

guide

# how to assess your talent strategy through the lens of cost control and cost savings

Profitability is often closely associated with taking control of costs. But cost control is not necessarily the same thing as cost savings. In fact, incorrect cost reductions can lead to reduced productivity and/or deteriorated quality, thereby risking reduced revenue. Instead, cost control and profitability has to do with ensuring that your costs generate as much revenue as possible.



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partner for talent.

This guide is designed to optimise your talent management approach by pinpointing essential Key Performance Indicators (KPIs) and recruitment costs, while also outlining potential drawbacks of inadequate or excessive staffing levels.

essential KPIs

overstaffing  
downsides

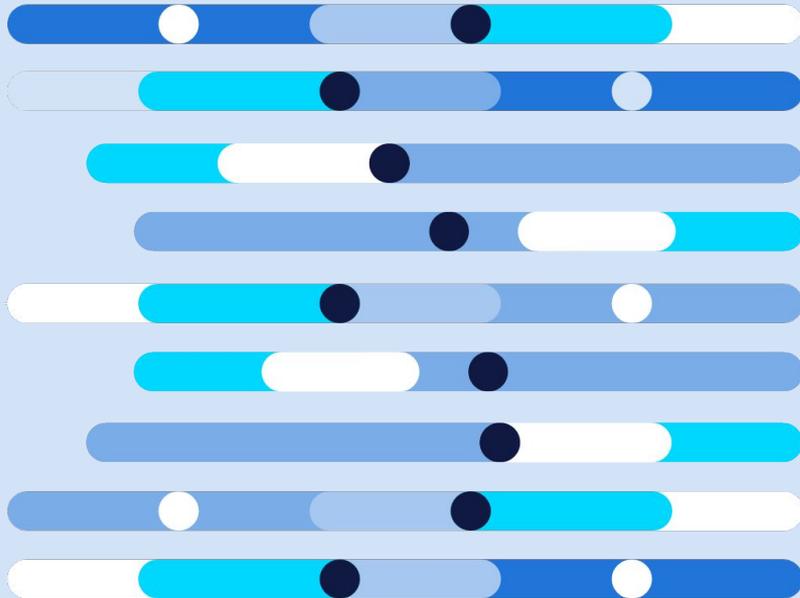
recruitment  
expenses

understaffing  
implications



# identify relevant KPIs

Assessing your talent strategy involves considering a variety of KPIs. The pivotal step is selecting the metrics that align with your specific situation. Some widely used KPIs include:



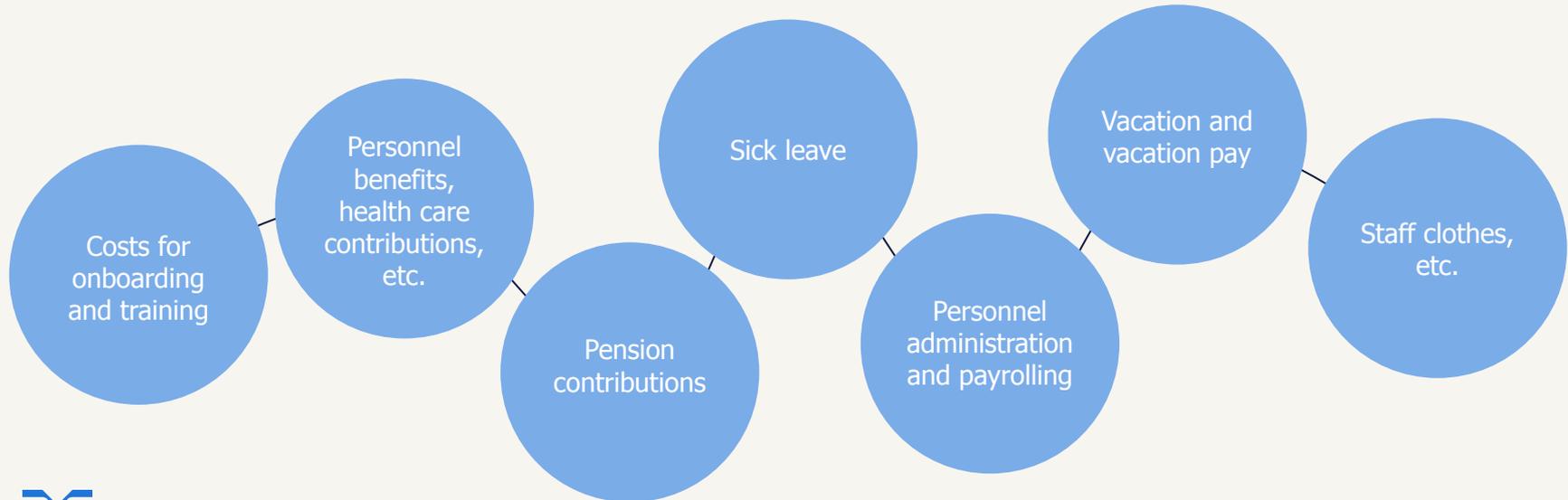
- time to fill
- number of vacancies that aren't filled
- diversity
- reasons for terminating the contract
- costs for vacancies that aren't filled
- sick leave
- incidents/accidents
- employee turnover
- delivery capacity



## what does it cost to recruit new talent?

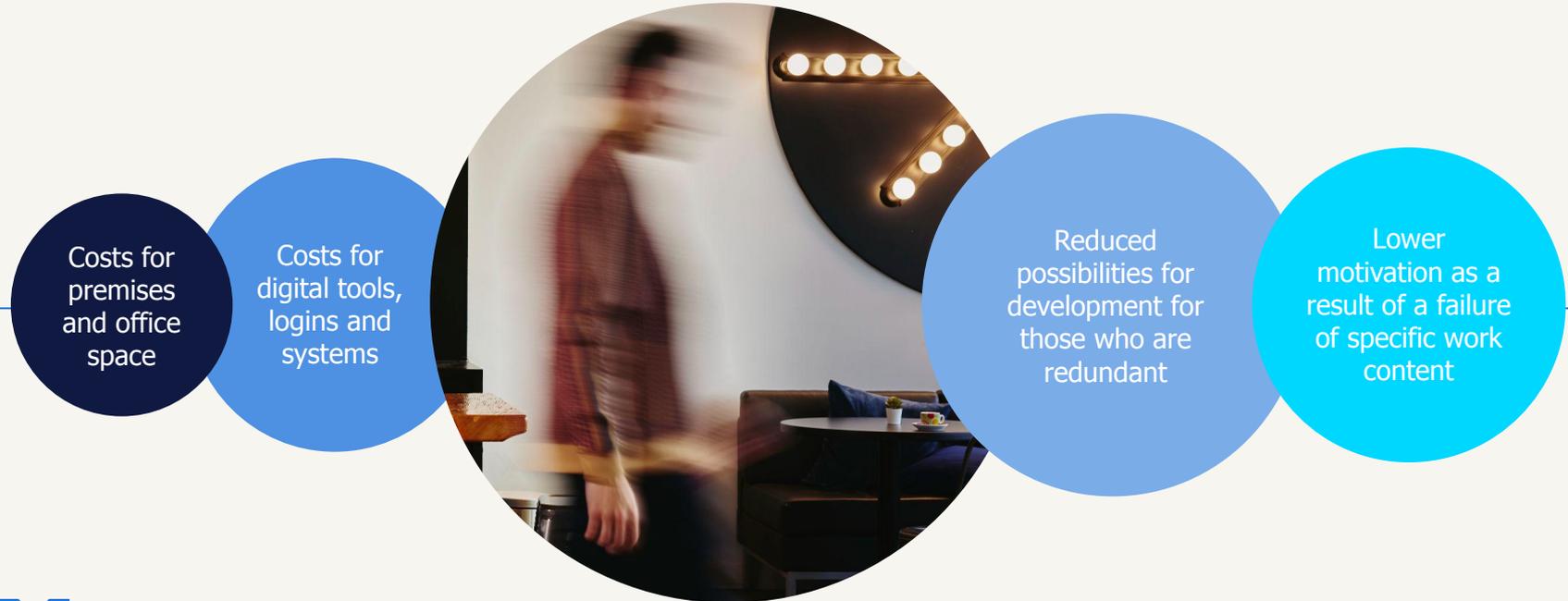
The recruiting process includes both direct and indirect costs. Among these, the greatest costs often stem from the time you spend creating new job profiles and managing the entire recruiting procedure. Additionally, marketing expenses, such as advertising a position and participating in recruiting events, contribute to the overall recruitment costs.

Beyond these primary recruitment costs, there are a series of additional costs that you should be aware of. When you calculate your total talent costs, you should also include the following:



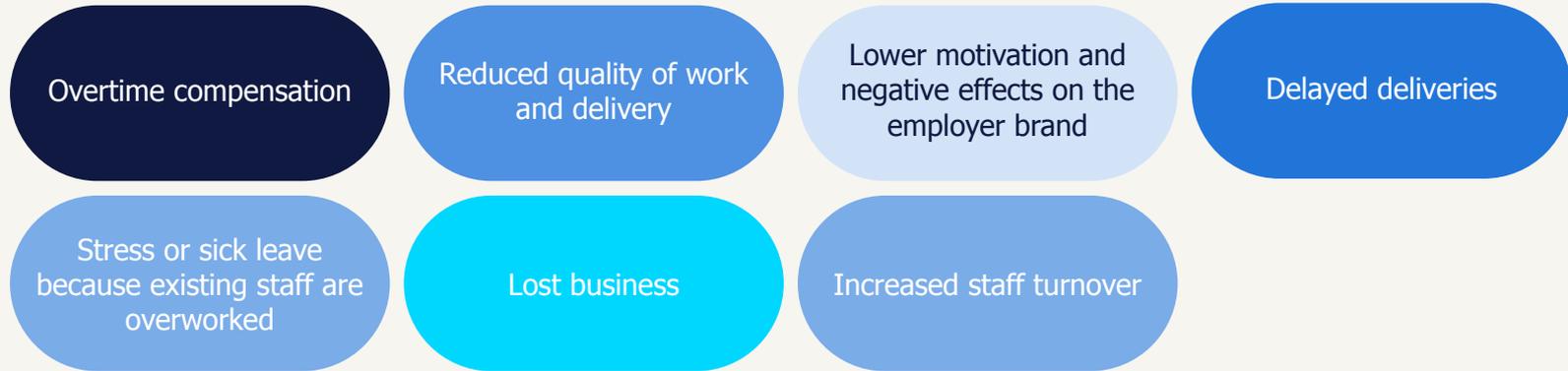
# what potential downsides could arise from overstaffing?

Overstaffing doesn't just mean higher salary costs.  
Other negative effects of long-term overstaffing are:



## what are the potential drawbacks of understaffing?

It's also important to recognise costs linked to short or long-term understaffing. For example:



Contact one of our consultants for more information about cost control and cost savings or about our Randstad services.

