How to Double your Revenue – without doubling your effort!

By Jon Bartos

We are no longer in the recessionary period of 2009. We are seeing monthly decreases in the unemployment rate and increases in the number of employment postings going up every day. It’s becoming a better economy and now is the time to take advantage of the times. In talking with many recruiting firm owners and individual recruiters, many have set goals to increase production 10, 20 and 25% over last year. Here is my question to you: “What if you could double your revenue – starting this month – and by end of year have doubled your revenue (and income) …..and without spending more time then you currently do at work. Sure, You can double revenue by doubling your efforts like marketing, recruiting and other efforts, but no one wants to spend 16 hours working. The real key is to double your revenue without spending any more time than you already do.

There may not be one thing to change, that can give you such a drastic change in revenue. But by changing a few things, we may find that magic formula for you to double your revenue without doubling your efforts.

**Get Committed to Increasing Your Service Fees**

There is two ways to immediate increase your service fees. The first is increase the percentage you ask for. We are all creatures of habit. We get into a bad habit of quoting the same fees are afraid to up our fees – for fear that our clients may not use us. The standard for retained search firms today is 33.3% plus expenses. How does that compare to your fee? IF you want higher fees, ask for more and back it up with a solid value proposition as to why you deserve it and further back it up with a performance guarantee. If you are 25% - get it to 30%. IF you are 20% - get it up to 25%, then 30%. IF you are 30% got to 33.3% plus expenses. You will never get it, if you don’t ever ask.

The second way to increase your fees is to go higher up the food change. If you are used to placing Sales Professionals – start placing sales managers and VP of Sales and Marketing. If you are placing Engineers – start placing Engineering Managers and VP of Operations. To go up the food chain, simply call one our two steps higher in an organization.

**Get Committed to becoming more Efficient and Effective at this Recruiting Game**

To get better at the recruiting game, you have to pay attention to the Primary Ratio’s (Metrics) that tell you how good you are at every major facet of the this recruiting game. The better you are – the more placements you make – bottom line. This is where a small tweak can help you improve your revenue overnight. Let’s start with the Primary Ratio are the ones that point to a very specific activity and tells you how good you are at it. There are primary ratios for Marketing, Recruiting, Matching Skills, Quality of your Job Orders . Which is 99% of what you need to reach any level of success in recruiting.

**Marketing Primary Metric (New Marketing Presentation/Job Order)**

This important metric tells you how good you are at marketing. Its tells you how many marketing presentations you have to make in order to get a job order. It measures your effectiveness on giving sales or marketing presentations to your clients. If this ratio is anything above a 5/1 ratio, you need help. Get training and development on how to give better marketing presentations. You need lots of job orders, so you have the ability to weed out the bad ones and only work on the ones where you are guaranteed a placement if you find the match. Getting better at Marketing to Clients will help you build business immediately. Shoot for a 2/1 NMP/JO ratio.

**Recruiting Primary Ratio (Candidate Presentation /Quality Candidate)**

This metrics tell you how good you are at recruiting. It tells you how many candidate presentations you need to make in order to a Quality Candidate. The better you are at recruiting(and calling the right people) the lower this ratio. Think of this concept. If everyone you do a recruiting presentation to is interested in your opportunity – you are on the right track. The question is …How do you get to that level ? The first thing you need to know is where you are at now, and then take steps to making those changes. Sell the future, share with them how they can achieve their dreams by this new move – and your effectiveness goes up tenfold. Let’s all stop the “Im looking for someone with 3-5 years experience as a sanitation engineer…. Regurgettating job descriptions and lets start painting a picture of how their dreams will materialize based on your opportunity. Make it a Picasso.

**Matching Primary Ratio(Quality Candidate /Send Outs)**

Matching skills are critical to doubling your revenue. The lower this ratio, the better you are at knowing exactly what your clients are looking for the more sendouts you will get. As we all know, sendouts are what makes placements happen. To get better at this ratio, focus on truly understanding what your clients want and will hire. When you get off track, this will be a quick indicator of you and your hiring manager not being on the same page.

**Quality of Job Orders Ratio(Job Order/Placement)**

The JO/PL ratio is a critical metric that shares with you how good your job orders are that you are working on. Here is a good way to understand this ratio. When your JO/PL ratio is 10/1 - Meaning you are working on filling 10 job orders and you fill one – this means you are wasting 90% of your time. Your time is your only critical resource. The more time you spend on good job orders is in direct proportion to how much your revenue goes up. Its and direct relationships – Good Job Orders Worked and Revenue. If your are not sure if you have a good job order or not, use the job order matrix by bob marshall or another measuring tool.

Conclusion

In order to double your revenue in one year, it will not be easy. It wont be easy – due to the fact being you will have to change. Change is hard. Change is difficult and sometime no fun. Everyone has the ability to double revenue without doubling the effort simply by getting the business intelligence needed to understand what your metrics are telling you. Once you know what they are – you can chart your course to change these primary metrics for the better. If anyone can do this, you can.

For a great tool that makes it easy to measure these primary ratios – take a look at a new tool called the RPM Metrics dashboard by Revenue Performance Management. [www.rpm-usa.com](http://www.rpm-usa.com).