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FOR IMMEDIATE RELEASE

IT & Engineering Staffing Firm Revenue Contracts for First-Time in Over a Decade While Profitability Surges

Report Highlights Long-Standing and Newly Emerging Trends

Alexandria, VA, June 16, 2021 – The just released 2021 TechServe Alliance Operating Practices Report (“OPR”), highlights a number of long-standing and newly emerging industry trends:

- While top line revenue in 2020 contracted for the first-time in over a decade, profitability surged to historic levels
- High profit firms were far more effective in controlling costs---particularly costs associated with internal staff
- While VMS/MSP accounts generated lower GM and bottom-line profitability, they were far more resilient in maintaining top line revenue than firms that focused on direct client relationship business
- Firms are reducing their real estate footprint; remote work for both internal teams and billable consultants is here to stay

“While some of the impact of the COVID-19 pandemic on IT staffing firms will be fleeting, it is clear from our most recent benchmarking report that it has triggered many changes that are here to stay,” observed Mark Roberts, CEO of TechServe Alliance. “Given the rapidly changing environment, it is more critical than ever to adopt a data-driven management approach to increase the likelihood of success,” added Roberts.

This comprehensive benchmarking report covers a wide range of metrics including newly captured data points on operating virtually:

- 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 Including Virtual Activities & 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 2021 Operating Practices Report [here](#). A Sales & Recruiter Metrics Report will be released in the future.

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ABOUT [TechServe Alliance](#)

TechServe Alliance is the national trade association of the IT & Engineering staffing and solutions industry. IT & Engineering staffing and solutions firms and 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 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.