Data–Driven Talent Sourcing

Maximizing Profitability in a Tight Market by Optimizing Your Candidate Lifetime Value (CLV)

Presented by: David Folwell

"**CLV** helps you think about how to optimize your acquisition spending for **maximum value rather than minimum cost**."

StaffingReferrals

You can **increase your Gross Profit by 15%** without increasing placements

StaffingReferrals

WSI Grew 9% with 8% Fewer Placements

Shifting Placements from Job Boards to Referrals Drive Profitability

WSI outperformed market despite fewer placement opportunities by focusing on their most profitable talent source: referrals.

📈 Increased referrals by 59% over two years

Percent of Placements from Referrals
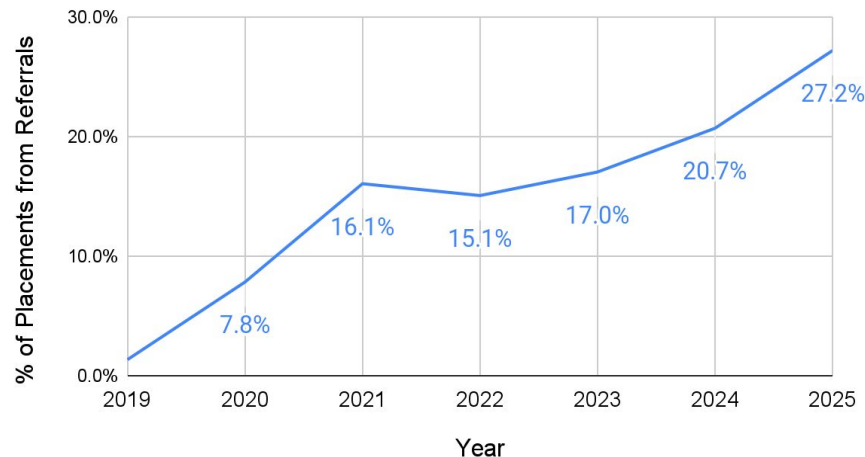
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Avg. Hours Worked by Source

Chart: Avg. Hours per Contract
- Referrals: 320
- Job Boards: 80
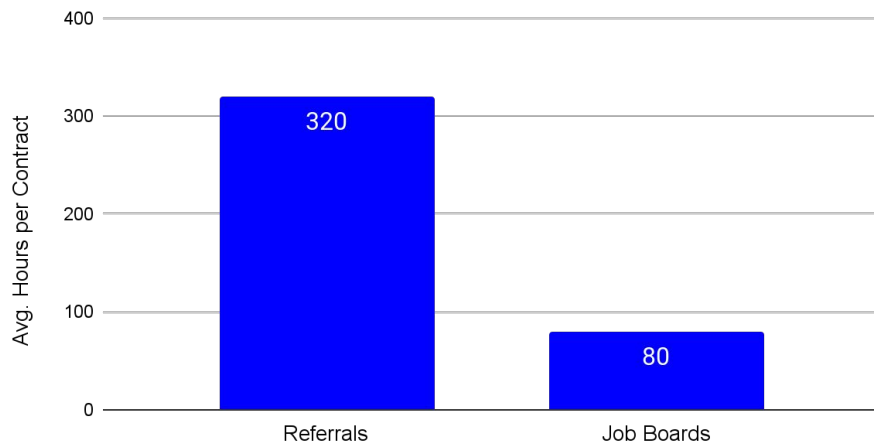
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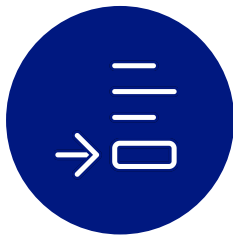
Placement Rate
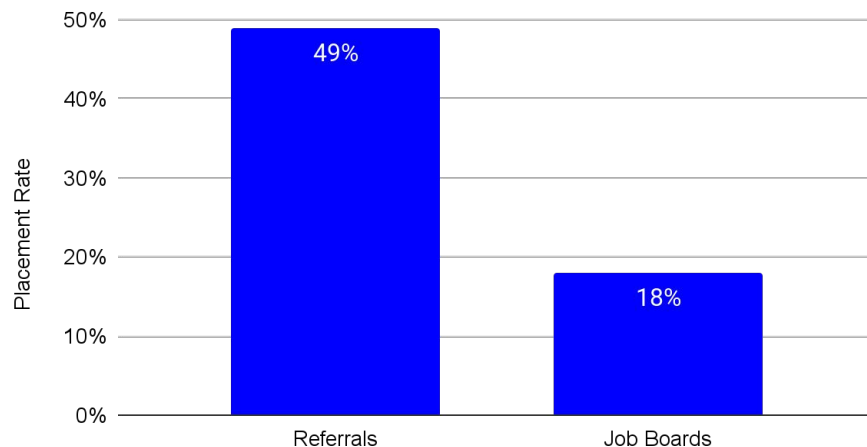
The Staffing Industry

Job Board Dependent
77% of placements start
with same job boards

Market Saturation
Race to bottom through
commoditized channels

Increased Competition
In-house and new
staffing platforms

Commoditization through lack of differentiation

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How to Win: Maximize Your CLV

Measure, Optimize, and Scale Your Candidate Lifetime Value

What is <u>Candidate Lifetime Value?</u>

CLV represents the total profit your agency generates from a candidate across all assignments they complete.

CLV Formula:

(GP Per Assignment) * **(# Assignments)** – **Candidate Acquisition Costs = CLV**

Starbucks calculated their **CLV at... $14,099**

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Redeploy Rates Deliver Exponential **Assignment Growth**

Redeploy Rate vs. Avg. Number of Assignments

Avg. # of Assignments per Hire

4.0

3.0

2.0

1.0

0.0

1.1

1.3

Job Boards

1.4

ATS Web

1.7

2.0

Referrals

2.5

3.3

$CLV = (GP\ Per\ Assignment) * \underline{\textbf{(\# Assignments)}} - Acquisition\ Costs$

10%   20%   30%   40%   50%   60%

Redeploy Rate
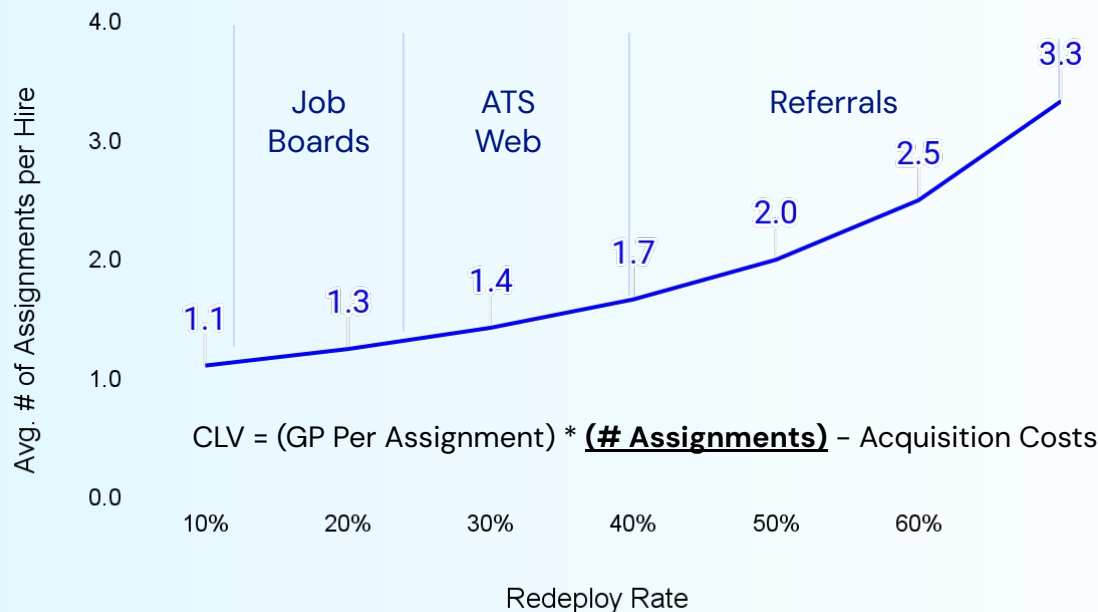
Referrals Dramatically Increase Your **CLV Compared to Job Boards**

Referrals
46% More CLV

Vertical Board
13% More CLV

Major
Job Board

atlas
MedStaff
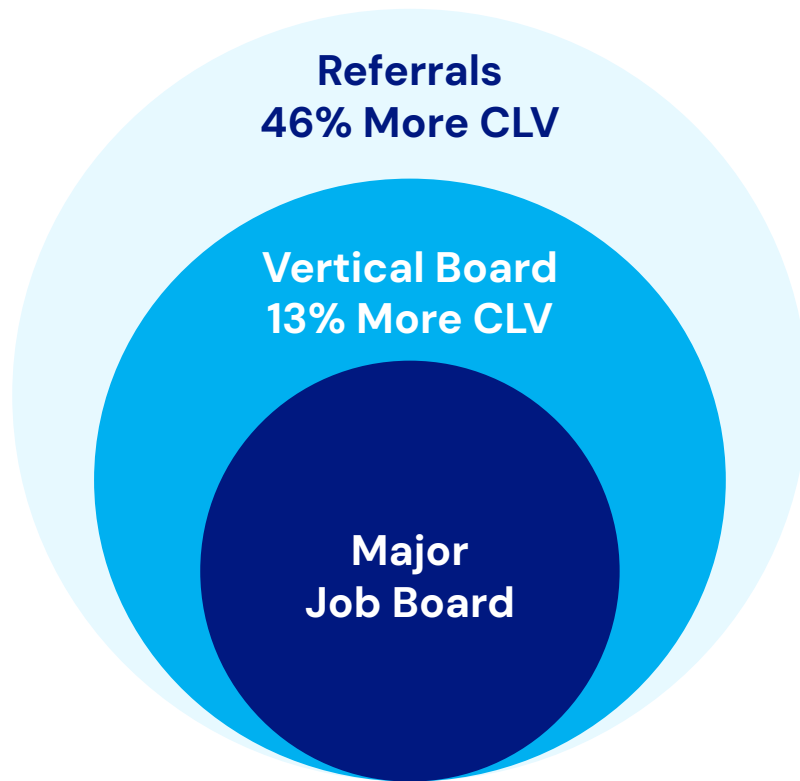
Referrals Drive Profitability

Compared to Job Boards

GHR Healthcare

90% Lower Acquisition Costs

1.4x More Assignments

213% Improvement in CLV

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The Impact for Your Agency

Shift Your Mix, Increase Profit and Productivity

Case Study

Two agencies
10k placements

- Different mix
- Referral CLV: $11k
- Job Board CLV: $7k

Results	Traditional Agency	Modern Agency
Job Boards/Referrals	80/20	50/50
Avg. CLV	$7.8k	$9k
Gross Profit	**$78M**	**$90M**

15.4% increase ($12m) in gross profit with same placements

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3 Steps to Optimizing Your CLV

1 **Measure**
CLV by source

2 **Optimize**
sourcing strategy

3 **Scale**
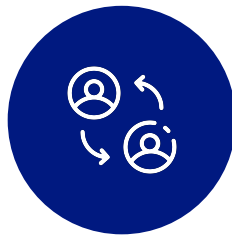your top source

1. **Measure** Key Talent Sources
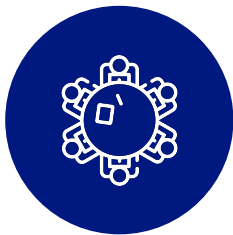
Job Boards

ATS/Database

Referrals

Website

Your talent pipeline is your unique value proposition.
Optimizing your sourcing mix drives profitability
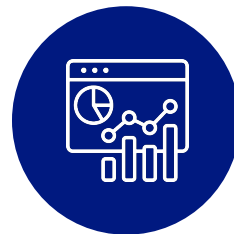
2. **Optimize** Your Sourcing Mix

Analyze
top CLV source

Align
your team

Monitor
results and adjust

Turn your placed talent into your best client lead source
Your talent knows who's hiring before you do

3. **Scale** Your Most Profitable Source
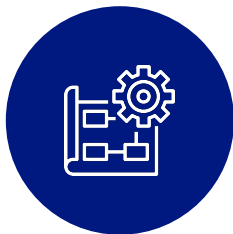
Automate
top CLV source

Incentivize
drive retention

Segment Data
key interactions

Leverage automation and incentives to maximize growth
Ensure incentives encourage, rather than penalize, referrals

"Efficiency is doing things right; effectiveness is doing the **right things**."
– Peter Drucker

StaffingReferrals

Host: David Folwell

Email: david@staffingreferrals.com

Cell: 571-271-9210

Web: staffingreferrals.com

Let's connect

SCAN ME

Appendix

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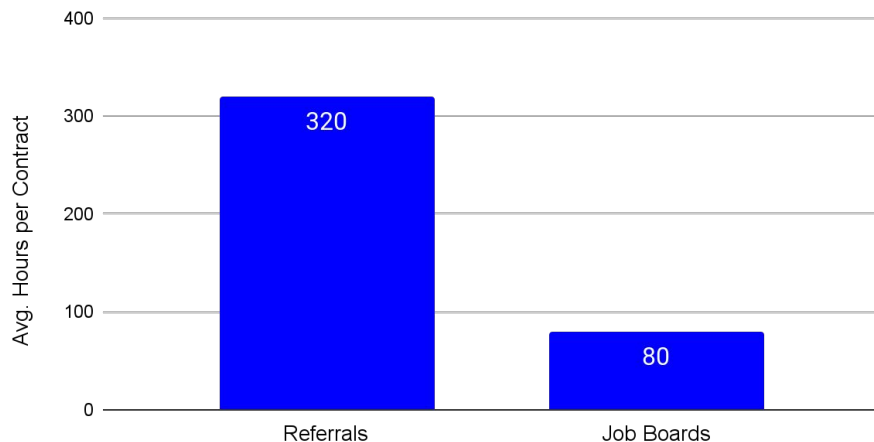
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Percent of Placements from Referrals

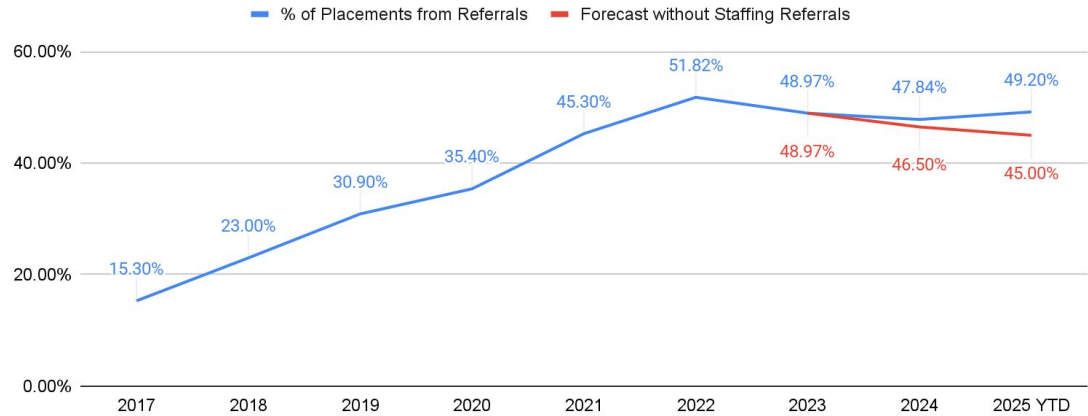Chart: % of Placements from Referrals vs Year
- 2020: 7.8%
- 2021: 16.1%
- 2022: 15.1%
- 2023: 17.0%
- 2024: 20.7%
- 2025: 27.2%

Referrals Rebounding **with Renewed Focus**

Reversed Downward Trend in Referral Placements

— % of Placements from Referrals — Forecast without Staffing Referrals

Year	%
2017	15.30%
2018	23.00%
2019	30.90%
2020	35.40%
2021	45.30%
2022	51.82%
2023	48.97%
2024	47.84%
2025 YTD	49.20%

Forecast without Staffing Referrals:
2023: 48.97%, 2024: 46.50%, 2025 YTD: 45.00%

Atlas is an industry leader and a top 1% referred agency

Access WSI's Unique Talent Network

Fill Roles Faster with Talent You Can't Find on Job Boards

WSI
RECRUITMENT AND STAFFING

When you choose WSI, you gain access to our exclusive referral network so you can:

- ✓ Fill roles faster with quality talent
- ✓ Increase retention rates
- ✓ Improve fill rates

Reduce your total cost per hire by increasing your productivity.

Access Our Referral Network
3,548
Active Ambassadors

Hire Faster
48%
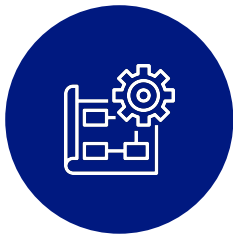Placement Rate

Drive Referrals
2,042
Referrals Made

Hire Quality
+300%
Retention

WSI is an industry leader and a top 1% referred agency

2024
Most Referred
INDUSTRY LEADER
StaffingReferrals

StaffingReferrals

How to Improve Your CLV

Automate your
referral program

Create loyalty
programs

Double down
on redeployment

Shift sourcing to
optimize your CLV

Turn your placed talent into your best client lead source
Your talent knows who's hiring before you do

Things to Avoid with Referrals

Don't let referral bonuses hit commissions – disensitives recruiters

Don't miss a referral bonus payout – reputational damage

Don't set terms and conditions that are not profitable

Don't overpay for referrals

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Use the friend advantage to
80x your response rates

From a Friend
80% Response

Cold Outreach
1% Response