REQUEST FOR CONSULTANT PROPOSALS

NAVIGATING BETWEEN IMPACT INTENT AND IMPACT METRICS

About the GIIN

The Global Impact Investing Network ("GIIN") is a nonprofit organization dedicated to increasing the scale and effectiveness of impact investing. Impact investments are investments made into companies, organizations, and funds where an investor seeks to generate a social and/or environmental impact alongside a financial return. Impact investments can be made in both emerging and developed markets, and target a range of returns from below market to market rate, depending upon the circumstances. The GIIN builds critical infrastructure and supports activities, education, and research that help accelerate the development of a coherent impact investing industry.

Motivation for Project

The impact investing industry has tremendous potential to scale solutions to social and environmental challenges. Impact measurement is key to a successful impact investing industry. At the GIIN, we collaborate with investors and other leaders in impact measurement to develop and streamline processes for collecting impact data and also to provide guidance on how to effectively use this data to manage a portfolio toward greater impact. Since 2009, the GIIN has also been the institutional home of IRIS, the widely adopted catalogue of generally-accepted metrics impact investors use to describe the social and environmental performance of their investments. IRIS has drawn attention to impact measurement, clearly articulating what *can* be measured, and providing investors with a standard language with which to discuss social and environmental performance. In the last several years, case studies from IRIS users have provided a rich learning base for investors, but investors still struggle to navigate between their impact intent and the metrics that matter for their investment – to understand what *should* be measured.

IRIS remains critical to the development of a functional impact investing market, but it alone is not sufficient to enable the industry to answer newly emerging questions and help investors integrate impact measurement and results into the investment management process. As a result, the GIIN now sees the market as ripe for more practical guidance.

Overview of Project

In light of these market developments, the GIIN is working to develop several tools to help investors better connect their impact intent to impact metrics. The primary deliverables of this work will be:

(1) A decision factor framework that helps investors to navigate between their impact intent, and the metrics that matter to measure success for that investment. This tool will identify a series of considerations for investors selecting metrics (e.g. sector, impact objective, etc), and will use those considerations to generate metric sets for a particular investment or portfolio.

(2) A narrative document that helps investors to better understand the implementation of a measurement system those metrics.

We will be beginning this work in 2-4 sector verticals, aiming to deliver in Q4 of 2016.

Project Phases

The first stage of this project is comprised of 4 phases:

1. Project Design (Complete)
2. Data Collection (Underway)
3. Data Processing
4. Finalizing Prototype Product/Dissemination

1. Project Design (Complete)

During the design phase, the GIIN has worked with external partners to understand and define the role this decision factor framework will play in the context of the larger impact measurement landscape. In the lifecycle of impact management practice, we are aiming to help investors navigate between their impact goals, and the most relevant metrics to gauge progress toward those goals. In this first stage of the project, we are planning to create tools for investors in 2-4 sector verticals, which we will release as a prototype for feedback in order to refine and move forward with the next project stage.

The project design sets out the following three phases.

2. Data Collection (Aug. '16 -> Oct. '16)

The sequence of our data collection activities are at right. We have begun by identifying the *decision factors* that investors consider as they select the metrics that match their intent. Through an iterative and consultative process (which is ongoing) we have refined the decision *factors*. Each *factor* will contain a finite list of selection options which, when taken together with the other decision *factors*, create a picture of the investment and the key metrics to measure and gauge progress toward stated impact goals. Concurrently, we are developing
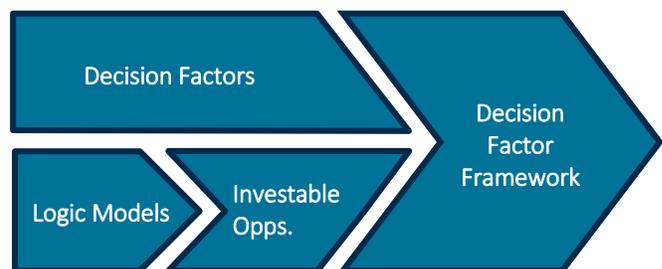
logic models for a select list of investment themes – or sector verticals - and upon completion of their refinement, we will be collecting investable opportunities (e.g. business examples of investees in that vertical) for each.

3. Data Processing (Sept. '16 -> Oct. '16)

We expect the consultant to take the lead responsibility for conducting all data processing. As described in the data collection section, above, this will include combining the *decision factors*, investable opportunities, and logic models into a decision factor framework that allows investors to navigate between their intent, and the metrics that matter for their investments.

This work will also include the creation of narrative documents that complement the decision factor framework. In each sector vertical, these will provide implementation guidance, describe common sector-based strategies, and surface other considerations. These will be published alongside the framework.

4. Finalizing Product/Dissemination (Oct. '16 -> Nov. '16)

Once the data for the decision factor framework has been processed, the consultant will provide support to the IRIS/IMM Team in creating outreach materials for the dissemination of the decision factor framework and guidance documents, in collaboration with the necessary GIIN Teams, with the goal of broad and significant coverage in the market leading to feedback on this prototype.

Evaluation Criteria

Interested consultants should possess:

- Demonstrated interest in impact investing, social and environmental performance management
- Familiarity with market systems and market dynamics,
- Experience with financial management systems and investment strategies/lifecycles,
- Experience with one or more of the following: reporting frameworks, certification schemes, sustainability consulting, audits or verification processes, accounting principles, assessments of products, services and/or manufacturing facilities,
- Appetite and skill set to build, systematize, and document processes and standards,
- Strong interest in social and environmental issues. Sector expertise in a given area a plus, and
- Effective communication skills, particularly the capacity to synthesize varied input, articulate trade-offs, identify decision points, and translate complex technical concepts.

Preference for consultants based in NYC or Washington DC. The GIIN will not cover extensive travel expenses, but will consider all remote candidates.

RFP process

Interested consultants should notify the GIIN of their interest as soon as possible. Proposals should be submitted via email to Peter Murphy (pmurphy@thegiin.org) by no later than Friday the 16th of September, 2016. The proposal should cover:

- A description of relevant experience and capabilities that the consultant will bring to the table;
- An articulation of resources that will be dedicated to the project, including the individual(s) who would be involved;
- Any specific expectations or limitations for participating.

Consultants will be contacted for follow-up questions and discussions as needed. We hope to make a selection by October, 2016. For any questions or clarifications regarding the proposal, please email Peter Murphy (pmurphy@thegiin.org).