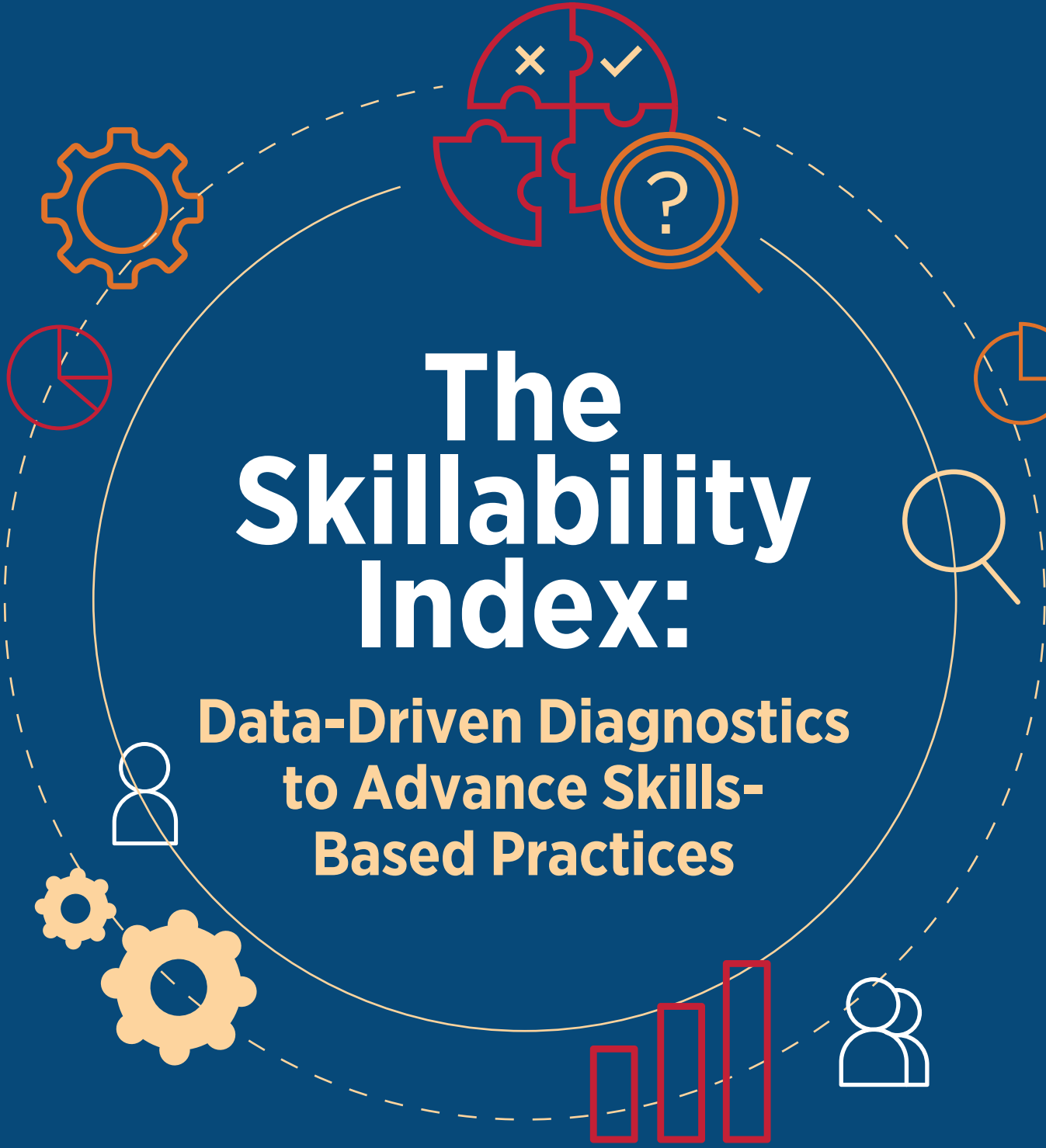




The Skillability Index:

**Data-Driven Diagnostics
to Advance Skills-
Based Practices**

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The Promise and Challenge of Skills-Based Practices

American companies are increasingly embracing skills-based practices, with the number of firms removing degree requirements from job postings quadrupling since 2014, according to research by the Burning Glass Institute and Harvard Business School.¹ This shift, driven by both business strategy and social responsibility, aims to tap new talent pools amid persistent skills shortages while creating opportunities for the 60% of Americans without college degrees. However, the gap between intention and implementation remains stark, with fewer than 4% of newly degree-free job postings resulting in hiring of non-degree candidates.

The potential impact is compelling: companies that implement skills-based hiring see 20% higher retention rates and workers experience 25% salary increases. Yet most organizations struggle to translate policy into practice. The fundamental barrier often isn't a lack of will; it's the absence of measurement tools.

Companies that implement skills-based hiring see 20% higher retention rates among skills-based hires

Skills-based practices encompass two distinct but interconnected challenges. First, organizations must create accessible entry points for non-degree talent—what we call “getting on the ladder.” This involves removing unnecessary degree requirements from job postings and developing effective methods to evaluate candidates based on skills rather than credentials. However, hiring is just the beginning. The second challenge—“moving up the ladder”—involves creating meaningful advancement

pathways for non-degree employees once they're in the door. Without clear opportunities for growth and promotion, organizations risk creating a new class of workers trapped in entry-level positions, unable to progress despite demonstrating valuable skills and capabilities.

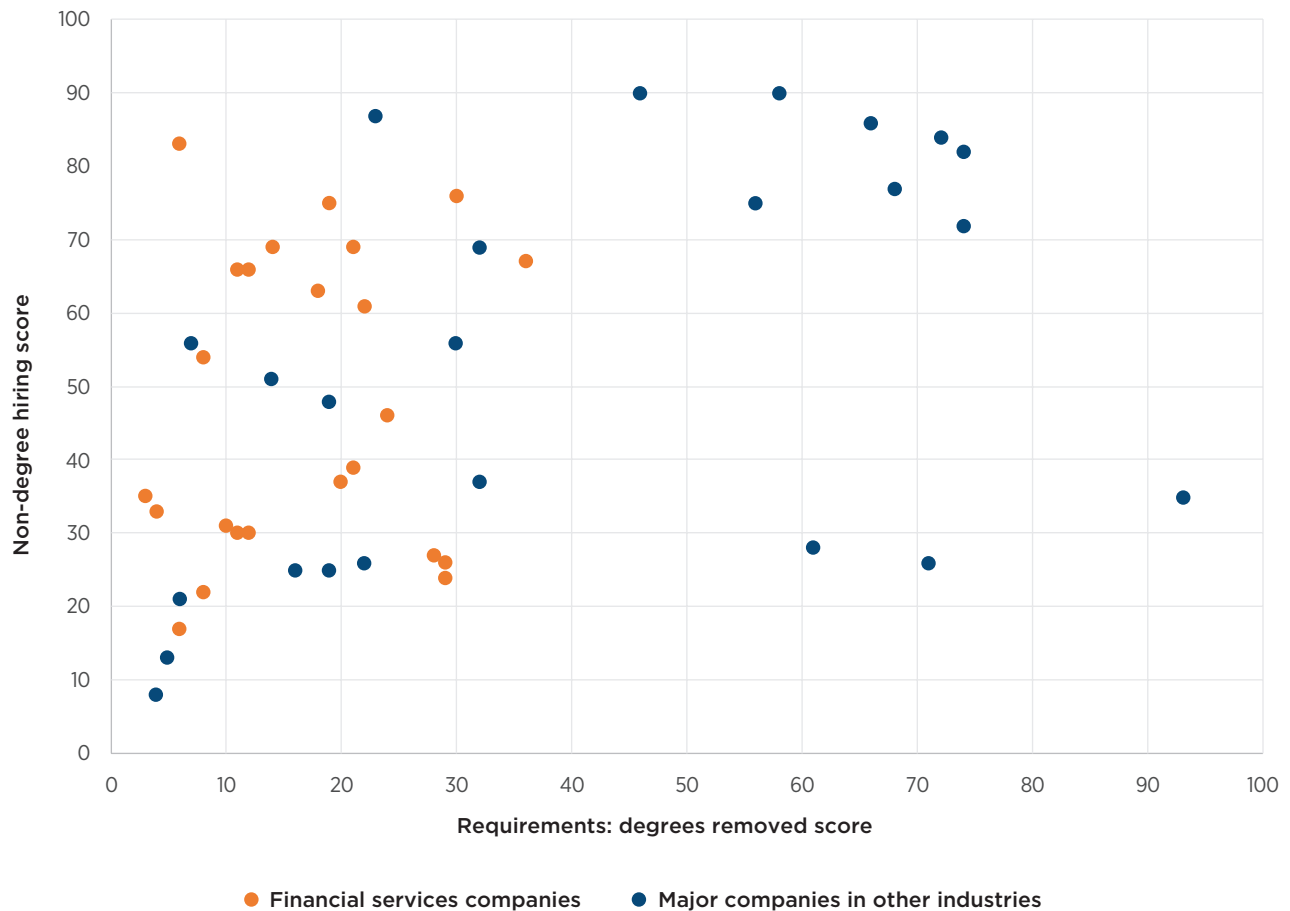
Our research reveals striking variance in how organizations implement these practices—a dynamic evident even among top-performing companies in the same industry. Examining sales manager job postings, two competing shoe retailers showed dramatically different approaches: one company required bachelor's degrees in 77% of listings (placing it in the 12th percentile for degree removal for that role), while its direct competitor required degrees in fewer than 1% of ads (87th percentile) for identical roles. Similarly, two major insurance carriers hired non-degree talent for sales agent positions at vastly different rates—one at 62% (92nd percentile for that role) versus the other's 27% (9th percentile).

Our data show similar variance in advancement opportunities for employees from atypical career backgrounds. For example, two major restaurant chains demonstrate dramatically different approaches to internal mobility: one company promotes food service managers from non-traditional career paths at a rate nearly five times higher than a competitor (75% compared to just 16%). This difference is reflected in their overall atypical advancement scores, where one ranks at the 100th percentile while the other sits at the 9th percentile among peers.

Many organizations outperform in one dimension while lagging in others. A number

¹ Sigelman, Matt, Joseph Fuller, and Alex Martin. “Skills-Based Hiring: The Long Road from Pronouncements to Practice.” Burning Glass Institute, February 2024.

Figure 1. Financial Services: Missing Out on Talent?



Source: Burning Glass Institute analysis of BGI Career Histories and Lightcast job postings databases

of top financial services companies excel in hiring and advancing non-degree candidates but perform poorly when it comes to removing degree requirements from job postings. Meanwhile, several manufacturing firms rank unusually high in hiring and advancing employees with atypical backgrounds—despite poor performance in hiring and advancing non-degree candidates.

The same company might show dramatically different results across job functions, with some positions advancing non-degree employees at rates four times higher than others. A prominent home improvement

retailer scores below the 40th percentile for hiring non-degree marketing specialists while ranking above the 75th percentile for software developers, demonstrating how dramatically skills-based hiring effectiveness can vary by function even within a single company. Sectors with established certification frameworks and apprenticeship programs (like manufacturing) often outperform industries with more rigid credentialing traditions.

Without data-driven diagnostics, organizations struggle to identify which roles and divisions are ready for change and set realistic targets based on industry benchmarks. They also face challenges

in tracking progress, demonstrating impact, learning from successes, course-correcting when initiatives falter, and building internal support by showing measurable results. To address these challenges, we propose the Skillability Index—a diagnostic framework designed to help organizations benchmark their performance and assess progress across three broad dimensions: recruitment, hiring, and advancement.

This framework allows organizations to measure both “getting on the ladder” and “moving up the ladder,” compare performance against industry

peers and within their own organization, identify role-specific opportunities and challenges, and track progress over time across multiple dimensions. By making skills-based practices measurable, companies can ensure their efforts translate into real, lasting change. This paper explores the Index’s potential by analyzing companies across a number of industries. The following sections detail our methodology and findings, suggesting possible approaches for organizations seeking to translate skills-based hiring commitments into meaningful change.

The Skillability Index: A Diagnostic Framework

In the complex landscape of skills-based practices, internal metrics alone can only capture so much of the nuances of an organization’s journey. The Skillability Index offers a more insightful approach, providing companies with relative benchmarks that illuminate their progress and potential. By evaluating skills-based practices across three critical phases—recruitment, hiring, and career advancement—the Index delivers a comprehensive view of an organization’s skills-based maturity. The submetrics within each phase are designed to reflect the varied ways companies approach skills-based practices, highlighting both their challenges and successes. This structure supports more targeted insights and practical strategies.

Our analysis assesses how organizations progress from policy changes to implementation by drawing from multiple data sources, deriving information about job requirements and workforce composition from Lightcast’s database of public job postings and using the Burning Glass Institute’s proprietary database of the career histories of over 65 million Americans to analyze hiring and internal mobility patterns. We developed skills-based

practice metrics for over 30,000 companies across 255 four-digit NAICS industries, covering nearly 1,000 occupations—with 965 companies across 138 industries having complete data across all metrics. For this report, we focus on detailed analysis of select companies and occupations that offer the clearest insights into skills-based implementation patterns, with company scores derived from comparisons across the full dataset. To effectively measure skills-based practices, we’ve developed eight key metrics across three categories. To support meaningful comparisons, companies receive percentile rankings (0-100) for each category. These scores are based on underlying data—such as hiring shares or advancement rates—but are normalized and weighted to reflect performance relative to role and industry norms.

POSTING PRACTICES

- **Non-Degree Postings:** Share of job postings without bachelor’s degree requirements compared to role norms.
- **Posting Progress:** Improvement in degree-free postings from four years earlier, compared to role norms.

HIRING PRACTICES

- **Non-Degree Hiring:** Share of non-degree hires compared to role norms.
- **Atypical Pathway Hiring:** Hiring of employees from non-traditional career paths compared to role norms.
- **Hiring Progress:** Improvement in non-degree and atypical-pathway hiring from four years earlier, compared to role norms.

CAREER GROWTH

- **Non-Degree Advancement:** Promotion/internal hiring rates for non-degree employees compared to role norms.

- **Atypical Pathway Advancement:** Internal mobility for employees from non-traditional pathways compared to role norms.
- **Advancement Progress:** Improvement in non-degree and atypical-pathway advancement from four years earlier, compared to role norms.

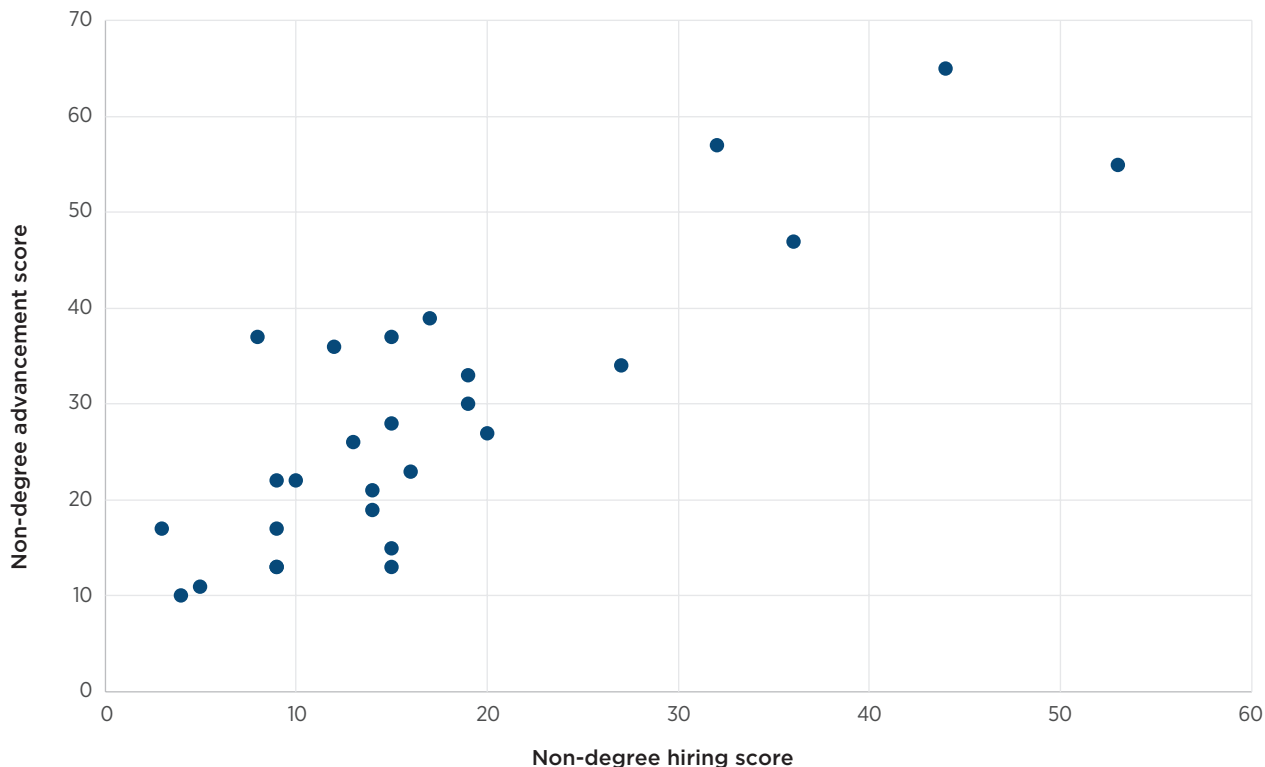
The Skillability Index's detailed metrics reveal significant variance across industries, companies, and roles—even within the same sector, some organizations dramatically outperform their peers in hiring and advancing non-degree employees. This dispersion highlights why measurement matters: without data-driven diagnostics, organizations struggle to identify where they excel and where they need improvement.

WHY INTERNAL ADVANCEMENT MATTERS

Internal mobility is perhaps the most crucial indicator of genuine commitment to skills-based practices. The American Opportunity Index—a project of the Burning Glass Institute, Harvard Business School, and the Schultz Family Foundation which tracks the progress of millions of US workers—found that, when non-degree workers see clear paths to advancement, retention improves

significantly compared to organizations where advancement remains degree-dependent. Further, companies that promote based on demonstrated capabilities rather than credentials report higher employee engagement and see increased applications from non-degree candidates, creating a virtuous cycle of talent attraction and development.

Figure 2. Most Pharma Companies Follow Conservative Hiring Norms—But Some Stand Out



Source: Burning Glass Institute analysis of BGI Career Histories and Lightcast job postings databases

Understanding Performance Patterns

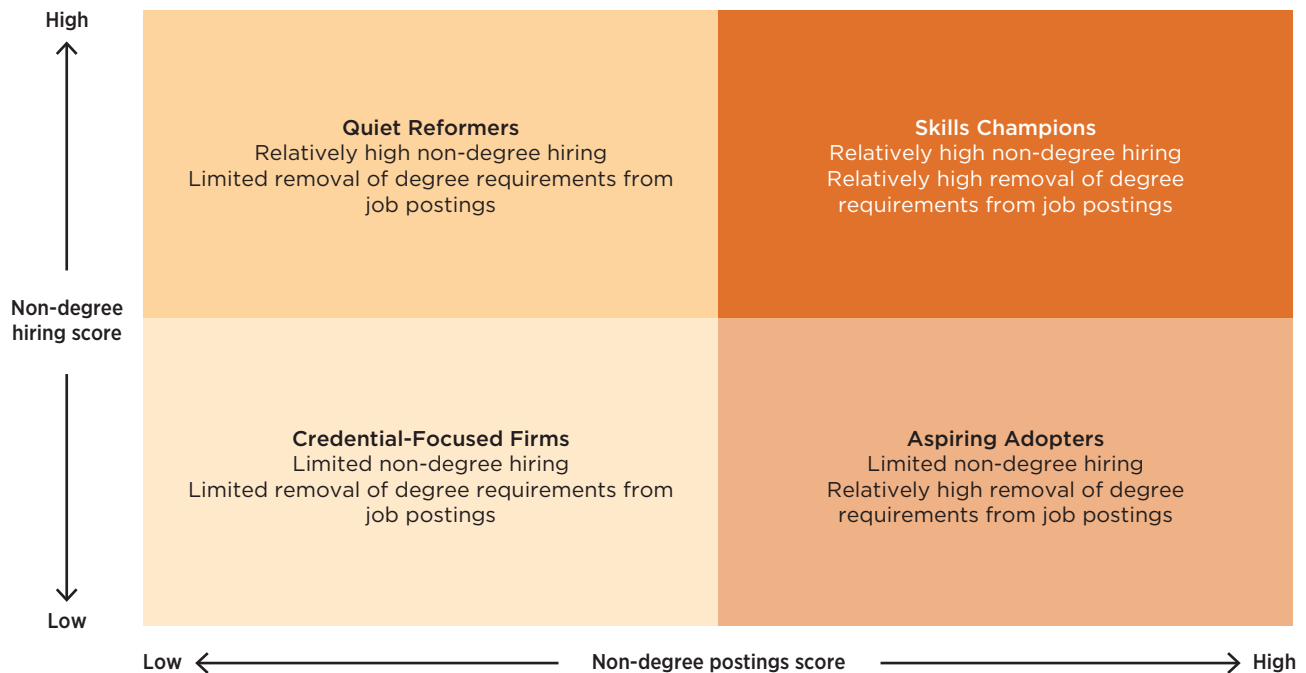
The Skillability Index reveals organizational performance patterns across critical dimensions that help companies contextualize their approach within the broader landscape of skills-based practices. In this section, we outline two complementary analytical frameworks that help organizations understand both where they stand and what approaches might work best for their specific context and goals. While the Index tracks eight distinct variables, these two frameworks capture the most common strategic questions organizations face: whether to prioritize systemic change across hiring and advancement simultaneously, and how to align stated policies with actual implementation.

POLICY VS. PRACTICE: ANOTHER CRITICAL LENS

The first major framework to examine is the relationship between formal policies (reflected in job postings) and actual practices (demonstrated in hiring patterns).

Skills Champions demonstrate what a more comprehensive implementation of skills-based practices looks like. These organizations show strong alignment across all three dimensions—postings, hiring patterns, and employee advancement. What sets these organizations apart is their systematic implementation through skills-based screening tools, retrained hiring managers, and clear advancement pathways.

Figure 3. Four Archetypes of Non-Degree Recruitment and Hiring



Quiet Reformers show stronger performance in actual hiring than their job postings suggest. While postings maintain degree requirements, hiring patterns reveal meaningful shifts toward non-degree talent, often because ground-level practices can sometimes evolve faster than formal policies.

Aspiring Adopters have taken a significant first step by removing degree requirements from job postings, signaling their commitment to skills-based hiring. However, their hiring patterns have yet to show meaningful change. This disconnect is not necessarily due to a lack of effort but often stems from structural and operational challenges that make implementation difficult. For these organizations, the challenge is not whether to

implement skills-based hiring but how to translate their intent into measurable results. Common barriers for these employers include:

- Misalignment of HR policies and hiring manager practices
- Inadequate systems or tools to assess candidates from non-traditional backgrounds
- Informal preferences that persist despite formal policy changes

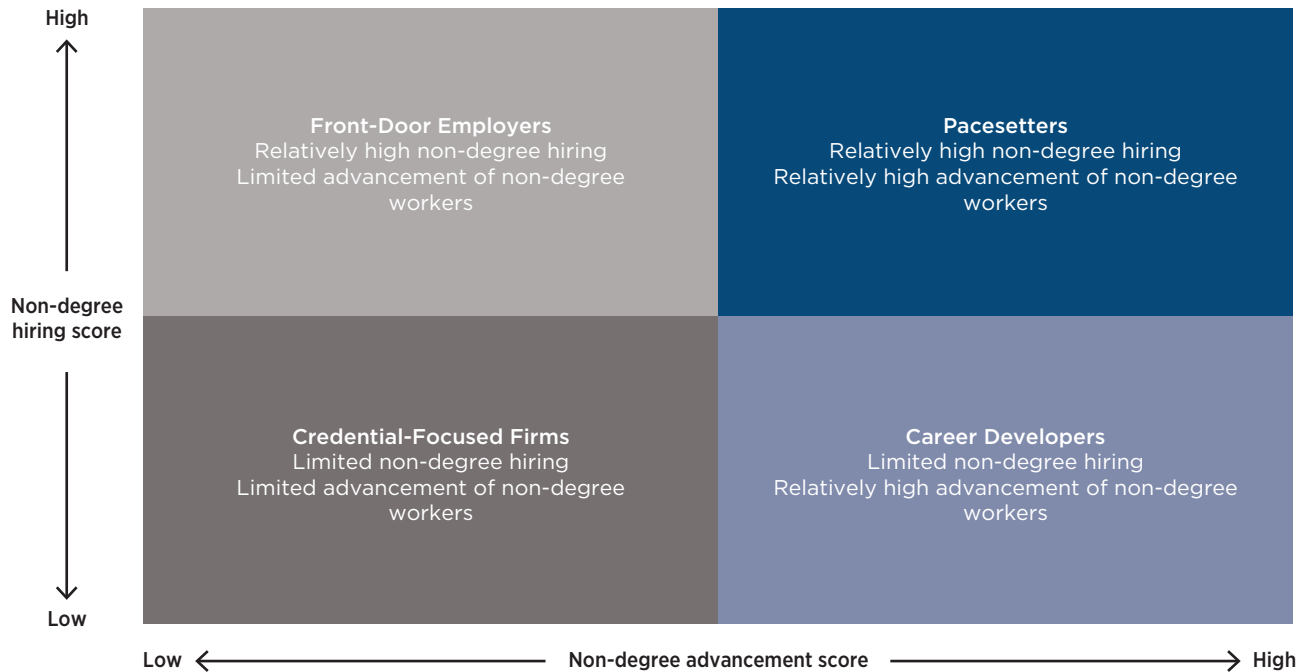
Credential-Focused Firms maintain traditional degree-centric approaches across all dimensions, whether due to industry constraints, local labor market conditions, organizational culture, or strategic choice.

GETTING ON THE LADDER VS. MOVING UP THE LADDER

Second, we examine one of the most revealing dimensions of skills-based practice, the relationship between hiring non-degree talent (“getting on the ladder”) and providing advancement opportunities

for these employees (“moving up the ladder”). This perspective illuminates whether organizations are creating sustainable career pathways or merely changing entry-level hiring practices.

Figure 4. Four Archetypes of Non-Degree Hiring and Advancement



Pacesetters excel at both hiring and advancing non-degree talent. These organizations have built comprehensive systems that not only bring non-traditional candidates in the door but also develop and promote them over time. Their success stems from systematic implementation: skills-based screening tools for hiring, robust training programs for skill development, and clear advancement pathways that prioritize demonstrated capabilities over credentials.

Career Developers show modest hiring of non-degree candidates but strong advancement rates for those they do hire. These organizations may maintain traditional entry requirements but have transformed their internal mobility systems to

prioritize skills over degrees, creating powerful “grow your own” talent pipelines.

Front-Door Employers excel at hiring non-degree talent but struggle to advance these employees at the same rate as their degree-holding counterparts. While these organizations have successfully removed hiring barriers, they have yet to transform their promotion practices, potentially creating a “glass ceiling” effect for non-degree employees.

Credential-Focused Firms maintain traditional, degree-centric approaches across both hiring and advancement, a strategy that may be driven by industry constraints, local labor market conditions, organizational culture, or strategic choice.

Company Case Study: Fast Casual Restaurant Chain

CULTIVATING CAREERS WITH STRUCTURED SKILLS DEVELOPMENT

Fast Casual Restaurant Chain A is a leader in skills-based hiring and promotion, applying these practices successfully across its workforce of more than 100,000 restaurant employees. The company's approach is grounded in the belief that anyone can be trained for restaurant roles regardless of their prior experience or educational background. This philosophy is reflected in their structured career progression model, which starts at the entry level as a crew member and advances through various specialized and senior management roles, with "training checklists" that specify skills required for promotion to each role. Employees are trained on the job through a combination of online modules and "shoulder-to-shoulder" training with managers, ensuring they acquire the necessary skills for each level. Promotion decisions are made by managers based on completed training checklists and assessments, emphasizing practical skills over formal education.

The company's commitment to skills-based practices is further demonstrated by its debt-free degree program, available to all employees who work at least 15 hours per week for 120 days, offering significant tuition reimbursement without mandating specific fields of study. This initiative supports a culture of growth and personal development, aligning with the company's mission to cultivate a better world by providing opportunities for all employees to advance based on their skills and potential.

The success of Fast Casual Restaurant Chain A's skills-based approach is evident in the fact that roughly half of its most senior local leaders, regional SVPs, began their careers as crew members without college degrees. This progression model not only fosters employee satisfaction and retention but also supports the company's rapid growth, with 300 new restaurants opened in the last year and an average of 30 employees per location. By prioritizing skills and providing structured

Roughly half of its most senior local leaders began their careers as crew members without college degrees.

training and career paths, Fast Casual Restaurant Chain A has created a tangible proof of opportunity that resonates with its

workforce, demonstrating the effectiveness of its skills-based hiring and promotion practices.

Fast Casual Restaurant Chain A's long-established record of skills-based practices serves as a powerful example of how organizations can sustain and scale these strategies over time. The company's structured training and career progression model, coupled with its commitment to internal promotion, exemplifies the "Scaling and Enhancing Strategies" stage. Fast Casual Restaurant Chain A demonstrates that a sustained focus on practical skills and internal development can lead to significant improvements in employee satisfaction, retention, and business growth, offering valuable lessons for companies looking to refine and expand their skills-based hiring initiatives.

Putting the Index to Work

Organizations vary widely in their adoption of skills-based practices—some are just beginning to explore the concept, while others are refining well-established approaches. The Skillability Index serves as both a diagnostic tool and a roadmap, helping companies assess their standing, benchmark against peers, draw inspiration from industry exemplars, take action, track progress, and refine their strategies over time. Rather than assigning absolute scores or prescribing a one-size-fits-all definition of success, the Index normalizes performance within industries. This allows firms to evaluate progress in context, identify areas for growth, and adjust their approaches accordingly. No matter where a company is on its journey, the Index provides actionable insights to help them move forward.

IMAGINING WHAT'S POSSIBLE

For companies in the early stages of skills-based hiring, the biggest challenge is often knowing where to start. Leadership may recognize the potential benefits—expanding talent pipelines, broadening workplace diversity, and boosting retention—but lack clarity on which roles, divisions, or processes should be prioritized. The Skillability Index provides a structured way to benchmark performance, highlighting strengths and gaps in recruitment, hiring, and advancement for non-degree workers. This comparative analysis helps firms set realistic goals informed by industry norms rather than making broad, abstract commitments.

To test this analysis and explore the Index's practical applications, we partnered with Stand

Together on a pilot program to benchmark how companies are implementing skills-based hiring practices. The analysis revealed a wide variation in practices across our sample, enabling us to identify companies that are successfully translating public commitments into real-world action, highlighting what works in driving meaningful transformation from policy to practice. The following case studies showcase three organizations that exemplify different approaches to skills-based implementation, demonstrating how companies can leverage systematic measurement to advance their efforts across recruitment, hiring, and advancement.

ALIGNING POLICY WITH PRACTICE

Many organizations, including Aspiring Adopters, have removed degree requirements from job postings but struggle to translate policy shifts into meaningful changes in hiring and career advancement. The Skillability Index helps firms move beyond intent by identifying where misalignment exists between HR policies, hiring manager decisions, and internal processes.

At this stage, companies can use the Index to determine which roles are most suited for skills-based hiring and assess whether they lead or lag in different dimensions of skills-based practices. This insight allows the firm to refine its evaluation processes and hiring manager training while building internal support by demonstrating how industry peers have successfully closed hiring gaps.

Company Case Study: Insurance Company

SKILLS-BASED ADVANCEMENT ROOTED IN A CULTURE OF INTERNAL DEVELOPMENT

Insurance Company A excels across various measures of the Skillability Index by prioritizing skills-based hiring and promotion, ranking in the top 10% of firms in advancing internal talent without a degree. Its successes stem from a strategy deeply rooted in its long-standing culture of internal development and upward mobility. For decades, the company has committed to fostering employee growth through internal promotion and skills enhancement, allowing employees to advance based on their abilities and performance rather than educational credentials.

Central to their talent practices is a robust internal talent marketplace where every job opportunity is posted, enabling current staff to apply for any role, regardless of its alignment with their current position. This approach is supported by comprehensive internal

rotation and training programs, including bridge programs that prepare employees for professional roles without requiring a college degree. Additionally, Insurance Company A's proprietary career navigation tool empowers employees to explore potential career paths and understand the competencies needed for various positions within the organization.

The company's proprietary career navigation tool empowers employees to explore potential career paths and understand the competencies needed for various positions.

Despite its strengths, the company faces challenges in refining its onboarding process to better integrate new hires into its unique culture and is in the early stages of leveraging

AI to enhance skills matching and internal mobility. Nevertheless, Insurance Company A's sustained focus on internal growth and skills-based advancement sets it apart as a leader in this domain—offering valuable lessons for organizations seeking to bridge the gap between intent and outcome.

ROLE-SPECIFIC INSIGHTS

The Skillability Index provides detailed, role-specific metrics that highlight the potential for skills-based hiring across various job categories. Our data show significant variation in implementation and outcomes—even in our limited initial pilot. Top-performing companies are hiring non-degree talent at rates up to three times higher than industry averages, demonstrating significant untapped potential. More importantly, we found substantial variation within individual companies, with the same organization often excelling in one role or category while lagging in others.

This broad range of performance exists across multiple dimensions:

- **Within sectors:** Companies in the same industry show differences in non-degree hiring and advancement scores for identical roles.
- **Within companies:** Organizations frequently demonstrate dramatically different skills-based practices across departments and functions.
- **Within roles:** Even for the same job category, performance can vary significantly by location, management team, and recruitment channel.

These findings underscore why measuring skills-based practices is critical—without targeted metrics, organizations cannot identify where their efforts are succeeding and where barriers persist. The framework provides the granular insights needed to diagnose specific challenges and develop targeted interventions.

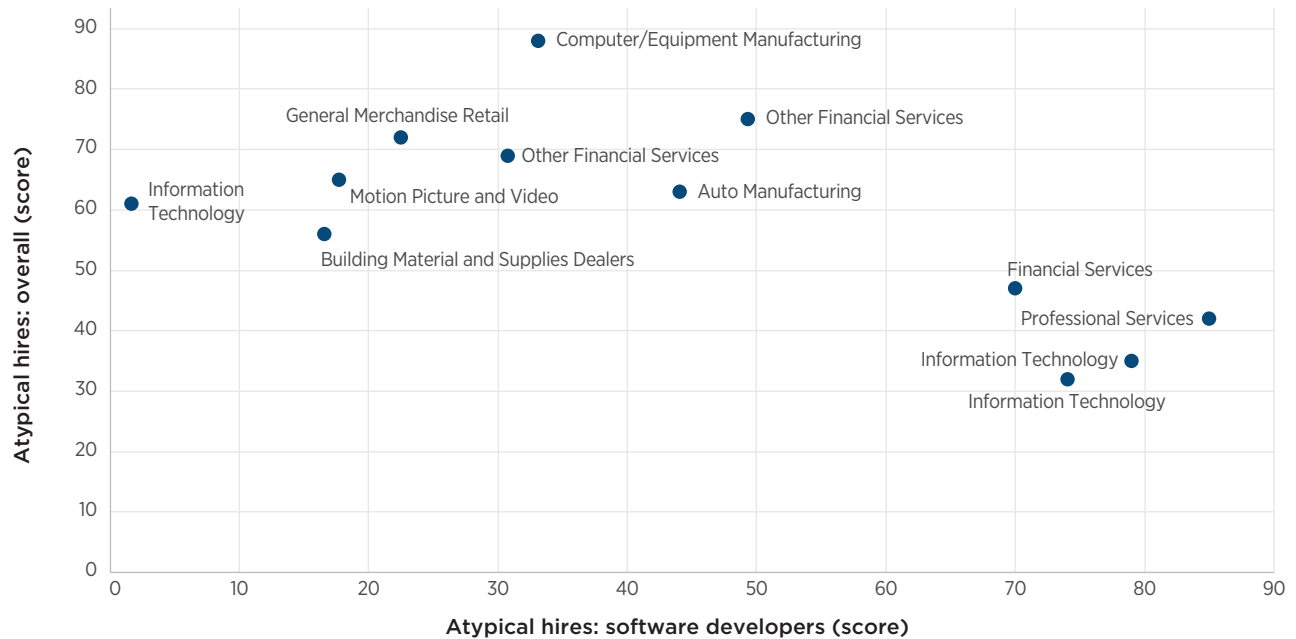
Our analysis shows that the feasibility of implementing skills-based practices varies

significantly by role, independent of industry, due to factors such as the nature of the work, the availability of reliable skill assessment tools, and the strength of alternative credential pathways. Three roles illustrate the diverse challenges and opportunities organizations encounter in this process:

- **Software Developers:** Despite the technical nature of the role, many companies struggle to align hiring and advancement outcomes for this role. This challenge reflects broader inconsistencies in how organizations approach skills-based hiring across different positions. For example, some industry leaders in hiring workers with atypical backgrounds overall fail to extend this success to software developer roles, while others that excel at hiring non-traditional software developers struggle to replicate that success in other positions. Additionally, even when companies do successfully hire software developers from non-degree or non-traditional backgrounds, they often struggle to advance them at similar rates.

These disconnects suggest that organizations often develop role-specific rather than company-wide approaches to skills-based hiring, and need more effective evaluation systems for non-degree talent, such as standardized technical assessments, portfolio reviews, and training for hiring managers on candidate assessment—systems that can be applied consistently both across roles and throughout the career development process.

Figure 5. Atypical Hiring Performance: Overall vs. Software Developer Roles



Source: Burning Glass Institute analysis of BGI Career Histories and Lightcast job postings databases

- Administrative and Financial Managers:** Degree requirements for these roles are among the most pervasive, suggesting entrenched assumptions about leadership potential. However, standout performers demonstrate successful skills-based hiring practices. Notably, many financial services firms that score relatively low on removing degree requirements from job postings nevertheless are top performers in hiring non-degree administrative and financial managers. Organizations can unlock talent by developing clear frameworks for evaluating leadership capabilities and creating structured internal advancement pathways.
- Marketing Specialists:** Marketing roles show significant promise for skills-based hiring,

yet many companies exhibit a disconnect between job postings and actual hiring practices. The financial services sector generally leads in hiring non-degree marketing talent despite maintaining traditional degree requirements in job postings. However, the variance within the industry is striking: our data indicate a 65-point gap between the highest and lowest performers' scores in financial services when it comes to degree removal for marketing roles. This pattern isn't uncommon—for example, we observe even larger disparities in retail when it comes to actual hiring practices. Companies can upgrade their processes by adopting portfolio-based evaluations and practical skill assessments.

SCALING AND ENHANCING STRATEGIES

For organizations that have seen early success in skills-based hiring, the next challenge is moving from isolated pilots to sustained, enterprise-wide implementation. This stage involves embedding skills-based practices across hiring, career development, and promotion pathways. Regardless of where a company ranks on the Index, it can identify opportunities to align workforce planning with business growth through targeted, long-term strategies.

Some firms—like the Quiet Reformers—may already be informally adopting skills-based practices at the team level, even as official policies and postings continue to emphasize degrees. The Index helps these companies surface and formalize those internal shifts, ensuring that evolving practices are reinforced by consistent, organization-wide policies.

Company Case Study: Airline LAUNCHPADS FOR NON-TRADITIONAL TALENT

Airline A has made significant strides in promoting individuals from atypical backgrounds through its skills-based hiring and advancement practices. Central to this effort is the company's apprenticeship program, designed to facilitate career movement from frontline roles to corporate positions for those with atypical backgrounds. This initiative reflects Airline A's long-standing commitment to providing opportunities for employees without traditional educational credentials, a practice that has been part of its

culture for decades.

The apprenticeship program serves as a bedrock for the company's skills-first philosophy, enabling

employees to transition into new roles based on their demonstrated skills and experience rather than their formal education.

The company's apprenticeship program is designed to facilitate career movement from frontline roles to corporate positions.

In addition to the apprenticeship program, Airline A is actively developing support systems for leaders without traditional degrees, aiming to provide them with the tools and resources needed to advance based on their skills and experience. To measure the impact of its skills-based initiatives, Airline A maintains a digital catalog of skill-builder courses, tracking course usage and learning engagement metrics such as satisfaction, willingness to recommend, and key performance indicators (KPIs). The company is also rolling out a talent

hub with a dashboard to track KPIs across multiple areas, such as how sharing skill information affects applicant numbers and impacts key stages

of the employee life cycle. This holistic approach allows the company to assess success in attracting, recruiting, retaining, and developing talent.

LEARNING FROM INDUSTRY TRENDS

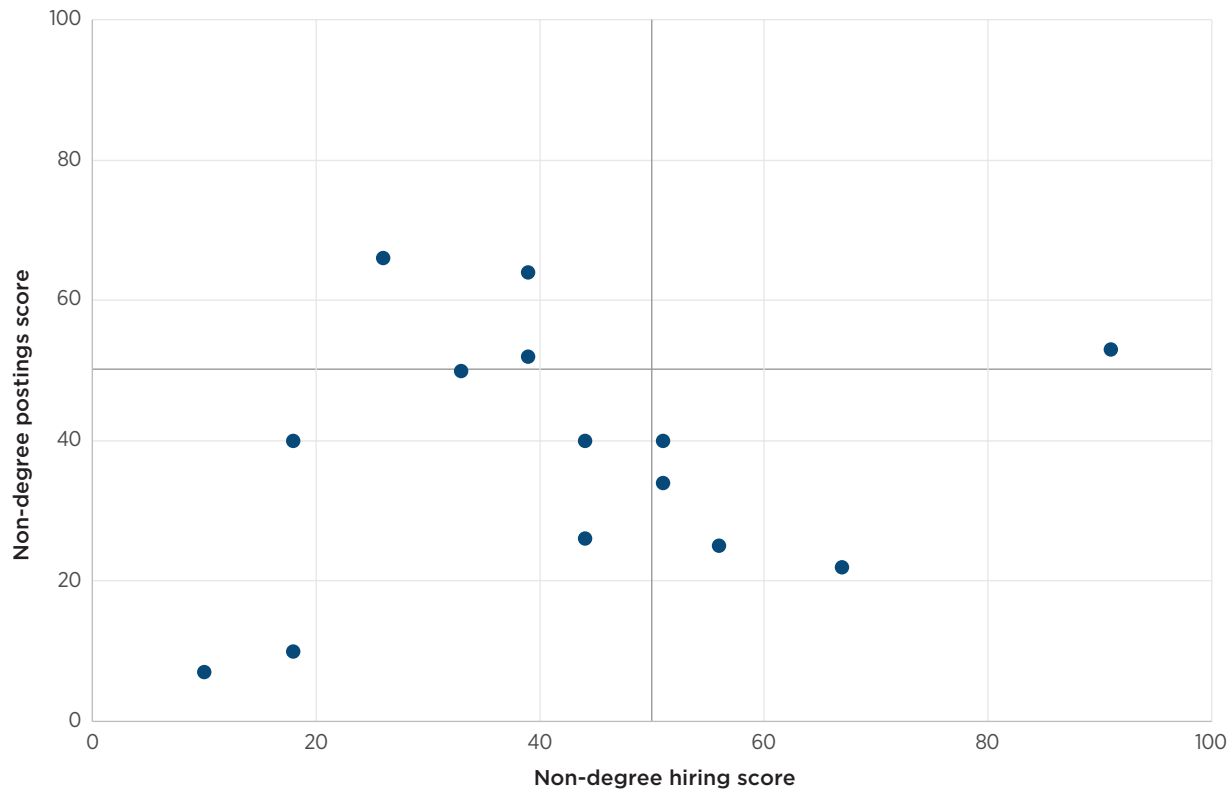
Understanding industry-specific patterns helps organizations identify the most promising implementation strategies for their sector. While skills-based hiring and promotion continue to gain traction across sectors, the pace and pattern of adoption varies significantly by industry. These variations reflect differences in regulatory requirements, existing certification frameworks, and historical hiring practices. Rather than viewing industry differences as barriers, organizations can leverage them as strategic advantages by understanding which approaches work best in their context.

The following examples illustrate how industry characteristics shape implementation strategies:

- **Auto Manufacturing:** The automotive sector is the clear leader in skills-based adoption, with consistently higher rates of both hiring and advancing employees from non-traditional backgrounds compared to other manufacturing sectors. The industry's

top performer scores above the 90th percentile across most metrics. The sector's success likely reflects effective integration with existing certification frameworks and apprenticeship programs. However, individual company practices vary widely, as evidenced by a wide range of scores for advancement of non-degree workers and, to a lesser extent, those with atypical backgrounds among major manufacturers. Even within this leading sector, some companies struggle with the classic “policy vs. practice” gap—posting jobs without degree requirements but still hiring primarily degree-holding candidates. Others show the opposite pattern, achieving strong hiring results while being slower to remove degree requirements from job postings, similar to patterns seen in financial services. This variation demonstrates that industry context creates opportunities, but execution remains company-specific.

Figure 6. Auto Manufacturing: Removing Degree Requirements Doesn't Always Predict Hiring Success

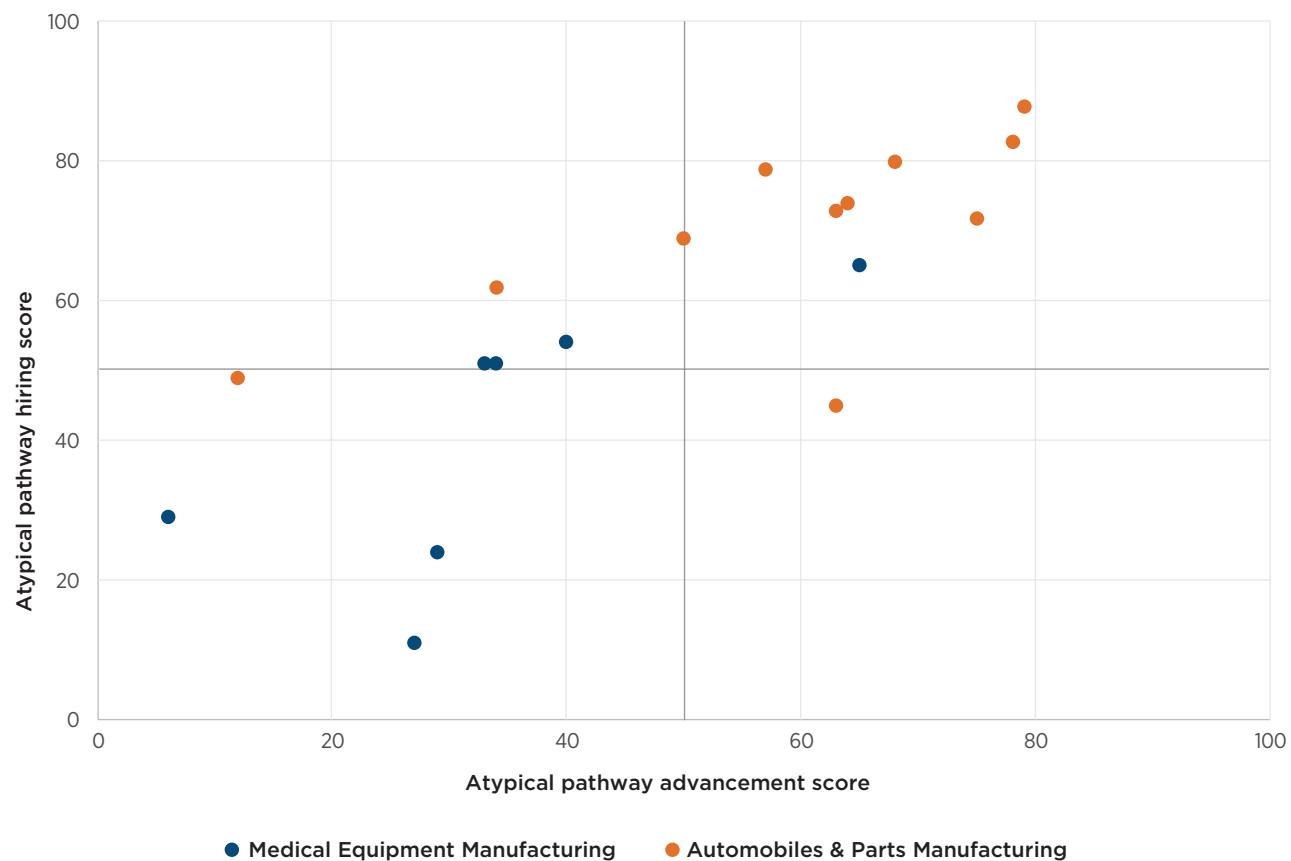


Source: Burning Glass Institute analysis of BGI Career Histories and Lightcast job postings databases

- **Medical Equipment Manufacturing:** The medical equipment sector presents a striking contrast, with generally lower rates of both hiring and advancement for candidates from atypical backgrounds. This more conservative approach may reflect the regulatory environment, particularly regarding roles involving FDA compliance or patient safety. However, some medical device manufacturers are beginning to experiment with skills-based approaches in specific functions like manufacturing operations and quality control, where demonstrated capabilities can be more readily assessed.

The contrast between these manufacturing sectors illustrates how industry context shapes skills-based implementation. As shown in Figure 7, automotive manufacturers consistently demonstrate higher rates of both hiring and advancing employees from atypical backgrounds compared to their medical equipment counterparts. This pattern suggests that while manufacturing generally offers promising conditions for skills-based practices, success depends heavily on industry-specific factors like regulatory requirements, certification frameworks, and historical hiring norms.

Figure 7. Atypical Hiring and Advancement Rates Vary Across Manufacturing Industries



Source: Burning Glass Institute analysis of BGI Career Histories and Lightcast job postings databases

- **Financial Services:** This sector shows mixed results, with significant variation between companies, as well as some remarkably consistent industry-wide patterns. Leading firms show impressive progress in specific functions, especially technology roles. However, many firms excel at hiring non-degree talent while maintaining traditional degree requirements in job postings, illustrating the “quiet reformer” archetype. The most successful firms in this sector have taken a targeted approach, identifying

specific roles and divisions where skills-based hiring can deliver immediate value.

Understanding where competitors are seeing success—whether in sourcing, candidate screening, or career progression—allows companies to build strategies aligned with industry benchmarks. This proactive approach positions firms to leapfrog common implementation challenges and accelerate progress, developing skills-based hiring and advancement systems that position them as Pacesetters from the outset.

Summing It All Up

The Skillability Index aims to serve as more than a measurement tool—it also offers a framework to help organizations assess and develop their skills-based practices. By providing comparative benchmarks, the Index can assist companies at various stages to understand their current position and identify potential next steps.

Organizations that have embraced comprehensive skills-based practices report meaningful benefits: broader talent access,

more diverse workforces, better retention, and improved business outcomes. Importantly, these approaches can create valuable pathways to economic opportunity for skilled workers without degrees.

The Skillability Index represents one approach to help companies translate their commitments into practical action—working toward workplaces where demonstrated capabilities play a central role in determining opportunity.

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CHARLES KOCH FOUNDATION