

Employee Cost Analysis — Q4 2024 vs Q4 2025

Confidential — HR & Finance

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Comparative Period: Q4 2024 → Q4 2025

EXECUTIVE SUMMARY

Total employee cost in Q4 2025 reached \$19.42M across 428 FTEs, up from \$16.84M across 396 FTEs in Q4 2024 — a 15.3% increase in absolute spend driven by headcount expansion (+8.1%) and compensation adjustments (+6.7% avg). Cost per employee rose modestly to \$45,374 per quarter from \$42,525, reflecting strategic investments in senior engineering and sales talent. Despite higher absolute costs, cost-to-revenue ratio improved from 34.6% to 33.0%, demonstrating that revenue growth outpaced workforce expansion. Benefits utilization increased 12.4%, with healthcare representing the largest single cost component at 18.6% of total employee cost.

TOTAL EMPLOYEE COST

\$19.42M

▲ 15.3% vs Q4 '24

COST / EMPLOYEE

\$45,374

▲ 6.7% vs Q4 '24

COST-TO-REVENUE

33.0%

▼ 1.6pp vs Q4 '24

TOTAL HEADCOUNT

428

▲ 32 FTEs

Cost Composition Overview

BASE SALARIES

\$13.18M

67.9% of total cost

BENEFITS & HEALTHCARE

\$3.61M

18.6% of total cost

BONUSES & COMMISSIONS

\$1.46M

7.5% of total cost

EQUITY / STOCK COMP

\$728K

3.7% of total cost

PAYROLL TAXES

\$312K

1.6% of total cost

TRAINING & DEV

\$136K

0.7% of total cost

Department Cost Comparison — Q4 2024 vs Q4 2025



Per-Employee Cost Breakdown by Department

Department	FTE Q4 '24	FTE Q4 '25	Cost/FTE Q4 '24	Cost/FTE Q4 '25	Δ Cost/FTE	Avg Salary Q4 '25
ENGINEERING	128	142	\$45,781	\$47,324	+3.4%	\$148,200
SALES	78	86	\$50,513	\$54,186	+7.3%	\$162,400
OPERATIONS	62	64	\$36,774	\$39,375	+7.1%	\$118,600

Department	FTE Q4 '24	FTE Q4 '25	Cost/FTE Q4 '24	Cost/FTE Q4 '25	Δ Cost/FTE	Avg Salary Q4 '25
CUSTOMER SUCCESS	44	48	\$38,636	\$40,417	+4.6%	\$124,800
MARKETING	36	38	\$42,778	\$45,789	+7.0%	\$138,200
FINANCE	28	28	\$41,429	\$43,571	+5.2%	\$134,600
HR & PEOPLE	20	22	\$35,000	\$37,273	+6.5%	\$112,400
Company Average	396	428	\$42,525	\$45,374	+6.7%	\$134,200

Cost Structure Comparison

Cost Component	Q4 2024	% of Total	Q4 2025	% of Total	Δ YOY
Base Salaries	\$11.48M	68.2%	\$13.18M	67.9%	+14.8%
Benefits & Healthcare	\$3.04M	18.1%	\$3.61M	18.6%	+18.8%
Bonuses & Commissions	\$1.22M	7.2%	\$1.46M	7.5%	+19.7%
Equity / Stock Comp	\$648K	3.8%	\$728K	3.7%	+12.3%
Payroll Taxes	\$276K	1.6%	\$312K	1.6%	+13.0%
Training & Development	\$118K	0.7%	\$136K	0.7%	+15.3%
Recruiting & Onboarding	\$62K	0.4%	\$48K	0.2%	-22.6%
Total Employee Cost	\$16.84M	100%	\$19.42M	100%	+15.3%

Efficiency & ROI Metrics

Q4 2024		Q4 2025	
Total Revenue	\$48,700,000	Total Revenue	\$58,900,000
Total Employee Cost	\$16,840,000	Total Employee Cost	\$19,420,000

Cost-to-Revenue Ratio	34.6%	Cost-to-Revenue Ratio	33.0%
Revenue per \$1 Spent	\$2.89	Revenue per \$1 Spent	\$3.03
Revenue / Employee	\$122,980	Revenue / Employee	\$137,617
Profit / Employee	\$23,232	Profit / Employee	\$30,607

Headcount Movement — Q4 2024 → Q4 2025

DEPARTMENT	START (Q4 '24)	NEW HIRES	DEPARTURES	NET CHANGE	END (Q4 '25)	ATTRITION %
ENGINEERING	128	+22	-8	+14	142	5.6%
SALES	78	+14	-6	+8	86	7.0%
OPERATIONS	62	+5	-3	+2	64	4.7%
CUSTOMER SUCCESS	44	+7	-3	+4	48	6.3%
MARKETING	36	+4	-2	+2	38	5.3%
FINANCE	28	+1	-1	0	28	3.6%
HR & PEOPLE	20	+3	-1	+2	22	4.5%
Company Total	396	+56	-24	+32	428	5.4%