



Recruitment Process Outsourcing (RPO) Annual Report 2019: Steering 3D Growth on the Tides of Talent Shortage

Recruitment Process Outsourcing (RPO)

Annual Report – August 2019: Complimentary Abstract / Table of Contents

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 - [Recruitment Process outsourcing \(RPO\)](#)
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- Accelerators™
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- Workshops

Custom research capabilities

- Benchmarking | Pricing, delivery model, skill portfolio
- Peer analysis | Scope, sourcing models, locations
- Locations | Cost, skills, sustainability, portfolio – plus a tracking tool
- Tracking services | Service providers, locations, risk
- Other | Market intelligence, service provider capabilities, technologies, contract assessment

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Everest Group's RPO research is based on three key sources of proprietary information

- Everest Group's proprietary database of ~3,000 RPO deals (updated annually)
- The database tracks the following elements of each RPO deal:
 - Buyer details including industry, location, and signing region
 - Deal details including ACV, term, start date, hires managed, primary pricing structure, process coverage, and geographic coverage (at country level)
 - Technology ownership and maintenance
 - Global sourcing

- Everest Group's proprietary database of operational capability of 26 RPO service providers (updated annually)
- The database tracks the following capability elements for each service provider:
 - RPO clients, revenue, service suite, and employees
 - Recent RPO-related developments (investments and partnerships)
 - RPO clients split by geography, industry, scope, and buyer size
 - RPO hires split by geography, source of hires, and type of hires
 - RPO delivery locations and level of offshoring

- Ongoing buyer surveys and interactions
 - Everest Group's **executive interviews and data collection** from RPO buyers
 - The data contains the following detailed buyer perspectives about RPO deals:
 - ◆ Drivers for adopting RPO and buyer-provider relationships
 - ◆ The level of buyer satisfaction and the underlying reasons

The analyses in this report are presented at two levels:

- Overall market analysis that highlights the market composition/dynamics
- The current market trends based on deal activity in the last five years

The sample size varies for different analyses based on the deal detail availability.

Service providers covered in detail in the analyses



Confidentiality: Everest Group takes its confidentiality pledge very seriously. Any contract-specific information collected, is only presented back to the industry in an aggregated fashion

Overview and abbreviated summary of key messages

This report examines the global 2018 RPO market landscape and the trends being witnessed. It focuses on the three-dimensional growth that that the RPO market is experiencing, due to which the RPO market is accelerating, widening and deepening on various fronts

Some of the findings in this report, among others, are:

RPO market overview

- The RPO market is one of the fastest growing outsourcing markets in the world today, clocking yet again a double-digit growth rate to the tune of 20% in 2018.
- All the regions posted double digit growth rates in 2018, with healthy demand from both mature and emerging geographies

Adoption of RPO by buyers of all sizes

- Small and mid-market buyers are increasingly adopting RPO services owing to the difficult talent environment and rising awareness about the substantial benefits offered by the RPO model
- This adoption has also been bolstered by service providers' efforts in terms of bringing a productized solution to the market, which can be deployed rapidly and is easy to implement

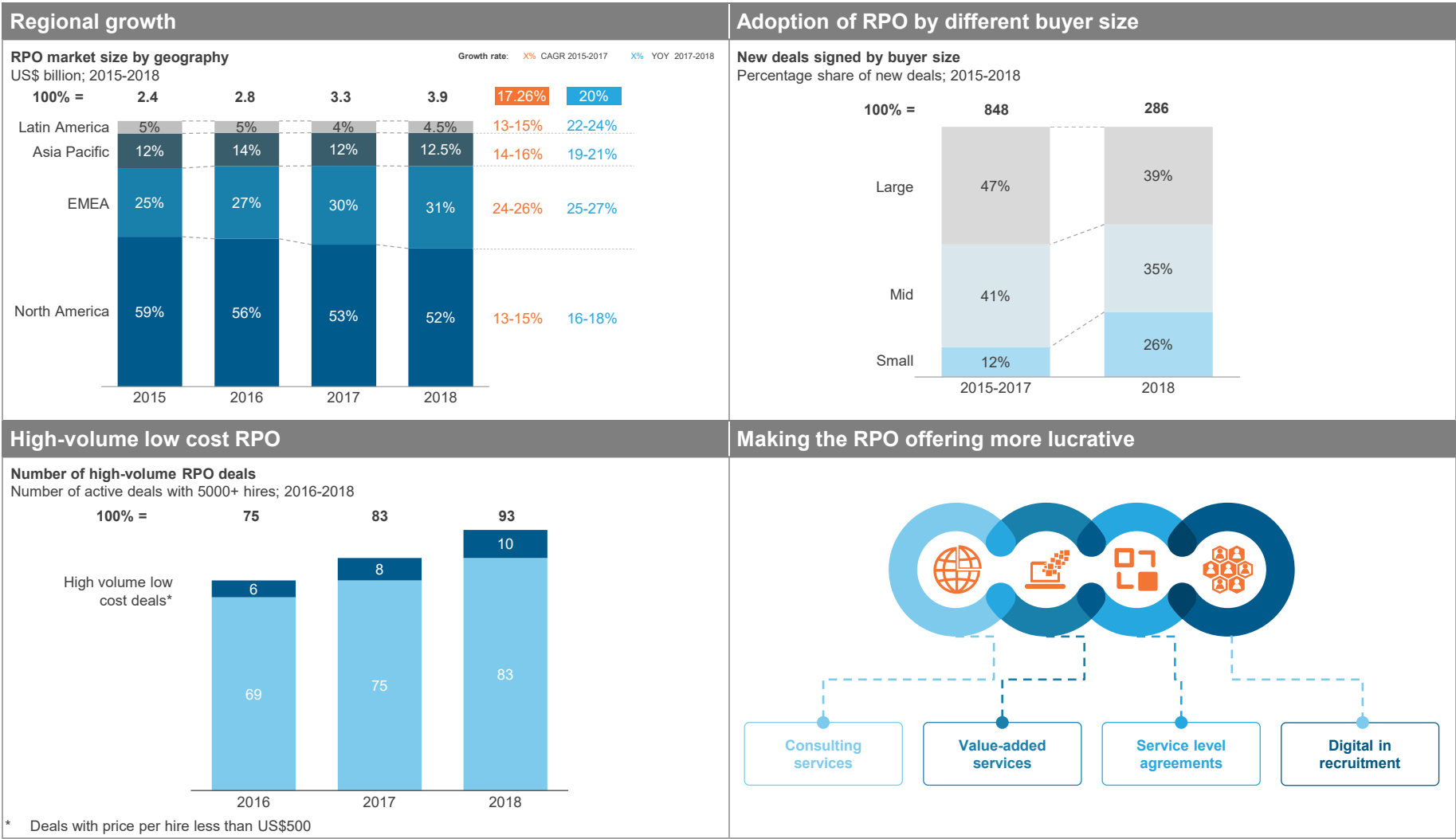
New models are being introduced

- High-volume low cost RPO is an innovative and technology-intensive offering that has come up with the aim to help those enterprises that require manpower with high scalability and agility, due to the seasonal and cyclical nature of their business
- High-volume low cost RPO fills the gap in capabilities of enterprises to handle a high volume of talent effectively and efficiently

Making the RPO offering more lucrative

- As the RPO market is maturing, buyers are looking for additional value in different areas of their RPO engagements such as consulting offerings, value-added services, and SLAs
- Service providers are leveraging new age technologies to provide a more engaging and dynamic candidate experience, as well as to bring advanced insights into their workforce

This study provides a deep dive into the three dimensions of growth of RPO market; below are four charts to illustrate the depth of the report



Research calendar – Recruitment Process Outsourcing (RPO)

Published
 Planned
 Current release

Flagship RPO reports

Release date

Recruitment Process Outsourcing (RPO) – Service Provider Landscape with Services PEAK Matrix™ Assessment 2018	April 2018
Recruitment Process Outsourcing (RPO) – Service Provider Profile Compendium 2018	June 2018
Recruitment Process Outsourcing (RPO) – Annual Report 2018	July 2018
Multi-country Recruitment Process Outsourcing (MCRPO) – Service Provider Landscape with Services PEAK Matrix™ Assessment 2018 ...	September 2018
Recruitment Process Outsourcing: Service Provider Landscape with PEAK Matrix™ Assessment 2018 – Europe	September 2018
What do the RPO Buyers Seek? Are they Satisfied?	January 2019
Recruitment Process Outsourcing (RPO) – Service Provider Landscape with Services PEAK Matrix™ Assessment 2019	March 2019
Recruitment Process Outsourcing (RPO) – Service Provider Profile Compendium 2019.....	May 2019
Recruitment Process Outsourcing: Service Provider Landscape with PEAK Matrix™ Assessment 2019 – North America	Q2 2019
Recruitment Process Outsourcing (RPO) Annual Report 2019: Steering 3D Growth on the Tides of Talent Shortage	August 2019
Recruitment Process Outsourcing (RPO) – Service Provider Landscape with Services PEAK Matrix™ Assessment 2019.....	Q1 2020

Thematic RPO reports

Enterprise Total Talent Acquisition (ETTA) – The Future-ready Talent Approach	May 2017
Digital Technologies: The Next Frontier in Talent Acquisition	December 2017
Reimagining Talent Acquisition in a Digital-first Era	March 2018
Startups Redefining Talent Acquisition (TA) – Trailblazers	October 2018
Changing Pricing Dynamics in RPO Contracts	Q3 2019

Note: For a list of all of our published RPO reports, please refer to our [website page](#)

Additional RPO research recommendations

The following documents are recommended for additional insight into the topic covered in this research. The recommended documents either provide additional details or complementary content that may be of interest.

1. **Recruitment Process Outsourcing – Service Provider Landscape with PEAK Matrix™ Assessment 2019** ([EGR-2019-26-R-3113](#)); 2019. The global RPO market witnessed tremendous growth in 2018 as the market witnessed a significant uptick in activity across buyer segments, industries, and geographies. The year 2018 saw a few mega-sized deals being signed as well as significant activity in the mid and small-market space. As the market continues to become more competitive, service providers are investing heavily in strengthening their capabilities in different geographies, industries, and recruitment technology, as well as expanding their portfolio of offerings (including value-added services such as consulting, and total talent acquisition).
2. **Recruitment Process Outsourcing (RPO) Annual Report 2018: Orchestrating the Digital Talent Acquisition Symphony** ([EGR-2018-26-R-2722](#)) 2018. The RPO market is one of the fastest growing outsourcing markets in the world today with growth hovering above 15% consistently for the past three years. This research provides comprehensive coverage of the 2017 RPO market and analyses it across various dimensions such as evolving RPO value proposition, market overview, key trends, solution characteristics, buyer adoption trends, and digital in talent acquisition
3. **Startups Redefining Talent Acquisition (TA) – Trailblazers** ([EGR-2018-26-R-2823](#)); 2018. The global Talent Acquisition (TA) industry is undergoing a tremendous change, driven by an influx of tools and technologies built on the emerging digital technology landscape. “Startups Redefining Talent Acquisition – Trailblazers” is the third of a three-part series of reports outlining Everest Group’s take on the impact of emerging digital technologies in the TA space. This paper identifies and analyzes 450+ startups in the TA space to arrive at a list of 50 high potential startups, and subsequently, a list of 25 top startups (also called “trailblazers”) in the TA space.

For more information on this and other research published by Everest Group, please contact us:

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About Everest Group

Everest Group is a consulting and research firm focused on strategic IT, business services, and sourcing. We are trusted advisors to senior executives of leading enterprises, providers, and investors. Our firm helps clients improve operational and financial performance through a hands-on process that supports them in making well-informed decisions that deliver high-impact results and achieve sustained value. Our insight and guidance empower clients to improve organizational efficiency, effectiveness, agility, and responsiveness. What sets Everest Group apart is the integration of deep sourcing knowledge, problem-solving skills and original research. Details and in-depth content are available at www.everestgrp.com.

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