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# Field-building that lasts
## Ten tactics for the impact investing industry

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Successful fields of practice must be capable of transforming themselves over time in response to the forces of change, while at the same time maintaining the integrity of their core mission and enhancing their impacts on the ground. This capacity must now be embedded in the genetic code of the impact investing industry. If the leaders and funders of this dynamic new industry can make this happen, then the new field will flourish and sustain itself across the globe. More importantly, impact investing will be much better able to fulfill its promise of improving the lives of poor and vulnerable people by generating large-scale, durable solutions to some of the world's most complex problems.

So, how do you build an adaptive, enduring field? The good news is that much is known about how to do this. Foundations, non-profits, governments and companies all have rich experience in this regard. One especially relevant source of guidance is the field-building work of the Rockefeller Foundation in launching the impact investing industry itself in 2008–2012. This briefing note draws extensively on lessons from this effort, and highlights ten tactics that industry champions can use to create a field that will last. These tactics can be used by leaders and funders in the Global North and Global South alike, at the levels of regions, countries, and localities.[1]

## Building an Enduring Field

In order to build a field that will adapt and endure, impact investing leaders and funders should consider the following.

### 1
### Support network coordinators who are pluralistic and non-proprietary

The hosts of impact investing networks at the regional or country levels must be entrepreneurial and results driven, and deploy viable business models. Plus,

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above all, they should view the field in a pluralistic and non-proprietary way. They must be committed to welcoming impact investing actors with a variety of stances and methods into the network, and to facilitating the learning, exchange and success of a wide range of asset owners, asset managers, demand-side actors and service providers. Such an approach will help these coordinators achieve critical mass in network membership faster. It is also likely that coordinators with this orientation will themselves be open to learning and adapting the network to changing conditions and needs as their efforts move forward.

## 2
## Commit to the long term and stay the course

Field-building is a long-haul exercise. It takes 20–25 years – about the length of one generation – to build a permanent, self-sustaining field of practice or industry. Understanding this is essential for industry leaders as well as for funders. For leaders, this means staying healthy and always building the skills of younger colleagues, because multiple generations are required in this long-term work. To be sure, foundations and development agencies often feel pressure to take a short-term approach to their grant-making. But funders should provide support to networks, infrastructure and innovators for no less than five years and, ideally, for ten up to 20 years. Foundations and development agencies in the microfinance industry have provided grants to the Consultative Group to Assist the Poor, a network, standards and research platform, for two decades. This kind of long-term accompaniment enables a field of practice to adjust, adapt and reinvent itself over time, while staying true to its original mission.

## 3
## Engage and support a core group of allies to advance the field-building process

Through a combination of convening, networking, knowledge-production, grant-making and investing, industry leaders and funders should work together over time at the regional and country levels to engage and support a core group of allies in order to drive the field-building process. In most cases, it will make sense for this core group to include representatives of each of the main actor categories in the impact investing industry: asset owners, asset managers, demand-side actors and service providers. All of the representatives selected for membership in this core group should be united under the umbrella concept of impact investing and should be committed to building a pluralistic and mutually respectful, as well as financially viable, national or regional impact investing movement. Such a core group of allies can be a powerful tool for learning and adaptation, as well as growth, in the field-building process.

## 4
## Catalyze a blend of grants and investments from diverse sources

Resilient fields are supported by diversified revenue streams. Impact investing leaders and funders must work hard to mobilize a mix of grants and investments from a wide range of sources: high net worth individuals and family offices, foundations, trusts, non-profits, pension funds, investment banks, credit unions, corporations, development finance institutions, development agencies and government departments. Leaders and funders must ensure that this capital is distributed in a balanced way across the major functions and actors of a given national or regional network. Moreover, they must ensure that, when a lead grantmaker or investor winds down its support of the network, or exits altogether, this responsibility is systematically handed off to a new grantmaker or investor that has agreed to assume the lead role. National and regional champions and funders must then also be aware of the differences between the earlier and newer lead players in terms of their priorities and ways of working, and make arrangements to fill any gaps that may become evident. These steps require presence of mind and ongoing dialogue among leaders and funders as the field-building process proceeds forward.

## 5
## Co-create and co-brand new knowledge products

Impact investing leaders of national or regional networks should consider working with foundations, investment banks and other institutional players to co-create and co-brand new knowledge products to promote awareness and a better understanding of impact investing. The best example of this tactic was a series of reports on the nature and performance of the industry involving the Rockefeller Foundation and J.P. Morgan, and later the Global Impact Investing Network and J. P. Morgan. Using the knowledge and talent of each of the partners, innovative and credible research was carried out, written up and disseminated in the form of well-edited and formatted technical reports. The combination of the brands attracted a diverse array of readers who used these reports extensively. This knowledge co-creation not only accompanied, but also informed, the learning and adaptation and further growth of the field as it advanced forward, reinforcing the durability of the field they were building.

## 6
## Energetically engage both the mainstream and social media

In the Rockefeller Foundation's early work to help launch the impact investing industry, it also featured sustained engagement with both mainstream media (mainly via print and electronic newspapers and magazines) and social media (blogs, Twitter, YouTube, Linked-In, etc), particularly in the areas of business, finance, philanthropy and development. Releases of research reports, the remarks of prominent conference speakers, and announcements of new grants and investments all provided the "hooks" for the mainstream media to do stories, which in turn were shared via social media. However, any group of impact investing leaders must have people on its team who are comfortable with giving interviews and also those who are effective writers of opinion pieces and blogs. In addition, all national and regional networks for impact investing must now be active on Twitter, YouTube and other social media, to get their messages out rapidly and efficiently.

## 7
## Use evaluation to advance learning, accountability and performance

Resilient fields make use of independent evaluations on a continuous and rigorous basis for the purposes of learning, accountability and performance. Leaders and funders alike must be open to learning from (and talking frankly about) failure and mixed results as well as successful interventions. In the case of impact investing, evaluations can be undertaken of individual investments, portfolios of investments, multiple investments in sectors, and individual institutions and organizations, as well as industry-wide systems (e.g. standards, ratings) and networks. Moreover, as the field of development evaluation shows, a wide range of qualitative and quantitative data collection and analysis methods can be used, from small-scale qualitative studies to large-scale randomized control trials. Stakeholder engagement, gender-sensitive framing and new ways of measuring social value creation can be integrated into performance assessments of all kinds, as well. The products of evaluations – reports, presentations, videos – also should be shared widely across the field.

## 8
## Put theory of change at the center, and interrogate it relentlessly

In planning and implementing, as well as evaluating interventions in a field, it is crucial to develop, assess and adapt the theory of change of each significant action. This is as true for a grant to a national impact investing network as it is for an individual investment in a local women's business fund. Theories of change are really models (usually depicted visually) of how expected results are to be achieved, what obstacles could impede these results, as well as what levers could propel the realization of the intended outcomes. Stakeholders from all constituencies can and should be engaged in designing and assessing the theory of change of an intervention. The key to using these tools effectively is to interrogate theories of change, relentlessly and continuously, in order to improve the actions of the industry at all levels.[2]

## 9
## Nurture new talent, and create viable career pathways for younger professionals

What kind of a world will impact investing leaders face in 2050? This may sound somewhat speculative, but thinking of the future focuses the mind on three things. First, the world of 2050 will be dominated by the new economic powers of China, India, Brazil, Indonesia and others. Second, in 30–40 years, the impact investing industry will be led by a very different cohort than today. Third, those future leaders, now in their early and mid-20s, should be trained not only for the world that exists now, but also, over time, for the world that will be. In all these ways, programs for training, education and mentoring of younger professionals can be designed, tested, refined and adapted over time, as the impact investing industry and the world economy evolve. At the same time, employers in the industry must work to create viable career pathways that provide a progression of more responsible roles and improved compensation packages that will enable young professionals to stay in the field while building their families and assets.

## 10
### Expect real life, and be prepared to deal with it

No matter how many achievements a field of practice realizes, bad things can still happen. Again, the case of the microfinance industry is instructive. In recent years, when that field was beset with the tragedy of borrower suicides and the challenges of political conflicts with governments, it seemed singularly unprepared to deal with the ensuing negative publicity. Instead, the leaders and funders of the impact investing field must expect that there will also be problems among their many victories, some of them very public. Anticipating the risks of bad things happening, and acquiring the skills and systems to address them, will both signify and strengthen the fortitude of the impact investing field.

## Conclusion

Ultimately, building resilient fields is about focus and choice. The leaders and funders of impact investing must keep their eyes on the real prize. That prize is a robust and self-sustaining industry that can manage and create change and transform itself over time – all in the service of its original mission to deliver both financial returns and social and environmental benefits. Amid the array of actors and needs across the world, and the many possible responses to them, some actions will embed the capacities to learn continuously and persevere tenaciously in the industry more than others. Every hour of every day, with discipline and strategy, the champions of impact investing must intentionally choose to deploy tactics that build a field that can adapt and endure. In this sense, focus and choice will shape the future of impact investing.

## Endnotes

1. This paper is drawn from the findings and lessons of our evaluation of the Rockefeller Foundation's Impact Investing Initiative. The evaluation was undertaken from 2011 to 2013 and benefited from interviews with some 100 leaders in 11 countries working to build the impact investing field. The main outputs of this study are Edward T. Jackson and Karim Harji, *Unlocking Capital, Building a Movement: Final Report of the Strategic Assessment of the Rockefeller Foundation's Impact Investing Initiative*, the Rockefeller Foundation, New York, 2012 [Karim-add link]; and Karim Harji and Edward T. Jackson, *Accelerating Impact: Achievements, Challenges and What's Next in Building the Impact Investment Industry*, the Rockefeller Foundation, New York, 2012 (http://www.rockefellerfoundation.org/blog/accelerating-impact-achievements)"
2. See Edward T. Jackson, Interrogating the Theory of Change: Evaluating Impact Investing Where It Matters Most, *Journal of Sustainable Finance and Investment*, 3(2), 2013, 95-110. (http://www.tandfonline.com/doi/pdf/10.1080/20430795.2013.776257)"