



PERFECTLY PRACTICAL OFFICE SUPPORT

Cost Comparison

EMPLOYEE	COST £	CUMULATIVE TOTAL £	NOTES	OFFICE STUFF
Salary (Executive PA)	22000	22000	1	0
Cost of Recruitment	1500	23500	2	0
Class 1 NICs	2150	25650		0
Pension @ 3% of salary	660	26310		0
Bonus	500	26810		0
Training, CPD	1000	27810	3	0
Share of overheads	1000	28810	4	0
Consumables	100	28910	5	0
Administrative overheads	800	29710	6	0
Annual Cost		29710		0
Productive Working days	Days	Cumulative		
Weekdays in a year	261	261	7	261
Holidays (20+8)	28	233	8	0
Formal training	5	228	9	0
CPD, reading, learning, self-directed training	4	224	10	0
Sick days	20	204	11	0
Wasted/unproductive time	60	144	12	0
Total working days in a year		144	13	261
Cost per day (Total costs by working days)		206		126
Cost per hour		29	14	18
Total Costs		53766		32886

A saving of £20,880 per year



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Cost Comparison - Notes

1. Based on UK average salary for an Executive PA. Figures available at www.reed.co.uk/CareerTools/SalaryCalculator.
2. Typically, a recruitment agency charges 20% of first year salary. Using agency figures and assuming PA stays with company for 2 years, apportion cost over time with company - $(£22,000 \times 0.2)/2 = £2,200/\text{year}$. Cost of newspaper advertising approximately £1,500.
3. Training and/or continuing professional development (CPD) is not a “nice to have”. It’s essential if you want your employees to be effective.
4. Guesstimate.
5. Guesstimate.
6. Guesstimate. Proportion of the salary paid to someone for administering personnel, payroll, etc.
7. $(52 \times 5) + 1$ because there are 52 weeks and one day in a year.
8. Minimum holiday is 28 days as of 1 April 2009 but that includes 8 days bank holidays. www.berr.gov.uk/whatwedo/employment/employment-legislation/employment-guidance. According to www.cipd.co.uk/subjects/hrpract/hoursandholidays/wrktimlve, on average 25 days is the most common entitlement for both manual and non-manual employees.
9. Table 28 in CIPD Annual survey report 2007 - www.cipd.co.uk/NR/rdonlyres/EB18FA28-BD40-4D47-81B9-660034D280C1/0/learndevsr.pdf.
10. Guesstimate.
11. HSE Ill-Health Cost Calculator for Secretarial/Admin staff.
12. Average wasted time - 1.7 hours out of a typical 8.5 hour days (www.hrnguide.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 three hours each day” (“Don’t get stung by social networks”, Computer Weekly, 4 March 2008).
13. With **Office Stuff** you don’t pay for holidays, sick leave, training days or time-wasting activities. We are available for ALL 261 week-days of the year and more.
14. Depending on the task being carried out, **Office Stuff**’s hourly charge varies from £12.00 to £25.00. £18.00 per hour is a UK average for freelance outsourcing services.