



Course and Examination Fact Sheet: Autumn Semester 2022

7,170: Impact Investing

ECTS credits: 2

Overview examination/s

(binding regulations see below)

Decentral - Written examination (with defined exam duration) (100%, 90 mins.)

Examination time: term time

Attached courses

Timetable -- Language -- Lecturer

[7,170,1.00 Impact Investing](#) -- Englisch -- [Kölbel Julian F.](#)

Course information

Course prerequisites

Basic knowledge in statistics is recommended (standard errors and regression)

Learning objectives

Finance can play a multi-faceted role in realizing the sustainable development goals. This course is about understanding the mechanisms through which this may work and investigating whether they work. Students will learn about the variety of financial mechanisms and instruments that potentially allow investors to drive change. The course will emphasize the question of impact evaluation and equip students with strategies and tools to study impact (which can support a master thesis in this field). After taking this course, students will know key product types, analytical concepts, and some institutional background in the domain of impact investing. They will be able to critique and evaluate impact claims and have a toolbox to think through and assess the impacts of various investment approaches.

Course content

Course Content:

- What is impact?
 - Causality and why we need it
 - The different forms of impact investing
 - Investor preferences for impact
- Microfinance & Randomly Controlled Experiments
 - Financial inclusion
 - Randomly controlled trials
 - The value chain of microfinance institutions
- Shareholder Engagement & Matching Approaches
 - Legal basis and examples
 - The matching approach
 - Pitfalls and limitations
- Impact investing in private markets
 - The additionality of capital
 - Analyzing financial and impact characteristics in PE
- Special Instruments
 - Sustainability-linked credit
 - Litigation finance



- Blended finance
- Course Reflections
 - Effective altruism
 - Donations vs. investments
 - Private vs. public money

Course structure and indications of the learning and teaching design

The course consists of contact lectures, reading assignments, and class discussions.

Course literature

This list indicates background readings. Some may be chosen as assignment.

Angrist J, Pischke JS. 2014. *Mastering 'Metrics*. Princeton University Press. Available at: <https://press.princeton.edu/books/paperback/9780691152844/mastering-metrics>.

Banerjee A, Duflo E, Glennerster R, Kinnan C. 2015. The Miracle of Microfinance? Evidence from a Randomized Evaluation. *American Economic Journal: Applied Economics* 7(1): 22-53.

Barko T, Cremers M, Renneboog L. 2021. Shareholder Engagement on Environmental, Social, and Governance Performance. *Journal of Business Ethics* (forthcoming). Available at: <https://link.springer.com/10.1007/s10551-021-04850-z>.

Green D, Roth B. 2020. The Allocation of Socially Responsible Capital. *SSRN Electronic Journal*. Available at: <https://www.ssrn.com/abstract=3737772>.

Heeb F, Kölbel, Julian F. 2020. *The Investor's Guide to Impact*: 21. Available at: <https://www.csp.uzh.ch/en/research/Academic-Research/Investor-Impact.html>.

Kölbel JF, Heeb F, Paetzold F, Busch T. 2020. Can Sustainable Investing Save the World? Reviewing the Mechanisms of Investor Impact. *Organization & Environment* 33(4): 554-574.

Kölbel JF, Lambillon A-P. 2022. Who pays for sustainability? An analysis of sustainability-linked bonds. *Working Paper*. Available at: https://papers.ssrn.com/sol3/papers.cfm?abstract_id=4007629.

Additional course information

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Examination information

Examination sub part/s

1. Examination sub part (1/1)

Examination time and form

Decentral - Written examination (with defined exam duration) (100%, 90 mins.)

Examination time: term time

Remark

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Examination-aid rule

Electronic aids BYOD at HSG - Extended closed book

The use of aids is limited. Any additional aids permitted must be listed exhaustively in the section "Supplementary aids". The following generally applies:



- For this examination, all pocket calculators of the Texas Instruments TI-30 series and mono- or bilingual dictionaries (no subject-specific dictionaries) without marginal notes are admissible. All other pocket calculator models as well as electronic dictionaries are inadmissible.
- In addition, any type of communication is inadmissible, as are all electronic devices that can be programmed and enable communication, such as additional notebooks, tablets, mobile phones and other devices, which have not been explicitly permitted by the faculty member in charge.

The procurement of the electronic aids as well as ensuring their functionality and fulfillment of the technical requirements is the responsibility of the students.

The examination must be carried out on university equipment and using the programs defined in advance by the faculty member in charge. Mastery of the operation of the programs is part of the examination.

Supplementary aids

No further aids are needed.

Examination languages

Question language: English

Answer language: English

Examination content

The exam covers the content of the lecture material, which includes the slides and assigned readings.

Examination relevant literature

Only the literature that will be explicitly assigned as reading during the course is examinable content.

Please note

Please note that only this fact sheet and the examination schedule published at the time of bidding are binding and takes precedence over other information, such as information on StudyNet (Canvas), on lecturers' websites and information in lectures etc.

Any references and links to third-party content within the fact sheet are only of a supplementary, informative nature and lie outside the area of responsibility of the University of St.Gallen.

Documents and materials are only relevant for central examinations if they are available by the end of the lecture period (CW51) at the latest. In the case of centrally organised mid-term examinations, the documents and materials up to CW 42 are relevant for testing.

Binding nature of the fact sheets:

- Course information as well as examination date (organised centrally/decentrally) and form of examination: from bidding start in CW 34 (Thursday, 25 August 2022);
- Examination information (regulations on aids, examination contents, examination literature) for decentralised examinations: in CW 42 (Monday, 17 October 2022);
- Examination information (regulations on aids, examination contents, examination literature) for centrally organised mid-term examinations: in CW 42 (Monday, 17 October 2022);
- Examination information (regulations on aids, examination contents, examination literature) for centrally organised examinations: two weeks before the end of the registration period in CW 45 (Monday, 7 November 2022).