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# More Impact Investors Are Going 'All In'

If you want to keep up with the latest buzzwords in impact investing, here's an important one starting to hit its stride: "all in". It means placing your whole portfolio into assets with a positive social and/or environmental impact. Putting your money–all of it–where your mouth is.

Recently technology executive, entrepreneur and investor Charly Kleissner started a network of super high net worth individuals aiming to do just that, called the 100%IMPACT Network.

For Kleissner and his wife Lisa—she is president of the KL Felicitas Foundation, a 14-year-old family foundation based in San Francisco supporting social entrepreneurs the two formed—it started back around 2004 when they began to get serious about completely aligning all their investments with their values. It was easier said than done. "There weren't that many products in different asset classes," says Kleissner. That led to the founding of Toniic , a global group of impact investors aggregating their capital and investing in early stage social enterprises.


*(Photo credit: Wikipedia)*

Then more recently they got the idea to start a network for compatriots who were similarly interested in going all in. They wouldn't pool their investments, but they would compare investments, results, and, perhaps most important, impact measurements. Also they would serve as a model for other investors. According to Kleissner, there are now 35 participants with $3 million to $650 million in assets and a total of $3.5 billion in commitments. That includes 25 family offices and about six foundations.

Still constructing an acceptable portfolio continues to be a challenge, partly because certain asset classes don't have enough deal flow and/or are pretty opaque about just what goes into them. (Think hedge funds). Or there's the matter of investing cash into acceptable banks that, say, back renewable energy and not coal. (In the U.S., according to Kleissner, one solution is to invest in community development banks). Another big hole: extractive mining, no pun intended, since it's very difficult to find something green in that category.

There are also other considerations for people with a lot of money to invest. For example, many are art collectors. How does that fit in? According to Kleissner, the issue is motivation. "If you collect art because it's a beautiful expression of humanity and you support local artists, that's one thing ," he says. "If you collect to flip and make profits, that's another."
Over the next three years, Kleissner says he's hoping to prove that the bigger the portfolio, the better the return. So a triple digit portfolio could have triple digit profits, and so on. "The reason it's so important is that institutional capital claims there are not enough examples," he says. In other words, to expand the amount of capital that's all in to, say, $50 billion, you need to get the institutions on board and they require convincing.

In fact, he figures institutions, fearful of the risks to their fiduciary responsibilities, will be the toughest constituency to persuade and the last to get on the bandwagon. One helpful move, he says, would be to follow in the footsteps of legislation in the 1970's allowing corporate pension funds to invest in venture capital. "Without that, venture capital would not have gotten to where it is today," he says.

Furthermore, according to Kleissner, there are at least 10 million Americans with $1 million or more in investable assets. "If we show over the next couple of years you can build million dollar portfolios that are all in–it could release a movement," he says.