



The Case for BIPOC Funder Networks

The Imperative for Social Capital as a Precursor to
Empower and Unlock Financial Capital

In light of the recent racial reckoning...

What have been the responses and reflections in the impact investing industry?

2 Trends

1

On behalf of BIPOC Entrepreneurs - Advocacy and Support

- Push to make a stronger case for BIPOC entrepreneurs (capital, wrap around support, diversity in fund managers, etc.)

2

Investors & Philanthropists - DE&I Education and Behavior Change

- Challenge bias inherent in their portfolios, practices, and teams

Same Underlying Assumption

Original source of wealth remains typically not BIPOC

- Still unconscious uphill challenge to 'make the case for' BIPOC entrepreneurs

The Stream Ecosystem Metaphor

Current response implications:

- Change flow/direction of capital going downstream
 - *Intention: More equitable allocation; more capital in hands of BIPOC talent*
- No intentional change in volume of water entering upstream
 - *Same majority culture source of wealth at top (White, Asian); competition/scarcity remain high*

Upstream Source:
HNW Investors
(Still Majority Culture)



Midstream:
Intermediaries, Transactors, Funds

Downstream Beneficiaries:
Entrepreneurs, Non-Profits

Activating BIPOC Wealth Upstream

The case for culturally tailored, BIPOC-specific investor and philanthropy networks

Benefits of this Social Capital (financial and racial peer safe spaces):

Personal/Emotional Value

- Safety, understanding, vulnerability
- Non-extractive, invested INTO as a person
- Exploration of personal purpose
- Relatability, friendship, partnership
- Support with emotional/familial side of investment journey
- Patience; go at own pace
- Normalize capital activation practices.

Strategic/Financial Value

- Foundational investment education and training
- Navigation of ecosystem players and resources
- Referrals to technical advisors, intermediaries, & consultants
- Risk mitigation, due diligence support
- Co-investment potential



Peer Networks = On Ramps to Wider Ecosystem

Peer Networks

- Education
- Orientation
- Navigation

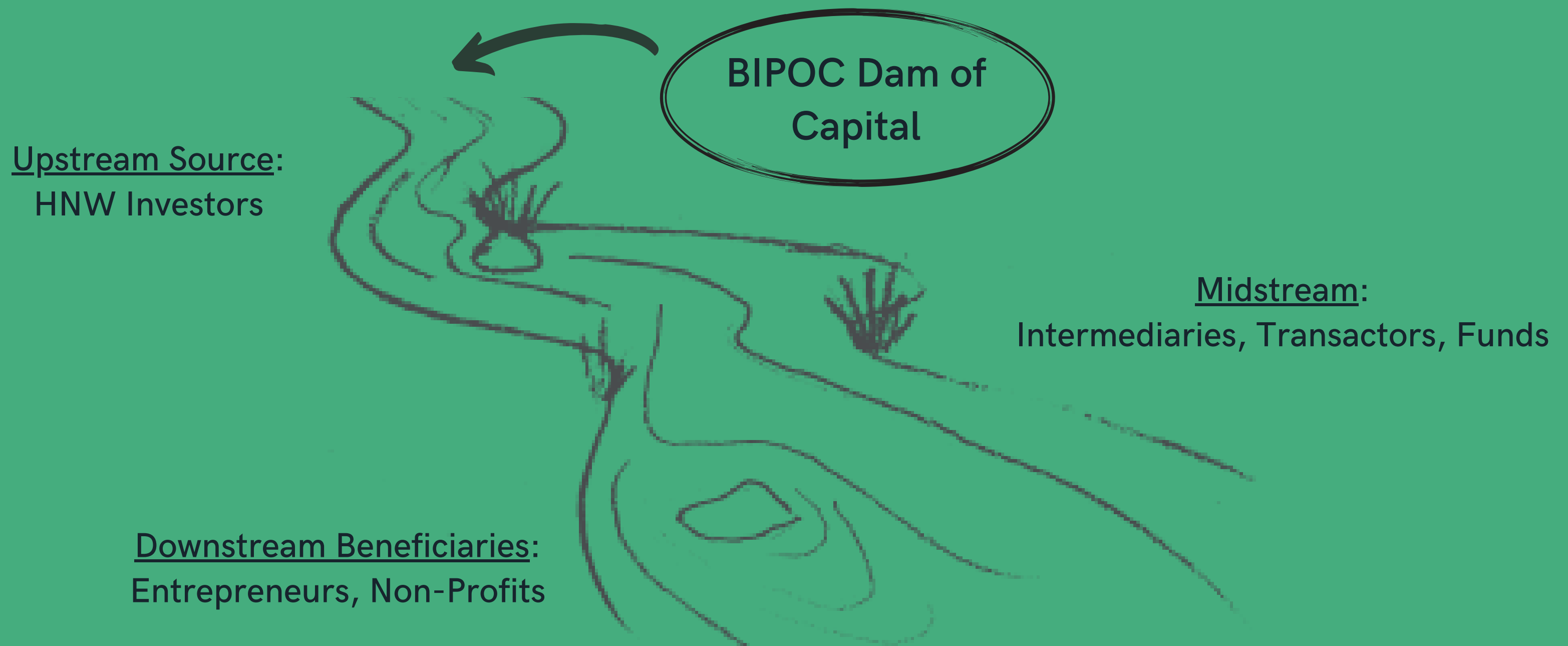
Catalyzing first action steps...



The Big Picture Potential

The wider ecosystem impact of more BIPOC peer spaces & on-ramps:

- ↑ volume of capital toward cause
- ↑ equitable allocation of capital
- ↑ partnerships for existing investors/philanthropists



Financial empowerment at the intersection of: Trust & Financial Activation



Y-Axis: Trust Score

How safe and connected of a peer environment is the entity.

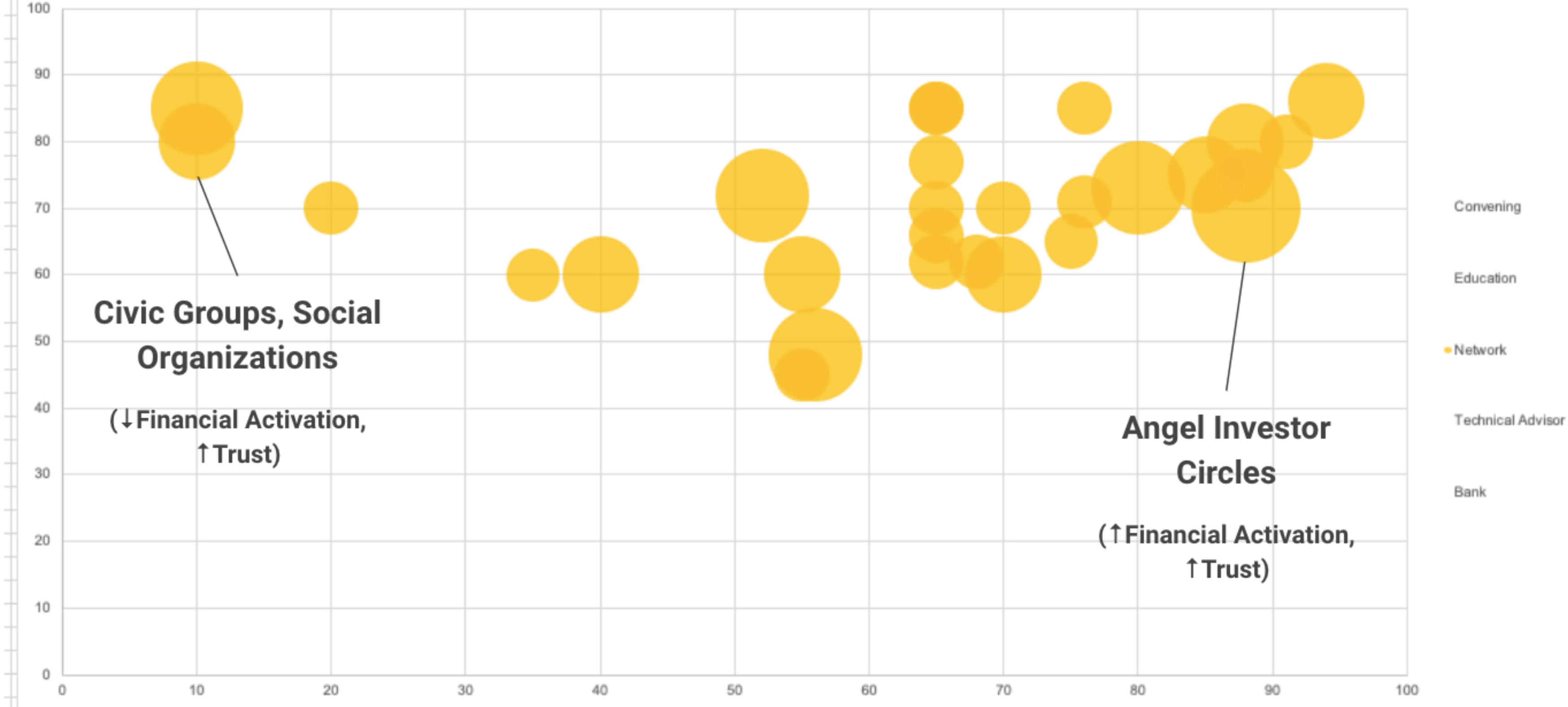
X-Axis: Financial Activation Score

How tangibly active is the entity in building financial acumen and moving an investor's financial assets.

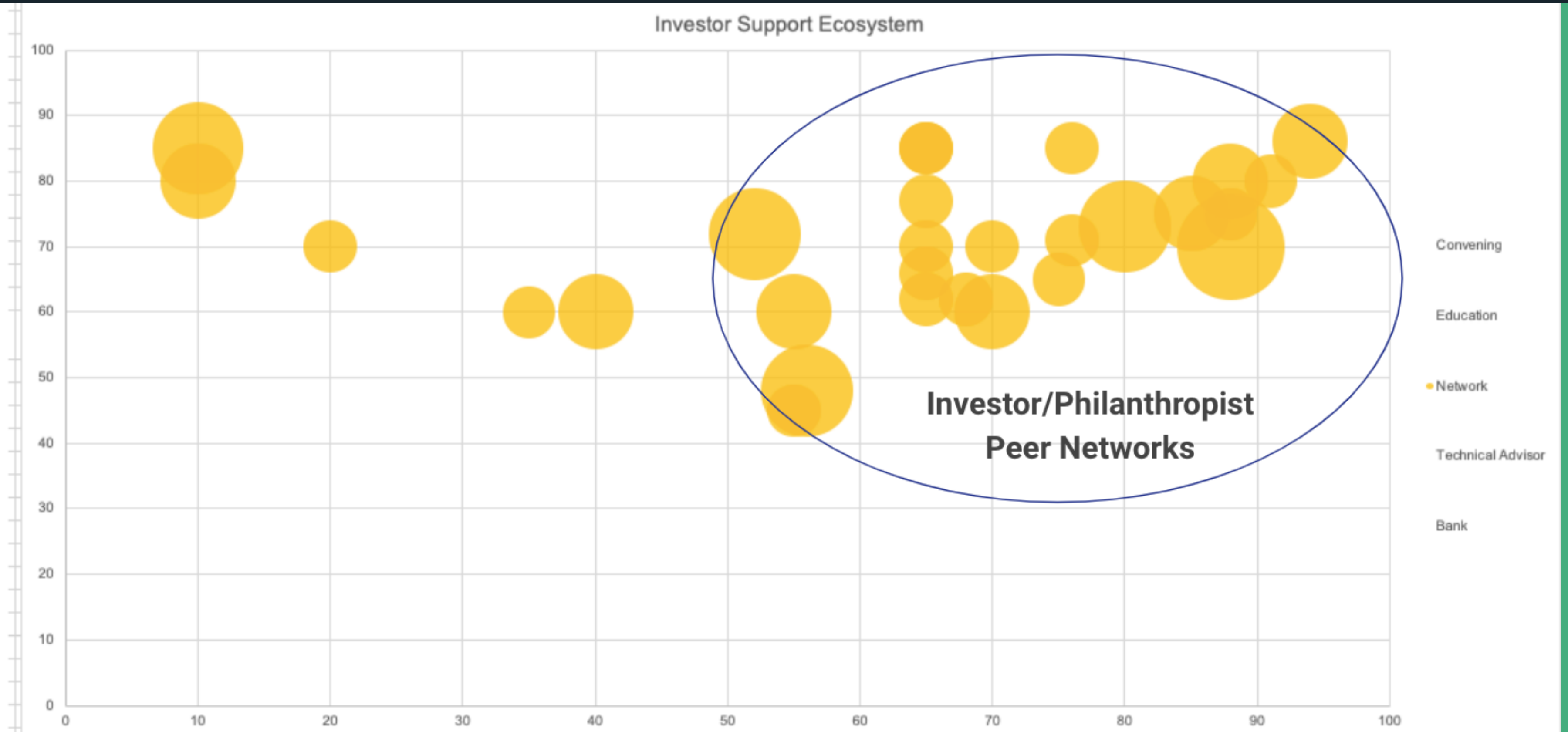
2 Key
Variables for
Networks

Mapping existing Majority Culture "Safe Spaces"

Investor Support Ecosystem



Capital Empowerment Sweet Spot (↑ Trust, ↑ Financial Activation)



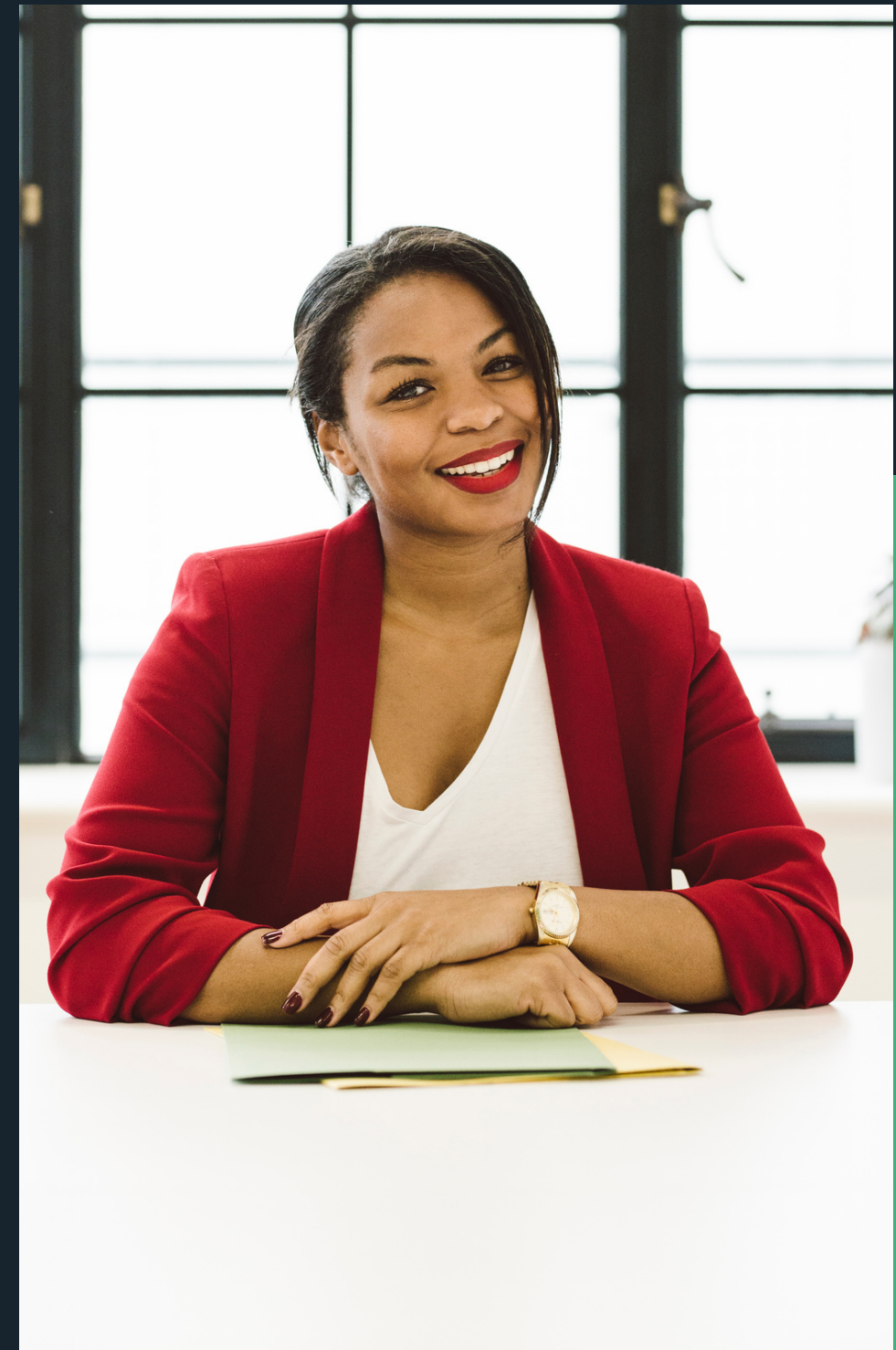
Our Impact Investing Ecosystem Opportunity: Diversity 'Upstream'

The Goal

- To cultivate a larger, connected community of active HNW BIPOC investors/philanthropists who more closely resemble the New Majority entrepreneurs who sit across the negotiation table.
- To unlock more capital with ease for talented BIPOC 'downstream' fund managers, social entrepreneurs, non-profit leaders, and innovators.

The Path

- By creating more "Safe Spaces" specifically tailored for BIPOC investors/philanthropists to engage with financial peers in a trusted, culturally relevant, and educational environment.



What I bring to the table:

- X-Variable (Financial Activation)
 - *Technical advisors; financial and strategic expertise; network of financial intermediaries.*
- Toolbox (Facilitation, Strategy, Partnership)
 - *Networks of other ecosystem builders, partners, business models, organizational structures, and resources to get a new network off the ground.*

What I'm seeking:

- BIPOC Collaborator(s) to bring the Y-Variable (Trust)
 - *Trusted Community, group of financial peers/friends, or desire to build a peer network tailored to your needs/culture/stage of financial development.*

Seeking Collaborators

To bring these financially empowering communities to life



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Join Me

Join me in creating intentional networks and trusted peer environments for HNW BIPOC investors and philanthropists.

APPENDICES



Mapping the Existing Ecosystem



“The Money Movers”

Banks (orange)

- \$ Community Banks/CDFIs
- \$\$ Banks (\$1-\$24M)
- \$\$\$ Banks (>\$25M)

Technical Advisors (green)

- Impact Investing Advisories/Intermediaries (wealth managers, investment firms, etc.)
- Community Foundations
- Accelerator Investor Circles
- Philanthropic Advisory Firms

“The Teachers”

Education (red)

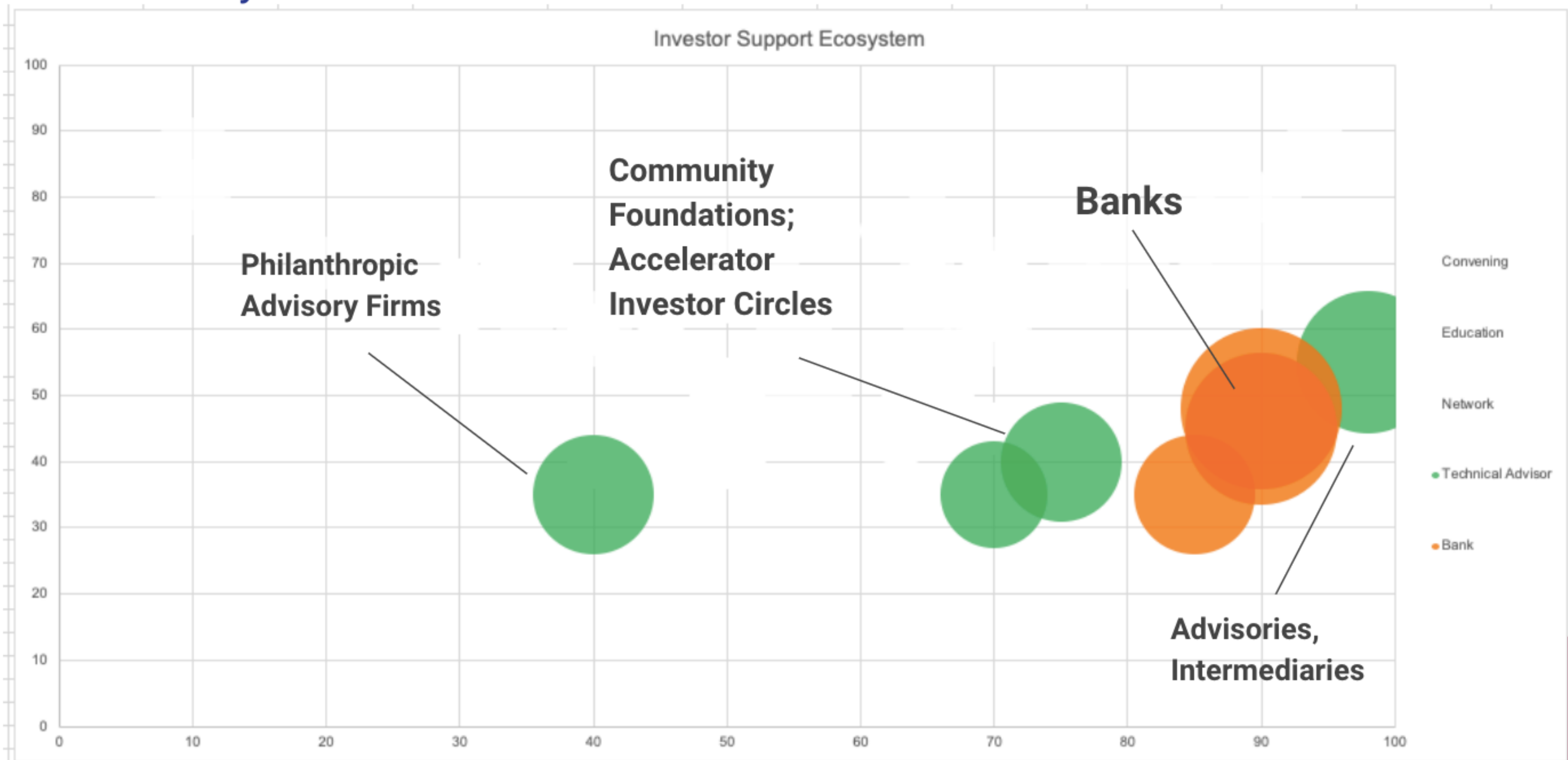
- Think tanks/researchers
- Training programs
- Best practice/resource-generators

Convenings (blue)

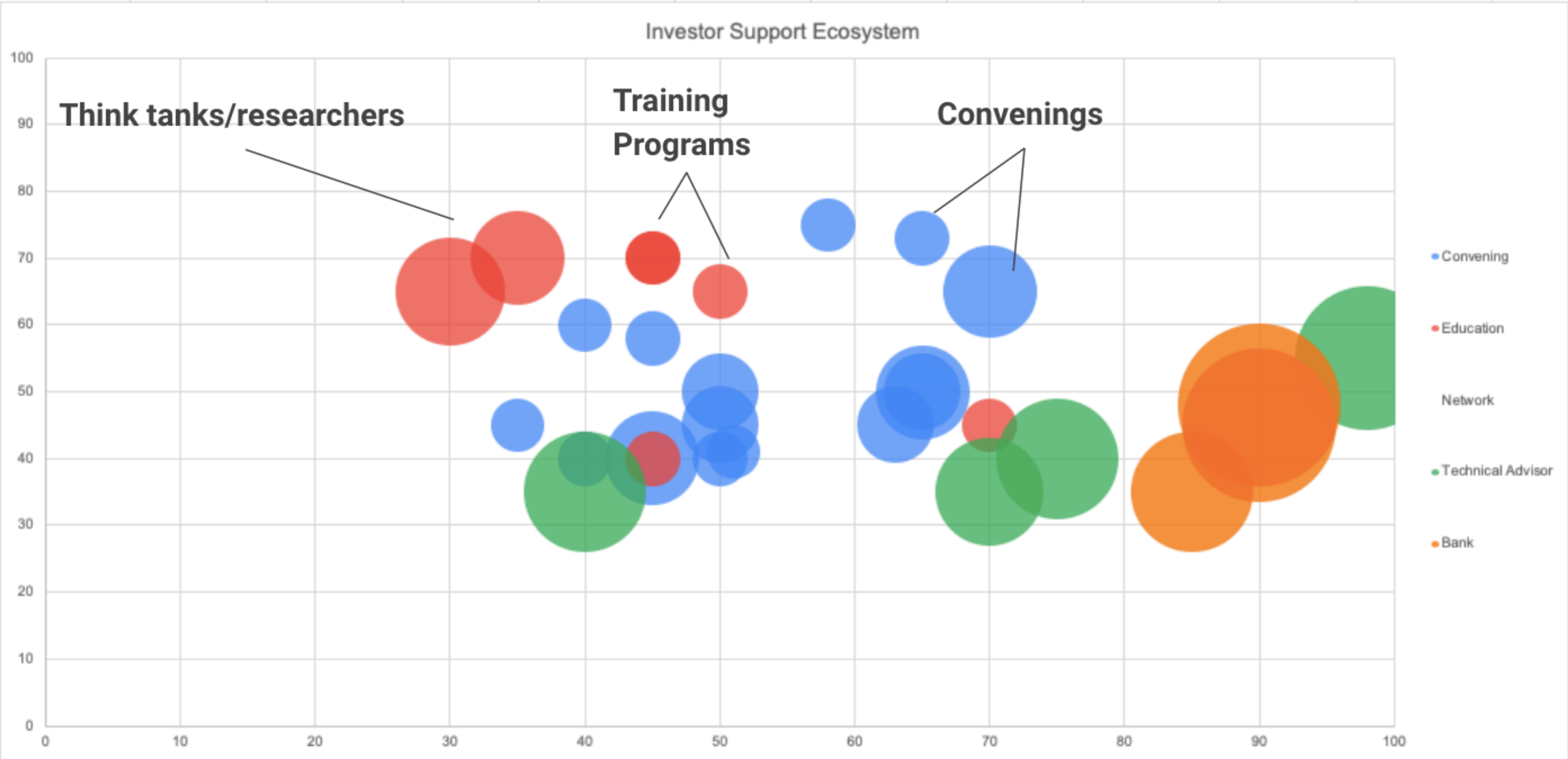
- Conferences
- Summits
- Educational workshops

**Dots represent existing organizations, networks, etc.

"The Money Movers"

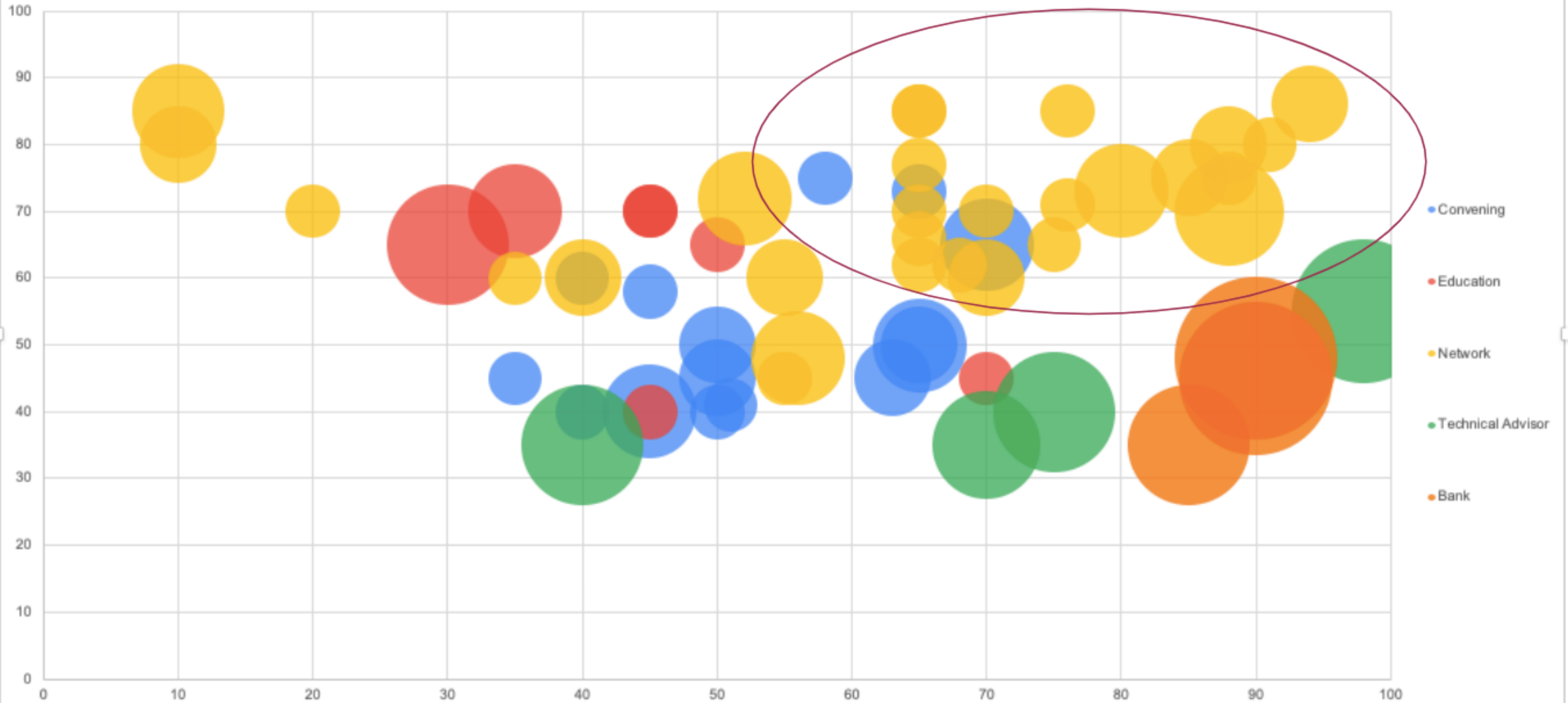


Now add "The Teachers"



“The Safe Spaces” (Networks) are New Investor Catalysts

Investor Support Ecosystem



Theory of Change

Theory of Change

The cyclical journey to empower someone (ex. education system, career development, and wealth activation)

