

(Ad)Ventures in Impact

Reflections on an Impact Training Program for Venture
Capital Funds

April 2025

As part of our Social Finance Fund sector-wide market-building efforts, we partnered with ImpactVC to run a training program for Canadian impact venture funds. Over the course of the five-week program, participants gained an understanding of how to integrate impact into venture capital and apply that within the Canadian context. Here are some of our reflections from that program.

About

We're [Realize Capital Partners](#), one of three fund-of-fund managers selected by the Government of Canada for its Social Finance Fund (SFF), powered by [Rally Assets](#). The SFF is a Government of Canada initiative to strengthen social purpose organizations and accelerate the growth of Canada's social finance market. With Realize Fund I we're investing in positively impactful initiatives and accelerating social equity in Canada's impact investing market.

[ImpactVC](#) is a UK-based global community of venture capital investors coming together to learn about and accelerate the topic of impact within venture capital. ImpactVC seeks to unlock the impact potential of venture capital by building better resources on how to effectively do impact as a VC and enabling better connectivity among peers to discuss and develop best practices. ImpactVC was incubated at Better Society Capital.

As an aspect of the SFF mandate, we seek to encourage the development, capitalization, and success of both new and emerging fund managers as well as established fund managers.

All of us in the team at ImpactVC were delighted to partner with Realize on this project. We see unlocking the impact potential of venture capital as a huge opportunity to create positive change in the world—including through training that helps VCs invest effectively for impact. We hugely enjoyed working with the Realize team and the participants on the course to bring that to life in Canada. The energy, insights, and passion of the cohort were fantastic to see. We learned a lot about the application of impact investing in a Canadian context and look forward to continuing to support the growth of impact investing in Canadian venture capital.

- **Douglas Sloan**, Managing Director, Impact Venture, Better Society Capital

Program Overview

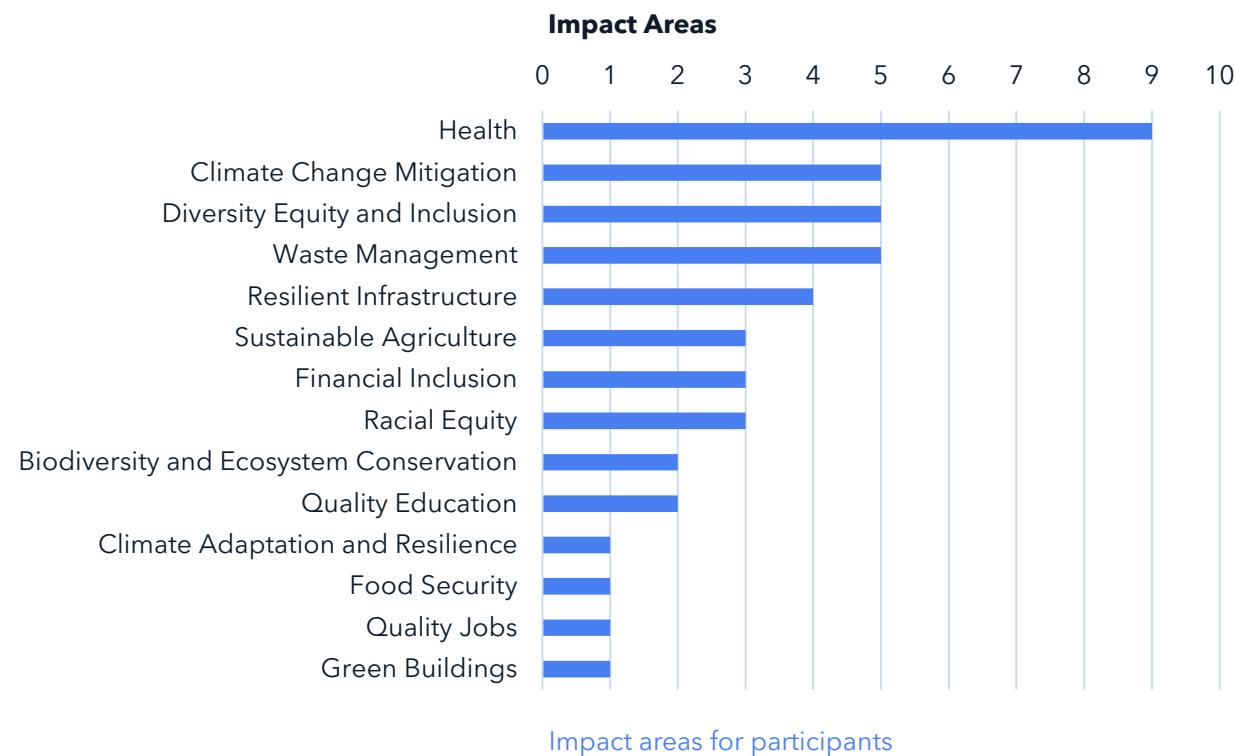
With the goal of equipping new and emerging venture fund managers and impact-curious established venture fund managers to invest effectively for impact, we worked with ImpactVC in November 2024 to tailor its existing training program to the Canadian market. The training covered four key focus areas:

- Creating an impact investment thesis that focuses on high-impact business models
- Assessing *Impact as A Source of Value* and understanding areas where impact can be a competitive advantage
- Assessing impact returns, risks and related commercial upside
- Using strategic impact measurement and best-in-class impact reporting, including using impact data to communicate with LPs and support portfolio founders.

Each session was structured to leverage case studies, discussion, and practical application to strengthen the learning experience. Written and recorded video material was shared with the group in advance to ensure all participants have a baseline level of knowledge of the language and concepts to be used during individual sessions. In addition to ImpactVC trainers, each session also included Canadian and international guest speakers as well as a dedicated office hour. It was the first time a flagship Impact Investing for the VC-training program of a leading institution was offered in Canada and designed the curriculum to reflect the Canadian context.

Program Participants: A Range of Experience, Impact Areas and Regions

Seventeen fund managers of varying maturity and impact integration level participated in the five-week long training program, with 11 being new or emerging fund managers, that is, managers establishing new funds and/or having one or two funds under management. The majority of the funds invest solely in Canada, specifically in Ontario, Alberta and Quebec, and four of the funds invest across Canada and the US. The funds invest in a wide range of industries; however, technology-related sectors, such as health, biology and agricultural technology, are mostly targeted. Participating funds contribute to a range of impact outcomes, with health, climate adaptation and resilience, and diversity equity and inclusion being primary impact focus areas. Twelve of the funds have female representation in the leadership.





Participants Found the Training to be Valuable

The training was well received by the participants, reflected by the 9.4/10 net promoter score and 4.7/5 overall training satisfaction rating. Participants found the teaching materials and content highly relevant, and applicable with an average satisfaction score of 4.6/5. Participants found creating an impact thesis to be highly useful (4.8/5), showcasing the importance of formalizing an impact strategy which enables investments aligned with mission-driven objectives and supports attracting like-minded investors. Both new, emerging and established fund managers found the session to be most useful, indicating the importance of developing a strong impact strategy at any fund vintage level.

Across the cohort, participants appreciated the program's practical application of concepts to real-world deals and its focus on equipping fund managers with frameworks like the theory of change and Impact Key Performance Indicators. Insights from diverse guest speakers and peer interactions created a rich learning environment, fostering collaboration and shared strategies to tackle challenges in the impact investing landscape. Participants noted the usefulness of the training for their own work with new and emerging fund managers scoring the usefulness 5/5.

Hearing about the opportunities and challenges experienced by other fund managers and BCS/ImpactVC was particularly beneficial.

- New and emerging fund manager

It was great to learn that other fund managers face similar challenges when measuring impact. Most use their own in-house and custom methods to measure impact.

- Another new and emerging fund manager

Foundational Skill-Building was Useful

New and emerging fund managers found value in foundational skill-building for developing an impact thesis (4.7/5) and measuring impact through nuanced Impact Key Performance Indicators (4.8/5), highlighting the need for impact measurement and management capacity development for early-stage funds. These fund managers also experienced the greatest self-assessment improvement in assessing impact risks and in understanding frameworks and impact reporting, graduating from 'basic understanding' to 'strong applied understanding'. While the participants appreciated the focus and learning on impact measurement and management, they also noted challenges in aligning rapidly evolving impact frameworks with dynamic fund needs.

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Established fund managers appreciated the exposure to strong impact measurement and management practices and reported significant improvements in their ability to apply relevant frameworks, understand impact pathways, and assess impact risks. These fund managers valued elaborations on follow-on allocations and exit strategies, and refining long-term impact strategies. The participants noted the need for capacity development on advanced reporting frameworks and tailored IMM approaches and templates to capture impacts in niche sectors.

The content provided was extremely helpful in becoming more proficient in understanding the areas of impact that are relevant to our fund. It was very helpful in focusing our process, messaging, and measurement of impact for our fund.

- **Malcolm Fraser**, Nadarra Ventures - New and emerging fund manager

I feel like my technical skills and market knowledge have increased dramatically. More importantly, I have the materials from the seminars to refer to as a benchmark as we take the next steps.

- **Sahr Saffa**, Cotton Tree VC - New and emerging fund manager

Networking was Appreciated

Network building was identified as one of the strengths of the program. Participants appreciated the opportunity to have a cohort of fund managers of varying maturity levels, as it was helpful in understanding what issues one faces at different stages and having a network that they can rely upon in the future. New and emerging fund managers appreciated the knowledge and expertise shared by the more established fund managers while established fund managers recognized some of the novel approaches followed by the new and emerging fund managers.

Participants acknowledged the strength of both the program lecturers and the strong mix of guest speakers. The guest speakers consisted of fund managers, impact LPs, investors and companies and the participants appreciated the deep experience in the space and across various roles brought and shared by the guest speakers.

The expertise shared was very world-class, the information delivered was novel/unique, and it's helped level our organization up in many ways

- **Sahr Saffa**, Cotton Tree VC - New and emerging fund manager

Challenges and Further Support Possibilities

Fundraising: One of the ongoing challenges for new and emerging fund managers, not surprisingly perhaps, is the ability to effectively fundraise. Many of the participants expressed their interest in learning more about fundraising, especially for a first fund. Topics such as resource requirements for fundraising, pitching and decision-making processes for selecting first-time fund managers, and major reasons for declines were identified as of continued interest. A related interest is to having better access to Limited Partner (LP)s through tools such as an open-source list of LPs, contacts and other impact funds as new and emerging fund managers rely heavily on introductions.

Deeper dive into impact practices: While there was consensus that the training provided a strong foundation on good impact practices and touched upon various aspects of impact reporting, there is interest in diving deeper into some of the topics and getting more practical case-based support. Participants expressed their interest in receiving a template version of an impact report, assessing impact returns, risks and related commercial upsides, and case-study based projects such as dissecting an impact report as well as developing an impact thesis and an Impact Measurement and Management framework.

Investment Management: While not the main focus of the training, there remains clear interest in understanding investment management better. Topics such as risk management, governance, portfolio management, exit strategies, follow-on fund strategy, and LP communication were identified as topics of interest. While these topics are important and somewhat prerequisite to managing a venture capital fund, new and emerging fund managers can benefit from resources on these topics. We intend to tackle some of these through our own [market-building initiatives](#). For example, with regards to impact assessment and reporting, we are running a range of IMM programs to help fund managers and their investees.

In conclusion, VC impact fund managers who participated in the program are now better equipped to integrate impact into venture capital and apply that within the Canadian context. The program's foundational skill-building, alongside the networking opportunity, were crucial to the development of meaningful and effective impact venture capital activities and we believe will help to strengthen Canada's social finance market.

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