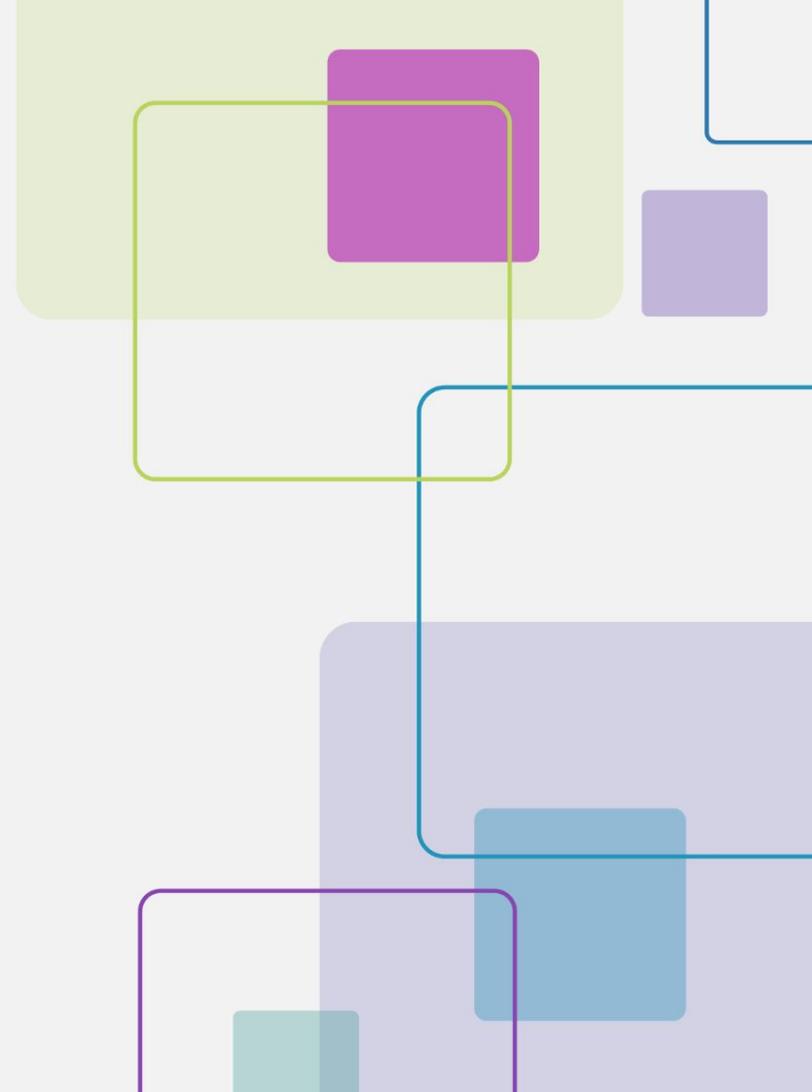




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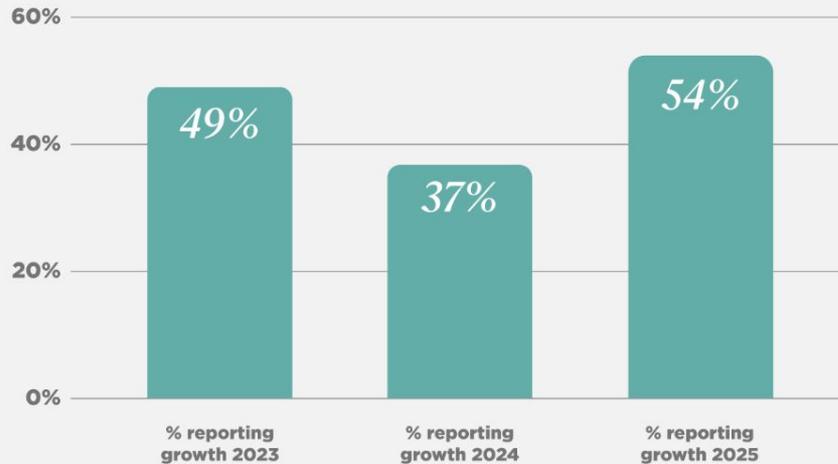
 **INDUSTRY TRENDS REPORT**

2026 Slide Deck



2025 was a turnaround year for recruitment

Revenue growth 2023-2025



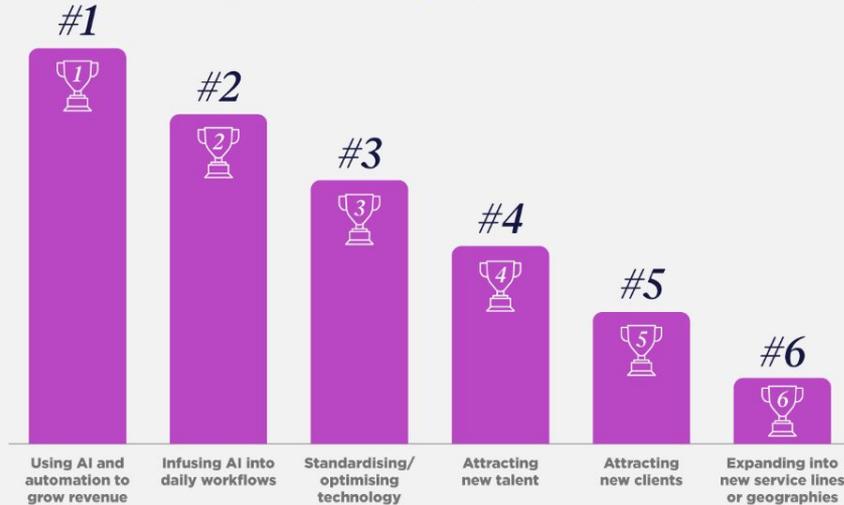
Bullhorn GRID 2026 Industry Trends Report

- **54%** of agencies saw revenue growth - an increase from last year
- **16%** saw growth of more than 25%
- **11%** of agencies saw revenue decline
- **Highest** percentage of revenue growth agencies since 2022

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AI dominates the list of 2026 priorities

2026 Priorities ranked



Bullhorn GRID 2026 Industry Trends Report

- Using AI and automation to grow revenue was the **top priority**
- And agencies want to make sure AI is embedded across their platforms within the system of record
- Leaders shared the goal of optimising technology is largely related to AI preparedness
- These priorities held true across regions, business lines, and verticals

Bullhorn 

Talent shortage and lower job volumes are top challenges



Bullhorn GRID 2026 Industry Trends Report

- Ongoing combination of tight talent pool with fewer jobs
- This is the third year these have topped the list
- Turndown rates are improving
- **Lack of confidence** still elongating client hiring cycles
- **AI has changed the benchmark** for speed and service

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Four key takeaways

1



AI drives revenue growth

2



AI leads to operational improvement

3



AI implementation strategy is crucial to adoption

4



Recruiters are never going back

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INDUSTRY TRENDS REPORT



AI and revenue performance

Firms using AI are 3-5 x's more likely to grow revenue

Revenue growth by AI use case

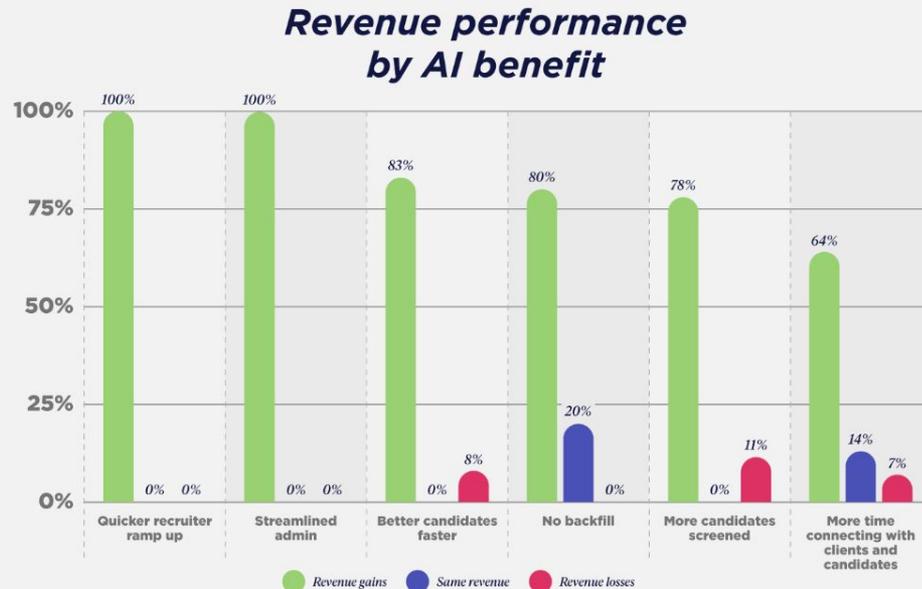


Bullhorn GRID 2026 Industry Trends Report

- Top-performing agencies most likely to be using AI
- Firms with revenue declines of 10+% were the **least likely to be using AI**
- AI screening correlates with **5 x's** likelihood of revenue growth
- AI revenue gap is **growing** each year

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Highest growth agencies are reaping multiple AI benefits



Bullhorn GRID 2026 Industry Trends Report

- Agencies that are seeing meaningful benefits from AI are as much as **10x** more likely to have increased revenue
- Globally, the highest growth agencies (25+%) are **2.5x** more likely to be deploying AI in meaningful ways
- It isn't enough just to implement AI, it needs to be **strategic** and **high-impact**

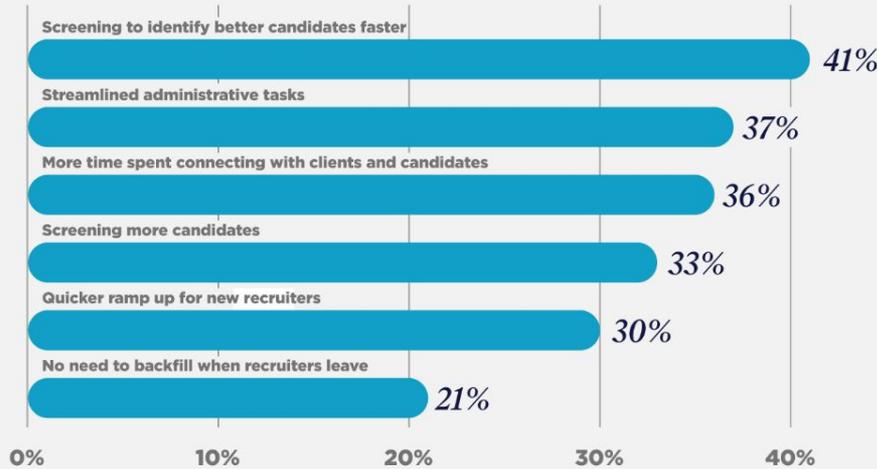
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Operational impact of AI

Better candidates faster is the biggest benefit of AI

What is the current impact of AI on your business?



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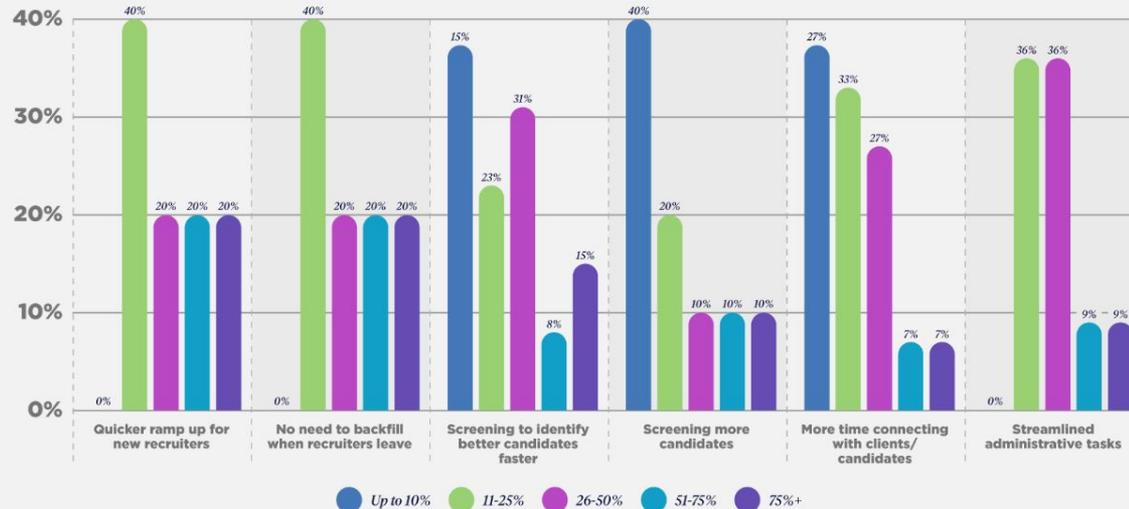
Respondents chose all that apply

- **43%** of top-performing agencies have placement times under 10 days
- The benchmark for placement times has already shifted — **nearly 30%** of agencies that lost revenue had placement times of 10-19 days
- **47%** of agencies have seen screening speed increase by more than **50%** because of AI

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AI is improving KPIs across the board

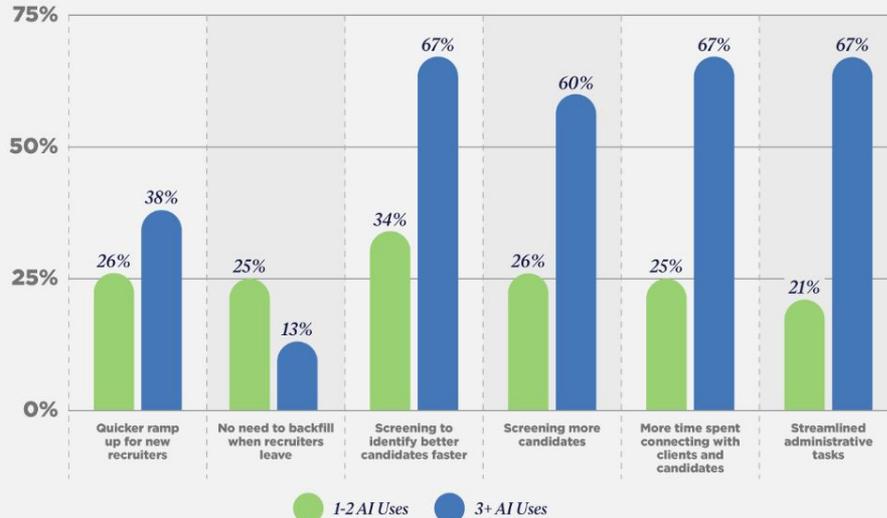
AI-related KPI improvement



- **60%** of recruitment leaders say AI has accelerated recruiter ramp-up by more than **25%**
- **54%** say AI screening has improved related KPIs by more than **25%**
- One leader shared that recruiters are getting an entire day back each week

Platform AI can double the benefits

Operational benefits by AI usage



Bullhorn GRID 2026 Industry Trends Report

- Agencies using AI in 3 or more parts of their recruitment lifecycle were
 - **twice as likely** to be screening more candidates
 - **46%** more likely to be training recruiters faster
- **70%** of agencies that grew revenue are using AI embedded in their ATS
- Globally, AI throughout the workflow **doubles the chances** of fill rates over 75%

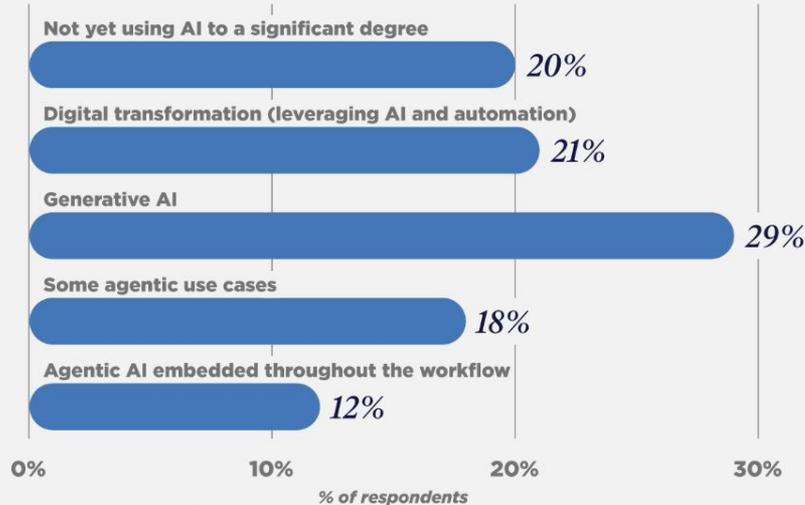
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Successful AI implementation

Still a long way to go with AI and automation

To what degree is your agency using automation and AI?



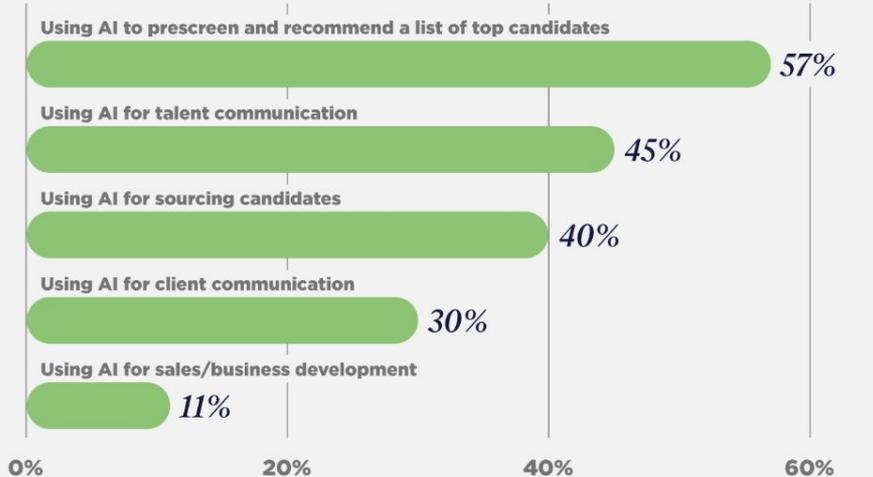
Bullhorn GRID 2026 Industry Trends Report

- **59%** of agencies are currently using AI
- **Only 30%** are taking advantage of agentic AI
- **Only 65%** have even fully automated search
- **Less than 1/3** have automated payroll and billing
- **63%** are using AI solutions embedded in their ATS

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Most agencies are still not fully leveraging AI

For which of the following are you using AI today?



Bullhorn GRID 2026 Industry Trends Report

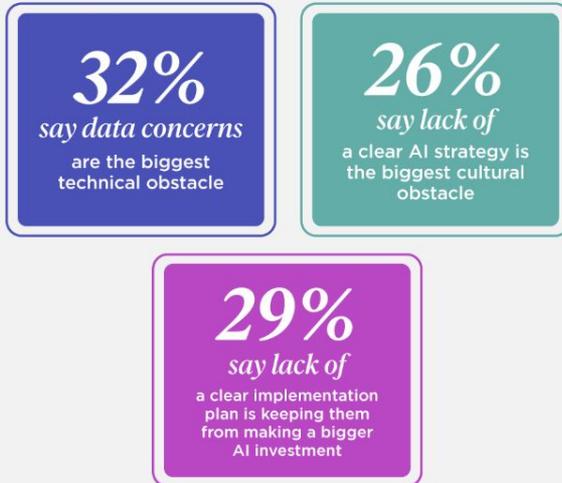
Respondents chose all that apply

- **Less than 60%** of agencies report using AI at any given step of their workflow
- But AI at any stage of the recruitment cycle yields significant revenue benefits
- **Only 12%** report having agentic AI embedded throughout their workflow
- These numbers are going to shift dramatically in the near future

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AI implementation requires data quality and a clear strategy

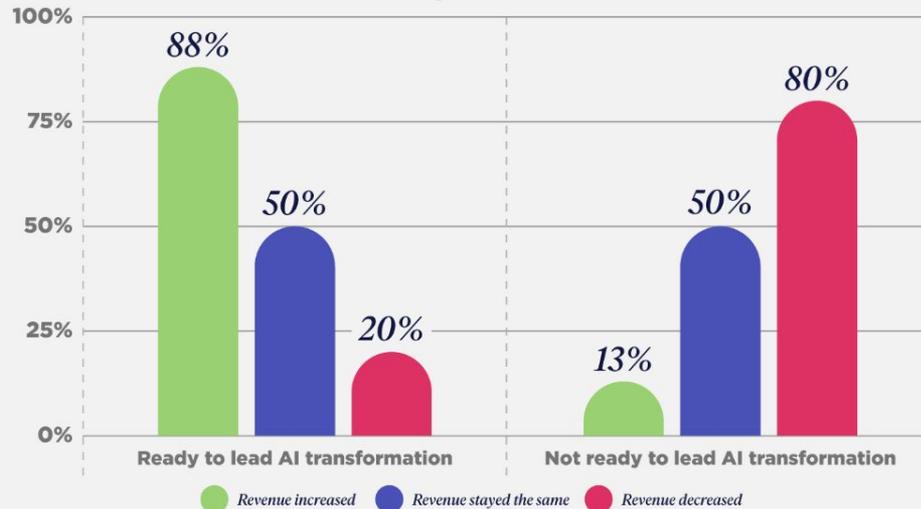
Biggest obstacles to AI adoption:



- Data quality (**32%**) and lack of a single source of data (**8%**) are technical obstacles to AI implementation
- Lack of a clear AI strategy (**26%**) is the top organisational obstacle, followed by lack of AI literacy (**21%**)
- Leaders shared that strategies like:
 - Formal AI training for employees
 - Designating AI ambassadors from across the organization
 - Celebrating wins and sharing best practices

Leadership matters when it comes to AI adoption

Financial performance by level of leadership confidence



Bullhorn GRID 2026 Industry Trends Report

- **89%** of leaders at the highest growth agencies feel prepared to lead AI transformation – compared to 20% of those with the weakest revenue results
- Firms with leaders who are confident about leading AI change are almost **4x** more likely to have grown revenue
- Leaders shared that it is vital that leaders model AI usage and really “walk the walk”

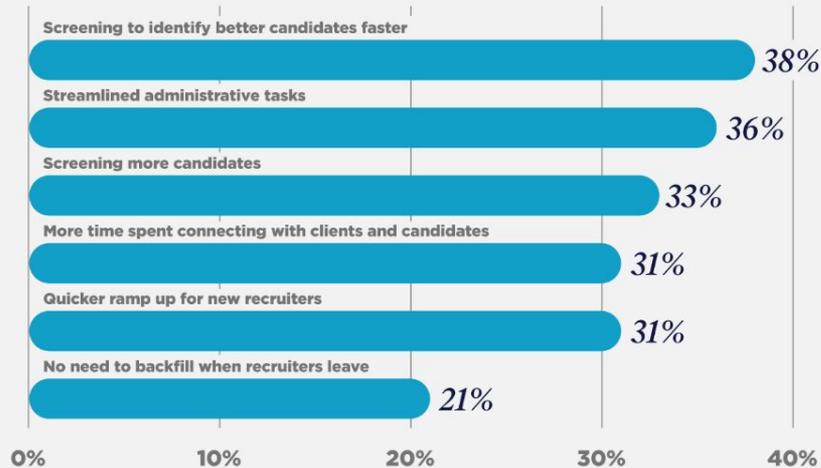
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Recruiters are never going back

Recruiters love AI for search and pre-screening

What is the current impact of AI on your day-day work



Bullhorn GRID 2026 Industry Trends Report

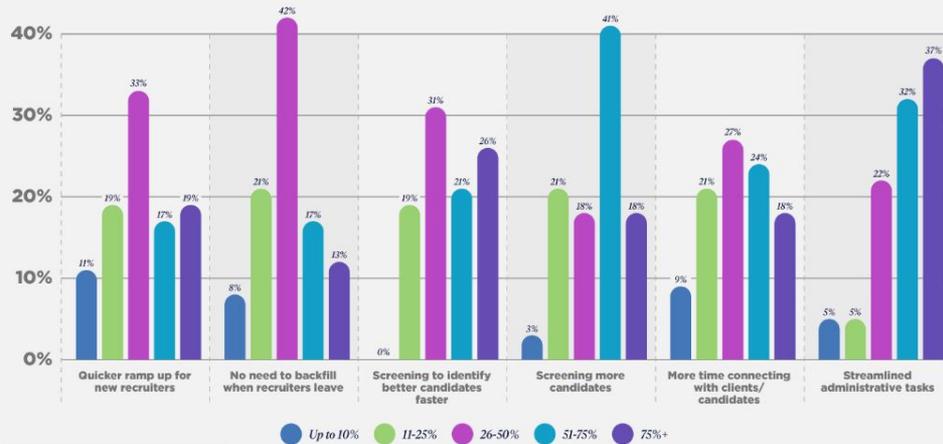
Respondents chose all that apply (recruiters only)

- **41%** of recruiters say AI is helping identify better candidates faster
- **More than 1/3** appreciate that there is more time to spend with clients
- All leaders stressed that they are focused on finding the ideal **balance** between technology and human interaction

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AI has rewritten the rules for search and screening

Time savings by AI benefit



Bullhorn GRID 2025 Industry Trends Report

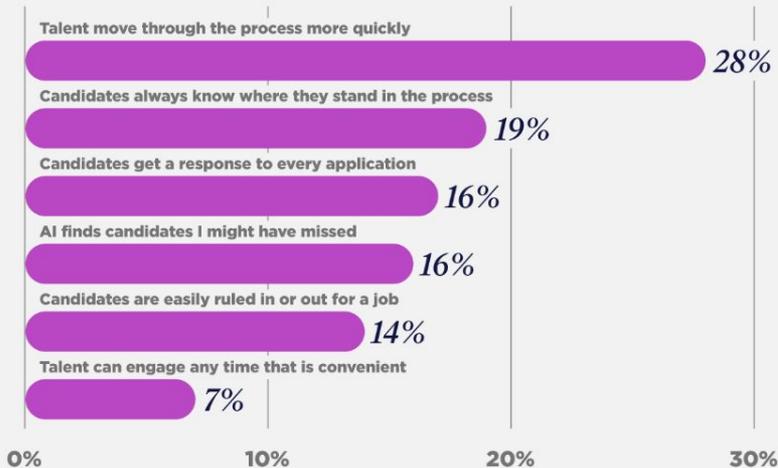
- Recruiters report searching for candidates is the most time-consuming task
- 47%** say screening candidates faster with AI is cutting this time in half or better
- More time to connect with candidates clients is another key benefit for recruiters

“AI won’t take your job, it will help you get better at it, but what will take your job is another recruiter at a competitor that’s using AI and automation really well...”

Sam Porter,
IT Director, Morgan Hunt

Recruiters appreciate that AI improves talent experience

Biggest impact of AI on talent experience

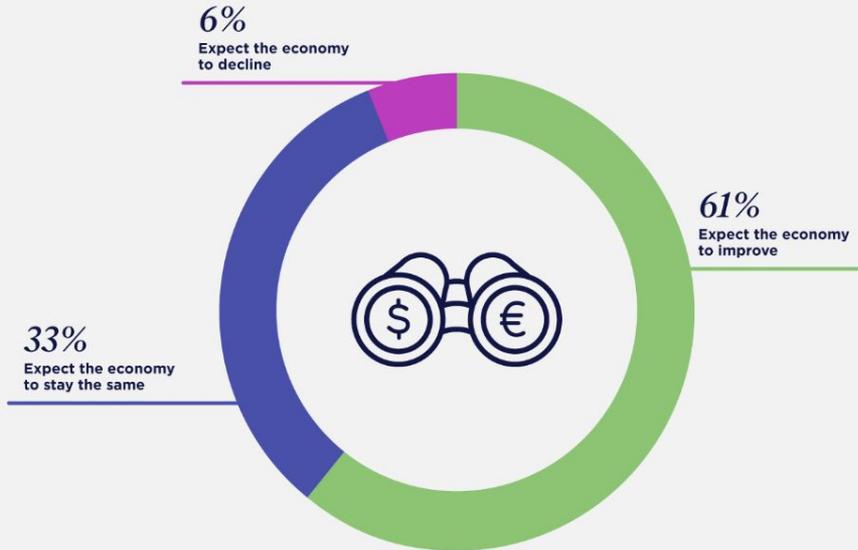


- **28%** of recruiters say moving candidates through the process faster is the top benefit of AI
- **19%** say it's that candidates always know where they stand in the process
- Speed and responsiveness also top talent's wishlist for recruitment
- Leaders shared the key for recruiters is to personally experience AI wins and to have AI tools integrated into existing systems



Economic and market outlook

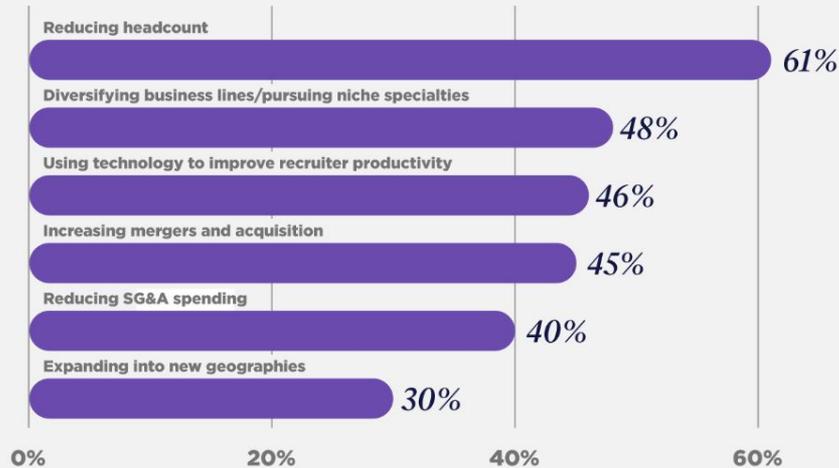
2026 revenue outlook: Cautiously optimistic



- **61%** of agencies expect the economy to improve in 2026 – the most optimistic outlook of any region
- **1/3** expect it to stay the same
- And leaders we spoke with shared that they **expect any improvement to be modest**, not dramatic

Firms are creating their own tailwinds with efficiency and specialisation

Top strategies to improve financial performance



- **61%** are planning to reduce headcount this year – highest of any region
- Leaders shared that they are counting on **AI to up their level of productivity**
- Leaders say the biggest benefits of AI are **scaling without adding headcount** and **getting new recruiters productive faster**
- **Nearly half** are continuing to find niche specialties where they can be definitive market leaders