International Journal of Economic Studies and Management (IJESM)
ISSN 2789-049X
Int. J. Econ. Stud. Manag. 4, No.2 (MARCH-2024)

# The future of impact investing: strategies for scaling global impact

**Asma Aziz Alaoui**
Research Laboratory in Organizational Management Sciences
Ibn Tofail University, Kénitra, Morocco

**Hassan Azdimousa**
Research Laboratory in Organizational Management Sciences
Ibn Tofail University, Kénitra, Morocco

**Abstract:** In the dynamic world of finance, impact investing has emerged as a great hope to reduce global inequalities, promising to bridge the gap between capital and cause. However, as the sector matures, it is imperative to critically assess its trajectory and realign its strategies to effectively tackle global inequalities. Drawing on expert testimonials and sector analyses, this article delves into the history, challenges, and future of impact investing, emphasizing the current importance of governance, inclusivity, and representation to ensure that impact investing remains true to its mission and yields tangible results. Inspired by insights from leading voices in the field, this article presents a comprehensive matrix that reflects the current state of impact investing and proposes a reimagined approach for the future, aligning with the concept of reinventing impact investing to maximize inclusivity and value creation: strategies to mobilize more investors and mitigate global inequalities.

**Keywords:** Impact Investing, Corporate Governance, ESG (Environmental, Social, Governance), Sustainable Finance, Socially Responsible Investing, Global Inequalities, Poverty, Inclusion, Value Creation, AI, Blockchain, and Blockchain AI.

**Digital Object Identifier (DOI):** https://doi.org/10.5281/zenodo.10907693

# 1 Introduction

The concept of impact investing has come to the fore in the global financial landscape, driven by a growing recognition of the critical role that investment capital plays in addressing environmental and social challenges. This movement is not merely a trend but a fundamental shift in how investments are perceived, evaluated, and deployed. With the integration of Environmental, Social, and Governance (ESG) criteria and alignment with the United Nations Sustainable Development Goals (SDGs), impact investing is transitioning from a niche to a mainstream approach. This paper aims to understand the current state of impact investing, identify the challenges and opportunities within this dynamic field, and propose strategic directions for enhancing its role in achieving global impact. We begin by examining the evolution of impact metrics and the importance of transparency in reporting. Following that, we explore thematic investments that contribute to sustainable development, with a particular focus on climate finance as a catalyst for change. Ultimately, this article seeks to chart a course for the future of impact investing, one that not only accelerates the realization of global sustainability objectives but also redefines the essence of investment success. This analysis culminates in a proposition to remodel impact investment strategies to enhance global impact effectively and sustainably.

# 2 Literature Review: Future impact investing.

## 2.1 Impact Investing Genisis

Impact investing, a term defined in 2007 during a historic meeting of the Rockefeller Foundation, represents much more than just a modern concept (Busch, Bauer, & Orlitzky, 2016). Its definition, initially coined at that time, has since evolved to become a fundamental pillar of the contemporary financial landscape (Busch, Bauer, & Orlitzky, 2016). Adopted by the Global Impact Investing Network (GIIN) in 2008, this term has established itself as a key reference, bringing together a variety of sector actors such as investment funds, banks, and foundations as highlighted by Clark, Emerson, & Thornley, 2015). Thus, rooted in recent history, impact investing has expanded beyond the mere construction of financial products, becoming a true catalyst for change and a beacon for an approach that combines financial profitability with deep social and environmental transformation worldwide (Busch, Bauer, & Orlitzky, 2016).

The observation is such that the field of Impact Investing has been instigating a visceral interest for many years now among a growing number of investors, all aspiring to develop strategic mechanisms aimed at meeting, on the one hand, the commitments incorporated in this recent approach, and on the other hand, implementing a state of trust based on the deployment of new innovations (Clark, Emerson, & Thornley, 2015).

This enthusiasm for impact investing continues to grow among investors who are increasingly seeking to reconcile financial returns with social impact (Hebb, 2013). These investors are driven by a deep desire to innovate and develop strategies that meet the requirements of this form of investment (Bugg-Levine & Emerson, 2011). However, despite this ambition and the commitment of stakeholders in the field, there is a significant funding gap to achieve the goals set for 2030 (Mudaliar, Bass, & Dithrich, 2019). Figures published by the GIIN reveal a shortfall of nearly $2.5 trillion out of the $3.9 trillion needed (Mudaliar, Bass, & Dithrich, 2019).

Faced with this challenge, renowned researchers have delved into the question of the effectiveness of impact investing. They suggest a complete overhaul of the sector to ensure that social and environmental goals are met (Reeder & Colantonio, 2013).

## 2.2 The obstacles of impact investing.

The obstacles of impact investing are multiple and complex, as highlighted by N. Reeder and A. Colantonio (2013). Impact measurement, fundamental in this field, faces challenges such as the lack of standardized metrics, making comparison and aggregation of data difficult. This difficulty is exacerbated by attribution and causality issues, where isolating the specific effect of an investment becomes a challenging task. Additionally, the long-time horizon of impact and gaps in quality data pose significant obstacles to accurate assessment.

The risk of greenwashing, as outlined by the same authors, adds a layer of complexity, where misleading or exaggerated environmental claims blur the lines between truly sustainable investments and those that are not. This phenomenon is compounded by a lack of regulatory oversight and difficulty in assessing real impact across complex supply chains.

R. Urwin (2013) draws attention to the complexity of impact investment transactions and styles, which adds to the challenge of navigating this diverse investment landscape. Balancing risk and reward is another major challenge, where impact investors must juggle between seeking financial returns and achieving social or environmental goals.

Finally, S. Alijani (2019) explores the issue of responsible exit options, highlighting the difficulty of exiting an investment while preserving its long-term social or environmental impact. Finding buyers who share a vision of impact can be challenging, jeopardizing the sustainability of impact beyond the initial investment.

These obstacles underscore the need for a collaborative approach, innovation in measurement methods, and appropriate regulation to overcome the challenges inherent in impact investing. Success in this field requires patience, perseverance, and a collective willingness to push the boundaries of what it means to invest responsibly and impactfully.

### 2.3 Future orientations in impact investing

**Integration of ESG and SDG Frameworks:** Future impact investing could see a greater integration of Environmental, Social, and Governance (ESG) criteria and the United Nations Sustainable Development Goals (SDGs) to provide a more comprehensive approach to measuring and achieving positive social and environmental outcomes. This orientation is highlighted in the work of Busch, T., Bauer, R., & Orlitzky, M. (2016) who discuss the integration of ESG criteria in investment strategies and its implications for sustainable development.

**Advancements in Measurement and Reporting:** There is a need for improved methodologies and tools for measuring and reporting the impact of investments. This includes the development of standardized metrics and frameworks. Authors Clark, C., Emerson, J., & Thornley, B. (2015) emphasize the importance of impact measurement and management in the context of impact investing, highlighting the need for more robust and standardized approaches. The push for standardized frameworks and tools to measure and manage impact is becoming more pronounced, as discussed by Reeder & Colantonio (2013) and Mudaliar, Bass, & Dithrich (2019). Investors are seeking transparent and rigorous methods to assess the outcomes of their investments.

**Emergence of New Themes and Sectors:** The evolution of impact investing is evident in the growing prominence of themes such as climate change, health, and education, as noted by Hebb (2013) and Bugg-Levine & Emerson (2011). This shift aligns investment strategies with global sustainability goals, focusing on sectors with direct social and environmental impacts.

**Increased Focus on Climate Finance:** As climate change continues to be a pressing global issue, impact investing is expected to place a greater emphasis on climate finance. Investments in renewable energy, sustainable agriculture, and other climate-positive initiatives are likely to increase. Authors such as Battiston, S., Mandel, A., Monasterolo, I., Schütze, F., & Visentin, G. (2017) discuss the role of finance in addressing climate risks and supporting the transition to a low-carbon economy.

**Emergence of New Themes and Sectors:** The evolution of impact investing is evident in the growing prominence of themes such as climate change, health, and education, as noted by Hebb (2013) and Bugg-Levine & Emerson (2011). This shift aligns investment strategies with global sustainability goals, focusing on sectors with direct social and environmental impacts.

**Collaboration and Partnerships:** The future of impact investing may involve more collaboration between investors, governments, NGOs, and other stakeholders to leverage resources and expertise for greater impact. Hebb, T. (2013) highlights the importance of partnerships in impact investing, particularly in mobilizing capital for social and environmental purposes.
The critical role of collaboration in scaling impact investing is underscored by Höchstädter & Scheck (2015) and Harji & Jackson (2012) as well. Indeed, by forming partnerships, stakeholders from governments, NGOs, and the private sector can leverage their collective resources, expertise, and networks to tackle complex challenges.

**Technological Innovations:** The use of technology, such as blockchain and artificial intelligence, could enhance transparency, efficiency, and scalability in impact investing, enabling better tracking and verification of impact outcomes. Authors such as Demartini, C., Lamberti, F., Gatteschi, V, & Pranteda C. (2018) discuss the potential of blockchain technology in enhancing transparency and accountability in impact investing. This was also highlighted by Clarkin & Cangioni (2016) and Glänzel & Scheuerle (2016).

**Focus on Inclusivity and Diversity:** There is a growing recognition of the importance of inclusivity and diversity in impact investing, with an emphasis on supporting underrepresented groups and ensuring that investments contribute to reducing inequalities. Humphries, S., & Katsouris, C. (2013) highlight the importance of diversity and inclusivity in impact investing, particularly in promoting social justice and equity. That was equally emphasized by Nicholls (2010) and Jackson & Harji (2012).

**Policy and Regulatory Developments:** Governments and regulatory bodies may introduce policies and regulations that encourage or mandate impact investing practices, such as tax incentives for impact investments or requirements for pension funds to consider ESG factors in their investment decisions. Heineke, K., & Wood, D. (2018) discuss the role of policy and regulation in shaping the impact investing landscape and promoting sustainable investment practices. The role of governments and regulatory bodies in shaping the impact investing landscape through policies and regulations is also highlighted by O'Donohoe, Leijonhufvud, & Saltuk (2010) and Bouri et al. (2020).

**Shift towards Long-term and Patient Capital:** The recognition that complex social and environmental issues require long-term investment horizons is growing, as observed by Addis, McLeod, & Raine (2013) and Riedl & Smeets (2017). Impact investors are increasingly willing to provide patient capital that facilitates sustainable and scalable solutions.

These future orientations for impact investing reflect the ongoing evolution of the field, as evidenced by the diverse perspectives and contributions of the cited authors.

## 3 Methodology

In developing our research, we have adopted a methodology of exhaustive literature review, enriched by thorough documentary research. This approach relies on the meticulous analysis of knowledge and expert opinions available in the public domain, enabling a systematic exploration, evaluation, and synthesis of existing research on future directions in impact investing. Our objective is to reinvent impact investment to maximize inclusivity and value creation. To achieve this, we have delved into a vast ocean of digital content, including academic articles, research reports, specialized blogs, and podcasts, to gather diverse and relevant perspectives on our study topic.

The ambition is to critically analyze and confront the perspectives of different authors, understand the limitations of current research, and elucidate findings through scientific methods. The research design is qualitative, interpretative, and comparative in nature, relying on primary data sources such as academic journals, conference proceedings, industry reports, and authoritative online databases. Inclusion criteria for the literature were carefully defined to focus on articles published in the last decade, ensuring relevance and timeliness in the constantly evolving field of impact investing.

## 4 Results

### 4.1 Impact investing: between tradition and ethical innovation

Impact investing, defined by the International Finance Corporation (IFC, 2019) as aiming for a positive social or environmental impact in addition to financial returns, is part of a long tradition dating back to the 1900s. This investment approach, analyzed by T. Emre (2020) and T. Tse (2021), integrates ESG (Environmental, Social, and Governance) criteria not only to preserve or increase value but also to guide investment decisions according to ethical considerations. Socially responsible investment, in particular, highlights the importance of ethics in investment choices, underlining a movement towards investment practices that seek to reconcile financial objectives with positive social and environmental impacts.

The emergence of green bonds, initiated by the World Bank in 2009, marks a significant step in the evolution of impact investing, aiming to finance climate and environmental projects. With a market valued at $202.2 billion in 2019, these financial instruments, as highlighted by L. Fatin (2019), benefit from tax incentive mechanisms to enhance their attractiveness. S. Vento (2019) notes that these bonds encourage innovation in the areas of energy efficiency and the reduction of greenhouse gas emissions, illustrating the growing ethical commitment of capital towards a positive impact on society and the environment. This dynamic reflects an increased awareness among investors of their funds' ability to promote positive societal change, evolving from philanthropy to socially responsible investments that combine profit and impact.

However, this innovation in the financial instruments sector has proved insufficient to propel impact investing to achieve its maximum potential. In response to this situation, researchers have meticulously identified and highlighted the inherent deficiencies in impact investing, deliberately placing them under critical scrutiny. By exploring the systemic flaws and barriers that compromise the effectiveness of these investments, they have revealed crucial challenges to be addressed. Their work aims to catalyze a profound transformation of financial practices, decisively steering the sector towards promoting a more sustainable and just future, where impact investing becomes a powerful lever for positive change.

### 4.2 Futures orientations in Impact Investing

Three experts in particular stand out for proposing methods to revise and improve investment practices. According to them, a radical transformation of current mechanisms and strategies is essential to realize the full potential of impact investing and to ensure that the millennium's sustainable development ambitions are achieved.

To complete our theoretical framework of impact investing and its evolution in the contemporary financial landscape, it is therefore crucial to highlight the contributions of these three influential experts in this field. These pioneers have not only shaped the theory and practice of impact investing, but they have also led to significant advancements through their work and leadership.

Anthony Bugg-Levine, Karim Harji, and Morgan Simon stand out as emblematic figures of impact investing, each bringing a significant contribution to the theory and practice in this field. Bugg-Levine, with his pioneering role at the Rockefeller Foundation and GIIN, as well as his co-authored book "Impact Investing: Transforming How We Make Money While Making a Difference", formalized the principles of impact investing and promoted innovative strategies. Karim Harji, through his expertise in impact measurement and his influence in international discussions, as well as his research work at the University of Oxford, has reinforced the importance of robust measurement methods to optimize social and environmental impact. Morgan Simon, through her book "Real Impact: The New Economics of Social Change" and her commitment to aligning finance with social justice, has encouraged an ethical and equitable approach to investing, guiding a new generation towards social and environmental goals.

The matrix that follows proposes a synthesis of the fundamental ideas extracted from the works of the experts and reflections of these eminent leaders among others, serving as a basis for a proposal on how to reshape the impact investment sector. These ideas, drawn from their books and recent interviews, represent a guide to rethink and remodel current practices. They offer perspectives and strategies that could transform the landscape of impact investing, orienting the sector towards a more effective approach and more aligned with the social and environmental objectives of the millennium. This matrix serves as a starting point for redesigning, focusing on the themes and cross-cutting ideas that are at the heart of their expertise and vision for a more responsible and impactful financial future.

## APPLICATION OF LEWIN'S THEORY TO IMPACT INVESTING

Our research is grounded in Lewin's theory of change, which posits that change occurs in three stages: unfreezing, changing, and refreezing. We have applied this theory to the field of impact investing to develop a framework for understanding the evolution of the sector before and after remodeling.


**Figure 1:** Lewin's Theory of change

**Unfreezing:** We propose unfreezing current challenges in impact investing, such as the lack of standardized metrics for impact measurement, the risk of greenwashing, and the complexity of transaction structures. To unfreeze these challenges, we suggest implementing standardized metrics and frameworks for impact measurement, strengthening regulatory oversight to prevent greenwashing, and simplifying transaction structures and investment styles.

**Changing:** The changing stage involves implementing our proposed changes. We suggest enhancing data quality and attribution for impact measurement, improving transparency, and developing mechanisms to verify environmental claims. Additionally, we propose providing clearer guidelines for impact investment strategies to simplify transactions.

**Refreezing:** The refreezing stage involves solidifying the changes and integrating them into the sector's culture and practices. We suggest optimizing the risk-return balance, establishing responsible exit strategies to preserve long-term impact, fostering collaboration among stakeholders, and diversifying decision-makers to ensure a more inclusive approach.

In conclusion, our framework based on Lewin's theory highlights future directions for impact investing, emphasizing the need for a transformative approach to address global challenges while ensuring that growth does not compromise the integrity of impact.

- Future Directions in Impact Investing -
Matrix developed by the authors in the context of this research.


| UNFREEZE | CHANGE | REFREEZE |
|---|---|---|
| Lack of standardized metrics, difficulty in data comparison and aggregation. Voluntary, uncoordinated, fragmented impact reporting. | Impact Measurement | Implement standardized metrics and frameworks, enhance data quality and attribution. Regulated, audited, and legally binding impact reports |
| Difficulty in distinguishing truly sustainable investments from greenwashing. | Greenwashing | Strengthen regulatory oversight, improve transparency, develop mechanisms to verify environmental claims. |
| Complex transactions and investment styles, challenging to navigate. | Transaction Complexity | Simplify transaction structures and investment styles, provide clearer guidelines. |
| Balancing financial returns with social or environmental goals is challenging. | Risk-Reward Balance | Develop strategies to optimize risk-return balance, encourage investments with both financial and impact goals. |
| Difficulty in exiting investments while preserving long-term impact. | Exit Options | Establish responsible exit strategies, promote alignment with impact-driven buyers. |
| Lack of collaborative approaches and innovative measurement methods. | Collaboration and Innovation | Foster collaboration, encourage innovation in impact measurement, promote information sharing. |
| Majority white and male decision-makers, dominance of traditional decision-makers. | Representation in Decision Making and Investment | Diversify decision-makers, adopt an inclusive approach, ensure representation from impacted communities. |
| Sustainable and impact investments often seen as niche or separate from mainstream investment strategies. | Sustainable Investment Integration | Integrate sustainable and impact investing principles into mainstream investment processes, making it a standard practice. |
| Short-term focus, with impact considerations often secondary to immediate financial returns. | Long-Term Commitment to Impact | Cultivate a long-term investment perspective that prioritizes sustained impact alongside financial returns, embedding impact considerations into the core of investment strategies. |
| Dominance of white and legacy firms. | Legacy vs. Native Impact Firms | Encouragement for the growth of native impact firms with a focus on impact. |
| Limited involvement. | Government Role | Active role in creating an impact management regime. |
| Traditional approaches to impact investing. | Next Generation's Role | Recognition of the young generation's perspectives for a holistic view of wealth and sustainability. |
| Capital movements and financial metrics. | Success Measurement | Addressing social and environmental challenges. |
| Mainly on managers. | Accountability | Shared responsibility between managers and allocators. |
| Growth. | Industry Focus | Turning towards creating authentic societal impact. |
| Balancing financial returns with societal impact. | Impact Compromise | Alignment throughout the capital chain. |
| Gradual improvements based on traditional models. | Pace of Change | Rapid and transformative changes to address global challenges. |
| Emphasis on growth and size without ensuring real impact. | Growth with Integrity | Balancing scale with authentic impact; ensuring that growth does not compromise the integrity of impact. |

**Figure 2:** Future Directions in Impact Investing. Matrix developed by the authors in the context of this research.

## 5 Discussion

The future of impact investing is marked by a shift towards a more comprehensive and integrated approach, incorporating Environmental, Social, and Governance (ESG) criteria and the United Nations Sustainable Development Goals (SDGs). This evolution reflects a broader recognition of the interconnectedness of social, environmental, and economic issues, and the need for a holistic approach to addressing these challenges.

Advancements in impact measurement and reporting are essential for the continued growth and credibility of impact investing. Standardized metrics and frameworks can help investors better assess and compare the social and environmental impact of their investments, enabling more informed decision-making and accountability.

The emergence of new themes and sectors, such as climate change, health, and education, reflects a growing awareness of the need to address pressing global challenges. By aligning investment strategies with these themes, impact investors can leverage their capital to drive positive change in these critical areas.

Climate finance is expected to become a key focus of impact investing, as the need to address climate change becomes increasingly urgent. Investments in renewable energy, sustainable agriculture, and other climate-positive initiatives can help mitigate the impacts of climate change and support the transition to a low-carbon economy.

Collaboration and partnerships will play a crucial role in advancing impact investing. By working together, investors, governments, NGOs, and other stakeholders can leverage their resources and expertise to maximize their impact and address complex challenges more effectively.

Technological innovations, such as blockchain and artificial intelligence, have the potential to enhance transparency, efficiency, and scalability in impact investing. These technologies can enable better tracking and verification of impact outcomes, increasing trust and accountability in the sector.

Inclusivity and diversity are also becoming increasingly important in impact investing. By supporting underrepresented groups and ensuring that investments contribute to reducing inequalities, impact investors can create more equitable and sustainable outcomes.

Policy and regulatory developments will continue to shape the impact investing landscape. Governments and regulatory bodies may introduce policies and regulations that encourage or mandate impact investing practices, further driving the growth and impact of the sector.

Overall, the future of impact investing is promising, with a growing recognition of its potential to drive positive social, environmental, and economic change. By embracing these future orientations and continuing to innovate, impact investing can play a crucial role in advancing sustainable development and addressing global challenges.

## 6 Conclusion

The matrix illustrates the current state of impact investing and proposes key transformations to remodel the field, addressing various challenges and opportunities.

One critical aspect is the representation in decision-making and investment. The current dominance of white and male decision-makers in the US is being challenged, with a call for diversification and an inclusive approach. This shift towards diverse representation aligns with the principle of "Nothing About Us, Without Us," avoiding a paternalistic colonial attitude.

Legacy versus native impact firms highlight the need to encourage the growth of native impact firms focusing on impact. This transformation aims to create a more inclusive industrial landscape, challenging the dominance of white and legacy firms.

The role of the government is another crucial aspect, where there is a call for an active role in creating an impact management regime. This proposed remodeling emphasizes the need for regulatory support to ensure a more robust and effective impact investing ecosystem.

The next generation's role is emphasized, recognizing their perspectives for a holistic view of wealth and sustainability. This recognition reshapes traditional approaches to impact investing, incorporating the critical questions and holistic views of the younger generation into the future of the sector.

The matrix also highlights the importance of collaboration and innovation. By fostering collaboration among stakeholders and encouraging innovation in impact measurement, the sector can overcome challenges and achieve greater impact.

Additionally, the matrix addresses the need for a shift in industry focus towards creating authentic societal impact, rather than just growth. This transformation emphasizes the importance of investments that address global challenges and contribute to positive social and environmental outcomes.

In conclusion, the matrix provides a comprehensive overview of the current state of impact investing and proposes key transformations to reshape the field. By embracing these changes, impact investing can become a more inclusive, innovative, and impactful force for positive change.

## REFERENCES


**1** Addis, R., McLeod, J., & Raine, A. (2013). Impact investing 2.0: The way forward - Insight from 12 outstanding funds. Pacific Community Ventures, ImpactAssets & Duke University's Fuqua School of Business. https://iri.hks.harvard.edu/files/iri/files/impact_investing_policy_in_2014_a_snapshot_of_global_activity_2014_full_report.pdf

**2** Alijani, S. (2019). Coping with Impact Investing Antagonistic Objectives. RePEc: Research Papers in Economics. https://ideas.repec.org/a/eee/riibaf/v47y2019icp10-17.html

**3** Demartini, C., Lamberti, F., & Gatteschi, V, Pranteda C. (2018). Blockchain and smart contracts for insurance: Is the technology mature enough? https://www.researchgate.net/publication/323298791_Blockchain_and_Smart_Contracts_for_Insurance_Is_the_Technology_Mature_Enough

**4** Battiston, S., Mandel, A., Monasterolo, I., Schütze, F., & Visentin, G. (2017). A climate stress-test of the financial system. Nature Climate Change, 7(4), 283-288. https://www.researchgate.net/publication/321240204_A_Climate_Stress-Test_of_the_Financial_System

**5** Bouri, A., et al. (2020). Annual Impact Investor Survey 2020. Global Impact Investing Network (GIIN). https://thegiin.org/research/publication/impinv-survey-2020/

**6** Bugg-Levine, A., & Emerson, J. (2011). Impact investing: Transforming how we make money while making a difference. Innovations: Technology, Governance, Globalization, 6(3), 9-18. https://www.researchgate.net/publication/227627732_Impact_Investing_Transforming_How_We_Make_Money_While_Making_a_Difference

**7** Busch, T., Bauer, R., & Orlitzky, M. (2016). Sustainable development and financial markets: Old paths and new avenues. Business & Society, 55(3), 303-329. https://rpc.cfainstitute.org/en/research/cfa-digest/2015/09/sustainable-development-and-financial-markets-old-paths-and-new-avenues-digest-summary

**8** Clark, C., Emerson, J., & Thornley, B. (2015). The impact investor: Lessons in leadership and strategy for collaborative capitalism. Jossey-Bass. https://ssir.org/books/excerpts/entry/the_impact_investor

**9** Clarkin, J. E., & Cangioni, C. (2016). Impact investing: A primer and review of the literature. Entrepreneurship Research Journal, 6(2), 135-173. https://ideas.repec.org/a/bpj/erjour/v6y2016i2p135-173n1.html

**10** Glänzel, G., & Scheuerle, T. (2016). Social impact investing in Germany: Current impediments from investors’ and social entrepreneurs’ perspectives. VOLUNTAS: International Journal of Voluntary and Nonprofit Organizations, 27(4), 1638-1668. https://www.jstor.org/stable/43923250

**11** Harji, K., & Jackson, E. T. (2012). Accelerating impact: Achievements, challenges and what’s next in building the impact investing industry. The Rockefeller Foundation. https://www.researchgate.net/publication/313361223_Accelerating_Impact_Achievements_Challenges_and_What's_Next_in_Building_the_Impact_Investing_Industry

**12** Hebb, T. (2013). The economic importance of responsible investment: Pension funds and urban revitalization. In Handbook of Responsible Investment (pp. 64-78). Routledge. https://www.routledge.com/The-Routledge-Handbook-of-Responsible-Investment/Hebb-Hawley-Hoepner-Neher-Wood/p/book/9781138385795

**13** Heineke, K., & Wood, D. (2018). The impact investing market: An analysis of market dynamics and policy interventions. In Handbook of Impact Investing (pp. 187-207). Edward Elgar Publishing. https://www.e-elgar.com/shop/gbp/books.html?book_type=5451

**14** Höchstädter, A. K., & Scheck, B. (2015). What's in a name: An analysis of impact investing understandings by academics and practitioners. Journal of Business Ethics, 132(2), 449-475. https://www.jstor.org/stable/24703550

**15** Humphries, S., & Katsouris, C. (2013). Diverse voices: The inclusion of diverse perspectives in impact investing. Journal of Sustainable Finance & Investment, 3(4), 261-271.

**16** Jackson, E. T., & Harji, K. (2012). Unlocking capital, activating a movement: Final report of the strategic assessment of the Rockefeller Foundation's Impact Investing Initiative. The Rockefeller Foundation. https://www.rockefellerfoundation.org/wp-content/uploads/Impact-Investing-Evaluation-Report-2012.pdf

**17** Mudaliar, A., Bass, R., & Dithrich, H. (2019). Sizing the impact investing market. Global Impact Investing Network (GIIN). https://thegiin.org/research/publication/impinv-market-size/

**18** Nicholls, A. (2010). The legitimacy of social entrepreneurship: Reflexive isomorphism in a pre-paradigmatic field. Entrepreneurship Theory and Practice, 34(4), 611-633. https://journals.sagepub.com/doi/abs/10.1111/j.1540-6520.2010.00397.x

**19** O'Donohoe, N., Leijonhufvud, C., & Saltuk, Y. (2010). Impact investments: An emerging asset class. J.P. Morgan Global Research. https://thegiin.org/assets/documents/Impact%20Investments%20an%20Emerging%20Asset%20Class2.pdf

**20** Reeder, N., & Colantonio, A. (2013). Measuring impact and non-financial returns in impact investing: A critical overview of concepts and practice. LSE Cities. https://lsecities.net/wp-content/uploads/2013/10/Measuring_Impact-full-length-Oct-2013.pdf

**21** Reeder, N., & Colantonio, A. (2013). Measuring Impact: Critical Overview of Concepts and Practice. LSE Research Online. https://eprints.lse.ac.uk/59126/

**22** Riedl, A., & Smeets, P. (2017). Why do investors hold socially responsible mutual funds? The Journal of Finance, 72(6), 2505-2550. https://onlinelibrary.wiley.com/doi/abs/10.1111/jofi.12547

**23** Urwin, R. (2010). Sustainable Investing Practice: Simplified Complexity. SSRN eLibrary. https://papers.ssrn.com/sol3/papers.cfm?abstract_id=1656988