

URL: <https://stvp.stanford.edu/clips/growth-and-social-impact>

Having a fund that focuses on growth doesn't preclude investing in social impact, observes Backstage Capital founder and managing partner Arlan Hamilton. In fact, she finds, some of the most financially successful companies in Backstage's portfolio have turned out to be companies with a mission that includes social impact.



Transcript

Do we look for companies that are only about the bottom line and they have to be outsize unicorns, or do we look at social impact? And it's a combination? So, I personally will look at any of it, the first few funds that we have have a limited partner agreement, which is our agreement with our investors, it's very specific, and it's more traditional.. It's like we're looking for companies that can scale at a certain place and we're trying to just fund the managers, bring them back, three plus X, I've heard 10x before.. Which means that because so many companies will die out, the winners have to be big big winners financially.. I think they can be both though.. There are a lot of companies, some of the companies that are doing the best in our portfolio are social impact companies.. So I'm just kinda blush there anyway.. So I guess the way to answer is to say that if I were to start a fund from scratch from my own capital, I would be looking, I would be looking for companies that yes, could become unicorns, it's all good, and also companies that would catalyze others in a different way and kind of measure it in different ways for sure...