

2020

# STATE OF THE RECRUITING INDUSTRY REPORT



**Project Manager**  
6 placements pending

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Top Echelon's State of the Recruiting Industry Report is back! And is it better than ever? Of course it is! (Actually, that's purely subjective, but we're confident you will agree with us.)

However, is the state of the recruiting profession better than ever? Well . . . we're going to have to plead the Fifth Amendment on that one.

That's because the recruiting profession entered 2025 with a sense of cautious optimism. After a volatile 2024 marked by prolonged hiring cycles, inconsistent demand, and economic uncertainty, many recruiters are taking a pragmatic approach to the year ahead. (And that was before "Tariff Mania" rocked the Stock Market and the broader economy.)

The latest data from our 2025 State of the Recruiting Industry Survey provides a detailed snapshot of the current recruiting landscape—highlighting both the resilience and the challenges experienced by independent and agency recruiters across the United States and Canada.



## Key themes have emerged:

- Declines in placement activity and revenue for nearly half of respondents.
- A growing reliance on technology, though not without frustration.
- Persistent pain points around client indecision and candidate disengagement.
- Strategic focus on business development and automation to improve efficiency and engagement.

The data reveals an industry that's not retreating in the face of headwinds, but actively adapting to them. This report explores the data in depth and includes candid insights from the recruiters living this reality every day.

Because if there's one thing we know about agency recruiters and search consultants, it's that they're candid.

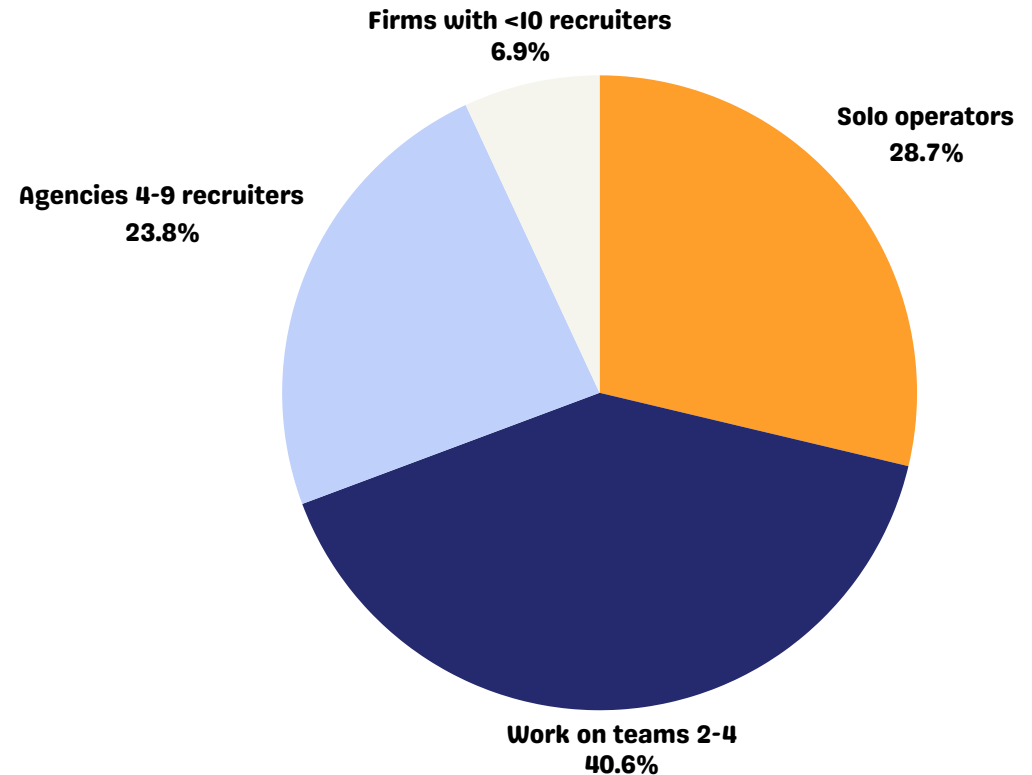


## SURVEY DEMOGRAPHICS: WHO TOOK THE SURVEY?

### RECRUITER EXPERIENCE

As has been the case down through the years, we sent our survey to more than 30,000 agency recruiters and search consultants in the United States and Canada. Over half (51%) of survey respondents have been recruiting for more than 25 years, and another 43% have between 6 and 25 years of experience. Only 6% are new to the profession with fewer than five years of experience.

This demographic breakdown means the trends reported here are drawn from recruiters with deep institutional knowledge, long-standing client relationships, and the ability to benchmark against past economic cycles. These recruiters are experienced and battle-tested. If anybody knows what's going on “in the trenches” of the profession, it's the recruiters who participated in this survey.



These lean teams often have fewer resources and less margin for error, which heightens the importance of smart systems, repeatable processes, and effective technology. Luckily for us, we'll be covering all of these topics—and more—in this comprehensive report.

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**"As a solo recruiter, I rely heavily on automation tools to compete with bigger firms."**

**"Our team of three handled nearly everything—recruiting, marketing, tech. It's lean and it's stressful."**

**"This industry rewards hustle and efficiency. A good CRM makes or breaks your business."**

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## 2024 PERFORMANCE: PLACEMENTS AND REVENUE

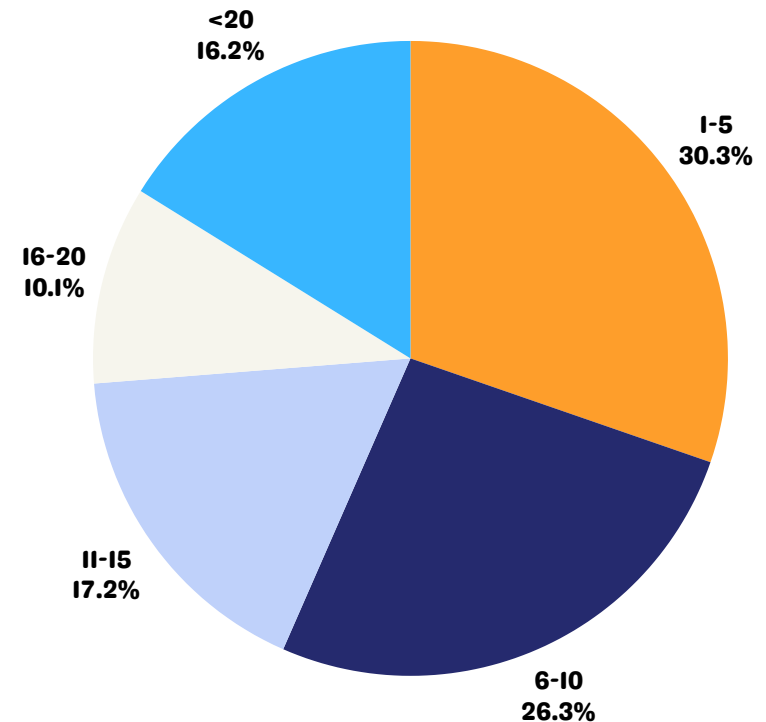
### Number of Placements in 2024 (Per Recruiter)

- 30% made 1-5 placements
- 26% made 6-10 placements
- 17% made 11-15 placements
- 10% made 16-20 placements
- Just 16% made more than 20 placements

(Note: This is on a per-recruiter basis and not per agency.) The majority of recruiters made fewer than 15 placements last year, pointing to either fewer search assignments or longer, more complex hiring processes that resulted in slower closes. Multiple respondents noted that placements were often delayed due to prolonged client decision-making and shifting internal priorities.

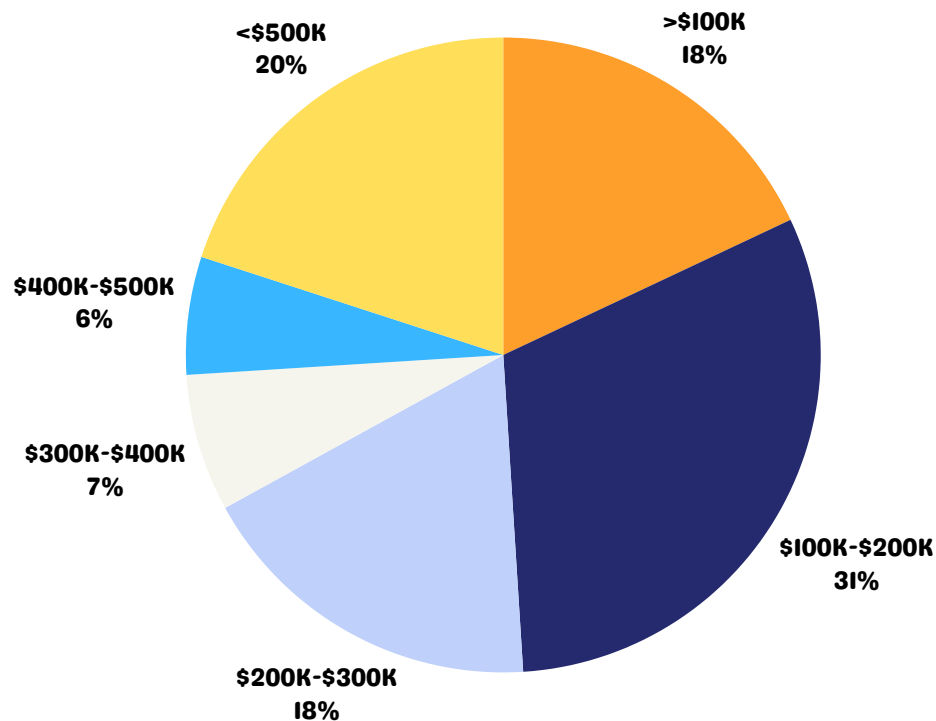
Remember the “salad days” of 2022? Apparently, 2024 made 2023 look like 2022 for many recruiters. And why are they called “salad days”? Wouldn’t we all rather eat something else, like maybe a steak?

### Number of Placements in 2024 (Per Recruiter)

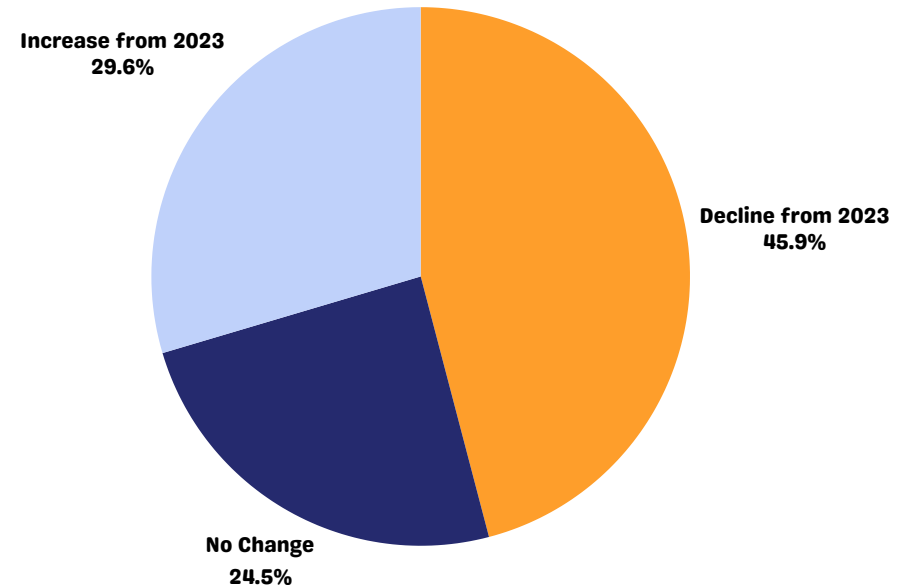


## 2024 PERFORMANCE: PLACEMENTS AND REVENUE

Almost half of recruiters (49%) earned under \$200K for the year. Those earning over \$500K reported success due to niche specialization, strong retained relationships, or contract staffing capabilities that provided recurring revenue.



### YEAR-OVER-YEAR REVENUE COMPARISON



This data paints a picture of a year defined by inconsistency. While some recruiters managed to grow their billings through strategic client work and automation, a large portion saw a downturn in activity and revenue.

Only three out of every 10 recruiters saw an increase in their billings and compensation and nearly half of them went backwards. That is more than enough to make you reach for the antacids.

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**"2024 WAS A GRIND. CLIENTS PAUSED SEARCHES  
MIDSTREAM. CANDIDATES GHOSTED MORE THAN EVER."**

**"WE SHIFTED FROM CONTINGENT TO RETAINED—THAT  
HELPED STABILIZE REVENUE."**

**"IT FELT LIKE WE WERE ALWAYS CHASING MOMENTUM  
THAT NEVER CAME."**

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## INDUSTRY OUTLOOK AND CONFIDENCE

### How Recruiters Feel About the Market

When asked to grade the overall health of the recruiting industry:

- **4% gave it an A**
- **35% gave it a B**
- **46% gave it a C**
- **14% gave it a D**
- **0% gave it an F**

The most common rating was a C, reflecting moderate confidence tempered by caution. Recruiters recognize the market's challenges, but also believe in the enduring value of their work.

Overall, these grades are worse than the grades assigned during previous iterations of the State of the Recruiting Industry Report. Put together, they represent a C+. In years past, that grade was a B+ or B- at worst. But stop living in the past. What does the future hold for the recruiting profession?

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**"IN 25 YEARS, THIS IS THE ROUGHEST MARKET I HAVE EVER SEEN. IT'S NOT A GOOD TIME TO BECOME A RECRUITER."**

**"THERE ARE WAY TOO MANY RECRUITERS CURRENTLY. WHEN I STARTED IN THAT INDUSTRY, THERE WERE LIKE THREE OUR FOUR OF US. NOW, THERE ARE LIKE 200 THAT SAY THEY SPECIALIZE IN MY AREA."**

**"TOO MANY UNQUALIFIED, UNETHICAL PEOPLE OUT THERE. I'M SO HAPPY TO BE IN OUR NETWORK."**

**"LOTS OF YOUNG RECRUITERS COMING UP [WHO] ARE TOO RELIANT ON TECHNOLOGY VS. USING THE PHONE . . . SMILE AND DIAL—PRESS THE FLESH."**

**"WE SEEM TO BE OUTPERFORMING OUR PEERS, WITH A 6% INCREASE IN SALES LAST YEAR AND OUR Q1 COMING IN AS OUR BEST EVER (23 YEARS IN BUSINESS)."**

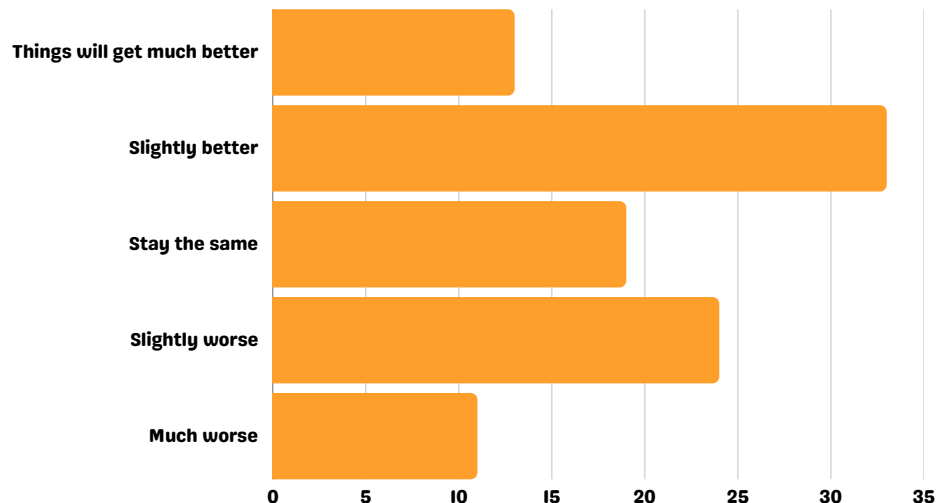
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## ECONOMIC OUTLOOK FOR 2025

### According to Recruiters:

A combined 46% of recruiters expect improvement, while 35% expect the economy to worsen. Optimism is cautious, but not absent.

What's one of the superpowers of a recruiter? Tenacity, you say? Yes, that's probably at the top of the list. But what about optimism? Because when you're an agency recruiter or search consultant and things are bad, you can't sit around thinking about how much worse they can get. That's a good way to no longer be an agency recruiter or search consultant.



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**"I DON'T SEE A MAJOR UPSWING OR DOWNTURN HAPPENING QUICKLY; MORE OF A SLOW, UNEVEN CLIMB ... HIRING WILL LIKELY REMAIN CAUTIOUS."**

**"CONFIDENCE IS GONE IN C-SUITE. EVERYONE IS BUCKLING THE HATCHES AND RESTRICTING ALL UNNECESSARY SPENDING."**

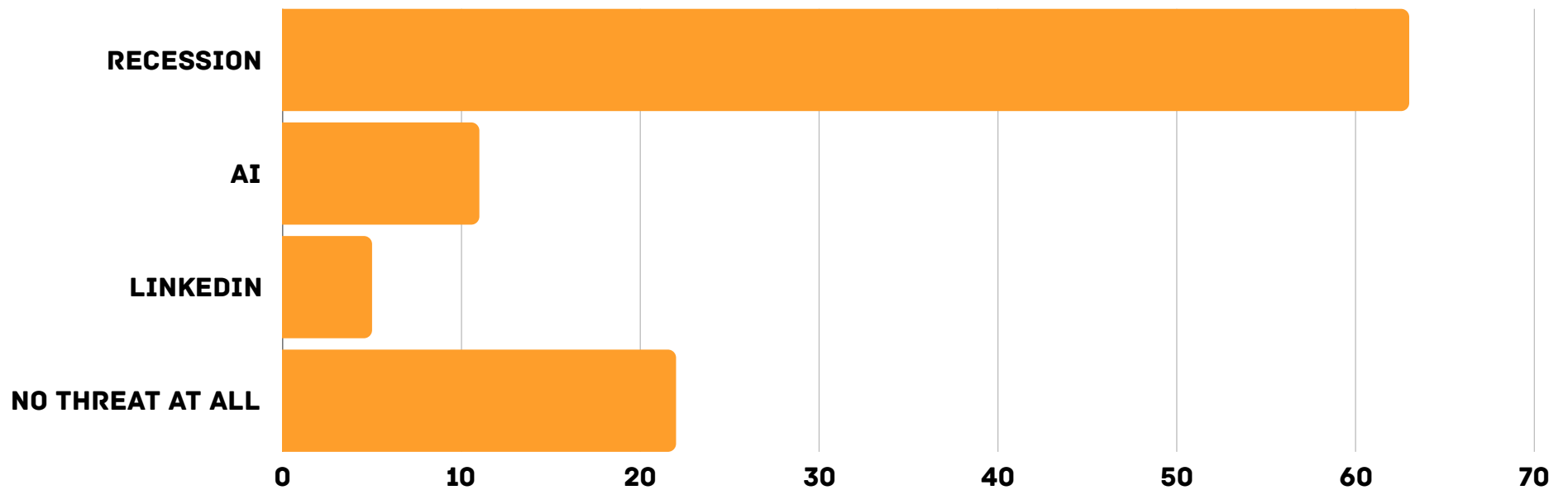
**"OVER 40 YEARS IN RECRUITING. BUSINESS CONSISTENTLY DROPS OFF DURING REPUBLICAN ADMINISTRATIONS ... COULD RESULT IN A BIGGER DECLINE THAN IN THE PAST."**

**"I THINK WE HAVE ALREADY STARTED TO SLOWLY CLIMB OUT OF THE HOLE WE WERE IN AFTER THE TOTALLY UNSUSTAINABLE SPIKE FROM 2020-2022 AND THEN THE CRASH IN 2023."**

**"WE ARE IN AN ADJUSTMENT/RESTRUCTURING/CONSOLIDATION PERIOD. Q1, HISTORY TELLS US, IT'LL IMPROVE."**

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## BIGGEST THREATS TO THE INDUSTRY



## ECONOMIC OUTLOOK FOR 2025

AI is seen as a secondary concern, with economic contraction as the dominant threat. Recruiters are generally confident that human insight will continue to distinguish their services, even as automation expands.

The Internet didn't kill the recruiting profession. Neither did the big job boards. Or email. Or social media. Or smartphones. Or [insert whatever technological advance you want]. So based upon history alone, artificial intelligence will not kill the recruiting profession. (However, if recruiters don't learn to use it effectively, they could lose business to other recruiters who ARE using it more effectively to run their desks.)

But a recession? It wouldn't kill the profession, of course, but it would give it a good jab in the eye.

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**“AI AND LINKEDIN ARE TOOLS, THEY EVOLVE, BUT THEY DON'T REPLACE THE VALUE OF A TRUSTED RECRUITER. THE REAL THREAT IS WHEN COMPANIES HIT PAUSE ALTOGETHER ON GROWING THEIR TEAMS.”**

**“CANDIDATES BEING DEAFENED BY THE NOISE OF AUTOMATED MESSAGING AND NO LONGER CHECKING MESSAGES FROM UNKNOWN #S. ALTHOUGH I THINK CLIENTS ARE REALIZING IT IS NOT THE 'BE ALL AND END ALL' OF SOURCING AND ARE STARTING TO SHIFT BACK TO 'REAL PEOPLE'.”**

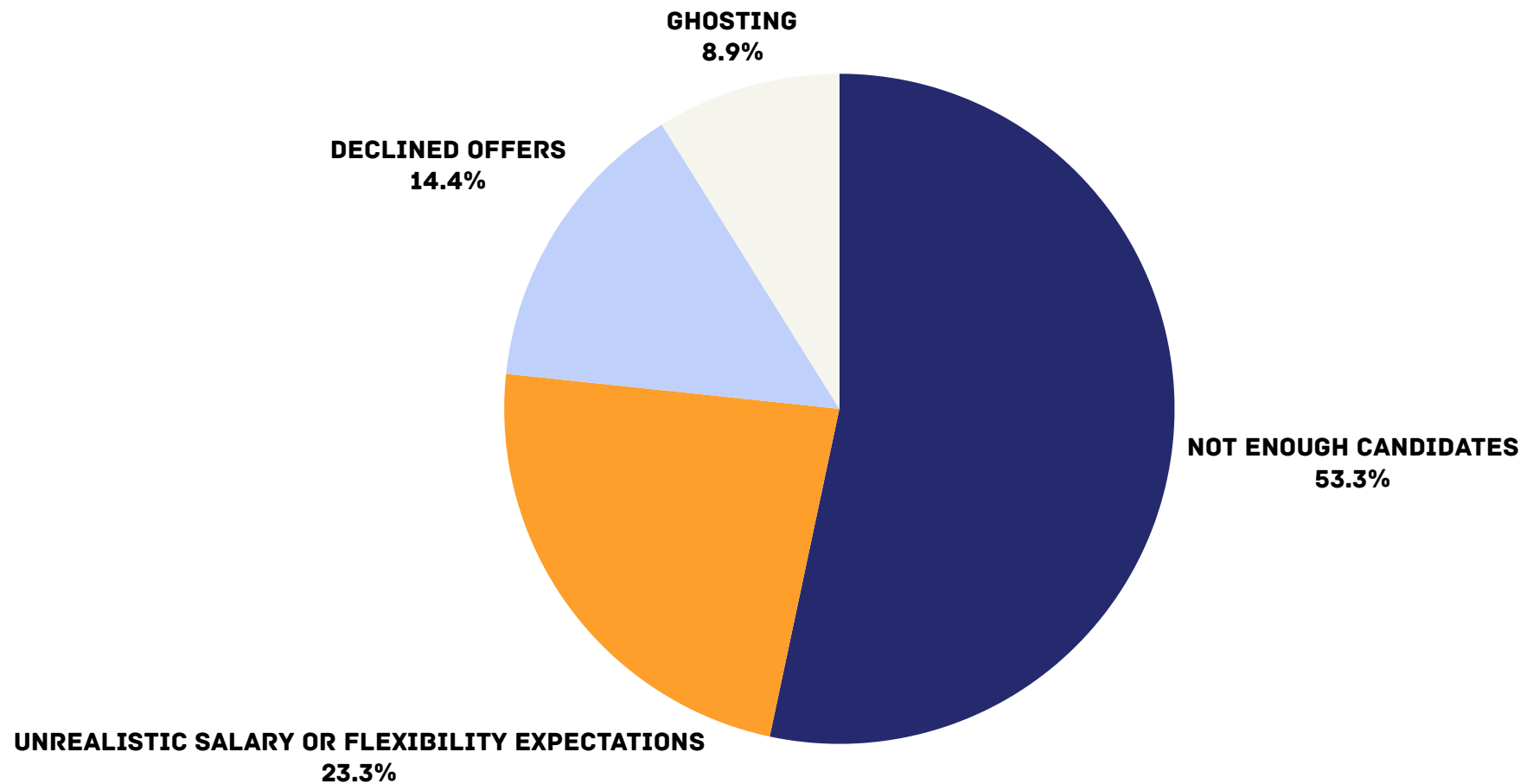
**“THE POLITICAL AND ECONOMIC CLIMATE IS ONE OF UNCERTAINTY. LONG TERM, IT IS A DEPERSONALIZATION OF THE EMPLOYER/EMPLOYEE RELATIONSHIP. TECHNOLOGIES LIKE AI ARE ACCELERATING THIS.”**

**“HEALTHCARE, SPECIFICALLY PHYSICIAN RECRUITING, APPEARS TO BE RECESSION-PROOF AND UNLIMITED. THE BIGGEST ISSUE IS GARBAGE AGENCIES MUDDYING THE WATERS AND CREATING DISTRUST WITH THIRD PARTIES.”**

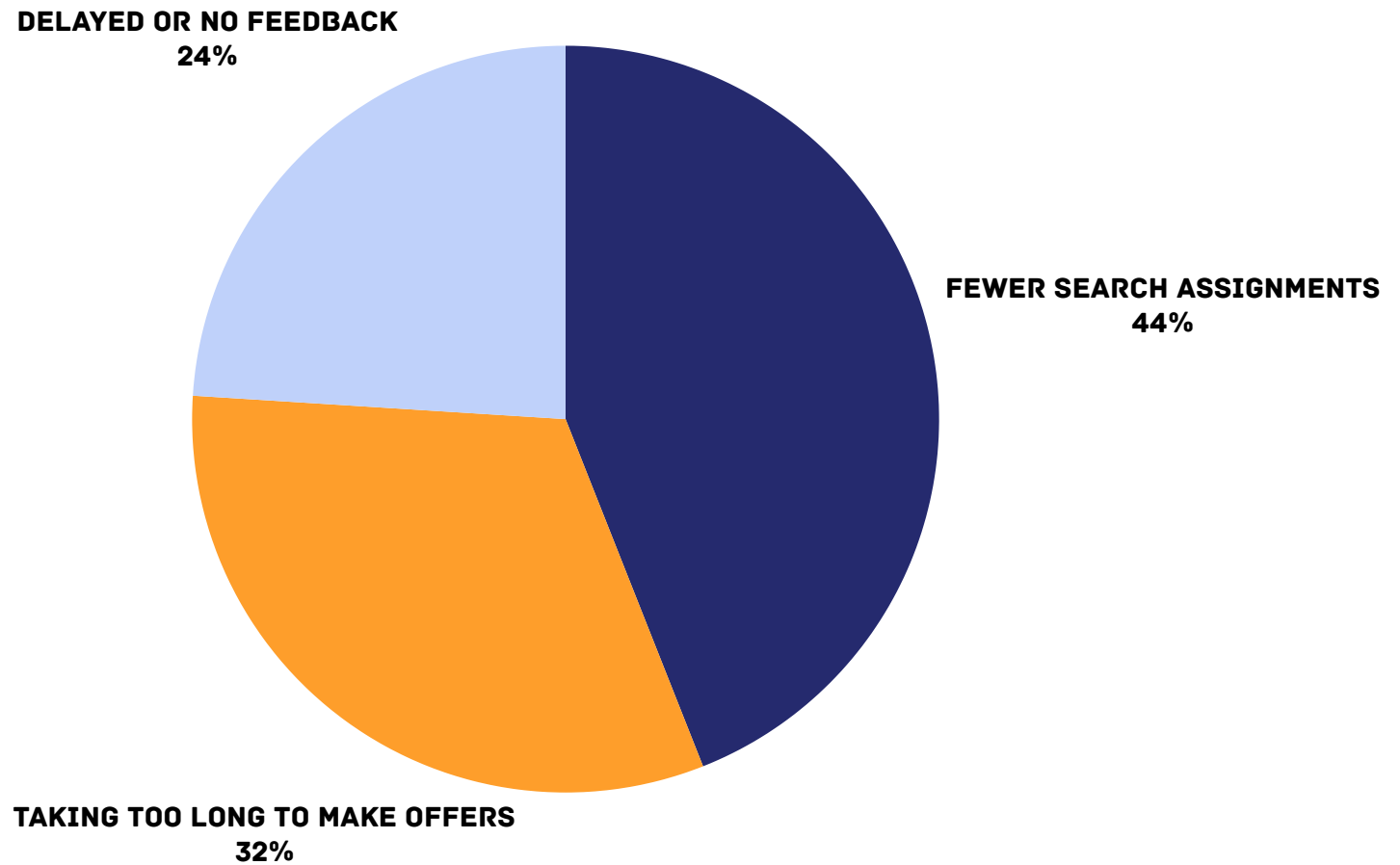
**“RECRUITING IS FLEXIBLE ENOUGH THAT WE SHOULD BE ABLE TO MOVE WITH THE MARKETS AND SURVIVE. BEEN IN IT FOR 40 YEARS ... ALWAYS A NEED.”**

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## CLIENT BEHAVIOR & CHALLENGES



## RECRUITER BEHAVIOR & CHALLENGES



## CLIENT BEHAVIOR AND CHALLENGES

Recruiters are frustrated by client hesitancy. Hiring processes are long and inconsistent, often resulting in missed opportunities. Meanwhile, clients are increasingly demanding and budget-conscious.

Clients . . . can 't live with 'em, can't live without 'em. And everything that bothers recruiters about clients during good times bothers than even MORE during not-so-good times. This underscores the importance of client relationships. The better the relationship, the less drama there is.

Come to think of it, that applies to just about every relationship.

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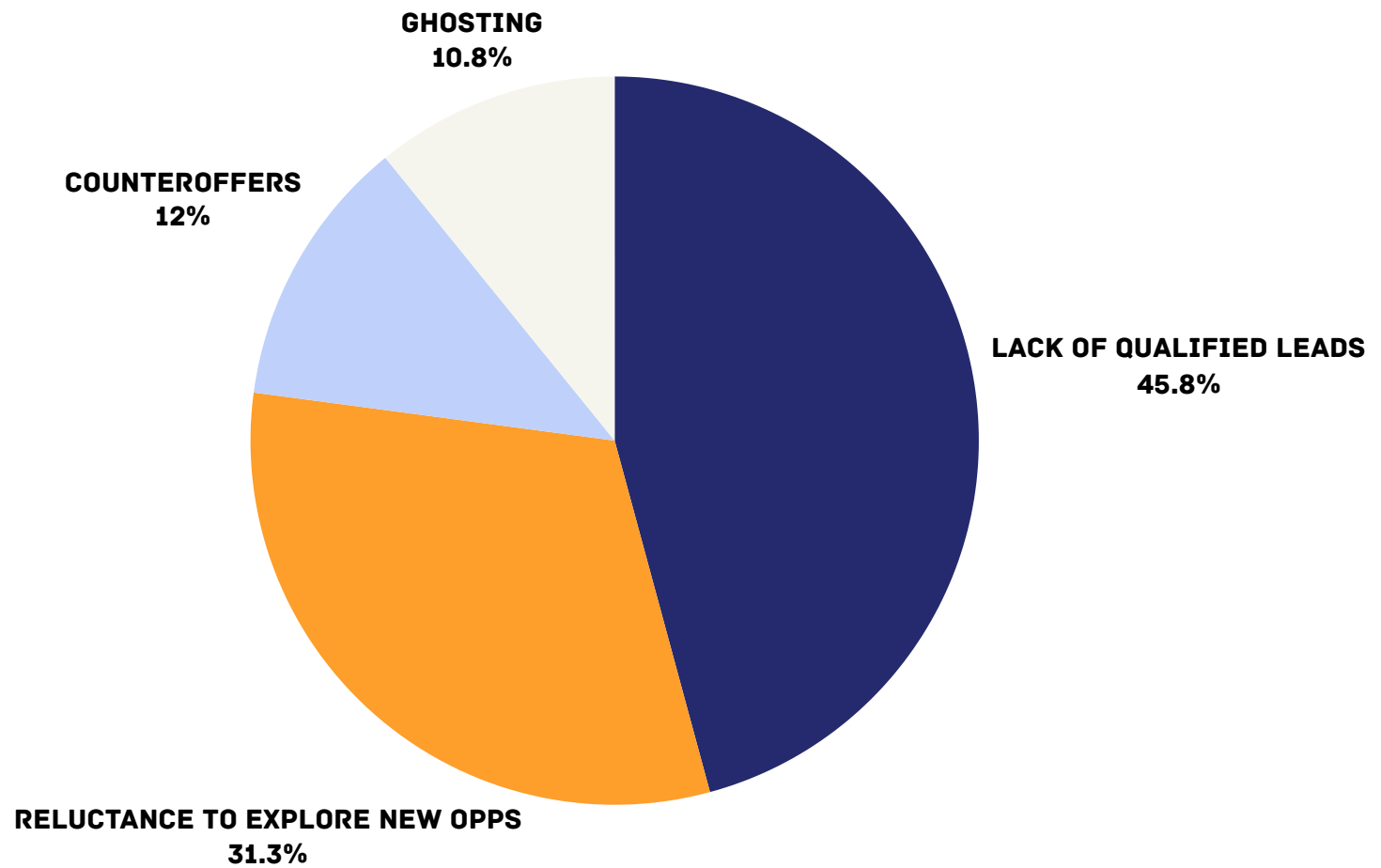
**"Clients want speed, but they create bottlenecks at every stage."**

**"We lost four placements last year because clients waited too long to make an offer."**

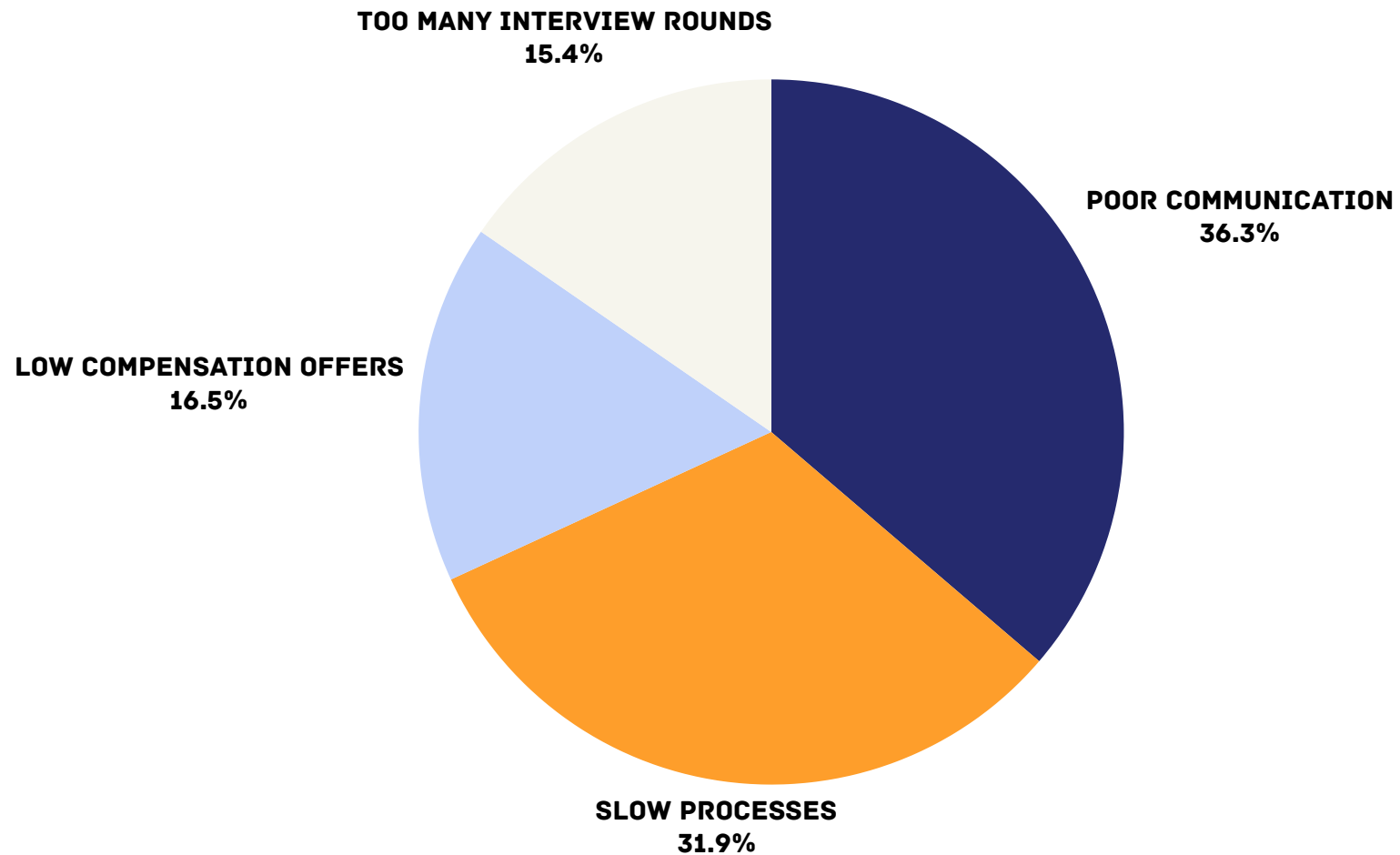
**"The market is candidate-short, but clients expect 2021 volume and response times."**

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## BIGGEST ISSUES WITH CANDIDATES



## CANDIDATE COMPLAINTS ABOUT EMPLOYERS



## CLIENT BEHAVIOR AND CHALLENGES

Candidates are disengaging, especially passive ones. “Ghosting” continues to frustrate recruiters and clients alike. And when employers delay or low-ball offers, top candidates move on.

There is more of a “trust crisis” in the job market than ever before, and that applies to candidates not trusting clients. Unfortunately, many employers don’t trust candidates, too, so let’s add that degree of difficulty to a recruiter’s job. And yes, candidates also have a tendency to not trust recruiters.

Does anybody trust anybody anymore? (That’s a rhetorical question. Trust me.)

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**"Candidates are tired of five-interview processes."**

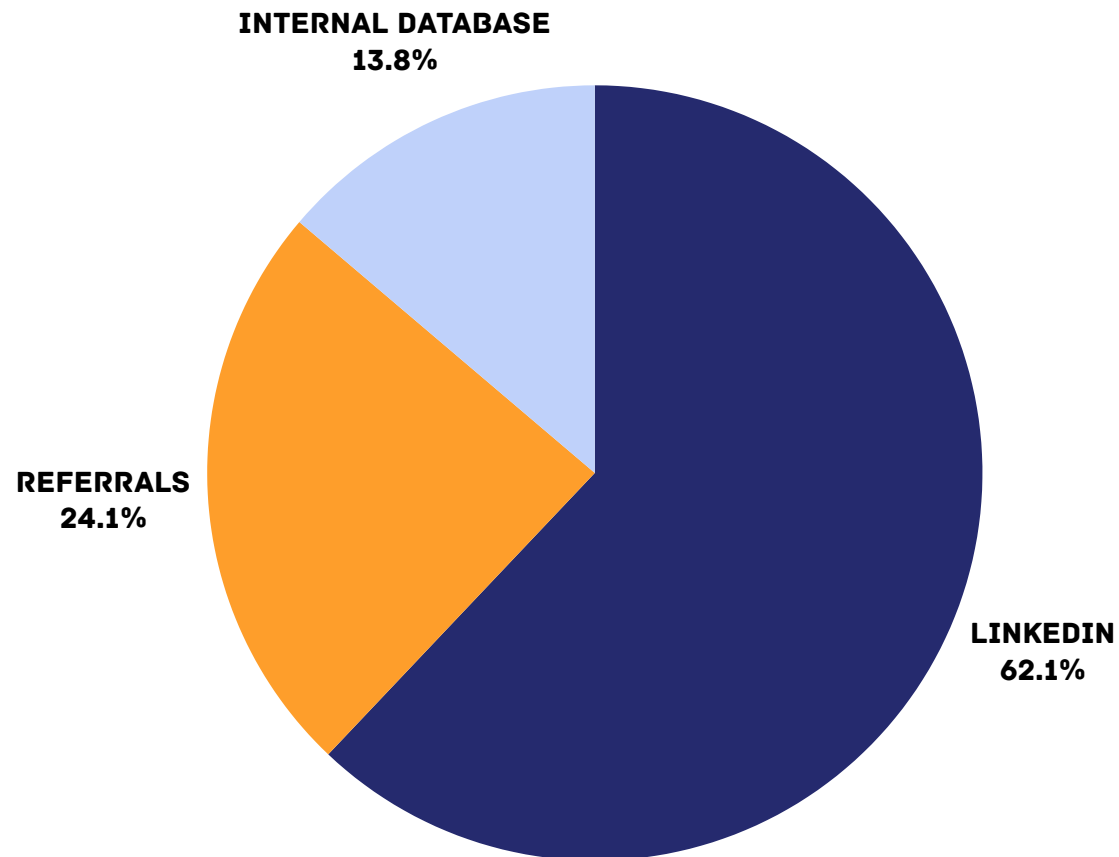
**"Even good offers are getting turned down because people don't trust the market."**

**"Most people are open to talking, but few are willing to move."**

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## TOOLS, TECHS, & ADVERTISING CHANNELS

**TOP SOURCING CHANNELS**

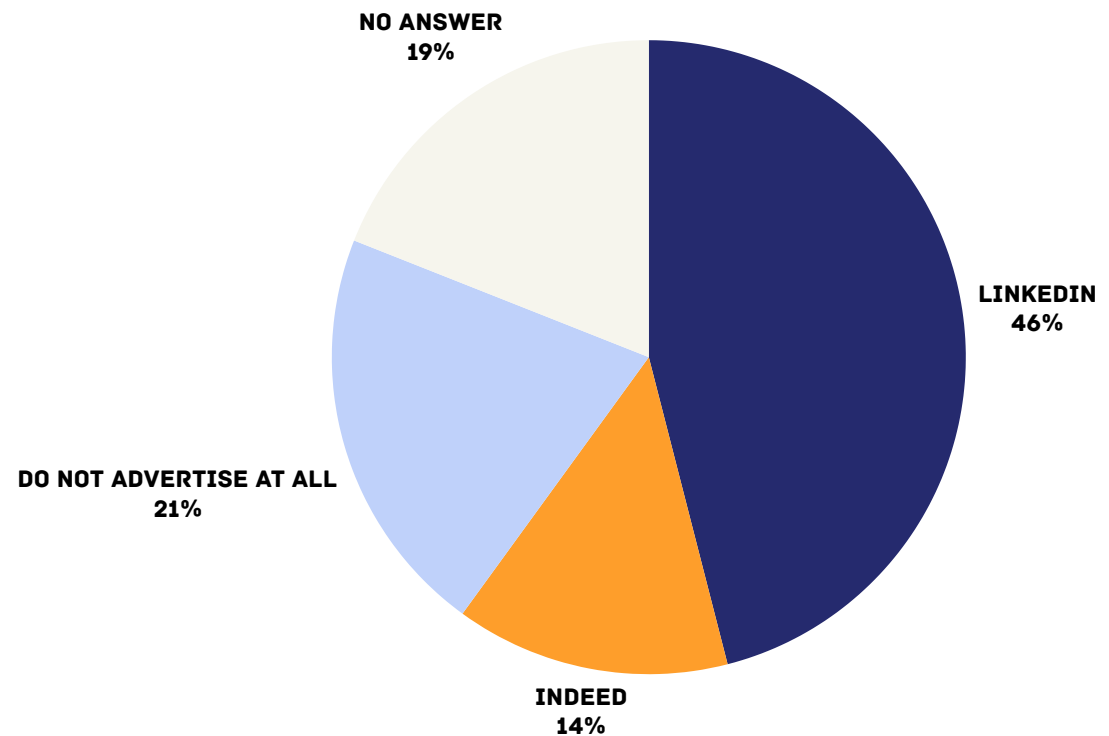


## TOOLS, TECH, & ADVERTISING CHANNELS

LinkedIn continues to dominate sourcing and advertising. However, many recruiters are frustrated by the rising cost and decreasing ROI of online job ads. Recruiters’ “love-hate relationship” with LinkedIn continues unabated. Recruiters love LinkedIn when they make placements because of the platform.

However, regardless of whether they make placements or not, they hate how much LinkedIn is charging them for their tools and services. Since recruiters appear to experience ever-increasing amounts of sourcing and advertising success on the platform on a year-over-year basis, LinkedIn will continue to be the site that recruiters love to hate and hate to love.

### MOST EFFECTIVE ADVERTISING



## COMMON TECH STACK TOOLS

Recruiters are using a variety of tools, but many are struggling with tool fatigue and integration challenges. Streamlined systems and strong automation are becoming essential.

This is the first time in the history of Top Echelon's State of the Recruiting Industry Report that the words "tech fatigue" has been mentioned. So many tools, so little time, and so little patience. There is a tipping point for these kinds of things, and recruiters have apparently reached that point and gone over it. They want tools that can do more things . . . not every single little tool that does every single little thing.

**CRM** **TE Recruit (formerly Big Biller), PC Recruiter, Crelate**

**sourcing** **LinkedIn Recruiter, ZoomInfo, SourceWhale**

**data entry** **Excel, Monday.com, Google Sheets**

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**"I want fewer tools that do more. Too many platforms just slow me down."**

**"LinkedIn is a must, but it's not the magic bullet it once was."**

**"We're trying to automate outreach without losing the personal touch."**

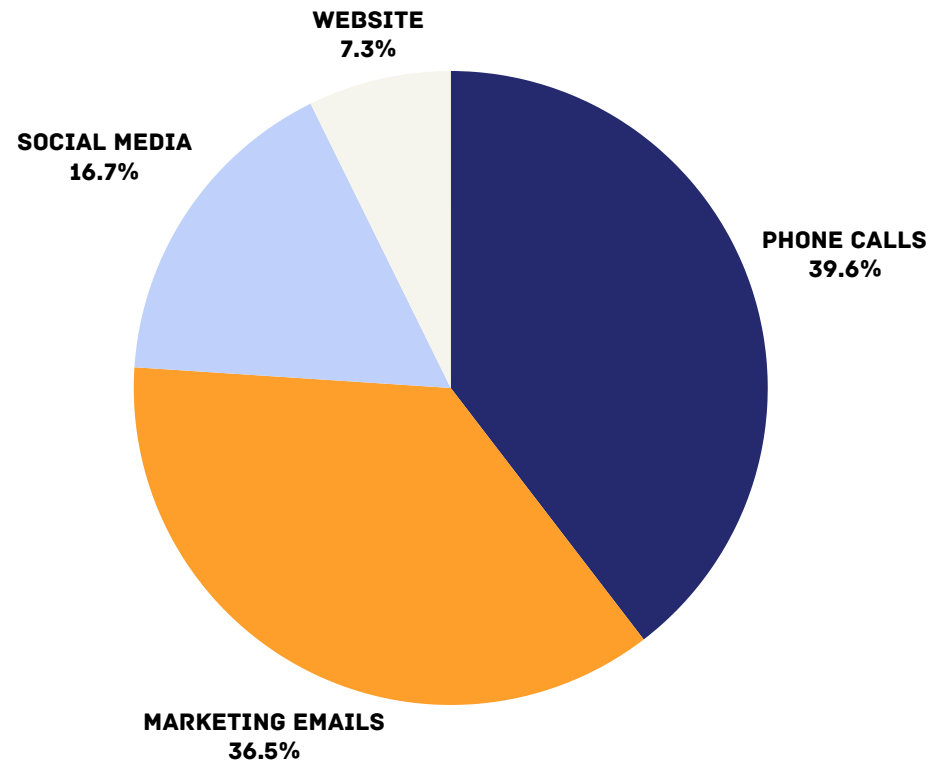
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## BUSINESS DEVELOPMENT AND MARKETING

Recruiters continue to rely on outbound calling and email marketing to develop new business. Social media is used sparingly, mostly for branding and passive engagement.

No matter the year and no matter how many technological tools are at our disposal, agency recruiters and search consultants still consider the telephone as one of their biggest assets, including when it comes to marketing. It doesn't matter if it's a pay phone. Or hanging on the wall. Or connected to a wire. Or wireless. Or a flip phone. Or . . . well, you get the idea.

### PRIMARY MARKETING METHODS



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**"Email campaigns bring in leads. But cold calling is still the best way to close."**

**"Social is a long game. People rarely respond right away."**

**"Your message has to cut through the noise. Everyone's being pitched."**

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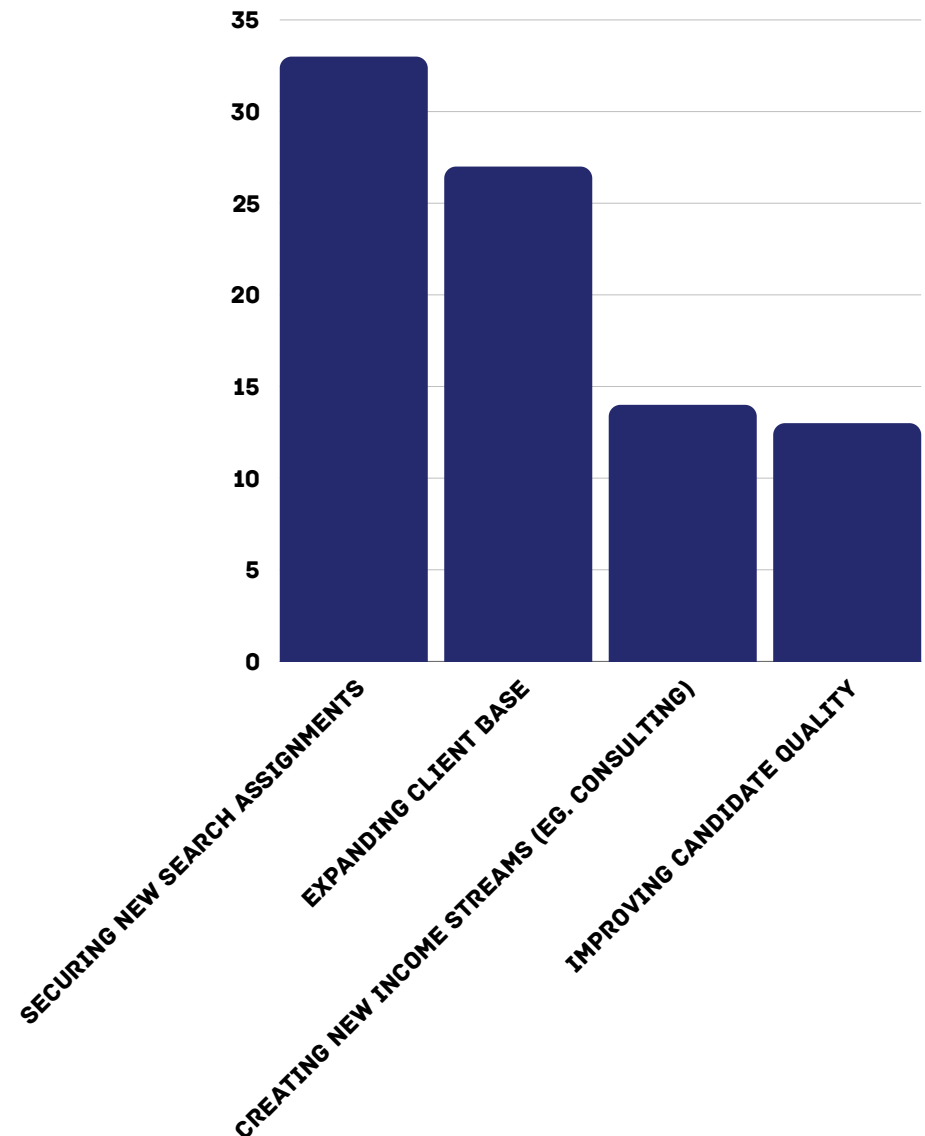
## TOP PRIORITIES AND STRATEGIC SHIFTS FOR 2025

Recruiters are doubling down on business development. Many are diversifying income streams, refining their niches, and using automation to scale outreach.

Just a few years ago, recruiters were all about finding more candidates. Fast-forward to now, and recruiters are all about finding new search assignments. That's because hiring demand has slowed and job orders are not "flowing like honey" as they were in 2022. They're not even "flowing like vinegar."

In fact, the top three priorities for recruiters involve finding new ways to make more money, and that just might be the slogan for all of 2025: "Let's Find New Ways to Make More Money!"

### WHAT RECRUITERS ARE FOCUSING ON



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**“In 2025, my focus is on deepening relationships with existing clients and becoming even more of a go-to partner for their hiring needs.”**

**“I’m able to be somewhat nimble after 30 years in the business . . . tariff talk is decimating the entire vertical Construction market . . . thankfully, I worked heavily in horizontal construction for my first decade and I’m working heavily in that again.”**

**“I have shifted slightly to Healthcare to help the income stream . . . Having recruiters who do know that space to split fees with has been wonderful!”**

**“Expanding my niche into sub-niches.”**

**“I am near the end of my career . . . my priority is to earn a moderate level of income while working part time and transition my business into another recruiter’s business.”**

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## FINAL TAKEAWAYS

Well, here we are: at the end of our report. Has it been as enlightening for you as it has been for us? Some of the results surprised us . . . yet some of them did not.

The recruiting profession in 2025 is defined by contrast. Optimism balanced by caution. Technology-driven efficiency competing with the need for personal connection. Recruiters know they can't rely on old strategies to navigate today's market—they must evolve or risk being left behind.

But for old-school recruiters—those dyed-in-the-wool, pick up the phone over and over again, tried-and-true individuals who live, eat, and breathe the profession—evolution is not optionable. It's part of the profession. And it's rarely been as important to the recruiting industry—and those who work within it—as it is right now.

### WHAT MATTERS MOST

- **Delivering faster, higher-quality engagement with both clients and candidate**
- **Streamlining and unifying tools to reduce friction**
- **Creating consistent, proactive business development strategies**
- **Leveraging automation without losing the human touch**

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“I’ve been recruiting for over 28 years . . . The talent is out there, but getting people to engage and getting companies to move has been the real challenge. That said, I’m still optimistic. Good recruiters know how to adapt, and the relationships we’ve built over time still matter.”

“I think the recruiting industry can still have a bright future, but we need to do a better job of establishing the value we bring to companies beyond just finding people. That value cannot be replicated by internal HR or [talent acquisition] teams.”

“Relationships will always win—but you need the tech to back it up.”

“Adaptability isn’t optional anymore. It’s a survival skill.”

“This business is harder than it’s ever been. But it’s still worth doing.”

And perhaps this final comment sums up, more than any other piece of data or talking point, the state of the recruiting industry in 2025.

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