WHITE PAPER: The Cost of Making the Wrong Hire

YOUR CANDIDATES, VETTED BY EXECUTIVES IN THE FIELD, NOT BY GENERALISTS

Elite Leader SEARCH

People who have led, vetting leaders who will.

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100% WOMEN OWNED

CEO: Poor hiring decisions cost more than money. They can stall key projects, cost bonuses and morale, bring lawsuits and, worst of all, damage your reputation with the board.

A wrong people decision can cost 200% or more of that executive's salary. You have worked hard for your position. Don't you want the best guidance? You wouldn't take a junior accounting clerk's month-end close to the board. Don't choose a leader based on a friendly smile and personality. **Choose based on facts.**

4.9 yrs
Average tenure of a Fortune 500 C-suite leader; COOs average about 3

40%
Of senior hires fail, quit or are pushed out within 18 months

~40%
Of retained executive searches never place a candidate at all

213%
Of annual salary: the high-end cost of one failed executive hire

The simple math of time vs. cost

Search 3–4 mo	Train 2–3 mo	Prove it out to month 18

5–7 months pass before the seat delivers full value.

All-in compensation	$250K	$300K
Monthly cost of the seat	$20.8K	$25.0K
Retained search fee (25–35%)	$62.5K	$105K
Spent before full productivity fee + 2–3 months of training pay	$104K	$180K
Paid out if they fail at month 18 18 months of pay + the fee	$438K	$555K
Time lost, counting the restart	~23 mo	~25 mo
Risk carried on every hire 40% odds × the failure cost	**$175K**	**$222K**

Before lost output, severance, team turnover or stalled projects, which push the total toward 2× salary.

Who is vetting the technical skills?

Most recruiters are generalists. They match keywords on a résumé, but they have never run a purchasing organization, negotiated a commodity contract or launched a supplier into production. They cannot tell a strong candidate from a polished one.

Research on 20,000 hires found technical gaps explain only 11% of failures; judgment and fit explain the rest. You need both checked, by someone who has done the job.

THE ELITE LEADER SEARCH STANDARD

- Every candidate is interviewed by a sitting C-suite executive in that field before you see the résumé
- Director-level and above only; 80% of placements
- Supply chain, purchasing, engineering, operations, finance and HR
- Technical depth and leadership fit, tested together



Melissa Colvin
Owner
Serial entrepreneur who has started or led six companies. She backs strong leaders, serves the customer before someone else does, and lives by Faith, Family, Work, in that order.



Michael Musleh
CEO
25 years as Vice President of Purchasing, Marketing, Sales and Engineering. Directed $750M+ annual spend across 32 countries. Toyota-trained Lean Six Sigma Black Belt; Purdue graduate.

WATCH THE PREVIEW

Don't gamble on your next leader.

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SCAN TO CONNECT

Sources: Spencer Stuart, Fortune 500 C-Suite Snapshot (2025) and 2023 C-Suite report; Heidrick & Struggles (20,000 senior placements); Leadership IQ, Hiring for Attitude; Executive Search Information Exchange (ESIX); Zippia/SHRM turnover-cost data. Math uses industry-standard 25–35% retained fees and the timelines stated above.