

4 HR Changes to Prepare for the Gig Economy

- Posted in News archive on 03 Jul 2018

Is your HR department ready for the gig economy? Here are four changes you can make right now to prepare for this growing employment trend.

Uber and Lyft. Airbnb and VRBO. Upwork and Fiver. These platforms are just a few examples of businesses that have thrived by embracing the gig economy. Born in the recession and carried into a booming economic period, the gig economy is a trend toward freelancing and contract work in all sectors of the workplace. From writing to website development to consulting, across a slew of different industries, modern workers are opting to work for themselves and take on gigs with companies rather than tying themselves down to full-time jobs.

This shift has major implications for the modern workplace. Human resources professionals will be some of the most significantly impacted. HR managers will be on the frontline, learning how to incorporate gig workers into their organizations.

As some of the brightest talent in the marketplace shifts to the gig economy model—for more money, more freedom, or both—HR departments will have to reckon with what that means for the future of talent recruitment, acquisition, development, and retention.

Here are four changes HR departments can make right now to prepare their companies for the rise of the gig economy.

Embrace a flexible workplace

As the gig economy grows, one of the most significant ways it will affect the employment landscape is by bringing work-life balance to the forefront. [According to Forbes](#), workplace flexibility is no longer a “nice-to-have” or a “perk.” Instead, it’s a make-or-break part of the job search for most applicants.

Job searchers demand flexibility, and they know they can get it from the gig economy if full-time employers won't play ball. As a result, employers are finding they have to offer flex time, work-from-home or telecommuting opportunities, and generous vacation packages if they want to woo top candidates. Parents with young families in particular aren't budging on these requirements anymore.

HR departments should take note of this demand and plan accordingly, whether that means adjusting benefits plans or completing network tweaks to make telecommuting more feasible.

Figure out which roles can go the gig route

Retaining your existing employees—and continuing to draw strong talent to full-time roles—is something that should remain a priority for your organization as the gig economy grows. However, in the process, you shouldn't ignore the writing on the wall. The gig economy is not slowing down. [According to forecast data from Intuit and Emergent Research](#), the number of gig economy workers in the United States will hit 9.2 million by 2021—up from just 3.9 million in 2016. These numbers mean no business can ignore the gig economy, and companies that can embrace it will be in the best position to capture top talent and thrive.

You may already have gig economy workers in your organization, such as contractors, freelancers, or vendors. If so, you are ahead of the curve—but you can still benefit from doing more.

Look at your organization and identify roles that could feasibly adapt to the gig economy. Which responsibilities or services could you bring into your business on a contract or freelance basis? You should focus on vacant or soon-to-be-vacant positions, but you can also look at jobs that are currently filled. That way, if someone leaves your organization, you'll know whether you can eliminate the position to save money or convert the job to freelance. Having some flexibility here will help you remain agile when ideal gig economy opportunities come along.

Focus on integration, where possible

[According to the IBM Center for Applied Insights](#), “independent workers” such as contractors or freelancers beat traditional employees in job engagement, innovation, satisfaction, and pride. Where they fall short of regular employees

is in another area: commitment. Gig economy workers typically aren't as committed to the companies they work for, and it's not difficult to see why. Many freelancers work for five to ten different employers at once and rarely maintain communication with more than one or two people at each company. This lack of commitment can hurt company culture—if you let it. Figuring out ways to integrate your gig workers into your organization more fully is a good strategy to prevent this outcome.

Foster collaboration by introducing freelancers to more than one point of contact. Giving them access to staff Slack channels or including them in department emails will make them feel like part of the team. It will also shatter silos and drive teamwork, which will benefit your organization. Ideally, the extra integration will increase commitment, which in turn will make it easier for you to establish a pool of go-to freelancers that you can rely on again and again.

Establish an onboarding strategy

You can't afford to skip the onboarding step with gig workers, but many employers do it, anyway. They don't run background checks, provide training, or do performance reviews. Instead, many gig workers work unvetted with limited supervision and almost no feedback until they turn in their assignments. This structure is unstable and puts undue risk on your business. Remember: your gig workers are still representatives of your brand. They enjoy access to company information and resources that are likely proprietary or confidential, and you still need to track and maintain their performance standards as they work.

Structure an onboarding strategy that makes sense for gig workers. In background checking, don't skimp just because you are hiring a freelancer. Do the same checks you would run on any other worker, from criminal history searches to education and work history verifications. You want to make sure every gig worker is someone you can trust. As for training, you should at the very least have a kickoff call or video conference with the contractor before getting them started. Even if the project is straightforward, you want to lay out your expectations firmly and clearly.

Finally, keep in touch. Encourage the freelancer to contact you with any questions and ask for an early sample of their work to make sure they are on

the right track before they complete an entire project. These strategies will lay a foundation for a positive employer-contractor relationship, which will make it easier for your business to embrace the benefits of the gig economy going forward.

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