Buen Vivir
Capital Institute

Integrated Capital in Practice: A Narrative from the Field

By Alicia DeLia
Founder & CEO Buen Vivir Capital Institute

Integrated Capital in Practice: A Narrative from the Field

Part I. Our Research At A Glance & Executive Summary:

This report emerges from a multi-month learning engagement led by the Buen Vivir Capital Institute in partnership with Charism Capital and GHR Foundation. Through interviews with practitioners across the United States, Latin America, and Africa—spanning philanthropy, impact investing, social enterprise, venture building, and faith-aligned capital—the research surfaced a consistent and urgent insight: Integrated capital is not primarily a technical financing strategy. It is a moral, relational, and systemic practice. When capital is fragmented, transactional, or extractive, it undermines resilience and reproduces harm—particularly in communities that have experienced generations of exclusion. When capital is integrated—across instruments, time horizons, and relationships—it can become a force for healing, economic mobility, and long-term institutional strength.

Interviewees responded strongly to this framing because it offered both clarity and practicality. Integrated capital was not presented as an abstract theory or a niche innovation, but as a grounded approach already being practiced by funders and practitioners navigating real constraints. Participants emphasized that this moment of global disruption, marked by the rollback of international aid and contraction of impact capital, makes integrated approaches not only relevant but necessary.

Historically, integrated capital emerged in response to the limitations of traditional grantmaking and foreign aid. Early pioneers demonstrated that combining philanthropic, concessional, and commercial tools—alongside technical assistance and long-term relationships—could unlock social transformation without prioritizing extraction or short-term returns. As **Abigail Napsuciale and Charles Higgenbotham** of Atta Capital stated during our interview: *"effective economic development requires working backwards from the problem to determine the kind of capital best suited to address*

the solution, rather than forcing enterprises or communities to conform to predetermined instruments."

Across today's landscape, this full-spectrum approach has become increasingly urgent. Frontline leaders described how rigid, short-term, and extractive funding models continue to undermine resilience—particularly in communities that have experienced generations of harm. As **Aaron Epps** of Sicangu Co reflected, effective engagement requires humility and historical awareness: *"We invite people along for this work — there needs to be sustained relationships and community-driven efforts, rather than outsiders coming in and saying, 'this is what you need.' It has to come from the community."* He further noted that when funders lead with trust—sometimes by making an initial grant simply to signal non-extraction—*"the whole conversation changes… it's not about the money, it's about showing that we're not here to extract — this is a reciprocal relationship."*

This emphasis on healing, justice, and repair emerged as foundational, not optional. Multiple practitioners stressed that capital deployed without reckoning with historical trauma risks perpetuating harm. **Ramatu Bangura** of Purposeful framed this as a shift away from funding projects toward resourcing movements: *"We start funding decisions with relationships… funding movements rather than projects, as movements are crucial for sustaining wins."* Similarly, **Laina Greene** of Angels of Impact underscored that capital must be responsive to lived realities: *"The women I am helping are women under trauma. The capital needs to be responsive to that… you have to repair and then restore and regenerate."*

At the same time, participants cautioned against treating capital allocation as sufficient on its own. Systems change and powerbuilding were repeatedly named as parallel requirements. **Jennifer Astone** highlighted that financial flows are inseparable from policy, governance, and power: *"Part of the harm is the way aid is being provided — it's also the policies, the regulations, and the relationships… To change the situation, social impact leaders need to be more organized and demand those changes."* Others named persistent racial and gender bias within funding systems, noting that without intentional power shifting, even well-designed capital stacks will fall short.

The transition to integrated capital models also revealed a critical gap: many organizations are being encouraged to diversify revenue or adopt hybrid models without sufficient "transition infrastructure", a term coined by Author and Narrative Infrastructure Practitioner, **Joanna Cea**.

Leaders from Latin America and Africa described how combining grants, recoverable grants, and patient investments enabled experimentation and sustainability—but only when paired with flexibility and time. **Elfid Torres** of FUNDES noted, *"When you have flexibility, it works better... because you can innovate and learn. You could never create something like this under rigid systems."* **Abigail Napsuciale and Charles Higgenbotham** of Atta Impact Capital echoed this, observing that *"success depends on using more than one source of funding... Integrated capital unlocks a path towards sustainability and financial self-determination that previously was inaccessible."*

Finally, collaboration and enabling infrastructure emerged as both the greatest opportunity and the greatest challenge. While participants widely agreed that no single organization can build these ecosystems alone, they also acknowledged how difficult collaboration becomes in the absence of trust. As **Alberto Gomez** from Co-Capital stated, *"It's not about one organization doing everything. It's about the ecosystem — how we can complement each other and build something that lasts... but collaboration only works when there's trust, and trust takes time."* Without strong local institutions and shared learning, capital risks "passing through" communities rather than taking root.

Taken together, these observations and learnings point toward a reframing of success in philanthropy and impact investing. Rather than measuring outcomes solely through financial performance or short-term outputs, participants articulated a vision in which **organizational values become operating infrastructure**, **finance becomes accompaniment, and repair becomes the truest measure of success.** This narrative suggests that the future of integrated capital will depend less on inventing new tools, and more on transforming the relationships, assumptions, and power dynamics that govern how capital flows in the first place.

Part II. What Is Integrated Capital?

Integrated capital is not a single financial instrument or model. It is a practice that aligns different forms of capital—grants, recoverable grants, debt, equity, guarantees, and non-financial resources—with the actual needs, stage, and context of impact-driven organizations. Rather than separating capital into rigid silos, integrated capital recognizes that multiple tools often must work together, over time, to support organizational health, resilience, and long-term impact.

At its core, integrated capital represents a value system. It centers relationships before transaction and prioritizes trust, fit, and long-term partnership over one-directional or extractive funding approaches. This framing acknowledges that impact leaders operate within complex systems shaped by historical inequities, power imbalances, and structural constraints that cannot be addressed through isolated funding instruments alone.

Beyond diverse financial mechanisms, integrated capital insists that capital deployment be guided by principles of **healing, justice, repair, and non-extraction**. Without this lens, even innovative financing risks reproducing the inequities it seeks to address. Our work with social enterprises & frontline communities globally has repeatedly observed that honest dialogue around race, class, access, and power is not ancillary to economic mobility—it is central to it.

Faith-based and community-rooted institutions have demonstrated particular leadership in holding these values at the center, reminding the field that inner work and systemic change must proceed together. In these contexts, **capital becomes a form of accompaniment rather than control**, and finance becomes infrastructure for dignity rather than a lever for extraction.

Integrated capital also functions as infrastructure for economic mobility. Social enterprises and inclusive businesses are widely recognized as engines of job creation and community resilience, particularly in Latin America and Africa. Yet capital strategies often prioritize rapid inclusion into

investment markets without adequately addressing foundational gaps in physical, financial, technical, and institutional infrastructure. Integrated capital responds to this misalignment. It recognizes that enterprises do not operate in a vacuum; they are embedded within ecosystems that may lack reliable power, skilled labor, supportive regulation, or access to networks. Without deliberate investment in these enabling conditions, capital—no matter how well intentioned—underperforms or causes harm.

A critical insight emerging from this research is the importance of **transitional infrastructure**. As nonprofits and social enterprises explore earned income and hybrid models, they encounter steep learning curves. Operating an impact-driven business requires different systems, skills, and governance structures than running a traditional nonprofit. Expectations of rapid sustainability frequently underestimate this transition.

Integrated capital acknowledges that moving from grant reliance to blended or earned-income models is neither linear nor immediate. Advisory support, peer learning, interim financing, and flexible capital allow organizations to experiment and adapt without compromising mission integrity. This accompaniment is particularly critical in the current moment, as the sector navigates one of the most significant contractions of impact capital in recent decades.

Part III. Good Practices in Integrated Capital

Practices from Capital Allocators

Part I: Allocators

➔ **The Role of Philanthropy: Catalytic and Transitional Infrastructure**

Within an integrated capital framework, philanthropy plays a critical and irreplaceable role as an infrastructure builder. Grant capital is uniquely positioned to anchor early-stage ecosystems by

funding elements that are essential but not immediately investable: technical assistance, business training, organizational development, governance, and market readiness.

This catalytic function is especially important in historically undercapitalized or marginalized communities, where enterprises may require sustained accompaniment before they can responsibly absorb debt or equity. Rather than viewing grants as a temporary bridge to "real" capital, integrated capital reframes philanthropy as a foundational pillar that enables enterprises to reach their full entrepreneurial potential.

At the same time, this approach resists a one-size-fits-all model. Certain sectors and communities—such as those centered on child welfare, environmental protection, or humanitarian response—will appropriately remain grant-dependent. **Integrated capital does not seek to force market solutions where they are unsuitable, but instead supports context-appropriate pathways to sustainability where viable.**

➔ **Engaging Investors: A Holistic Lens on Risk and Return**

Integrated capital also calls for a recalibration on the investor side of the equation. Impact investors, venture capital firms, and institutional allocators are increasingly interested in economic mobility and inclusion, yet often apply investment lenses developed in more mature markets.

In regions with infrastructural gaps, traditional expectations around risk, time horizons, and returns may obscure long-term value creation & social impact. Integrated capital invites investors to adopt a more holistic understanding of context—recognizing how blended instruments (grants, concessional debt, patient equity, guarantees) can work together to strengthen enterprises and ecosystems over time.

By aligning philanthropic and investment capital, integrated approaches reduce risk, improve enterprise performance, and create more durable pathways to scale. This alignment is central to the

learning journey of capital allocators within integrated capital networks, where the boundaries between grantmaking and investing are evolving towards greater integration.

➔ **Implications for the Future of Philanthropy and Impact Investing**

As global economic uncertainty deepens and traditional funding models prove insufficient, integrated capital offers a pathway forward. It challenges funders and investors not simply to "bounce back" to prior approaches, but to co-create new models of capital deployment that are adaptive, inclusive, and restorative.

For foundations, this means embracing philanthropy not only as a source of funding, but as strategic infrastructure—capable of unlocking enterprise resilience, de-risking investment, and supporting long-term systems change. When aligned with values and deployed in partnership with investors and communities, integrated capital can move the field closer to a more prosperous, equitable, and enduring future for economic mobility.

➔ **Lessons for Impact Investors and Philanthropists: Aligning Capital to Meet the Current Moment. A Sector in Structural Transition**

The global philanthropy and impact investing ecosystem is undergoing one of the most significant periods of disruption in recent history. Capital flows are shifting, traditional aid and philanthropic models are under strain, and frontline social enterprises are navigating heightened uncertainty while demand for their work increases. At the same time, wealth holders—from institutional philanthropies to next-generation inheritors—are actively seeking clearer pathways for deploying capital in ways that are both values-aligned and effective.

This moment presents both risk and opportunity. Without coordination, capital fragmentation and polarization will continue to limit impact. With intentional collaboration, however, the sector has the

potential to mobilize capital at a scale capable of supporting thriving social enterprise ecosystems across Africa, Latin America, and underserved communities in the United States.

➔ **The Ideological Spectrum in Economic Development**

One of the most persistent challenges facing the field is the polarization of economic frameworks. On one side are actors focused on inclusion, prosperity, and economic mobility through entrepreneurship, innovation, and market access. These approaches emphasize job creation, financial inclusion, and reducing regulatory barriers that prevent young people and entrepreneurs from building livelihoods in their home communities.

On the other side are solidarity economy advocates and systems change practitioners who argue that markets alone cannot correct historical and ongoing extraction. Their work prioritizes cooperative ownership, democratic governance, wealth redistribution, and explicitly addresses racial, gender, and climate injustice as inseparable from economic outcomes.

Both perspectives are grounded in legitimate analysis and lived experience. The challenge for impact investors and philanthropists is not to choose between them, but to resist framing them as mutually exclusive. When capital becomes siloed along ideological lines, the field loses sight of a shared north star: human and environmental flourishing, shared prosperity, and dignity. **Buen Vivir Capital Institute** exists to bridge these silos, create partnerships along lines of difference and build long-term infrastructure in service of these principles and practices.

Lessons from the Research:

For capital allocators, integrated capital requires a fundamental shift in posture. Across interviews, allocators such as **Lynne Hoey,** Chief Investment Officer at the Kataly Foundation, who lead with relationships before transaction were consistently more effective. *"As a funder, beginning with listening and trust-building creates space for honest conversations about risk, timing, and need."* Often, this relational entry point was supported through grants—not as charity, but as signals of

non-extraction and partnership. *"Shift the power balance first. Remember, they are the wisdom keepers for their community and work—not you."* noted Lynne.

In fact during the course of our research, power shifting emerged as inseparable from capital deployment. **Integrated capital requires attention to who holds decision-making authority and whose knowledge is centered.** Co-creation, shared governance, and respect for lived experience strengthened both outcomes and relationships.

Allocators who embraced flexibility across legal structures, timelines, and reporting requirements enabled innovation and learning. Rigid constraints—overhead caps, short grant cycles, narrow use-of-funds rules—consistently undermined effectiveness. In contrast, institutions that treated pilots as learning opportunities rather than compliance exercises were better positioned to deploy catalytic capital responsibly.

Finally, collaboration and capital pooling emerged as essential to meeting the moment. Despite shared values, capital remains fragmented and concentrated among a small set of aligned funders. Interviewees emphasized the need for larger pooled vehicles, shared diligence, and co-investment strategies to reduce transaction costs and grow the overall capital base. Without intentional collaboration, the ecosystem risks stagnation even as need accelerates.

Below we detail key insights to support allocators as they embrace and activate integrated capital programs.

1. **Lead With Relationship Before Transaction**

Across all interviews, the most effective capital allocators began with relationship, not instrument selection. Trust-building, listening, and proximity created the conditions for honest dialogue about risk, timelines, and constraints. In many cases, an initial grant—used explicitly as a signal of non-extraction and relationship-building—shifted the tone of engagement and enabled deeper

partnership. When capital followed relationship rather than the reverse, it became more adaptive, aligned, and durable.

Insight: Relationship-first engagement reduces misalignment, lowers transaction costs over time, and allows capital to respond to reality rather than assumptions.

2. **Match Capital to Context, Stage, and Need**

Integrated capital works when allocators resist defaulting to familiar tools and instead work backwards from organizational reality & community needs. Successful allocators layered and sequenced grants, recoverable grants, concessional debt, and patient equity based on where an organization actually was—not where funders wished it to be. Capital that arrived too early, too rigidly, or with inappropriate return expectations consistently distorted behavior or undermined resilience.

Insights: Fit matters. Contextual capital improves performance and reduces downstream risk.

3. **Use Philanthropy as Strategic Infrastructure**

In effective integrated capital models, philanthropy functioned as infrastructure—not charity. Grants absorbed early risk, funded transition, enabled experimentation, and supported non-investable but essential needs such as governance, systems, human capital, and ecosystem coordination. Rather than viewing grants as a bridge to "real" capital, allocators treated them as a foundational pillar of healthy markets.

Insights: Without infrastructure, enterprises cannot responsibly absorb investment. Philanthropy de-risks the entire system.

4. **Shift Power Alongside Capital**

Allocators who acknowledged historical harm, extraction, and power asymmetries—and actively worked to rebalance them—were more effective partners. This included minimizing administrative burden, embracing flexible reporting, centering community wisdom, and allowing imperfection and learning. Power-shifting was not treated as an add-on, but as essential to impact.

Insight: Capital deployed without power repair reproduces inequity, even when intentions are good.

5. **Collaborate and Pool Capital to Meet the Moment**

Despite shared values, capital remains fragmented and concentrated among a small group of aligned funders. Interviewees consistently named the need for larger pooled vehicles, shared diligence, co-investment strategies, and learning communities. Allocators who collaborated reduced risk, expanded access, and strengthened the ecosystem as a whole.

Insights: Scale and resilience require coordination. No single allocator can build these ecosystems alone.

Part IV. Good Practices in Integrated Capital

Practices from Practitioners & Social Enterprises Using Integrated Capital: Integrated Capital as Social Enterprise Infrastructure towards Economic Mobility

Across global contexts—particularly in regions such as Latin America and Africa—social enterprises and inclusive businesses are widely recognized as powerful vehicles for job creation, community resilience, and economic mobility. However, persistent gaps remain between this potential and lived reality.

For practitioners, integrated capital is not passive. Organizations that successfully attracted and stewarded integrated capital were intentional about values alignment and boundary-setting. They were willing to walk away from funding that introduced misalignment, excessive control, or extractive requirements. This discipline protected mission integrity and long-term sustainability.

Relationship-centered fundraising models consistently improved organizational performance. Transactional fundraising placed heavy operational and emotional burdens on leaders, particularly leaders of color and those working in historically marginalized communities. By contrast, trust-based relationships freed capacity for programmatic excellence and strengthened team wellbeing.

Practitioners emphasized that integrated capital also requires internal cultural change. Moving away from "fundraising at any cost" toward fundraising as a pathway to organizational health demanded intentional planning and leadership commitment. This shift reframed fundraising as part of the core operating model rather than a parallel or extractive function.

Flexible, unrestricted capital enabled experimentation, geographic expansion, and innovation that would not have been possible under tightly constrained project funding. Importantly, many of these relationships began small and deepened over time, reinforcing that trust is built through practice rather than policy alone.

Finally, practitioners reframed integrated capital as having a healing function. When fundraising relationships were non-extractive and human-centered, leaders experienced renewed energy and creativity. Supporting the wellbeing of social enterprise leaders emerged not as ancillary to impact, but as foundational to it.

Insights for Foundations on What Enables Success For Frontline Enterprises

Our body of work and the research in this project illustrate that integrated capital is not only a question of financial instruments, but of **how relationships, power, and labor are structured around**

capital. Several clear lessons emerge for social enterprises—and for foundations seeking to support them effectively.

1. **Relationship-Centered Capital Improves Organizational Performance**

One of the most consistent findings is that transactional fundraising models place a significant operational and emotional burden on social enterprises, particularly those led by leaders of color and organizations working in historically marginalized communities. Endless cycles of sourcing, reporting, and stewarding capital can divert leadership attention away from mission delivery and erode team wellbeing.

By contrast, fundraising approaches grounded in trust, reduced administrative burden, and genuine partnership free organizational capacity for programmatic excellence. In this case, shifting toward trust-based relationships enabled a growing organization to raise substantial unrestricted operating support in a relatively short period, while strengthening—not compromising—its mission focus.

Insight: Capital that prioritizes trust and flexibility is not a concession; it is an efficiency and impact multiplier.

2. **Integrated Capital Requires Intentional Boundary-Setting by Social Enterprises**

The narrative underscores that building integrated capital requires deep reflection and at times, hard choices. Social enterprises must be willing to set boundaries, including walking away from funding that introduces misalignment, excessive control, or extractive requirements. This discipline is essential to protecting mission integrity and long-term sustainability.

Through my experience as a practitioner, I myself learned how to hold such boundaries, in service of our organizational values, culture and sustainability. During Covid, I was leading investor and funder relations at **RUNWAY**, a fund supporting Black entrepreneurs in the United States. One of the largest U.S.-based foundations approached us to finance our work. Early in my work at RUNWAY, I had

drafted a funders manifesto that detailed how we would engage with funders and investors in "right relationship." It helped guide us internally and externally as we honored and articulated right relationship as a living and breathing piece of our operating infrastructure.

During the course of the "getting to know each other" phase of meeting new funders, we would "vet" donors & investors for culture and organizational match. Because of Covid, RUNWAY had decided to double down on supporting our current entrepreneurs vs. moving forward with our expansion plans to engage new entrepreneurs in a new city. All of our donors & investors understood and honored this approach. During a conversation with this potential funder we asked what they would have done if we had articulated expansion plans through our initial proposal, and then, through a major systemic shift such as Covid, needed to retract those plans and redirect our energy and bandwidth towards helping our current portfolio survive. They mentioned that they were not sure if they could honor the change, that we would need to draft a new proposal– detailing the shift– and that should it not be approved– we would have to return the funds.

We decided that the reality of working with a funder with these guidelines would cause challenges that we could not imagine undertaking at the time. Considering all of our funders understood we were living inside a global pandemic and believed in our ability to utilize unrestricted capital as we saw fit to ensure the survival of our already vulnerable portfolio of black businesses nationwide–we had a strong model of what right relationship looked like in action. Alternatively, those who would have us implement excessive administrative protocols, and potentially take money back–did not match our idea of right relationship and were not the right fit for us at the time.

As such, we declined the gift–and walked away from a 7-figure deal.

Organizations such as RUNWAY, that clarified their fundraising values and articulated expectations to funders—rather than adapting themselves to every opportunity—are largely better positioned to build durable, values-aligned capital partnerships.

Insight: Social enterprises need support not only to raise capital, but to develop the strategic clarity and confidence required to say no to misaligned funding.

3. Trust-Based Capital Is Especially Critical for Leaders of Color & Impact Leaders in the Global South

There is a structural inequity within philanthropy and impact investing that I have observed through my work in the field: leaders of color & impact leaders from the Global South are often required to **over-prove legitimacy,** manage heavier reporting burdens, and absorb higher relational labor costs than their white and Global North counterparts. Integrated capital models that center trust help correct this imbalance by shifting power dynamics and normalizing imperfection, learning, and adaptation. The foundational elements of Right Relationship.

When funders allow social leaders to lead—rather than perform—organizations are better able to surface challenges early, adapt in real time, and respond authentically to community needs.

Insight: Trust-based and restorative funding practices are not neutral reforms; they are equity interventions.

4. Integrated Capital Is Cultural, Not Just Structural

While much attention has been paid to new funding mechanisms on the funder side, this narrative reveals that integrated capital also requires **internal cultural change within social enterprises**. Moving from "fundraising at any cost" to fundraising as a pathway to organizational health, agency, and financial empowerment demands intentional planning, organizational alignment, and leadership commitment.

This cultural shift reframes fundraising as part of the enterprise's core operating model rather than a parallel or extractive function.

Insight: Capacity-building support should include organizational culture, fundraising strategy, and leadership wellbeing—not only financial management.

5. Flexible, Unrestricted Capital Enables Innovation and Scale

The most successful models of capital deployment we have observed throughout our career were made possible by funders willing to provide operating support with fewer restrictions, multi-year philanthropic funding and deeper collaboration. This flexibility enabled experimentation, geographic expansion, and the launch of new initiatives that would not have been possible under tightly constrained project funding.

Importantly, these relationships often began small and deepened over time, suggesting that trust is built through practice rather than policy alone.

Insight: Pilot funding, when paired with flexibility and learning, can evolve into high-impact, long-term partnerships.

6. Integrated Capital Has a Healing Function

Finally, integrated capital as a tool for healing—not only communities, but practitioners themselves. When fundraising relationships are non-extractive, respectful, and human-centered, leaders experience renewed energy, commitment, and creativity. This has direct implications for organizational resilience and leadership retention in the social sector.

Insights: Supporting the wellbeing of social enterprise leaders is not ancillary to impact; it is foundational to it.

7. Invest Early in Transitional Infrastructure

Leaders consistently emphasized that moving from grant dependence toward blended or earned-income models requires time, systems, and support. Governance, financial management, staffing, advisory support, and peer learning were critical. Organizations that underinvested in this "boring but essential" infrastructure struggled to absorb capital effectively. And for organizations exploring earned revenue or for-profit impact models, the learning was clear: an impact business is a

full business, not a programmatic add-on. Markets, customers, systems, and operational discipline become primary stakeholders. Leaders who succeeded sought experienced advisors, joined accelerators, and treated enterprise as a serious organizational transformation.

Insights: Transitional infrastructure is what makes diversification possible without mission drift. Enterprise without preparation increases risk to mission and people.

Part V. Case Studies: When Allocators and Practitioners Move Together

Case Study One

Building an Integrated Capital Model in Central America

Organization: Atta Impact Capital

Geography: Central America

Interviewees: Abigail Napsuciale & Charles R. Higgenbotham

Interviewer: Alicia DeLia

Atta Impact Capital operates in a region where the promise of impact investing has long outpaced the availability of appropriate capital. Working across Central America, the organization set out to address a persistent structural challenge: socially driven enterprises with real job-creation potential were unable to access the kinds of capital and support needed to grow—not because of a lack of demand or entrepreneurial talent, but because the ecosystem itself was incomplete.

Atta positions itself deliberately within the **"missing middle"**—enterprises too large for microfinance yet too early or locally rooted to attract traditional venture capital. While debt financing is relatively accessible in the region through development finance institutions, equity capital for impact-first enterprises remains scarce. This gap is compounded by weak entrepreneurship support infrastructure. Accelerators and incubators often focus on ideation and prototyping, offering limited

assistance to enterprises attempting to move from first sales to sustainable growth. Mentorship is frequently disconnected from real business operations, fundraising, or exit experience, leaving entrepreneurs underprepared to navigate complex capital markets.

Recognizing that capital alone would not correct these failures, Atta designed itself as a hybrid fund manager. Rather than separating philanthropy and investment into distinct lanes, the organization integrates them into tailored capital pathways. Blended financing rounds combine grant capital, concessional debt, venture debt, and patient equity in ways that reflect enterprise stage and context.

Recoverable grants play a particularly important role in this strategy. Secured primarily from international development organizations and private donors, these instruments provide flexible early-stage capital that absorbs risk while preserving the possibility of recycling funds. For the enterprises in their portfolio, many of whom face acute barriers to equity access—recoverable grants stabilized operations, enabled capacity building, and reduced investment risk.

"Success depends on using more than one source of funding. Without both grants and investments our model wouldn't have worked. Integrated Capital unlocks a path towards sustainability and financial self-determination that previously was inaccessible," Abigail Napsuciale.

Traditional non-recoverable grants from foundations proved harder to secure, revealing a broader misalignment between conventional philanthropic practices and the realities of hybrid investment models operating in underdeveloped markets. In response, Atta increasingly assumed an intermediary role—translating between investors unfamiliar with Central American contexts and enterprises navigating fragmented capital landscapes.

This connective function proved essential. Atta facilitated introductions, structured blended rounds, and aligned expectations across actors with different risk tolerances and time horizons. In doing so, the organization demonstrated that integrated capital is as much about coordination and relationship as it is about financial instrument

Despite progress, challenges persist. Underperforming entrepreneurship support organizations (ESOs) continue to limit enterprise readiness, requiring Atta to invest heavily in mentorship and technical assistance beyond traditional fund management. Cultural misalignment remains a risk, particularly when development interventions are designed without sufficient local grounding. Charging for services improves accountability but risks excluding undercapitalized entrepreneurs, requiring constant recalibration.

Even so, Atta's integrated approach has begun to yield results. Enterprises that might otherwise have stalled accessed capital aligned to their needs. Blended financing reduced investor risk while improving enterprise resilience. At the ecosystem level, Atta is now piloting novel upskilling approaches for ESOs in Costa Rica, designed to provide personnel with a practical, hand-on understanding of common company gaps by participating in live due diligence efforts from the investor point of view.

For foundations, Atta's experience underscores a critical lesson: philanthropy functions most effectively as part of an integrated capital spectrum—absorbing risk, enabling learning, and supporting transition—when it is flexible, patient, and aligned with investment capital over time.

Case Study Two

Integrated Capital as a Human Capital Engine: Funema's Redemptive Approach in Emerging Markets

Organization: Funema

Geography: South Africa

Interviewee: David Ogundeko

Interviewer: Alicia DeLia

Funema emerged from a clear insight: in emerging and frontier markets, capital alone does not build enduring companies. Too often, funding arrives before founders have the human infrastructure—talent, systems, and experienced partners—needed to translate ideas into sustainable enterprises. In these contexts, the cost of failure is high and access to safety nets is limited, making conventional venture capital models ill-suited to local realities.

Founder David Ogundeko's experience inside Lagos' venture capital ecosystem revealed the shortcomings of dominant approaches. Venture studios struggled with founder retention and agency, while traditional VC systematically excluded asset-heavy businesses solving infrastructure-level problems. These exclusions disproportionately affected African and global south founders tackling long-term challenges.

In response, Funema rejected capital-first investing and positioned itself as a venture builder and human capital engine. Rather than deploying money upfront, the organization embeds experienced venture builders into early-stage companies, providing operational expertise and execution support in exchange for a modest equity stake—typically around two percent. This structure allows founders to retain power while receiving the support required to build commercially viable enterprises.

At the heart of Funema's integrated capital model is the belief that talent is capital. Founders learn through execution, not over-mentoring, and grow into CEO roles without being prematurely

pressured by investor expectations. The results have been notable: Funema's portfolio of more than twenty companies shows higher survival rates beyond five years than traditional accelerator models.

Over time, this operational approach evolved into a broader philosophy that Ogundeko describes as "redemptive capital." This framework acknowledges systemic inequality and treats capital as a tool for restoration rather than extraction. By intentionally absorbing early risk and limiting equity capture, Funema redistributes power toward founders and prioritizes long-term, generational outcomes over short-term financial returns.

This philosophy is reflected in Funema's two-stage integrated capital strategy. The first stage focuses on infrastructure and human capital development—raising capital to support a platform that trains venture builders and accompanies founders for one to four years. The second stage introduces "redemptive grants," typically ranging from $50,000 to $100,000 per venture. These grants are deployed directly into companies but convert into equity at the level of a holding or infrastructure entity, not the individual venture. Founders are not required to repay the grant, while the platform builds long-term value across the portfolio.

This structure de-risks early capital, preserves founder agency, and creates pathways for attracting development finance and aligned investors at the infrastructure level. It also resonates strongly with faith-aligned capital holders. Ogundeko articulated a vision in which capital becomes a form of ministry—not limited to funding faith-based enterprises, but used as a healing force across communities. Return horizons are reframed around generational transformation rather than immediate financial gain.

Challenges remain. Avoiding traditional venture funding has required discipline and patience, slowing scale. Educating philanthropic and faith-based partners about redemptive grants and infrastructure plays demands ongoing translation and trust-building. Operating in environments with unreliable power and connectivity further complicates enterprise development.

Even so, Funema offers a compelling example of how integrated capital—when centered on human capacity, power repair, and values alignment—can address structural inequities in capital access. For foundations, the case demonstrates the importance of funding infrastructure and absorbing early risk when working in emerging markets.

"We should sound louder than Silicon Valley--Christians have no voice in this ecosystem. It's time to use capital as gospel" David Ogundeko

Case Study Three

Long Term Social Impact Through SME Development &

Integrated Capital Through Flexible Partnerships

Organization: Fundes Group / Fundamental

Geography: Latin America

Interviewee: Elfid Torres

Interviewer: Alicia DeLia

Fundes Group operates at the intersection of enterprise development, corporate partnership, and impact-driven SME (Small Medium Enterprise) creation across Latin America. Its work reflects a long-term commitment to strengthening local economies by supporting SMEs while building impact businesses capable of achieving scale.

Fundes' integrated capital approach is anchored in its dual operating model. As an impact consultancy, Fundes works with SMEs to improve productivity and market access, often through supply chain models with large corporations. Alongside this work sits Fundamental, the organization's venture studio, which builds impact enterprises from the ground up and spins off high-potential ventures emerging from Fundes' consulting engagements.

Launched four years ago, Fundamental had already taken four companies to reach product–market fit at the time of the interview. Elfid Torres emphasized that true sustainability in venture building typically requires five to seven years—a timeline often incompatible with traditional philanthropic funding cycles.

Fundes' experience highlights a central constraint in Latin America: while social innovation is widely discussed, capital remains tightly restricted by culture, regulation, and legacy philanthropic norms. Most foundations in the region (Latin America) are family-based and focus on traditional sectors such as health and education. Experimentation with enterprise-based or blended approaches is limited and often comes from US or European based foundations and integrated capital allocators. In this context, where innovation and experimentation is inextricably linked to success, flexible capital has been essential to the organization's thriving and scale. Rigid funding structures would diminish outcomes and undermine effectiveness by forcing organizations to subsidize core operations. Fundes therefore prioritizes relationships with funders willing to support operations holistically and adapt over time.

"When you have flexibility, it works better… because you can innovate and learn. I think you could never create something like this under rigid systems. We've also learned that sharing data, lessons, and even failures is part of building real infrastructure. Otherwise, we're just repeating the same mistakes."
Elfid Torres

A defining example is Fundes' partnership with the Leopold Bachmann Foundation in Switzerland. What began as a small pilot grant evolved into a multi-year relationship providing approximately $1 million annually over three years. This flexible, trust-based funding enabled Fundes to experiment, refine its models, and scale initiatives that would have been impossible under more restrictive arrangements.

Not all partnerships evolved similarly. Elfid described how one longtime funder gradually shifted toward a more bureaucratic, multilateral-style model. As reporting requirements increased and

relational proximity declined, adaptive capacity weakened. This experience reinforced the importance of relational capital alongside financial capital.

Despite its longevity, Fundes continues to encounter barriers in accessing networks open to integrated capital models. Participation in high-profile forums has not consistently translated into new partnerships, underscoring the structural challenges of visibility and gatekeeping in capital markets–even those deemed impact first.

For foundations, Fundes' experience demonstrates that integrated capital often depends less on blending instruments within a single transaction and more on aligning funding terms, timelines, and relationships with the realities of social enterprise development. This work requires patience, operational flexibility, and trust—qualities that remain underfunded yet essential.

Taken together, these case studies point to a shared conclusion: implementing successful integrated capital models is not challenged by a lack of innovation, but because it asks something different of the people and institutions stewarding it. The examples surfaced here demonstrate that when capital is deployed in isolation—without attention to relationship, power, and context—it struggles to deliver on its promise. When it is practiced with humility, patience, and alignment, it becomes a powerful catalyst for resilience, learning, and long-term impact.

Closing Reflection: What Integrated Capital Now Demands

Across all interviews and case studies, one conclusion becomes unavoidable: **integrated capital is not a destination or a fixed model. It is a practice. It requires movement from both funders and impact leaders, grounded in trust, clarity, and shared accountability.** A consistent throughline emerged across geographies and models: integrated capital is most effective when it is practiced in right relationship—with communities, with history, and with one another.

This moment of disruption is not simply a funding crisis; it is a transition point. The evaporation of traditional aid, the contraction of impact capital, and the increasing burden on frontline organizations have exposed the limitations of fragmented, transactional funding. At the same time, practitioners across regions are demonstrating that alternative approaches are already possible.

For foundations—and particularly faith-aligned institutions—the implication is clear. The most catalytic role is not to perfect new instruments alone, but to co-create conditions in which trust-based, restorative, and sustainable capital relationships can flourish. This means treating philanthropy as infrastructure, investing in transition and institution building, and aligning capital with the lived realities of communities and enterprises.

Integrated capital, when practiced with humility and courage, allows finance to become accompaniment rather than control. It creates space for healing alongside growth, for experimentation alongside accountability, and for dignity alongside economic mobility. The path forward does not require perfection. It requires starting where we are, learning in partnership, and committing to fund and lead in ways that are worthy of the futures we seek to build.

Supporting the impact leaders committed to these practices is our mission at Buen Vivir Capital Institute.