



# Retained vs Contingent

The business case for executive search in supply chain recruitment. When to use each model, what the data says about outcomes, and how to get the best return on your recruitment investment.

**2026**

REPORT

**\$200K+**

ROLES ANALYSED

**ANZ**

MARKET DATA

## SECTION 01

# Two Models, Different Outcomes

Most companies default to contingent recruitment for every hire. It feels lower risk — you only pay on success. But for senior supply chain roles above \$200K, the data tells a different story. Contingent searches at this level fail more often, take longer, and frequently result in compromise hires that cost far more in the long run.

This report examines the real-world differences between retained and contingent search for senior supply chain, logistics, and procurement appointments — based on our own placement data and broader market intelligence across ANZ.

92%

RETAINED FILL RATE

54%

CONTINGENT FILL RATE

1.7x

RETAINED RETENTION ADVANTAGE

## How the Models Actually Compare

DIMENSION	CONTINGENT	RETAINED
Payment structure	Fee on placement only	Phased: 33/33/33 over search
Exclusivity	Multiple agencies competing	Single dedicated partner
Candidate access	Active + limited passive	Full passive market mapped
Market intelligence	Not included	Detailed market map delivered
Fill rate (\$200K+ roles)	~54% industry average	~92% industry average
Time to shortlist	Variable, often 6–10 weeks	Structured: 4–6 weeks
Assessment depth	CV screen + interview	Multi-stage technical evaluation
Ongoing reporting	Ad hoc updates	Weekly structured reporting
Replacement guarantee	3 months standard	12 months typical
Who does the work	Often delegated to juniors	Principal-led throughout

SECTION 02

# The Real Cost of Getting It Wrong

The perceived cost saving of contingent recruitment at senior level is almost always illusory. When a \$250K supply chain hire fails within 12 months, the total cost to the business — including lost productivity, disruption, rehiring costs, and team morale — typically runs to 2–3x the annual salary.

## Cost of a Failed Senior Hire (\$250K Package)

COST COMPONENT	ESTIMATED COST
Original recruitment fee (20–25%)	\$50K – \$62K
Onboarding & training investment	\$15K – \$25K
Lost productivity during tenure	\$80K – \$120K
Management time & disruption	\$30K – \$50K
Re-recruitment cost	\$50K – \$62K
Revenue / project impact	\$100K – \$250K+
<b>Total Cost of Failed Hire</b>	<b>\$325K – \$570K+</b>

### The Retention Factor

Our data shows that retained placements at the \$200K+ level have a 12-month retention rate of 94%, compared to 71% for contingent placements at the same level. The upfront investment in retained search is typically recovered many times over through reduced re-hiring and stronger first-year performance.

*The question isn't whether retained search costs more upfront. It does. The question is whether you can afford the consequences of the contingent approach failing at a level where failure is extremely expensive.*

**SECTION 03**

# When to Use Each Model

Retained search isn't always the right answer. For volume hiring, junior roles, or well-defined positions with deep candidate pools, contingent recruitment works perfectly well. The decision should be driven by the risk profile of the hire, not by habit.

## Use Contingent When...

- The role is below \$150K and well-defined
- There is a deep, active candidate pool
- Speed matters more than specificity
- The role is a like-for-like replacement with clear benchmarks
- You have internal HR capability to manage multiple agencies

## Use Retained When...

- The package is \$200K+ and the role is business-critical
- The candidate pool is small, niche, or predominantly passive
- You need a confidential search (replacing an incumbent, sensitive hire)
- Previous contingent searches have failed
- You want market intelligence alongside the search (salary data, competitor mapping)
- The role requires technical assessment beyond CV screening
- You need a 12-month guarantee, not 3 months
- You want a single point of accountability, not a scattergun approach

### The \$200K Threshold

Our analysis suggests \$200K is the inflection point where retained search consistently outperforms contingent on fill rate, time to hire, and 12-month retention. Below this level, the economics favour contingent. Above it, the risk profile of the hire justifies the retained investment.



*I've worked both sides of the fence — running large contingent desks and delivering retained mandates. The difference in candidate quality, process rigour, and long-term outcomes is night and day. For any supply chain role above \$200K, I won't take a contingent brief. It's not in the client's interest, and it's not in mine.*

— Jon-Paul Hilton, Founder, Sigma Search

## Our Retained Search at a Glance

**Scope** Supply chain, logistics, and procurement roles from \$180K to \$350K+

**Process** Structured 6–8 week methodology: Discovery → Market Map → Approach → Shortlist → Close

**Deliverables** Full market map, salary benchmarks, weekly reporting, 4–6 person shortlist with detailed assessments

**Fee structure** Phased: engagement fee + progress payment + completion fee (total 25–30% of package)

**Guarantee** 12-month replacement guarantee on all retained placements

**Principal-led** Every search is led personally by Jon-Paul Hilton. No delegation, no handoffs.

## Get in Touch

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