

WHAT A RETAINED PLACEMENT IS WORTH

Research date: 9 September 2026. All figures in US dollars. Decay clock: the two audited data points below are the load-bearing ones and they are from calendar 2025 and fiscal 2026.

The short answer

Three independent methods land in the same place.

Method	Source grade	Average or typical fee
Average revenue per search, disclosed by the largest public search firm	A. SEC-filed earnings release	\$162,000 (Heidrick & Struggles, Q2 and Q3 2025)
Executive Search fee revenue divided by engagements opened	A. SEC-filed 10-K	~\$142,000 (Korn Ferry, fiscal 2026)
Percentage applied to first-year cash comp, from signed contracts	A. Public procurement records	28% to 33.3% , minimums \$40,000 to \$75,000, caps \$150,000 to \$180,000

For a working range: **most US retained placements bill between \$60,000 and \$200,000 in professional fees, with \$140,000 to \$165,000 being the measured average at the two largest global firms.** Add 7% to 15% again for administrative fees, plus direct expenses.

1. Audited averages, straight from filings

This is the strongest evidence available, because both firms are or were SEC registrants and the figure is a disclosed operating metric rather than a marketing claim.

Heidrick & Struggles reported "average revenue per executive search" as a standing line item:

Period	Average revenue per search	Executive Search net revenue	Consultants
Q2 2024	\$151,000	\$210.0M	415
Q3 2024	\$149,000	\$204.4M	414
Q2 2025	\$162,000	\$238.2M	420
Q3 2025	\$162,000	\$239.1M	421

That is roughly 8% growth in average fee per search year over year, on 5% to 7% growth in confirmations. Annualized revenue per consultant was \$2.3M in both 2025 quarters.

Caveat worth naming if you cite this: Heidrick completed a take-private transaction with Advent International on 10 December 2025, so **Q3 2025 is the last quarter this metric exists in public**. Anyone citing a Heidrick average fee after that date is citing 2025 data whether they say so or not. That is a small, checkable point almost no one in the market has noticed.

Second caveat: it is a global average across all of Heidrick's search work, not US-only and not C-suite-only. It runs low relative to a pure C-suite book and high relative to a US boutique's director-level work.

Korn Ferry, fiscal year ended 30 April 2026:

- Executive Search fee revenue: **\$924.1M**
- New engagements opened in the year: **more than 6,500**
- Implied average: **about \$142,000 per engagement**
- Ending Executive Search consultants and execution staff: 566

Korn Ferry does not publish a per-search average, so that division is mine, and it is approximate: revenue recognized in fiscal 2026 includes work on engagements opened in fiscal 2025. Directionally it agrees with Heidrick.

Korn Ferry's quarterly disclosure gives a second angle. Q3 fiscal 2026 (quarter ended 31 January 2026): \$231.9M of Executive Search fee revenue across 3,737 engagements billed, or about \$62,000 per engagement billed **in that quarter**. Since retained fees bill in thirds across roughly two to three quarters, that per-quarter figure is consistent with a full fee in the \$125,000 to \$185,000 range.

Korn Ferry also attributed its 13% Executive Search growth to "an increase in both the number of engagements billed and the weighted-average fee billed per engagement," which is direct evidence that fee levels are rising, not just volume.

Reverse-engineering the comp behind those fees. At 30%, a \$162,000 fee implies about \$540,000 of first-year cash compensation. At one-third, about \$486,000. So the average large-firm retained search is filling a role paying roughly half a million dollars, not a \$200,000 director role.

2. Contracted percentages, from public records

Public institutions have to disclose what they sign, which makes higher education the only sector where you can read actual retained search fee terms side by side. Twelve firms, one contract vehicle: University of Wisconsin System contract 21-2777, awarded 2021, fee schedule as published.

Firm	Professional fee	Min.	Cap	Admin fee
Isaacson, Miller	one-third of first-year earned comp	\$60,000	—	11% of retainer
SP&A Executive Search	one-third of first-year cash comp	\$60,000	—	12%
Anthem Executive	31% of first-year comp	—	—	11%
Academic Search	30% of initial salary	\$50,000	\$150,000	expenses itemized
Harris Search Associates	30% of first-year salary	—	—	7%

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Parker Executive Search	30% of first-year total cash comp	\$60,000	—	at cost
DHR International	28% of targeted comp, discounted from a stated standard of 33%	—	\$180,000	12%
Buffkin/Baker	fixed, \$50,000 to \$100,000 by level	\$40,000	—	10%
AGB Search	fixed, \$125,000 presidential	—	—	travel at cost

Three things in that table are more useful than the percentages themselves.

DHR wrote its own list price into a public record. "28% of targeted compensation," disclosed as a discount off a standard 33%. That is a firm documenting its own rate card in a procurement file.

Minimums cluster at \$40,000 to \$60,000 in this sector, versus \$75,000 to \$100,000 that top-tier firms quote publicly. The minimum, not the percentage, sets the fee on any search below roughly \$200,000 of comp.

Caps exist. Academic Search caps at \$150,000, DHR at \$180,000. A cap is a firm conceding that the percentage produces an indefensible number at the top end, which is an argument a buyer can borrow.

Two named engagements at the top of the range:

- University of Michigan, 2022, Isaacson Miller: 28% of the president's first-year base plus a one-time bonus, which on a \$927,000 precedent salary came to about **\$259,560**, plus 12% administrative and a \$35,000 travel cap. Total expected to exceed **\$300,000**. Michigan described 28% as discounted from a market standard of 30% to 35%. An outside expert called it "one of the most expensive, if not the most expensive" contract seen for a public university.
- University of Virginia, 2017 contract with the same firm: one-third of first-year compensation including deferred comp, signing and performance bonuses, minimum \$50,000. On Jim Ryan's roughly \$1M first-year package that implies a retainer above **\$300,000**.

For historical contrast, the Michigan reporting cites a 2015–2016 study of university search firm fees with an average of **\$80,000** and a maximum of **\$160,000**, or roughly \$95,000 and \$190,000 in 2022 dollars. That is the closest thing to a genuine sector average with a denominator behind it, and it is a decade old.

3. What the fee base actually includes

The percentage is meaningless without this, and it is where most published "25 to 35%" claims stop short.

Consistently included: base salary, guaranteed bonus, signing or sign-on bonus, other contractually committed first-year cash.

Variable by contract: equity, deferred compensation, target versus guaranteed bonus. The UVA contract explicitly pulls deferred compensation and performance bonuses into the base. The Wisconsin schedule shows firms using four different bases in the same procurement: "initial salary," "first-year salary compensation," "first-year total cash compensation," and "targeted compensation." The spread between the narrowest and widest reading on the same hire can be 30% or more of the fee.

Add-ons on top of the professional fee, from 2026 published guides:

- Administrative or indirect fee: 7% to 15% of the professional fee
 - Travel: 3% to 8%, or billed at cost, sometimes capped
 - Background verification: \$500 to \$3,500 per finalist
 - Executive assessment or psychometrics: \$1,500 to \$5,000
 - Advertising, where required: \$3,000 to \$7,000
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4. Fee table at 2026 rates

Professional fee only. Minimums override anything below about \$200,000 of comp.

First-year cash comp	25%	30%	33.3%	35%
\$200,000	\$50,000	\$60,000	\$66,600	\$70,000
\$250,000	\$62,500	\$75,000	\$83,250	\$87,500
\$300,000	\$75,000	\$90,000	\$100,000	\$105,000
\$400,000	\$100,000	\$120,000	\$133,200	\$140,000
\$500,000	\$125,000	\$150,000	\$166,500	\$175,000
\$750,000	\$187,500	\$225,000	\$249,750	\$262,500
\$1,000,000	\$250,000	\$300,000	\$333,000	\$350,000

Three published worked examples that agree with the table:

- \$200,000 comp: \$60,000 to \$66,000 fee, \$60,000 to \$75,000 all in (The Good Search, May 2026)
 - \$300,000 comp: \$90,000 to \$100,000 fee, up to \$112,000 all in (same)
 - \$400,000 base plus \$150,000 guaranteed bonus, so a \$550,000 base: about **\$183,150** at 33.3% (Floodgate Medical, 2026)
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5. Market context

Hunt Scanlon's 2026 rankings, covering calendar 2025: the top 50 Americas firms billed **\$6.69B**, up 11%, an increase of more than \$650M. The top five global firms billed \$7.43B. Seventy-five percent of ranked firms grew, 24 posted double-digit growth. No per-search average is published in that report, and Hunt Scanlon does not disclose its collection method.

6. Evidence grades and what is weak

A grade, cite freely. Heidrick & Struggles quarterly earnings releases. Korn Ferry 10-K and quarterly releases. University of Wisconsin System contract 21-2777 fee schedule. The Michigan and Virginia contract terms as reported.

B grade, cite with attribution and a date. The 2026 fee guides from The Good Search, KiTalent and Floodgate Medical. All three are published by search or recruiting firms, all three converge on 25% to 35%, and none of them discloses a sample size or a method. They are useful as evidence of what firms say they charge, which is a different claim from what the market *pays*.

Do not use. Public-company CEO pay studies as a fee base. Median S&P 500 CEO compensation is not what retained searches bill against, because the packages are mostly equity and those hires frequently do not run through a percentage-of-comp fee at all. BLS wage data for Chief Executives is also the wrong denominator: it includes small-business owners and top-codes at \$239,200, so it understates the retained search population badly.

Gaps I could not close. No trade body publishes an average assignment value with a disclosed denominator. AESC does not, Hunt Scanlon does not, IBISWorld sells industry revenue but not per-search figures. The 2015–2016 higher-ed study is the only sector-level average with a visible sample, and it is a decade stale. Heidrick's disclosure was the closest thing the industry had to a public benchmark, and it went private in December 2025. **Nobody currently publishes a defensible market-wide average retained placement fee.** That absence is itself a story.

Sources

- [Heidrick & Struggles Q2 2025 results](#)
- [Heidrick & Struggles Q3 2025 results](#)
- [Heidrick & Struggles take-private completion, 10 December 2025](#)
- [Korn Ferry fiscal 2026 10-K summary](#)
- [Korn Ferry Q3 fiscal 2026 results](#)
- [Korn Ferry Q2 fiscal 2026 earnings exhibit, SEC](#)
- [University of Wisconsin System contract 21-2777, vendor listing and fee structure](#)
- [Detroit News on the University of Michigan search contract](#)
- [Cavalier Daily on Isaacson, Miller and the UVA search](#)
- [The Good Search, executive search fees and pricing, updated May 2026](#)
- [KiTalent, executive search fees explained, updated August 2026](#)
- [Floodgate Medical, executive search firm fees and costs in 2026](#)
- [Hunt Scanlon, executive recruiting sector grew 11%, March 2026](#)