

Getting *finance approval* for recruiting tech:

A step-by-step guide

Table of contents

Introduction 2

How to present your business case to the CFO 4

How to measure the ROI of recruiting technology 6

Building the business case: A real example 8

Build your own business case with our ROI calculator 10

The CFO checklist 12

How Gem can help 14

Introduction

Budget season is here, and you're probably considering upgrading your tech stack with new recruiting solutions. But between you and that new tech stands one person: your CFO.



According to our upcoming State of Talent Acquisition (TA) report (survey of 200+ TA leaders, 85% of TA teams are looking to invest in new recruiting tech, yet most struggle to get budget approval. Why? Because TA and Finance are speaking different languages. While you're excited about AI-powered recruiting and automated scheduling, your CFO is considering payback periods and ROI metrics.

This guide bridges that gap.

We've interviewed CFOs and TA leaders who've successfully navigated the approval process, including executives from Growth by Design Talent, Airbnb, Dropbox, and our own finance team at Gem.

Inside, you'll find:

A 5-step checklist for building your business case

Outcome-based metrics that CFOs care about

A real-world example showing \$875,000+ in annual ROI

Templates and calculators to create your own CFO-ready proposal

Let's get that budget approved.

How to present your *business case* to the CFO

Getting CFO approval for recruiting tech isn't about selling features but proving financial impact. Your finance leader needs to see how AI recruiting tools deliver measurable ROI through reduced cost-per-hire, faster time-to-fill, and competitive talent advantages that drive revenue.



The first step is getting the right data. From there, you want to paint a picture of what impact new technology can deliver:

- 1. Current state vs. future state:**
Show inefficiencies in the current tech stack and how AI solves them
- 2. Cost & ROI breakdown:** Project cost savings from tool consolidation and efficiency gains
- 3. Business impact metrics:** Link AI-driven improvements to hiring speed, quality, and revenue generation
- 4. Risk & compliance considerations:**
Highlight how AI improves hiring consistency and reduces bias risk.

How to present your business case to the CFO

Follow this proven 4-step framework to maximize approval chances

1 **Current state vs. future state**

Show the problem

Current state

- 6–8 disconnected tools
- Manual data transfers
- 40% time on admin tasks
- Limited visibility

▶

Future state

- One unified platform
- AI automation
- 70% time on strategy
- Real-time analytics

Show inefficiencies in the current tech stack and how AI solves them

2 **Cost & ROI breakdown**

Quantify the financial impact

Year 1 Projections

Tool consolidation savings:	\$120,000
Productivity gains (3x capacity)	\$400,000
Reduced agency fees:	\$350,00
Total Annual Savings	\$870,000

Lead with hard dollar savings and show payback period < 6 months

3 **Business impact metrics**

Connect to strategic outcomes

Hiring speed
40% faster time-to-fill

Hire quality
20% faster performance

Revenue impact
Faster project delivery

Scalability
3x hiring without adding staff

Link improvements directly to revenue, growth, and competitive advantage

4 **Risk & compliance benefits**

Show risk mitigation

Standardized screening reduced unconscious bias

Complete audit trail for all hiring decisions

SOC2, GDPR compliant with enterprise security

Reduced legal exposure through consistent processes

Close with risk reduction – CFOs value protecting the company

How to measure the ROI of *recruiting technology*

Investing in new tools can deliver substantial ROI across four core areas, providing a strong business case for CFO buy-in. By tracking these metrics and communicating results, TA teams can prove that new tools deliver measurable business value.



Recruiting tech ROI timeline

Track and communicate value across four key measurement areas

MONTHS 1–3

Immediate impact

Track direct cost savings

Tech consolidation:
Replace multiple tools with one platform

Baseline: Current spend across ATS, CRM, sourcing, scheduling, analytics

Example: \$25K/month → \$15K/month = \$120K annual savings

Target: 30–50% reduction in software costs

External recruiting:
Reduce agency and contractor dependency

Baseline: Current agency placements and contractor hours

Example: 20 fewer agency placements × \$35K (typical 15–20% fee on \$200K role) = **\$700K saved**

Target: 50% reduction in external recruiting spend

MONTHS 3–6

Quick wins

Quantify productivity improvements

Faster time-to-fill:
Accelerate revenue and reduce vacancy costs

Track: Days from req open to offer accepted by role type

Calculate: Days saved × daily cost of vacancy × number of hires

Target: 20–40% reduction in time-to-fill

Recruiter capacity:
Handle more reqs without adding headcount

Track: Number of reqs per recruiter

Calculate: Additional capacity × avoided hiring costs

Target: 1.5–3× increase in workload capacity

MONTHS 6–12

Long-term impact

Connect better hiring to business outcomes

Quality of hire

Track: 90-day performance ratings and productivity metrics

Calculate: Performance improvement × revenue per employee

Target: 15–20% improvement

Retention rates

Track: 90-day and 1-year retention rates

Calculate: Reduced turnover × replacement cost (source: McKinsey)

Target: 10–15% improvement in first-year retention

Time-to-productivity

Track: Days to full productivity by each role

Calculate: Earlier productivity × daily revenue per employee

Target: 20–30% faster ramp-up time

MONTHS 6–12

Ongoing management

Demonstrate improved stakeholder experience

Candidate experience

Track: Post-process NPS surveys (baseline vs. current)

Calculate: NPS improvement points → impact on offer acceptance rate

Target: 10–20 point improvement candidate NPS

Hiring manager satisfaction

Track: Quarterly satisfaction surveys (baseline vs. current)

Calculate: Satisfaction score improvement

Target: 30% improvement in satisfaction scores

Recruiter experience

Track: Tech satisfaction surveys (baseline vs. current)

Calculate: Satisfaction score improvement

Target: 30% increase in tool satisfaction scores

Pro-tip

Lead with financial impact, support with operational improvements, and close with risk mitigation.

Building the business case:

A real example

Consider hiring a senior engineer for a 5–person team with a \$200,000 salary.
The true cost of this vacancy extends far beyond payroll (see next page).



Building your business case: A real example

Total measurable cost: \$5,769 per week

- **Direct productivity loss: \$3,846/wk**
(the salary you're paying for work not being done: $\$200,000 \div 52 \text{ weeks}$)
- **Team inefficiency: \$1,923/wk**
(when a role is vacant, let's conservatively assume the remaining 5-person team loses ~10% productivity while covering the gap. If each team member makes \$200,000, that's $\$3,846 \times 5 \text{ people} \times 10\% = \$1,923$)

Strategic impact

Beyond the measurable costs, vacant positions create cascading effects: delayed product launches, competitive disadvantages, and diminished employer brand as top candidates choose faster-moving companies.

Scaling the impact

With improved recruiting technology, a company hiring 50 engineers per year can reduce time-to-fill by just 2 weeks per role:

- 50 roles $\times$ 2 weeks saved $\times$ \$5,769 per week = \$576,900 in productivity savings alone
- Agency fee reduction: Even 10 fewer agency placements $\times$ \$30–40K per placement (agencies typically charge 15–20% of first-year salary) = \$300–400K saved

Weekly cost breakdown \$5,769

Direct productivity loss

\$3,846
per week

($\$200K / 52 \text{ weeks}$)

Team inefficiency

\$1,923
per week

(10% loss $\times$ 5 team members)

Strategic impact (harder to quantify)

- 🚀 • Delayed product launches and missed revenue targets
- 🏃 • Competitive disadvantage as rivals move ahead
- 🔄 • Cascading impact on dependent teams and projects
- ➡ • Diminished employer brand as top candidates choose faster-moving companies

Annual ROI with better tech

Productivity savings

\$576,900

- 50 roles per year
- \$5,769 cost per week
- 2 weeks saved per role

Additional savings

\$300–400K

- Faster revenue: Accelerated project delivery
- Improved quality: Higher retention and performance

Conservative total impact: \$875,000+ annually

Build your business case with our *ROI calculator*

Our ROI calculator creates a custom analysis based on your actual recruiting operations. Here's how it works (see next page).



Tech consolidation savings

- 1 Input your current spend across ATS, CRM, scheduling, analytics, sourcing tools, and AI agents
- 2 Add LinkedIn and other talent source costs
- 3 See your total potential savings from consolidating with Gem (typically 30–50%)

AI-powered productivity gains

1. Calculate time saved on application review (90% reduction with AI)
2. Measure sourcing efficiency improvements with the following inputs:

- | | |
|---------------------------|---|
| a. Initial search setup: | 80% faster with AI-powered JD ingestion |
| b. Prospect searching: | 63% reduction with 650M+ profile database |
| c. Past applicant search: | 100% automated with AI rediscovery |
| d. Contact finding: | Instant with unlimited email discovery |
| e. Personalized outreach: | 100% automated with AI sequences |

3. See total hours saved and productivity gains in dollar terms

Your personalized results include:

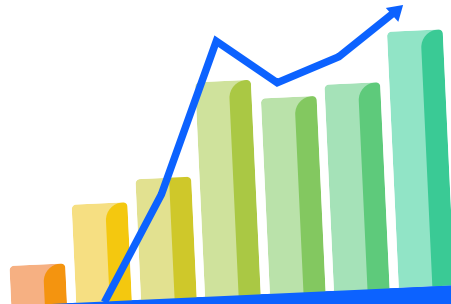
- Annual cost savings on software consolidation
- Hours saved per recruiter per year
- Total productivity gains in dollars
- Custom analyses based on the unique characteristics of your team

The calculator takes just 5 minutes to complete and provides a CFO-ready summary for your budget presentation.

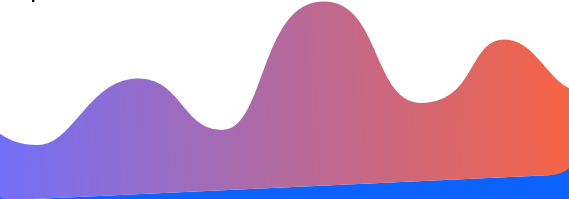


ROI & consolidation savings calculator

2,500 hours saved



\$75,000 dollars saved



The *CFO checklist*

Getting CFO approval for recruiting tech isn't about selling features but proving financial impact. Your finance leader needs to see how AI recruiting tools deliver measurable ROI through reduced cost-per-hire, faster time-to-fill, and competitive talent advantages that drive revenue.



The difference between approved and rejected requests comes down to speaking the CFO's language of strategic investment rather than departmental expense. Present the proper business case, and your recruiting tech becomes an obvious budget priority rather than a tough sell.

We spoke to TA leaders at Growth by Design Talent, Airbnb, and Dropbox, as well as Gem's very own CFO, about what moves proposals from "maybe" to "approved." The secret? Stop talking about features and start showing financial impact.

We've summarized their advice into a simple, easy-to-use checklist. With these steps, you can turn your new technology request into a strategic investment proposal that gets approved.

Pro-tip

Stop talking about features and start showing financial and business impact!

Get recruiting tech approved in five simple steps



Steps:

1. Document your current recruiting expenses

2. Highlight specific savings opportunities

3. Demonstrate broader business impact

4. Address implementation concerns

5. Make the compliance and risk reduction case

Checklist:

- ☐ Calculate actual cost-per-hire (e.g., recruiter time, advertising, tools)
- ☐ Quantify vacant position costs as lost revenue
- ☐ Map current tech stack costs and identify redundancies.

- ☐ Tool consolidation (e.g., 30–50% reduction in software costs)
- ☐ Efficiency gains (e.g., 30% faster time-to-fill for revenue-generating roles)
- ☐ Reduced agency and external recruiting fees

- ☐ Improved hiring quality metrics and retention
- ☐ Ability to scale hiring without expanding the recruiting team
- ☐ Competitive advantage from securing top talent faster
- ☐ Higher candidate and hiring manager satisfaction scores
- ☐ Analytics that provide transparent ROI tracking, allowing real-time measurement of performance improvements

- ☐ Provide a realistic implementation timeline and resource requirements
- ☐ Outline a phased rollout plan to minimize disruption
- ☐ Review detailed security and compliance safeguards
- ☐ Show alignment with the broader company AI strategy

- ☐ Ensure there are built-in safeguards against discriminatory practices in applicant screening, job descriptions, communications, and more
- ☐ Show proof of compliance standards with verified, third-party audits where necessary

How Gem can *help*

Gem is the only AI-first all-in-one recruiting platform. It brings together your ATS, CRM, sourcing, scheduling, and analytics — plus 650+ million profiles to source from — with AI built into every workflow. Over 1,000 organizations — from startups to industry leaders like Zillow, DoorDash, and Asana — trust Gem to fuel their growth. With an industry-leading 4.8/5 rating on G2, Gem is the platform recruiters actually love to use.



Cut costs through tech consolidation

Replace your scattered recruiting tools with one AI-powered platform for ATS, CRM, sourcing, scheduling, and analytics. Reduce spend on expensive sources of talent and eliminate redundant point solutions.

Maximize recruiter productivity

Get up to 5x efficiency gains with AI built into every workflow — from sourcing talent and reviewing applications to scheduling interviews and managing candidates. With all products working better together, recruiters spend less time switching systems and more time building relationships.

Unlock data-driven recruiting

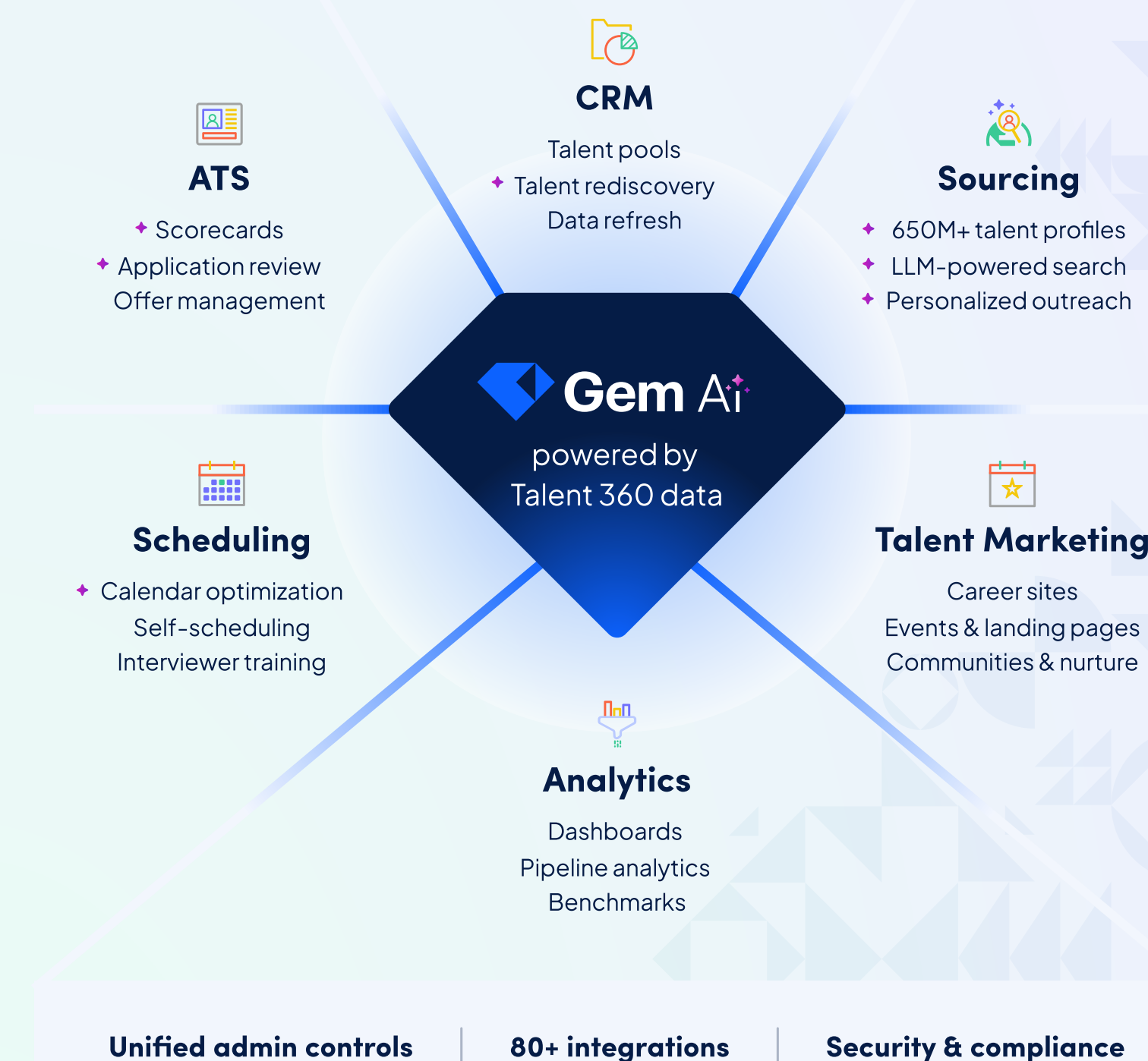
Get access to analytics across the recruiting funnel without complex BI tools. From pipeline metrics to hiring forecasts, Gem helps you make data-driven decisions and demonstrate impact.

Use AI that *actually works*

Get better results from AI that learns from all your recruiting data. With insight into every candidate touchpoint and interaction, Gem AI makes smarter decisions about who to engage and how.

Work with software *built for recruiters*

Use a platform designed around how recruiters actually work, not a collection of technical features. Quick implementation, intuitive workflows, and clear analytics make Gem the solution teams actually use and trust, earning us an industry-leading 4.8/5 rating on G2.





Thank you.

Gem is the only AI-first all-in-one recruiting platform. It brings together your ATS, CRM, sourcing, scheduling, and analytics — plus 650+ million profiles to source from — with AI built into every workflow. By eliminating the headaches of juggling multiple tools, Gem helps customers boost recruiter productivity by up to 5x while saving 30–50% on technology costs.

To learn more and see a demo, visit gem.com/request-demo