

February 28, 2025

The Honorable Kelly Loeffler Administrator U.S. Small Business Administration 409 3rd Street SW Washington DC 20416

Dear Administrator Loeffler,

Congratulations on your confirmation as Secretary of the Small Business Administration. I write on behalf of <u>SHRM</u> and our nearly 340,000 HR professionals and business executive members in 180 countries to wish you well as you work to improve SBA's ability to serve and support the small business community. As the trusted authority on all things work, SHRM is the foremost expert, researcher, advocate, and thought leader on issues and innovations impacting today's evolving workplaces.

SHRM is aligned with many workforce development policies you have supported, including investing in technical assistance, education and training, and helping businesses to recruit and retain talent. As you pursue initiatives to grow manufacturing, strengthen rural communities, create jobs, and develop critical technology, as well as streamline and modernize the SBA, please think of SHRM as a resource.

The importance of HR to small businesses cannot be over emphasized. Large organizations have dedicated Human Resources departments, but in small businesses, the owner is often the HR decision-maker—whether they recognize it or not. They make key hiring, pay, and training decisions while juggling multiple responsibilities. With labor being the largest cost for many small businesses, HR strategies can directly impact their ability to attract, develop, and retain the talent they need to grow.

Unfortunately, many small business leaders lack formal HR training or confidence in their HR skills, which can lead to missed opportunities for improving workforce productivity and business outcomes. As you work to modernize and streamline the SBA, we encourage you to view SHRM as a resource and partner in ensuring that small business owners have the HR tools they need to succeed. What we call "HR Departments of One" need all the advantages that large and medium sized businesses have when it comes to the competitive edge of a high-level of knowledge and competency in the Human Resources field.

In addition to providing the competitive edge HR skills can deliver, SHRM also wants to help small business succeed by repairing America's broken workforce pipeline. We need to upskill existing workers and take advantage of the untapped talent pool in this country, such as older workers, caregivers, military spouses, and workers from depressed areas with the skills and abilities to help small businesses grow. With the right approaches, our nation's small businesses will have access to a larger and more qualified workforce to grow their companies.



It is SHRM's responsibility as the voice of all things work to advocate and collaborate with all policymakers to develop and implement workplace policies that build a world of work that works for all. We look forward to the opportunity to work with you and your team on our shared priorities.

Congratulations again on your appointment as Administrator of the Small Business Administration.

Sincerely,

Johnny C. Taylor, Jr., SHRM-SCP

President & CEO

Emily M. Dickens

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Chief of Staff, Head of Government

Affairs & Corporate Secretary