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3 WAYS THAT WORKFLOW AUTOMATION CAN BOOST YOUR GIG ECONOMY WORKPLACE RELATIONSHIPS

Insights
May 18, 2022

A recent post by Alaura Jacobs, Product Marketing Manager at Mitratech, examined three ways in which workflow automation can benefit your organization when managing freelance employees – and there are obvious crossover implications for gig economy companies seeking to streamline their independent contractor processes. The three benefits you can achieve: managing high-volume onboarding and offboarding, enabling collaboration between your employees and your gig workers, and mitigating risk.

The Benefits of Mixing In Gig Workers is Well-Established

Jacobs points out that 90% of companies believe that combining full-time employees with freelancers and contractors gives them a competitive advantage, leading many organizations to shift to a mix of full-time, contract, and gig employees rather than just employing a traditional W-2 workforce.

She cites Shahar Erez, CEO of Stoke Talent, who said, "Bringing a highly-skilled, independent contractor on board for specific projects can save organizations tens of thousands of dollars compared to a full-time team member while delivering equally high-quality results."

3 Ways that Workflow Automation Could Aid Your Gig Model

But because there are inherent inefficiencies to mixing a traditional employment model with a gig economy model – after all, you need to treat them differently if you don't want

Related People

Richard R. Meneghello
Chief Content Officer

503.205.8044

to run the risk of being accused of misclassifying your gig economy independent contractors as employees – you need to take a deliberate approach to managing these relationships.

And that's where workflow automation comes into play. Automating many of the typical processes you have in place could introduce efficiencies that not only benefit your end product but protect your legal classification structure. Here are three areas where you can introduce automated workflow processes to assist your organization.

1. **High-Volume Onboarding and Offboarding**

   The first process that you can automate to boost your gig relationships is your high-volume onboarding and offboarding efforts. Jacobs notes that freelance relationships in the tech space are often governed by short-term contracts that may or may not be renewed, which sounds a lot like your typical gig economy relationship. You don't want to waste a lot of time when bringing these workers aboard or managing their departures, especially if they are highly skilled. "Using workflow automation for contracts, redlining, approvals, and escalations means your new hire checklist is self-driving," says Jacobs, "and contractors can manage it themselves."

   She also notes that automating this process ensures that all key documents that govern the relationship are kept in a centralized record repository. This can be of invaluable help to companies with a gig economy workforce – especially if you find yourself on the receiving end of a litigation demand or a government investigative inquiry relating to your classification structure.

2. **Collaboration Between Employees and Contractors**

   Jacobs notes that a typical freelancer may not feel connected to a company's full-time team given the short-term nature of their role, their inability to meet their colleagues, and their lack of access to a company's full compendium of resources. Again, this is also true in the gig economy world, where a company may purposefully set up guardrails to prevent contractors from fully interacting with the full-time staff (no office space, reduced access to company collaboration and communication channels, security protocols preventing

contractors from connecting on certain areas, etc.) for fear of a possible misclassification claim.

Enter workflow automation. "By creating a workflow for review, approval, and real-time collaboration that is accessible to outside parties without incurring additional user licenses or data risk," Jacobs says, "your contractors can securely submit assets that will be routed to the correct internal employee for review or feedback (even if they don't know them by name!)"

Just make sure that your managers are trained on the strict rules you have in place when it comes to what they can and can't do when interacting with your gig workforce. After all, certain actions could be seen as tipping the scale towards employment status if they are interpreted as levying too much control. It's critical that you engage your workplace law counsel to help you determine these parameters given the state(s) in which you operate and the various laws in place in each jurisdiction governing contractor status.

3. **Risk Mitigation**

Finally, Jacobs points out that creating specific and detailed statements of work (SOWs), verifying vendor insurance and tax status, and collaborating throughout contract employment are among the most vital steps your organization can take to mitigate against misclassification risks. "Luckily," she notes, "these processes can be automated through vendor management workflows with built-in collaboration, document generation, and a central record repository."

You should pull together your HR team, your Legal team (including your workplace counsel), and your management team to ensure you have a full understanding of the various pieces of documentation you have – and should have – with respect to your gig workers before you develop them into a workflow automation process. This will help you develop a full inventory of all available legal protections structured in a way that should put you in the best position to not only optimize your processes but offer the best possible legal protections.

Conclusion

We will continue to monitor this are and provide updates as warranted, so make sure that you are subscribed to [Fisher Phillips' Insights](#) to get the most up-to-date information direct to your inbox. If you have further questions, contact your Fisher Phillips attorney, the author of this Insight, or an attorney on our [Gig Economy Team](#).