



Paper to be presented at the DRUID Academy Conference 2017 at University of Southern Denmark, Odense, Denmark on January 18-20, 2017

Young and Foolish? The Returns from Working for a Startup versus an Established Firm

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Abstract

Young scientists and engineers are more likely to work in a startup. What are the implications of joining a startup versus an established firm on a worker's future career? Employees of startup firms perform more, and more varied tasks on the job compared to their established firm counterparts. In this paper, I argue that this difference in human capital investments can have long-term consequences in terms of earnings dynamics and job choice. Preliminary findings, however, show no significant difference in wage growth between startup employees and employees of established firms.

