Seeking $6.3 million USD | October 2024

Pre-Seed funding proposal:

ExWala wants to create the world's largest pool of verified and validated blue and white-collar workers ready for hiring.

We want to be Airbnb and Uber for Job search & Recruitment by solving issues in-between Pre-onboarding to Post-onboarding of a job.

ExWala
Your Career HUB

Company Name:	ExWala Inc
Headquarters:	Brampton, Ontario, Canada
Email Contact:	investorrelations@exwala.com
Phone Contact:	647-244-0357
Address:	79 Morley Crescent, Brampton, ON, L6S3K8
Founder Contact:	faizel@exwala.com

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1. Introduction

1.1. What do you do?

ExWala is a startup that plans to create the world's largest pool of verified and validated career professionals by storing their career related information. Then, use that information to assist the users, who are our primary market as their career services provider, providing all career related services such as automated resumes, job matching and recommendations, user verification (security clearance, finance and individual) and validation services (previous jobs, education, certifications), volunteer work opportunities, career coaching, job pivoting services and learning opportunities which fits into the life cycle of a career professional. All these services are to enhance the career of our users while they navigate their career journey till retirement and if needed beyond that. We hope to enroll a user into our platform at the age of fourteen and hope to provide services to the user till their retirement at age sixty-five and beyond. One platform for all their career needs!

For employers who are our secondary market to server the primary market, ExWala aims to provide employers with employee performance evaluation tools, innovative job listing and new hire tools, covering the entire spectrum of pre-onboarding to post-offboarding activities related to an employee.

So, ExWala can be the sync between the employer and employee in their career journey, which usually is between fourteen years to sixty years of age! It's a long journey for the user that we want to be part of and to assist them in every way possible to have a successful career.

These objectives listed above are our main goals, the automated copilot of every career professional and the co-pilot of every employer in helping their employees to achieve their individual best.

1.2. Target problem(s) to fix?

In short, we want to fix or integrate 360-degree items (or tasks) associated with a career professional's life cycle. They may use all or parts of the services we offer during their career journey. Some of these items are not problems that needs a fix but are silo services (fragmented) that ExWala wants to integrate into our ecosystem or platform. The services that we want to integrate are the following:

ONLINE:

User Verification, Job verification, Education verification, Employment verification, Finance check, Criminal check, Security check, Volunteer work opportunities, Job search (job matching) that are (Full-time, Part-time, Temporary). Automated resume creation (saving job history, of the user through their career journey).

*MOAT (Maybe Patent Possible): Job listing for blue collar workers. Cannot discuss this in detail as it could be a world first feature.

* Brining all these features listed above to employees and employers across the world in multiple languages and jobs.

For Employers:

Job description creation, candidate hiring process (Pre-Onboarding to Post-Offboarding), Employee Performance evaluation and ranking.

OFFLINE at a location:

Business Process related to job search and applying. (ExWala will be applying for a worldwide patent for these two moats)

*MOAT 1 & *MOAT 2 - cannot discuss details till the patents are filed. Also, as it could be a world first feature.

1.3.   How does the target problem(s) work now?

For Employees:

ONLINE:

User Verification, Job verification, Education verification, Employment verification, Finance check, Criminal check, Security check:

For all the tasks some third-party services exist in limited capacity. Most charge fees to provide the service. Employment verification is usually done by employers or recruiters.

Volunteer work opportunities:

Currently, Volunteer opportunities are listed by job search sites and the organizations themselves.

Job search (job matching) that are (Full-time, Part-time, Temporary):

Currently, job search is typically provided by job listing sites like LinkedIn, indeed, dice, zip recruiter etc. You must create a profile and upload your resume. They also extract information from your resume and save it on their system. Some sites allow you to create multiple resumes and apply based on the job being listed. There are no job matching services. These sites typically offer white Collar jobs. Some regional ones offer limited blue-collar jobs.

Automated resume creation (saving job history):

Currently no sites or products offer this service, but LinkedIn has a feature where you can manually add your recent job and it's functions. LinkedIn also lets you add your past experiences, projects, certifications, education and so on to your profile which can be sent to a potential employer like a resume by sharing your profile with the employer.

*MOAT (Maybe Patent Possible): Job listing for blue collar workers. Cannot discuss this in detail as it could be a world first feature.

* Brining all these features listed above to employees and employers across the world.

For Employers:

Hiring process (for employers):

Blue Collar: People apply for jobs using advertisements from employment agencies or directly by employers on their website or public job sites.

White Collar: People apply through job sites such as LinkedIn, zip recruiter or dice. Sometimes, it is the employers themselves who advertise the roles and receive resumes from potential recruits or it could be recruiters as the first line of filters for the job advertised. Then HR does the second reading, filtering and sorting out the list, which then goes to hiring managers, who then arrange interviews after their own filtering and ranking for the potential candidates who might go through multiple rounds of interviews before they receive the final offer! Some companies use software that does the filtering using keywords to reduce the candidate list.

Employee Performance evaluation and ranking:

Blue collar jobs generally don't have performance evaluation except for unionized companies. They tend to have performance evaluation solutions provided by third parties. Individual small businesses or medium sized businesses don't generally have performance evaluation.

White Collar jobs always tend to have some sort of performance evaluation as an annual task. They tend to use third-party documents or tools for evaluation.

All evaluation tools tend to be in a document format, final version printed and signed by both parties. Salary increases and bonuses are handed out based on the performance appraisal.

1.4.   How do you solve the problem(s)?

ONLINE:

User Verification: Currently User verification done by Instagram is by uploading your government issued ID such as passport copy or driver's license. Government sites like

Canada Revenue Agency routes the user to their banking provider, who authenticate them and send them back to the CRA site. One of PayPal's authentication mechanisms is by depositing two different dollar amounts (less than a dollar) to the user' bank account, which the user is required to specify within the verification section on PayPal's site before a specific expiry date. Google uses mail in code for users and business, which the user needs to input into a section in their profile. The last two are a lengthy process which might take up to a month. We have not decided on the format of authentication. Appropriate authentication mechanism(s) will be used based on the user's geographic location (based on authentication mechanism availability).

Saving (automated) Job history and Job verification: We intend to provide enhanced experience for our users with our integrated tools for employers (automated) to assist the user to import their work-related experience, performance evaluations, awards and recognitions to be stored in their ExWala profile.

Job verification (Current and Past): There are existing job verification services exist. We plan to integrate them as well as provide our own to verify a user's job history.

Education verification: We plan to create a system to work with all the educational institutions and private companies offering certifications and degrees, so the users education can be validated easily. Ideally from grade 12 graduation onwards.

Finance check, Criminal check and Security check:

There are many third parties for this service. The current plan is to integrate them into our platform.

Volunteer work opportunities:

We hope to integrate this into our platform just like job history offering free tools for employers to assess their work. Most often in North America volunteer opportunities are the first job experience to get hired for blue collar jobs. So, our platform will be offering free evaluation tools to organizations for any volunteer opportunities they list. The only request would be mandatory volunteer evaluation in return so volunteers can use that information on their job history profiles (if they wish to use it).

Job search (job matching):

The imagined objective of this task is automation. Using the combination of work and skills history, Educational and certifications listed and other data points, we plan to use pattern matching algorithms and artificial intelligence (if necessary) to recommend jobs to the user. This will be the case for employers as well. So, instead of the current process of manually applying to jobs using customized resumes, users are recommended to employers and jobs are recommended to users, who can decide to proceed further. We plan to use Neo4j graph

database for our backend and Python programming language for our front end. In addition to a full featured site, there will also be Android and iPhone apps as well. Further details cannot be revealed at this time.

Dashboard for users:

No existing job sites use a dashboard on a user's activity on their career journey. This dashboard will be unique to us and will include features that will be unique to us. We cannot reveal much on this as it may be copied by competitors before we achieve it.

*MOAT (Maybe Patent Possible): On demand Job listing for blue collar workers. With absolute certainty, we can say that this feature does not exist anywhere. This includes both employers and job sites such as LinkedIn. Details cannot be revealed due to competitors.

Local language Availability:

* Brining all these features listed above to employees and employers across the world.

Many job sites including prominent ones lack local language support. So, as a long-term vision, this will be to our advantage to create a local language version that is useful to people who only speak and write in their local language only.

For Employers:

Job listings and job history:

We intend to work with employers on our platform in developing job listings that are meaningful and valid. A tool will be developed to assist them in achieving this objective. This would be different from existing methods which are manually written and are very error prone. In addition, all job listing and their history will be saved for employers for future references and decision making.

Hiring process (for employers):

As part of our platform tools, we plan to offer a tool that automates this process, so all parties involved can view the activities and the decision tree. More clarity for everyone involved including the user(s) aka job applicants involved instead of confusion on the status of the job advertised. This process involves all tasks associated with hiring, which is from pre-onboarding to post-offboarding.

Employee Performance evaluation and ranking:

This would be one of the major moats that would differentiate ExWala from others. ExWala's promise of creating the world's largest verified and validated users depends on this. Performance evaluation and ranking tool that will have specific performance formulas in

evaluating an employee, which may be patent possible. Further details cannot be provided at this time.

OFFLINE at a location:

Business Process related to job search and applying. (ExWala will be applying for a worldwide patent for these two moats)

*MOAT 1: This is a business process that makes it easy to apply for a job. A similar process exists in some other industries.

*MOAT 2: This is also another business process on finding jobs. Specifics cannot be revealed at this time.

*MOAT 3: A third one, which was discussed briefly at the top section is related to blue-collar worker job listing.

From my research, these three moats do not exist at the moment with any job sites or employers.

1.5.   How does solving the problem change behavior and make money?

Currently, we plan to launch in five stages and each is supposed to bring in a new stream of revenue. While the services offered on the platform offer the same services as other providers or third party services. A lot of them are unique to us and will add value to both end users (in their career life cycle). In addition, we also plan to generate revenue from the offerings to employers as well. Listed below are the main revenue sources.

In total, there are about six main revenue streams and possible additional ones, which does not include advertising. The six main streams are the following:

1. Storing employee information (Subscription)

ExWala hopes to save all the information related to our user. The basic service is free but as the user gathers more data through work and other experience on their profile, storage will cost money. So, a minimum affordable fee will be charged to keep the data safe and secure. Monthly recurring revenue will be based on the cost of hosting the data on the cloud.

2. Verification Services (One off on demand or subscription)

There are about six verifications and other validation services in total. Some verification and validation services will be unique to us. We intend to charge for this service as it will bring value to end users because of the validity of the data.

3. Jobs listings and matching

This feature will be unique to us as it will be matching candidates and employers by rankings with all the checks completed (automated and possibly artificial intelligence (GRAPHRAG) involved). This is different from existing methods of resume gathering, reading and filtering manually, which we are trying to replace. There are more features associated with this service, which we cannot discuss now due to competition. We will be charging a premium for this service to both user and employer.

4. As a temporary staffing agency and recruiter (hourly wage revenue and recruiter service fee)

Employers can hire hourly wage employee for employment through us. We plan to operate as an employment service provider for temporary workers or contract staff. We will be charging an hourly premium for this service. We plan to offer recruitment services to employers for the jobs they post through our automated services. Once a candidate is hired, we will be charging a premium for the service based on the market rates for the specific job classification.

5. Third-party services (one off service fees)

As a career services provider, we plan to offer all the services associated with a job. So third-party services like career coaching, team building, or any other career related products will be offered through our platform and will be charged a service fee to the providers for using our platform to acquire clients.

6. Employer Services (subscription)

We plan to offer employers tools like performance evaluation and ranking to assess and evaluate employees. These tools will have some fees associated with them.

Note: The first stage of ExWala is to operate as a blue-collar employment agency with our patented moats and evaluation tools. So, the initial revenue stream will be from the services related to those services, which are possibly revenue streams one to four.

1.6.   What is the scale of opportunity?

1. Storing employee information (Subscription)

ExWala hopes to save all the information related to a user. The basic service is free but as the user gathers more data through work and other experience on their profile, storage will cost money. So, a minimum affordable fee will be charged to keep the data safe and secure.

This would be a first. We would have to create a pricing plan that is affordable to the users and is a monthly/annual subscription. We see value in paying for storing user's work-related information and generating online dynamic resume to match their job requirements. Pricing must be done based on region. Price range will be decided based on multiple factors such as

region's data cost, user's affordability etc. Currently, there are multiple organizations charging recurring services to users. The global SaaS market is worth $152 Billion. There are plenty of flexible pricing models to consider. The six most subscription pricing models are the following: Freemium subscription models, Flat-rate subscriptions, Usage-based or pay-as-you-go pricing, Tiered pricing, Per-user pricing, Shared bundles. MS Office 365 Reaches 400 million Paid Seats. Microsoft reported revenue of $62 Billion in January 2024.

2. Verification and validation Services (On demand or subscription)

There are about six verifications in total. Some verification and validation services will be unique to us. We intend to charge for this service as it will bring value to end users because of the validity of the data. The various services price ranges from $14.99 to $30 per check. Meta is projected to bring in $2 to $3 billion in user verification alone. According to a report by MarketsandMarkets, the global market for digital identity solutions, which includes Verifiable Credentials, is expected to grow from $13.7 billion in 2020 to $30.5 billion by 2025, at a Compound Annual Growth Rate (CAGR) of 17.3% during the forecast period.

3. Jobs listings and matching

This feature will be unique to us as it will be matching candidates and employers with rankings with all the checks completed (automated). This is different from existing methods of resume gathering, reading and filtering manually. Currently, all verification checks like references, job, education and other verification are done manually. Our service plans to complete these tasks before candidates are ranked and presented, this service will be unique to us. We will be charging a premium for this service to both user and employer.

Permanent Online Recruitment Market Outlook: 2024-2031 Growth Projections

The Permanent Online Recruitment market is poised for unprecedented growth from 2024 to 2031, with a projected Compound Annual Growth Rate (CAGR) of 17.09%. This substantial growth will elevate the market value to a staggering 20.36 billion by 2031, indicating the sector's tremendous potential and attractiveness for investors. By 2024, the Permanent Online Recruitment market is anticipated to achieve a value of 7.9 billion, marking the beginning of its impressive upward trajectory.

Source: https://lnkd.in/gtcgRk4k

LinkedIn's revenue for 2023: In Q4, LinkedIn's revenue increased 5% year-over-year (7% in constant currency).

LinkedIn's revenue surpassed $15 billion for the first time this fiscal year and membership growth has now accelerated for eight quarters in a row, a testament to how mission critical the platform has become to help more than 950 million members connect, learn, sell, and get hired.

Our Talent Solutions business surpassed $7 billion in revenue for the first time over the past 12 months, and our hiring business took share for the fourth consecutive quarter.

And finally, we're helping LinkedIn stay trusted and authentic. More than 7 million members have verified who they are or where they work, many using new integrations with Microsoft Entra, as well as CLEAR and Hyperverge.

Source: https://lnkd.in/gY7VRegY

4. As a temporary staffing agency and recruiter (hourly wage revenue and recruiter service fee)

This is for employment services through us. We plan to operate as an employment service provider for temporary workers or contract staff. We will be charging an hourly premium for the temporary staffing services and a recruiter premium charge for permanent placement based on the market rate for each job.

Total Market Outlook Worldwide

The global staffing industry generated approximately $654 billion in revenue in 2022.

By 2024, the market is projected to be worth around $665 billion worldwide.

5. Third-party services (one off service fees)

As a career services provider, we plan to offer all the services associated with a job. So third-party services like career coaching, team building, or any other career related products will be offered through our platform and will be charged a service fee. These services (Career Coaching, Skills Upgrade, access to work related up to date information like magazines) price range can vary. Here are statistics on coaching alone. The global coaching industry generated a staggering $4.564 billion in revenue in 2023. Experts predict the industry will reach $6.2 billion by the end of 2024, showcasing robust growth. The online coaching market is expected to skyrocket to $11.7 billion by 2032, growing at a compound annual growth rate (CAGR) of 14%.

6. Employer Services (subscription)

We plan to offer employers tools like performance evaluation and ranking to assess and evaluate employees. These tools will have some fees associated with them. 58% of US companies still use basic spreadsheets to track and monitor employee performance. According to SHRM, 71% of companies still conduct performance reviews on an annual basis. 95% of current HR leaders aren't satisfied with the traditional performance appraisal process whatsoever.

*   https://lnkd.in/gScT2MfV

HR systems that come with employee evaluation modules, the pricing for the module is generally tacked on to the subscription cost, although some vendors will give customers the option to add or drop the module for a price. For standalone performance appraisal solutions, the pricing is usually based on the number of users or seats per month. It can go from as low as $4 per user/month to as high as $12 to $14 per user/month, depending on the vendor.

Small Business Performance & Appraisal Software

The pricing strategy for performance & appraisal software for small businesses is usually the lowest tier in multi-tier subscription-based packages. Pricing for this level typically ranges from $2 per user/month to $6 per user/month, depending on the vendor.

Mid-market Performance & Appraisal Software

This software category is generally in the intermediate or professional tier of a multi-tier subscription pricing, depending on the vendor. This is usually the next tier up from the Basic or Starter package. The price range for mid-market performance & appraisal software solutions will vary from $8 to $12 per user/month, depending on the vendor, the minimum number of users and the number of features included in the package.

Enterprise Performance & Appraisal Software

Enterprise-grade performance & appraisal software solutions often have top-tier pricing, which means they can be rather expensive, depending on the vendor or the number of features and capabilities the product is packing. This is the highest tier in a multi-tier subscription-based pricing model. Some vendors will offer a starting price of around $14 to $16 per user/month with a minimum monthly cost for eligibility.

* https://lnkd.in/gtuGe-H4

Market Outlook for the US Staffing Industry in 2024

The US stands as the largest staffing market globally, contributing nearly one-third of the total revenue. Remarkably, the US outperforms the combined revenue of the next three largest staffing markets (Japan, UK, and Germany).

Growth in the US:

Looking ahead to 2024, the US staffing industry is poised to generate approximately $207.2 billion. SIA projects a 3% year-on-year growth for the US staffing market. Temporary staffing continues to dominate, accounting for 89% of all revenue generated in the US staffing market.

Growth in Canada:

In 2022, 33 staffing firms in Canada generated at least CAD 50 million in staffing revenue. These firms collectively contributed to a substantial CAD 7.0 billion in staffing revenue.

Projections indicate that total Canadian staffing revenue (from temporary staffing and placement services) will grow by 3% from CAD 10.4 billion in 2023 to reach CAD 10.7 billion in 2024.

Growth in India:

The India staffing and recruitment market was valued at US$ 18.06 billion in 2022 and is projected to reach US$ 48.53 billion by 2030. The market is expected to grow at a CAGR of 13.2% from 2022 to 2030.

Source: https://lnkd.in/gc43hgxh

2. Traction \ Metrics

2.1. Traction up to now?

Product is currently in Ideation stage with minimal ICP as written documentation. This is the first stage of the six stages of roll out. The idea is to introduce our platform portal and apps with minimum features to users. The user base targeted on the roll out are fourteen years old to mid-twenties, students looking for their first volunteer work and temporary job. On the business side, it will be companies that hire blue-collar workers.

2.2. Current scenario of Main Metrics [Churn, ACV, Rake]?

Churn - Not Applicable now.

ACV - Currently irrelevant but possible future approximations might be possible to calculate from scalability metrics. LinkedIn might also be useful in estimating the ACV but we do have additional differentiated audiences as well. Unlike LinkedIn, we plan to heavily push into local languages of the users and the opportunities available with this base.

Rake (Take) - Not Applicable now.

2.3. Revenue Drivers?

Currently not generating any revenue. Possible future approximations might be possible to calculate from scalability metrics posted earlier.

2.4. Go To Market Strategy?

We plan to reach our end vision, which is to be the world's largest Human resources organization, providing all career related services to our main customer, the end user and to employers in five stages.

Stage 1: Start as an online and offline temporary staffing agency (targeting blue collar jobs) for people aged fourteen plus with our two patented MOATs (probably world first), storing their work history, validations, verifications and performance assessment under their user profiles integrated into our web portal (HUB), and into our Android and Apple apps. We hope this will be our initial ICP. For business, we will be offering evaluation tools to assess these blue-collar workers.

Initially, we plan to launch it in the Greater Toronto Area for testing and expansion from there to other locations as needed. There are about seven million people in the Greater Toronto Area location.

Stage 2: As we progress to this stage, we will add full-time roles (adding white collar jobs) and update step one features for white collar jobs. During or by the end of this stage, we hope to start the document less resume format, automated job search, recommendation, application as well as job history and approval process in a dashboard format. In addition, we hope to introduce other languages other than English into our hub and apps on Android and iOS.

At this stage, we also plan to introduce a new feature unique to us for listing jobs for blue collar workers. It will be like an existing feature being used by another company (Uber) in another industry. It will be a world first!

Stage 3: Stage three is primarily third-party integration for career support such as Coaching, Career pivot and support tools, such as career specific content and media, which will be user specific. Exact details cannot be revealed at this time.

Stage 4: We sincerely believe education is part of career tools, at least for the majority of users. So, we plan to integrate education related features into the platform.

Stage 5: As we arrive on stage five, the expectation is that we are an established player on the field as an independent human resources organization catering to and the world's need in anything career related and collaborating with organizations to optimize their employee experience. At this stage we plan to do research and publishing career related resources and research papers.

3.   Challenges To Growth

3.1.   Current Challenges for growth?

Right now, this is an ideation stage with features thought up and designed on paper. We need to patent the moats and develop the product to proceed further and faster.

3.2.   How funds will be used?

We are currently incorporated in Canada and bootstrapped running only essential services such as a secure basic website, email services, patent submissions for our logo and tagline in Canada, US and India.

We need additional funds related to patent our moats, to meet registration requirements to operate as an employment agency in Canada (for now) and US, equipment and software license, to pay employees, web and APP development agency or developers, and any other miscellaneous necessary expenses for the next year and half. The current rough estimate of funds required is around six million and three hundred thousand USD, which we hope will last us for a year and half. Out of this 87.69 percent of the total funding costs goes to the following items. Temporary staff's (up to 500 people) two-month Payroll funding deployed to client locations, 30 hours per week / Ontario Minimum Wage ($17.8), Permanent staff / Legal Costs / Operations Costs (15.93), Web Site / IOS /Android app development (23.90). If requested, additional information can be shared.

4.   Market

4.1.   Who are the customers?

While our main objective is to serve our users (first stage users will be blue collar workers fourteen plus around the greater Toronto Area and as we expand, later on career professionals across the world), who are our primary customers. Businesses are considered our customers (secondary) as well since we will be selling tools to businesses that serve our users as well.

4.2.   Customer behavior?

This is not an easy question to answer but my current belief is that majority of the users would want to work and earn money at some point in their life and the majority would want a tool that helps them to find a job that fits their skills. In addition, when they look for a job, they would want to find one easily that fits their skills and preferences. Existing methods to find a job can be daunting as it involves customization for both blue- and white-collar jobs. ExWala aims to solve this problem utilizing existing and proprietary technology. Hopefully, within three clicks, once they are logged into our website or our apps.

4.4.   How big is the customer base?

Once we hit stage five, which is full rollout of all features currently in planning, rough estimate is close to a trillion dollars in revenue from different revenue streams or could be more. LinkedIn alone has a billion users. Please see section what's the scale of opportunity section for details.

In 2023, there were estimated to be approximately 3.5 billion people employed worldwide. Our assumption is that as the world move into digital age, current and future generation of employees would want to have their work history saved and use it for employment.