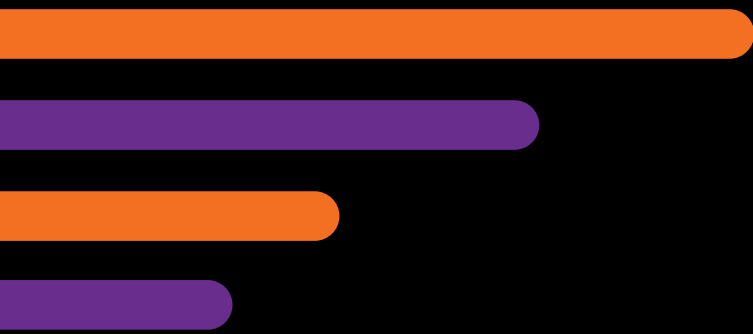


# Australian Start-Up Salary Guide

Australian Start-Up  
Salary Guide

2022

2023



**Think & Grow are thrilled to receive the continued support of the Australian start-up community for the 22/23 Start-Up Salary Guide. We'd love to thank all of the organisations below who made this year's release possible.**

## Community Partners

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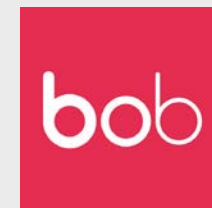


FinTech Australia



launchvic

This guide was made possible with the support of the **Tech Council of Australia** and the sponsorship of leading HR technology business **HiBob**. We cannot thank both organisations enough for enabling us to produce a high quality guide that will be freely available to all in the ecosystem.



# Contents

## Section 01:

### Foreword, key findings & interpreting the data (p4-10)

Foreword / Key Findings & Interpreting the Data / Respondent Demographics.

## Section 02:

### Year on year salary changes, location base salary & team makeup (p10-15)

Year on Year salary changes / Location Mean / Base Salary / Team Makeup by Capital Raised / C-Suite Team Makeup by Funding.

## Section 03:

### Exploring revenue & funding (p16-23)

Exploring Revenue / Exploring Funding / Advice for Start-Up Founders Facing Today's Challenges.

## Section 04:

### Remuneration tables and commentary (p24-55)

Founder Remuneration / A Guide on Founder Remuneration / Expanding into Australia / Executive General Management / Sales / Country Manager / Marketing / Design / Engineering / Product / Data Management / Operations & Chief Operations Officer / Human Resources / Finance / Attracting & Retaining today's talent.

## Section 05:

### Shared ownership, ESOP & Cake Equity (p56-63)

The Shared Ownership Movement & ESOP in association with Cake Equity / The Shared Ownership Movement & ESOP / The Role of ESOP in Attracting and Retaining Talent / ESOPs and Higher Base Salaries VS Perks and EVP

## Section 06:

### Start-up trends & commentary on findings (p64-71)

Start-Ups Going Full Steam Ahead with Hiring Despite Shortage / How To Retain Employees in a World of Change / Flexible Work Arrangements / Mental Health is Even More Central Post-Covid-19 /

## Section 07:

### Common threads and advice (p72-77)

Common Threads: Survive and Thrive in Today's Market / Advice to Talent Entering the Market / How to Build a Career Pathway into a Start-Up

## Section 08:

### Conclusion & methodology (p78-84)

Conclusion by Ant & JJ, Co-Founders of Think & Grow / Contributors / Methodology / About Think & Grow / HiBob

# 01

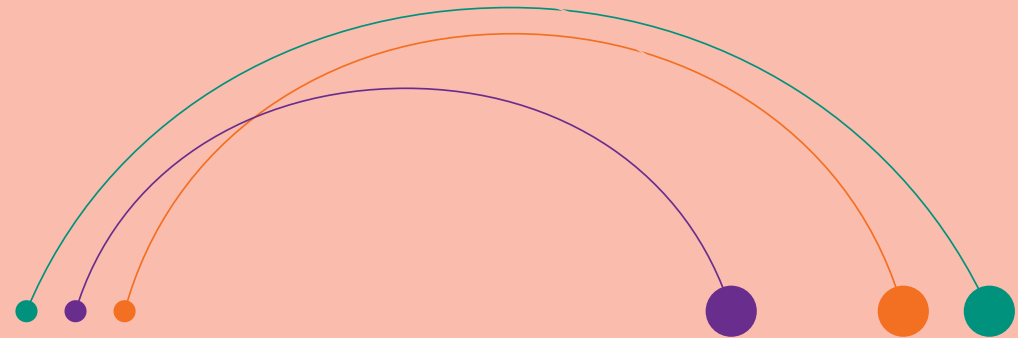


## Key findings & interpreting the data

# Foreword

**2022 saw major changes for all businesses including inflation, declining valuations, a tougher funding environment, 'the great resignation', 'quiet quitting' and the age-old talent shortage problem to name a few. The rush for the 'growth at all costs' objective has shifted to extending runway and demonstrating a path to sustainable growth.**

**Ant & JJ, Co-Founders of Think & Grow**



With a likely global recession on the cards for 2023, this feels like a bleak picture, but the data and insights captured in this guide reveal emerging opportunities and green shoots for growth. We see a more stable start-up community and diverse workforce within the future economy of work emerge, which founders and executives should embrace.

We have felt buoyed by the continual emergence of start-ups operating in sectors that would have previously been in the "too hard basket" - space, alternative proteins and climate tech to name just a few of the exciting areas. Whilst the deployment of capital may have slowed it is important to remind ourselves that the capital itself has not disappeared and good businesses will still get funded.

The 22/23 Start-Up Salary Guide is our fourth and perhaps our most important iteration yet, as it provides founders,

jobseekers, hiring managers, investors, policy makers and the broader community with data and insights to make better business and hiring decisions during the turbulent and uncertain period we're experiencing.

We're thrilled to share this year's sponsor, HiBob, and to be partnered with FiveFifty5 to assist with data cleaning and analysis. We would like to say a huge thank you to the founders, executives, VCs and investors who took part in interviews to share their valuable insights to help paint a clearer picture of today's market and how start-ups can continue to move forward.

Lastly, we cannot thank the community enough over the years for supporting each iteration of this guide. Producing it is truly a significant and monumental part of our year and we're so grateful to everyone who reads it.



## Kate Pounder

CEO of Tech Council Australia



## Start-ups are critical to drive Australia's tech jobs opportunity

The Tech Council is excited to have been able to support Think & Grow in producing the 2022 Start-Up Salary Guide, given the important role the guide can play in helping to build awareness of tech jobs and tech salaries right across Australia.

Tech jobs are amongst the most well-paid, secure and flexible jobs in the Australian economy, and offer tremendous opportunities to improve Australia's living standards and to create economic opportunities for all Australians.

In recognition of this, the Tech Council and the Australian Government have a shared goal of growing tech employment in Australia to 1.2 million tech jobs by 2030.

Start-ups and small tech companies have a critical role in helping achieve this jobs goal. We are privileged to have amazing start-ups and small tech companies as part of our membership – revolutionising how people access tech training, and developing new products and services to improve society.

When I meet with companies and individuals across the tech landscape, I often hear that the brightest talent want to work in a start-up environment, as they have the opportunity to work at the cutting-edge companies, and develop skills and capabilities that are highly valued and transferrable.

While the global environment has been challenging during 2022, the future demand for tech jobs in Australia remains strong – nine out of ten start-ups participating in this survey intend to hire in the next 6 months, and tech jobs across the economy are forecast to grow at triple the rate of the whole-of-economy average.

We look forward to continuing to work with tech companies across Australia to employ 1.2 million people in tech related jobs by 2030, increase the economic contribution to Australia's economy to \$250bn by 2030, and make Australia the best country in the world to create and invest in tech companies.

**Last year's foreword for this very report highlighted just how important people are to start-ups. Without great people, you can't scale a business. Now, that message feels more appropriate than ever.**



**Damien  
Andreasen**

Regional Head, APAC at Hibob



2022 started with resignations en masse and is ending with a wave of redundancies across the global tech market. Leaders are constantly faced with new challenges to navigate, be it quiet quitting, skills shortages, the threat of recession or the pandemic that seems to have no end in sight. During these uncertain times one thing is clear — change is constant and accelerating at a pace we've not seen before.

In the workplace, it's no surprise then that culture remains king and has avoided being just another trend or buzzword. Good culture isn't just about attracting and retaining talented people who share a common purpose. It's also at the heart of what drives teams to overcome challenges and to thrive in uncertain times.

When talking about culture, it's difficult not to quote the former chief executive of IBM Louis V. Gerstner, Jr:

*"Until I came to IBM, I probably would have told you that culture was just one among several important elements in any organisation's makeup and success — along with vision, strategy, marketing, financials, and the like... I came to see, in my time at IBM, that culture isn't just one aspect of the game, it is the game."*

What's true for IBM is true for Australian businesses. Culture isn't built around perks like ping pong tables, free beer, nap pods and games. It's built on the values of every single person within an organisation — with those at the top leading by example.

Culture is especially important for businesses who are outgrowing their "small-business" status. As teams grow, maintaining that tight-knit strong culture built on strong values becomes more challenging. Especially if people are working across different locations or countries. It's one of the biggest things our customers talk to us about. And it's one of the things we're most passionate about helping clients with.

Our view at HiBob is that a good culture is one where people feel connected, cared about, understood and recognised. If you can get that right, you'll be a company that's well placed to weather whatever challenges await us in 2023.



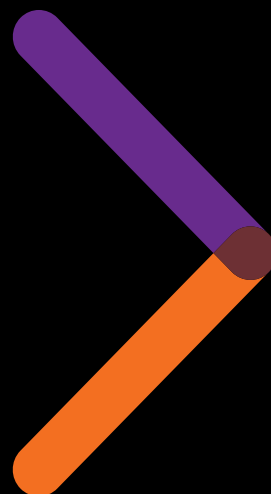
# Key Findings

This year's Start-Up Salary Guide is aimed at providing the Australian start-up community with transparency around salaries, capturing the evolution in the ecosystem over the last 12 months.

The guide aims to help companies and staff alike benchmark roles and salaries across the breadth of the Australian start-up market.

When reviewing the report, it's essential the following is taken into consideration:

- A company's valuation and capital raised are very different. This can cause salaries to be much higher for businesses at exactly the same stage, just with differently funded models for growth (for example, bootstrapped vs VC capital).
- The data collected for this year's report reflects the breadth of the ecosystem collating data from bootstrapped; VC funded; listed and PE backed start-ups. Previous reports surveyed mainly VC based start-ups.
- To secure top talent in the market, employers should be budgeting around 20% above the average salary shown for each role.



# 75%

of the surveyed start-ups intend to hire in the next 3 months

and 86% intend to hire in the next 6 months

# 73%

of start-ups have an ESOP in place

as part of their remuneration packages with more of the ESOP pool being allocated to the general company staff (28%) when compared to executives (22%)



# What's happening inside start-ups?

On average, start-up founders own one third of the company

# 34%

In the extreme, 9% of founders own less than 10%, and

# 29%

own more than 90% of the company.

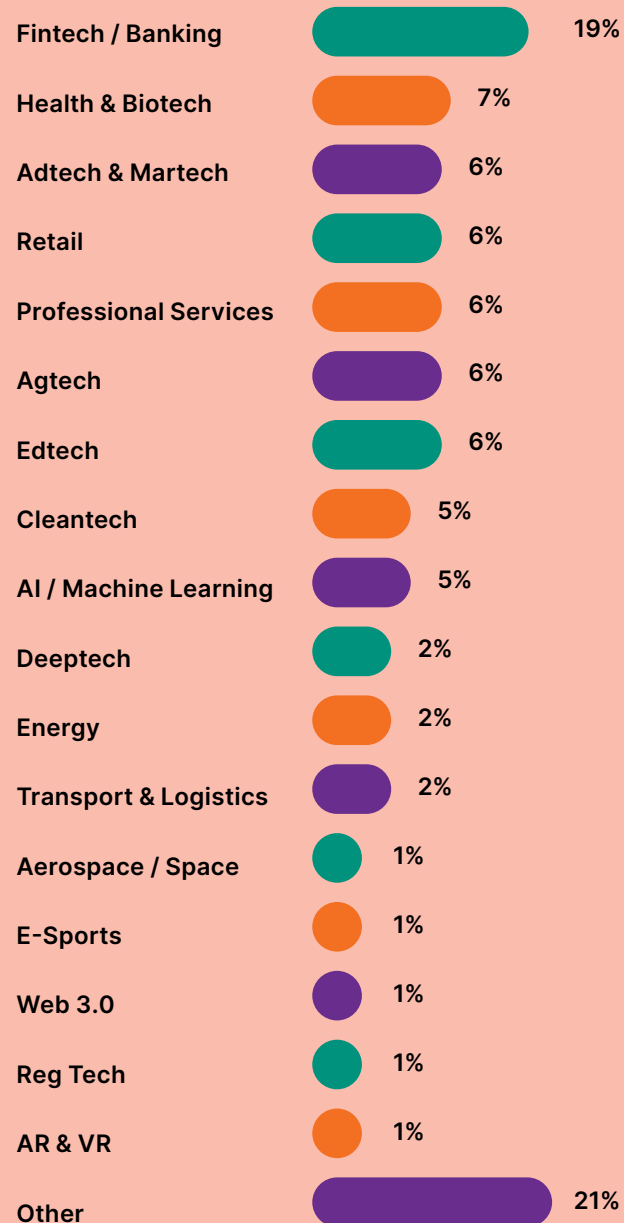
Flexible work arrangements have quickly become the expectation with 93% of start-ups providing it for their employees.

Whilst 52% of companies offer parental leave, 48% offer food perks and 44% provide wellbeing programs, there are a wealth of other benefits companies are beginning to provide as part of their perks and benefits packages.

Almost half (46%) of start-ups surveyed are offering mental health days off.

43% of start-ups are also offering leave in addition to government-funded parental leave.

# Respondant Demographics



11,373 data points  
2,365 roles

138 Australian Start-Up companies from a range of industries and growth stages completed an online survey run by independent research agency FiveFifty5 to provide salary data.

# 02



## Year-on-year salary changes

# Notable highlights:

We have analysed the most significant changes in salaries between the 2021/22 salary guide and our latest data. These comparisons should be interpreted as indicative only due to the different approaches in data collection between the two guides and we have compared data for companies that have raised between \$5 and \$25m.

8%  
8%  
12%

## CEO & Founder salaries

have seen an increase in 2022, with CEO salaries appearing 8% higher. For founders, the lower-end of the salary range has come down to \$130k from \$165k in 2021 but the high end has remained static at \$250,000.

## Engineering salaries

have increased by 8% compared to 2021 data, with the most notable increases in salary seen for the senior engineering roles reflecting the limited supply of experienced talent. Overall, there were very few decreases in salaries, and the decreases seen were for the junior engineering roles.

## Sales salaries

have increased by 12% with the largest increases for business development managers and sales development representatives.

# Location Mean Base Salary

Average Salary by Function	NSW	VIC	QLD	WA	SA	TAS	NT	ACT
General Management	\$187,354	\$185,222	\$194,928	\$242,000	\$206,303	\$180,417	\$154,064	\$179,167
Data Management	\$150,701	\$144,992	\$136,630	\$143,891	\$130,461	\$173,000	\$149,727	\$129,848
Design	\$130,466	\$136,060	\$128,418	\$133,113	\$149,850	\$163,167	\$128,015	\$130,000
Engineering	\$133,554	\$134,792	\$146,269	\$146,715	\$138,870	\$158,097	\$151,865	\$146,321
Finance	\$153,540	\$141,482	\$152,705	\$145,193	\$179,908	\$165,408	\$161,968	\$153,200
Human Resources	\$140,919	\$143,471	\$141,656	\$122,800	\$153,600	\$136,500	\$118,667	\$149,000
Marketing	\$130,456	\$135,367	\$141,980	\$151,651	\$149,833	\$121,661	\$127,016	\$111,100
Operations	\$136,504	\$143,737	\$156,381	\$146,650	\$137,333	\$144,517	\$140,159	\$143,375
Product	\$168,528	\$169,535	\$156,223	\$169,855	\$156,067	\$139,717	\$161,094	\$144,375
Sales	\$123,004	\$129,484	\$120,385	\$125,682	\$140,800	\$184,357	\$139,750	\$152,148



## Hugo Bieber

Partner, Think & Grow

Think & Grow

### To contextualise the average salary by state, it's important to take into consideration the variations in sample size.

40% of companies surveyed were based in NSW; 28% in VIC; 14% in QLD; 6% in SA; 5% in WA; 3% in TAS; 3% in NT and 2% in ACT.

One interesting outlier role to highlight is Data Management, where only 27% of roles were based in NSW (against 40% of companies) and 18% were based in SA (against 6% of companies).

When looking at our sample set of respondent businesses on a state-by-state basis, we saw a number of regional variations to highlight.

### Growth plans:

#### Companies in NSW and VIC have immediate plans to raise additional capital and hire within the next month

27% of companies based in QLD and WA either planned to raise capital in more than a year's time or have no plans to raise additional capital indicating either growth plans through revenue or a slower path to scale

### Perks & Benefits:

Companies in QLD and WA on average offered more perks / benefits (6 and 6.6 respectively) to their employees when compared to companies based in NSW who offered on average 5.2 perks / benefits

### Ownership:

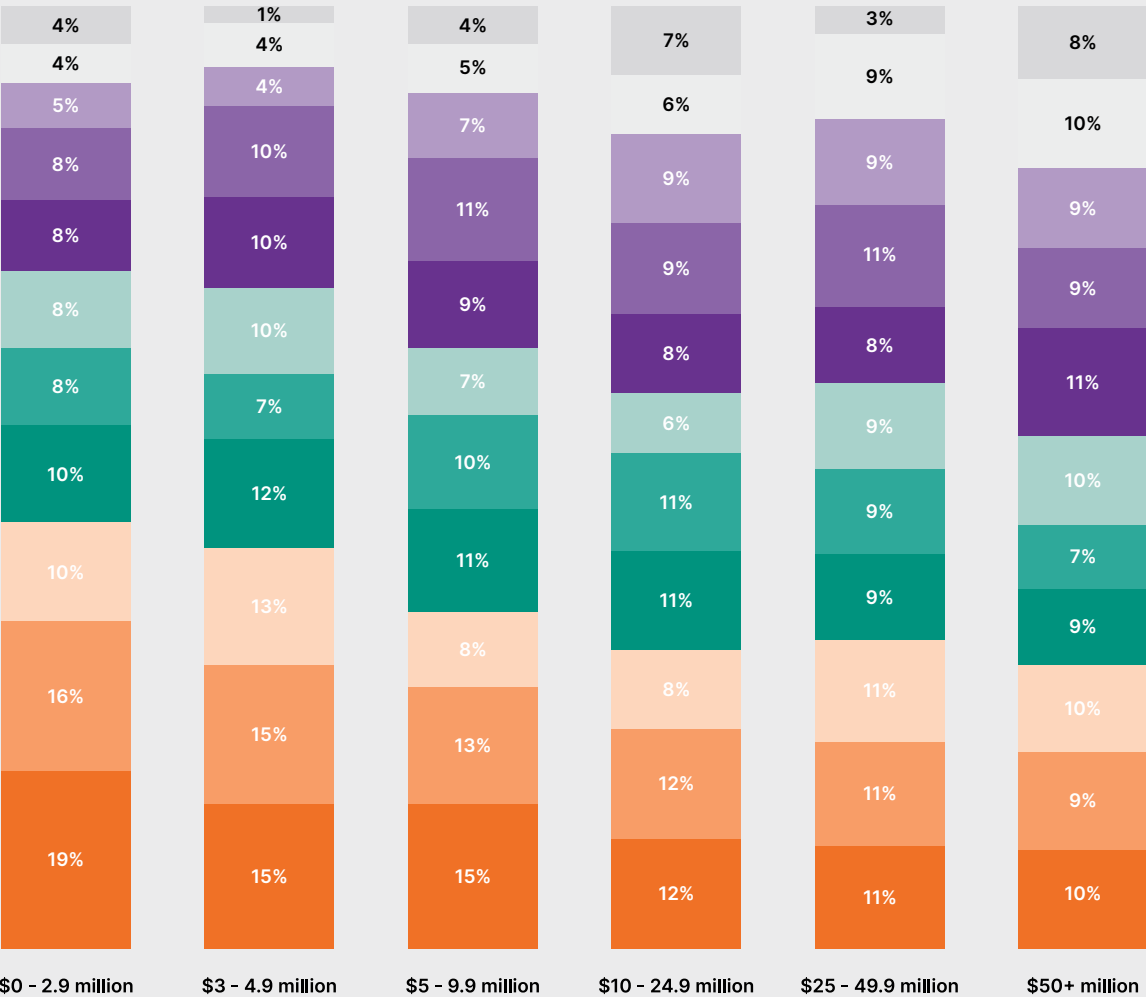
NSW, VIC and QLD companies were most likely to have a Minority Investor (i.e. VC) ownership structure, WA over-indexes on Public (23%), while SA companies were most likely to be bootstrapped (21%).

### ESOP:

#### NSW and VIC companies were most likely to have used ESOP to secure new talent in the last 12 months

**Retention** was the most common reason for allocating ESOP to existing employees in NSW, while reward and in lieu of salary increases was more common in VIC.

# Team Makeup by Capital Raised

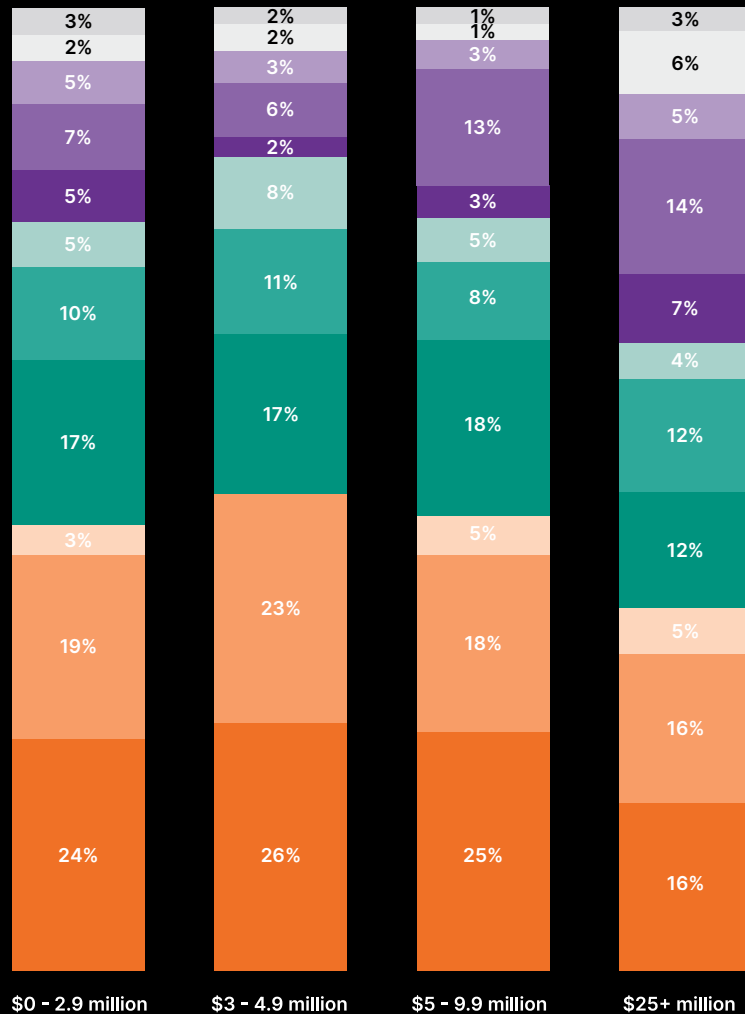


As team size grows, team makeup diversifies. Smaller teams mostly comprise executive and engineering roles followed by operations and sales roles.

As teams grow, the proportion of general management and engineering begins to decline – with a greater proportion of staff present in supporting functions such as finance, HR and data management.

- IT Operations & Architecture
- Human Resources
- Data Management
- Product
- Finance
- Marketing
- Design
- Sales
- Operations
- Engineering
- Executive General Management

# C-Suite Team Makeup by Funding



Generally, the C-suite team becomes more diversified as funding increases – with the proportion of CEO and Founder roles decreasing as funding increases, we also start to see more executive-level roles emerge, such as Chief Financial Officer and Chief Product Officer amongst others.

- CEO
- Founder/Co-Founder
- General Manager
- Chief Technology Officer
- Chief Operating Officer
- Chief Revenue / Commercial Officer
- Chief Product Officer
- Chief Financial Officer
- Chief Marketing Officer
- Chief Customer Officer
- Chief People Officer

# 03

At Startup Vic we see many stages of the start-up journey, from pre-revenue through to scale up and exit. There are definitely shifts in the types of industries we are seeing in the early stage and pre-revenue founders. Throughout 2022 we have seen a large portion of start-ups enter the Health-Tech space. Both mental health and physical health seem to be in high growth. Ed-tech is also included in some of these new wellness products, with many new products targeting school aged children in classroom settings.

The climate tech industry is always an important one to watch and this year we saw a shift in focus from energy to agriculture, with the introduction of advanced technology AI & ML playing a big part. This also aligns to the increase in advanced manufacturing start-ups in Victoria and the move to hardware as well as software innovations.

For the first time this year Startup Vic launched their Inspiring Young Founders Pitch Night, interestingly environmental & climate tech made up 25% of applicants, and Med-Tech made up a further 25%. This may just be an insight into the start-ups of the future.

The early stage start-ups we work with in the most part are looking for relatively small investments of up to \$2m (80%). This is certainly a reflection on their stage and size, with most of the start-up driving revenue of less than \$500k a year. There is good news for these founders, as the market for early stage investment is certainly in a better position than the late stage start-ups in 2022. The NVCA - Venture Monitor Report in the US is suggesting only a minimal impact on Angel and Seed Round Deals in 2022, and even a slight increase in the revenue size of the Angel & Seed deals.

**Vicki Stirling, CEO of Startup Vic**



**Vicki Stirling,**  
CEO, Startup Vic

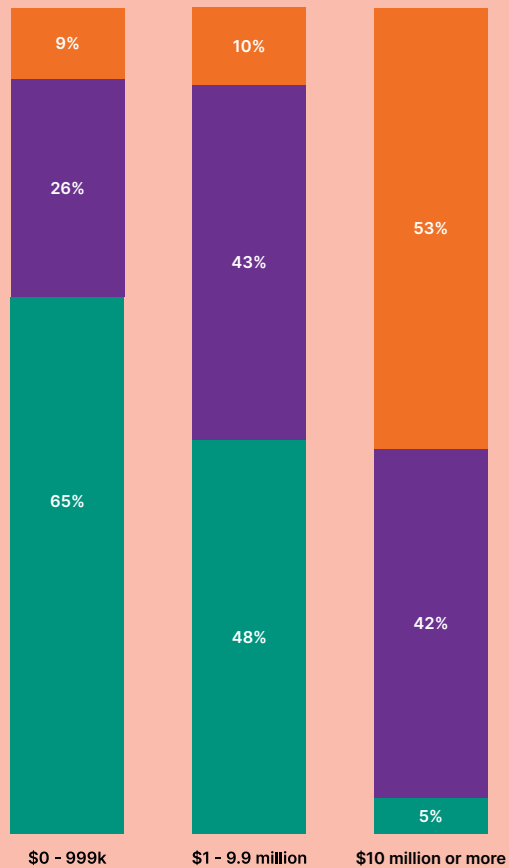


# Exploring revenue and funding

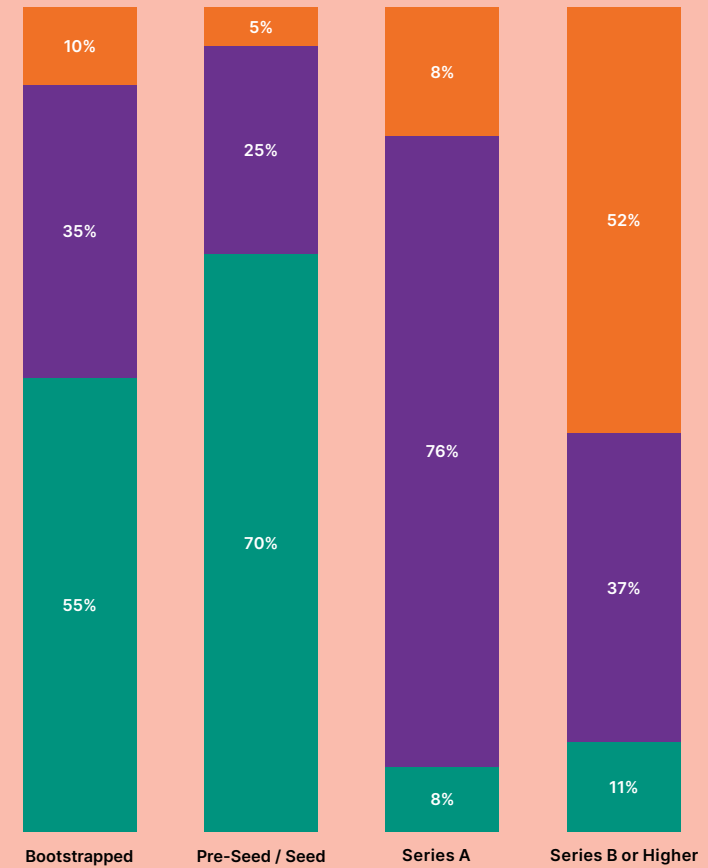


Generally, revenue increases as the level of funding raised increases / as start-ups progress through to the later stages of funding.

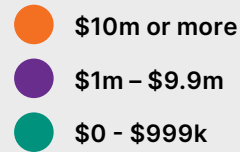
Revenue by funding raised



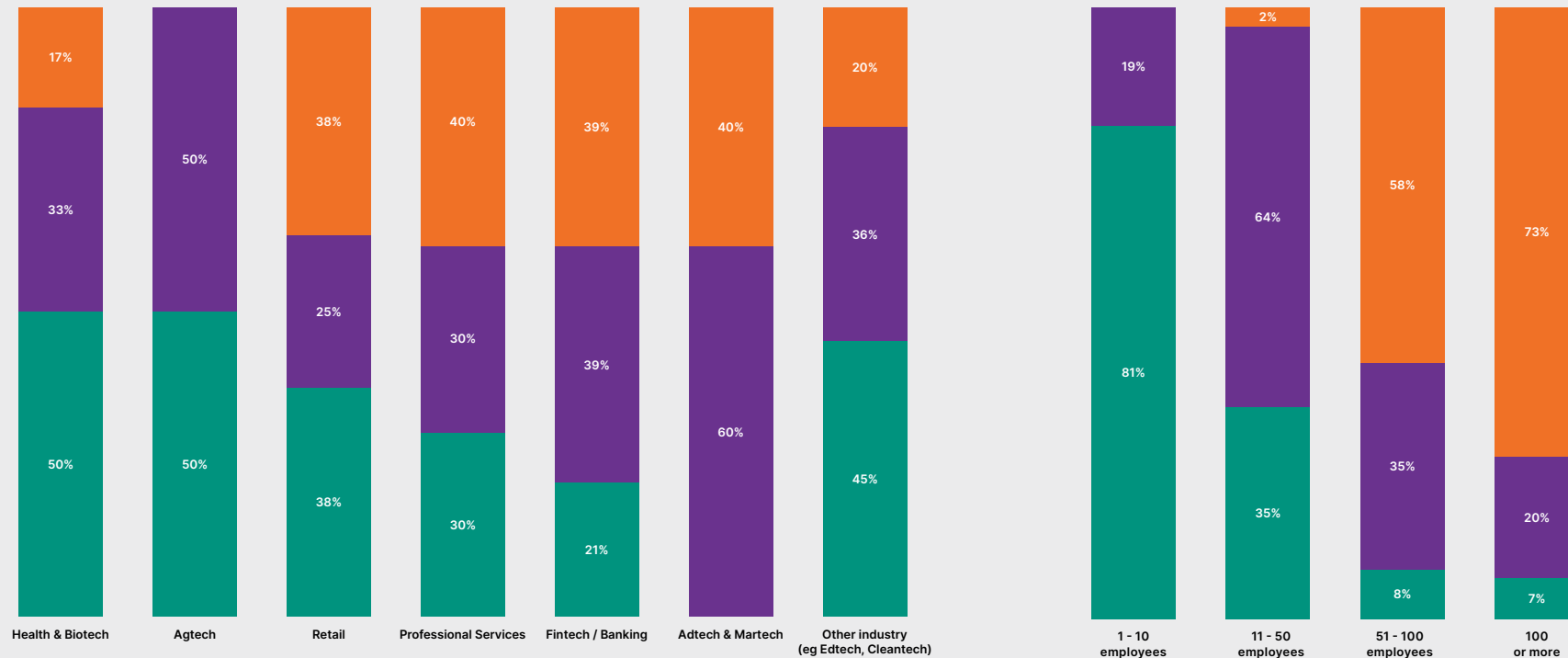
Revenue by funding stage



Revenue is highest for companies operating in industries such as Retail, Professional Services, Fintech/Banking and Adtech/Martech.



Teams typically grow in size as revenue increases - with three quarters (73%) of larger start-ups (companies with more than 100 employees) generating revenue of \$10 million or more.



## In general, revenue tends to grow as the company valuation grows.

The high-revenue companies surveyed are most likely to have a Minority Investors (42%) or Public (28%) ownership structure.

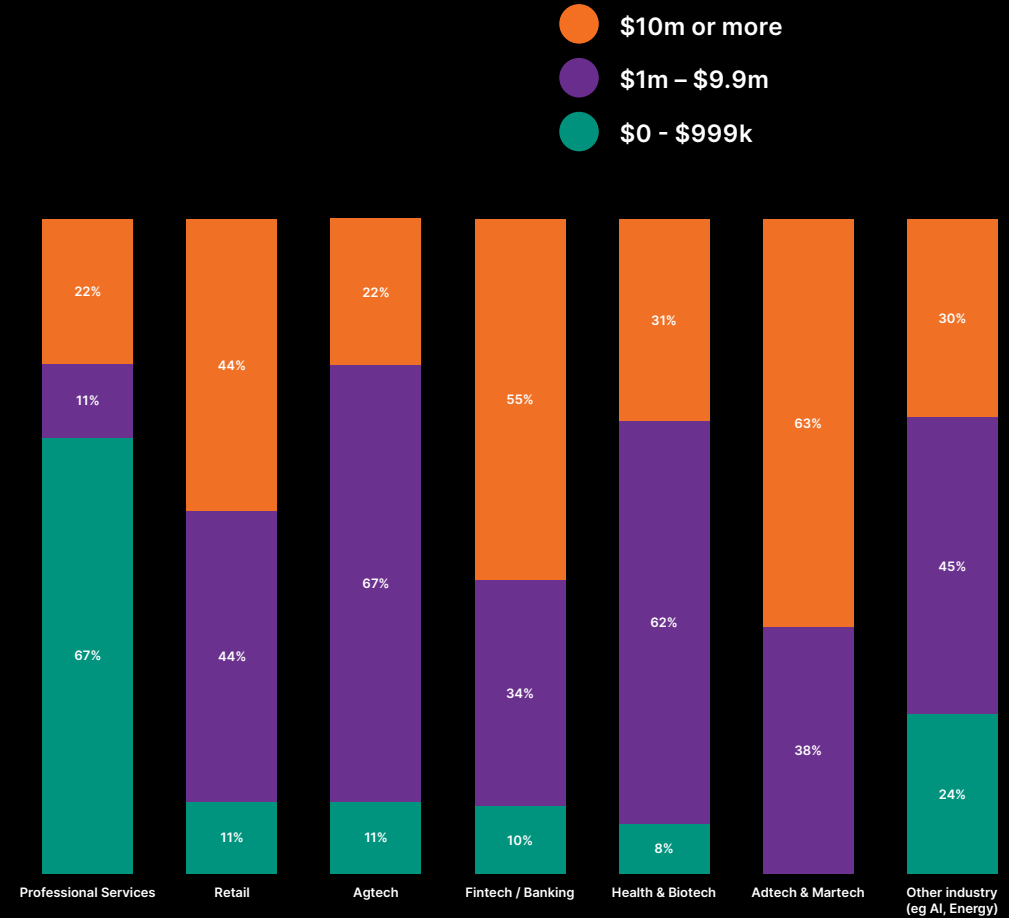
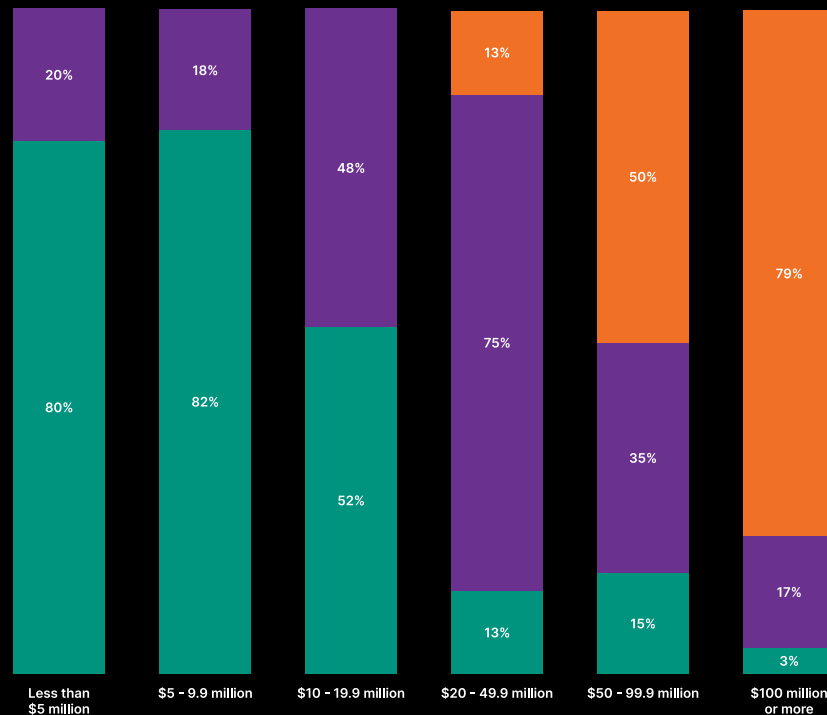
Almost 2 in 3 high-revenue companies (64%) surveyed are at Series B or a later stage of funding. 3 in 5 (62%) have a valuation of \$100 million or more.

More likely to be operating in Fintech/Banking industry (30%) with Australian employees predominantly based in NSW (89%), QLD (70%) or VIC (67%).

# Exploring Funding

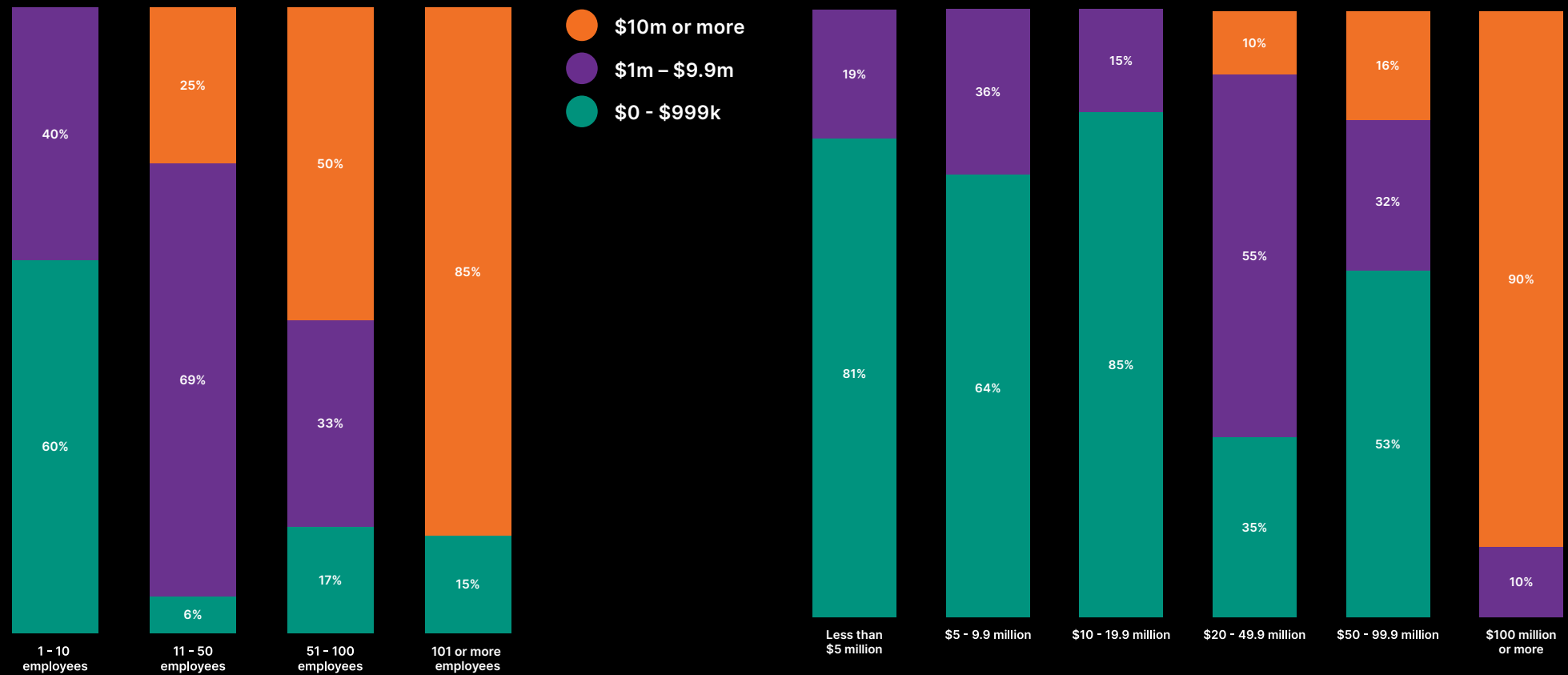
Funding is highest for start-ups operating in the Agtech, Healthtech & Biotech industries and much lower in industries such as Professional Services where 2 in 3 start-ups (67%) have raised less than \$1 million in funding

## Revenue by Company Valuation



Funding increases with team size, with 85% of larger start-ups (companies with more than 100 employees) having raised \$10 million or more in funding.

Company valuation tends to increase as funding increases; 9 in 10 start-ups with \$10 million+ funding are valued at \$100 million or more.





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**Daniela Giorgiutti**, General Manager,  
People & Culture at Australian Wool Innovation



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# Advice for start-up founders facing today's challenges



**Nicola Burgess**

CEO, Board Director & Advisor



**Damien Andreasen**

Regional Head, APAC at Hibob



A conversation between Damien Andreasen, Regional Head APAC at HiBob and Nicola Burgess, growth-focused CEO, Board Director and Advisor.

**Cash is incredibly important right now, how can start-ups retain employees without losing too much?**

**Nicola:** It all comes back to strategy and what your business is anchored around, then it becomes a matter of execution against that as to how you go on and plug that gap from a cash perspective. In terms of other retention incentives, understanding the motivations behind the individual is important and where I've seen companies do it well avoids a blanket approach with consideration of how to scale and communicate more broadly.

**Damien:** Let's not forget the work itself has an impact on retention. People tend to join startups or scale-ups because they're purpose-driven and want to have an impact. Therefore, doing work that has meaning is also an important component of retention.

**Pay parity is a hot topic in Australia right now, how can start-ups close the gap if they don't necessarily have the cash do to it?**

**Damien:** Companies that are tackling pay parity and employee retention well usually have access to a mixture of data sets that include industry benchmarks, your company's salary bands, and people's tenure, title and performance. Having this information all in one place significantly increases your ability to make the right decisions as an organisation. You also need a process for how to discuss pay with your team. That can be a difficult conversation if you do it on an ad hoc basis, but it becomes much clearer, fairer and transparent if the organisation has regular performance reviews with clear goals for each employee.

## So what's your advice for having those awkward or tricky conversations? If you're uncomfortable with it, what's the solution?

**Nicola:** If leaders aren't able to conduct or take part in those conversations, then as managers they're in the wrong role. They need to be accountable for that. If they don't have collateral in terms of background or only have one lens in terms of one particular organisation then there are always opportunities to talk to subject matter experts. The bottom line is you've got to have those open conversations and if you don't have an answer right now, indicate when you're likely to have the answer and be transparent about it.



## As the organisation weathers this storm or continues to grow through the next 12 months, what are the considerations around whether to let certain staff go or retain them as different functions and prioritise change?

**Nicola:** This is where you have to be clear on strategy and what your skill requirements are. Not everyone is going to make it long-term and a job is not for forever as there are different chapters that a business will go through. There may be profiles in your team, even in your leadership team, which aren't the right fit for the next phase.

**Damien:** Companies mature and go through phases and it's important to know who in the organisation is right for the current and next phase of growth. In my experience, it quickly becomes obvious when a person isn't able to keep up with the pace of the business as it enters a new phase of maturity. At that point, you might want to hire a more senior person above them, and consider moving that first person sideways into a different role.

**Nicola:** Yes, if you're facing redundancies, you've got a duty to be able to fulfil these according to legal requirements and fiduciary duties, both at board level and as business leaders. It's important to be clear on communication because the person exiting can go on to become a huge advocate or detractor for the business depending on their experience as they leave.

# 04



## Remuneration tables and commentary

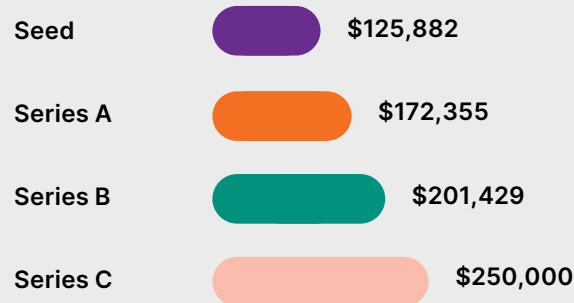


# Founder remuneration

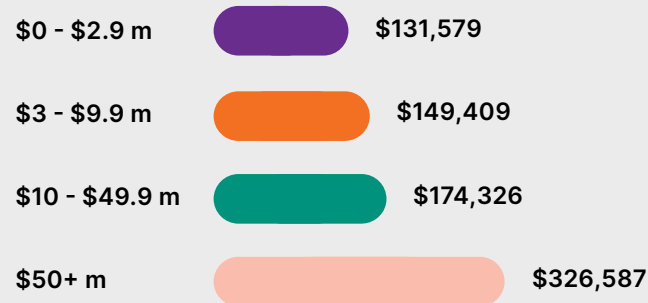
In general, founder salaries tend to increase as start-ups grow. The majority of founders own significant equity in the business which is not reflected in the data, increasing their long-term remuneration prospects.

The most common role titles held by founders included CEO (83%), Founder (58%), Chief Technology Officer (44%) & Chief Revenue Officer (38%).

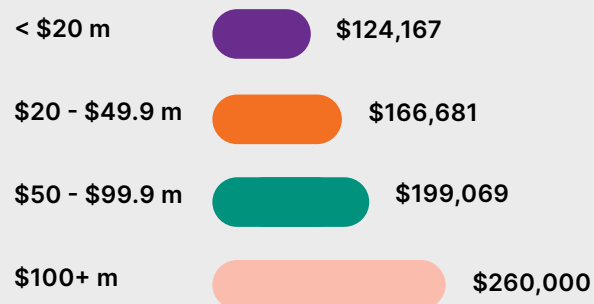
## Founder salary by funding stage



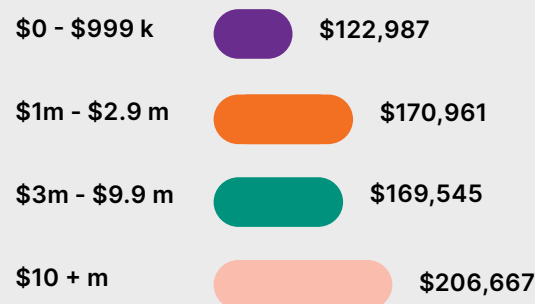
## Founder salary by capital raised



## Founder salary by company valuation



## Founder salary by revenue



*The Board only really concentrates on the CEO and founder remuneration, perhaps the CTO and CMO as well. So, we have also come to recognise that the way a CEO sets their own remuneration and salary sets a precedent for all the rest of the senior staff.*

**Chris Flavell, Managing Partner of Second Sphere Partners.**



# A guide on founder remuneration from a VC perspective



## How do you look at remuneration for founders when you're investing in portfolio companies?

The short answer is that we don't have set rules in place because every founder is going to come up with their own model for what they feel is best for their business. The reality is, no founder is expecting to start a business and take a large salary. Ultimately it's a decision for the board but we take a collaborative approach with our founders.

## How often is founder pay reviewed?

Every company is different and by a certain stage some will start putting in remuneration committees. That could be reviewed annually or more frequently. In terms of the employee side, we always advise founders to have appropriate structures in place, defining the salary bands, ESOP and bonuses for each level. When you have that matrix structured well, then as people move through the org or when you bring new people in you'll know where they slot in.

## What's your approach towards founders and long-term incentives?

Typically when we're investing, we like to see a re-vesting period over some portion of their equity which is an alignment around long-term incentives. Again, there are no set rules and this is a balance considering where the business is up to, and the effort and contribution they've already made.

We're big supporters of founders that want to take a small amount of secondary. That could be as early as a B round or an A plus round in some cases. We want our founders making big, bold bets and a really long-term mindset, and we find freeing up some financial pressure can help them do that.



**Dan Krasnostein**

Partner at Square Peg

Square Peg



# Executive General Management

At \$5-\$25 million funding stage, minimum base salary range doubles:

\$50k → \$100k for CEO

\$60k → \$130k for Founders & Co-Founders

\$90 → \$136k for General Managers



As start-up investment rounds have increased in recent years, we are finding founders becoming increasingly comfortable in hiring an external CEO earlier in the journey typically after a large Series A round or at Series B. Often these individuals are hired as a GM / MD before stepping up into the role of CEO particularly in organisations where the founder is a product / tech expert who might then take on the role of CPO / CTO or step-up to an executive chair position.

Any non-founder CEO / MD / GM role is all about growth, with candidates typically bringing scar tissue having grown companies before and the candidates have a desire to create impact, grow and build a business.

Working with founders is a skillset in itself, and incoming CEO's need to create synergies with the founder / co-founders. As part of the hiring process, we recommend spending time with the founders in a variety of contexts, building the relationship and building and earning trust. This role is never hired just for capability, but for an alignment with vision, as a complementary skillset to the founder / co-founders and the ability to communicate and articulate their vision into commercial outcomes.

**Jonathan Jeffries, Co-Founder, Think & Grow**

Ex.Gen.Mgt	Salary		Bonus
Role	Average Base Salary	Base Salary Range	Maximum
CEO	\$204,000	\$50,000-\$500,000	60%
Founder/Co-Founder	\$162,000	\$60,000-\$430,000	60%
General Manager	\$187,000	\$90,000-\$250,000	100%
\$0 - \$5million	Average Base Salary	Base Salary Range	Maximum
CEO	\$147,000	\$50,000-\$300,000	60%
Founder/Co-Founder	\$134,000	\$60,000-\$250,000	60%
General Manager	\$172,000	\$90,000 - \$250,000	100%
\$5 - \$25million	Average Base Salary	Base Salary Range	Maximum
CEO	\$231,000	\$100,000-\$446,000	50%
Founder/Co-Founder	\$173,000	\$130,000-\$250,000	25%
General Manager	\$184,000	\$136,000-\$200,000	0%
\$25million +	Average Base Salary	Base Salary Range	Maximum
CEO	\$345,000	\$250,000-\$451,000	37%
Founder/Co-Founder	\$216,000	\$60,000-\$430,000	50%
General Manager	\$203,000	\$170,000-\$250,000	0%

# Product

The product role is inherently a commercial role so you need to be able to build a commercial model and be fluent with financial forecasting. Don't rely on others to do it for you. The product craft stuff that you will learn from [medium.com](https://medium.com) and from books can be learned on the job, but the commercial forecasting skills will help you stand out.



Product	Salary		Bonus
	Role	Average Base Salary	Base Salary Range
Chief Product Officer	\$237,000	\$81,000-\$500,000	122%
VP/Head of Product	\$182,000	\$72,000-\$280,000	50%
Senior Product Manager	\$167,000	\$132,000-\$266,000	15%
Product Manager	\$130,000	\$80,000-\$226,000	20%
Product Owner	\$135,000	\$84,000-\$180,000	10%



As businesses move from start-up to scale-up, founders are becoming more comfortable in hiring senior CPO's with scar tissue where the role is to align and collaborate with the CEO / founder around product vision and strategy and to communicate this to other stakeholders. It can be a challenge to secure the right CPO to balance out founder personalities.

At the VP of Product level, we are seeing candidates with 10+ years experience fill these roles in what is still a tough market in Australia where the product function is still in its infancy. We find that the majority of experienced product people are either company founders or working for larger companies and bringing product talent into Australia makes up around half of our international searches.

**Anthony Sochan, Co-Founder of Think & Grow**



**Patrick Collins**  
CPO at Airtasker



### Market trends

*In the talent market I've noticed that product jobs are very popular, it's still a hot category. There is notably a lot more competition for Senior Product Managers compared to Junior Product Managers, there has also been a surge of mid-level Product Manager roles.*

*My prediction is that the surge will come to an end, so I suspect they will be in a market where they are finding things more competitive. As a result, the Senior Product Manager title will have a bit more gravitas likewise with the Head of Product Management.*

**Patrick Collins, CPO at Airtasker**





# Data Management



This year, we were unable to include the role of Chief Data / Chief Data & Analytics Officer (CDAO) in the survey due to limited data on CDAO's working in fast-growth tech in Australia.

However, having placed a number of these roles over the last 12 months, founders should consider the following when hiring for this role:

CDAO's typically come from corporate or scaled tech businesses where there is a deep focus on customer data sets used to personalise individual journeys via data (i.e. telco; retail and banking). Analytics strategies and insights are driving competitive differentiation as the creation of a data culture becomes more important.

We are commonly seeing the role ownership encompassing both data and analytics

The security, data quality and governance aspects of the role are becoming more important, which is why fast-growth tech companies are looking to drive the adoption of advanced analytics and AI around this.

We have seen salaries over the last 12 months for the CDAO



range between a base of \$350-450k+ bonus and equity with these individuals having both local and global remits. When seeking to attract global talent with global experience, the salary range is between \$500k and \$1m.

**Simon Robinson Partner, Think & Grow**



*We are now experiencing the perfect storm that creates data leadership demand. There is a groundswell of CXO's who are either digital citizens emerging into senior roles or existing leaders who have invested in self education on the possibilities, opportunity creation and hidden value that can be realised from data. Alongside the capability and technology that now makes it easier and cheaper than ever to collate, store and analyse data, and societal norms where consumers are more willing to exchange data for value creation there is now enormous demand for Senior Analytic and Data leaders who can guide and focus the data community whilst simultaneously negotiate, strategise and manage CXO expectations.*

**Antony Ugoni - Chief Data Officer, Go1**

### Data Management

Role	Average Base Salary	Base Salary Range	Bonus
VP/Head of Data	\$201,000	\$160,000-\$250,000	25%
Senior Data Scientist	\$164,000	\$100,000-\$250,000	20%
Data Scientist	\$112,000	\$69,000-\$190,000	10%
Data Engineer	\$97,000	\$51,000-\$225,000	0%
Insights & Analytics Manager	\$176,000	\$120,000-\$225,000	10%
Data Analyst	\$102,000	\$55,000-\$145,000	10%

**2022 saw a huge shortage in Software Engineers in Australia. As a result we saw a number of trends begin to emerge as a result:**

1. New teams and companies were formulated around the idea of a virtual office, as such Engineers could be located anywhere with a strong preference towards +/-2hrs from the head office.

2. Companies were exploring multi-country engineering teams, leaning on locations such as Vietnam to help provide additional engineering resources.

3. Anecdotally we saw less of a universal focus on diversity across the board but those businesses that had invested in building a diverse engineering workforce continued to double down.

# Engineering



**Kate Harris-Slade**

Partner, Think & Grow

Think & Gr**o**w

Engineering	Salary	Bonus	
Role	Average Base Salary	Base Salary Range	Maximum
Chief Technology Officer	\$183,000	\$60,000-\$340,000	40%
Head of / VP - Engineering	\$197,000	\$72,000-\$400,000	25%
Engineering Manager	\$177,000	\$116,000-\$230,000	15%
Technical Lead / Lead Engineer	\$157,000	\$60,000-\$300,000	15%
Senior QA / Test Engineer	\$135,000	\$95,000-\$210,000	15%
QA / Test Engineer	\$98,000	\$50,000-\$150,000	10%
Senior DevOps Engineer	\$169,000	\$120,000-\$221,000	15%
DevOps Engineer	\$125,000	\$75,000-\$165,000	5%
Full Stack Engineer - Senior	\$149,000	\$65,000-\$230,000	15%
Full Stack Engineer – Mid-level	\$124,000	\$65,000-\$200,000	15%
Full Stack Engineer - Junior	\$83,000	\$59,000-\$115,000	15%
Front End Engineer – Senior	\$157,000	\$90,000-\$242,000	15%
Front End Engineer – Mid-level	\$110,000	\$85,000-\$150,000	20%
Front End Engineer – Junior	\$85,000	\$66,000-\$100,000	15%
Backend Engineer – Senior	\$158,000	\$100,000-\$221,000	15%
Backend Engineer – Mid-level	\$103,000	\$50,000-\$135,000	10%
Hardware Engineer – Senior	\$137,000	\$110,000-\$180,000	20%
Hardware Engineer – Junior to Mid-level	\$82,000	\$65,000-\$110,000	11%
Engineer Mobile – Senior	\$160,000	\$120,000-\$220,000	12%



**Joseph Vartuli**  
CTO at CreditorWatch



**Advice to early engineers:** *Be part of a company that allows you to experiment and gives you autonomy. True innovation doesn't come top down but from silos working together with engineering and other functions. So, the right culture is critical if you want to do the best work.*

*The other component to consider is equity, which is becoming more important to remunerate, so take the time to understand what it actually means. Go into a job offer understanding exactly what is on offer.*

# A Spotlight on CTO & VP Engineering Roles

This year Chief Technology Officer salaries were 35% higher at larger start-ups with revenue of \$10 million or more, compared to those with less than \$1 million revenue.

Most CTO salaries (70%) from our start-up sample sit in the \$100,000 to \$249,000 range, with a relatively even spread of salaries within this range.

**40%** of CTO roles are held by a company founder.

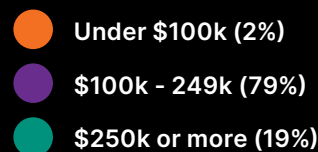
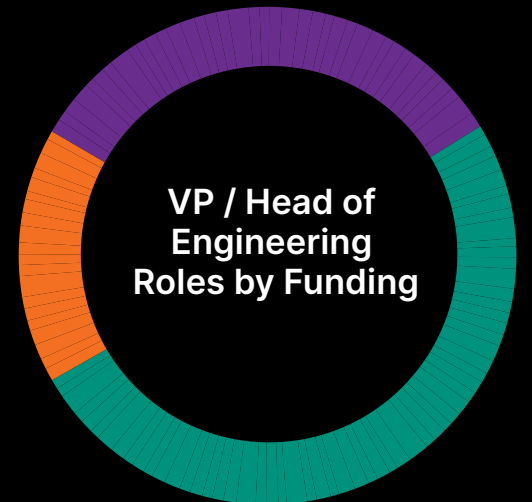
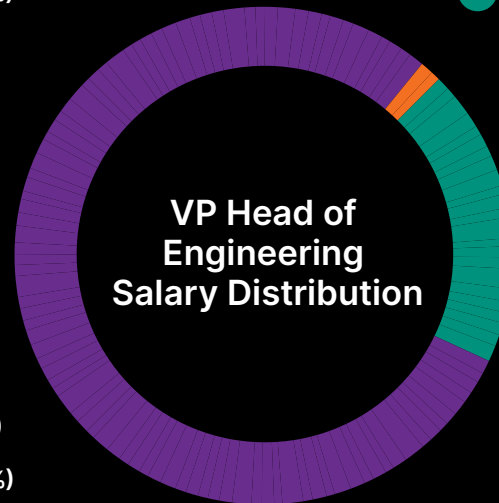
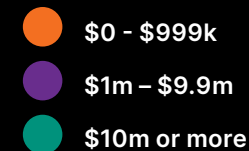
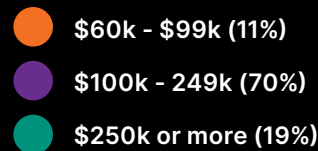
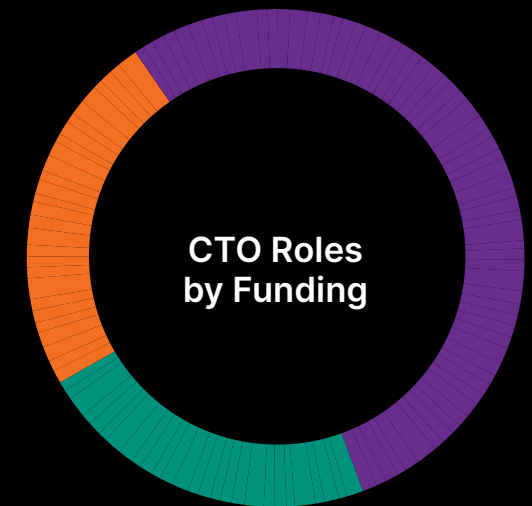
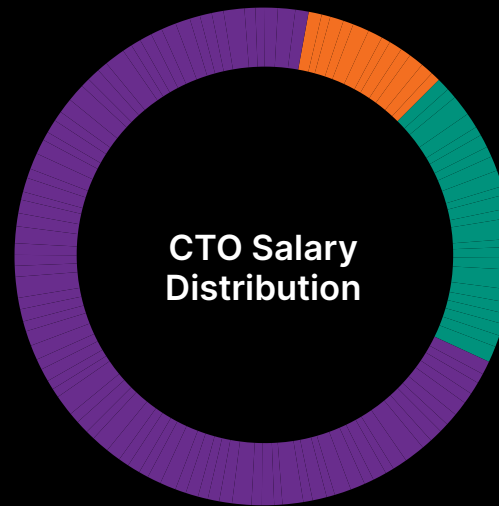
**VP / Head of Engineering roles are more common in companies with higher revenue:**

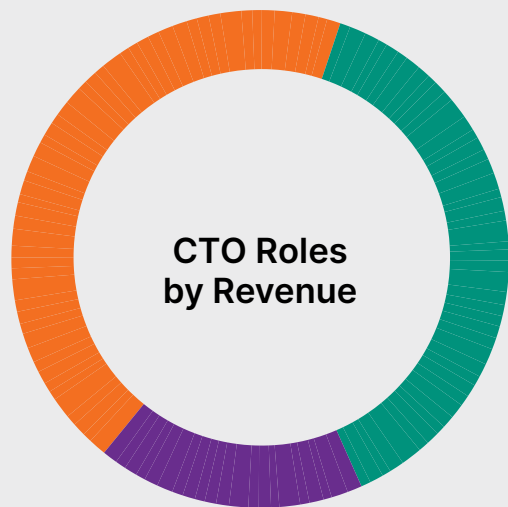
**43%** of companies with this role have revenue of \$1-\$9.9 million and a further

**37%** have revenue of \$10 million or higher.

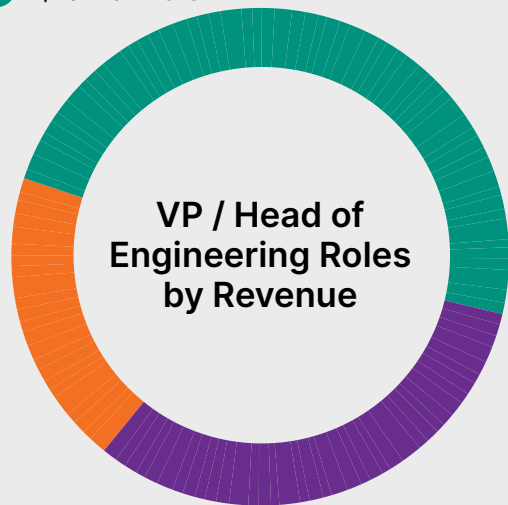
VP/Head of Engineering salaries were

**27%** higher at larger start-ups with revenue of \$10 million or more, compared to those with less than \$1 million revenue.





- \$0 - \$999k
- \$1m - \$9.9m
- \$10m or more



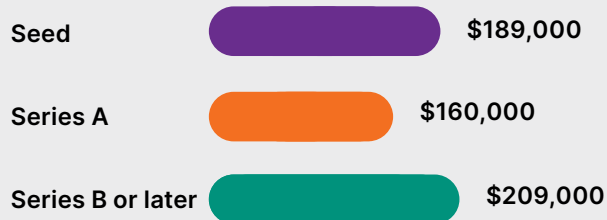
### CTO Salary by Funding Stage



### CTO Salary by Revenue



### VP / Head of Engineering by Funding Stage



### VP / Head of Engineering by Revenue



# Design

I believe strongly in the empowered product team: Product Design, Product Management and Engineering. If Engineers were more empowered to be more consumer centric – they'd be able to understand the customer problem in order to help create the solution. This would mean Product Managers could be doing less project management.

Patrick Collins, CPO at Airtasker





As a trend we have seen a continuing focus for technology companies to double down on the concept of the “full stack product designer” i.e. someone that blends UI/Interaction Design skills with UX Design skills. The UX research role continues to be treated independently but our observation is that this position is often outsourced. We believe the classic UI and Visual Design positions will continue to morph into fullstack Product Design positions as Designers are upskilled and retrained.

**Christophe Hovette,**  
**Head of Delivery, Think & Grow**

Design	Salary		Bonus
	Average Base Salary	Base Salary Range	Maximum
VP/ Head of Design	\$180,000	\$100,000-\$250,000	50%
Senior UX Designer	\$139,000	\$95,000-\$187,000	20%
UX Designer	\$101,000	\$60,000-\$150,000	15%
Graphics / UI Design	\$100,000	\$64,000-\$137,000	8%
Senior Product Designer	\$139,000	\$80,000-\$250,000	15%
Product Designer	\$122,000	\$55,000-\$210,000	30%

**True sales professionals are still very hard to source in Australia. We noticed a tightening market during Covid-19, meaning post-Covid-19, we saw companies looking to hire sales professionals and improve salaries, particularly for talent in the \$100-120k range, moving up to \$140-160k.**

There have also been challenging conditions regarding the quality of sales capabilities in junior-to-mid level sales candidates, who tend to be expecting higher salaries without the track record to match the targets the roles desire.

In SDR/BDR roles, the market is particularly challenging as growth companies struggle to find this level of capability. The companies expect experience, but really the gap is training and developing talent. We strongly recommend seeking talent with softer skills over experience.

At a senior sales / leadership level, one of the common themes we see is that sales professionals sell their way to the top without companies preparing them for leadership through skills training and personal development. The knock-on effect we commonly find is the need to rebuild structures, models and teams when these professionals fail to scale beyond state, country and region.

Whilst it is great to promote from within, sales leaders are often the best revenue generators rather than growth leaders. Growth leaders need to take a more holistic view on business goals beyond their current market or region building on the softer skills required to provide management and leadership, and create the culture to execute a multi-country expansion whilst managing cross-functional support at HQ from marketing and product teams.

Top performing sales people take a deep look at the organisational culture and team when evaluating new opportunities. It takes more than dollars to convince them to move roles, as the best candidates are looking for the right environment and mentorship to make a move. Hiring for sales people has changed - it's the personal touch candidates are seeking, which historically hasn't been the focus.

With the market moving quickly, we are less transactional in our approach and more consultative to ensure we meet candidate expectations both from a cultural and skills standpoint.



**Vicky Klonaridis**

Partner, Think & Grow

**Think & Grow**

# Sales



Sales	Salary		Bonus	
	Role	Average Base Salary	Base Salary Range	Maximim
	Chief Revenue Officer / Chief Commercial Officer	\$198,000	\$72,000-\$425,000	65%
	VP/Head of Sales	\$189,000	\$81,000-\$400,000	80%
	Head of Customer Success	\$156,000	\$85,000-\$400,000	100%
	Business Development Manager	\$115,000	\$50,000-\$230,000	200%
	Account Executive	\$116,000	\$55,000-\$250,000	100%
	Account Manager	\$91,000	\$60,000-\$155,000	50%
	Sales Manager	\$126,000	\$63,000-\$240,000	100%
	Sales Development Representative	\$75,000	\$53,000-\$150,000	50%
	Customer Success Manager	\$97,000	\$55,000-\$200,000	50%
	Pre-Sales Engineer	\$112,000	\$80,000-\$165,000	5%
	Sales Support	\$72,000	\$50,000-\$150,000	100%

# Expanding into Australia



**Jonathan Jeffries**

Co-Founder of Think & Grow



**In 2022, we saw a rise in the number of companies expanding into Australia. The range of businesses included: Marketplaces, Fintech, Medtech, Healthtech, Martech, SaaS and E-Commerce.**



International attendees are back at Australian events and we are seeing more companies from across the world scope out the Australian market with a real commitment to set-up domestic operations in 2022/23.

Data in this survey is primarily sourced from local Australian companies, with the salary ranges reflecting the market for the majority of roles required by foreign companies operating in the market. However, salary data for Country Manager roles of foreign companies entering Australia has not been fully captured in the guide and has been included in the General Manager role.

From our experience in 2022, we have found the following key data points for the Australian Country Manager role (first key leader titles also include GM APJ, Head of ANZ, MD APAC etc).



## **'Scar tissue' a proven leader across Australia and/or the APJ region**

We have also witnessed more of these roles being taken by Australian talent that has or is returning home in 2022 than in the last 10 years. Australians have returned from the US, UK, EU and Singapore to take on leading roles in Australia for AU and APJ.

**Base range: \$300,000 - \$650,000**

**Average Base salary: \$380,000**

**Bonus: 50% of base salary**

**LTI / shares: 100% of base salary yearly (generally made up of stock and bonus)**

**We anticipate this to continue as a trend as many of the Country Managers with key experience have recently changed roles.**



## **'Step up' into first Country Manager role**

In the previous 12 months, we have found more companies considering hiring first-time Country Managers to drive forward their regional growth.

These first-time Country Managers tend to have longer tenure at well established global companies before taking the step up to Country Manager. This also saw the salary range increase; potentially due to those now in Country Manager roles, holding onto previous positions longer through Covid-19.

**Base range: \$180,000 - \$350,000**

**Average Base salary: \$280,000**

**Bonus: 50% of base salary**

**LTI / shares: 100% of base salary yearly (generally made up of stock and bonus)**

# Marketing

**The biggest hiring challenge in the marketing function at present is the Head of Growth role.**

The lockdown-driven e-commerce boom saw an increased need for a Head of Growth, which has subsequently emerged as a highly desired role commanding significant salaries. This role blends together sales leadership and marketing skills.

One of the common challenges we see is miscommunication occurring between sales; product and marketing and over the last few years, the Chief Customer and Commercial Officer role has emerged, sitting across these functions, creating a more holistic, customer-centric strategy.

We often see hiring at a Head of / VP level prior to hiring a CMO and the market today is probably at its most challenging in finding this level specifically for the VP of Growth role.



**Kylie Kneale**

Partner, Think & Grow

**Think & Grow**

Marketing	Salary		Bonus
	Average Base Salary	Base Salary Range	Max
Chief Marketing Officer / Chief Customer Officer	\$200,000	\$80,000-\$330,000	30%
VP/Head of Marketing	\$162,000	\$100,000-\$240,000	40%
VP/Head of Growth	\$157,000	\$72,000-\$250,000	10%
Digital Marketing Manager (incl SEO / SEM)	\$111,000	\$60,000-\$200,000	10%
PR/Comms Manager	\$134,000	\$79,000-\$225,000	6%
Content / Social Media Manager	\$92,000	\$60,000-\$135,000	10%
Brand Manager	\$137,000	\$90,000-\$250,000	10%
Marketing Analytics	\$94,000	\$60,000-\$150,000	15%
Marketing Manager	\$90,000	\$60,000-\$140,000	10%

### What is the role of the Head of Marketing in a start-up?

The core role of HoM is to drive efficient brand awareness and growth for the company at scale. Efficiency is key here - we have moved past growing at all costs, and marketing must focus on growing a company efficiently for long-term success.

### What are the key cross-functional relationships? How do they work well?

Marketing must build relationships with each department across the business to drive growth at scale - the CEO for the vision, strategy and prioritisation, sales and product for an aligned message, GTM and customer experience and finance for accuracy and transparency of business metrics and ROI.

Accountability, trust and clarity are key to ensuring these relationships work well. You're all working towards the same common goal (fast), so there's no time for egos or confusion.

### What are things founders should look for when hiring a HoM?

Solid experience across all areas of marketing and how together they can drive profitable and sustainable growth. Bring in specialists to the team to support the HoM in executing the strategy.

Experience building demand and increasing conversions.

The ability to be comfortable with ambiguity and calm under pressure - things can change daily in start-ups so they must be able to adapt to change and make decisions quickly.

A strong cultural fit with the existing team and an understanding of how to build and retain a happy and high-performing marketing team.

**Brittany Mauran,**  
**Head of Marketing, Onside**



# Operations



The rise in average base salary for Head of Strategy/VP of Strategy roles highlights the added value and weight to these roles as start-ups have been forced to become more forward-planning and strategic due the market's changes over the past 12 months.

Operations	Salary		Bonus
	Role	Average Base Salary	Base Salary Range
Chief Operating Officer	\$141,000	\$50,000-\$320,000	50%
VP/Head of Operations	\$168,000	\$115,000-\$275,000	50%
Head of Strategy/Strategy Manager	\$209,000	\$120,000-\$300,000	100%
Operations Manager	\$116,000	\$60,000-\$200,000	20%
Project Manager	\$105,000	\$55,000-\$162,000	11%
Office Manager	\$85,000	\$50,000-\$125,000	15%

# A Spotlight on COO Roles

**This year, COO roles were found at a slightly earlier stage with 81% of COO roles existing within the surveyed companies who are at the Seed to Series C stages of funding, while 53% of COO's are at companies at Series A to Series C.**



Generally, companies with higher revenue have higher COO salaries – COO's at high-revenue surveyed start-ups are on average receiving 60% higher salaries than COO's at start-ups with revenue of less than \$1 million.

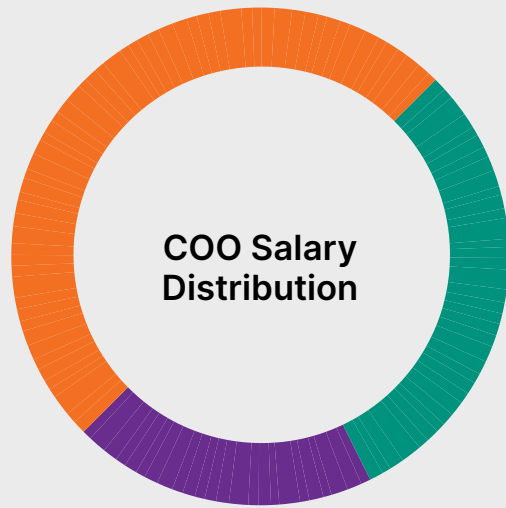
We, like the data is suggesting, have seen an emergence in companies in Agtech and Health & Biotech reach the point of needing their first C-suite hire, and it's commonly a COO or CTO coming in to support the founding team. As for the most invested sector being Fintech, it's no surprise to see 20% of the COOs who surveyed work in Fintech, 11% in Agtech and 9% in Health & Biotech.

COO roles are most prevalent in companies with revenue <\$1 million (42%), but looking at this through the funding lens, the majority of

COO roles in our sample exist within start-ups who have raised between \$1 - \$9.9 million in funding. 86% said COO's with salaries below \$100k are a Founder/Co-Founder of the start-up at which they hold the COO title.

From our experience over the last fifteen years in the market, the COO role has been essential for founders seeking to cover the gaps in skills, especially with the first externally-hired COO being "scar tissue" and critical to the success of expanding internationally. The COOs we have placed in the last 12 months have reflected the maturity of the ecosystem; many have been more experienced and mainly joining post-Series A and in some cases, post-Series B companies as they scale internationally.

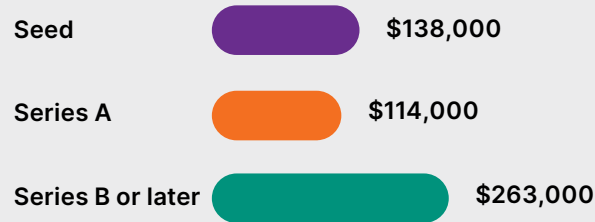




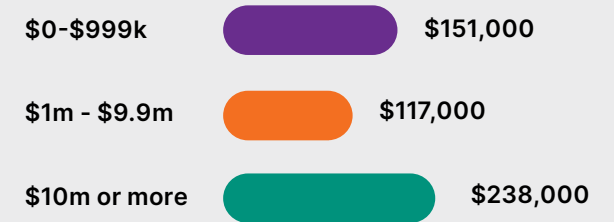
- \$50k - \$99k (48%)
- \$100k - \$249k (31%)
- \$250k or more (21%)

We've also seen founders who have bootstrapped the business securing a COO to help service the next phase of growth, whether it's for the first capital raise or pre-IPO. Usually the talent that is most successful in securing this role has worked in global technology firms in more than one location over the last decade. They have also had at least one best of breed style role, learning best practices in companies synonymous with true global growth, for example Google, airbnb and Uber.

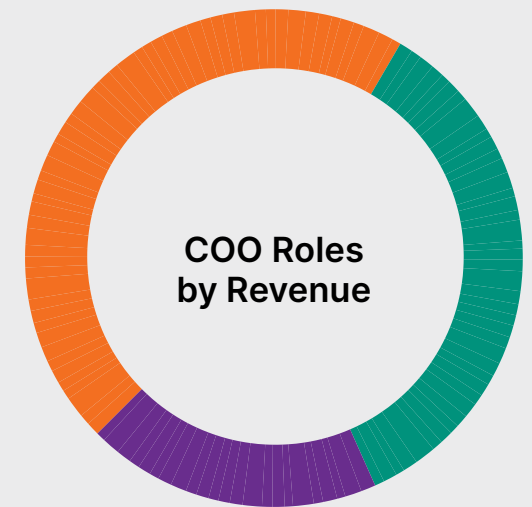
### COO Salary by Funding Stage



### COO Salary by Revenue



- \$0 - \$999k
- \$1m - \$9.9m
- \$10m or more



# Finance



As we've seen more scale-up tech companies start to think about an event and the path to an event, over the last 12 months, the need for a strategic and commercial CFO has arisen earlier in the start-up journey than previously seen.

There has been an increased interest in CFO's with backgrounds in listed companies, private equity and investment banking as the role of the CFO has become more strategic and commercial, focussed on strategic decisions around growth, strategy and the commercial direction of the business.

**Dan Spencer, Managing Partner,  
Think & Grow**



As a CFO, you don't have time to be across every micro decision. Three months after I joined Weel, we hired a financial controller. It's allowed me to step up and focus on other challenges, new sets of problems and dedicate the necessary time to the founders — as opposed to being involved in the day-to-day operations.

**Damon Hauenstein, CFO at Weel**

Finance	Salary		Bonus
Role	Average Base Salary	Base Salary Range	Maximum
Chief Financial Officer	\$217,000	\$81,000-\$600,000	50%
VP – Finance / Head of Finance	\$185,000	\$100,000-\$275,000	20%
Financial Controller	\$145,000	\$80,000-\$200,000	10%
Accountant	\$90,000	\$56,000-\$145,000	15%
Analyst	\$102,000	\$50,000-\$150,000	0%

# A spotlight on the CFO role

Damon Hauenstein, CFO at Weel, sheds light on essential soft skills, indicators and future-proofing for CFOs in an Australian start-up in the market.



**Damon  
Hauenstein**

CFO at Weel



## Essential soft skills for a CFO in a fast-growth environment

Empathy is the first one that comes to mind. In a fast-growth environment, you spend more time with the wider team, as opposed to sitting in an ivory tower sending off messages to the team to go and execute. You're actually on the ground executing with the team. So, building those relationships is valuable to get that support back from the wider team to execute on your strategy.

## The importance of a strong founder/executive relationship in a start-up

When I think about all the people I know who have made a similar transition to a CFO role in a fast-growth company, the element that's contributed the most to whether they thrive or move on is that founder relationship. I'd say it's the biggest factor between success and failure in that role. My advice is to:

Spend time meeting the founder to make sure the chemistry is right and that you are both thinking about things in the same way.

Know the value you can add and what you can bring to the table. In my case, that was my background in corporate advisory with big multinational companies and helping them execute on strategies.

## The role the CFO plays with regard to retaining talent

As a CFO, you're looking at the numbers daily. You are going to be involved in those talent discussions, which means you need to understand the details of the business' compensation budget. That means knowing that human capital is crucial to execute on the business' strategy and priorities, and where the knowledge or skills gaps and strengths are. Being across all of those things is important.

Educating the team on business priorities, how budgets operate and how the finance function operates helps people make better decisions and feel more empowered in their role, too.

# Human Resources

*I'd advise treating each employee as an individual, and have transparent conversations with each and every person about their motivations.*

Damien Andreasen, Regional Head APAC, HiBob



**Last year's guide reflected the culture shift, additional processes and retention strategies that businesses had to adapt to and implement. The demand for key people-focused roles, such as the Chief People Officer was clear.**

This year, we're seeing even more demand for them as:

**Flexible work arrangements have quickly become the norm.**

Mental health and learning and development is even more central to an Employee Value Proposition and culture since Covid-19, as standard leave benefits no longer cut it.

**Start-ups are continuing to hire despite the talent**

**shortage, meaning more competition.**

The interview experience, whether great or disorganised, could be the differentiating factor for high demand talent, especially for smaller organisations.

**Substantial increases in costs of living and decline in stocks/options are making many rethink their finances, this is especially difficult when salaries are reviewed and promotions are provided on an ad hoc basis.**

Businesses need to predict their workforce needs as they scale to avoid burnout of the existing team.

**Lines are becoming more blurred, where team leads and leadership are**

**supporting employees to grow both professionally and personally.**

The level of EQ required to move ahead is placing additional pressures to already stretched leads, especially to those who are not experienced or trained.

**HR is the lowest (4%) in terms of the workforce within early-funding stage start-ups.**

However, the interviews and insights we've collected reveal the importance of EVP, culture and flexible working arrangements to attract and retain staff. Meaning senior HR roles are needed earlier rather than later in order to set up the processes, procedures and strategies to help drive business and team growth.

# Human Resources



Human Resources	Salary		Bonus
Role	Average Base Salary	Base Salary Range	Maximum
Chief People Officer	\$253,000	\$132,000-\$350,000	60%
Head of People / Culture	\$163,000	\$81,000-\$210,000	40%
HR Manager	\$107,000	\$70,000-\$150,000	15%
HR Business Partner	\$122,000	\$85,000-\$180,000	10%
Talent Acquisition Manager / Recruiter	\$125,000	\$75,000-\$243,000	10%
People Ops Support	\$77,000	\$55,000-\$120,000	10%

For the first time in Australian fast-growth tech, we've seen Chief People Officers become one of the first wave of external c-suite hires as businesses operationalise and gear up for expansion. The importance of building a strong culture and people platform early on, is critical in helping accelerate this growth journey, while enabling the scale up to minimise mistakes, accelerate talent acquisition but most importantly retain and motivate top talent. Another theme we are also seeing is the evolution of top CPO's roles and responsibilities broaden out across other parts of the business, i.e transition to becoming the CPO or running a product line on top of their day jobs.

**Dan Spencer, Managing Partner,  
Think & Grow**



# Attracting & retaining today's talent



## Shynyn Payne

CPO at Finder



**The world has changed, especially for tech businesses. Some are reliant on capital right now to grow and even just to survive. For companies that are having to make decisions around headcount, they are also faced with having to make the call whether to give pay increases to secure remaining employees.**

### **How talent is responding to the market changes**

Safe is the new sexy. There's still a lot of top talent who have worked for a long time in high-growth and start-ups and don't want to work in large corporations. Which forces them to be more choosy about where they work because they need to be sure that the company is still going to exist 12 months on. Indicators of having just raised capital, have a long runway ahead or a path to profitability are what's attractive right now.

### **On retention strategies and ESOP**

ESOP is absolutely still a critical factor for talent, but we need to find better ways to communicate how it works. We've seen flexibility move to one of the top five reasons to work in a company in the past two years.

The old classics still remain as valuable right now: pay fairly and provide learning and career opportunities.

At Finder we've moved to a total rewards package where things like flexibility and learning are added as opposed to just a bonus-based equity plan. It's also about changing the whole conversation and moving it away from it being just about bonus and equity – it's all-encompassing.

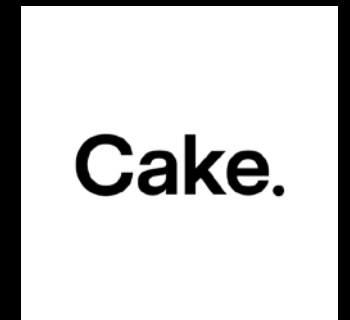
Never forget the main reasons why people join start-ups are the rapid growth in career development, the opportunity to be a part of something new and bigger than themselves and not feeling like just a number but having a sense of belonging. I'd add on top of that security and certainty as I said earlier.

# The Shared Ownership Movement & ESOP

in association with Cake Equity



# 05





# What is an ESOP?



# 73%

**of the start-ups surveyed have an Employee Stock Ownership Programme (ESOP) in place, compared with 49% of companies in the 2021/22 survey proving that ESOPs are now an accepted, almost expected, approach to incentivising start-up employees.**

ESOP is used to both attract and retain talent in an organisation, offering employees the chance to generate real wealth if and when the company hits a liquidity event. Potential ownership of a slice of the company means employees start thinking like business owners. It's common to see a spike in collaboration, productivity, and innovation when ESOPs are incentivising the team. We still see a lack of standardisation when it comes to the distribution of ESOP packages. Market insights have highlighted that education (separate and distinct from financial and accounting advice) about how ESOPs operate is lacking in the start-up landscape, which may be a contributing factor to the lack of standardisation.

## **ESOP to extend runway**

A start-up's biggest expense is the team costs. In these more difficult economic conditions extending the runway has become critical. Many start-ups are forced to consider whether they need to either reduce team salaries or implement redundancies. ESOPs should be used to soften the blow, as start-ups can offer their team more options to compensate for any reduction in cash salary. Even a 10% remuneration saving here can add months to a runway!

This approach can often have an overall positive effect, as the staff can appreciate that salary market has changed, yet the company took the positive step to show its support by offering additional equity ownership. The additional ownership can also continue to foster a better team mindset, where the whole team is motivated to push for the company to come out of the downturn stronger than ever.

## Insights from Cake:

Cake has seen a 5x increase in ESOPs being generated on the Cake platform year on year. There has been a notable 70% increase in vest frequency (the time between each tranche of options, over the length of the entire vesting schedule), meaning that on average companies have increased the time it takes for an employee to receive each tranche or group of options. In addition on average we've seen a 14% increase in the total vesting period, to 34 months, meaning that companies have increased the time with which an employee will receive their full allotment.



## ESOP Definitions

### Cap Raise, Shorthand for Capital Raise:

is the process a company goes through to raise money from investors. Each Cap Raise will have a company valuation attached to it.

**Exercise:** means the process of converting a Vested Option into an ordinary share. An Option can be Exercised when the Option has Vested, and the Exercise Price is paid.

**Exercise Price:** means the amount to be paid by the employee to Exercise the Option. In many countries, an approved valuation is required to determine this price. This is often also referred to as a Strike Price.

**Fully-Diluted Shares:** The total number of shares in a company after all possible sources of conversion (like employee share options) have been exercised.

**ESOP V ESS:** An ESOP (Employee Share Option Plan) is a type of ESS (Employee Share Scheme). An ESOP allows an employee to receive options to purchase shares, instead of shares which must be purchased outright.

**Equity:** Equity is another way of saying ownership or shares in a company. For example, options become equity once they have been exercised and converted into shares.

**Offer Letter:** means the agreement setting out the number of Options being allocated, the Vesting conditions, and relevant Exercise and Options Price. In some jurisdictions this is referred to as an Award Agreement or an Option Agreement.

**Option:** means an Option to purchase a share. Until an Option has Vested and been purchased, it is not a share. It is a legal right to purchase a share at a later date, if certain conditions are met.

**Valuation:** It is necessary to value a company to determine the price of shares at any given point in time. The valuation of a company may change over time. If you own shares, it's always best to buy or be given them at a low valuation in the hope that the value of your shares increases over time.



**Jason Atkins, Co-Founder of Cake Equity**

**Vesting:** means the process by which the Option holder earns full rights to their Options, to allow them to be converted to shares. This can happen by way of meeting certain time-based Vesting conditions, or other performance-based milestones. Only Vested Options can be Exercised to become shares.

## Cake August 2022 highlights

**489%** increase in ESOP's in  
August vs YoY on Cake

**70%** increase in vest frequency  
to 4.3 months

**14%** increase in total vesting period  
to 34 months

**-5%** reduction in cliff period  
to 9.6 months

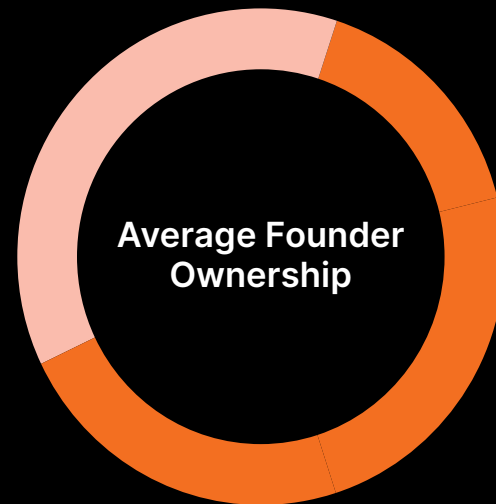
**1 transaction** every minute



# ESOPs and higher base salary VS perks and EVP

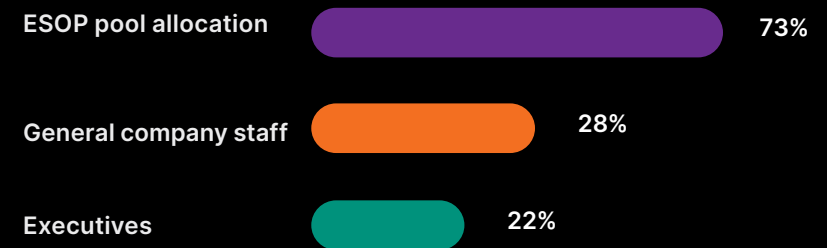
The survey showed that start-up founders own one third of the company (34%) – although there is great variation across the board. Looking at the extremes; 9% of founders surveyed own less than 10% and 29% own more than 90% of the company

73% of start-ups surveyed have an Employee Stock Ownership Plan (ESOP) in place. On average, the start-ups surveyed allocated more of their ESOP pool to general company staff (28%) when compared to executives (22%). Time-based vesting/performance requirements were most used for ESOP (92%) amongst the surveyed start-ups.



# 73%

Of the surveyed start-ups have an ESOP



# The role of ESOP in attracting and retaining talent

# 72%

have used ESOP to secure new talent in the last 12 months, with:

**Engineering (79%)**  
**Product (77%)**  
**Sales (64%)**

being the key functions where ESOP was used to attract talent.

On average, the start-ups surveyed used ESOP to secure new talent across 4-5 functional areas in the last 12 months.

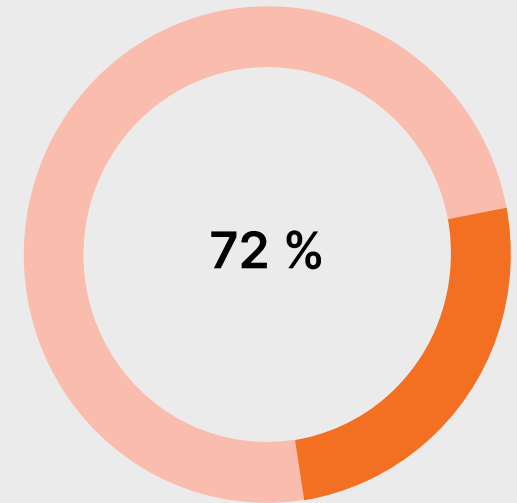
# 66%

or 2 in 3

of start-ups surveyed have also allocated ESOP to existing employees in the last 12 months, with retention and reward the key triggers for doing so. With 3 in 4 companies looking to hire additional staff in the next 3 months, retaining and rewarding existing talent is critical.

The companies that have allocated ESOP to existing employees have done so for staff in the following functional areas:

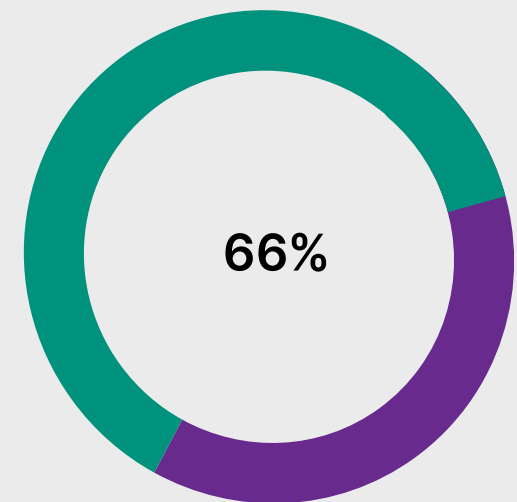
**Engineering (76%)**  
**Operations (71%)**  
**Product (68%)**  
**Sales (60%)**



● Have used ESOP to secure new talent in the last 12 months


On average, ESOP was allocated to existing employees across 4 functional areas.

Start-up companies are using ESOP to both retain and attract talent across the same functional areas (engineering, product and sales), suggesting that talent in these functional areas is highly sought-after.



● Have allocated ESOP to existing talent in the last 12 months

# ESOPs and Higher Base Salaries VS Perks & EVP



As many start-ups (73%) are using ESOPs as a way of attracting and retaining talent, we can't ignore world events and the resulting repercussions rippling through the market because they are having an impact on what talent is looking for from an employer.

Retention has many factors at play, and so it's important to have a good understanding of each employee and what motivates them. For example, flexible working, extended holiday leave, ESOP, healthcare, investing in their learning and development, and external coaching are some great methods I've seen Australian businesses use to successfully incentivise employees.

**Damien Andreasen, Regional Head APAC at HiBob**

In terms of salary over flexible working, with the inflation in Australia right now and with what's going on in Europe, not everyone is going to have the luxury of being able to prioritise retention strategies and ways of working over a high-base salary. **Jacqueline Moore-Moroney, Founder of MM Consulting**

In the last two years things have changed dramatically, with equity becoming extremely important to jobseekers. However, people have placed so much importance on this and now that markets have "corrected" it is a healthy reminder that equity is a risk that people take. **Joseph Vartuli, CTO at CreditorWatch**

As part of the packaging that's often done in start-ups, early-stage founders and management teams are taking discounted cash salaries for upside and equity. And where the value has dropped significantly, this creates an issue in terms of how to incentivise and retain staff and how to keep the best long-term teams together. **Chris Flavell, Managing Partner of Second Sphere Partners**

**The conclusion we must draw from the data and insights collected, is there is no one-size-fits-all when it comes to what employees need and what they're looking for. Understand your existing employees – what drives them and what's going to eliminate any stress and hesitations. Do the same with all your final candidates prior to making an offer.**

# 06

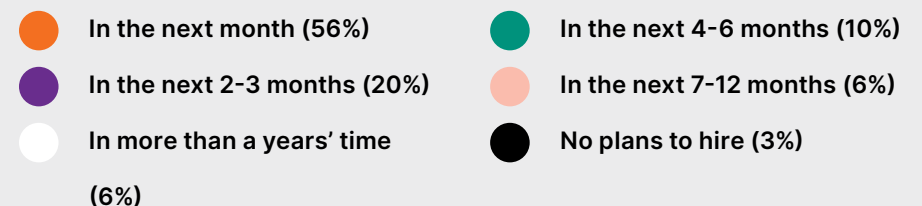


## Start-up trends and commentary



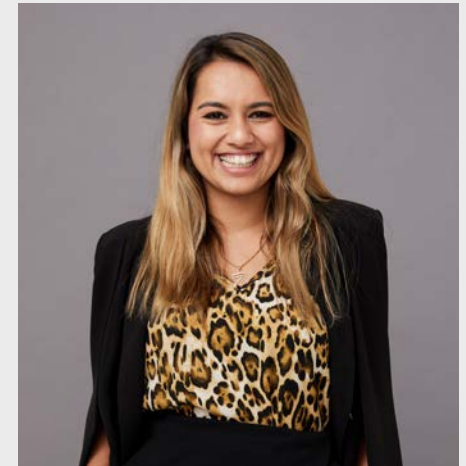
# Start-Ups Going Full Steam Ahead with Hiring Despite Shortage

Over 1 in 2 of the surveyed start-ups (56%) intend to hire in the next month, 3 in 4 (75%) intend to hire in the next 3 months and 9 in 10 (86%) intend to hire in the next 6 months.



# How to retain employees in a world of change

Employee experience is becoming as important as the customer experience. Customers generate revenue and grow the business – so do your people. So, how you show up and empathise as a business will have a direct impact on growth. Be clear on what is important for your organisation in terms of culture, strategy and capabilities.



**Vinisha Rathod**

Partner at Think & Grow

Think & Gr̃w

## Younger generations are demanding healthier work environments, relationships and the space to be themselves.

If your business is a great place to work, then you will not have an issue finding talent in this competitive job market. For example, Canva received 300,000 applications in the last year. As an article in the [Australian Financial Review](#) brilliantly summarised, the workplace used to be a conservative place; the LGBTIQA+ community were usually discreet about their sexuality, formal office attire, flexible working didn't exist, and your career progression was dependant on how many hours you spent in the office.

Today, our place of work embraces and advocates progressive social values, including diversity, the environment, wellness and giving back which start-ups must embrace in their retention strategies. We recommend these steps:

**Cement your values as a business, culture, team and as leaders is the first step.**

**Find a way to communicate those values internally and externally.**

**Use them in how you attract and hire candidates; with a strong sense of values, the right candidates will find it easier to connect and align with you as a business.**



## People stay for people, people also jump ship for people.

Covid-19 catapulted the human agenda, with the lines between personal and professional blurring and leaders supporting employees to grow in their career and as themselves. However, we are also witnessing burnout, sickness and redundancies at a level we have never experienced before. [Circle In's 'The Unsaid'](#) report shows that 97% of managers surveyed in August 2022 said they recently supported a team member to navigate a challenging life issue.

They also report that showing more compassion as a leader can lead to:

**Better staff retention**

**Increased loyalty and morale**

**Greater performance and productivity**

**Overall better health and wellbeing outcomes**

As you scale, hire people who advocate your values and leaders who are equipped to nurture. When people are pushed into management positions, it often creates tension.

# Flexible work arrangements



*Startups who are trying to solve really big problems will need to figure out the balance between remote and in-person, both from a cultural and output perspective.*

*At Carted, I know that we move faster when we intentionally build in opportunities for our distributed team to be together — and flexibility is also really important to the happiness (and productivity) of our people.*

*With a huge vision, and massive problem to solve, our team needs to be able to do a lot of the heavy lifting via asynchronous communication.*

*We also need to work hard to capture the benefits that come from being in person whenever it's possible: incidental conversations, brainstorming,*

*and an ability to form strong relationships that allow us to tackle the really challenging questions.*

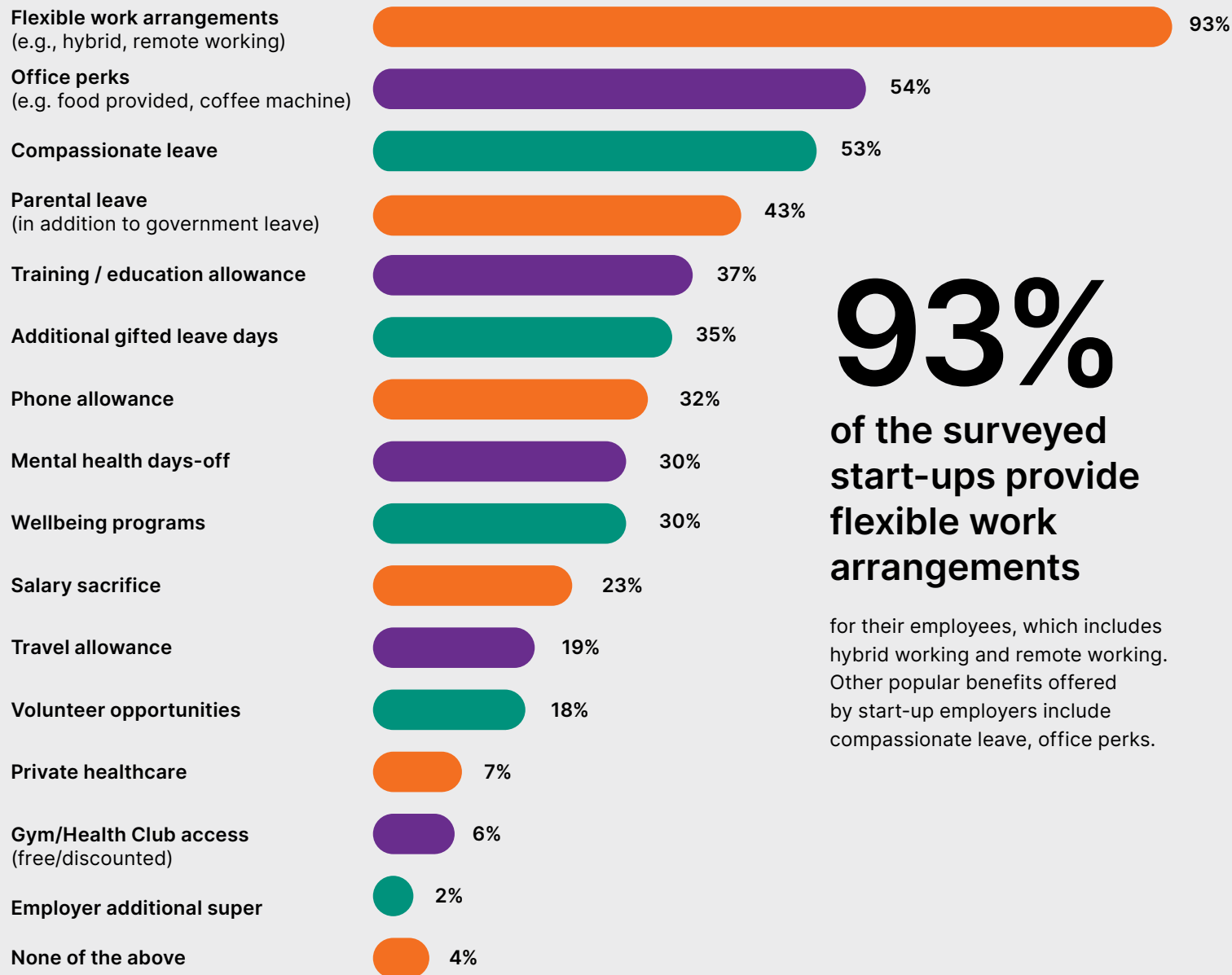
*To do this, we'll be:*

- *Coming together as a whole team as often as we can.*
- *Hiring in similar time zones so that teams can come together when they need to.*
- *Embracing hybrid working.*

*My dream state for Carted? Everyone would live near a satellite office with the opportunity to catch up in person regularly, with larger company-wide retreats that allow us all to be together.*

**Holly Cardew, Founder  
& CEO at Carted**





# 93%

of the surveyed start-ups provide flexible work arrangements

for their employees, which includes hybrid working and remote working. Other popular benefits offered by start-up employers include compassionate leave, office perks.



*As the world goes into the next financial state it's heading into, I believe it's the perks that have a bigger impact that will win over employees. The things that will impact their personal and professional lives, such as upskilling, flexible and remote working and wellbeing. People can study or upskill, start a side hustle and monetise it, all without taking a huge financial hit and taking time away from their full-time job. Companies are realising that this is important to their employees.*

**Jacqueline Moore-Moroney,**  
**Founder of MM Consulting**

# Mental health is even more central post-Covid-19

There has been a shift in focus towards employee mental health support post-pandemic, with almost half of the surveyed start-ups (46%) now offering mental health days off or wellbeing programs for their employees.

*'Workplace Wellness' is the HR buzzword of the year, and for good reason. We've all read the reports that investing in your teams wellbeing can boost productivity, engagement, motivation and morale and we know it's becoming increasingly important in attracting and retaining talent – whether that's providing flexible working, access to in-office massages and yoga or including wellness allowances as part of your employee packages.*

*And while all these benefits are good, to me, investing in wellness should be at the top of every people strategy for leaders and managers because it's simply the right thing to do – by your team and your business.*



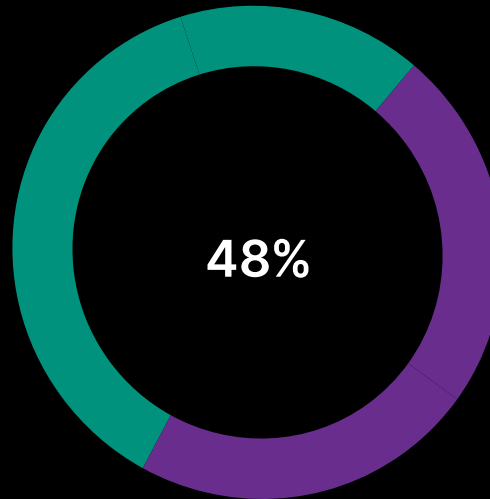
**Ilter Dumduz**  
Founder of Blys



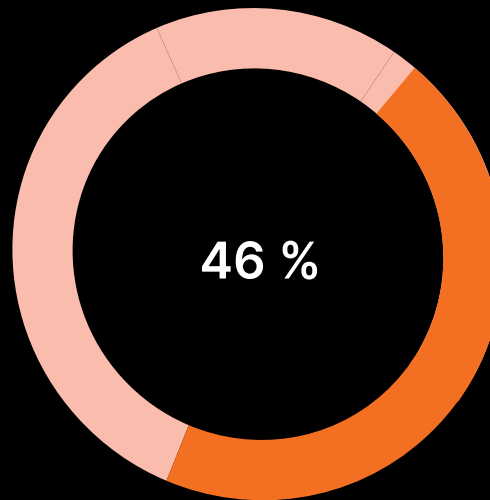
*When we create a culture that puts the wellbeing of our people first we all thrive.*

*Believe me, pub lunches are good but wellness is the work perk your team actually wants.*

Similarly, half (48%) now offer either additional gifted leave days or mental health days off. We are also seeing a high proportion of start-ups supporting their employees through key life stages, with 2 in 5 (43%) offering parental leave in addition to government-funded parental leave.



● Offer either gifted leave days or mental health days off



● Offer either mental health days off or a wellbeing program

*Early-stage start-ups don't tend to have parental leave policies in place because they have very few employees, so feel it's not a priority or the policy will probably change as they grow anyway. But, here's the problem with that – it will deter many women from joining.*



**Kelly Spoerk**

Women Fellowship Program  
Leader at Startmate

**Startmate**

# Common threads: How to survive & thrive in today's market



# 07

Founders and leadership teams are having to make tough and complex decisions as they look to the future. A few success factors are being made clear: strategy, understanding your employees, and compassion.

Section 07



## How to take advantage of the challenges that are being presented

All of the things going on in the world right now are creating a whole new level of burnout that we never thought we'd see in our lifetime. This is why the idolising of long hours, late nights and hopping on calls when you should be sleeping must change. The real solution is pre-empting the burnout before it happens and that means addressing your needs as a business and understanding your employees' output whilst encouraging them to be honest about what they need.

**Jacqueline Moore-Moroney,  
Founder of MM Consulting**



There is now a large amount of incredibly talented people in the market. We are big believers that the single most important thing for the future success of the Australia tech market is attracting and retaining top tech talent to it.

**Dan Krasnostein, Partner at  
Square Peg**

Learning to run a business in a tight economic environment is probably the best training to run a business in a growing economic environment. Get your business processes, procedures, systems and platforms all set up to hum in this environment, where things are tough.

**Damon Hauenstein, CFO at Weel**

There's a definite realignment in terms of the risks involved which have become very real within the start-up community. For a lot of people, the start-up risk reaffirms strength and their conviction that this is the place they want to be – a place where it's a positive ecosystem with everyone helping each other.

**Jono Herman, Co-Founder  
of Earlywork**

## All investors are looking for a clearer path to cash flow breakeven rather than continuing to source capital from round to round without clarity of whether the business model is actually working.

**Chris Flavell, Managing Partner  
of Second Sphere Partners**

You have to understand the things that can influence all the different and possible outcomes and prepare for them. If that means reducing your staff then do it the right way, respectfully and transparently.

**Nicola Burgess, growth-focused  
CEO, Board Director & Advisor**





# How to build a career pathway into a start-up



**Jono Herman**

Co-Founder of Earlywork



## The routes into a start-up aren't always 'traditional'

I actually landed my first job in a start-up through a friend I made at university who knew a co-founder. Don't be scared to reach out or actively search for a possibility. All these influential people, founders etc have public profiles, so they're way more accessible. The worst that can happen is that they don't respond to your message and the best that can happen is you end up securing a role in their business.

My advice is to be like a hunter, not a fisherman. Practically seek out roles, create your own listing views, go to a bunch of networking events, reach out to people and platforms to have conversations.

Don't just sit there refreshing the job ads page waiting for your dream job to appear. Or start a job, say in customer service, with the aim of progressing that role.

And whether the job exists or not doesn't matter so much, it's the initial contact that matters. You're potentially reaching out to the right person before the job is even posted or you're in their mind before they start searching for candidates.

## How to land a meaningful role and career in a start-up

**Be intentional:** Work is something that you spend most of your time on, you also spend a lot of time with your colleagues. Some people just randomly pick a career or a role on LinkedIn without much deliberation. When really, it should align with your passion and personality.

**Consider the kind of environment you want to be immersed in:** It's not all about the skateboards and slides, but how you want to work too. How do you want to be managed and mentored? What frameworks or pathways do you want to follow? What type of working style will get the best out of you? Some prefer ambiguity and chaos, others prefer structure and organisation.

**Know your goals:** Money could be what lights you up and keeps you striving forward, which is nothing to be embarrassed about. For others, it's flexibility and a healthy work/life balance so they can travel more or eventually start a family.

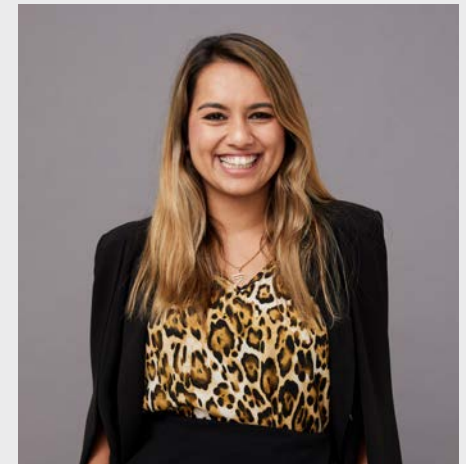
**Have knowledge of your skills:** What would you bring to the table in a start-up? Consider soft skills like team player, leadership qualities or adaptability and hard skills like financial, technical or creative.

## How start-ups can encourage people to apply for start-up roles for the first time

Language is an important one. In start-ups it's acronyms, acronyms, acronyms as well as varying job titles which can confuse or discourage people who have never been around that or know what it all means. We always use and encourage clear, simple language to describe things which start-ups can also endeavour to do.

# Advice to Talent Entering the Market

Due to more start-up focused education and graduate programs, up-skilling opportunities, a more diverse set of businesses and founders, stronger government focus across local to federal and flexible working arrangements, we are seeing more people enter the tech start-up space. It's a space that has a welcoming social fabric, but as a community we need to make more of an effort to remove barriers and hesitations to allow more people to join it, creating a more diverse future economy of work.



**Vinisha Rathod**

Partner at Think & Grow

Think & Grow

## De-bunking the common misconceptions surrounding start-up careers

*The smaller start-ups are only really for people who have a high risk tolerance. However, the scale-ups and unicorns have fewer risks and offer some of the other human needs that traditional corporates don't.*

**Jono Herman, Co-Founder of Earlywork**

**In terms of a business, common misconceptions are that every start-up is a risk, they're only for young people, they're male-dominated, and they don't pay as well as more established companies**

We've also noticed some individuals believing they aren't technical enough or have too much corporate experience to successfully start a start-up career. Here are more positive perspectives on start-ups and all they can offer to new entries:

**Start-ups can offer new skill-sets, developing professional and personal growth:**

Start-ups should be seen as learning opportunities. Depending on the stage of growth the business is in, you'll have the chance to wear many hats and have an impact on key deliverables. Even if the start-up does fail, you'll walk away a better candidate and primed for your next role.

**Start-ups require people of varying ages, experience and skills:**

You don't need to know how to code to join a start-up. Businesses need support in HR, finance, marketing and growth, and operations. Start-ups need high quality leaders, team players, problem solvers, and compassionate individuals.

**Many start-up jobs are not advertised, but that doesn't mean they're not looking:**

Networks are incredibly powerful in the start-up world because they allow time-strapped founders and leaders to go through trusted people, so much of the hiring in early-stage start-ups are done that route as opposed to spending money on job adverts or recruiters.

**Start-ups are addressing the gender balance and diversity agenda:**

There is an active focus in the community to not only support the existing women in the ecosystem, but also build more pathways for them so that the gender balance becomes more equal. We are also seeing the recognition that doors need to be opened from outside the existing "friends and family circles" within the start-up community, in order to create more opportunities for people from all backgrounds.



**Advice for entering into a start-up role**

*The first is to find and follow things you are passionate about. The second is to build a strong network.*

**Dan Krasnostein, Partner at Square Peg**

*Understand what your values are, what you want and what you can offer. Lastly, be honest with yourself with regard to your comfort zone and relationship with risk because start-ups are not for everyone.*

**Kelly Spoerk, Women Fellowship Program Leader at Startmate**

# 08

# Conclusion

As the world continues to move through challenges, so do the start-ups within the Australian ecosystem. However, the underlying truth is we have been building businesses with great fundamentals in Australia since the early days. Businesses like Atlassian, Campaign Monitor, Envato and Aconex were largely built in a funding desert. As such a whole generation of executives, managers and highly skilled workers exist that know how to build businesses in that environment.

With this change in operating environment we believe the next few years will create a renewed focus for Founders, Executives and Investors on core business fundamentals. Whilst we are not in the game of predicting the future, we believe the following trends will occur:

If in 2021 hiring was done in support of business growth in 2022 and 2023 it will have been done in support of growth and/or transformation. Those businesses that set their strategies with 2021 market conditions will have to change radically; this will result in a need to hire different skills where the immediate outcome is not top line growth.

Boards will need to take a more active role in steering strategy and helping to manage cash burn (particularly for first time Founders). As such, a renewed importance on board members with operational experience will exist and most

importantly the scar tissue of operating in similar circumstances. Some of our customers have been hiring world class board members out of more mature international markets such as the US for this very reason.

As companies try to find the right balance between in-office and work from home companies will need to take a more active role in collaboration, employee wellbeing and mental health. There is unlikely to be a one-size fits all approach to work from home and each business will operate to their own rhythm, strengths and weaknesses.

Alumni from “scaled” technology companies such as Atlassian will continue to become our next generation of Founders and Co-Founders. We have seen this trend with businesses like Eucalyptus and Dovetail and investors will “flock” to founders with scar tissue and a track record of success.

What a year it has been, thank you to everyone that contributed to this report.

‘Til next year!



# Contributors

Think & Grow would like to thank all the interviewees for their valuable insights and contributions to this year's guide.

**Damien Andreasen**, HiBob

**Jason Atkins**, Cake Equity

**Nicola Burgess**, growth-focused CEO

**Holly Cardew**, Carted

**Patrick Collins**, Airtasker

**Ilter Dumduz**, Blys

**Chris Flavell**, Second Sphere Partners

**Damon Hauenstein**, Weel

**Jono Herman**, Earlywork

**Dan Krasnostein**, Square Peg

**Brittany Mauran**, Onside

**Jacqueline Moore-Moroney**, MM Consulting

**Shanyn Payne**, Finder

**Kate Pounder**, Tech Council Australia

**Kelly Spoerk**, Startmate

**Vicki Stirling**, Startup Vic

**Antony Ugoni**, Go1

**Joseph Vartuli**, CreditorWatch

Thank you to **Christophe Hovette, Dan Spencer, Kate Harris-Slade, Simon Robinson, Vicky Klonaridis & Vinisha Rathod** at Think & Grow for their insights within this year's guide.

Lastly, we would like to thank **CJ Robinson, Hugo Bieber & Kylie Kneale** at **Think & Grow** and **Banter Group** for putting together this year's guide.



# Methodology



## Survey Design:

We collaborated with a leading independent market research company, FiftyFive5, to design the reporting parameters used to measure the findings within the Survey and Salary Data spreadsheet.

## 1. Data Collection

Together with our industry partners, we distributed the survey expression of interest directly to Australian start-ups. Data collection and analysis was undertaken by FiftyFive5. In total 138 companies participated in the survey. This data collection process began in the second week of July 2022 and concluded at the end of August 2022.


## 2. Analysis

Following the survey period, data cleaning, anonymisation, sanitisation and analysis was conducted by FiftyFive5 in consultation with Think & Grow.

## 3. Insights

To support the qualitative data collection via FiftyFive5, we conducted in-depth interviews with leading ecosystem participants to provide deeper market insights, advice and thought leadership. This report was written across September and October 2022.

# About Think & Grow



Think & Grow empower founders and executives to develop their businesses, and their people for the future economy of work.



# Think & Grow

We collaborate with change-leaders and innovators to attract, nurture and build businesses, and the people who are passionate about them.

At every stage of the growth cycle, Think & Grow help people to lead high-growth businesses, as well as help candidates with their transition into the future economy of work.

Sydney

Melbourne

Perth

Brisbane

Singapore

London

Dubai

# Attract Nurture Build

Our services are shaped around three broad offerings, named as motivating verbs that also behave as inspiring calls to action.

## Businesses

### Attract

Executive Search Reimagined  
Board Search  
Onsite Recruitment  
Project One - Employ

### Nurture

People Advisory  
Executive Coaching

### Build

Global Expansion  
Growth & People Workshops

## Candidates

### Attract

Available Roles  
Project One - Recruit  
Candidate Attraction

### Nurture

Career Transition Coaching  
Leadership Development

### Build

Career Planning  
Leadership Development



# Think & Grow

[www.thinkandgrowinc.com](http://www.thinkandgrowinc.com)

# bob

[www.hibob.com](http://www.hibob.com)

