

MAIN STREET TO WASHINGTON: HELP US HIRE



What small and mid-sized businesses say they need to find and keep skilled workers

When small and mid-sized businesses can't find workers with the right skills, local economies suffer — and national competitiveness does too. This fact sheet shares insights from seventy-five businesses that spoke with Business Leaders United for Workforce Partnerships (BLU) about their hiring practices, how they assess skills and credentials, and what specific policy changes would help businesses connect with qualified candidates. The message is clear: **helping small businesses hire is essential to keeping America's workforce strong.**

How Leading Businesses Approach Hiring and Talent Retention

Some businesses interviewed have developed a set of high-quality hiring and talent development practices, including skills and credential assessments. These practices include:

Skills Assessment and Advancement: Leading businesses have developed clear, standardized job descriptions and pathways for advancement with well-defined skills, competencies, and needed credentials. They have rigorously defined the interpersonal skills that workers need to be successful on the job.

Partnerships and Collaboration: These companies have substantive connections with local education and workforce development providers to help ensure that training programs are preparing workers with relevant skills. They collaborate with industry peers on talent development issues, often through sector partnerships.

Worker Input and Worker Supports: Forward-looking employers invite workers to provide input into company processes (including technology adoption), which reduces turnover. They tap into outside partners to help workers navigate work-life issues such as childcare and transportation.

About the Businesses BLU Spoke With

BLU spoke with 75 small and mid-sized businesses about their hiring and skills assessment processes. Companies were located in rural, exurban, suburban, and urban locations across forty states. Most were in the manufacturing or construction industries, and the majority were privately owned.



Job-specific credentials make hiring straightforward. When someone earns the right certifications, we know they have the skills to succeed anywhere in aviation.

— Andy Richards, Chief Operating Officer,
Duncan Aviation

Recent Developments Can Help Businesses Better Understand Jobseekers' Skills

Policymakers have taken some steps to help businesses match worker skills and competencies to in-demand jobs.

- **Quality short-term credentials.** High quality, non-degree credentials can help workers certify that they have industry-validated skills. The passage of Workforce Pell in 2025 expands federal financial aid to high-quality, short-term programs, creating new opportunities for workers to earn credentials that meet employers' needs. States have also made significant investments in these credentials.¹
- **Skills-based hiring,** also called skills-first hiring. This approach prioritizes applicants' skills, competencies, and experience and removes bachelor's degree requirements when unnecessary for particular jobs. It can remove barriers for people who don't have traditional degrees and give businesses a wider talent pool to draw from. Over half of state governments have implemented such policies, and Congress passed the Chance to Compete Act on a bipartisan basis in 2024.²



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As our mills become more automated, investing in skills is just as important as investing in technology. Upskilling helps our workforce evolve right alongside our equipment.

— Marie Price, Director of Learning and Development, Idaho Forest Group

What Small Business Leaders Want Policymakers to Do Next

Even as small businesses invest their own resources in workforce development, they are keenly aware that some challenges are too big to tackle alone. Federal and state action is critical to meeting the nation's workforce needs. Business leaders told BLU what policymakers can do to create more good matches between jobseekers and businesses.

1.

Invest in industry sector partnerships.

Business leaders want partnerships with training providers to help them build skills training pipelines. Public policies should support building, expanding, and maintaining these partnerships.

**3.**

Fund incumbent worker skill-building and work-based learning.

Businesses want to see more opportunities for workers to build foundational skills, upskill to higher-level roles (including via technology skills), and gain hands-on experience and credentials.

**2.**

Improve worker success through access to supportive services.

Small businesses know they can't solve childcare and transportation problems alone. Public investment is needed.³

**4.**

Explore ways to help businesses verify skills and credential attainment.

Businesses want assistance in understanding and matching specific credentials to jobs and skills.



Endnotes

1 See: <https://hcmstrategists.com/resources/a-2024-update-of-state-investments-in-short-term-credential-pathways>

2 See: <https://www.nga.org/news/press-releases/new-report-growing-number-of-states-drop-degree-requirements/> and <https://www.congress.gov/bill/118th-congress/senate-bill/59>

3 One example is Michigan's TriCare program: <https://www.michigan.gov/mileap/early-childhood-education/mi-tri-share-child-care>

Policymakers can strengthen small business competitiveness by making these smart, targeted workforce investments.