



## COST COMPARISON

EMPLOYEE	COST £	CUMULATIVE TOTAL £	NOTES	YOUR OFFICE ONLINE
Salary (Executive PA)	18,010	18,010	1	0
Cost of Recruitment	3,301	21,311	2	0
Benefits @ 35% of Salary	6,303.50	27,614.50		0
Overheads @ 50% of Salary (office space/furniture/consumables etc)	9005.00	36,619.50		0
Training, CPD etc	1,000	37,619.50	3	0
<b>Annual Cost</b>		<b>37,619.50</b>		<b>0</b>
<u>Productive Working Days</u>	<u>Days</u>	<u>Cumulative</u>		
Weekdays in a year	261	261	4	261
Holidays (20+8)	28	233	5	0
Formal Training	5	228	6	0
CPD, reading, learning, self-directed training	4	224	7	0
Sick Days	20	204	8	0
Wasted/unproductive time	60	144	9	0
Total Working Days per year		144	10	261
Cost per day (annual cost ÷ total working days)		£261		£150.00
Cost per hour (based on 7.5 hr day)		£35	11	£20.00
Typical Total Annual Cost (weekdays worked x cost per day)		£68,121		£39,150*

**A saving of over £28,900 per year**



## COST COMPARISON - NOTES

- 1 Based on UK average salary for an Executive PA. Figures available at <http://www.mysalary.co.uk/salaryaveragesector/secretary.php>
- 2 Typically, a recruitment agency charges 20% of first-year salary. Using agency figures and assuming a PA stays with company for two years, apportion cost over time with company -  $(£18010 \times 0.2)/2 = £1801/\text{year}$ . Cost of newspaper advertising approximately £1500.
- 3 Training and/or continuing professional development (CPD) is not a quote nice to have". It is essential if you want your employees to be effective.
- 4  $(52 \times 5) + 1$  because there are 52 weeks and one day in the year
- 5 Minimum holiday is 28 days as of 01/04/2009 that includes eight days bank holidays. <http://www.berr.gov.uk/whatwedo/employment/employment-legislation/employment-guidance/>. According to <http://www.cipd.co.uk/subjects/hrpract/hoursandholidays/wrktimlve>, on average 25 days is the most common entitlement of both manual and non-manual employees.
- 6 Table 28 in CIPD Annual Survey Report 2007 - [www.cipd.co.uk/NR/rdonlyres/EB18FA28-BD40-4D47-81B9-660034D280C1/0/learndevsr.pdf](http://www.cipd.co.uk/NR/rdonlyres/EB18FA28-BD40-4D47-81B9-660034D280C1/0/learndevsr.pdf)
- 7 Guesstimate
- 8 HSE Ill-Health Cost Calculator Secretarial/Administrative Staff
- 9 Average wasted time – 1.7 hours out of atypical 8.5 hour day ([www.hrmguidance.com/performance/wasting-time.htm](http://www.hrmguidance.com/performance/wasting-time.htm)) = 20% (2007 figures). "A poll carried out among 776 office workers indicated that most spent at least 30 minutes a day visiting social networking sites, and two were so hooked that they engaged in such activities for up to 3 hours each day". ("Do not get stung by social networks", Computer Weekly, 04 March 2008).
- 10 When you use Your Office Online there is no requirement to pay for holidays, sick leave, training days or time wasting activities.
- 11 Depending on the task being carried out, Your Office Online rates start at £20 per hour.
- \* The number of hours required for tasks to be completed will be less when working with Your Office Online than in office. Therefore, the overall financial savings made by working with Your Office Online could be even greater than that shown – you only pay for the actual hours worked.