



Global



*Core Skill Sectors and Industry Segments*

# Largest Direct Hire Staffing Firms Globally

2<sup>nd</sup> July, 2021 | David Papapostolou, Senior Research Analyst | [dpapapostolou@staffingindustry.com](mailto:dpapapostolou@staffingindustry.com)

## Largest Direct Hire Firms Globally

### Key Findings:

- The global direct hire market accounted for \$35.8 billion (€31.4 billion) in 2020, 7.7% of the global staffing market.
- Asia Pacific and EMEA were the two largest regions for direct hire. However, the United States was the largest national market in 2020, with 26% of the global market.
- This report provides a ranking of the 30 largest providers of direct hire services globally, based on revenues generated in 2020. The largest global provider was the Japanese Persol Group, followed by PageGroup and ManpowerGroup.
- Finally, we also provide an overview of the latest trends based on data published by the largest publicly-listed providers in this space.
- According to industry custom, we have ranked companies by revenue, but this ranking should not imply that a firm with a higher rank provides better service or more value to its shareholders.
- The top 30 rankings can be found on pages 7-8. In addition, our definition of direct hire revenue and the methodology for this report can be found on page 9.
- The revenue figures above represent SIA's best estimate based on available information at the time of publication. However, the accuracy of estimates may vary depending on multiple factors, including firms' willingness to provide or confirm information about their operations.

*Use this analysis to understand the size of the global market and the relative sizes of national markets.*

*Understand the competitive landscape and gain insights into the latest trends.*

## Direct Hire Market Size

- We estimate the global direct hire market was worth \$35.8 billion (€31.1 billion) in revenue in 2020, accounting for 7.7% of the global staffing market.
- According to our calculations, the single largest region in terms of sales in the direct hire space was the APAC region, accounting for 43% of the global market, followed by EMEA (29%) and the Americas (28%). The United States alone represented 26% of global direct hire sales in 2020.
- The map on page four provides a handy visualisation of the relative size of the four regional markets around the world.
- Certain parts of this Insight refer to continents/regions. For clarification, these five regions comprise:
  - The Americas – *North America (referred to as NA in the table on p.7) & South America*
  - Asia Pacific – *South Asia & South-East Asia plus Australasia*
  - EMEA - *Europe (including Russia), Middle East & Africa*

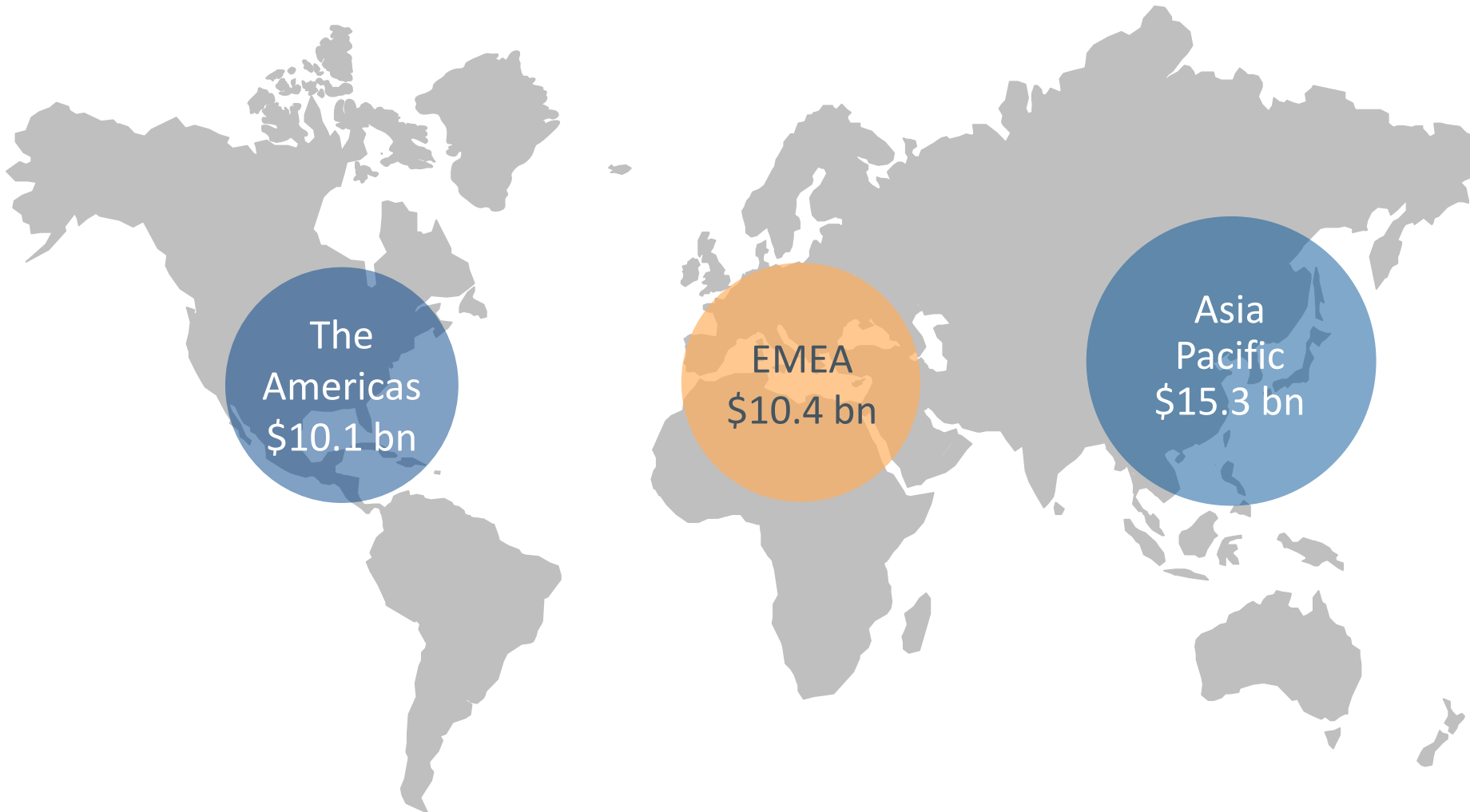


**Direct hire** — A term commonly used to refer to services provided by a staffing agency related to helping an organization obtain an employee to work on their payroll as opposed to temporary staffing relationship where the employee is typically working on the staffing firm's payroll. In a direct hire arrangement, the provider is only paid a fee if a placement is made, as opposed to a retained search arrangement. (See also: Permanent Placement, Placement.)

*Source: SIA Lexicon of Global Workforce-Related Terms*

## Global Direct Hire Market in 2020, by Region

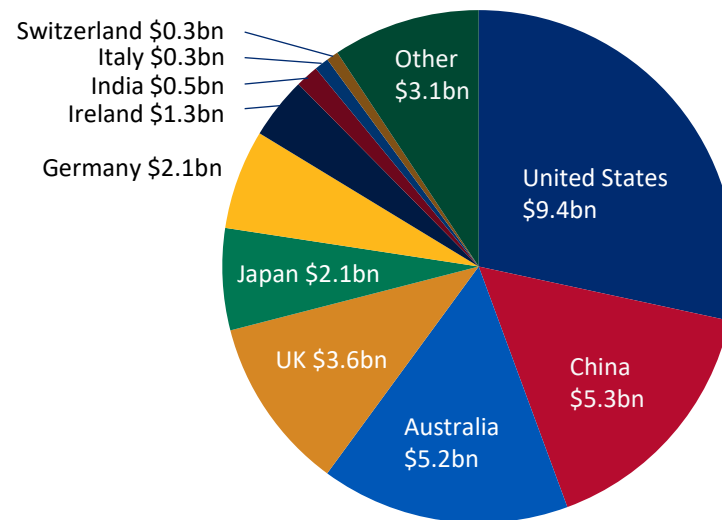
Regions are to scale



## The Largest Direct Hire Markets in 2020

- Ten countries were responsible for 84% of the global direct hire industry revenue in 2020.
- The US is the world’s largest direct hire market with \$9.4 billion of annual sales, accounting for 26% of global sales. We believe China is the next largest market with sales of \$5.3 billion, representing 15% of the global market.
- China also stands out as the largest Asian market for direct hire, followed in the Top 10 by Australia, Japan and India.
- The UK is the fourth largest direct hire market globally (10% of global sales) and the largest European market. The next European countries in this Top 10 are Germany (5.8%), Ireland (3.6%), Italy (0.8%) and Switzerland (0.7%).
- As shown in the tables on pages 7-8, 13 of the 30 largest direct hire services providers globally are based in the US. As many as nine companies in this ranking are based in the UK. The remaining seven include global suppliers based in the Netherlands (Randstad) and Switzerland (The Adecco Group), as well as companies based in France (1), Germany (1), Ireland (1), Italy (1) and Russia (1).

Major Direct Hire Markets by Annual Sales 2020

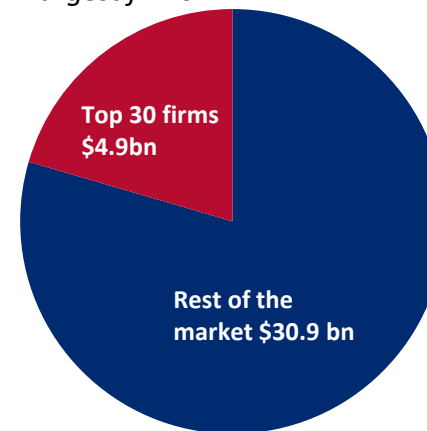


Source: SIA

## Top 30 Providers of Direct Hire Services Globally

- The global direct hire market was worth \$35.8 billion in 2020 and fell by -21% compared to 2019.
- The Top 30 direct hire providers were responsible for 14% of the global market in 2020. The combined revenues of the 30 largest providers of direct hire services globally amounted to \$4.9 Billion.
- With the onset of the COVID crisis, demand for direct hire services dropped sharply in the first half of 2020. As a result, the median growth rate among the top 30 firms was -25% in 2020.
- However, some firms were less exposed than others to the drop in demand or even were able to capitalise on new business opportunities. For example, US-based Integrity Staffing Solutions grew by 208% over the year 2020, primarily from a large e-commerce client.
- The global direct hire market is highly fragmented, with the Top 5 firms generating 7% of revenues in 2020. The largest share of the market is held by small, local recruiting businesses, for which direct hire is a significant source of income.
- The complete list of the 30 largest providers of direct hire services globally is shown on pages 7-8, as well as our estimates for the revenue figures for the year 2020, annual revenue growth rates and market share information.

Market share of the Top 30 largest firms



Global Direct Hire Market consolidation, based on 2020 revenues

	2020 Market share
Top 5	7%
Top 10	11%
Top 20	13%
Top 30	14%

Sources: SIA

## Top 30 Providers of Direct Hire Services Globally

	Country	Website	Country HQ	Regional coverage	Direct Hire Revenue 2020 (\$m)	Year-on-year revenue (\$m) change (%)	Share of Global Direct Hire Market
1	Persol Group	www.persol-group.co.jp	JP	APAC	565	-18%	1.6%
2	PageGroup	www.page.com	UK	Global	528	-32%	1.5%
3	ManpowerGroup	www.manpowergroup.com	US	Global	435	-25%	1.2%
4	Hays	www.haysplc.com	UK	Global	430	-29%	1.2%
5	Randstad	www.randstad.com	NL	Global	412	-28%	1.2%
6	The Adecco Group	www.adeccogroup.com	CH	Global	406	-37%	1.1%
7	Robert Half International	www.roberthalf.com	US	Global	370	-31%	1.0%
8	GI Group	www.gigroup.com	IT	Global	298	4%	0.8%
9	Robert Walters	www.robertwalters.com	UK	APAC, EU, NA	241	-33%	0.7%
10	Allegis Group	www.allegisgroup.com	US	Global	228	-28%	0.6%
11	MRINetwork	mrinetwork.com	US	EU, NA	151	-17%	0.4%
12	ASGN	www.onassignment.com	US	EU, NA	104	-25%	0.3%
13	Phaidon International	www.phaidoninternational.com	UK	APAC, EU, NA	95	1%	0.3%
14	Sthree	www.sthree.com	UK	APAC, EU, NA	88	-13%	0.2%
15	Integrity Staffing Solutions	www.integritystaffing.com	US	NA	57	208%	0.2%

The revenue figures represent SIA's best estimation based on available information at the time of publication.

Source: SIA

## Top 30 Providers of Direct Hire Services Globally

	Country	Website	Country HQ	Regional coverage	Direct Hire Revenue 2020 (\$m)	Year-on-year revenue (\$m) change (%)	Share of Global Direct Hire Market
16	Insight Global	www.insightglobal.com	US	NA	55	2%	0.2%
17	VACO	www.vaco.com	US	NA	43	-25%	0.1%
18	Amadeus Fire	www.amadeus-fire.com	DE	EU	40	-12%	0.1%
19	Kelly Services	www.kellyservices.com	US	APAC, EU, NA	35	-39%	0.1%
20	Beacon Hill Staffing	www.beaconhillstaffing.com	US	NA	34	-28%	0.1%
21	Kforce	www.kforce.com	US	NA	34	-30%	<0.1%
22	Harvey Nash	www.harveynash.com	UK	APAC, EU, NA	33	-23%	<0.1%
23	CPL Resources*	www.cpl.ie	IE	EU	31	0%	<0.1%
24	Express Employment	www.expresspros.com	US	NA	30	-21%	<0.1%
-	The SR Group	www.thesrgroup.com	UK	APAC, EU, NA	30	-36%	<0.1%
26	CHG Healthcare Services	www.chghealthcare.com	US	NA	29	-4%	<0.1%
-	Impellam	www.impellam.com	UK	NA	29	-42%	<0.1%
28	Adequat	www.groupeadequat.fr	FR	EU	28	8%	<0.1%
29	Empresaria	www.empresaria.com	UK	Global	22	-38%	<0.1%
30	Ancor	www.ancor-group.com	RU	APAC, EU	21	-11%	<0.1%

The revenue figures represent SIA's best estimation based on available information at the time of publication.

\* CPL Resources was [acquired](#) by Japanese group Outsourcing Inc, in Q4-2020

Source: SIA



## Top 30 Providers of Direct Hire Services Globally (continued)

- Japanese company Persol Group leads the global direct hire market. 93% of the group's direct hire business is located in Japan.
- Page Group places second. Direct hire accounted for 67% of the group's gross profits in 2020, down from 71% in 2019.
- ManpowerGroup, Hays and Randstad close the top 5. Within this head group, the median year-on-year growth rate was -28% in 2020.
- The Adecco Group placed sixth based on direct hire sales in 2020. While the group's direct hire revenue fell by -30% in 2020 (in constant currency\*), the French, Italian and Japanese markets dropped less sharply.
- In Q4-2020, the Adecco Group announced the [acquisition of recruitment marketplace Hired](#) and its decision to integrate it with its platform, Vetterly.
- Hays' direct hire gross profit declined by -15% in 2020\*\* and accounted for 41% of the group's net fees.
- The table on the lower right-hand side presents the share of Hays' direct hire net fees in the regions and countries listed, pro-rata to the local net fees. Net fees were more resilient in Germany.
- The median annual revenue (expressed in USD) growth rate for the Top 30 was -25% in 2020, down from +2% in 2019. the fastest-growing firm, Insights Global, reported increased demand from a large ecommerce client.

### The Adecco Group : Annual direct hire revenue growth\*

Country/Region	2020	2019	2018	2017
France	-22%	3%	22%	8%
Italy	-19%	16%	23%	30%
NA, UK & IE general	-39%	-7%	5%	-3%
NA, UK & IE professional	-29%	2%	20%	-1%
Japan	-19%	10%	26%	27%
Global	-30%	2%	15%	8%

\*Direct hire revenue growth rates in constant currency, as reported in the 2017-2020 annual reports.

### Hays: Direct hire share of group net fee per region\*\*

Country/Region	Direct hire share of local gross profit 2020	Direct hire net fee growth 2020	Direct hire share of local gross profit 2019
Asia	n.a.	n.a.	88%
Australasia	29%	-20%	32%
Germany	17%	-8%	16%
UK, Ireland	39%	-22%	43%
ROW	66%	-12%	n.a.
Group	41%	-15%	43%

\*\*as reported in GBP, in the 2020 and 2019 annual report. Hays financial year ends 30<sup>th</sup> June.

## Top 30 Providers of Direct Hire Services Globally (continued)

- We believe ManpowerGroup is the fourth largest provider of direct hire services globally. However, the group reported a -25% revenue drop in 2020 for direct hire. The French market was slightly more resilient (-24%), while Italy and the Northern Europe region fell harder: -28% and -31%, respectively.
- Randstad, the fifth largest group in our ranking, reported a -22% in the number of permanent placements for 2020. The geographical breakdown is presented on the right-hand side. Randstad's largest markets for direct hire are France, North America, and Iberia. In 2020, the number of candidates placed in permanent jobs decreased the most in Iberia, the Netherlands, and other markets collectively grouped under the ROW category.
- Finally, we cannot conclude a report on the global direct hire market without a mention of the three largest Chinese staffing firms: China International Intellectech Corporation (CIIC), Beijing Foreign Enterprise Service (the original "Fesco") and Eastbest. We believe the local direct hire market represents close to 35% of staffing sales in China. With this in mind, we consider these three firms as important players in the Asian direct hire market. Still, the lack of visibility in their finance means any attempt at estimating their financial performance in this particular staffing segment would be a challenge.

*Randstad: Number of permanent placements annually and permanent placements revenue change\*\**

Country/Region	2020 Share of total	Annual change	Revenue change
France	34%	-12%	n.a.
North America	11%	-17%	-27%
Iberia	7%	-39%	n.a.
Italy	7%	-23%	n.a.
Netherlands	2%	-36%	-35%
Belgium & Luxembourg	2%	-27%	n.a.
Germany	2%	-31%	n.a.
Other Europe	7%	-16%	n.a.
ROW	11%	-41%	n.a.
Global business	19%	-17%	n.a.
Group	100%	-22%	-28%

\*\*Direct hire revenue growth rates in EUR, as reported in the 2019 and 2020 annual reports published by Randstad.  
 n.a.: not available

## Methodology

- Our analysis of the global direct hire market includes our estimates for sales from staffing and recruitment generated through the provision of Direct Hire Services.
- We define direct hire (or permanent placement, placement as it is more familiarly referred to outside of North America) as a service provided by a staffing agency related to helping, for a fee, an organisation obtain an employee to work on their payroll. As opposed to a temporary staffing relationship, where the employee typically works on the staffing firm's payroll. For this report, we have not included any revenues from Executive Search, which is normally conducted on a retained fee basis.
- Exchange rates were based on average annual rates for the full year 2020 (Source: [www.oanda.com](http://www.oanda.com)) as follows:
  - EUR:USD = 1.141575
  - GBP:EUR = 1.125107
  - JPY:USD = 0.00937
- We would be pleased to correct any of these estimates in future editions of this list. If you have any comments, criticisms or suggestions, please contact the report's author – [dpapapostolou@staffingindustry.com](mailto:dpapapostolou@staffingindustry.com)

## About Staffing Industry Analysts (SIA)





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