



INDUSTRY INSIGHTS

Eight best practices for strategically leveraging on-demand labor

SUMMARY

A on-demand labor partner can be an invaluable resource for transforming your workforce to maximize profitability and optimize growth. Yet there's a big difference between companies that use on-demand labor tactically and those that use it strategically.

According to a [study by Kelly Services](#), companies further along their workforce transformation journey are 3x more likely to drive labor cost savings in excess of 30%, and 11x more likely to achieve a significantly higher competitive advantage.

Here are eight strategies to help you get the most value from on-demand labor.

Prioritize the right types of work

Understanding which types of work are best for employees and which are best for contractors can help you deploy your resources in the right place.

As a general rule, employees are best suited for high-value, high-skill work in which your company owns the outcome. In contrast, contract technicians are ideal for the following:

- Project business
- High-volume, low-touch projects
- Geographies where you have little or no coverage
- Reduced W2 headcount
- Ensuring fulfillment when third party suppliers can't meet your specific needs or quality standards
- Projects requiring intermittent support
- Absorbing seasonal or temporary spikes in demand (e.g. event management)



Create competitive pricing and coverage plans

Many companies bid on projects based on their own historical data. But this approach doesn't work well when using on-demand labor because labor rates can fluctuate dramatically by week, month, and location. Even if you use a blended rate across high- and low-cost sites, you could be overpaying or underpaying for labor. In the long run, this approach can erode your competitiveness and profitability.

Companies that have a [strategic pricing and coverage planning process use external market data](#) (as well as internal data) to build a competitive advantage. Real-time, market-based pricing and coverage insights can help you win more bids, improve margins, achieve higher fulfillment rates, and ensure quality while remaining competitive.

Optimize your vetting strategy

When you send an employee on-site, you have confidence that they've been appropriately vetted. Chances are, you don't have the same vetting process in place for your on-demand workers. And if you do, the process is likely inconsistent, manual, or time-consuming.

Look for a on-demand labor partner that helps you vet technicians using field-verified metrics such as work history, expected pay range, and reviews by type of work. Some partners even enable you to screen techs for future projects using predetermined criteria to further streamline the process.

Automated processes can take some of the manual work out of vetting and assigning technicians. This will allow your dispatchers to focus their time on more high-value tasks, and ensure that contract technicians represent your company well on-site.

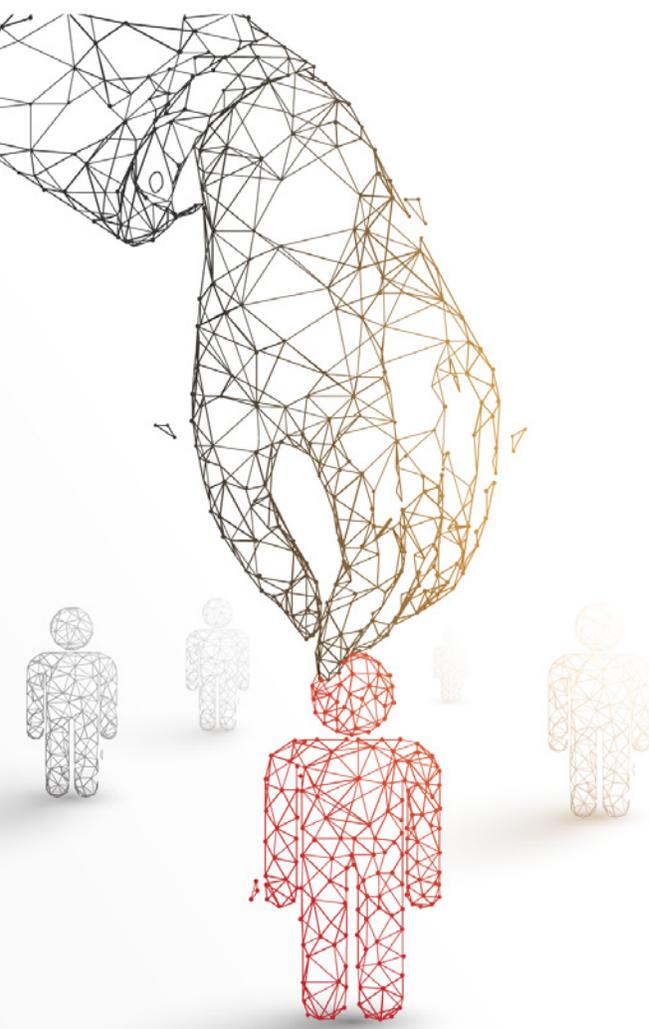




Automate reviewing and approving work

It's not uncommon for companies to spend as much as 30 percent of their time reviewing and approving work orders. Some businesses manually review and approve every work order, even for straightforward projects that don't require follow up.

Companies that have strategically implemented an on-demand workforce use tools designed for reviewing and approving work at scale. By only spending time on work orders that require extra time or attention, you can increase the bandwidth of your team — without adding headcount.



Integrate with key systems

Integration with key systems, such as your Professional Services Automation (PSA) system, remote monitoring and management (RMM) system, and other ticketing software is also critical. Without this integration, teams do duplicate work and manually manage processes that could be automated.

Integrating your on-demand labor workflow with your business systems can help your company:

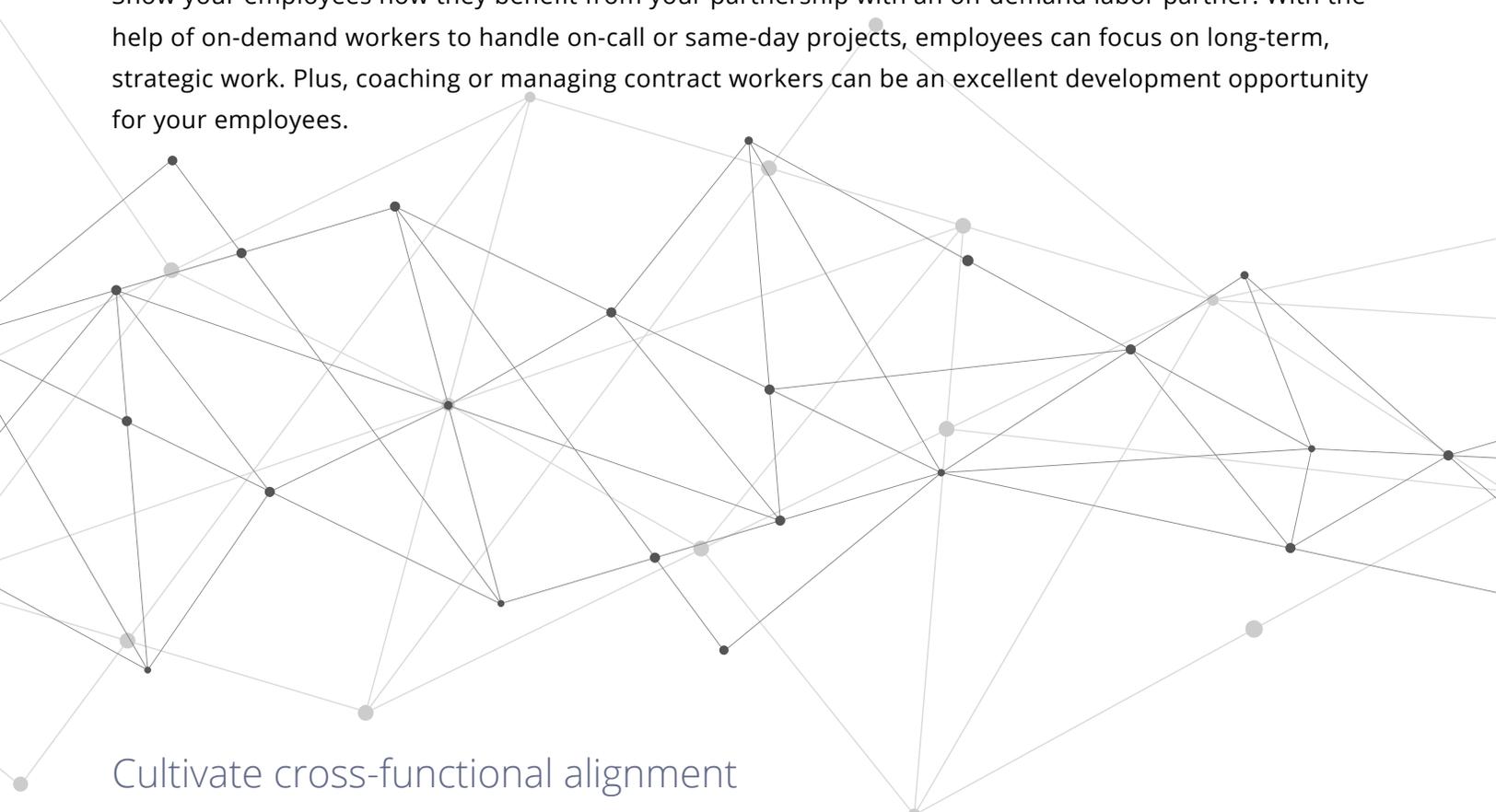
- Increase operational team efficiency
- Scale for growth
- Reduce manual touchpoints
- Take advantage of the latest functionality with ongoing maintenance and upgrades
- Work from one source of truth



Leverage your internal talent

Some of your full-time employees may feel threatened when you decide to bring on an on-demand workforce.

Show your employees how they benefit from your partnership with an on-demand labor partner. With the help of on-demand workers to handle on-call or same-day projects, employees can focus on long-term, strategic work. Plus, coaching or managing contract workers can be an excellent development opportunity for your employees.



Cultivate cross-functional alignment

Service delivery excellence depends on cross-functional alignment. All functions — including sales, operations, finance, and legal — must be strategically aligned around how you'll serve customers.

That's why it's essential to gain buy-in on how you'll deploy on-demand field service talent. Ensure all stakeholders understand the value of on-demand labor to your organization, how you'll engage with on-demand labor resources, what types of projects you'll use on-demand labor for, and how you'll measure success.



Think long term

Your relationship with an on-demand labor partner is a long-term collaboration rather than a one-time event. Companies that receive implementation training and set up an ongoing support system achieve greater success. A holistic approach that addresses quality, cost, coverage, and platform experience will position your company for long-term, scalable success.

Want expert advice on how to leverage on-demand labor?

To drive meaningful change and innovation in your labor model, you need to embrace new ways to work that benefit your business and help you become more competitive. Field Nation is the world's most active field service marketplace and software solution that connects companies and service professionals to get work done.

[Contact us](#) to explore how Field Nation can help you and your team optimize your labor strategy.