

**Q2
2022**

Industry Insights



Staffing & Workforce Solutions Industry

M&A Report

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Q2 2022 - M&A Overview

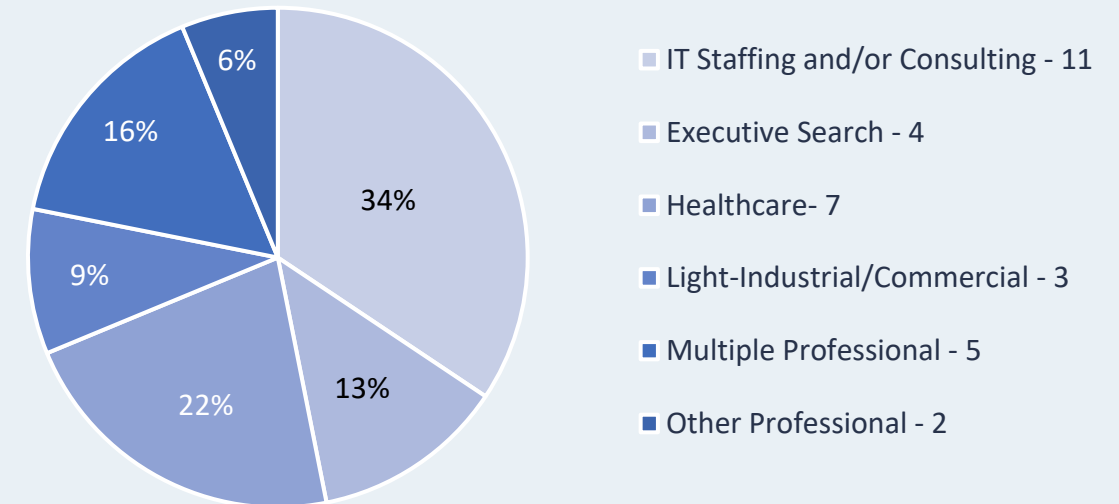
Q1 2022 was a continuation of a very active M&A market in the Staffing and Workforce Solutions Industry in 2021. However, Q2 2022 showed signs of slowing as Momentum Advisory Partners noted 31 announced transactions in the quarter. Compare that to 39 announced transaction in the first three months of this year. That's a quarter-over-quarter decline of just over 20%. So, is this a sign of what's to come or will we see a rebound in the last few months to close out the year strong?

There was a lot of uncertainty in the broader economy through most of the second quarter. Rising inflation, liquidity tightening across central banks, public markets turning bearish, continued supply chain disruptions, and the conflict in Ukraine. It's no surprise we slowed down from the red-hot M&A market we've been in for the last 18-months as these major macroeconomic headwinds and geopolitical tensions drove down transaction value and volume.

With all that said, there are segments of the market that we remain very bullish on and do not expect to see much of a slow down. In particular, IT staffing and solutions/consulting firms remain very attractive among buyers and are continuing to see significant interest. We see this first-hand with active mandates we are involved in within the segment. Appetite for quality IT staffing and solutions/consulting targets remains very high.

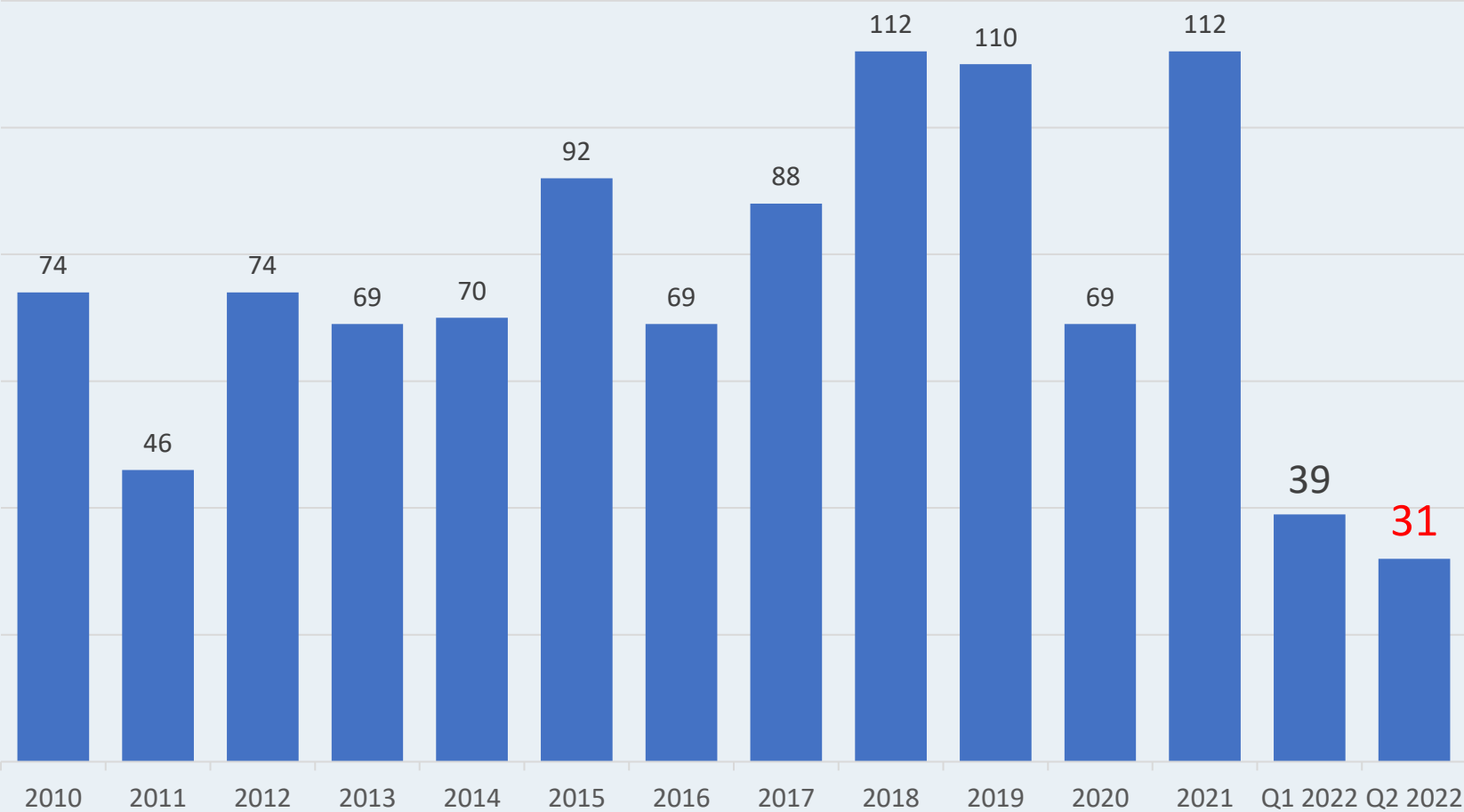
There were 11-announced transactions of IT staffing and solutions/consulting firms compared to nine in Q1. Our expectation is that deal flow in the segment will continue to see strength through the balance of 2022 as digitalization continues at an accelerated pace.

We recently spoke with Dustin Abbs, Director of Corporate Development at The Planet Group, about his thoughts on the M&A market in our industry. The Planet Group has been one of the most acquisitive organizations in the space of the past couple years. Just recently, they announced the acquisition of Launch Consulting Group. This follows the acquisition of Strive Consulting back in January. "We continue to see strong tailwinds for digital transformation staffing and consulting services. In the first half of 2022, we completed two acquisitions and saw strong deal flow. We will continue to be acquisitive over the next 6-12 months but our threshold for M&A targets will be high as we navigate through some uncertainties in the current macro environment."



Annual M&A Activity Since 2010

US & Canada, Staffing M&A Transactions since 2010



Announced Transactions


<u>Date</u>	<u>Buyer</u>	<u>Acquired Company</u>	<u>Description</u>
4-Apr	ZRG Partners	RoseRyan, Inc.	RoseRyan provides on-demand finance & accounting and marketing leadership and consulting services to a multitude of companies in Silicon Valley and beyond.
4-Apr	Korn Ferry	Patina Solutions Group, Inc.	Patina provides senior level interim solutions to the private equity, manufacturing, healthcare, food & consumer packaged goods and professional services markets.
5-Apr	SRI	LPA Partners	LPA is a North American Executive boutique search firm with significant experience across the technology sector.
7-Apr	Reserves Network	Staffing Connections	Founded in 2006, Staffing Connections provides temporary, temp-to-hire and direct hire staffing services for both clerical and industrial opportunities throughout GA and AL markets.
8-Apr	MedHQ	Becker Health	Founded in 2008, Becker Health provides scalable staffing solutions for healthcare clients through the US. Recruiters are specialists in Specialty nursing and allied healthcare; placements include contract, contract-to-hire, and direct hire positions.
11-Apr	SkillStorm	Talent Path	Houston based and private equity backed firm Talent Path focuses on boosting economic mobility through apprenticeship programs in the technology and healthcare sectors.
12-Apr	ZRG Partners	Terra Search Partners	Terra Search Partner is a national executive search firm focused exclusively on the real estate industry and strengthening organizations from the perspective of human capital.
18-Apr	Envision	Preferred Resources	Since 1989 Preferred Resources has been fulfilling professional IT staffing and consulting support to many local and national firms.
19-Apr	Staffing 360	Headway Workforce Solutions	Since 1974, Headway's innovative human capital services include comprehensive recruitment solutions, employer-of-record payrolling, and large-scale, enterprise based, contingent workforce programs.
19-Apr	Pritzker Organization	Epic Staffing Group	Epic is a diversified national provider of outsourced employment to the biopharmaceutical and healthcare industries.
20-Apr	Premier Health	Canadian Health Care Agency	CHCA is the primary provider to Indigenous Services Canada ("ISC") for nursing services to remote and semi-remote Indigenous communities in both Ontario and Alberta.
21-Apr	Synergy Health Partners	SoCal Anesthesia Solutions	Founded three years ago, SoCal Anesthesia Solutions has grown to be one of southern California's most trusted anesthesiology providers.
27-Apr	Oak Healthcare Staffing	Cunningham Elite Staffing	Cunningham Elite Staffing provides temporary staffing solutions for RN, LPN, and CNA positions in the healthcare industry.
28-Apr	Ingenvois Health	Vista Staffing	VISTA Staffing Solutions has over 30 years of experience placing healthcare providers in practices and facilities with coverage gaps, across the United States.
3-May	Astek Canada	Serti Placement TI	Serti Placement TI offers its clients an extensive range of expertise as well as staff recruitment and placement services in the area of information technology.
9-May	Kore1	Technical Connections	Technical Connections is a premier recruiting firm specializing exclusively in technology professionals, offering a full range of services, including retained search, contingency placement, and short- and long-term consulting.

Announced Transactions (cont'd)


<u>Date</u>	<u>Buyer</u>	<u>Acquired Company</u>	<u>Description</u>
17-May	AMN Healthcare	Connetics USA	Connetics USA is a boutique recruitment agency who works with candidates who are seeking the best job opportunities in engineering and healthcare.
18-May	Lingo Staffing	FJC Personnel	FJC Personnel is a full-service staffing company serving the needs of employers and job-seekers. FJC provides staffing services to fill temporary staffing needs, project and contract jobs as well as matching candidates to employers through our direct placement division.
24-May	Arthur j. Gallagher	Fredrickson Partners	Founded in 1995, Frederickson Partners is a human resources retained executive search and advisory firm, and a leader in diversity, equity and inclusion.
27-May	Acacia Group	Baer Group	The Baer Group was established in 1997 in Atlanta as an SAP preferred services provider. Since then, the company has become a trusted partner to Fortune 500 companies across key markets including life sciences, consumer products and retail.
1-Jun	Lexitas	Yorkson Legal	Established in 2003 by Michael and Gail Reichwald and headquartered in New York, Yorkson Legal is one of the few staffing firms in the United States that is devoted solely to the legal and compliance market.
1-Jun	ARR Healthcare	Enterprise Medical Recruiting	Founded in 1990 and has grown to service multiple physician specialties across the nation with placement services of both contingent and retained search.
2-Jun	ASGN	GlideFast	GlideFast Consulting is a consulting firm that is dedicated exclusively to ServiceNow and has been a trusted service partner since 2015.
2-Jun	Acacium Group	R&D Partners	R&D Partners offers over 200 years of collective staffing experience in the biotech, pharmaceutical and medical device and diagnostic industries.
8-Jun	WorkGenius	JBC	JBC is a leading global consumer search practice supporting the world's most innovative & sought-after brands.
8-Jun	Ascend Staffing	Apprentice Personnel	Since 1991, Apprentice Personnel has provided staffing services to the medical, real estate, hospitality, light industrial, food service and construction-related business communities.
10-Jun	Soal Technologies	Tekberry	Founded in 2005, Tekberry provides on-demand workforce solutions at a level beyond traditional staffing models.
17-Jun	Planet Group	Launch Consulting	Launch Consulting navigates world-class organizations through digital transformation. Specifically, we empower people—helping them harness data, implement modern technology and enhance the human experience so they can thrive in a digital-first world.
21-Jun	Futuris	Savantis Solutions	Savantis Solutions has been helping companies improve their operational efficiency by providing IT staffing and delivering end-to-end solutions and brings together an extensive global team of IT experts providing a variety of innovative industry solutions.
29-Jun	Planet Group	Future State Consulting	Future State is an IT consulting firm that leads with a personal, relationship-first approach to deliver top engineering talent and team solutions to tech organizations at leading companies.
29-Jun	Levi, Ray & Shoup	Fulcrum Consulting	Fulcrum Consulting is a national services organization that provides Consulting, Nearshore Development and Project Staffing Services in the areas of information technology.

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



INTELLIGENCE IS HUMAN



Served as Advisor to DAKO Group




Has been acquired by




Recruiting. Solutions.




Served as Exclusive Advisor to CompuStaff




Has been acquired by




career minds




Served as Exclusive Advisor to Career Curve




Has been acquired by



Saicon




Served as Exclusive Advisor to Saicon Consultants




a Turnberry Solutions Company


Has been acquired by



TURNBERRY SOLUTIONS




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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