



2022-2023 Global Mid-Market Compensation Trends



INTRODUCTION

In August 2022, AchieveNEXT, along with our sponsor Workday, surveyed a cross-section of CFOs and CHROs from U.S. and global emerging and mid market enterprises about workforce planning, tracking talent KPIs, compensation trends, and workplace culture.

In this, our 9th annual compensation and talent survey, we go beyond the numbers about CEO, CFO, CHRO, and other executive pay to look into who, what and how leading emerging and mid market enterprises get the highest level of performance out of their most valuable asset: THEIR PEOPLE.

Given the current volatility, uncertainty, ambiguity and complexity of the business and economic environment, it is more important than ever to understand the packages and practices that will attract and retain the people needed to drive enterprise growth and success to the NEXT level.

ABOUT ACHIEVENEXT

AchieveNEXT empowers individuals, teams, and enterprises to exceed ambitious growth goals through a powerful combination of peer communities, performance benchmarking data, and innovative talent solutions. Our peer networks, The CFO Alliance and The CHRO Alliance, bring together growth-focused leaders who help each other make confident decisions on Strategy, People, Technology, and Risk.

Learn more at [achievenext.com](https://www.achievenext.com)



“The war for talent continues to rage and the price of talent increases with it. While the overwhelming majority of emerging and mid-market enterprises are continuing to raise base salaries and compensation packages across functions and all levels of the enterprise, an increasing number are undertaking efforts to better tie pay to performance and are doubling down on technology and automation.”

— Nick Araco, AchieveNEXT CEO

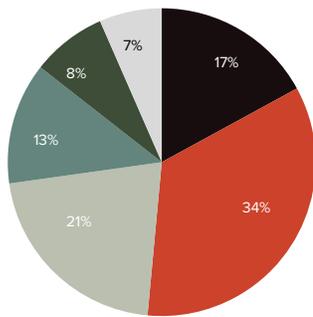
PARTICIPANT DEMOGRAPHICS

There were over 320 enterprise participants in this year’s survey, with 41% employing a global workforce and an additional 6% planning to hire employees in global markets in 2023. Seventy Five percent of the respondents represent enterprises with annual revenues between \$10 million and \$1 billion, and therefore would be classified as mid-market enterprises as defined by the [National Center for the Middle Market](#).

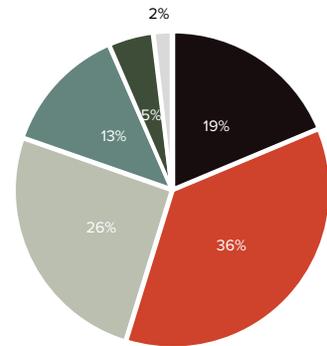
Nearly 75% of the surveyed companies are privately held; 12% are non-profit; and nearly 50% have no private equity or venture capital investments backing them. Data was captured and analyzed from enterprises representing 12 separate industries (**Manufacturing – Consumer & Industrial, Information Technology, SaaS, Construction/Engineering, Healthcare, Hospital/Healthcare Non-Profit, Warehousing/Logistics, Real Estate, Financial Services and Professional Services**).

Twenty five percent of the participating enterprises were woman– or minority–owned.

Annual Revenues



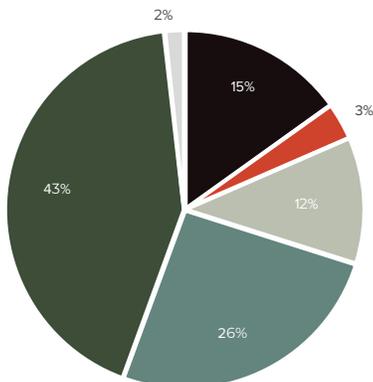
Enterprise Employees



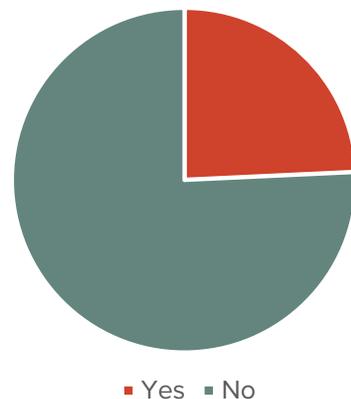
■ < \$10 MM ■ \$10 - 50 MM ■ \$51 - 250 MM ■ \$251 - 500 MM ■ \$501 - 1 BN ■ > \$1 BN

■ < 50 ■ 51 - 300 ■ 301 - 1,500 ■ 1,501 - 5,000 ■ 5,001 - 10,000 ■ > 10,000

Ownership Structure



Is your enterprise woman or minority owned?



■ Publicly Held ■ ESOP ■ Not-for-Profit
 ■ Private (PE/VC Invested) ■ Private (Closely Held) ■ Other

■ Yes ■ No

MICRO REPORTS

Our analysis of the survey data highlighted the following critical actions that leaders from emerging and mid market enterprises must consider as they sprint through the remainder of 2022 and look ahead to 2023. The resulting reports provide Finance, HR and C-suite leaders with a reliable, unbiased source for benchmarking talent, salary trends and culture against similar enterprises.



2022-2023 Global Mid-Market Talent Trends: Empowering Employees and Teams for High Performance – Sponsored by Workday

As emerging and mid market enterprises continue to struggle to hire and retain top talent, a new tactic has emerged that could help them win the war for talent: Becoming Data-First Leaders. By recognizing, prioritizing, and addressing the complexities of data management, data-first leaders move much faster than their competition, resulting in better-performing enterprises.

The effective use of data requires close cooperation between Finance-HR-Sales-Ops teams and the professionals whose jobs depend on that data. Data-first leaders better serve their customers and employees — and have happier stakeholders, which creates a more productive, stronger, and differentiated culture.

2022-2023 Global Mid-Market Compensation Trends: Even with Recessionary Winds Blowing, the Continued Tight Labor Market Will Drive Boosts in Pay in 2023

Emerging and mid market enterprises from around the globe and across more than a dozen industries plan base salary increases to attract and maintain the workforces they need.

The rapid rise in salary budgets over the past few years, combined with today's volatile-uncertain-complex-ambiguous (VUCA) economic environment, challenges Finance-HR-Sales and Ops leaders to leverage data and think strategically as they formulate 2023 compensation recommendations. Just as the Finance function has embraced the need for both backward-looking operational and forward-focused planning capabilities, the same is now true for the HR function in any enterprise.



2022-2023 Redesign of the Office of the CFO and the CHRO: Matching People and Performance to New and Ever-Changing Needs

CFOs and CHROs from the highest performing emerging and mid-market enterprises do not just focus on the now. They set their sights on what lies ahead, model and plan to speed decision-making across the enterprise and do their best to stay one step ahead of their competition.

In these top performing enterprises, the CFO and the CHRO, together, monitor their activities and performance, and capture, analyze, and communicate business data to ensure that they and their C-suite leaders, functional managers, employees and workforce are able to adapt and act with agility and confidence.

2022-2023 GLOBAL MID-MARKET COMPENSATION TRENDS

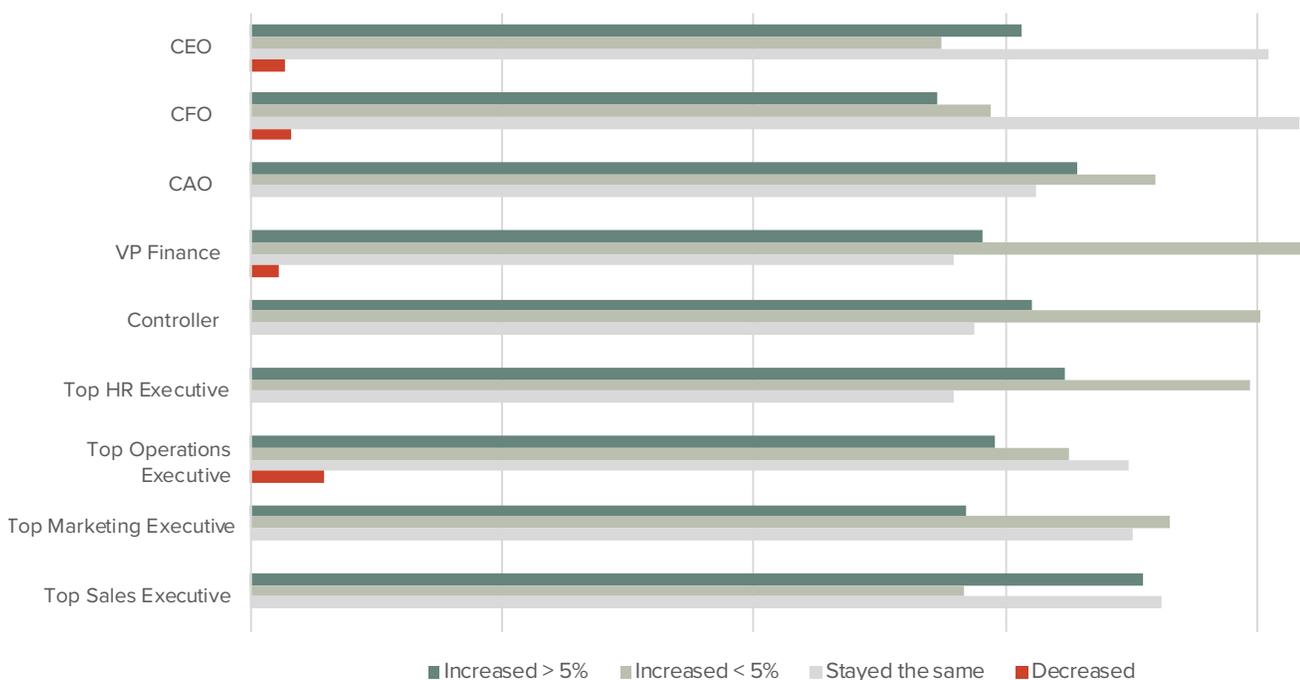
Even with Recessionary Winds Blowing, the Continued Tight Labor Market Will Drive Boosts in Pay in 2023

Emerging and mid market enterprises from around the globe and across more than a dozen industries plan base salary increases across the enterprise in order to attract and maintain the workforces they need.

The rapid rise in salary budgets over the past few years, combined with today's volatile-uncertain-complex-ambiguous (VUCA) economic environment, challenges Finance-HR-Sales and Ops leaders to leverage data and think strategically as they formulate 2023 compensation plan recommendations. Just as the finance function has embraced the need for both backward-looking operational and forward-focused planning capabilities, the same is now true for the HR function in any enterprise.

Recent surveys showed salary budgets in the U.S. are projected to grow, on average, just over 4 percent for 2023, less than half of the current annual inflation rate of 8.5 percent.

Changes in Base Salary 2022 over 2021

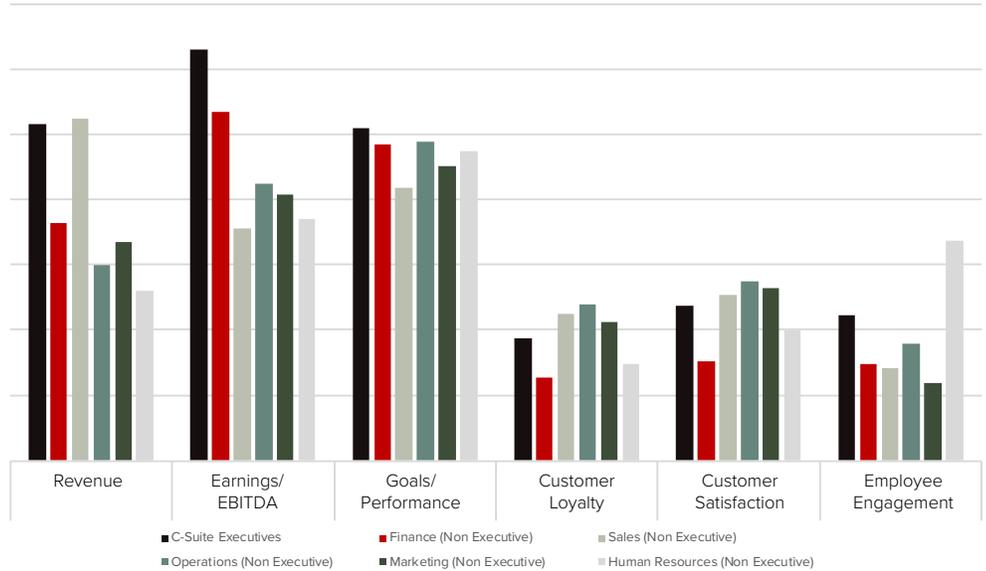


SHORT AND LONG-TERM COMPENSATION

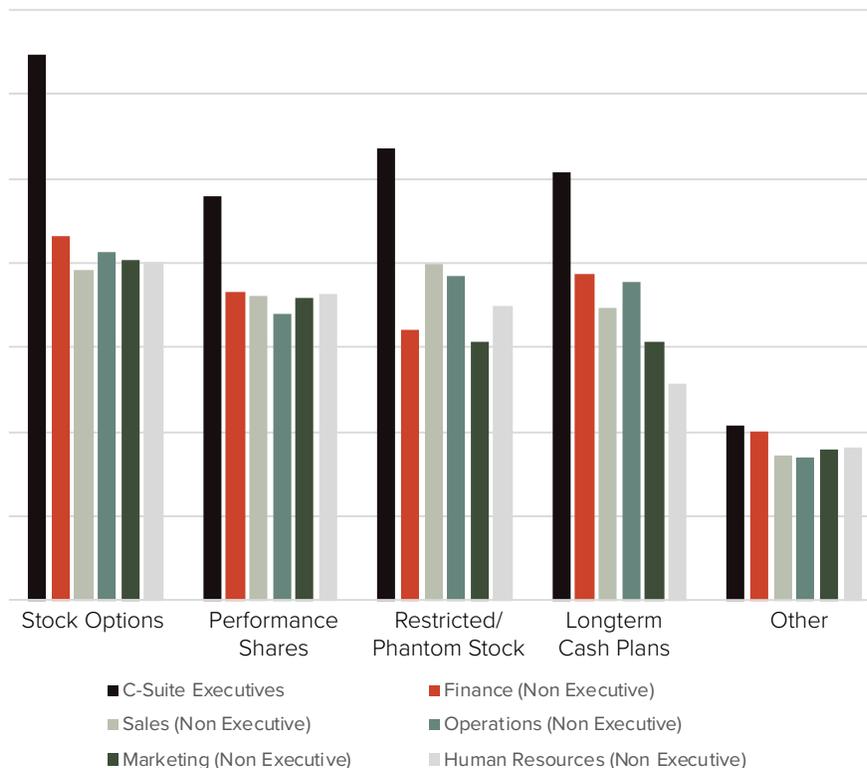
While the overwhelming majority of emerging and mid market enterprises are continuing to increase base salaries and compensation packages across functions at all levels of the enterprise, an increasing number of employers are undertaking efforts to better tie pay to performance.

This increasing effort to tie a larger workforce population's pay to performance requires Finance, HR, Sales, and Operations leaders to strengthen their data capture and analysis capabilities and increase their investment in people, processes, and technologies that will accelerate these capabilities and changes in performance and culture.

KPIs for Short-Term Incentive Compensation



2022 Trends in Long-Term Incentive Compensation



BASE SALARY COMPENSATION

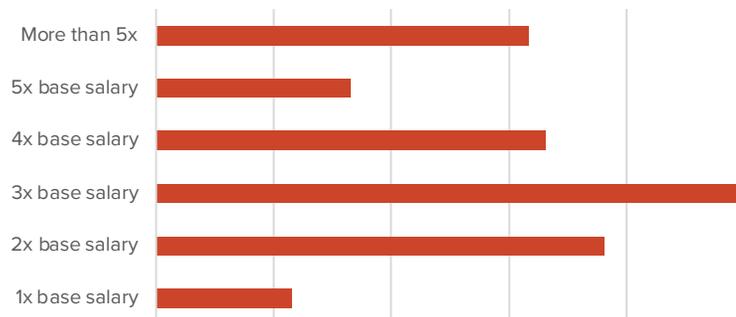
As a high-growth emerging or mid-market enterprise, one of your biggest financial decisions involves asking yourself the question, “How much should I pay my employees?”

A good rule of thumb for emerging and mid market enterprises is to identify a Percentage benchmark of your business revenue toward employee salaries and do your best to apply it uniformly.

You want to hire and retain top talent, but you also need to create a business plan and budget that allows your business to turn a profit and grow. So figuring out how much to pay your employees can be a balancing act, especially during times of volatility—uncertainty—complexity—ambiguity (VUCA).

Here is everything you need to consider in order to pay employees appropriately while staying within your operating budget.

What is your company's target annual revenue per employee range?



Base Salary By Position

	<\$150k	\$150-\$200k	\$200-\$250k	\$250-\$500k	\$500-\$750k	>\$750k	2022 AVG	2021 AVG
Chief Executive Officer	9.9%	9.9%	13.4%	39.9%	15.9%	11.0%	\$411,661	\$390,698
Chief Financial Officer	10.0%	19.5%	28.4%	32.6%	5.3%	4.2%	\$303,947	\$255,523
Chief Accounting Officer	31.2%	14.7%	19.7%	16.4%	6.6%	11.5%	\$315,164	N/A
Top Operations Executive	19.2%	20.9%	15.1%	25.0%	6.9%	6.4%	\$304,506	\$237,381
Top Sales Executive	26.2%	13.5%	24.1%	23.4%	7.8%	4.9%	\$291,667	\$219,722
Top Marketing Executive	34.8%	17.4%	15.2%	17.4%	7.2%	7.9%	\$288,225	\$193,827
Top HR Executive	23.9%	21.1%	22.5%	18.3%	7.0%	7.0%	\$293,662	\$161,076
VP Finance	26.4%	26.4%	19.5%	17.2%	6.9%	3.5%	\$262,644	N/A
	<\$60k	\$60-\$80k	\$80-\$100k	\$100-\$125k	\$125-\$150k	>\$150k	2022 AVG	2021 AVG

Finance Support Roles

Controller	0.70%	4.5%	12.7%	24.6%	19.4%	38.1%	\$138,414	\$134,065
Accounting Manager	4.1%	15.9%	17.2%	31.0%	16.5%	15.2%	\$110,655	\$102,567
FP&A Manager	0.0%	10.5%	14.9%	23.9%	25.4%	25.4%	\$126,978	\$139,783
AP/AR Manager	36.1%	38.7%	14.2%	11.0%			\$68,000	\$69,753

HR Support Roles

VP HR	3.7%	1.9%	7.4%	18.5%	25.9%	42.6%	\$130,463	N/A
HR Director	0.0%	9.4%	23.4%	34.4%	20.3%	12.5%	\$113,555	N/A
HR Manager	13.7%	17.5%	27.3%	19.7%	14.2%	7.6%	\$98,033	N/A
Benefits Manager	14.2%	37.8%	32.3%	15.7%			\$78,386	\$85,926

For most emerging and mid market enterprises, when making an offer to a prospective hire, base salary is the beginning of crafting a total compensation and rewards package. Using a variable incentive in the form of a cash bonus or robust equity package has become more frequent and therefore will more often than not be the deciding factor and can likely sway the decision to accept vs. reject a job offer.

The use of incentive compensation programs continues to increase. These are frequently tied to rewards that drive behavior and culture. Applied to most emerging and mid market enterprises, incentive compensation programs allow organizations to produce targeted results by rewarding the employees who are responsible for those results.

Short-Term Incentives Paid By Position

	<\$50k	\$50-\$100k	\$100-\$150k	\$150-\$250k	\$250-\$500k	\$500-\$1M	>\$1M	2022 AVG	2021 AVG
Chief Executive Officer	23.6%	10.9%	16.7%	16.7%	16.7%	10.1%	5.4%	\$262,209	\$233,235
Top Finance Executive	36.2%	16.3%	20.2%	9.7%	10.1%	5.4%	1.9%	\$166,294	\$105,823
Top Operations Executive	41.6%	15.4%	16.0%	10.1%	9.52%	4.7%	2%	\$156,027	\$99,388
Top Sales Executive	24.1%	16.3%	21.2%	17.7%	14.1%	4.9%	1.4%	\$183,759	\$110,552
Top Marketing Executive	43.8%	11.5%	14.62%	11.5%	13.8%	3.8%	1.5%	\$142,248	\$52,669
Top HR Executive	34.3%	13.4%	19.4%	16.4%	9.0%	3.0%	4.5%	\$175,410	\$43,038
	<\$25k	\$25-\$50k	\$50-\$100k	\$100-\$150k	\$150-\$200k	>\$200k		2022 AVG	2021 AVG
Controller	50.0%	20.5%	9.8%	12.3%	4.1%	3.3%		\$51,496	\$47,705

Long-Term Incentives

	C-Suite Executives	Finance Non-Exec	Sales Non-Exec	Operations Non-Exec	Marketing Non-Exec	
Stock Options	32.29%	21.56%	19.55%	20.66%	20.15%	20.08%
Performance Shares	23.96%	18.22%	18.05%	16.97%	17.91%	18.18%
Restricted/Phantom Stock	26.74%	15.99%	19.92%	19.19%	15.30%	17.42%
Long-Term Cash	25.35%	19.33%	17.29%	18.82%	15.30%	12.88%

Average Annual Base Pay and STI for Key Industries

		Banking/ Investment Banking/ Investing	Construction, Engineering and Architecture	Hospital and Healthcare	Information Technology and Services	Manufacturing	Non-Profit	Professional Services	Real Estate	Software/ SaaS
Chief Executive Officer	Base Salary	\$359,091	\$410,870	\$454,412	\$372,973	\$350,000	\$440,625	\$367,593	\$380,357	\$413,750
	STI	\$258,929	\$339,205	\$274,219	\$210,069	\$278,125	\$89,583	\$324,038	\$284,091	\$323,125
Top Finance Executive	Base Salary	\$315,000	\$258,333	\$295,833	\$304,412	\$250,000	\$282,692	\$265,000	\$316,667	\$393,182
	STI	\$177,976	\$134,239	\$149,167	\$180,882	\$161,765	\$41,667	\$149,519	\$78,571	\$283,333
Top Operations Executive	Base Salary	\$245,833	\$319,643	\$295,000	\$310,577	\$304,167	\$211,364	\$270,000	\$343,750	\$347,222
	STI	\$204,250	\$154,444	\$314,091	\$259,231	\$146,071	\$48,182	\$304,583	\$148,889	\$356,111
Top Sales Executive	Base Salary	\$293,750	\$268,750	\$350,000	\$289,000	\$245,000	\$300,000	\$212,500	\$283,333	\$291,667
	STI	\$287,222	\$163,929	\$425,000	\$350,192	\$300,000	\$10,000	\$267,917	\$295,000	\$404,167
Top Marketing Executive	Base Salary	\$323,529	\$335,000	\$255,000	\$313,095	\$250,000	\$161,111	\$273,333	\$165,000	\$320,000
	STI	\$305,278	\$237,083	\$402,000	\$287,174	\$263,750	\$20,833	\$153,611	\$53,000	\$240,500
Top HR Executive	Base Salary	\$275,000	\$239,286	\$187,500	\$218,182	\$375,000	\$225,000	\$335,000	\$150,000	\$325,000
	STI	\$379,412	\$320,588	\$337,500	\$332,258	\$293,333	\$104,167	\$346,053	\$182,500	\$269,643

CONCLUSION

This is a snapshot of the aggregated salary and compensation information that was collected from a cross section of members of The CFO Alliance and CHRO Alliance.

People keep quitting at record levels, yet the majority of emerging and mid market enterprises are still trying to attract and retain them the same old ways. Even as emerging and mid-market enterprises scramble to retain their top talent and fill their open positions, most of them continue to rely on traditional levers to attract and retain people, including significant across-the-enterprise increases in base compensation, and short and long-term incentives -- with questionable success.

In short if you want to hire top talent and see peak performance and engagement from them, there are other ways that emerging and mid market enterprises can motivate employees to show up with their A-GAME.

Learn More and Access These Additional Talent Reports:

2022-2023 Global Mid-Market Talent Trends

Empowering Employees & Teams For High Performance – Sponsored by *Workday*

2022-2023 Redesign of the Office of the CFO and the CHRO

Matching People and Performance to New and Ever-Changing Needs

For additional information, benchmarking and customized reports please contact:

Greg Wood

484-437-2750

greg.wood@thecfoalliance.com



© 2022 AchieveNEXT. All rights reserved.