ALASKA

NORTH TO OPPORTUNITY

Independent workers: Alaska's emerging workforce

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Introduction

The freelancer and creative class movement has been steadily gaining momentum since the turn of the century. A move from more traditional employment models to a more flexible, non-traditional job has been occurring across most age groups, particularly since the rise of the digital economy.

Just over the last five years the number of individuals that fall into this class of employment has risen significantly, currently representing roughly 53 million workers nationwide, an increase of 700,000 from the year before, which is 34 percent of the overall workforce in the United States. These workers generate an estimated $715 billion in revenues annually, over 4 percent of the country's total Gross Domestic Product. These workers primarily choose to be freelancers by choice because they crave the flexibility and freedom these types of jobs provide.[1]

Nationally, millennials are the primary demographic leading the charge to these non-traditional jobs. The majority of freelancers say they earn more than they did when they had full-time traditional jobs and most believe that things are only going to get better for their revenue and job prospects in the future. These young professionals tend to use quality of life and community as deciding factors in choosing where to live and work. They are highly mobile and focused on gaining a work-life balance that affords them the opportunity to engage in outdoor recreation and community participation.[1]

In a time when Alaska is looking at ways to attract and retain young professionals, targeting freelancers would seem to be an excellent opportunity. With Alaska's unparalleled outdoor lifestyle and diverse culture, attracting freelancers and creative class workers based on quality of life and opportunities may prove to be an excellent way for communities across the state to diversify their economies and attract engaged, highly educated professionals from outside Alaska. Quality of life isn't the only thing that communities can use to attract freelancers from out of state. Based on the results from the "Freelancing in America: 2015" report, taxes are a major concern for the freelancers surveyed.[1] Alaska, with its extremely low tax burden, could be seen as an attractive location, especially in states with comparable quality of life.

To determine the current impact of the existing freelancer and creative class community in Alaska as well as to determine the potential for attracting additional professionals from outside the state, the Alaska Department of Commerce, Community and Economic Development's (DCCED) Division of Economic Development commissioned the Anchorage Economic Development Corportion to conduct a survey of these individuals currently living and working in seven Alaska communities. Anchorage, Matanuska Valley, Fairbanks, Juneau, Ketchikan, Kenai and Sitka were selected to provide a broad range of communities and population bases to develop a clearer understanding of Alaska freelancer demographics. These communities range in population from 6,500 to nearly 300,000 residents and are spread out geographically from Alaska's southeast and into the interior.

Key Findings

Survey data revealed that Alaska's existing freelancers and creative class workers don't share the same demographic profile as their counterparts in the rest of the United States. Based on the responses submitted, Alaska's freelance workers tend to be over the age of 55, are predominantly female and are more likely to have completed post-secondary education. This is in contrast to the national trends for freelance workers where the majority are men under the age of 40 who have attained a high school diploma or less, which indicates that they are at the beginning of their professional careers. This is an interesting difference that could be attributed to the fact that Alaska has a larger proportion of its population over the age of 65 than the rest of the nation (nearly double the national average).

Alaska freelancers tended to be retired with more than 90 percent indicating they had some form of health benefits, and most worked part-time with the majority working less than 40 hours per week. The health benefits were an interesting difference between Alaskans and their national counterparts. Nationally, one of the freelancer's main concerns is a lack of health care. Here in Alaska, many of the respondents indicated that they receive health care either through a spouse or as a result of their retirement from the State.

Photo: Lauren Roberts

Andre Horton
Haka / dReFOTO / Lottsfeldt & Associates

Andre Horton is a ***diversified worker***; he has multiple sources of income from a mix of traditional employers and freelancer work. He chose this model as a way to leverage his resources, network, and skillset while doing work that he's passionate about. For people considering freelance work, he says that "if you can provide value and results to your clients, then YES. Do it. Find the field you want to work in, talk to people doing similar work, and create the work and lifestyle you want."

Health care was just one of the differences in perceived barriers to businesses between Alaska and national freelancers. Not surprisingly based on the cost of living data that indicates Alaska cities have significantly higher costs than cities in the rest of the United States, particularly when it comes to housing and health care, Alaskans' concerns are mainly centered around costs of shipping, building facilities and taxation. National freelance workers are more concerned with health care, unpredictable income, saving for retirement and difficulty finding new clients or projects. This would seem to support the difference in the two groups' demographics, with the younger national freelancers relying more heavily on their efforts to support themselves as a primary income source and having to provide for their own health care while the Alaskan demographic, which is more mature and farther along in their professional careers, have more assets to bring to bear on day-to-day expenses.

Freelancers, both in Alaska and nationally, share an optimistic view of their current and future prospects. In Alaska a third of those surveyed said that their business had grown in the last year and 80 percent expected their business to remain stable or grow over the next year. That resiliency is mirrored by their national counterparts who also are bullish on future revenues and have seen steady growth over the last five years. This type of economic resiliency is particularly important here in Alaska with economic futures uncertain and reduced oil prices resulting in less state spending.

Estimating the direct and indirect economic impacts of freelancers on an economy can be difficult, but by using IMPLAN software to generate a model based on the survey results, some rough estimates were reached.[3] Based on those estimates, freelancers in Alaska have an economic multiplier effect of 1.37. In other words, for every three freelancer jobs in a community, one additional full-time job is created. The amount that Alaska freelancers and creative class workers bring in annually varied widely, with the majority earning less than $50,000 a year. It should be noted, however, that they also worked less than 40 hours a week, the majority indicating they worked 10 hours or less. This would seem to indicate that the services provided were sold at a premium and the work conducted was of a higher professional level than the annual revenues would seem to suggest at first glance.

There are also a significant number of higher earning freelance workers in Alaska, and the proportion of those earners to the rest of the respondents seem to mirror national trends. The percentage of freelancers who are "high-earners" (those making more than $100,000 a year) in the United States (16 percent) is roughly equivalent to the percentage of Alaskans in the creative class making $100,000 or more annually (14.5 percent)[3]. That coupled with the optimistic growth expectations indicated by both the Alaskan and national groups would seem to point towards the possibility for even more growth in the high earner portion of the freelance community here and outside Alaska in the future.

These dollars can have a significant impact, especially in smaller communities. It is estimated that every dollar earned by a freelancer generates an additional $0.67 in gross sales to other businesses and $0.33 in profits, wages and indirect taxes.[3] Based on the economic modeling done using IMPLAN the average direct labor income of the freelancers surveyed was $78,534. This compares favorably to Alaska's median household income of $71,829.

One of the most important findings from this survey was that the freelancers currently in Alaska are primarily transplants from other states. Over 60 percent were not born here. These workers indicated that they were drawn to the state because of the Alaska lifestyle, the outdoor activities, proximity to parks and that it was a good place to raise a family. Many of those surveyed said they would not leave Alaska regardless of the economic situation, but did indicate that they would consider moving to different communities within the state if their job prospects diminished in the communities where they were currently located in. Of those that would leave the state, the primary reasons were better career options and the top choices for relocation were Washington, Oregon and Colorado. It's interesting to note that all of these locations have a very similar quality of life to Alaska.

This presents an interesting opportunity for outreach and attraction efforts to bring new freelance and creative class workers to Alaska. Based on the fact that 60 percent of Alaska's current freelancer population came to Alaska from outside the state without any concerted outreach efforts, it's not unreasonable to assume that if such an effort was conducted it would have a good probability of success. Targeting the communities that were listed as relocation destinations for Alaska freelancers would also seem to be a good starting point for outreach efforts. Alaska's quality of life and adventurous cachet among people living outside the state stack up favorably against those locations.

Focusing on the advantages to doing business here that were expressed by the Alaska freelancers would also be a good policy. Family-friendly communities, low competition, good networking and growth opportunities and the "Alaskan lifestyle" could be compelling, especially to the largest demographic of freelancers nationally, the millennial generation. By attracting these young professionals to their communities, cities across the state are not only building and diversifying their economies, they are attracting highly engaged community members that can have a transformative effect on the neighborhoods in which they live.

Based on the feedback both nationally and locally that social networks and online sites are the primary ways these freelancers communicate, network and attract clients, outreach efforts should begin by using those channels for their initial efforts. More developed methods of attraction such as higher level marketing, engagement in trade shows and conferences that have a high number of freelance and creative class attendees and other methods can be brought to bear as target cities and states are more fully developed and understood in terms of potential for attraction of freelancers.

According to the most recent and comprehensive national report on freelancing, "Freelancing is becoming a more

Photo: Chris Arend Photography

"These freelancers, both in Alaska and nationally, share an optimistic view of their current and future prospects."

prevalent, viable option for workers – a trend that spans across borders, industries and occupations...but this is more than an economic change. It is a cultural and social change on par with the Industrial Revolution. This shift to a more independent workforce will have major impacts on how Americans conceive and organize their lives, their communities, and their economic power."[1] Alaska is uniquely poised to take advantage of this new movement by leveraging its natural strengths and opportunities. In the potentially turbulent economic times to come, it's imperative that communities across the state, especially those in the rural areas that will be hardest hit by reduced state spending, look to all options for economic diversification. Potential opportunities like this that play to Alaska's strengths in natural beauty and existing quality of life should be examined particularly closely as part of any economic and workforce development strategy. By leveraging our strengths and supporting our existing industries Alaska can position itself to better weather the economic storms that may be coming in the near future and plant the seeds of a more diversified and healthy economy going forward.

What are Freelancers and the Creative Class?

It's important to understand what this survey was attempting to study. Throughout this report you will find references to both freelancers and the creative class. These terms have been created as a result of a new economic reality in America and abroad. More and more people in the workforce are choosing non-traditional employment as a way to make a living or to supplement the income they receive from traditional employment.

There are two main definitions that are used somewhat interchangeably to describe this fast growing sector of the labor market. The first, the creative class, was coined by author and economics expert Richard Florida, who defines the term as "individuals engaging in work whose function is to create meaningful new forms or designs that are readily transferrable and widely useful."[2] The second term, popularized by various trade groups that represent this sector of the workforce, is freelancer. Freelancers are individuals who have engaged in supplemental, temporary, project or contract-based work in the fields of STEM, design, consulting, business services, writing, IT or related fields.

The term freelancer can be further broken down into five main sub-groups as outlined by the report "Freelancing America 2015[1]." The largest group (40 percent) of freelancers surveyed for that report fall into the independent contractor category. These are "traditional" freelancers that don't have an employer and instead do freelance, temporary or supplemental work on a project-to-project basis. The next largest group (27 percent) are the moonlighters. These are individuals with a primary, traditional job with an employer that also moonlight doing freelance work. These are followed by diversified workers (18 percent) who are people with multiple sources of income from a mix of traditional employers and freelance work. Temporary workers (10 percent), or individuals with a single employer, client, job, or contract project where their employment status is temporary. Finally, freelance business owners (5 percent), freelancers that have one or more employees, and consider themselves both a freelancer and a business owner make up the rest.[1]

Methodology

The survey was made up of 36 questions primarily in multiple choice and open answer formats using an online survey platform. It was promoted in the various communities that were targeted with the assistance of statewide and regional partners including DCCED, Alaska Small Business Development Center (SBDC), the Fairbanks Economic Development Corporation (FEDC) and the Juneau Economic Development Council (JEDC), as well as by trade organizations such as the Alaska Marketing Association (AMA). The survey was also promoted through media partnerships with Alaska Public Media, the Anchorage Press, the Mat Su Valley Frontiersman and the Arctic Warrior.

The online survey was conducted between March 30 and May 31, 2016. Respondents were asked a series of questions to assess the economic impact of their freelance work, determine what motivates their location decisions, identify business support services that they most frequently use and outline any resource gaps that could be addressed to retain or grow the number of freelance and independent workers in Alaska. A total of 191 individuals completed the survey with an additional 94 partial responses.

Kate Consenstein
Rising Tide Communications

Kate Consenstein is a ***freelance business owner***. After working as an independent contractor for a year she was soon operating at maximum capacity, requiring her to pass on attractive projects. Hiring staff allowed Kate to accept more work, and despite her current role as the head of a thriving small business, she retains elements of the freelance lifestyle by offering flexible schedules and workplaces. "If it's a sunny day, and someone wants to go hiking, they should," she explains. "I hire people I trust and who I know will provide high quality service to our clients. As long as they are meeting deadlines, they can work wherever and whenever they want."

Photo: Ash Adams Photography

The survey was designed to gather data that can be used to generate a baseline understanding of Alaska's current creative class and to formulate a retention and attraction strategy which will focus on growing the number of freelancers in Alaska.

Specifically, the information collected falls into the following general categories:

- Demographics
- Motivation for location decisions
- Industries served, markets and volume of business
- Technical assistance used
- Health care and other support services
- Volunteer work and charitable contributions

Citations

[1] Freelancers Union and UpWork (Sept., 2015) Freelancing in America: 2015. Independent study

[2] Florida, Richard (2002). The Rise of The Creative Class. Perseus Book Group

[3] Klouda, Nolan, Executive Director at University of Alaska Anchorage Center for Economic Development. Personal communication, Jun 3, 2016

[4] U.S. Small Business Administration, Office of Advocacy. (2013). Small Business Profile: Alaska

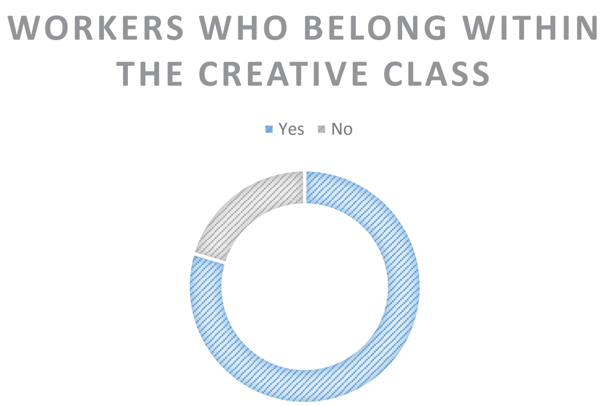
Photo: Michael DeYoung

Summary of Survey Question Data

Demographics

Are you a worker within the creative class?

Eighty percent of the survey's respondents said yes, whereas the remaining 20 percent admitted that they were not. Those who indicated no were not offered any additional questions to answer.

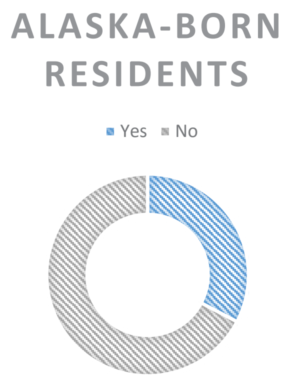


What is your gender?

Out of 197 participants who answered the gender questions, 131 were female and 66 were male.

Were you born in Alaska?

Thirty-three percent of respondents stated that they were Alaska-born residents, while the other 67 percent were born out-of-state. The two thirds of individuals born outside of Alaska have diverse roots spread across the Lower 48 as well internationally. The most common states listed were California, New York and Washington. The survey had 7 percent of respondents from international locations, which is closely aligned with published estimates of Alaska's foreign-born population. The high number of out-of-state responses can serve to speak to the growing migration of people arriving from the Lower 48 to build a life for themselves in Alaska.



Do you have any children or dependents?

Forty-nine percent of respondents indicated that they did have children and/or dependents, whereas 51 percent indicated that they did not. These results seem to indicate that Alaska's independent working population, representative by those who participated in this survey, is equally divided between those who are splitting their incomes in providing care for others within their households and those who are absorbing their full incomes.

What is your age?

The most common age bracket that participants fell into was the 55-65 age group, comprising 29 percent of all respondents. These individual workers and contractors are predominately baby boomers who are either retired or transitioning into retirement. The age bracket with the second highest volume was the 35-45 age group with 22 percent. The 25-35 and 45-55 age brackets followed, at 19 percent and 18 percent respectively.

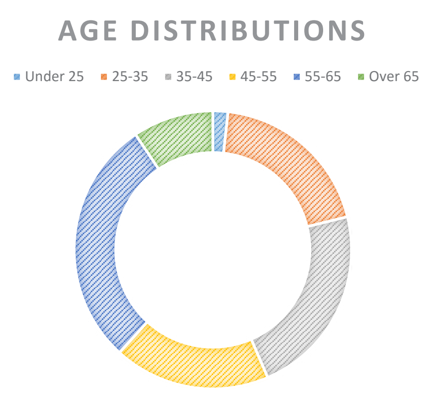


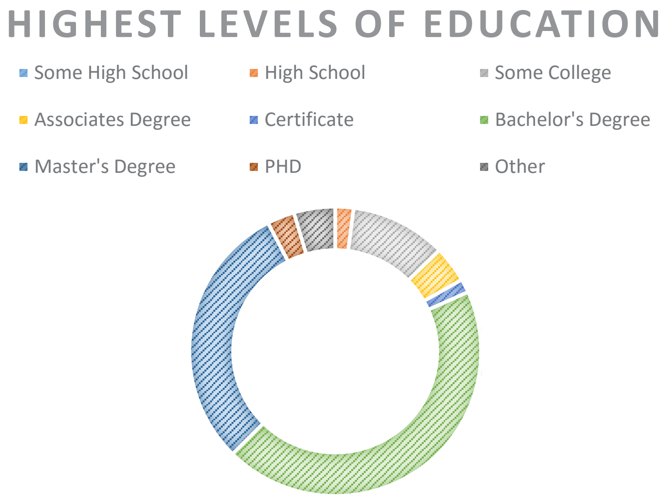
Photo: Rain Coast Data

Meilani Schijvens
Rain Coast Data

Meilani Schijvens is a ***independant contractor***; she does freelance, temporary, or supplemental work on a project-to-project bases as an independent contractor. After just over two years operating Rain Coast Data, Meilani says she'll never go back to a traditional work environment: "Working for myself and developing my own brand has been an amazing experience." She likens the life of an independent worker to a choose your own adventure story, and loves being able to select projects that play to her strengths while offering enough diversity to keep her on her toes. Her biggest challenge right now is being too busy. Although Meilani has visited more than 60 countries, she says that no matter where she goes, she keeps coming home because Alaska is "the best place on the planet. Obviously."

What is the highest level of education you have obtained?

The majority of 197 respondents answered that they hold a bachelor's degree (87), master's degree (59) or have some college experience (21). This could connect to the findings in the question above, where the data highlighted that older age groups are adopting independent work, most of which have likely attended some form of education beforehand. Several of the respondents whose responses fell within the "other" category had listed specific certificates that they had obtained to align with their professions.



To what extent do you agree or disagree with the following statements regarding work life balance and equality?

When questions were asked regarding work-life balance, the majority of respondents selected "strongly agree" to whether they maintain a positive work life balance. There was a more even distribution between "disagree" (14 percent), neutral (13.5 percent) and agree (12.5 percent). A strong majority of participants listed that they are able to perform their work from anywhere, with a total of 65 percent indicating that they agree or strongly agree.

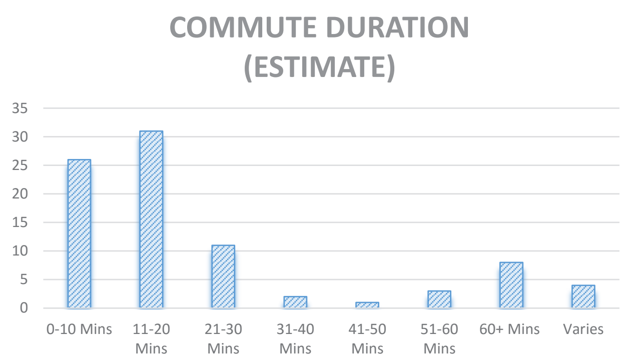
When asked about equality in the community respondents weighed in almost unanimously at 75 percent "strongly agree," and 24 percent "agree" that they support equality for people; however, when asked if they believe their communities support equality the responses were more varied at 17 percent "strongly agree," 44 percent "agree," 19 percent "neutral" and 16 percent "disagree."

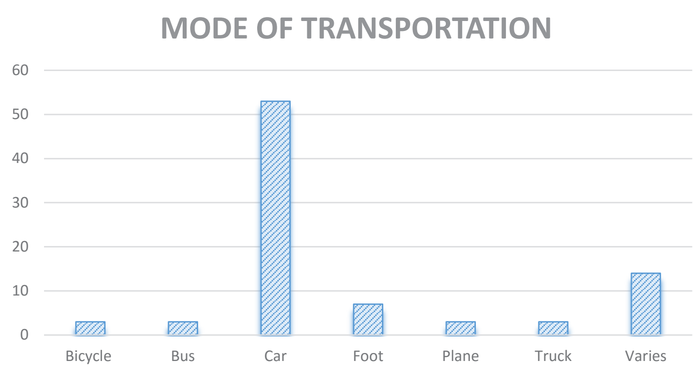
Do you commute to work?

Respondents were split down the middle with regards to daily commutes to work. Forty-three percent of respondents indicated that they do have to commute to arrive at work, whereas 57 percent indicated that they did not. This suggests that a high proportion of creative class workers may work from home.

Commute time and mode of transportation

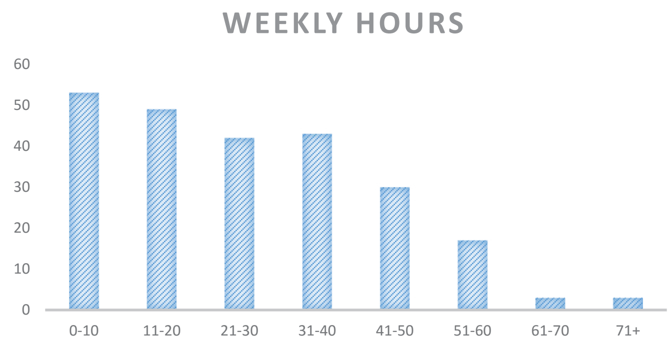
The commute time for survey participants fell in as expected with the majority commuting less than 30 minutes or over 60 minutes. As most Alaska communities are small with limited traffic compared to larger national cities, commute times tend to be relatively short with the exception, for some, being the requirement to commute long distances between communities which is common for the Mat-Su region and outlaying communities around Fairbanks. The No. 1 mode of transportation for participants commute to work is by car, with 53 respondents followed by on public transportation and on foot/bicycle commuting.





How many hours do you spend working for your independent business (average number of hours per week)?

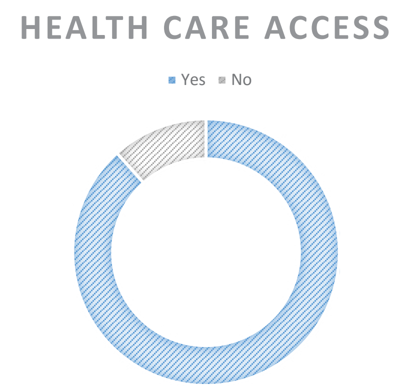
Most respondents (78 percent) worked 40 hours or less per week. The largest group of respondents was the "less than 10 hours per week" group, which comprised 22 percent of the respondents. This indicates that most of the survey respondents work part-time and that extended work hours are uncommon. If you contrast this data with the data from the question regarding the amount of income generated by these businesses, you can get a more complete picture. Individuals in this field tend to work less than 40 hours a week, which would explain the majority of respondents indicating that they made less than $50,000 in annual income.

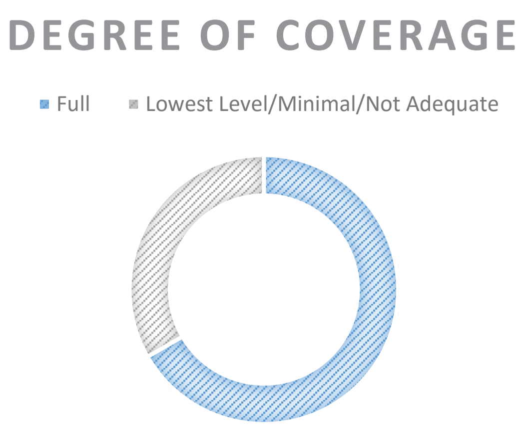


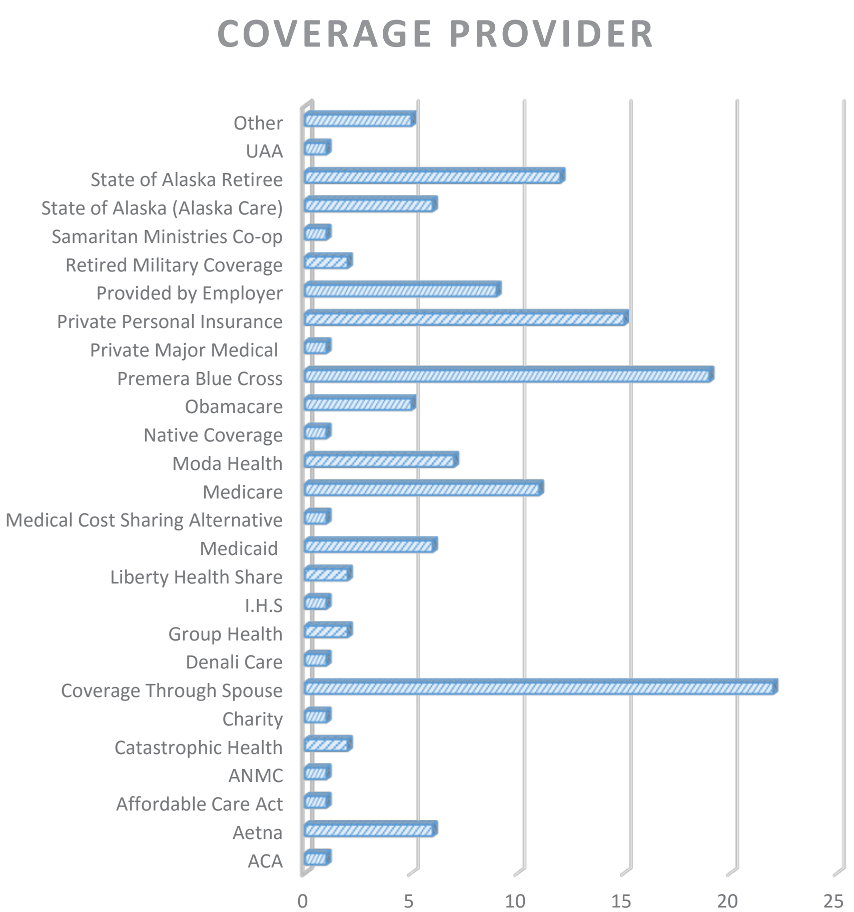
Health care and Other Support Services

Do you have access to healthcare?

Of the participants who chose to answer this question, 88 percent indicated that they did have access to health care. The majority of respondents chose to list their provider (many with more than one). These included a high volume of individuals obtaining their coverage through their spouse, through private personal insurance, and through their employers. The most commonly listed health care providers were Premera Blue Cross Blue Shield, Medicare, and the State of Alaska. These responses highlight the high proportion of state citizens who have access to some form of health care.







Do you have access to child care/dependent care?

Of the 91 respondents who chose to answer this question, 57 percent indicated that they had access to child care/dependent care, whereas 43 percent indicated that they did not. In specifying their form of coverage, 57 percent of the 46 respondants who chose to answer stated that these services did not apply to them and that they did not require it. The general trend in responses indicated that most individuals perceive child care/dependent care as unattainable. Several claimed that they need it but do not have it, that costs are too expensive and that their care is self-provided.

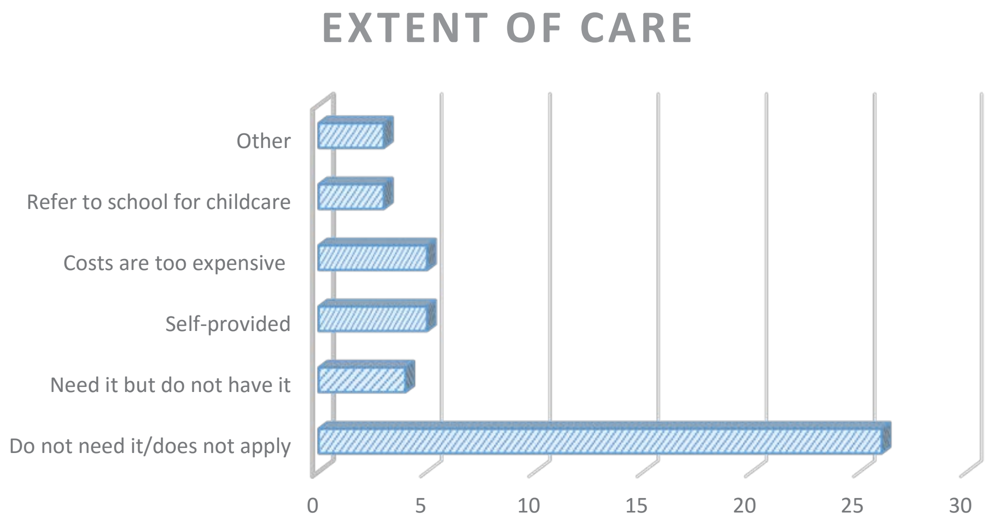


Photo: Chris Arend Photography

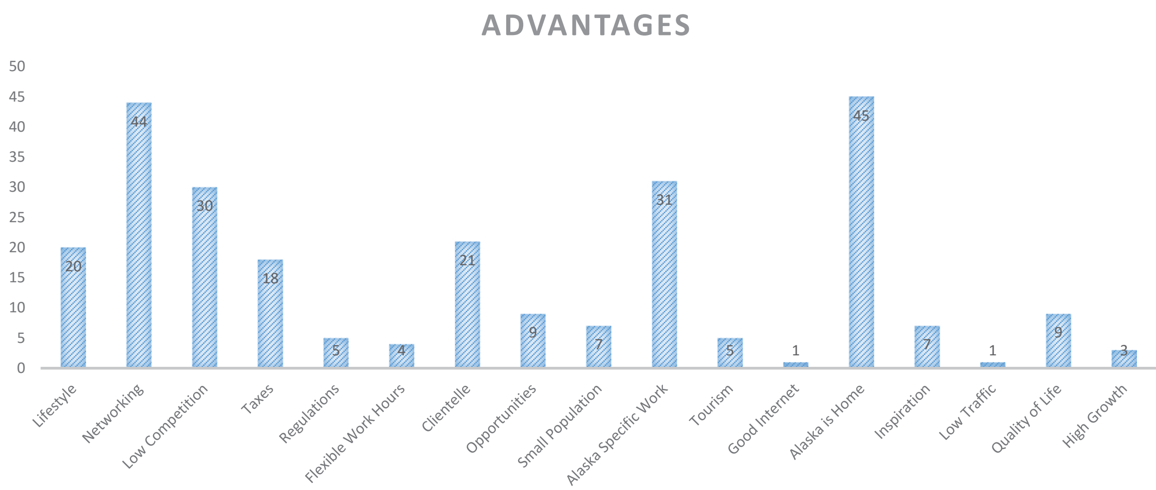
Motivation for location decisions

How important were the following elements in making a location decision?

In deciding where to put down roots, independent workers and contractors consider a number of different elements that factor into a location decision. The workers surveyed in this study were less concerned with factors such as a location's music scene, after-hours transportation or the population of single people. Instead, respondents seemed to be more family oriented, valuing established neighborhoods, affordable housing, parks, outdoor activities and being a good place to raise a family. Other elements valued by respondents were cultural attractions, diversity and the established technological infrastructure of an area.

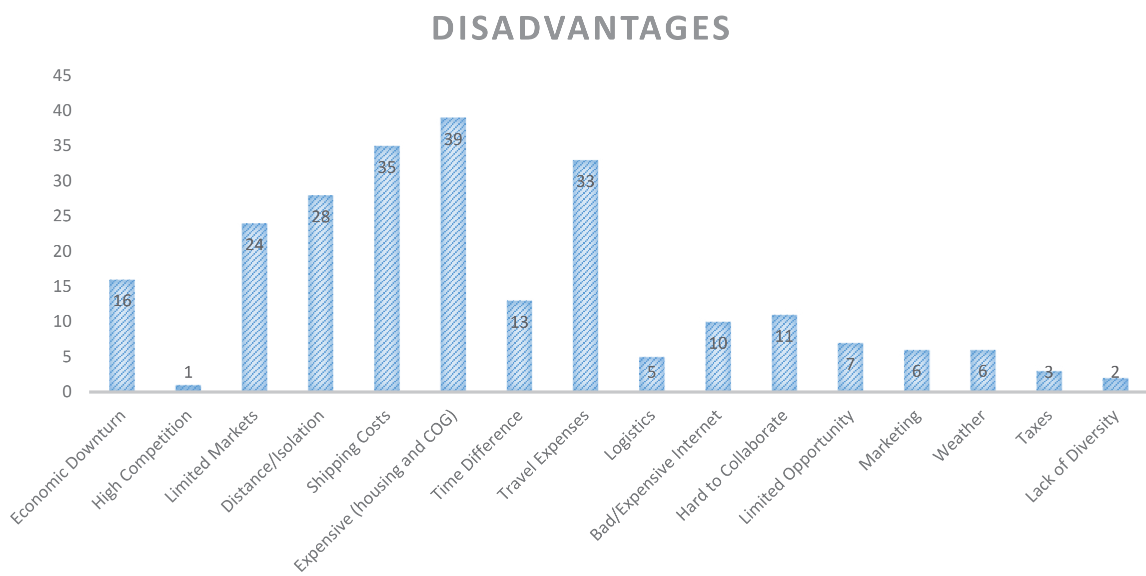
Please list the advantages of operating your business in Alaska

The top two responses to this question were "Alaska is home" (17 percent) and "networking" (17 percent), indicating that the individuals surveyed have strong ties to their community and use that to their advantage in their businesses. The next two most frequent responses were "Alaska-specific work" (12 percent) and "low competition" (11 percent). Many of the responses revolved around quality of life and/or work-life balance considerations such as flexible hours, lifestyle, low competition and inspiration.



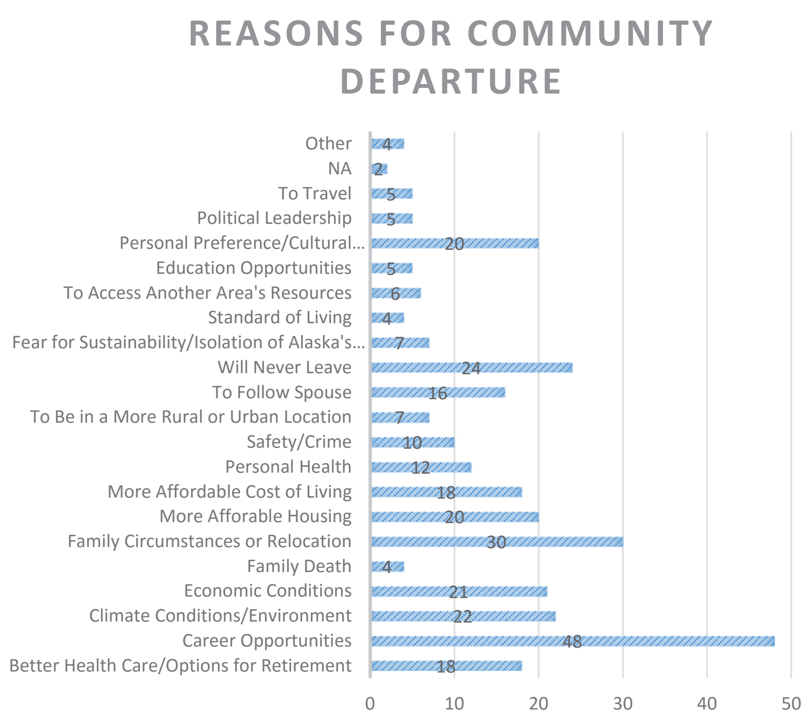
Please list the disadvantages of operating in Alaska

The top three responses to this question revolved around the cost of operating in the state. "Expensive (housing and cost of groceries)" (16 percent) was the most popular response with "shipping costs" (15 percent) and "travel expenses" (14 percent) coming in as the second and third most popular. Concerns about "limited markets" and "distance/isolation" were also fairly well represented. It is interesting to note that concerns about the economic downturn only represented 6 percent of the total respondents.



Why would you leave your community?

When survey participants were asked what would drive them to leave their current communities, the results were widespread with "career opportunities" ranking as the No. 1 reason they would consider or be driven to leave. This shows that despite the initial finding that this sector is generally attracted to communities for the "Alaska experience," the amount of career growth opportunities within those communities also play an important role. Other factors that were important to respondents were affordable housing, cost of living, economic conditions and cultural offerings.



Erica Craig
Aquila Environmental

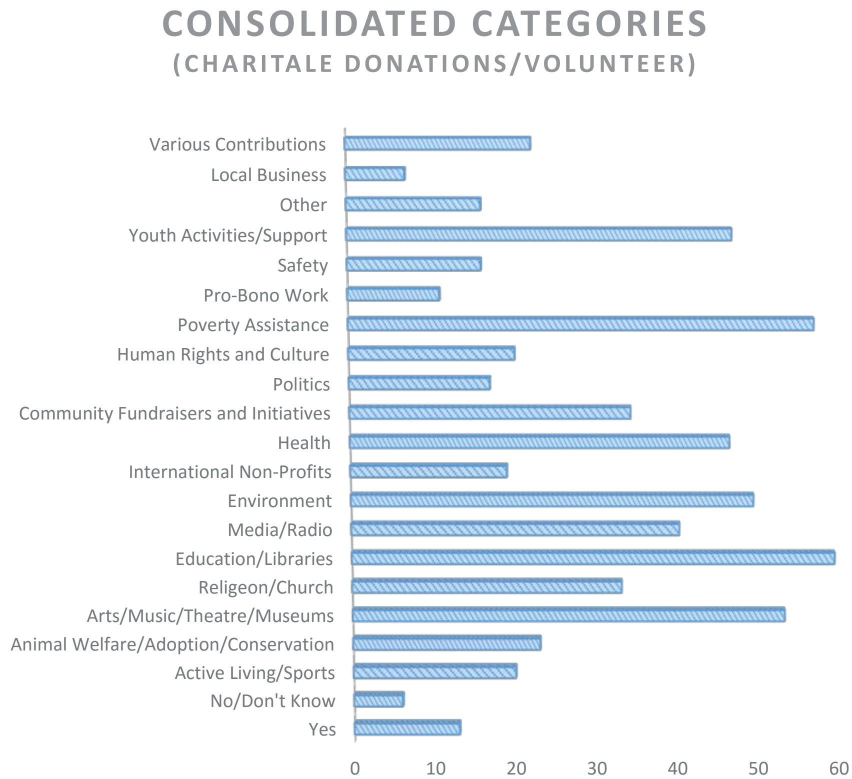
Although Erica Craig has been an ***independent contractor*** working as a wildlife consultant for more than 30 years, like many freelancers she also pursues other interests, like watercolor painting and volunteer work. As a wildlife biologist specializing primarily in raptors, she works in the western United States and Alaska, but chooses to live in Alaska because of the vast wild spaces still remaining there. Erica says that being a freelancer afforded her the flexibility she needed while raising her children, and frequently brought them with her on research projects. Most of all, she "likes the freedom of being her own boss."

Volunteer work, charitable contributions and impact on communities

Do you volunteer or make charitable contributions?

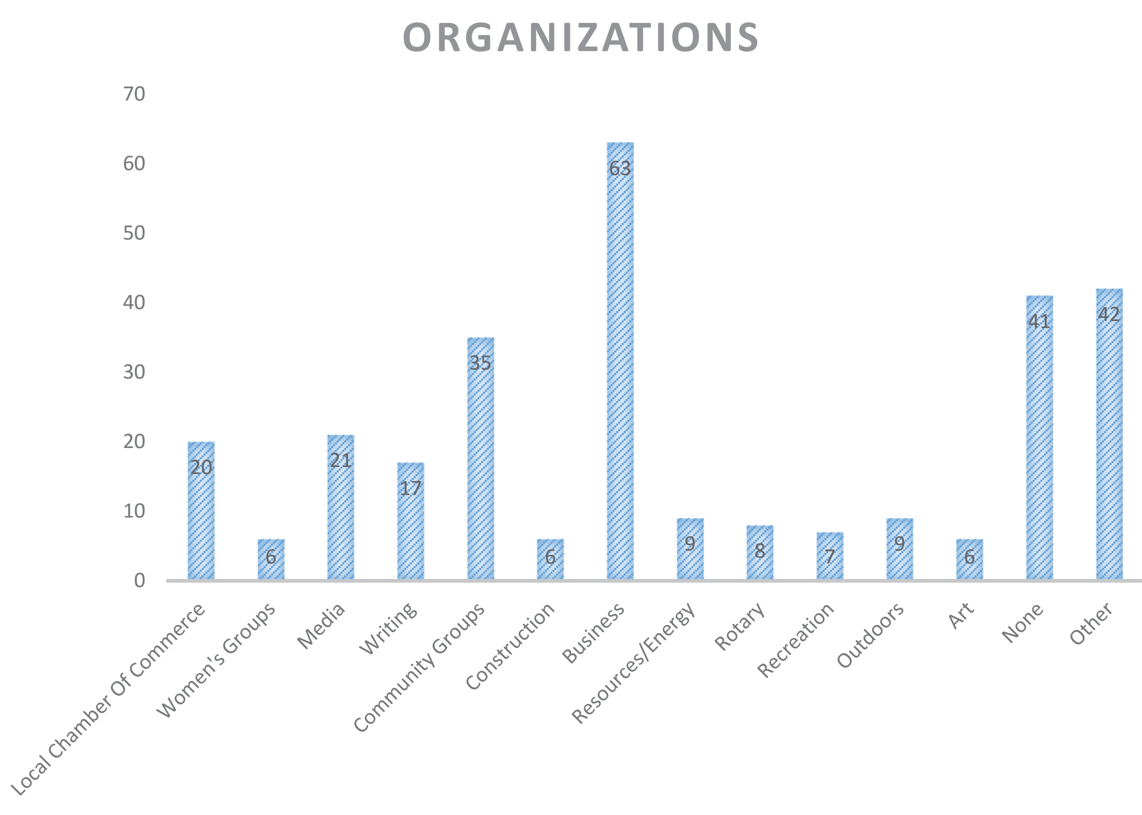
Many respondents answered that they do volunteer and/or make charitable contributions with a wide distribution falling within the major areas depicted in the graph on the next page. Youth activities, poverty assistance, education, the environment and health were among the top categories of listed charities.

Photo: Aquila Environmental



Which business/community associations are you a member of?

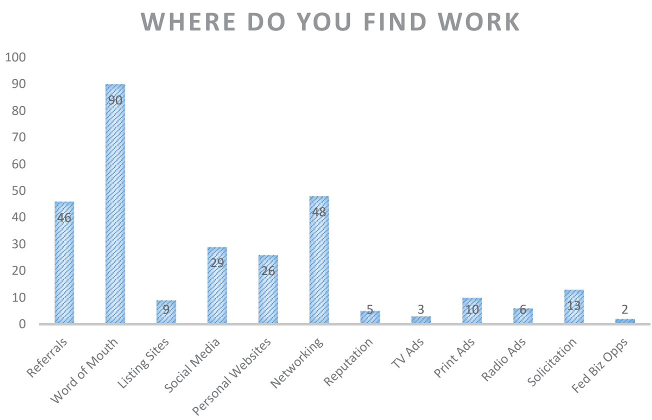
Respondents listed over 180 different organizations in answering this question. We have grouped those organizations into the broad categories seen in the associated graph below. The most common type of organizations were business-related (22 percent) with the catch-all category labeled "other" being the second most frequent. It should be noted that the third most frequent response was "none."



Industries served, markets and volume of business

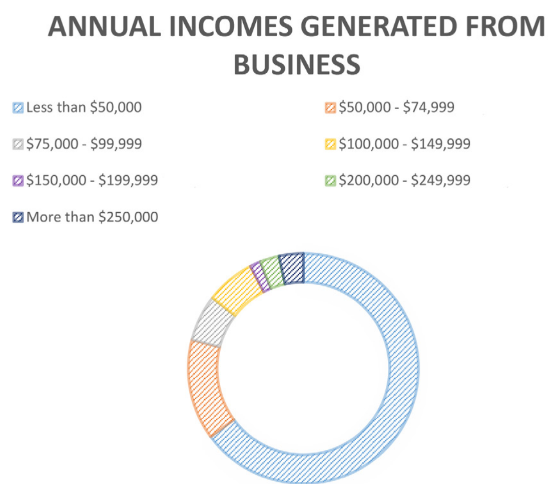
Where do you find work?

The majority of respondents indicated that they find work through word-of-mouth. The two next most frequent responses - networking and referrals, could be said to be variations on the word-of-mouth response, which would bring the total respondents who find work through their personal relationships to over 60 percent. In a state with as small a population as Alaska, building a network and a reputation is almost certainly easier than in a larger community.



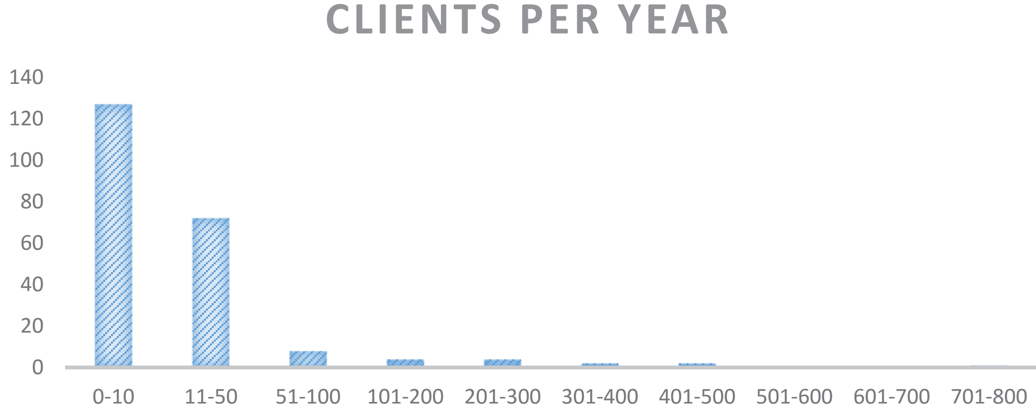
What is the total annual income from your business?

The majority of respondents (a substantial 65 percent) indicated that they earned $50,000 or less per year from their business. The second most common income bracket was $50,000-$74,999, composed of 14 percent of respondents. Higher earners were less common, with only 21 percent of respondents earning over $75,000. Based on the most recent census data figures, median household income in Alaska was reported to be $71,829, which is aligned with the data collected from respondents who participated in this survey.



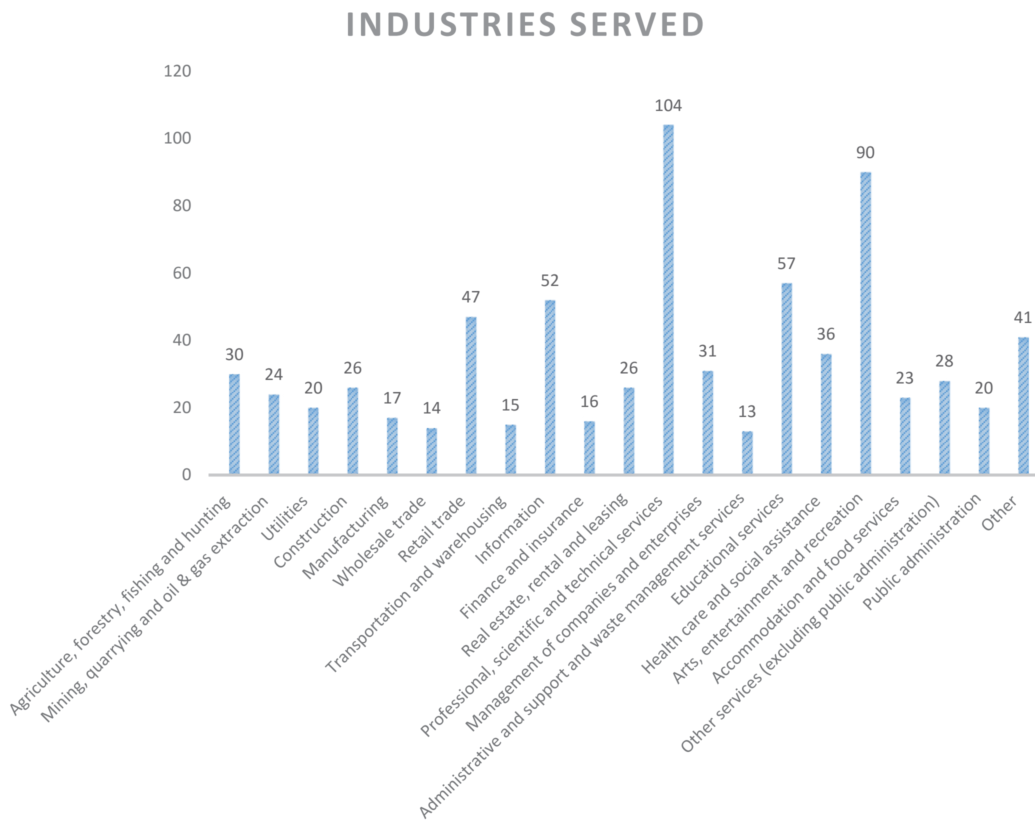
What is the average number of clients you serve in a year?

Over half (56 percent) of respondents indicated that they served fewer than 10 clients per year, while 32 percent said that they served between 10 and 50 clients per year. The majority of the individuals surveyed have a small clientele. There were eight outliers who reported serving between 868 and 9,000 clients per year. These individuals are most likely representatives from the retail sector who are serving far larger customer bases.



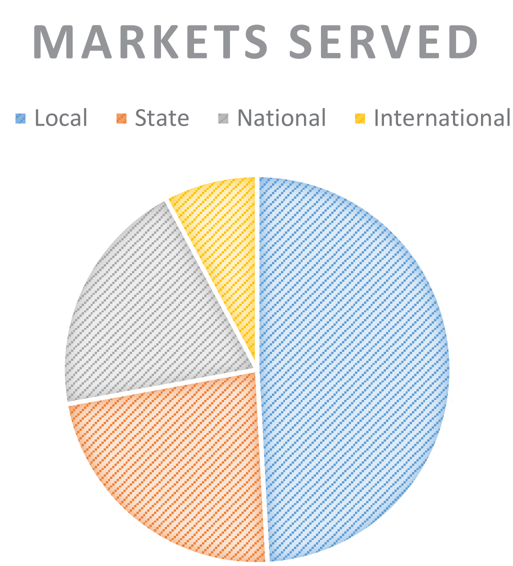
What industries does your business serve?

The responses to this question were extremely diverse. Most of the industries listed received a similar total number of responses. The arts and science-based industries were the exception, as they each received a significantly higher number of overall responses. This indicates that the creative class in Alaska is largely centered around arts and science, with the remaining freelancers equally focused on a diverse variety of other industries.



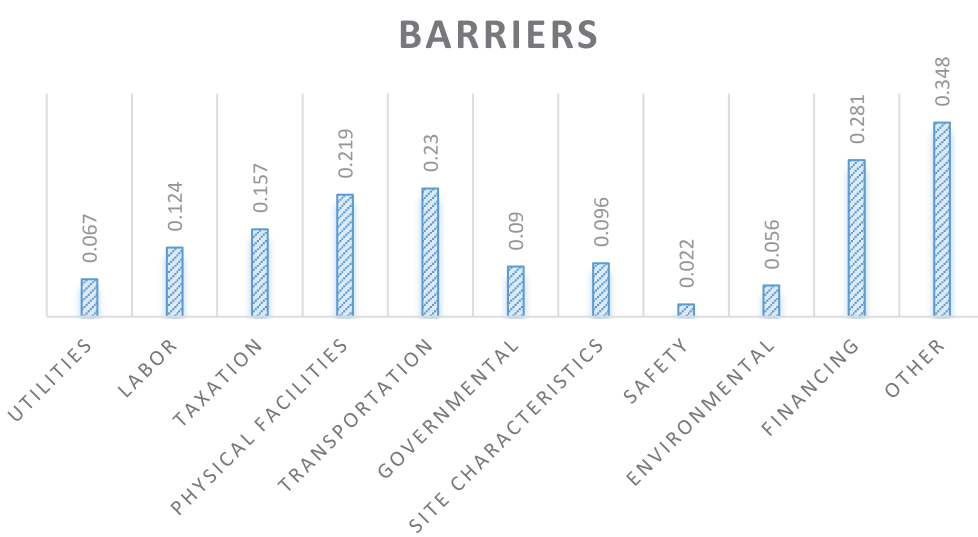
What markets does your business serve?

The market that was most frequently listed was local, comprising close to 67 percent of responses. Most of Alaska's creative class and freelance workers are choosing to keep their business within their respective cities and towns. Both state and national markets were close in ranking, making up 31 percent and 27 percent. These individuals are offering their work to Alaska as a whole, and have seen value in expansion into the Lower 48. Creative Class workers who stated that they served international markets made up 11 percent of total responses, with these respondents predominately providing for the Canadian and Asian markets.



Which of the following represent the biggest barriers facing your business?

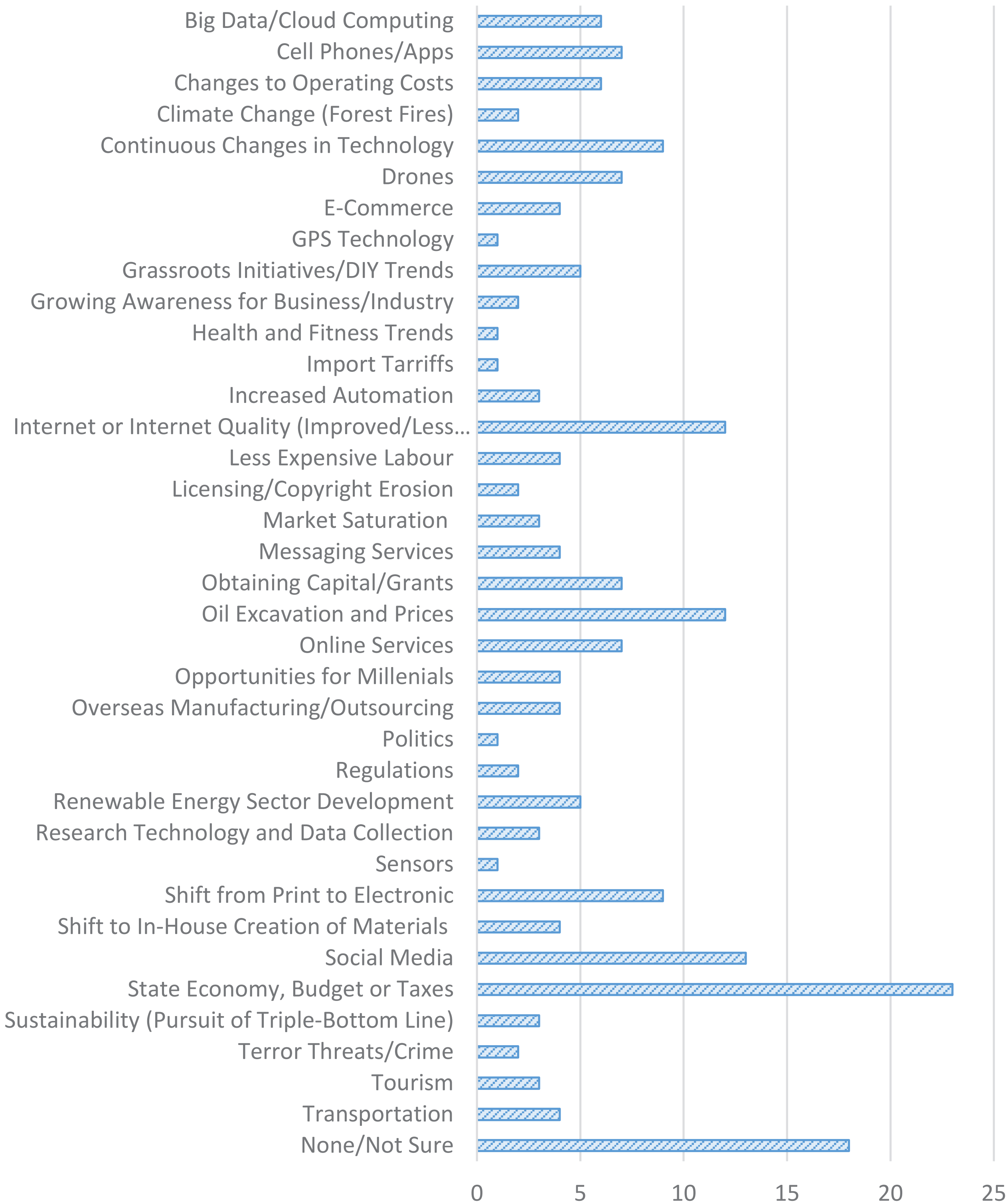
Of all the categories stated by respondents that pose barriers for their businesses, "other" received the most responses, reflecting a variety of barriers unique to different industries and businesses. The most frequent specific barrier listed was "financing," holding 28 percent of responses. Freelance workers are facing difficulties in securing the necessary capital required to finance their businesses, hindering their ability to compete in their respective markets. "Transportation" and "physical facilities" were the next most commonly listed barriers, with 23 percent and 22 percent respectively. In terms of transportation, independent workers are facing issues with their commutes and movement of their goods. In terms of the commute, the issue appears to be more of a concern to rural freelancers than urban. To respond to urban-rural migration, transportation companies have been decreasing their offerings in response to smaller populations within certain regions of Alaska, limiting available routes.



Please describe any emerging technology or business trends that may potentially impact your business/industry

When asked which emergent trends would likely impact their business/industry, respondents provided a diverse list of possibilities that could both positively and negatively affect them. The most commonly listed trend was changes to the state's economy, budget or taxes. Other frequently listed categories were trends relating to the internet and fluctuating oil prices. A high volume of respondents also listed the continuous changing of technology as a key trend. Some stated that the fluid nature of technology makes it difficult for them to stay competitive, whereas others stated that it highlights new opportunities for their businesses. Social media was a popular response with many respondents, claiming that social media holds the greatest influence in reaching out to their customers and markets. Each of these emergent trends lead to changes in demand and competition, which is particularly influential for the creative class as the majority of the work performed by these businesses tends to be short-term contracts.

EMERGING TRENDS



What is the zip code for your business?

It comes as no surprise that the areas that are the most represented are in the communities targeted for this survey. There are, however, some outliers both within the state and in the lower 48 states.

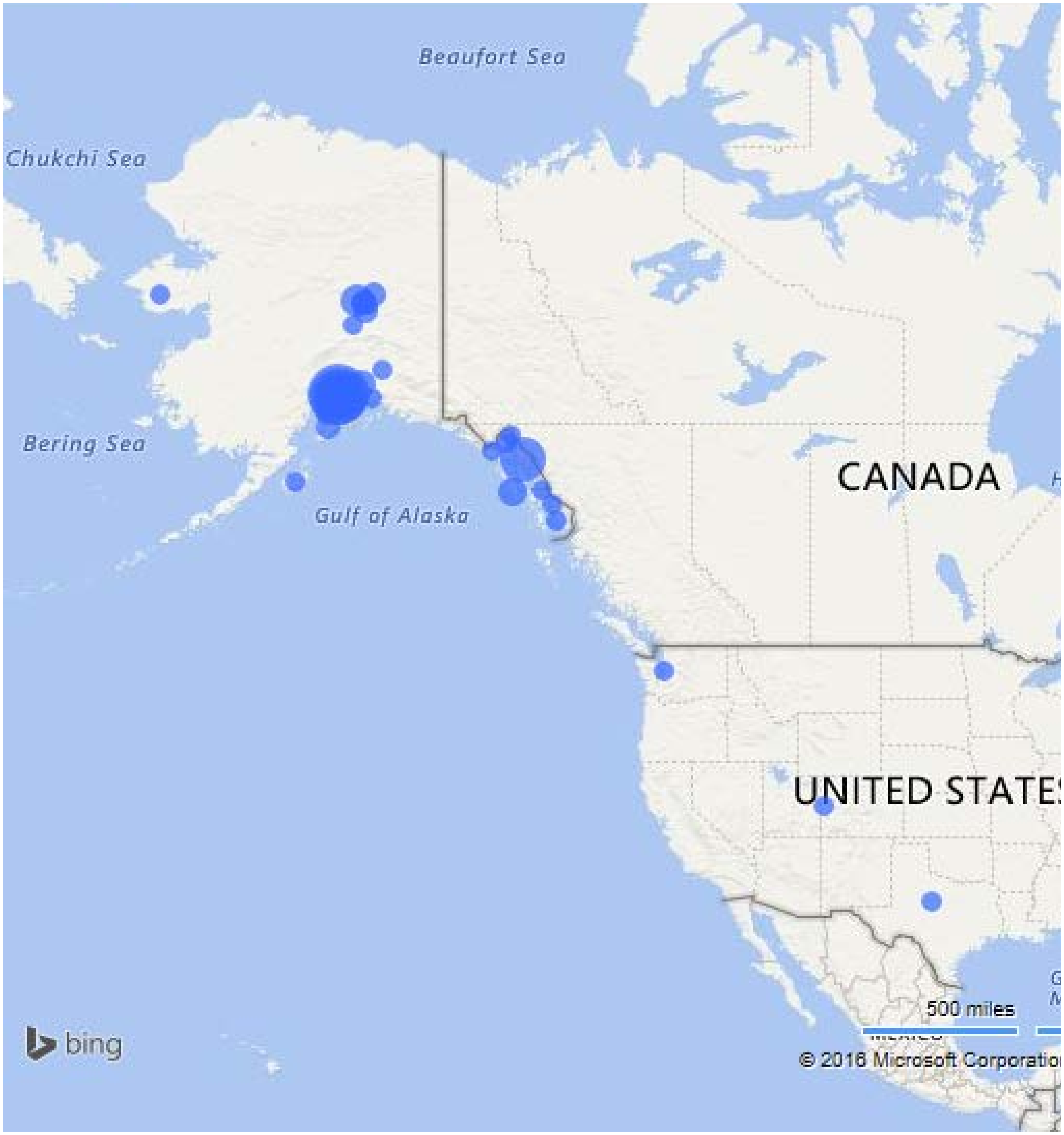
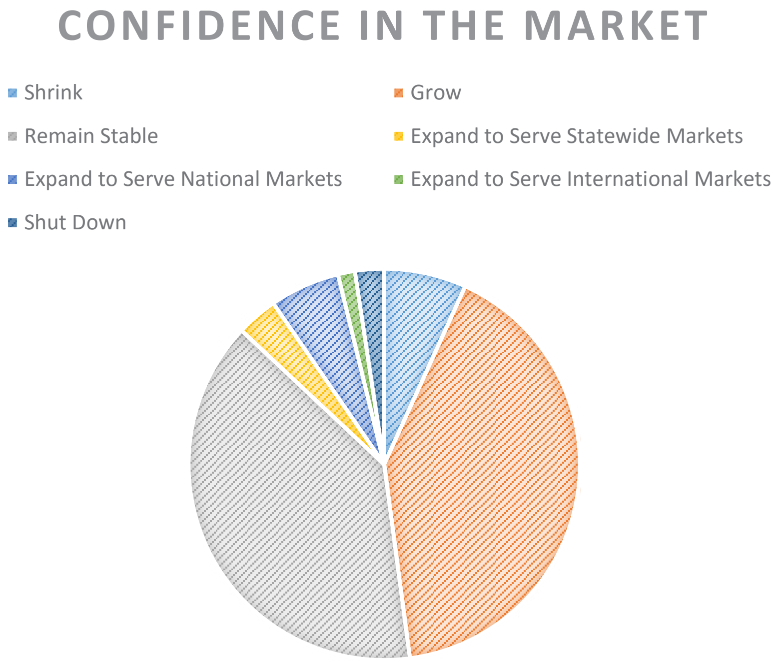


Photo: Josh Martinez Photography

Impact on the economy

In the next year, I anticipate that my business will:

The most common responses for this question were "grow" and "remain stable," with 49 percent and 31 percent respectively. The majority of creative class workers who participated in this survey seem confident in the projected performance of their businesses or employment. These workers are projecting constant sales, if not additional growth as they move into the future. The "expand to serve national markets" followed closely behind, illustrating the movement of independent workers into the Lower 48 to seize additional market demand and opportunities.

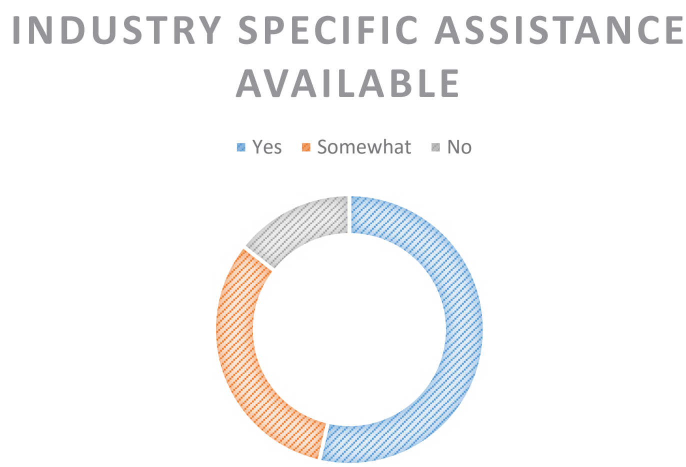


"The most common responses for this question were "grow" and "remain stable," with 49 percent and 31 percent respectively."

Technical assistance used

Is the availability of contractors or support industries meeting your business' needs?

The most widely held response to this question of available support was "yes," with approximately 54 percent of independent workers agreeing that these resources were at their disposal. Only 14 percent of respondents answered with "no," that this support is not available to them, with the rest of participants stating that their needed support was "somewhat" available to them. For the most part, it seems as though these individuals do have some form of assistance that they can utilize in their business endeavors. To address those that feel as though this support is missing, it is essential for Alaska communities to examine the accessibility of their existing resources, as well as any gaps that are going unnoticed.



Have you engaged with any business assistance organizations?

The first component of this question examined the proportion of survey participants who are currently utilizing business assistance organizations. Fifty-eight percent of respondents stated that they have not had any history with these organizations, while 42 percent have. The second component of this question investigated which organizations were most commonly used by those who responded that they were using business assistance. The Small Business Development Center had the highest frequency by a landslide with 42 respondents stating that they had used their services. Other popular organizations included: The Small Business Administration as well as other organizations aiding with industry education and financing.

Resources for Alaska Independent Workers

Education resources and support:

Alaska Department of Commerce, Community and Economic Development: https://www.commerce.alaska.gov/web/

Alaska Regional Development Organizations (ARDORS): https://www.commerce.alaska.gov/web/ded/DEV/ARDORs.aspx

Alaska Small Business Development Center: http://aksbdc.org/

Anchorage Economic Development Corporation: http://aedcweb.com/

iTunes University: http://www.open.edu/itunes/

The Kauffman Foundation: http://www.kauffman.org/

U.S. Small Business Administration: https://www.sba.gov/

Research:

UAA Institute of Social and Economic Research (ISER): http://www.iser.uaa.alaska.edu/

U.S. Census Bureau: http://www.census.gov/

Legal:

LegalZoom: http://www.legalzoom.com/

NoLo: Law for All: http://www.nolo.com/

RocketLawyer: https://www.rocketlawyer.com/

U.S. Copyright Office: http://www.copyright.gov/

Vellum, LLC: http://vellumllc.com/

Co-Working Spaces:

Anchorage Community Works: http://anchoragecommunityworks.com/

Anchorage MakerSpace: http://www.anchoragemakerspace.com/

The Boardroom: http://theboardroomak.com/

Alternative Funding Methods:

Alaska Growth Capital: http://alaskagrowth.com/

Financial Planning:

First National Bank Alaska: Downloadable Business Forms: https://www.fnbalaska.com/business-solutions/downloadable-forms

Northrim Bank: Small Business Resources: http://www.northrim.com/home/business/tools/financial/small

Wells Fargo: Small Business Resources: https://wellsfargoworks.com/plan

Web Development:

Google Analytics: http://www.google.com/analytics/ce/nrs/

Responsinator: http://www.responsinator.com/

SquareSpace: https://www.squarespace.com/

Whois: http://www.whois.com/

Online Tools:

Amazon Mechanical Turk: https://www.mturk.com/mturk/welcome

Docusign: https://www.docusign.com/

Doodle Poll: http://doodle.com/

Dropbox: https://www.dropbox.com/

Fiverr: https://www.fiverr.com/

Google Docs: https://www.google.com/docs/about/

Skype for Business: https://www.skype.com/en/meetings/

Slack: https://slack.com/

Survey Monkey: https://www.surveymonkey.com/

Appendix A: Creative Class Survey

ALASKA

NORTH TO OPPORTUNITY

Independent workers: Alaska's emerging workforce

July 2016

Bill Walker, Governor
State of Alaska

Chris Hladick, Commissioner
Department of Commerce, Community, and Economic Development

Britteny Cioni-Haywood, Director
Division of Economic Development