

A pair of red roller skates with yellow laces is positioned on a wooden deck. The skates are angled towards the left. The background is a blurred view of a wooden walkway leading into the distance. A white wavy line is at the top left, and a white geometric logo is at the bottom left.

# IMPACT INVESTMENT READINESS FRAMEWORK

18 Steps

**S****CIAL** **FINANCE  
ACADEMY**



# 18 STEPS TO MASTER THE JOURNEY TO RAISE CAPITAL

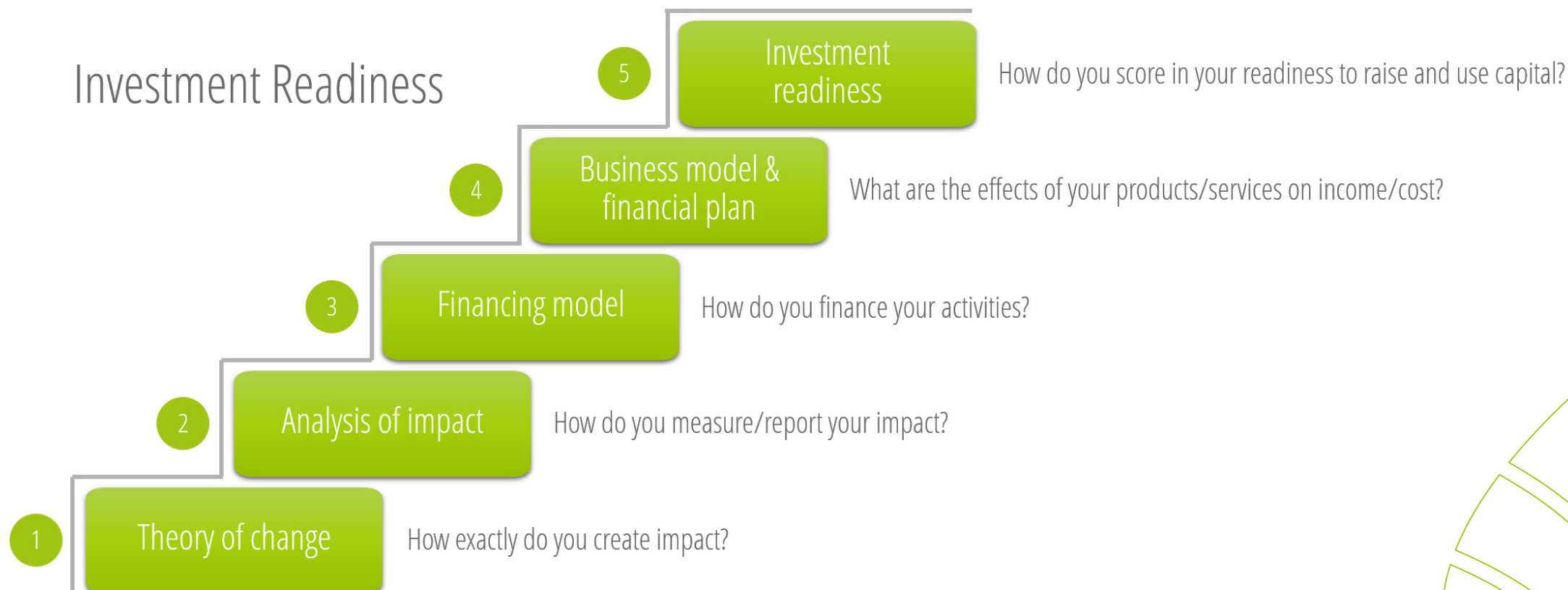
- › These 18 steps – divided in 3 phases – reflect the typical “real life” journey of impact entrepreneurs once they embark on raising impact investment to scale.
- No. 1 - the **Investment Readiness** phase - is all about preparing the enterprise BEFORE approaching investors. It’s like an X-ray of the organization from all relevant angles: The social problem, the solution & impact, market & distribution, growth & scaling, and financing & forecast.
- No. 2 – the **Signing Readiness** phase – covers the steps necessary to approach and secure investors. It covers vital angles such as: How to approach investors, how to create and analyze investor long- and shortlists, how to do management presentations and pitches, how to negotiate term sheets, etc.
- No. 3 – the **Market Readiness** phase – is about what happens AFTER the impact investors are aboard: e.g., establishing good investor relations, dealing with mission drift tensions, setting up meaningful (impact) reporting, preparing early for the next financing round, and, if applicable, doing a (impact-) responsible exit.





# THE 18 STEPS FRAMEWORK

## Investment Readiness







# THE 18 STEPS FRAMEWORK





# THE 18 STEPS FRAMEWORK

## Market Readiness





# THE SFA LEARNING PLATFORM

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Dashboard

Search my units

24  
courses in progress

12  
completed courses

18h 55m  
training time

0  
certificates

4th  
level

Access to Impact Investment for Social Enterprises

How to get started (INTRO1) 50% INSTRUCTOR

Teaching notes (INTRO2) 80% INSTRUCTOR

Module 1: Orientation

Unit 1: Define your individual starting position (UNIT1) COMPLETED INSTRUCTOR

Unit 2: Understand if and how impact investment can support your mission (UNIT2) COMPLETED INSTRUCTOR

Unit 3: Find your way within the social capital markets and understand how to manage your impact (UNIT3) COMPLETED INSTRUCTOR

Module 2: Financing Needs & Options

Unit 4: Identify your needs and options for financing (UNIT4) COMPLETED INSTRUCTOR

Unit 5: Understand the different financing instruments and their main features (UNIT5) COMPLETED INSTRUCTOR

Module 3: Investment Readiness

Unit 6: Find out to which extent you are "investment-ready" (UNIT6) COMPLETED INSTRUCTOR


Module 4: Investor Approach & Negotiation

Unit 7: Create a plan and material to approach investors (UNIT7) COMPLETED INSTRUCTOR

Unit 8: Prepare for investor due diligence and negotiations (UNIT8) COMPLETED INSTRUCTOR

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Dashboard / Unit 4: Identify your needs and options for financing (UNIT4)

  
Go to unit

Unit 4: Identify your needs and options for financing (UNIT4) **COMPLETED**

The unit will provide insights into how to identify the financing needs of your organization. It will highlight the basic options for financing with respect to two common legal forms of social organizations as well as introduce the concept of a "structural hybrid". You will learn how to identify your organization's financing needs by using the cost-income profile and projecting your future cash flows. In addition, you will gain an important understanding of the basic interdependencies between legal forms and options for financing. You will also receive insights into hybrid models and how they may help social enterprises to find a tailored financing solution.

Key concepts: Cost-income-profiles / structural hybrids / hybrid financing models / equity / debt / mezzanine (quasi-equity)  
Lecturer: Bjoern Struwer (Roots of Impact)

Content

LECTURES

- ✓ Cost-income profiles and financing needs
- ✓ Legal forms and options for financing

INFOGRAPHICS

- ✓ Cost-income profiles and financing needs
- ✓ Legal forms and options for financing

WORKSHEET

- ✓ Needs and options for financing

EXPERT INTERVIEWS

- ✓ Is the legal form of a Social Enterprise important for its financing options?
- ✓ What matters most to Impact investors, Financial return or Social Impact?
- ✓ Only specific Financing Instruments when investing in Social Enterprises?

GROUP DISCUSSIONS AND ADDITIONAL READINGS

- Group Discussion and Additional Readings

Templates

- PDF Infographic 07 Cost-Income Profiles - Financing Needs
- PDF Infographic 08 Legal Forms - Options for Financing
- XLSX Template 01 Basic Cash Flow Planning Outline
- PDF Worksheet 05 Needs And Options For Financing

# Get started with SFA as a self-learner



<https://social-finance-academy.org/courses/>

