

Knowing Your Cost-Per-Hire

How much are you spending on new hires?

On average, recruiters spend **\$4,425 per hire** – and as much as \$5,000. Costs can vary depending on the role, company size, and industry.



What is cost-per-hire?

Cost-per-hire – encompassing internal, external, direct, and indirect costs associated with sourcing, recruiting, and staffing jobs – is a human resource metric that measures the costs associated with filling an open role.

Internal costs include:

- Recruitment staff salary or pay
- Staff training costs
- Travel costs
- Referral bonuses
- In-house applicant or human resources technology or software

External costs include:

- Staffing agency and contractor fees
- Candidate travel costs and screenings
- Job advertisements
- Job fair costs
- Recruitment software
- Sign-on bonuses



Calculate cost-per-hire



STEP 1

Select the time period you want to calculate for



STEP 2

Compile all internal costs for the selected time period



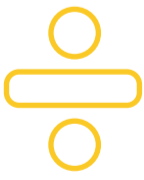
STEP 3

Compile all external costs for the selected time period



STEP 4

Add the external cost total to your internal cost total



STEP 5

Divide those external plus internal costs by the total number of candidates hired during the defined time frame – this will give you your cost-per-hire

TOTAL INTERNAL +
EXTERNAL RECRUITING COST

TOTAL # OF HIRES IN A
GIVEN TIME FRAME



COST-PER-HIRE

