



HRTech Funding Mar 2022 update

With Q1 bonus!

\$120M
largest
round

13
countries

\$302M
HCM &
Pay

\$1.4B
total
funding

53
rounds

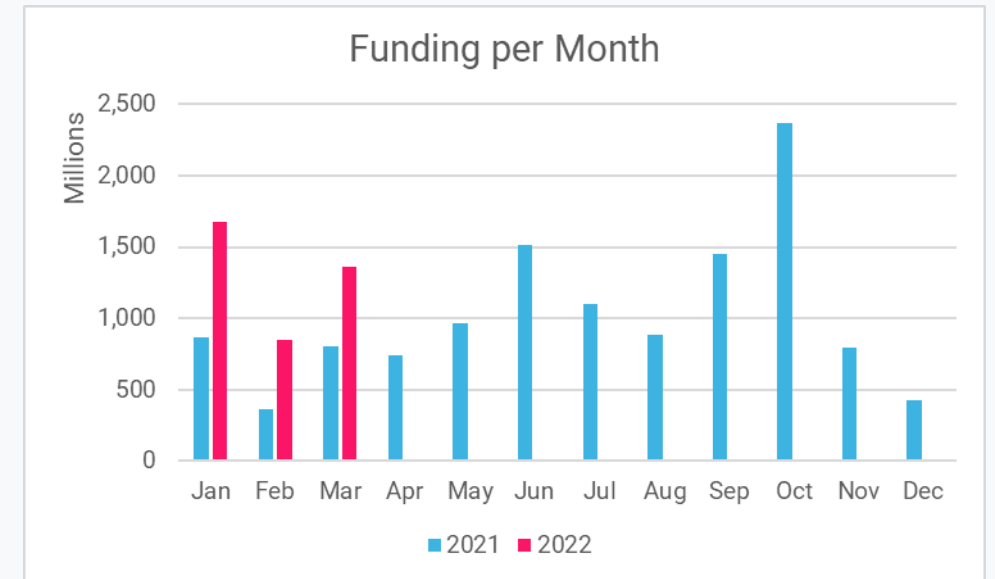
\$26M
average
deal

\$400k
smallest
round

4 yrs
average
age

HR TECH FUNDING Q1 2022

- In the first quarter 144 HR Tech companies raised \$3.9B, compared to 60 rounds totaling \$2B in Q1 of 2021.
- 4 new Unicorns were created.
- The average deal size is trending lower, a trend that started in Q3 of 2021. The typical deal is funded by at least 3 VCs, but usually 4 or more, plus a few private investors.
- HCM and Pay continues to be the largest category. Keep an eye out for Global Workforce solutions and Deskless Workforce solutions.
- 11 companies offering an API solution were funded. That's more than in all of 2021. Earned wage access solutions continue to attract funding too.
- The majority of funding goes to companies headquartered in the United States, even though many of them were originally founded somewhere else.
- The war in Ukraine delayed some announcements but not funding rounds. As these negotiations usually take a while, expect to see the effect of changing valuations in Q2.





Anita Lettink matches HR Tech and payroll companies with investors and clients.

She brings insights and perspectives about the Future of Work.



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