



- **How big is the impact of leadership onboarding?**
- **What is the cost of early failure?**

Year	Leadership Search Fees \$US	Leadership Compensation @ 4x Search Fee	Leadership Impact up to 4x Compensation	Cost of Early Exit @ 40% of Leadership Impact
2020				
North America	\$5.5bn	\$22bn	\$88bn	\$35.2bn
Global	\$21bn	\$84bn	\$336bn	\$134.4bn

data source: Statista 2021

Source-HBR

The productive sweet spot for a new leader is between 6-24 months. This is the period when the leader has understood the landscape, initiated their objectives and is full of energy to succeed. The leader is in high growth mode (personally and professionally) and the stakeholders are enjoying the returns from their newly acquired talent.

BUT: 40% of newly hired, acquired, or promoted leaders leave within 18 months of starting their new role. The top three reasons leaders leave early are:

1. 69% report a poor grasp of how the organization works.
2. 65% misfit with organization culture.
3. 57% have difficulty forging peer alliances.

Put in practical, local terms; for a leader on \$200k OTE, if they leave early, it could cost you \$50k in cash recruitment fees plus \$800k in lost productivity!

This underlines three key benefits for a company to invest time, energy, and finances in a comprehensive Leadership Onboarding Facilitation program:

1. Save on recruitment costs to replace a leader who leaves inside of 18 months - typically 25-33% of annual on target compensation.
2. Minimize an early exit and the associated loss of revenue, profit, operational growth improvements.
3. Maximize revenue, profit, and operational improvements during the 'sweet spot' of productivity, between 6-18 months, from a leader who has been given the support to build a solid platform on which to perform.