Coverage Initiation: CEIPAL connects staffing, full-time hiring to enhance talent acquisition visibility

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Introduction

CEIPAL is a unique player in the talent acquisition (TA) tooling market as it addresses needs for both staffing vendors and internal corporate recruiters — customer profiles that are typically served by separate products with their own targeted features. Addressing both of these requirements puts CEIPAL in a position to provide more granular detail for its customers' spending and strategies, deepening visibility across the workforce and possibly providing new evidence of return on investment.

The Take

Although it primarily supports staffing firms, CEIPAL has heavily invested in developing tools for corporate recruiting as well. This ability to "cross the aisle" between staffing and recruiting is a differentiator and strength for the vendor, especially when combined with its technological investments in AI, chatbots and short message service (SMS). However, these two worlds are very different, and without additional adjacent value such as plugging overall TA spending data into a corporate performance management or financial planning tool, CEIPAL may struggle to sell its value more broadly into the corporate sector. Still, the company is facing a ripe market following the Great Resignation as human resources (HR) personnel plan increases in both full- and part-time hiring, according to 451 Research's Voice of the Enterprise data. This and the demand for more visibility across the entirety of the workforce could provide a foundation for CEIPAL to accelerate its corporate marketing efforts and stand out as a next-generation tool for both staffing and recruiting.

Context

The firm was founded in 2015 and is based in Rochester, N.Y. In addition to its headquarters, it has a sales office in New York City and a research and development center in Hyderabad, India. Of its 353 employees, 331 are in India and 22 are in the U.S. CEIPAL offers an end-to-end platform for talent acquisition and staffing firms, bridging the gap between hiring full-time and contingent workers, while also providing workforce management and BI tools.

In response to the Great Resignation, 46% of HR professionals are planning to hire more full-time workers and 40% are planning to hire more part-time personnel, according to 451 Research's Voice of the Enterprise: Workforce Productivity & Collaboration, Employee Lifecycle & HR 2022 survey. As such, we expect interest in recruiting tools — especially those that can address both full-time and contingent workers — to increase. Beyond that, of the HR respondents in that survey who used workforce management tools, 59% (top response) said their tools lacked visibility of the entire workforce (e.g., in-office, frontline, field workers, remote), which is something CEIPAL could possibly address as well.

Products

The vendor's product portfolio focuses almost exclusively on talent acquisition, but it also includes workforce management tools for staffing firms as well. It has four product pillars:

- **CEIPAL —** Platform for applicant tracking system (ATS), CRM and workforce management
- **ProcureWise —** Vendor management system (VMS) for staffing
- **TextToHire —** SMS text-based recruiting tool and chatbots
- **CEIPAL DEI-TECH —** Diversity, equity and inclusion (DEI) assessments and implementation

CEIPAL pitches itself as an AI-powered TA platform provider. It offers tools for talent sourcing (for full-time, temporary and diverse talent filters) all the way through to talent management. The curation and pipelining phase is where the VMS tool and the DEI technology would primarily be involved. Then, texts and chatbots bolster the talent engagement portion as well as talent marketing.

Automation is prevalent across the ATS segment in creating job requisitions, setting up alerts, and more. Once the talent is hired, there are workforce management tools like timesheets and absence tracking. Additionally, broader talent trends can be analyzed through dashboards and BI reporting tools.

With an open API, CEIPAL has wide opportunities for integrations. Currently, the company has more than 150 integration partners. It has two patents pending for its products.

Strategy

CEIPAL's ATS is licensed in a per seat-model, while the Workforce product is licensed in a per-employee manner. On the procurement side, it can be either supplier- or buyer-funded. The vendor typically pursues recruitment managers or heads of TA for its ATS and CRM products, while HR tends to be the target more for Workforce.

Currently, CEIPAL has 2,000-plus customers, most of which are staffing firms. Personnel in the IT, engineering, light industrial and healthcare segments are particularly prevalent. The company also serves outsourcing firms like systems integrators and niche solution providers. In terms of its corporate customers, those tend to be mid-market organizations.

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Most customers are in the U.S., but CEIPAL also has customers in the U.K. and India. It is eying regional expansion in the U.K. and India as a future focus area.

Financial

CEIPAL is a privately held company and doesn't publicly disclose any of its financial details. Based on our analysis, though, 451 Research estimates its annual recurring revenue to be $10 million-$15 million. The vendor has raised nearly $30 million in funding over four rounds. The latest round was a $16.5 million series B that it landed in June.

Competition

With its focus on staffing, CEIPAL vies with the likes of Bullhorn, Avionte, JobDiva and Vincere. By blending staffing and full-time recruiting, JobAdder could also be a rival. CEIPAL's SMS recruiting features could bring it into competion with TalentReef as well.

SWOT Analysis

Strengths	Weaknesses
CEIPAL covers both staffing and full-time employee hiring, which not only allows it to address a broad range of markets but also enables it to bring stronger transparency on TA spending and planning to customers doing both things. In addition to this, the company has invested in technologies like AI, chatbots and text hiring to differentiate its use cases and user experience.	While CEIPAL has a breadth of videoconferencing integrations, it lacks strong messaging around AI-enabled video. The firm could benefit from partnering with vendors that provide embeddable video collaboration tools with AI capabilities to collect additional sentiment data, analyze transcripts with natural language processing, and rank candidates.
Opportunities	**Threats**
The company's focus on visibility of total talent spending across staffing and full-time employees makes it a valuable data source for integrated planning. One opportunity would be for CEIPAL to plug into corporate performance management and financial planning and analysis tools more readily for agile headcount planning.	CEIPAL primarily serves staffing firms but offers full-time recruitment support as well. A potential threat could be another large staffing specialist partnering with a widely deployed recruitment or ATS tool (or vice versa) vendor to offer similar visibility and expertise in an effort to cannibalize some of CEIPAL's business — or private equity firms acquiring some of these adjacent businesses and forming their own integrated portfolio.

Source: 451 Research

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