

# 2020 Landscape Analysis

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Identifying Evidence-based  
Strategies to Increase Diversity  
Among Funded Health Tech  
Founders

HEALTH  
TECH  
DEI

# Note from the Authors

*Why is this work from 2020 still relevant in 2022 and beyond?*

At [HealthTech DEI](#), we bring DEI to investment strategy through lived experience. Our diverse team, robust network, and collective expertise delivers more inclusive investment strategies and solutions that optimize financial performance and capitalize on the wealth in diversity.

In 2020, at the time we authored this landscape analysis, there was increased scrutiny and attention within venture capital (VC) on the drastically unequal distribution of capital in terms of the founders that are venture capital-backed. Within healthcare specifically, the lack of diversity among funded health tech founders was particularly noticeable. We wanted to understand not only the issues at hand, but also what strategies had been or were currently being implemented to remedy these issues. Which approaches resulted in VC-funded Black, Latinx and female HealthTech founders? Fast forward from 2020 to 2022. Relative capital allocation remains essentially unchanged even as total VC funding in the US soared: [\\$164 billion in 2020](#) and [\\$329.9 billion in 2021](#) (total venture capital invested in the United States according to the National Venture Capital Association’s (NVCA) [2021 Yearbook](#) and [2022 Yearbook](#)). Of these totals:

**Black founders raised:**

- 1% of VC of funding [in 2019](#)
- .06% of VC funding [in 2020](#)
- 1.3% of VC funding [in 2021](#)

**Latinx founders raised:**

- 1.4% of VC funding [in 2019](#)
- 1.7% of VC funding [in 2020](#)
- 2.1% of VC funding [in 2021](#)

**Female founders raised:**

- 2.8% of VC funding [in 2019](#)
- 2.3% of VC funding [in 2020](#)
- 2% of VC funding [in 2021](#), a 5 year low

This landscape analysis presents an overview of existing interventions from around the world intended to address the lack of diversity among funded health tech founders by looking at both healthcare and analogous industries. For the purpose of this landscape analysis, diversity, equity & inclusion (DEI) is focused on Black, Latinx and female founders.

At HealthTech DEI, our goal is to help accelerate the shift toward more equitable investing practices. We encourage you to reflect on your role or your organizations role in this regard as you read our work.

-Kathryne & Juan  
Founders, HealthTech DEI  
June 7, 2022

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# Landscape Analysis

Part 1. Understanding the problem

# Landscape Analysis of Diversity, Equity & Inclusion Efforts in Venture Capital and Health-Tech Startups

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*“Entrepreneurship is about solving big problems, but too often, the venture community is only funding problems that half of the world deems important.”*

*- Monique Woodard, VC*

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## Introduction

In July 2020, The California Health Care Foundation (CHCF) Innovation Fund engaged The West Coast Consortium for Technology & Innovation in Pediatrics (CTIP) and the Children’s Hospital Los Angeles (CHLA) Innovation Studio in a project to identify evidence-based strategies to increase diversity Among funded health tech founders, with the ultimate goal of creating a set of recommendations to support the CHCF Innovation Fund investing in more Black, Latinx, and female founders. This landscape analysis presents an overview of existing interventions from around the world intended to address the lack of diversity among funded health tech founders by looking at both healthcare and analogous industries. For the purpose of this landscape analysis, diversity, equity & inclusion (DEI) is focused on Black, Latinx and female founders.

## Background

In 2019 the venture capital (VC) industry invested \$136.5 billion in US-based companies,<sup>1</sup> creating countless opportunities for new products and services which aim to improve the lives of our population. However, the gender and racial identity of both those investing and the founders receiving this \$136.5 billion do not reflect the make-up of the U.S. population. This results in businesses which are best designed to serve a select group and further accumulation of wealth within that group; 83% of VC dollars went to all-male founded businesses.<sup>2</sup> Other statistics are equally sobering:

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<sup>1</sup> <https://pitchbook.com/news/reports/q4-2019-pitchbook-nvca-venture-monitor>

<sup>2</sup> <https://news.crunchbase.com/news/q1-2019-diversity-report-female-founders-own-17-percent-of-venture-dollars/>

- 2.8% of VC funding in 2019 went to female founders<sup>3</sup>
- 1% of VC-backed founders are Black<sup>4</sup>
- 0.04% of VC funding has gone to Latinas<sup>5</sup>
- 0.0006% of all funding since 2009 has been invested in Black female founders<sup>6</sup>

Perhaps this is less surprising when we learn that VCs making the investments reflect those imbalances:

- 93% of VC firms have no Black investment partners<sup>7</sup>
- <10% percent of decision-makers at VC firms in the U.S. are women<sup>8</sup>
- <1% of senior VCs involved in investment decisions are Black—four of 552 people<sup>9</sup>
- 1.3% of senior VCs are Latinx<sup>10</sup>

Beyond the lack of funding is an underlying concern: the unfair analysis and treatment of women and people of color (POC) in the funding process. For example, Black entrepreneurs “need” disproportionately more education to get funded,<sup>11</sup> and Allyson Kapin, founder of Women Who Tech, shares: “77% of women who report harassment said they experienced sexual harassment as founders and 65% of those sexually harassed reported being propositioned for sex in exchange for funding.” The investment world is not only not recognizing women and POC’s value as business leaders, but it can also be damaging and abusive of the power-hierarchy that exists between investors and underrepresented founders.

The immense lack of investment in women or POC-owned business is not for lack of opportunities to invest. According to Amex’s State of Women-Owned Business Report, Black women represent 42% of the net new women-owned businesses started in the last year, three times their share of the female population (14%) and overall, 42% of businesses are owned by women.<sup>12</sup> Women of Color (WOC), specifically, are the fastest growing segment of

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<sup>3</sup> <https://pitchbook.com/news/reports/q4-2019-pitchbook-nvca-venture-monitor>

<sup>4</sup> <https://peopleofcolorintech.com/articles/14-black-and-latinx-emerging-fund-managers-to-know-fund/>

<sup>5</sup> <https://fortune.com/2018/10/26/latinx-female-founders-women-venture-capital-funding/>

<sup>6</sup> <https://www.kauffman.org/currents/barriers-to-funding-equality-persist-for-black-women/>

<sup>7</sup> <https://deloitte.wsj.com/cfo/2020/01/08/vc-firms-make-limited-diversity-and-inclusion-gains/>

<sup>8</sup> <https://techcrunch.com/2019/06/17/the-future-of-diversity-and-inclusion-in-tech/>

<sup>9</sup> <https://www.theinformation.com/articles/introducing-the-informations-future-list>

<sup>10</sup> <https://www.theinformation.com/articles/introducing-the-informations-future-list>

<sup>11</sup> <http://www.projectdiane.com/>

<sup>12</sup> [https://s1.q4cdn.com/692158879/files/doc\\_library/file/2019-state-of-women-owned-businesses-report.pdf](https://s1.q4cdn.com/692158879/files/doc_library/file/2019-state-of-women-owned-businesses-report.pdf)

entrepreneurs, growing 114% in the past ten years and “[companies] owned by women of color grew at more than four times that rate.” The data also shows that these businesses perform better than their white-male managed counterparts. Ultimately, “billions of dollars in market capitalization are being left on the table by the venture capital community.”<sup>13</sup>

According to research from First Round Capital,<sup>14</sup> companies with a female founder performed 63% better than their investments with all-male founding teams. Other have shown that when it comes to racial diversity, there is a linear relationship between diversity and better financial performance. For every 10% increase in racial and ethnic diversity on the senior-executive team, earnings before interest and taxes rise 0.8%.<sup>15</sup> On a macro-scale, the research shows that the U.S. is forgoing an estimated 1.1 million businesses owned by POC and these missing businesses could produce an estimated 9 million more jobs and boost national income by \$300 billion.<sup>16</sup> These outsized returns are true for fund managers too - when diverse fund managers have access to capital, they tend to outperform white male peers.<sup>17</sup>

Despite women making 90% of healthcare purchase decisions<sup>18</sup> in their home - colloquially referred to as the family’s Chief Medical Officer - these broad trends are mirrored in health-tech. Only 9.7% of investment dollars go to healthtech startups led by women,<sup>19</sup> not a single woman serves as CEO of a Fortune 500 healthcare company and a staggering 17% of all women-led startups are in healthcare.<sup>20</sup> On the VC-side in health-tech, the majority (61%) of VC firms investing in health-tech have no female partners.<sup>21</sup> When we look at the service users of medicaid<sup>22</sup> services more granularly this disparity in founder-identity is all the more concerning. 80% of the Medi-Cal enrolled population do not identify as white<sup>23</sup> and by 2050 POC<sup>24</sup> will make up the majority of the U.S. population. To best solve the needs of their users,

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<sup>13</sup> <https://peopleofcolorintech.com/articles/14-black-and-latinx-emerging-fund-managers-to-know-fund/>

<sup>14</sup> <http://10years.firstround.com/>

<sup>15</sup> <https://www.mckinsey.com/~media/McKinsey/Business%20Functions/Organization/Our%20Insights/Why%20diversity%20matters/Why%20diversity%20matters.pdf>

<sup>16</sup> <http://globalpolicysolutions.org/wp-content/uploads/2016/04/Color-of-Entrepreneurship-report-final.pdf>

<sup>17</sup> <https://peopleofcolorintech.com/articles/14-black-and-latinx-emerging-fund-managers-to-know-fund/>

<sup>18</sup> [https://www.researchgate.net/publication/268796055\\_Women\\_as\\_Health\\_Care\\_Decision-Makers\\_Implications\\_for\\_Health\\_Care\\_Coverage\\_in\\_the\\_United\\_States](https://www.researchgate.net/publication/268796055_Women_as_Health_Care_Decision-Makers_Implications_for_Health_Care_Coverage_in_the_United_States)

<sup>19</sup> <https://rockhealth.com/reports/women-in-healthcare-2017-how-does-our-industry-stack-up/>

<sup>20</sup> <http://globalpolicysolutions.org/wp-content/uploads/2016/04/Color-of-Entrepreneurship-report-final.pdf>

<sup>21</sup> <https://rockhealth.com/reports/women-in-healthcare-2017-how-does-our-industry-stack-up/>

<sup>22</sup> <https://rockhealth.com/reports/women-in-healthcare-2017-how-does-our-industry-stack-up/>

<sup>23</sup> <https://www.chcf.org/wp-content/uploads/2013/05/MediCalFactsFigures2017.pdf>

<sup>24</sup> <https://www.kff.org/disparities-policy/issue-brief/disparities-in-health-and-health-care-five-key-questions-and-answers/>

founders should reflect the racial and gender identity of the population they serve in order to have a deep understanding of needs.

## Why the Problem Exists

Built on centuries of widespread systematic oppression, a multitude of confounding factors result, today, in the disparities we see. At their core, these disparities exist because of structural and system racism that has manifested itself as both lack of personal capital and lack of access to capital due to various biases.

The median white family in the U.S. has 41 times the amount of wealth than the median Black family and 22 times more wealth than the median Latinx family.<sup>25</sup> It is documented that entrepreneurs typically access \$30,000 in a friends and family round in the initial stages of building a company which - based on U.S. wealth inequalities makes it harder for founders of color at the outset. Should an individual wish to seek outside funding, in lieu of a friends and family round, additional barriers present themselves.

VCs rely on ‘warm introductions’ to make the majority of deals with some VC firms even outrightly stating that they do not accept cold-calls. Industry-wide, startups that land in VCs’ laps via so-called ‘warm introductions’ are 13 times more likely to be funded by them than startups which come to their attention via ‘cold’ pitch deck submissions<sup>26</sup>. Given the closed-door, tight circles that VCs typically run in, it's no surprise that warm introductions are antithetical to diversity and that the vast majority of venture-backed teams are demographically homogeneous.<sup>27</sup>

*“VCs and founders tend to back/hire people who are in their existing network who most likely share the same views as them, went to the same school as them, and shared similar life experiences as them.” - Kyle Lui, DCM Ventures<sup>28</sup>*

Based on an analysis of 4750 VC-backed startups, the typical founding team is a two person, “all male,” “all white,” U.S. university-educated team residing in Silicon Valley. This creates an additional problem which perpetuates homogeneity known as ‘pattern-matching’: the act of

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<sup>25</sup> <https://www.nytimes.com/2019/04/23/opinion/closing-the-racial-wealth-gap.html>

<sup>26</sup> [https://www.british-business-bank.co.uk/wp-content/uploads/2019/01/UK\\_VC\\_and\\_Female\\_Founders\\_Report\\_British\\_Business\\_Bank.pdf](https://www.british-business-bank.co.uk/wp-content/uploads/2019/01/UK_VC_and_Female_Founders_Report_British_Business_Bank.pdf)

<sup>27</sup> <https://blog.usejournal.com/ban-warm-introductions-1e69169d57ba>

<sup>28</sup> <https://techcrunch.com/2019/02/12/investors-are-still-failing-to-back-founders-from-diverse-backgrounds/>



using the demographic traits of previous successful founders to try and predict which new companies will perform best. It is important to note that any data that confirms this is already a result of an inequitable system. If only white, male, Northern Californians are invested in then yes, only white, male, Northern Californian businesses will be successful. Especially if these types of teams are the founders that other VCs are also more likely to invest in, it becomes a self-fulfilling prophecy compounded by bias.

Behavioral economists recognize the power of in-group bias; the perception of those with similar traits to oneself as superior to others. This might explain why VCs are largely from the same gender, educational, ethnic, and location background as the founders they choose to invest in. However, when discussing the exclusion of traditionally oppressed groups, this explanation is not enough to explain the vast inequities. Socially-constructed archetypes of women and Black people perpetuated by popular culture and media create a negative frame of analysis and interpretation - often even unknown to the perpetrator. Ibram X. Kendi, PhD, renowned author and scholar of race and discriminatory policy, explains this phenomenon: “We [are] drenched in racist ideas and the racist ideas prevent [us] from knowing [we] are drenched, prevent [us] from knowing racist power is raining racist ideas on [our] heads” and thus we make decisions and analyses based on the framework of these racist ideas. Kendi also points out that Black people and minorities are not necessarily immune to adopting these racist ideas. This notion of shifting from the fatally flawed concept of ‘color-blindness’ and goal of being “not *actively* racist” towards the work of being *anti-racist* - un-packing and dismantling the racist ideas that exist in us when we exist in a racist society - is taking hold and finally gaining traction.

## **Impetus to Change**

Set against the backdrop of protests in response to police brutality, systemic inequalities, and institutional racism, 2020 has reinvigorated public attention on these issues and shone a new spotlight on the systemic and structural forces that have enabled and perpetuated inequality for centuries. The spotlight has been seen from across the world and millions of people from London, Seoul, Monrovia, and Rio de Janeiro to Syria have taken to the streets to demand justice and changes to policies which form the structures enabling racism. In response to this global movement, industries, organizations, departments, and teams have been given the directive to reflect on how policies, processes, and inherent biases contribute-to and are reflective-of inequity and racism. The investment world - plagued with significant gender and racial inequalities from investors to entrepreneurs - is one of those industries.

*“I would characterize where we are now as a leap forward over the last 10 years and several steps sideways and a few steps backward”- Freada Kapor Klein, Co-Founder at Kapor Capital and the Kapor Center for Social Impact<sup>29</sup>*

*“Venture capital needs to move past ‘diversity theater’” - Elliot Robinson, General Partner at Bessemer Venture Partners<sup>30</sup>*

Frustratingly for many - as welcomed and necessary as these conversations are - this isn't the first time the investment world has been called out on its perpetuation-of race and gender based wealth and opportunity inequities. In-fact, in 2015 President Obama hosted the inaugural White House Demo Day at-which over 40 venture capital firms with more than \$100 billion under management<sup>31</sup> committed to invest in underrepresented minorities.

A core challenge of these repeated efforts is that many investors and founders believe that because the topic has arisen in the past, it was remedied and thus, is no longer worthy of attention. The data proves that this is not the case: between 2007-2017 in the United Kingdom, for example, the number of deals in mixed gender teams increased by only 5% and for all-female teams by only 2%. “At this rate even reaching 10% of all deals [for all-female teams] would take until 2045.”<sup>32</sup> One positive of this is that it allows us to look at the promises made, programs implemented, and processes changed in the past to evaluate where, how, and why the VC world has fallen short and not delivered, as well as the few successes along the way.

 **Arlan**  @ArlanWasHere · Jun 3  
I'd like to announce that I'm starting a \$13 fund for straight white men. I will be giving 26 straight white men 50cents, along with exposure, experience, and mentorship of my choosing. Because of this, I am being awarded \$1billion worth of free marketing & leads. You're welcome.



252 1.1K 6.7K

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*Arlan Hamilton, Founder + Managing Partner,  
Backstage Capital*

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*“We’re past the window dressing stage and now it’s time to talk about accountability, consequences, promotions, and retention” - Karla Monterroso, CEO at Code2040<sup>33</sup>*

<sup>29</sup> <https://techcrunch.com/2019/06/17/the-future-of-diversity-and-inclusion-in-tech/>

<sup>30</sup> <https://www.washingtonpost.com/technology/2020/06/10/racial-gap-vc-firms/>

<sup>31</sup> <https://nvca.org/wp-content/uploads/2016/07/Final-NVCA-Diversity-Report.pdf>

<sup>32</sup> [https://www.british-business-bank.co.uk/wp-content/uploads/2019/01/UK\\_VC\\_and\\_Female\\_Founders\\_Report\\_British\\_Business\\_Bank.pdf?utm\\_source=siFTed&utm\\_campaign=a06052361c-EMAIL\\_CAMPAIGN\\_2019\\_02\\_04\\_04\\_40&utm\\_medium=email&utm\\_term=0\\_3d44334990-a06052361c-64023601](https://www.british-business-bank.co.uk/wp-content/uploads/2019/01/UK_VC_and_Female_Founders_Report_British_Business_Bank.pdf?utm_source=siFTed&utm_campaign=a06052361c-EMAIL_CAMPAIGN_2019_02_04_04_40&utm_medium=email&utm_term=0_3d44334990-a06052361c-64023601)

<sup>33</sup> <https://techcrunch.com/2019/06/17/the-future-of-diversity-and-inclusion-in-tech/>

# Landscape Analysis

Part 2. Existing interventions & solutions

# Existing Interventions and Solutions

Interventions to improve diversity in funded startups can be split between those that focus on the gender and racial make-up of VC firms (Investor-focused) and those that focused on supporting underrepresented founders (Entrepreneur-focused).

## Investor-Focused

Mitch and Freada Kapor of Kapor Capital and the Kapor Center for Social Impact suggest that “the most effective method to build a diverse portfolio is to make it a priority to increase the diversity of your own firm,”<sup>34</sup> however, despite the hype and promises VC firms have made to diversify their investments, “just less than one-third of VC firms have a diversity strategy (32%) or an inclusion strategy (31%) in place.”<sup>35</sup> To improve diversity within VC firms, the following strategies have been adopted:

### Benchmarking and Effectiveness Data

Nothing that isn’t measured can be changed. PledgeLA, a nonprofit accelerating access and social mobility for all Angelenos in Los Angeles' tech and VC sector, invites its members to take a necessarily robust approach to measuring diversity metrics and has created tools which enable VC firms to view their benchmarks, set goals and implement strategies to address strengths and weaknesses, annually.<sup>36</sup> Project Include, a community for building meaningful, enduring diversity and inclusion into tech companies led by CEO Ellen Pao, advises firms to set 10-10-5-45 targets.<sup>37</sup> The first two are to aim for 10% Black and 10% Latinx employees. From there, those targets should increase to 13 percent and 17 percent. They also provide additional guidance on this and share these specific metrics orgs should track:

- Employees overall, by function, seniority, and tenure, cut by demographics
- Employee status (full-time / part-time / contractor), cut by demographics
- Management and leadership, cut by demographics
  - Employees reporting to female managers

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<sup>34</sup> <https://medium.com/kapor-the-bridge/dear-investors-so-you-want-to-take-diversity-seriously-part-1-777972b5450c>

<sup>35</sup> <https://deloitte.wsj.com/cfo/2020/01/08/vc-firms-make-limited-diversity-and-inclusion-gains/>

<sup>36</sup> <https://pledgela.org/accountability/>

<sup>37</sup> <https://medium.com/projectinclude/https-medium-com-projectinclude-targets-as-roadmap-to-diversity-and-inclusion-347e8e0b791b>

- Employees reporting to managers from underrepresented groups
- Salary, cut by demographics
  - Raises and bonuses, cut by demographics
- Equity, for all-time and 12 months trailing, cut by demographics
  - Employee equity pool, for all-time and 12 months trailing, cut by gender and race
  - Investor equity pool, cut by gender and race
  - Vesting rates, cut by gender and race
- Board of Directors, cut by demographics
- Candidate pools and hiring funnels, by role, cut by demographics
- Voluntary and involuntary attrition rates, cut by demographics
- Promotion rates, cut by demographics
- Complaints (formal and informal), cut by demographics
  - Complaint resolution status

With the following inclusive demographic breakdowns:

- Race/ethnicity, with affordance for multiracial identity
  - African-American/Black
  - East Asian (including Chinese, Japanese, Korean, Mongolian, Tibetan, and Taiwanese)
  - Hispanic/Latinx
  - Middle Eastern
  - Native American/Alaskan Native/First Nations
  - Pacific Islander
  - South Asian (including Bangladeshi, Bhutanese, Indian, Nepali, Pakistani, and Sri Lankan)
  - Southeast Asian (including Burmese, Cambodian, Filipino, Hmong, Indonesian, Laotian, Malaysian, Mien, Singaporean, Thai, and Vietnamese)
  - White
  - Prefer not to answer
- Gender
- Sexual orientation
- Family status
  - Children in the home part-time or full-time
  - Responsibility for the care of other people
- Immigration status
- Veteran status

- English proficiency
  - Languages spoken
- Age and tenure at organization
- Educational attainment
  - Highest degree
  - Highest degree of parents
- College attended: public/private/any

## Training Fellowships

Various VC firms and nonprofits such as HBCUvc, Susa Ventures, and Oper8r invest in capacity building for underrepresented groups interested in working in VC through paid training fellowships. Susa Ventures, for example, runs a “six month training program for aspiring venture investors to build a clear and transparent pathway into the VC industry for aspiring investors. Our goal is to make this program representative of the diverse consumers VC-backed companies serve.”<sup>38</sup> Similarly, HBCUvc runs various paid internships and fellowships.<sup>39</sup> In addition to training fellowships, Oper8r developed a self-assessment tool for emerging VCs to “evaluate your fund from an institutional LP’s point of view.”<sup>40</sup>

## Scout Programs

Scout programs offer the opportunity to individuals to gain a track record as early-stage investors by independently sourcing startups for VC firms. Firms that have launched scout programs include Lightspeed Venture Partners, Indie VC. Indie VC launched in November 2019 with a pilot group of 200 and are now planning on expanding the program slowly through 2020 and into 2021.<sup>41</sup> They have also recently launched Cub Scouts<sup>42</sup> with a different payment model where Cubs receive 20% profit for pre-revenue businesses. Lightspeed supports Scouts with capital, programming, and community.<sup>43</sup>

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<sup>38</sup> <https://medium.com/@SusaVentures/announcing-the-venture-fellows-program-ec77c1050469>

<sup>39</sup> <https://www.hbcu.vc/programs>

<sup>40</sup> <https://www.oper8r.io/assess>

<sup>41</sup> <https://www.indie.vc/scouts>

<sup>42</sup> <https://www.indie.vc/notes/indievc-cub-scouts>

<sup>43</sup> <https://lsvp.com/services/scouts/>

## Rooney Rule

Originating from the NFL in 2003 the Rooney Rule “requires that all NFL clubs interview at least one person of color when seeking to fill a head coach opening”<sup>44</sup> and has since been expanded to general manager jobs. Applied to venture capital, this intervention requires firms to interview an internally specified number of underrepresented candidates for all positions. Firms such as Greenspring Associates and Scale Venture Partners committed, in 2015, “to adopt the Rooney/Murray Rule for the interview processes for senior- and intern-level positions, ensuring the consideration of a diverse slate of candidates.”<sup>45</sup>

## Committing Capital to Diverse General Partners

The data suggests that diverse general partners (GPs) are more likely to invest in diverse founders<sup>46</sup> (due to reduced bias and greater understanding of the challenge the business overcomes). To leverage this insight to indirectly broaden diversity of funded-teams, Corigin Ventures has committed \$2.5 million to diverse GPs.<sup>47</sup>

## Limited Partner-Driven Directives

Limited partners (LPs) should consider the diversity of fund managers themselves and place an emphasis on investing in firms managed by diverse fund managers (GPs) -- if not only to foster diversity, but also because it makes financial sense. "Diverse-owned private equity firms continue to outperform their benchmarks, according to Examining the Returns 2019: The Financial Returns of Diverse Private Equity Firms, a study released today by the National Association of Investment Companies (NAIC). Despite delivering consistent returns, diverse-and women-owned firms collectively manage only 1.3 percent of the investment industry’s \$69 trillion in assets under management."<sup>48</sup> Firms like VC Include, who “convene[s] conscious institutional investors that are core to the VC ecosystem, with a focus on inclusion across gender,

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<sup>44</sup> <https://www.si.com/nfl/2017/04/14/ap-fbn-rooney-rule>

<sup>45</sup> <https://obamawhitehouse.archives.gov/the-press-office/2015/08/04/fact-sheet-president-obama-announces-new-commitments-investors-companies>

<sup>46</sup> <https://medium.com/corigin-ventures/corigin-ventures-commits-2-5-million-to-diverse-gps-6ea91ace923b>

<sup>47</sup> <https://medium.com/corigin-ventures/corigin-ventures-commits-2-5-million-to-diverse-gps-6ea91ace923b>

<sup>48</sup> <https://naicpe.com/naic-performance-study-shows-diverse-asset-managers-continue-to-beat-benchmarks/>

ethnicity, sexual identity and race,”<sup>49</sup> and GCM Grosvenor connect diverse institutional investors with diverse fund managers.<sup>50</sup>

## **Inclusion Initiatives**

In 2015, Natixis Investment Managers established a Diversity & Inclusion Advisory Council,<sup>51</sup> and employees are encouraged to initiate new groups of interest. E.G.:

- Multicultural and Diversity Engagement Group (MADE)
- Adults Building Leadership Experience (ABLE)
- Women’s Leadership Initiative (WLI)
- Latino and Friends (LaF)
- Women in Natixis Network (WINN), a global network that supports career success and the personal growth of women at Natixis

## **Unconscious Bias Training**

Unconscious bias training alone is not an effective solution. According to Kapor Klein, “there is increasing serious research pointing out that unconscious bias training, especially as a one-off, is not only ineffective, it can be counterproductive.

[Individuals] might think ‘Ok, I checked that box. I went to one hour of unconscious bias training so that must undo the 29 years I’ve lived on this planet getting biased input every day.’”<sup>52</sup> Instead, anti-racism work, which is a lifelong pursuit of undoing the mental models ingrained in us though living in a racist society, can be adopted. Anti-racism training is gaining traction in the wake of recent events and demonstrations against police brutality, systemic inequalities, an institutional racism. The Female Founders Fund has published an extensive resource guide “for the Tech and VS Community” which acknowledges, in the words of Angela Davis, “In a racist society, it is not enough to be non-racist, we must be anti-racist.”

## **Entrepreneur-Focused**

Although research has shown that more diverse investing teams will invest in more diverse founders, Black and female VCs are still guilty of harboring biases. In fact, research has shown that when underrepresented groups champion diversity in their firms they face unintended

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<sup>49</sup> <https://www.vcinclude.com/>

<sup>50</sup> <https://www.gcmgrosvenor.com/small-emerging-and-diverse-manager-investing/>

<sup>51</sup> <https://www.im.natixis.com/us/esg/diversity-in-asset-management-staying-ahead-of-investor-expectations>

<sup>52</sup> <https://techcrunch.com/2019/06/17/the-future-of-diversity-and-inclusion-in-tech/>



backlash compared to when white, male employees champion diversity.<sup>53</sup> Therefore, alongside diversifying VC firms themselves, a suite of strategies have been created and deployed to put capital and resources in the hands of underrepresented founders.

## Capacity Building

Recognizing the proportionately limited opportunities for underrepresented individuals to highlight the skills and knowledge of entrepreneurship, a large number of organizations invest in building capacity amongst women and POC. All Raise, for example, runs founder bootcamps, offering guidance on startups and following through with access to capital.<sup>54</sup> Scale Venture Partners (SVP) contribute over 20 hours monthly of faculty for educational programs for women & minorities such as Hackbright Academy, WIN (co-founded by a SVP team member), PE WIN, Manos Accelerator, Kauffman Fellows, Kauffman Foundation, Toigo Foundation, Columbia University and more.<sup>55</sup> Transparent Collective has a four day “Showcase” program<sup>56</sup> and online workshops, with a focus on preparing underrepresented founders for fundraising, helping them thoroughly understand the process, strengthen their pitch mechanics, and improve storytelling around metrics. Each founder is given ample guidance through 1:1 and group mentorship, giving them tactics to succeed when going out to fundraise with investors. Similarly, Digital Undivided<sup>57</sup> aims to catalyze entrepreneurship through a virtual training program for those just getting started on their entrepreneurial journey. They offer a fast-paced incubator program for high-potential, Black and Latinx women-led startups. SoGal Foundation, “the largest global platform for the education and empowerment of diverse entrepreneurs and investors,” has a six-month, cohort-based program which aims to raise a generation of resilient, emotionally intelligent leaders, and ultimately builds stronger businesses.<sup>58</sup> Nex Cubed is currently seeking students and recent alums from historically black colleges and universities (HBCUs) across the U.S. that are interested in pursuing entrepreneurship to join in the Fall for a series of virtual workshops and panel discussions with industry experts from the Digital Health, FinTech, PropTech, and

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<sup>53</sup> <https://hbr.org/2016/03/women-and-minorities-are-penalized-for-promoting-diversity>

<sup>54</sup> <https://allraise.org/founder>

<sup>55</sup> <https://nvca.org/wp-content/uploads/2016/07/Final-NVCA-Diversity-Report.pdf>

<sup>56</sup> <https://www.transparentcollective.com/who-we-are.html#/>

<sup>57</sup> <https://www.digitalundivided.com/programs>

<sup>58</sup> <https://www.iamsogal.com/build-without-burnout-program/>

EdTech sectors.<sup>59</sup> Following the workshops and panels, students are invited to pitch their business concepts during ideation and hackathon sessions in Spring 2020. Global Eye is a nonprofit organization based in Los Angeles, California that creates opportunities to help men of color advance in life and business. By helping men to develop personally while growing their business, they are building a network of empowered, diverse, global-minded innovators equipped to lead us towards an accepting society where everyone thrives. In this competitive 10-month program, entrepreneurs receive training, tools, and support as they build their businesses and navigate key professional and personal developmental milestones.<sup>60</sup> In health-tech specifically, TECHquality is Health 2.0's Diversity Mentorship Program. It provides an opportunity for underrepresented innovators (or innovators-to-be) to be matched with leaders in the health technology field to help guide and support the innovators in their health technology endeavors.<sup>61</sup>

## **See It to Be It**

With so few VC-backed female and POC entrepreneurs there is growing recognition that individuals may feel - perhaps even subconsciously - that entrepreneurship is not for them as they do not see people who look like them typically being successful entrepreneurs. For this reason, organizations are exploring how to celebrate female and POC Founders as role models. Following Digital Undivided's latest report on diversity, the team produced a "two-page pictorial spread in Vanity Fair that featured 27 Black women founders who have raised \$1 million or more."<sup>62</sup>

## **Proactive Broadening of Sourcing & Deal Flow**

Beyond recognizing that there are qualified entrepreneurs to invest-in, the next key stage is ensuring that VC firms have awareness of investable underrepresented founders. Thus, a number of initiatives aim to raise the profile of female and POC founders while other initiatives supply deal-flow. PledgeLA, for example, aims to celebrate diversity through sharing and celebrating the stories of underrepresented entrepreneurs.<sup>63</sup> More directly, Transparent Collective, moving beyond capacity

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<sup>59</sup> <https://nex3.com/hbcu/>

<sup>60</sup> <https://www.globaleyeladers.org/global-eye-fellowship-2020-1>

<sup>61</sup> <http://www.diversityinhealthtech.com/>

<sup>62</sup> <https://www.vanityfair.com/news/2018/03/women-of-color-diversifying-entrepreneurship-in-silicon-valley-media-and-beyond>

<sup>63</sup> <https://pledgela.org/news/>

building, provides investors with high-qualified deal flow, thoroughly vetting their founders to ensure they have strong performance indicators of future success.<sup>64</sup>

## **Broadening VC's Latent Networks**

To foster long-term success, VC firms are investing in building meaningful relationships with organizations in the community that share their values related to DEI. For example, Natixis extends its diversity & inclusion values to the wider community, developing partnerships with organizations that share its ideas. Partnerships include the G7 Investor Leadership Network, Strong Women Strong Girls, The Partnership and Invest in Girls.<sup>65</sup>

## **Limited Partner-Driven Directives**

Given the power that LPs have over the industry at large, some initiatives aim to leverage this power to drive diversity. These organizations ask that LPs look for more than just fund performance in VC pitches and ask to see the gender and ethnic breakdown of the companies that they back. “This top down approach has the ability to rapidly impact the way money is invested across the entire ecosystem.”<sup>66</sup>

## **Invest Capital**

All the mentoring and networking in the world, unfortunately, does not solve the problem of unequal wealth distribution and proportionately lower levels of VC funds channeled to female and POC-led businesses. While it may sound obvious, directly investing in Black, Latinx, and female founders is one of the most direct ways to address the funding gap. As stated in the now ubiquitous phrase coined by Tiffani Ashley Bell,<sup>67</sup> the founder and executive director of the nonprofit The Human Utility, “Make the hire, send the wire.” Ear-marked funds and diversity-informed investment theses are strategies being employed by VC firms and other organizations intent on improving distribution of capital. There are also a number of smaller, pre-seed funds being deployed. SoftBank is promising to invest at least \$100 million in companies led

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<sup>64</sup> <https://www.transparentcollective.com/who-we-are.html#/>

<sup>65</sup> <https://www.im.natixis.com/latam/esg/diversity-in-asset-management-staying-ahead-of-investor-expectations>

<sup>66</sup> [https://ratemyinvestor.com/DiversityVCReport\\_Final.pdf](https://ratemyinvestor.com/DiversityVCReport_Final.pdf)

<sup>67</sup> <https://www.washingtonpost.com/news/powerpost/paloma/the-technology-202/2020/06/09/the-technology-202-black-venture-capitalists-say-it-s-time-for-silicon-valley-make-good-on-its-promises-with-action/5ede7b75602ff12947e874b0/>

by people of color<sup>68</sup> — though that only represents 0.1% of its \$100 billion Vision Fund (which has only invested in 2 companies with black founders or co founders since it was deployed in 2017).<sup>69</sup> PayPal similarly announced a \$530 million<sup>70</sup> commitment to support Black businesses and communities. As a part of this they are offering \$10 million grants for COVID-19 relief and \$5 million grants to nonprofits working to strengthen Black-owned businesses. AT&T is also committing an additional \$10 million this year to create economic opportunities and foster upward mobility for Black and underserved communities who face long-standing social inequities and higher unemployment.<sup>71</sup> Intel Capital announced a groundbreaking commitment in the venture industry. The Diversity and Inclusion Initiative of Intel Capital started as a five-year goal to invest \$125 million in technology companies led by women and underrepresented populations, which include Black, Latinx, and Native Americans.<sup>72</sup> In October 2016, the Intel Capital Diversity and Inclusion Investing Initiative was expanded to include startups led by entrepreneurs living with disabilities, U.S.-based entrepreneurs from the LGBTQ community and U.S. military veterans. \$400,000,000 has been invested in diverse teams to-date.

Cities have also given cash to directly benefit underrepresented entrepreneurs. For example, San Francisco is deploying loans of up to \$50,000 at 0% interest to support Black-owned businesses. The loan will have flexible repayment and forgiveness options in combination with technical assistance to minimize barriers to access, including no personal guarantees or collateral requirements.<sup>73</sup> Los Angeles has a \$500,000 pool of non-dilutive funding for early-stage Black and Latinx founders in South Los Angeles, one of the most diverse tech hubs in the city. This non-equity fund, to be raised from PledgeLA member companies and partners, is designed for early-stage founders that might not qualify for traditional investment capital.<sup>74</sup> After participating in a virtual pitch week in fall 2020, 20 companies will be selected to receive a payment of \$25,000.

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<sup>68</sup> <https://www.cnbc.com/2020/06/03/softbank-announces-100-million-fund-for-minority-owned-businesses.html#:~:text=SoftBank%20on%20Wednesday%20announced%20a,Floyd%2C%20an%20unarmed%20black%20man.>

<sup>69</sup> <https://www.cnbc.com/2019/05/17/softbanks-100-billion-vision-fund-reshapes-world-of-venture-capital.html#:~:text=SoftBank%20and%20its%20%24100%20billion%20Vision%20Fund%2C%20the%20world's%20largest,t he%202019%20Disruptor%2050%20list.>

<sup>70</sup> <https://www.blackenterprise.com/paypal-creates-530-million-fund-to-help-black-owned-businesses/>

<sup>71</sup> [https://about.att.com/story/2020/economic\\_opportunity.html](https://about.att.com/story/2020/economic_opportunity.html)

<sup>72</sup> <https://www.intel.com/content/www/us/en/intel-capital/diversity.html>

<sup>73</sup> <https://www.sfchronicle.com/business/article/SF-creates-coronavirus-loan-fund-for-black-owned-15350767.php>

<sup>74</sup> <https://pledgela.org/news/2020-survey-pledgela-tech-and-vc-companies/>

In a powerful addendum to capacity building programs, some organizations follow-up with funding. For example, in the aforementioned HBCU affiliated Nex Cubed initiative, each winner will receive \$10,000 to cover the cost of participating in the program as well as technical resources to develop a minimum viable product (MVP). At the culmination of the HBCU Founder's Program, students will pitch their business ideas to a panel of investors. The winners selected will be invited to participate in the Nex Cubed 4-month acceleration program which includes an initial capital investment in their startup and dedicated advisory support.

VC firms themselves have also created funds specifically for investing in underrepresented entrepreneurs. Andreessen Horowitz recently announced the launch of The Talent x Opportunity Fund.<sup>75</sup> This fund invests in exchange for equity and 100% of the returns remain in the fund to finance future underrepresented entrepreneurs -- paying their success forward. Each cohort will join a 10-month training program where the firm will provide mentorship and instruction (online) from experienced operators in their network. The fund begins with \$2.2 million in donations from the partners of Andreessen Horowitz and Ben and Felicia Horowitz will match up to an additional \$5,000,000 total in any other donations.

Techstars Foundation - a VC adjacent business - invested \$1 million into 30 nonprofits who's services aim to benefit underrepresented communities.<sup>76</sup> In 2020, Techstars Foundation has given more than \$325,000 in grants to organizations such as HBCUvc, Re-Coded, and Digital Citizen Fund which are then able to use these funds to support a larger number of underrepresented entrepreneurs.

Investment industry groups, like the National Association of Investment Companies (NAIC), have also established funds to support minority business owners. Established in October 2019, the NAIC Growth Equity Funds Initiative, supported by the Minority Business Development Agency (MBDA) of the U.S. Department of Commerce and the National Association of Investment Companies (NAIC), aggregates billions of dollars of growth equity capital to invest in ethnically diverse and women-owned business enterprises (DWBEs). "Through this initiative, the NAIC will provide information to Fortune 500 corporations, endowments, foundations and other institutional investors as potential investors in a series of fund of funds (FOFs) whose managers will allocate

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<sup>75</sup> <https://a16z.com/2020/06/03/talent-x-opportunity/>

<sup>76</sup> <http://diversity.techstars.com/foundation>

the capital to a series of growth equity funds, whose managers will subsequently invest directly in DWBEs. To receive capital, DWBEs must be able to demonstrate that they can leverage the capital investment to deliver agreed upon performance metrics.”<sup>77</sup> Investing in DWBEs invests in diverse entrepreneurs, creates greater wealth in their communities, and forges a path for investing growth equity in DWBEs into the future.

### **Pre-Seed/Micro VC**

Kauffman Fellows recognizes that as it becomes easier to start a business it becomes more important to make smaller investments.<sup>78</sup> Thus, in addition to larger value earmarked capital other organizations are creating pre-seed, micro VC and pitch competitions to support underrepresented entrepreneurs in their journey. New Voices Pitch Competition,<sup>79</sup> for example, hosted a \$100K pitch competition designed to provide valuable “friends & family” capital that is not readily available for diverse founders. The National Black MBA Association® (NBMBA), for example, has hosted Scale-Up Pitch Challenge’s<sup>80</sup> for businesses with at least one founder who is Black (of African descent), who maintains an ‘at least equal stake’ in the startup (if startup has three owners, at least 33% of its ownership must be Black). HBCUvc also makes equity-free micro-investments.<sup>81</sup>

### **Diversity Equity & Inclusion Influence**

In addition to investing in diverse teams, VCs have an opportunity to influence the broader make-up of the organizations they invest in. To do so, some VC firms are putting DEI metrics and goals in term sheets: “some funds, as lead investors, have explicit clauses in their term sheets for diversity and inclusion policies to be in place within 6 months of investment.” Upfront Ventures’ VC Inclusion Clause<sup>82</sup> is a non legally binding clause that is open sourced for other VC firms to use.

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<sup>77</sup> <https://naicpe.com/initiatives/naic-growth-equity-funds-initiative/>

<sup>78</sup> [https://www.kauffmanfellows.org/journal\\_posts/a-new-platform-for-emerging-managers](https://www.kauffmanfellows.org/journal_posts/a-new-platform-for-emerging-managers)

<sup>79</sup> <https://www.businesswire.com/news/home/20200108005936/en/Media-Alert-New-Voices-Foundation-Holds-100000>

<sup>80</sup> <https://nbmbaa.org/scale-up-pitch-challenge/>

<sup>81</sup> <https://www.hbcu.vc/>

<sup>82</sup> <https://upfront.com/thoughts/upfront-vc-inclusion-clause>

## Cold-Inbounds

PledgeLA states that “tech companies who seriously wish to increase diversity must meet communities of color through other forums, including cold inquiries received from the web, [and] LinkedIn.”<sup>83</sup> Given the tight-knit and homogeneous circles that investors engage with, VC firms are recognizing that structural barriers exist which make the desire for warm-introductions prohibitive to underrepresented founders. Corigin Ventures, for example, states that 30% of their deals are cold inbounds.<sup>84</sup> In conjunction with being more open to cold-inbounds, VC firms are broadening their networks to allow for more diverse warm introductions.

## Conclusions

The current moment has brought renewed interest in and public scrutiny of interventions to address inequities in the startup and investments communities. These strategies range from education and mentorship to completely revamping the scouting, due diligence, and investment process. Recent scholarship on the “pipeline myth” suggests that many training, mentorship, and education programs are, while well intentioned, misguided.<sup>85,86</sup> Further evidence of this can be seen in the success of the small but growing number of funds and firms with a diversity-informed investment thesis, as well as in the outsized returns achieved by diverse founders.

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*“Black founders are often over-mentored and under-invested”*

*- Monique Woodard, VC, at BLCK VC’s  
“We Won’t Wait”*

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Organizations interested in meaningfully making a difference should focus their efforts in areas that are directly under their control, in which they have domain expertise, and which result in direct capital deployment, or when not possible, the most proximal step to it. Investors should become familiar with existing interventions, connect directly with the underrepresented communities they wish to support, and seek out collaborations with subject matter experts in order to implement more equitable investment practices.

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<sup>83</sup> <https://pledgela.org/wp-content/uploads/2020/07/PledgeLA-Survey-2020-Tech.pdf>

<sup>84</sup> <https://medium.com/corigin-ventures/corigin-ventures-commits-2-5-million-to-diverse-gps-6ea91ace923b>

<sup>85</sup> <https://news.crunchbase.com/news/the-conversation-and-the-data-a-look-at-funding-to-black-founders/>

<sup>86</sup> <https://macventurecapital.com/in-the-news/deconstructing-the-pipeline-myth-and-the-case-for-more-diverse-fund-managers/>

# Landscape Analysis

## Part 3. Appendices



# DEI Intervention Database

## Description:

Our team has assembled a growing list of known DEI intervention in the startup and investor communities. To date, we have added 47 entries into the database. Each entry describes the intervention, the implementing organization, and any available details regarding timelines, cost/value, and target groups. Our team will continue to expand and update this database and make it publicly available.

## Highlights to date:

- 12 of 47 interventions were targeted at supporting Black founders
- 12 of 47 interventions were targeted at supporting female founders
- 5 of 47 interventions were targeted at supporting Latinx founders
- Diversifying your own team and mentorship are the most common types of interventions
- Less than 20% of interventions we identified focused on investing directly in diverse founders
- Only 10 out of 47 interventions reported an associated value or cost, ranging from \$50,000 to \$400,000,000.

## Link:

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<https://airtable.com/shrAMcKIILCPfprjF>

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# List of Diversity-Focused Funds

## Description:

Understanding what your peers are doing is key to getting inspiration and guidance from others, as well as measuring your own progress. We have created a running database of funds with a diversity focus. To date, we have identified 50 funds and firms, and our team will continue to expand and update this database and make it publicly available.

## Link:

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<https://airtable.com/shr7AcbhKgDv5iJPW>

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# Index of Key Terms, Organizations, Funds & Firms in this analysis

[Women Who Tech](#): Women Who Tech is the largest network of women-led startups, investors, and allies working to increase diversity and funding in tech.

[Amex](#): American Express offers world-class Charge and Credit Cards, Gift Cards, Rewards, Travel, Personal Savings, Business Services, Insurance and more.

[First Round Capital](#): First Round is a seed-stage venture firm focused on building a vibrant community of technology entrepreneurs and companies.

[DCM Ventures](#): DCM partners with inspired entrepreneurs to build high-impact, global technology companies. Our team's global DNA and extensive industry expertise is foundational to maximizing the success of our entrepreneurs.

[Kapor Capital](#): Kapor Capital is the venture capital investment arm of the Kapor Center for Social Impact based in Oakland, CA.

[Kapor Center for Social Impact](#): The Kapor Center aims to make the technology ecosystem and entrepreneurship more diverse and inclusive. We are particularly interested in positive social impacts for communities that have historically been on the periphery of access to opportunity, participation and influence in the United States.

[The Washington Post](#): Breaking news and analysis on politics, business, world national news, entertainment more.

[White House Demo Day](#): A diverse group of entrepreneurs from all across the country – including those underrepresented in entrepreneurship like women and people of color – will come to the White House to “demo” the stories of their individual innovation journeys to date. These stories exemplify how we can “grow the pie” by including all Americans in our innovation economy. White House Demo Day is part of the President’s [Startup America](#) initiative to celebrate, inspire, and accelerate high-growth entrepreneurship throughout the Nation.

[Code2040](#): Code2040 is a nonprofit activating, connecting, and mobilizing the largest racial equity community in tech to dismantle the structural barriers that prevent the full participation and leadership of Black and Latinx technologists in the innovation economy.

[PledgeLA](#): PledgeLA is a collective of LA-based tech companies and venture capital firms working to create measurable change.

[Project Include](#): Project Include’s mission is to give everyone a fair chance to succeed in tech. We are a non-profit that uses data and advocacy to accelerate diversity and inclusion solutions in the tech industry.

[HBCUvc](#): We are developing a new community of investors and innovators, rooting in Historically Black Colleges and Universities (HBCUs), and extending to emerging professionals and fund managers.

[Susa Ventures](#): Susa Ventures is an SF-based seed-stage VC fund. We invest in founders building value & defensibility through data, network effects, & economies of scale.

[Oper8r](#): Oper8r is a platform for emerging VCs. Supporting entrepreneurs and investors building the future of venture capital.

[Lightspeed Venture Partners](#): Our mission is to serve the world's most extraordinary people who are building tomorrow's companies today.

[Indie VC](#): Risk Capital for Real Businesses.

[Greenspring Associates](#): We partner with venture capital managers and entrepreneurs shaping tomorrow. Founded in 2000 to focus solely on venture capital investments, Greenspring Associates believes that deep relationships built on mutual trust lead to better returns. Our mission is to serve as a value-added, lifecycle partner for fund managers and entrepreneurs on both a primary and secondary basis. With a comprehensive platform and dedicated Portfolio Impact program, we manage over \$11 billion in committed capital across diversified, direct, secondary and bespoke venture strategies for a diverse group of institutions and high net worth individuals.

[Scale Venture Partners](#): Scale invests in startups building intelligent software that works for the user.

[Corigin Ventures](#): Corigin Ventures is a transparent venture capital firm leading Seed rounds at the intersection of the physical and digital worlds.

[NAIC](#): The National Association of Investment Companies (NAIC) is a Washington DC-based trade association and the largest network of diverse-owned private equity firms and hedge funds. Through education, advocacy and other innovative programs, the NAIC is focused on increasing the flow of capital to high-performing diverse investment managers often underutilized by institutional investors.

[VC Include](#): VC Include is a national event series and network to bring venture capital firms and institutional investors together for inclusive dealmaking.

[GCM Grosvenor](#): GCM Grosvenor is a global alternative asset manager.

[Natixis](#): Natixis is an investment management firm providing solutions, mutual funds, ETFs, and separate accounts, for institutions and financial professionals.

[All Raise](#): We're here to amplify female voices, accelerate their success, and create a tech culture where women are leading, shaping, and funding the future.

[Hackbright Academy](#): We were founded with the mission to provide women with a personalized path to a software engineering career.

[WIN](#): The Women's Investment Network (WIN) has been established to serve the financial interests of women. Our aim is to: Help and inspire women to become financially knowledgeable and independent, enable women to successfully identify and achieve their personal financial goals, and learn the money management skills needed to understand saving & investing.

[PE WIN](#): Private Equity Women's Investment network is the preeminent organization for senior women leaders in private equity. We provide opportunities to network, share ideas, make deep connections with peers, and empower each other to succeed.

[Manos Accelerator](#): Manos Accelerator is a mentorship-driven accelerator program that provides "hands-on" education, business resources, infrastructure, capital, and guidance for promising Latino-led startup companies, moving them towards a fast track to success.

[Kauffman Fellows](#): Fostering innovative leaders through a 2-year venture capital fellowship, industry events, summits, and a venture capital fund.

[Kauffman Foundation](#): We believe all people – regardless of their background – should have the opportunity to learn, take risks, and own their own success. Yet, all the money in the world cannot solve problems unless we work together. So, we first listen to the communities we serve, tap into our learnings and relationships, and bring everyone together...to build and support programs that [improve education](#), [boost entrepreneurship](#), and help our [hometown of Kansas City](#) thrive.

[Toigo Foundation](#): Toigo's mission is to transform the performance of forward-thinking organizations through education and strategies that drive greater inclusion and the ongoing development and promotion of exceptional diverse leaders.

[Columbia University](#): Columbia University is one of the world's most important centers of research and at the same time a distinctive and distinguished learning environment for undergraduates and graduate students in many scholarly and professional fields. The University recognizes the importance of its location in New York City and seeks to link its research and teaching to the vast resources of a great metropolis. It seeks to attract a diverse and international faculty and student body, to support research and teaching on global issues, and to create academic relationships with many countries and regions. It expects all areas of the University to advance knowledge and learning at the highest level and to convey the products of its efforts to the world.

[Transparent Collective](#): Transparent Collective is a non-profit helping African-American, Latinx, and female founders access the growth resources and connections they need to build successful tech companies.

[Digital Undivided](#): Founded in 2012 by tech pioneer, Kathryn Finney, Didtechnology, Inc (d.b.a digitalundivided), is a social startup with 501 (c) 3 status that merges data and heart to

develop innovative programs and initiatives that catalyzes economic growth in Black and Latinx communities.

[Nex Cubed](#): An investor and innovation partner that empowers startups, investors, corporates, and governments to bring new technologies to market, help rising companies scale, and provide paths to liquidity.

[Global Eye](#): Global Eye Entrepreneurs champion male entrepreneurs of color, connecting them to world-class resources, and accelerating their business.

[TECHquality, Health 2.0](#): TECHquality is Health 2.0's Mentorship Program that connects diverse health technology innovators (or innovators-to-be) with individuals who are leaders in health technology.

[G7 Investor Leadership Network](#): A direct outcome of Canada's 2018 presidency of the G7, The Investor Leadership Network is an open and collaborative platform for leading investors interested in addressing sustainability and long-term growth

[Strong Women Strong Girls](#): Strong Women, Strong Girls (SWSG) is a nonprofit organization championing the next generation of female leaders through our innovative, multi-generational mentoring programs.

[The Partnership](#): The Partnership makes corporations and institutions more competitive in a global economy by helping them attract, develop, and retain talented multicultural professionals at all levels of leadership, and creating a corporate climate that encourages diversity and helps multicultural professionals thrive.

[Invest in Girls](#): Invest in Girls' mission is to usher in the first generation of financially literate girls and change the way girls interact with money.

[SoftBank](#): SoftBank Group Corp. is a Japanese multinational conglomerate holding company that owns stakes in many technology, energy, and financial companies. It also runs Vision Fund, the world's largest technology-focused venture capital fund.

[PayPal](#): PayPal Holdings, Inc. is an American company operating a worldwide online payments system that supports online money transfers and serves as an electronic alternative to traditional paper methods like checks and money orders

[AT&T](#): An American multinational conglomerate holding company.

[Intel Capital, Diversity and Inclusion Initiative](#): Started in June 2015, Intel Capital's "The Diversity and Inclusion Initiative" started as a five-year goal to invest \$125 million in technology companies led by women and underrepresented populations, which include Black, Latinx, and Native Americans.

[City of San Francisco](#): City and County of San Francisco

[HBCU Founder's Program](#): A series of virtual workshops and panel discussions with industry experts from the Digital Health, FinTech, PropTech, and EdTech sectors open to students and recent alums from HBCUs across the U.S.

[Andreessen Horowitz, Talent x Opportunity Fund](#): Led by Nait Jones, Andreessen Horowitz partner, the TxO Fund and program is designed for entrepreneurs who have the talent, drive, and ideas to build great businesses but lack the typical background and resources to do so. In addition to seed capital, the TxO Fund will provide these potentially great entrepreneurs with the knowledge and the network of the firm through training programs and more.

[Techstars Foundation](#): The Techstars Foundation vision is to stimulate innovation and positive social and economic global change through empowering underrepresented communities and entrepreneurs by helping nonprofits deliver scalable impact for entrepreneurs from underrepresented communities.

[Re-Coded](#): A non-profit organization providing free coding bootcamps and digital skills training to local and conflict-affected youths in Turkey, Iraq and Yemen.

[Digital Citizen Fund](#): The Digital Citizen Fund is a 501(c)3 nonprofit organization founded in New York City. The Digital Citizen Fund helps girls and women in developing countries gain access to technology, virtually connect with others across the world, and obtain necessary skills to succeed in today's expanding global market.

New Voices Pitch Competition: A \$100K pitch competition hosted by the [New Voices Fund](#), [Essence](#), and [Target](#) designed to build a more inclusive entrepreneurial ecosystem for women of color to advance their significant contributions to our economy and society.

[National Black MBA Association® \(NBMBA\)](#): A non-profit organization founded in 1970 at the University of Chicago, the mission of the NBMBA is to lead in the creation of educational, wealth building, and growth opportunities for those historically underrepresented throughout their careers as students, entrepreneurs and professionals.

[Upfront Ventures](#): Upfront Ventures is a venture capital firm based in Los Angeles. We invest in technology businesses across digital media, SaaS, consumer internet and retail innovation.

[BLCK VC](#): BLCK VC was formed to connect, engage, empower, and advance Black venture investors by providing a focused community built for and by Black venture investors.

# Authorship Notes

*Identifying Evidence-based Strategies to Increase Diversity Among Funded Health Tech Founders: Landscape Analysis*

Originally published on August 17th, 2020

*Prepared by:*

Kathryne Cooper, Charlotte Cramer, Monica O'Malley de Castillo, and Juan Espinoza.

*About Us*

**HealthTech DEI** is a firm founded by Kathryne Cooper & Juan Espinoza that brings DEI to investment strategy through lived experience. Our diverse team, robust network, and collective expertise delivers more inclusive investment strategies and solutions that optimize financial performance and capitalize on the wealth in diversity. [www.healthtechdei.com](http://www.healthtechdei.com)

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# Identifying Evidence-based Strategies to Increase Diversity Among Funded Health Tech Founders: Landscape Analysis

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