

Action Blueprint

Establishing a Process

Tasks

There are a number of approaches to establishing and supporting mission investing. This list of tasks is a start in helping launch the process:

- Identify the people who will lead and work as team(s) to move mission investing from idea to action.
- Identify initial decision makers who will review the proposed program and determine the type of information and interaction required.
- Research the field to identify consultants with relevant skills and market knowledge to support the process.
- Determine the role of outside consultants in the design and implementation of the plan.
- Create and implement a plan to engage those staff not directly involved in the mission investing planning process; keep them informed about the program and develop new avenues for their eventual participation.
- Create work plans, timelines, and accountability for accomplishing these tasks.

Alternatives and Decisions

How streamlined should the mission-investing planning process be? To what extent should it integrate investment and program staff? To what extent should it rely on outside consultants?

Many mission-investing programs are led in-house and have developed organically from a foundation's mission and programs. There are, however, an increasing number of financial managers and products that apply social criteria to investment selection. In theory, a foundation interested in mission investing might be able to outsource the management of this activity to selected investment managers—just as the Kellogg Foundation has done with its initial southern Africa mission-driven investing. This, however, is not recommended without rigorous due diligence and continued monitoring of the investment manager and/or product(s).

Managing Challenges

While performing due diligence on mission investments involves many of the core competencies of effective grantmaking (thinking strategically, evaluating management, among others), successful investing also requires financial analysis and legal structuring skills. Achieving involvement of all program staff in a mission investing program tends to remain a challenge and has caused some foundations to begin to

seek additional skill sets in new program staff hires, including investment or business management skills.

Discovery

Conventional wisdom sees a significant divide between the investment and program staff. In practice, investment and finance managers are often keenly interested in how they might apply their knowledge and skills to support the foundation and its staff in better achieving mission. Program officers are also often interested in deepening their understanding of financial principles and practices that can help high-impact programs and organizations to become economically sustainable and scaled through enterprise approaches.