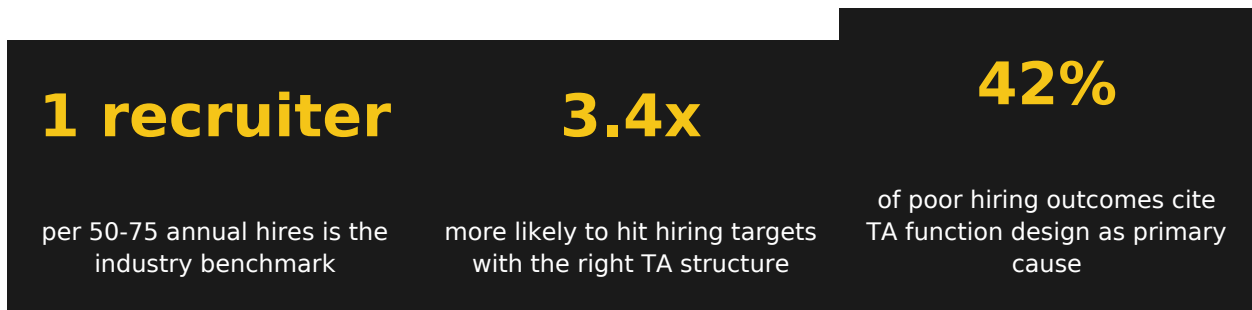


HR RESEARCH SERIES 2026 - REPORT R23 OF 10 (EXTENDED)

Building a TA Function from Scratch 2026

How to design and staff a talent acquisition function that scales, from first hire to full TA team.

Talent acquisition function design is one of the most consequential and least discussed decisions in organisational scaling. Most companies build TA reactively, adding a recruiter when overwhelmed, outsourcing for speed, defaulting to HR generalists when neither is right.



Published: May 2026 - tenperzent.com - Report R23 of 10 (Extended)

This report provides the complete framework for an appropriately sized, correctly structured, properly tooled TA function, from a solo recruiter at 20 people to a full team at 500.

TA structure by company size

| Company size | Recommended TA structure | Technology | Annual cost |
|-------------------|---|----------------------------------|---------------------------------|
| 1-20 employees | Founder / CEO leads hiring, HR generalist supports | Free ATS | Low volume, relationship hiring |
| 20-50 employees | 1 recruiter, possibly part-time, hiring managers active | AI-native ATS (free tier) | EUR 948/yr technology |
| 50-150 employees | 1-2 dedicated recruiters, TA lead emerging | Full AI-native ATS | EUR 948-2,000/yr |
| 150-500 employees | TA team 3-6, TA manager, possible sourcer | ATS + sourcing tools | EUR 5,000-15,000/yr |
| 500+ employees | Full TA function, specialists by function | ATS + analytics + employer brand | EUR 15,000-50,000/yr |

In-house vs. agency, the decision framework

The break-even point for in-house hiring vs. agency: once you make more than 8-10 similar hires per year in the same function, an in-house specialist costs less than agency fees for the same volume.

| Scenario | In-house | Agency | Hybrid |
|-------------------------------------|-------------------------|--------------------------------------|---------------------------------------|
| <10 hires/yr, diverse roles | Expensive per hire | Efficient, specialist networks | Agency for niche, in-house for volume |
| 10-30 hires/yr, some specialisation | 1 recruiter justified | Supplement for specialist roles | Most common effective model |
| 30-80 hires/yr | 2-3 recruiters, TA lead | Retain 1-2 agencies for hard-to-fill | Clear brief, defined fee structure |
| >80 hires/yr | Full in-house TA team | Minimal agency, overflow only | Volume operations in-house |

The TA technology stack by stage

| Technology | Annual hires threshold | Annual cost | ROI at threshold |
|----------------------------|------------------------|--------------|---|
| AI-native ATS (free) | 1+ | EUR 0 | Immediate, eliminate email chaos |
| AI-native ATS (paid) | 15+ | EUR 948 | ROI in <30 days |
| Job ad multi-posting | 20+ | EUR 600/yr | Saves 45 min per role, quality improves |
| Structured interview tools | 30+ | EUR 1,200/yr | Hire quality improvement |
| LinkedIn Recruiter | 40+ specialist hires | EUR 7,200/yr | Passive candidate access |
| Salary benchmarking | 50+ | EUR 1,200/yr | Pay transparency compliance |
| TA analytics dashboard | 80+ | EUR 2,400/yr | Strategic reporting capability |

Hiring manager partnership

- **Pre-search briefing** of 45 minutes defining success criteria, not just job requirements.
- **Interview training** of 2 hours for every new hiring manager before their first panel.
- **Clear RACI:** TA owns sourcing, screening, process. Hiring manager owns the final decision. Both own candidate experience.
- **SLA agreement:** hiring manager commits to interview availability within 5 days of shortlist, TA commits to shortlist within 14 days of brief.
- **Post-hire feedback loop** with a 90-day quality-of-hire survey from hiring manager back to recruiter.

Measuring TA function performance

| Metric | Recruiter level | Function level | Business level |
|-----------------------|----------------------------|--------------------------------|--|
| Time-to-hire | By recruiter and role type | Function average vs. benchmark | Revenue impact of vacancy days |
| Cost-per-hire | By channel per recruiter | Function total vs. budget | ROI vs. agency alternative |
| Quality-of-hire | By recruiter cohort | Function QoH average | Business performance of TA-sourced hires |
| Offer acceptance rate | By recruiter | Function average | Talent competitiveness signal |
| Hiring manager NPS | By recruiter | Function NPS | Internal customer satisfaction |

When to hire a TA leader

The right time to hire a TA leader: hiring volume exceeds 40 hires/year, hiring quality is inconsistent, or time-to-hire is consistently above 30 days for professional roles. A real TA leader who can build function, manage vendors and present to the board creates EUR 300-600k annual hiring cost savings at a 200-person company.

Forward outlook 2026-2030

AI handles 60% of TA admin in 2026, freeing recruiters for assessment, relationships and strategy. AI-driven TA function design optimisation reaches market in 2027. By 2028 fully automated first-stage TA emerges at high-volume companies, and by 2030 TA converges with workforce planning, with predictive analytics driving hiring 12 months ahead.

Built for what's next.

tenperzent.com is the AI-native ATS designed for European hiring in 2026 - GDPR by default, EU AI Act compliant, free to start, €79/month to scale.

Start free at tenperzent.com