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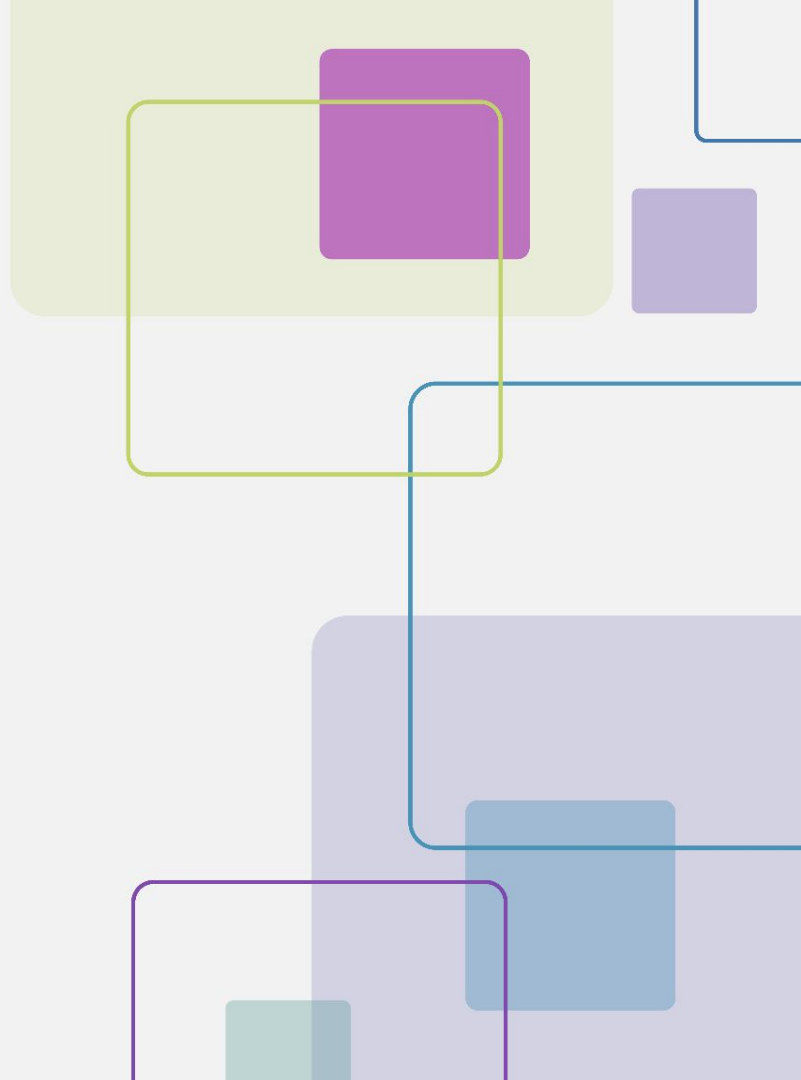
2025 Slide Deck

Table of contents

- Economic and market outlook

- Key insights

  - Recruiter efficiency through automation

  - AI infused everywhere

  - Delighting talent

- Top priorities and challenges for 2025

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About the GRID 2025 Industry Trends Report

We surveyed 1500+ recruitment agencies around the globe about the trends that matter for 2025. The report includes 100-500 respondents from each of the following areas:
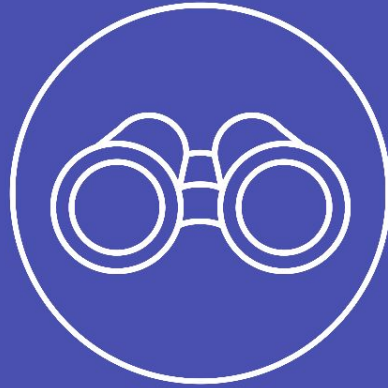
Regions

APAC

Benelux

DACH

North America

UK and Ireland

Verticals

Commercial

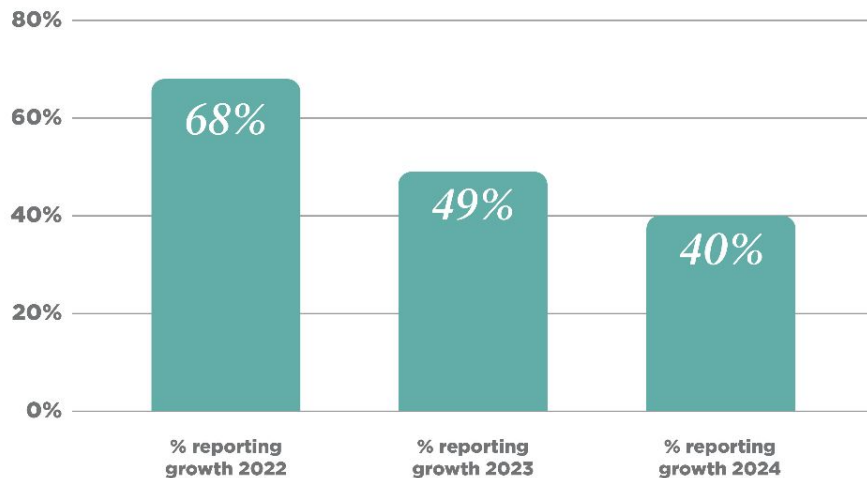Healthcare

Professional

Staffing Types

Contract

Perm

Temp

Executive Search

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Economic and market outlook

2024 was a tough year for recruiting

Revenue Growth 2022-2024
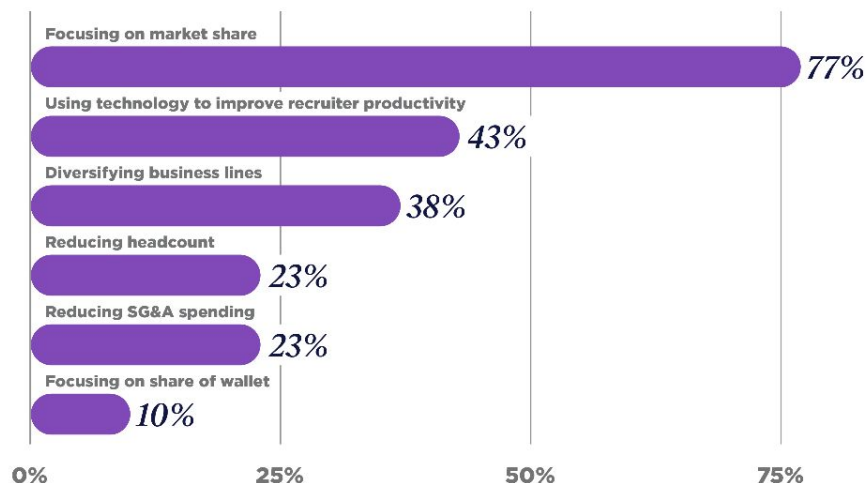

- **40%** of agencies saw revenue growth - a decline from last year
- **1/4** of agencies saw revenue decline
- BUT, **1/4** saw growth of **10%** or more in spite of the challenges

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Agencies weathering economy by growing market share

Top strategies to improve financial performance

Focusing on market share
77%

Using technology to improve recruiter productivity
43%

Diversifying business lines
38%

Reducing headcount
23%

Reducing SG&A spending
23%

Focusing on share of wallet
10%

0% 25% 50% 75%

Respondents chose all that apply

- Agencies predict a **"new normal"** for recruitment, not full return to pre-pandemic days

- Agencies are **doubling down** on productivity to position for the next stage

- Most successful agencies looking to **add value** through new solutions and shift to higher margin services

- All about **driving up the bottom line** even if job requisitions don't increase

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2025 revenue outlook:
Optimistic in spite of headwinds

31%
Increase up to 10%

14%
Don't know/unsure

13%
Stay the same

Compared to 2024, how do you expect your revenue to change in 2025?

3%
Decrease up to 10%

38%
Increase more than 10%

1%
Decrease more than 10%

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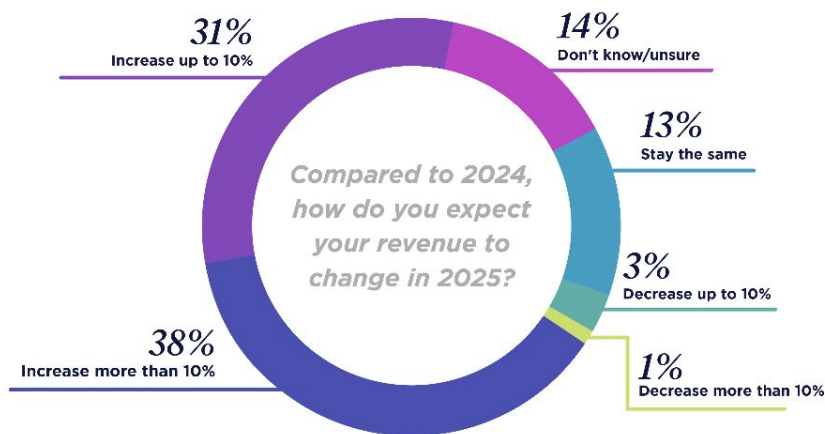
2025 revenue outlook:
Top-performing agencies are:

1 Upgrading automation across the entire workflow to enhance recruiter efficiency

2 Deploying AI throughout their business

3 Delighting talent with faster, more accurate placement

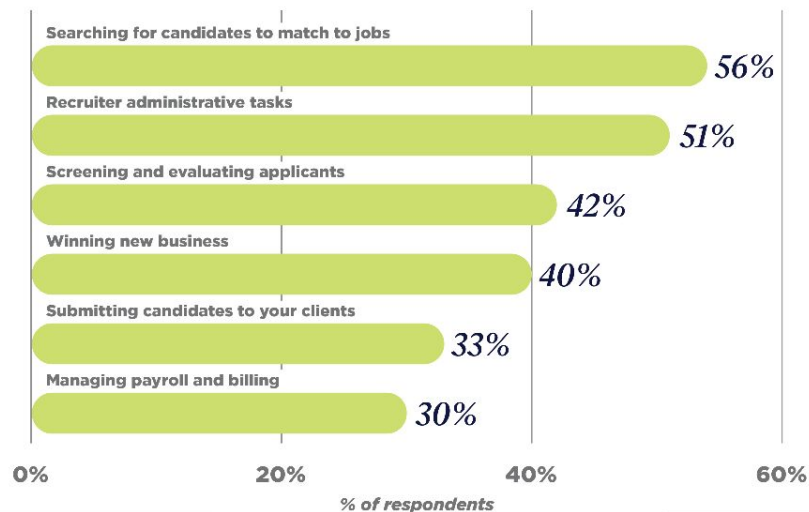**4** Diversifying into higher-margin business lines

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Recruiter efficiency through automation

Digital transformation has stalled

How are agencies using automation today?
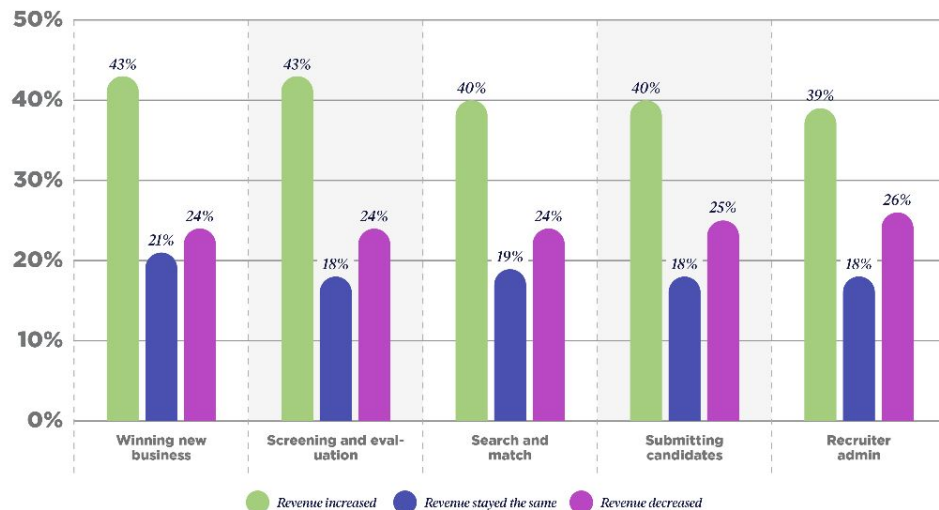
Searching for candidates to match to jobs
56%

Recruiter administrative tasks
51%

Screening and evaluating applicants
42%

Winning new business
40%

Submitting candidates to your clients
33%

Managing payroll and billing
30%

0%   20%   40%   60%

% of respondents

Respondents chose all that apply

- **18%** in advanced stages of automation compared to **21%** last year

- **Less than half** of agencies have automated across the recruitment workflow

- Recruiting tasks are **more likely to be automated** than sales or middle office

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But automation yields revenue benefits

Revenue growth associated with automation tools

50%

43% 43% 40% 40% 39%

40%

30%

24% 24% 24% 25% 26%
21%   19%   18%
20%   18% 18%

10%

0%

| Winning new business | Screening and evaluation | Search and match | Submitting candidates | Recruiter admin |

● Revenue increased   ● Revenue stayed the same   ● Revenue decreased

Respondents chose all that apply

- Top-performing agencies were **57% more likely** to be in the advanced stages of digital transformation

- Agencies that automated search and match and screening were at least **twice as likely** to have increased revenue **10% or more** in 2024

- Agencies focused on improving recruiter efficiency through technology were **twice as likely** to have grown revenue

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And automation also improves recruitment metrics
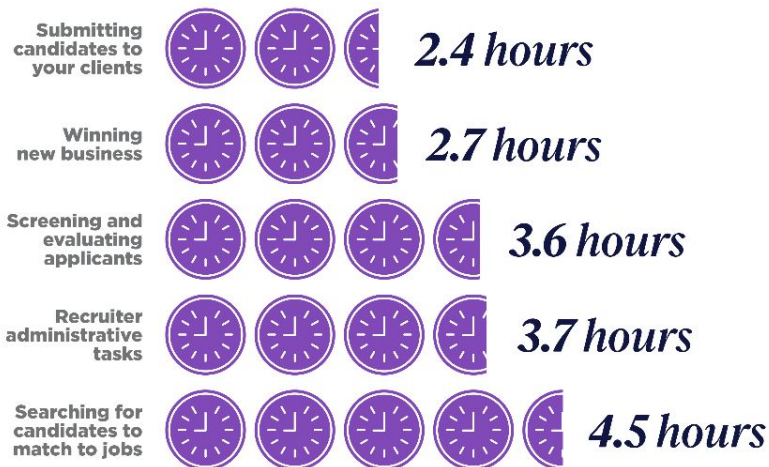
Time to place for agencies using automation
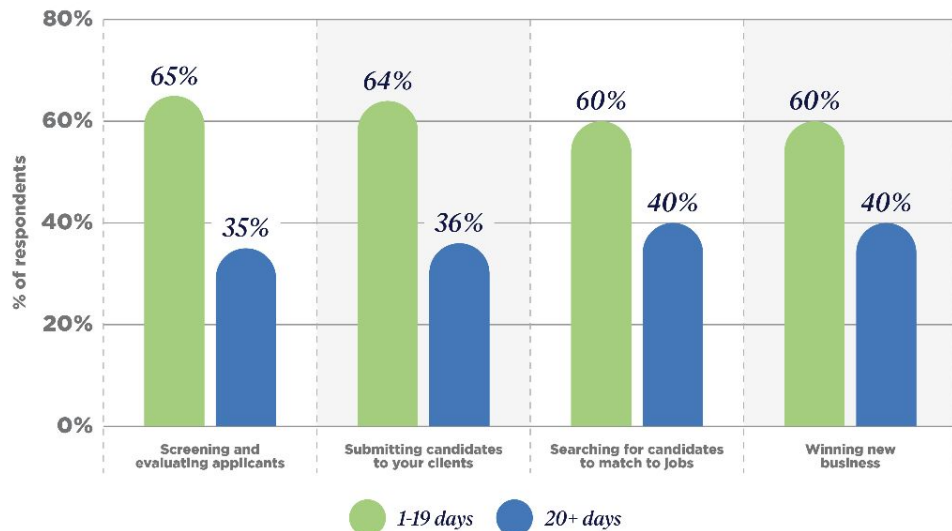
- Agencies that automated search and match were **17% more likely** to have placement times under 10 days

- Agencies that automated screening were **22% more likely** to have placement times under 10 days

- Search and match is **number one choice** for what agencies most want to automate

Chart data:

	Screening and evaluating applicants	Submitting candidates to your clients	Searching for candidates to match to jobs	Winning new business
1-19 days	65%	64%	60%	60%
20+ days	35%	36%	40%	40%

Y-axis: % of respondents (0% – 80%)

Legend: 1-19 days / 20+ days

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AI infused
everywhere

AI to yield huge time savings — and revenue gains

Agencies predict AI could save each recruiter 17 hours per week

Submitting candidates to your clients — 2.4 hours

Winning new business — 2.7 hours

Screening and evaluating applicants — 3.6 hours

Recruiter administrative tasks — 3.7 hours

Searching for candidates to match to jobs — 4.5 hours

- Agencies think AI searching agents will yield the biggest productivity gains **(27%)**

- Top-performing agencies were **41% more likely** to be using AI for submitting

- Top-performing agencies were **24% more likely** to be using AI screening agents

- Top-performing agencies were **50% more likely** to be using AI for faster response times

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Data limitations are biggest barrier to AI success

Biggest obstacles to AI implementation

Obstacle	%
Quality and accuracy of data	28%
Cost of AI tools	21%
Other	12%
Organisational change management	12%
Privacy and security concerns	10%
Low user adoption	9%
Disparate data sources	8%

0% 10% 20% 30%

% of respondents
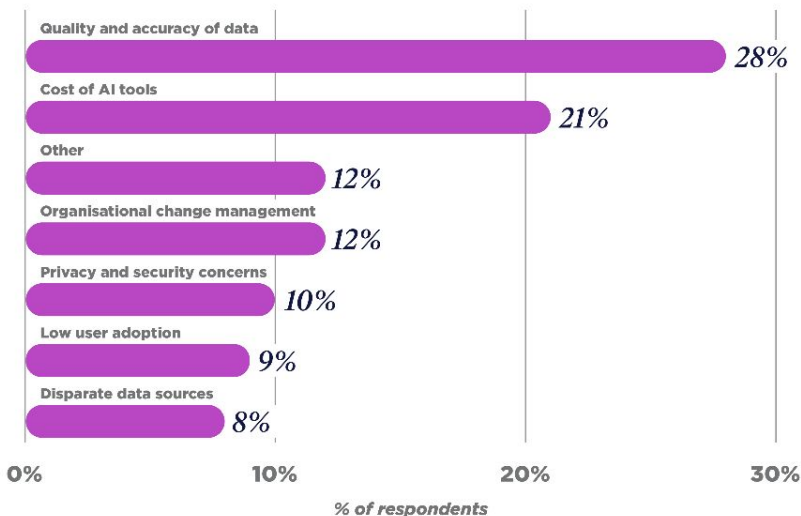
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- **36% of agencies** cited some kind of data issues as the biggest thing standing between them and widespread AI adoption

- Agencies also shared they **need AI to be trained** on recruitment data and their data in particular

- Huge desire for AI to reflect agencies' specific expertise and human touch
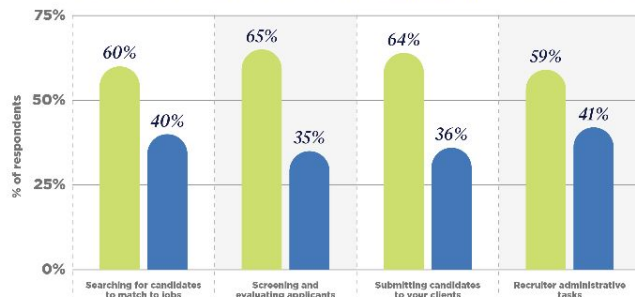
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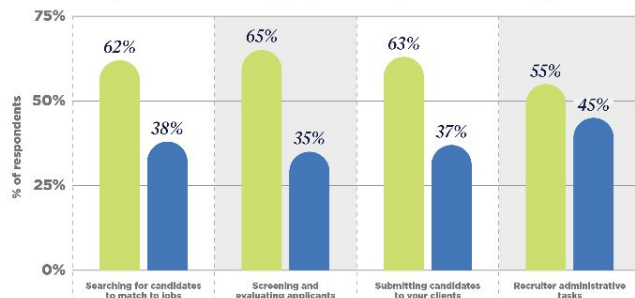INDUSTRY TRENDS REPORT

Delighting talent

Automation/AI have huge impact on placement times

Impact of automation/AI on time to place

Do you have technology in place to help you **automate** the following processes?

	Searching for candidates to match to jobs	Screening and evaluating applicants	Submitting candidates to your clients	Recruiter administrative tasks
Less than 20 days	60%	65%	64%	59%
20+ days	40%	35%	36%	41%

Do you have **AI technology** in place to help with the following processes?

	Searching for candidates to match to jobs	Screening and evaluating applicants	Submitting candidates to your clients	Recruiter administrative tasks
Less than 20 days	62%	65%	63%	55%
20+ days	38%	35%	37%	45%

Less than 20 days   20+ days

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- Agencies that saw revenue gains were almost **40% more likely** to have placement times under 10 days

- Using automation improves likelihood of < 20 day placement times by **43% - 87%**

- Using AI improves likelihood of < 20 day placement times by **20% - 86%**

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Creating the best talent experience translates into revenue gains

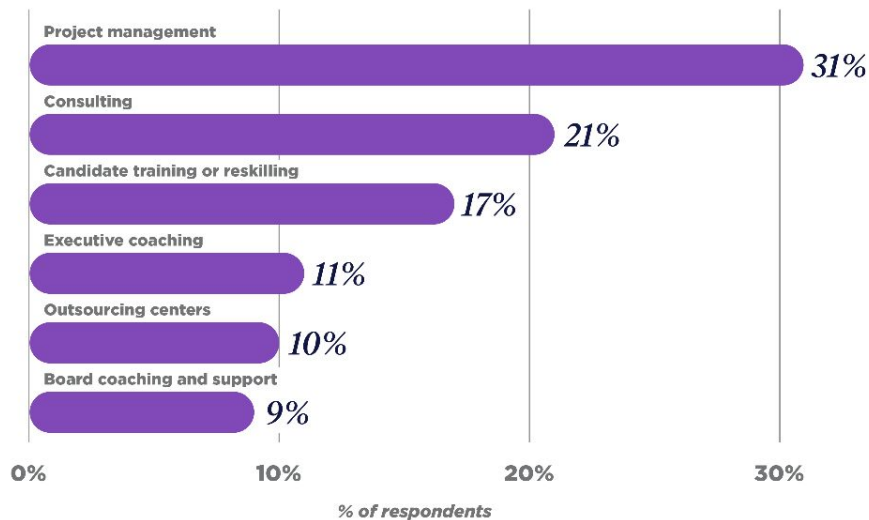## Revenue based on recruitment cycle metrics
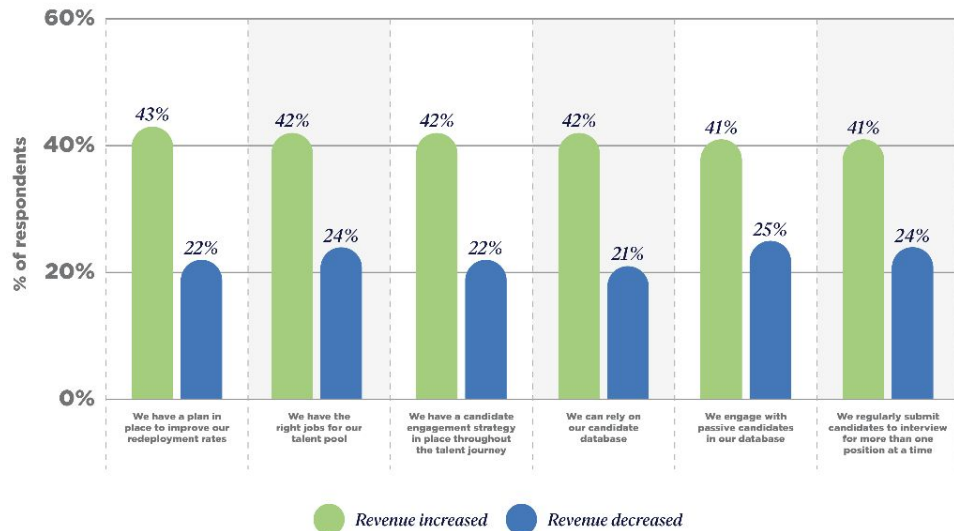
- Faster, more accurate placement is what candidates want

- Agencies that are delighting talent throughout the recruitment cycle are around **twice as likely** to have seen revenue gains in 2024

- Every stage of the candidate journey matters

- AI is going to make it **even easier** to achieve these objectives

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Diversifying business lines

Agencies are shifting to higher margin/higher value services

How are agencies looking to diversify?

Project management
31%

Consulting
21%

Candidate training or reskilling
17%

Executive coaching
11%

Outsourcing centers
10%

Board coaching and support
9%

0%   10%   20%   30%

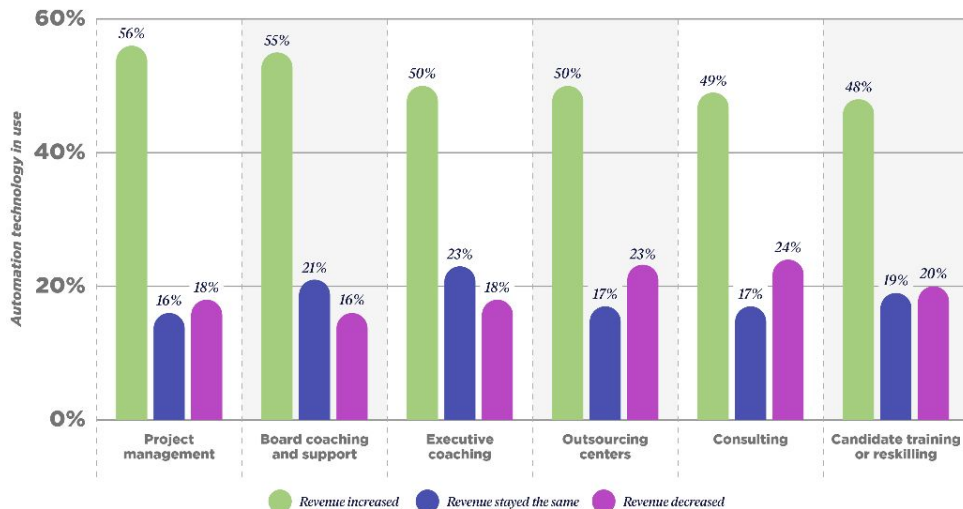*% of respondents*

- Project management and consulting top the list of new services

- Agencies are looking for partnership opportunities and ways to combine their services into **higher value packages**

- The **most successful** still stay focused on their areas of particular expertise

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New business lines are paying off

Revenue growth associated with new business lines

Automation technology in use

	Project management	Board coaching and support	Executive coaching	Outsourcing centers	Consulting	Candidate training or reskilling
Revenue increased	56%	55%	50%	50%	49%	48%
Revenue stayed the same	16%	21%	23%	17%	17%	19%
Revenue decreased	18%	16%	18%	23%	24%	20%

● Revenue increased ● Revenue stayed the same ● Revenue decreased

- **Top performers** are focused on services to attract and develop high-value talent (executive search, upskilling)

- They are also **looking for opportunities** to be thought partners to clients (consulting, board coaching)

- Moving up the margin ladder correlates with **higher revenue**

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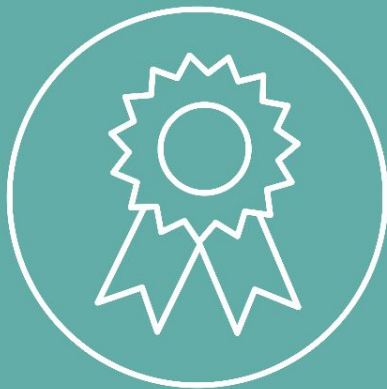
Top priorities and challenges

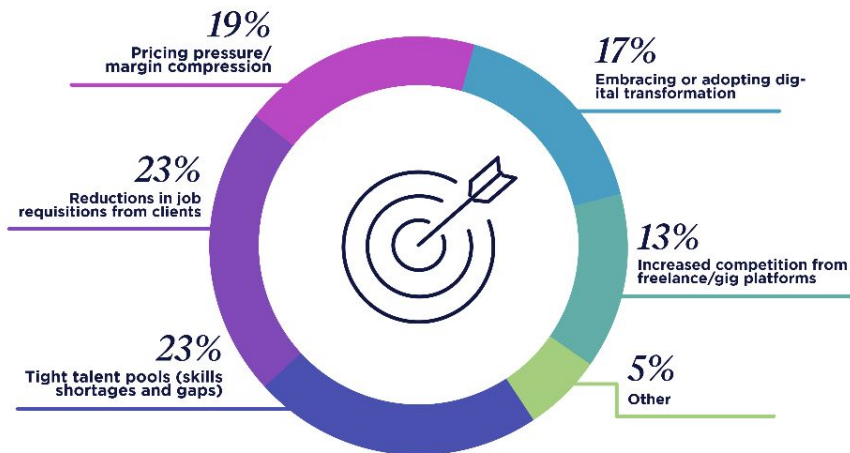# Attracting new clients still tops the list of 2025 priorities

2025 priorities
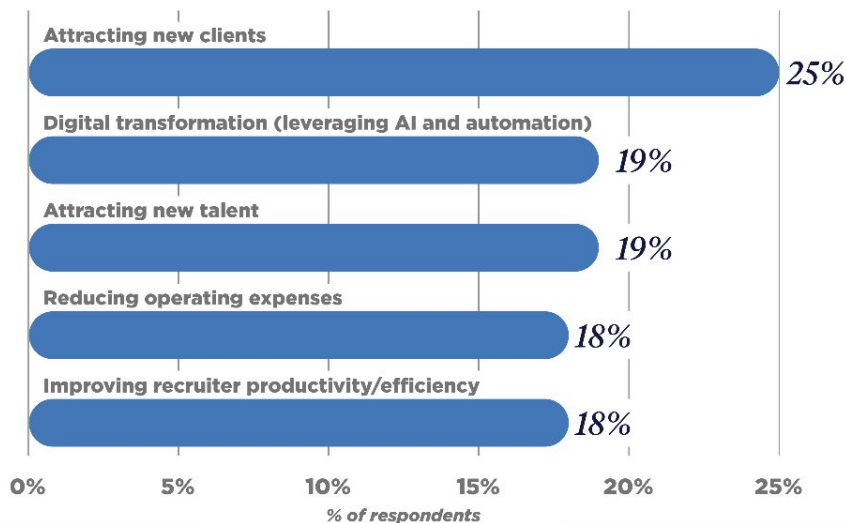
- Attracting new clients was the **top priority**

- This held true across regions, business lines, and verticals

  ○ Healthcare was more focused on **attracting new talent**

  ○ RPO was more focused on **reducing expenses**

Talent shortage and lower job volumes are top challenges

2025 challenges

19%
Pricing pressure/
margin compression

23%
Reductions in job
requisitions from clients

23%
Tight talent pools (skills
shortages and gaps)

17%
Embracing or adopting dig-
ital transformation

13%
Increased competition from
freelance/gig platforms

5%
Other

- Ongoing combination of tight talent pool with fewer jobs

- Turndown rates have been **increasing**

  Lack of confidence still elongating client hiring cycles

- **Productivity gains** remain crucial in this challenging market

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