LED Round Table Discussion: Startups and Youth Employment

Hubert Janicki, LEHD
Adrienne Johnston, LMI Director for Florida
Kristin Sandusky, LEHD
Startups as engines of job creation

- They represent 3% of aggregate employment, but account for 20% of gross job creation!

- Problem: Difficult to find disaggregated data

- Goal: Characterize worker flows for young workers at startups across space and over time
Formalize the goal

- **Who**: Startups (0-1 years old), Young Workers (25-34 years old)
- **What**: Hiring rate, separation rate
- **Where**: County & Florida-State level
- **When**: Time series 2000-2014, 2014 for geographic variation
How would you show variation within your state?

- First, you go to the QWI Explorer, and look at the hiring rates for startups:

Take-away: When targeting startups for analysis, location matters!
Large amount of heterogeneity within state.

Source: QWI, U.S. Census Bureau
What if you want to know more about workers?

- LED data is particularly suited to answer these questions
- Breakdowns by age, race, and education level
- Timeseries information
Hiring Rates of Young Workers by Young Firms by Sector in Florida

Take-away: Startups in select industries are more likely to hire young workers
J2J Data

- We can use J2J data to find out what share of workers at startups come from nonemployment

- No web tool for now, but it’s due out later this year!
Startups Hire Workers From Nonemployment in Florida

Take-away: Startups are more likely to hire workers from nonemployment
Separation Rates of Young Workers by Young Firms in Florida

Take-away: Young workers are more likely to leave startups
Summary

- Wanted: Characterize worker flows for young workers at startups across space and over time
- Limited scope by establishing restrictions to who, what, where, when
- Findings:
  - Large amount of heterogeneity within state
  - Startups in select industries are more likely to hire young workers
  - Startups are more likely to hire workers from nonemployment
  - Young workers are more likely to leave startups
Session Objective

- Brainstorm a questions related to startups and/or youth employment

- Narrow the focus to tell a story

- Use data (if possible) to explore question

- To prepare you, we provided handouts