

The True Cost of an In-house Oracle DBA



Item	Cost (£)	Running total (£)	Notes (See Page 2)
Recruitment and salary			
Salary	46820	46820	1
Recruitment fee or advertising/selection costs	5000	51820	2
Class 1 NICs (12.8% on earnings above Earnings Threshold [£100 a week=£5200 a year])	4911	56731	3
Typical optional benefits			
Company car	0	56731	4
Gym	0	56731	
Healthcare	1000	57731	5
Life Assurance	100	57831	
Pension (5%)	2341	60172	
Bonus	0	60172	
Subtotal for NICs calculation	3441		
Class 1A NICs (P111D)	440	60613	6
Employee-specific costs			
Software licences	1200	61813	7
Training, Personal Development	1200	63013	8
Workstation	9041	72054	9
Apportionment of cost of business			
Share of other overheads (buildings excluding workstation areas, insurances [death-in-service, key worker, public liability, employer's liability], ...)	1000	73054	
Depreciation on capital equipment (PC, desk, chair, filing cabinet etc)	0	73054	10
Consumables (paper, toner, coffee, toilet paper)	100	73154	
Administrative overheads (non-project administration, HR, payroll)	2404	75558	11
Other financial and disruptive costs			
Maternity/paternity leave	0	75558	
Unfair dismissal claims	0	75558	
Redundancy	0	75558	
Jury service	0	75558	
Productive working days			
	Days	Running total	Notes
Weekdays in a year	261	261.0	12
Holidays (usually minimum 20)	25	236.0	13
Statutory holidays	8	228.0	13
Formal training	5	223.0	14
Reading, learning, self-directed training	4	219.0	
Sick days	6.7	212.3	15
Wasted/unproductive time	42	169.8	16
Cost per day (=total costs/working days)	£445		

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Note	Comment
1	Average salary for a mid-weight Oracle DBA - http://www.itjobswatch.co.uk/jobs/uk/oracle%20dba.do
2	The Chartered Institute of Personnel and Development (CIPD) calculates the direct cost of recruitment at somewhere between £4,000 and £6,000 for managers and professionals (www.personneltoday.com/articles/2005/05/10/29666/recruitment-campaigns-how-to-run-one.html).
3	www.hmrc.gov.uk/nitables/ca38.pdf
4	Car unlikely, even for a Senior Oracle DBA
5	www.hie.co.uk/article-0107.html
6	Class 1A NICs =12.8% on all benefits: www.businesslink.gov.uk/bdotg/action/detail?r.l1=1073858808&r.l3=1073867977&r.t=RESOURCES&type=RESOURCES&itemId=1075092061&r.i=1073791172&r.l2=1073859218&r.s=sc
7	A DBA needs specialist software
8	Continuing professional development and training is not a 'nice to have', it's essential if you want your employees to be effective. The figure we've used will cover a UK conference, a couple of workshops, and membership of professional bodies.
9	Average yearly cost of a workstation in SE England (includes costing for premises): www.flexibility.co.uk/flexwork/offices/space-costs.htm .
10	Don't count this, because of average workstation cost.
11	Assume one administration person for every ten employees. Assume total salary-related cost is £15000 a year, plus £9041 workstation cost = £24041 a year total. Divided by ten = £2404.
12	$(52*5)+1$ because there are 52 weeks and one day in a year.
13	Minimum holiday is 24 days as of 2007/10/01, but that includes 8 days bank holidays: www.dti.gov.uk/employment/employment-legislation/employment-guidance/page28979.html#paid_annual . According to www.cipd.co.uk/subjects/wrkgttime/general/wrktmlve.htm , professional workers get approximately 25 days (plus bank holidays).
14	Table 28 in CIPD Annual survey report 2007: www.cipd.co.uk/NR/rdonlyres/EB18FA28-BD40-4D47-81B9-660034D280C1/0/learndevsr.pdf
15	Study by CBI and insurers Axa: on average workers took 6.7 days off in 2007, down from seven days in 2006 (www.gibsonbooth.co.uk/item/21516/23192F44/4579).
16	Average wasted time: 1.7 hours out of a typical 8.5 hour day (www.hrmguide.com/performance/wasting-time.htm) = 20%. Business Link South Yorkshire Business Information Service Newsletter - 31st October 2005.