Social Impact Investment: The answer to development for the Millennial Age?

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DePaul University Honors Thesis 2015
“The big challenge for humanity is to get everybody, not just the elite, to participate in globalisation and avail its benefits.” – C.K. Prahalad

Abstract:

Through the conditions and needs in developing countries becoming more apparent in the digital age, organizations and individuals are able to more effectively see what needs to be done to help communities grow and flourish. Social impact investment, defined as long-term investments that are made in institutions, entities or communities with the intention of generating measurable social and environmental benefits and impact alongside a financial return, is a viable option for combatting social and economic issues across the globe. By outlining the process of social impact investment and observing its strengths and weaknesses, this paper examines its effectiveness in developing communities. At the forefront of the discussion is social impact measurement and the wrinkles in assessment that still need to be ironed before this method of empowering individuals can be implemented on a large scale. The Millennial generation is projected to be a propelling force for social impact investment, with its roots in social awareness and tendency toward making a difference, which pushes back against previous capitalist practices that have dominated the international development world until now. Social impact investment provides an avenue for global investor connectedness with an emphasis on solving issues through long-term evaluation and support that could be the answer to re-imagine sustainable development.
WHAT IS SOCIAL IMPACT INVESTMENT

Every generation carves out a niche for itself in the realm of social causes. The Baby Boom generation, defined by Pew Research Center as individuals being born between 1946 and 1964, started conversations about gender and racial equality and protested the war. Generation X, born between 1965 and 1980, championed for action against global warming and social welfare programs. The Millennial generation, defined as those born after 1980, has inherited a wealth of causes. In fact, some are labeling this generation as the most socially invested generation in history. Millennials are more likely to spend more for a product if it impacts a cause they care about - nine in ten switch to brands that are associated with a cause. At two thirds, they are also the most likely demographic to use social media to address, share and engage in conversation about social issues with companies and each other (Cone Communications, 2015). With constant access to information and lines of communication to people in positions of power, it is slowly becoming not enough just to raise awareness or to change laws. Instead, Millennials seek direct impact, desiring a personal connection to the causes they support, as opposed to previous generations. Technology plays a large role in the eagerness of Millennials to invest in causes they care about, as Internet and mobile platforms have allowed individuals to show the reality of international issues and therefore created a wider awareness in the younger generation. The ability of audio and visual representation to connect one more closely with a cause has amplified the effect of digital and social media. At the intersection of personal interest and mobilization, the model of social impact investment can be of great value.

In the modern world of international development, social impact investment is an increasingly popular medium for providing aid to developing countries. In a nutshell, it is a system of investment that seeks social returns, which are outcomes that are based on values
and principles, and allows for longer-term assistance in creating viable and sustainable programs for underdeveloped areas of the world. It is akin to venture philanthropy, which focuses on social returns and integrating investors into the work they are supporting, with specific measurement methods and the goal of showing results within a time frame (Moskowitz, 2015). Social impact investment, though, puts a higher priority on function and longevity, maintaining support for organizations for longer periods of time to ensure success. Much like microfinance, the investment is made in developing communities to help boost their economy. However, unlike microfinance, it does not utilize interest, short-term deadlines and an individual investment model.

For the purposes of this research, social impact investment will be defined as long-term investments that are made in institutions, entities or communities with the intention of generating measurable social and environmental benefits and impact alongside a financial return (Wilson, Silve & Ricardson, 2015). Several different versions surrounding this idea exist, such as social investing and impact investment, but to maintain consistency, I will use the phrase “social impact investment.” The term was coined only in 2007, so the phenomenon is fairly recent in its inception. However, the idea of investing money for social and fiscal return has existed since the post-World War II period, when venture philanthropy rose in popularity. This philanthropic trend focused on initiatives that were innovative, measureable and addressed broader systems rather than individuals (Moskowitz, 2015). Venture philanthropy is the basis that social impact investment has stemmed from, along with a focus on sustainability – an idea that derives from the field of microfinance. Among several trends in international development, social impact investment has seen a significant growth in the last decade as a sustainable and philanthropic means of development. According to the Center for Global Development, the amount of total finance to developing
countries through private investment and philanthropy has grown from around $100 billion in the early 2000s to around $350 billion in recent years. In this research, I will explore the evolution of social impact investment as it has evolved in the global community and examine the strengths and weaknesses of a system that relies upon measurable returns and long-term support. My research seeks to show that long-term evaluation of social impact investment is a more sound, sustainable form of international development, and its cultivation could largely be credited to global awareness that prevails in the Millennial generation.

**FRAMING SOCIAL IMPACT INVESTMENT**

There are two different schools of thought within the social impact investment field. The first, created by the Social Impact Investment Taskforce (SIIT), emphasizes social benefits and the needs of beneficiaries. Investments in popular social causes, such as disability, unemployment, elderly care and criminal justice, fall under this perspective. The United Kingdom’s Prime Minister David Cameron and the G8 established the Social Impact Investment Taskforce at a Social Impact Investment Forum in June 2013. It is comprised of representatives from mostly Western countries (UK, Canada, USA, France, Germany, Australia, Italy) as well as Japan that come from both social and private sectors. The primary goal of this group is “to assess the scope and process for using outcome metrics and to recommend approach and principles for measurement of social outcomes” (SIIT, 2013). With this in mind, the Taskforce produces mostly reports on measurement tactics and suggestions for organizations to use in their social impact investment ventures.

The second school of thought, led by the Global Impact Investment Network (GIIN), focuses on institutions and engaging investors in larger, overarching goals. For example, organizations that aim to help causes like the environment, finance/microfinance,
water, agriculture and energy are seen from this perspective. The Global Impact Investment Network was the result of a Rockefeller Foundation-led discussion in 2007-2008 on emerging trends in the field of philanthropy. It was in 2009 that the network was backed by President Clinton, and has continued an upward growth ever since (GIIN, 2009).

Between the two schools of thought, there are areas of distinction as well as overlap. Immediately, one can see the difference in the two processes to fruition. The SIIT was introduced through government entities, while the GIIN was created through a private foundation. Their specific foci, such as health, housing and education, reflect this accurately (Wilson et al. 2015). As social impact investment is a collaborative effort between philanthropy and direct investment, it is not a surprise that there is a split perspective in how it is being understood. The mixture of government-endorsed methods and foundation think tank results make it unique in nature, as well as the fact that it is a recent phenomenon in the world of international development. Essentially, both schools of thought fund the same initiatives, but their means of reaching a decision on who to fund differ based upon the issue being addressed and its returns. The SIIT way of thinking is that the cause should be at the forefront of the decision, which is why it tends to focus on immediate problems. The GIIN way is to ameliorate larger problems, which is why it focuses on cultivating returns. In either method, there is a mixture of government-based and foundation-based thought.

**WHAT SOCIAL IMPACT INVESTMENT DOES**

The first defining element of social impact investment across the board that should be addressed is its focus on social returns. How does an organization or community intervention quantify its social impact? The Social Return On Investment (SROI) method was created by the SROI Network – now known as Social Value UK – to examine and
measure the effect of social investment and calculate impact with respect to values.

According to the Cabinet Office of the Social Sector, social return on investment has seven main principles: involve stakeholders, understand what changes, value the things that matter, only include what is material, do not over-claim, be transparent and verify the result. (Nicholls, Lawlor, Neitzert & Goodspeed, 2009). Initially establishing stakeholders and the changes that the investment would like to see helps to shape the way it is evaluated. Next, organizations should identify inputs, outputs and outcomes. The most essential values to the work being done would then be attached to indicators and outcomes. When evaluating, the method of SROI requires honesty and transparency in reporting, as well as backing up statements with facts. A second method was introduced in 2009 by the Rockefeller Foundation’s initiative to create standards in the field of social impact investment. Several like-minded organizations gathered in a roundtable-style discussion to establish the Impact Reporting and Investment Standards (IRIS), which would be managed by GIIN. These standards employ a set of objectives that should be customized based upon the organization’s goals and initiatives. For example, a microfinance organization would potentially evaluate the following: active borrowers per loan officer, compulsory deposits, loan-to-deposit ratio, total deposits, etc. (IRIS, 2010). The goal of IRIS is to provide a framework for social impact evaluation to be understood, while also maintaining the notion that each organization will have different programs.

In general, gauging social impact is about calculating the effectiveness of its individual programs. Finding a number to quantify the impact is more difficult than it might seem, since one is measuring against the alternative possibilities. Impact evaluation deals with the “how they would have been otherwise” approach, which is tough to test because only one possibility can happen (Jameel, 2003). In light of this, social impact investment
organizations must ask: What methods can be employed to measure social progression of a community? Evolving from longstanding environmental impact practices, social impact assessment (SIA) emerged as its own field. To understand the measurable outcomes of social impact investment, it is important to see how these abstract ideas are being made concrete.

During the first leg of SIA, the target community, which is informed and consents to the study, is evaluated through multiple facets: needs and aspirations, key social issues, baseline demographic data, infrastructure assessment and quality of life. In this way, SIA puts itself into the community to better understand the people and their needs. The assessment is not numbers-based, but rather centered on substantial values and how people view their community (Esteves, Franks & Vanclay, 2012). From here, a logic model can be completed surrounding the activities of the organization benefiting the community, what outputs they will have and the outcomes they would like to see from this. The outputs are understood through indicators and targets (Social Investment Business Group, 2014).

For example, an education program would use periodic in-class assessment to see the progress of students and target for a certain percentage to score a certain range for its outputs. The outcomes might be indicated by a larger number of students completing the program successfully with the objective being a more educated community. A sample flow chart for this assessment is shown in Figure 1.

![Figure 1 Logic Model from Social Investment Business Group (SIB)](image-url)
One can see how these outcomes are measured not by numbers, but by the organization’s growth compared to its previous performance. The theory of measuring effectiveness based on what would have been is better grasped in this way, because it gives a similar comparison—year one to year two versus alternative one to alternative two. In my example, the education program’s success could have been evaluated by the number of enrollments and graduates, but social impact calls for a more reflective approach. This method requires a much longer evaluation period and consistent check-in with the organization and beneficiaries during the program. Of course, the depth of outcomes being evaluated varies depending on the organization’s mission and the community’s progress, but it presents an overall more embedded way of impacting the beneficiaries. Measuring the education of a community compared to what it might have been through different programming then becomes feasible, because researchers are able to evaluate the community’s success in relation to similar and/or neighboring communities. Local comparisons allow for social impact investment beneficiaries to show distinct progress. However, results must also leave room to account for external factors, such as cultural or political influences that may hinder or pave the way for success. A neighboring community may have been under siege during the testing period, and is therefore not an acceptable comparison. This is where a basic cost analysis process can be advantageous. First, conducting a cost-benefit analysis allows the organization to see if the end result would justify the means. Then, taking a cost-effectiveness analysis, which divides the cost of the program by its intended impact, provides a general idea of whether the program is worth its cost. Finally, comparing these analyses across multiple options will likely show a clearer vision of what will be both financially and socially effective, especially if continued over time (Jameel, 2003). Aside from these hypothetical measures, there is no certain method for calculating cost and impact evaluation.
The muddiness of impact evaluation is part of the risk that social impact investment proposes.

Working through these external conditions and analyses to find similar situations for impact evaluation is part of the deep investment that social impact investment makes when it enters a community. It is then easy to understand how social impact investment tends toward long-term projects to create change. The final results of the assessment are reported back to the organization, which would make improvements to the program accordingly. The same process then begins over again. SIA is seemingly a never-ending cycle of understanding, evaluating and improving the work being done by the organization and in relation to both its colleagues and regional communities. Because of its long, drawn out nature, SIA is often underused by social enterprise ventures. Current funders prefer the quickest route to success, and since impact investment does not boast an immediate return, the testing of its project’s impact is frequently cut down. This is interesting, as Kevin Starr, director of the Mulago Foundation states: “while all impact investors know that you could never maximize profit without measuring it, they often fail to recognize that the same is true of impact” (Starr, 2012). SIA is a necessary part of social impact investment and its long-term sustainability. The Millennial generation seems to have a grasp on this, edging toward projects that are supported over time rather than projects with a set expiration date.

This dedication to sustainable change is reminiscent of the proverbial saying: “Give a man a fish and you feed him for a day; teach a man how to fish and you feed him for his lifetime.” The previous practice of throwing money at developing nations is no longer viable, because we now understand that continuous wealth is created through education and empowerment, not just capital. In a more simplistic sense, the value of human capital, which includes knowledge, has been recognized in the past decade as crucial to the cultivation of
assets and alleviation of poverty. There are five types of capital that have been recognized by the international development world: financial, natural, produced, human and social (Goodwin, 2003). Financial capital encompasses monetary business, natural is often associated with resources and produced is the products made by man. The last two – human and social – are what have really blossomed as useful to social impact models. Anthony Bebbington, a doctorate professor of geography, emphasizes the importance of access to assets. Education, as a part of human and social capital, allows individuals access to skill sets that can give them greater livelihoods (Bebbington, 1999). Because of its focus on the sustainable cultivation of capital, SIA can be understood as a vital part of social impact investment, as it measures the functionality of the human capital that is being created.

The second element of social impact investment that is important to take into consideration is the involvement of investees in their investment decision. As previously mentioned, the field of social impact investment is overwhelmingly supported by Millennials, who believe that investment decisions are a means of expressing values, unlike preceding generations who tended to lump all charity together with little regard to the purpose it benefits. In the vein of millennial investment practices, there are a few trends worth noting. First, millennials are the most likely generation – at over two-thirds of those surveyed – to accept both a lower return on investment and a higher risk factor, as long as the investment will eventually create a positive social impact on the beneficiaries. Additionally, 81% believe that holding investments over a long period of time is the best way to grow money and impact (U.S. Trust, 2015). Due to the social and political circumstances during their upbringing, Millennials seem to have a staunch realization that, “in the real world of the poor, real change still means stepping up with money that you don’t expect to get back, while demanding maximum returns in the form of impact” (Starr, 2012). Social impact
investment fills this need perfectly, allowing for change to happen through carefully monitored projects. In examining more carefully the Millennial generation, we can see that global awareness has been a common theme through their childhood with advancing technology and the sharing of information across multiple platforms (Investing Insights, 2013). Not only have they been aware of what goes on in the world, but they have also witnessed a multitude of economic, geopolitical, social and environmental turmoil. Political scandals, blatant human rights violations and wars that harmed more than they did good have instilled a sense of skepticism in younger individuals. Stability is not something that Millennials expect, which makes them willing to work more seriously toward achieving it. Additionally, a 2014 study by Telefonica found 52% of Millennials in the United States believe that they, as individuals, can make a difference globally. Among global awareness, a realistic vision of achievement and optimism for solving the world’s problems, Millennials seem to be the key to success for social impact investment. As they begin to inherit the assets of previous generations, we can guess that there may be a significant shift in capital flow to programs that support sustainable impact. However, with the generation just barely reaching its peak point, factual evidence is not conclusive to support a clear change.

**SOCIAL IMPACT INVESTMENT IN ACTION**

Aside from a generational approach, the circumstances in which our society exists play a role as well. With increasing digital access for most parts of the globe, social issues and causes are being exposed and explored on a more personal level daily through the internet, social media and digital sharing applications. This digital sphere allows for an individual to be connected, visually, textually and audibly, with the issues they care about, whether or not they are located miles away or in the same city. Social impact investment allows people to
fund long-term projects that solve real problems, despite the low return on investment initially. It follows that millennials find social impact investment attractive then, and is part of the reason that several projects utilizing social impact investment have succeeded. I will address three case studies in particular: Root Capital, Kiva and Bridge Ventures.

Root Capital is a non-profit organization that invests in agricultural business owners in Latin American and Africa. In 2008, the World Bank released a Development Report that demonstrated how agricultural growth is twice as effective in reducing poverty as other sectors. Root Capital works to empower small farmers by connecting small, rural businesses with education, connections and funds to grow their businesses without the restriction of tight payment schedules and/or collateral. They have created a sustainable model of lending, where 99% of borrowers repay the funds they received and the organization repays 100% of its investors. Its lending program, led by loan officers, creates revenue through loan interest and fees, which cover the cost of operations. Root Capital is utilizing human capital and resource capital to create economic success in rural areas of Latin America and Africa. Their impact logic model looks at creating access to supplies for farmers, which allows more farmers to compete in the market and increases food security in rural locations. Root Capital engages in quarterly impact performance reports to evaluate the success of their beneficiaries, and those who do not meet sufficient performance are replaced with new potential, which creates competition within the program. They have added another interesting twist to the textbook version of social impact investment by morphing their impact evaluation metrics and methods over time. Since the evaluations began in 1999, Root Capital has continued to improve upon their practices, acting as a member of the advisory committee during GIIN’s roundtable to create IRIS (Root Capital, 1999). Root focuses on social and environmental metrics in their work, and uses appropriate evaluation objectives to
reflect this, such as the number of farmers reached, purchases from rural producers and total revenue of rural farmers (Root Capital, 2012). By doing so, they are able to compile reports that directly link to the impact their investments have made, especially as a non-profit organization.

Bridge Ventures is a multi-fund foundation that focuses on social impact for its investors. Separate from the previous organization, they are a fund manager owned by a larger charitable trust fund. Bridge Ventures works primarily in local communities around the United Kingdom, where it is based, with a specific emphasis on underserved areas and markets. Their funds are directed toward health care, environmentally friendly living and education. For example, in 2014, it continued to fund a long-time beneficiary called New Horizons, which provides vocational guidance to at-risk youth. Out of 2,900 individuals engaged, 1,000 qualifications have been achieved and 95 individuals have found employment. Their model works more like a traditional foundation, with a specific set of initiatives that are funded through donations from investors, and is less hands-on in its approach. The key difference in Bridge Ventures is in the use of social impact evaluation for investors. Bridge Ventures emphasizes sustainable social practices in its grant making decisions and shows the ability of a foundation to focus on social impact, while still maintaining long-term evaluation processes for the success of programs and social returns to investors.

Kiva is an organization that cultivates private donors online to give seed money to individuals with sustainable income projects in developing countries. Their online platform allows people to invest as little as $25, which is appealing to the Millennial generation as college students and young professionals. Despite their large network of individual donors and recipients, Kiva has maintained a 98% repayment rate since 2005. They work with
approximately 302 microfinance institutions across the globe to distribute the funds properly. As both a non-profit focused on social returns and a fund manager, Kiva acts as a hybrid of the two case studies already examined. The online platform funnels money into places and projects where it can have direct impact, connecting investors to their investments and repaying them over time. Kiva does not have one specific focus; it is a microfinance manager for individuals who want to give back to the community, which makes it a unique entity, as it creates bonds and furthers the global awareness that Millennials have come to know and enjoy. Its simplicity is also appealing in that it is so easy to give and receive a loan. Kiva’s crowdsourcing platform is available for anyone. In terms of impact, it is easy to calculate quantitatively, but due to its widespread support, social impact is not as easily found. The organization itself seems to be not too keen on transparency, and publishes broad numbers with attractive graphics instead.

Due to the long-term nature of the programs that social impact investment supports, there is not a lot of information on the formal failure or success of these initiatives. However, there is one failed social impact project that I will examine to discuss the weaknesses of social impact investment. In 2012, a program called Adolescent Behavioral Learning Experience (ABLE) was launched in New York City’s Riker’s Island jail by the city government. Its purpose was to use social intervention techniques to improve social skills, accountability and decision-making in young incarcerated individuals, which would, in turn, decrease their rate of recidivism. The program had been funded using a social impact bond from the city that would only begin to be paid back if decreased recidivism rates hit a certain level. In 2015, the Vera Institute of Justice looked into the progress of ABLE, evaluating whether recidivism rates had been altered and if so, to what extent. After surveying the number of days the participants, who entered Riker’s at the beginning of the study and left at
varying times, had returned to Riker’s post-release, they found that the rate had not
decreased in a significant manner. These numbers were also compared to the rates of 19-
year-olds, who did not participate in ABLE and therefore acted as a control group (Vera
Institute of Justice, 2015). The program was shut down shortly after the study was published.
Some criticize the program being pulled after only three years, because the real effects of
social impact often occur over longer periods of time.

Conversely, the failed funding for this project brings up an important aspect of social
impact investment’s financial disadvantage. Several programs exist solely to serve others,
with no profit or return. These areas of philanthropy are where returns cannot be measured,
or where it would take a significantly hefty amount of energy and staffing to monitor the
impact, taking away from the organization’s programming. These programs are in place for
the welfare of humans and still need funding despite their zero-return on investment nature.
By asking for solid results and facts, investors are propelling a capitalist mentality, where
every transaction should produce a return. However, the focus on social impact also rejects
the traditional monetary ideals of the neoliberal school. Social impact investment seeks to
create a return for these programs outside of finance so they are able to receive funding
from the private sector without the pressure of paying it back immediately or ever. It paints a
picture of success and creates “…the illusion that traditional business models can solve big
problems in places where poor governance and huge market failures are the rule”
(Hattendorf, 2012). While this model may help, there are still many capitalist tendencies at
play that hinder the social impact part from flourishing. This is where the reluctance of
current investors to conduct long-term evaluation can be understood, as evaluation requires
funding nonetheless, and the appeal of long-term impact is not so easily advertised to those
presently investing.
The Riker’s program may have shown progress after several years, but investors are not likely to stick around unless there is some promise of results. Kevin Starr, director of the Mulago Foundation, notes:

“does [the social impact investment] model have the potential to make a big difference for a million people and, if so, just how would that happen?’ Rarely does that happen with a single firm. What it will take is clustering businesses, building value chains, and spurring competitors” (Starr, 2012).

The ABLE program was one firm working against the exertion of societal habits. Had it been supported by external programs aiming toward the same goal, it might have produced more significant results, but the fact of the matter is that it was not able to fundamentally change the incarceration rates and its funders did not want to foot the bill for uncertain future success.

The main problem one can see from the social impact investment method is that its survival depends entirely on proper and thorough measurement practices. Like traditional grant writing, constant reports and surveys that must be completed for funders are exhausting and often wear out the program staff. However, in areas where measurement methods are easily implemented, such as education or income-generating projects, social impact investment can have a direct influence on the well-being and livelihoods of the affected population.

For example, among refugee populations, the need for formal and informal education is high and the population is generally concentrated in areas where humanitarian aid, especially refugee camps, exists. Organizations that provide education to this demographic can easily track their progress and evaluate their success or failure in such a way that impact investors could see a significant benefit of the programs. While there is
often movement of refugees between camps, this is generally because of the instability the camps have had (UNHCR, 2010); an education program would give reason for refugees to remain in one place and also increase the security of the camps by creating a more stable group of beneficiaries. Education, supported by social impact investment, gives support and hope to the refugee population, and would instill a system of progress, where upon completion of the program, they could continue on to start businesses, enter career fields and sustain themselves economically (Pearson, 2015). Economic independence would also mean the alleviation of such heavy reliance on refugee assistance organizations and credentials for governments to grant work permits, as individuals are able to contribute to the state economy in a positive fashion. Non-governmental organizations and non-profits have begun these programs, evaluating them through SIA or similar methods, but the climate for success in this area should be a lucrative pull for businesses and private investors as well. What lacks is perhaps a central organization agent, such as a fund manager or distributor like Bridge Ventures, Kiva or Root Capital. In order for social impact investment to be successful, we have noticed that there are three key components: investors willing to support causes without immediate return, staff willing to monitor and implement programs, and managers who are able to evaluate whether a program is efficient and decide if it is worth investors’ time.

WHERE IT CAN GO

If done correctly, social impact investment and its subsidiaries can have a profound impact on beneficiary communities. However, this requires long-term support and evaluation on both the investor and investee's behalf. The J.P. Morgan Global Research and Rockefeller Foundation predict that impact investing in general will grow to a $1 billion dollar market in
the next decade (O’Donohoe, Leijonhufvud, Saltuk, Bugg-Levine & Brandenburg, 2010). As it grows and reaches a tipping point, the field will have to adjust to a scale of measurement that is easily applied across the board. Methods and terms will shake out as social impact investing becomes a more prominent means of sustainable development. Kiva’s model most accurately reflects engagement of the Millennial generation through digital platforms, while also providing social impact returns and somewhat of an evaluation method. Root Capital’s evaluation and effectiveness measures are the most comprehensive, but its agency is limited to a small sector. Bridge Ventures expands on the ideal role of foundations as they move toward social impact investment, but their indirect involvement and hands-off investors leave something to be desired. A continual improvement and morphing of these organizations is necessary to grow and adapt with the rapidly changing field of social impact investment. Much like the ever-evolving objectives in the IRIS, organizations will have to adjust their methods to meet the demands of social impact.

In all facets of the matter, generational attitude plays a huge role. For the time being, the traditional capitalist mentality of majority investors will likely maintain neoliberal-driven, short-term investment that puts a stronger emphasis on financial returns than social returns. However, social impact investment has a great deal of potential with the Millennial generation. In a study conducted by GIIN, if impact investment accounted for 1% of global financial assets, its output would be $2 trillion. The accessibility that impact provides for investors will become important as the most skeptical generation yet grows into the wealth shareholders of the world. The downfalls that one can see with Millennial attitude toward investment are that there is not a high emphasis on expecting return, which could mean that future wealth will go toward projects and never be returned, especially if the project fails. Social impact investment is in some ways a huge gamble without guarantees, and the
humanitarian focus of younger investors could be dangerous as well, where investors easily lose their investments in an altruistic fashion. The evolution and insistence of evaluation and maintenance of some level of competition among projects will ultimately be the check and balance of social impact investment. It requires a great deal of human capital and intellect to create, evaluate and process these initiatives, which may be a hindering factor. If the sector is able to emerge with a clearly defined method and individuals willing to put in the effort, its effects could be sweeping in the realm of development.
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