



# Navigating Impact: A guide to selecting evidence-based impact strategies and aligned metrics

The Navigating Impact project was created by the Global Impact Investing Network (GIIN) to help investors select impact strategies and adopt metrics that indicate performance toward their goals. The project was created in consultation with industry experts, impact investors, and standards setters, and provides an on-ramp to setting and streamlining impact strategy. Navigating Impact includes:

1

An **OVERVIEW** of specific investment themes with information on how proven strategies can deliver impact.

2

**LOGIC MODELS** with collated evidence (based in academic and field research) to support various outcomes and impacts.

3

A starter set of **CORE METRICS** that indicate performance toward objectives within each strategy.

4

A **GUIDE** to existing measurement methodologies, frameworks, and systems that can help measure and manage toward the strategy.

The Navigating Impact project's metric sets are intended to be used by direct investors to target, measure, track, and manage the performance of their investments.

## Foundations of Impact Measurement & Management

Developing effective and widely accepted impact measurement and management (IMM) norms, tools, and standards is essential to building a market where social and environmental performance is rigorously considered alongside financial performance in investment decision making. The GIIN, as a leading market builder for impact investing, has developed and operated critical impact infrastructure since its inception, and educated investors on its use.

In addition to managing IRIS, the catalog of generally accepted social and environmental performance metrics used by the majority of impact investors, the GIIN's Impact team supports activities, education, and groundbreaking research to further the evolution of IMM as an essential component of any impact investment.

The GIIN also leads market-building coalitions of investors committed to building capital markets where the social and environmental results of investments can be realized, managed, and improved upon—to create a more equitable, sustainable, and prosperous world.



To access the GIIN's other IMM offerings such as the IRIS metrics catalog, go to [thegiin.org/tools](https://thegiin.org/tools).

## Investment Themes

The Navigating Impact project provides investors with impact strategy guidance by investment theme. This approach allows the investor to either take a deep dive into one, such as Affordable Housing in Developed Markets, or to look at the probable outcomes across multiple investment themes and assemble a number of strategies (e.g., Reduction in Homelessness, Increased Residential Stability) that complement their goals. To date, the GIIN has developed impact strategy guidance for the following investment themes with plans to collaborate with other leading market-builders and investors to build out additional investment themes in the next few years.

### Current Investment Themes

#### AFFORDABLE HOUSING IN DEVELOPED MARKETS

- Reduction in Homelessness
- Increased Resources Available after Housing Payments
- Increased Residential Stability
- Fewer Families in Abusive Homes
- Improvement in Housing Quality
- Decreased Environmental Harm
- More Accessible Housing Linked to Supportive Services

#### SMALLHOLDER AGRICULTURE IN EMERGING MARKETS

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

#### CLEAN ENERGY ACCESS IN EMERGING MARKETS

- Fewer Harmful Emissions
- Improved Alternatives for Business Use
- Improved Alternatives for Cooking at Home
- Improved Alternatives for Healthcare Facilities
- Improved Alternatives for Personal Lighting
- Improved Social Connectivity
- Reduced Reliance on Kerosene & Off-Grid Solid Fuels

### Future Investment Themes May Include

#### FINANCIAL SERVICES

#### HEALTHCARE

#### GENDER

#### LAND CONSERVATION



## Getting Started with Navigating Impact:

Below is a step-by-step guide to how investors should use the Navigating Impact project (NI).

### STEP 1

#### Identify Your Goals and Expectations



Use the NI **strategy overview** documents to help you consider your investment goals and expectations, and answer key questions you might have about your portfolio strategy.

### STEP 2

#### Set Your Strategy



There are many pathways to achieving impact goals. Consider what pathways make the most sense for your portfolio, investment expertise, or client demand. Use the NI **logic models with mapped evidence** to ground your strategy in existing research.

### STEP 3

#### Define Your Metrics and Set Targets



Use the sets of core metrics—a starter kit of relevant output, outcome, and proxy indicators—to set targets, track performance, and manage toward success. Impact metrics should ultimately deliver investment decision information, help you learn and pivot when necessary, and strengthen the performance of your portfolio and investment strategy.

### STEP 4

#### Measure, Track, Use the Data, and Report



Investing to create an impact means more than counting metrics. It means integrating impact considerations throughout the investment management process. Many highly credible and powerful resources exist to help with due diligence, collect and analyze data, or report to key stakeholders. Use the curated resources highlighted throughout NI to get started.

To collaborate on the next phase of the Navigating Impact project, go to [navigatingimpact.thegiin.org/collaborate](https://navigatingimpact.thegiin.org/collaborate). To access the GIIN's additional IMM offerings, go to [thegiin.org/tools](https://thegiin.org/tools).