



Select the Right Impact Investing Solution: A Guide for Institutions

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Why Buy Impact Investing Solutions?

If you work at a financial or philanthropic institution, such as a foundation, family office, or wealth advisor, you're likely aware of impact investing and the ways it can strengthen your client offering or mission alignment. Client demand for impact investing has been rapidly growing:

1. [84% of investors are interested in impact investing.](#)
2. [98% of current impact investors intend to maintain or increase their amount invested in the next year.](#)
3. [Nearly half \(45%\) of high net-worth investors are interested in impact investments](#)

However, if you're like many, when you've taken the first steps to meet this interest you've been overwhelmed by the complexity that impact investing brings. Meeting these needs is difficult for many institutions.

Common Challenges Cited by CapShift Clients

- Research
 - Difficulty **sourcing** high-quality, private impact investment opportunities
 - Lack of time and expertise required to **diligence** prospective investments
 - Complex process of **impact monitoring and reporting**
 - Administrative burden of private investments
- Client Support
 - Ambiguity around the meaning of impact investing
 - Difficulty fulfilling **bespoke client requests**
 - Challenges navigating charitable capital deployment (e.g. donor advised fund partners or foundations)
 - Limited internal capacity to educate teams and engage clients

One or more of these complexities frequently lead firms to reach out to CapShift.

Who Typically Purchases Impact Investing Solutions?

Customized impact investing services are most purchased by two key segments: financial institutions and philanthropic institutions serving families.

Financial Institutions

- Single and Multi-Family Offices
- Independent Wealth Advisors (RIAs)
- Wealth Management Arms of Private Banks or Wirehouses
- Outsourced Chief Investment Officers (OCIOs) and Investment Consultants

Philanthropic Institutions

- Corporate or Private Foundations
- Donor Advised Fund Providers
- Family Foundations
- Grantmaking Public Charities
- Philanthropic Advisors

What are common ways philanthropic and financial institutions resolve these challenges?

In CapShift's experience, there are three common models used by firms to address their pain points around impact investing.

1. **Build** - Create an in-house team of impact specialists by hiring or reallocating internal resources.

When this works: If you see demand across core client segments and have the capacity to invest in talent and infrastructure.

Risks: Requires significant upfront investment; it is not ideal if impact is a niche offering.

2. **Outsource** – Engage an external partner to manage your firm's impact investing strategy, operations, or offerings.

When this works: If there is periodic or concentrated demand for impact investing—especially if that demand is highly customized or unlikely to become a strategic growth driver. It enables you to meet client needs without committing internal resources.

Risks: May require you "sell away" a portion of your AUM; less control over the client experience and customization.

3. Build + Outsource (Build with a partner) - Combine internal expertise with external partnerships and technology to enhance your capabilities.

When this works: Firm serves multiple client segments with general interest in impact, others requiring highly personalized solutions. This approach allows for efficiency and scale with in-house core capabilities and leverage from trusted partners to fill expertise or operational gaps.

Risks: Hybrid models can introduce complexity. Incentive alignment and a cohesive client experience are important areas of focus.

What categories of impact investing solution providers are in the market?

Solution Type	Offering	Best Fit For
Impact Advisors	Investment research and advisory across public and private funds	Access to curated funds and expertise on major themes
Public Markets Solutions	ESG or values-aligned public market portfolios	Alignment through screens in liquid markets
Impact Data Platform	Software for research or reporting.	Sourcing or impact reporting tools, not fiduciary advice or oversight
Impact Consultants	Strategic guidance for building an impact investing approach	One-time expert input to launch or refine strategy

CapShift's impact investing platform combines most of these key capabilities, while allowing you to decide which pieces you need to meet client demand today and preserves your ability to use more or fewer tomorrow.

Most importantly, we want to see a vibrant impact investing ecosystem, with firms supporting their clients' impact needs. We're happy to help you find the best solution, with us or with one of our colleagues in the industry.

What is the process for finding and engaging an impact investing solution?

Organizations looking for an impact solution generally follow four common steps, that we want to layout for you so that you can avoid some of the common pitfalls.

1. Awareness and Education

Challenge: It can be difficult to find information online about different impact solution providers and what services they offer within the private wealth or charitable sectors. Many impact solution providers are niche and have different definitions for words like “impact,” “ESG”, “values investing” and “sustainable investing,” making it hard to compare exactly what services they offer. It can be a challenge to understand which partner would best solve your pain points.

Tips for success:

- Identify internally which pain points are highest priority
- Get internal buy-in to confirm that your firm is ready to invest in a solution. These might include:
 - winning new prospects
 - satisfying demand from a key client
 - solving a challenge facing your research/investment team.
- Reach out to knowledge hubs for impact investing solutions, such as [the GIIN](#), [US SIF](#), or [Mission Investors Exchange](#) to determine which impact solution providers best address your high priority pain points and goals.

2. Evaluation

Challenge: Once you have a list of potential solution providers, it is difficult to compare and assess different services, pricing, and integration models to determine what fits your needs. Impact solution providers offer a Venn Diagram of services. Some are data providers, others research providers, and other consultants. Some are fiduciaries and others are not. Some focus on public markets, others on private market rate investments, and others on impact-first investments. It is hard to compare exactly what you are getting and what it costs.

Tips for success:

- Develop a list with input from your research, client, and operations teams of specific services that you would like to see and compare each solution provider against that list.
- Ask for pricing using an apples-to-apples comparison matrix.

3. Validation

Challenge: It can be difficult to validate whether the solution provider will solve your problems and integrate with your organization before engaging with them. Validation of impact investing solutions often occurs after purchase — as proof points are not easily available or largely anecdotal. This can be an issue for decision-makers.

Tips for success:

- Ask potential providers for reference clients that are like you.
- Seek out a contract that has the fastest path to delivering value, which will help you validate value as you work towards deeper integration and scale.
- Make sure incentives are aligned between you and the service provider.

4. Purchase

Challenge: Purchasing processes are rarely simple and straightforward and often have barriers to finalization and implementation. They require sign-off from multiple decision-makers with different degrees of information and uncertainty about regulations related to impact and charitable investments.

Tips for success:

- Map out which internal and external parties will be involved in both making a purchase decision, and in implementing post-purchase.
- Prioritize a solutions provider that has a robust onboarding plan or track record of implementation at organizations like yours.

Conclusion

The impact investing landscape can be complex—but it doesn't have to be. Whether you build capabilities internally, outsource to experts, or combine both strategies, thoughtful planning is key.

CapShift's scalable platform is designed to help you address diverse client needs—on your terms. Whether you're ready to take the next step or just beginning your journey, our team is here to help you find the right solution.

[Get in touch with us](#) to start a conversation about achieving your impact goals. Or, if you're just beginning your impact journey and would like to learn more, check out CapShift's introductory resources.

About CapShift:

Designed to scale, CapShift is the backbone of impact investing solutions across many of the world's largest financial, charitable, and corporate institutions. Our comprehensive platform supports our partners at every step — from client interest to allocation. Rely on

our expertise and technology to find opportunities, engage clients, and invest easily. For more information about CapShift and our work, please visit <http://www.capshift.com>.