

RECRUITER COMMISSION CENSUS 2025



INTRODUCTION

Carl Jones - Founder & CEO

Welcome to the 2nd edition of The Recruiter Commission Census.

In the wake of the post-pandemic downturn, recruiters are scrutinising their cost base more than ever. Recognising that team compensation is your highest cost, we're pleased to be back with our second edition of the census which we hope will help inform and guide your decision making, particularly with your commission structures.

Thanks again to the 250+ recruitment leaders and brands who have contributed to the efforts. We greatly appreciate you all.

Carl.



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SUMMARY

TOP STRUCTURES THAT DRIVE RESULTS




77% use Tiered Commission Schemes (↑ **10%** YoY)

- → Adopted by **90%** of Most Profitable agencies
-  Rewards top billers
-  Protects against overpayment to underperformers

56% use Thresholds to protect margin (↑ **14%**)

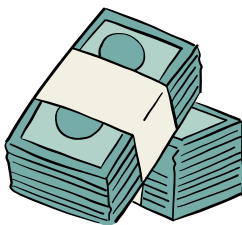
- → Avg threshold now **£6,000+**
- → **74%** use Exclusive thresholds
- → **73%** of Fastest Growing, **100%** of Most Profitable use thresholds for managers

CADENCE AND PAYMENT TIMING

- **69%** pay Monthly
- Layered Schemes (e.g. Monthly + Quarterly) ↑ **48%**
 - → Smooth performance, reduce "sandbagging"
-  When is commission paid?
 - → 1 month in arrears is standard
 - → "Pay-when-paid" models are niche but increasing in tight markets



HOW MUCH IS PAID?



- Average Payout Rate: **15.84%**
- Top Tier Max: up to **60%**
- Fastest Growing firms pay **16.91%** on average
 - → ~**7%** above market

SUMMARY

MANAGER INCENTIVES MATTER



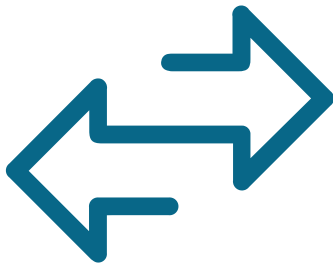
- **61%** of manager schemes = quarterly
- **71%** include thresholds
 - → **100%** of Most Profitable agencies use them
- Manager Payout Avg: **3.86%**, rising to **5.5%+** in top firms

HEALTH CHECK: ADMIN & VISIBILITY GAPS

- **75%** of leaders admit issues with commissions
- **40%** would change last year's setup
- **50%** plan to make changes this year



WHAT'S CHANGING IN 2025?



- **36%** plan to restructure schemes
- **33%** of Fastest Growing plan to adopt better tech
- **25%** of Most Profitable plan to raise thresholds

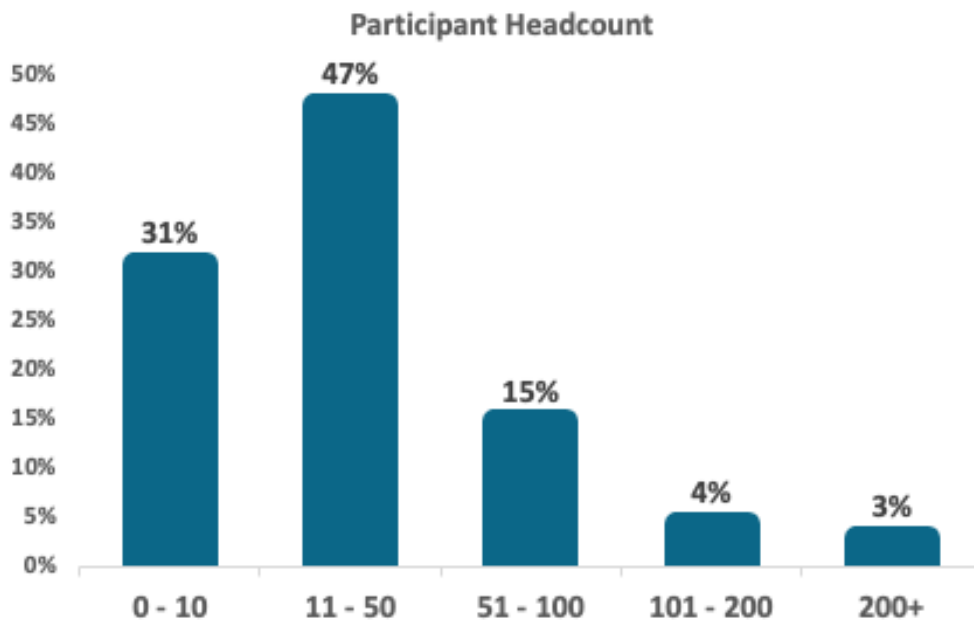
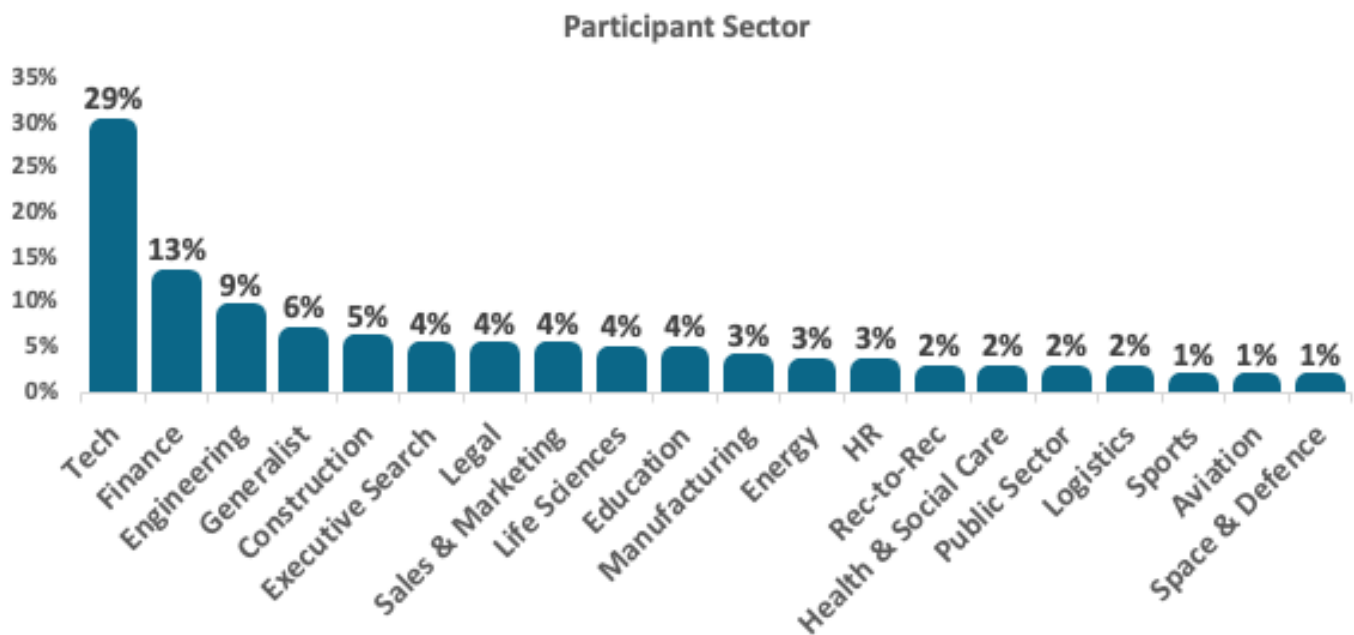
WANT TO COMPETE LIKE THE BEST?

- ✓ Tiered structures
- ✓ Smart thresholds
- ✓ Layered cadence
- ✓ Tech-enabled automation
- ✓ Transparent, fair manager plans

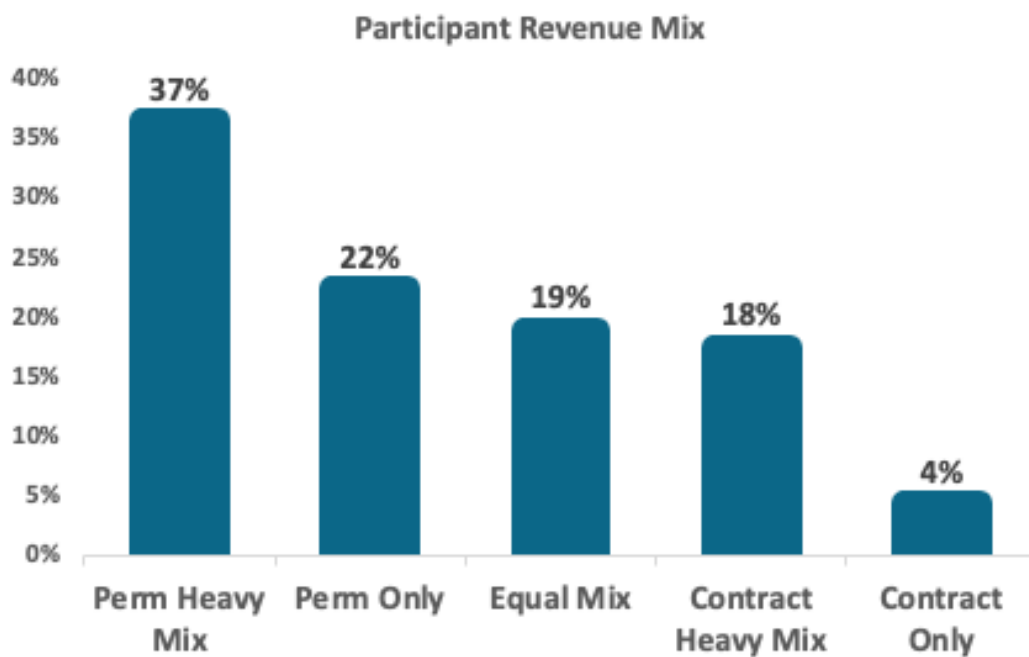
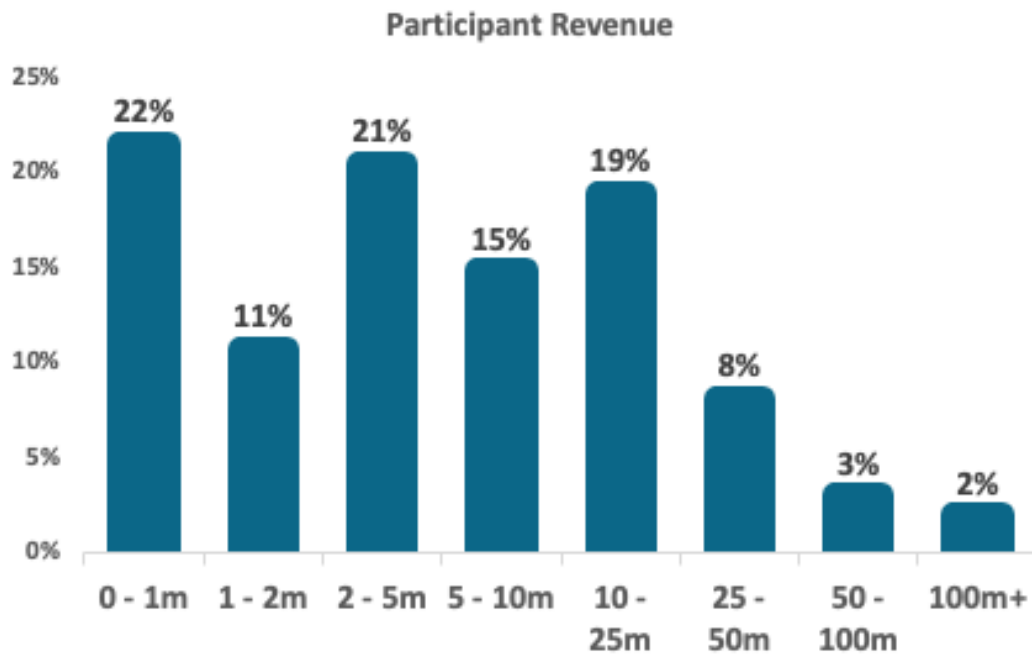


THE DATA

We're thrilled to include over 250 recruitment brands in our data. Here's the breakdown:



THE DATA



THE DATA

Methodology

To help make the data digestible we've grouped some elements together as below:

- Size
 - SME = 1 - 10 heads
 - Mid-market = 11 - 50 heads
 - Large = 50+ heads
- Most Profitable = those with a net profit margin of above 20%
- Fastest Growing = those with revenue growth of above 20%

We found that for some data there is wide standard deviation due to outliers. To preserve a more accurate interpretation of the data we have removed certain outliers from averages and represented them instead as Max values.

Additionally, for some data points we have used a harmonised data set comprising a combination of census data with that of the Konquest user base. This helps to provide a more accurate representation of reality, as we have the highest confidence in real world data calculated by our platform.

Watch out for these badges so you don't miss the most useful insights:



Fastest Growing



Hot Trend



Most Profitable

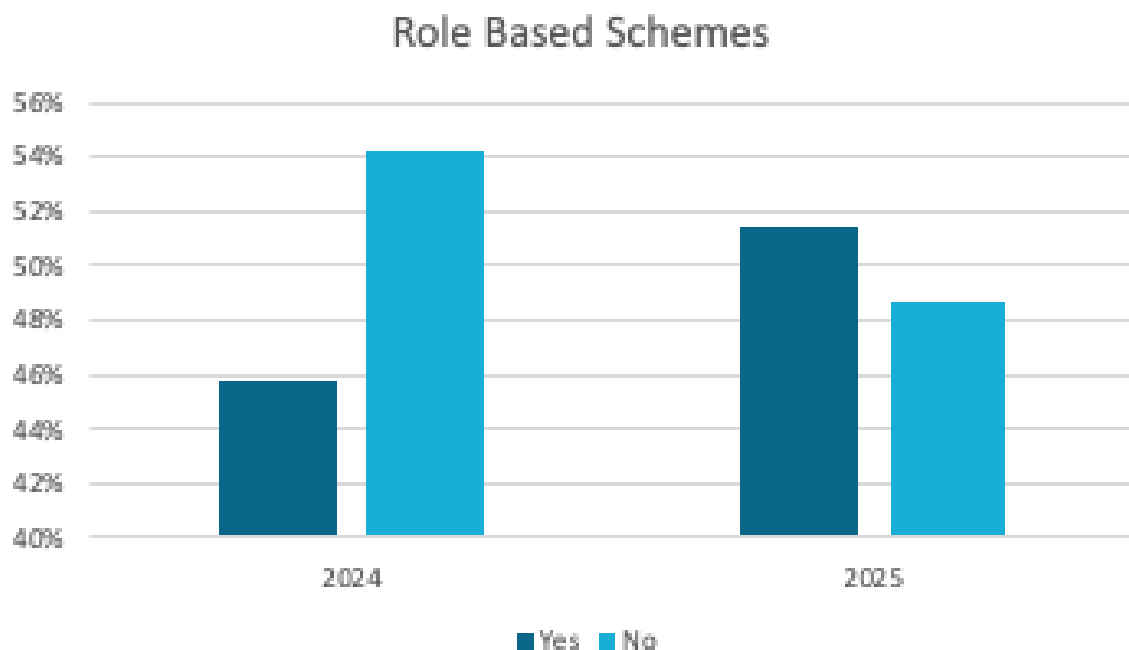
RESULTS

Structure

Konquest consider commission schemes in 4 pillars; Structure, Thresholds, Payment Timing and Payout Rates. Structure is first up, and we've considered the % of role based schemes (meaning a purpose made scheme per distinct role versus a single scheme for all), the cadence (meaning over which period schemes run) and whether schemes pay a flat, or tiered rate of reward.

Structure - Role Based Schemes

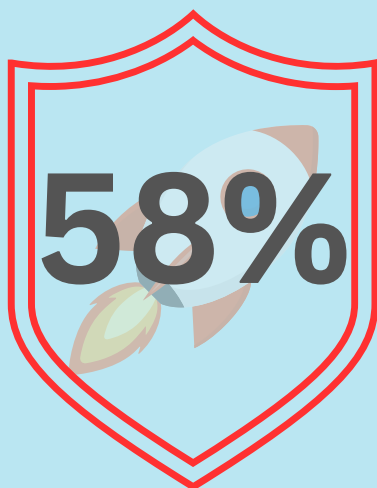
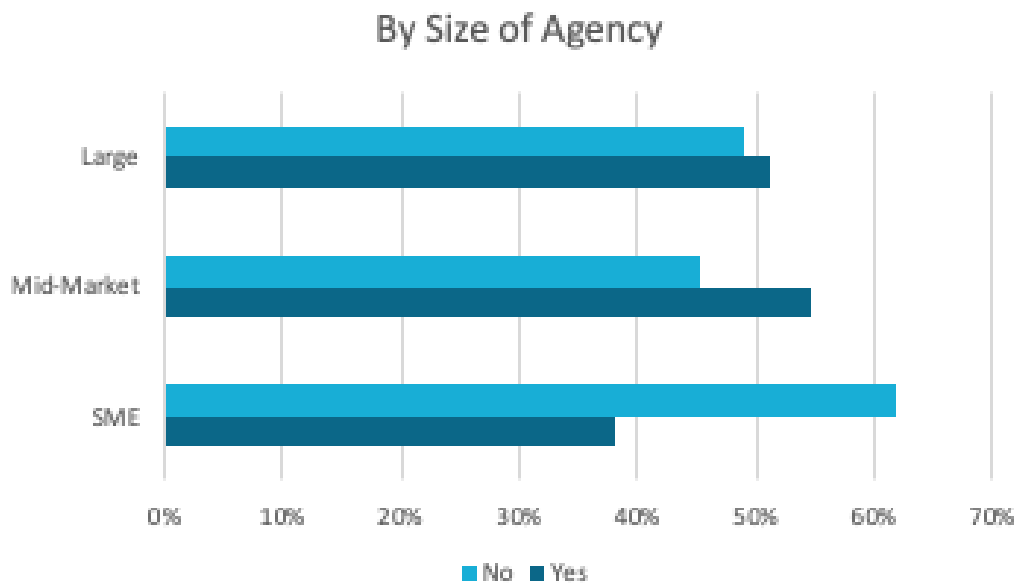
As business models have evolved, more roles have been introduced to the recruitment process. As more agencies move from "360" to specialist models, there has been a substantial increase in the presence of role based schemes - a better fit where roles materially differ.



RESULTS

Structure - Role Based Schemes

As you might expect, the specialist models are more prevalent in bigger agencies. Most popular in the mid-market (55%), and a slim majority in large agencies (51%).



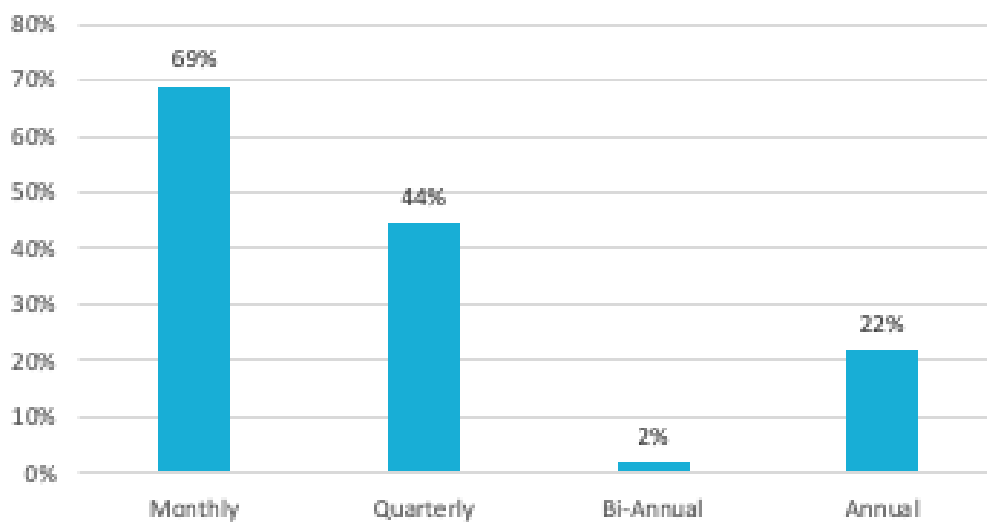
The Fastest
Growing
agencies favour
role based
schemes

RESULTS

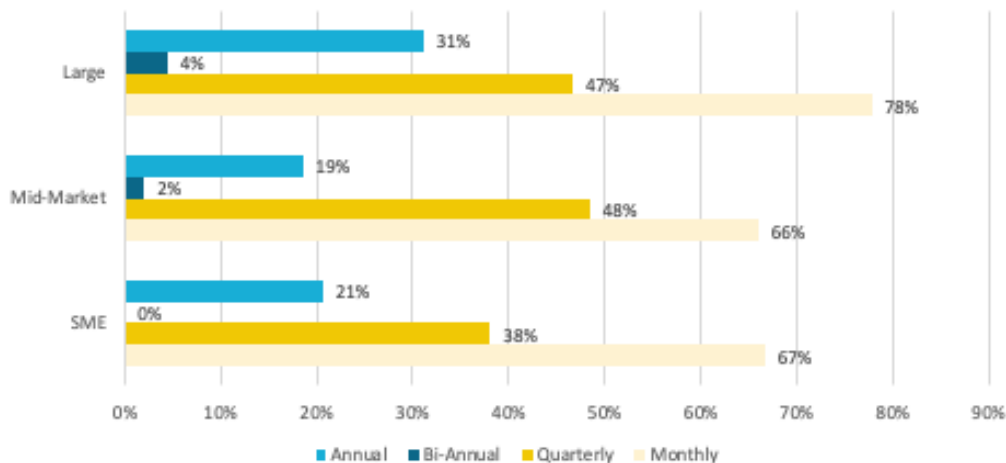
Structure - Cadence

The cadence of a commission scheme is how often it runs and what period it covers. The most common options are monthly, quarterly, bi-annual and annual, with monthly being by far the most common market wide - 69%.

Cadence



By Size of Agency



RESULTS

Structure - Cadence - Layered Schemes

Many agencies will have a combination of cadences in place, and where these are combined into 1 overall plan we call them layered schemes.

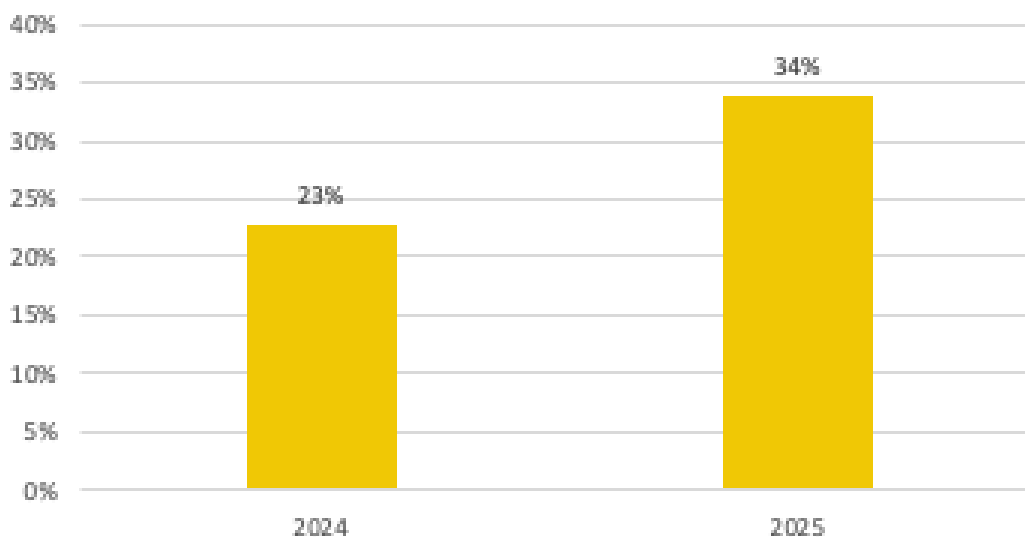
Konquest have long recommended recruiters employ layered schemes as a means to:

- better distribute payouts
- incentivise longer term performances
- iron out bumpy periods and sandbagging.

From 2024 to 2025 we have seen the presence of layered schemes increase by **48%!**



Presence of Layered Schemes



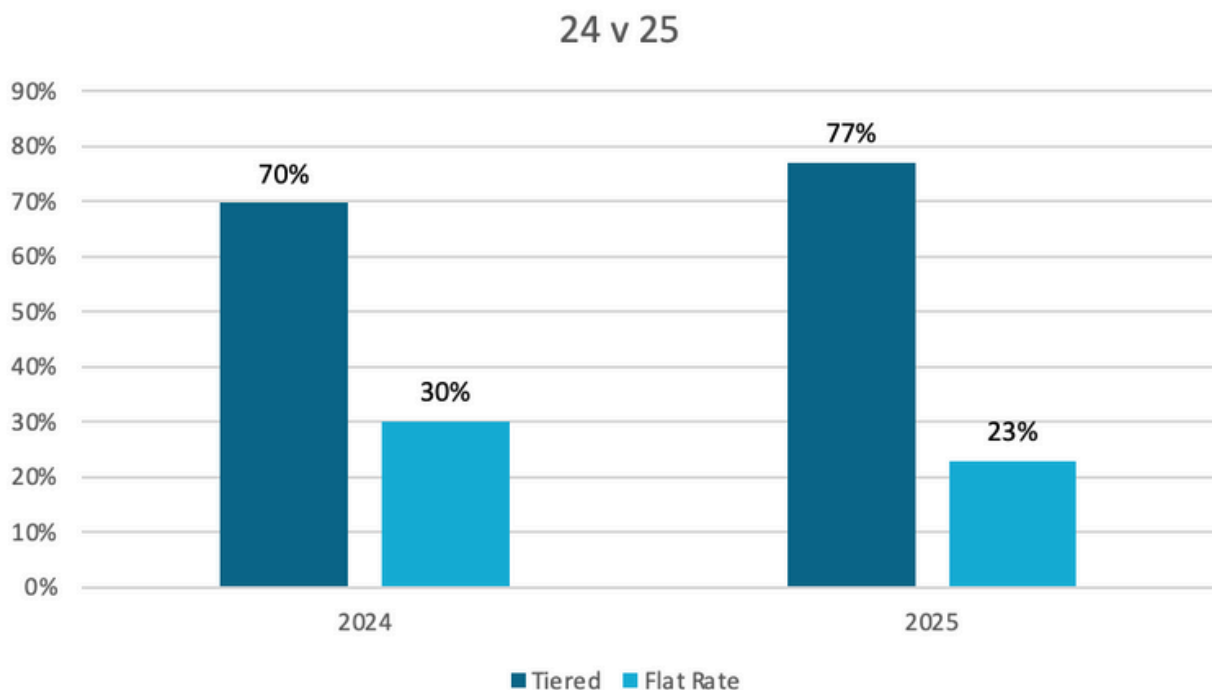
RESULTS

Structure - Tiered v Flat Rate

At Konquest we've always recommended recruiters use a tiered, or banded structure in ALL of their incentives because:

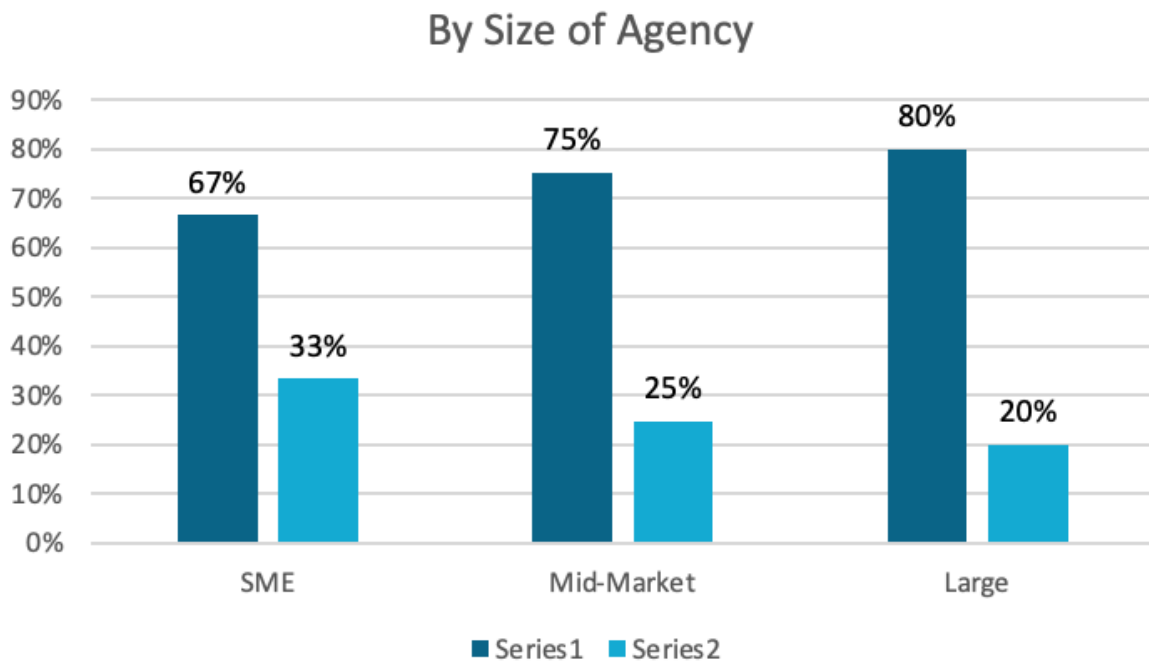
- The best model for incentivising performance
- Introduces basic gamification
- Ensures a payout bias in favour of top performers
- Ensures a payout protection for under performers

The data is very clear; the vast majority of brands at all sizes use tiered schemes. In 2024 it was **70%** of the market, this year we've seen a **10%** increase to **77%**:



RESULTS

Structure - Tiered v Flat Rate



79%

90%

The fastest growing and most profitable agencies overwhelmingly opt for tiered incentives

RESULTS

Thresholds

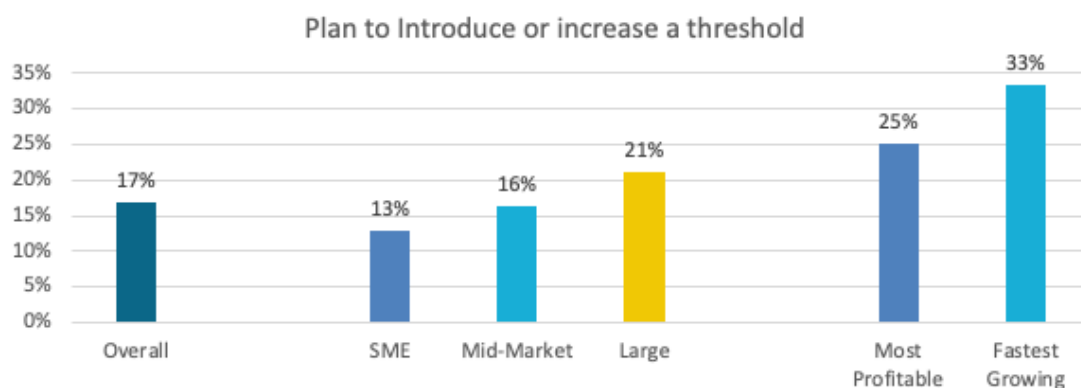


Thresholds have 2 main functions; to protect the business from rewarding under-performance, and/or to retain margin. In tough trading conditions, as we've recently experienced, thresholds are a hot topic, but the data is clear;

- **56%** of recruiters now have thresholds
- Up **14%** over the last year
- The average threshold is now **£6k** up from £5.1k

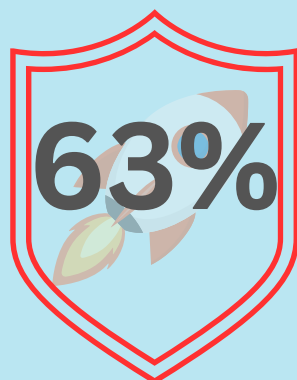
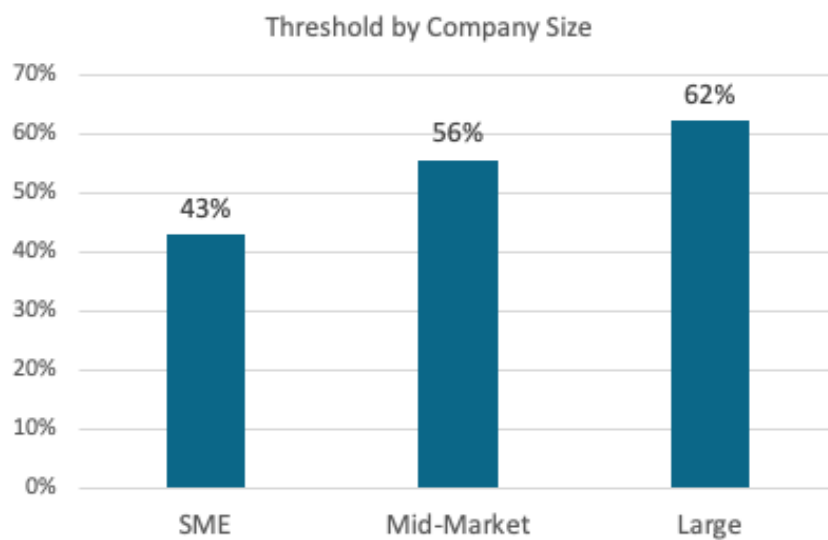
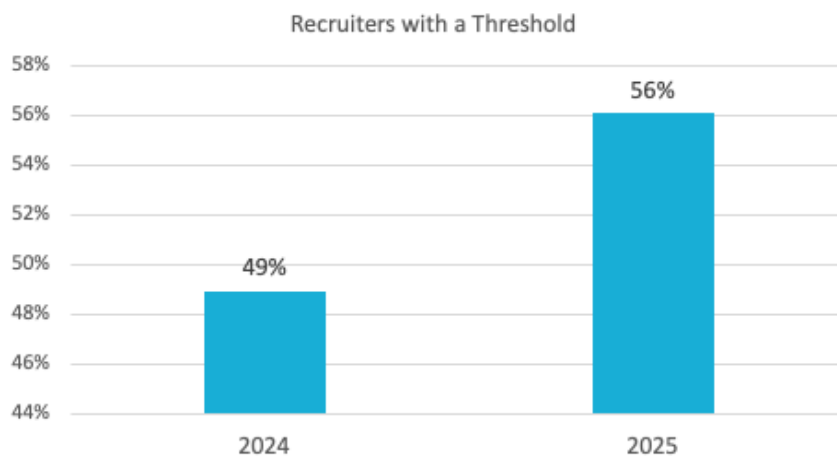
As we've transitioned to a cooler market the market is now being more cautious and thresholds, once taboo, are on the rise.

This is another trend we saw coming. In last years census we published our finding that **10%** of the market planned to introduce or increase their threshold - both have come to pass and we expect this trend to continue:



RESULTS

Thresholds



**63% of the
Fastest Growing
agencies use
thresholds**

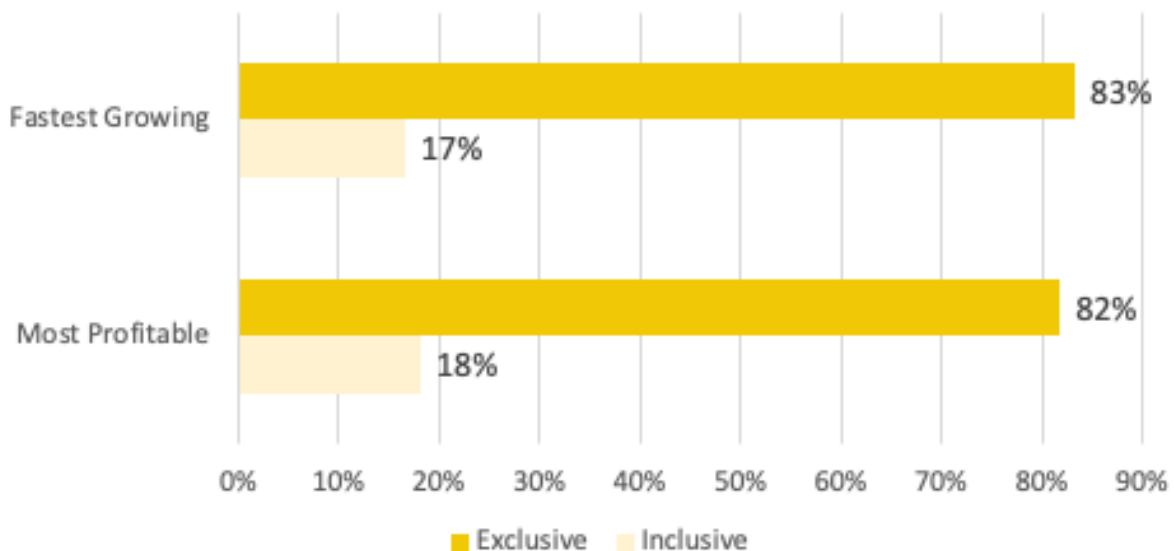
RESULTS

Thresholds

Having a threshold is one thing, but the type and value of it is another.

Exclusive thresholds, which only pay commission from the threshold value onwards, represent the vast majority of implementations; **74%**, versus an Inclusive threshold which pays from 0 once crossed.

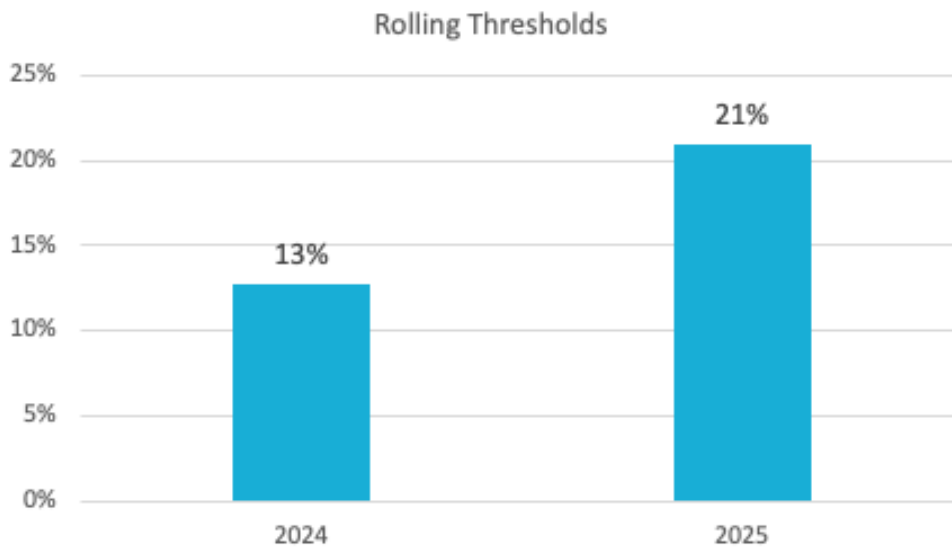
This is particularly prevalent in the Most Profitable, and Fastest Growing agencies:



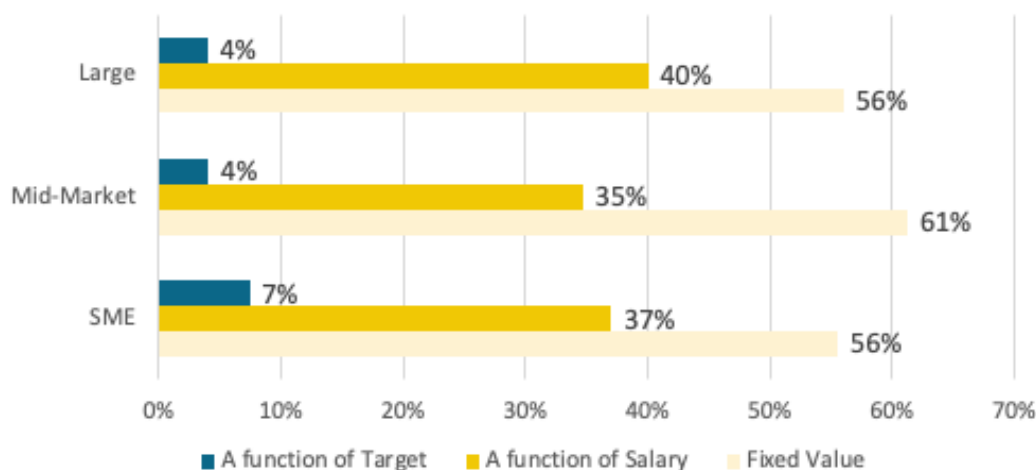
RESULTS

Thresholds

Whilst monthly, quarterly and annual thresholds are relatively common (**56%**, **35%** and **8%** respectively), the more extreme “rolling” variation has gained prevalence in recent times:



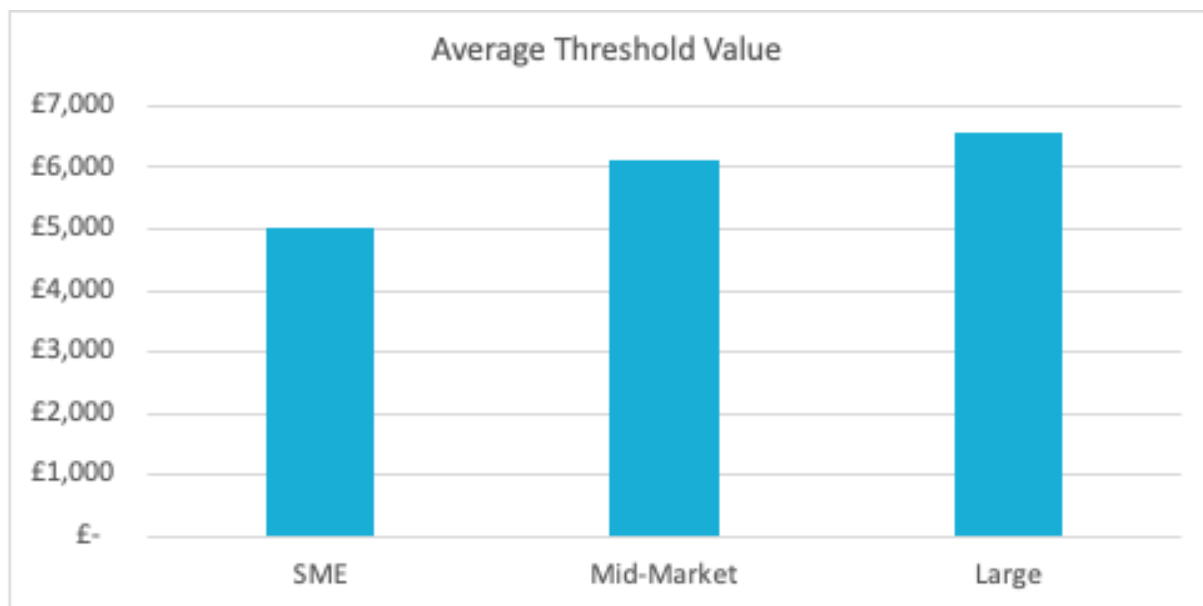
When implementing a threshold, one of the key considerations is *how* to set it. The most common way to do this is to quantify a fixed value (**56%**), followed by a function of salary (**40%**):



RESULTS

Thresholds

For those that have a fixed threshold value, typically related to a desk cost, the bar has literally raised in the last year or from an average of £5,100, to just over £6,000. As you may expect, the average threshold value increases with organisation size:



As you may also expect, it is the Most profitable agencies that are most likely to have higher thresholds; £6,167 on average.

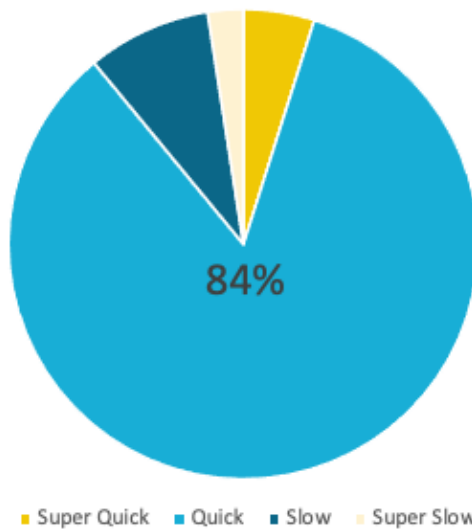


**The Most
Profitable
agencies have the
highest threshold
on average**

RESULTS

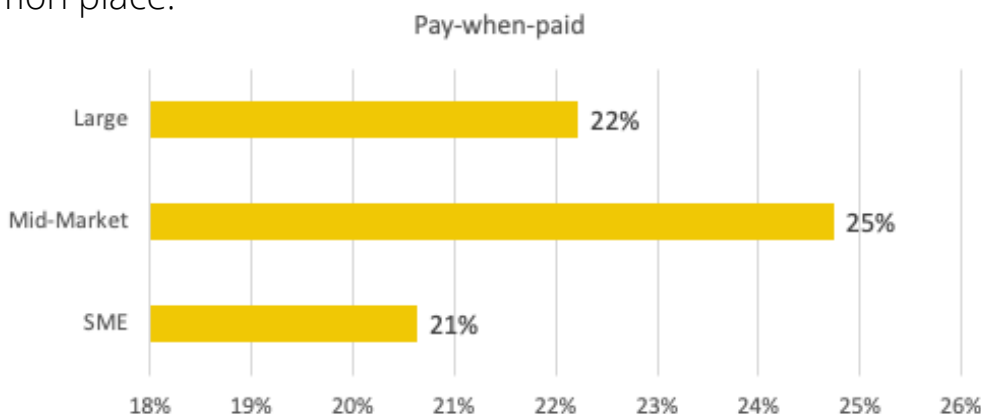
Payment Timing

Once you have your structure in place, you then need to decide *when* you will pay your calculated commission. To make this data easy to digest, we've categorised responses by Super Quick (in period of boarding), Quick (1 month in arrears of boarding or start/timesheet date), Slow (2 months in arrears) or Super Slow (3+ months in arrears):



The data on this one is pretty clear! The vast majority of recruiters pay their commission 1 month in arrears, typically of start, timesheet or invoice date.

During and after the pandemic the concept of "Pay-when-paid" payment rules grew in popularity due to their heavy bias in favour of protecting cashflow. Whilst still not hugely popular, they remain common place:



RESULTS

Payout Rates

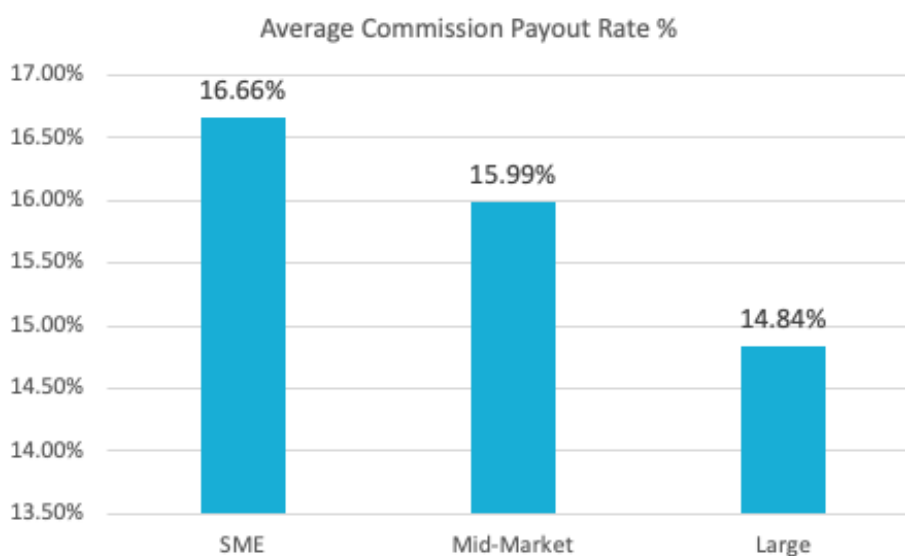
We've no doubt this section will enjoy a lot of attention! Given that commission is right at the top of the highest costs list, it's not surprising that we're often asked how much is the right amount to pay. Whilst this isn't a straight forward question to answer as it very much depends on the individual makeup of each company, benchmarking against the industry average is much easier:



The average payout rate during
FY24/25 was:

15.84%

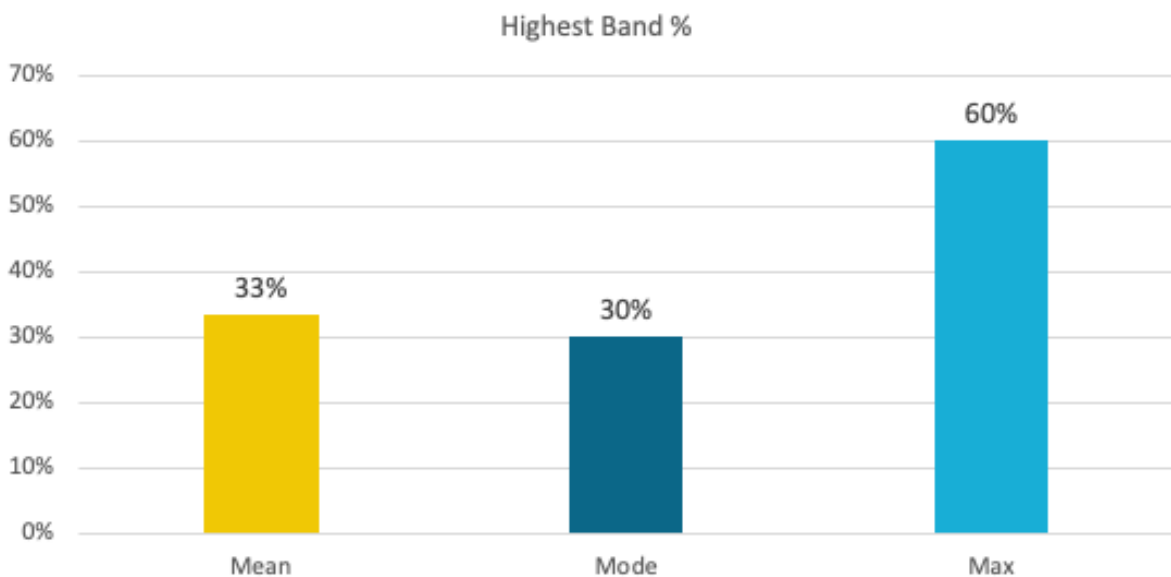
The exact value decreases with organisation size, inversely correlated with the increased likelihood of a threshold as we've already seen:



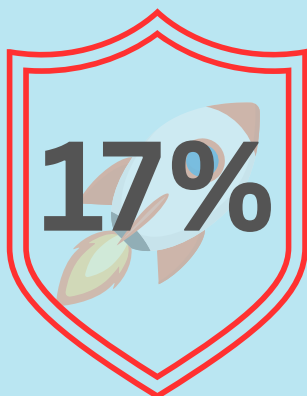
RESULTS

Payout Rates

To provide some insight on the makeup of payout rates, here's some analysis of the maximum payout rate from tiered systems. The average is around 30% (mean and mode), with the maximum value an eye watering 60%!



For the Fastest Growing recruiters, paying slightly more commission is super charging performance. Their cohort pays **7%** more on average.



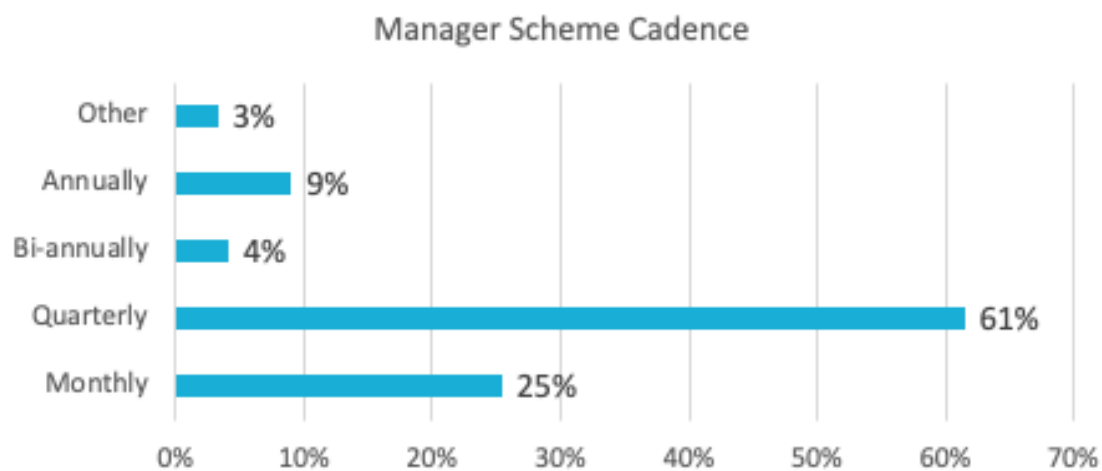
**The Fastest Growing
agencies pay more
commission: 16.91%
on average**

RESULTS

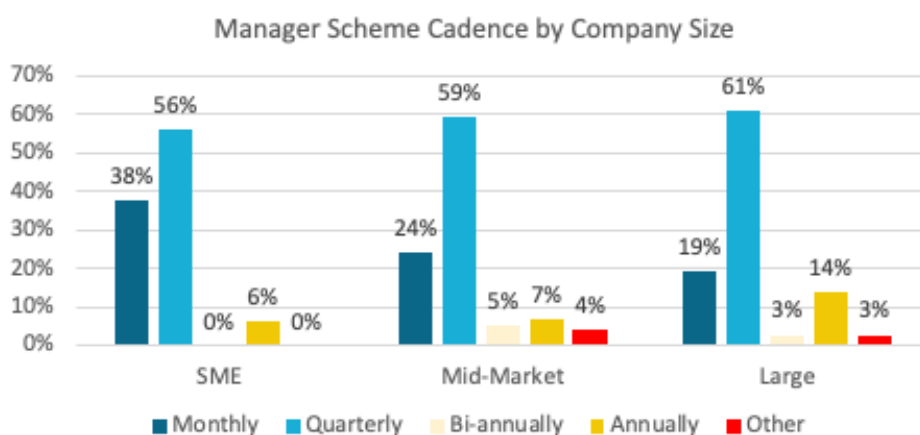
Managers

Everything reviewed so far has been consultant centric, but team leader and manager incentives are equally important and the data tells us there are some key differences in approach.

Firstly, manager schemes tend to work over longer periods, with **61%** of the industry opting for a quarterly cadence:



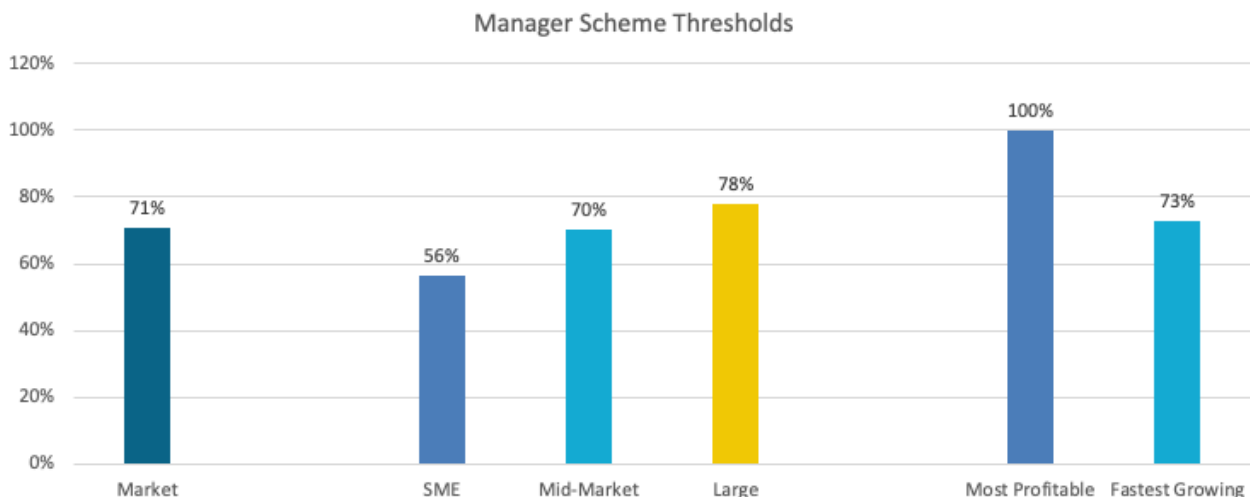
The popularity of longer performance periods also increases with the size of the agency:



RESULTS

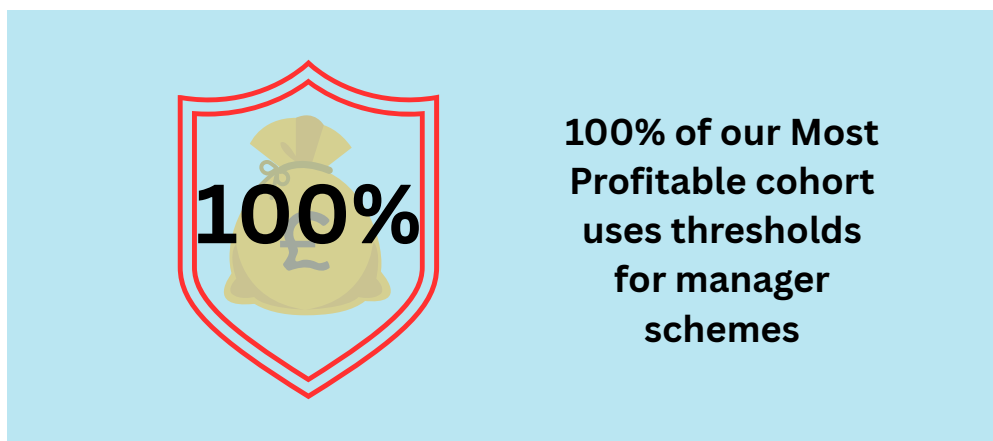
Managers

Whilst **56%** of consultant schemes have a threshold, they are much more common across team leader and manager schemes, with **71%** of the market erring on the side of caution:



As with consultant schemes, the larger the company the more likely they are to have manager thresholds.

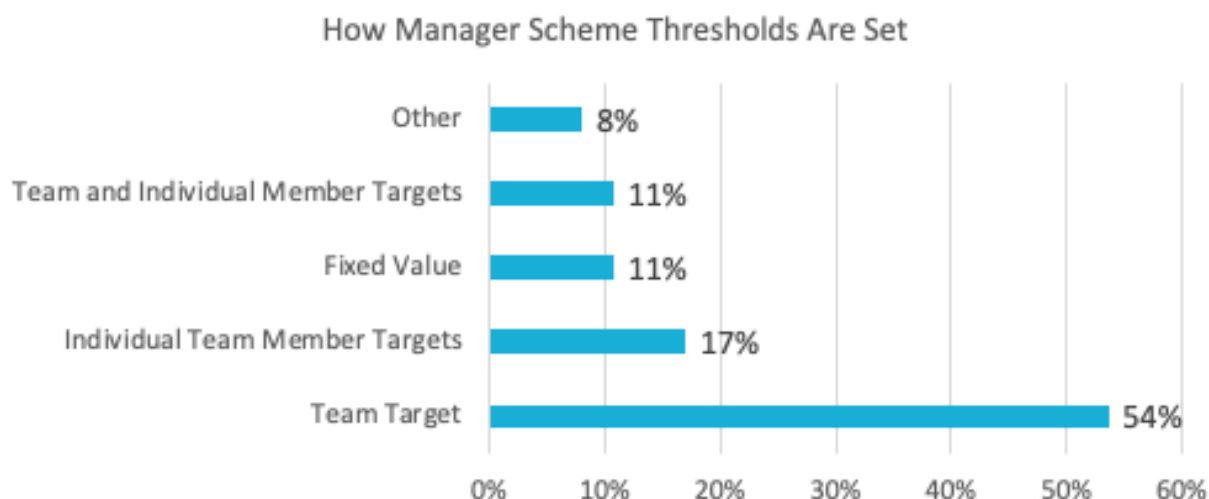
Most notably though, from our data sample **100%** of the Most Profitable recruiters have a threshold in place for managers.



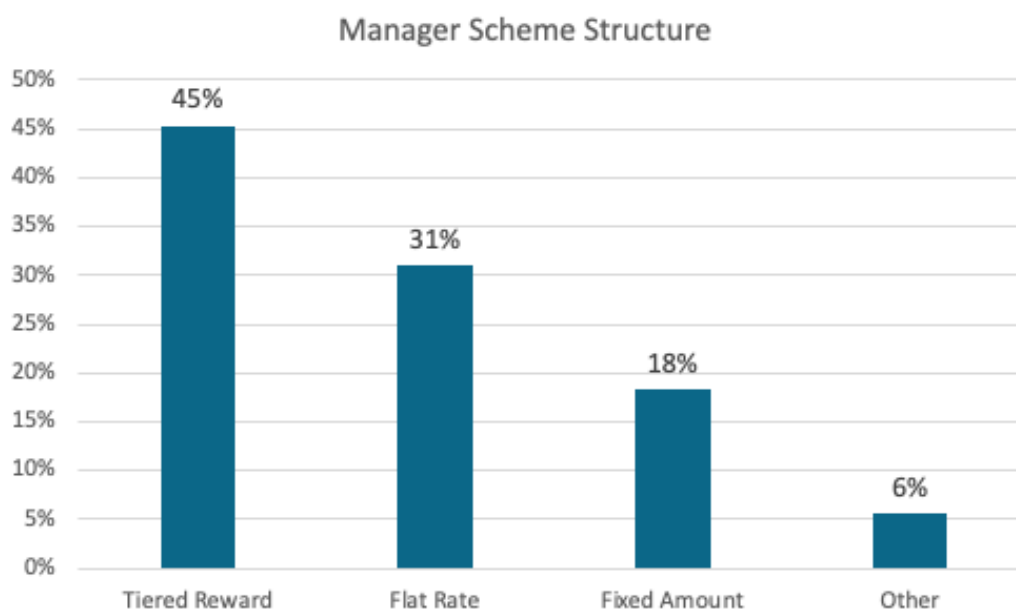
RESULTS

Managers

The most popular way to set a manager threshold is based on the overall team target (**54%**), although there are other common methods including by individual team member:



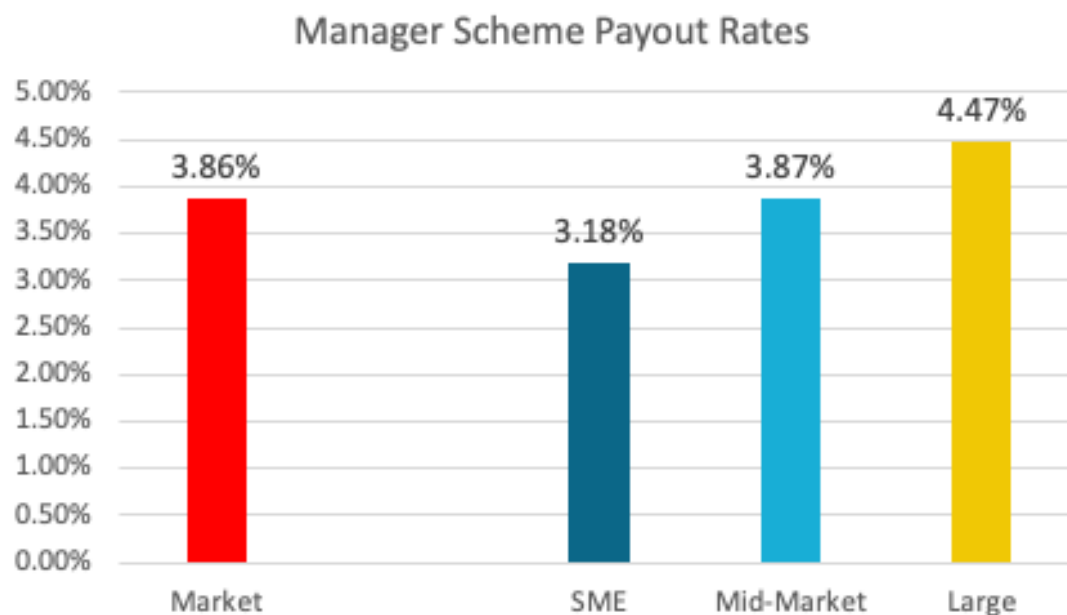
Tiered incentives are still the most popular for manager schemes, although not as overwhelmingly as consultant schemes:



RESULTS

Managers

The average payout rate for team leader and manager schemes is **3.86%**, and this increases with the size of the company up to **4.47%** for large agencies:





5.25%

Both the Most Profitable and the Fastest Growing recruiters pay higher than average commission to managers

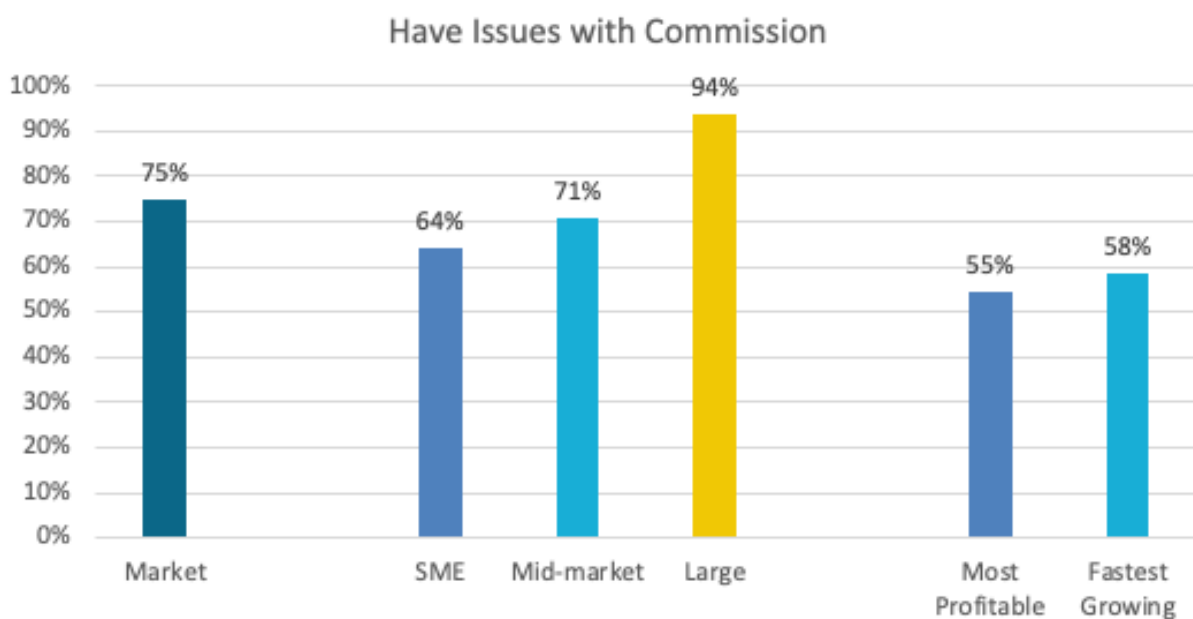


5.5%

RESULTS

Health & Administration

Commission programmes require a lot of management, from planning to calculating, modelling changes and health check reviews. It's also a largely misunderstood, yet critical, process for every recruiter. Our research has told us that **75%** of recruiters recognise they have issues with their setup, and as the company grows so too do their issues:

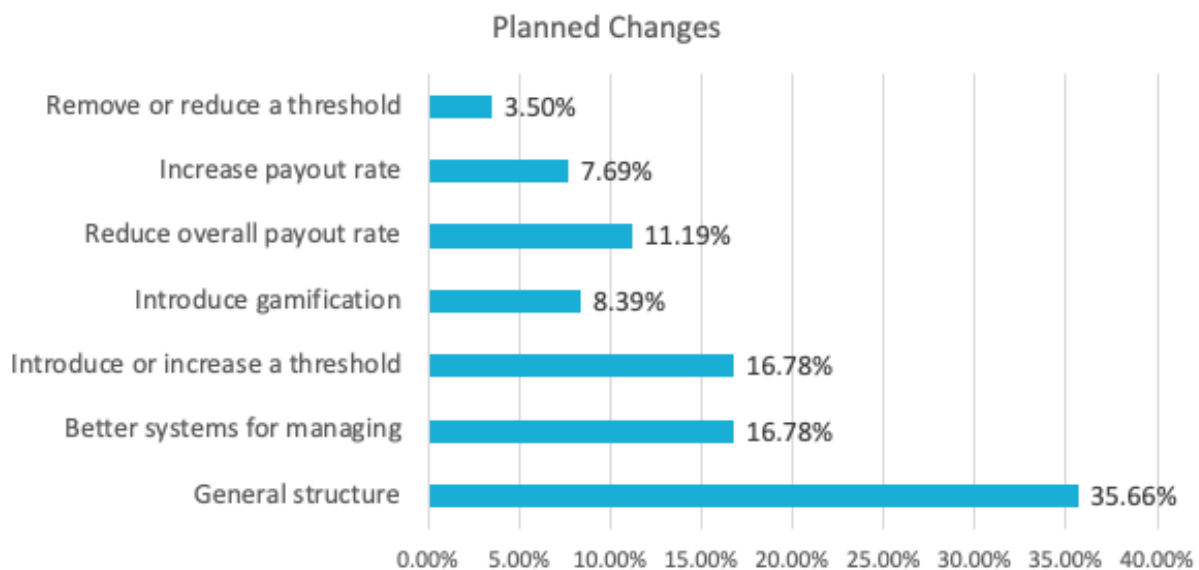


Furthermore, **40%** of those surveyed said in retrospect they would have made changes to their commission last year, and **50%** plan changes this year.

RESULTS

Health & Administration

The most common planned changes are to the general structure (**36%**), to implement better systems for managing commission (**17%**) and to introduce or increase a threshold (**17%**):



What are the **Most Profitable** and **Fastest Growing** recruiters planning:

Most Profitable

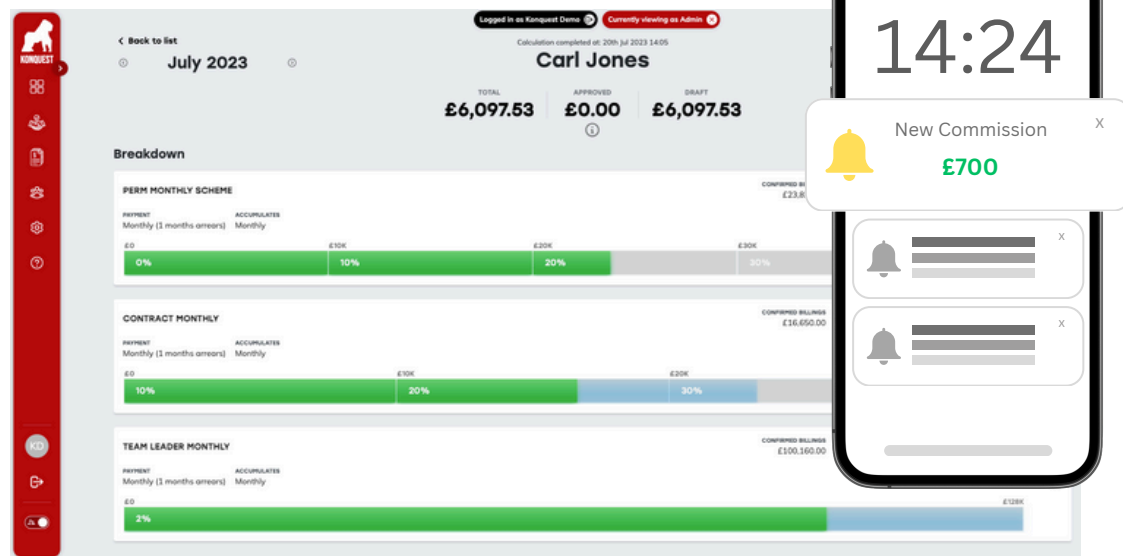
- **31%** plan changes to their commission structure
- **25%** plan to introduce or increase their threshold

Fastest Growing:

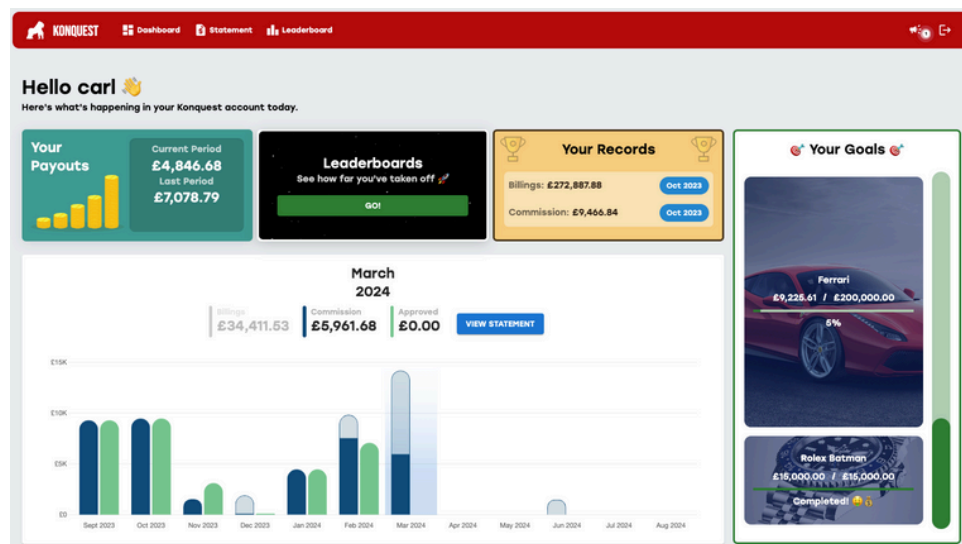
- **33%** plan to introduce or increase their threshold
- **33%** to implement better systems for managing commission



KONQUEST



Konquest is simply the best way for recruiters to manage their commission. Our real-time platform integrates with your data sources to automate calculations, then we engage your team with a gamified experience.



COMMISSION ACOMPLISHED

