Key Takeaways

EMBROKER

2023 Startup Risk Index



For better or worse, founders channel Kendall Roy.

34% of founders are prioritizing growth and product development in 2023, and **33%** are prioritizing infrastructure and marketing

Founders are cosplaying Succession — firing on all cylinders, blending the personal and professional on their way to the top. They're keeping their personal relationships, but are willing to risk the professional ones, including investors.

growth & product development

33%

infrastructure & marketing



We traced the call: the risk is calling from inside the biz.

30% of founders are struggling with remote workers, and **25%** are struggling with hiring

There is one thing in business you can't control: people. Founders hate that, and, either for culture or to keep command, they want their people back in the office. Employees are largely pushing back, which can curb hiring new ones, or even threaten measures as drastic as exercising their employee rights.

remote workers hiring workers

30%

25%

It doesn't stop there... a new risk has entered the chat:

17% of founders experienced a negative internal public relations incident.

In business, perception is indeed reality. In the era of the celebrity CEO, they have to tread lightly and carefully — watching where and what they're posting on social, and who they're seen with. (We're looking at you, pity city CEO.)



It's not just internal — customers are watching, too.

24% of founders ranked inflation (obviously) and social issue/movements against their core product, offerings and/or messaging as their top external risks for 2023

Just ask Elon — what you say or do in public can have serious implications on your company. While not every founder has the clout of America's problematic crypto king, it's clear that this is a real threat to founders' success.

external risks

24%

\$\$\$

Щ



You know it's bad when your VC bank is trending on Twitter.

84% of startup founders were impacted by the SVB failure

You never want to see your bank in the spotlight. Even more damning than that is seeing your investor's bank trending. When Silicon Valley Bank collapsed, the fallout was hard to miss; it went from a name largely known only in the VC world to the butt of every late night joke.





2023 has everything! A bank failure, the Barbie movie, massive tech layoffs AND a recession!

44% of startups plan to stay afloat through a recession with liquid capital... **38**% plan for layoffs

Facebook employees and Bed, Bath & Beyond employees have something in common: they're both Googling how to apply for unemployment. Founders have saved up for tough times — but that only goes so far, meaning several employees will be firing up Indeed.com soon.

44% use liquid capital 38% plan layoffs