

# The Cost of a Bad Hire

What is the cost of a bad hire? We all know that hiring the wrong employees can cost organizations a huge amount of money, but this infographic presents some startling figures. When it comes down to it, getting the right fit the first time probably matters a little more than you thought it did.



*Apply this to any level candidate to see what it would cost your company.*

## RETURN ON INVESTMENT

Value of Contribution  
- Total Costs X 100 =

**-298%**



*\*Hiring Cost + Compensation + Cost of Maintaining an Employee*

## TURNOVER RELATED COSTS

75%

of demand for new employees is to simply replace workers who have left the company.

\$57,968

Average Cost of a new employee \*

\* Not including training costs

ASTD estimates that U.S. Organizations spent

# \$125.88 BILLION

on employee learning and development in 2009.

For a small business with only 64 employees, the cost of turnover is just shy of

## \$8,000

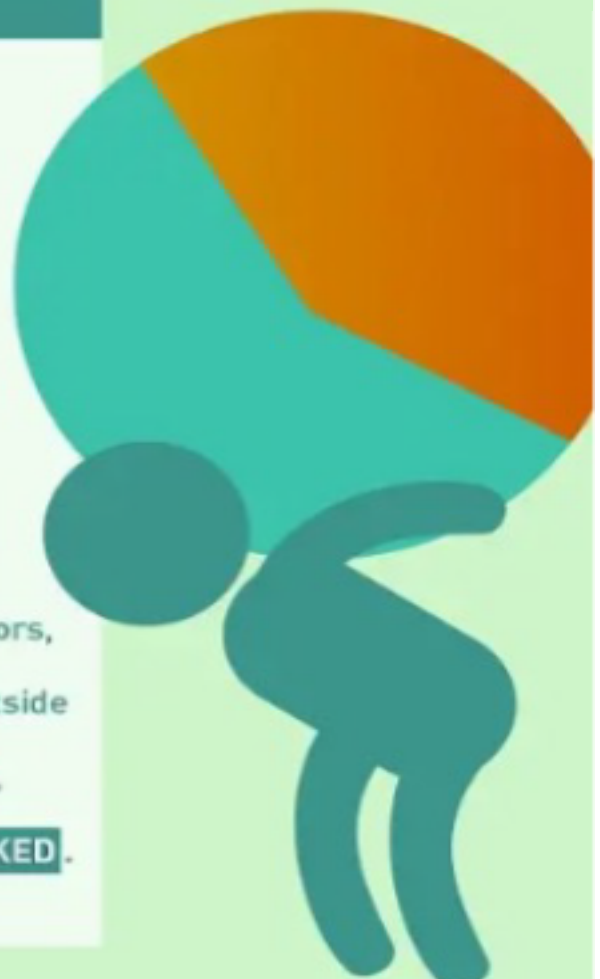


## LOYALTY COSTS



**1/3** of every employed person maintains some degree of contact with their supervisors, management, coworkers, or customers outside of their scheduled work time. Among them,

**44%** feel that they are **HIGHLY OVERWORKED**.



Your good employees may have to work harder to make up for what a bad hire isn't doing, putting you at risk of losing your good employees.

**Remember** *"You are only as good as the people that work for you."*

## SOURCES

<http://www.aimmconsult.com/AFinancialCaseforAssessment.pdf>

<http://www.bls.gov/news.release/jolts.htm>

<http://ioana-lazarov.com/2011/11/02/are-you-a-hiring-mistake-how-much-it-would-cost-your-employer-to-replace-you-infographic/>

<http://www.super-solutions.com/TheHighCostOfHiringTheWrongPerson.asp#ixzz1eLsCVJRx> Under Creative Commons License: Attribution

<http://www.super-solutions.com/TheHighCostOfHiringTheWrongPerson.asp#axzz1dzgvolr>

<http://www.super-solutions.com/HiringManagersMissRedFlags-LackTraining.asp#axzz1dzgvolr>

<http://thehiringsite.careerbuilder.com/category/events/>

[http://www.anonymousemployee.com/csssite/sidelinks/overworked\\_employees.php](http://www.anonymousemployee.com/csssite/sidelinks/overworked_employees.php)



**Martins Investment Group**

Tel: (866) 451-4405 | E-mail: [hireright@martins-ig.com](mailto:hireright@martins-ig.com) | Website: [www.martins-ig.com](http://www.martins-ig.com)