

2023 Ingram Service Project

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Overview

Starting a business is possibly the hardest thing for any individual to do in their respective career tracks. It requires one to deviate from society's predetermined paths, take on immense amounts of risk in terms of time and capital, and incubate an idea with the hopes of market adoption. The strife of entrepreneurship is only amplified for minority and low-income founders. For example, black founders receive only 1.4% of available venture capital funding while women receive only 2% of funding. This trend also applies to income brackets as lower income brackets often correlate with less venture capital funding despite a higher need for grant money. Venture capital is the critical cornerstone of entrepreneurship as 90% of startups usually fail with the most common reason being lack of funding. Venture capital is what keeps businesses afloat and able to incubate their ideas however only 0.05% percent of companies actually raise any money at all. The narrative is clear: venture capital funding is critical to early-stage startups but minority and low-income founders rarely get access to this capital due to a lack of resources and a well-connected network.

Community

This plague is propagated in a developing region like Brazil which, according to the World Bank, is ranked 130 out of 185 in terms of ease to do business or start a new company. It is ranked 104th in local venture credit distribution while similar regional peers like Mexico are ranked at 40. This means that Brazilian under-resourced entrepreneurs face extreme roadblocks to scaling businesses as they lack the network, education, and experience that wealthier and more privileged founders have. Ultimately, this leads to the establishment of the cycle of poverty in the community as entrepreneurship is proven to be the key to poverty reduction as it leads to job creation and higher incomes.



Organization Background

This summer, I worked for Vox Capital, a São Paulo-based impact investment firm that focuses on sustainable startups that solve issues like hunger, climate change, sanitation, and financial access. Founded in 2009, Vox has been a global leader in impact investment as they have been given awards like B Lab's "Best for the World" designation and, in 2014, they were recognized as the best socially responsible investment manager in Latin America. Notably, they were early investors in Celcoin, a microfinance solution that serves over 2,200 previously underbanked cities in Latin America, and Octo, a startup that specializes in sustainable automotive recycling to reduce waste in Brazilian landfills.



Proposal

After spending eight weeks in São Paulo, I was able to truly immerse myself in the needs of the community and the organization. To support minority founders in the region and to make the venture capital selection process as equitable as possible for upcoming sustainable startups, I built an advanced web scraper to serve as a sustainable investment analysis tool for VOX Capital. Integrating the tool into their due diligence processes, analysts and partners within VOX Capital can remove any racial, economic, or social biases when analyzing the new inbound companies. This is accomplished through a custom portal that allows any entrepreneur from any part of Brazil (and eventually internationally) to be able to upload their pitch to be reviewed by VOX. The portal then makes sure to only outline the company's name with the relevant SDGs (sustainable development goals) related to the company, an analysis of the company's controversies, and financial metrics related to the company. The deal can then be reviewed without any biases and escalated for equitable review processes. I also had the opportunity to work with low-income founders one-on-one and improve their e-commerce strategies. Compared to the successful final deliverable I was able to accomplish with the portal, this was much more difficult as the founders were sometimes hard to reach as they often missed meetings, did not respond to my messages, or sometimes did not understand what I was saying. Regardless, I was able to host several workshops and teach them the art of web development and Shopify integrations. I was also able to learn from their experiences and integrate into the VOX web portal to make sure that it was as user-friendly as possible.

For more information, please visit these [links](#).