

# Towards Inclusive Financing

A Roadmap  
in 10 Steps



social  
enterprise<sup>nl</sup>

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## A Roadmap in 10 Steps

Senna Bouteba and Mark Hillen

September 2024



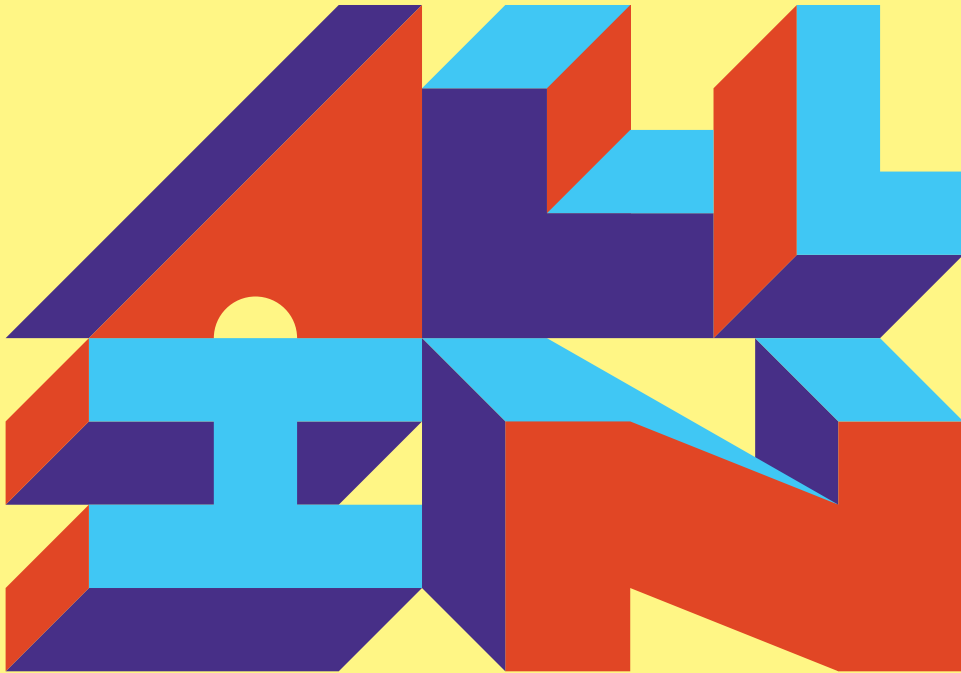
“As an impact investor, I am convinced that social entrepreneurs who have a lived experience of a societal challenge (who have personally encountered the social issue themselves) are more effective in their interventions. These are the words of one of the twelve financiers we interviewed at Social Enterprise NL as part of our All-In program.

We want to make the social entrepreneurship landscape more diverse. Ensuring that all entrepreneurs have an equal opportunity to participate. For this, we started the All-In program to reach and support entrepreneurs with a migration background. To create an inclusive movement. Inclusivity is essential to fully leverage all entrepreneurial talents and achieve maximum societal impact.

Financiers have a significant influence on the composition of the Social Enterprise movement. If we invest in initiators from diverse origins and backgrounds, our movement will become more diverse and effective. No one understands social challenges better than those who have experienced them firsthand. They, in turn, become role models for others and connect their networks.

With the All-In program, we have learned lessons on how financiers can contribute to a more inclusive sector. These lessons are not only applicable to our movement and to social entrepreneurs with a migration background. They can be applied to all forms of financing, from philanthropy to bank financing, across different types of social initiatives, and to a wide variety of forms of diversity.

Inclusivity proves to be a complex topic to discuss and address. With this roadmap, we aim to help, inspire, and provide a foundation for a wide range of financiers to initiate or accelerate internal discussions. In short, offering tools to get started with inclusive financing. The following ten steps follow a logical sequence: from vision to concrete activities. However, they don't need to be taken in this order. Every financier will follow their own path.



### WHAT IS THE ALL-IN PROGRAM?

The All-In program consists of three components that have contributed to the content of this roadmap. At its core is our research report **[‘Iedereen aan de bak’](#)** (Everyone get to work!). For this, we first conducted a literature review and held workshops with more than 20 social entrepreneurs with a migration or refugee background. We then carried out an open call, where we experimented with inclusive recruitment for applications and set up an inclusive application process, including the allocation of financial resources to initiators. The third part of All-In is a dialogue with key financiers to collaborate on more inclusive financing. For this, we conducted 12 conversations with them and organized a working session to deepen the insights. For more information about All-In, **[click here](#)**.

## The Roadmap to Inclusive Financing in 10 Steps

### 1 Develop a Vision on Diversity, Equity, and Inclusion

Diversity, Equity, and Inclusion (DEI) are interconnected. Diversity refers to differences between individuals and is a given. Inclusion is about creating an environment or society in which individuals feel recognized, valued, and involved. Equity means that every person is granted equal rights and opportunities, regardless of their background, characteristics, or identity.

To work purposefully on DEI, it is important to clearly understand why your organization is focusing on this. Make the “why”, the motivation, explicit. From our discussions with financiers, two motivations emerged:

The moral-ethical: People deserve equal and fair opportunities. This is a timely topic. As a society, we are becoming increasingly aware of inequality and how important it is to offer fair and equal opportunities. The counter-movement seen in politics does not play a role in this or, in fact, serves as a motivator.

The strategic: This arises from the organization’s mission and the impact it aims to achieve.

Many financiers recognize that supporting entrepreneurs from diverse profiles contributes to achieving their societal goals. Entrepreneurs with a lived experience are more effective in their interventions. They create role models, expand their networks, and in turn, attract new initiators. Ultimately, this leads to the expansion of the social capital of communities and a broader, lasting societal change.

For many financiers, their spending policies provide good starting points for developing their own vision on DEI.



## 2 Draft a DEI Policy, Have it Approved by the Board, and Evaluate Quarterly

The next step is to translate that vision into concrete policy. What are the objectives, which activities will we undertake in the coming year, who is responsible, and how will we evaluate progress? It doesn't need to be a lengthy policy document, focus on the essentials. Review progress each quarter with management and the board.

This recommendation may seem obvious, but it is often a significant hurdle. How do you level the playing field, and does that (in perception) involve favouring people with certain profiles? What will you 'measure,' and how will you assess the results? Progress is more likely if you engage in discussions and turn abstract ambitions into concrete goals. The chances of making strides towards more DEI are greatest when all levels are aligned, and it does not rely solely on the involvement of individuals within the organization.

### USE YOUR MISSION AS THE STARTING POINT FOR POLICY

Kristel Ashra, Head of Allocations & Programs at Oranje Fonds, says: "We are committed to a society where no one is left behind and everyone can participate. This means that DEI is in the DNA of our organization. However, that doesn't mean we can sit back. In addition to actively promoting DEI through our funding policy, we are also working on formulating a broader vision on DEI. This will impact our HR policies, but also our agenda-setting processes and the way we communicate, for example. The project group focusing on DEI includes a wide representation from across the organization, ensuring that DEI becomes a focus in everything we do."

## 3 Include Inclusion as a Quality Criterion in the Evaluation of Applications

Many financiers give qualified social entrepreneurs with a migration background or other forms of diversity an informal 'advantage.' This helps. Including lived experience or experiential knowledge as a quality criterion for selection helps even more. The background of an initiator brings added expertise and experience. It contributes to creating role models and increasing the social capital within a community. It also helps engage new target groups, generate innovative ideas, and create sustainable solutions for social issues.

Consider also including inclusion as a weighting criterion. Do applicants focus on inclusion, and how has this been reflected in their organization, processes, and activities?



## 4 Build Awareness and Support at All Levels

An essential part of a policy plan is to include activities that increase support across all levels of the organization. Organizing breakthrough experiences is a great way to make progress. For instance, take the challenge of providing funding to a unique entrepreneur who may (not yet) fully meet the organization's criteria. This way, you gain practical experience and allow your organization to learn from it. It helps you understand what is needed and how it contributes.

By communicating about that experience, and even better, by letting people from the target group share their stories, you can raise awareness and build support among employees. Setting up temporary or ongoing programs focused on DEI can further increase awareness and support. The same goes for internal ambassadors. It's important to identify, acknowledge, encourage, and value these ambassadors in their roles.

### Increase Awareness and Support for DEI with a Temporary Program

"We set up a temporary program to raise awareness and build support for diversity and inclusion among entrepreneurs. Thanks to that program, there are still many colleagues in the department who talk about it, and you can see that they pay attention to it when making financing decisions," says Marlou Janssens of Triodos Bank.

**Promote DEI not only in the workplace, but also in your board**

"Inclusion and diversity go beyond policies and the people on the work floor. It is important that the board also reflects society. When recruiting new board members, we look at what they can contribute in terms of diversity, experience, and competencies," says Kristel Ashra, Head of Allocations & Programs at Oranje Fonds.

## 5 Make the Composition of Policy Makers More Diverse

*Walk your talk.* Diversifying supervisory boards, advisory boards and management teams is likely a necessary condition to make significant progress. Not only to gain a better understanding of overcoming barriers, but also to be credible to certain target groups. Work from the top down. Appoint these individuals explicitly for the value of their lived experience and experiential knowledge. Set the expectation that they will translate this into contributions that help advance the organization on the path of DEI. Their knowledge and role as role models are part of their value to the organization. The formulated policy (see point 2) provides tools for this.



## 6 Diversify the Workforce

A diverse workforce brings new perspectives, more creativity, and networks that better align with the market. It lowers the barrier for people to approach a financier. Therefore, make the workforce at all levels of the organization more diverse, paying attention to age, gender, and other forms of diversity. Explicitly state that, as a financier, you value DEI. A common claim is that people can't be found. Internships, for example, can introduce new generations to the work, inspire them, and prepare them for it.

One of the concrete results of our internal program to raise awareness and build support for diversity and inclusion has been that we have focused even more on enhancing our own diversity within Triodos," says Marlou Janssens of Triodos Bank. "This resulted in a partnership with Refugee Talent Hub. Through them, we were able to fill an open vacancy immediately."



## 7 Make Your Communications Appealing to Everyone

*Birds of a feather flock together.* A visitor to your website will (unconsciously) check whether they feel welcome. Does the visitor see themselves reflected? That's how the brain works. Images form the first and most decisive impression. Non-inclusive communication creates barriers, and that's not necessary. This may be the easiest step to take. Make the language and visual communication as inclusive as possible. This way, potential applicants can see themselves in the organization and feel more invited to reach out.

### Use Visuals Where Diverse Social Entrepreneurs Can See Themselves Reflected

The Anton Jurgens Fund shares: “In the most recent edition of the Ignite Award, several participants from diverse backgrounds applied. We suspect this is related to our visual communication, where by chance several winners with non-Dutch backgrounds were featured. This prompted a discussion about the use of language and images in our communication. It's important to be aware of that.”

## 8 Actively Seek the Right Networks and Channels

Potential beneficiaries with a migration background or other target groups are often in different ‘bubbles’ on social media, such as LinkedIn. They are part of other formal and informal networks, may attend different events, and follow different opinion leaders. To reach them, you need to seek out these worlds and proactively engage with them. Setting up specific programs and initiatives with communication targeted at a particular audience can be crucial to building bridges.

This may seem easier than it is in practice, partly because it requires significant manpower. Financiers who actively promote DEI see solutions in partnering with strategic collaborators—partners who are knowledgeable and already have access to these bubbles and networks.

### PARTICIPATORY GRANTMAKING

Financiers indicate that various interventions can contribute to increasing DEI. Consider the financing tool of participatory grantmaking. This is an approach where the beneficiary community or organizations themselves participate in decision-making about the allocation and awarding of financial contributions. By transferring the funding process to the community or network, different initiatives and initiators are reached. Special awards tailored to the target group help enhance DEI. By focusing an award on a specific target group and familiarizing them with the fund, you build a new network that can be maintained. Lastly, this can also be achieved by involving previous beneficiaries who have received funding. Through their channels and word-of-mouth, they reach different networks and, thus, different entrepreneurs than those financiers would typically reach.





## 9 Make Application Processes More Accessible

Many target groups struggle with the form-based processes used by financiers. Even when these forms seem relatively simple to highly educated staff and a certain level of support is available, they can still pose challenges. This also applies to people with a migration background, as shown in our research ‘Iedereen aan de bak’ (everyone get to work!). Naturally, this also holds true for people with dyslexia, those with lower levels of education, and young people who are more accustomed to videos and other social media modalities. Many financiers may not fully recognize this barrier. However, the first contact is crucial. Can someone, for instance, initiate it via a short video or through WhatsApp? Experiment and explore new methods. After that, providing guidance and direct support in drafting and refining applications becomes important. This requires flexibility and customization from the financier. While that flexibility may not always be available, there is an opportunity to collaborate with partners who can provide this support.

“At the startup initiative Ignite Award, we deviate from our standard application procedures and communicate more externally,” explains the Anton Jurgens Fund. This fund discovered that, through this channel, social entrepreneurs with a migration or refugee background also found their way to them. Through the intensive support program, these budding social entrepreneurs gain the skills needed to develop a solid business plan.



## 10 Explicitly Involve Your Target Groups in All Processes

The disability rights movement first coined the slogan: *“Nothing about us, without us.”* This applies equally to people from other backgrounds. Initiators with lived experience not only know what is unjust but are also best equipped to challenge and redefine it. So, last but certainly not least: it is highly effective to involve a representation of your target groups in developing programs, communication, the application process, and decision-making. This can be done through panels, external committees, and advisory groups. Actively seek their input in shaping processes, as well as for accessing their networks and receiving advice on recruitment channels. In the All-In program, Social Enterprise NL used a co-creation group to develop the open call from start to finish. Work with them, rather than for them, to maximize impact.



### TARGET GROUP PANEL

Through panels, you can involve specific target groups in your program. Which target groups are affected by the issue for which the funding program has been established? This is what you consider when assembling a target group panel. Then, you involve the panel in the design of your program. This way, you reach applicants who have a direct link to the target group and/or represent them in decision-making. This approach allows you to get to know new groups and shows you which channels can be used to reach them. This helps build new relationships. A panel can also serve as a stepping stone towards hiring people directly.



With this step-by-step plan, as a financier, you can work towards bringing an inclusive society with equal opportunities for everyone closer. Our roadmap contributes to greater social impact. By investing in initiators who understand and experience the obstacles faced by their target group, you align better with what is needed and reach people more effectively. In this way, as a financier, you can create greater impact. Will you also join the journey toward greater inclusivity?



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September 2024