

COST OF HIRING

Most organizations are primarily concerned with bottom line and costs. The Burke Group recognizes and appreciates this concern. The following information is designed to assist clients in a cost analysis of hiring. Although initially the cost of using a professional search firm appears to be high, the actual costs are often less expensive or equal to those incurred by most companies when they hire on their own. A few important considerations are as follows:

- Organizations do not hire on a day-to-day basis so they often find the process of recruiting time consuming and frustrating
- Recruitment of staff is not a revenue producing activity, the time spent in this area does not always consider the loss of revenue the manager would have generated

This form will assist you in determining your actual costs in advance before proceeding in the recruitment process. Our staff is happy to assist you and give you any information you may require in order to complete this form with respect to advertising or the market-value of particular positions.

Write advertising copy and placement

1 hour @ \$ _____

Cost of advertisement:

Internet: _____

Newspaper: _____

Assess resumes: No phone calls:

100 responses @5 minutes per resume
8 hours @ \$ _____

Prepare short list of acceptable candidates:

½ hour @ \$ _____

Telephone pre-screening:

8 calls at 15 minutes each
2 hours @ \$ _____

Telephone time to arrange 6 interviews:

½ hour @ \$ _____

Interviews:

6 @ 30 minutes each
3 hours @ \$ _____

Testing:

3 hours @ \$ _____

Reference Checking:

2 hours @ \$ _____

These costs assume:

- Only one ad required to find suitable candidate
- Only mailed/faxed/mailed applications

However, since your advertising typically has an address and company name, you should assume at least:

50 telephone calls to reception:

2 hours @ \$ _____

Conversations with reception when

Candidates drop off resumes:

2 hours @ \$ _____

Prepare interview questions:

½ hour @ \$ _____

Set second interviews:

½ hour @ \$ _____

Interview final candidates:

2 – 3 candidates at ½ hour each:

1 - 1.5 hours @ \$ _____

Miscellaneous time expenditure:

1 hour @ \$ _____

Telephone calls to all interviewed candidates:

6 calls at 15 minutes each:

1.5 hours @ \$ _____

Letters to candidates not hired:

99 candidates @ \$3.00 each _____

TOTAL _____

The decision to hire or not hire an individual is based on an expectation of the FUTURE performance. If these expectations are not met:

- a) A decision must be made whether to keep that person on beyond the standard 90 day probation period.
- b) If you have hired on your own, you will once again incur all the expenses of recruiting.
- c) If you have hired through The Burke Group, we have an exceptional success rate. However, should our candidate not work out for whatever reason, The Burke Group provides a 3 – 12 month replacement guarantee allowing you to replace the individual at no additional cost.

As you can see, the benefits and cost advantages of using The Burke Group far outweigh any advantage of recruiting on your own. We are always interested in how we can better service our clients and prospective clients, and we would welcome your comments on the usefulness of this form.