

The Agency Profitability Play

Follow the evidence. Protect your margins with time insights.

CRIME REPORT

Revenue may look solid, but hidden costs, creeping scope, and stretched teams can quietly bleed your profits. Treat your time logs like a crime scene: follow the evidence, spot the risks, and catch margin leaks before they escape.

The Evidence Locker

Clues that reveal where project profitability is under threat

1 Unbilled hours

► **Red flags:** Missing time entries, forgotten tasks, billable work slipping through the cracks.

2 Scope creep

► **Red flags:** Last-minute client demands, deliverables growing beyond the brief, projects dragging on.

3 Team utilization

► **Red flags:** Some teammates burning past 90%, others twiddling thumbs, overtime piling up, quality dropping.

4 Retainer health

► **Red flags:** Retainers under-delivering, clients disengaged, margins shrinking.

5 Estimated vs. actual hours

► **Red flags:** Consistent overruns, chronic underestimates, projects running past budget.

6 Project profitability metrics

► **Red flags:** Low profit per hour, recurring unprofitable projects, clients consuming disproportionate resources.

1. Track every billable minute

Unbilled hours are your silent profit killers. Capture all client work — meetings, emails, admin — using timers and consistent tracking.



2. Monitor scope changes

Scope creep eats margins quietly. Log every new request, get client sign-off, and bill extra hours.

3. Watch team utilization

Overloaded or idle team members? Set utilization targets (75–90%) and watch dashboards to catch patterns before burnout or wasted capacity strikes.

4. Audit retainer health

Ensure retainers deliver predictable, profitable revenue. Review flat, time-based, or tiered agreements quarterly to keep margins intact.

5. Compare estimated vs. actual hours

Spot gaps between promised and actual hours. Use past projects to sharpen estimates and tighten planning.

6. Analyze project profitability metrics

Track profit per hour, client, and service. Double down on winners and cut the money-losers before they drain your resources.

Solve the case with Toggl

Toggl gives agencies the evidence to capture every billable minute, catch creeping scope, balance team workloads, safeguard retainer revenue, and pinpoint the projects and clients that actually drive profit — before margins start slipping.

Stop guessing. Start tracking.

