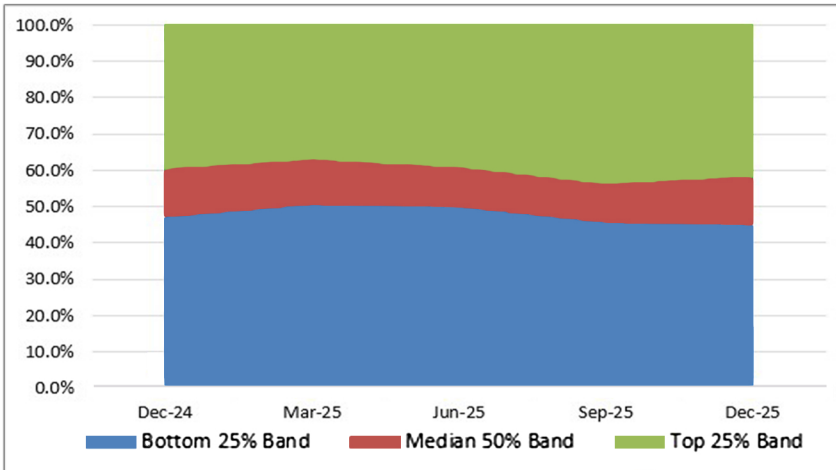


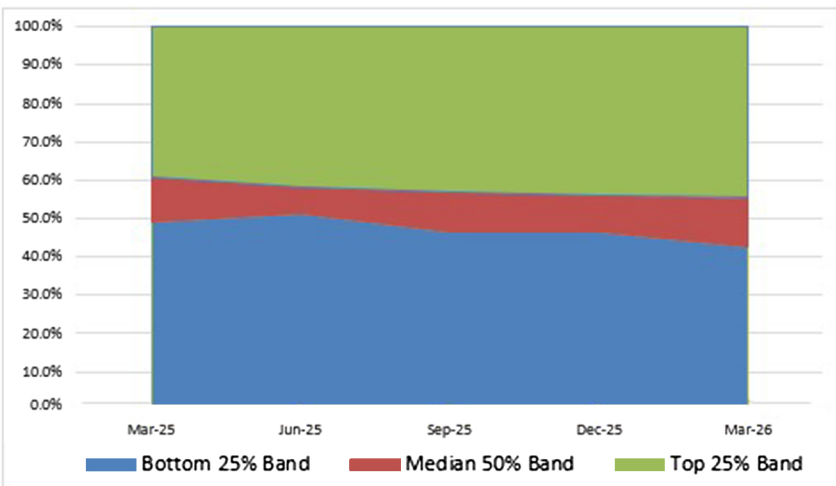
*This report reflects an analysis of all PULSE metric data submitted by participating system integrators from Q1 2025 through Q1 2026. For each metric and reporting period, submissions were segmented into lower, middle, and upper quartiles to provide a clear view of performance distribution. In instances where significant outliers appeared, CSIA contacted the submitting member to verify the data, and corrections were made as needed. As a result, the dataset used in this report is free of unverified or extreme anomalies.*

## 1. Utilization Based On Hours



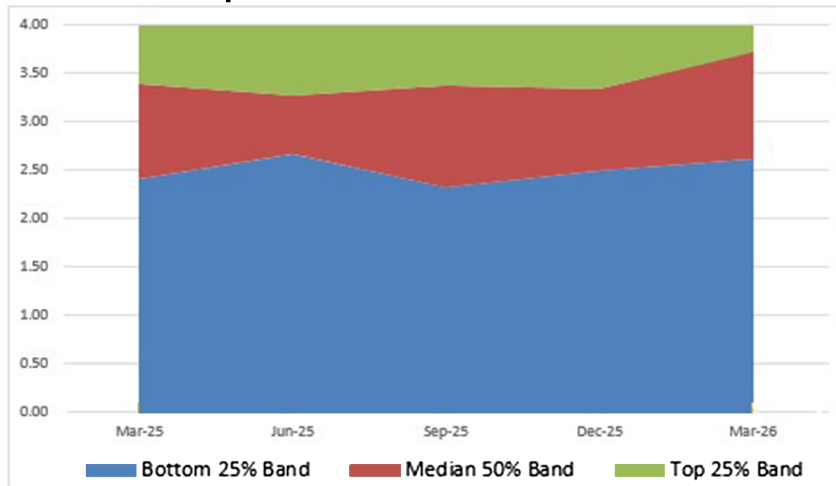
The utilization based on hours metric is intended to show how effectively a member's total labor capacity is being used on billable work. From Q4 2024 to Q4 2025, median values are extremely consistent with a range of N2.3 percentage points, always just above a threshold of 50%. This aligns with the over capacity reported in EZ Stats. The slight downward trends of top and bottom quartile values indicate that, on average, member firms may be expanding capacity slightly relative to demand.

## 2. Utilization Based on \$



While hours-based utilization remained stable, dollar-based utilization declined across all quartiles, indicating that firms are maintaining activity levels, but the more expensive resources are less utilized than the lower cost ones. This suggests a decline in utilization quality, potentially driven by increased use of junior staff, holding on to more senior people even if they are not busy, or senior people moving more into sales and customer retention work.

## 3. Labor Multiplier



By contrast, the labor multiplier metric demonstrates a gradual upward trend in revenue generated per dollar of labor cost throughout 2025.

### SUMMARY

Margins are increasing on labor, but overall revenue is declining relative to labor hours. This suggests that member firms are taking on either higher value projects or staffing lower-cost labor