



**Use this worksheet as a guide in calculating your organization's Cost per Hire:**

Steps in the Recruitment and Selection Process		Investment - Time & Expenses
<b>1</b>	Create a position description and prepare advertisement	
<b>2</b>	Search/Source current resumes for potential candidates (mail, fax, e-mail)	
<b>3</b>	Receive, open, sort and review solicited & unsolicited resumes (avg volume resumes received, time spent per resume)	
<b>4</b>	Pre-Screen candidates and develop a long-list of candidates	
<b>5</b>	Send acknowledgement letters and/or respond to phone inquiries (avg number of candidates, time spent/letter)	
<b>6</b>	Conduct Pre-Employment assessments/testing (no. of candidates, time and cost invested in purchasing, coordinating, testing, marking & reviewing results)	
<b>7</b>	Develop short-list of candidates and coordinate interviews (assess each candidate, schedule interview & prepare questions)	
<b>8</b>	Conduct interview process (staff time spent on all interviews, debriefing, and decision-making)	
<b>9</b>	Send thank you letters and phone short-listed candidates	
<b>10</b>	Conduct Behavioral/Leadership/Communication Assessments (purchase, administer & analyze)	
<b>11</b>	Conduct employment references & background checks (how many references, time spent leaving messages, follow up calls and actual conversations)	
<b>12</b>	Prepare offer of employment	
<b>13</b>	Close the selection – compile, file and document activities related to search (resumes, interview notes, assessments, etc.)	
Total staff time invested in the hiring process (hourly rate of recruiter/hiring mngr multiplied by the hours)		
In the case of a revenue generating position (estimate revenue lost while the position remains vacant)		
Total Cost Per Hire (before advertising & sourcing costs)		
Add average cost of advertising & external sourcing per position		
<b>Total Cost per hire</b>		