

Human Capital Management

2023 Annual Report

2023: A Year in Review

Overview

M&A activity in the HCM space declined slightly in 2023. While softer than the record levels of transactions in 2022, 2023 was more active than 2021. Nearly 360 acquisitions were announced, a 12% decrease compared with 2022. Add-on acquisitions made up 37% of 2023 M&A deals ([Page 5](#)), driven by PE-backed platform expansion.

Amidst rising inflation and public market fluctuations ([Page 3](#)), there was a 57% decrease in VC dollars raised. However, investor attention continues to be focused on well-performing HCM companies with a path to profitability. The number of VC transactions rose by 9% although check sizes are smaller ([Page 11](#)).

Staffing

M&A activity in staffing decreased 14% year over year and activity was particularly active in the specialized executive search and healthcare staffing sectors, which displayed resilience to shifting market conditions.

- Strategics added executive search solutions: Leadership advisory firm **Russell Reynolds** added scale by acquiring executive coaching firm **Nvolv Partners**, and then acquired two executive selection and assessment platforms, **Kilberry** and **Savage Partners**, to bolster their leadership advisory capabilities. **Cherry Bekaert**, an outsourced accounting firm backed by **Parthenon Capital Partners**, acquired **Cordia Resources**, an executive search firm for the finance, accounting, and HR industries, to expand their offerings and geographical presence.
- Resilient healthcare staffing M&A: **HeadFirst Group**, a recruitment process outsourcing firm, met increased international STEM workforce demand by acquiring **Impellam Group**, a managed services and staffing company for healthcare professionals, for \$607M. **Health Advocates Network**, a national supplemental healthcare staffing provider, strategically broadened its local staffing capabilities by acquiring **Horizons Healthcare Agency**, a travel nursing staffing firm.



Talent Acquisition

With just 52 deals, the talent acquisition sector had the lowest M&A activity of the HCM sectors tracked. This constitutes a 31% decrease from 2022 transaction levels and reflects Talent Acquisition’s heightened exposure to the labor market cycle. Two themes in particular drove M&A interest: HCM platforms added hiring tools powered by innovative AI solutions and pre-employment screening companies continued to add scale via acquisitions. These trends were driven by continued demand for reliable, cost-effective, and at-scale sourcing and screening solutions.

- Hiring Tool solutions joined HCM suites: **Veritone**, a prominent enterprise AI software and services provider, acquired **Broadbean**, a SaaS company specializing in talent acquisition analytics, to broaden their offerings of AI-powered HR solutions. Travel nursing agency **Aya Healthcare** acquired **Winnow AI**, an AI-powered recruitment platform that transforms in-house teams to source, screen, and engage clinical providers.
- Background screening players added international scale and technology capabilities: **Sterling (NAS: STER)** acquired two pre-employment screening providers: Latin American background screening provider **Socrates** and international provider of pre-employment screening **A-Check Global**. Global background screening provider **First Advantage (NAS: FA)** acquired pre-screening biometric compliance firm **Infinite ID** for \$41M. After year-end, two developments reduced the size of the public pre-employment screening market: **First Advantage (NAS:FA)** announced that they will acquire **Sterling (NAS: STER)** for \$2.2B, and **HireRight (NYSE: HRT)** announced that they will be acquired by **General Atlantic** and **Stone Point Capital**.

2023: A Year in Review

Core HR

In a risk off year, investment gravitated to mission-critical HR services, leading to increased activity in Core HR. Deal volumes rose for the fifth consecutive year, and the sector accounted for 30% of all 2023 transactions in the HCM industry. Furthermore, the Core HR index in the public markets had the largest increase over the past year (+22%). Driving M&A activity, workforce management AI solutions experienced consolidation and insurance strategics strengthened their positions in compensation & benefits solutions as they sought improvements in their overall compensation packages.

- Consolidation of workforce management AI solutions: **Zendesk**, a service-first CRM company, acquired **Tymeshift**, an AI-powered modern workforce management solution, to drive the next generation of AI-assisted CX productivity. **Paylocity (NAS: PCTY)**, a payroll and HCM software provider, acquired **Trace**, a collaborative workflow platform, for its headcount planning solution. Employee experience platform **Simplr** acquired and will offer **Socrates.ai**, an AI assistant designed to provide centralized employee knowledge, management, and communication.
- Strategics acquired benefits solutions: **Voya Financial**, a workplace benefits investment company, acquired **Benefitfocus**, a cloud-based benefits software platform, for \$570M to broaden its benefits administration capabilities into health and wealth offerings. Insurance brokerage firm **Arthur J. Gallagher & Co. (NYSE: AJG)** acquired two benefits administration consultancies: **Buck** for \$660M and **Altman Insurance Services**.
- VC firms invested \$1.7B into 8 Core HR providers (below) and invested an additional \$735M across all other Core HR platforms, representing 51% of all VC dollars raised in 2023.

<p>HIRS</p> 	<p>Compensation and Benefits</p>    	<p>Payroll</p> 	<p>Workforce Management</p>  
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Talent Management

M&A transaction volume in Talent Management shrank 24% year over year, but there were substantial deals in the employee learning and engagement subsectors, reflecting an increased need to address employee development, retention, and actionable feedback. Despite a slight downtick in M&A activity from 2022, transaction activity remained healthy compared to pre-2021 standards.

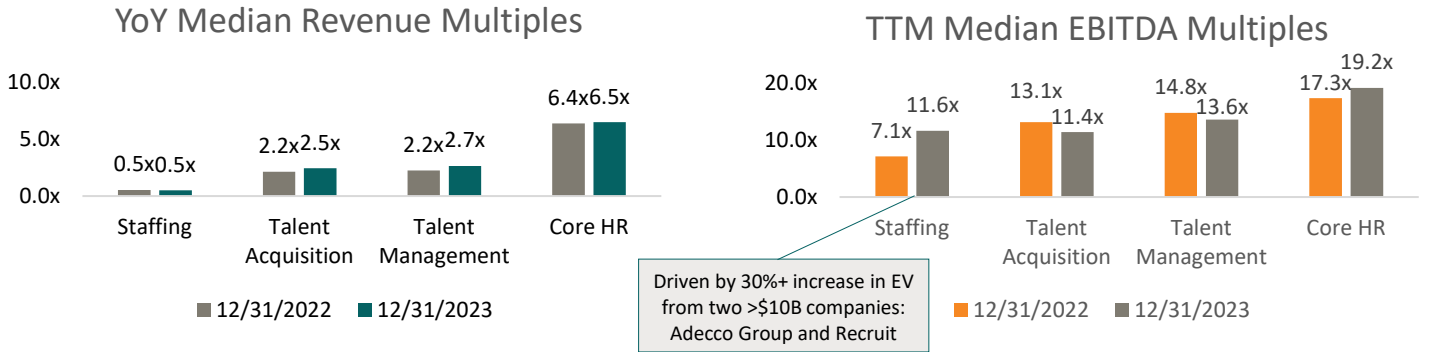
- Large employee feedback platforms were acquired by financial sponsors: **Silverlake and CPP Investments** acquired **Qualtrics (NAS: XM)**, an employee feedback and data software developer, for \$12.5B. Survey software **Momentive Global** (SurveyMonkey) was acquired by **Symphony Technology Group** for \$1.5B.
- Acquisitions of niche automated learning platforms: Security awareness training platform **KnowBe4** was acquired by **Vista Equity Partners** for \$4.6B. The video-based healthcare certifications training technology of **NextStep** was acquired by **CareAcademy**, a senior living facility training platform, for \$200M.

Looking Ahead To 2024

Moving forward, we believe that valuations have stabilized from the record levels witnessed in 2021, and pent-up demand will drive elevated activity. The labor market in 2023 displayed exceptional resilience in the aftermath of interest rate hikes, and although geopolitical turbulence continues, a pause in interest rate hikes and decreasing inflation drives optimism. In 2024, we predict a continued focus towards resilient and less cyclical HCM domains, reflecting key emerging themes. These include a concentration on AI technology integration, workforce management tools addressing a need for effective organization, and workforce recruitment and retention. We recently published [The Human Capital Paradigm Shift](#), which provides an in-depth review of other labor force trends and changes expected to the nature of work.

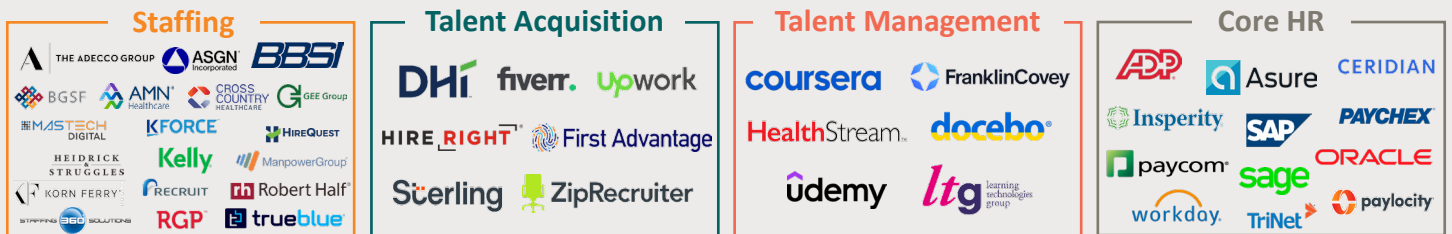
HCM Public Markets

Comparative Multiples



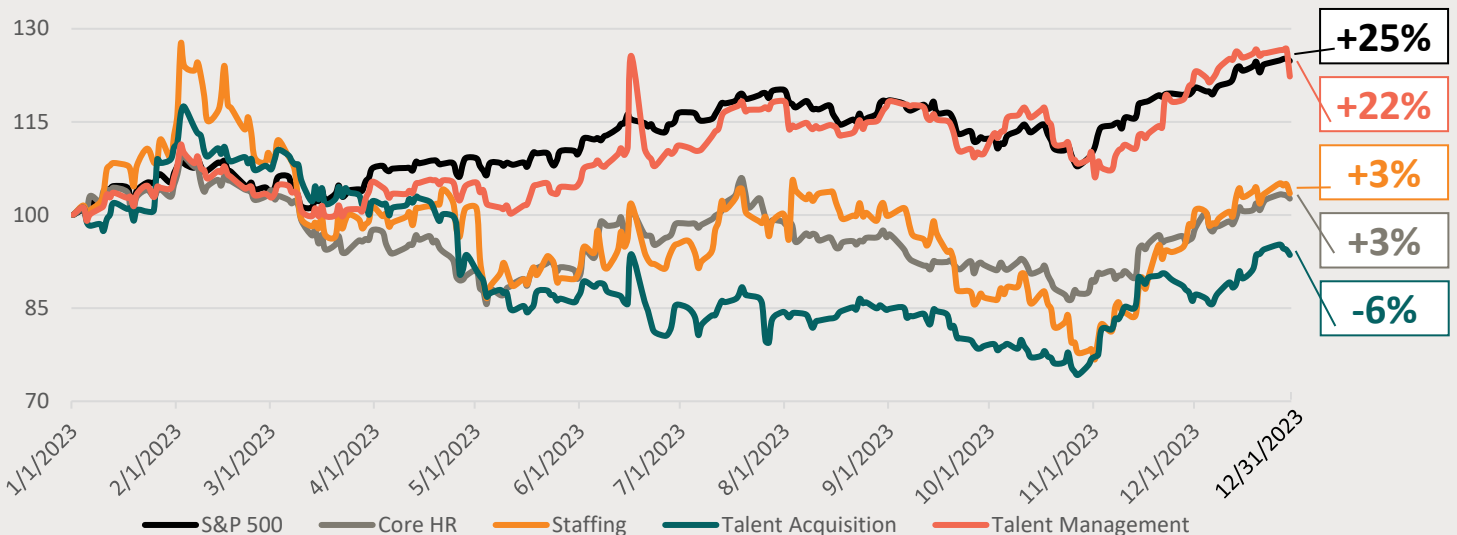
Source: PitchBook, Data as of December 2023

Sub-Sector Ecosystem



One-Year Historical Index Performance

The S&P 500 outperformed all four HCM indexes during this period. The Talent Management index emerged as the top-performing HCM index, with 3 of the 6 stocks increasing their enterprise value by >45% (COUR, DCBO, UDMY)



Source: Refinitiv
Indices based on equal-weighted prices and excludes companies not traded prior to 1/1/2023

HCM Public Trading Statistics

CORE HR

Company Name	Enterprise Value (\$B)	TTM Revenue (\$B)	TTM EBITDA (\$B)	Revenue Multiple	EBITDA Multiple
ADP	97.7	17.4	4.3	5.6x	22.6x
Asure Software	0.2	0.1	0.0	1.7x	10.8x
Ceridian	11.2	1.5	0.2	7.7x	n/m
Insperty	4.1	40.6	0.3	0.1x	14.2x
Oracle	370.4	51.6	19.8	7.2x	18.8x
Paychex	42.3	5.0	2.3	8.4x	18.5x
Paycom Software	11.5	1.6	0.6	7.0x	19.6x
Paylocity	9.0	1.2	0.3	7.3x	34.7x
SAP	179.2	34.3	6.6	5.2x	27.3x
The Sage Group	15.9	2.7	0.5	6.0x	30.8x
Trinet Group	6.9	4.9	0.6	1.4x	12.3x
Workday	69.0	7.0	0.3	9.9x	n/m
Median:				6.5x	19.2x

TALENT MANAGEMENT

Company Name	Enterprise Value (\$B)	TTM Revenue (\$B)	TTM EBITDA (\$B)	Revenue Multiple	EBITDA Multiple
Coursera	2.2	0.6	-0.2	3.7x	n/m
Docebo	1.3	0.2	0.0	7.6x	n/m
Franklin Covey	0.6	0.3	0.0	2.0x	15.5x
Healthstream	0.8	0.3	0.1	2.8x	13.6x
LTG	1.0	0.7	0.1	1.3x	8.1x
Udemy	1.8	0.7	-0.1	2.5x	n/m
Median:				2.7x	13.6x

TALENT ACQUISITION

Company Name	Enterprise Value (\$B)	TTM Revenue (\$B)	TTM EBITDA (\$B)	Revenue Multiple	EBITDA Multiple
DHI	0.2	0.2	0.0	1.1x	6.8x
First Advantage	2.8	0.8	0.2	3.6x	13.2x
Fiverr	1.1	0.4	0.0	3.1x	n/m
Sterling Talent Solutions	1.8	0.7	0.1	2.5x	18.5x
HireRight	1.6	0.7	0.1	2.1x	10.9x
Upwork	1.8	0.7	0.0	2.8x	n/m
ZipRecruiter	1.4	0.7	0.1	2.0x	11.4x
Median:				2.5x	11.4x

STAFFING

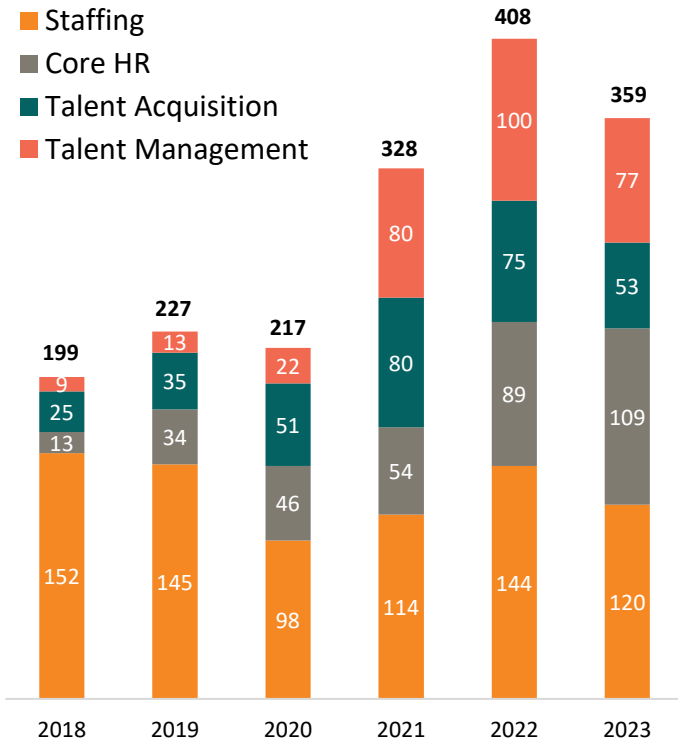
Company Name	Enterprise Value (\$B)	TTM Revenue (\$B)	TTM EBITDA (\$B)	Revenue Multiple	EBITDA Multiple
Adecco Group	11.8	25.7	0.8	0.5x	14.0x
AMN Healthcare Services	3.8	4.1	0.6	0.9x	6.5x
ASGN	5.5	4.5	0.5	1.2x	11.6x
Barrett Business Services	0.7	1.1	0.1	0.6x	9.0x
BG Staffing	0.2	0.3	0.0	0.5x	n/m
Cross Country Healthcare	0.8	2.2	0.2	0.4x	4.8x
GEE Group	0.0	0.2	0.0	0.2x	6.8x
Heidrick & Struggles	0.3	1.0	0.1	0.3x	3.7x
HireQuest	0.2	0.0	0.0	6.3x	16.9x
Kelly Services	0.7	4.8	0.1	0.1x	9.8x
Kforce	1.4	1.6	0.1	0.9x	17.6x
Korn Ferry	3.0	2.8	0.3	1.1x	12.0x
Manpower Group	4.6	19.1	0.5	0.2x	9.6x
Mastech Digital	0.1	0.2	0.0	0.4x	22.6x
Staffing 360 Solutions	0.0	0.3	0.0	0.1x	n/m
Recruit	60.1	24.6	3.4	2.4x	17.5x
Resources Connection	0.4	0.7	0.1	0.5x	6.2x
Robert Half International	8.8	6.6	0.7	1.3x	12.7x
TrueBlue	0.5	2.0	0.0	0.3x	27.8x
Median:				0.5x	11.6x

n/m: multiples less than 0x or greater than 50x

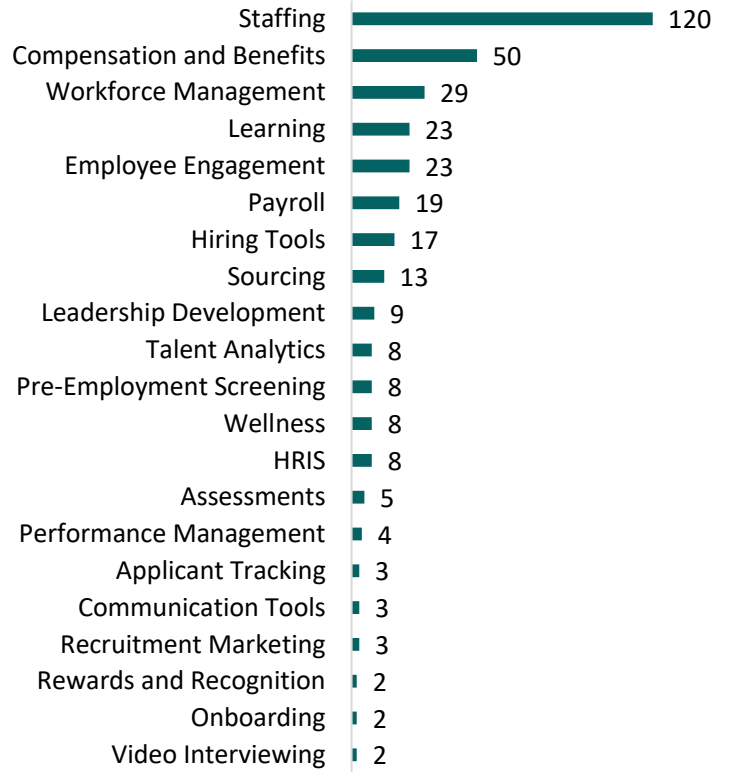
Source: PitchBook

HCM M&A Summary

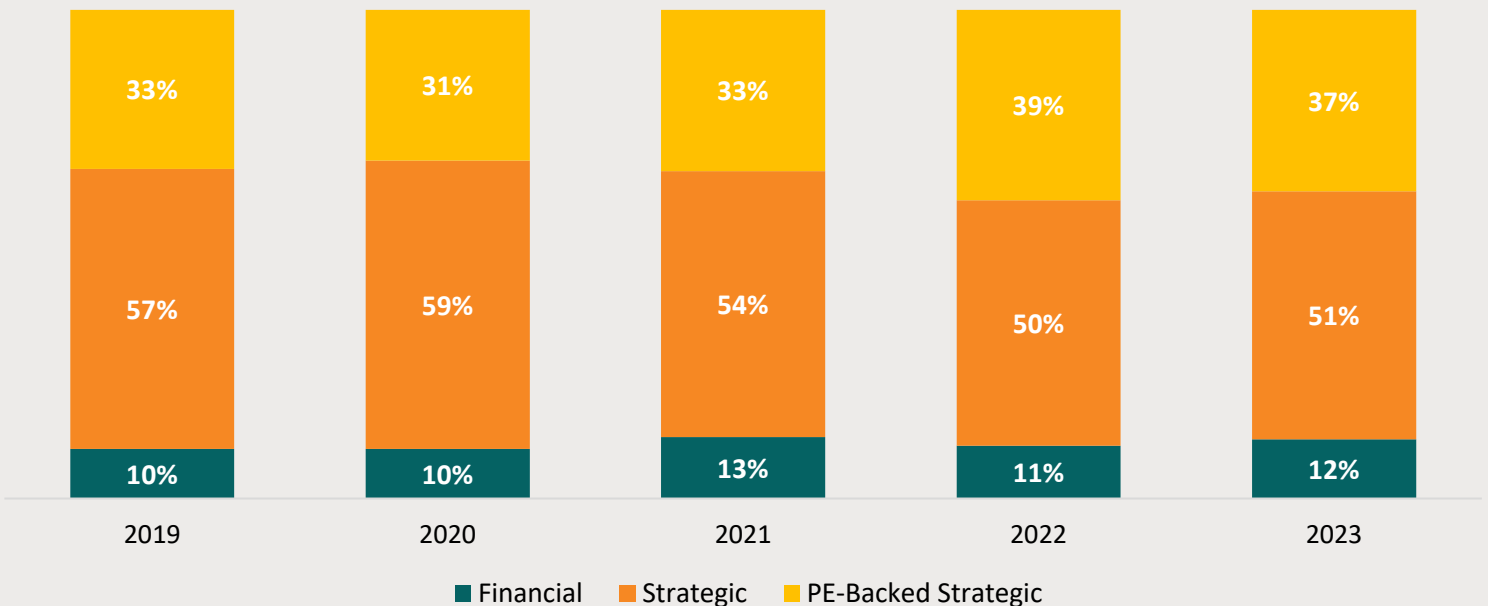
Deal Count by Sector



Deal Count by Sub-Sector



Strategic vs. Financial Sponsor M&A



Sources: PitchBook, SIA

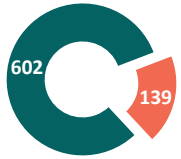
Recent Notable Transactions

<p>HR TECH STRATEGIC</p>	 \$3.0B NOV 2023 MERGED WITH 	<ul style="list-style-type: none"> • Virgin Pulse is an employee health engagement platform which drives well-being, culture, and productivity across organizations. • The merger with HealthComp will create a tech-enabled platform that can develop novel benefits programs while leveraging AI to track and improve outcomes.
<p>HR TECH FINANCIAL</p>	 \$12.5B JUN 2023 	<ul style="list-style-type: none"> • Qualtrics helps organizations collect feedback and data across 4 sectors: Customers, Employees, Brand, and Product. • SAP divested Qualtrics to Silverlake and CPP Investments, which will allow Qualtrics to partner with ERP vendors to broaden its overall market and bolster investments into new technologies, like artificial intelligence.
<p>HR TECH FINANCIAL</p>	 \$1.5B MAY 2023 	<ul style="list-style-type: none"> • Momentive Global, formerly known as SurveyMonkey, is a survey software product that enables organizations to engage with customers and employees. • This public-to-private LBO will bolster Symphony Technology Group’s portfolio of software, analytics, and data companies.
<p>HR TECH FINANCIAL</p>	 \$2.6B MAR 2023 	<ul style="list-style-type: none"> • Works Human Intelligence (WHI) operates a payroll software intended to simplify hiring and staffing work. • Bain Capital and GIC will be co-control shareholders as they support the company’s next phase of growth and augment WHI’s enduring customer value proposition.
<p>HR TECH FINANCIAL</p>	 \$4.6B FEB 2023 ACQUIRED BY 	<ul style="list-style-type: none"> • KnowBe4 operates the world's largest simulated phishing platform to train employees to detect and avoid the ongoing threat of social engineering attacks. • Vista will provide additional resources and operational expertise to enhance KnowBe4’s services and scale the business to international clients.
<p>STAFFING STRATEGIC</p>	 \$607M DEC 2023 ACQUIRED BY 	<ul style="list-style-type: none"> • Impellam Group provides managed and specialist staffing services in Global Managed Services, STEM, Regional Specialist Staffing and Healthcare. • HeadFirst believes Impellam represents an attractive opportunity to expand into managed services providers and a STEM workforce and recruitment group.
<p>STAFFING STRATEGIC</p>	 \$300M NOV 2023 ACQUIRED BY 	<ul style="list-style-type: none"> • Medical Search International specializes in temporary or locum tenens staffing and permanent placement of physicians and other healthcare professionals. • With the acquisition, AMN Healthcare’s portfolio of solutions will expand to provide clients with a larger and more diverse candidate pool.
<p>STAFFING STRATEGIC</p>	 \$137M NOV 2023 ACQUIRED BY 	<ul style="list-style-type: none"> • Kelly’s European staffing business offers staffing services, permanent placement, payroll process outsourcing, recruitment process outsourcing, and talent advisory services. • The divestiture helps Gi Group Holding focus on global managed service provider (MSP) solutions, global recruitment process outsourcing (RPO) solutions, and specialty outcome-based and staffing service.

HCM Active Buyer Summary

Top Acquirers – Last 30 Months

Buyer Acquisition Activity



■ 1 Acquisition
 ■ >1 Acquisition

965 acquisitions since June 30, 2021

37% of buyers made more than 1 acquisition in the last 30 months

Acquirers	Most Recent Acquisitions
<p>Executive Search</p>	<p>Executive Search</p>
<p>Insurance / Benefits</p>	<p>Payroll</p>
<p>Payroll / Software</p>	<p>Staffing</p>
<p>Staffing</p>	<p>Staffing</p>
<p>Staffing</p>	<p>Workforce Mgmt.</p>

HR M&A Transactions

CORE HR							
Deal Date	Company Name	Acquirer	Deal Size (\$M)	Revenue (\$M)	EBITDA (\$M)	Revenue Multiple	EBITDA Multiple
Dec-23	Confera Group	Summitas Gruppe	n/m	n/m	n/m	n/m	n/m
Dec-23	HelloFlex Group	Zvoove Group	n/m	n/m	n/m	n/m	n/m
Dec-23	Canadian Payroll Services	Vensure Employer Services	n/m	n/m	n/m	n/m	n/m
Dec-23	Syntegro	Visma Group	n/m	n/m	n/m	n/m	n/m
Dec-23	PayAnalytics	beqom	n/m	n/m	n/m	n/m	n/m
Dec-23	The Musgrave Group	Hub International	n/m	n/m	n/m	n/m	n/m
Dec-23	JRP Financial Services	Hub International	n/m	n/m	n/m	n/m	n/m
Dec-23	ProHance	ChrysCapital	n/m	n/m	n/m	n/m	n/m
Dec-23	Blueprint Benefit Advisors	Patriot Growth Insurance	n/m	n/m	n/m	n/m	n/m
Dec-23	primeFORCE	ATS Management Consulting	n/m	n/m	n/m	n/m	n/m
Nov-23	Trace	Paylocity	n/m	n/m	n/m	n/m	n/m
Nov-23	Ahgora	Totvs	n/m	n/m	n/m	n/m	n/m
Nov-23	Orion	Fieldware	n/m	n/m	n/m	n/m	n/m
Nov-23	Awms	Zucchetti Group	n/m	n/m	n/m	n/m	n/m
Nov-23	Ovation Solutions	Alula Technologies	n/m	n/m	n/m	n/m	n/m
Nov-23	Punter Southall Aspire benefit	Foster Denovo	n/m	n/m	n/m	n/m	n/m
Nov-23	opcyc	mVISE	\$12	n/m	n/m	n/m	n/m
Nov-23	Health Plan Philippines	Hive Health	n/m	n/m	n/m	n/m	n/m
Nov-23	MD Employee Benefit Services	Riggs, Counselman	n/m	n/m	n/m	n/m	n/m
Nov-23	Integrity Outsource	G&A Outsourcing	n/m	n/m	n/m	n/m	n/m
Nov-23	KMSI	Magellan Partners	n/m	n/m	n/m	n/m	n/m
Nov-23	CompXL	Salary.com	n/m	n/m	n/m	n/m	n/m
Nov-23	Enrollify	Element451	n/m	n/m	n/m	n/m	n/m
Nov-23	Smartlinx Solutions	Undisclosed	n/m	n/m	n/m	n/m	n/m
Nov-23	SentryHealth	First Stop Health	n/m	n/m	n/m	n/m	n/m
Oct-23	Kimedics	LocumTenens.com	n/m	n/m	n/m	n/m	n/m
Oct-23	OfficeRnD	Blue Star Innovation	n/m	n/m	n/m	n/m	n/m
Oct-23	Epowerhr	BCS	n/m	n/m	n/m	n/m	n/m
Oct-23	Brio Benefit Consulting	Alera Group	n/m	n/m	n/m	n/m	n/m
Oct-23	Wealth Wizards Benefits	The Ink Group	n/m	n/m	n/m	n/m	n/m
Oct-23	Cloud8	Benefex	n/m	n/m	n/m	n/m	n/m
Oct-23	Novus Benefit Advisors	Choice Insurance Agency	n/m	n/m	n/m	n/m	n/m
Oct-23	Avista Time	Marathon Software	n/m	\$2	\$0	n/m	n/m
Oct-23	Altman Insurance Services	Arthur J. Gallagher & Co	n/m	n/m	n/m	n/m	n/m
Oct-23	Gotcha Covered HR	Delta Admin Services	n/m	n/m	n/m	n/m	n/m

HR M&A Transactions

TALENT MANAGEMENT							
Deal Date	Company Name	Acquirer	Deal Size (\$M)	Revenue (\$M)	EBITDA (\$M)	Revenue Multiple	EBITDA Multiple
Dec-23	7Mind	7NXT Health	n/m	n/m	n/m	n/m	n/m
Dec-23	Kantola Training Solutions	Traliant	n/m	n/m	n/m	n/m	n/m
Dec-23	UltimateSuite	ServiceNow	n/m	n/m	n/m	n/m	n/m
Dec-23	Dashe and Thomson	ttcinnovations	n/m	n/m	n/m	n/m	n/m
Dec-23	Pekarsky & Co.	Humanis Talent Acquisition	n/m	n/m	n/m	n/m	n/m
Dec-23	TalentKeepers	Quantum Workplace	n/m	n/m	n/m	n/m	n/m
Dec-23	Bealink	Syfadis	n/m	n/m	n/m	n/m	n/m
Dec-23	Exercite	Epassi Group	n/m	n/m	n/m	n/m	n/m
Dec-23	Infosec Learning	ACI Learning	n/m	n/m	n/m	n/m	n/m
Dec-23	Pingboard	Workleap	n/m	n/m	n/m	n/m	n/m
Nov-23	Diverst	MentorcliQ	n/m	n/m	n/m	n/m	n/m
Nov-23	Formsite	Formstack	n/m	n/m	n/m	n/m	n/m
Nov-23	theEMPLOYEEapp	Engagedly	n/m	n/m	n/m	n/m	n/m
Nov-23	Virgin Pulse	Health Comp	\$3,000	n/m	n/m	n/m	n/m
Nov-23	The Diversity Movement	Workplace Optics	n/m	n/m	n/m	n/m	n/m
Nov-23	The Talent Enterprise	Mercer	n/m	n/m	n/m	n/m	n/m
Oct-23	VitalTalent	Epic Agility	n/m	n/m	n/m	n/m	n/m
Oct-23	ComplyNet	KPA	n/m	n/m	n/m	n/m	n/m
Oct-23	Loom	Atlassian	\$975	n/m	n/m	n/m	n/m
Oct-23	Totara	Tenzing Private Equity	n/m	n/m	n/m	n/m	n/m
Oct-23	Wellday (Pulse Survey)	HRBrain	n/m	n/m	n/m	n/m	n/m
Oct-23	Knomary	Astra Linux	n/m	n/m	n/m	n/m	n/m
Oct-23	Insiris	OCU Group, Triton	n/m	n/m	n/m	n/m	n/m
Oct-23	Charma	The Predictive Index	n/m	n/m	n/m	n/m	n/m

TALENT ACQUISITION							
Deal Date	Company Name	Acquirer	Deal Size (\$M)	Revenue (\$M)	EBITDA (\$M)	Revenue Multiple	EBITDA Multiple
Sep-23	Wheebox	ETS	n/m	n/m	n/m	n/m	n/m
Dec-23	Workstyle Tech	Kaonavi	n/m	n/m	n/m	n/m	n/m
Nov-23	Winnow AI	Aya Healthcare	n/m	n/m	n/m	n/m	n/m
Nov-23	Magellan AI	Listo Global	n/m	n/m	n/m	n/m	n/m
Oct-23	Brazen	Radancy	n/m	n/m	n/m	n/m	n/m
Oct-23	Neotalent	Conclusion	\$52	n/m	n/m	n/m	n/m
Oct-23	eLamp	360Learning	n/m	n/m	n/m	n/m	n/m

Staffing M&A transactions













STAFFING							
Deal Date	Company Name	Acquirer	Deal Size (\$M)	Revenue (\$M)	EBITDA (\$M)	Revenue Multiple	EBITDA Multiple
Dec-23	Impellam Group	HeadFirst	\$607	\$2,456	\$47.63	0.2x	12.7x
Dec-23	Golden Hive	Job Mobz	n/m	n/m	n/m	n/m	n/m
Dec-23	McKinley Marketing Partners	24 Seven	n/m	n/m	n/m	n/m	n/m
Dec-23	TEC Staffing Services	HireQuest	n/m	\$34	n/m	n/m	n/m
Dec-23	Shipyards Staffing	NSC Technologies	n/m	n/m	n/m	n/m	n/m
Nov-23	Medical Search International	AMN Healthcare Services	\$300	\$155	n/m	1.9x	n/m
Nov-23	Mainline Information Systems	H.I.G. Capital	n/m	n/m	n/m	n/m	n/m
Nov-23	Waddell Recruitment	CMRG	n/m	n/m	n/m	n/m	n/m
Nov-23	Progilisys Solutions	Talent Group	n/m	n/m	n/m	n/m	n/m
Nov-23	Corazon	Ingenovis Health	n/m	n/m	n/m	n/m	n/m
Nov-23	INNOVA People	Starfish Partners	n/m	n/m	n/m	n/m	n/m
Nov-23	Logis CFO	Conexus Search	n/m	n/m	n/m	n/m	n/m
Nov-23	Savage Partners	Russell Reynolds Associates	n/m	n/m	n/m	n/m	n/m
Nov-23	Solutions Staffing	Premier Health of America	\$15	n/m	n/m	n/m	n/m
Nov-23	EliteGroup	Eurocom Networks	n/m	n/m	n/m	n/m	n/m
Nov-23	Kelly (European Staffing)	Gi Group Holding	\$137	n/m	n/m	n/m	n/m
Nov-23	Focus Staff	Havencrest Capital	n/m	n/m	n/m	n/m	n/m
Oct-23	SBG Healthcare	Epic Staffing Group	n/m	n/m	n/m	n/m	n/m
Oct-23	Laboratory Staffing	Xenspire	n/m	n/m	n/m	n/m	n/m
Oct-23	PediaStaff	American Health Staffing	n/m	n/m	n/m	n/m	n/m
Oct-23	Focus Insights	Waterstone Human Capital	n/m	n/m	n/m	n/m	n/m
Oct-23	Reliant Nationwide Staffing	Flexicrew Technical Services	n/m	n/m	n/m	n/m	n/m
Oct-23	TTi Global	Premier Staffing Solutions	n/m	n/m	n/m	n/m	n/m
Oct-23	The Corridor Group	WellSky	n/m	n/m	n/m	n/m	n/m
Oct-23	Abacus Technical Services	Talent Group	n/m	n/m	n/m	n/m	n/m
Oct-23	Chartwell Staffing Services	Partners Personnel	n/m	n/m	n/m	n/m	n/m
Oct-23	Recruiter.com (Healthcare)	Futuris	n/m	n/m	n/m	n/m	n/m

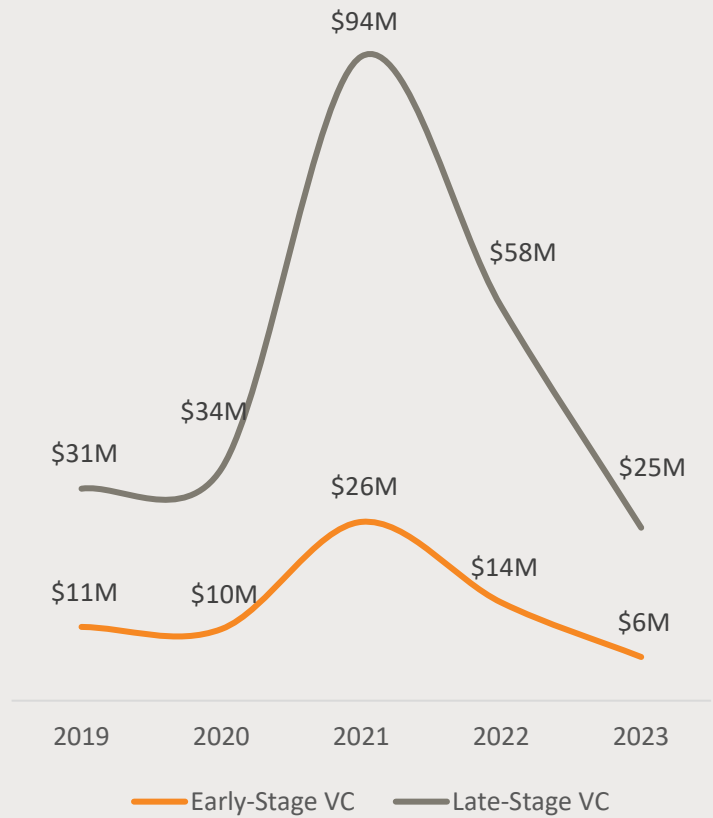
Sources: PitchBook, SIA

HCM Financing Summary

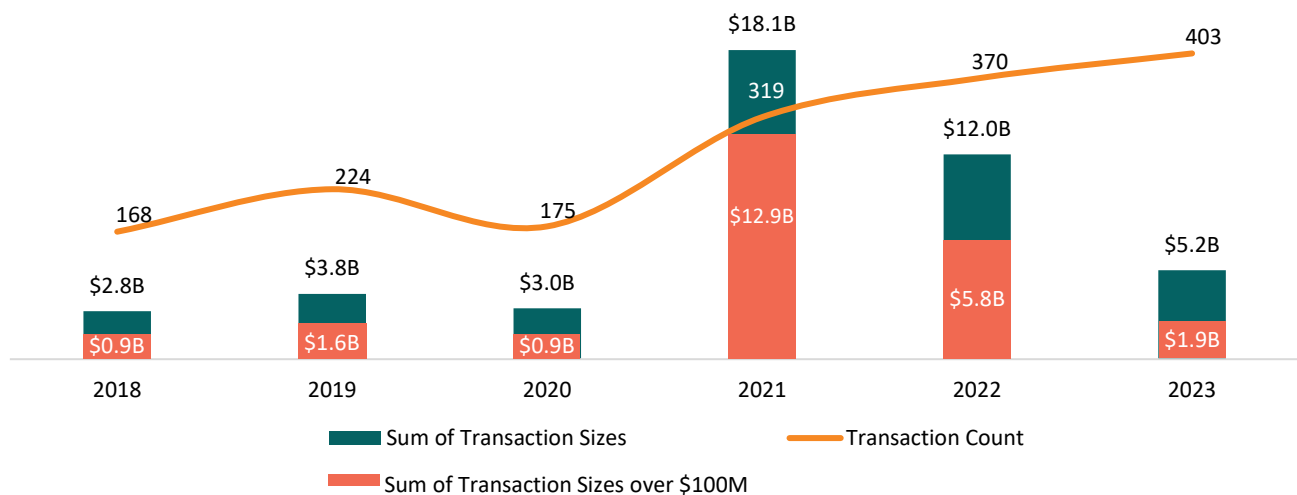
Notable Financings

Retracting Average Deal Size

<p>Workforce Management</p> <div style="border: 1px solid #ccc; padding: 10px; margin-bottom: 10px;">  <p>\$500M MAR 2023 RECEIVED INVESTMENT FROM GREENOAKS <small>CAPITAL PARTNERS</small></p> </div> <div style="border: 1px solid #ccc; padding: 10px;">  <p>\$263M OCT 2023 RECEIVED INVESTMENT FROM TCV</p> </div>	<p>Workforce Management</p> <div style="border: 1px solid #ccc; padding: 10px; margin-bottom: 10px;">  <p>\$300M JAN 2023 RECEIVED INVESTMENT FROM </p> </div> <div style="border: 1px solid #ccc; padding: 10px;">  <p>\$179M APR 2023 RECEIVED INVESTMENT FROM </p> </div>
<p>Compensation & Benefits</p> <div style="border: 1px solid #ccc; padding: 10px; margin-bottom: 10px;">  <p>\$500M MAR 2023 RECEIVED INVESTMENT FROM GREENOAKS <small>CAPITAL PARTNERS</small></p> </div> <div style="border: 1px solid #ccc; padding: 10px;">  <p>\$263M OCT 2023 RECEIVED INVESTMENT FROM TCV</p> </div>	<p>Compensation & Benefits</p> <div style="border: 1px solid #ccc; padding: 10px; margin-bottom: 10px;">  <p>\$300M JAN 2023 RECEIVED INVESTMENT FROM </p> </div> <div style="border: 1px solid #ccc; padding: 10px;">  <p>\$179M APR 2023 RECEIVED INVESTMENT FROM </p> </div>



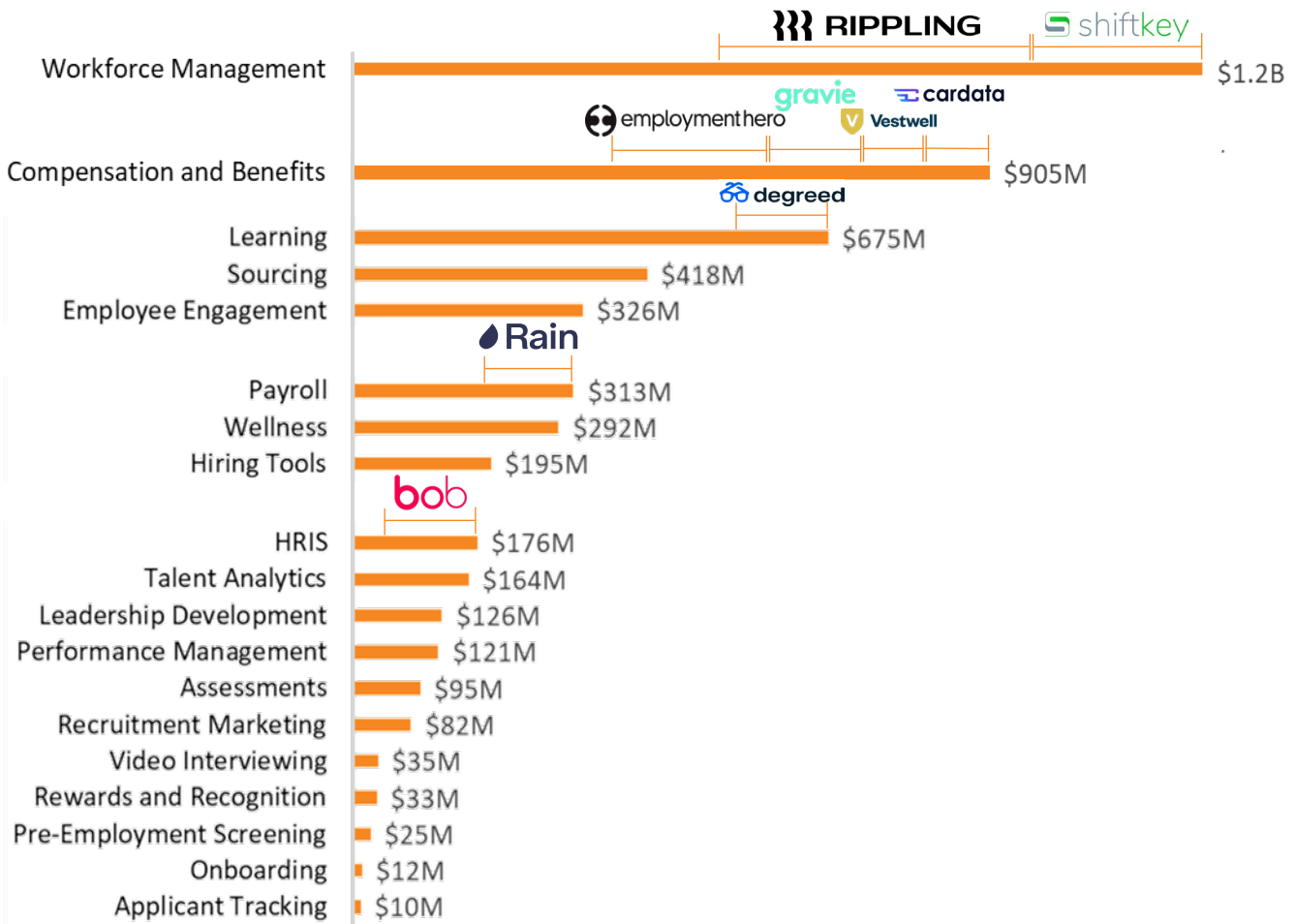
Annual Financing Activity



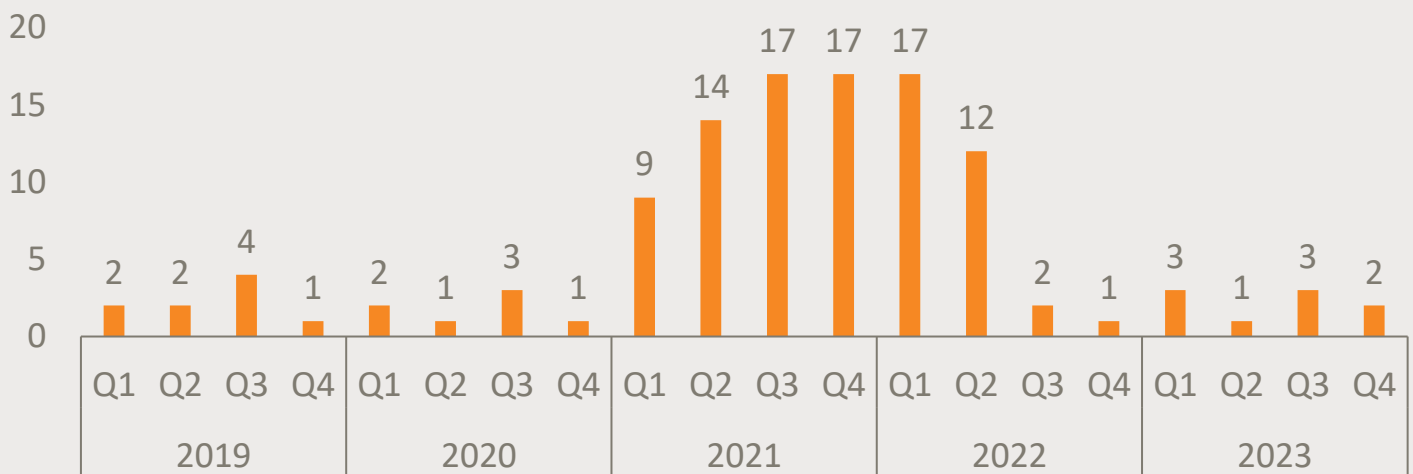
Source: PitchBook

HCM Financing Activity

2023 Financing Activity by Sub-Sector



VC Deals Over \$100M



Sources: PitchBook, HRTECHFeed

HCM Financing Activity

EARLY-STAGE VENTURE CAPITAL

Deal Date	Company Name	Broad Category	Deal Size (\$M)	Pre-Money Valuation (\$M)	Lead/Sole Investors
Dec-23	Buddy	Talent Management	n/m	n/m	Boğaziçi Ventures
Dec-23	ScreenSteps	Talent Acquisition	\$1	n/m	Undisclosed
Dec-23	Redrob	Talent Acquisition	\$4	n/m	Murex Partners, DS & Partners
Dec-23	Forte	Talent Management	\$3	n/m	Alignpact, Cubit, Fairbridge Park
Dec-23	Velents	Talent Acquisition	n/m	n/m	A15, AUC Venture Lab, Nibras
Dec-23	Salt labs	Core HR	\$8	\$60	Third Prime
Dec-23	CareerFairy	Talent Acquisition	\$10	n/m	Mediahuis
Dec-23	nCore HR	Talent Acquisition	\$2	n/m	Vertis SGR
Dec-23	Paynest	Talent Management	\$2	n/m	Lince Capital
Dec-23	Rflect	Talent Management	\$1	n/m	Undisclosed
Dec-23	JustParent	Core HR	\$2	n/m	Concept Ventures
Dec-23	Rhythms	Talent Management	\$26	n/m	Madrona, Greenoaks Capital
Dec-23	Spart	Talent Management	\$2	n/m	Bpifrance, Finorpa
Nov-23	Elliephant	Talent Management	\$1	n/m	Jagen Family Office, LaunchVic
Nov-23	Every	Core HR	\$10	n/m	Base10, Cambrian Fintech
Nov-23	Inclusively	Talent Acquisition	\$13	n/m	Firework Ventures
Nov-23	Workshop	Talent Management	\$12	\$48	McCarthy Capital
Nov-23	Go4clitc	Talent Management	\$1	n/m	Undisclosed
Nov-23	Bloom	Talent Management	\$10	\$27	Vault Investments, Innovation
Nov-23	BrightGo	Core HR	\$3	n/m	Costanoa, Index Ventures
Nov-23	Betterleave	Core HR	\$2	\$8	Chingona, VITALIZE, STRIVE
Nov-23	JOBJACK	Talent Acquisition	\$3	n/m	NEXT176
Nov-23	Ontern	Talent Management	n/m	n/m	Capital Factory
Oct-23	Humancore	Talent Acquisition	\$1	n/m	Undisclosed
Oct-23	MilitaryConnected	Talent Acquisition	\$1	n/m	Undisclosed
Oct-23	Likeminded	Talent Management	\$8	n/m	Holtzbrinck Digital
Oct-23	Traba	Talent Acquisition	\$22	n/m	Founders Fund
Oct-23	Kota	Core HR	\$5	n/m	EQT Ventures
Oct-23	Prolucent	Talent Acquisition	\$4	\$38	A1 Health Ventures
Oct-23	HealthCaters	Talent Management	\$1	n/m	Barmenia Next Strategies
Oct-23	Sidebar	Talent Management	\$14	n/m	Foundation Capital, Scribble
Oct-23	Outstaffer	Talent Acquisition	\$2	\$3	Beachhead Capital, Utiliti Group
Oct-23	Yardstik	Talent Acquisition	\$20	\$29	MissionOG, Rally Ventures
Oct-23	Gardenuity	Talent Management	\$6	n/m	The Retail Connection, Anchor
Oct-23	Keep Company	Talent Management	\$1	n/m	Pixel Perfect, Purple Sage
Oct-23	Escalate	Talent Management	\$1	n/m	TEDCO, ECMC Foundation
Oct-23	Goodwrx	Talent Acquisition	\$4	n/m	Advantage Capital
Oct-23	Moonhub	Talent Acquisition	\$10	n/m	GV and Khosla Ventures
Oct-23	Workfully	Talent Acquisition	\$1	n/m	Indico Capital Partners
Oct-23	Spotted Zebra	Talent Management	\$9	\$25	Nauta Capital
Oct-23	Candidate.fyi	Talent Acquisition	\$1	n/m	SuperAngel.Fund
Oct-23	Klara	Talent Management	\$5	n/m	Ankaa Ventures
Oct-23	Hiring Branch	Talent Acquisition	\$3	n/m	BDC Capital
Oct-23	AskFora	Talent Acquisition	\$2	n/m	Firsthand Alliance, Glasswing
Oct-23	Julius	Talent Management	n/m	n/m	Avesta Fund, Strada Education
Oct-23	Perfect	Talent Acquisition	n/m	n/m	Firestreak Ventures
Oct-23	Seedl	Talent Management	n/m	n/m	The FSE Group

HCM Financing Activity

LATE-STAGE VENTURE CAPITAL					
Deal Date	Company Name	Broad Category	Deal Size (\$M)	Pre-Money Valuation (\$M)	Lead/Sole Investors
Dec-23	Bucketlist	Talent Management	\$4	n/m	Blossom Street, Channel, TH
Dec-23	Vestwell	Core HR	\$125	\$875	Lightspeed Venture Partners
Dec-23	HireArt	Talent Acquisition	\$2	n/m	Undisclosed
Dec-23	Zuper	Core HR	\$32	\$120	Fuse
Dec-23	Jitjatjo	Talent Acquisition	\$30	\$82	Morningside Group
Dec-23	MaintainX	Core HR	\$50	n/m	Bain Capital Ventures
Nov-23	ThoughtExchange	Talent Management	\$10	n/m	InBC Investment
Nov-23	weavix	Talent Management	\$23	\$77	Undisclosed
Nov-23	Plumm	Talent Management	\$3	n/m	IW Capital
Nov-23	Cloud Dentistry	Talent Acquisition	\$2	\$38	Dental Innovation Alliance
Nov-23	Edify.ai	Talent Management	\$4	\$18	Pelion Venture Partners
Nov-23	Retorio	Talent Acquisition	\$10	n/m	SquareOne Venture Capital
Nov-23	Jobecam	Talent Acquisition	<\$1M	n/m	IDB Lab
Nov-23	Luminous Group	Talent Management	\$1	n/m	Mercia Asset Management
Nov-23	Nowsta	Core HR	\$5	n/m	Undisclosed
Nov-23	Weeve	Talent Management	n/m	n/m	Capital Factory
Nov-23	Kahuna	Talent Management	\$23	\$36	Resolve Growth Partners
Nov-23	Tanda	Core HR	n/m	n/m	Fireball Capital
Nov-23	Work Shield	Core HR	\$6	n/m	Ballast Point Ventures
Oct-23	Rali	Talent Management	\$2	n/m	Undisclosed
Oct-23	Employment Hero	Core HR	\$263	\$1,737	TCV
Oct-23	Swingvy	Talent Acquisition	\$8	\$28	Aviva Ventures, Shiftee, We Sure
Oct-23	Hivebrite	Talent Management	\$37	n/m	Quadrille Capital
Oct-23	1Huddle	Talent Management	n/m	n/m	EMERGING, NJ Science
Oct-23	Atana	Talent Management	\$6	n/m	Alliance of Angels
Oct-23	Humly	Talent Acquisition	n/m	n/m	Viking Venture, Alfvén&Didrikso
Oct-23	Jisr	Core HR	\$30	n/m	Merak Capital
Oct-23	Corporate Modelling	Talent Management	n/m	n/m	The FSE Group
Oct-23	beqom	Core HR	n/m	n/m	Golub Growth

PRIVATE EQUITY GROWTH / EXPANSION					
Deal Date	Company Name	Broad Category	Deal Size (\$M)	Pre-Money Valuation (\$M)	Lead/Sole Investors
Nov-23	Navigate Wellbeing	Talent Management	n/m	n/m	McCarthy Capital
Oct-23	Hallmark Healthcare	Core HR	n/m	n/m	Summit Partners
Oct-23	Harri	Core HR	\$43	n/m	Atalaya, Golub Growth

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HARBOR VIEW

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