Staffing Market Update: Q2 2026

Staffing market is stabilizing, with buyer demand concentrating in scarce-talent verticals

The U.S. staffing sector is showing early signs of stabilization following several years of market volatility. While industry growth is expected to remain modest in 2026, acquisition activity has accelerated as strategic acquirers and private equity-backed platforms return to the market in search of specialized staffing businesses with defensible competitive positions. Buyers remain selective, prioritizing firms with strong customer retention, recurring demand, attractive gross margins and clear differentiation through vertical expertise or technology-enabled recruiting capabilities.

At the same time, labor market dynamics continue to support long-term demand for staffing solutions. Persistent talent shortages in health care, information technology, engineering and skilled trades are driving employers to increasingly rely on staffing firms to access critical talent pools and improve workforce flexibility. As recruiting processes become more data-driven, investments in automation, artificial intelligence and candidate engagement tools are emerging as important differentiators and are increasingly becoming areas of focus during buyer diligence reviews.

M&A activity remains strongest in staffing segments that address structural labor shortages and provide access to difficult-to-source talent. Health care staffing, particularly locum tenens and specialized clinical staffing, continues to attract significant investor interest, while IT and engineering staffing businesses are benefiting from secular demand tied to digital transformation, cybersecurity, AI implementation, infrastructure investments and advanced manufacturing initiatives. Buyers continue to reward businesses with specialized expertise, diversified customer relationships and scalable operating platforms.

Although valuation expectations between buyers and sellers remain somewhat misaligned, the market environment has become increasingly constructive. Companies that can demonstrate consistent profitability, strong retention metrics, low customer concentration and a clear growth strategy are continuing to attract competitive interest. As capital markets improve and confidence returns to the broader economy, we expect transaction activity to remain healthy throughout the remainder of 2026, particularly for high-quality staffing platforms operating in attractive niche verticals

Key Takeaways

- Recovery is real but uneven; specialization matters more than scale alone
- Tech-enabled sourcing, screening and analytics are becoming diligence priorities
- Buyer interest is strongest in locums, IT, engineering and skilled trades
- Valuation outcomes hinge on margin quality, retention and client durability

Key Takeaways

- AI and automation: widespread use in sourcing, screening and analytics to cut time-to-hire by 20–30%
- We expect high-value transactions emphasizing specialized talent pools to continue in 2026
- There is a considerable buyer interest in locums, skilled trades and IT staffing firms

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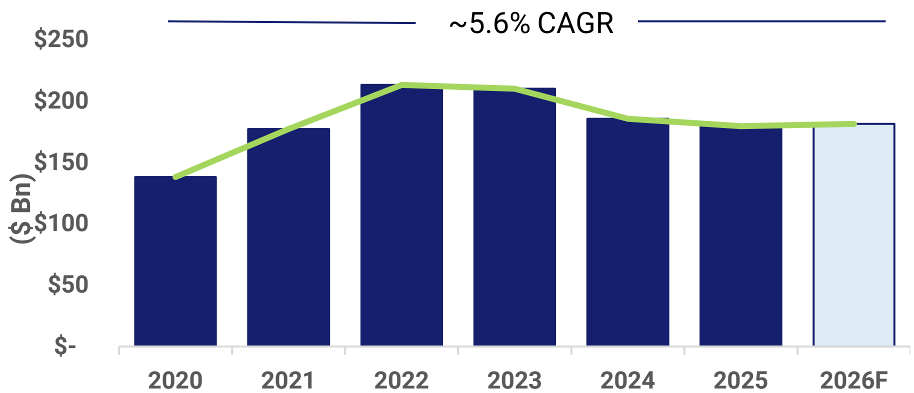
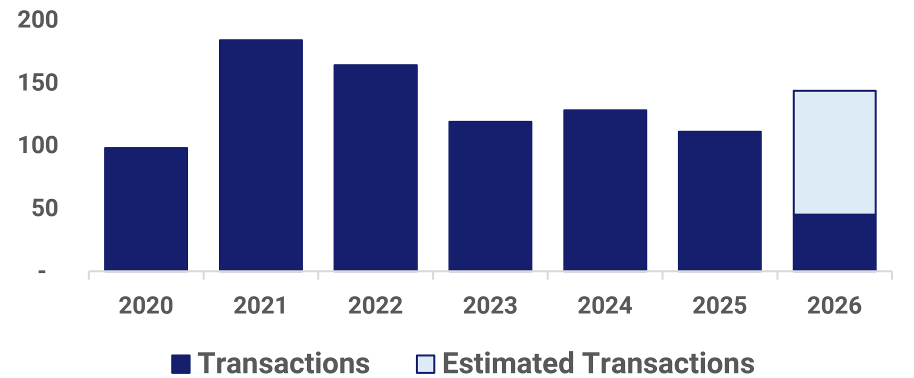
U.S. Overall Staffing Market

A Q2 Perspective

U.S. Staffing Market Size and Growth Rate



U.S. Staffing M&A Volume



Key Takeaways:

- Overall staffing is stabilizing after two years of volatility; 2026E market size implies modest growth off the 2025 base
- M&A volume is tracking toward a rebound from the 2025 level, but remains below the 2021–2022 peak, reinforcing a selective buyer market
- Strategics and PE-backed platforms continue to target add-ons that improve vertical depth, geographic density or delivery capabilities
- The strongest stories are less about broad labor exposure and more about scarce talent, sticky accounts and repeatable recruiting infrastructure

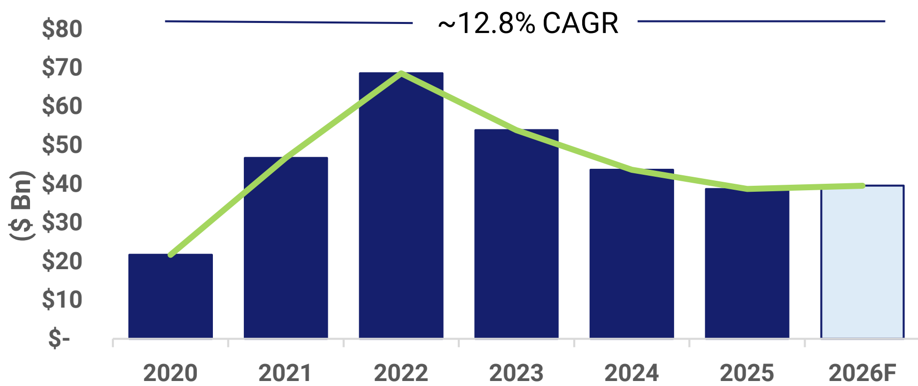
Recent U.S. Staffing M&A Transactions

Date	Target	Buyer / Investor	Description	Value
Jun-26	TPI Staffing	HW Staffing Solutions	Acquired by HW Staffing Solutions to expand its staffing and workforce solutions platform.	Undisclosed
Jun-26	Cornbread Hustle	Turas Group	Acquired by Turas Group to strengthen its staffing services and employment solutions offering.	Undisclosed
Jun-26	Intel2Talent Canada	GlassRatner	Acquired by GlassRatner and TorQuest Partners to enhance their executive search and leadership consulting capabilities.	Undisclosed
Jun-26	Benson Executive Search	Buffkin Baker	Acquired by Buffkin Baker and Capital Alignment Partners to expand their executive search and human resources recruiting platform.	Undisclosed
Jun-26	Trak Group	Riley Decker Companies	Acquired by Riley Decker Companies to strengthen its professional staffing capabilities in accounting and office support.	Undisclosed

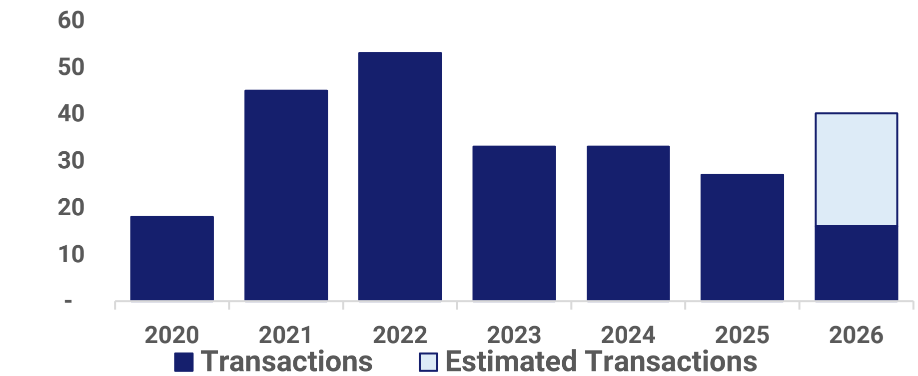
U.S. Health Care Staffing Market

A Q2 Perspective

U.S. Health Care Staffing Market Size and Growth Rate



U.S. Health Care Staffing M&A Volume



Key Takeaways:

- Health care staffing has largely normalized from pandemic-era disruption, with 2026E market size showing a modest step-up from 2025
- M&A remains active around differentiated clinical workforce platforms, as reflected by sizeable Q2 transactions in health care staffing
- Locum tenens and specialized clinician coverage remain investor focus areas given persistent provider shortages and attractive margin profiles
- Travel nurse exposure still requires careful underwriting, with buyers focused on mix, bill-rate durability, credentialing quality and client retention

Recent U.S. Health Care Staffing M&A Transactions

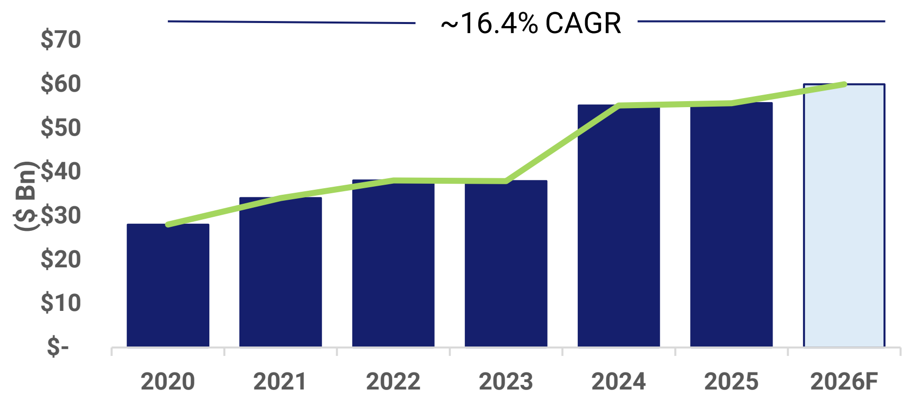
Date	Target	Buyer / Investor	Description	Value
Jun-26	Quest Healthcare Solutions	Interlock Equity	Acquired by Interlock Equity to expand its health care staffing and clinical workforce solutions platform.	Undisclosed
Jun-26	Federal Staffing Resources	AEA International Holdings	Acquired by AEA International Holdings to enhance its health care program management capabilities serving federal agencies.	Undisclosed
May-26	Ingenovis Health	Cornell Capital	Acquired by Cornell Capital to expand its nurse staffing and health care workforce solutions platform.	$405M
May-26	Cross Country Healthcare	Knox Lane	Acquired by Knox Lane to enhance its health care staffing capabilities and workforce solutions offering.	$416M
May-26	LocumsCollective	Barton & Associates, H.I.G. Capital	Acquired by Barton & Associates and H.I.G. Capital to expand their managed staffing capabilities within the locum tenens market.	Undisclosed

Sources: IBIS World Reports, S&P Capital IQ, FactSet, PitchBook, Staffing Industry Analysts, Griffin Research

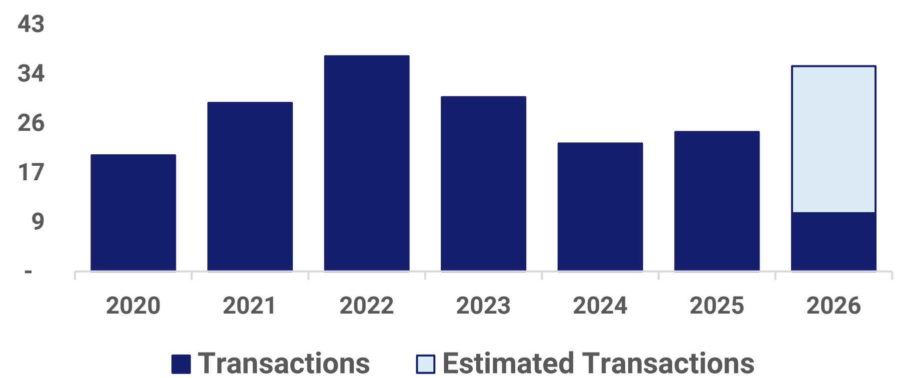
U.S. IT Staffing Market

A Q2 Perspective

U.S. IT Staffing Market Size and Growth Rate



U.S. IT Staffing M&A Volume



Key Takeaways:

- IT staffing is the strongest growth segment in the deck, with 2026E market size approaching $60B and outpacing the broader staffing market
- Demand is being driven by cloud, cybersecurity, data, AI implementation and enterprise modernization initiatives
- Buyers are placing a premium on firms with specialized technical talent pools, proven enterprise relationships and scalable recruiting delivery
- M&A activity remains selective; platforms with higher-margin solutions, managed services adjacency, or project-based revenue should command the most attention

Recent U.S. IT Staffing M&A Transactions

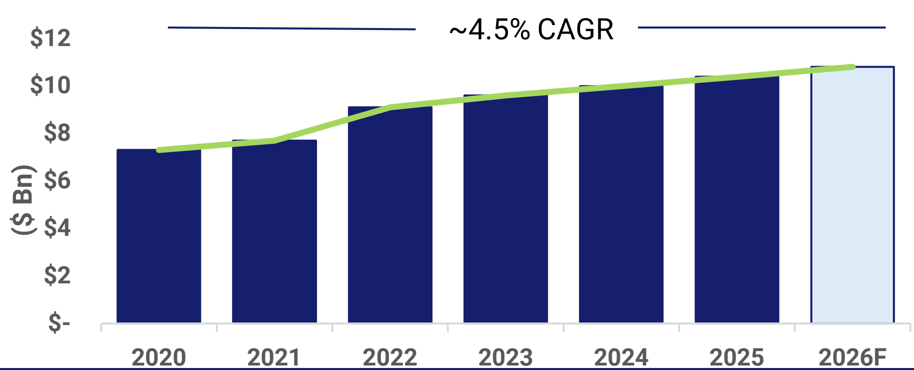
Date	Target	Buyer / Investor	Description	Value
Jun-26	Lateral Labs	Insight Partners	Acquired IT consulting, software engineering, and data practices in Plano, TX, expanding INSPYR's AI/cloud expertise.	Undisclosed
May-26	Adeva	Toptal	Acquired a global IT talent network, enhancing Toptal's ability to source, vet, and deploy specialized technology talent worldwide.	Undisclosed
May-26	SynergisticIT	LanceSoft	Acquired by LanceSoft to expand its IT staffing capabilities across financial services, insurance, and government markets.	Undisclosed
Mar-26	Pitisci & Associates	NextPath Career Partners	Acquired by NextPath Career Partners to expand its IT staffing and consulting capabilities in the Tampa Bay area.	Undisclosed
Nov-25	Equis	Built for Leaders	Acquired by Built for Leaders to expand its staffing and recruiting capabilities across IT, technology, accounting, and finance.	Undisclosed

Sources: IBIS World Reports, S&P Capital IQ, FactSet, PitchBook, Staffing Industry Analysts, Griffin Research

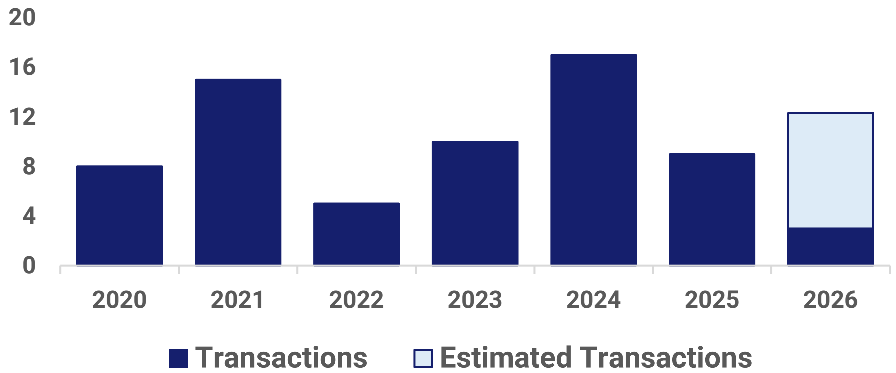
U.S. Engineering Staffing Market

A Q2 Perspective

U.S. Engineering Staffing Market Size and Growth Rate



U.S. Engineering Staffing M&A Volume



Key Takeaways:

- Engineering staffing continues to grow steadily, supported by infrastructure, advanced manufacturing, energy transition and automation-related demand
- The segment is more resilient when serving specialized project-based needs rather than commoditized temporary labor
- Buyer appetite should remain focused on firms with technical specialization, credentialed candidate networks and sticky industrial/end-market relationships
- 2026E transaction activity is pacing below the stronger 2024 level, making positioning and buyer-fit critical to achieving premium outcomes

Recent U.S. Engineering Staffing M&A Transactions

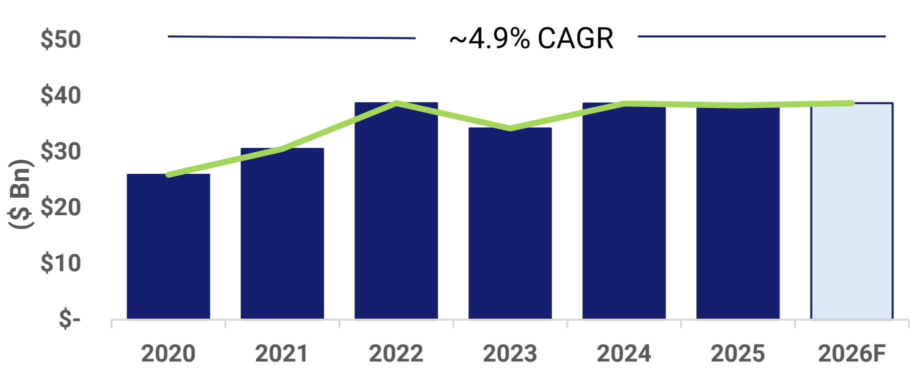
Date	Target	Buyer / Investor	Description	Value
Jun-26	Fortium	ZRG	Acquired by ZRG to expand its engineering, construction, architecture and sales recruiting capabilities.	Undisclosed
Jun-26	Entegee	Red Dog Equity	Acquired by Red Dog Equity to expand its engineering talent and workforce solutions platform.	Undisclosed
Apr-26	Volarify	AMSYS Group	Acquired by AMSYS Group to expand its engineering, construction, architecture and sales recruiting capabilities.	Undisclosed
Mar-26	Agilus Work Solutions	Synergie	Acquired by Synergie to strengthen its staffing and workforce solutions platform.	Undisclosed
Jun-25	BGSF	A&M Capital	Acquired by A&M Capital to expand its engineering staffing and technical workforce capabilities.	Undisclosed

Sources: IBIS World Reports, S&P Capital IQ, FactSet, PitchBook, Staffing Industry Analysts, Griffin Research

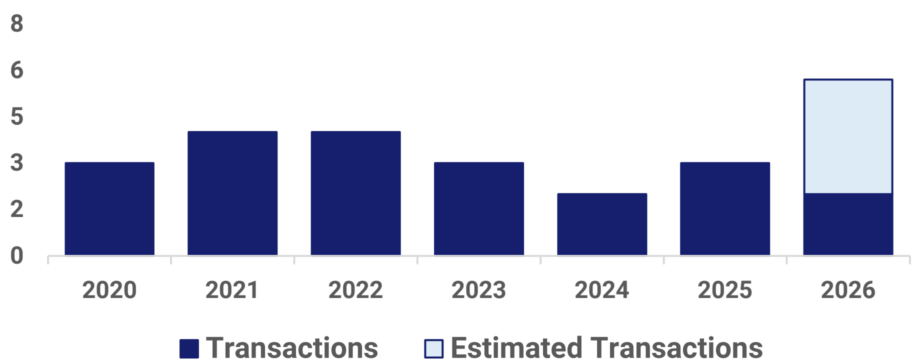
U.S. Skilled Trades Staffing Market

A Q2 Perspective

U.S. Skilled Trades Staffing Market Size and Growth Rate



U.S. Skilled Trades Staffing M&A Volume



Key Takeaways:

- Market size is holding near $38.7B, with demand concentrated in data-center construction, energy infrastructure and reshoring-driven manufacturing
- A structural craft-labor shortage continues to support pricing and utilization, even as overall market size stays roughly flat year over year
- 2026E deal activity is outpacing 2024-2025 as strategics and PE platforms pursue data-center and industrial trades add-ons
- Buyer appetite favors platforms with proprietary craft-labor pipelines and cleared or credentialed talent for defense and industrial end markets

Recent U.S. Skilled Trades Staffing M&A Transactions

Date	Target	Buyer / Investor	Description	Value
Jul-26	One Tech Engineering & Power	White Wolf Capital Group	Acquired by White Wolf Capital Group to expand its skilled trades staffing capabilities.	Undisclosed
Apr-26	McCarl's Services	AE Industrial Partners	Acquired by AE Industrial Partners to expand HVACR maintenance, repair and facility staffing.	Undisclosed
Feb-26	Next Level Technician	QPS Employment Group	Acquired by QPS Employment Group to expand its low-voltage and skilled trades staffing capabilities.	Undisclosed
Sep-25	Tramin Industrial	Canwood Group	Acquired by Canwood Group to strengthen contract trades staffing serving the mining and wood products industries.	Undisclosed
Jun-25	Prime Staffing Services	Faber Technologies	Acquired by Faber Technologies to expand its construction staffing platform across Alberta.	Undisclosed

Trading Insights

Q2 2026 – Public Benchmarking

($ in millions, except per share data)

TTM June 2026

Public Comparables – Professional and Commercial Staffing

Company	Business Description	Market Cap ($M)	Enterprise Value ("TEV") ($M)	CY'26F Revenue ($M)	CY'26F EBITDA ($M)	CY'26F EBITDA Margin (%)	CY'26F TEV / Revenue (x)	CY'26F TEV / EBITDA (x)
Adecco Group	Provider of recruitment and staffing services intended to deliver a wide range of multi-disciplinary solutions across all sectors and areas of employment.	$4,322	$6,728	$26,859	$1,010	3.8%	4.0x	6.7x
ASGN	Provider of information technology services and solutions intended for the commercial and government sectors	$733	$522	$984	$103	10.5%	1.9x	5.1x
Kelly Services	Provider of staffing and consulting services based in Troy, Michigan.	$457	$616	$4,059	$100	2.5%	6.6x	6.1x
Kforce	Operator of a staffing agency intended to build and manage expert teams in technology, finance, and accounting.	$1,032	$1,249	$1,375	$83	6.0%	1.1x	15.1x
ManpowerGroup	Provider of human resource outsourcing and outplacement services involved in employment services industry.	$2,470	$3,138	$19,164	$445	2.3%	6.1x	7.0x
Randstad	Randstad is a $22 billion global provider of HR services and the second largest staffing organization in the world.	$6,592	$8,170	$27,144	$1,084	4.0%	3.3x	7.5x
Resources Connection	Provider of consulting and business support services designed to help needs of companies.	$152	$180	$452	$5	1.1%	2.5x	NM
Robert Half	Provider of staffing and employee placement and consulting services based in Menlo Park U.S.	$4,279	$2,947	$5,303	$261	4.9%	1.8x	11.3x

Public Comparables – Healthcare Staffing

Company	Business Description	Market Cap ($M)	Enterprise Value ("TEV") ($M)	CY'26F Revenue ($M)	CY'26F EBITDA ($M)	EBITDA Margin (%)	TEV / Revenue (x)	TEV / EBITDA (x)
AMN Healthcare Services	Provider of healthcare staffing services intended to build and efficiently manage its clients' health care workforce needs.	$1,256	$1,750	$3,251	$290	8.9%	1.9x	6.0x
RCM Technologies	Provider of specialty health care, engineering and IT staffing solutions based in Pennsauken, New Jersey.	$197	$223	$339	$34	10.0%	1.5x	6.6x

Public Comparables – Executive & Retained Search

Company	Business Description	Market Cap ($M)	Enterprise Value ("TEV") ($M)	CY'26F Revenue ($M)	CY'26F EBITDA ($M)	EBITDA Margin (%)	TEV / Revenue (x)	TEV / EBITDA (x)
Korn Ferry	Provider of search, organizational consulting and recruitment services based in Atlanta, Georgia.	$3,820	$2,586	$2,907	$492	16.9%	1.1x	5.3x

S&P Capital IQ Public Market data as of 6/30/2026

Sources: Pitchbook

Trading Insights

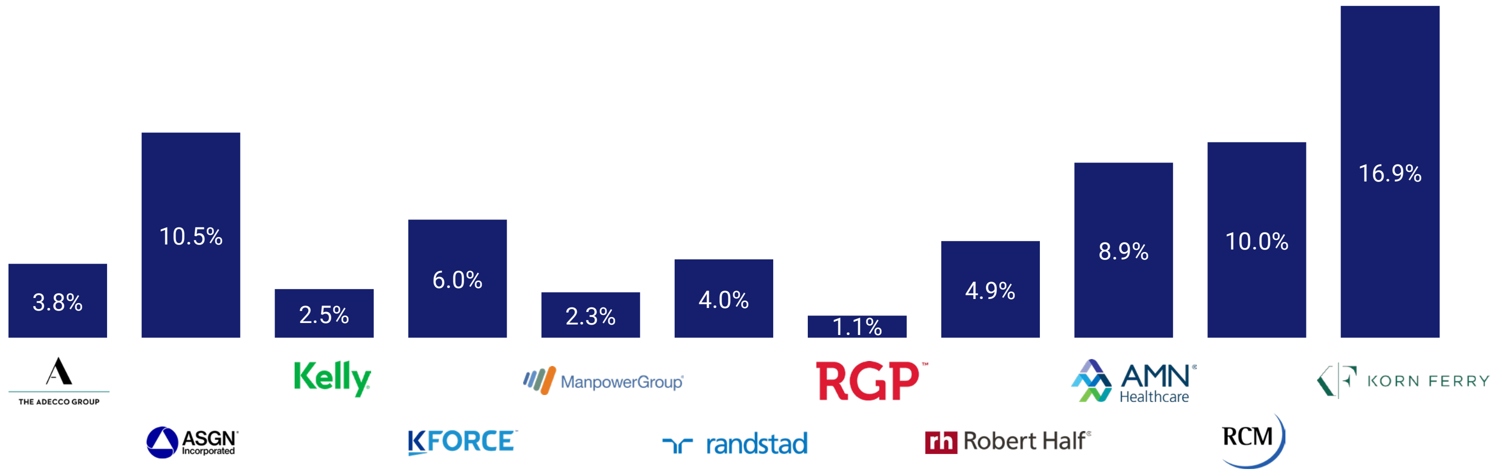
Q2 2026 – Public Benchmarking

($ in millions, except per share data)

TTM June 2026

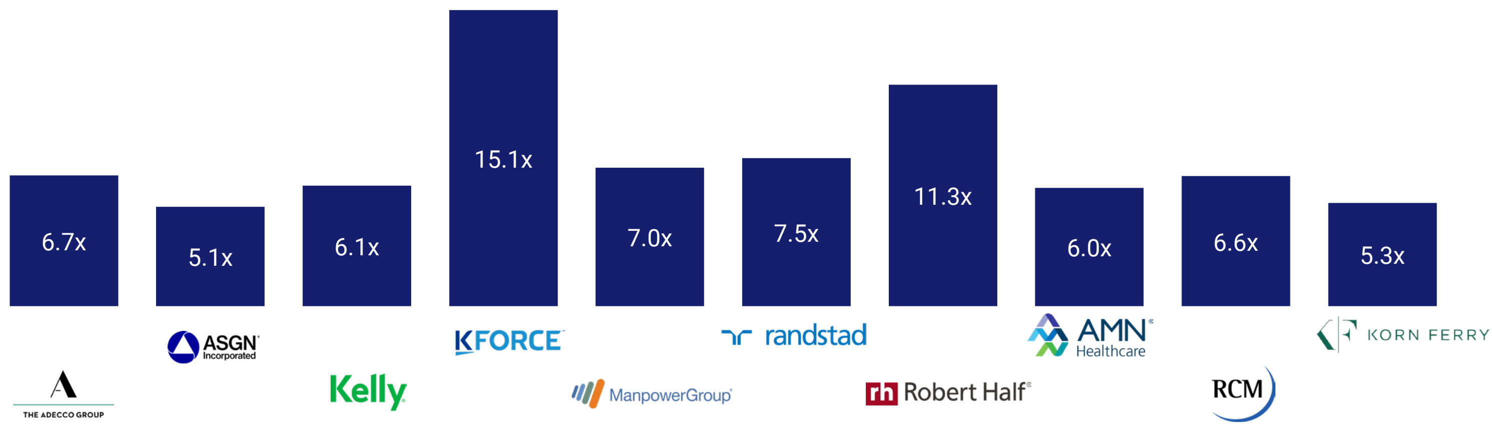
Public Comparables – Operating Metrics

CY'26F EBITDA Margin



Public Comparables – Valuation Metrics

CY'26F EV/EBITDA Multiples



Sources: Pitchbook

M&A Insights

Q2 2026 – M&A Comps

($ in millions, except per share data)

Date	Target	Buyer / Investor	Target Business Description
15-Jun-26	Intel2Talent Canada	GlassRatner, TorQuest Partners	Provider of executive search and leadership consulting services intended for talent management.
10-Jun-26	Federal Staffing Resources	AEA International Holdings	Provider of full-service health care program management services intended to cater to the needs of federal agencies.
08-Jun-26	Benson Executive Search	Buffkin Baker, Capital Alignment Partners	Provider of executive search services intended to place human resources leadership talent.
05-Jun-26	Trak Group	Riley Decker Companies	Cincinnati professional staffing; temp and direct hire in accounting and office support.
02-Jun-26	Entegee	Red Dog Equity	Provider of engineering and technical staffing services intended for aerospace, defense, manufacturing, life sciences and technology companies.
02-Jun-26	Randolph Associates, a Connexion Company	Connexion	Provider of recruiting and staffing services based in Cambridge, Massachusetts.
01-Jun-26	GreenSight Executive Search	Boyden	Provider of executive search services intended to recruit leaders for industrial and consumer markets.
28-May-26	Ingenovis Health	Cornell Capital, Trilantic North America	Provider of nurse staffing services intended to drive growth across multiple staffing end-markets, including travel nurse, allied health, rapid response, labor dispute and physician outsourced services.
26-May-26	Aplin (Canada)	TNC Capital Partners	Provider of recruitment services intended to connect employers with qualified candidates for temporary and permanent roles.
26-May-26	Adeva	Toptal	Provider of global developer network services intended to serve startups, enterprises and organizations worldwide.
26-May-26	OpenTrust Consulting	Auctus Technologies	Provider of recruitment and staffing services designed for connecting organizations with talent and supporting hiring processes.
22-May-26	Affinity HR Advisory Group	Ardian France	Provider of human resource advisory services catering to businesses.
14-May-26	CC Pace Systems	Ardian France	Operator of a consultation firm intended for companies in commercial and government markets.
13-May-26	Sterling Martin Associates	Ardian France	Provider of executive search and leadership recruitment services designed to help organizations identify and appoint senior talent.
13-May-26	SynergisticIT	LanceSoft	Provider of intelligence technology staffing and consulting services intended to serve financial services organizations, insurance companies and government agencies.
06-May-26	Cross Country Healthcare	Knox Lane	Provider of health care staffing services intended to help clients tackle complex labor-related challenges and achieve quality outcomes while reducing complexity and improving visibility through data-driven insights.
06-May-26	LocumsCollective	Barton & Associates, H.I.G. Capital	Provider of managed staffing services intended to cater to the locum tenens industry.
11-Mar-26	Cascade Healthcare Services	Bridgepoint Group	Provider of health care training and staffing services catering to private, nonprofit and government entities.
16-Mar-26	Agilus Work Solutions	Synergie	Provider of recruitment and staffing services intended to connect Canadian job seekers with employers nationwide.
11-Mar-26	A Caring Experience	Brooke Private Equity Associates Management	Provider of in-home personalized care and nurse staffing services intended to support families across Rhode Island.
10-Mar-26	Her Scout	DHR International	Provider of recruiting and talent search services intended to support female founders at growth-stage companies.
05-Mar-26	Perfusion Life	1315 Capital	Provider of flexible perfusion staffing services serving hospitals and clinics.

Sources: Pitchbook

About Griffin Financial Group

M&A Advisory

Private Placement

Board Advisory

About Griffin

- Griffin Financial Group is a leading investment bank focused on the needs of lower middle-market companies
- We provide M&A advisory, capital advisory and strategic board advisory services to the consumer and retail, commercial and industrial, services, technology, financial institutions and private equity sectors
- We specialize in working with closely held private and small-cap public companies, with particular expertise regarding family-owned and owner-operated businesses
- Part of The Stevens & Lee Companies, a multidisciplinary professional services platform of 300+ professionals providing financial, legal, tax and consulting services

Case Study: Staffing Sell-Side Advisory

Transaction Overview

ICS

has been acquired by

KORN FERRY

Principals of Griffin served as financial advisor

July 2022

Overview of Infinity Consulting Solutions ("ICS")

- Headquartered in New York City, is a full-service recruiting and staffing agency that focuses on providing clients with expert temporary and permanent placement of IT, compliance and legal, accounting and finance, and HR and administrative personnel

Overview of Korn Ferry

- Korn Ferry is widely recognized as a global leader in organizational consulting and human capital management. CEO Doug Klares and the rest of the ICS team will continue in their roles at Korn Ferry helping to drive ICS to new heights.

Process Overview and Transaction Rationale

- ICS sought to find a partner that would allow the Company to continue its dynamic growth while simultaneously providing liquidity and diversification for ICS shareholders. The shareholders of ICS were less concerned with whether the partner was strategic or financial in nature, and instead focused on who might be the best fit for their employees, customers and overall organization.
- ICS engaged in a dialogue with principals of Griffin years before the transaction consummated to help them explore options and develop a go-to-market strategy and positioning that would serve to maximize not only the value of ICS, but also create numerous options for the company regarding its partnership strategy. After a very robust marketing process that included both strategic and financial parties, Korn Ferry emerged as the partner of choice.