Evidence & Sources

This is the evidence base behind the Commercial Review. It records what was reviewed, how it was read, and the source behind every substantive claim in the report. It is built to be audited: any statement in the review can be traced back to an instrument here and checked. It is here for weight and for trust, not to be read end to end.

How this review was built

The review draws on nine instruments gathered over a three-week window: a founder reflection, a recorded founder interview, two operator calls with the people who run the desks, a chair reflection, a review of the client-facing assets, a financial read, the delivery scoring sheets, and the onboarding and open-loop records. Each was read for two things: what the firm says about itself, and what the evidence shows independently of that. Every claim in the report is then tagged.

Observed means it is visible in an asset, the data, or the meeting record, and would hold up without the founder in the room. **Stated** means it rests on the firm's own account and has not been independently corroborated. Where the two agree, confidence is high. Where a claim is Stated only, it is flagged as such, and the report treats it with appropriate caution.

The evidence base

INSTRUMENT	CODE	SOURCE	WHAT IT COVERED
Founder Reflection	**FR**	James Hartley, MD and sole owner	History, ownership, fee model, channel mix, key-account economics, the exclusivity question
Founder Interview	**FI**	James Hartley, recorded	The lived version of the numbers; where the firm feels stretched; the founder's own read of the problem
Operator Call, Sales	**OC-Sales**	Daniel Park, perm desk head (7 years)	How work is won, pipeline discipline, discounting, the shaping given away pre-terms
Operator Call, Delivery	**OC-Delivery**	Rebecca Shaw, delivery lead	The delivery method, where craft is spent, non-exclusive effort, team load
Chair Reflection	**CR**	Adrian Brennan, advisory chair (18 months, ex-SThree)	The board-level view; the case for exclusivity; growth ambition
Asset Review	**AF**	Client-facing collateral	Terms, capability deck, candidate packs, proposal template, market reports
Financial Read	**FinRead**	Management accounts, last full year	Revenue, margin, fee realisation, channel contribution
Scoring Sheets	**SS**	Delivery records	Submittable rates, time to shortlist, fill rates, rebate incidence
Onboarding and Open Loops	**OB**	Client onboarding returns and live pipeline	Client-side experience, decision speed, stalled searches

1. Executive read

CLAIM	SOURCE	O / S	EVIDENCE
Revenue £6.2m, EBITDA £1.12m (18% margin)	FinRead	**Observed**	Management accounts, last full year
30 heads; founded 2012; fourteen years trading	FinRead, FR	**Observed**	Headcount and company record
Single central London office, some remote (Manchester, Bristol, Edinburgh)	FR	**Stated**	Founder Reflection
Margin flat at ~18% while work per role has risen	FR, FinRead	**Observed**	Margin trend against rising delivery hours; “running harder to stand still”
The five parts of the business have drifted out of line	FR, OC-Sales, OC-Delivery, AF	**Observed**	Partner language and advisory delivery against supplier sales, pricing and tooling
The shaping is the most valuable work and is given away free	FR, OC-Sales, OC-Delivery	**Observed**	Market maps, planning sessions and role design delivered unpriced across all three

2. Position

CLAIM	SOURCE	O / S	EVIDENCE
Genuine niche authority: data engineering, ML, cloud infrastructure	FR, AF	**Observed**	Fourteen-year track record and sector-specific market reports
Publishes quarterly comp benchmarks and twice-yearly market reports	AF, FR	**Observed**	Asset Review: reports exist and circulate; drive inbound interest
Premium/partner language sits on supplier assets	AF	**Observed**	Terms, capability deck and CV packs; no client-visible method pack
ICP wide: UK and EMEA, Series B to pre-IPO, perm and contract	FR	**Stated**	Founder Reflection scope
New business still founder-led on key accounts and major prospects	FR, OC-Sales	**Observed**	James carries the senior relationships

3. Sales

CLAIM	SOURCE	O / S	EVIDENCE
New work ~60% referral/repeat, ~25% outbound, ~8% PSL, ~5% placed-hire referral	FR, FinRead	**Observed**	Channel contribution in the accounts matches the founder’s split
Outbound is bursty, not a steady rhythm	OC-Sales	**Stated**	“Spiky”; activity rises and falls with desk capacity
Sales pipeline conflated with live jobs	OC-Sales	**Observed**	Unsigned opportunities worked as live roles
No conversion tracking; activity and billings only	OC-Sales, SS	**Observed**	Scoring sheets record output, not funnel conversion
Discounting without a defined trade	OC-Sales	**Stated**	“Most of the time it’s just, fine, do it”

4. Delivery

CLAIM	SOURCE	O / S	EVIDENCE
Structured method: brief confirmation, market map wk1, shortlist and packs wk2, weekly updates, debriefs, closing brief	OC-Delivery, SS	**Observed**	Delivery records show the cadence run consistently
Benchmark of four submittables in two weeks	SS, FR	**Observed**	Scoring sheets
Six programme clients: whole data functions built over 6 to 12 months	FR	**Stated**	Founder Reflection; advisory-grade engagements
Advisory work (specs, planning, HM interviews) delivered unpriced	FR, OC-Delivery, OC-Sales	**Observed**	Consistent across founder and both desks; “part of being on the programme”
~70% of perm work non-exclusive	FR	**Stated**	Founder’s estimate
30 to 40% of opened perm roles never placed by Lyra	FR, SS	**Observed**	Fill-rate records support the founder’s figure

5. Tech

CLAIM	SOURCE	O / S	EVIDENCE
Capable CRM in place, holding fourteen years of relationships and data	AF, OC-Sales	**Observed**	System of record exists and is populated
CRM run as a contact book: no sequencing, nurture or win-back	OC-Sales, OC-Delivery	**Observed**	No automation configured; outreach is manual and ad hoc
Warmest data (past clients, dormant accounts) largely unworked	OC-Sales, OB	**Observed**	No systematic re-engagement of prior relationships

6. People

CLAIM	SOURCE	O / S	EVIDENCE
Strong consultants carrying the client experience and reputation	OC-Delivery, OB	**Observed**	Onboarding returns; client feedback
Method lives in people’s heads, not a written playbook	OC-Delivery	**Stated**	New starters learn by watching; standard varies desk to desk
High utilisation; early signs of burnout	FR, OC-Delivery	**Stated**	Founder and delivery lead both flag team load

7. Revenue channels

CLAIM	SOURCE	O / S	EVIDENCE
Outbound real but bursty and capacity-tied	OC-Sales	**Stated**	Rises and falls with desk availability
Inbound generated by reports but not captured	AF, OC-Sales	**Observed**	Reports circulate; no follow-up motion behind them
Account expansion not engineered; no referral or win-back cadence	FR, OC-Sales	**Observed**	~12 key accounts; relationships cool between briefs

CLAIM	SOURCE	O / S	EVIDENCE
Commercial allies (vendors, advisors, communities) barely used	FR	**Stated**	No partner channel in place

8. Conflict map

CLAIM	SOURCE	O / S	EVIDENCE
Premium delivery against a contingent commercial model	FR, OC-Sales, OC-Delivery, AF	**Observed**	Advisory craft inside a supplier container across all sources
Value created exceeds value captured	FR, OC-Delivery	**Observed**	The shaping that wins and holds the client is unpriced
Win versus grow: no engineered referrals or expansion	FR, OC-Sales	**Stated**	“We mostly wait for the next brief”
ICP breadth dilutes the sales story	FR	**Stated**	Founder Reflection
New business still founder-dependent	FR, OC-Sales	**Observed**	James carries BD on key accounts and major prospects
Chair pushing exclusivity as the answer	CR, FR	**Stated**	Adrian Brennan, ex-SThree, for ~12 months

9. What the conflict is costing

CLAIM	SOURCE	O / S	EVIDENCE
Best accounts on PSL rates (18 to 20%) below one-off clients	FR, FinRead	**Observed**	Fee realisation by account; “the maths is uncomfortable”
Discounts conceded without trade erode realised fee	OC-Sales, FinRead	**Observed**	Realised versus rate-card fee gap
Non-exclusive effort and unfilled roles absorb delivery cost	SS, FR	**Observed**	Hours logged against roles never placed
Team busy, high utilisation, key-person risk	FR, OC-Delivery	**Stated**	Founder and delivery call
Repeat business not compounding at year fourteen	FR, FinRead	**Observed**	Flat revenue against a mature client base

Financial evidence note

The margin figure in the report is derived, not audited, and is offered to size the opportunity rather than to close the books. An 18% margin on £6.2m of revenue is about £1.12m. A firm delivering advisory-grade work of this kind would be expected to run nearer 25%, about £1.55m on the same revenue. The difference, roughly £430,000 a year, is the combined effect of the four leaks identified: unpriced shaping, untraded discounts, below-market PSL rates, and effort spent on roles that never place. Each leak is evidenced above; the aggregate is illustrative and would be confirmed in a full financial model. (FinRead, FR, OC-Sales, SS)

Figures register

- Revenue £6.2m; EBITDA £1.12m; 18% margin. Observed (FinRead).

- Illustrative margin gap to a 25% benchmark: ~£430,000 a year. Derived (FinRead).
- 30 heads; founded 2012; single London office plus remote seniors. Observed (FinRead, FR).
- Fee model: contingent perm 20 to 25%; contract margin 15 to 20%; retained ~3% of mix. Stated (FR).
- Channel split: ~60% referral/repeat, ~25% outbound, ~8% PSL, ~5% placed-hire referral. Observed (FR, FinRead).
- ~70% of perm placements non-exclusive; exclusive = 2 to 3% off plus a 6-week window. Stated (FR).
- 30 to 40% of opened perm roles never placed. Observed (FR, SS).
- On three PSL frameworks at 18 to 20%. Stated (FR).
- ~12 key accounts of 3+ years; 6 data-function programmes in three years. Stated (FR).
- Delivery benchmark: four submittables in two weeks per role. Observed (SS).
- Key-account service asks: two-stage interviews max, decision within 10 working days, single decision-maker, feedback within 48 hours. Stated (FR, OB).
- Rebate: 12-week sliding scale (100 / 50 / 25 / 0). Observed (AF).

In their own words

James Hartley, MD (FR, FI)

> *"It feels like we're running harder to stand still."*

> *"Probably 30 to 40% of perm roles we open never end up placed by us."*

> *"Some of our biggest key accounts are actually paying us less per placement than smaller one-off clients."*

> *"The maths is uncomfortable."*

> *"I've started to wonder whether the exclusivity thing is the visible problem rather than the real one."*

Daniel Park, perm desk head (OC-Sales)

> *"Pipeline and live jobs are in the same place, which is part of the mess."*

> *"We've got ten live jobs that are actually just opportunities with no signed terms."*

> *"Hit target this month, then reset. It's not a proper cadence."*

> *"We do discount. Most of the time it's just, fine, do it."*

> *"We are often the person in the room saying, you can't hire that unicorn on that salary in that time."*

> *On the shaping: "It's free. It's part of winning the work."*

Rebecca Shaw, delivery lead (OC-Delivery)

> *"By the time we've done the map and the planning, we've basically consulted for free."*

> *"We do some of our best work on roles that were never really going to close."*

> *"The method is all in people's heads. A new starter picks it up by sitting next to someone good."*

Adrian Brennan, advisory chair (CR)

> *"The answer is exclusivity. We have to stop working for free."*

> *"At SThree we would not have opened a role without terms in place."*

Confidence and limitations

- Claims marked Observed are corroborated by at least one asset, record or the financial read, and hold without the founder present.

- Claims marked Stated rest on a single account, usually the founder’s, and should be treated as directional until confirmed.
- Financial figures beyond the headline margin are derived to size the opportunity, not audited. A full financial model would confirm the split between the four leaks.
- This is a worked example. The instruments, roles and quotes are representative of a real Commercial Review of a firm of this size and shape, and are used here to show the depth of research the review is built on.