A new international industry is in the midst of emerging, that of social impact investing. This new generation of funds, which includes for example the Acumen Fund in the US, Ignia in Mexico, or le Comptoir de l’innovation in France, invests with the objective of having a positive social impact while benefiting from a possible return on their investment. They are different from typical socially responsible investment funds, which aim to make profits without harming their environment. These new funds finance social entrepreneurs who pursue a social mission while engaging in commercial activities to generate all or part of the revenues necessary to fund their operations.

Various projections for the size of this market agree that impact investments could reach over 500 billion dollars (397 billion euros) in the coming decade. According to a recent study ("Insight into the Impact Investment Market", 2011) conducted jointly by JP Morgan Social Finance and the Global Impact Investing Network using 52 impact investment funds, these funds alone are expected to invest 3.8 billion dollars in 2012.

**Evaluation tools**

Yet, despite the emergence of social impact investing, social entrepreneurs today still have trouble raising money. To ensure an efficient use of available resources, it is necessary that investment funds, social entrepreneurs and public authorities work together.

Investors must change their mentality. They will have to value the social impact of the organizations in which they invest at least as much as their financial returns. However, they still face difficulties evaluating the social performance of the organizations in which they invest. It is essential that social entrepreneurs participate actively in the development of evaluation tools to measure their social impact. Their engagement with the creators of impact investment funds will help to educate the latter, who often come from traditional investing backgrounds and who must learn how to most effectively assist social enterprises.

Public authorities also have a role to play. Notably, they must ensure that the institutional environment facilitates these new types of investments and allows social entrepreneurs access to necessary resources. To do this, they will have to lay the foundation for a legal framework that is conducive to the development of enterprises that transcend the traditional division between the commercial profit-driven sector and the non-profit sector.
These hybrid organizations, which pursue a social mission while engaging in commercial activities to generate revenues that sustain their operations, introduce a promising way of creating both social and economic value. It’s up to us all, investors, entrepreneurs, public authorities and consumers, to create the necessary conditions for the success of these organizations.

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