

**Q1
2022**

Industry Insights



Staffing & Workforce Solutions Industry

M&A Report

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Q1 2022 - M&A Overview

Following a very active year for M&A activity in the Staffing and Workforce Solutions Industry in 2021, the first quarter 2022 showed no signs of slowing down. Momentum Advisory Partners noted 39 announced transactions in the first three months of the year. That's down slightly from the same period in 2021, a record year for M&A in the space.

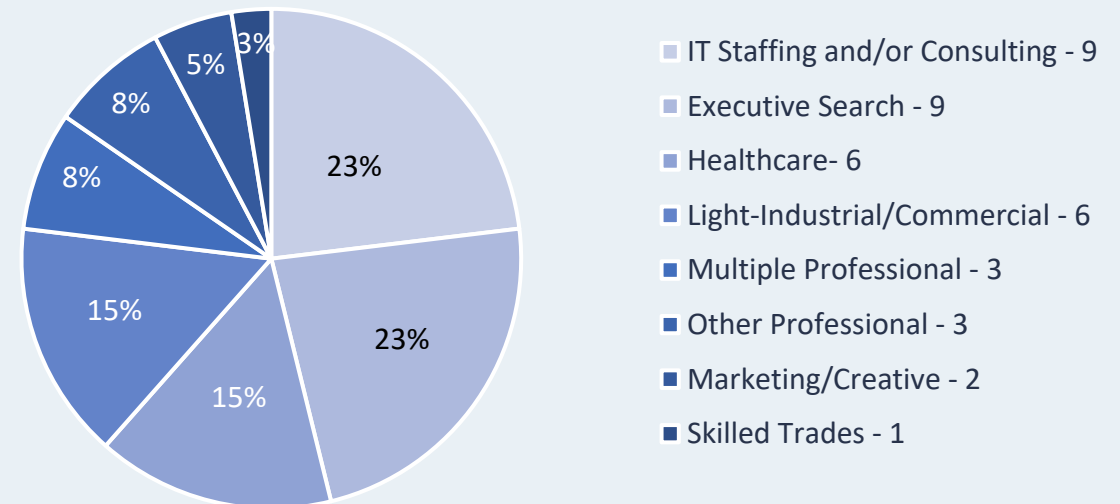
Founder and Managing Partner of Momentum Advisory Partners, Akash Taneja said, "In our many regular discussions with buyers of staffing and solutions businesses, the appetite for acquisitions remains extremely high. There's an incredible amount of money that's still sitting on the sidelines just waiting to be deployed from both Strategic and Private Equity buyers. I cannot recall a time in my 15-years covering this space that buyers were this aggressively looking for acquisition targets. It's certainly been a seller's market. We remain very encouraged by the current sentiment and expect the market will remain active in the near term."

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Although optimism from market participants remains high (see our [M&A Buyer Survey from January 2022](#)), potential economic headwinds cannot be ignored. A very tight labor market, rising inflation and interest rates, and Russia/Ukraine are all reasons buyers are likely to be cautious in where they choose to invest.

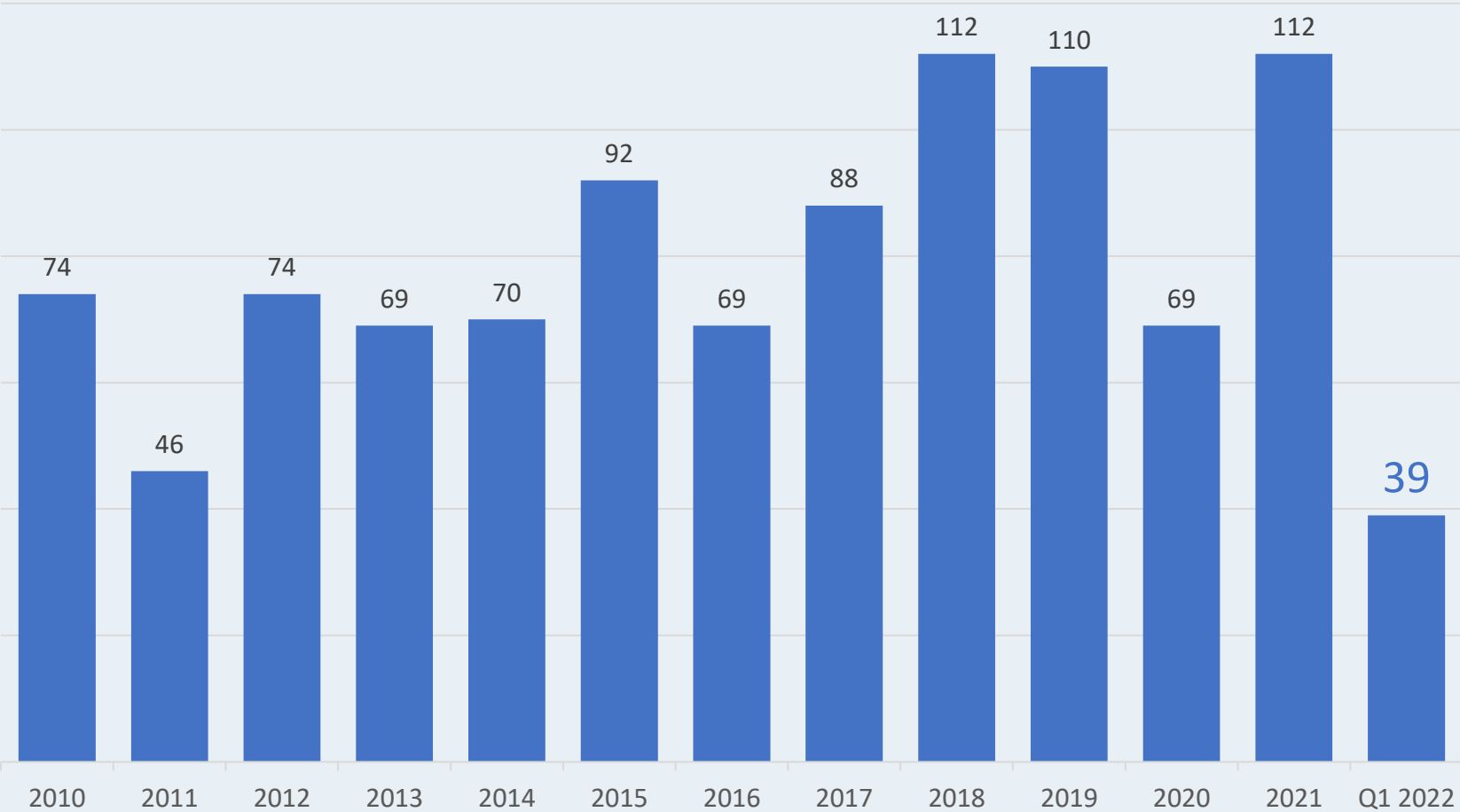
Private Equity continues to make significant investments in the space. Of the 39 announced transactions in Q1, there were seven platform and eight add-on acquisitions. In the context of Private Equity, a platform acquisition refers to the initial acquisition a Private Equity group makes to enter an industry with the intent to then "add-on" or acquire other smaller companies in that industry. Platform acquisitions are typically larger companies, with at least \$5 million in EBITDA, whereas "add-on" acquisitions can be much smaller.

Of note, there were nine transactions of Executive Search firms in Q1 2022 compared to just three in the same period a year prior. Executive Search has benefited from the tighter labor market, which may be the cause for the uptick in activity. Not surprisingly, IT was also at the top of the list, also with nine announced transactions, followed by Healthcare and Light-Industrial/Commercial.



Annual M&A Activity Since 2010

US & Canada, Staffing M&A Transactions since 2010



Announced Transactions


Date	Buyer	Acquired Company	Description
1-Jan	Trilantic North America	Addison Group	Addison Group offers a full suite of resources across the Technology, Finance & Accounting, Non Clinical Healthcare, Administration, Human Resources, and Digital Marketing industries.
5-Jan	RedCloud Conulsting	Denny Mountain Media	a digital staffing agency that specializes in digital content, design and marketing.
5-Jan	Si Systems	Eagle Professional Resources	Eagle Professional Resources is a professional staffing agency specialized in Information Technology with approximately 100 employees in 10 offices across Canada and places a wide range of senior professionals with companies in almost every industry.
6-Jan	Acacium Group	Favorite Healthcare Staffing	Favorite provides a comprehensive range of workforce solutions including local per diem and travel staffing options for nursing and allied health professionals, as well as permanent placement, float pool management, and VMS and MSP programs.
6-Jan	System One	Dreamtek	Dreamtek's breadth of services connect creative, production, multimedia, and video engineering professionals with companies seeking talent on a full time or freelance basis.
10-Jan	HireQuest	Staffing division of dmDickason Personnel Services	dmDickason's staffing division offers light-industrial staffing services in the Southwest US.
10-Jan	Hamilton Ryker	Time Staffing	Time Staffing provides light-industrial staffing services out of 12-offices in Northwest Ohio.
11-Jan	Little John	Alto Healthcare Staffing	Alto's three key business lines include providing clinical temporary staffing primarily for nursing homes and long-term care facilities on a per diem or short-term contract basis; travel nurses primarily to hospitals; and medical assistants to doctors' offices.
11-Jan	Motion Recruitment	MATRIX Resources	MATRIX provides IT Staffing & Managed Solutions across North America for Contracting and Direct Hire to include Telecom managed services and Agile & DevSecOps consulting services.
11-Jan	Talent Group	Edgelink	EdgeLink is a technology staffing firm that recruits the best mid- to executive-level technical professionals on a contract, contract-to-hire and direct-hire basis.
11-Jan	Mitchell Martin	TransTech IT Staffing	TransTech IT Staffing is an award-winning technology recruiting firm serving small, medium and enterprise clients nationwide for over 30 years.
11-Jan	Swoon	Grapevine	Grapevine is an executive search firm that partners with manufacturers and corporations to build winning teams throughout North America and Europe.
11-Jan	Agilus	The Delivery Group	The Delivery Group is a WBE-certified IT staffing provider based in Oakville, Ontario, with an office in Vancouver, British Columbia.
14-Jan	A&M Capital Partners	P2P Staffing Corp	P2P is a leading provider of professional staffing, locum tenens staffing, and solutions through brands TekPartners and MPLT Healthcare.
14-Jan	Lee Equity Partners	Therapy Partner Solutions	TPS, headquartered near Jacksonville, FL, is a leading physical therapy platform in the Southeastern U.S.
19-Jan	HireQuest	Dubin Group, Inc.	The Dubin Group and Dubin Workforce Solutions, related founder-owned businesses in Philadelphia, Pennsylvania that provide executive placement services and commercial staffing, respectively.
24-Jan	Swipe Jobs	Corestaff	US based light-industrial brand of Impellam Group.
25-Jan	Trinity Consultants	Cerami & Associates	Cerami delivers engineering consulting expertise in noise and vibration control, audiovisual design, security systems, IT infrastructure, construction monitoring, and acoustical virtual reality for every building type.
26-Jan	HireQuest	Northbound Executive Search	Northbound provides executive placement and short-term consultant services primarily to blue chip clients in the financial services industry.

Announced Transactions (cont'd)



Date	Buyer	Acquired Company	Description
26-Jan	Power Labor Staffing	division of SelecSource Staffing	division of SelecSource Staffing, which connects electricians, technicians and other craftsmen with skilled projects throughout Atlanta, GA, and surrounding markets.
2-Feb	Futuris	Cadan Technologies	Cadan Technologies offers a variety of technology services which include technology lifecycle management, IT staffing, cloud solutions, data storage, data security & remote access, and web services.
2-Feb	Crescent Cove Advisors	Kingsley Gate Partners	Kingsley Gate Partners employs search consultants worldwide with expertise in private equity, life sciences and healthcare, financial services, technology, retail, hospitality & leisure, manufacturing, and professional services.
8-Feb	The Judge Group	Slayton Search Partners	Slayton Search Partners is a globally respected leader in retained executive search services.
9-Feb	Staff Zone	All Star Temporary Services	All Star Temporary Services is a provider of light-industrial temporary employment services based out of Norfolk, Virginia.
21-Feb	ZRG Partners	Precita Placements	Precita Placements is an executive search firm placing untapped talent in corporate leadership roles.
22-Feb	Lexitas	Strehlow Court Reporting	Strehlow Court Reporting provides court reporters to the top attorneys and law firms in the US.
23-Feb	DHR Global	Westmont Search	Westmont Search is a healthcare-focused executive search firm with a focus of hiring healthcare executives.
28-Feb	Infinedi Partners	La Salle Network	LaSalle is a national staffing, recruiting and culture firm specializing in technology, cybersecurity, accounting and finance, healthcare revenue cycle, human resources, management resources, marketing, sales, supply chain, administrative, call center and executive search.
2-Mar	Job.com	QCI Healthcare	QCI provides health professionals to facilities in need of supplemental staffing on a per diem basis, or for contracts ranging anywhere from 8-26 weeks.
3-Mar	Ascend Staffing	WorkStaffing	WorkStaffing, a staffing firm with locations in Omaha and Council Bluffs, Nebraska. WorkStaffing provides staffing in the light industrial, clerical and warehousing industries.
4-Mar	Diversified Search Group	Alta Associates	Alta Associates is widely acknowledged as the pioneer and premier executive search firm specializing in Cybersecurity, IT Risk Management, and Transformational Technology.
11-Mar	Futuris Co.	Affordable Rehab Services	Affordable Rehab has been a leading provider of therapy staffing services in South Florida for over 25 years, offering Physical, Occupational and Speech therapy to its Home Health partners.
11-Mar	PRN Healthcare Services	Alliant Staffing LLC	Alliant is a healthcare staffing company providing experienced RNs, LPNs, therapists, technicians, and nursing assistants, among other healthcare professionals to hospitals, surgery centers, and healthcare facilities.
11-Mar	33 Eleven	Lumeidon Partners	Lumeidon Partners, a boutique executive search firm recognized for recruiting leadership teams for high-growth technology companies.
14-Mar	Sentinel Capital Partners	TriMech	TriMech is a leading technology and business solutions partner for designers, engineers, and manufacturers.
15-Mar	MSRcosmos Group	Synapsis Group	Synapsis Group, a leading IT services company with a major presence in the Mid-West region in the United States.
24-Mar	JobandTalent	InStaff, division of BG Staffing	Instaff is the light-industrial division of BG Staffing.
24-Mar	Mission Critical Partners	RKV Technologies	RKV serves state and local government agencies with staff augmentation, project management, database solutions, and information technology (IT) consulting services.
28-Mar	NTT Data	Vectorform	Vectorform's strategic consulting and digital product development groups pioneer critical initiatives across IoT, Emerging and Immersive, Intelligent Computing, and Core Digital technologies.

Momentum Advisory Partners is a mergers and acquisitions advisory firm dedicated to maximizing the best outcomes for our clients. We work exclusively with founder led staffing, IT services & consulting, and workforce solutions businesses across the US and Canada. Our clients range from \$10 million to \$100 million in annual sales.


Recently Completed Transactions





Has been acquired by




Served as Advisor to DAKO Group





Has been acquired by




Served as Exclusive Advisor to CompuStaff



Has been acquired by




Served as Exclusive Advisor to New Elevation



Has been acquired by

Healthcare Staffing Veteran,
Janet Elkin



Served as Exclusive Advisor to ICON Medical Network

For additional industry insights and a complimentary valuation opinion and assessment, contact:



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