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. While larger companies can turn to the immigration system to fill some talent gaps, startups struggle to navigate the process for hiring high-skilled, foreign-born workers as it is lengthy and complex, and imposes additional financial burdens on already tight startup budgets. The startup ecosystem would also be benefitted if foreign-born founders had an easier path to come to the U.S. and launch companies here.

The U.S. technology sector also needs a more diverse and better trained workforce, ensuring more people learn the necessary skills for, join, and stay in the innovation ecosystem. The lack of affordable childcare, which became most acute during the pandemic, has forced many caregivers, particularly women, out of the innovation ecosystem. And crippling student loan debt similarly restricts many from pursuing innovation as a career. Finally, startups need flexibility in when and how they hire talent, and efforts to restrict the ability to hire needed talent, including independent contractors, could hinder startup growth.

Key takeaways:

- The startup ecosystem needs flexibility and access to the best and brightest talent to succeed.

- The U.S. needs to attract and retain skilled talent from around the world to compete globally, including by implementing a startup visa.

- Policymakers must support caregivers and improve access and affordability of childcare so that women can pursue innovation.

What policymakers can do:

To address the current talent gap that startups face, policymakers should take steps towards building a larger and representative high-skilled workforce. This includes ensuring startups have access to the flexibility they need in making hiring decisions and through boosting funding for, and improving STEM education. Policymakers at all levels of government should work with stakeholders in order to remove barriers to participation in STEM careers, including through grants to boost participation of underrepresented individuals in STEM programs.

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. And although the administration has tried to implement student debt reform, legal challenges remain, policymakers should work to implement legislative solutions to the student debt crisis.

★ Startup Spotlight

Pruve Systems
(Washington, DC)
Thomas Dawson, Co-Founder & CEO

Pruve Systems builds identification and access systems using AI and blockchain.

"We are creating our own brain strain because we are not training enough new innovators...nor are we keeping the talent that we are training in our universities. We can solve this problem if we encourage public and private policies that cast a wide net and train kids that are never thought of as the next generation of inventors and coders."

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 remains on shaky grounds, and recipients still lack a permanent solution to legally remain in the U.S. Efforts should be made to bolster the H-1B visa program and make it more easily accessible to startup founders. 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.