

# Recruitment Process Outsourcing (RPO) State of the Market 2023

November 2023: Complimentary Abstract / Table of Contents



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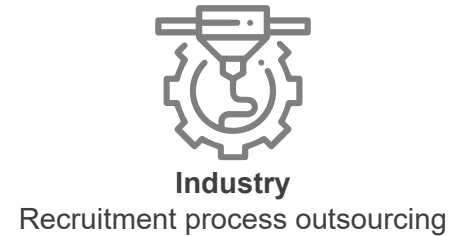
## Background of the research

The report tracks the developments that occurred across the Recruitment Process Outsourcing (RPO) industry in regions across global, North America, EMEA, Asia Pacific, and Latin America in 2022, and discusses the future trajectory which is being set by the current market conditions, provider landscape, and buyer expectations. Banking on the post-COVID recovery, the RPO industry continued to experience strong growth in the first half of 2022. Geopolitical and economic uncertainties forced organizations to be more cautious in their hiring decisions in the latter half of the year. With the global economy slowing down, demand for talent has reduced significantly from the peaks of 2021 and 2022. However, the industry continues to undergo rapid innovation and evolution, forcing service providers to stay agile in terms of services and service delivery.

In this report, we focus on:

- RPO market dynamics
- RPO adoption characteristics
- 2023: the year of uncertainty
- Trends shaping the future of recruitment

### Scope of this report



## Overview and abbreviated summary of key messages

The report tracks the state of the global Recruitment Process Outsourcing (RPO) industry in 2022 and provides an overview of its continued growth momentum post COVID-19 recovery. It also discusses the geopolitical and economic uncertainties in the latter half of 2022 setting the future trajectory for buyers and service providers to stay afloat by undergoing rapid changes and a dramatic evolution in making business and hiring decisions.

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

### RPO market dynamics

- All the regions experienced a modest growth, although there was a decline in the growth momentum relatively to 2021
- Some of the relatively mature RPO markets experienced a slow post-pandemic recovery. On the other hand, the emerging markets in the early stages of adoption exhibited a steady growth signaling an overall growing demand for RPO in these markets

### RPO adoption characteristics

- The market experienced a significant rise in new deal activity from first-generation and small-sized buyers. There was also an increase in hiring for blue-collar professionals due to normalization of economic activities and lifting of restrictions post-pandemic
- Enterprises are also increasingly leveraging RPO providers for DE&I strategy formulation along with DE&I sourcing

### 2023: the year of uncertainty

- 2023 has emerged as a tumultuous year for RPO market, owing to the macro-economic and geo-political challenges, and due to the evolving workforce dynamics
- To help buyers navigate through this uncertainty and weakening of talent demand, providers are working on offering innovative solutions to help enterprises in talent acquisition and retention

### Trends shaping the future of recruitment

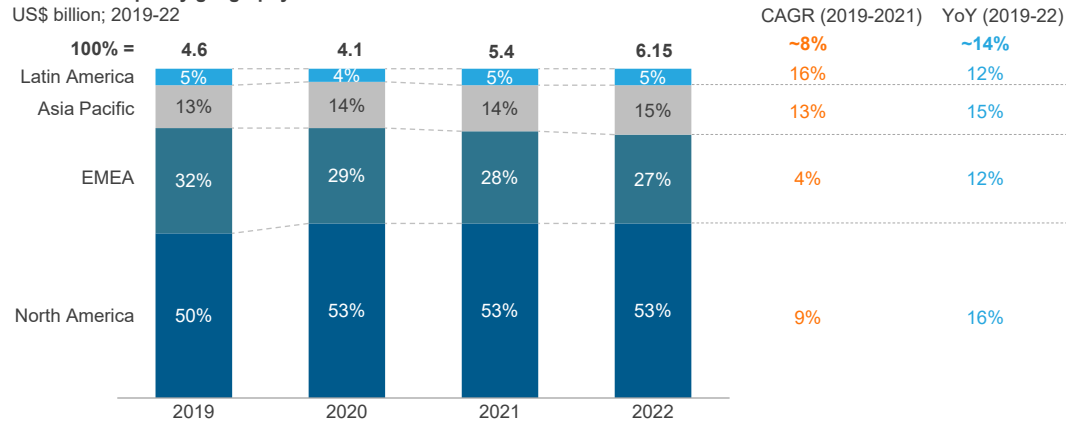
- Service providers are focusing on building differentiating capabilities and providing in-demand consulting and advisory as they have now become a core inclusion within the ambit of RPO engagements
- Amid talent shortages, alternate talent sourcing channels also gained traction in the market



# This study offers seven distinct chapters providing a deep dive into key aspects of the RPO market; below are four charts to illustrate the depth of the report

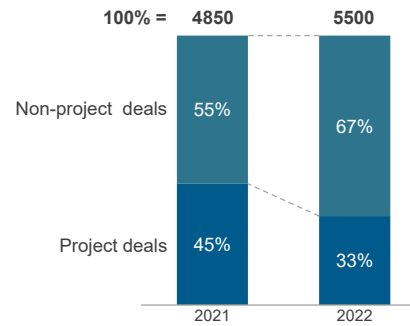
## Regional RPO markets

RPO market split by geography  
US\$ billion; 2019-22

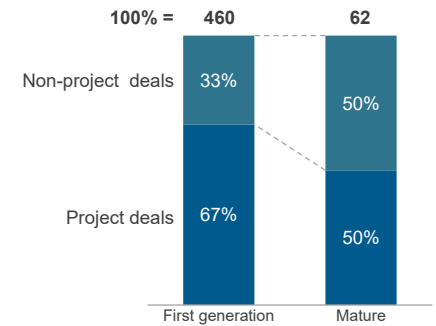


## Project and non-project RPO adoption

Active deal split  
2021-22; percentage of active deals



New deal split by first-generation and mature buyers  
2022; percentage of new deals signed



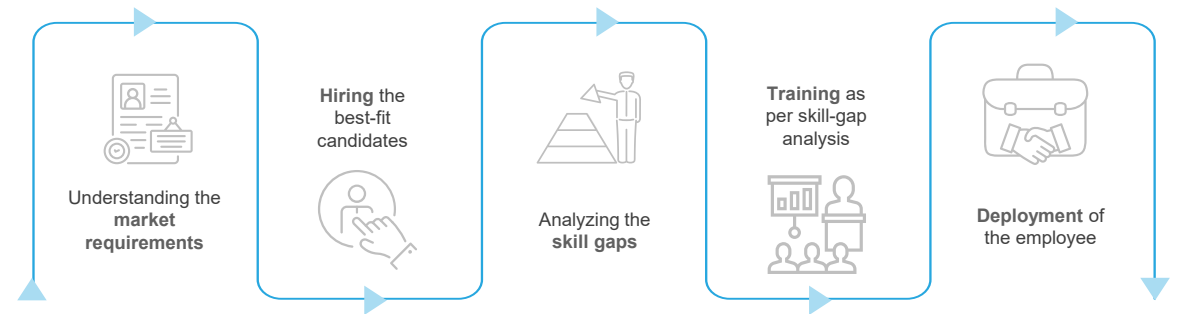
## Alternate talent channels | university recruitment programs

Key areas of support sought by buyers for university and early careers recruitment:



## Alternate talent channels | Hire-Train-Deploy (HTD)

Hire-Train-Deploy (HTD) process



# Research calendar

## Recruitment

■ Published
 ■ Planned
 ■ Current release

Reports title	Release date
Candidate Relationship Management (CRM) Platforms PEAK Matrix® Assessment 2023	May 2023
Recruitment Process Outsourcing (RPO) Services PEAK Matrix® Assessment 2023	May 2023
Maneuvering through Talent Challenges in Manufacturing	June 2023
Maneuvering through Talent Challenges in Healthcare	June 2023
Maneuvering through Talent Challenges in Consumer Brands and Retail	June 2023
Maneuvering through Talent Challenges in Life Sciences	June 2023
Recruitment Process Outsourcing (RPO) Services – Provider Compendium 2023	August 2023
Smart Trends Moving Talent and Business Forward – Part 1: Innovation in Talent Analytics	November 2023
<b>Recruitment Process Outsourcing (RPO) State of the Market 2023</b>	<b>November 2023</b>
Smart Trends Moving Talent and Business Forward – Part 2: Agile RPO and Total Talent Acquisition (TTA)	Q4 2023
Candidate Relationship Management (CRM) – Platform Vendor Compendium 2023	Q4 2023
Agile Recruitment Support: Navigating Global Talent Uncertainties by Leveraging Project RPO	Q4 2023
Recruitment Process Outsourcing (RPO) Services PEAK Matrix® Assessment 2024	Q1 2024
Recruitment Process Outsourcing (RPO) Services – Provider Compendium 2024	Q3 2024
Recruitment Process Outsourcing (RPO) State of the Market 2024	Q3 2024

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