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Key Trends Impacting IT & Engineering Staffing Firm Growth and Profitability Transcend Downturn of COVID-19

Report Highlights Secular Drivers of Growth and
Profitability

Alexandria, VA, August 20, 2020 – The just released 2020 TechServe Alliance Operating Practices Report (“OPR”), highlights a number of secular trends that transcend the impact of the COVID-19 pandemic including:

- Scale matters: smaller firms are less profitable as a percentage revenue
- High-profit spend less on sales than the typical firm
- The most profitable firms focus on direct client relationships and avoid VMS/MSP business
- For those focused on direct client relationship accounts, one job advertising provider leads the pack as the source for candidates

“While some of the growth metrics reflect a pre-covid environment, the report highlights key trends and insights that transcend the current downturn,” stated Mark Roberts, CEO of TechServe Alliance. “It is more critical than ever to manage by metrics---the challenging business environment has only made the necessity of being data-driven at both a strategic and operational level that much more imperative,” added Roberts.

This comprehensive benchmarking report covers a wide range of metrics including:

- Gross Margin & Bottom-line Profitability Based on Size
- Gross Margins and Close Rates associated with Direct Client Relationship, VMS/MSP with Hiring Manager Contact, and VMS/MSP Without Hiring Manager Contact
- SG&A Expenses—what areas of expense control help drive higher profitability
- Performance Expectations & Compensation for Sales & Recruiters at Three Levels of Experience
- Benefits Offered for Internal Staff, Hourly and Salaried Consultants
- Industry Trends such as client policies on the use of H-1Bs, multi-tier arrangements, and consultant tenure restrictions
- And much more!

Learn more about the 2020 Operating Practices Report [here](#). A Sales & Recruiter Metrics Report will be released soon.

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ABOUT TechServe Alliance

TechServe Alliance is the national trade association of the IT & Engineering staffing and solutions industry. Hundreds of IT & Engineering staffing and solutions firms and tens of thousands of affiliated professionals, count on TechServe Alliance to keep their leadership informed, engaged and connected. TechServe Alliance serves as the voice of the industry before the policymakers and the national and trade press. By providing access to the knowledge and best practices of an entire industry and tapping the "collective scale" of hundreds of companies, TechServe Alliance supports its members in the efficient delivery of best-in-class IT & Engineering staffing and solutions for clients and exceptional professional opportunities for every consultant.