

# Embedded vs Retained Executive Search

*A candid framework for CHROs, Chief People Officers, and PE operating partners choosing how to hire the layer beneath the C-suite.*

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**CHAPTER I · CONTEXT**

## Why the question has changed.

For most of the last two decades, senior hiring in the mid-market ran on a settled logic. If the role sat inside the executive committee, you called a retained firm. If it sat below, you handed it to an internal recruiter. The two models rarely met in the middle, and few sponsors asked whether the middle needed a model of its own.

That settlement is coming apart. Three forces have pushed the layer beneath the C-suite — the VPs, directors, and functional leaders who now carry most of the operating risk in a modern business — into a category that neither traditional model was built to serve.

The first is consolidation. In 2025 alone, Korn Ferry closed its £850m acquisition of AMS, and the largest global RPO and search brands continued absorbing regional specialists. The economics of that consolidation reward volume and platform revenue, not the patient, senior craft that mid-market CHROs still need to hire well.

The second is the industrialisation of retained search itself. Fees have crept from a historical 25% toward 30–33% of base for the same work, while research and outreach have been pushed downstream to junior associates and offshore teams. The partner who signed the engagement is not always the person building the pipeline.

The third is the quiet failure of in-house TA to reach into the senior layer. It is optimised for volume, systems, and employer brand — not for the discreet work of persuading a sitting VP to leave a competitor.

**“The layer beneath the C-suite is where operating value is actually created — and it is precisely the layer that neither retained search nor in-house TA was designed to serve well.”**

Into that gap has moved a third model: embedded executive search. It is not new — the pattern has existed inside private equity portfolios for years — but it is only now maturing into a category with defined economics, deliverables, and standards of care. This whitepaper is our attempt to describe that category honestly, alongside the two models it sits between, so you can decide which one belongs against which of your hires.

We have written it for the people who make the decision: CHROs, Chief People Officers, PE operating partners, and the founders still owning senior hiring personally. It is the version we wished existed before we built Feredir.

## CHAPTER II · THE THREE MODELS

# Three ways to hire at C-suite -1. Each works in the right context.

Before comparing costs, it is worth stating what each model is actually optimised for. Most disappointment in senior hiring comes not from a bad provider but from a good provider being asked to solve the wrong problem.

## MODEL 01

## In-house talent acquisition

Optimised for continuity, employer brand, and steady-state volume. Strongest when senior hiring is predictable and frequent enough to keep a specialist team sharp. Weakest when volume is lumpy, when the target market is small and senior, or when discretion is critical — the same brand that helps you at scale can be a liability in a confidential search.

## MODEL 02

## Retained executive search

Optimised for one-off, board-visible hires where market access and the weight of a brand matter more than cost efficiency. Strongest for genuinely C-suite mandates and for regulated or specialist roles where a small, known universe of candidates justifies a partner-led approach. Weakest across a hiring plan, where the 25–33% fee compounds and the pipeline IP leaves with the firm.

## MODEL 03

## Embedded executive search

Optimised for a defined window of senior hiring — typically four to twelve roles over six to twelve months — where the sponsor wants internal-style ownership, transparency, and IP without carrying the fixed cost of an internal team. Strongest during transformations, post-transaction build-outs, and functional rebuilds. Weakest for isolated one-off hires with no follow-on volume.

## THE HONEST TEST

## Which problem are you solving?

If the answer is *“one important hire, and access matters more than cost”* — retain. If it is *“a steady drumbeat of senior hiring for the next three years”* — build in-house. If it is *“a defined wave of senior hires that has to land in months, not quarters”* — embed.

**CHAPTER II · CONTINUED**

# What each model actually feels like from the sponsor's seat.

## In-house TA

You have a colleague, not a vendor. They know your business, sit in your Monday leadership meeting, and understand which stakeholder needs which kind of pre-brief. The trade-off is that their loaded cost is fixed. Between hiring waves, you are paying for a bench — and asking a senior TA leader to fill their diary with early-career hires quietly erodes both their edge and their engagement.

The other cost is subtler: internal recruiters, however senior, rarely have permission to approach the CEO's counterpart at a competitor without a formal introduction. In the senior mid-market, that ceiling is where most of the best candidates live.

## Retained search

Done well, retained is still the gold standard for a defined class of hire. A good partner will bring judgement, a real off-limits discipline, and a network you could not have built yourself. The engagement feels considered, and the shortlist arrives with weight behind it.

Done routinely, it feels different. The associate you never met runs the outreach; the shortlist arrives on week ten rather than week six; the market map, if one existed, stays inside the firm. Across a hiring plan, the annual fee run-rate tends to surprise finance committees — and the IP you paid for does not stay with you.

## Embedded search

The embedded model borrows the ownership posture of internal TA and the senior craft of retained search, and prices itself as neither. A named lead sits inside your ATS, joins your hiring huddles, and reports on funnel metrics rather than anecdotes. The commercial model is a flat monthly fee for a defined scope of roles, with the market map, competitor intelligence, and candidate pipeline transferred to you at the end of the engagement.

It is not the right answer for every hire. It is often the right answer for a wave of them.

### A note on hybrids.

The three models are not mutually exclusive. The strongest mid-market operators we work with tend to run all three in parallel: an internal TA function for the drumbeat, a retained firm on retainer for the one or two board-visible searches a year, and an embedded partner brought in for defined build-outs. The question is not which model to marry — it is which model to hire against which problem.

CHAPTER III · THE NUMBERS

# The loaded cost of six senior hires a year.

The following worked example assumes a PE-backed business hiring six C-suite -1 roles in a calendar year at an average base of £140,000. Figures are rounded and illustrative — the point is not the precise number, but the shape of the comparison. Substitute your own benefit load, fee structure, and hiring cadence to sanity-check the model against your business.

| LINE ITEM                                      | IN-HOUSE TA LEAD      | RETAINED SEARCH        | EMBEDDED PARTNER      |
|--|-----------------------|------------------------|-----------------------|
| Base salary / fee model                        | £75k base salary      | 28% × 6 hires on £140k | Flat monthly retainer |
| Employer NI (13.8%)                            | £10,350               | —                      | —                     |
| Pension & benefits (~12%)                      | £9,000                | —                      | —                     |
| Tooling (LinkedIn Recruiter, ATS, assessments) | £14,000               | Included               | Included              |
| Ramp to first hire                             | 8–12 weeks            | 6–10 weeks             | 2–3 weeks             |
| Bench cost between hiring waves                | Full salary continues | Zero                   | Pause or scale down   |
| Pipeline & market map at close                 | Stays internal        | Retained by the firm   | Transferred to you    |
| Approx. annual run-rate                        | £108k + tooling       | £235k                  | £90k–£130k typical    |

**How to read the table.**

Internal TA is competitive on per-hire cost only when senior volume is sustained. Retained is the most expensive on annual run-rate but the most predictable per hire. Embedded sits between them on cash cost while behaving like internal TA on ownership and IP.

CHAPTER IV · DECISION MATRIX

# Which model fits your hiring shape.

Map your next twelve months of senior hiring against the rows below. If two or more rows point to the same model, that is usually your answer. If they split evenly across two models, you are probably looking at a hybrid.

| IF YOUR SITUATION LOOKS LIKE THIS...  | LIKELY BEST FIT      |
|---|----------------------|
| You hire one or two senior roles a year, and one of them is board-visible       | Retained search      |
| You hire four to twelve senior roles a year, in defined waves                   | Embedded partner     |
| You hire fifteen or more senior roles a year at a steady state                  | In-house TA function |
| The role is single-shot, market-defining, and reference-checkable at the board  | Retained search      |
| You need the pipeline, market map, and competitor intel to stay in the business | In-house or embedded |
| You need to flex up for a transformation, then scale down without a redundancy  | Embedded partner     |
| You have no senior TA function and no realistic time to build one               | Embedded partner     |
| The hire is genuinely C-suite (CEO, CFO, CTO) and reports to the board          | Retained search      |
| The sponsor wants weekly progress reviews and pipeline transparency             | Embedded or in-house |
| The engagement is confidential and cannot appear on a firm's website            | Embedded partner     |

**Match the model to the hire, not the vendor to the year. The most common mistake is not choosing the wrong model — it is choosing the right one for the wrong hire.**

**CHAPTER V · PLAYBOOK**

# The first ninety days with an embedded partner.

If you decide an embedded partner is right — whether Feredir or otherwise — the first ninety days set the ceiling on everything that follows. Use the following as a working checklist with whoever you sign. If a prospective partner cannot walk you through their version of this in detail, that is itself a data point.

## Weeks 1–2 · Embed

A sponsor alignment session in the first week: not a discovery call, an actual working session. Job architecture is agreed for the next six to twelve months of hiring, not just the first role, so the market map you build in week three does double and triple duty. Calibration on must-haves versus coachables. ATS access provisioned by the end of week one. Brand assets, EVP notes, and a written definition of the sponsor's bar for "yes".

## Weeks 3–4 · Market map

A named long-list of eighty to one hundred and fifty candidates per role, segmented by employer, tenure, and likelihood of movement. The sponsor signs off before outreach begins — the cheapest place to catch a misaligned brief.

## Weeks 5–8 · Live pipeline

Outreach runs at a defined weekly cadence, not a Monday burst and silence after. Weekly pipeline review with the hiring manager, framed around funnel metrics and conversion. Structured scorecards filed within twenty-four hours. First shortlist of three to five candidates by week eight, each with a written point of view.

## Weeks 9–12 · Convert

Final-stage assessments, references from both named and back-channel sources, offer mechanics agreed with the sponsor in advance, and a deliberate plan for counter-offer handling. A handover pack in the final week: full market map, competitor intel, future pipeline, and a lessons-learned note. First hire signed before the quarter closes.

**“The market map is the deliverable most sponsors under-value at signing and most value at close. Insist on ownership of it in the contract, not the conversation.”**

The discipline underneath is unglamorous: weekly cadence, written scorecards, and a sponsor willing to decide on the timelines they asked for.

**CHAPTER V · CONTINUED**

## What “good” looks like at each stage.

**SIGNAL 01 · WEEK 2****The brief is sharper than the JD.**

By the end of week two, the working brief should be materially better than the job description you handed over. If your embedded partner has not challenged at least one assumption in the JD — scope, level, comp band, reporting line — they are transcribing, not consulting.

**SIGNAL 02 · WEEK 4****The market map is uncomfortable.**

A good long-list will include five or six names you did not expect — and one or two you would rather were not on it. If the map reads like a LinkedIn search you could have run yourself, the research layer is too junior.

**SIGNAL 03 · WEEK 8****The shortlist has a point of view.**

Three to five candidates, each with a written recommendation, a specific concern, and a proposed line of questioning for the panel. A shortlist without a point of view is a CV drop — and CV drops are what you were trying to escape.

**SIGNAL 04 · WEEK 12****The handover pack outlasts the hire.**

The market map, competitor intel, future pipeline, and lessons-learned note should be usable by the sponsor eighteen months later — even if the embedded partner is not re-engaged. If the IP walks out with the firm, you rented a hire; you did not build a capability.

**What good does not look like.**

A shortlist that arrives without written commentary. A weekly update that is a list of candidates rather than a funnel. A market map you cannot see. A named lead who is somehow always on holiday when the sponsor calls. A commercial model whose upside grows with the base salary of the person you hire. These are not embedded search — they are contingency dressed as retained.

**CHAPTER VI · DUE DILIGENCE**

# Twelve questions to ask any search partner — retained or embedded.

Use this list in the room, not on a scorecard. The partners worth hiring answer directly and volunteer the awkward part before you ask.

**01 Who, by name, will own this search day to day — and what else are they working on?**

You are hiring a person, not a firm. Ask how many other live mandates they are carrying, and what the ceiling is.

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**02 What does your average time-to-shortlist look like for a comparable role in this market?**

The honest answer is a range, with a reason for the range. A single number is marketing.

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**03 How do you build a market map, and will I see it before outreach begins?**

Sponsor sign-off on the map is the cheapest place to catch a misaligned brief.

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**04 What is your off-limits list, and which of my competitors does it cover?**

Off-limits is where the largest firms quietly cost you the best candidate. Get the list in writing.

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**05 How do you measure pipeline quality beyond CVs submitted?**

Response rates, first-call conversion, and drop-off reasons are the real signal. Volume is not.

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**06 What happens to the market map and candidate IP when the engagement ends?**

If it does not transfer, you did not really pay for it.

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**07 How do you handle counter-offers and the final ten percent of an offer process?**

Most searches are lost in the last fortnight, not the first. Ask for the playbook.

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**08 What is your replacement guarantee, and what triggers it?**

"Twelve months" with fifteen exclusions is not a guarantee. Read the clause.

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**09 Who on your team would I escalate to if the lead partner is not delivering?**

A named escalation path is a sign of a firm that has had the conversation before.

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**10 Show me a scorecard or sample shortlist from a comparable recent engagement.**

Redacted is fine. Absent is not.

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**11 How do you support diverse slates without it becoming a tick-box exercise?**

Ask for the method, the metric, and the last brief they walked away from because it made diversity impossible.

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**12 What would make you decline this engagement?**

A partner who cannot name a reason to say no will say yes to everything — including the wrong version of your brief.

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**CHAPTER VII · CLOSING**

## A closing note on independence.

We wrote this whitepaper for a specific reason. The consolidation of the search and RPO market over the last three years has left a smaller number of firms making a larger number of the recommendations that reach CHROs and PE operating partners. That is not, on its own, a bad thing — scale brings craft, reach, and standards. It does, however, quietly narrow the set of answers a decision-maker hears.

Independent, focused firms like ours exist to widen that set again. We have no incentive to recommend an embedded engagement where a retained one would serve you better, and no incentive to sell you a wave of six roles when the honest answer is one. If this document helps you make a clearer decision — even one that does not involve us — we have done what we set out to do.

### A thirty-minute working session, no slides.

We run a candid working session with CHROs, Chief People Officers, and PE operating partners. You bring the next twelve months of senior hiring; we tell you honestly which roles we would take on, which to keep in-house, and which to send to a retained firm. No pitch deck, no follow-up nurture sequence.

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C-suite -1 · UK &amp; EU mid-market

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