



IN TUNE WITH YOUR BUSINESS NEEDS

**COC FREELANCE MARKETPLACE
BUSINESS PLAN PROPOSAL**

**LEAP PROJECT C:
LOCAL SERVICE BUSINESS GROUP**

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EXECUTIVE SUMMARY

Nature of Project

Our LEAP project was to develop a model for expanding Contract Education to include services provided for local businesses. Our focus was on establishing a streamlined system for businesses to find the help and know-how they need from the variety of talented employees at COC. Hence, the creation of COC's Freelance Marketplace, or COCFM, where local and start-up businesses in the Santa Clarita Valley and surrounding areas can contract COC employees to provide quality freelance services.

This online marketplace is designed to optimize the talent-to-project matching to help local businesses improve performance by finding the right person at the right price for the job. Businesses simply complete an online form stating their project needs and budget. The COCFM manager then sends this request to qualified COC employees who have joined the Freelance Marketplace. Interested employees submit a quote for the project and the business reviews the bids and selects the right freelancer for the job. The freelance connects with the business and develops a project agreement that outlines project deliverables and timeframes. Once the project is finished, businesses can securely pay freelancers through COCFM's secure escrow system. By using this system, businesses are guaranteed 100% satisfaction with their project results.

For COC employees, COCFM offers the opportunity to market sought-after skills to a vast audience with minimal cost. Innovative features, such as online profiles, give freelancers a platform to highlight their skills and experiences to attract or retain businesses.

For the community, COCFM is dedicated to improving the local economy by providing a cutting-edge online marketplace providing competitively priced services to help local businesses grow and thrive. College of the Canyons' Freelance Marketplace complements other business services offered at COC, such as the Small Business Development Center, to support small businesses from a business plan to fruition.

Rationale for Project

From early stage entrepreneurs to established business owners, there will always be times when local companies find themselves in need of a particular business service. Sometimes the business service is a one-time event, so hiring an employee would not be a viable option. Other times contracting out a service can be cost prohibitive. Even seasoned business owners often find themselves in a changing market requiring them to adjust the way they have always done business. This is where COCFM can provide a cost-effective solution for businesses to contract out COC employees to meet their business demands in a professional and reliable manner. From designing a new marketing campaign for a business slumping in sales, to preparing job descriptions for an expanding business, to writing grants for a non-profit organization, the professional business services offered by COC's Freelance Marketplace give local business owners and community organizations a viable option to compete, grow, and succeed.

Project Management

College of the Canyon's Freelance Marketplace would be housed under the Economic Development Division and would be grouped with Contract Education and the Employee Training Institute. The Freelance Marketplace is designed to be web driven to minimize managerial responsibilities. Additionally, the freelance service will be self-supporting due to a built in fee structure to cover



overhead and to recoup startup costs. A stipend is proposed to compensate the COCFM manager for the additional responsibilities of overseeing this program.

Three-Year Projection

College of the Canyons' Freelance Marketplace is projected to grow year over year as word of the success of this program spreads. Initially, the services being offered by COC employees to businesses will consist of the most in-demand services, such as web design, computer programming, multimedia design, marketing, grant writing, and accounting. Within three years, these services offered can expand to include other services available from college employees.

A second phase of the COC Freelance Marketplace can include providing a referral list of contractors outside of COC. Contractors or companies on this referral list can help fill the void in business services that aren't currently available from COC employees. Additionally, listing a business on this referral list can be offered as an incentive for businesses with Chancellor's Business Council memberships.

The web site offerings for COC's Freelance Marketplace will also be improved and refined during the initial years after its launch. Initially the website will be designed to list the professional business services available by category. As businesses begin to contract with COC employees to meet their business needs, the site can then include performance data for past projects for each freelancer and lists of business clients that have utilized the Freelance Marketplace. Success stories and testimonials can be featured on the website from both the business client and the freelancer. In addition, users of this site will be able to post on a forum to provide valuable project research and outsourcing advice.

As more COC employees start to use the online marketplace to advertise their skills, the website can be equipped with assessments to provide quality score rankings for different business services. For the freelancer, this will reveal business strengths and areas for improvement to aid in enhancing performance. For the business client, this will help them to connect with the freelancer with the greatest compatibility for their project needs.

COC's Freelance Marketplace has the potential to develop into an invaluable service for businesses to seek experienced and professional contractors to meet their ever changing business needs.



PROGRAM SUMMARY

MISSION STATEMENT

To afford the local business community the opportunity to partner with College of the Canyons' faculty and staff who can offer their assistance and help businesses succeed and become an integral part of the local economy.

VISION STATEMENT

Within the next three years, the College of the Canyons Freelance Marketplace website will have established:

- An accessible website based program
- A resource that will be self-sufficient
- A menu of services which can be expanded upon
- A place of reference for local businesses to collaborate with college faculty and staff

GOALS & OBJECTIVES

- Provide help to local businesses
- Allow COC employees to showcase and market their skills to the community
- Offer quality services at a reasonable cost
- Strengthen ties of COC employees to the business community

PROJECT DESCRIPTION

The COC Freelance Marketplace is an online website that allows providers to connect directly with the local small businesses who wish to take advantage of their services. The providers are an assortment of individual COC employees who voluntarily choose to participate based on the skills they have to offer. The clients are small businesses who require help on a short-term, as-needed basis. Once the provider and the client determine the right fit for services offered and the client's need, they collaboratively negotiate the terms of the project, including timeline, deliverables, and cost.

There will be a small maintenance fee charged to the provider for participating in COCFM. This maintenance fee will be used to recoup start-up costs and cover ongoing site maintenance and other incidental expenses. COCFM is designed to be a separate, self-sufficient entity and the business agreements are separate from the daily business of the college.



SWOT ANALYSIS

STRENGTHS	WEAKNESSES
<p>Reputation of College of the Canyons The college’s reputation for producing and delivering innovative and quality work will be the springboard to creating a brand identity for the providers.</p> <p>Entrepreneurial Approach By partnering with local businesses via COCFM, the college can strengthen its ties to the community.</p> <p>Unique Assortment of Talent The diversity of talent COCFM that each employee brings to the table creates a very unique collaborative. The united source of this diverse pool of experienced technicians and service people makes it an easily accessible resource for businesses.</p> <p>Established Marketing Venues COCFM can market to local businesses using one of many already established channels. The college has a web site, marquee and already established ties to the business community that can be exploited to market this program with very little or no added expense.</p> <p>Competitive Pricing Structure The cost to businesses will be better than if they had to hire a full-time employee or firm to handle the job. The freelance provider and business person are free to come to agreeable terms, which could mean competitive rates for top quality service.</p>	<p>Conflict of Interest Offered services could be perceived as competing with existing businesses.</p> <p>Potential Liability If a client is not satisfied with a project, they may attempt to recover any compensation or damages from the college.</p> <p>Time Constraints Providers are employees of the college ‘moonlighting’ to complete the work, which constrains their availability to complete outside.</p> <p>Cash Flows An up-front investment of staff time by the college is required to launch the program. Such costs will be reimbursed by the administrative service fee assessed on providers. Length of payback will be determined by amount of business volume.</p> <p>Equipment and Software Some service offerings are depended on access to state-of-the-art district equipment and/or software. Providers may not have similar or comparable equipment and programs available to them for personal use to complete COCFM projects.</p>
OPPORTUNITIES	THREATS
<p>Niche Marketing The COC Freelance Marketplace has the potential opportunities for development of new programs by allowing the employees of the college to actively discover what local businesses need.</p> <p>Start-up Businesses In current stagnant job market, entrepreneurs will create more opportunities by starting up new businesses. Since many of these enterprises will be small in scope the demand will be there for skilled technical assistance that is available on a one-time or contract basis.</p> <p>Product Development The web design used for COCFM can be a prototype used for other business enterprises and exchanges. The autonomous nature of the access can be developed and brought over into other areas of the college’s interest, such as special programs or academics.</p> <p>Partnering with Businesses The goodwill created by assisting with a small start-up business to grow can be an invaluable networking opportunity for future partnerships in other aspects of the business.</p>	<p>Market Demand Given the current economic climate and tight job market the competition from local trades-people might be enough to impede any real growth. There also might be a slowdown in start-up businesses and the need for services.</p> <p>Financial Sustainability The web site does require a certain amount of maintenance and the Marketplace also might require more ‘hands-on’ maintenance as the services and provider base grows. If the jobs offered are infrequent there might not be enough fees generated to provide for the costs to run it.</p> <p>Arbitration Even with an arbitration clause in place there could be legal problems or changes in legislation that might affect the ability of the Freelance Marketplace to remain fully independent of the college.</p>



SERVICES

COCFM will serve as an online marketplace that matches the needs of local small businesses with the services available from College of the Canyons employees interested in working on their own time.

The service will be offered entirely online and feature two main components. The first is a gallery of participating employees. The second is a project list where companies can post information about the work they need completed.

The COCFM website will showcase available employees by areas of expertise. Each participating employee will have an online profile (similar to a Facebook page) where they can list their qualifications and display sample projects.

The other main section of the site is devoted to the needs of clients. They can list the projects they have available, including specifications such as timeline, budget, and scope of work. Employee service providers can view these projects and submit proposals to complete the work.

The site will include a sample contract that clients and providers are encouraged, but not required, to use in formalizing the terms of their arrangement.

Once the contract (if used) is signed, the provider would send a copy to the COCFM manager, along with a check for the service fee.

COCFM will assess a service fee on participating employees to recoup costs of developing and maintaining the site, as well as to pay a stipend to the manager charged with overseeing the site. The fee is equal to 10 percent of the price of the work.

In the initial launch of the site, we envision making the following services available:

- Web & Programming
- Graphic & Multimedia Design
- Writing, Editing & Translation
- Human Resources Consulting
- Information Technology Consulting
- Accounting and Bookkeeping
- Advertising & Marketing Consulting
- Grant Writing

Another feature of the site that will be explored in the first three years is one that offers protection to clients and providers. An escrow account would be an option for both parties to use, but not a requirement. There are multiple ways an escrow account could be implemented. There are third-party web-based solutions that charge a fee for each transaction. There are also software products, such as AltraSoft Online Escrow Pro, that would enable the district to establish and manage an online escrow service for providers and clients. Escrow fees vary between 2 percent and 4 percent, and COC employees should include this cost in their bids. If a business is working with a freelance they have worked with in the past, they can choose to forego the escrow option and use direct invoicing.



MARKET ANALYSIS SUMMARY

The target customers for the COC Freelance Marketplace include local business owners and community members who may need assistance with starting a business. Many of these customers may be referred to the Freelance Marketplace from the Small Business Development Center (SBDC). The SBDC, hosted by COC, is a resource for prospective and existing small business owners to obtain counseling from business advisors on a variety of disciplines including business plan development, accounting and bookkeeping, marketing and sales, and technology. The Freelance Marketplace picks up where the SBDC leaves off by providing the business owners with referrals to qualified professionals who can help implement the advice received from the SBDC business advisors.

Needs Assessment

To assess the need for the COC Freelance Marketplace, COC may conduct a needs assessment for the target populations who are most likely to utilize the services of the Freelance Marketplace. The assessment can be emailed to local business owners and community members in need of business services to determine the desirability and feasibility of utilizing the services offered through the Freelance Marketplace. The needs assessment can be a one-page survey using a 5-point Likert scale as demonstrated in the following example. [See Appendix A: Needs Assessment Survey for Business Owners]

Business Services Survey

To determine the business services available from COC employees, COC may conduct a business services available assessment. A survey can be emailed to all employees to determine their interest, availability, and qualifications to provide professional business services to businesses in the surrounding communities. The business services survey can also be used to start the vetting process of the COC employees that qualify to be service providers. [See Appendix B: Business Services Survey for COC Employees]



STRATEGY & IMPLEMENTATION SUMMARY

The COC Freelance Marketplace will fill a unique and currently unmet need in the marketplace.

Small and start-up businesses have need for expertise in a diverse array of business areas, including graphic design, web optimization, technology consulting and more. But as much as small business owners might want to hire local companies that specialize in such things, they typically cannot because they are under-capitalized.

At the same time, College of the Canyons has a talented pool of employees with the skills and expertise in areas most needed by small companies. They work full-time, but can offer their services on their off hours – early mornings, evenings, and weekends. Although they possess the professional-level experience needed to take on outside projects, they are limited in their hours of availability. As such, if they were to pursue freelance work, they could not command the same level of fees as full-time service providers in their respective fields.

We see a complementary fit between the needs of small local companies, and what COC employees can offer. By working within the limited scheduled of employees, local businesses can access the expertise they need at a price point they can afford.

Given this unique niche, we do not foresee any conflict from local businesses offering the same services who feel we are offering competing services.

Marketing Strategy

Because the COC Freelance Marketplace focuses on a very specific target market, it can be marketed effectively on a limited budget.

Below is a summary of each element of our marketing effort, how it will be used, and the timeline for implementation.



ELEMENT	PROPOSED USE	TIMELINE
Email	<ul style="list-style-type: none"> ▪ Use SBDC client and prospect mailing list to send message announcing site launch. ▪ Monthly email updates will announce new services that come available, new online tutorials (see below) and feature case studies of successful partnerships and more. 	<ul style="list-style-type: none"> ▪ First email – Coincides with launch of site. ▪ Subsequent emails – At least monthly; more frequently if necessary.
Direct Mail Letter	<ul style="list-style-type: none"> ▪ A letter from SBDC Director Steve Tannehill will be written and mailed to all SBDC clients and prospects. ▪ Mailing will include an overview brochure. 	<ul style="list-style-type: none"> ▪ Mailed within 7 days after site is launched.
Brochure	<ul style="list-style-type: none"> ▪ Overview brochure of program and its services will be developed and printed on campus. ▪ Will be mailed with letter above. ▪ Going forward, it will be distributed to prospective clients at first meeting. 	<ul style="list-style-type: none"> ▪ Mailed within 7 days after site is launched.
News Release	<ul style="list-style-type: none"> ▪ Distribute news release announcing launch of service to local media outlets. 	<ul style="list-style-type: none"> ▪ Send within seven days of site being launched.
“Meet the Cougars” Networking Event	<ul style="list-style-type: none"> ▪ Host an event in the University Center where small business owners can come and meet the service providers and learn more about what’s offered. ▪ Could be structured as an early morning breakfast, or an after-work mixer. 	<ul style="list-style-type: none"> ▪ To be held 3-6 months after service is launched, depending on the number of service providers enrolled.
VIA Lunch	<ul style="list-style-type: none"> ▪ Purchase VIA “Spotlight” sponsorship at luncheon which includes the opportunity to distribute materials to all attendees and give a 5-minute presentation. 	<ul style="list-style-type: none"> ▪ Plan in conjunction with networking event above.
Online Tutorials	<ul style="list-style-type: none"> ▪ Create informative online tutorials that offer practical tips for business owners. ▪ Subjects will be related to services offered, e.g. “Marketing Fundamentals,” “How to Select the Right Accounting Software,” “What You Need to Know About Your First 	<ul style="list-style-type: none"> ▪ Post first three tutorials when site is launched. ▪ Add new tutorial every 45 to 60 days (or more frequently if providers get them done) and announce in email newsletter.



Website.”

- Tutorials will be created by service providers and posted on the website as a value-added feature designed to attract clients by providing helpful information.



Service Development

The web-based COC Freelance Marketplace connects small businesses and start-ups with college employees who provide needed business services on a freelance basis.

Available services include:

- Web & Programming
- Graphic & Multimedia Design
- Writing, Editing and Translation
- Human Resources Consulting
- Information Technology Consulting
- Accounting and Bookkeeping
- Advertising & Marketing Consulting
- Grant Writing

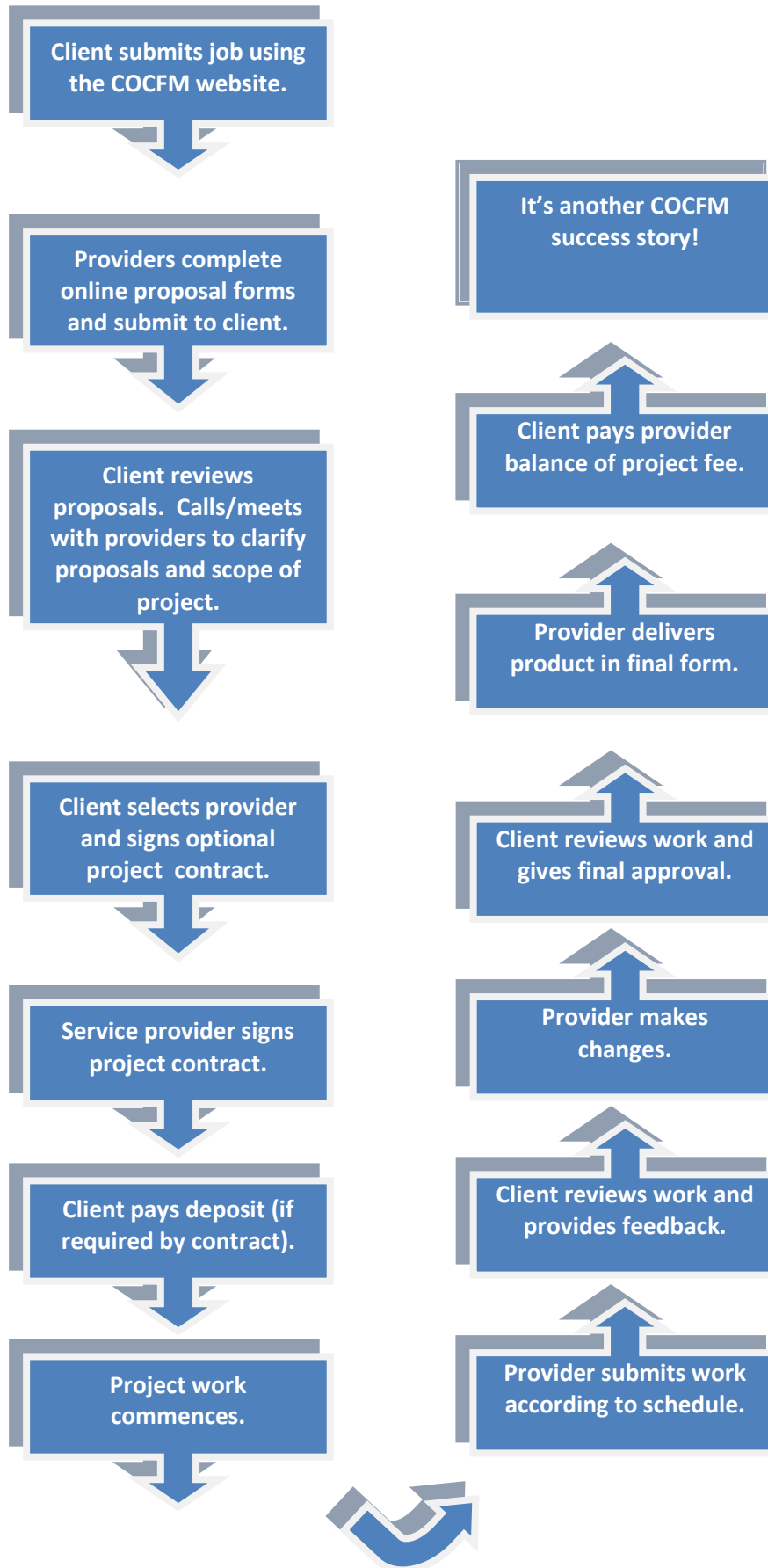
The COCFM website will feature two main sections:

1. Service providers (freelancers), sorted by services offered
2. Form to submit a request for a particular service

Service providers will create online profiles showcasing what they offer. These will be available to view by potential clients. Clients can contact the COCFM manager to set up a meeting with the service provider to arrange for work.

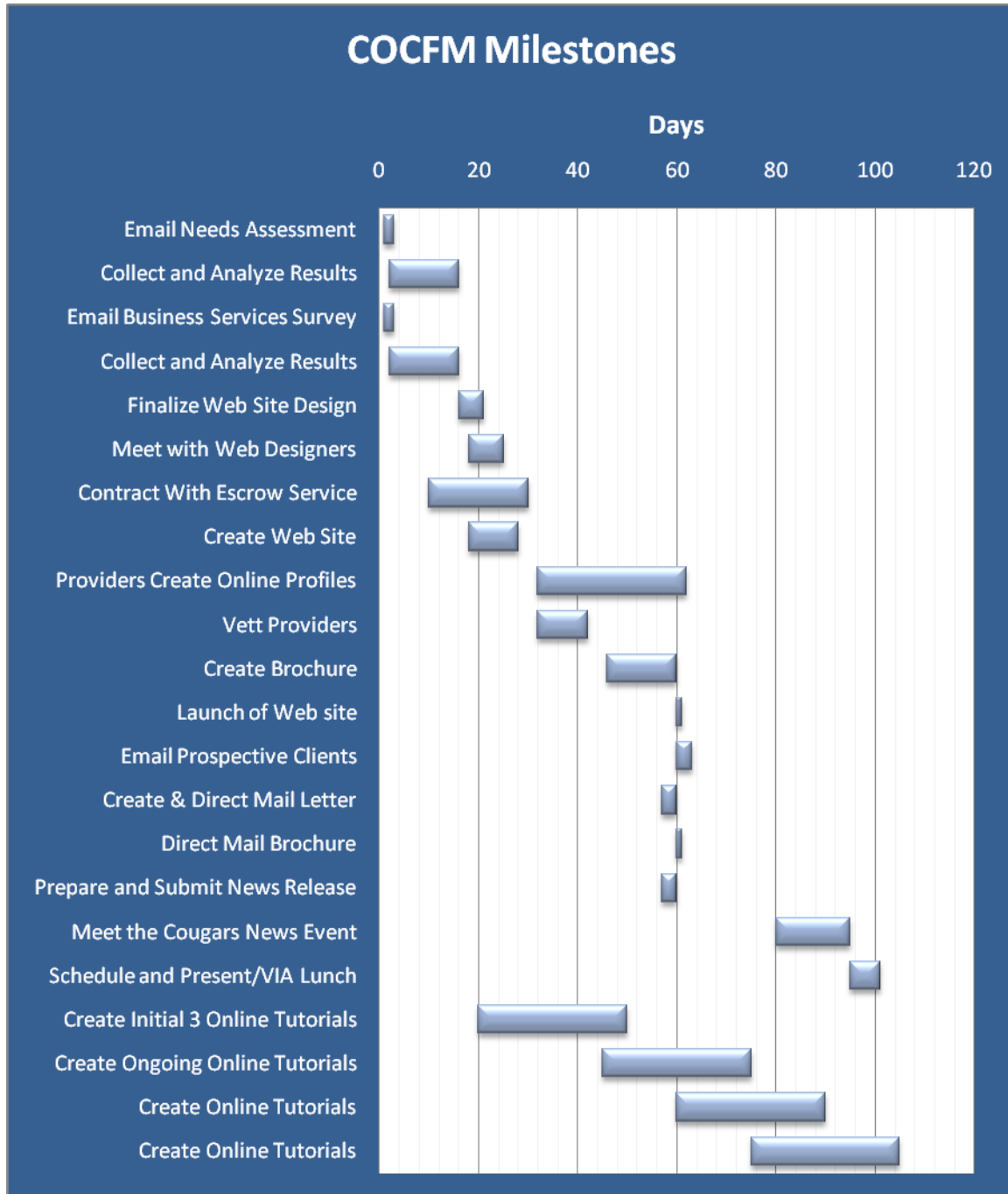
As another option, clients can post their projects and request proposals from service providers. This creates a bidding situation in which clients receive multiple proposals and can select the provider they like the best.

Following is a step-by-step summary of how a project transaction will be conducted:





Milestones





MANAGEMENT SUMMARY

College of the Canyon's Freelance Marketplace would be housed under the Economic Development Division and would be grouped with Contract Education and the Employee Training Institute. The Freelance Marketplace is designed to be web driven to minimize managerial responsibilities. Additionally, the freelance service will be self-supporting due to a built in fee structure to cover overhead and to recoup startup costs. A stipend is proposed to compensate the COCFM manager for the additional responsibilities of overseeing this program.



FINANCIAL PLAN

Start Up Summary

In order to create the web site that will be vital to the operation of this project there are two possible scenarios:

Scenario 1: The COC Freelance Marketplace will hire COC staff during their regular work time in order to have the site created and designed. The quote for this cost is \$40 per hour and the estimated time is a total of about 60 work hours. The costs would be invoiced and paid back over the first year or possibly two with the income stream created by the percentage of sales fee assessed per contract.

Scenario 2: The COC Freelance Marketplace will offer an opportunity to web designers and programmers who are interested in creating the web site in exchange for having their name and credentials posted on the site. In this example the person or persons providing the service would receive the benefit of advertising their work, at no start-up cost to the program.

Start-up Costs					
		Hours	Hourly Cost	Total	
Web Site					
	Back-end	40	\$ 40.00	\$ 1,600.00	
	Front-end	20	\$ 40.00	\$ 800.00	
Total Web					\$ 2,400.00
Supplies				\$ 100.00	
Total Supplies					\$ 100.00
Marketing					
	Email	2	\$ 25.00	\$ 50.00	
	Postage			\$ 150.00	
	Brochures			\$ 100.00	
	News Release			\$ -	
	Networking			\$ -	
	VIA Membership			\$ 300.00	
	Tutorials			\$ -	
Total Marketing					\$ 600.00
TOTAL STARTUP					\$ 3,000.00
				Gross Contract	Net Income
Funding Sources					
Scenario 1	Job Income		10%	\$ 30,000.00	\$ 3,000.00
Scenario 2	Exchange for Web site Ad				\$ 2,400.00
	Job Income		10%	\$ 6,000.00	\$ 600.00
Total Scenario 2					\$ 3,000.00



Ongoing Cost Summary

It has been determined that it would be necessary at times to have a person or entity administering the program for a variety of reasons. This COCFM manager would assist in the vetting of the providers, the creation of the profiles and overseeing the maintenance of the website. This coordinator might also be a source of information in the case of a dispute. It would also be prudent to build in some maintenance costs and marketing costs for the years 1-3 to get the word out to the community.

Ongoing Costs					
		Hours	Hourly Cost	Total	
Coordinator					
	Stipend -5 hr per week x 50 wks	5	\$ 15.00	\$ 3,750.00	
Web Site					
	Maintenance	5	\$ 40.00	\$ 200.00	
	Updates	3	\$ 40.00	\$ 120.00	
Marketing					
	Meet the Cougars (refreshments)			\$ 250.00	
TOTAL ONGOING	(Annual)				\$ 4,320.00
Funding Sources					
				Gross Contract	Net Income
	Job Income		10%	\$ 43,200.00	\$ 4,320.00

Cash Flows

The program will generate income in order to be self-sustaining. The income will be derived from a 10% fee taken from the Provider's amount. The entire contract amount will be assessed at the point of payment and no fees will be taken from the Client.



APPENDICES

Appendix A: Needs Assessment Survey for Business Owners

(Email to small businesses in the community)

Dear Business Owner:

In response to the Santa Clarita Valley business community needs, College of the Canyons is establishing a Freelance Marketplace available to local businesses and start-up companies. This freelance marketplace will provide business owners access to College of the Canyons' employees as freelance providers of business services, such as webpage design, computer networking, human resource services, marketing, and grant writing, to name a few. This opportunity will provide you a local source to satisfy your business needs.

Your input regarding your participation in COC's Freelance Marketplace will assist in the refining of this community service to meet your particular business situation. Please answer the questions below and provide any additional comments or concerns. Thank you in advance for your assistance.

Please indicate your level of agreement for each question.	Strongly Disagree	Disagree	Neither Agree nor Disagree	Agree	Strongly Agree
1. I have a need for temporary contracted employees to work on specific business projects.	○	○	○	○	○
2. I currently hire outside contractors for various aspects of my business.	○	○	○	○	○
3. I would be interested in learning more about COC's Freelance Marketplace and how it would benefit my business.	○	○	○	○	○
4. I would be interested in hiring College of the Canyons employees on a freelance basis to provide services for my business.	○	○	○	○	○

Please list the business services that you currently contract out:

Please list possible business services that you would consider contracting out:

Questions or comments? _____

Thank you,
 Economic Development Division
 College of the Canyons



Appendix B: Business Services Survey for COC Employees

(Email to COC Employees)

Dear COC Employee:

In response to the Santa Clarita Valley business community needs, College of the Canyons is establishing a Freelance Marketplace available to local businesses and start-up companies. This freelance marketplace will provide business owners access to College of the Canyons' employees as freelance providers of business services, such as webpage design, computer networking, human resource services, marketing, and grant writing, to name a few.

Would you like to be one of the business service providers in COC's Freelance Marketplace? If yes, please answer the questions below and return this form to the Economic Development Department.

Circle:

Are you interested in being a service provider in COC's Freelance Marketplace? Yes or No

If yes, please list possible professional services that you would be able to provide to businesses (e.g., webpage design, IT consulting, marketing, grant writing, photography, interior design, etc):

Would you be interested in attending a workshop to help you learn how to negotiate with businesses when developing a contract for services?

Circle:
Yes or No

Questions or comments? _____

Thank you,
Economic Development Division
College of the Canyons