



Creating Worker Loyalty in the Gig Economy

Insights

9.18.17

With the rise of “Uber-ization” of the workforce in the gig economy, many companies, including Fortune 500 firms and IT companies, are adopting a freelance model for its workforce. It’s understandable why businesses would be drawn to it: it provides them a more flexible and low-cost-way of hiring and retaining workers, especially those with specialized skills.

However, as employers begin to incorporate contract workers, consultants, and freelancers into their workforce, they must learn to manage their relationships between traditional employees and contract workers, consultants, and freelancers. Specifically, it is important to remember to take care of in-house employees, who carry the culture of the business.

My colleague Sidney Minter wrote an entry last week regarding an Oxford University study which showed that more large employers are using freelance platforms to find designers, marketing staff, information technology specialists, and other professionals. But that study did more than discuss the growing number of businesses using this staffing strategy; it also provided practical suggestions for businesses in terms of steps they could take to make the freelance model work for them.

For example, creating loyalty among workers will help retain talent. One way of doing so is providing regular feedback. Most workers today want feedback and want it immediately (unless, of course, it is constant criticism). Businesses in the gig economy may want to consider giving regular positive feedback and constructive criticism where needed, allowing a response from workers, and showing their input is important.

Another way to advance loyalty among workers is to help them grow by providing multiple ways to advance. Assigning mentors to give fresh and different perspectives on career growth and offering them leadership positions, even if on only minor assignments, can foster a sense of satisfaction and increase retention. Lastly, businesses can foster loyalty among workers by managing their expectations.

If you haven’t already done so, you should consider the level of your workers’ satisfaction in the gig economy. After all, keeping them happy and loyal may be a step in preventing frivolous claims being made by a disgruntled worker or ex-worker.

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