Ledger & Lake Recruiting — Business Plan

Recruitment agency in Milwaukee, WI · Startup plan

Executive summary

Ledger & Lake Recruiting is a new recruitment agency in Milwaukee, WI offering contingency recruiting for permanent hires; retained search for senior and hard-to-fill roles; contract and temp-to-hire staffing; and recruiting projects for companies hiring several people at once. The model is one clear specialty, a signed fee agreement before any candidate is sent, fees paid when the hire starts, and repeat clients and referrals as the growth engine.

Startup budget: $29,650 across 9 items, funded from savings. Target: $17,000 in monthly sales.

Twelve months from now, success looks like this: Twelve placements in the first year, four clients who come back with a second role, and fewer than one in ten hires leaving inside the guarantee period

Products and services

Ledger & Lake Recruiting's core service is contingency recruiting for permanent hires. Every search starts with a signed fee agreement and a written brief, every candidate is screened against the brief before a résumé reaches the client, and every placement carries a replacement guarantee.

- Contingency recruiting for permanent hires
- Retained search for senior and hard-to-fill roles
- Contract and temp-to-hire staffing
- Recruiting projects for companies hiring several people at once

Market analysis

The customers are growing companies without an in-house recruiter, hiring managers with a role job ads haven't filled, and teams that need contract staff for a project or a leave — and on the other side, the candidates in the specialty who trust the agency with their next move.

- Growing small and mid-sized companies with no in-house recruiter
- Hiring managers with a hard-to-fill role that job ads haven't filled
- Companies that need contract or temporary staff for a project, a busy season or a leave
- HR teams that need extra recruiting help during a hiring surge

Marketing strategy

Most clients will come through word of mouth — referrals from hiring managers and from candidates who were placed well — and direct outreach on LinkedIn and by phone, with Google confirming credibility when someone checks: a clear specialty, placement results and reviews on the Google Business Profile. A website with forms for employers and candidates turns that into job orders and applications.

- Referrals from hiring managers and candidates you've placed — the main source of repeat work
- LinkedIn: your specialty in the headline, regular posts and direct messages to hiring managers
- Business-development calls and emails to companies hiring in your specialty
- Google Business Profile and Google — “recruitment agency” or “staffing agency” plus your city or specialty
- A website with your specialty, placement results, and forms for employers and candidates

Operations plan

The owner sells and recruits in year one — business development in the morning, candidate calls in the afternoon — reviews the pipeline every week, and runs contract workers through a payroll-funding partner until the agency can carry payroll itself.

- One specialty — a type of role in an industry you know — so clients and candidates remember what you do
- A signed fee agreement before any résumé goes to a client: the fee, payment terms, the guarantee and what happens if they hire your candidate later
- An applicant-tracking system that logs every candidate, submission and interview
- Job ads that show a pay range where state or city law requires one, and screening on skills alone — anti-discrimination law covers agencies as well as employers
- Contract workers run through a payroll-funding or employer-of-record partner until the agency can carry payroll itself
- A weekly pipeline review: open roles, candidates in play and the fee each could bring

Startup costs

What it will take to open the doors, funded from savings.

Startup costs

ITEM	AMOUNT
Working capital: living costs until the first fees arrive (three to six months)	$20,000
Recruiting tools: an applicant-tracking system, a LinkedIn Recruiter seat and job-board credits (first year)	$4,150
Professional liability (E&O) and general liability insurance (first year)	$1,650
Employment lawyer: client fee agreement, candidate terms and guarantee policy	$1,500
Laptop, second monitor and a good headset	$1,500
Business registration, LLC and EIN	$300
Website and Google Business Profile	$0
Invoicing, scheduling and client CRM (first year)	$0
Logo, business cards and a professional headshot	$550
Total	**$29,650**

Typical range to start a recruitment agency in the US: $14,300–$48,500. Your list is what you decided to spend — replace estimates with real quotes as you get them. Website and Google Business Profile: Your Zarla plan includes the website with your specialty, a request form for employers and an application form for candidates, and walks you through your Google Business Profile — a designer typically charges $2,000 or more to build one. Invoicing, scheduling and client CRM (first year): Your Zarla plan includes invoicing, online booking and customer management for your client companies — you'll still need an applicant-tracking system for candidates.

Financial plan

The numbers below come from your own startup list and typical monthly costs for a recruitment agency in the US. Overhead is low; what needs planning is the months between opening and the first fee landing — and, once you place contract workers, the payroll you meet before the client pays.

Typical monthly operating costs for a recruitment agency: $460–$6,250 a month, before the owner's own pay.

At $17,000 in monthly sales, Ledger & Lake Recruiting would clear $10,750–$16,540 a month before owner pay and tax, and recover the $29,650 startup budget in roughly 2–3 months.

Typical monthly operating costs

COST	TYPICAL RANGE
Applicant-tracking system, LinkedIn Recruiter seat and job-board postings	$200–$800
Invoicing, scheduling and client CRM (included with Zarla)	$0–$100
Professional liability and general liability insurance	$60–$250
Marketing, networking events and association dues	$100–$600
Background checks and skills assessments (often billed to the client)	$0–$300
Phone, internet, bookkeeping and accounting	$100–$400
Coworking or office	$0–$800
Part-time sourcer or recruiting coordinator (once you hire)	$0–$3,000

US ranges for a small operation; replace with your own figures as you learn them. Lines marked (included with Zarla) are what those tools cost separately — with Zarla they are part of one monthly plan.

Risks and honest downsides

Every recruitment agency plan should say out loud what can go wrong. For Ledger & Lake Recruiting, the real risks are:

- Contingency work is unpaid until someone starts — a client can fill the role internally, pull it or hire through another agency after weeks of your work
- Hiring is one of the first budgets cut in a slowdown, so a full pipeline can empty in a quarter
- A hire who leaves inside the guarantee period means a free replacement search or a refund
- One client that's most of your fees is a business built on one hiring manager
- Contract staffing means meeting payroll every week while clients pay in 30 to 60 days — growth without a funding partner or a credit line can run out of cash

Licenses, permits and insurance

What Ledger & Lake Recruiting needs before it can legally trade in the US. Rules vary by state and city — confirm each item with your local licensing office and an accountant.

- State employment-agency license or bond where required — The rules differ by state and usually turn on who pays the fee. California requires agencies that charge job seekers a fee to file a surety bond with the Secretary of State. New York licenses employment agencies (the state labor department, or the city's consumer-protection department inside New York City) but exempts an agency that places only commercial, clerical, executive, administrative or professional staff and never charges the candidate — from the license, not the law. Some states also license healthcare and nurse staffing agencies separately. Check your state labor department before you place anyone.
- Business registration and EIN — Most recruiters form an LLC; register a DBA if the agency trades under another name.
- General business license — Some US cities and counties require one even for a home-based agency — check locally.
- Employer registrations if contract workers are on your payroll — Once the agency employs the people it places, it needs a state unemployment-insurance account, payroll-tax withholding, I-9 checks and workers' compensation insurance, which nearly every state requires for employees. Illinois also requires agencies that supply day and temporary laborers — work that isn't professional or clerical — to register with its Department of Labor. A payroll-funding or employer-of-record partner can carry all of this until you're ready.
- No recruiter certification required — No US state requires a recruiter to hold a professional certification; the National Association of Personnel Services' CPC and the American Staffing Association's CSP are optional credentials some clients look for. A few states do license the individual agents at agencies that charge job seekers — New Jersey, for one.

Milestones: the next 30 days

The first month's to-do list for Ledger & Lake Recruiting, in order:

- Choose one specialty to recruit for, ideally the field you already know
- Check your state's employment-agency rules, then register the business, get an EIN and open a business bank account
- Have an employment lawyer draft your client fee agreement: the fee, payment terms, the replacement guarantee and what happens if a client hires your candidate later
- Get professional liability and general liability quotes, and set up an applicant-tracking system
- Set up a free Google Business Profile, sharpen your LinkedIn profile and put your website live
- List 50 companies hiring in your specialty and call ten hiring managers a day
- Build a bench of 30 strong candidates before the first job order lands
- Make your first placement, then ask the client and the candidate for a Google review

Appendix: what a lender will ask for

This plan tells the story and shows the numbers. If you take it to a bank, expect to be asked for these documents as well:

- Two years of personal tax returns and a personal financial statement
- A month-by-month 12-month cash-flow projection that shows the gap between a search starting and its fee arriving
- Signed client fee agreements, open job orders and the fee each could bring
- Your recruiting track record: past placements, billings and references
- Proof of insurance, business registration and any state agency license or bond
- For contract staffing: your payroll-funding or factoring agreement and each client's payment terms
- Your credit report and anything you can offer as collateral