

Can Employers Afford to Pay More?



What if the massive profits generated by America's largest companies flowed not just to distant shareholders and executives, but directly into the pockets of the people who make these businesses run day after day?

Imagine a world where the cashier who scans your groceries, the warehouse worker who packs your online orders, and the salesperson who helps you find the perfect gift all receive a substantial share of the wealth their labor creates.

This isn't just a daydream. It's a transformative approach to business that could reshape our economy and revitalize the American middle class.

Let's explore what would happen if major corporations distributed half of their profits directly to their workforce.

There Is Plenty Of Profit To Go Around

Let's examine the numbers. Apple, the tech juggernaut, reported an astounding \$93.74 billion in profit for fiscal year 2024.

If **Apple were to distribute half of its profit** equally among its 164,000 employees, **each worker would receive an additional \$285,792** annually.

Amazon, the e-commerce giant, presents a similar opportunity.

With a 2024 profit of \$59.2 billion and 1.56 million employees, **Amazon could provide each worker an extra \$19,022** per year by allocating half its profits to wages.

Even **Walmart**, with its vast 2.1 million-strong workforce and tighter margins, **could offer each employee an additional \$3,693 annually** based on its \$15.511 billion profit.

Microsoft, with its \$72.4 billion profit in 2024, **could theoretically provide** each of its approximately 221,000 employees **an additional \$163,800 annually** if half its profits were distributed. Similarly, **JPMorgan Chase's** \$49.5 billion profit could translate to **an extra \$87,500 per year for each of its 283,000 employees**.

These aren't small sums. For many workers, especially those earning minimum or near-minimum wages, these profit shares would be life-changing.

A Walmart employee making \$25,000 a year could see their income jump by nearly 15%.

An Amazon warehouse worker could potentially double their earnings. Even accounting

for differences in job roles and existing compensation structures, the impact would be tremendous.

Beyond the Paycheck: The Human Impact

Money matters, but this proposal goes beyond simple economics. Consider what this additional income would mean for American families:

Maria, a single mother working at Walmart, could finally afford to move her family from their one-bedroom apartment to a home with enough space for her two growing children. She might no longer need to choose between paying for her son's asthma medication and fixing her car so she can get to work.

James, who has worked at an Amazon fulfillment center for three years, could pay off his crushing student loan debt in five years instead of twenty. He might even start saving for a down payment on a house—something he previously thought impossible.

Sarah, a long-time employee at a major bank, could fund her daughter's college education without taking on debt, breaking a cycle of financial strain that has affected her family for generations.

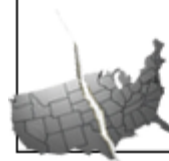
These aren't just financial changes—they represent freedom from stress, improved health outcomes, stronger families, and renewed hope for the future.

Success Stories: Companies That Put People First

This approach isn't entirely untested. Several companies have already moved in this direction, prioritizing employee wages and well-being over maximizing shareholder returns. Their stories prove that putting workers first can be good for business too.

\$59,959

**Amount each
Bank of
America
employee
could receive
yearly if
profits were
cut in half**



Costco stands out as a prime example of a company that prioritizes its employees over short-term stock market gains. Under the leadership of co-founder and former CEO Jim Sinegal, Costco cultivated a "do the right thing" culture that puts employees and customers before shareholders. The company pays higher wages and offers better benefits compared to industry averages, resulting in lower turnover rates, higher productivity, and more motivated employees³¹.

Bank of America has invested in its employees' financial and physical well-being by focusing on competitive wages and comprehensive benefits.

The company offers a minimum hourly wage of \$20, which exceeds the Russell 1000 average³².

NVIDIA demonstrates a commitment to both pay equity and comprehensive employee benefits. The company offers robust parental leave benefits, including 22 weeks of fully paid leave for birth parents and 12 weeks for non-birth parents. NVIDIA also provides support in offsetting childcare costs and stands out for its robust pay equity disclosure.

JPMorgan Chase invests in its employees' financial well-being by offering a minimum hourly wage of \$20, which is the third highest minimum wage among banks. The company also supports new parents with 16 weeks of paid parental leave for both primary and secondary caregivers.

Cigna prioritizes workplace equity through pay equity analysis, showing near-parity in compensation for female and underrepresented minority employees. The company also offers key benefits, including 18 days of paid time off, seven days of paid sick leave annually, paid parental leave, and flexible scheduling opportunities.

These companies haven't suffered for their worker-focused approach. In fact, research by JUST Capital demonstrates that companies that prioritize their workers tend to outperform the market.

The top quintile of companies with the highest worker scores outperformed the Russell 1000 by 4.7%, while the bottom quintile underperformed by 4.3%.

The Ripple Effect: Community and Economic Benefits

When workers earn more, they spend more—often in their local communities. They buy

³¹ <https://www.smartbrief.com/original/costco-found-the-antidote-to-the-ills-of-shareholder-capitalism>

³² <https://justcapital.com/news/top-10-companies-that-treat-employees-best/>

homes, cars, and appliances. They dine at local restaurants, take vacations, and invest in their children's education.

This increased spending creates demand, which in turn creates more jobs. It's a virtuous cycle that strengthens entire communities and economies.

Consider what would happen if every Walmart employee in a small town suddenly had an extra \$3,693 to spend each year. Local businesses would see increased sales. Housing markets would strengthen. Tax revenues would rise, potentially improving schools, roads, and public services.

The benefits would extend beyond economics. Communities with more financial security typically experience less crime, better health outcomes, and stronger social bonds. Children growing up in financially stable homes tend to perform better in school and have better life outcomes.

Answering the Critics

Some will argue that this proposal would harm shareholders, reduce corporate investment, or even cause companies to fail. These concerns deserve consideration, but they don't hold up under scrutiny.

First, remember that companies would still retain half their profits for reinvestment, dividends, and other priorities. Many successful businesses already operate with profit margins well below 50%, so this approach would not necessarily threaten corporate viability.

Second, the benefits—lower turnover, higher productivity, increased customer loyalty, and stronger community relations—could offset some costs. When employees feel valued and fairly compensated, they tend to work harder, stay longer, and provide better service.

\$15,579

**Amount each
Home Depot
employee
could receive
yearly if
profits were
cut in half**



Third, this approach might actually attract a certain kind of investor—one who values long-term sustainability over short-term gains. Companies that prioritize worker well-being often demonstrate more stable growth over time, making them attractive to patient investors.

Finally, phasing in such changes gradually would allow companies to adjust their business models and find the right balance between profit-sharing and other financial priorities.

A New Social Contract

At its core, this proposal represents a reimagining of the relationship between corporations and their employees. It challenges the notion that maximizing shareholder value should be a company's primary or sole purpose.

The current model has created unprecedented wealth for some, but it has also contributed to soaring inequality, financial insecurity for millions of workers, and communities struggling to maintain their economic vitality.

By sharing profits more equitably, companies would acknowledge that their success depends not just on capital investment but on the daily contributions of their workforce. They would recognize that employees are not merely costs to be minimized but partners in creating value.

This isn't about charity or socialism—it's about fairness and smart business. It's about creating an economy that works for everyone, not just those at the top. It's about building companies that can thrive for generations because they nurture the human potential that drives innovation and growth.

Getting There: Practical Steps Forward

Transforming our corporate culture won't happen overnight, but there are pathways forward:

Companies can begin by experimenting with modest profit-sharing programs, gradually increasing the percentage of profits distributed to workers as they see the benefits.

Consumers can support businesses that treat their workers well, sending a market signal that fair compensation matters.

Investors can prioritize companies with strong worker policies, recognizing that these businesses often deliver stronger long-term returns.

Policymakers can create incentives for profit-sharing, perhaps through tax advantages for companies that distribute a significant percentage of profits to their workforce.

Workers can advocate for profit-sharing as part of their compensation packages, making the case that they deserve to share in the value they help create.

The Choice Before Us

We stand at a crossroads. We can continue with a system that concentrates wealth in fewer and fewer hands, leaving many workers struggling despite their full-time employment. Or we can embrace a new vision—one where the fruits of our collective labor are shared more equitably.

Imagine walking into your local store and knowing that the people helping you are not just getting by but truly thriving. Imagine knowing that your purchases support not just corporate profits but better lives for American workers and stronger communities.

This isn't just about economics. It's about the kind of society we want to create—one where hard work is fairly rewarded, where everyone has a chance to prosper, and where businesses succeed not at the expense of their workers but because of them.

The numbers show it's possible. The success stories prove it can work. The rest is up to us.