



BUSINESS REPORT

Date: **29th June 2025**

Business Reference: **37329**

About the Business:

Profitable home Placement Agency

A profitable Homebase Placement Agency with an established reputation, trusted by leading hotel spa groups and a select number of high-end clients beyond the beauty industry. Operating from a cost-effective home-based setup, the agency delivers reliable, well-matched placements while maintaining low overheads. Its profitability is driven by consistent demand, strong client relationships, and a reputation for quality and discretion in the domestic and hospitality staffing sectors.

Profitable home Placement Agency



Sector: **Services**

Asking Price:

R **830,140**

Monthly Profit:

R **34,773**

Asset Value:
R **2**

Stock Value:
R **0**

Yearly Net Profit :
R **417,279**



Business Report

How does the business operate on a daily basis?

Business Overview

Owner-operated from home.

No salaried staff — only two commission-based agents.

Clients (employers) send job orders or recruitment briefs.

The agency finds and places suitable candidates for a fee.

Typical Daily Operations

1. Client Communication

Owner receives job requests from new or existing clients (via email, phone, or a web form).

Discusses:

Job description & requirements

Candidate profile

Budget/salary range

Placement fee or terms

2. Job Briefing to Agents

The owner shares job briefs with the two commission-based agents.

These agents source candidates (from job portals, databases, LinkedIn, or their own networks).

The agents may also handle initial screening, depending on their agreement.

3. Candidate Search & Screening

Agents search and screen candidates:

Review CVs

Conduct initial interviews

Check availability and interest

They then submit shortlists to the owner for final review.

4. Submission to Clients

The owner sends shortlisted candidates to the client.

May include CVs, interview notes, availability, and salary expectations.

5. Interview Coordination

Owner coordinates interviews between client and candidate.

Handles communication and scheduling.

6. Feedback & Follow-up

After interviews, the owner:

Collects feedback from both sides

Manages next steps (2nd round, offers, etc.)

7. Placement & Invoicing

Once a candidate is hired:

Owner issues invoice to the client.

Tracks payment (depending on terms: upfront, on placement, or after probation).

Pays agent commission based on agreement.

Back-office/Admin Tasks

Updating candidate and client records (Excel, etc.)

Posting job ads if necessary

Following up on unpaid invoices

Tracking commissions

Role Breakdown

Owner:

Client communication & relationship management

Job brief intake

Final candidate approval

Interview coordination

Invoicing & payments

Managing agents

Agents Tasks;

Candidate sourcing & screening

Communicate regularly with the owner

Paid only on successful placements

How are the clients attracted to the business?

90% of our clients are established clients and returning clients. Other 10% is word of mouth referrals

What Advertising/Marketing is carried out?

We use Zoho to assist with marketing and other functions. Workflow as follows;

Updated Daily Operations with Zoho

1. Job Requests from Candidates and Consultants

Owner receives job briefs from clients via email, phone, or through Zoho CRM.

Details are logged in Zoho (if not already integrated via a form).

2. Job Posting & Marketing

Using Zoho Recruit/CRM:

Jobs are posted to multiple platforms or your careers page.

Automated email/SMS campaigns go out to your candidate pool (marketing handled by Zoho).

Social media posts can be scheduled if integrated.

3. Candidate Application Management

Candidates apply directly through Zoho's job portal or respond to marketing.

Zoho captures:

CVs

Application data

Pre-screening responses (if set up)

4. Candidate Screening

Commission agents access Zoho to view incoming applications.

They review, tag, and score candidates.

Notes and feedback are added directly in the system.

5. Owner Review & Submission

Owner logs in to review top candidates flagged by agents.

Owner then forwards shortlisted profiles to the client directly (possibly via Zoho's client portal or email export).

6. Interview Scheduling

Interviews can be booked through Zoho's calendar integration (if used).

Reminders and confirmations go out automatically.

7. Post-Interview & Placement

Feedback from clients and candidates logged in Zoho.

Once a placement is confirmed, status is updated in the system.

Zoho can trigger:

Invoicing done through Quickbooks

Commission calculations

Follow-up workflows

Roles with Zoho Involved

Owner:

Manages Zoho settings & workflows

Receives and sets up job orders

Coordinates client communication

Oversees submissions and placements

Handles invoices and agent payments

Agents (Commission-based):

Use Zoho to search, screen, and comment on candidates

No need to manage back-end processes — they focus on recruitment only

Does the business have any contract work?

4 free-lancers currently working on free-lance basis

What competition exists?

Competitive Landscape in the Placement Market (Especially in SA)

Types of Competitors

Large Recruitment Firms

Examples: Adcorp, Michael Page, DAV, ManpowerGroup

Strengths: brand recognition, vast candidate databases

Weaknesses: slower turnaround, higher fees, less personal service

Boutique/Niche Agencies

Focused on specific industries (e.g., finance, IT, engineering)

More agile, but often limited in reach

Freelance Recruiters / Independent Agents

Operate on LinkedIn or by word-of-mouth

Competitive pricing but variable reliability

Job Boards & DIY Hiring Tools

Platforms like Indeed, PNet, Careers24, and LinkedIn Jobs

Cheaper but time-consuming for clients — no screening or personal touch

In-House HR / Internal Recruitment

Many companies try to avoid agency fees

But struggle to fill specialist or urgent roles quickly

Our Competitive Advantage

You already offer several strong differentiators:

▮ Competitive Pricing

Clients get value without the inflated fees of larger agencies.

■ Personal Service from Owner

Clients deal directly with the decision-maker — faster response, no red tape.

Builds trust and long-term relationships.

■ Support from Four Commission-Based Agents

Even with a lean team, you have wide reach for candidate sourcing.

Agents are incentivized to perform (they earn on success).

■ Efficient Processes via Zoho

Faster turnaround times with automation

More organized candidate tracking, communication, and follow-up

■ Flexibility

Easier to adapt to client-specific needs and tailor the hiring process.

■ Thorough vetting process.

detailed orientated service where we give clients a full 360 view of the candidate including a introduction video.

What are the seasonal trends?

Jan and July are normally quieter months

Are there up-to-date Management Accounts available?

Yes - Accountant is busy with the financial statements for the period ending December 2024.Up to date and verifiable management accounts available.

What percentage of the business is cash/credit?

We dont accounts on credit. We deliver a service and the invoice is paid via EFT within 7-14days after our candidate starts

What is the age analysis of the debtors book?

N/A

How could the profitability of the business be improved?

Employing more recruiters (more experienced), branching out into other markets and sectors
Introducing set basic salaries and target based commission structure

Is Seller finance available and for what amount?

No

What is the total staff complement?

4 Freelancer agents (consultants)

Give a breakdown of staff/ functions/ length of service?

No staff employed.

The business only make use of Freelance consultants who get paid a commission for work done.
The association with the consultants respectively is from 2022, 2023, Feb 2025 and Feb 2025

Do any receive special perks or incentives?

Consultants earn purely on commission - 50% of the placement fee is paid to them at the end of the month depending on invoices paid. If the candidate leaves within 3 months of their guarantee, the consultant has 30 days to find a replacement or we claw back commission from the next earnings

Are they on contract?

No

Do any have management potential?

Yes , There is four consultants who knows and understand the business

How involved is the Owner in running the business?

2-3 hours a day. Mostly answering questions if any from consultants, checking formatted resumes before sending to clients, liaising interviews between client and candidates (consultants arrange candidate side) and billing

When does the current lease end?

Work from home

What are the main assets of the business?

None

Strengths?

Remote business - can be managed from anywhere in the world
We deliver a service, not products
No fixed assets
100% cash business - no credit or 30day payment terms
Established reputation trusted by most of Hotel Spa groups and handful of selective general clients outside of beauty industry.
Team of freelancers earning on commission only
no overheads like salary or rent

Weaknesses?

Small team in comparison with competitors.

Opportunities?

Invest in the current team - give them incentives to increase performance
Employ more specialised recruiters - IT / Construction etc
Branch out to more complex markets like IT and Construction

Threats?

The only threat is to loose a customer, but another, or more can be gained

What is the reason for the sale?

Owner got another opportunity

Why is this a good business?

Business can be managed from anywhere in the world. Most functions are automated and require less admin time from the management team. Established clientele, good reputation. 90% of clients are regular / returning clients and the other 10% is word of mouth. No cold calling needed