

# The Benefits of Owning a Recruiting Business: What Are the Costs Involved?

By Jenny Ewig

BCG Attorney Search is a legal placement firm and not a legal recruiting firm. There is a huge difference. [Read more about this here.](#)

There is a pervasive opinion among attorneys and firms that all recruiters work out of a spare room in their lofty mansions, pocketing 100% profit from their commissioned attorney placements. While some legal recruiters do indeed operate like this (usually minus the lofty mansions), BCG Attorney Search incurs many traditional and many more "invisible" costs, most of which go into solidifying our clients' position in the legal market. Recruiting businesses, like all businesses, have expenses-advertising, payroll, office overhead-that are sunk costs. Additionally, all businesses have the choice of how to allocate the rest of their funds, with the traditional options being putting those funds straight into the President's pocket or reinvesting them in the company. Putting the time and effort (and money) back into the company in our efforts to provide the most full-service legal-recruiting agency is what sets us apart.

To operate a successful recruitment business, there are a variety of costs associated. These costs include salaries and benefits for employees, software, marketing, and overhead expenses. It is important for recruiters to have an understanding of the different types of costs involved in running a recruitment business, as well as the methods for controlling and reducing costs.

**Employee Salaries and Benefits:** To effectively carry out recruiting services, recruiters need to hire employees with the necessary skills and qualifications. Depending on local regulations, employers also need to make sure to provide the appropriate levels of benefits.

**Software:** Recruitment software is a key component of a successful recruitment business. It helps in tracking potential candidates and managing day-to-day activities. There is a variety of software available, so it is important to select the appropriate software that meets a business's needs.

**Marketing:** To find potential candidates, recruiters must market their services in order to attract candidates. This includes digital marketing, marketing campaigns, and advertising.

**Overhead Expenses:** Overhead expenses include utilities, office supplies, insurance, and other related costs.

By understanding the costs associated with running a recruitment business, recruiters are able to make the necessary adjustments to keep costs under control. This can include hiring the most qualified employees, selecting the appropriate software for their business, and optimizing marketing strategies. By taking steps to reduce costs, recruiters are able to maximize their profits and increase their success rate.

## Establishing a Recruiting Business

Establishing a recruiting business can be a profitable endeavor for those who have the right skills and resources. Whether you decide to work for yourself or join a team of recruiters, you need to consider the costs associated with running a recruitment business. You will need to take into account salaries, marketing, office space and technology to ensure the success of your venture.

## Expenses and Salaries

The costs associated with recruiting can vary greatly depending on the size of the business, location and other factors. For example, the salaries of recruiters will depend on the size of the team and the type of recruitment services they provide. Other expenses to consider include office rent, technology, legal fees and other administrative costs.

## Marketing and Advertising

Marketing and advertising are essential to the success of a recruiting business. You will need a budget for marketing materials, such as print and digital advertising, as well as for attending industry events and networking. Additionally, you will need to invest in the use of various recruitment technologies, such as applicant tracking systems (ATS) and applicant management systems (AMS).

## Legal Implications

It is important to understand the legal implications of recruiting. Laws and regulations related to hiring can vary from state to state, so it is important to be familiar with the legal requirements for recruiting in your area. You will also need to be aware of the legal implications related to the use of technology in your recruiting business.

## Technology

Technology is essential to the success of any recruiting business, so you will need to invest in tools and platforms to manage recruitment processes effectively. Recruitment software can help you streamline application processes, track applicants and monitor the progress of job postings. Additionally, you may need to invest in other tools such as HR software, background check services and online talent management systems.

## Being full service

As a national recruiting firm with offices spread out all over the country, [BCG Attorney Search](#) has committed more money to expansion in the last few years than any other legal-recruiting firm that we are aware of. Part of the reason for this is our desire to provide our service nationwide, as there are out-of-work attorneys in need of help everywhere. [Perhaps more important than that, however, is our desire to truly be a national presence so that the candidates we do choose to represent can be sure that they are getting a knowledgeable national staff at their disposal.](#) Obviously, the cost of having our company stationed in almost every large city in the country is much greater than the cost of having everyone working out of one office, but we believe that in spending more to provide our candidates with more possibilities and a broader expertise is what this business is all about.

**See [A Comprehensive Guide to Working with a Legal Recruiter](#) for more information.**

[While these offices are costly to maintain, the high-quality employees that we fill them with have proven to be much more expensive. The most profitable way to make money in this industry is to have every employee working on commission.](#) This way, everyone pays their own way through their work and even helps pay for office overhead and other bills. Of course, this can get sloppy. Without people available to provide valuable help for [the legal recruiters](#) on the front lines, the final work product of recruiters can tend to be sloppy and riddled with errors. That is why most of our employees (that are not recruiters) never even talk to a single candidate or contact a single firm. Their purpose exists solely to assist the recruiters from start to finish in getting a candidate the right job. Researchers help find the jobs, writers help make a great, impassioned case on behalf of the client for interested firms, and proofreaders make sure that all the materials we send out on behalf of a client are spared from potentially embarrassing typos and factual errors. Despite not having the obvious benefit of these employees' bringing in commissions of their own, the improved work that [BCG Attorney Search](#) can turn out due to the help of our researchers, writers, and proofreaders makes their employment extremely cost-effective, as we would not be providing nearly as high quality a service as we are currently able to.

## Developing client relationships

The recruiting business is unique compared to other industries in that there is a tremendous amount of time and energy that goes into getting to know our clients, candidates and law firms alike. [In order to develop relationships as strong as the ones we strive to have with the people we represent, entertainment and traveling expenses tend to run very high.](#) Once these relationships are established, maintaining them can also become quite costly, as we often send congratulatory and thank you gifts to our clients, as well as holiday cards. These relationships are crucial to our success because if we do not feel a connection to our

candidates, there is very little meaning to what we do. Legal recruiting is about helping people, not shuffling names from one firm to the other. Our recruiters like to get a good idea of whom they are helping because that is what allows them to be passionate advocates for those candidates when representing them to a firm.

Additionally, without fully knowing a client's true desires, there is no way to get that candidate the job he/she wants with the one firm that best suits him/her, which is always BCG's aim. Firms, too, have a right to expect that a legal-recruiting agency has investigated whether a candidate could be of any service to them before having to even begin the decision-making process. In order to serve both sides of the situation properly, developing and maintaining a close, familiar relationship with each party is extremely important.

## Technology and its applications to the field

Despite the vast majority of companies that are currently maintaining expensive 800 numbers and putting up with large website servers crowding their offices, many [legal recruiters](#) have shied away from the technological advances that have helped reshape almost every other industry. Lawyers who have worked in large firms, or have even seen a large firm's recruiting website, are well aware that the legal industry is no exception. Lawyers deserve the same kind of tech-savvy service when they are looking for their next positions, and we provide this to them.

[In addition to maintaining a database that required months of programming and design work \(and huge cash resources\) to build, we also have a sophisticated database, both on the recruiter's side and the candidate's side.](#) The recruiters have access to a database that is being consistently updated by our researchers to ensure that they can provide their clients with the most up-to-date information about their job searches. This database is completely unique to [BCG Attorney Search](#) and was built by our elite computer programmers, including one with a Ph.D. from Caltech, a former head of programming at a large ISP, and a graduate with upper-level training from Columbia University.

Candidates we represent also get to access information on the states of their job searches anytime they wish through their accounts on our website. This, too, is a unique feature that only BCG Attorney Search goes out of its way to provide, as we believe it is important to keep our clients involved throughout [the job-search process](#). Not only can they view in real time what firms they have agreed to be submitted to, but they also get to see what became of each of these submissions. This software also had to be built from the ground up and, as a result, cost several thousands of dollars and continues to incur maintenance and updating costs.

## Leaders in the field

BCG Attorney Search employees also spend thousands of hours each year on academic work related to the legal-recruiting industry. Our landmark publication, *The BCG Attorney Search Guide to Class Ranking Distinctions and Law Review Admission at America's Top-50 Law Schools*, is an annual undertaking that involves almost an entire year's worth of research and writing. The book is entirely funded by BCG Attorney Search and is provided free as a service to all law firms and the top-50 law schools. We take this publication very seriously because it helps to market our candidates by clearing up any confusion that [hiring law](#) firms might have about the candidates' law school performances. By providing more information about our clients through this book, we are able to make it clear just how impressive their credentials are.

## Conclusions

Excellence comes at a high price, but it is a price that BCG Attorney Search is proud to pay for the benefit of its clients. The annual investment of hundreds of thousands of dollars into research and development, more than [any other legal-recruiting agency's](#), is just part of what makes us different. In order to continue to be a full-service legal-recruiting firm with the most up-to-date technological systems, a full research staff, and recruiters who are truly committed to their candidates and law firms, BCG Attorney Search will continue to incur these extra costs, knowing that in the end, this is what truly makes BCG the standard in attorney search.

and placement.

See the following articles for more information:

[What Characteristics Should I Look for in a Legal Recruiter?](#)

[Interview yourself first - questions to ask before starting your lateral search](#)

[How to Choose a Good Attorney Recruiter](#)

[Why You Should Be Talking to a Legal Recruiter Right Now](#)

[Choosing a Legal Recruiter](#)

[Your Legal Career as a Small Business](#)

[Should I Use a Legal Recruiter? Top 10 Reasons to Use a Legal Recruiter](#)

[How to Select the Best Legal Recruiter and Maximize the Effectiveness of Working with One](#)

[What makes a world class recruiter](#)

[10 Things That Most Legal Recruiters Will Not Tell You](#)

Learn the top 10 reasons to become a legal recruiter in this related article.

See What Other Candidates Are Saying: [Testimonials and Reviews](#)

BCG Attorney Search is looking for driven recruiters to [join our team](#). BCG Attorney Search covers the entire United States, Asia, Europe and the Middle East. We offer first-rate training and coaching, pay top of market commissions, pay our recruiters as employees and not independent contractors, and offer medical insurance and other benefits. Additionally, BCG is the best known brand in the industry and is part of a 200+ employee legal employment company. We offer a supportive cooperative atmosphere and provide you with everything you need to be the most effective recruiter possible (continually updated internal job database, massive advertising support, incredible back office support, and many other perks designed to ensure you match every possible candidate with every available position).