

# Fernando Lelo de Larrea: Venture Capitals must adjust their personnel to survive

*The adjustment of the Venture Capital market. Latam startups are urged to expand their runway and postpone new surveys. Necessary personnel cuts is coming.*

KEY BISCAJNE, FLORIDA, UNITED STATES, July 7, 2022 /EINPresswire.com/ -- Following 2021 filled with IPOs and mega funding rounds, some of the most valuable startups are laying off significant staff and drastically curtailing their expansion plans.

For example, Swedish fintech giant Klarna, which became Europe's most valuable startup last June at \$46 billion, announced last week that it plans to lay off around 10% of its workforce.

Elsewhere in Europe, the rise of delivery apps is stalling. Last week, two of the biggest instant shopping apps, Getir and Gorillas, announced their decision to lay off hundreds of employees. Another company, Zapp, said another company was proposing layoffs at its UK team.

"Reducing costs and freezing hiring in the face of a possible recession is perhaps a way to heal your health. This problem is currently happening in Silicon Valley; Europe and Latin America should follow suit," the investor and businessman [Fernando Lelo de Larrea](#) acknowledges.

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*Fernando Lelo de Larrea*



Fernanco Lelo de Larrea

Lelo de Larrea's vision is that: There is a paradox in the fundraising field. Data from venture capital research firm Pitchbook shows that venture capital firms have more money than ever but are cutting their investments to see how the economic climate evolves.

With [tech stocks plunging](#) in the first five months of 2022 and the Nasdaq stock market on track for its second-worst quarter since the 2008 financial crisis, startup investors are

telling their portfolios they are not immune to the consequences.

"In general, I would recommend "expanding the stock market, as we would say in Mexico" by reducing costs or raising more capital," recommends businessman Fernando Lelo de Larrea.

It will be a more prolonged recovery without a specific time for it to end, but without a doubt adapting to be sustainable is the priority of hundreds of boards of directors in all the [VCs in the world](#).

Who is Fernando Lelo de Larrea?

Fernando Lelo is one of the most successful entrepreneurs in Latin America. He graduated from Stanford University and has generated companies in various sectors.

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