

## 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:

<b>Position Profile</b>	Time to assess and determine the particular job specifications and profile	2 hours	<b>\$100.00</b>
<b>Advertising</b>	Usually requires at least one local newspaper advert and one on line advert as a minimum		<b>\$1000.00</b>
<b>Advert Creation</b>	Creating adverts and reviewing proofs and lodging	2 hour	<b>\$100.00</b>
<b>Initial Screening of Applications</b>	Assessment of 10-15 applications and initial phone screening (30 mins each application)	5 hours minimum	<b>\$250.00</b>
<b>Interviews</b>	1 hour with 8 potential candidates	8 hours	<b>\$400.00</b>
<b>Reference Checking</b>	Top 3 Candidates	2 Hours	<b>\$100.00</b>
<b>Final Interviews</b>	Top 2 candidates re-interviewed by management/second person	2 hours	<b>\$100.00</b>
<b>Letters of Rejection</b>	Typed and posted out	2 hours	<b>\$100.00</b>
<b>Replacement Costs</b>	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	<b>\$2150.00</b>
		Total	<b>\$4300.00</b>

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.