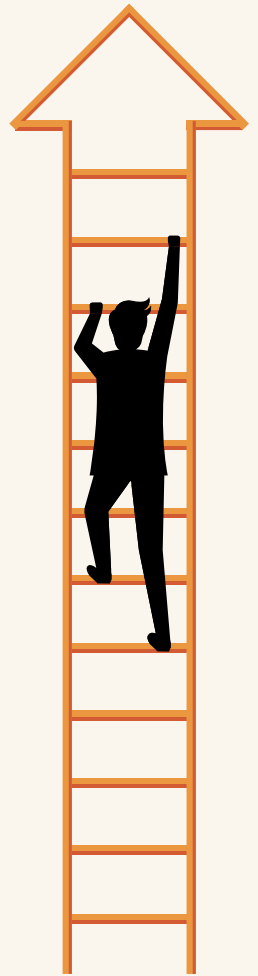
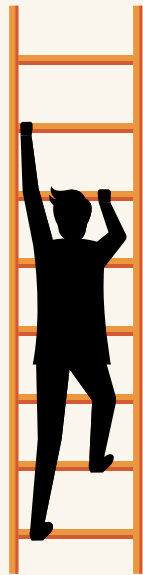
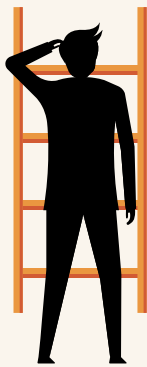


THE AMERICAN OPPORTUNITY INDEX

2023



Measuring Who Moves Ahead:

An In-Depth Study of the 2023 American Opportunity Index

A Joint Project of the Burning Glass Institute, the Harvard Business School Project on Managing the Future of Work, and the Schultz Family Foundation

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**Harvard
Business
School**
Managing the
Future of Work



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INTRODUCTION

It has long been a central tenet of American life that the growth of our economy goes hand in hand with the progress of our workers. In recent decades, however, economic mobility has been on the decline, raising important questions not only about the inclusiveness of our social contract but also about the continued prospects for industry.

Economic mobility manifests in the workplace. While we recognize other forces, including government policy and workforce development programs, matter tremendously, restoring American opportunity will ultimately call upon corporations to play a greater role. The scope and scale of this issue demands an all-hands-on-deck approach.

Historically, we have had limited visibility into how careers progress – and the role companies play in who moves up. New datasets and innovative methods offer unprecedented insight into these questions, enabling us to track the advancement of millions of workers over time.

The **2023 American Opportunity Index**—a partnership between the Burning Glass Institute, Harvard Business School’s Project on Managing the Future of Work, and the Schultz Family Foundation—follows the career

trajectories of 4.72 million employees across 396 of America’s largest companies. Through this work, we have gained unprecedented visibility into the question at the heart of the economic mobility equation: how workers rise.

The Index represents a revolutionary departure from other job quality metrics, which typically focus on corporate policies and rely on self-reported data or surveys. Instead, we observe real-world outcomes directly, as gleaned from analysis of millions of career histories – drawn from how workers report changes at work history of social media platforms, online resumes, etc. – as well as comprehensive salary and job posting data. We believe job quality is best measured by what actual workers experience.

Our analysis focuses on workers who don’t necessarily hold college degrees – and therefore don’t have the assurance of mobility that a degree was long assumed to represent. In many respects, these workers are a bellwether for how likely the majority of Americans are to achieve economic progress. Through this analysis, we hope to widen a lens that often focuses on access to jobs, but loses sight of what happens once employees get in the door.

INTRODUCTION

The 2023 Index also represents an expansion in our coverage and a step change in our comprehensiveness, with more companies and workers represented and a broader set of lenses for observing employee experience. The Index tracks five dimensions of opportunity – Hiring, Pay, Promotion, Parity, and Culture. Each dimension includes two metrics, with the exception of Promotion, which includes both one standalone metric and one composite of 3 sub-metrics, for a total of 12 underlying metrics.

The inclusion of a Parity measure is a big step forward for assessing economic mobility. Parity evaluates the consistency of promotion across race and gender, enabling us to track whether all workers are advancing equally at companies or whether there is a disparity in how some groups rise. We encourage you to read the full report, and particularly our methodology section, for a deeper understanding of our approach, metrics, and data sources.

While there are many actionable insights, one takeaway is resoundingly clear: Corporate practice matters. The actions companies

take have profound career impacts on their workers. Workers in the same industry - at companies with similar business models - often experience vastly different outcomes. This places tremendous responsibility on the nation's largest employers. It also presents tremendous opportunity.

Some companies, as you will see, are already leading the way. From Coca-Cola, to W.W. Grainger, to PNC Financial Services, to Meta Platforms, top performers can be found across a range of industries, and they often drive strong worker outcomes across the board. Armed with the findings in this Index, more firms can craft better policies to improve mobility – either through learning from peers or independent analysis of their own practices.

Moreover, a broad coalition ranging from policymakers to industry associations, from educators to economic development agencies, can use the Index to shape their work and transform America into the land of opportunity it has always aspired to be.

KEY FINDINGS

In our development of the 2023 Index, we have uncovered **five key findings**:

1

Corporate practice has a major impact on workers. Employees of higher performing companies on the Index have remarkably different career trajectories – in terms of promotion, pay, and retention, among other key metrics.

2

Driving better outcomes for workers helps companies, too. Firms that have lower attrition materially outperform those with higher turnover. Those with a predominately low wage workforce that place in the top quartile for retention save about \$100 million in attrition-related costs relative to those that place in the bottom quartile. Meanwhile, top quartile performers with a higher paid employee base add over \$400 million, or a full point, to the bottom lines relative to bottom quartile peers.

3

Promotion is a powerful lever for boosting employee retention. Companies know that retaining their workers improves productivity and ultimately business performance. Having a strong track record of promotion is second only to pay itself in driving retention.

4

Promotion and parity often – but not always – go hand in hand. Companies that do well at moving employees up do not necessarily move everyone up equally. Achieving equity in advancement requires firms to develop a purposeful approach to the career development of women, as well as Black and Hispanic workers.

5

Companies have considerable control over their performance. Competitors in the same industries with similar workforces and business models can have very different results based on how they manage talent.

KEY FINDINGS

1

Corporate Practice Has A Major Impact On Workers

Perhaps the most resounding finding in our analysis is the **widespread and meaningful impact** corporate practice has on the experiences of their employees. In fact, we find **wide differences in performance** at top and bottom performing firms.

We see **vast differences in work outcomes** between **top and bottom quartile firms** across dimensions of Pay, Promotions, Hiring, and Culture

COMPARED TO BOTTOM QUARTILE FIRMS, **TOP QUARTILE FIRMS ARE...**

PROMOTION



2.5x
MORE LIKELY

TO **PROMOTE** EACH OF THEIR WORKERS

PAY



PAY
68%
BETTER WAGES

FOR WORKERS IN SIMILAR OCCUPATIONS

KEY FINDINGS

COMPARED TO BOTTOM QUARTILE FIRMS, **TOP QUARTILE FIRMS** ARE...

HIRING



4.3x

MORE LIKELY
TO **HIRE CANDIDATES**
WITHOUT SIGNIFICANT
WORK EXPERIENCE



3x

MORE LIKELY
TO **HIRE WORKERS**
WITHOUT A **DEGREE**



CULTURE



2.5x

MORE LIKELY
TO **PROMOTE FROM**
WITHIN WHEN
FILLING **TOP JOBS**



1.7x

MORE LIKELY
TO **RETAIN A**
WORKER OVER
THREE YEARS



KEY FINDINGS

THESE DIFFERENCES BEAR OUT ACROSS **FIRMS**.



TOP EARNERS
AT **COCA-COLA** ARE

3.8x

MORE LIKELY
TO HAVE **COME**
FROM WITHIN
THAN AT **PEPSICO**



moderna

A WORKER AT
MODERNA
THERAPEUTICS IS

52%

MORE LIKELY
TO GET **PROMOTED**
INTERNALLY
THAN AT **PFIZER**



AMERICAN
AIRLINES IS

58%

MORE LIKELY
TO HIRE WORKERS
WITHOUT A BA
THAN **DELTA**



THESE DIFFERENCES ALSO BEAR OUT ACROSS **OCCUPATIONS**.

WAGES AT FIRMS IN THE TOP QUARTILE

OFFICE MANAGERS

2.3x

MORE WAGES



PRODUCTION LINE SUPERVISORS

1.9x

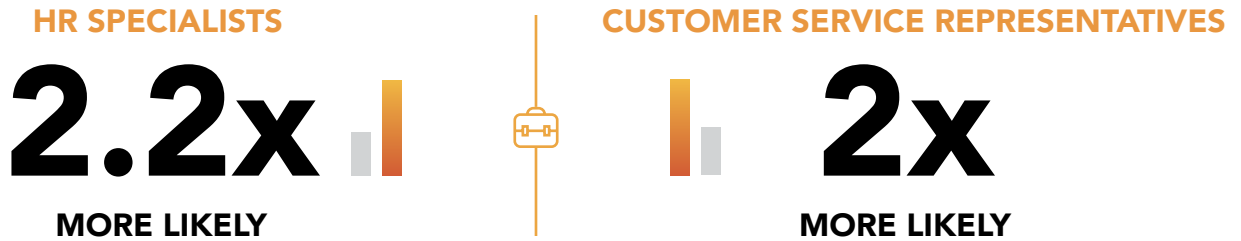
MORE WAGES



COMPARED TO FIRMS IN THE **BOTTOM QUARTILE**

KEY FINDINGS

FIRMS IN THE TOP QUARTILE



TO STAY WITH THEIR COMPANY AT LEAST **3 YEARS** COMPARED TO FIRMS IN THE **BOTTOM QUARTILE**



The data above show just how much corporate practice can drive differences in **worker outcomes**. However, it is also important to recognize that firmwide averages can mask **considerable variation** across roles, locations, and business units. As such, even firms ranked highly on the Index may have pockets where they lag behind peers.

This suggests that it is important to **track worker outcomes for each distinct talent pool** to identify blind spots and highlight opportunities to improve performance. Additional visibility will be available in 2024, when we will release a comprehensive occupation dataset that will allow people to see how well companies perform by different jobs.

KEY FINDINGS

ACTIVISION

HUMAN RESOURCE MANAGERS

33%

MORE PROMOTIONS THAN SALESFORCE IN THE SAME ROLE



MARKET RESEARCH SPECIALISTS

3x

MORE PROMOTIONS THAN ACTIVISION IN THE SAME ROLE



BUSINESS OPERATIONS MANAGERS' MEDIAN SALARY

61%

HIGHER THAN AT CITIGROUP IN THE SAME ROLE



PAYS FINANCIAL MANAGERS

31%

MORE THAN WELLS FARGO IN THE SAME ROLE



2.3x

MORE LIKELY TO HIRE PERSONAL FINANCIAL ADVISORS WITHOUT A BA THAN MASTERCARD



64%

MORE LIKELY TO HIRE HUMAN RESOURCES MANAGERS WITHOUT A BA THAN AMERICAN EXPRESS

KEY FINDINGS

2

Driving Better Outcomes for Workers Helps Companies, Too

When companies invest in worker outcomes, they reap better outcomes themselves. **The clearest example of this lies in retention and its inverse, attrition.**

Firms in the **top quartile** of employee retention retained **79% of employees across a 3-year timeframe**, whereas firms in the **bottom quartile** retained only **49% of their workforce** in the same period. For the average Fortune 500 firm, this 30-point gap equates to \$101 million to \$424 million in annual savings for top quartile firms.

Why the range? **Attrition is hugely expensive to firms.** Turnover obligates them to spend on recruiting and training new associates. They also incur indirect costs, such as lost productivity and institutional knowledge. Estimates on the costs of attrition vary, from **33% of a departing employee's annual salary** on the low end to as **high as 67%**.¹

A firm's average wages also play a significant role, due to the direct relationship between compensation and the attrition costs incurred by a firm. Companies in the top third on the pay metric offer **wages more than double (\$107,000)** those in the **bottom third (\$52,000)**, making attrition particularly expensive for these firms.

¹Sources for these estimates include: The Work Institute, Gallup, Employee Benefit News, and HR Industry Analysts.

KEY FINDINGS

3

Promotion Is A Powerful Tool For Boosting Retention

Companies know that **retaining workers improves productivity** and, ultimately, business performance. But many employers assume that the only lever they have for driving retention is raising pay. The Index shows that a **strong track record of internal promotion is also highly correlated to driving retention**; in fact, internal promotion is second only to pay itself as a means for retaining employees.

That connection was echoed in findings from our survey of a cross-section of more than five hundred Fortune 500 employees.² Not surprisingly, **competitive wages and benefits emerged as among the highest priorities among workers**. However, pay and benefits are just what get employees in the door; what happens after is what convinces them to stay.

Our survey highlighted that **workers care deeply about growth and access to learning opportunities** — **92% of workers** rated having lots of opportunity to advance in their workplace as **important or very important**.

Further, employees ranked “having an employer that offered training to learn new skills” as **the most important employer trait** when reflecting on their careers.

Pay and promotion feed a virtuous cycle of retention success: high pay attracts workers and internal promotion helps them advance their careers. Taken together, these two mechanisms provide a pathway for employees to achieve their professional goals — naturally leading to **higher retention rates**.

This is a win-win for employers, with significant business impact, as shown above.

²October 2023 Opportunity Index survey by Guidant Polling & Strategy of 505 employees across the Fortune 500.

KEY FINDINGS

4

Promotion And Parity Often – But Not Always – Go Hand In Hand

While promoting employees is critical to retaining them and helping them grow, we know that **equity and parity also matter a great deal to employees**. In our survey of Fortune 500 employees, a **positive, fair, and inclusive culture** ranked as the **second most important criteria**, with strong resonance across all demographics.

The message is clear: **companies must not only provide meaningful opportunities to develop, they must also ensure those opportunities are equitably distributed**.

The good news is most companies that promote well are also effective in creating fair workplace environments. In fact, about **70% of companies in the top quartile for Promotions** also **ranked in the top two quartiles for Parity**. Companies that do best at moving people up typically leverage robust processes that systematize progression across their workforce.

However, **11% of companies were in the top quartile for Promotion, but in the bottom quartile for Parity**. These companies promote often, but not equitably. When promotion opportunities are not distributed evenly, firms risk falling short of their Diversity, Equity, and Inclusion goals. More importantly, they **risk losing Black, Hispanic, and female workers** to employers viewed as more attuned to issues of equity.

It is also worth noting that **most firms with strong track records of advancing minorities** also do well at advancing employees regardless of gender (and vice versa). But this isn't always the case: **United Airlines and Southwest Airlines** are some of the best firms in the Fortune 500 at promoting their Black and Hispanic workers. **However, airlines as a group have work to do, as they exhibit some of the worst rates of gender parity of any industry**.

KEY FINDINGS

TOP QUARTILE COMPANIES IN PROMOTION BY PARITY QUARTILE

Promotion and Parity often go hand in hand.

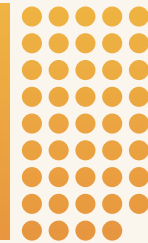
How does the Top 100 in Promotion...

... score in Parity?



TOP QUARTILE

4 | 100



4
44%



3
26%



2
18%



1
12%

QUARTILES

But for some firms, promoting often doesn't mean promoting everyone

KEY FINDINGS

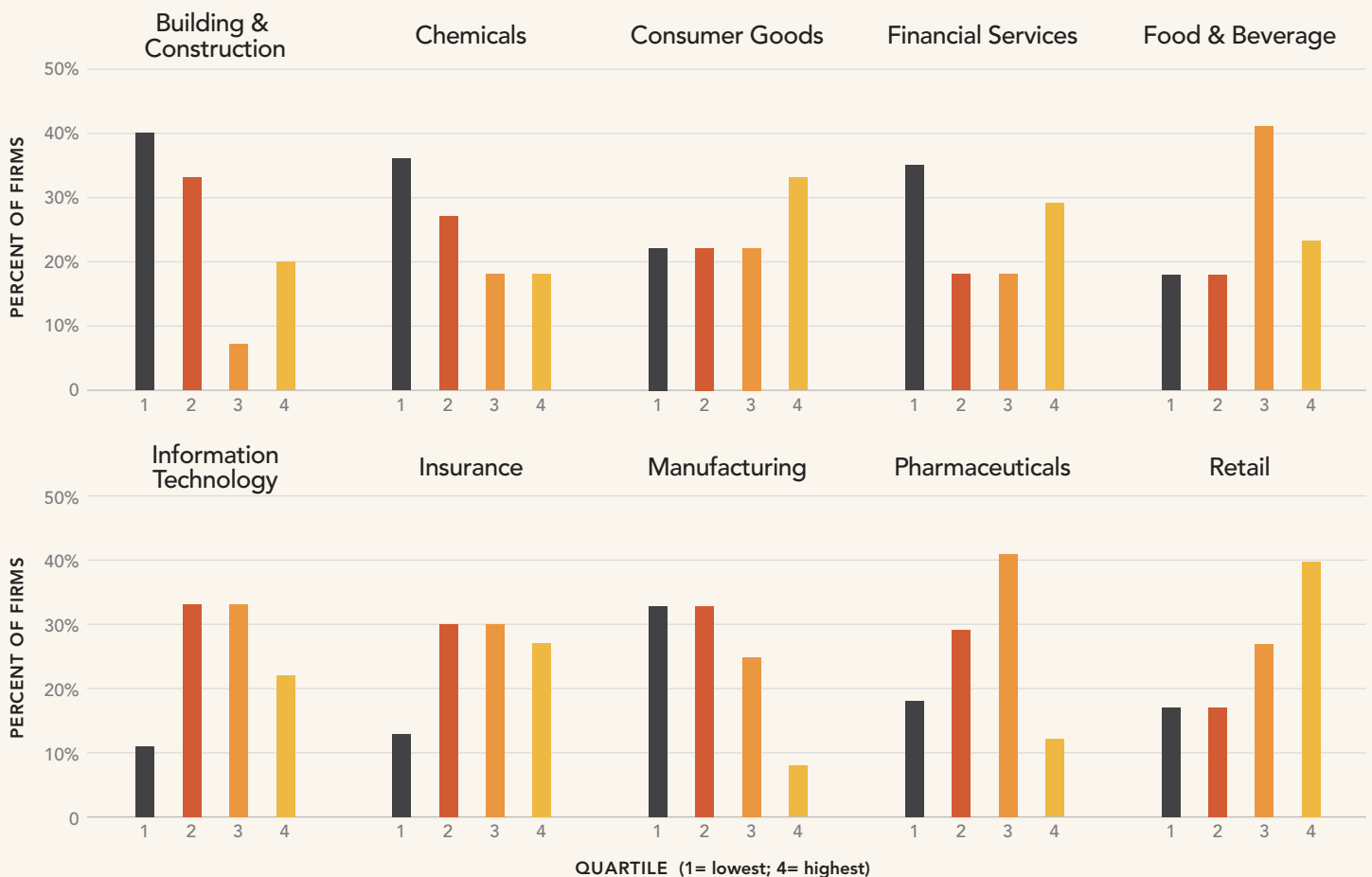
5

Companies Have Considerable Control Over Their Performance

Worker outcomes vary significantly between firms, even among those in the same industry. In fact, as reflected in the chart below, most sectors include both top and bottom quartile performers – in each category of worker experience and overall.

So while there are tangible differences between sectors – average wages and retention levels at software companies are higher than those in retail, for example, even after controlling for occupation – our findings show **employers aren't prisoners to their business model**. If employee experience at direct competitors diverge drastically, **that divergence is clearly driven by differences in processes, policies, and culture, rather than by business fundamentals**.

OVERALL FIRM-LEVEL PERFORMANCE ON THE 2023 INDEX BY INDUSTRY



KEY FINDINGS

This **breadth in performance** bears out not only overall but also for each of the individual categories that comprise the Index.

The insurance industry provides an excellent case study:

INSURANCE INDUSTRY PERFORMANCE BY METRIC



THE TOP 100 COMPANIES: WE ANALYZED FIRMS ACROSS FIVE DIMENSIONS OF OPPORTUNITY

We analyzed firms across **five dimensions of opportunity:**

- **Hiring**
- **Pay**
- **Promotion**
- **Parity**
- **Culture**

These rankings are an average of those factors, adjusted for workforce composition to ensure a standardized benchmark, and weighted based on priorities articulated by a survey of 500 workers and interviews with 12 workforce experts. (See the Methodology section for more information.)

The **Top 100 companies** below stand out not for having perfect records of creating mobility but rather for **showing strength across multiple dimensions**.

NAME	INDUSTRY	RANK
Coca-Cola	Food & Beverages	1
J.M. Smucker	Food & Beverages	2
W.W. Grainger	Business Services	3
PNC Financial Services Group	Financial Services	4
ServiceNow	Software	5
Meta Platforms	Technology	6
Capital One Financial	Credit Services	7
Bank of America	Banks	8
Costco Wholesale	Retail	9
Intuit	Software	10
Target	Retail	11
Lumen Technologies	Communication & Telecom	12
JPMorgan Chase	Banks	13
Lowe's	Retail	14
Chipotle Mexican Grill	Lodging, Travel, & Restaurants	15
MetLife	Insurance	16
AbbVie	Pharmaceuticals	17
Mastercard	Credit Services	18
PepsiCo	Food & Beverages	19
Dell Technologies	Electronics & Computer Hardware	20
J.B. Hunt Transport Services	Integrated Freight & Logistics	21
Best Buy	Retail	22
Salesforce	Software	23
Cognizant Technology Solutions	Information Technology Services	24
Charter Communications	Communication & Telecom	25
Walgreens Boots Alliance	Retail	26
Amazon	Technology	27
XPO	Integrated Freight & Logistics	28
Western & Southern Financial Group	Insurance	29
Skechers U.S.A.	Consumer Goods	30

NAME	INDUSTRY	RANK
Adobe	Software	31
Northrop Grumman	Aerospace & Defense	32
Chewy	Internet Retail	33
Microsoft	Technology	34
Laboratory Corp. of America	Medical Care Facilities	35
Nike	Consumer Goods	36
Charles Schwab	Financial Services	37
Ecolab	Chemicals	38
Goldman Sachs Group	Financial Services	39
Hartford Financial Services Group	Insurance	40
Nationwide	Insurance	41
American Express	Credit Services	42
Uber Technologies	Software	43
Nordstrom	Retail	44
Universal Health Services	Medical Care Facilities	45
CBRE Group	Real Estate	46
CDW	Information Technology Services	47
Marriott International	Lodging, Travel, & Restaurants	48
Pfizer	Pharmaceuticals	49
Equinix	Financial Services	50
Wells Fargo	Banks	51
Hilton Worldwide Holdings	Lodging, Travel, & Restaurants	52
Sherwin-Williams	Chemicals	53
Gap Inc.	Retail	54
Home Depot	Retail	55
Parker-Hannifin	Manufacturing	56
Activision Blizzard	Software	57
Taylor Morrison Home	Building & Construction	58
Equitable Holdings	Insurance	59
Verizon Communications	Communication & Telecom	60
Citigroup	Banks	61
Mondelez International	Food & Beverages	62
Oracle	Software	63
AT&T	Communication & Telecom	64
NVR	Building & Construction	65

NAME	INDUSTRY	RANK
Netflix	Entertainment	66
Exelon	Utilities	67
Travelers	Insurance	68
Estée Lauder	Consumer Goods	69
Progressive	Insurance	70
Foot Locker	Retail	71
Macy's	Retail	72
ExxonMobil	Oil & Gas	73
Jones Lang LaSalle	Real Estate	74
Comcast	Communication & Telecom	75
Expedia Group	Internet Retail	76
Walmart	Retail	77
Truist Financial	Banks	78
Ulta Beauty	Retail	79
KeyCorp	Banks	80
Starbucks	Lodging, Travel, & Restaurants	81
CarMax	Auto & Truck Dealerships	82
Goodyear Tire & Rubber	Auto Manufacturers & Parts	83
M&T Bank	Banks	84
Cigna	Healthcare	85
Tesla	Auto Manufacturers & Parts	86
First American Financial	Insurance	87
Wayfair	Internet Retail	88
Visa	Credit Services	89
BlackRock	Financial Services	90
Citizens Financial Group	Banks	91
PayPal Holdings	Credit Services	92
Owens Corning	Building & Construction	93
FedEx	Integrated Freight & Logistics	94
Stryker	Medical Devices & Distribution	95
Advanced Micro Devices	Semiconductors	96
Liberty Mutual Insurance Group	Insurance	97
eBay	Internet Retail	98
Farmers Insurance Exchange	Insurance	99
DaVita	Medical Care Facilities	100

HIRING

These are the **companies in the top quartile** for **hiring people without degrees** and those with little experience.

NAME	INDUSTRY	NAME	INDUSTRY
ABM Industries	Specialty Business Services	Coca-Cola	Food & Beverages
Advance Auto Parts	Retail	Comcast	Communication & Telecom
Aflac	Insurance	Costco Wholesale	Retail
Alaska Air Group	Airlines	CVS Health	Healthcare
Albertsons	Retail	D.R. Horton	Building & Construction
Allstate	Insurance	DaVita	Medical Care Facilities
Altice USA	Communication & Telecom	Dick's Sporting Goods	Retail
American Express	Credit Services	Dollar General	Retail
American Family Insurance Group	Insurance	Dollar Tree	Retail
AutoNation	Auto & Truck Dealerships	FedEx	Integrated Freight & Logistics
AutoZone	Retail	Foot Locker	Retail
Avis Budget Group	Rental & Leasing Services	Gap Inc.	Retail
Bath & Body Works	Retail	Genuine Parts	Retail
Berry Global Group	Packaging & Containers	Goodyear Tire & Rubber	Auto Manufacturers & Parts
Best Buy	Retail	Graphic Packaging Holding	Packaging & Containers
BJ's Wholesale Club	Retail	Graybar Electric	Industrial Distribution
Builders FirstSource	Building & Construction	Hertz Global Holdings	Rental & Leasing Services
Burlington Stores	Retail	Hilton Worldwide Holdings	Lodging, Travel, & Restaurants
CarMax	Auto & Truck Dealerships	Home Depot	Retail
CDW	Information Technology Services	JetBlue Airways	Airlines
Charter Communications	Communication & Telecom	Keurig Dr Pepper	Food & Beverages
Chewy	Internet Retail	KeyCorp	Banks
Chipotle Mexican Grill	Lodging, Travel, & Restaurants	Kohl's	Retail
Citizens Financial Group	Banks	Kroger	Retail

HIRING

NAME	INDUSTRY
Lennar	Building & Construction
Lithia Motors	Auto & Truck Dealerships
Live Nation Entertainment	Entertainment
Lowe's	Retail
ManpowerGroup	Professional Services
Marriott International	Lodging, Travel, & Restaurants
MasTec	Building & Construction
McDonald's	Lodging, Travel, & Restaurants
MGM Resorts International	Lodging, Travel, & Restaurants
Mohawk Industries	Manufacturing
Molina Healthcare	Healthcare
Mondelez International	Food & Beverages
Nordstrom	Retail
O'Reilly Automotive	Retail
Penske Automotive Group	Auto & Truck Dealerships
PepsiCo	Food & Beverages
Performance Food Group	Food Distribution
PNC Financial Services Group	Financial Services
PPG Industries	Chemicals
Publix Super Markets	Retail
Qurate Retail	Internet Retail
Regions Financial	Banks
Republic Services	Waste Management
Robert Half International	Professional Services
Ross Stores	Retail
Ryder System	Rental & Leasing Services

NAME	INDUSTRY
Sherwin-Williams	Chemicals
Skechers U.S.A.	Consumer Goods
Southwest Airlines	Airlines
SpartanNash	Food Distribution
Starbucks	Lodging, Travel, & Restaurants
State Farm Insurance	Insurance
Sysco	Food Distribution
TJX	Retail
Toll Brothers	Building & Construction
Tractor Supply	Retail
Tyson Foods	Food & Beverages
Ulta Beauty	Retail
United Airlines Holdings	Airlines
United Natural Foods	Food Distribution
United Rentals	Rental & Leasing Services
Univar Solutions	Industrial Distribution
UPS	Integrated Freight & Logistics
US Foods Holding	Food Distribution
Verizon Communications	Communication & Telecom
Vulcan Materials	Building & Construction
Walgreens Boots Alliance	Retail
Walmart	Retail
Waste Management, Inc.	Waste Management
Williams-Sonoma	Retail
XPO	Integrated Freight & Logistics
Yum! Brands	Lodging, Travel, & Restaurants

PAY

These are the **companies in the top quartile** for **paying workers well** and increasing worker compensation over time.

NAME	INDUSTRY	NAME	INDUSTRY
AbbVie	Pharmaceuticals	Coca-Cola	Food & Beverages
Activision Blizzard	Software	Cognizant Technology Solutions	Information Technology Services
Adobe	Software	Colgate-Palmolive	Consumer Goods
Advanced Micro Devices	Semiconductors	CommScope Holding	Communication & Telecom
AIG	Insurance	Community Health Systems	Medical Care Facilities
Air Products & Chemicals	Chemicals	ConocoPhillips	Oil & Gas
Alphabet	Technology	Cummins	Manufacturing
American Express	Credit Services	Danaher	Pharmaceuticals
Amgen	Pharmaceuticals	eBay	Internet Retail
Applied Materials	Semiconductors	Ecolab	Chemicals
Arrow Electronics	Electronics & Computer Hardware	Enterprise Products Partners	Oil & Gas
Bank of America	Banks	Equinix	Financial Services
Becton Dickinson	Medical Devices & Distribution	Equitable Holdings	Insurance
Biogen	Pharmaceuticals	Estée Lauder	Consumer Goods
BlackRock	Financial Services	Exelon	Utilities
Blackstone	Financial Services	Expedia Group	Internet Retail
Block	Software	ExxonMobil	Oil & Gas
Capital One Financial	Credit Services	Fidelity National Financial	Insurance
Celanese	Chemicals	Fluor	Building & Construction
Charles Schwab	Financial Services	Freddie Mac	Credit Services
Chevron	Oil & Gas	General Electric	Manufacturing
Cisco Systems	Communication & Telecom	General Mills	Food & Beverages
Citigroup	Banks	General Motors	Auto Manufacturers & Parts
Cleveland-Cliffs	Metals & Materials	Gilead Sciences	Pharmaceuticals

PAY

NAME	INDUSTRY
Goldman Sachs Group	Financial Services
Hartford Financial Services Group	Insurance
Henry Schein	Medical Devices & Distribution
Hormel Foods	Food & Beverages
HP	Electronics & Computer Hardware
IBM	Information Technology Services
Intel	Semiconductors
Intuit	Software
J.M. Smucker	Food & Beverages
Lam Research	Semiconductors
Land O'Lakes	Integrated Freight & Logistics
Markel	Insurance
Marsh & McLennan	Insurance
Mastercard	Credit Services
Merck	Pharmaceuticals
Meta Platforms	Technology
MetLife	Insurance
Microsoft	Technology
Molson Coors Beverage	Food & Beverages
Morgan Stanley	Financial Services
Motorola Solutions	Communication & Telecom
Netflix	Entertainment
News Corp.	Entertainment
Northrop Grumman	Aerospace & Defense
Nvidia	Semiconductors
NVR	Building & Construction

NAME	INDUSTRY
Oracle	Software
Owens Corning	Building & Construction
Parker-Hannifin	Manufacturing
PayPal Holdings	Credit Services
Penske Automotive Group	Auto & Truck Dealerships
Pfizer	Pharmaceuticals
Public Service Enterprise Group	Utilities
Qualcomm	Semiconductors
Quest Diagnostics	Medical Care Facilities
Regeneron Pharmaceuticals	Pharmaceuticals
S&P Global	Financial Services
Salesforce	Software
Sempra	Utilities
ServiceNow	Software
Tesla	Auto Manufacturers & Parts
Universal Health Services	Medical Care Facilities
US Foods Holding	Food Distribution
Vertex Pharmaceuticals	Pharmaceuticals
Viatis	Pharmaceuticals
Visa	Credit Services
Vistra	Utilities
W.W. Grainger	Business Services
Wayfair	Internet Retail
Western & Southern Financial Group	Insurance
Western Digital	Electronics & Computer Hardware
XPO	Integrated Freight & Logistics

PROMOTION

These are the companies in the **top quartile** for **moving people up** and preparing them for better jobs elsewhere. Promotion spans advancement within and beyond the firm. **Internal advancement** is a composite of three metrics: **Promotion Probability**, **Continued Promotion**, and **Promotion Quality**.

NAME	INDUSTRY	NAME	INDUSTRY
Allstate	Insurance	Eli Lilly	Pharmaceuticals
Amazon	Technology	Exelon	Utilities
American Airlines Group	Airlines	Expedia Group	Internet Retail
Arrow Electronics	Electronics & Computer Hardware	FedEx	Integrated Freight & Logistics
AT&T	Communication & Telecom	Fidelity National Information Services	Information Technology Services
Bank of America	Banks	Fifth Third Bancorp	Banks
Bath & Body Works	Retail	Fiserv	Information Technology Services
Best Buy	Retail	Foot Locker	Retail
Boeing	Aerospace & Defense	Gap Inc.	Retail
Capital One Financial	Credit Services	Goldman Sachs Group	Financial Services
CDW	Information Technology Services	Goodyear Tire & Rubber	Auto Manufacturers & Parts
Charles Schwab	Financial Services	Graybar Electric	Industrial Distribution
Charter Communications	Communication & Telecom	Hartford Financial Services Group	Insurance
Chewy	Internet Retail	Hershey	Food & Beverages
Chipotle Mexican Grill	Lodging, Travel, & Restaurants	Hertz Global Holdings	Rental & Leasing Services
Cigna	Healthcare	Hewlett Packard Enterprise	Communication & Telecom
Cintas	Specialty Business Services	Home Depot	Retail
Citizens Financial Group	Banks	Honeywell International	Aerospace & Defense
Comcast	Communication & Telecom	J.B. Hunt Transport Services	Integrated Freight & Logistics
Costco Wholesale	Retail	J.M. Smucker	Food & Beverages
Dell Technologies	Electronics & Computer Hardware	Johnson & Johnson	Pharmaceuticals
Dick's Sporting Goods	Retail	Jones Lang LaSalle	Real Estate
DISH Network	Communication & Telecom	JPMorgan Chase	Banks
Ecolab	Chemicals	Keurig Dr Pepper	Food & Beverages

PROMOTION

NAME	INDUSTRY
KeyCorp	Banks
L3Harris Technologies	Aerospace & Defense
Laboratory Corp. of America	Medical Care Facilities
Liberty Mutual Insurance Group	Insurance
Lincoln National	Insurance
Live Nation Entertainment	Entertainment
Lowe's	Retail
LPL Financial Holdings	Financial Services
Lumen Technologies	Communication & Telecom
M&T Bank	Banks
Macy's	Retail
Marriott International	Lodging, Travel, & Restaurants
Mastercard	Credit Services
McDonald's	Lodging, Travel, & Restaurants
MetLife	Insurance
Molson Coors Beverage	Food & Beverages
Mondelez International	Food & Beverages
Mutual of Omaha Insurance	Insurance
Nationwide	Insurance
Nike	Consumer Goods
Nordstrom	Retail
Norfolk Southern	Integrated Freight & Logistics
Northrop Grumman	Aerospace & Defense
Northwestern Mutual	Insurance
Oracle	Software
PepsiCo	Food & Beverages

NAME	INDUSTRY
PNC Financial Services Group	Financial Services
PVH	Consumer Goods
Ross Stores	Retail
ServiceNow	Software
Sherwin-Williams	Chemicals
Skechers U.S.A.	Consumer Goods
Starbucks	Lodging, Travel, & Restaurants
State Farm Insurance	Insurance
Stryker	Medical Devices & Distribution
Target	Retail
TJX	Retail
Tractor Supply	Retail
Travelers	Insurance
Truist Financial	Banks
Uber Technologies	Software
Ulta Beauty	Retail
Universal Health Services	Medical Care Facilities
Verizon Communications	Communication & Telecom
Visa	Credit Services
Walgreens Boots Alliance	Retail
Walmart	Retail
Walt Disney	Entertainment
Wells Fargo	Banks
Western & Southern Financial Group	Insurance
Western Digital	Electronics & Computer Hardware
XPO	Integrated Freight & Logistics

PARITY

These are the **companies in the top quartile** for **moving all people up equally**, regardless of race or gender.

NAME	INDUSTRY	NAME	INDUSTRY
AbbVie	Pharmaceuticals	Citigroup	Banks
ABM Industries	Specialty Business Services	Cognizant Technology Solutions	Information Technology Services
Adobe	Software	CVS Health	Healthcare
Advanced Micro Devices	Semiconductors	DaVita	Medical Care Facilities
AECOM	Building & Construction	Dell Technologies	Electronics & Computer Hardware
Allstate	Insurance	Dollar General	Retail
Alphabet	Technology	Dollar Tree	Retail
Amazon	Technology	DXC Technology	Information Technology Services
Apple	Technology	Elevance Health	Healthcare
Aramark	Specialty Business Services	ExxonMobil	Oil & Gas
Assurant	Insurance	FedEx	Integrated Freight & Logistics
Auto-Owners Insurance	Insurance	Fidelity National Information Services	Information Technology Services
Automatic Data Processing	Professional Services	Foot Locker	Retail
AutoZone	Retail	Gap Inc.	Retail
Bath & Body Works	Retail	General Dynamics	Aerospace & Defense
BlackRock	Financial Services	HCA Healthcare	Medical Care Facilities
Boeing	Aerospace & Defense	Home Depot	Retail
Booz Allen Hamilton Holding	Professional Services	Huntington Bancshares	Banks
Burlington Stores	Retail	Huntington Ingalls Industries	Aerospace & Defense
CarMax	Auto & Truck Dealerships	Intuit	Software
CDW	Information Technology Services	J.B. Hunt Transport Services	Integrated Freight & Logistics
Charter Communications	Communication & Telecom	Jacobs Solutions	Building & Construction
Chewy	Internet Retail	Johnson & Johnson	Pharmaceuticals
Chipotle Mexican Grill	Lodging, Travel, & Restaurants	JPMorgan Chase	Banks

PARITY

NAME	INDUSTRY	NAME	INDUSTRY
KeyCorp	Banks	Salesforce	Software
Kohl's	Retail	Science Applications International	Information Technology Services
Kraft Heinz	Food & Beverages	ServiceNow	Software
Kroger	Retail	Skechers U.S.A.	Consumer Goods
L3Harris Technologies	Aerospace & Defense	Stanley Black & Decker	Manufacturing
Laboratory Corp. of America	Medical Care Facilities	Starbucks	Lodging, Travel, & Restaurants
Lear	Auto Manufacturers & Parts	State Farm Insurance	Insurance
Leidos Holdings	Information Technology Services	Synchrony Financial	Credit Services
Lowe's	Retail	Target	Retail
Lumen Technologies	Communication & Telecom	Tenet Healthcare	Medical Care Facilities
Macy's	Retail	TJX	Retail
MasTec	Building & Construction	Travelers	Insurance
Meta Platforms	Technology	U.S. Bancorp	Banks
MetLife	Insurance	Uber Technologies	Software
Microsoft	Technology	United Rentals	Rental & Leasing Services
Mondelez International	Food & Beverages	UnitedHealth Group	Healthcare
Nationwide	Insurance	Universal Health Services	Medical Care Facilities
Nike	Consumer Goods	UPS	Integrated Freight & Logistics
Northrop Grumman	Aerospace & Defense	Verizon Communications	Communication & Telecom
Oracle	Software	VF	Consumer Goods
Pfizer	Pharmaceuticals	Walgreens Boots Alliance	Retail
PNC Financial Services Group	Financial Services	Walmart	Retail
PVH	Consumer Goods	Waste Management	Waste Management
Raytheon Technologies	Aerospace & Defense	Wells Fargo	Banks
Robert Half International	Professional Services	WestRock	Packaging & Containers
Ross Stores	Retail	Yum! Brands	Lodging, Travel, & Restaurants

CULTURE

These are the **companies in the top quartile** for building a culture where **workers want to stay and build their careers**. Specifically, Culture includes measures of employee retention and of whether managers and executives are drawn from within the firm's own ranks.

NAME	INDUSTRY	NAME	INDUSTRY
AbbVie	Pharmaceuticals	Deere	Manufacturing
Activision Blizzard	Software	Delta Air Lines	Airlines
Advanced Micro Devices	Semiconductors	Dominion Energy	Utilities
Air Products & Chemicals	Chemicals	Dow	Chemicals
Ameren	Utilities	DTE Energy	Utilities
American Electric Power	Utilities	Duke Energy	Utilities
Archer Daniels Midland	Food & Beverages	DuPont	Chemicals
Auto-Owners Insurance	Insurance	Ecolab	Chemicals
Ball	Packaging & Containers	Edison International	Utilities
BlackRock	Financial Services	Elevance Health	Healthcare
Block	Software	Eli Lilly	Pharmaceuticals
Capital One Financial	Credit Services	Energy Transfer	Oil & Gas
CBRE Group	Real Estate	Entergy	Utilities
CenterPoint Energy	Utilities	Equinix	Financial Services
Chevron	Oil & Gas	Equitable Holdings	Insurance
CMS Energy	Utilities	Erie Insurance Group	Insurance
Coca-Cola	Food & Beverages	Estée Lauder	Consumer Goods
Colgate-Palmolive	Consumer Goods	Eversource Energy	Utilities
Community Health Systems	Medical Care Facilities	FirstEnergy	Utilities
Conagra Brands	Food & Beverages	Ford Motor	Auto Manufacturers & Parts
ConocoPhillips	Oil & Gas	Freddie Mac	Credit Services
Consolidated Edison	Utilities	Freeport-McMoRan	Metals & Materials
Corteva	Metals & Materials	General Motors	Auto Manufacturers & Parts
Costco Wholesale	Retail	Genuine Parts	Retail

CULTURE

NAME	INDUSTRY
Hilton Worldwide Holdings	Lodging, Travel, & Restaurants
Intercontinental Exchange	Financial Services
International Flavors & Fragrances	Chemicals
IQVIA Holdings	Pharmaceuticals
J.B. Hunt Transport Services	Integrated Freight & Logistics
J.M. Smucker	Food & Beverages
Jackson Financial	Insurance
Jones Financial (Edward Jones)	Financial Services
Kellogg	Food & Beverages
Kinder Morgan	Oil & Gas
Kraft Heinz	Food & Beverages
Laboratory Corp. of America	Medical Care Facilities
Lam Research	Semiconductors
Lennar	Building & Construction
Lockheed Martin	Aerospace & Defense
Lumen Technologies	Communication & Telecom
Marathon Petroleum	Oil & Gas
Marsh & McLennan	Insurance
Mastercard	Credit Services
Merck	Pharmaceuticals
Meta Platforms	Technology
Micron Technology	Semiconductors
Microsoft	Technology
Moderna	Pharmaceuticals
NextEra Energy	Utilities
Northrop Grumman	Aerospace & Defense

NAME	INDUSTRY
Nvidia	Semiconductors
Owens Corning	Building & Construction
Parker-Hannifin	Manufacturing
Pfizer	Pharmaceuticals
PG&E	Utilities
Phillips 66	Oil & Gas
Procter & Gamble	Consumer Goods
Progressive	Insurance
ServiceNow	Software
Sonoco Products	Packaging & Containers
Southern	Utilities
Southwest Airlines	Airlines
State Street	Financial Services
Stryker	Medical Devices & Distribution
Synchrony Financial	Credit Services
Texas Instruments	Semiconductors
Travelers	Insurance
Uber Technologies	Software
Univar Solutions	Industrial Distribution
Unum Group	Insurance
USAA	Insurance
Viatrix	Pharmaceuticals
W.W. Grainger	Business Services
Warner Bros. Discovery	Entertainment
Williams	Oil & Gas
Zoetis	Pharmaceuticals

CONCLUSION

The 2023 American Opportunity Index is unprecedented in its focus on the outcomes employees actually experience, rather than company inputs, like policies and employee surveys. Our unique approach has led to unique insights – insights we hope a range of stakeholders will reflect on, discuss, and leverage in decision making. Companies can use these metrics to benchmark their performance, set data-driven goals, and test new practices against a yardstick of real-world outcomes.

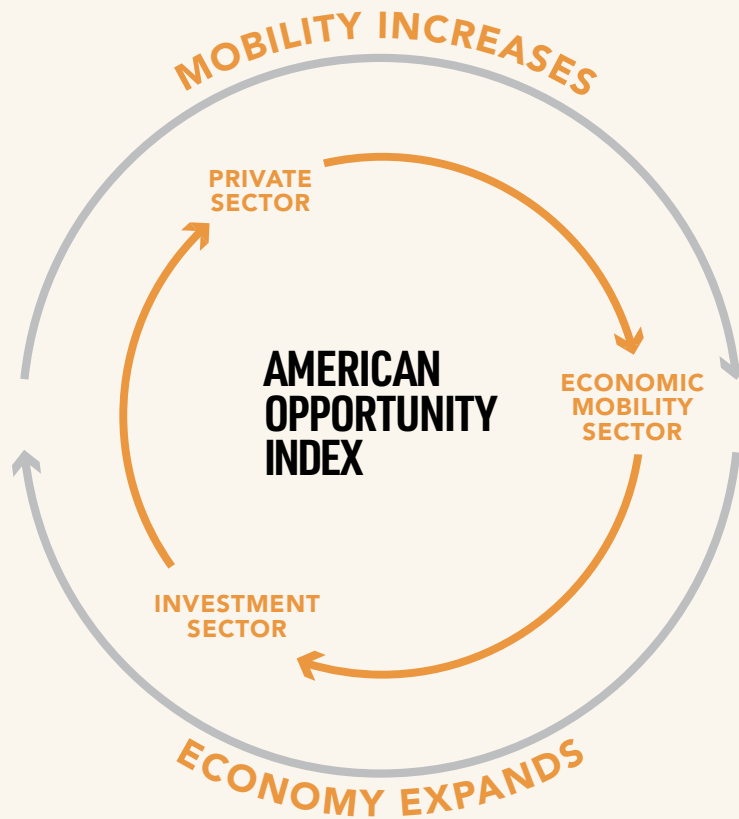
The Index can also spur collective action. It can inform dialog between the various constituents that shape our workforce. Economic development organizations, workforce boards, and other public agencies can use the Index to foster healthy competition for talent across firms within their region, to develop explicit metrics and a shared vocabulary for tracking progress, and to prioritize economic development that supports economically vulnerable communities. Asset managers and shareholders can use these metrics as leading indicators of firm performance and factor them into their

evaluation of companies' ESG performance. And workers can use the Index in job searches to identify firms that most align with their values and goals. In partnership with these stakeholder groups, we hope to trigger a flywheel of increasing advancement, opportunity, and upward mobility for more Americans.

For all of those stakeholders, the American Opportunity Index and the metrics underlying it offer a much-needed language for describing worker outcomes and for expressing what good performance means. By measuring the lived experience across millions of workers, it provides an objective lens on job quality while broadening the discourse from job quality to employer quality.

No data set or analysis is perfect. Over the past year, we listened to and incorporated extensive feedback to refine our methodology, and we welcome additional comments. The 2023 Index is both more rigorous and more comprehensive, and our revamped approach has yielded important new insights. We hope you agree.

CONCLUSION



SOURCE: THE SHULTZ FAMILY FOUNDATION

One inescapable conclusion does arise from this analysis: if we are to improve the economic security of more Americans and reduce the scope of wealth inequality, more companies must join the ranks of our top performers in leading the way. More companies must innovate to create policies that aspire to achieve more than incremental improvement.

More companies must embrace the idea that comfortable practices and long-standing policies often generate significant hidden costs. Most importantly, more companies must acknowledge that our current workforce development system – of which they are the principal beneficiary – is simply not fit for the 21st century.

METHODOLOGY



A detailed methodology with a step-by-step approach can be found on the AmericanOpportunityIndex.org website for download

How is the Index assembled?

The **American Opportunity Index** measures **how well America's largest companies drive economic mobility and positive career outcomes for their employees**—actions that also can help **fuel business performance**.

- **We used a range of labor-market data sources** to assess the progress of a company's employees over five years, **from 2018 through 2022**.
- **We assembled career histories** of individual workers based on profiles and resumes they uploaded to career sites such as LinkedIn, **we analyzed pay data** from sites such as Glassdoor, and **we leveraged job postings data** from Lightcast.
- Unlike most other measures that seek to identify good jobs and to rank places to work, the Index does not rely upon data provided or self-reported by companies. **Instead, it is based on objective external sources. Firms cannot choose to opt out of the Index.**

Which companies does the Index include?

The Index measures 396 of America's largest employers. We studied the **500 largest companies** headquartered in the United States, but we removed 102 firms because we did not have sufficient data to measure them accurately. We removed two additional firms that went out of business in 2023.

How many workers does the Index assess?

The Index tracks the experience of 4.72 million U.S. workers at the firms we measured. We focus on **jobs open to those without a degree** by excluding occupations in which 70% or more of workers nationally hold at least a bachelor's degree.

What does the Index measure?

The Index measures five core elements of corporate performance central to effective talent management that drive both business growth and opportunity creation for employees:

1. **Hiring:** *How well do companies hire people without degrees and those with little experience?*
2. **Pay:** *How well do companies pay their employees and increase their compensation over time?*
3. **Promotion:** *How well do companies move people up and prepare them for better jobs elsewhere?*
4. **Parity:** *How well do companies move all people up equally, regardless of race or gender?*
5. **Culture:** *How well do companies retain their employees and build their careers?*

METHODOLOGY

Each of these five categories is measured in two ways:

1

Hiring

is comprised of **first jobs** and **degree barriers**.

1. **First jobs** assesses the percentage of people starting jobs at a company with less than three years of prior experience.
2. **Degree barriers** measures the percentage of people starting a job within a given occupation at a company who do not have a bachelor's degree.

2

Pay

is comprised of **wage** and **wage growth**.

1. **Wage** measures how well workers in the same occupation are paid at different employers.
2. **Wage growth** evaluates the degree of wage growth for workers who stayed at a given employer for three or more years.

3

Promotion

is comprised of **advancement within** and **advancement beyond**.

1. **Advancement within** is comprised of three sub-metrics:
 - › *promotion probability*,
 - › *promotion quality* (how large of a raise workers can expect at each promotion), and
 - › *continuous promotion* (how many further promotions workers can expect over time.)
2. **Advancement beyond** measures how likely workers are to land a higher paying role when they move on to their next employer.

METHODOLOGY

Each of these five categories is measured in two ways:

4

Parity

is comprised of **gender parity** and **racial parity**.

1. **Gender parity** measures the consistency in promotion rates between male and female employees.
2. **Racial parity** measures the consistency in promotion rates between Black and Hispanic employees and all other employees.

5

Culture

is comprised of **retention** and **leaders from within**.

1. **Retention** measures how long employees stay with an employer.
2. **Leaders from within** measures the share of the most highly paid employees who have climbed the ranks internally within the company.

How are companies ranked?

For each metric, **we start by calculating a score for each of the 12 metrics for each occupation** at a company, such as the retention rate for customer service representatives. **We then compare that score to the score for that same metric and occupation at other companies**—in this case, the retention scores for customer service representatives across all companies. That allows us to **assign a score to every metric** by occupation at each company.

We then weight those scores based on the prevalence of certain occupations at a company, as observed in job postings. If a company has twice as many customer service representatives as administrative assistants, the customer service representatives receive greater weighting when calculating a company's total score for each of the 12 metrics. Each metric accounts for half of its relevant category score.

To calculate a company's overall score, **we have weighted the relative importance of each of the five categories based on a survey of 500 workers at large firms** and input from a panel of expert economists. Both the worker survey and expert panel assigned significant priority to metrics of worker mobility and wage. **As such, for simplicity, we assign double weighting to pay and promotion, and single weight to hiring, parity and culture.**

Why are some 2023 company rankings different from the 2022 Index?

There are five principal reasons why some companies' scores—and ranks—have changed significantly from last year's Index:

1. **The overall pool of companies assessed has expanded to 396 from 242.** The increase affects firms' relative placement on the Index.
2. **We have added new metrics** this year, including wage growth, gender equality and racial equality, which can impact companies' overall scores.
3. **We have adjusted the overall weighting** to give equal prominence to pay and promotion; both receive greater weight than other categories.
4. **We have rearchitected how we calculate several of the metrics**, in part through deeper integration of mobility and wage data.
5. **We have given added weight** to more recent pay, promotion and hiring experience. In calculating retention, for instance, the 2022 Index assessed how many workers who were employed at a company at the beginning of the five-year tracking window were still employed at the end. This year, however, we look at retention across three overlapping three-year cohorts: 2017-20, 2018-21, and 2019-22. More recent periods are given greater weight.

We believe these changes make this year's Index **more nuanced and more accurate**, creating a more sophisticated data tool for businesses and their employees. While some firms' scores have increased this year, others have dropped. This is not necessarily due to significant changes in their internal practices in 2022; rather, it reflects how their practices compare to a larger pool of companies when analyzed with more comprehensive metrics. We do not envision making such significant changes to our methodology in future years.

How are a worker's race, ethnicity, and gender determined?

Race, ethnicity, and gender are determined probabilistically based on a combination of factors, including names, addresses, and educational institutions, using an algorithm originally developed for the Consumer Financial Protection Bureau that was modified by Burning Glass Institute researchers. Because location is a significant factor in the algorithm, career histories were matched with a voter database to determine a likely street address, which is typically missing from online career profiles. For workers who live in states where public voter registration rosters include self-reported race data, we use models based on that information.

What might the Index miss?

Online career histories are self-reported, which can yield embellishments and inaccuracies, but our analysis suggests that those that might occur are shared across firms. There is no reason to believe that Walmart's employees are any more likely to misrepresent career progress than their counterparts at Target, for instance.

Further, **this is a complex exercise involving multiple hard-to-account-for variables**. Even the extensive data-driven analysis used to create the Index cannot account for every nuance that shapes real-world worker outcomes and opportunities. Geography may limit workers' job choices, for example. Very short stints may go underreported on resumes and in online career profiles. Pursuit of additional education or skill development outside of the workplace is not measured here. On the employer side, companies that rely extensively on contract employees may rank higher than they otherwise might if these contractors were considered employees. We present our methodology with humility, aware of certain limitations yet certain that the core strengths of the analysis will make it useful to business leaders and employees.

Want to delve deeper?

ACKNOWLEDGMENTS

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