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“High-Profit” IT and Engineering Staffing Firms More than Three Times As Profitable As “Typical” Firms--Report Highlights Key Drivers

Alexandria, VA, April 29, 2015 – According to the just released **2015 TechServe Alliance Operating Practices Report (“OPR”)**, high-performing IT and Engineering staffing firms grew revenue a robust **11.2%** over the prior year, where the “typical” firm grew only **2.9%**. On the profitability front the difference is also as stark. Where “High-profit” firms delivered **Profit Before Taxes** of **10%** of revenue, the median firm in the survey reported a bottom-line profitability of only **3%**.

“The most recently released Operating Practices Report and companion Sales & Recruiter Metrics Report (“SMR”) have been expanded this year to look at a variety of new metrics,” stated Mark Roberts CEO of TechServe Alliance. In addition to highlighting what “high-profit” firms do differently, the reports capture data on new issues such as the response of staffing firms to the Affordable Care Act, the impact of SOW on margins and much more. “These reports highlight why it is more critical than ever to employ data-driven management and execute in a highly disciplined manner---the difference between high-performing firms and typical firms has never been more stark,” added Roberts

These comprehensive benchmarking reports cover a wide range of metrics including:

- Gross Margin & Net Margin Based on Size, Geography, Level of Vendor Management Business (VMO)
- Close Rates in Direct Client Relationship, VMOs with Hiring Manager Contact, and VMOs Without Hiring Manager Contact
- The Impact of Permanent Placement Revenue on Profitability
- SG&A Payroll and Non-Payroll Expenses—the former is an important metric in relation to gross margin.
- Performance Expectations & Compensation for Salespeople & Recruiters at Various Levels of Experience including weekly spreads
- Benefits Offered For Internal Staff as well as Hourly and Salaried Consultants

For more information or to order the TechServe Alliance 2015 Operating Practice Report or Sales & Recruiter Metrics Report, please contact Jenny Bragiel at (703) 838-2050 x. 105 or bragiel@techservealliance.org or [click here](#) for the order form.

ABOUT TechServe Alliance

TechServe Alliance is the national trade association of the IT & engineering staffing and solutions industry. We help member firms achieve business goals while advancing the interests of the industry through advocacy before policymakers, public relations and the promotion of ethics and performance standards.