RECRUITMENT SECTOR KPI HELPSHEET

BUSINESS SERVICES

MENZIES
BRIGHTER THINKING

KPI	RELEVANT FOR	CALCULATION	COMMENTS
OPERATIONAL			
Fee's per fee earner	Permanent agencies	Total placement fees / Number of fee earners	How effective are fee earners at generating income? Are resourcing levels correct?
Placements per month	Permanent agencies	Total number of placements made in a month	How effective are fee earners at generating income? How are we performing against target?
Revenue mix (temp v perm)	Agencies with mixed offering	Temporary placement income / Permanent placement income	Considers business risk and mix between income sources and how this changes over time
Revenue mix (retained v contingent)	Permanent agencies	Retained search Income / Total Fee Income Contingent Search Income / Total Fee Income	Considers business risk and mix between income sources and how this changes over time
Days filled per month or billable hours	Temporary staff agencies	Number of staff days filled in a month	Measures level of monthly activity against target or a break even point
Time to fill	Permanent agencies	Average number of days taken between receiving mandate and candidate starting work	Measures effectiveness of recruitment process
FINANCIAL			
Gross margin	All agencies	(Income - Direct costs) / Income	Margin being achieved on placements and work delivered
Net profit	All agencies	(Income - All costs) / Income	Profitability of the business or business unit
Debtor days	All agencies	(Trade debts / Income) x 365	Effectiveness of credit control process
Current ratio	All agencies	Current assets / Current liabilities	Ability of business to settle liabilities as they fall due
MARKETS			
Number of vacancies or candidates registered	All agencies	Capturing at a determined point in time the number of vacancies or candidates registered with the business	Health of current business pipeline
New vacancies or candidates added	All agencies	Reviewing a specified period and identifying the number of vacancies or candidates added to business databases	Effectiveness of BD activities in refreshing business pipeline
New clients added	All agencies	Reviewing a specified period and identifying the number of new clients added to business databases	Effectiveness of BD activities in securing future business opportunities
Sourcing channel effectiveness	All agencies	Analysing either: ▰ Completed placements ▰ New vacancies added ▰ New candidates added To identify how the opportunity has arrived at the business. (eg cold calling, LinkedIn, Adverts etc)	Effectiveness of BD activities in securing future business opportunities

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MARKETS (cont)			
Net Promoter Score	All agencies	Collecting feedback from customers regarding how likely they are to recommend the business. The Net Promoter Score is calculated by subtracting the percentage of customers who are Detractors [responses 0-6] from the percentage of customers who are Promoters [responses 9-10].	Measures quality of customer experience and their 'love' for the business
STAFF			
Staff turnover	All agencies	Number of staff leaving in a period / total number of employees	Can indicate whether business has a problem in terms of staff morale / motivation / retention
Employee engagement	All agencies	Employee survey with specific questions intended to collect data around engagement levels	Can indicate whether business has a problem in terms of staff morale / motivation / retention

CONTACT US

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