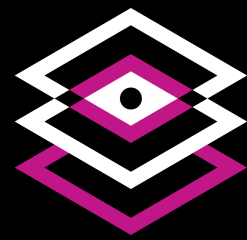




# The Founder Tax: The cost of founder-dependent revenue

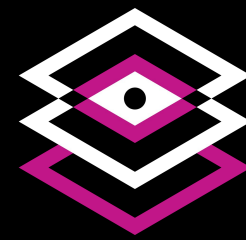
# Sloppy **pipeline** costs margin

Professional services firms saw growth drop and utilization fall:



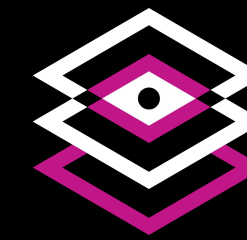
## **Revenue growth:**

4.6% YoY (down sharply versus prior periods).



## **Billable utilization:**

68.9% (below the 75% threshold SPI calls optimal).



## **EBITDA margin:**

9.8% (SPI calls it the lowest in over a decade).

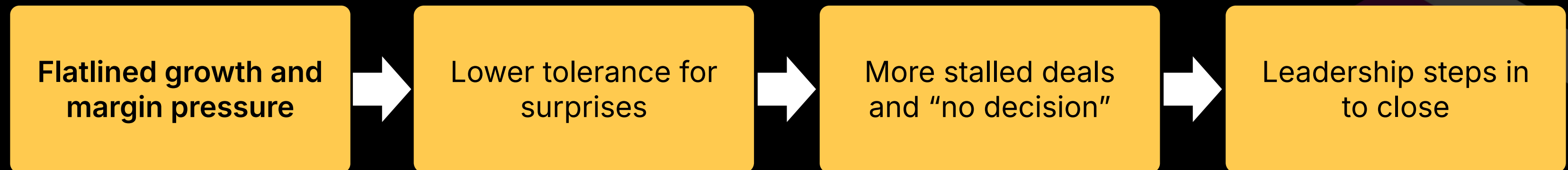
Stalled deals and weak follow up are no longer survivable.

You can't afford to lose leads because of admin failures.

# Leaders close when the **numbers tighten**

Services firms are operating with less margin for error, so buyers feel riskier and internal standards matter more.

When pipeline is messy and follow up is inconsistent, leadership gets dragged back into closing because nobody trusts the system.




# Treating symptoms vs the root cause

## Most firms try to fix this three ways:

- **Add tools:** more activity, same undefined stages and follow up.
- **Hire someone “senior”:** they inherit the same chaos and leadership still rescues deals.
- **Increase output:** more touches and more assets, but no one enforces next steps.


**Without standards and a weekly cadence, the system stays ad hoc and deals keep stalling.**

# Common **failure patterns** in service firms

 • 2:37 PM

Hey James, many thanks, really like your content!

Honestly, things aren't great. We've recently laid off our bench of uncontracted developers and a lot of changes in other departments too.. I'm actively looking for another role now, just to be proactive. We've no plans to attend the digital transformation conference this year. Unfortunately!

 • 6:26 PM

Yea - that was my experience. The idea that 'sellers' are just inserted and magically make money. Long road to get going, I had made traction. Greener pastures ahead man!

An established services firm lost its main client and cut 25% of headcount:

- Built on founder led closing and referral momentum
- Revenue concentrated on one major clients
- New business wasn't repeatable across the team
- When the anchor client left, the team cut costs fast

**Doing "great work" did *NOT* save them.**

This isn't unique. Many service firms are overindexed on a single revenue channel or client.

*If they lose that client or channel...*

# You need a **practical** system

Client concentration makes churn an emergency, where growth is reactive.

The fix is practical:

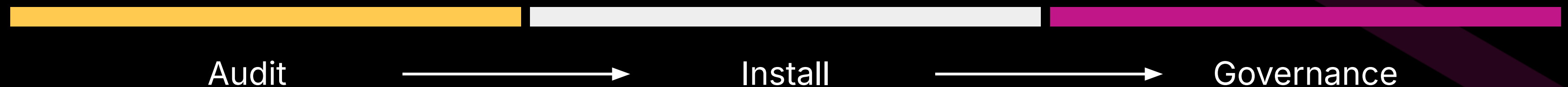
- **Sales standards:** stage rules, follow-up rules, and light CRM requirements
- **Marketing standards:** clear direction on what sales needs based on current deals and knowledge of what “value” looks like
- **Value:** consistent structure, proof teams use in the sales conversation, and recurring activities your team runs weekly.
- **Structure:** one weekly rhythm that forces owners and next steps across the pipeline

Otherwise, you stay in the same loop: stalled deals, reactive scrambling, leadership stuck babysitting the business.

# How we fix this

A practical approach to building a weekly sales system designed to move deals forward without constant leadership oversight:

1. **Audit:** Find what's stalling deals and what has to change first.
2. **Install:** Put the standards and weekly deal rhythm in place with your team.
3. **Governance:** Keep it running until it sticks, then tune where deals stall.



# Customer story

## Recovering \$243K in Missed Pipeline With a Repeatable Sales Process

After a high-cost industry event, the team risked missing opportunities due to ad hoc selling.

Practical Revenue installed a repeatable pipeline and follow-up system that surfaced and closed \$243K in missed opportunities—allowing the founder to step away from routine deal management.

[Read the case study](#)

# Why now?

Your buyers changed. Most sales motions didn't.

More scrutiny and risk managed decisions expose teams without standards, cadence, and enforceable next steps. Ultimately, leadership gets pulled in to close.

You need a simple, repeatable system with standards that makes it easy for your team to close without you in the room.



## Contact:

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