

# Impact Investment Readiness



The 5 Dimensions

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

# HOW WE UNDERSTAND “IMPACT INVESTMENT READINESS”

- > If an impact enterprise intends to raise investment from external capital providers, then it must have **the capacity and capability to seek, take on, use, and repay this investment.**
- > Impact Investment Readiness is not only a goal that enterprises need to achieve to attract external investors. It is also **a way of preparing internally to run the organization and scale its impact successfully.**



Find more about the term „Impact Investment Readiness“:  
<https://social-finance-academy.org/impact-investment-readiness/>



# THE 5 DIMENSIONS OF IMPACT INVESTMENT READINESS



The Social Problem

- > **Goal:** Understanding the scope, roots cause(s) and consequences of the social problem, as well as the target group(s) and existing (competing) solutions.
- > **Key words:** Business model canvas, root cause analysis, theory of change, ecosystem analysis, user personas, SWOT analysis, competitive landscape analysis, etc.



Solution & Impact

- > **Goal:** Verifying the solution's distinct value add and impact chain through pilot projects, as well as installing processes for impact measurement.
- > **Key words:** Theory of Change, Impact Management Project (IMP), Lean Data, competitive analysis, social lean canvas, field visits, etc.



Market & Distribution

- > **Goal:** Checking the necessary knowledge about market and pricing dynamics, access to customers, distribution channels and supply chains.
- > **Key words:** market mapping, competitive analysis, last mile research, resource management, SWOT analysis, supply chain management etc.



Growth & Scaling

- > **Goal:** Preparing the entire organisation for growth, incl. products, planning, information systems, business and impact models, team structures, governance.
- > **Key words:** Product roadmap, resource planning, process management, MIS, governance structures, advisory board, change management, etc.



Financing & Forecast

- > **Goal:** Making sure that financial model, key performance indicators, accounting system and knowledge of financial instruments are in place to allow for scaling.
- > **Key words:** Financial modelling, cash flow analysis, (impact) KPI, cost-income profiles, financial instruments, innovative & impact-linked finance, etc.



ENJOY TESTING YOUR READINESS!

<https://social-finance-academy.org/investment-readiness-roadmap-demo/>