

The Unicorn Trajectory

Who Unicorns hire and when they hire them



This is a comparison of people hired into leadership teams of B2B software Unicorns, and B2B software companies that raised the same amount of VC money at the same time as Unicorns, but did not enjoy the same extraordinary levels of success.

It's called The Unicorn Trajectory because it shows the leadership hiring decisions that were made in Unicorns over the first five years after their first significant venture capital raises; it charts the talent path that took them from \$20m valuations to \$1bn.

What's included in the data - Companies?

The data includes 50 B2B software Unicorns in North America and Europe that raised \$3m-\$15m in one round of venture funding between 2008 and 2018, and we've taken 50 B2B software businesses in North America and Europe that raised \$3m-\$15m in one round of venture funding between 2008 and 2013 but did not go on to become Unicorns (they're all still in business, but none of them have ever been valued at more than \$100m).

To avoid confusion, the groups of businesses outlined above will be called 'Unicorns' and the 'Control Group' for the duration of this deck.

Unicorns =

- B2B software businesses that have been valued at \$1bn or more
- Founded in North America or Europe
- Raised \$3m-\$15m of venture capital in one round, between 2008 and 2018

Control Group =

- B2B software businesses that have not been valued at more than \$100m
- Founded in North America or Europe
- Raised \$3m-\$15m of venture capital in one round, between 2008 and 2013*

The same proportion of businesses in each category were founded in North America versus Europe, and on average the Unicorns and Control Group companies raised the same amount of capital in their round of \$3m-\$15m.

*Research from [Play Bigger](#) notes that "a six-year-old start-up with less than a \$500 million dollar valuation or market cap will most likely never achieve a \$1 billion valuation", hence businesses founded before 2013 that have not achieve a valuation of more than \$100m are very unlikely to become Unicorns.

What's included in the data - People

From the 50 Unicorn companies and 50 Control Group companies we've researched for the dataset, we've found everyone who is/was a VP/SVP/EVP or C-Level member of the team.

That's 1,956 people in total: 1,442 people in Unicorns, and 514 from the Control Group, including Founders, over the first five years of each business.

For each one of those people, we have data points showing their:

- Function
- Founder or Non-Founder status
- Undergraduate, Postgraduate and MBA schools and universities
- Years of experience prior to joining the Unicorn or Control Group company
- Job title
- Previous employers
- Dates of employment in the Unicorn or Control Group company

We refer throughout this research to 'leaders' and 'people in leadership positions' by which we mean people with VP, SVP, EVP and C-level titles that are included in this dataset.

A few additional things...

Correlation vs Causation

This research covers Correlation only in terms of the data. Causation is addressed by conversation and dialogue - we will never know if specific people caused Unicorn outcomes, but we can discuss the timing of their joining and leaving businesses, and how their past experiences may have contributed to a given outcome. In this report, numbers relate to correlation and words relate to our thoughts on causation.

A note on timings...

Year 0 refers to the date at which companies first raised a round of between \$3m and \$15m, and subsequent years fairly explanatory.

Founders and Non-Founders

It may seem counterintuitive, but on the whole we haven't split Founders out from non-Founders in this deck (aside from the last few slides). We haven't done this because what we're looking at in the data is the combination of the whole team; we're not looking for individuals or specific backgrounds, we're looking for what a great leadership team looks like, as a combined effort. We're also looking at who Founders need to hire to compliment their own backgrounds and previous experiences.

Experience

When the 'prior years of experience' of leaders are shown, it's assumed that they do not accumulate whilst people are working in Unicorns or Control Group companies. The 'prior years of experience' are taken to be the years before the leader joined the Unicorn or Control Group company.

Statistical Significance

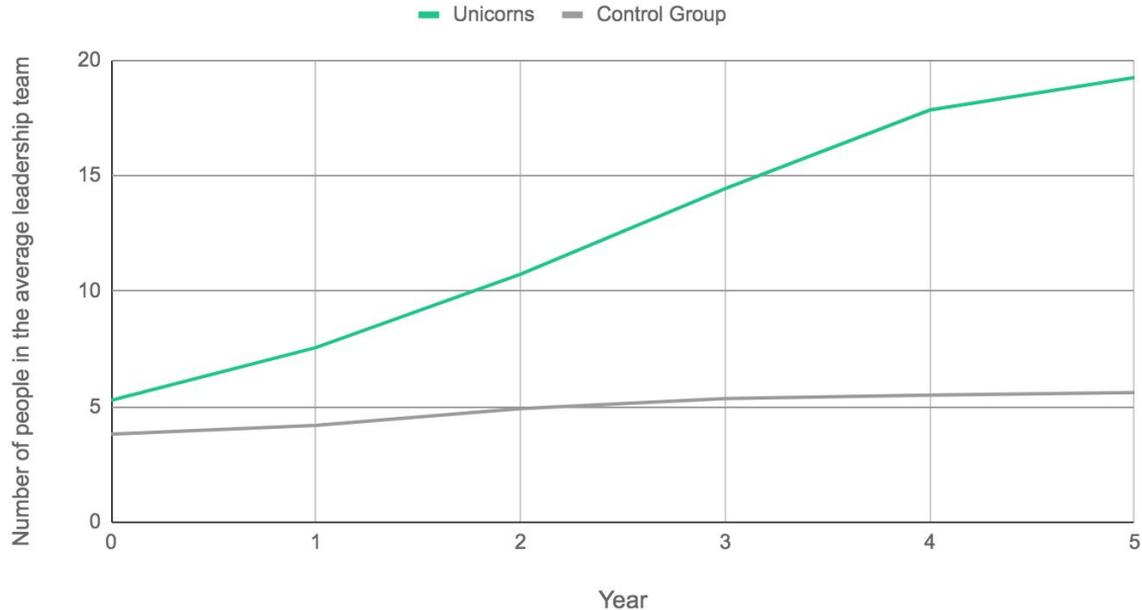
We've created 95% confidence intervals throughout this report, to clearly delineate where numbers in the Unicorns are statistically different to numbers in the Control Group. *These numbers are shown in italics throughout the report.*

Section 1: The overall structure of leadership teams

In the first five years Unicorns add 7x as many leaders as Control Group companies, going from 5 leaders to 19, on average...

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Number of people in leadership teams, on average, from Year 0 to Year 5



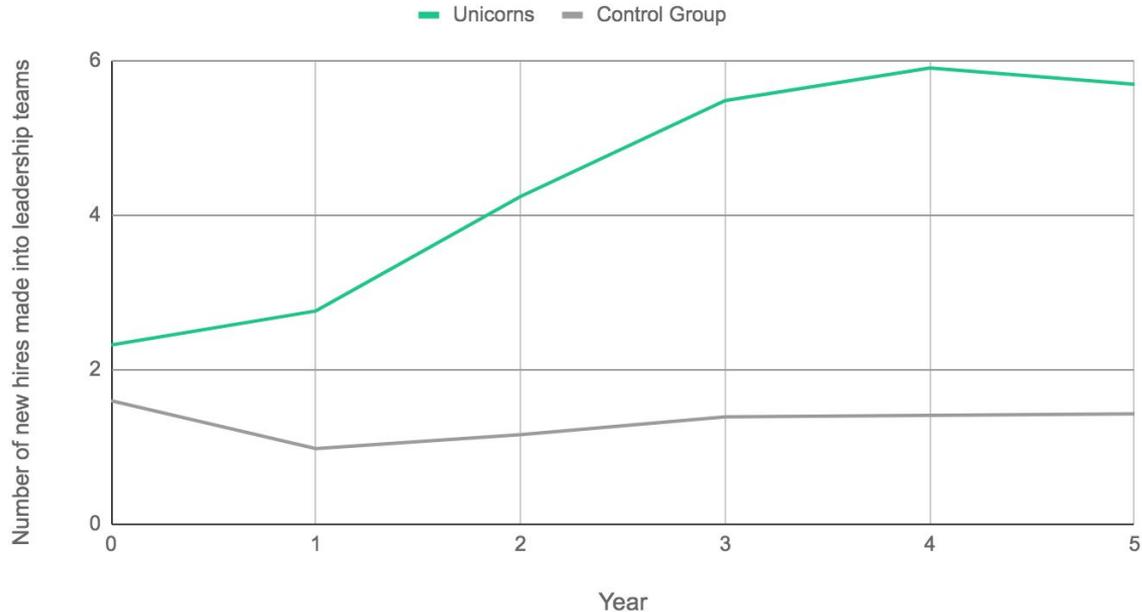
Year	Unicorns	Control Group
0	5.3	3.8
1	7.6	4.2
2	10.7	4.9
3	14.4	5.4
4	17.8	5.5
5	19.2	5.6

...Which isn't necessarily all that surprising, considering the additional funding and employer branding that comes with being on the Unicorn trajectory. But what's really surprising is that in the first two years after first raising a \$3m-\$15m round, Unicorns hire 6x as many leaders as Control Group companies, going from 5 leaders to 11 leaders on average.

And if we factor in the churn of leaders during the five year period so that we're only looking at new hires made, the difference is even greater...

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Number of new hires made into leadership teams, on average, from Year 0 to Year 5



Year	Unicorns	Control Group
0	2.3	1.6
1	3.1	1.0
2	4.2	1.2
3	5.5	1.4
4	5.9	1.4
5	5.7	1.4

The previous slide showed how many leaders were in an average Unicorn and in an average Control Group company, whereas the data here shows how many new appointments of leaders were made each year. Unicorns, on average, hire 26 leaders during the first five years whereas Control Group companies hire eight.

When we set out to pull this data together, we expected that there would be significant differences between Unicorns and Control Group companies, but not as soon as Year 1.

Why is this surprising?

It's surprising because Unicorns hire an average of between 2 and 3 leaders in the year after first raising \$3m-\$15m, in comparison to every second Control Group company hiring one leader. Each of those hires takes around 3 to 6 months, and then there's an additional 3 months of them working out their notice period at their previous employer.

During this time, the founder will be heavily involved in finding a search firm, reviewing short lists of candidates, interviewing and then issuing offers.

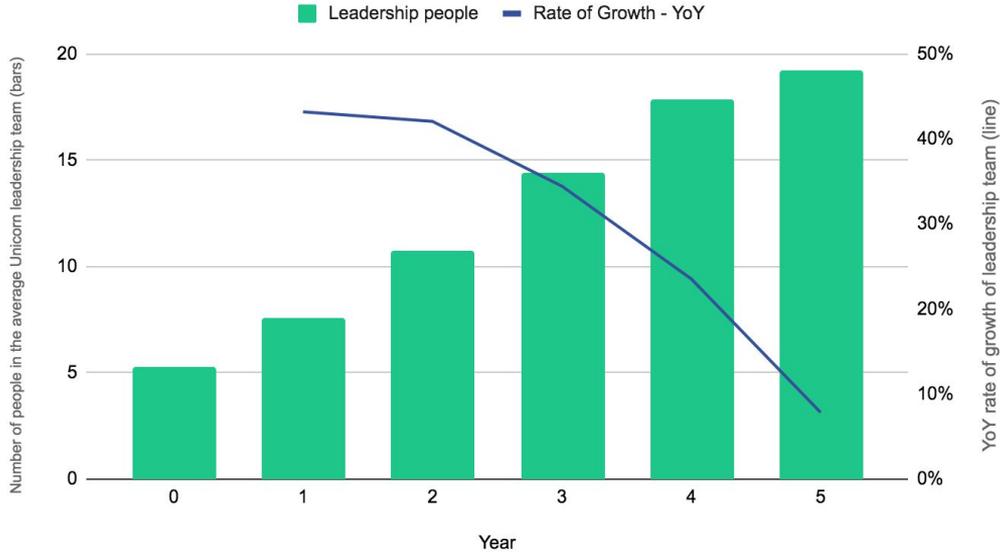
At this point, these are not 'famous' businesses; they don't yet have a huge brand to leverage in the hiring process.

In other words, it's massively time consuming to do one of these searches, let alone 3 at the same time (whilst running a business that's in high growth phase), with limited employer branding.

The high point of the leadership team growth is at Year 1...



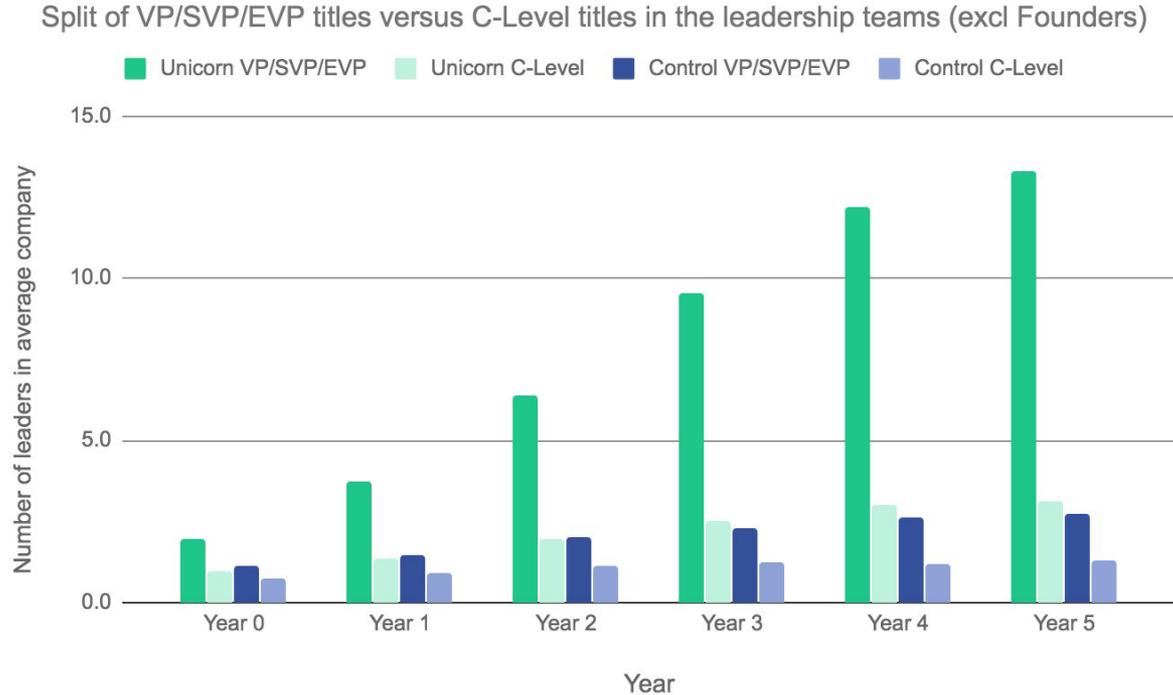
Number of people in the average Unicorn leadership team vs YoY rate of growth of leadership team



Year	People in leadership	Rate of Growth - YoY
0	5.3	
1	7.6	43%
2	10.7	42%
3	14.4	34%
4	17.8	24%
5	19.2	8%

In other words, the number of people being added to the leadership team each year decreases in proportional terms, from Year 1 onwards.

By far the largest group of people in the leadership teams of Unicorns are the 'VP/SVP/EVPs'...

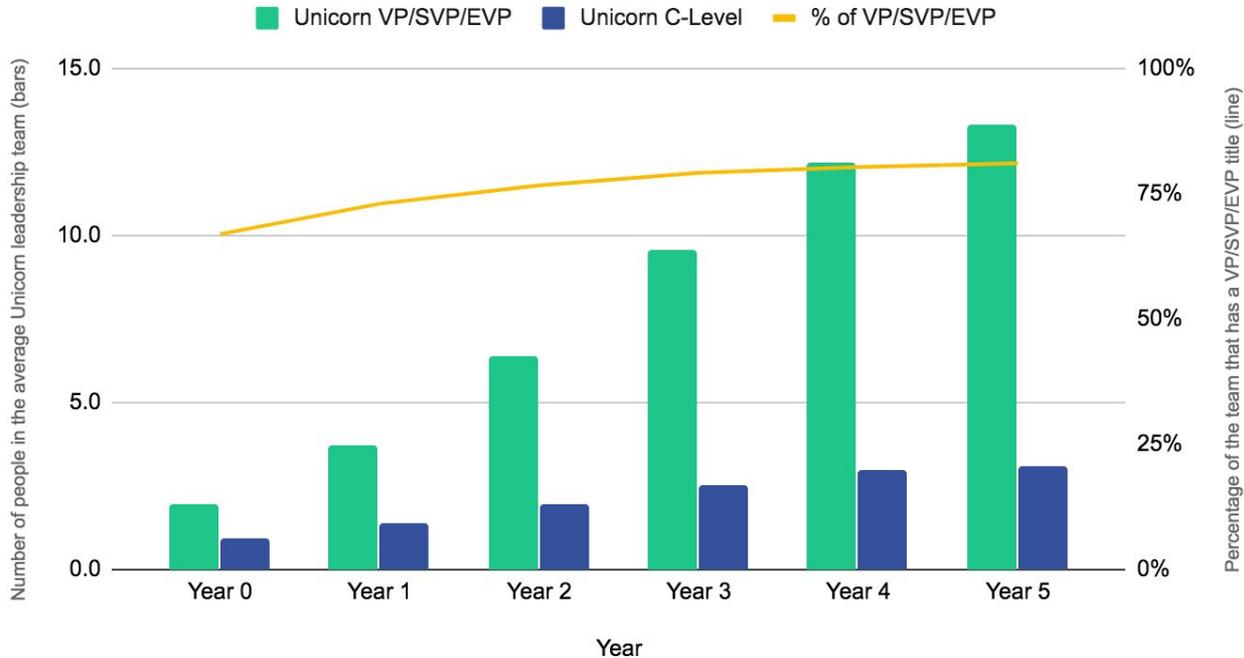


Despite the massive influx of leadership hires in Unicorns, there remain relatively few people with C-Level titles; the majority of the leadership team expansion comes from VP/EVP/SVP people, who typically have a greater emphasis on execution rather than strategy, in comparison to C-Level.

67% of the leadership team in an average Unicorn, excluding Founders, have VP/SVP/EVP titles at Year 0, rising to 81% by Year 5...



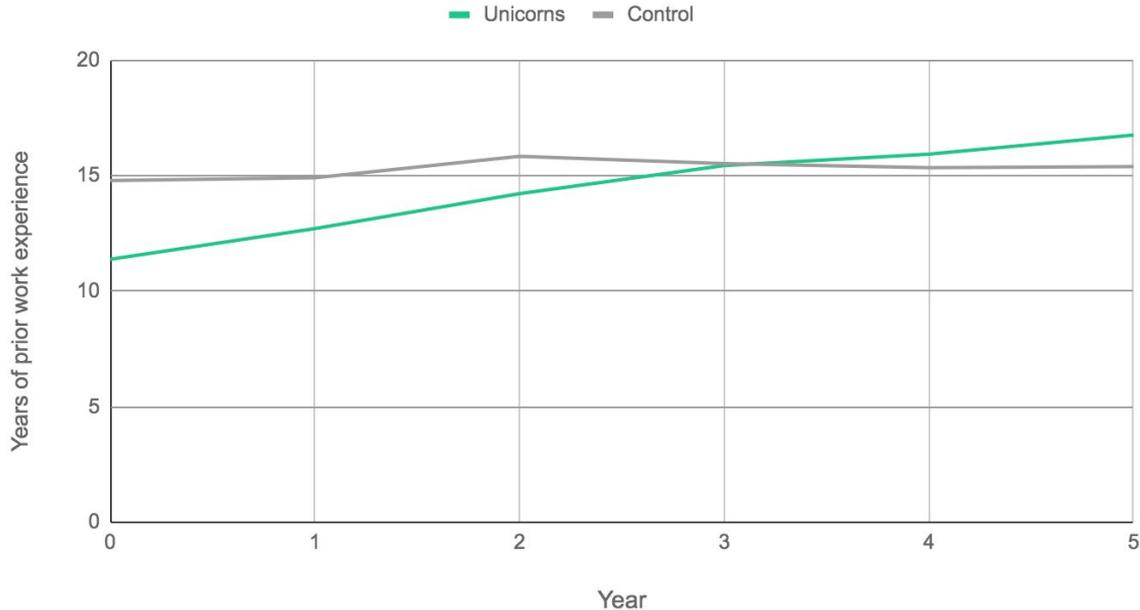
Number of leaders in Unicorns split out by VP/SVP/EVP and C-Level vs VP/SVP/EVP leaders as a percentage of leadership team (excl Founders)



Unicorns start the five year period by hiring leaders that are less experienced than in the Control Group... But they end by hiring leaders that are more experienced...

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Years of prior work experience, on average, per leader



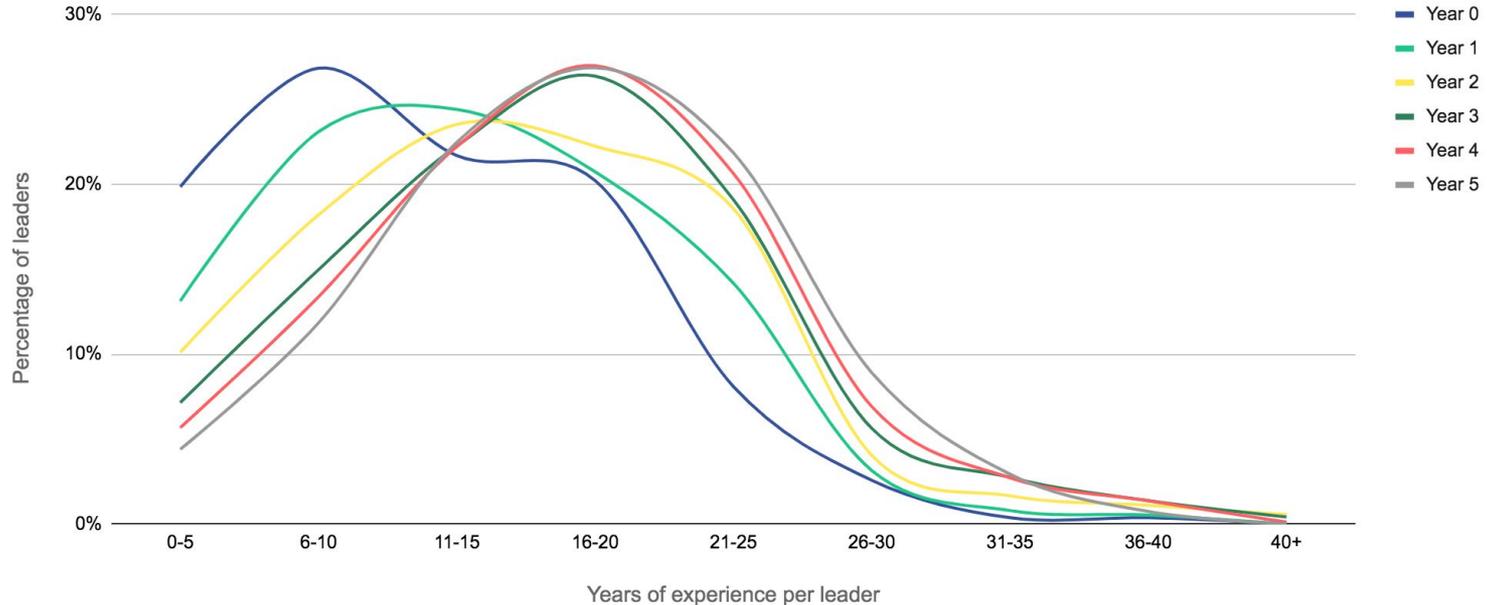
Year	Unicorns	Control
0	11.4	14.8
1	12.7	14.9
2	14.2	15.9
3	15.4	15.5
4	15.9	15.3
5	16.8	15.4

A note on the data shown above: 'prior work experience' doesn't accumulate per person as it's considered to be only the number of years of prior work experience before each leader joined either a Unicorn or a Control Group company.

At Year 0, the majority of leaders in Unicorns have 6-10 years of prior experience, but by Year 5 the majority of leaders have 16-20 years of prior experience

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Distribution of previous years of experience of each leader in an average Unicorn, at Years 0 to 5

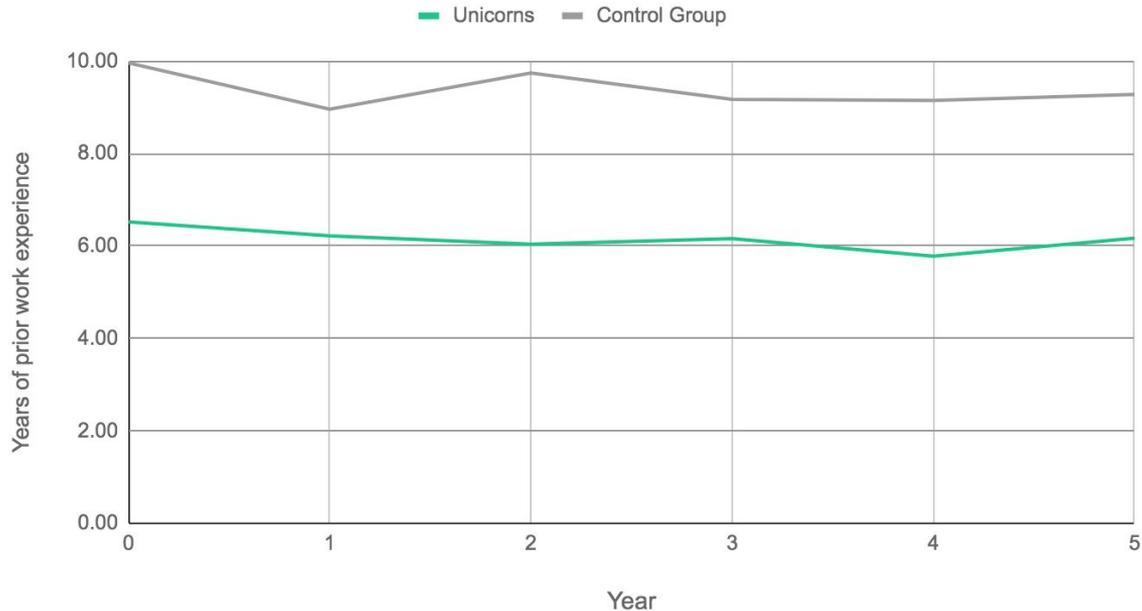


At Year 0, 27% of leaders have 6-10 years of prior experience. By Year 5, however, 27% of leaders have 16-20 years of prior experience.

Unicorns have a 'least experienced' leader that's around 3 years less experienced than the 'least experienced' leader in the average Control Group company



Years of prior experience of the least experienced leader, on average

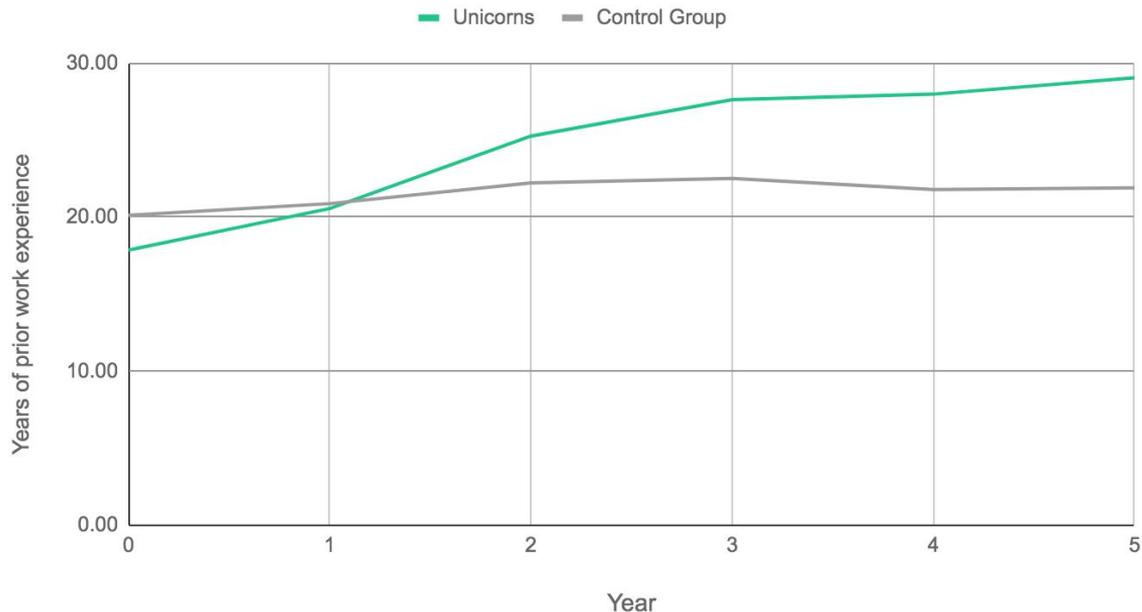


Year	Unicorns	Control Group
0	6.5	10.0
1	6.2	9.0
2	6.0	9.7
3	6.2	9.2
4	5.8	9.2
5	6.2	9.3

Unicorns have a 'most experienced' leader that's around 7 years more experienced than the 'most experienced' leader in the average Control Group company



Years of prior experience of the most experienced leader, on average

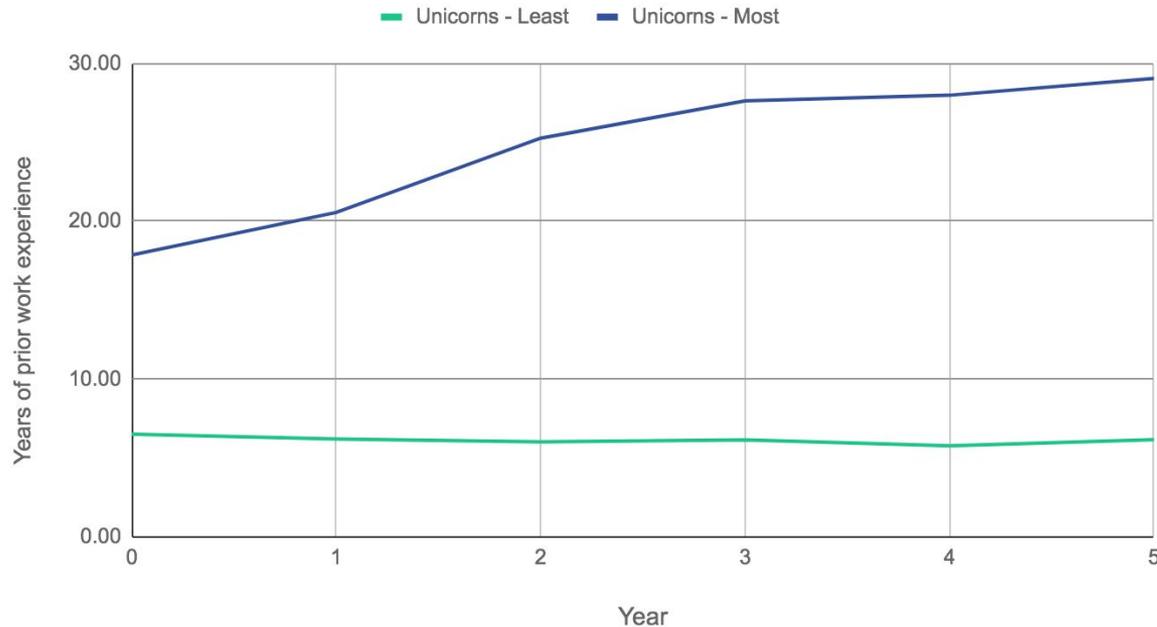


Year	Unicorns	Control Group
0	17.9	20.1
1	20.6	20.9
2	25.3	22.2
3	27.6	22.5
4	28.0	21.8
5	29.0	21.9

Unicorn teams are significantly more diverse in terms of leadership experience than Control Group companies



Years of prior experience of the most and least experienced leaders, on average



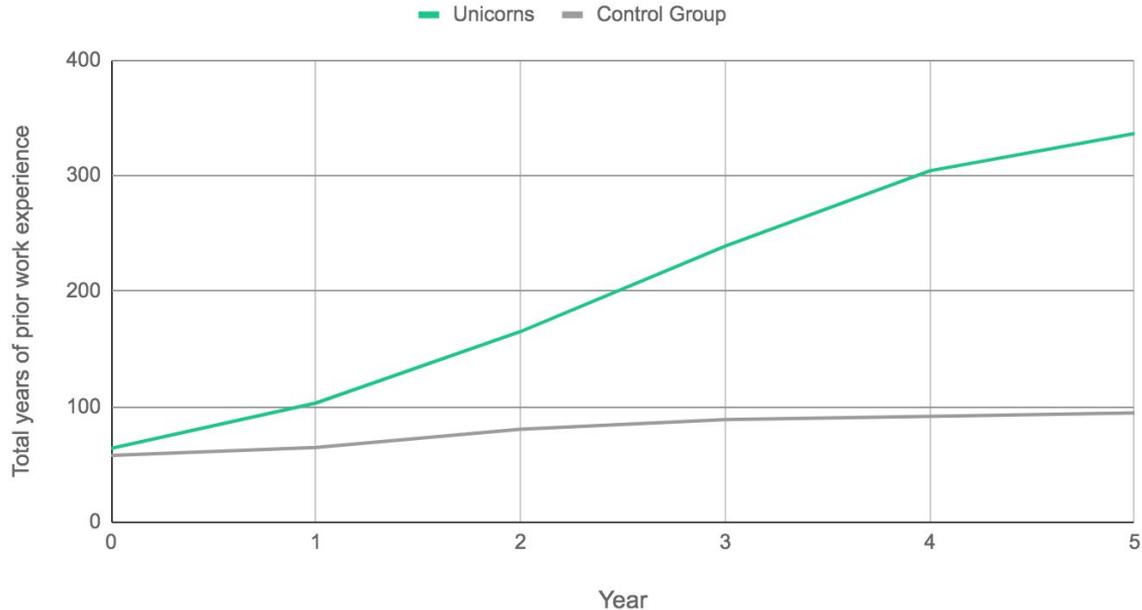
If we look at the two previous graphs in combination, what we see is that Unicorns had a gap of 23 years between their least and most experienced leaders. In the Control Group, however, this gap was only 13 years.

It would seem that hiring inexperienced but exceptionally high potential leaders, while complementing them with proven and experienced leaders, is a strategy that works well.

By Year 5, Unicorns have 3.4x as many years of prior experience in their leadership teams as Control Group companies do



Total years of prior work experience, on average, in leadership teams



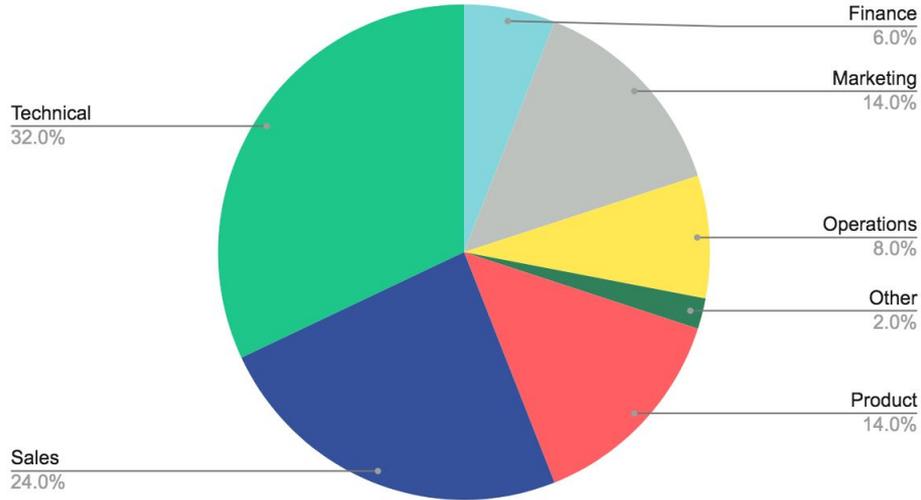
Year	Unicorns	Control Group
0	64.0	58.0
1	103.3	64.9
2	165.1	80.6
3	239.0	88.9
4	304.2	91.8
5	336.4	94.8

Even within the first year after raising \$3m-\$15m, Unicorns start to pull away from the Control Group companies. Control Group companies add only 6.9 years of prior experience in that first year, whereas Unicorns add a massive 39.3 years.

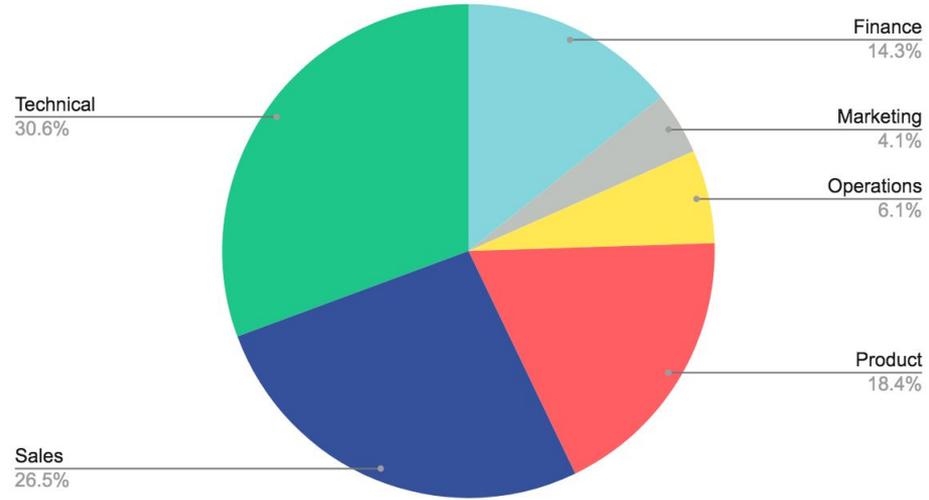
Unicorns made 3.5x more of their 'first' leadership hires in Marketing than Control Group companies did, and the reverse is true of Finance leaders...



Function of the first VP/C-Level hire made in Unicorns (excl Founders)



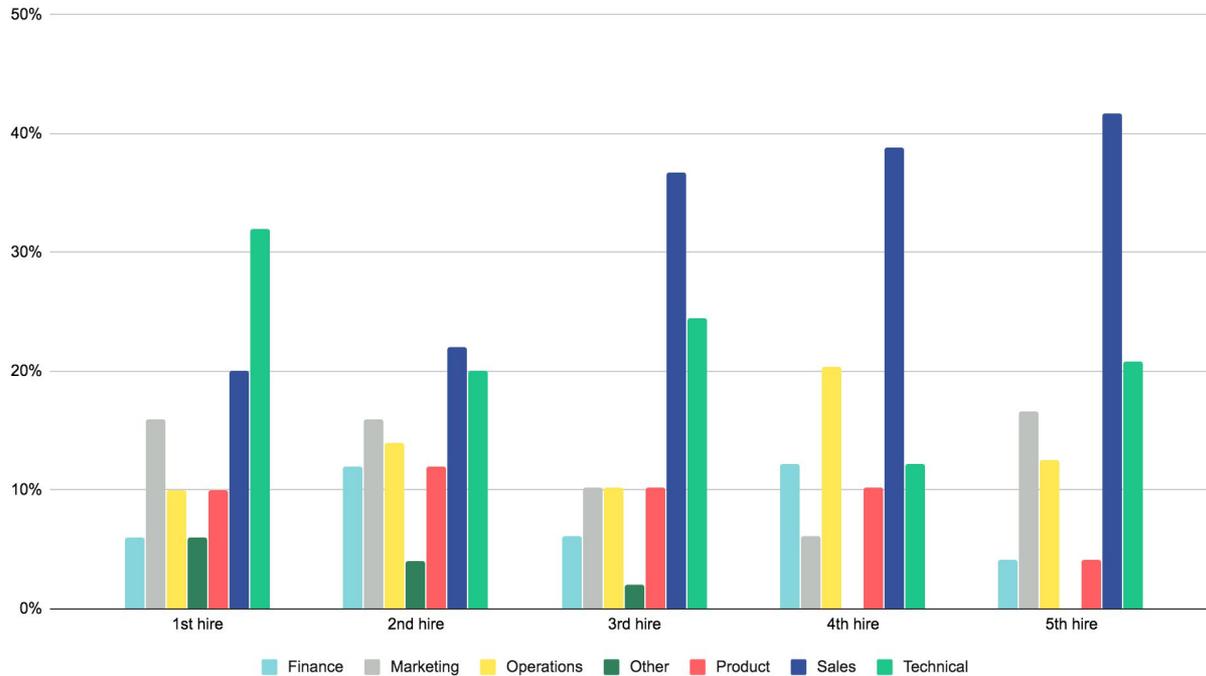
Function of the first VP/C-Level hire made in the Control Group (excl Founders)



32% of Unicorns hired a Technical leader before hiring leaders for any other function...



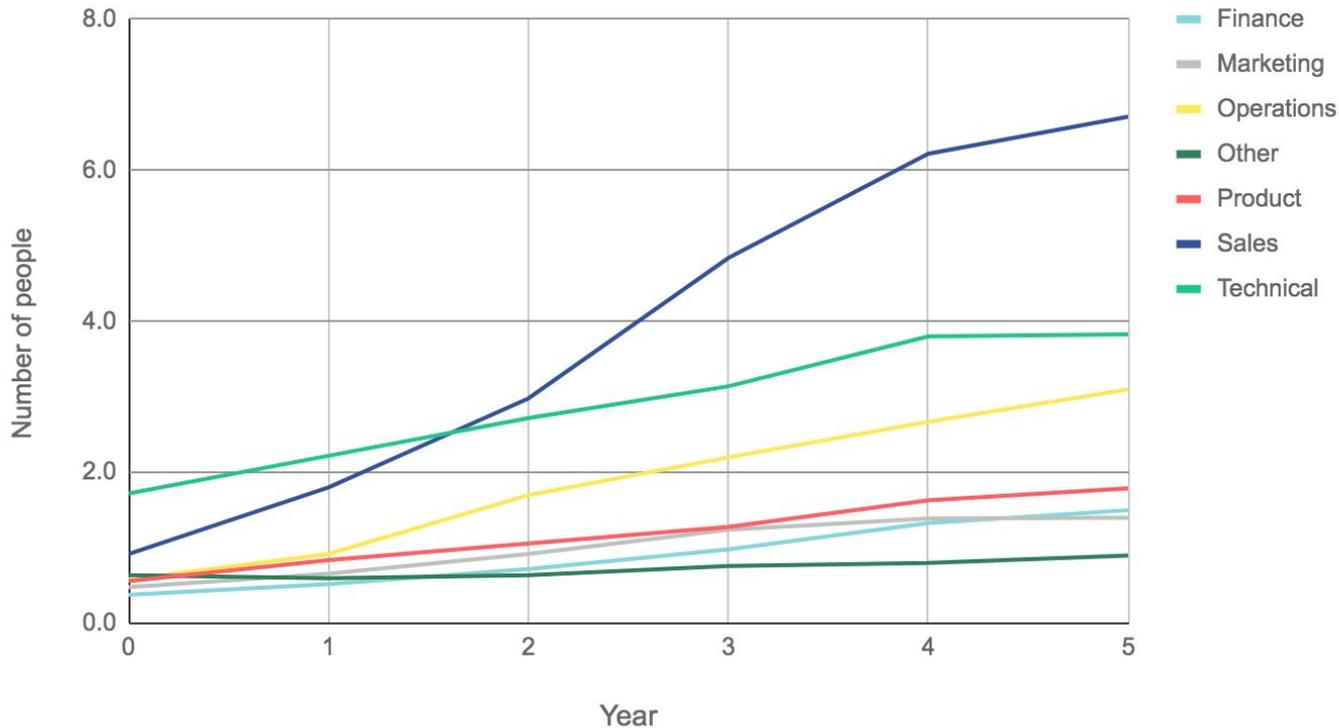
Order of leadership hires (excl Founders) in Unicorns, by function



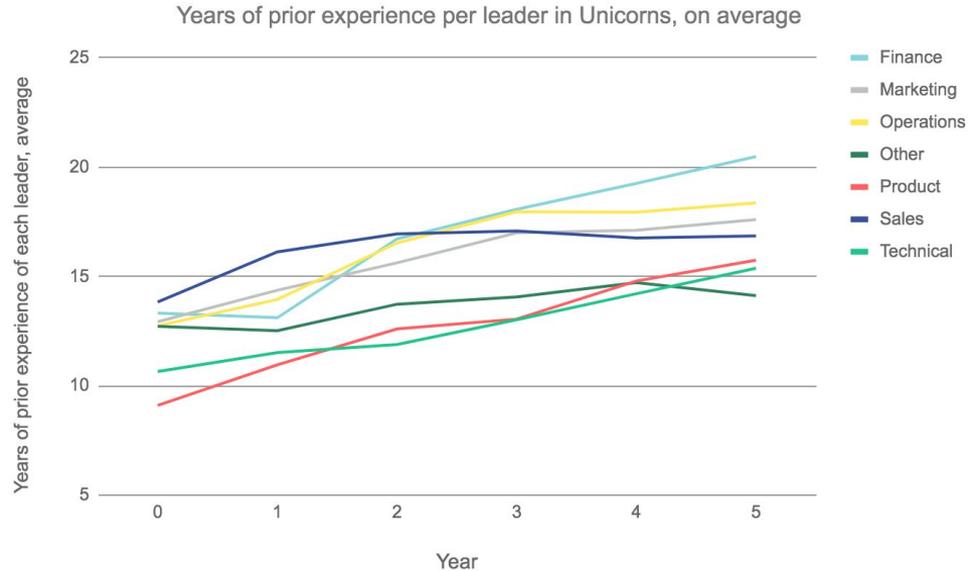
...But after making the first leadership hire, subsequent hires are more frequently in the Sales function than any other.

Unicorns hire more leaders into the Sales function than any other function, going from ~1 to ~7 over the first five years **N**

Total leadership people in each function, in an average Unicorn



At the beginning of the five year period, Sales leaders are the most experienced on average... but at the end it's Finance leaders who are the most experienced N



Years of prior experience per leader							
Year	Finance	Marketing	Operations	Other	Product	Sales	Technical
0	13.3	12.9	12.7	12.7	9.1	13.8	10.7
1	13.1	14.4	14.0	12.5	11.0	16.1	11.5
2	16.7	15.6	16.5	13.7	12.6	16.9	11.9
3	18.1	17.0	18.0	14.1	13.1	17.1	13.0
4	19.3	17.1	17.9	14.7	14.8	16.8	14.2
5	20.5	17.6	18.4	14.1	15.7	16.9	15.4

Tenure of leaders in Unicorns is around 10% less than in Control Group companies...



Average tenure per leader, in years								
	Finance	Marketing	Operations	Other	Product	Sales	Technical	Total
Control Group	3.9	2.8	4.2	6.3	4.1	3.2	5.4	4.1
Unicorns	3.7	3.0	3.5	7.0	3.8	3.1	4.9	3.7

A few reasons for why this could be:

- Rapid growth stages in Unicorns require the replacement of leadership team members in shorter increments, e.g. the Sales leader who'll get you from \$10m-\$25m is unlikely to have the same skill set as the Sales leader who'll get you from \$80m-\$100m
- Burnout - the energy required to go from \$0-\$1bn in 5 to 10 years is exceptionally hard to sustain

Section 2: Previous employers

Half of the leaders in Unicorns have previously worked at a VC backed, listed company... but only a third of leaders in the Control Group have done the same.

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We have categorised the previous employers of all of the leaders in the dataset into four groups:

- Private companies that have never received VC funding
- Private companies that have received VC funding
- Companies that have been publicly listed on the stock market and have never received VC funding
- Companies that have been publicly listed on the stock market and have received VC funding

We then used this information to find out how many of those categories of companies the leaders in our dataset had worked at.

Over half of the leaders in an average Unicorn have previously worked at a listed, VC backed business but in the Control Group it's less than a third... **N**

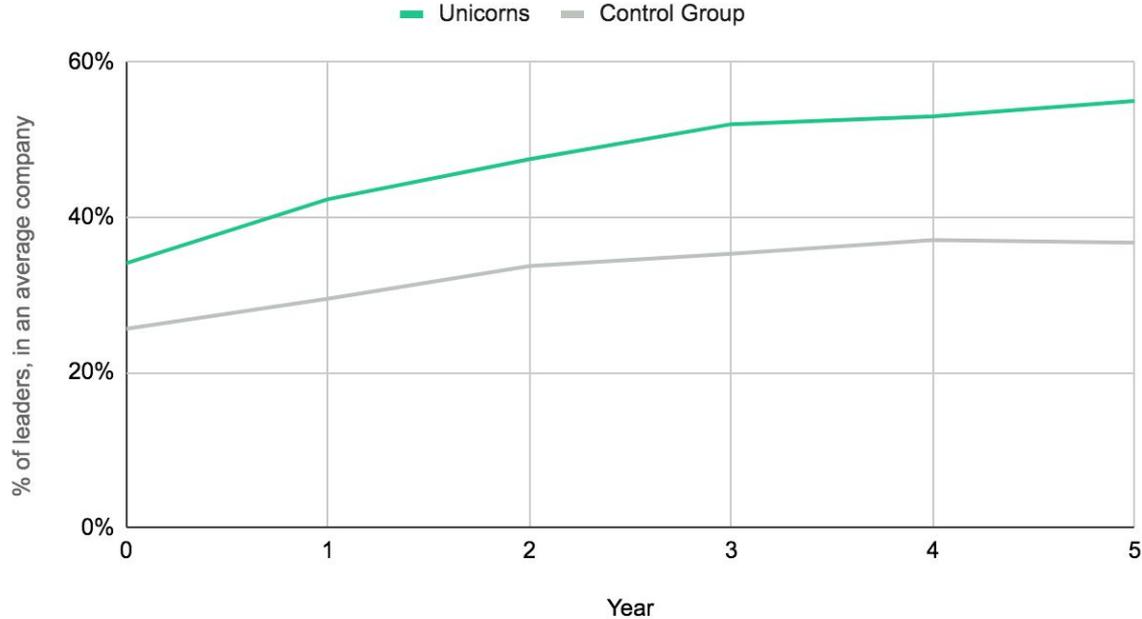
% of the leadership team in each company, on average, that has experience in...

	Private, no VC	Private, VC	Public, no VC	Public, VC
Control Group	72.1%	53.2%	50.1%	33.4%
Unicorns	70.8%	53.7%	51.2%	53.0%

Control Group leadership teams and Unicorn leadership teams had the same instance of having worked in all categories of companies, except for VC backed businesses that had also IPO'd.

Over time, the number of leaders in Unicorns with experience of working in VC backed, listed companies, increases proportionately

% of leaders in the average leadership team that have previous experience in a listed, VC backed business



Year	Unicorns	Control Group
0	1.8	1.0
1	3.2	1.2
2	5.1	1.7
3	7.3	1.9
4	9.0	2.1
5	9.7	2.1

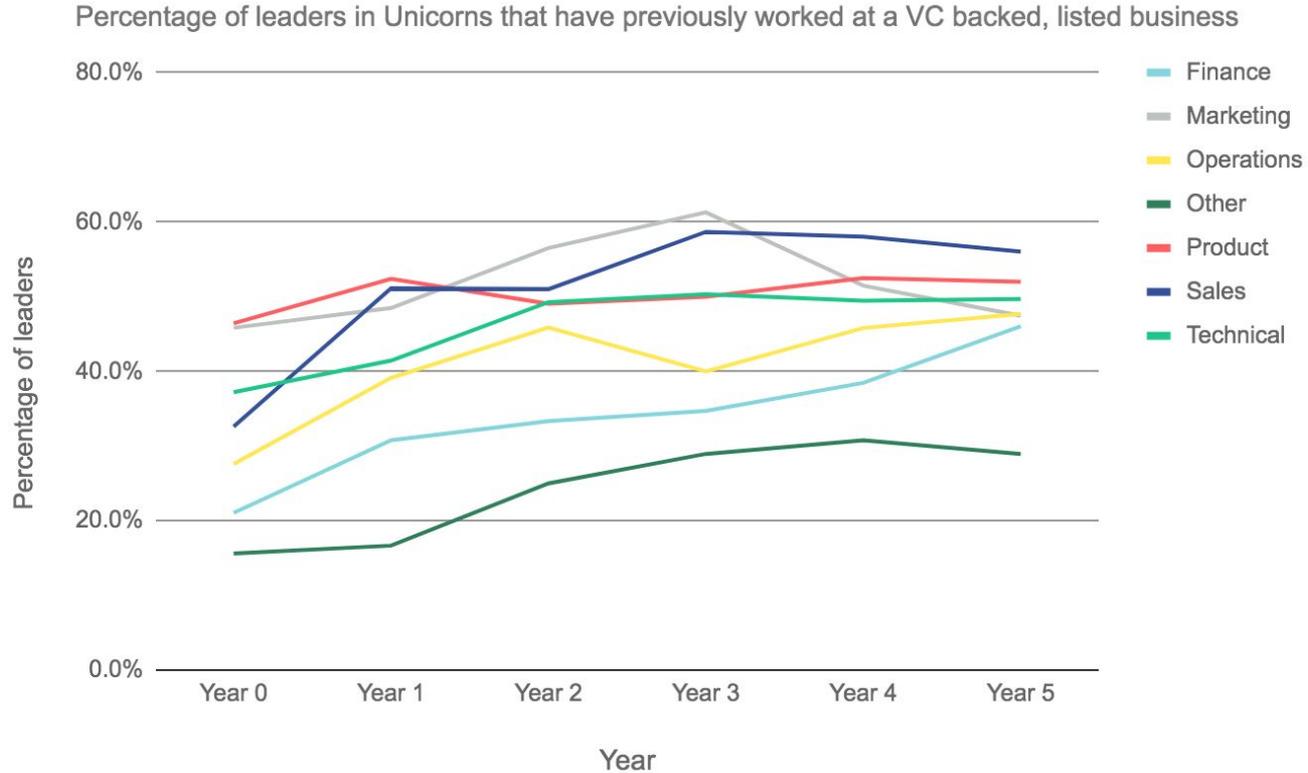
Over half of the Marketing leadership team in the average Unicorn has previously worked at a VC backed listed business, but in the Control Group less than a quarter has done the same...

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% of the leadership team in each company, on average, that has experience in a listed, VC backed business							
	Finance	Marketing	Operations	Other	Product	Sales	Technical
Control Group	18.0%	24.0%	30.6%	11.3%	23.5%	39.5%	29.0%
Unicorns	40.9%	52.5%	55.8%	22.3%	46.6%	54.9%	49.0%
Difference	22.9%	28.5%	25.2%	11.0%	23.1%	15.5%	19.9%

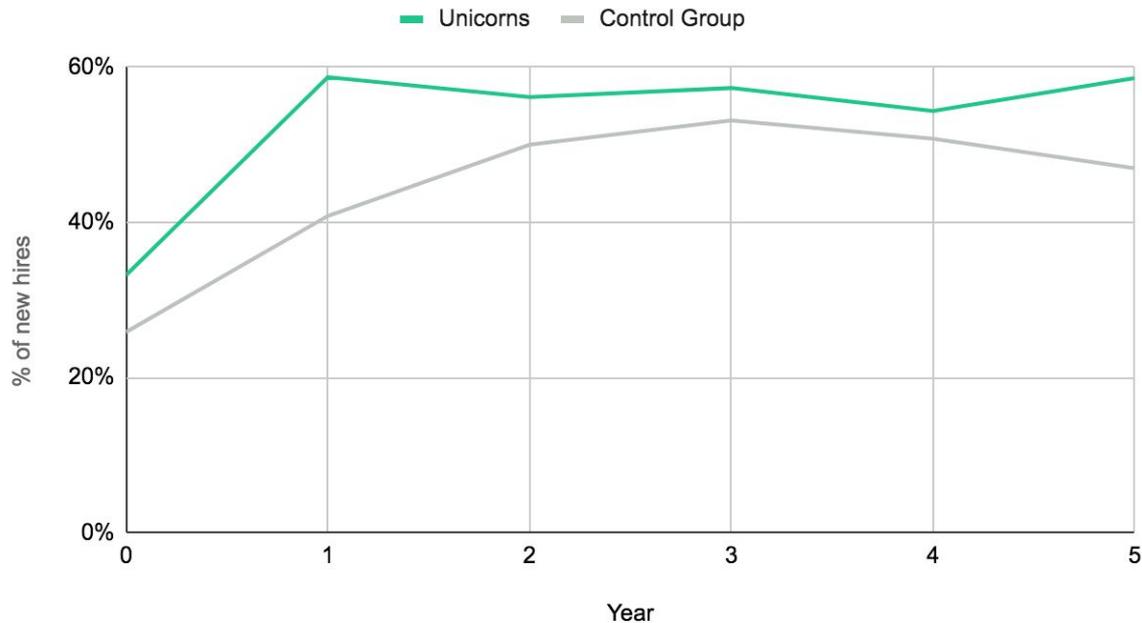
Leadership in all functions of Unicorns have a higher proportion of people that have worked in a listed, VC backed business in the past. The biggest difference between Unicorns and Control Group companies, in terms of function, is Marketing followed by Operations.

The proportion of the leadership teams of Unicorns that have experience in listed, VC backed businesses peaks at Year 3 in the Marketing function...



The proportion of new hires made into leadership teams that have previously worked in a VC backed, listed company N

% of new leadership hires that have experience of working in a VC backed, listed company



Year	Unicorns	Control Group
0	33%	26%
1	59%	41%
2	56%	50%
3	57%	53%
4	54%	51%
5	59%	47%

We've established that experience in listed, VC backed businesses is materially difference between Unicorns and the Control Group, but what about other previous employers?

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When we looked at the types of companies that leaders had previously worked at, there were no differences between the Unicorns and the Control Group companies on the whole. The same proportion of people in each group had worked at Software companies, Investment Banks, Services companies, Manufacturers, and the Big 4.

The only statistical difference we could find was with McKinsey, Bain and Boston Consulting Group as a group of companies, also known as the MBB consultancies...

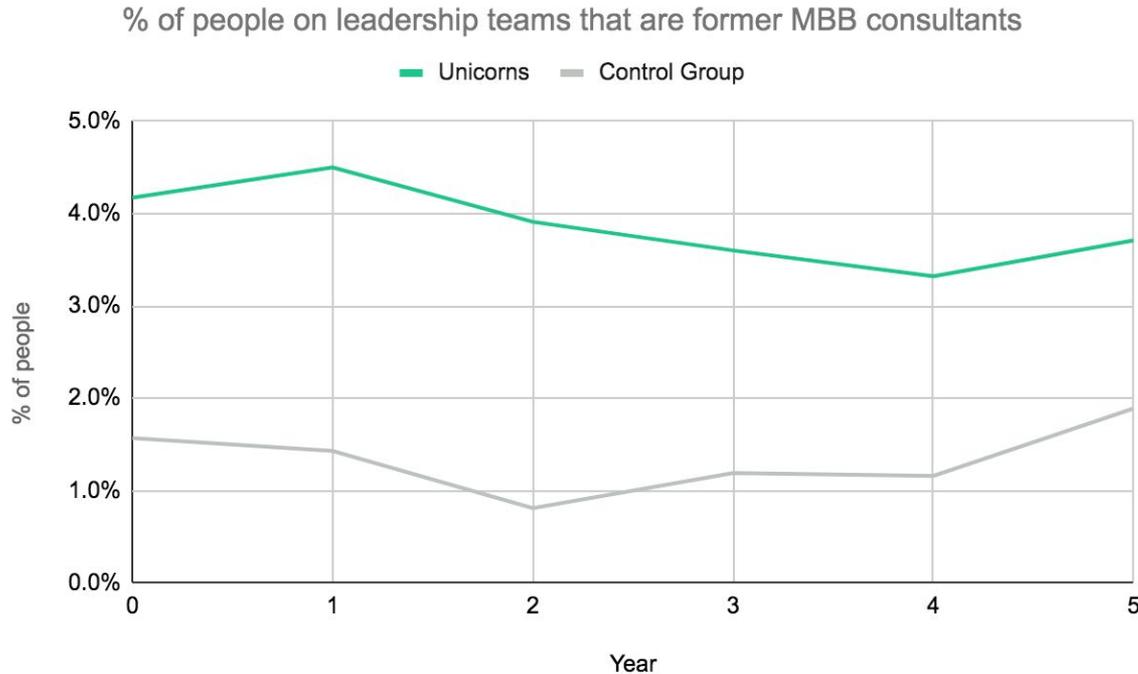
Half of all Unicorns have at least one leader who previously worked for an MBB consultancy

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Half of all Unicorns in the dataset had at least one leader (in any function) who had previously worked at an MBB consultancy, in comparison to 10% of Control Group companies.

Over a third of Unicorns had at least one Operations leader who had previously worked at an MBB consultancy, in comparison to 4% of Control Group companies.

Unicorns have twice as many former MBB consultants on their teams than Control Group companies do N



Year	Unicorns	Control Group
0	4.2%	1.6%
1	4.5%	1.4%
2	3.9%	0.8%
3	3.6%	1.2%
4	3.3%	1.2%
5	3.7%	1.9%
Total	3.6%	1.8%

Although it's worth noting that the proportion of leaders with MBB experience is - at around 3.5% to 4.5% - still very small.

Let's move now to a more general look at who the top previous employers were, of people in leadership teams of Unicorns and Control Group companies...

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Unicorns

Rank	Previous employer	Number of people	Percentage of all leaders in Unicorns
1	Oracle	116	8.0%
2	IBM	85	5.9%
3	HP	78	5.4%
4	Salesforce	58	4.0%
5	Microsoft	57	4.0%
6=	EMC	56	3.9%
6=	SAP	55	3.9%
8	Cisco	54	3.8%
9	Yahoo	39	2.7%
10	Symantec	36	2.5%
11	VMware	35	2.4%
12=	McAfee	32	2.2%
12=	Google	32	2.2%
12=	Adobe	32	2.2%
12=	Accenture	32	2.2%
16	McKinsey	28	1.9%
17	Intel	26	1.8%
18	CA Technologies	24	1.7%
19	PeopleSoft	22	1.5%
20	SuccessFactors	21	1.5%

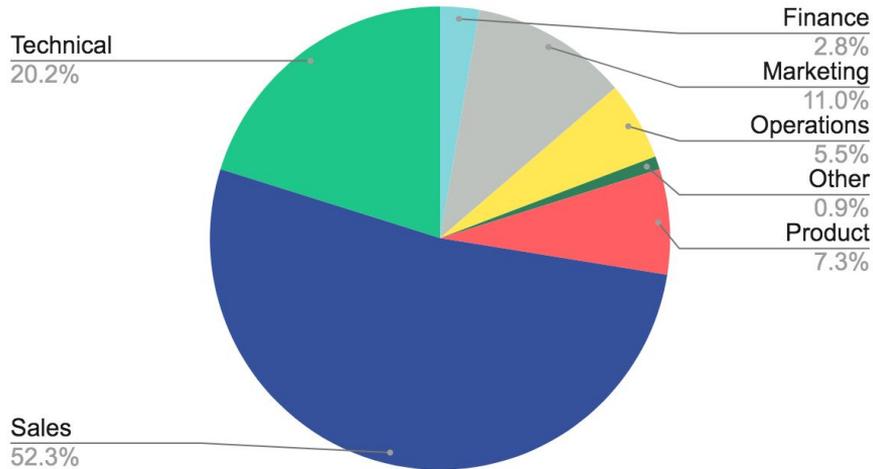
Control Group

Rank	Previous employer	Number of people	Percentage of all leaders in Control Group
1	Oracle	24	4.7%
2	HP	24	4.7%
3	SAP	19	3.7%
4	Cisco	17	3.3%
5	IBM	16	3.1%
6	Microsoft	14	2.7%
7	Yahoo	12	2.3%
8	Salesforce	12	2.3%
9	Apple	10	2.0%
10=	Merrill Lynch	9	1.8%
10=	Google	9	1.8%
10=	EMC	9	1.8%
10=	Accenture	9	1.8%
14=	Intuit	8	1.6%
14=	Dell	8	1.6%
16=	Symantec	7	1.4%
16=	NetApp	7	1.4%
18=	Silicon Graphics	6	1.2%
18=	PWC	6	1.2%
18=	Nokia	6	1.2%

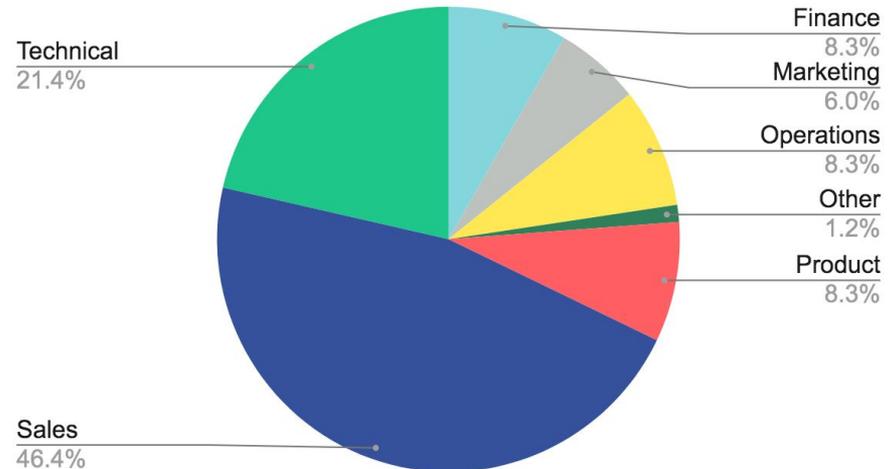
There are only two prior employers that have a statistically significant difference between Unicorns and Control Group companies... Oracle and IBM N

If we look at all of the leaders of the Unicorns in this research who previously worked at Oracle or IBM, what function are they in?

Function of people who previously worked at Oracle



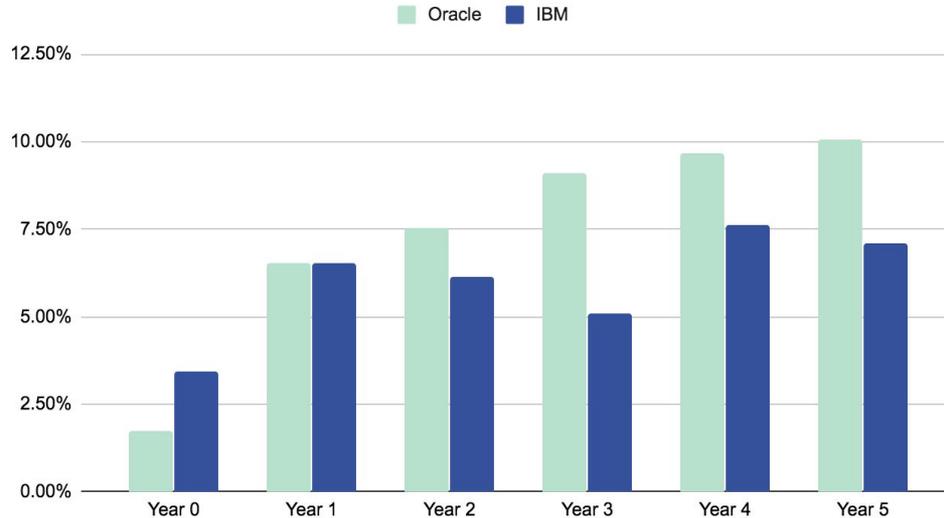
Function of people who previously worked at IBM



Five years after raising \$3m-\$15m, one out of every 10 new leadership hires made by Unicorns had previously worked at Oracle



Oracle and IBM alumni as % of new leadership hires into Unicorns



Oracle and IBM alumni joining Unicorn leadership teams as a percentage of all new leadership hires

	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5
Oracle	1.7%	6.5%	7.6%	9.1%	9.7%	10.0%
IBM	3.5%	6.5%	6.1%	5.1%	7.6%	7.1%

Section 3: Education

In this section we'll look at the higher education backgrounds of everyone in the dataset, including Undergraduate, Postgraduate and MBA degrees.

We've categorised universities into Top 50, Top 100 and Top 200 for Undergraduate and Postgraduate, using QS World University Rankings and The Times Higher Education Rankings.

For MBAs we've categorised universities into Top 10 and Top 25, using The Financial Times and QS World University Rankings.

Every single Unicorn had someone on the leadership team with an Undergraduate degree from a Top 200 university...



...But only 80% of Control Group companies had the same.

Percentage of companies that have at least one leader with an Undergraduate degree from a Top 200 University

	Finance	Marketing	Operations	Other	Product	Sales	Technical	Total
Unicorns	60%	72%	72%	34%	64%	90%	88%	100%
Control Group	12%	22%	20%	24%	34%	48%	42%	80%

And the differences are more stark with Top 100 and Top 50 Universities, for Undergraduate

Percentage of companies that have at least one leader with an Undergraduate degree from a Top 100 University

	Finance	Marketing	Operations	Other	Product	Sales	Technical	Total
Unicorns	48%	66%	64%	30%	52%	76%	72%	100%
Control Group	12%	20%	18%	18%	22%	34%	34%	72%

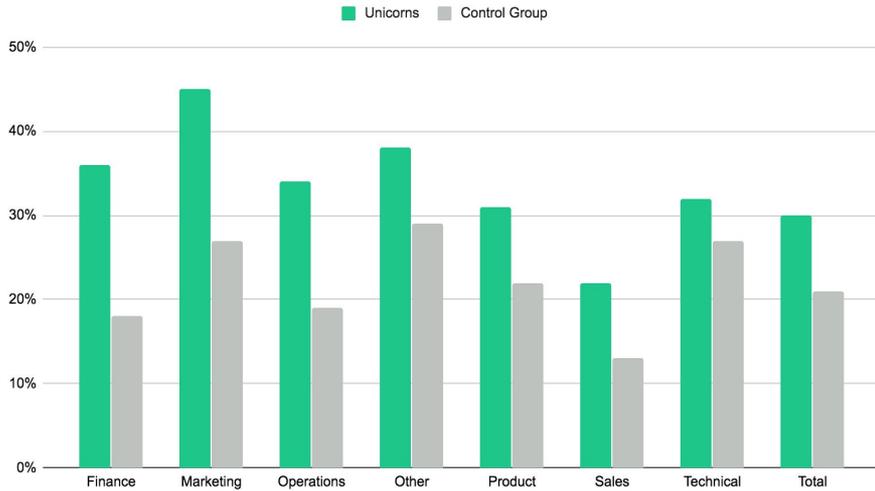
Percentage of companies that have at least one leader with an Undergraduate degree from a Top 50 University

	Finance	Marketing	Operations	Other	Product	Sales	Technical	Total
Unicorns	40%	60%	50%	26%	52%	62%	62%	100%
Control Group	10%	12%	14%	14%	20%	16%	26%	58%

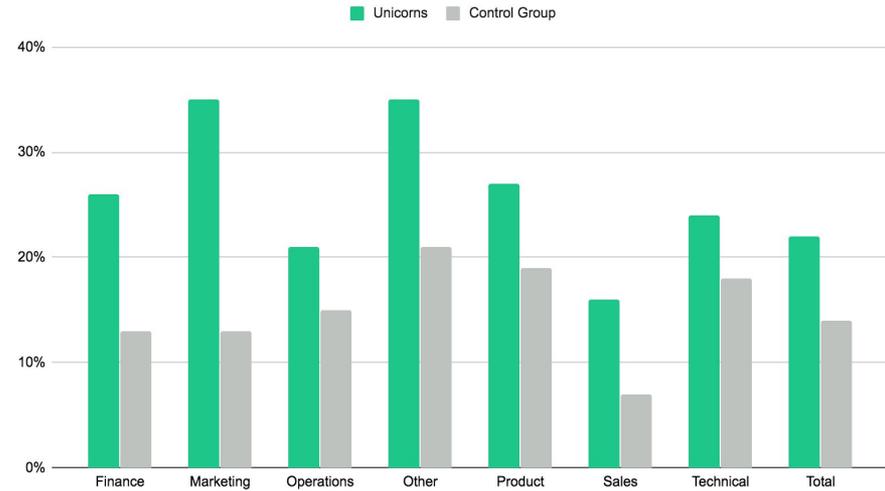
There are similar differences when we look at the percentage of all Unicorn leaders vs all Control Group leaders...



Percentage of leaders that have an Undergraduate degree from a Top 100 University

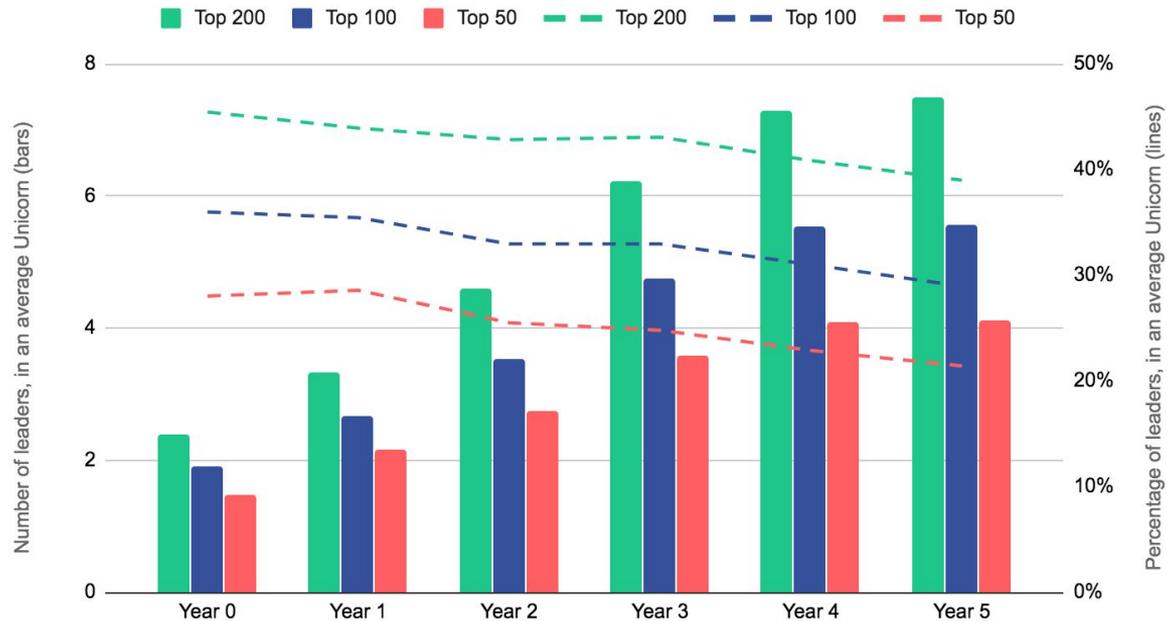


Percentage of leaders that have an Undergraduate degree from a Top 50 University



Over time, the proportion of leaders in Unicorns with Undergraduate degrees from top Universities decreases...

Number of leaders in an average Unicorn with degree from Top 200/100/50 University vs Percentage of leaders in Unicorns with Top 200/100/50 Undergraduate degree



94% of Unicorns had someone on the leadership team with a Postgraduate degree from a Top 200 University...

...But only 64% of Control Group companies had the same.

Percentage of companies that have at least one leader with a Postgraduate degree from a Top 200 University								
	Finance	Marketing	Operations	Other	Product	Sales	Technical	Total
Unicorns	34%	30%	60%	20%	40%	62%	68%	94%
Control Group	10%	16%	28%	18%	22%	14%	34%	64%

And the differences are more stark with Top 100 and Top 50 Universities....

Percentage of companies that have at least one leader with a Postgraduate degree from a Top 100 University								
	Finance	Marketing	Operations	Other	Product	Sales	Technical	Total
Unicorns	30%	26%	50%	18%	38%	58%	64%	90%
Control Group	10%	10%	24%	16%	18%	10%	30%	62%

Percentage of companies that have at least one leader with a Postgraduate degree from a Top 50 University								
	Finance	Marketing	Operations	Other	Product	Sales	Technical	Total
Unicorns	30%	22%	46%	16%	36%	50%	56%	86%
Control Group	10%	10%	20%	12%	16%	8%	20%	54%

MBA's from top universities have a similar pattern: 94% - of Unicorns have at least someone on the team with an MBA from a top 25 University, in comparison to 56% of Control Group companies

N

Percentage of companies that have at least one leader with an MBA from a Top 25 University

	Finance	Marketing	Operations	Other	Product	Sales	Technical	Total
Unicorns	44%	36%	38%	16%	42%	60%	18%	94%
Control Group	12%	18%	14%	12%	20%	16%	4%	56%

Percentage of companies that have at least one leader with an MBA from a Top 10 University

	Finance	Marketing	Operations	Other	Product	Sales	Technical	Total
Unicorns	36%	30%	28%	16%	32%	52%	12%	90%
Control Group	8%	12%	10%	8%	16%	10%	4%	44%

In terms of functional differences, the biggest gap between Unicorns and the Control Group is in Sales: 52% of Unicorns have a Sales leader with an MBA from a Top 10 University, whereas only 10% of Control Group companies have the same.

Top Universities of Unicorn leaders



Unicorns - Undergraduate Universities

Rank	University	% of people in Unicorns
1	UC Berkeley	3.47%
2	Stanford University	2.50%
3	Brigham Young University	2.36%
4	MIT	1.53%
5	UCLA	1.32%
6=	Yale University	1.04%
6=	University of Virginia	1.04%
6=	Duke University	1.04%
9=	University of Michigan	0.90%
9=	University of Illinois - Urbana-Champaign	0.90%
11	San Jose State University	0.83%
12=	University of California, Davis	0.76%
12=	Princeton University	0.76%
12=	Northwestern University	0.76%
12=	Copenhagen Business School	0.76%
12=	Boston College	0.76%
17=	University of Texas at Austin	0.69%
17=	University of Pennsylvania	0.69%
17=	New York University	0.69%
17=	California Polytechnic -San Luis Obispo	0.69%

Unicorns - Postgraduate Universities

Rank	University	% of people in Unicorns
1	Stanford University	1.18%
2=	UC Berkeley	0.76%
2=	MIT	0.76%
2=	Columbia University	0.76%
5=	University of Chicago	0.49%
5=	New York University	0.49%
5=	Boston University	0.49%
8=	University of Southern California	0.42%
8=	University of Michigan	0.42%
8=	Northwestern University	0.42%
8=	Georgia Institute of Technology	0.42%
8=	Copenhagen Business School	0.42%
13=	The Johns Hopkins University	0.35%
13=	San Jose State University	0.35%
14=	Uppsala University	0.28%
14=	University of Texas at Austin	0.28%
14=	University of Oxford	0.28%
14=	University of Cambridge	0.28%
14=	Santa Clara University	0.28%
14=	Harvard University	0.28%

As we've seen, Unicorns have a high proportion of leaders with top University degrees...but also a high proportion of Unicorns have leaders that didn't attend University at all. **N**

% of companies that have at least one person with no university degree in their leadership team								
	Finance	Marketing	Operations	Other	Product	Sales	Technical	Total
Unicorns	12%	2%	20%	10%	12%	62%	32%	78%
Control Group	6%	2%	10%	4%	8%	14%	12%	44%

And when we put this alongside the Undergraduate info from earlier in this report...

% of companies that have at least one person with no university degree in their leadership team								
	Finance	Marketing	Operations	Other	Product	Sales	Technical	Total
Unicorns	12%	2%	20%	10%	12%	62%	32%	78%
Control Group	6%	2%	10%	4%	8%	14%	12%	44%

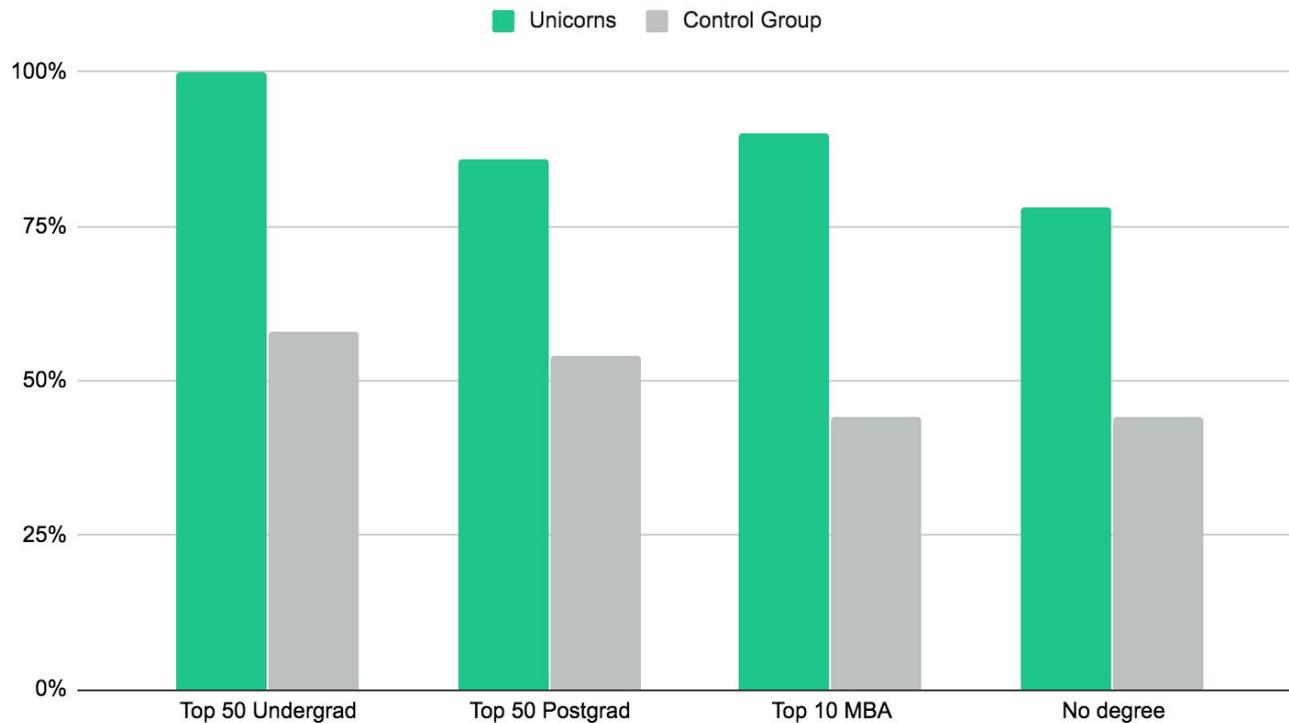
Percentage of companies that have at least one leader with an Undergraduate degree from a Top 50 University								
	Finance	Marketing	Operations	Other	Product	Sales	Technical	Total
Unicorns	40%	60%	50%	26%	52%	62%	62%	100%
Control Group	10%	12%	14%	14%	20%	16%	26%	58%

...We can clearly see that Unicorns have a more diverse spread of educational backgrounds on their leadership teams, than Control Group companies.

Whilst we can't assume to know the exact dynamic between leaders that have an Undergraduate degree from a Top 50 University, and those that didn't attend University, we can propose the idea that having people with a diverse background in terms of previous experiences and training may be beneficial to business performance.

A summary of all academic profiles, alongside each other...

Percent of companies that have at least one leader with the academic qualifications as shown...



Section 4: Additional findings

One of the things that we'd have loved to have covered in this report is diversity of background, in terms of gender, country of origin and ethnicity.

Because of the limitations of gathering information from public sources such as LinkedIn, as well as the limitations of GDPR, we could not accurately gather this information and could not store any of it either. Hence, it doesn't appear in this report (although it's food for thought, for future reports...)

The closest measure for addressing this is to look at the country of Undergraduate university versus the country of HQ of the Unicorn or Control Group company....

International mobility of leaders, from University to Unicorn/Control Group...

Percent of leaders who attended Undergraduate in the same continent as the HQ of the Unicorn/Control Group company

	Finance	Marketing	Operations	Other	Product	Sales	Technical	Total
Unicorns	71%	75%	64%	76%	61%	75%	64%	69%
Control Group	66%	77%	77%	69%	66%	70%	58%	69%

Percent of leaders who attended Undergraduate in the same country as the HQ of the Unicorn/Control Group company

	Finance	Marketing	Operations	Other	Product	Sales	Technical	Total
Unicorns	63%	73%	68%	79%	51%	74%	60%	67%
Control Group	64%	72%	74%	65%	63%	66%	55%	65%

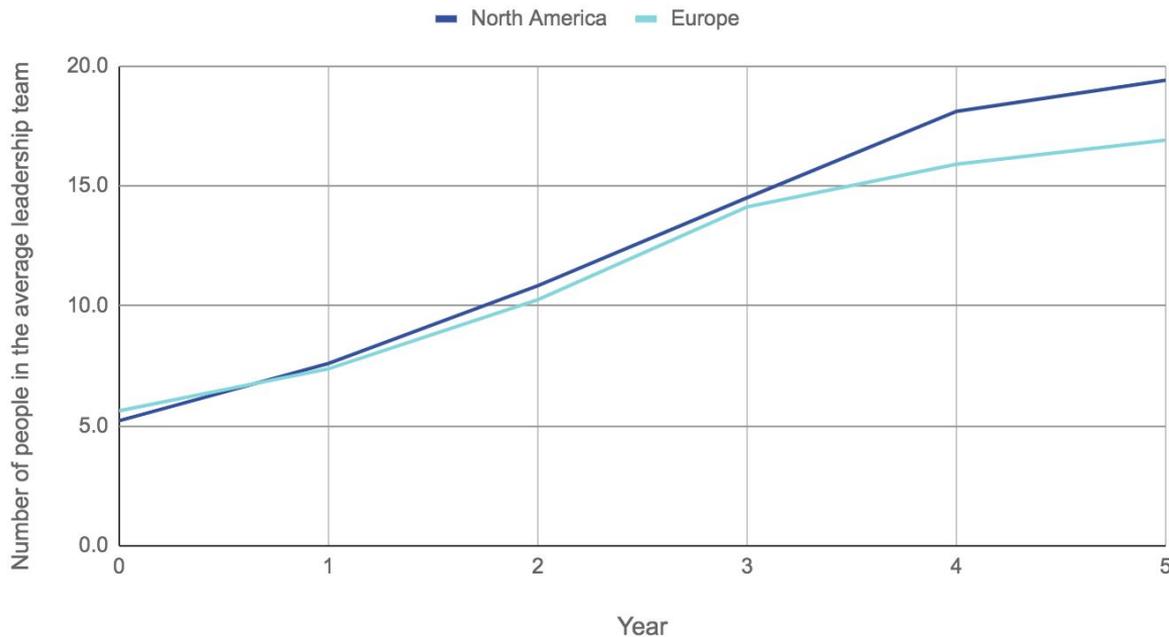
We've aggregated European and North American businesses throughout this report for a number of reasons including the low volume of European B2B Software Unicorns, the approach for growth being similar in both regions, and the populations of each region being similar at 550-600 million.

For interest, however, a few elements of the data are split out on the following slides to show how Europe compares to North America...

Differences between the number of leaders in North American Unicorns versus European Unicorns are minimal...



Number of people in Unicorn leadership teams, on average, from Year 0 to Year 5

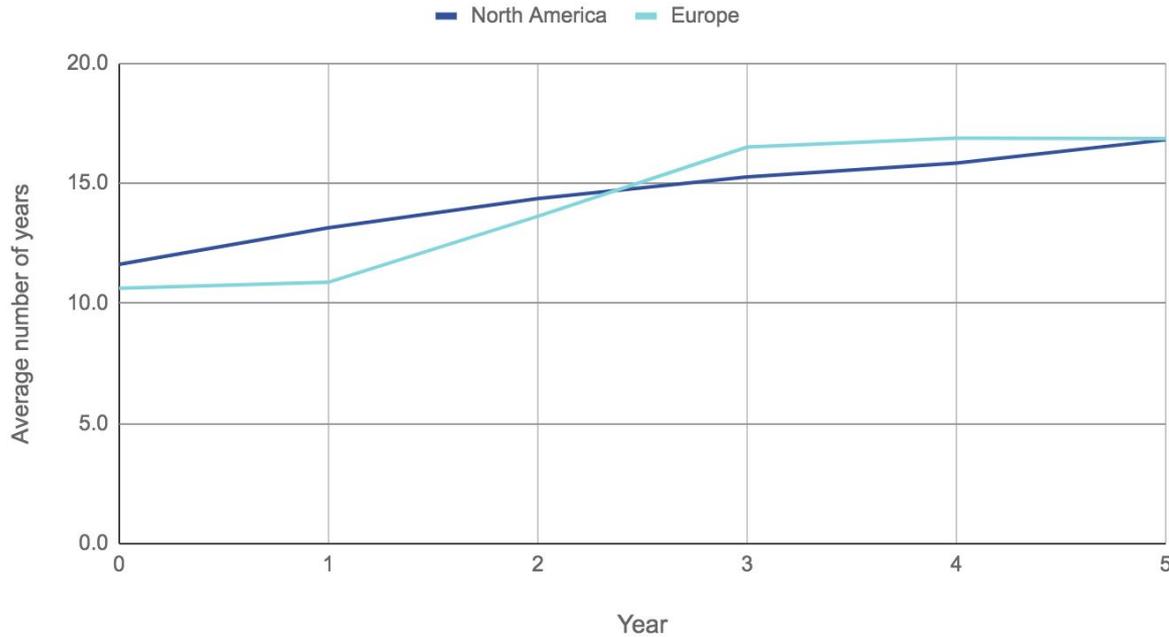


Year	North America	Europe
0	5.2	5.6
1	7.6	7.4
2	10.8	10.3
3	14.5	14.1
4	18.1	15.9
5	19.4	16.9

...As are the differences between the number of years of prior experience of leaders in North American Unicorns versus European Unicorns...



Average years of prior experience per leader



Year	North America	Europe
0	11.6	10.6
1	13.1	10.9
2	14.4	13.6
3	15.3	16.5
4	15.8	16.9
5	16.8	16.9

When it comes to tenure, however, there are some marked differences between Europe and North America...



Average tenure per leader, in years

	Finance	Marketing	Operations	Other	Product	Sales	Technical	Total
Europe	4.2	2.7	3.8	10.3	4.5	3.4	5.8	4.3
North America	3.5	3.0	3.4	6.2	3.6	3.0	4.7	3.6

Summary...

Key elements of the Unicorn Trajectory...

During the 5 years after first raising \$3m-\$15m...

- Unicorns hire 26 people into their leadership teams
 - Approximately 20 of these people will have VP/SVP/EVP titles, and the remaining 6 will have C-Level titles
- The most junior of these people will have around 6 years of experience, and the most senior will have approximately 29 years of experience
- Each leader will have an average tenure of 3.7 years, including Founders
- 53% of Unicorn leaders will have previous experience of working in a VC backed, publicly listed company, and 4% of them will have previous experience of working at McKinsey, Bain or BCG.
- Every Unicorn has someone in a leadership position who has an undergraduate degree from a Top 50 University - most likely in the Sales or Technical function
- 4 out of 5 Unicorns have someone in a leadership position who does not have a University education
- 10% of all new leadership hires will have previously worked at Oracle

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