
WHITE PAPER

Contingent Workforce Management

BACKGROUND:

The purpose of this White Paper is to outline the shift toward the deployment of contingent workers and in particular where independent contracting and the ContractRight framework are positioned.

Driven by changes to the structure of our economy, the use of gig economy platforms and the desire to achieve work life balance Australia's workforce is more mobile than ever before.

Companies and individuals have access to greater levels of information and in many cases value the freedom of choice to work differently – there are many reasons why individuals prefer to opt out of the so called security of employment.

These factors are placing pressure on organisations to offer flexible working environments and engagement models that attract and retain the modern worker. These demands require a shift in traditional thinking when engaging a workforce which is not based on any form of employment.

In addition, many companies are becoming more reliant on contingent contract workers or independent professionals to control rising labour costs, bridge skill gaps and to respond to fast-moving market conditions with greater flexibility and agility.

In some cases, the contingent or contractor workforce within a company may represent a higher percentage of the total workforce than traditional employees.

NEED FOR COMPLIANCE:

Current Industrial Relations restrictions and Award inhibitors are key drivers for companies to outsource and use contingent third-party arrangements for labour deployment, particularly when it is essential to extract maximum value from their labour resource. However many of these arrangement do not comply with State and Federal regulations.

This is why appropriate systems are critical to tracking the end-to-end cost and business performance from on-boarding to exit of individuals and to measure overall adequacy of contingent workers – while ensuring the commercial risk is managed and mitigated.

Furthermore, it is critically important to have project visibility and analytics to assess the number of third-party workers who are assigned; information on where those individuals are located (geographically and by job category).

When contractor numbers exceed say, 100 individuals, there is a need for an integrated solution to manage the on-boarding of outsourced workers and to track spending (to name a few outcomes), allowing management to make the strategic decisions necessary to deploy contingent labour efficiently, safely and compliantly.

SOLUTIONS:

The ContractRight team specialise in precedent based common law contracting solutions that are robust, tested and lawful. ContractRight allows companies to utilise individuals to provide services without the cost or administration burden associated with direct employment.

This engagement model provides companies with a framework to achieve:

- ✓ Relief from Industrial Relation and Award impositions.
- ✓ Potential to significantly reduce costs.
- ✓ A reduction in administration burden.
- ✓ Legal compliance and mitigation of business risk.
- ✓ Cost tracking by Department, Location and Project.

This engagement model provides Contractors with frameworks to achieve:

- ✓ Freedom to deliver services.
- ✓ Rewards linked to performance.
- ✓ Greater levels of loyalty.
- ✓ Ownership of the Project or Assignment.
- ✓ No business administration or associated costs.

OUTSOURCED WORKFORCE ENGAGEMENT:

This engagement model delivers mutually beneficial and sustainable outcomes for organisations and its workers.

This expertise covers:

- ✓ Industrial Relations – risk mitigation.
- ✓ Contractor Management.
- ✓ Legal structuring – contract development.
- ✓ Statutory compliance – NO risk.
- ✓ Contractor assessments – use our review services.
- ✓ Insurance and Risk coverage – Contractor comfort.
- ✓ Corporate governance – risk free!



For further information contact the team at ContractRight on 1300 358 431 or contact@contractright.com.au

