

# Checklist: Calculating salary costs in SMEs – roughly and in detail

Overview of current and planned employees

Job types	Number	Total level of employment
Positions filled		%
Planned new hires		%
Temporary positions or freelancers		%

## Rough calculation of salary costs

For budgets, scenarios and initial assessments with the aim of quickly estimating how high the total salary costs are.

### Here's how to calculate

- Gross annual salary × 1.20 = rough salary costs
- Gross annual salary × 1.25 = conservative salary costs

### Table: rough payroll costing

Job	Gross annual salary (CHF)	Surcharge of 20%	Surcharge of 25%
Employee A			
Employee B			
Employee C			
<b>Total</b>			

### When is a rough calculation enough?

- The start-up phase
- Budget and liquidity planning
- Price and scenario calculations

## Detailed calculation of salary costs (structured breakdown)

For more realistic planning and comparison with the aim of understanding where the costs are incurred.

**Table: detailed calculation per employee**

Cost type	Rate/amount	Employee A	Employee B	Employee C
Gross annual salary				
Allowances (shift work, night work, holidays, etc.)				
Bonuses and premium pay				
OASI/IV/EO/UI		%		
Administrative cost contribution		%		
Employer pension fund contribution (3 <sup>rd</sup> pillar)		%		
Occupational accident insurance (BU)		%		
Non-occupational accident insurance (NBU)		%		
Daily allowance insurance		%		
Family allowances				
Advanced training				
Voluntary contributions				
<b>Total salary costs</b>				

Note: the rates used vary depending on the sector, pension solution and insurer.

## Comparison of rough vs. detailed

Variant	Total salary costs (CHF)
Rough calculation (20%)	
Rough calculation (25%)	
Detailed calculation	

Questions for future budget calculations:

- Do the figures differ greatly?
- Is the rule of thumb sufficient for my company?
- Do I need more detail for planning?

### Classification for the company

- Are all salary costs covered in the budget?
- Do current sales cover these personnel expenses?
- Is there scope for new hires or growth?

You can find more practical information on financing, administration and corporate management on our founders' page.

[More information for founders and start-ups](#)