



Insights

Healthcare

## Market Observations

The wider M&A landscape and its impact on recruitment within healthcare



“The recent wave of acquisitions in the healthcare sector is driving significant change, from enhancing accessibility and operational efficiency to reshaping the competitive landscape. As these dynamics continue to evolve, organisations must adapt their strategies to thrive in this rapidly changing environment.”

## Introduction

UK healthcare M&A activity across 2025–2026 has stayed notably resilient, with activity predominantly driven by trade buyers, accounting for over 75% of transactions.

Several clear trends are emerging. There is sustained investor appetite for healthcare services, particularly those offering differentiated or scalable models of care. The sector continues to attract high-value acquisitions, while the UK private healthcare market is also seeing growing interest from international investors.

The acute care market is facing significant challenges, primarily due to ongoing issues within the NHS and Integrated Care Boards (ICBs). While complexities once prevalent in hospitals are now shifting towards supported living and residential care settings, one-bedded services with higher acuity care packages are becoming increasingly common. This trend aligns with the transforming care agenda, indicating a substantial shift in how care is delivered.

**Adam Brenton, Divisional Director of Healthcare at Compass Associates, explores the impact that M&A activity and wider market shifts are having on the healthcare hiring landscape.**

The primary driver behind current M&A activity in healthcare is accessibility, with a clear focus on services such as counselling, CBT, ADHD assessment, and remote diagnostic capabilities. Increasingly, providers are investing in models that enable faster, more flexible access to care, often delivered outside of traditional clinical settings.

We’re seeing that this shift is having a significant impact on inpatient markets. The growth of remote diagnosis and treatment means that many services can now be delivered effectively from home, presenting a

viable and often more efficient alternative to acute, site-based provision. As a result, demand is gradually moving away from traditional inpatient environments towards more accessible, community and digitally enabled care pathways.

### How is this affecting the healthcare job market?

Firstly, hiring demand is becoming more specialised and decentralised. Organisations backed by investment are seeking clinicians and leaders who can operate within digitally enabled, community-focused models, rather than traditional inpatient environments. This is particularly evident in the growth of remote-first services, where flexibility and adaptability are key hiring criteria.

Secondly, we are seeing an increasing emphasis on leadership and integration capability. As businesses scale through acquisition, the need for experienced operators who can integrate services, standardise quality, and deliver synergies becomes critical. This is creating demand for senior talent with both clinical credibility and commercial acumen.

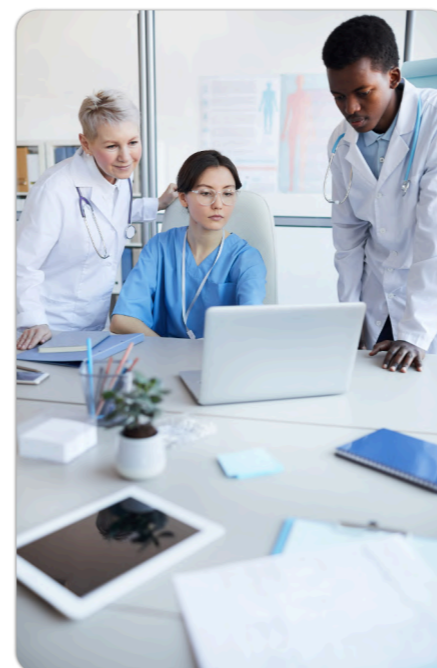
At the same time, the decline in demand for acute inpatient services driven by NHS and ICB pressures has led to a redistribution of talent. Large

providers are experiencing reduced utilisation across hospital settings, while demand continues to rise across supported living and residential care. This is shifting our clients’ recruitment needs away from traditional hospital-based roles and into more complex, community-based environments, including one-bedded, high-acuity services.

### What are candidates prioritising when looking for new roles?

“More than ever, we are seeing candidates who aren’t motivated purely by salary. For many, the priority is quality of care, safety, and long-term career integrity. If they feel those standards are being compromised, whether through reduced staffing or lack of resources, they are willing to move. Often for the same salary or even slightly less, in order to protect their professional reputation and deliver the level of care they believe in.”

Investment in people has become a key differentiator for candidates, frequently taking precedence over higher pay. Movement in the market is increasingly driven by concerns around quality of care, safety, staffing levels, and reputational risk. That said, salary remains important, particularly in areas facing intense competition and ongoing skills shortages.



### So what advice are we giving to clients hiring within this sector?

There has been a broader shift towards platform-led investment, where scale, operational efficiency, and long-term operator partnerships are paramount. While the sector remains fragmented, large institutional investors are increasingly pursuing buy-and-build strategies to create integrated care platforms. For our clients, this means improved access to capital and infrastructure, but also rising expectations around performance, governance, and reporting.

As investment accelerates, so too does demand for experienced leadership. We are already seeing increased demand for regional and executive-level hires, greater emphasis on data-driven decision making, and a growing preference for commercially astute leaders with multi-site experience. To reach these candidates, businesses need a compelling and differentiated talent proposition.

The most effective hiring managers articulate a clear and honest narrative about what makes their organisation a genuinely good place to work. This should cover culture, career development, quality of care standards, and the stability of the business.

In a market where candidates are increasingly driven by values alignment and reputational considerations, the ability to demonstrate strong leadership, a well-resourced environment, and a credible vision for the future will carry far more weight than a marginally higher salary package. Organisations that invest time in defining and communicating this story will consistently outperform those that rely on compensation alone.

### Give thought to AI adoption and hire accordingly

While the healthcare sector has not traditionally been at the forefront of

technological adoption, there is a clear shift underway. I’m seeing a growing expectation that technology-focused leadership will become standard across the industry.

This is already beginning to take shape, with a steady increase in digital and transformation-focused roles coming across our desk. As organisations look to modernise service delivery and improve accessibility, the demand for leaders who can bridge healthcare and technology is only set to accelerate.

Individuals with expertise in AI, data modelling, and digital transformation are increasingly viewed as breakthrough hires for the sector – capable of modernising systems, improving efficiency, and enhancing care delivery.

I believe that providers not yet having these conversations risk falling behind in both the care they can offer and the type of talent they can attract and retain.

### Prioritise attraction and retention

"One of the key challenges our clients face is high attrition, often driven by a lack of infrastructure, insufficient systems, or limited support. Today's workforce expects more in terms of development, engagement, and operational efficiency and where this is lacking, retention inevitably suffers. The priority should be a dual focus: strengthening retention strategies while continuing to invest in new talent. By doing so, organisations can build a more stable, capable, and future-ready workforce."



interview process of around three weeks. This results in an initial timeline of approximately five weeks, although more complex searches can extend to eight weeks or beyond. In addition, notice periods must be factored in, often ranging from three to four months - particularly where candidates are aligned to bonus cycles or year-end transitions. In total, it is not uncommon for the full recruitment lifecycle, from initial briefing to start date, to span up to six months.

Taking a proactive, well-informed approach to hiring timelines enables


organisations to secure the right talent, rather than having to make compromises under time pressure.

My team works closely with organisations across the sector to provide tailored advice on workforce planning, market intelligence, and talent acquisition to ensure our clients are well positioned to attract, retain, and develop the leadership they need.

If you are reviewing your hiring plans or would welcome a strategic conversation about your future workforce, we would be delighted to support you.



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