

Calculating the cost of recruitment template

This can help you identify what recruitment activities are working well so you can invest more in getting it right, or where it isn't working well so you can reduce costs.

You can use and adapt this template to calculate the costs of recruitment in your service over the past 12-months. [Download this example](#) to see how we've worked out the costs for a small provide that employs 20 full time equivalent care workers.

Recruitment activity	What to consider when calculating the time and cost?	Estimated £ per recruit
Cover for exiting staff	- Calculate the overtime, bank or temporary workers needed to cover for gap periods as the organisation prepares to recruit new staff - NB: Consider how many times have you had to do this in the past 12 months to help calculate the average cost per recruit	
Preparing a job description and the application process	- Determine the recruitment process and associated timescales - Scope the role and responsibilities and develop a job description and person specification - Design the application form or equivalent	
Advertisement and promotion	- Promote your vacancies for example at careers events, job websites, press, engagement with Jobcentre Plus and recruitment agencies - Respond to questions about the advertisement and application process	
Shortlisting	Review applications, select successful candidates and issue invites to interview	

Interviews	▪ Panel members coordinate and conduct interviews and review candidates ▪ Coordinate, administer and review interview related assessments ▪ Train panel members to recruit	
Checks, contracting and set up	▪ Administer and follow up ID, DBS and reference checks, and do associated risk assessments ▪ Document recruitment decisions ▪ Issue and follow up employment contracts and sign off procedures ▪ Set up new staff records, systems access, payment and pensions etc.	
Induction, training and competency assessments	▪ Plan induction programme ▪ Review policies and procedures ▪ Develop and deliver induction training and mandatory training – where applicable include time and costs associated with commissioning external learning ▪ Assess staff competence	
Probation period additional supervision and support	▪ Initial introductory meetings ▪ Ad-hoc line manager support ▪ Enhanced supervision during probation period	

Productivity - reduced capacity	Time and cost associated with new workers limited productivity as they're inducted into the organisation for example learning new ways of working, familiarising themselves with care plans and being unable to perform some tasks until assessed as competent	
	Totals	

Average cost of recruitment for each recruit over past 12-months	
Combined cost of recruitment for all staff over past 12 months	
Based on the above number, our estimated cost of recruitment for next 5 years is	

There are lots of variables when calculating the total cost of recruitment. Every care provider will have a different approach to how they cover for the loss of staff and what activities they do to recruit and replace them.

Whilst retaining all staff may be an unachievable goal, knowing what the cost of recruitment is for your organisation can help you plan in practical ways to reduce it.