

# Colorful Capital Releases Report “Outsized Impact” on How Investors Can Address the Systemic Risk of LGBTQIA+ Inequity

*The report provides actionable insights as to how to extend portfolio management tools that utilize advanced techniques to drive progress*

NEW YORK, NY, USA, May 29, 2024 /EINPresswire.com/ -- Colorful Capital announced today the

“

This report shows the financial sector... [that] resulting returns to equality will be shared by LGBTQIA+ people and by us all, with a stronger economy and a fairer financial system.”

*M. V. Lee Badgett*

release of a new report, “[Outsized Impact](#): How Investment Can Address the Systemic Risk of LGBTQIA+ Inequity.” This comprehensive report delves into how historic inequities were established and persist in the societal structures of the United States and offers actionable frameworks for investors, managers and allocators to address and assess progress towards rectifying the longstanding exclusion of the LGBTQIA+ community.

“The financial system must be much more engaged in creating equality across its interlocking levels. Colorful

Capital’s own excellent example shows how to do it by investing in LGBTQIA-led startups in their own portfolio, working to engage the rest of the financial industry, and pushing other systems to get on board with better data to measure and promote change,” said M. V. Lee Badgett, Professor Emerita of Economics at University of Massachusetts Amherst and Chief Economist at Koppa LGBTI+ Economic Power Lab. “This report shows the financial sector how to deploy its economic power to make the lives of LGBTQIA+ people better. The resulting returns to equality will be shared by LGBTQIA+ people and by us all, with a stronger economy and a fairer financial system.”

As “Outsized Impact” explains, LGBTQIA+ inequity is nothing short of a systemic challenge that presents obvious societal concerns and poses considerable risks to the U.S. economy and financial system. Detailing the origins of these issues and the structures and approaches that have allowed this inequity to calcify, the report then outlines how investors can extend existing portfolio management tools by developing investment belief statements, establishing shareholder engagement programs, and incorporating system-level considerations in manager selection and assessment. Beyond the portfolio level, the report also discusses how investors

can adopt advanced techniques promoting collaborative action, building shared knowledge bases, and setting industry standards.

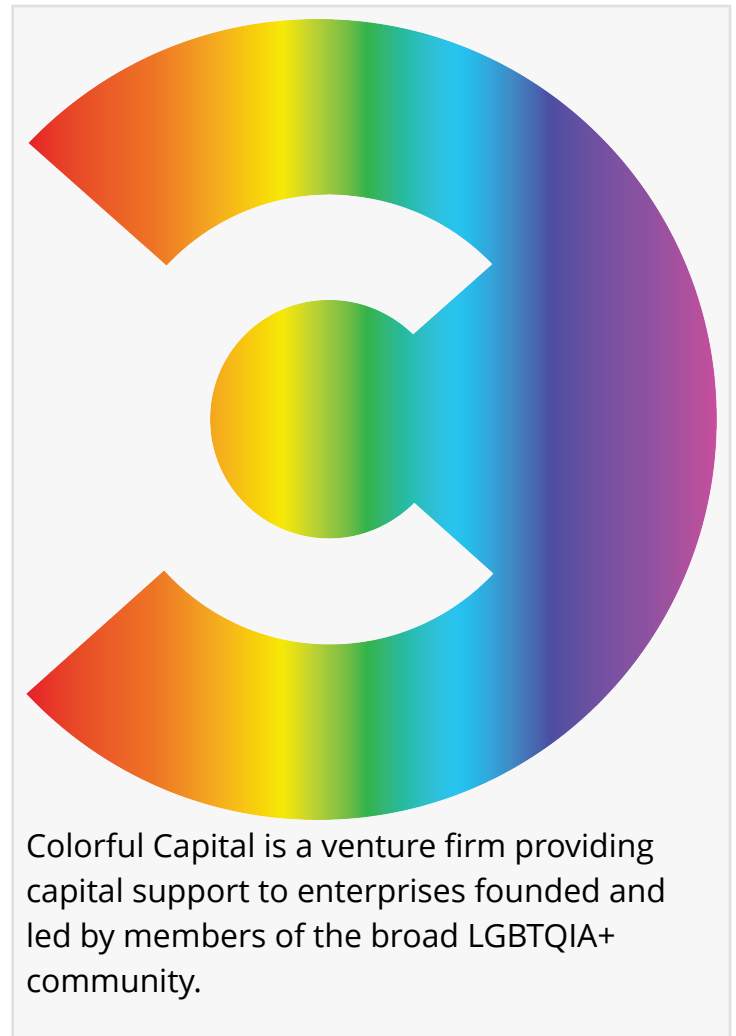
“Outsized Impact” makes the case that investors should set system-level goals including:

- Promoting LGBTQIA+ equity at U.S. corporations and financial institutions;
- Increasing access to capital for the broad LGBTQIA+ community;
- Improving wealth-generating financial outcomes for LGBTQIA+ founders;
- Contributing to the development of LGBTQIA-equitable social structures;
- Driving financial inclusion to spur economic growth and social cohesion; and
- Improving data capture and infrastructure related to dimensions of LGBTQIA+ progress.

“Dating back to our inaugural white paper in 2022 that illustrated the challenges that facing LGBTQIA+ founders in accessing venture capital, Colorful Capital has been carefully developing an impact framework for our investment thesis and portfolio management approach,” said William Burckart (he/him), co-author of the report, Co-Founder and Co-GP of Colorful Capital, and professor at Columbia University. “‘Outsized Impact’ shares what we have learned and will hopefully inspire other investors to leverage their policies, programs, and practices to drive collective action and begin addressing LGBTQIA+ inequity at a fundamental level. As we discuss in the report, our existing systems - spanning corporate human resources, education, healthcare and more - are wholly unprepared to address these concerns, but the financial community is uniquely positioned to leverage capital flows to effect meaningful systemic change.”

“Succeeding in spurring systemic change will have very real economic impacts as well, as our report also discusses,” added Burckart. “Removing barriers of inequity for LGBTQIA+ people will unlock a massive amount of economic potential, improving both business performance and investment returns.”

“It’s at once disheartening to see how inequities pervade nearly all facets of society and exciting that Colorful Capital has outlined one avenue for change,” said Lloyd He (he/they), co-author of the report, and DEI and Impact Management Lead at Colorful Capital. “This work helps investors go beyond DEI and ESG metrics and really think about the downstream possibilities and effects



Colorful Capital is a venture firm providing capital support to enterprises founded and led by members of the broad LGBTQIA+ community.

of capital flow by widening the aperture from a portfolio-level to a system-level.”

The report draws from the work of The Investment Integration Project (TIIP), and it was produced with contributions from Columbia University’s Impact Investing Initiative: Daniel Sheehan, Olivier Bordeleau-Lavoie, and Vaishnavi Kulkarni.

[Read the report here.](#)

### [About Colorful Capital](#)

William Burckart

Colorful Capital

+1 561-427-4971

[william@colorful-capital.com](mailto:william@colorful-capital.com)

---

This press release can be viewed online at: <https://www.einpresswire.com/article/715286770>

EIN Presswire's priority is source transparency. We do not allow opaque clients, and our editors try to be careful about weeding out false and misleading content. As a user, if you see something we have missed, please do bring it to our attention. Your help is welcome. EIN Presswire, Everyone's Internet News Presswire™, tries to define some of the boundaries that are reasonable in today's world. Please see our Editorial Guidelines for more information.

© 1995-2024 Newsmatics Inc. All Right Reserved.