

MARKET OVERVIEW

We operate in a rapidly changing market, characterized by increasing digitalization, mobility, diversity and flexibility. We're in a great position to make the most of it and that's what we're fired up to do.

The HR industry is impacted by a number of long-term underlying trends that continue to support its growth. Within this growth market, we have strategically chosen geographic markets that provide strong fundamentals enabling us to take full advantage of favorable trends.

By combining this double advantage with our successful business model, we've been able to grow at a higher rate than our peers and rebound from 2020's Covid19 induced disruptions.

"To support our continued growth and success, we make sure we stay on top of the key trends and challenges across our market."

AN AGEING POPULATION AND THE WAR ON TALENT

As our target market ages and workers exit the labour pool, competition among employers is increasing to fill the gaps. This creates an opportunity for intermediaries like House of HR, which have a proven track record of identifying and matching the right candidates to the right jobs. A scarcity of talent for certain roles also drives wages up, which in turn increases our pricing power.

Expected decline in economically active population.

Source: Boston Consulting Group



HAPPINESS

It is increasingly difficult to find qualified candidates to fill some roles that offer long hours and difficult conditions, as younger generations of workers are placing a large premium on happiness in their personal and professional lives. This has contributed to a supply and demand gap in certain end-markets and, as a result, HR solutions providers with the ability to source and place candidates successfully are in greater demand.



TECHNOLOGY CHANGES AND THE SWITCH TO MOBILE

Candidates are increasingly turning to online job boards, particularly through traffic generated by mobile devices. The number of passive job seekers applying through targeted advertisements on social media, when they were not actively searching, is also increasing. House of HR already widely uses job boards, job aggregators and social networks to ensure inflow and optimize sourcing. At the same time, our customers are making digital and automation a number one priority. This leads to project needs and opportunities for our powerhouses.

Source: Boston Consulting Group



per month
Combined audience of job seekers across the four largest job boards



per month
Visitors to Indeed, the largest aggregator



per month
Visitors to Facebook, the largest social network

OUTSOURCING AND OFFSHORING

Financial pressure on companies, especially small- to medium-sized enterprises, have incentivized them to outsource many of their non-core functions. Due to accelerated business rhythms, companies are also increasingly looking to obtain immediately available resources. This has led to an increased need for temporary staffing and outsourced support that can be provided rapidly on short notice.

INCREASED NEED FOR TEMPORARY STAFFING AND OUTSOURCED SUPPORT

DIVERSITY AND INCLUSION

As the trend towards increased diversity and inclusion becomes mainstream amongst employers, service providers have an opportunity to provide increasing value to their clients by tapping into broad, international pools of candidates.



Proportion of global and HR procurement professionals who believe that D&I is a priority today for their employed workforce.

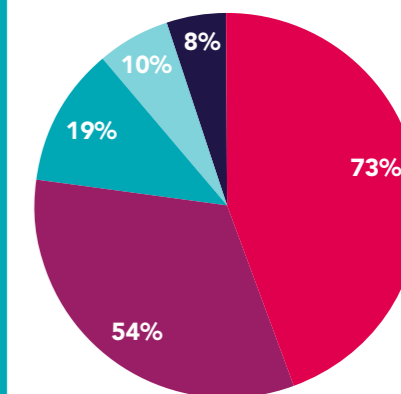
Source: SIA Staffing Industry 2021 Trends

TRAINING AND RESKILLING FOR CAREER MOBILITY

Millennial workers, especially highly skilled ones, are increasingly mobile and seeking a varied career path, driving the need for reskilling. This reskilling can be provided through formal and on-the-job training that's typically provided as part of our engineering & consultancy offer or as part of temporary work agreements.

According to a report published by Deloitte in May 2020, more respondents identified organizations as the entity responsible for workforce development, than any other key stakeholder, see chart below:

Responsibility for workforce development



- Organizations
- Individuals
- Educational institutions
- Governments
- Professional associations/unions

Source: Deloitte Global Human Capital Trends survey, 2020



Proportion of organizations who say reskilling the workforce is important or very important for their success over the next 12 to 18 months.

Source: Staffing Trends 2021 SIA