



# **2025 Staffing Industry Market Analysis: Opportunities for Sellers and Growers**

Insights from Staffing Agency Broker (SAB)

# Executive Summary

## Key Insights for 2025

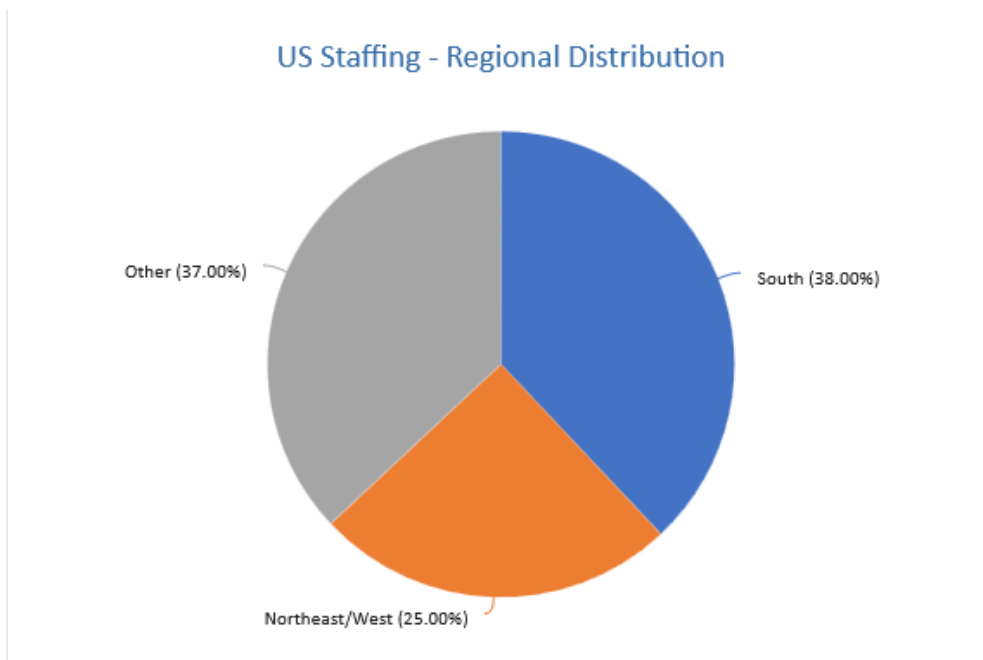
The U.S. staffing industry is set for modest growth in 2025, reaching a projected market size of \$198.45 billion—a 5% increase from \$189.0 billion in 2024, per Staffing Industry Analysts (SIA) September 2024 update. This follows a period of fluctuation, with a peak of \$220 billion in 2022, a 10% decline to \$201.7 billion in 2023, and a further 10% drop in 2024 due to client caution, reduced hiring, and inflationary pressures. The recovery in 2025 reflects renewed demand for flexible staffing, skill shortages, and economic recovery efforts like the Infrastructure Investment and Jobs Act and CHIPS Act. Globally, the market is expected to hit \$650 billion, driven by automation, AI, and skill shortages. This report highlights key trends, challenges, and opportunities for staffing agency sellers and growers, offering insights to maximize value and expansion potential despite these economic shifts.



## U.S. Staffing Market in 2025

The U.S. staffing market will grow to \$198.45 billion in 2025, up 5% from 2024's \$189.0 billion, according to SIA's September 2024 forecast. Growth is driven by:

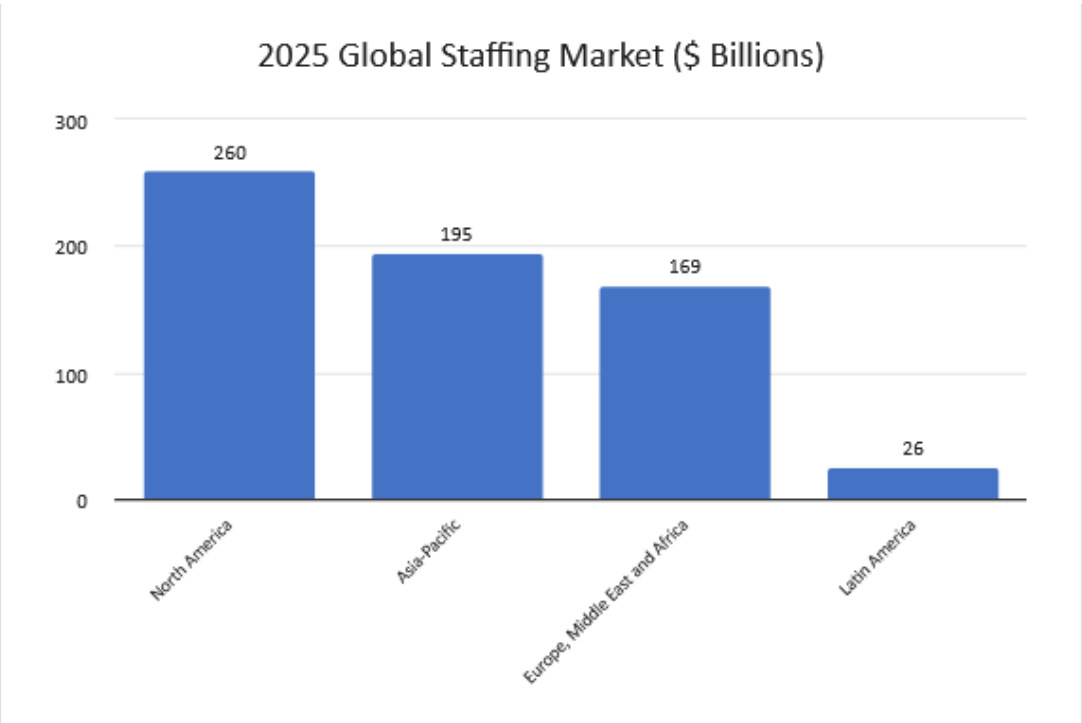
- **Flexible Staffing Demand:** Businesses rely on temporary and contract workers for scalability, especially in healthcare, IT, and light industrial sectors, amid workforce shortages.
- **Economic Recovery:** Legislative initiatives like the Infrastructure Investment and Jobs Act and CHIPS Act boost demand in engineering and manufacturing.
- **Challenges:** Client caution, reduced hiring plans, and inflation may temper growth, but smaller firms outperform larger ones due to agility.
- **Regional Insights:** The Southern U.S. dominates with 38% of agencies, while Northeast and West Coast hubs (e.g., New York, California) account for 25%, driven by tech and professional services.



# Global Staffing Market and Niche Opportunities

Globally, the staffing market is projected to hit \$650 billion in 2025, growing 5% from 2024, per SIA and industry estimates. Growth is led by:

- Asia-Pacific Surge: Fastest-growing region (e.g., India, China) due to tech hiring and cloud adoption.
- North America’s Lead: Driven by advanced tech and hybrid work models.
- Key Trends: Automation (e.g., AI, ATS), remote staffing, and skill-centric solutions address talent gaps in IT, cybersecurity, and data analytics.
- Niche Opportunities: Healthcare staffing may grow 7% in 2025 due to shortages, while IT staffing could see 6% growth from tech demand. Sellers can command higher valuations, and growers can acquire niche agencies to boost revenue by 20%.



## Opportunities for Sellers and Growers

- For Sellers: High demand for specialized agencies drives valuations 10–15% above average, especially in healthcare and IT. A stable client base and strong finances signal premium pricing potential, while current market trends (e.g., skill shortages, gig economy growth) create a seller's market in 2025.
- For Growers: Acquiring niche agencies or expanding into high-growth areas (e.g., gig staffing, remote staffing solutions) can increase revenue by 20%, leveraging current market trends. Strong financials provide a foundation for scaling, while the industry's resilience offers opportunities to diversify services and enter new markets.
- Additional Insights:
  - Strategic Timing for 2025: The projected 5% U.S. market growth in 2025, combined with global expansion to \$650 billion, signals an ideal time for action. Sellers can capitalize on high buyer interest in flexible staffing solutions, while growers can acquire undervalued agencies or invest in technology for competitive advantage. Industry resilience—driven by diverse services, technological adoption, and regulatory adaptability—ensures long-term stability for both groups. Consider partnering with SAB to navigate these opportunities with expert guidance and confidentiality.

Sellers ➡ Higher sales prices driven by high market demand.

Buyers ➡ Higher revenues by finding strong agencies in high growth niches.

**Ready to sell or grow?** Contact **Chris Ollis** at [chris@staffingagencybroker.com](mailto:chris@staffingagencybroker.com) or (901) 878-2500 for a free personalized consultation. Visit [staffingagencybroker.com](https://staffingagencybroker.com) for more insights.