

Why you
should hire a...

Chief Freelance Officer



Overseeing a team serves up its share of challenges, from personality clashes to deadline crises. But as companies increasingly outsource work to independent contractors, there's a new challenge emerging: managing workers they never see.

That's where hiring a chief freelance officer comes in. That person can oversee all aspects of working with independent contractors—anything from managing them efficiently to making sure the company pays them on time.

The Shifting Workforce

Statistics Canada reports there are some 2,725,300 self-employed workers nationwide, an increase of nearly 700,000 over the past decade. As a percentage of the population, the numbers are steady. Since the turn of the millennium, self-employment has represented about 15% of Canada's workforce. But that number is likely to increase to 20% by 2020, according to research by global think tanks such as Oxford Economics and MBO Partners Inc. Some studies, like *The Intuit 2020 Report*, put that number far higher at 40%.

While figures vary, the theme is consistent: a boom in the freelance economy is just around the corner.

"There are a number of factors driving this trend," says Gord Frost, market leader for the Canadian talent business at Mercer (Canada) Ltd. "Canada's population is aging, and for many highly skilled baby boomers, moving from full-time work to freelancer is an attractive way to transition into retirement.

"Similarly, contract work could be attractive for individuals who are looking for more flexibility in their work life to pursue their studies or balance work and family."

Employers reap other benefits. Contractors can cost less since companies can pay on a per-project basis, and often without benefits. They can also maintain a pool of freelancers to call on as needed. "Demand for specific skill sets can be more closely matched with supply," says Frost. "Employers can access specific skill sets only when they need them and pay for them accordingly."

Hands Off, Hands On

The trend does, however, require a shift in thinking for managers used to dealing with full-time, in-house staff.

"One of the biggest challenges is managing," says Lisa Kay, president and lead consultant at Peak Performance Human Resources Corp. "You can't hire an independent contractor and

expect them to perform like a regular employee. They're working on their own schedule and have many different clients."

As a result, organizations can't just hire a contractor and call it a day. There are numerous administrative tasks that go into managing freelancers, warns Cheryl Finch, a former editorial director for Wolters Kluwer Ltd. who currently works as a freelancer. They include contract negotiations, invoice approvals, database maintenance, recruitment, and legal documentation such as non-disclosure and copyright agreements.

Logistics surrounding interviews, training and work assignments may also need adjusting. Vague instructions could result in in-house staff having to redo something they had paid for, and schedules need to accommodate both the organization's timelines and the freelancer's availability, since the contractor is likely juggling multiple clients and projects.

For Finch, that meant conducting interviews by phone or Skype and training via webcast for freelancers who lived out of town. Once the company had hired a freelancer, the first few assignments placed the team on a learning curve. "If problems were the result of poor instructions on our end, I would tweak our instructions accordingly," she says.

"You need good specs or you'll get a lot of questions from the freelancer, or substandard work." To minimize the risk, Finch says she used the first assignment as a test both externally and internally, checking not only the freelancer's quality but also the clarity of the assignment.

And while companies often turn to freelancers as a cost-cutting solution, they aren't always cheaper. "It could be either more or less expensive, depending on the needs," says Kay. As a result, it's up to the organization to forecast what resources it'll need and which tasks it should turn to a freelancer for and when.

Also, while freelancers may help to alleviate some of the in-house workload, their presence can lead to additional tasks for in-house staff, such as assigning projects and answering questions. The in-house team may also worry their jobs are at risk. Managers should be transparent about the reasons for using freelancers, and ensure both in-house and freelance staff understand one another's roles so they can work in harmony.

Managing freelancers can be tricky and a job onto itself. That's why companies can benefit from a chief freelance officer.

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