

What does it cost to recruit in-house?

The table below assumes an internal management cost of \$50 per hour (Conservative figure). The following costs could be applied as a minimum to most recruitment scenarios although executive recruitment could equate to almost double:

Position Profile	Time to assess and determine the particular job specifications and profile	2 hours	\$100.00
Advertising	Usually requires at least one local newspaper advert and one on line advert as a minimum		\$1000.00
Advert Creation	Creating adverts and reviewing proofs and lodging	2 hour	\$100.00
Initial Screening of Applications	Assessment of 10-15 applications and initial phone screening (30 mins each application)	5 hours minimum	\$250.00
Interviews	1 hour with 8 potential candidates	8 hours	\$400.00
Reference Checking	Top 3 Candidates	2 Hours	\$100.00
Final Interviews	Top 2 candidates re-interviewed by management/second person	2 hours	\$100.00
Letters of Rejection	Typed and posted out	2 hours	\$100.00
Replacement Costs	Statistically 1 in 3 employees resign or are not suitable inside a 3 month period involving all costs again without any guarantee	Sum of Above	\$2150.00
		Total	\$4300.00

Note: the above does not include the provision for damage done to your employment brand by having your company name advertised looking to fill a vacancy. Candidates often associate employers that regularly advertise for vacancies as being known for high staff turnover and therefore are less inclined to apply for a position with such employers.

The above calculations do not highlight the loss of revenue in having the above resources directed away from their core business.