



# The Hidden Levers of Profitability in Staffing

**What Top Agencies Do Differently to Achieve  
20%+ Margins**

Unlock the 10 Untapped Profit Drivers 90% of  
Agencies Miss



# Introducing Power CFO Your Staffing Industry Financial Expert

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## 1 — Why Power CFO:

**Staffing Financial Expertise:** We get the unique cash flow, pay, and margin challenges staffing firms face.

## 2 — Fractional CFO Perspective:

**Strategic Insight:** Small financial misalignments can stall growth—smart leadership unlocks it.

## 3 — Results-Driven Approach:

**Beyond the Numbers:** Power CFO provides insights that drive profit, fuel growth, and build lasting value.

## 4 — Proven Success:

**Proven Partnership:** Helping staffing firms navigate change, scale smart, and grow sustainably.

# Today's Agenda



## Financial Fitness

Understanding your staffing agency's financial health metrics and indicators for sustainable growth.



## Top 10 Untapped Profit Drivers

Exploring hidden levers that top-performing agencies use to achieve 20%+ margins.



## Money Moves

Practical strategies to Drive More to the Bottom Line.

# Financial Fitness = Strategic Readiness



## Speed Matters

Monthly financials must arrive quickly to enable real-time decisions.



## Precision Required

Inaccurate numbers lead to costly mistakes in staffing operations.



## Dual Perspective

Income statements show performance. Balance sheets reveal health.



## Business GPS

Financial statements guide decisions before activating profit levers.

"Financial reports aren't box-checking exercises - "Financial reports provide valuable insights into the financial health of your organization, allowing you to identify areas of improvement and make informed decisions". (Forbes)

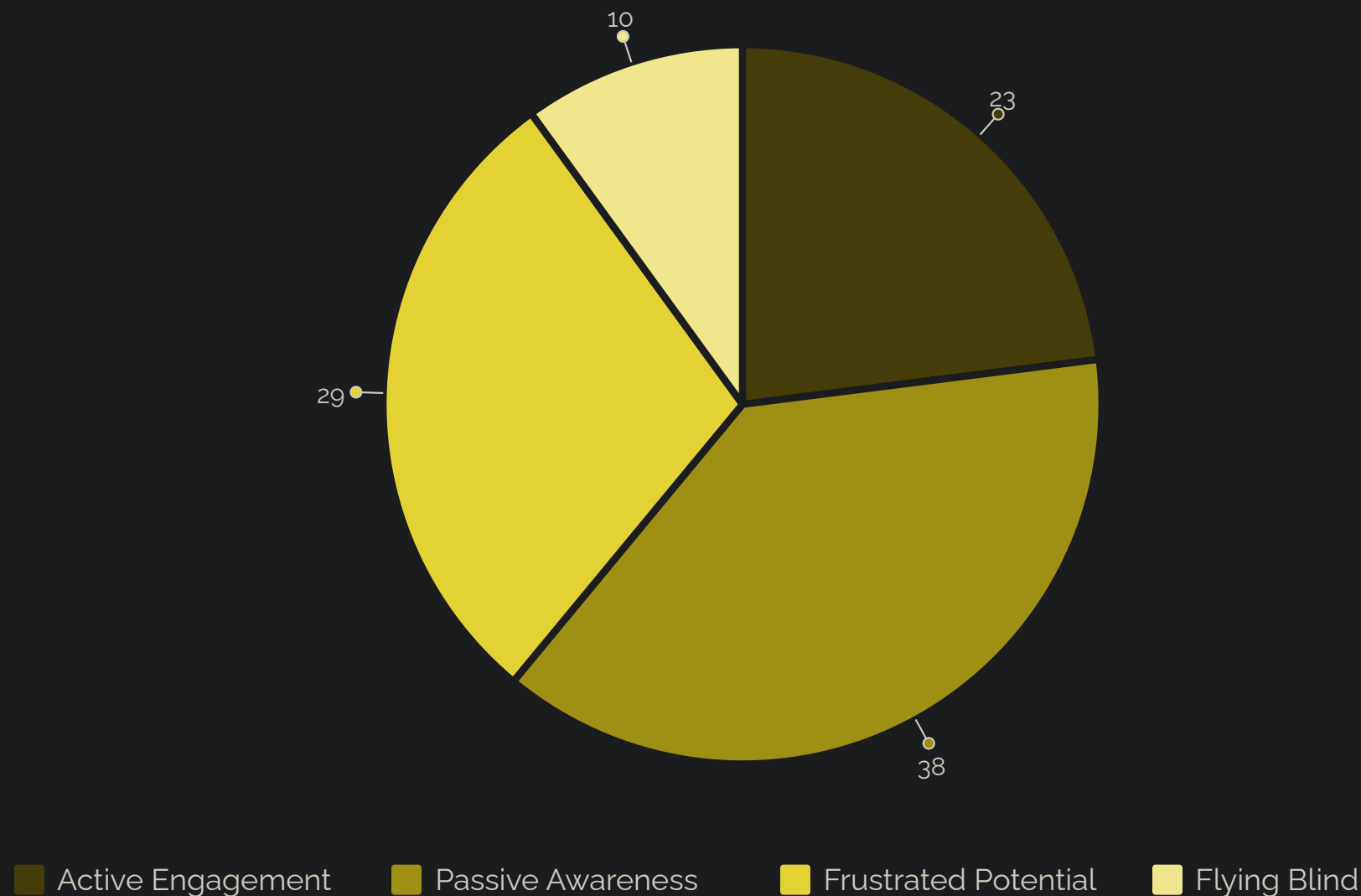
# Be Honest - How Do You *Really* Use Your Monthly Financials?

How do you engage with your monthly financials?

- **A) Active Engagement:** Receive timely, accurate financials and use them to drive business decisions
- **B) Passive Awareness:** Receive monthly financials but rarely leverage them for strategic planning
- **C) Frustrated Potential:** Financials arrive late or contain errors, limiting their decision-making value
- **D) Flying Blind:** Operating without regular financial statements, missing crucial profit insights

# Survey Results: How Do You Engage With Your Monthly Financials?

**Data-Driven Gap:** Our survey shows nearly 80% of staffing firms underuse their financial data. Just 23% use it to guide decisions, while 39% operate with late, inaccurate, or missing data—severely limiting growth.





# The Competitive Cost of Delayed Financial Insights.

48%

Higher Failure Risk

60%

Cash Flow Struggles

Companies lacking timely financial insights operate at a severe competitive disadvantage, missing critical opportunities to adjust strategy while their competitors capitalize on real-time data. — **Harvard Business Review**, "Financial Agility: The Competitive Edge"

Missed Opportunities: No timely data = slow decisions, lost market advantage.

Costly Penalties: Late reporting can trigger fines and damage trust.

Hidden Inefficiencies: Without clear numbers, waste and overspending go unnoticed.

# Stop Guessing — Start Profiting

## Real-Time Insights

Know what's happening now -  
so you can act, not react.

## Unlock Profit Levers

Identify the key drivers that  
boost margins, maximize  
efficiency and increase profit.

## Catch Opportunities Before They're Gone

Don't just track history - capitalize on the present.





# The Top 10 Untapped Profit Levers for Staffing and Recruiting Firms

Boost Revenue. Maximize Margin.

"In a competitive business world, every edge counts." — **Forbes**





# Are You Leaving Money on the Table?

Even high-growth firms lose margin through inefficiencies.

Profitability is more than revenue - it's about strategy.

Let's uncover the top 10 overlooked ways to grow smarter.

# #1 - Bill Rate Optimization: The 2% Solution

Small rate adjustments create outsized profit impact for staffing firms.

2%

Rate Increase

Minimal client-facing  
adjustment

20%

Profit Growth

Dramatic bottom-line  
improvement

10x

Multiplier Effect

Small changes amplify  
financial outcomes

\$0

Implementation Cost

Pure profit opportunity

Audit roles quarterly. Match rates to market demand. Premium placements deserve premium pricing.

# #2 - Markup Management

Is your real challenge sales or recruiting?

## Role Differentiation

Tech, admin, and industrial placements command different market values. Smart pricing reflects these differences.



## Portfolio Balance

Strategic blending of high and low margin clients creates sustainable profitability. Don't chase volume at any cost.



## Demand-Based Pricing

Adjust markups higher for specialized, high-demand roles. Lower markups maintain competitiveness in saturated markets.



## Quarterly Reviews

Regular markup audits prevent profit leakage. Small adjustments compound into significant financial improvements.



# #3 - Front-Office Operational Efficiencies: Work Smarter, Not Harder



## Automate Routine Tasks

Replace manual paperwork with digital onboarding systems. Free recruiters to focus on relationship-building.



## Tech-Enabled Compliance

Implement systems that automate credential verification and background checks. Reduce risks while saving time.



## Lower Cost Per Placement

Streamlined workflows reduce admin hours by 30%. Each efficiency improvement directly increases your margin.



## Enhanced Experience

Modern interfaces delight candidates. Digital processes signal your company's professionalism and forward thinking.





## #4 - Back-Office Optimization

1

### Maximize Efficiency, Protect Your Margins

Outsource payroll, billing, and compliance to cut overhead by 22% and boost profits—every saved dollar goes straight to your bottom line.

2

### Modernize Workflow Systems

Cloud-based timesheets and invoicing cut processing time by 65%. Digital approvals eliminate costly paper-based delays.

3

### Reduce Error Rates

Automated systems lower billing errors by 31%. Prevent costly rework while improving client satisfaction and cash flow.

4

### Diversify Portfolio

Focus on industries you know are doing well.

# #5 - Client Mix Strategy



## Chase Margin, Not Volume

Revenue without profit is a vanity metric. Prioritize relationships that contribute to bottom-line growth.



## Focus On Sustainable Industries

Target sectors with consistent staffing needs. Healthcare, IT, and manufacturing offer scalable demand.



## Evaluate Client Profitability

Monthly reviews reveal which clients truly drive profits. Be willing to gracefully exit unprofitable relationships.



## Quality Over Quantity

High-volume, low-margin clients drain resources. They create busy work without proportional returns.



# #6 - Client Penetration & Cross Selling



## One Client = Many Roles

Most clients need staffing across multiple functions. Each relationship opens doors to numerous placement opportunities.



## Departmental Expansion

Move beyond initial contacts into HR, finance, IT, and operations. Each department has unique staffing requirements.



## Leverage Existing Trust

Cross-selling to current clients is 68% more cost-effective than new acquisition. You've already proven your value.



## Compounding Returns

Each additional department served increases client retention by 23%. Multi-department clients rarely switch providers.



# #7 - Contract-to-Hire Strategy

Convert short-term placements into enduring revenue streams while giving clients the security they crave.

## Low-Risk Test Drive:

Position contract-to-hire as risk mitigation for cautious clients hesitant about immediate commitments.

## Revenue Predictability:

Build 90-180 day conversion pipelines that create reliable forecasting and cash flow stability.

## Client Retention Boost:

Contract-to-hire clients stay 37% longer than traditional placement clients.

## Recurring Value:

Each conversion creates dual revenue: placement fee plus extended contract billing.

**Relationship Deepening:** Extended engagement periods build stronger client connections than one-time placements.



# #8 - Sales Process Discipline



## Systemize, Don't Rely on Luck

Transform random wins into predictable revenue. Build frameworks that produce consistent results.



## Measure What Matters

Track lead sources, close rates, and conversion cycles. Data reveals improvement opportunities others miss.



## Create Repeatable Processes

Document successful outreach sequences. Standardize follow-up timing and messaging across teams.



## Value-Based Selling Training

Equip recruiters to articulate ROI, not just fill positions. Solve client problems, not just staffing gaps.



# #9 - KPI's & Projections



## KPI's

### Individual Production

- Revenue and "Spread" per Person

### JSIP review

- J – Jobs
- S – Submittals
- I – Interviews
- P – Placements



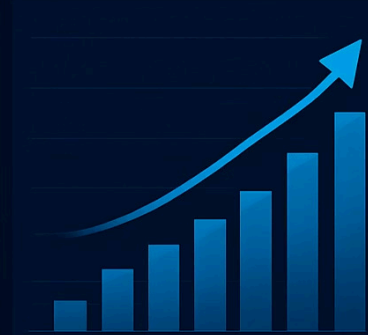
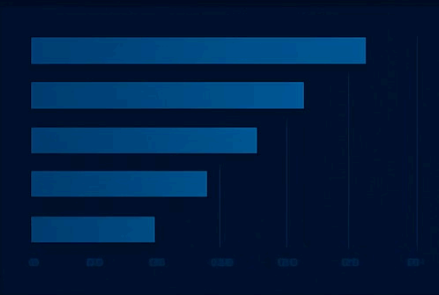
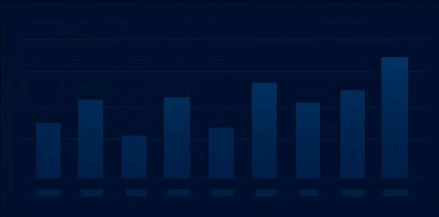
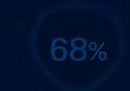
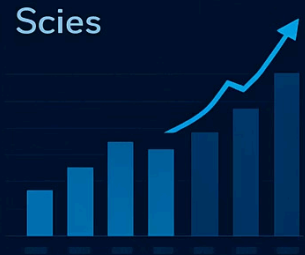
## Projections

### Annual Budget

### Rolling Forecast

### 13-Week Cashflow

## KPI Dashboard



# #10 - Bank & Treasury Management

How are you financing your payroll today?

 Revolver  
Management

 Debt Covenants

 AR Reporting

# Which Lever Will You Pull First?

1. Bill Rate Optimization: The 2% Solution
2. Markup Management
3. Front-Office Operational Efficiencies
4. Back-Office Optimization
5. Client Mix Strategy
6. Client Penetration & Cross Selling
7. Contract-to-Hire Strategy
8. Sales Process Discipline
9. KPI's & Projections
10. Bank & Treasury Management



# Why Top Staffing Firms Are Turning to Fractional Experts

**Power Move:** A fractional CFO isn't an expense—it's a catalyst for sustainable growth.

## I Financial Expertise on Demand:

Access seasoned CFOs without full-time overhead costs.



## Accelerated Growth & Clarity:

Optimize pricing and unlock hidden profit margins.



## Strategic Flexibility:

Scale financial support up or down as market conditions change.



## Focus on Core Competency:

Redirect resources to recruiting excellence and client service.



## Stronger Investor Confidence:

Expert-guided financials improve valuation and investment readiness.

"Fractional leadership is changing the growth playbook for scaling companies." – **Forbes**







## Q&A Time!

We're excited to address your specific questions now.

# Thank You!





## Want to know your agency's Power Move? Let's Talk — No Pressure

- ✓ Spot 2–3 hidden profit drains
- ✓ Get one clear, actionable strategy
- ✓ Explore what's holding you back — and how to fix it fast

Book your call with Shane, PowerCFO President  
Text POWER to 816.582.6796

Download our webinar presentation at <https://www.thepowercfo.com/access-slides>