



CAREER INSIGHTS FOR THE POST-COVID WORLD

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CFA Institute



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CAREER INSIGHTS

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Elevar brings **15+ years** of impact investing experience with **39 companies**, across India and Latin America, delivering **essential services** to over **30Mn underserved** customers in low income communities

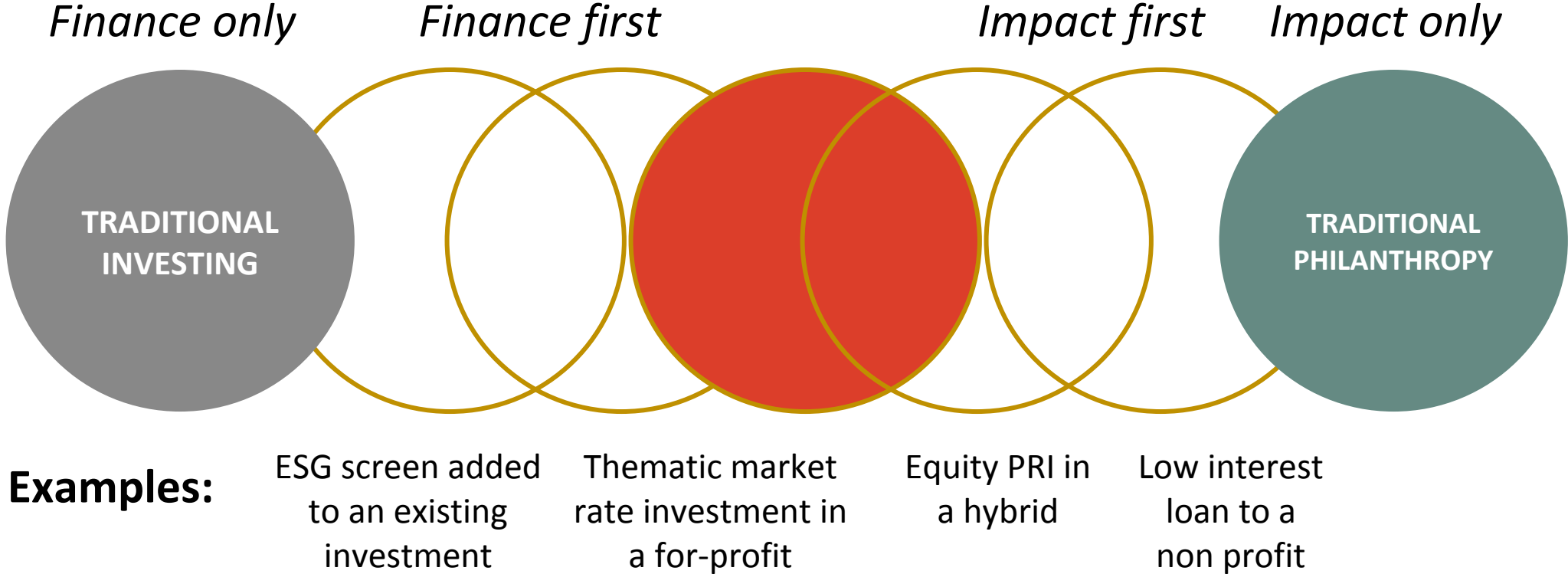
Two themes for today:

- Role of 'finance' and 'entrepreneurial spirit' in 'impact'
- Role of 'entrepreneurial spirit' in your career

How do these relate to 'career insights' and 'career strategies' post COVID?

Impact Investment Landscape

← INTENTION →



Source: Rockefeller Philanthropy Advisors

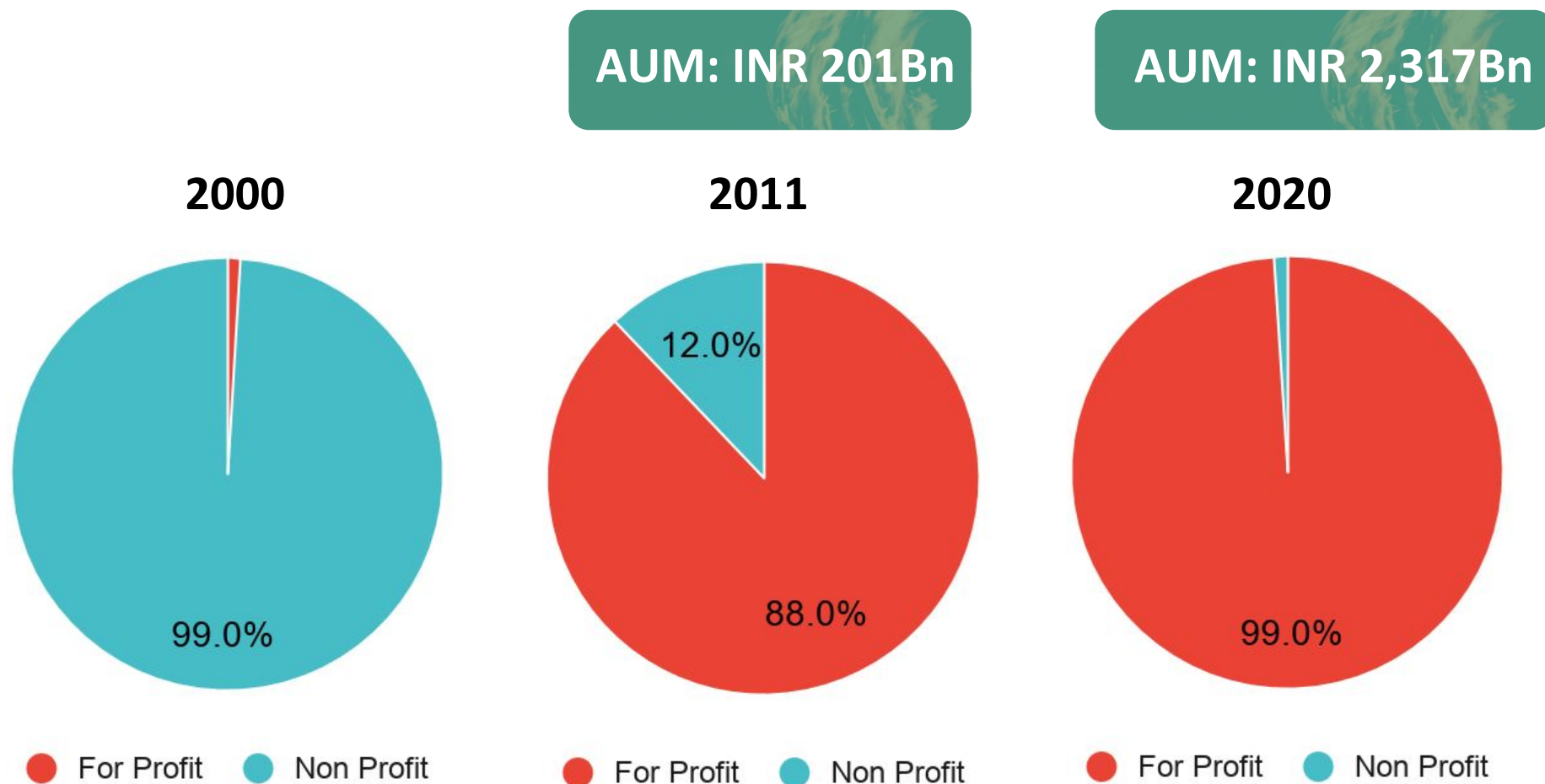
How does one begin to understand this space?

- Intentionality and priorities (finance vs impact)
- How is the entity funded?
- Decision making and leadership
- What is their 'theory of change' or thesis?
- Track record
- Clarity and consistency
- Adjacencies - e.g. consulting, investing, operating, research, measurement and audit, legal, recruitment, media

Impact - often associated with not for profit, philanthropy

The Microfinance Story

from nonprofit to a mainstream sector



Source: MFIN Micrometer, Caspian presentation in European microfinance week

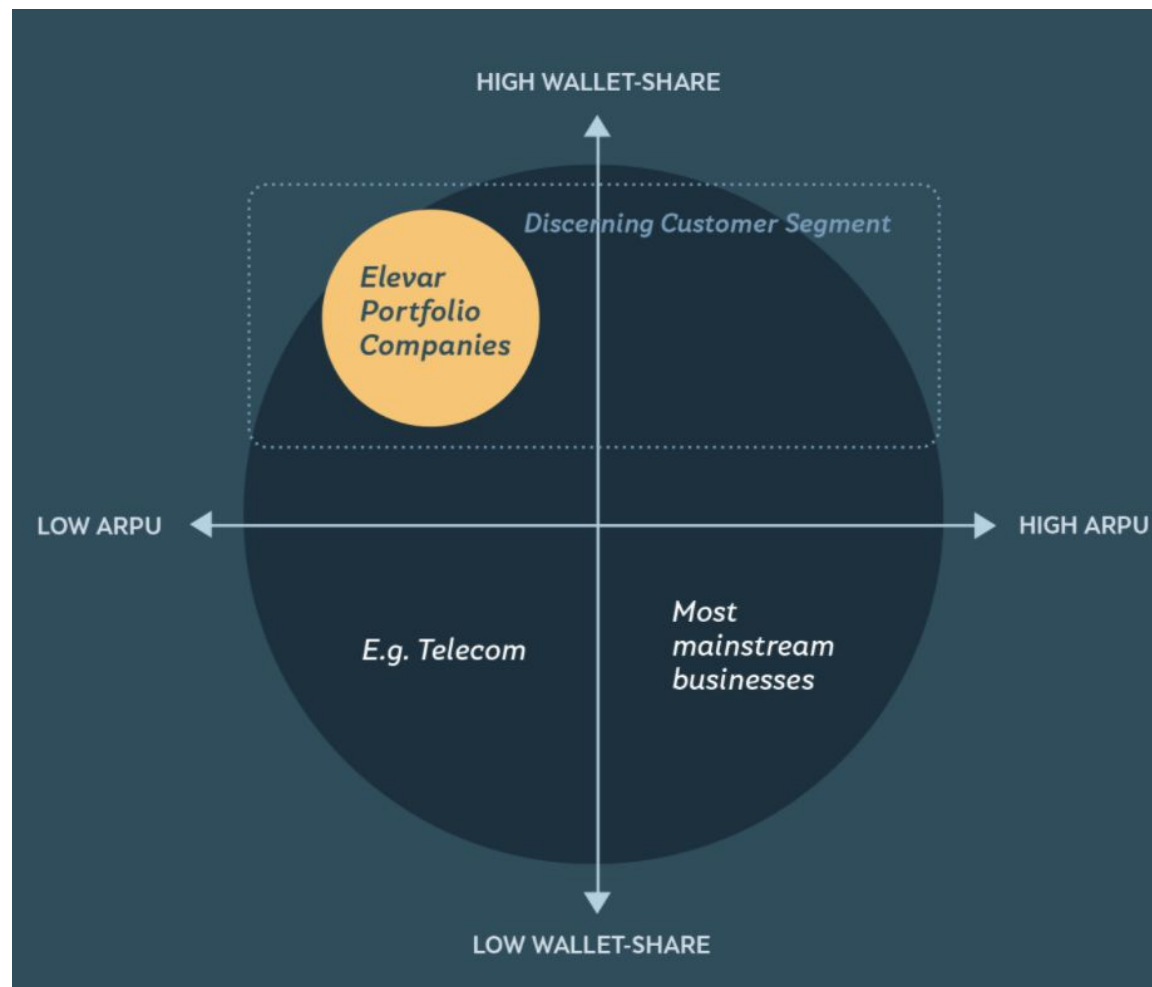
Similar patterns beyond microfinance



Business models in the context of underserved markets hold tremendous potential

**What does it take to
align 'impact' and
capital markets?**

1. the CUSTOMER

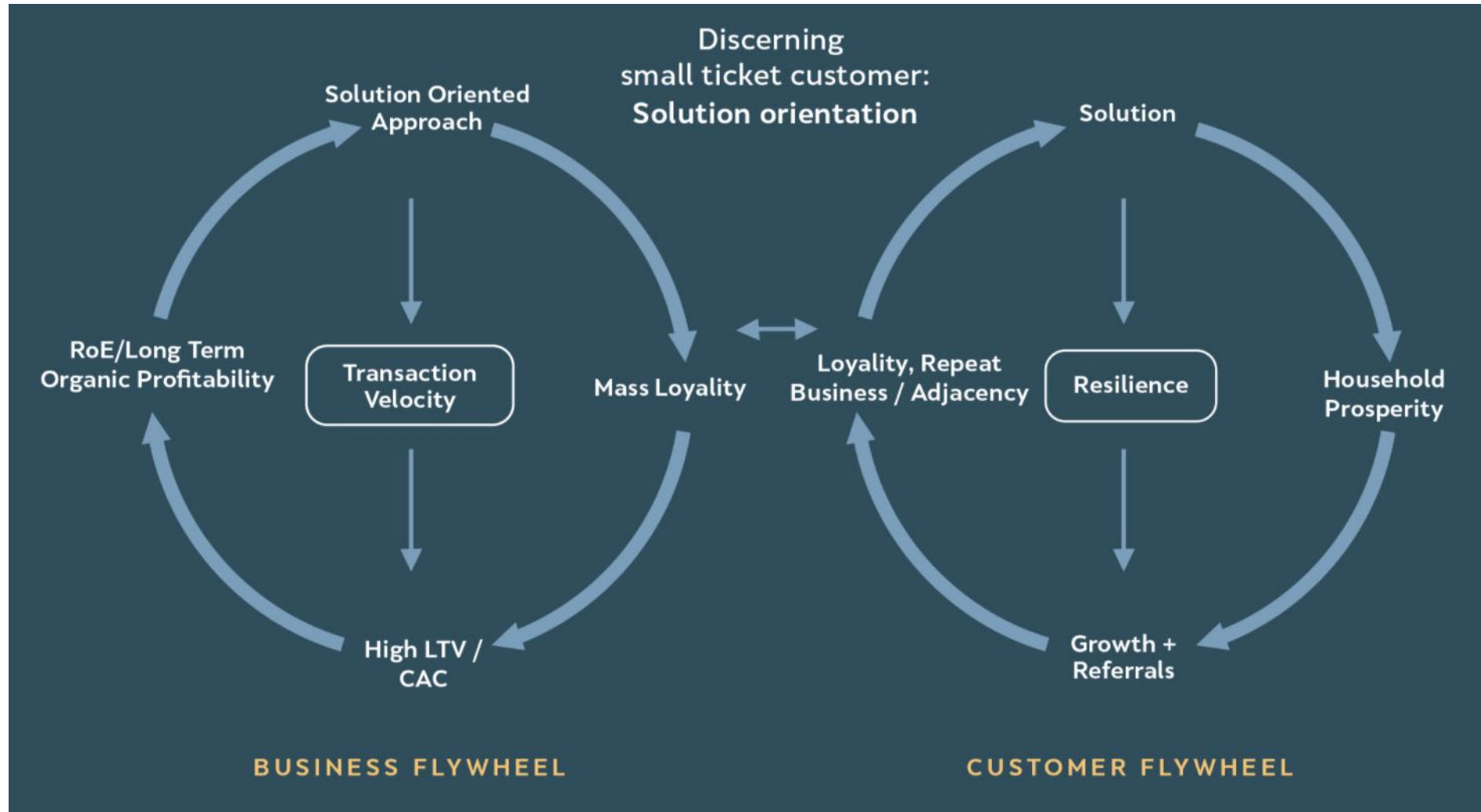


Experience with this customer segment is often counter-intuitive

- Pricing / willingness to pay
- Strong business acumen
- High intentionality
- Contrary to 'risk perception' in this segment
- In built community level resilience
- There is a method to the madness in the 'informal economy'

*Deep domain expertise needed to understand and underwrite **business models** that work with this segment*

2. the BUSINESS MODEL

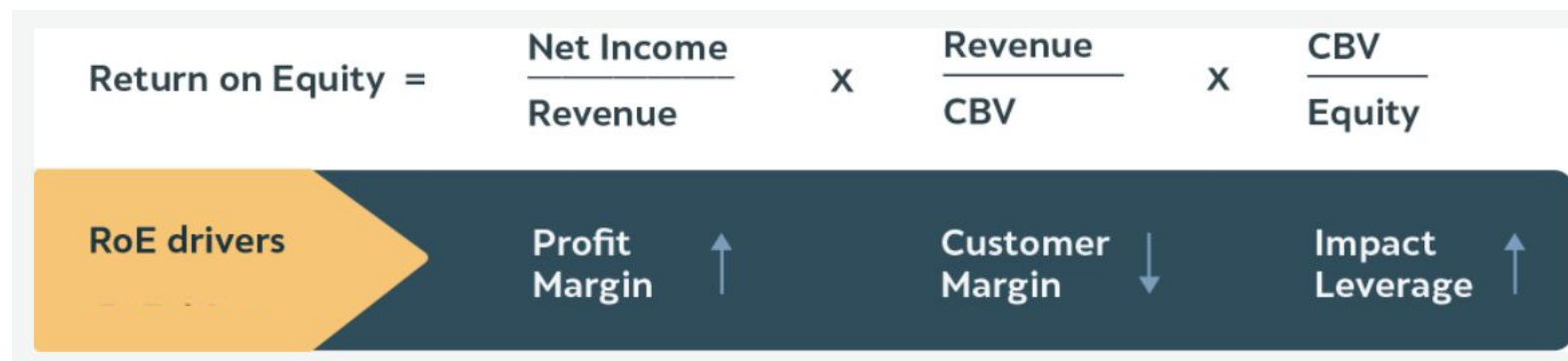


3. the ALIGNMENT OF DRIVERS

MAINSTREAM BREAKDOWN

$$\text{Return on Equity} = \frac{\text{Net Income}}{\text{Revenue}} \times \frac{\text{Revenue}}{\text{Equity}}$$

$$\text{Return on Equity} = (\text{Profit Margins}) \times (\text{Equity Turnover})$$



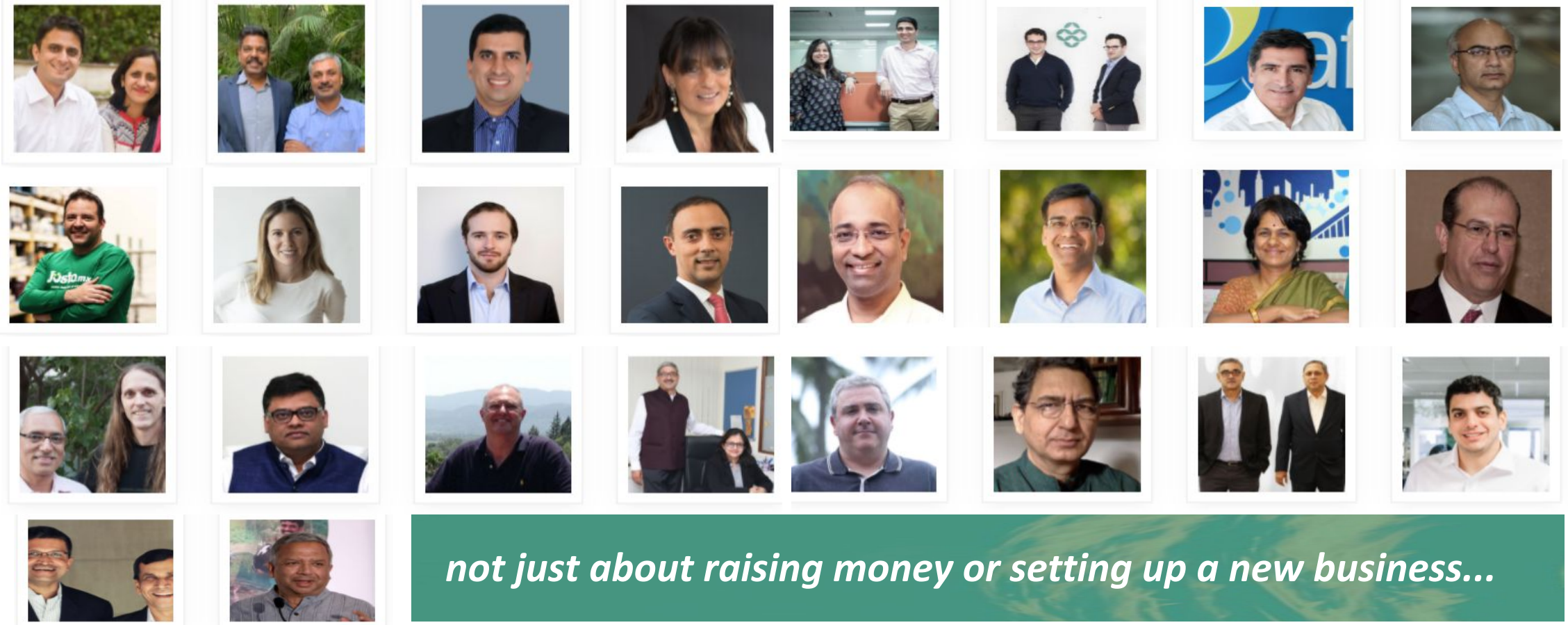
CBV or Customer Business Value:
dollar value of goods and services received by the end customer (not 'sales')

Reference resource: <https://elevarequity.com/equity-for-equity/>



**Key Success Driver:
‘The Entrepreneurial Spirit’**

Entrepreneurs...



not just about raising money or setting up a new business...

Entrepreneurs...



not just about being an investor and backing entrepreneurs...

Entrepreneurial...



Umesh (~5 years experience) took an entrepreneurial call to shift out of a Bank to join an NBFC with <12 months of operations post COVID lockdown

Entrepreneurial resilience ...



Sadikbhai

Pre lockdown

- Aggregated scrap from sub-dealers, sorted & graded them and sold to larger merchants based in Vadodara

Shutdown in business due to lockdown

Post lockdown

- Owns a mini truck, which he now uses to transport fruits & vegetables from the wholesale market to his catchment villages



Pratibha Sunil Jadhav

Pre lockdown

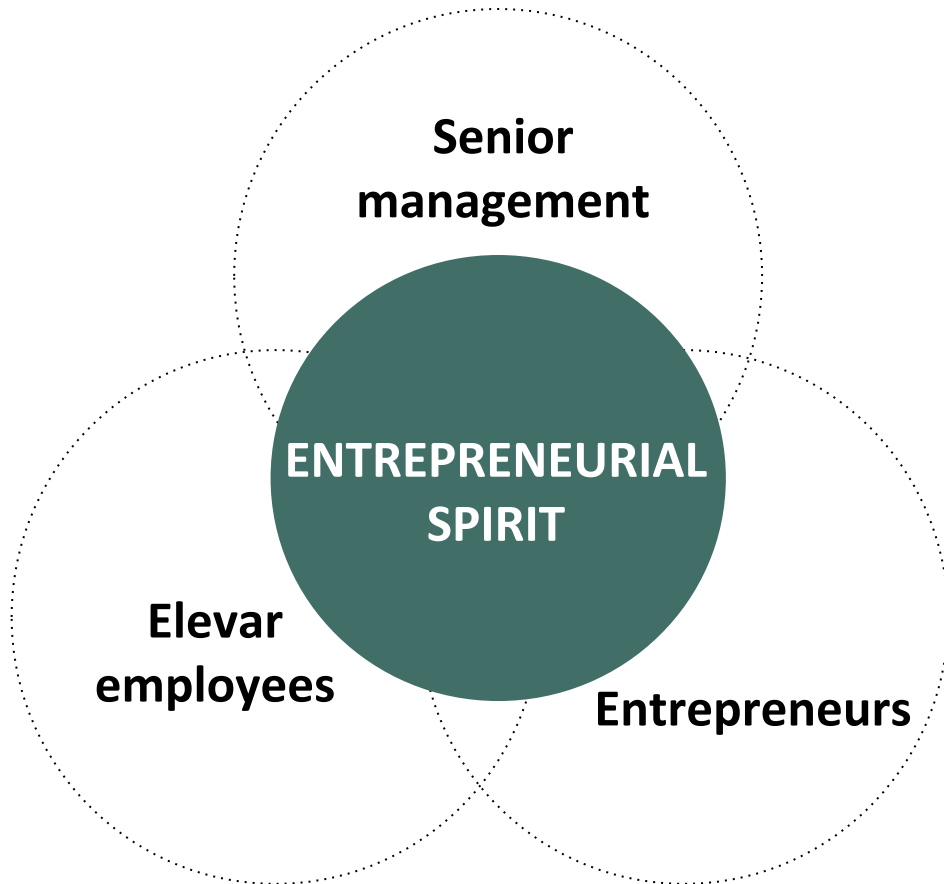
- Used to make 'papad' and supply primarily to traders in Pune & Nasik, with monthly turnover touching INR 3 lakh pre lockdown

Wholesale supply chain disrupted completely due to lockdown

Post lockdown

- Positioned the product as homemade and hygienic
- Business turnover started rising; earlier she sold in wholesale at INR 120/KG and now retails at INR 160

What we look for while recruiting..



- A clear view of 'why' the move
- Demonstrated execution track record
- Technical skills
- Speaking one's mind
- Not perfection, but awareness
- Staying 'informed' and connected
- Attention to details - thoughtfulness
- Clarity of thinking and communication
- Pulse of the customer segment

How does one look for roles?

- Map out institutions (e.g. members of GIIN, GSG, IIC etc.)
- Track them, understand them
- Understand team constructs
- Highly non-standardised: designations, compensation, authority, and role composition
 - e.g. analyst / associate / investment manager / principal / director / partner / venture partner / advisor / managing director / managing partner
- References and networks
- Via operating companies, incubators, seed investors, pro-bono work
- No stereotypes with respect to prior background or experience:
 - investment banking / investing / consulting
 - also legal / economist / philanthropy / entrepreneurs / operations
- Bar for 'investing roles' - VERY high

Overall - all the classical pros and cons of going in early-on is an emerging trend

Building an investment portfolio vs your career: what drives up probability of success

- Understand your risk appetite
- Map out skills... also, what you enjoy
- Sector, roles... also, organization and teams
- Compensation... also, what else you gain (are you 'investing'?)
- Decision maker... also, who are your influencers
- Conviction ... what is the basis
- What is ideal... also, are you prepared for the worst

work-life balance?

**the holy grail of
“work-life excitement”**