

TALENT

Why it matters to startups:

Startups need to hire the best and brightest talent to compete, but the U.S. talent pool isn't currently equipped to fill all of the talent gaps. Startups also struggle to navigate the process of hiring high-skilled, foreign-born workers—the process is lengthy and complex and imposes additional financial burdens on already tight startup budgets. The entire tech ecosystem benefits when companies can access high-skilled immigration opportunities—many of these employees may go on to found or contribute to new, innovative companies, and the presence of immigrant workers raises wages and creates jobs for native-born Americans.



Startups also need flexibility, and efforts to restrict the ability to hire needed talent, including independent contractors, could hinder startup growth. The U.S. technology sector also needs a more diverse and better-trained workforce, and the startup ecosystem on the whole would benefit from more resources for STEM education and better support for equity in STEM education programs. Outside barriers to participation in the startup ecosystem include the lack of affordable childcare, which became most acute during the pandemic, and crippling student loan debt.

KEY TAKEAWAYS:

- The startup ecosystem needs flexibility and access to the best and brightest talent to succeed.
- The U.S. needs to continue attracting and retaining skilled talent from around the world to compete globally, including by making the immigration system accessible to startups and creating pathways for foreign-born startup founders.

What policymakers can do

To address the current talent gap that startups face, policymakers should take steps toward building a larger and more representative high-skilled workforce. This includes ensuring startups have access to the flexibility they need in making hiring decisions, banning non-compete agreements, and boosting funding for and access to STEM education. Policymakers should also work to improve access to affordable childcare, so that caregivers, especially women, do not continue to be forced out of the innovation ecosystem. Although the administration has tried to implement student debt reform, legal challenges remain, and policymakers should work to implement legislative solutions to the student debt crisis.

Policymakers should also defend and expand existing immigration programs and implement new programs to enable foreign-born entrepreneurs to come to the U.S. The Deferred Action for Childhood Arrivals program is poised to head to the Supreme Court with a murky outlook on its future viability. Efforts should continue to bolster the H-1B visa program and make it more easily accessible to startup founders and employees. Policymakers should work to implement a startup visa with a pathway to citizenship, to enable the U.S. to remain at the forefront of innovation.



STARTUP SPOTLIGHT

Shatterbox

(Tulsa, Okla.)

Dustin Baker, Founder & CEO

Shatterbox runs an apprenticeship program training diverse talent to participate in the Small Business Administration lending sector.

“As for solving talent shortages, we need multiple approaches... Supportive immigration policies are essential, emphasizing skilled immigration and providing pathways for qualified individuals to contribute to the economy. Furthermore, industries need to be more open to reskilling and upskilling talent, recognizing the transferability of many skills. We also need to do a better job of informing young people about career opportunities that may not be well-known but have a significant impact on the economy.”