



# The Importance of Diversity in VC Fund and its Portfolio

By Gerda Mazi Larsson, Curitas Ventures

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# Who am I?



- Background in women's rights and investments
  - Former Deputy Executive Director UN Women Sweden
  - Co-founder of The Case for Her
    - Philanthropic investment portfolio amplifying the opportunities
      - menstruation,
      - sexual health & pleasure
      - access to safe abortion
- through funding and advocacy.



# Curitas Ventures

Stockholm based VC

- Early Stage
- Tech
- Life Science
- Nordics (mostly)





# The Definition of Diversity

# What's Diversity?



- Gender
- Ethnicity
- LGBTQ+
- Socio-economic background
- Disabilities
- Age
- And many more intersections...



# Ground yourselves



- The concept of Rooting and Shifting
- Who am I from an intersectional perspective?



# Women ~~Diversity~~ in VC – European outlook

# Data collection



## Funding in the CEE region – Report by Experior Venture and Unconventional Ventures

- <https://ceereport2021experiorvc.unconventional.vc/>

## IDC European Women in Venture Capital

- <https://europeanwomeninvc.idcinteractive.net/8/>

## Why Women-Owned Startups Are a Better Bet – Report by BCG

- <https://www.bcg.com/publications/2018/why-women-owned-startups-are-better-bet>

Special thanks to Kinga Stanislawska, Anna Wnuk, Nora Bavey and Thea Messel.

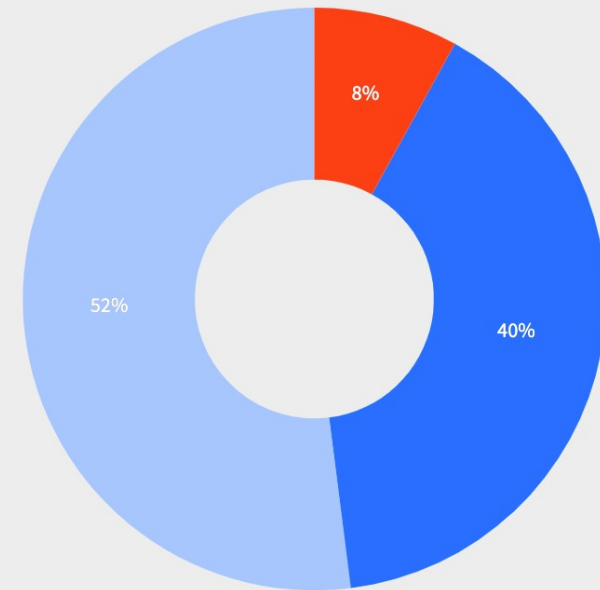


# Do we care about Diversity?



65% of VCs have a Diversity & Inclusion strategy that influences their investment decision.

8% VCs report that they are often asked about Diversity and Inclusion strategy, 40% reported they are sometimes asked, and 52% were never or rarely asked



■ Rarely or never ■ Sometimes ■ Often

Source 2021 CEE VC Survey

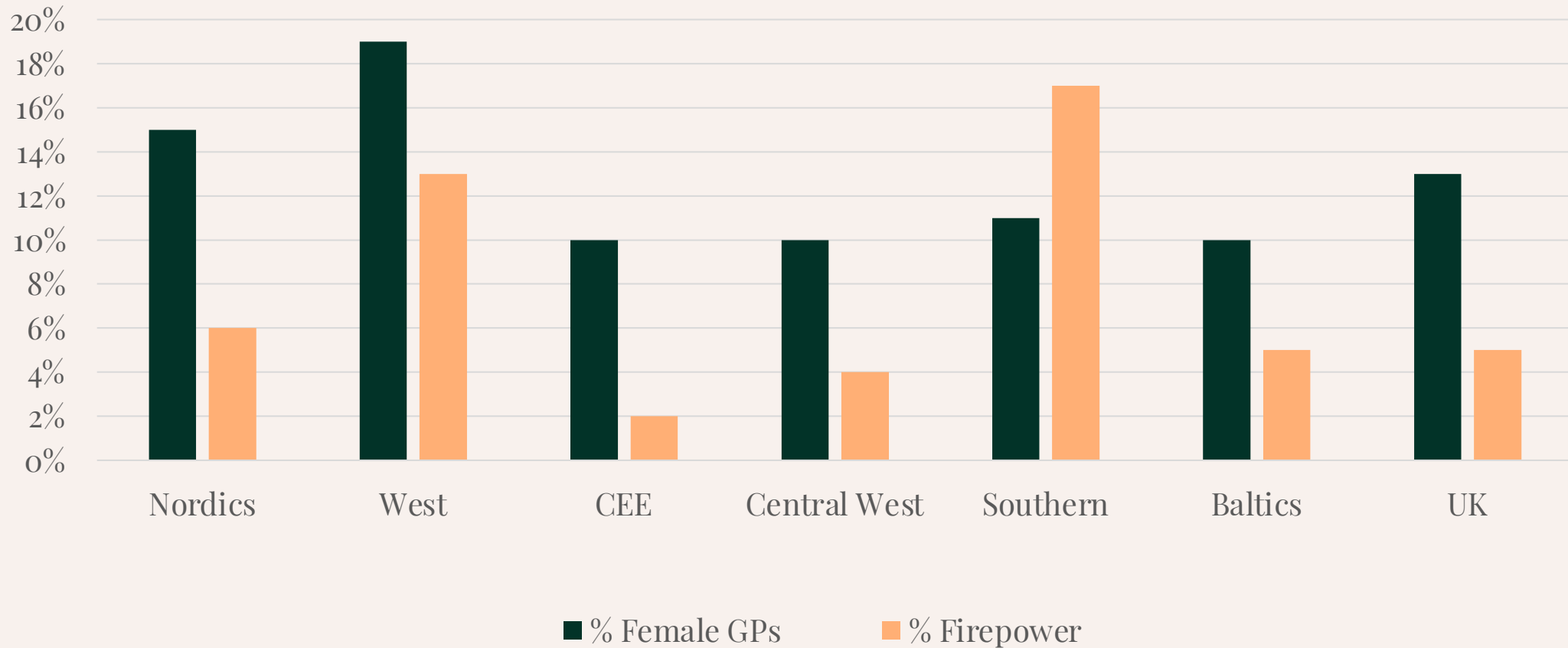
# Who makes the decisions?



85% of VC General  
Partners are male

4 out of 5  
Investment  
Committee  
Members are male

# Access to capital



Source: Funding in the CEE region, IDC European Women in Venture Capital

# Access to carried interest



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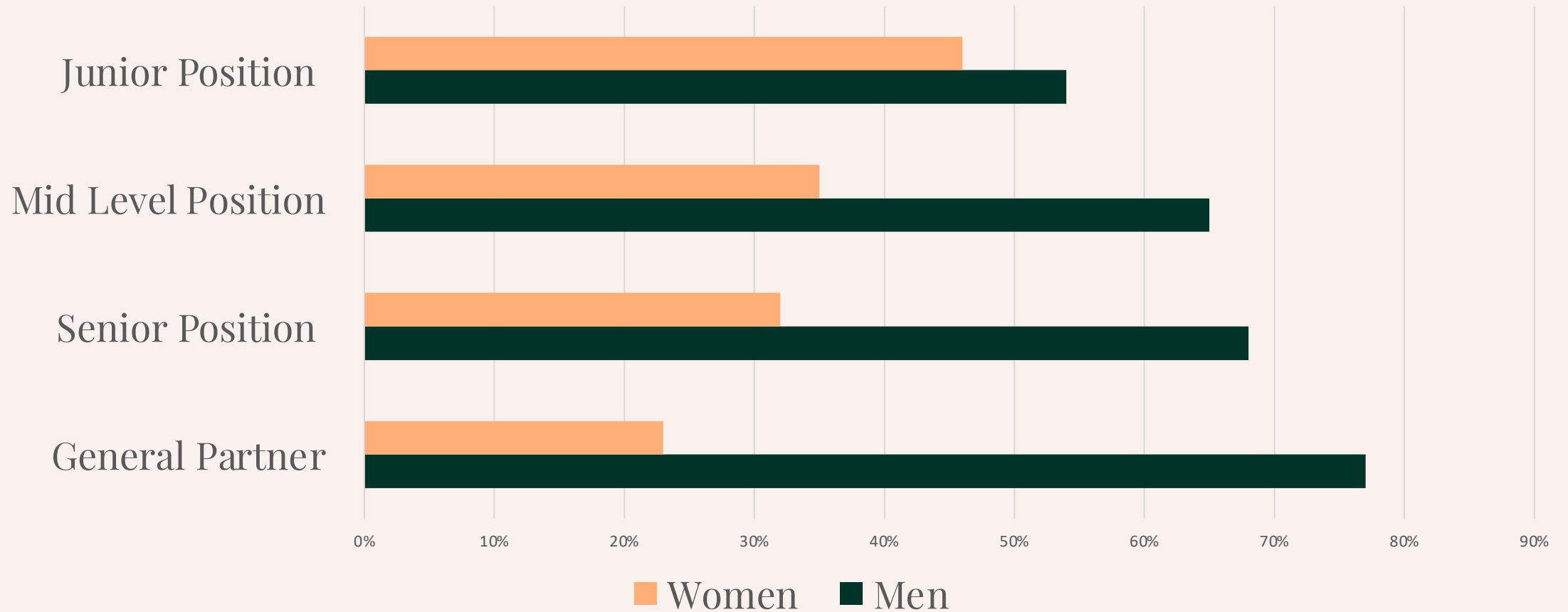
91% of the male GPs

70 % of female GPs

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So... the title of female General Partner is of lesser value than male GP.

# The Glass Ceiling



Source: Funding in the CEE region, IDC European Women in Venture Capital

# Key takeaways



1. Lack of Gender Diversity Among Investors
2. A Funding Gap for Women in VC



## Reflection – 10 min

- How does it look in your fund/VC?
- Do you think a more diverse team would be beneficial to your fund/VC?



# Diverse Teams Raising Capital



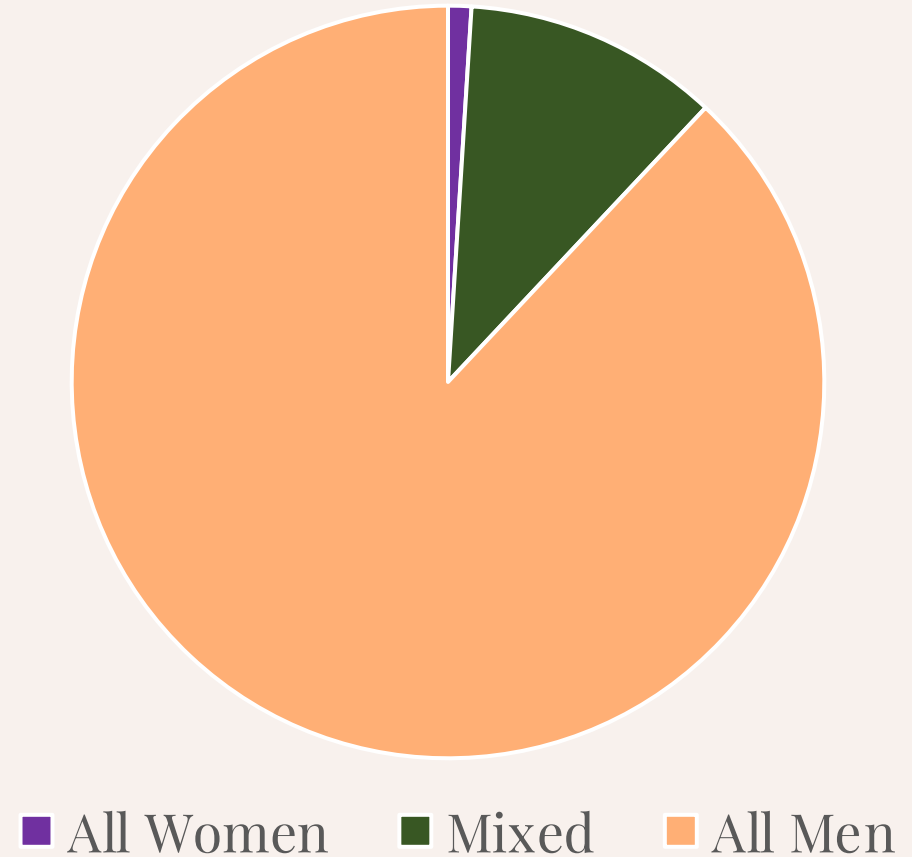
# Investing in Diverse Teams



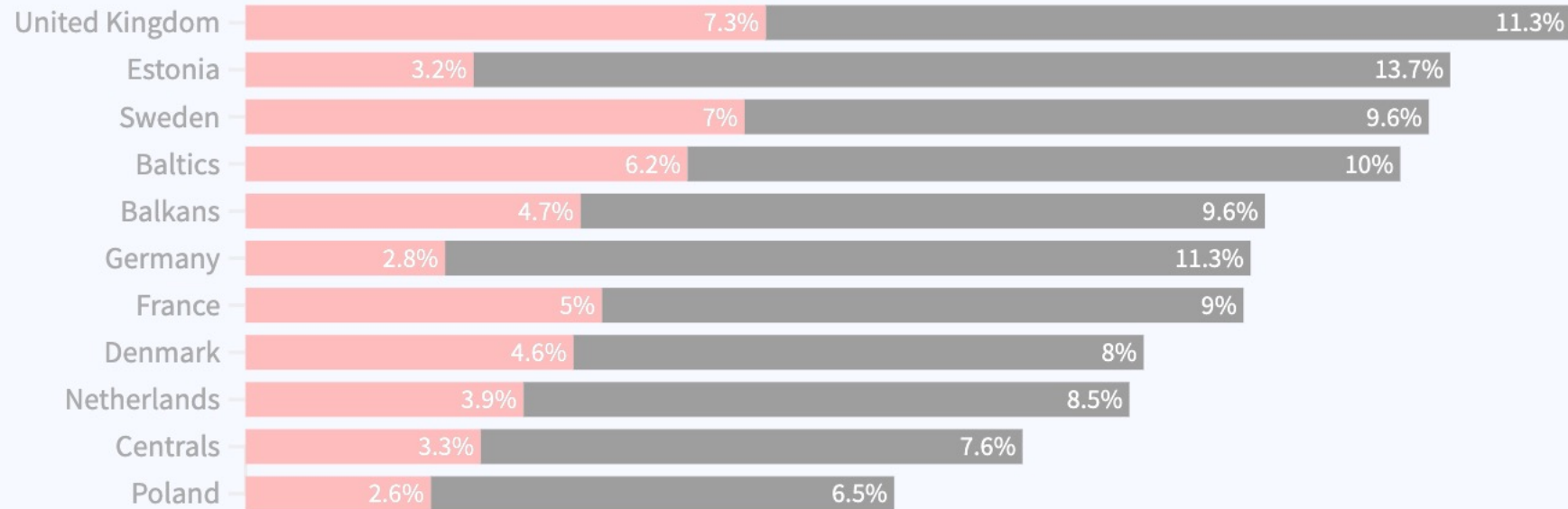
65% of VCs indicate that having a Diversity & Inclusion strategy influences their investment decision.

But investment go to:

- 1% All Women Team
- 11% Mixed Team
- 88% All Male Team



# Diversity and company creation

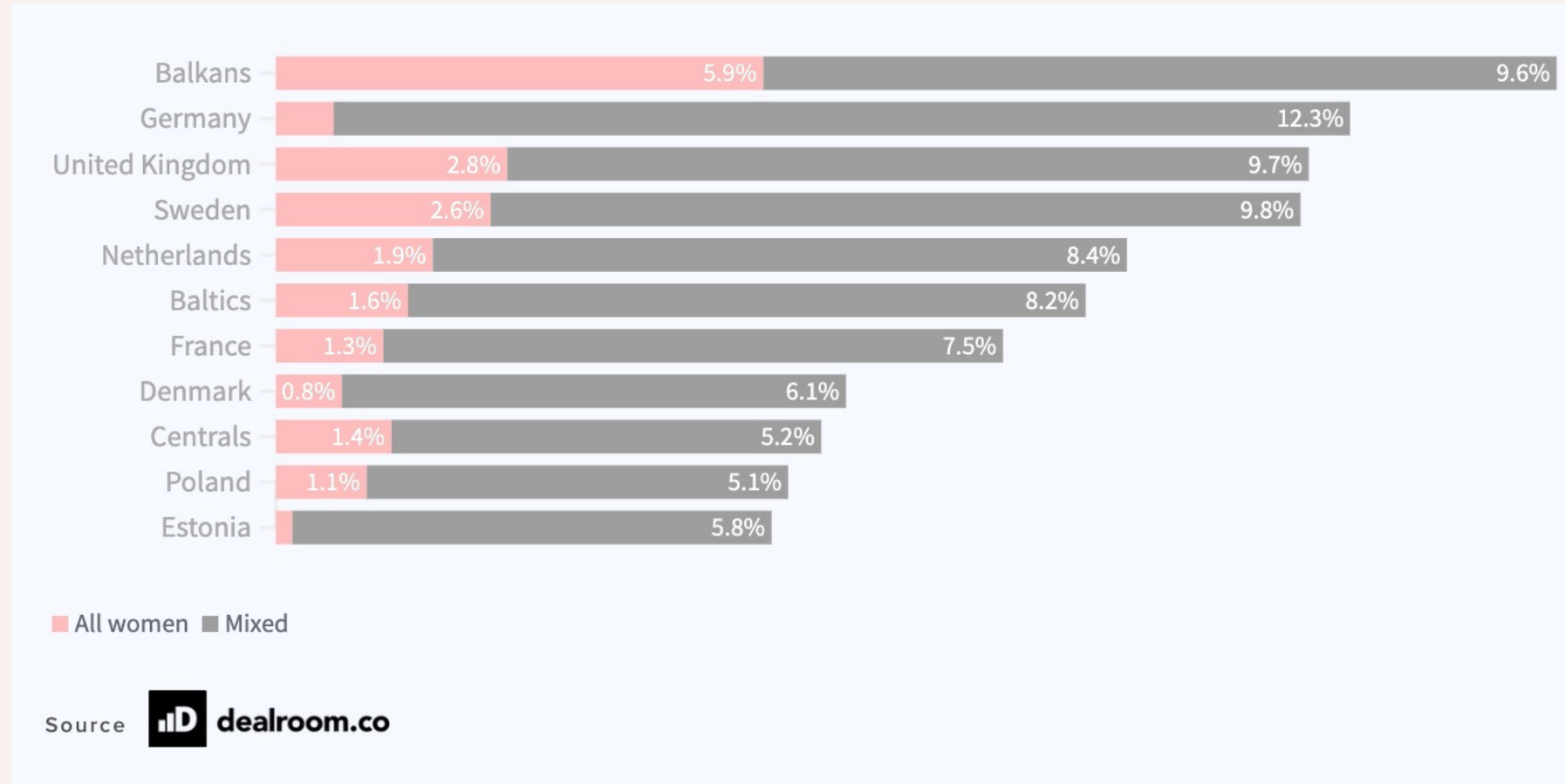


■ All women ■ Mixed

Source  dealroom.co

Source: Funding in the CEE region, IDC European Women in Venture Capital

# Benchmarking diverse funding



Source: Funding in the CEE region, IDC European Women in Venture Capital



*Unlike the Yeti or Bigfoot,  
women exist.*

Małgorzata Walczak, Investment Director at PFR Ventures

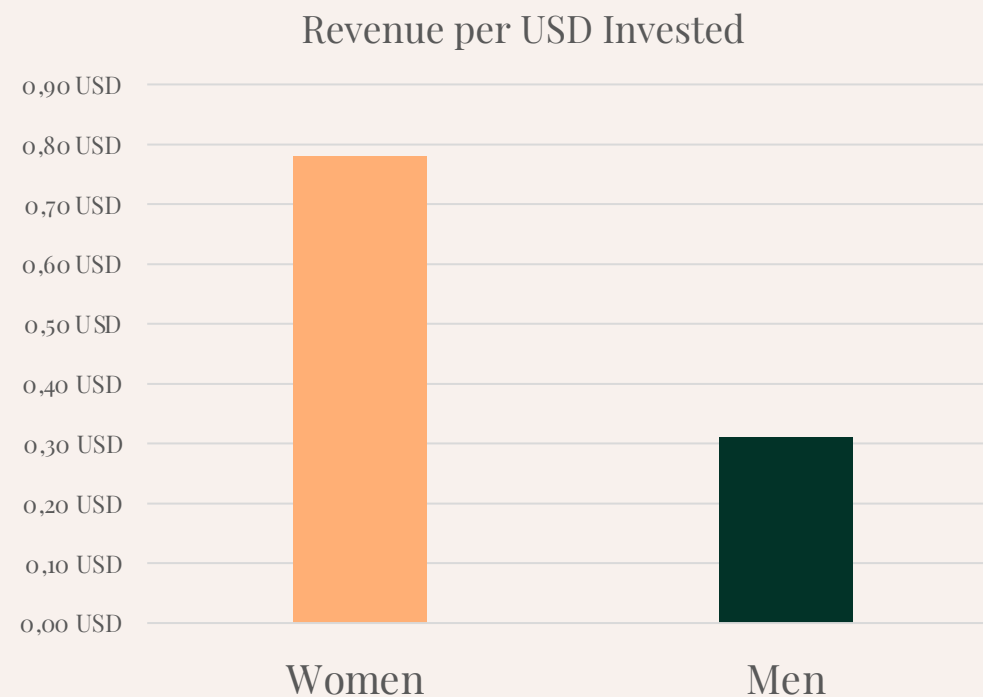
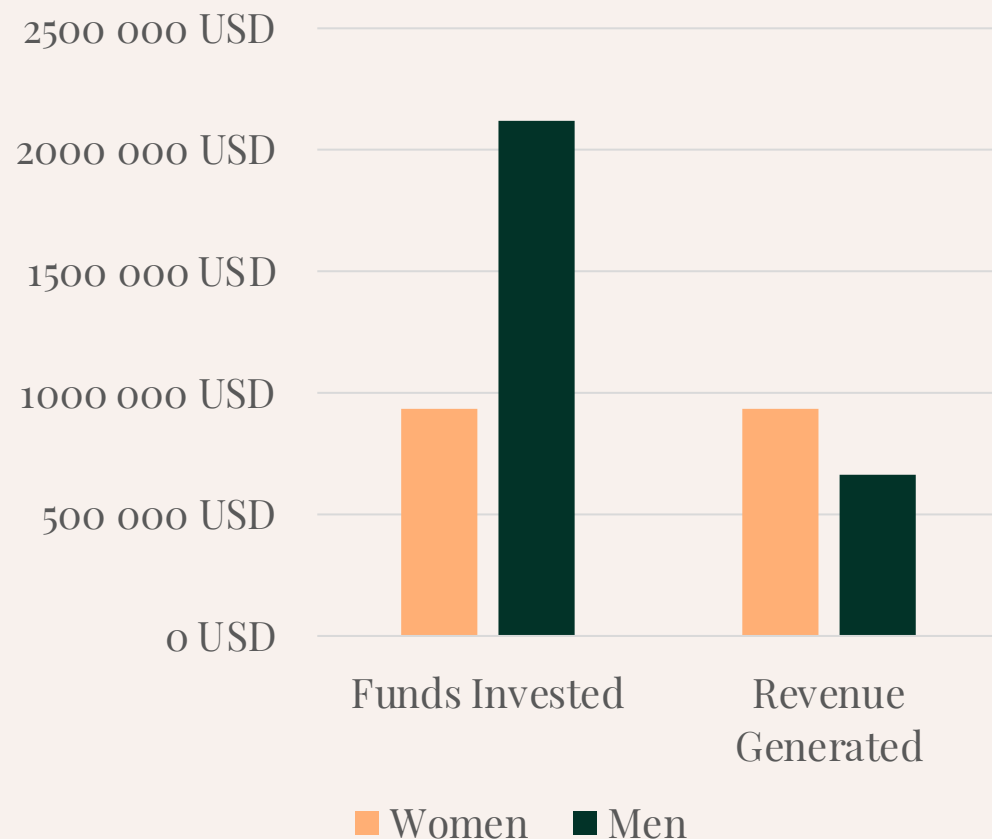
# Missing an Opportunity



- Women account for 24% of total start-up founders in the CEE region.
- Women founders outperform their male counterparts' revenue-to-funding ratio by 96%.
- The predominantly male investment community have a problem identifying female consumer goods and failure to recognize the skills of highly qualified women.
- 49.6% of women-led start-ups in CEE address societal challenges.



# Why invest women-founded?



Source: Funding in the CEE region, IDC European Women in Venture Capital



*It's a bias issue*

# Key Takeaways



## Unfair Division of Capital

1. Little capital gets deployed to all women and mixed teams. But they exist!
2. Since 2016, all-women founding teams have received on average 2% of start-up investment.
3. Bigger cheques for men. Average round sizes at Seed and Series A are smaller for all-women teams in CEE than for mixed and all-men teams.
4. Women-founded start-ups generate more revenue per Euro invested.



# Reflection – 10 min



- Reflect on your portfolio
  - Female/Male founded
  - Ethnicity
  - Background
- What should count as a female founder or co-founder?



Setting diversity as one of the key aspects of  
managing a VC fund

# Strategies for Diversity



- **Introspection – back to where we started**
  - Who am I and my team?
  - What perspective do I have and what do I lack?
  - How do we treat our team?
- **Start by measuring**
  - In order to call out your bias start with your pipe
  - Baseline Founders, Board, C-level
  - Make this a KPI in the reporting
- **Portfolio Management**
  - Work with your portfolio companies to diversify
  - Who do we recommend, how can we support?
- **Looking at new investments**
  - Set goals and targets
  - Premiere diversity

# Introspection



- Start by analysing if you have the right team?
- Are you treating your team the same?
  - Equal pay survey – a instrument for reducing the gender pay gap
  - All forms of payments should be included in the analysis

# Internal survey



## ▲ DIVERSITY AND INCLUSION SURVEY ▼

Using a scale of 1 - 5, please select one response for each statement.

Overall Diversity, Equity and Inclusion Culture	1	2	3	4	5	No Comments
Management shows that diversity is important through its actions.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
This company respects individuals and values their differences.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
The leadership at this company encourages diversity.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
This company is committed to improving the diversity of employees.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
The leadership at this company treats all employees fairly.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
This company fosters a workplace that allows employees to be themselves at work without fear.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
At this company, employees appreciate others whose backgrounds, beliefs and experiences are different from their own.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Comments or suggestions for improvement :						

1 Strongly disagree    2 Disagree    3 Neutral    4 Agree    5 Strongly agree

# Measuring



## Examples survey questions

- Number of women, men and non-binary at Board, C-level, and among employees.
- Number of people born outside the company's home country but in European countries.
- Number of people born outside Europe.
- Ask the founders to self assess visible or nonvisible disabilities.

# Measuring



- Calls out our bias
- A baseline from where to innovate
- There is no reason not to measure!

# Portfolio Management



- Who do we recommend to companies board?
  - Do we search internally or externally?
- How do we signal that diverse teams are important?
  - Measuring
  - Nudging





# Looking at new investments

- Set goals and targets
- Premiere diversity
- Language and website
  - Who do we attract
- Who is the face of the company and of success when your company presents successful portfolio companies?
- Bare minimum
  - Ensuring that all company operations do no harm to women

# An example from Industrifonden



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We are Sweden's Venture Capital Fund.

We look for unique, scalable innovations that improve our society through breakthrough technologies and science.

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## Telness Tech



”Industrifonden’s  
experience in scaling  
companies globally  
make them an  
invaluable partner on  
our growth journey”.

Martina Klingvall, founder and CEO,  
Telness Tech

[Our companies](#) ↗

# Discussion



Sit in groups, let one person take notes and report back to the bigger group.

- If you are not already working with D&I who would you have to convince in order to get started?
- Choose three areas where you would like to start and discuss the best ways to get going.
- If you already are working with D&I – discuss three ways of how you could deepening your work.



# Thank you!

Questions, thoughts or comments? Please reach out!  
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