities reflect either the nature of the underlying data or the objectives of the analysis resulting from those data.

### Data qualities for impact measurement






Data quality	Definition
<b>Materiality</b>	The extent to which data features the relevance and authority to substantively influence an investor's assessment of an organization's ability to create financial, societal, and environmental value and to influence portfolio, deal, or enterprise-level management decisions
<b>Reliability</b>	The assessment of data sourcing and validation to ensure a high level of integrity
<b>Comparability</b>	The ability of data derived following consistent standards or practices to make possible comparison of results from different investments
<b>Additionality</b>	The extent to which data allow investors to assess whether and by how much an investment has generated results that would otherwise not have been realized
<b>Universality</b>	Data collection practices that are applied consistently across markets, geographies, and sectors

Source: [Measuring Impact: Subject Paper of the Impact Measurement Working Group, Social Impact Investment Taskforce, September 2014.](#)

# APPENDIX 3

## ALIGNMENT OF STANDARDIZED IMPACT INFORMATION TO THE CORE DIMENSIONS OF IMPACT

The table below describes how the various components of impact information required for this methodology shed light on the common dimensions to understand impact: WHAT, WHO, HOW MUCH, CONTRIBUTION, RISK<sup>4</sup> and HOW CHANGE HAPPENS<sup>5</sup> to which IRIS+ Core Metrics Sets are aligned.

Factor	Variable	Dimension	
<b>Investment context</b>			
<b>Timing</b>	Investment year	CONTRIBUTION 	
	Investment horizon		
<b>Terms</b>	Investment instrument		
	Stage of business of the investee at the time of investment		
	'Enterprise value' of the investee in the reporting year		
<b>Engagement</b>	Amount of capital invested		
	Whether technical assistance or other forms of non-financial support are offered		
<b>Objectives</b>	Strategic impact goal(s)		WHAT 
	Financial targets		
<b>Investee context</b>			
<b>How the investee creates change</b>	Sector	HOW CHANGE HAPPENS	
	Positioning along the supply chain		
	Types of product/service offerings		
	Delivery mechanism (e.g., analog versus digital)		
	Alignment to industry certifications, standard, and ratings		
<b>Severity of need addressed</b>	Stakeholder demographics	WHO 	
	Stakeholder location		
	Extent to which stakeholders previously had access to a given product/service/resource (e.g., market penetration)		
<b>Impact results (as defined by the sample binding)</b>			
<b>Scale</b>	Number of stakeholders experiencing the outcome (e.g., number of farmers experiencing an increase in yield)	HOW MUCH 	
<b>Depth</b>	Degree of change experienced by stakeholders (e.g., change in yield experienced)		
<b>Duration</b>	Time period for which stakeholders experience the outcome (e.g., length of time for which that increased yield is experienced)		
<b>Volatility</b>	Degree of variation of outputs and outcomes over time (e.g., change in yield from year to year)	RISK 	

Note: *Grayed variables are crucial to the application of this methodology but do not map to the various dimensions described in this table.*

4 See more on the Impact Management Project's Five Dimensions [here](#).

5 For more on IRIS+ visit [www.iris.thegiin.org](http://www.iris.thegiin.org)

# APPENDIX 4

## NESTA STANDARDS OF EVIDENCE

The Nesta Standards of Evidence is an approach to measure the impact of various innovation programs and investments designed to assess the evidence behind a given intervention and determine the level of confidence that that intervention has a positive impact. This includes five levels of confidence.

- Level 1:** The minimum standard of evidence comprising a logical reason, or set of reasons, describing how an intervention or investment will create impact and why it will improve the status quo.
- Level 2:** This stage comprises data that shows a positive effect of an intervention but does not necessarily demonstrate direct causality.
- Level 3:** These evaluations demonstrate causality by comparing to a set of stakeholders who did not receive the product or service using a control or comparison group to isolate the effect of the intervention.
- Level 4:** This evidence requires an explanation for how and why the intervention has created an impact, often using an independent evaluation to validate the impact itself.
- Level 5:** This level of evidence demonstrates the scale and replicability of an intervention to create impact.

Source: [Nesta Standards of Evidence: An Approach that Balances the Need for Evidence with Innovation](#), Puttick, R., and Ludlow J., NESTA, October 2013.

# APPENDIX 5

## STRATEGIES TO DEFINE A BASELINE OR THRESHOLD OF PERFORMANCE

The table below describes the full list of strategies considered for comparing impact results to some baseline or threshold of performance, whether that relate to the scale of the social or environmental challenge at hand or to the pace of change required to achieve a given goal.

Baseline or threshold options	Example	Advantages	Limitations
1. The scale of the existing social or environmental challenge within a <b>specific geographic binding as defined by the investor</b> (e.g., city, state/province, country, region)	Number of individuals gaining access to clean water from a given investment relative to the number previously lacking access to clean water in the greater metropolitan area surrounding Sao Paulo, Brazil	Investors that use this approach can define the scale of the challenge they seek to solve through a specific investment, and therefore more aptly gauge progress accordingly.	This approach inherently limits the comparability of resulting analyses, as investors may select different geographic bindings for different investments. Comparison is then further restricted by limitations in quality the third-party baseline data: as the geographic binding narrows, the variability of available, quality baseline data grows. It also creates a risk of diluting the precision of insights, since highly tailored baseline datasets may not be available to specifically reflect the nature of impact results (e.g., clients gaining first-time access vs. clients gaining new access vs. active clients). Lastly, this analytic method may unduly reward investments focused on areas with less critical pre-existing needs (e.g., favoring progress relative to smaller populations lacking prior access to given products or services).
2. The scale of the existing social or environmental challenge within the <b>country/ countries of investee operations</b>	Number of individuals gaining access to clean water from a given investment relative to the number previously lacking access to clean water in Brazil	This approach defines a consistent scale for social environmental challenges that may be influenced by investments in a given sector or impact theme, thus enabling comparability of results and enhancing the likelihood of consistently available, quality baseline data.	For this approach to enable greater comparability across investments or funds, it requires establishing a broader baseline against which to assess performance – thus offering less nuanced insights into the extent to which an investment creates the specific changes it seeks. Further, this approach does not account for cross-border effects of an investment strategy (e.g., GHG emissions are not restricted to the country in which they are incurred). Lastly, as with the above, this analytic method may unduly reward investments focused on areas with less critical pre-existing needs (e.g., favoring progress relative to smaller populations lacking prior access to given products or services).
3. The size of the <b>addressable market</b> for a given product/service	Number of individuals gaining access to clean water from a given investment relative to the number of individuals in the greater metropolitan area surrounding Sao Paulo, Brazil	This method enables investees to consider a broader range of impacts, for example by assessing clients gaining first-time access to a given product or service together with clients previously accessing products or services from competitors.	This approach offers insight into the potential reach of products or services (e.g., number of clients) but does not enable analysis of operational indicators (e.g., employment, waste) or of depth indicators (e.g., extent of change in client income or client yield). Further, in the absence of a standardized method for articulating and defining an investee's market, this approach will face the same limitations to comparability of results resulting from varied reporting at the city, state, or country levels as described above. As a consequence, this strategy also faces limitations to the potential comparability of results.
4. The annual <b>pace of change</b> required to achieve the <b>SDGs or science-based targets</b>	The percent change during a one-year period in individuals gaining access to clean water from a given investment relative to the percent increase required annually to enable universal and equitable access to safe and affordable drinking water (SDG target 6.1)	By refocusing analysis on change over time, rather than impact widgets at a given point in time, this approach enables closer examination of the impacts – or the effects – of an investment.	By focusing on the percent change achieved, investors may overlook the scale of that change (e.g., growing from 3 to 9 active clients represents a 200% increase, yet only 6 additional clients). Analysis relative to external targets is also bounded to a specific period of time; for example, the SDGs will expire after 2030 and new targets may be required, thus requiring a revisiting of the analytic approach as well.

# APPENDIX 6

## ALTERNATE STRATEGIES TO NORMALIZE IMPACT RESULTS

Several normalization strategies were considered during the development of this methodology but ultimately not recommended given their respective limitations and drawbacks.

Normalization strategy	Details	Advantages	Limitations
<b>1. Unweighted by relative to volume of capital invested</b>	This approach would divide investee-level impact results by the unweighted amount of capital invested into that investee to approximate the dollar efficiency of impact.	A simple dollar-weighting is easy to understand and communicate and begins to gauge efficiency of impact creation.	By using an unweighted methodology, this approach does not sufficiently account for wide variance in investee sizes and investment stakes.
<b>2. By investment stake</b>	This approach would multiply investee-level impact results by the investor's ownership stake (investment size divided by the investee's market value of equity at the time of investment).	This strategy is most common among investors to date and provides a full alignment between ownership share and share of impact results.	This valuation methodology does not apply across market segments, in particular to debt investments, thus restricting the size of the comparable sample. Further, the approach presumes that each percentage share of investment is associated with the same proportional share of impact.
<b>3. By company asset value</b>	In this case, impact results would be multiplied by the size of the investment divided by the investee's asset value at the time of investment.	This approach applies to both equity and debt investments since all investees track asset value and may be less influenced by perceived future growth or performance of a company that has not yet been realized.	Asset value does not have a consistent correlation to market value: even within a given industry. Using this variable therefore risks overinflating the share of impact results ascribed to investments into asset-heavy companies and underestimating the share ascribed to investments into asset-lite companies. Further, this approach does not account for a broader range of investee types, such as funds or real assets.
<b>4. As reported by investors, based on investor self-reflections</b>	Investors would report their share of impact results based on their own proprietary assessment of impact gains relative to a counterfactual conditional in which that investment had not occurred.	This quasi-experimental design would estimate impact results directly or purportedly achieved as a result of an investment rather than those generally associated with an investee's activities.	Given the lack of standardized methodology to establish and gauge a counterfactual, this method remains highly subjective and biased, likely conditional on a broad range of calculations strategies and therefore inherently incomparable.

# APPENDIX 7

## ALTERNATE STRATEGIES TO ESTIMATE OUTCOMES

Several additional strategies were considered to estimate outcomes and shed light on the impact associated with impact investments, however these were ultimately not pursued due to the associated risks and limitations.

	Description of the strategy	Advantages	Limitations
<b>1. Qualitative approach</b>	Qualitatively describe potential long-term outcomes associated with outputs, with an emphasis on the depth and duration of impact experienced by end stakeholders. This can be demonstrated through real-life examples and spotlights or case studies highlighting tangible examples of ultimate outcomes.	This approach is conservative and preserves integrity to the highest degree. With an appropriate use of examples, it is reliable, transparent, appropriately nuanced, and captures the multidimensionality of impact associated with an investment. This approach is also less time-intensive and thus replicable.	Relying on solely qualitative examples is less quantitatively rigorous and may understate the impact achieved. Without quantitative data, it is difficult to assess progress against target impact objectives and make capital allocation decisions based on impact.
<b>2. Quantitative outcomes extrapolation</b>	Quantify a closely linked outcome using evidence-backed studies and relevant outputs data. This may also involve comparing outputs and outcomes to regional data, as the 'control' group.	This applies a quantitative, measurable lens to outcomes, allowing for rigorous tracking and facilitating decision-making in a rigorous way.	While the quantitative lens is desirable, this approach is subjective, assumptions-driven, and risks overstating impact. It may not necessarily be replicable, as it is dependent on the context and available data.
<b>3. Scenario analysis</b>	Developing a tool that enables investors to enter their outputs (and outcomes) data, and select a conservative, medium, or extrapolated outcome scenario.	This rigorous estimation empowers investors by allowing them to select outcomes that best suit their needs.	Scenario analysis may be susceptible to mission-drift, overemphasizing the role of outcomes and incentivizing overstatement of outcomes by investors. This approach is naturally more time- and resource-intensive.

# APPENDIX 8

## REFERENCES

- i Rachel Bass, Sophia Sunderji, and Noshin Nova. [Understanding Impact Performance](#). (New York: The GIIN, October 2020).
- ii The Bridgespan Group, "[Intended Impact / Theory of Change](#)", Accessed August 2020.
- iii Alnoor Ebrahim, *Measuring Social Change: Performance and Accountability in a Complex World*, (Stanford, California: Stanford Business Books, an Imprint of Stanford University Press, 2019).
- iv Ebrahim, *Measuring Social Change: Performance and Accountability in a Complex World*.

## CONTACT THE GIIN

The GIIN is committed to further developing resources and insights on impact performance. For more information or to get involved, please contact [impactperformance@thegiin.org](mailto:impactperformance@thegiin.org).

## DISCLOSURES

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