Looking beyond what is tangible: A project on Non-Financial Support(NFS)

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What is Non-Financial Support (NFS)?

As an international student from Singapore, impact investing was something I've never even heard of. However, as someone who wanted to break out of her comfort zone, I decided to take on this project at Resonance, a top UK Social Impact Management firm, for my Leadership in Action placement.

So... what exactly is non-financial support? Simply put, non-financial support is the additional support given to social enterprises beyond the capital deployed. For example, alongside loans, equity, and grants, investors offer informal advice, governance input, and help with problem-solving. This support can be just as important or even more important than the funding itself. Yet, a measurement far less understood than capital deployed is the value of the non-financial support that frequently accompanies these investments. This gap is what my project set out to explore. **Very fittingly, while exploring the intangible aspects of support, I also discovered intangible lessons on leadership, communication, and relationships.**

A Leadership Journey in Action

Reading hundreds of pages worth of information?

The first stage of my project required me to synthesise all information related to non-financial support. In academia, this is oftentimes referred to as an "Evidence Review" – the review included PhD research, academic articles, and more. When I first started, I struggled with digesting everything I was reading. From making miro boards to online notes, it felt like the data was both never-ending and somehow not applicable to the topic at hand.

These struggles were amplified by my lack of knowledge in social investment, and I had to pick up the jargon on my own. However, I quickly realised that my lack of knowledge was also what gave me a fresh pair of eyes into the world of social investment. Thus, I quickly picked myself back up, and managed to complete the evidence review in less than 3 weeks while communicating my wins and challenges to my team members: Martin Lawson, Tim Thorlby, and Jacob Lee.

Values in action: intellectual rigour, optimism, communication

I became an interviewer?

As I finished my evidence review earlier than expected, I had an additional 5 weeks left at the organisation before the end of my project. Of course, I wanted to add more value to the non-financial support project at Resonance. Thus, I proposed an extended version of the original project, where I interviewed fund managers to complement the data that Tim was currently collecting. Here, I designed my own interview questions and led interviews across Resonance's funds.

This was my very first time building a primary research instrument, and I took full ownership over the extended project. As I previously presented to several Resonance members, I utilised the pre-existing connections which allowed me to interview eight fund managers over four different Resonance funds.

Following the successes in the interviews, I then wrote my own research paper examining how much of Resonance's resources are already going into informal NFS delivery, whether that resource is distributed consistently and equitably across the portfolio, and whether current internal processes are set up to notice the support managers are already providing.

Values in action: initiative, relationship-building

And... we are done!

Finally, at the very end of my project, I wrote personal thank you cards to every single colleague I worked with. The cards were very well received, and Danyal Sattar, the Managing Director at Resonance held a farewell session for me as well.

Here, I learnt the importance of showing gratitude to the people I work with, and keeping in touch even after everything has ended.

Values in action: gratitude

Public speaking still scares me...

Following my evidence review, I asked Martin for an opportunity to present my insights to different audiences within Resonance. The first group was the Impact Labs community, who understood non-financial support. The second group was the Manchester property group community, who primarily worked in Resonance's property funds and basically had no working knowledge of the world of non-financial support.

Evidently, these two presentations had to be presented quite differently. In Manchester, presenting to the wider Resonance team was more difficult than expected. Thus, I had to adjust my language and content on the spot to help it become more relatable rather than academic. I tried my best to adapt, but received feedback that it wasn't relatable enough to the audience. I reflected on the feedback I received, and brainstormed ways in which I could have done better.

While I did not have another opportunity to present again within Resonance, I took the learnings from the two presentations and applied it to another commitment I had over the summer – in leading APAC's largest financial conference.

Values in action: adaptability, honesty

And then... a financial modeller?

Finally, I decided to build a cost and proxy value model which went well beyond my original scope, applying Social Return on Investment (SROI) deflator logic and other frameworks I'd surfaced during the evidence review. Here, as I was unfamiliar with impact measurement, I leveraged on my existing connections in Resonance to reach out to impact-measurement experts at other UK Impact firms to stress-test my assumptions and sound out my worries.

In line with expanding my working knowledge, I travelled to Bristol to work on the financial model with Jacob, a modelling expert working in Resonance, and learnt to translate a qualitative research question into something the internal finance team at Resonance could use.

Overall, this was the area I struggled with the most. With limited evidence on non-financial support, and no point of reference for a financial model for it, I had to consult with experts from multiple areas, and then utilise personal judgement to create my own financial model.

Values in action: confidence, curiosity

So... what does moving beyond the tangible look like for YOU?