



What does the Common Approach add to the Impact Investing and ESG Impact Measurement and Management (IMM) ecosystem?

The Common Approach helps to create interoperability of impact measurement by knitting together existing standards, tools, methods and data.

Using Common Approach’s four standards alongside existing Impact Measurement and Management tools, methods, and standards infuses impact measurement with the flexibility needed to support innovation, right-sizing for resource-constrained organizations and giving greater voice to those whose lives are most affected.

Common Approach is not...	Common Approach is...	To use the Common Approach Social purpose organizations (SPOs) and Investors must...	Common Approach knits other standards together:
✗ ...standardized indicators.	✓ ...a way for investors, funders and networks to make sense of diverse indicators. (Common Framework)	... choose or invent their own indicators (they may choose standardized ones.)	Standardized indicators such as IRIS+, GRI, and SASB can be used with Common Approach.
✗ ...standardized tools and methods.	✓ ...a way to know if a tool or method meets the minimum criteria of impact measurement practice (Common Foundations)	...choose or invent their own tool and/or method, so long as it meets the Common Foundations minimum standard.	Existing tools and methods such as SROI, Results based management, impact weighted accounts can be used with Common Approach.
✗ ...a software.	✓ ...a way to exchange data between software (schema, ontology using linked data.) (Common Impact Data Standard)	...use any software that is aligned with the Common Impact Data Standard.	IMM softwares create interoperability by bringing Investors and SPOs onto the same platform. Common Approach (the Common Impact Data Standard) can be used by any software to create interoperability between platforms.
✗ ...a taxonomy.	✓ ...a means of incorporating taxonomies into software to simplify form filling. (Common Form)		
✗ ...investor or funder driven.	✓ ... community-driven . Common Approach is designed to be low-burden on SPOs, to give them the flexibility they need to give voice to those they serve, and to get good value out of their IMM efforts.	<p>SPOs: take the lead. Articulate your own impact measures for your own learning. Choose software that suits your needs.</p> <p>Investors and funders: Follow the lead of the SPOs and refrain from imposing any particular indicators, tools or methods.</p>	

