

Internet Appendix

for

Entrepreneurial Teams: Prior Industry Experience and Early-Stage Growth

This appendix provides further descriptions and results supplementary to the main text. Section A explores alternative dependent variables to the employment and sales growth measures used in the main text. Section B reports additional specifications to test the impact of shocks to team composition on startup performance. Section C investigates how industry experience diversity is associated with startup performance using different team diversity metrics.

A Alternative Performance Measures

In the context of new business starts, it is important to distinguish between entrepreneurial ventures with high growth potential and small businesses. As a first step towards this goal, we focus on the subset of startups that achieve outlier growth relative to other startups in their industries. We estimate the association between team characteristics – most notably the industry experience of the founding team – and the likelihood that a startup is a member of this group. For our main analysis, we define outlier growth to be a cumulative growth rate in the top 10% of the distribution among startups in the 3-digit NAICS industry. Moreover, this approach is robust to differences in survival rates across diverse and uniform teams, since failing firms will be at the bottom of the growth distribution.

In Table IA4, we present the results of replicating the main regression specification from Section 5.1 of the paper (Equation 8) using indicators for startup firms that experience growth rates in the top 10% of the industry distribution over the 1-, 3-, or 5-year horizon as alternative dependent variables. Because of the rich fixed-effect structure, we implement the regressions as linear probability models. We measure founding team industry experience using the *DIV_Team* and *DIV_Individual* measures. We find a strong, positive association between industry diversity in the

cross-section of team members’ past work histories and the likelihood of outlier growth rates. A one standard deviation increase in team diversity is associated with a 2.2 percentage point higher likelihood that the startup’s 5-year cumulative growth rate is in the top 10% in its industry. Thus, the association between the diversity of the team’s industry experience and employment growth appears to be even stronger at the upper end of the growth distribution than it is at the average. Interestingly, we do not observe a positive association between the presence of more generalist workers with broader individual industry experiences in their prior work histories and the likelihood of extreme startup growth. Thus, it is the diversity of skillsets among team members that again has the strongest relation with growth.

We also provide the results of two approaches to reconcile differences in survival rates with differences in conditional growth rates. First, we estimate a regression model on the full sample of startups, assigning employment or sales growth the value of -100% at the time of firm failure. Second, we purge the effects of differences in survival from our estimation sample by estimating the annual growth regressions only on the set of startups that survive until year 5. We report the results in Table IA14. In Table IA15, we show that the net effect of team diversity on employment and sales growth typically remains positive and significant at the five-year horizon among “innovative” startups, even if we assign growth the value of -100% at the time of firm failure.

Finally, we demonstrate that the positive association between team experience diversity and 3-year employment growth holds broadly across industry groups by estimating separate coefficients on *DIV_Team* in each 2-digit NAICS industry within the regression specification from Table 4.

B Identification using Shocks to Team Composition - More Tests

In Section 5.2, we show that when there is a sudden, semi-permanent exit of a founding team member who possesses a unique skillset not shared by other team members (No-Overlap Exit), the negative impact of exit on both survival and employment growth is more pronounced compared to shocks in which the exiting member’s skills overlap with those of remaining team members (Overlap Exit). In this section, we provide additional evidence to establish the robustness of this result.

In Figure IA1, we demonstrate the balance in covariates across startups in the Overlap and No-Overlap Exit groups.

Table IA7 indicates that both exit types correlate with negative sales growth, though statistical significance is observed only within the first year. We do not observe significant differences between the Overlap and No-Overlap groups.

Table IA8 replicates the analysis from Table 5 with modifications. First, we select a subsample of exits in which founding members were under 65 years old. Panel A of Table IA8 presents the regression estimates underlying Figure 4 of the paper. We find similar results in this subsample. Thus, we confirm that our results are not driven by anticipated retirements of older team members.

Next, we categorize exit events into two groups: those in which the exiter's first-year earnings were (1) above and (2) below the median. Our analysis shows that the difference in outcomes between No-Overlap Exit and Overlap Exit is primarily driven by exits involving above-median wage earners, indicating that high-skill workers drive the observed results. By first grouping exiters by their wage levels before measuring the differences in responses in the Overlap and No Overlap group, we also confirm that the baseline result is not driven by differences in the wages of exiters in the No Overlap and Overlap groups. For example, it is not the case that exiters in the No Overlap group are systematically more likely to be managers than exiters in the Overlap group. Panel B of Table IA8 provides the regression results underlying Figure 5 of the paper.

We also consider a specification that combines wage and age; that is, separating exiting team members into those with above- and below-median first-year earnings and also requiring the exiting team members to be younger than 50 years old. Panel C provides the regression results underlying Figure 6 in the paper. This test demonstrates that our results are strongest in the set of shocks our framework predicts: sudden, plausibly unanticipated exits of high-skill team members.

Moreover, we conduct two further robustness tests. First, we account for employment growth in the first year to address concerns that startup firms with exits already display differences in employment growth within their initial year. Panel D presents findings using a specification similar to Table 5, while Panel E displays results when we separate exiting members who are under age 50 by whether they earn wages below or above the median, similar to Table IA8 Panel D. Second, we include a fixed effect for the industry in which exiting team members previously worked, with results shown in Panel F. We find qualitatively similar results when we identify the estimates using only variation in the industries in which non-exiting team members had prior experience, holding fixed the industry in which the exiter(s) previously worked across the Overlap and No Overlap

groups.

C Alternative Measures for Team Diversity

In this section, we present the results of several variations to our measures of diversity. First, in Table IA5, we present the results of measuring diversity by constructing a Herfindahl measure over all of team members’ prior industry experience, similar to Figure 1 (*DIV_All*). We also present a decomposition of the set of prior experience into each team member’s last industry spell (*DIV_Team*) and all other industry spells (*DIV_AllButLast*). This table and Table IA6 also include the full set of estimates to accompany Table 4 of the main paper. Second, we demonstrate the robustness of our main findings to constructing our main diversity measures (*DIV_Team* and *DIV_Individual*) over industry experience measured at the 2-digit NAICS level (Tables IA1 and IA2). Third, we form an alternative measure of team experience diversity by counting the total industries of prior experience among team members (*DIV_NInd*), with regression results detailed in Tables IA9 and IA10. Fourth, we fix the timing of observed prior experience across team members by considering a “snapshot” from two years before the startup’s founding, with results presented in Table IA11 and Table IA12. Both approaches yield consistent results to those in Table 4 and Table 6.

As a final step, we provide additional analysis of the variation in demographic diversity and how it relates to our measures of experience diversity. We provide two figures that break down the correlation between racial and experience diversity by Census Division (Figure IA4) and industry (Figure IA3). We also report pairwise correlations between measures of demographic diversity and our measures of experience diversity (Table IA3). We demonstrate that there is no significant interaction between racial and experience diversity in our main startup performance regressions (Table IA13).

References

- Neffke, F., A. Otto, and A. Weyh. 2017. Inter-industry labor flows. *Journal of Economic Behavior and Organization* 142:275–92.
- Tate, G., and L. Yang. 2015. The human factor in acquisitions: Cross-industry labor mobility and corporate diversification. Working Paper, University of Maryland.

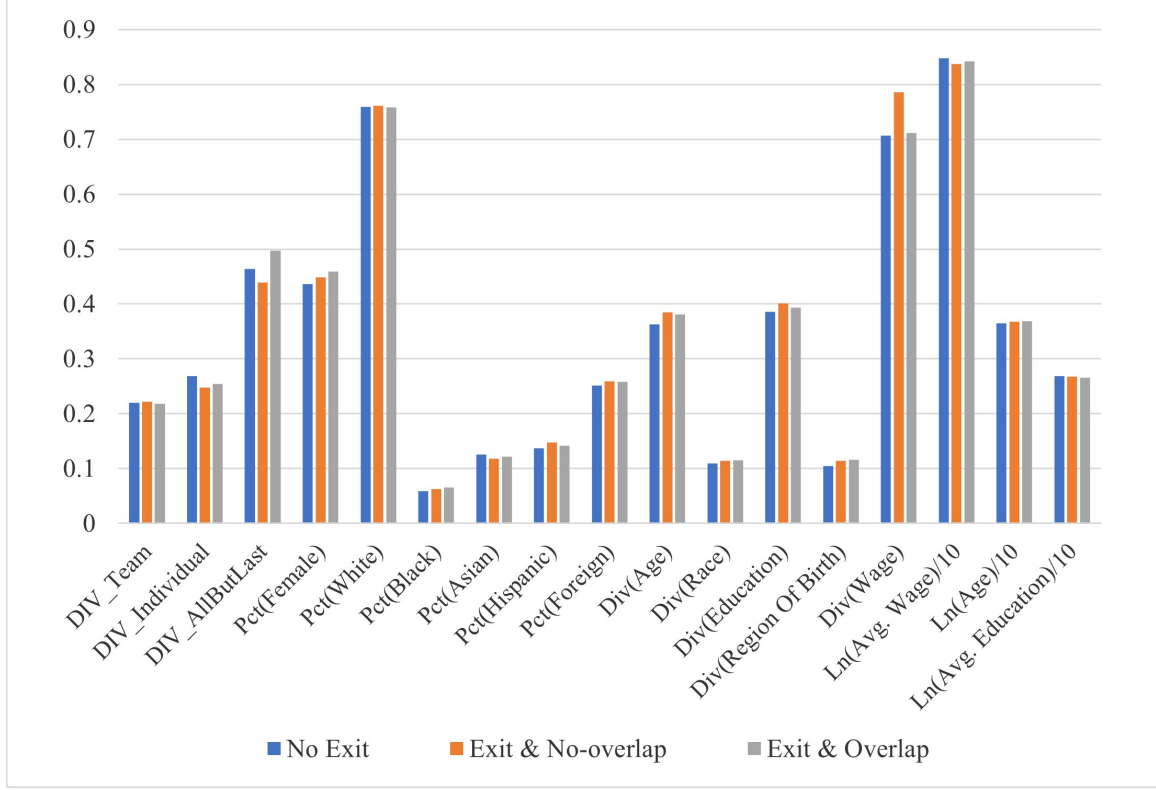


Figure IA1. Team Characteristics by Categories of Team Member Exit. The figure illustrates the mean values of various team-level characteristics for startups in three categories determined by the status of initial team members after the first full year of operations (2011). The means are calculated based on panel regressions that correct for state by industry fixed effects and fixed effects for the number of initial employees. In addition, we include fixed effects for the number of industries in which team members have prior experience. We run a separate regression using each characteristic as the dependent variable and including an indicator variable for each category of startup. “No Exit” startups did not lose any team members. “Exit & No-overlap” startups lost only team members whose prior industry experience did not overlap with any remaining team members. “Exit & Overlap” startups lost at least one team member whose prior industry experience was shared by a remaining team member.

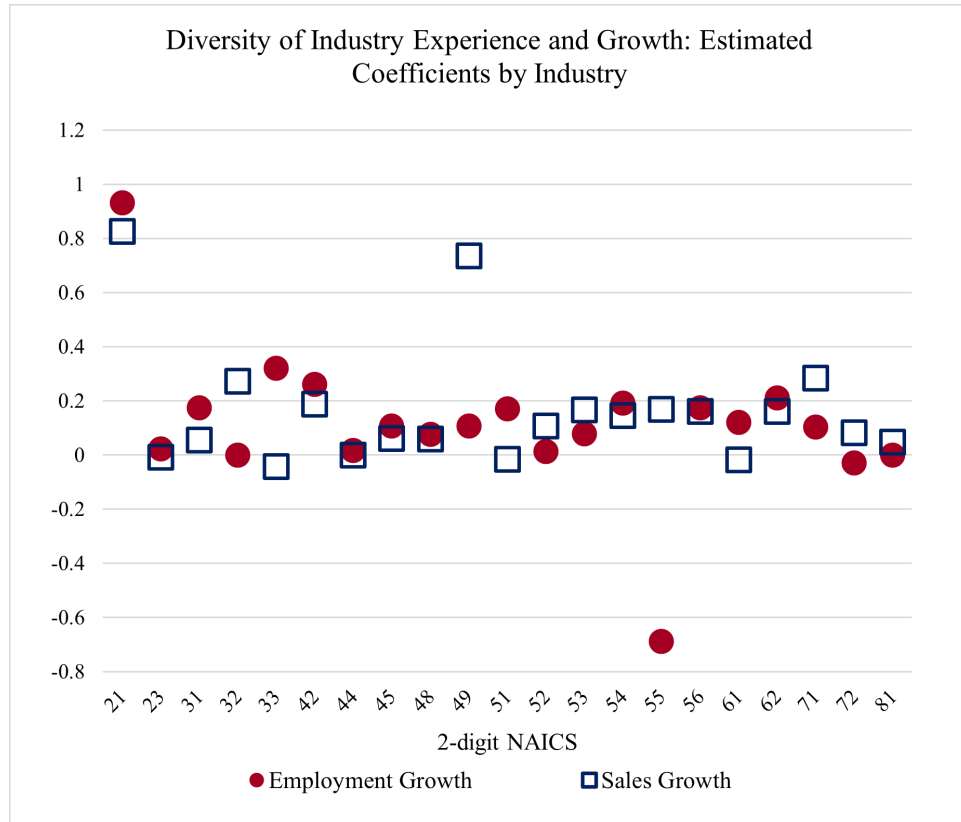


Figure IA2. Diversity and Startup Growth by Industry. The figure plots coefficient estimates from two ordinary least squares regressions, one with 3-year employment growth as the dependent variable and the other with 3-year sales growth as the dependent variable. The regressions match the specifications from Table 4 of the main text, except that we allow the estimate for `DIV_Team` and `DIV_Individual` to differ by 2-digit NAICS industry. The figure plots the estimates of the coefficients on `DIV_Team` by industry.

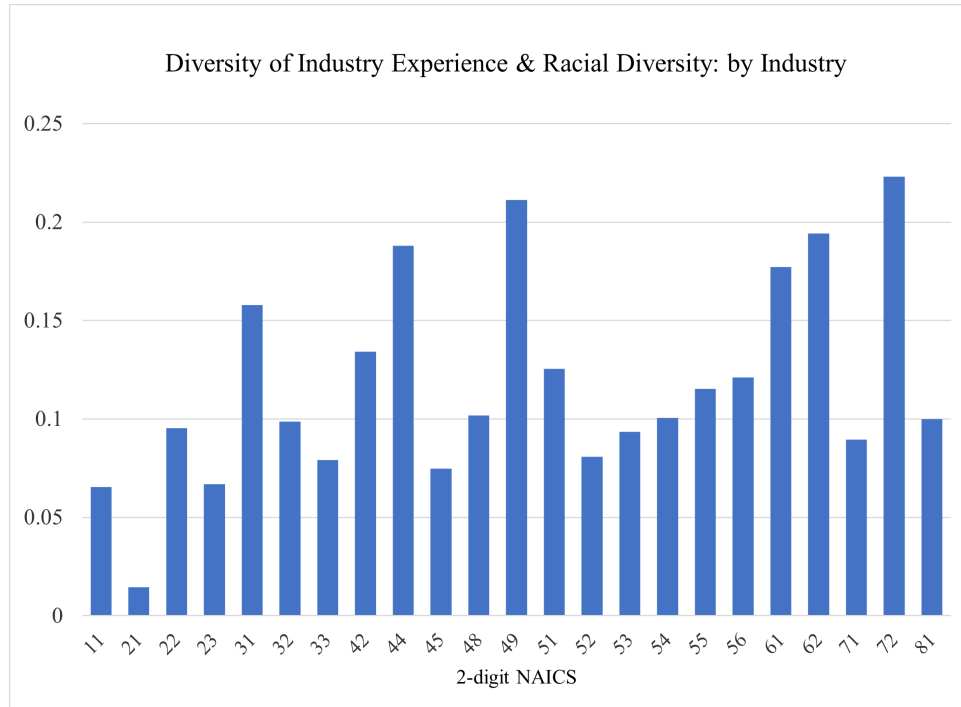


Figure IA3. Pairwise Correlation between Experience and Racial Diversity by Industry. The figure graphs the pairwise correlation between DIV_Team and Div_Race in different 2-digit NAICS industries. DIV_Team is one minus the Hefindahl index of the number of quarters workers spent in different 3-digit NAICS industries between 2002 and the founding of the firm, but considering only the most recent job spell for each worker. Div_Race is one minus the Herfindahl index across racial categories (White; Black; Asian; Other) among the startup's initial workers.

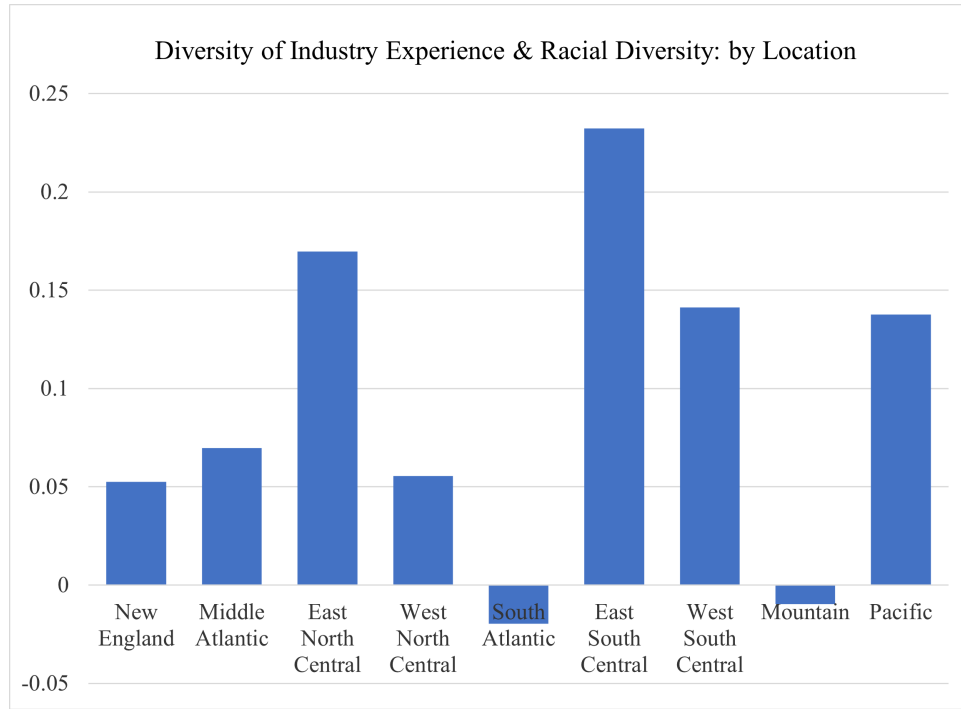


Figure IA4. Pairwise Correlation between Experience and Racial Diversity by Census Division. The figure graphs the pairwise correlation between DIV_Team and Div_Race in different Census Divisions. DIV_Team is one minus the Hefindahl index of the number of quarters workers spent in different 3-digit NAICS industries between 2002 and the founding of the firm, but considering only the most recent job spell for each worker. Div_Race is one minus the Herfindahl index across racial categories (White; Black; Asian; Other) among the startup's initial workers.

Table IA1. Diversity of Industry Experience and Growth: (Diversity Measures based on 2-digit NAICS)

This table reports the results from ordinary least squares regressions of employment growth on measures of the diversity of founding workers' past industry experience. The dependent variable is the cumulative employment growth rate measured 1, 3, or 5 years after founding in columns 1-3 and the cumulative sales growth rate measured over the same horizons in columns 4-6. DIV_Team_NAICS2 is one minus the Hefindahl index of the number of quarters workers spent in different 2-digit NAICS industries between 2002 and the founding of the firm, but considering only the most recent job spell for each worker. DIV_Individual_NAICS2 is the firm-level average of one minus the Herfindahl indices of each worker's cross-industry experience, measured between 2002 and the founding of the firm. Standard controls are Same Ind, ln(Avg. Wage), ln(Avg. Age), Avg. Education, Pct(Female), Pct(White), Pct(Black), Pct(Asian), Pct(Hispanic), Pct(Foreign), Div(Wage), Div(Age), Div(Education), Div(Race), and Div(Region of Birth). Same Ind is the fraction of the total quarters team members spent in their last prior industry spells prior to joining the startup that were in the same 3-digit NAICS as the startup. Div(X) is one minus the Herfindahl index of characteristic X among the startup's initial workers, except Div(Wage), which is the standard deviation among initial team members of the wage in the last prior job before joining the startup. All specifications include state-by-industry (3-digit NAICS) fixed effects and fixed effects for the number of initial employees. Standard errors clustered at the industry-state level are reported in parentheses. *, **, *** represent significance at 10%, 5%, and 1% levels, respectively.

	Employment Growth			Sales Growth		
	Year 1 (1)	Year 3 (2)	Year 5 (3)	Year 1 (4)	Year 3 (5)	Year 5 (6)
DIV_Team_NAICS2	0.0597*** (0.0081)	0.0747*** (0.0128)	0.1125*** (0.0165)	0.0270** (0.0126)	0.0839*** (0.0182)	0.1398*** (0.0218)
DIV_Individual_NAICS2	-0.0084 (0.0092)	0.0461*** (0.0134)	0.0588*** (0.0159)	-0.0179 (0.0118)	0.0269 (0.0180)	0.0488** (0.0228)
Standard Controls	Yes	Yes	Yes	Yes	Yes	Yes
Observations	104,000	81,500	62,500	72,500	54,000	42,500
Adj. R-Squared	0.156	0.137	0.1367	0.0265	0.037	0.058

Table IA2. Diversity and Firm Growth - Skill Requirements (Diversity Measure Based on 2-Digit NAICS)

This table reports the results from ordinary least squares regressions of firm growth on measures of the diversity of founding workers' past industry experience and several indicators of startup innovativeness. In Panel A, we consider three measures of industry-level innovation, indicated in the column headers. BDS_HT is an indicator of high-tech industries from Goldschlag and Miranda (2020). HCI is an indicator of a higher than expected flow of research-trained new graduates into the industry. D_R&D is an indicator variable that equals 1 if the average ratio of R&D spending in the industry (defined as R&D spending over sales in the 3-digit NAICS industry) is in the top quartile and zero otherwise. In Panel B, we distinguish between startups that employ more and fewer high-wage workers. Pct.HighWage is the percentage of workers who had three-year average salaries in the top quartile across all firms in the LEHD sample immediately prior to joining the startup and is also included in the regression as a level effect (unreported). In both panels, the dependent variable is the cumulative employment growth rate measured in year 3 in odd-numbered columns and sales growth rate in even-numbered columns, as indicated in the column headers. DIV_Team_NAICS2 is one minus the Hefindahl index of the number of quarters workers spent in different 2-digit NAICS industries between 2002 and the founding of the firm, but considering only the most recent job spell for each worker. DIV_Individual_NAICS2 is the firm-level average of one minus the Herfindahl indices of each worker's cross-industry experience, measured between 2002 and the founding of the firm. Standard controls are Same Ind, ln(Avg. Wage), ln(Avg. Age), Avg. Education, Pct(Female), Pct(White), Pct(Black), Pct(Asian), Pct(Hispanic), Pct(Foreign), Div(Wage), Div(Age), Div(Education), Div(Race), and Div(Region of Birth). Same Ind is the fraction of the total quarters team members spent in their last prior industry spells prior to joining the startup that were in the same 3-digit NAICS as the startup. Div(X) is one minus the Herfindahl index of characteristic X among the startup's initial workers, except Div(Wage), which is the standard deviation among initial team members of the wage in the last prior job before joining the startup. All specifications include state-by-industry fixed effects and fixed effects for the number of initial employees. Standard errors clustered at the industry-state level are reported in parentheses. *, **, *** represent significance at 10%, 5%, and 1% levels, respectively.

Panel A: Innovative Industries

	BDS_HT		HCI		D_R&D	
	Emp (1)	Sales (2)	Emp (3)	Sales (4)	Emp (5)	Sales (6)
DIV_Team_NAICS2	0.0587*** (0.0140)	0.0819*** (0.0195)	0.0534*** (0.0149)	0.0799*** (0.0196)	0.0405*** (0.0140)	0.0748*** (0.0197)
DIV_Individual_NAICS2	0.0540*** (0.0136)	0.0259 (0.0191)	0.0499*** (0.0149)	0.0273 (0.0201)	0.0549*** (0.0140)	0.0187 (0.0196)
DIV_Team_NAICS2 x D_Innov	0.1711*** (0.0507)	0.1817* (0.0955)	0.1245*** (0.0288)	0.0216 (0.0388)	0.2625*** (0.0398)	0.1678** (0.0687)
DIV_Individual_NAICS2 x D_Innov	-0.1691** (0.0679)	-0.0511 (0.1019)	-0.0211 (0.0341)	-0.0019 (0.0425)	-0.0816* (0.0467)	0.0456 (0.0637)
Standard Controls	Yes	Yes	Yes	Yes	Yes	Yes
Observations	81,500	54,000	81,500	54,000	81,500	54,000
Adj. R-Squared	0.1526	0.0538	0.1373	0.037	0.1531	0.0539

Panel B: High Wage Industries

	Emp (1)	Sales (2)
DIV_Team_NAICS2	0.0022 (0.0153)	0.0361* (0.0202)
DIV_Individual_NAICS2	0.0445*** (0.0151)	0.0202 (0.0212)
DIV_Team_NAICS2 x Pct.HighWage	0.3271*** (0.0349)	0.2083*** (0.0504)
DIV_Individual_NAICS2 x Pct.HighWage	0.0004 (0.0406)	0.0255 (0.0576)
Standard Controls	Yes	Yes
Observations	81,500	54,000
Adj. R-Squared	0.1387	0.0378

Table IA3. Pairwise Correlations of Team Industry Experience and Demographic Diversity Measures

This table reports pairwise correlations of measures of demographic diversity with the measures of diversity of industry experience we use in the main analysis. For each characteristic X, except Div(Wage), Div(X) is one minus the Herfindahl index of characteristic X among the startup's initial workers. Div(Wage) is instead the standard deviation of the last prior log earnings across team members. DIV_Team is one minus the Hefindahl index of the number of quarters workers spent in different 3-digit NAICS industries between 2002 and the founding of the firm, but considering only the most recent job spell for each worker. DIV_Individual is the firm-level average of one minus the Herfindahl indices of each worker's cross-industry experience, measured between 2002 and the founding of the firm. *, **, *** represent significance at 10%, 5%, and 1% levels, respectively

	DIV_Team	DIV_Ind.	Div(Race)	Div(Age)	Div(Educ.)	Div(Reg. of Birth)
DIV_Individual	0.190***					
Div(Race)	0.436***	0.047***				
Div(Age)	0.170***	0.011***	0.250***			
Div(Education)	0.420***	0.040***	0.598***	0.277***		
Div(Region of Birth)	0.171***	-0.006*	0.295***	0.420***	0.265***	
Div(Wage)	0.429***	0.042***	0.430***	0.158***	0.399***	0.185***

Table IA4. Diversity of Team Industry Experience and Outlier Employment Growth

This table reports the results from ordinary least squares regressions of employment growth on measures of the diversity of founding workers' past industry experience. The dependent variable is an indicator variable that equals 1 if the cumulative employment growth rate measured 1, 3, or 5 years after founding, as indicated in the column header, lies in the top 10% of the distribution among startups in the same 3-digit NAICS industry. DIV_Team is one minus the Herfindahl index of the number of quarters workers spent in different 3-digit NAICS industries between 2002 and the founding of the firm, but considering only the most recent job spell for each worker. DIV_Individual is the firm-level average of one minus the Herfindahl indices of each worker's cross-industry experience, measured between 2002 and the founding of the firm. Standard controls are Same Ind, ln(Avg. Wage), ln(Avg. Age), Avg. Education, Pct(Female), Pct(White), Pct(Black), Pct(Asian), Pct(Hispanic), Pct(Foreign), Div(Wage), Div(Age), Div(Education), Div(Race), and Div(Region of Birth). Same Ind is the fraction of the total quarters team members spent in their last prior industry spells prior to joining the startup that were in the same 3-digit NAICS as the startup. Div(X) is one minus the Herfindahl index of characteristic X among the startup's initial workers, except Div(Wage), which is the standard deviation among initial team members of the wage in the last prior job before joining the startup. All specifications include state by industry fixed effects and fixed effects for the number of initial employees. Standard errors clustered at the industry-state level are reported in parentheses. *, **, *** represent significance at 10%, 5%, and 1% levels, respectively.

	Year 1 (1)	Year 3 (2)	Year 5 (3)
DIV_Team	0.0578*** (0.006)	0.0738*** (0.007)	0.0886*** (0.007)
DIV_Individual	-0.00702** (0.003)	0.0074 (0.005)	0.00313 (0.006)
Standard Controls	Yes	Yes	Yes
Observations	104,000	81,500	62,500
Adj. R-Squared	0.275	0.177	0.138

Table IA5. Diversity of Team Industry Experience and Employment Growth (Full Tabulation)

This table reports the results from ordinary least squares regressions of employment growth on measures of the diversity of founding workers' past industry experience. The dependent variable is the cumulative employment growth rate measured 1, 3, or 5 years after founding, as indicated in the column header. DIV_All is one minus the Herfindahl index of the number of quarters workers spent in different 3-digit NAICS industries between 2002 and the founding of the firm. DIV_Team is one minus the Hefindahl index of the number of quarters workers spent in different 3-digit industries between 2002 and the founding of the firm, but considering only the most recent job spell for each worker. DIV_AllButLast is one minus the Herfindahl index of the complementary set of job spells. DIV_Individual is the firm-level average of one minus the Herfindahl indices of each worker's cross-industry experience, measured between 2002 and the founding of the firm. Div(X) is one minus the Herfindahl index of characteristic X among the startup's initial workers, except Div(Wage), which is the standard deviation among initial team members of the wage in the last prior job before joining the startup. All specifications include state by industry (3-digit NAICS) fixed effects and fixed effects for the number of initial employees. Standard errors clustered at the industry-state level are reported in parentheses. *, **, *** represent significance at 10%, 5%, and 1% levels, respectively.

Panel A	Year 1	Year 3	Year 5
	(1)	(2)	(3)
DIV_All	0.0240*** (0.007)	0.0662*** (0.012)	0.107*** (0.014)
Same Ind	0.001 (0.004)	-0.009 (0.006)	-0.010 (0.008)
Ln(Avg. Wage)	0.00370* (0.002)	0.0165*** (0.003)	0.0200*** (0.004)
Ln(Avg. Age)	-0.108*** (0.008)	-0.252*** (0.012)	-0.360*** (0.015)
Ln(Avg. Education)	-0.0001 (0.002)	0.00799** (0.003)	0.0137*** (0.005)
Pct(Female)	0.0380*** (0.006)	0.0225** (0.010)	-0.00347 (0.013)
Pct(White)	0.0173 (0.012)	0.00883 (0.015)	0.0124 (0.023)
Pct(Black)	0.0073 (0.016)	-0.0349 (0.023)	-0.00453 (0.033)
Pct(Asian)	0.0233* (0.013)	0.00307 (0.018)	-0.0143 (0.027)
Pct(Hispanic)	0.0211*** (0.008)	0.013 (0.012)	0.0182 (0.015)
Pct(Foreign)	-0.0258*** (0.008)	-0.0330*** (0.011)	-0.0289** (0.015)
Div(Wage)	0.0284*** (0.003)	0.0347*** (0.004)	0.0411*** (0.005)
Div(Age)	0.0899*** (0.008)	0.0706*** (0.013)	0.0508*** (0.017)
Div(Education)	0.136*** (0.009)	0.133*** (0.013)	0.119*** (0.016)
Div(Race)	0.0644*** (0.010)	0.0612*** (0.016)	0.0656*** (0.019)
Div(Region Of Birth)	0.0311*** (0.009)	0.0702*** (0.014)	0.0631*** (0.017)
Observations	104,000	81,500	62,500
Adj. R-Squared	0.155	0.137	0.137

Panel B	Year 1 (1)	Year 3 (2)	Year 5 (3)	Year 1 (4)	Year 3 (5)	Year 5 (6)
DIV_Team	0.0757*** (0.008)	0.104*** (0.014)	0.149*** (0.017)	0.0769*** (0.008)	0.105*** (0.014)	0.147*** (0.016)
DIV_AllButLast	0.00134 (0.007)	0.0338*** (0.010)	0.0409*** (0.013)			
DIV_Individual				-0.0089 (0.009)	0.0463*** (0.013)	0.0661*** (0.016)
Same Ind	0.0122*** (0.004)	0.00294 (0.007)	0.00465 (0.008)	0.0117*** (0.004)	0.00533 (0.007)	0.00793 (0.008)
Ln(Avg. Wage)	0.00471** (0.002)	0.0178*** (0.003)	0.0219*** (0.004)	0.00482** (0.002)	0.0174*** (0.003)	0.0213*** (0.004)
Ln(Avg. Age)	-0.107*** (0.008)	-0.253*** (0.012)	-0.366*** (0.015)	-0.108*** (0.008)	-0.251*** (0.012)	-0.361*** (0.015)
Ln(Avg. Education)	-0.00024 (0.002)	0.00770** (0.003)	0.0131*** (0.005)	-0.000291 (0.002)	0.00778** (0.003)	0.0132*** (0.005)
Pct(Female)	0.0391*** (0.006)	0.0242** (0.010)	-0.000289 (0.013)	0.0393*** (0.006)	0.0240** (0.010)	-0.001 (0.013)
Pct(White)	0.0168 (0.012)	0.00861 (0.015)	0.0124 (0.023)	0.0168 (0.012)	0.00859 (0.015)	0.0122 (0.023)
Pct(Black)	0.00626 (0.016)	-0.0355 (0.023)	-0.00374 (0.033)	0.00659 (0.016)	-0.0361 (0.023)	-0.00547 (0.033)
Pct(Asian)	0.0223* (0.013)	0.00174 (0.018)	-0.0161 (0.027)	0.0220* (0.013)	0.00261 (0.018)	-0.0153 (0.027)
Pct(Hispanic)	0.0208*** (0.008)	0.0125 (0.012)	0.0171 (0.015)	0.0207*** (0.008)	0.0129 (0.012)	0.0176 (0.015)
Pct(Foreign)	-0.0264*** (0.008)	-0.0348*** (0.011)	-0.0322** (0.014)	-0.0269*** (0.008)	-0.0335*** (0.011)	-0.0303** (0.015)
Div(Wage)	0.0248*** (0.003)	0.0305*** (0.004)	0.0355*** (0.005)	0.0247*** (0.002)	0.0309*** (0.004)	0.0360*** (0.005)
Div(Age)	0.0920*** (0.008)	0.0737*** (0.013)	0.0556*** (0.017)	0.0920*** (0.008)	0.0737*** (0.013)	0.0556*** (0.017)
Div(Education)	0.136*** (0.009)	0.132*** (0.013)	0.117*** (0.016)	0.136*** (0.009)	0.133*** (0.013)	0.119*** (0.016)
Div(Race)	0.0637*** (0.010)	0.0606*** (0.016)	0.0650*** (0.019)	0.0637*** (0.010)	0.0607*** (0.016)	0.0653*** (0.019)
Div(Region Of Birth)	0.0318*** (0.009)	0.0723*** (0.014)	0.0662*** (0.017)	0.0320*** (0.009)	0.0713*** (0.014)	0.0648*** (0.017)
Observations	104,000	81,500	62,500	104,000	81,500	62,500
Adj. R-Squared	0.156	0.137	0.137	0.156	0.137	0.137

Table IA6. Diversity of Team Industry Experience and Sales Growth (Full Tabulation)

This table reports the results from ordinary least squares regressions of sales growth on measures of the diversity of founding workers' past industry experience. The dependent variable is the cumulative growth rate measured in year 1, 3, or 5, as indicated in the column header. DIV_Team is one minus the Hefindahl index of the number of quarters workers spent in different 3-digit NAICS industries between 2002 and the founding of the firm, but considering only the most recent job spell for each worker. DIV_Individual is the firm-level average of one minus the Herfindahl indices of each worker's cross-industry experience, measured between 2002 and the founding of the firm. Div(X) is one minus the Herfindahl index of characteristic X among the startup's initial workers, except Div(Wage), which is the standard deviation among initial team members of the wage in the last prior job before joining the startup. All specifications include state by industry fixed effects and fixed effects for the number of initial employees. Standard errors clustered at the industry-state level are reported in parentheses. *, **, *** represent significance at 10%, 5%, and 1% levels, respectively.

	Year 1 (1)	Year 3 (2)	Year 5 (3)
DIV_Team	0.0444*** (0.012)	0.101*** (0.018)	0.162*** (0.021)
DIV_Individual	-0.0191* (0.011)	0.0329* (0.018)	0.0557** (0.022)
Same Ind	0.002 (0.006)	-0.008 (0.009)	-0.004 (0.011)
Ln(Avg. Wage)	0.0108*** (0.003)	0.0150*** (0.005)	0.0178*** (0.005)
Ln(Avg. Age)	-0.100*** (0.010)	-0.260*** (0.019)	-0.423*** (0.022)
Ln(Avg. Edu)	0.00677** (0.003)	0.0131*** (0.005)	0.0248*** (0.006)
Pct(Female)	-0.0188** (0.008)	-0.0503*** (0.014)	-0.0871*** (0.019)
Pct(White)	0.0126 (0.017)	0.0287 (0.026)	0.00447 (0.031)
Pct(Black)	-0.0203 (0.023)	-0.0326 (0.034)	-0.0562 (0.043)
Pct(Asian)	0.0306 (0.020)	0.0416 (0.029)	0.00626 (0.035)
Pct(Hispanic)	-0.00135 (0.012)	-0.00177 (0.017)	-0.000864 (0.023)
Pct(Foreign)	0.00307 (0.010)	0.00726 (0.014)	0.0252 (0.019)
Div (Wage)	0.0145*** (0.004)	0.0236*** (0.006)	0.0134* (0.007)
Div (Age)	0.0131 (0.013)	0.009 (0.020)	0.00669 (0.024)
Div (Edu)	0.0236** (0.011)	-0.0156 (0.018)	-0.0128 (0.022)
Div (Race)	0.0490*** (0.013)	0.0508** (0.022)	0.0542** (0.026)
Div (POB)	0.00967 (0.015)	0.0249 (0.021)	0.00477 (0.026)
Observations	72,500	54,000	42,500
Adj. R-Squared	0.0266	0.0372	0.0584

Table IA7. Sales Growth around Worker Exits that Increase/Reduce Team Diversity of Industry Experience

This table reports the estimated coefficients from regressing firm outcomes on changes in team diversity due to worker exits in the first year of operations. The dependent variable is the cumulative sales growth rate over the horizon indicated in the column header. No-Overlap Exit is an indicator variable that equals one if at least one worker left the firm in 2011 (Year 1) and all exiting workers' most recent prior industry experience before joining the startup is not replicated by any of the other founding team members and zero otherwise. Overlap Exit is an indicator variable that equals one if at least one worker left the firm in 2011 (Year 1) whose most recent prior experience before joining the firm is shared with another founding team member and zero otherwise. Standard controls are Same Ind, ln(Avg. Wage), ln(Avg. Age), Avg. Education, Pct(Female), Pct(White), Pct(Black), Pct(Asian), Pct(Hispanic), Pct(Foreign), Div(Wage), Div(Age), Div(Education), Div(Race), and Div(Region of Birth). Same Ind is the fraction of the total quarters team members spent in their last prior industry spells prior to joining the startup that were in the same 3-digit NAICS as the startup. Div(X) is one minus the Herfindahl index of characteristic X among the startup's initial workers, except Div(Wage), which is the standard deviation among initial team members of the wage in the last prior job before joining the startup. All specifications include fixed effects for state-by-industry, the number of initial employees, and the number of industries in which team members have prior experience. Standard errors clustered at the industry-state level are reported in parentheses. *, **, *** represent significance at 10%, 5%, and 1% levels, respectively.

	Year 2 (1)	Year 3 (2)	Year 4 (3)	Year 5 (4)
No-Overlap Exit	-0.0482*** (0.0163)	-0.00634 (0.0191)	0.00698 (0.0218)	0.00392 (0.0230)
Overlap Exit	-0.0464*** (0.0132)	-0.014 (0.0130)	-0.00531 (0.0149)	0.0106 (0.0154)
Diff(No-Overlap - Overlap)	-0.0018	0.00766	0.01229	-0.00668
P-value	0.9243	0.7423	0.6318	0.8045
Standard Controls	Yes	Yes	Yes	Yes
Observations	118,000	118,000	118,000	118,000
Adj. R-Squared	0.0386	0.0412	0.0440	0.0462

Table IA8. Performance around Worker Exits that Increase/Reduce Team Diversity of Industry Experience

This table reports the results from ordinary least squares regressions. The dependent variables are an indicator for firm survival, cumulative employment growth, or cumulative sales growth, as indicated prior to the regressions, measured over the horizon in the column header. No-Overlap Exit is an indicator variable that equals one if at least one worker left the firm in 2011 (Year 1) and all exiting workers most recent prior industry experience before joining the startup was not replicated by any of the remaining team members (and zero otherwise). Overlap Exit is an indicator variable that equals one if at least one worker left the firm in 2011 (Year 1) whose most recent prior experience before joining the firm is shared with another founding team member (and zero otherwise). We vary the definitions of Exit Events as described in the Panel Title. Standard controls are Same Ind, ln(Avg. Wage), ln(Avg. Age), Avg. Education, Pct(Female), Pct(White), Pct(Black), Pct(Asian), Pct(Hispanic), Pct(Foreign), Div(Wage), Div(Age), Div(Education), Div(Race), and Div(Region of Birth). Same Ind is the fraction of the total quarters team members spent in their last prior industry spells prior to joining the startup that were in the same 3-digit NAICS as the startup. Div(X) is one minus the Herfindahl index of characteristic X among the startup's initial workers, except Div(Wage) which is the standard deviation among initial team members of the wage in the last prior job before joining the startup. All specifications include fixed effects for state-by-industry, the number of initial employees, and the number of industries in which team members have prior experience. Standard errors clustered at the industry-state level are reported in parentheses. *, **, *** represent significance at 10%, 5%, and 1% levels, respectively.

Panel A. Restricting Exit Events to Team Members of Age 65 or Less

	Dependent variable: Survival			
	Year 2 (2)	Year 3 (3)	Year 4 (4)	Year 5 (5)
No-Overlap Exit	-0.0526*** (0.0067)	-0.0670*** (0.0073)	-0.0630*** (0.0073)	-0.0608*** (0.0078)
Overlap Exit	-0.0102** (0.0050)	-0.0311*** (0.0057)	-0.0335*** (0.0057)	-0.0416*** (0.0063)
p-value (H_0 : Equality coefficients)	0.000	0.000	0.000	0.018
Standard Controls	Yes	Yes	Yes	Yes
Observations	118,000	118,000	118,000	118,000
Adj. R-Squared	0.0387	0.0412	0.044	0.0462

	Dependent variable: Employment Growth			
	Year 2 (2)	Year 3 (3)	Year 4 (4)	Year 5 (5)
No-Overlap Exit	-0.0384*** (0.0100)	-0.0454*** (0.0123)	-0.0187 (0.0142)	0.0008 (0.0154)
Overlap Exit	-0.0284*** (0.0083)	-0.0197** (0.0099)	-0.0042 (0.0109)	0.0097 (0.0117)
p-value (H_0 : Equality coefficients)	0.433	0.092	0.417	0.633
Standard Controls	Yes	Yes	Yes	Yes
Observations	91,500	81,500	69,500	62,500
Adj. R-Squared	0.1494	0.1382	0.1388	0.138

	Dependent variable: Sales Growth			
	Year 2 (2)	Year 3 (3)	Year 4 (4)	Year 5 (5)
No-Overlap Exit	-0.0526*** (0.0164)	-0.0135 (0.0189)	0.0055 (0.0218)	0.0042 (0.0235)
Overlap Exit	-0.0461*** (0.0139)	-0.0107 (0.0138)	-0.0031 (0.0156)	0.0124 (0.0163)
p-value (H_0 : Equality coefficients)	0.74	0.906	0.74	0.77
Standard Controls	Yes	Yes	Yes	Yes
Observations	62,500	54,000	48,000	42,500
Adj. R-Squared	0.0302	0.0379	0.0489	0.0597

Panel B. Allowing Effects to Differ for Exits by Team Members with Above- and Below-Median Annualized First Year Earnings

	Dependent variable: Survival			
	Year 2 (2)	Year 3 (3)	Year 4 (4)	Year 5 (5)
No-Overlap Exit x High Earner	-0.1149*** (0.0081)	-0.1188*** (0.0088)	-0.1138*** (0.0084)	-0.1070*** (0.0089)
Overlap Exit x High Earner	-0.0430*** (0.0056)	-0.0609*** (0.0065)	-0.0626*** (0.0070)	-0.0646*** (0.0079)
No-Overlap Exit x Low Earner	0.0192** (0.0078)	-0.0045 (0.0087)	-0.0044 (0.0093)	-0.0092 (0.0094)
Overlap Exit x Low Earner	0.0305*** (0.0071)	0.0133* (0.0078)	0.011 (0.0079)	-0.001 (0.0087)
p-value (H_0 : Equality High Earner coefficients)	0.000	0.000	0.000	0.000
p-value (H_0 : Equality Low Earner coefficients)	0.224	0.104	0.179	0.485
Standard Controls	Yes	Yes	Yes	Yes
Observations	118,000	118,000	118,000	118,000
Adj. R-Squared	0.0406	0.0426	0.0452	0.0471

	Dependent variable: Employment Growth			
	Year 2 (2)	Year 3 (3)	Year 4 (4)	Year 5 (5)
No-Overlap Exit x High Earner	-0.1249*** (0.0132)	-0.1272*** (0.0153)	-0.1122*** (0.0170)	-0.0708*** (0.0194)
Overlap Exit x High Earner	-0.0836*** (0.0105)	-0.0677*** (0.0128)	-0.0472*** (0.0137)	-0.0454*** (0.0154)
No-Overlap Exit x Low Earner	0.0586*** (0.0133)	0.0445*** (0.0165)	0.0751*** (0.0197)	0.0726*** (0.0205)
Overlap Exit x Low Earner	0.0456*** (0.0105)	0.0409*** (0.0123)	0.0547*** (0.0152)	0.0742*** (0.0158)
p-value (H_0 : Equality High Earner coefficients)	0.010	0.002	0.003	0.284
p-value (H_0 : Equality Low Earner coefficients)	0.444	0.851	0.378	0.947
Standard Controls	Yes	Yes	Yes	Yes
Observations	91,500	81,500	69,500	62,500
Adj. R-Squared	0.1511	0.1393	0.1399	0.1388

	Dependent variable: Sales Growth			
	Year 2 (2)	Year 3 (3)	Year 4 (4)	Year 5 (5)
No-Overlap Exit x High Earner	-0.0863*** (0.0212)	-0.0653*** (0.0252)	-0.0759** (0.0296)	-0.0759** (0.0323)
Overlap Exit x High Earner	-0.0884*** (0.0166)	-0.0466*** (0.0174)	-0.0398** (0.0195)	-0.0202 (0.0202)
No-Overlap Exit x Low Earner	-0.0052 (0.0216)	0.0590** (0.0238)	0.0788*** (0.0273)	0.0881*** (0.0307)
Overlap Exit x Low Earner	0.0217 (0.0151)	0.0302* (0.0168)	0.0451** (0.0206)	0.0567*** (0.0219)
p-value (H_0 : Equality High Earner coefficients)	0.9368	0.5551	0.314	0.137
p-value (H_0 : Equality Low Earner coefficients)	0.2938	0.2989	0.3153	0.3871
Standard Controls	Yes	Yes	Yes	Yes
Observations	62,500	54,000	48,000	42,500
Adj. R-Squared	0.0308	0.0384	0.0494	0.0602

Panel C. Restricting Exit Events to Team Members of Age 50 or Less and Allowing Effects to Differ for Exits by Team Members with Above- and Below-Median Annualized First Year Earnings

	Dependent variable: Survival			
	Year 2 (2)	Year 3 (3)	Year 4 (4)	Year 5 (5)
Young No-Overlap Exit x High Earner	-0.1060*** (0.0090)	-0.1062*** (0.0102)	-0.1016*** (0.0106)	-0.0955*** (0.0110)
Young Overlap Exit x High Earner	-0.0358*** (0.0071)	-0.0507*** (0.0082)	-0.0488*** (0.0088)	-0.0504*** (0.0096)
Young No-Overlap Exit x Low Earner	0.0167* (0.0094)	-0.006 (0.0102)	-0.0031 (0.0105)	-0.01 (0.0103)
Young Overlap Exit x Low Earner	0.0336*** (0.0090)	0.0114 (0.0101)	0.0081 (0.0100)	-0.0076 (0.0107)
p-value (H_0 : Equality High Earner coefficients)	0.000	0.000	0.000	0.000
p-value (H_0 : Equality Low Earner coefficients)	0.143	0.191	0.409	0.866
Standard Controls	Yes	Yes	Yes	Yes
Observations	118,000	118,000	118,000	118,000
Adj. R-Squared	0.0396	0.0415	0.0442	0.0463

	Dependent variable: Employment Growth			
	Year 2 (2)	Year 3 (3)	Year 4 (4)	Year 5 (5)
Young No-Overlap Exit x High Earner	-0.1156*** (0.0145)	-0.1214*** (0.0174)	-0.1016*** (0.0204)	-0.0585** (0.0232)
Young Overlap Exit x High Earner	-0.0690*** (0.0130)	-0.0528*** (0.0155)	-0.0338** (0.0168)	-0.0196 (0.0190)
Young No-Overlap Exit x Low Earner	0.0703*** (0.0155)	0.0490** (0.0200)	0.0862*** (0.0232)	0.0927*** (0.0240)
Young Overlap Exit x Low Earner	0.0479*** (0.0134)	0.0619*** (0.0163)	0.0694*** (0.0190)	0.0894*** (0.0209)
p-value (H_0 : Equality High Earner coefficients)	0.018	0.002	0.009	0.184
p-value (H_0 : Equality Low Earner coefficients)	0.265	0.6	0.57	0.915
Standard Controls	Yes	Yes	Yes	Yes
Observations	91,500	81,500	69,500	62,500
Adj. R-Squared	0.1504	0.1389	0.1396	0.1386

	Dependent variable: Sales Growth			
	Year 2 (2)	Year 3 (3)	Year 4 (4)	Year 5 (5)
Young No-Overlap Exit x High Earner	-0.0839*** (0.0245)	-0.0698** (0.0292)	-0.0854** (0.0340)	-0.0753** (0.0375)
Young Overlap Exit x High Earner	-0.0561*** (0.0179)	-0.0202 (0.0204)	-0.0167 (0.0238)	0.0056 (0.0245)
Young No-Overlap Exit x Low Earner	0.01 (0.0244)	0.0579** (0.0277)	0.0995*** (0.0320)	0.0944*** (0.0356)
Young Overlap Exit x Low Earner	0.0288 (0.0196)	0.0449** (0.0209)	0.0619** (0.0255)	0.0754*** (0.0274)
p-value (H_0 : Equality High Earner coefficients)	0.353	0.189	0.108	0.072
p-value (H_0 : Equality Low Earner coefficients)	0.536	0.694	0.354	0.666
Standard Controls	Yes	Yes	Yes	Yes
Observations	62,500	54,000	48,000	42,500
Adj. R-Squared	0.0302	0.0382	0.0494	0.0601

Panel D. Baseline Specification Controlling for Year 1 Employment Growth

Dep Var	Survival			
	Year 2 (2)	Year 3 (3)	Year 4 (4)	Year 5 (5)
No-Overlap Exit	-0.1659*** (0.0061)	-0.1680*** (0.0070)	-0.1495*** (0.0071)	-0.1387*** (0.0076)
Overlap Exit	-0.1176*** (0.0047)	-0.1275*** (0.0056)	-0.1164*** (0.0058)	-0.1155*** (0.0064)
Year 1 Employment Growth	0.1040*** (0.0026)	0.1223*** (0.0031)	0.1173*** (0.0033)	0.1170*** (0.0034)
p-value (H_0 : Equality coefficients)	0.0000	0.0000	0.0000	0.0032
Standard Controls	Yes	Yes	Yes	Yes
Observations	104,000	104,000	104,000	104,000
Adj. R-Squared	0.0571	0.0537	0.0513	0.0528

Dep Var	Employment Growth			
	Year 2 (2)	Year 3 (3)	Year 4 (4)	Year 5 (5)
No-Overlap Exit	-0.1063*** (0.0086)	-0.1047*** (0.0107)	-0.0864*** (0.0125)	-0.0582*** (0.0139)
Overlap Exit	-0.0888*** (0.0067)	-0.0770*** (0.0085)	-0.0586*** (0.0093)	-0.0431*** (0.0101)
Year 1 Employment Growth	0.7674*** (0.0054)	0.7166*** (0.0066)	0.6836*** (0.0078)	0.6617*** (0.0084)
p-value (H_0 : Equality coefficients)	0.0877	0.03325	0.06451	0.3481
Standard Controls	Yes	Yes	Yes	Yes
Observations	91,500	81,500	69,500	62,500
Adj. R-Squared	0.4616	0.3562	0.3162	0.2865

Dep Var	Sales Growth			
	Year 2 (2)	Year 3 (3)	Year 4 (4)	Year 5 (5)
No-Overlap Exit	-0.0709*** (0.0164)	-0.0286 (0.0191)	-0.0139 (0.0217)	-0.0179 (0.0230)
Overlap Exit	-0.0666*** (0.0129)	-0.0339*** (0.0128)	-0.0237 (0.0147)	-0.0068 (0.0152)
Year 1 Employment Growth	0.2375*** (0.0076)	0.2351*** (0.0086)	0.2235*** (0.0096)	0.2217*** (0.0109)
p-value (H_0 : Equality coefficients)	0.0546	0.0572	0.0635	0.073
Standard Controls	Yes	Yes	Yes	Yes
Observations	62,500	54,000	48,000	42,500
Adj. R-Squared	0.8195	0.8191	0.6973	0.6768

Panel E. Restricting Exit Events to Team Members of Age 50 or Less and Allowing Effects to Differ for Exits by Team Members with Above- and Below-Median Annualized First Year Earnings, Controlling for Year 1 Employment Growth

Dep Var: Survival	Year 2	Year 3	Year 4	Year 5
Young No-Overlap Exit x High Earner	-0.1969*** (0.0087)	-0.185*** (0.0101)	-0.1679*** (0.0107)	-0.154*** (0.0111)
Young Overlap Exit x High Earner	-0.1186*** (0.0072)	-0.1252*** (0.0084)	-0.1129*** (0.0089)	-0.1079*** (0.0099)
Young No-Overlap Exit x Low Earner	-0.1009*** (0.0091)	-0.1138*** (0.0103)	-0.09536*** (0.0106)	-0.09345*** (0.0104)
Young Overlap Exit x Low Earner	-0.08349*** (0.0086)	-0.09586*** (0.0099)	-0.08313*** (0.0100)	-0.08993*** (0.0106)
Year 1 Employment Growth	0.1023*** (0.0026)	0.1208*** (0.0031)	0.1157*** (0.0033)	0.1157*** (0.0034)
<i>p</i> -value (H0: Equality High Earner Coefficients)	0.0000	0.0000	0.0000	0.0005
<i>p</i> -value (H0: Equality Low Earner Coefficients)	0.1313	0.1808	0.3747	0.7988
Standard Controls	Yes	Yes	Yes	Yes
Observations	104,000	104,000	104,000	104,000
Adj. R-Squared	0.0514	0.0493	0.0485	0.0503

Dep Var: Employment Growth	Year 2	Year 3	Year 4	Year 5
Young No-Overlap Exit x High Earner	-0.1244*** (0.0127)	-0.1291*** (0.0160)	-0.1182*** (0.0188)	-0.07904*** (0.0215)
Young Overlap Exit x High Earner	-0.1023*** (0.0107)	-0.08214*** (0.0136)	-0.06545*** (0.0152)	-0.04898*** (0.0171)
Young No-Overlap Exit x Low Earner	-0.05308*** (0.0132)	-0.06045*** (0.0186)	-0.02314 (0.0219)	-0.009583 (0.0226)
Young Overlap Exit x Low Earner	-0.05598*** (0.0115)	-0.03386** (0.0143)	-0.02142 (0.0167)	0.006276 (0.0191)
Year 1 Employment Growth	0.7657*** (0.0054)	0.7149*** (0.0067)	0.6819*** (0.0078)	0.6603*** (0.0084)
<i>p</i> -value (H0: Equality High Earner Coefficients)	0.1898	0.0228	0.0248	0.2549
<i>p</i> -value (H0: Equality Low Earner Coefficients)	0.8689	0.24	0.9495	0.5876
Standard Controls	Yes	Yes	Yes	Yes
Observations	91,500	81,500	69,500	62,500
Adj. R-Squared	0.4609	0.3557	0.3159	0.2864

Dep Var: Sales Growth	Year 2	Year 3	Year 4	Year 5
Young No-Overlap Exit x High Earner	-0.08844*** (0.0245)	-0.07385** (0.0289)	-0.08863*** (0.0337)	-0.08226** (0.0371)
Young Overlap Exit x High Earner	-0.06646*** (0.0181)	-0.03118 (0.0202)	-0.02802 (0.0238)	-0.00593 (0.0239)
Young No-Overlap Exit x Low Earner	-0.03331 (0.0244)	0.01609 (0.0279)	0.05918* (0.0319)	0.05294 (0.0359)
Young Overlap Exit x Low Earner	-0.00325 (0.0191)	0.01422 (0.0205)	0.03382 (0.0251)	0.0487* (0.0268)
Year 1 Employment Growth	0.2356*** (0.0075)	0.2337*** (0.0086)	0.2217*** (0.0096)	0.2201*** (0.0109)
<i>p</i> -value (H0: Equality High Earner Coefficients)	0.4638	0.2549	0.1527	0.0848
<i>p</i> -value (H0: Equality Low Earner Coefficients)	0.3197	0.955	0.5273	0.9227
Standard Controls	Yes	Yes	Yes	Yes
Observations	62,500	54,000	48,000	42,500
Adj. R-Squared	0.0542	0.0572	0.0637	0.0732

Panel F. Including Industry of Exit Fixed Effects (on sample of startups with exits from exactly one industry in year 1)

	Year 2	Year 3	Year 4	Year 5
Dep. Var. = Survival Rate	(1)	(2)	Year (3)	(4)
No-Overlap Exit	-0.0284*** (0.0085)	-0.0269*** (0.0096)	-0.0259** (0.0102)	-0.0174* (0.0105)
Standard Controls	Yes	Yes	Yes	Yes
Observations	13,500	13,500	13,500	13,500
Adj. R-Squared	0.0501	0.0573	0.0575	0.0610

	Year 2	Year 3	Year 4	Year 5
Dep. Var. = Employment Growth	(1)	(2)	Year (3)	(4)
No-Overlap Exit	-0.0390** (0.0161)	-0.0463** (0.0194)	-0.0166 (0.0234)	-0.0237 (0.0245)
Standard Controls	Yes	Yes	Yes	Yes
Observations	10,500	9,100	7,700	6,800
Adj. R-Squared	0.1682	0.1544	0.1529	0.1609

Table IA9. Diversity of Industry Experience and Growth: Count-Based Diversity Measures

This table reports the results from ordinary least squares regressions. The dependent variable is the cumulative growth rate of employment or sales measured in year 1, 3, or 5, as indicated in the column header. DIV_Team_NInd is the total number of distinct 3-digit NAICS industries in which team members worked in their last jobs before the founding of the firm. DIV_Individual_NInd is the firm-level average of the number of industries in which each team member was employed prior to the founding of the firm. Standard controls are Same Ind, ln(Avg. Wage), ln(Avg. Age), Avg. Education, Pct(Female), Pct(White), Pct(Black), Pct(Asian), Pct(Hispanic), Pct(Foreign), Div(Wage), Div(Age), Div(Education), Div(Race), and Div(Region of Birth). Same Ind is the fraction of the total quarters team members spent in their last prior industry spells prior to joining the startup that were in the same 3-digit NAICS as the startup. Div(X) is one minus the Herfindahl index of characteristic X among the startup's initial workers, except Div(Wage), which is the standard deviation among initial team members of the wage in the last prior job before joining the startup. All specifications include state by industry fixed effects and fixed effects for the number of initial employees. Standard errors clustered at the industry-state level are reported in parentheses. *, **, *** represent significance at 10%, 5%, and 1% levels, respectively.

	Employment Growth			Sales Growth		
	Year 1 (1)	Year 3 (2)	Year 5 (3)	Year 1 (4)	Year 3 (5)	Year 5 (6)
DIV_Team_NInd	0.0246*** (0.0021)	0.0325*** (0.0033)	0.0439*** (0.0038)	0.0163*** (0.0029)	0.0334*** (0.0045)	0.0529*** (0.0053)
DIV_Individual_NInd	-0.0026 (0.0022)	0.0146*** (0.0032)	0.0178*** (0.0039)	-0.0060** (0.0028)	0.0071* (0.0042)	0.0129** (0.0052)
Standard Controls	Yes	Yes	Yes	Yes	Yes	Yes
Observations	104,000	81,500	62,500	72,500	54,000	42,500
Adj. R-Squared	0.1565	0.1382	0.1383	0.0269	0.0379	0.0598

Table IA10. Diversity and Firm Growth - Skill Requirements (Count-Based Diversity Measure)

This table reports the results from ordinary least squares regressions of firm growth on measures of the diversity of founding workers' past industry experience and several indicators of startup innovativeness. In Panel A, we consider three measures of industry-level innovation, indicated in the column headers. BDS_HT is an indicator of high-tech industries from Goldschlag and Miranda (2020). HCI is an indicator of a higher than expected flow of research-trained new graduates into the industry. D_R&D is an indicator variable that equals 1 if the average ratio of R&D spending in the industry (defined as R&D spending over sales in the 3-digit NAICS industry) is in the top quartile and zero otherwise. In Panel B, we distinguish between startups that employ more and fewer high-wage workers. Pct.HighWage is the percentage of workers who had three-year average salaries in the top quartile across all firms in the LEHD sample immediately prior to joining the startup and is also included in the regression as a level effect (unreported). In both panels, the dependent variable is the cumulative employment growth rate measured in year 3 in odd-numbered columns and sales growth rate in even-numbered columns, as indicated in the column headers. DIV_Team_NInd is the total number of distinct 3-digit NAICS industries in which team members worked in their last jobs before the founding of the firm. DIV_Individual_NInd is the firm-level average of the number of industries in which each team member was employed prior to the founding of the firm. Standard controls are Same Ind, ln(Avg. Wage), ln(Avg. Age), Avg. Education, Pct(Female), Pct(White), Pct(Black), Pct(Asian), Pct(Hispanic), Pct(Foreign), Div(Wage), Div(Age), Div(Education), Div(Race), and Div(Region of Birth). Same Ind is the fraction of the total quarters team members spent in their last prior industry spells prior to joining the startup that were in the same 3-digit NAICS as the startup. Div(X) is one minus the Herfindahl index of characteristic X among the startup's initial workers, except Div(Wage), which is the standard deviation among initial team members of the wage in the last prior job before joining the startup. All specifications include state-by-industry fixed effects and fixed effects for the number of initial employees. Standard errors clustered at the industry-state level are reported in parentheses. *, **, *** represent significance at 10%, 5%, and 1% levels, respectively.

Panel A: Innovative Industries

	BDS_HT		HCI		D_R&D	
	Emp (1)	Sales (2)	Emp (3)	Sales (4)	Emp (5)	Sales (6)
DIV_Team_NInd	0.0265*** (0.0035)	0.0302*** (0.0045)	0.0256*** (0.0039)	0.0302*** (0.0045)	0.0218*** (0.0035)	0.0280*** (0.0046)
DIV_Individual_NInd	0.0158*** (0.0032)	0.0061 (0.0045)	0.0164*** (0.0035)	0.0061 (0.0045)	0.0158*** (0.0032)	0.006 (0.0047)
DIV_Team_NInd x D_Innovation	0.0562*** (0.0119)	0.0536*** (0.0198)	0.0412*** (0.0064)	0.0536*** (0.0198)	0.0644*** (0.0081)	0.0449*** (0.0137)
DIV_Individual_NInd x D_Innovation	-0.0450*** (0.0172)	-0.0218 (0.0265)	-0.0107 (0.0080)	-0.0218 (0.0265)	-0.0181 (0.0118)	-0.0088 (0.0164)
Standard Controls	Yes	Yes	Yes	Yes	Yes	Yes
Observations	81,500	54,000	81,500	54,000	81,500	54,000
Adj. R-Squared	0.1538	0.0547	0.1389	0.0547	0.1545	0.0548

Panel B: High Wage Industries

	Emp (1)	Sales (2)
DIV_Team_NInd	0.0123*** (0.0039)	0.0187*** (0.0051)
DIV_Individual_NInd	0.0141*** (0.0036)	0.0066 (0.0052)
DIV_Team_NInd x Pct.HighWage	0.0874*** (0.0085)	0.0626*** (0.0115)
DIV_Individual_NInd x Pct.Highwage	-0.0013 (0.0085)	-0.0008 (0.0127)
Standard Controls	Yes	Yes
Observations	81,500	54,000
Adj. R-Squared	0.1409	0.0392

Table IA11. Diversity of Industry Experience and Growth: Snapshot of Employment at Year t-2

This table reports the results from ordinary least squares regressions. The dependent variable is the cumulative growth rate of employment or sales measured in year 1, 3, or 5, as indicated in the column header. In Panel A, DIV_Team is one minus the Hefindahl index of the number of quarters workers spent in different 3-digit NAICS industries in 2008, two years prior to the founding of the firm. DIV_Individual is the firm-level average of one minus the Herfindahl indices of each worker's cross-industry experience, measured between 2002 and the founding of the firm. In Panel B, DIV_Team_NInd is total number of distinct 3-digit NAICS industries in which team members worked in 2008, two years prior to the founding of the firm. DIV_Individual_NInd is the firm-level average of the number of industries in which each team member was employed prior the founding of the firm. Standard controls are Same Ind, ln(Avg. Wage), ln(Avg. Age), Avg. Education, Pct(Female), Pct(White), Pct(Black), Pct(Asian), Pct(Hispanic), Pct(Foreign), Div(Wage), Div(Age), Div(Education), Div(Race), and Div(Region of Birth). Same Ind is the fraction of the total quarters team members spent in their last prior industry spells prior to joining the startup that were in the same 3-digit NAICS as the startup. Div(X) is one minus the Herfindahl index of characteristic X among the startup's initial workers, except Div(Wage), which is the standard deviation among initial team members of the wage in the last prior job before joining the startup. All specifications include state by industry fixed effects and fixed effects for the number of initial employees. Standard errors clustered at the industry-state level are reported in parentheses. *, **, *** represent significance at 10%, 5%, and 1% levels, respectively.

Panel A. Herfindahl Measure

	Employment Growth			Sales Growth		
	Year 1 (1)	Year 3 (2)	Year 5 (3)	Year 1 (4)	Year 3 (5)	Year 5 (6)
DIV_Team	0.0881*** (0.0083)	0.1123*** (0.0116)	0.1492*** (0.0142)	0.0564*** (0.0115)	0.0952*** (0.0175)	0.1515*** (0.0208)
DIV_Individual	-0.0123 (0.0094)	0.0402*** (0.0133)	0.0580*** (0.0161)	-0.0187* (0.0114)	0.0289 (0.0177)	0.0531** (0.0219)
Standard Controls	Yes	Yes	Yes	Yes	Yes	Yes
Observations	104,000	81,500	62,500	72,500	54,000	42,500
Adj. R-Squared	0.1562	0.1378	0.1378	0.0267	0.0373	0.0584

Panel B. Industry Count Measure

	Employment Growth			Sales Growth		
	Year 1 (1)	Year 3 (2)	Year 5 (3)	Year 1 (4)	Year 3 (5)	Year 5 (6)
DIV_Team_NInd	0.0253*** (0.0021)	0.0306*** (0.0031)	0.0345*** (0.0038)	0.0158*** (0.0029)	0.0256*** (0.0047)	0.0393*** (0.0056)
DIV_Individual_NInd	-0.0034 (0.0022)	0.0132*** (0.0032)	0.0165*** (0.0039)	-0.0057** (0.0028)	0.0065 (0.0043)	0.0130** (0.0052)
Standard Controls	Yes	Yes	Yes	Yes	Yes	Yes
Observations	104,000	81,500	62,500	72,500	54,000	42,500
Adj. R-Squared	0.1566	0.1382	0.1377	0.0269	0.0374	0.0586

Table IA12. Diversity and Firm Growth - Skill Requirements - Diversity Measures Prior to Joining the Firm

This table reports the results from ordinary least squares regressions of firm growth on measures of the diversity of founding workers' past industry experience and several indicators of entrepreneurial industries, measured two years prior to the founding of the firm. Panel A uses our main measure of diversity. DIV_Team.t2 is one minus the Hefindahl index of the number of quarters workers spent in different industries, measured two years prior to joining the founding firm. DIV_Individual.t2 is the firm-level average of one minus the Herfindahl indices of each worker's cross-industry experience, measured two years prior to joining the founding firm. Panel B uses the diversity measure based on the number of 3-digit NAICS industries. DIV_Team_NInd.t2 is the number of 3-digit NAICS industry workers spent in different industries, measured two years prior to joining the founding firm. DIV_Individual_NInd.t2 is the firm-level average number of 3-digit NAICS industry of each worker's cross-industry experience, measured two years prior to joining the founding firm. For each panel, in sub-panel 1, we consider three measures of industry-level innovation, indicated in the column headers. BDS_HT is an indicator of high-tech industries from Goldschlag and Miranda (2020). HCI is an indicator of a higher-than-expected flow of research-trained new graduates into the industry. D_R&D is an indicator variable that equals one if the average ratio of R&D spending in the industry (defined as R&D spending over sales in the 3-digit NAICS industry) is in the top quartile and zero otherwise. In sub-panel 2, we distinguish between industries that employ more and fewer high-wage workers. Pct_HighWage is the percentage of workers who had three-year average salaries in the top quartile across all firms in the LEHD sample immediately prior to joining the startup and is also included in the regression as a level effect (unreported). In both panels, the dependent variable is the cumulative employment growth rate measured in year 3 in odd-numbered columns and the sales growth rate in even-numbered columns, as indicated in the column headers. Standard controls are Same Ind, ln(Avg. Wage), ln(Avg. Age), Avg. Education, Pct(Female), Pct(White), Pct(Black), Pct(Asian), Pct(Hispanic), Pct(Foreign), Div(Wage), Div(Age), Div(Education), Div(Race), and Div(Region of Birth). All specifications include state-by-industry fixed effects and fixed effects for the number of initial employees. Standard errors clustered at the industry-state level are reported in parentheses. *, **, *** represent significance at 10%, 5%, and 1% levels, respectively.

Panel A: Diversity Measures Based on the Herfindahl Index

Panel A-1: Innovative Industries

	BDS_HT		HCI		D_R&D	
	Emp (1)	Sales (2)	Emp (3)	Sales (4)	Emp (5)	Sales (6)
DIV_Team.t2	0.0587*** (0.0140)	0.0003 (0.0222)	0.0528*** (0.0161)	0.0132 (0.0211)	0.0690*** (0.0162)	0.0000 (0.0223)
DIV_Individual.t2	0.0540*** (0.0136)	0.0362* (0.0185)	0.0604*** (0.0147)	0.0473** (0.0195)	0.0587*** (0.0134)	0.0298 (0.0191)
DIV_Team.t2 x D_Innovation	0.1711*** (0.0507)	0.3284*** (0.0570)	0.2246*** (0.0238)	0.0699** (0.0325)	0.2920*** (0.0309)	0.1766*** (0.0547)
DIV_Individual.t2 x D_Innovation	-0.1691** (0.0679)	-0.0535 (0.0944)	-0.0230 (0.0338)	-0.0200 (0.0399)	-0.0655 (0.0471)	0.0292 (0.0598)
Standard Controls	Yes	Yes	Yes	Yes	Yes	Yes
Observations	81,500	54,000	81,500	54,000	81,500	54,000
Adj. R-Squared	0.1537	0.0541	0.1373	0.0370	0.1539	0.0537

Panel A-2: High Wage Industries

	Emp (1)	Sales (2)
DIV_Team.t2	0.0248 (0.0159)	-0.0077 (0.0212)
DIV_Individual.t2	0.0447*** (0.0148)	0.0262 (0.0199)
DIV_Team.t2 x D_HighWage	0.3181*** (0.0271)	0.1433*** (0.0340)
DIV_Individual.t2 x D_HighWage	0.0606 (0.0378)	0.0766 (0.0539)
Standard Controls	Yes	Yes
Observations	81,500	54,000
Adj. R-Squared	0.1400	0.0375

Panel B: Diversity Measures Based on the Number of Industries

Panel B-1: Innovative Industries

	BDS_HT		HCI		D_R&D	
	Emp (1)	Sales (2)	Emp (3)	Sales (4)	Emp (5)	Sales (6)
DIV_Team_NInd_t2	0.0169*** (0.0038)	0.0022 (0.0051)	0.0128*** (0.0037)	0.0041 (0.0049)	0.0156*** (0.0038)	0.0024 (0.0051)
DIV_Individual_NInd_t2	0.0177*** (0.0032)	0.0086* (0.0045)	0.0182*** (0.0035)	0.0118** (0.0047)	0.0171*** (0.0032)	0.0082* (0.0047)
DIV_Team_NInd_t2 x D_Innovation	0.0481*** (0.0059)	0.0458*** (0.0090)	0.0335*** (0.0034)	0.0124*** (0.0045)	0.0412*** (0.0048)	0.0258*** (0.0076)
DIV_Individual_NInd_t2 x D_Innovation	-0.0406** (0.0171)	-0.018 (0.0271)	-0.0057 (0.0080)	-0.0088 (0.0096)	-0.0139 (0.0117)	-0.0053 (0.0166)
Standard Controls	Yes	Yes	Yes	Yes	Yes	Yes
Observations	81,500	54,000	81,500	54,000	81,500	54,000
Adj. R-Squared	0.1537	0.0541	0.1373	0.0370	0.1539	0.0536

Panel B-2: High Wage Industries

	Emp (1)	Sales (2)
DIV_Team_NInd_t2	0.0065* (0.0038)	-0.0011 (0.0050)
DIV_Individual_NInd_t2	0.0147*** (0.0036)	0.0079 (0.0052)
DIV_Team_NInd_t2 x Pct_HighWage	0.0396*** (0.0042)	0.0227*** (0.0050)
DIV_Individual_NInd_t2 x Pct_Highwage	0.0115 (0.0083)	0.0091 (0.0129)
Standard Controls	Yes	Yes
Observations	81,500	54,000
Adj. R-Squared	0.1394	0.0375

Table IA13. Diversity of Industry Experience, Racial Diversity, and Growth

This table reports the results from ordinary least squares regressions. The dependent variable is the cumulative growth rate of employment or sales measured in year 1, 3, or 5, as indicated in the column header. DIV_Team is one minus the Herfindahl index of the number of quarters workers spent in different 3-digit NAICS industries between 2002 and the founding of the firm, but considering only the most recent job spell for each worker. DIV_Individual is the firm-level average of one minus the Herfindahl indices of each worker's cross-industry experience, measured between 2002 and the founding of the firm. Standard controls are Same Ind, ln(Avg. Wage), ln(Avg. Age), Avg. Education, Pct(Female), Pct(White), Pct(Black), Pct(Asian), Pct(Hispanic), Pct(Foreign), Div(Wage), Div(Age), Div(Education), Div(Race), and Div(Region of Birth). Same Ind is the fraction of the total quarters team members spent in their last prior industry spells prior to joining the startup that were in the same 3-digit NAICS as the startup. Div(X) is one minus the Herfindahl index of characteristic X among the startup's initial workers, except Div(Wage), which is the standard deviation among initial team members of the wage in the last prior job before joining the startup. All specifications include state by industry fixed effects and fixed effects for the number of initial employees. Standard errors clustered at the industry-state level are reported in parentheses. *, **, *** represent significance at 10%, 5%, and 1% levels, respectively.

	Employment Growth			Sales Growth		
	Year 1 (1)	Year 3 (2)	Year 5 (3)	Year 1 (4)	Year 3 (5)	Year 5 (6)
DIV_Team	0.0804*** (0.0096)	0.1095*** (0.0152)	0.1354*** (0.0179)	0.0510*** (0.0139)	0.1000*** (0.0202)	0.1419*** (0.0243)
DIV_Individual	-0.0082 (0.0095)	0.0507*** (0.0145)	0.0732*** (0.0172)	-0.0247* (0.0130)	0.0334* (0.0194)	0.0523** (0.0238)
Div(Race)	0.0722*** (0.0156)	0.0817*** (0.0215)	0.0632** (0.0280)	0.0452** (0.0200)	0.0508 (0.0309)	0.0088 (0.0423)
DIV_Team x Div(Race)	-0.0243 (0.0352)	-0.0312 (0.0537)	0.0909 (0.0680)	-0.0502 (0.0502)	0.0059 (0.0791)	0.1424 (0.0890)
DIV_Individual x Div(Race)	-0.008 (0.0418)	-0.0494 (0.0633)	-0.0813 (0.0876)	0.0641 (0.0604)	-0.0058 (0.0915)	0.0375 (0.1276)
Standard Controls	Yes	Yes	Yes	Yes	Yes	Yes
Observations	104,000	81,500	62,500	72,500	54,000	42,500
Adj. R-Squared	0.1557	0.1374	0.1374	0.0266	0.0372	0.0585

Table IA14. Diversity of Industry Experience and Growth: Alternative Approaches to Firm Failure

This table reports the results from ordinary least squares regressions. In Panel A, the sample includes all year 2010 startup firms and measures failure by a -100% growth rate. In Panel B, the sample only includes firms that survived for at least five years past the firm start. The dependent variable is the cumulative growth rate of employment or sales measured in year 1, 3, or 5, as indicated in the column header. DIV_Team is one minus the Herfindahl index of the number of quarters workers spent in different 3-digit NAICS industries between 2002 and the founding of the firm, but considering only the most recent job spell for each worker. DIV_Individual is the firm-level average of one minus the Herfindahl indices of each worker's cross-industry experience, measured between 2002 and the founding of the firm. Standard controls are Same Ind, ln(Avg. Wage), ln(Avg. Age), Avg. Education, Pct(Female), Pct(White), Pct(Black), Pct(Asian), Pct(Hispanic), Pct(Foreign), Div(Wage), Div(Age), Div(Education), Div(Race), and Div(Region of Birth). Same Ind is the fraction of the total quarters team members spent in their last prior industry spells prior to joining the startup that were in the same 3-digit NAICS as the startup. Div(X) is one minus the Herfindahl index of characteristic X among the startup's initial workers, except Div(Wage) which is the standard deviation among initial team members of the wage in the last prior job before joining the startup. All specifications include state by industry fixed effects and fixed effects for the number of initial employees. Standard errors clustered at the industry-state level are reported in parentheses. *, **, *** represent significance at 10%, 5%, and 1% levels, respectively.

Panel A. Including Failed Firms with -100% Growth Rates						
	Employment Growth			Sales Growth		
	Year 1 (1)	Year 3 (2)	Year 5 (3)	Year 1 (4)	Year 3 (5)	Year 5 (6)
DIV_Team	0.0865*** (0.0095)	0.0519*** (0.0125)	0.0151 (0.0141)	0.0312*** (0.0110)	0.0148 (0.0131)	0.0001 (0.0135)
DIV_Individual	-0.0474*** (0.0095)	-0.0510*** (0.0114)	-0.0623*** (0.0122)	-0.0816*** (0.0096)	-0.0869*** (0.0115)	-0.0855*** (0.0122)
Standard Controls	Yes	Yes	Yes	Yes	Yes	Yes
Observations	118,000	118,000	118,000	118,000	118,000	118,000
Adj. R-Squared	0.137	0.0951	0.071	0.0473	0.0395	0.0381

Panel B. Conditioning on Survival through Year 5						
	Employment Growth			Sales Growth		
	Year 1 (1)	Year 3 (2)	Year 5 (3)	Year 1 (4)	Year 3 (5)	Year 5 (6)
DIV_Team	0.0799*** (0.0120)	0.1483*** (0.0183)	0.1618*** (0.0196)	0.0881*** (0.0119)	0.1556*** (0.0175)	0.1622*** (0.0212)
DIV_Individual	-0.0017 (0.0122)	0.0569*** (0.0163)	0.0668*** (0.0201)	0.0106 (0.0112)	0.0529*** (0.0166)	0.0557** (0.0221)
Standard Controls	Yes	Yes	Yes	Yes	Yes	Yes
Observations	42,500	42,500	42,500	42,500	42,500	42,500
Adj. R-Squared	0.175	0.1681	0.1502	0.0387	0.0559	0.0584

Table IA15. Diversity and Firm Growth - Skill Requirements including Failed Firms with -100% Growth Rates

This table reports the results from ordinary least squares regressions. It includes all year 2010 startup firms and measures failure by a -100% growth rate. In Panel A, we consider three measures of industry-level innovation, indicated in the column headers. BDS_HT is an indicator of high-tech industries from Goldschlag and Miranda (2020). HCI is an indicator of a higher than expected flow of research-trained new graduates into the industry. D_R&D is an indicator variable that equals 1 if the average ratio of R&D spending in the industry (defined as R&D spending over sales in the 3-digit NAICS industry) is in the top quartile and zero otherwise. In Panel B, we distinguish between startups that employ more and fewer high wage workers. Pct.HighWage is the percentage of workers who had three-year average salaries in the top quartile across all firms in the LEHD sample immediately prior to joining the startup and is also included in the regression as a level effect (unreported). In both panels, the dependent variable is the cumulative employment growth rate measured in year 5 in odd-numbered columns and sales growth rate in even-numbered columns, as indicated in the column headers. DIV_Team is one minus the Hefindahl index of the number of quarters workers spent in different 3-digit NAICS industries between 2002 and the founding of the firm, but considering only the most recent job spell for each worker. DIV_Individual is the firm-level average of one minus the Herfindahl indices of each worker's cross-industry experience, measured between 2002 and the founding of the firm. Standard controls are Same Ind, ln(Avg. Wage), ln(Avg. Age), Avg. Education, Pct(Female), Pct(White), Pct(Black), Pct(Asian), Pct(Hispanic), Pct(Foreign), Div(Wage), Div(Age), Div(Education), Div(Race), and Div(Region of Birth). Same Ind is the fraction of the total quarters team members spent in their last prior industry spells prior to joining the startup that were in the same 3-digit NAICS as the startup. Div(X) is one minus the Herfindahl index of characteristic X among the startup's initial workers, except Div(Wage), which is the standard deviation among initial team members of the wage in the last prior job before joining the startup. All specifications include state by industry fixed effects and fixed effects for the number of initial employees. Standard errors clustered at the industry-state level are reported in parentheses. *, **, *** represent significance at 10%, 5%, and 1% levels, respectively.

Panel A: Innovative Industries

	BDS_HT		HCI		D_R&D	
	Emp (1)	Sales (2)	Emp (3)	Sales (4)	Emp (5)	Sales (6)
DIV_Team	0.0193 (0.0146)	0.0062 (0.0150)	0.0085 (0.0156)	-0.0006 (0.0143)	0.0097 (0.0149)	-0.0015 (0.0152)
DIV_Individual	-0.0508*** (0.0127)	-0.0771*** (0.0132)	-0.0556*** (0.0136)	-0.0772*** (0.0134)	-0.0560*** (0.0131)	-0.0855*** (0.0136)
DIV_Team x D_Innovation	0.0951** (0.0470)	0.0950* (0.0533)	0.0393 (0.0265)	0.0039 (0.0249)	0.1340*** (0.0367)	0.1167*** (0.0369)
DIV_Individual x D_Innovation	-0.0474 (0.0699)	-0.0602 (0.0749)	-0.0383 (0.0289)	-0.0470 (0.0339)	0.0319 (0.0403)	0.0562 (0.0444)
Standard Controls	Yes	Yes	Yes	Yes	Yes	Yes
Observations	118,000	118,000	118,000	118,000	118,000	118,000
Adj. R-Squared	0.0812	0.0453	0.0710	0.0381	0.0814	0.0454

Panel B: High Wage Industries

	Emp (1)	Sales (2)
DIV_Team	-0.0313* (0.0163)	-0.0126 (0.0151)
DIV_Individual	-0.0434*** (0.0138)	-0.0541*** (0.0135)
DIV_Team x D_Innovation	0.2151*** (0.0337)	0.0757** (0.0346)
DIV_Individual x D_Innovation	-0.0950*** (0.0314)	-0.1489*** (0.0332)
Standard Controls	Yes	Yes
Observations	118,000	118,000
Adj. R-Squared	0.0717	0.0389