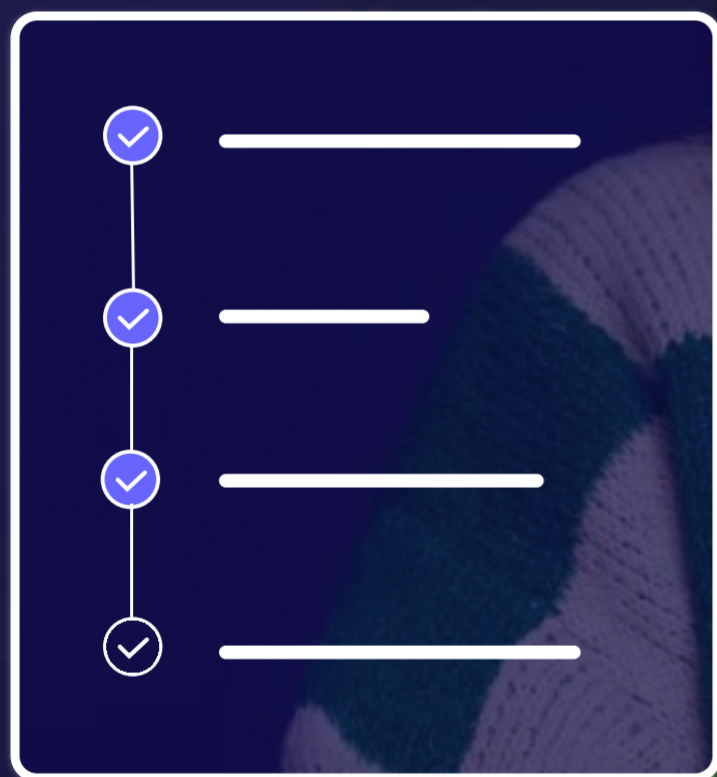


# Mastering the Freelancer *Sourcing & Hiring Process*

A Guide for Procurement Leaders



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## CHAPTER 1

# The Freelance Workforce *is Experiencing Major Growth*

According to Forrester, Freelancers are now a key element of what they call “a winning talent strategy.”<sup>1</sup> One in three executives is handling talent shortages using an alternative approach to full-time employees.

More than a third of the U.S. workforce is now an independent worker, and a large percentage of this cohort is highly educated. In fact, 51% of post-graduate workers are freelancing, up 6% since 2020.<sup>2</sup>

However, effective freelancer sourcing and hiring is a whole new challenge for Procurement leaders. When leaning on a contingent workforce, it's critical that an organization can find and hire the right talent, not just any talent. While the perfect people in the right place are a powerful level-up for the workforce, the wrong talent wastes time, resources, and can even open the company up to compliance risk.

**It's not about hiring any freelancer,  
but more about hiring the right freelancer.**

<sup>1</sup> Forrester, [Predictions for Tech leaders, 2023](#).

<sup>2</sup> Forbes, [Data from Future of Freelancing, 2021](#)



## CHAPTER 2

# Understanding the Benefits & Challenges of Sourcing & Hiring Freelancers



One of the main benefits when working with freelancers is improving time to hire. On average, it takes between 14 and 63 days to hire a new employee, varying across industries.<sup>3</sup> In a fast-moving company, this isn't good enough.

Utilizing freelancers means you can slash that time to fill, and have new workers onboarded in a matter of days. If you source talent from an existing talent pool — you could be talking about hours.

It's also a matter of dollars and sense. Freelancers can add niche skills and expertise to a fast-growing workforce, and offer cost savings through scaling up and down as necessary to meet specific project requirements. A freelance talent strategy expands the potential hiring pool to anywhere in the world, making it far more likely that your company can find the right person for the job, and all without a lengthy hiring and onboarding process.

Of course, all of this relies on the assumption that you can easily find freelancers that have the necessary skills and experience, and who can compliantly work for your company. It is estimated that there are more than 1,000 freelance marketplaces, with some of the most popular home to millions of profiles. How is your company meant to identify the right talent in the crowd?

Even if you skip the rabble, and look for personal recommendations or word of mouth references, you can't always know that freelancers are able to compliantly work for your company, that they will be a strong cultural fit, or meet your working requirements.

On average, it takes between 14 and 63 days to hire a new employee, varying across industries.

## CHAPTER 3

# Building a Solid *Freelancer Sourcing Strategy*

All of this is why it's so important to build an effective freelancer sourcing strategy, before you ever commit to your first Google of "great freelancers near me". Here are some top tips to get started:

## Determine if freelancers are the right strategic fit

Not all jobs will be the right choice for freelancers. For example, in some cases, compliance will dictate that freelancers only complete work that is outside of the core business of your company, and this may not work for you. There are exceptions, but most tasks that suit freelancers will be short-term and project-based, such as building a new website, or providing extra people-power to get to a product launch on time. Of course, your company might use the same freelancer for years, over many back-to-back project-based assignments. Put a process in place to recognize whether you need a freelancer or an employee, and it will save you a lot of wasted time in the long run.

## Identify project requirements

Before you start looking, recognize and write down exactly what you need. How many freelancers are you on the hunt for? What niche expertise are you looking for, or are you happy with beginners?

Do you want your workers to have a certain number of years of experience, or references from companies in your industry? Will you need multi-skilled workers, such as someone competent in writing as well as design, or in legal matters across more than one region? The broader your search term, the less likely you are to find the right person. Search for "developer" and you'll have a lot less luck than if you search for "Back-end developer with experience maintaining legacy systems".

## Look in the right places

Once you know what you need, start thinking about where you're going to find these talented additions to your team. Will you cast a wide net on freelancer marketplaces, or look for a niche staffing agency that caters to very specific expertise? Remember, staffing agencies and MSPs will take their own fee, which can add to your overall costs. It can be helpful to build yourself your own private talent pool in which other teams in your organization can rehire freelance talent your organization has already worked with, as these workers are already vetted and proven to be a good fit.

## Create compelling project descriptions

Once you know who you're looking for and where you're going to find them, you need to stand out from the crowd. Top freelance talent can be hard to find, and if they aren't interested in your project — they will quickly look elsewhere. This is also your opportunity to make sure that both parties are on the same page. If you haven't outlined the project clearly at the start, you can't blame the freelancer if they can't get the job done. Make sure to include the project requirements you've identified earlier in the process. Remember, as a freelance position, applicants will assume that they can dictate location, hours, and payment terms. If this isn't the case — be clear upfront.

## CHAPTER 4

# Evaluating and Selecting Freelancers

## *Who Are Right for Your Organization*

At this stage, you should have a pool of candidates and be ready to narrow it down to find the right person (or people) for the job. This is a bit of a balancing act. You want to get successful candidates to work quickly, allowing you to hit the ground running with an emergent need, but you also need to make sure you don't add unnecessary risk. After all, if you get the hire wrong, you could end up back to square one, or with a sub-par job done. This checklist is a helpful start.



- 📄 **Evaluate skills:** Consider offering the candidates a practical task to see if they have what it takes. Remember, any test should be paid.
- 📄 **Run a compliance check:** Conduct a background check to see if they are fully compliant for your business, according to both internal policies and local laws and regulations, and know how to work with a public entity.
- 📄 **Peruse a portfolio:** Ask to see previous examples of their work, whether that's in an online portfolio, or via private links.
- 🗣️ **Assess communication:** Make sure to jump on a Zoom call and see how they communicate face to face.
- 👤 **Consider cultural fit:** Especially if freelancers are working with an in-house team, it's important to think of all your workers as a single entity.
- 🛡️ **Verify credentials:** Don't rely on an email reference, or the candidate's word that they have the experience. KYC is for freelancers, too.
- 👤 **Ask for references:** Speak to people who have worked with the candidates before, and ask for the good and the bad.

This can seem like a lot of work, especially if you're looking for a short-term engagement. However the truth is, with the growth in the use of freelance talent, when you find a great person, you're going to want to keep that relationship going. Building long-term relationships with freelancers means being able to reach out to them whenever you have a need that meets their skillset, and knowing that they are tried, tested and guaranteed to give you the quality you've had in the past.

## CHAPTER 5

# Ensuring Compliance & Legal Considerations



One critical element of sourcing you can't afford to ignore is compliance. There are a number of different areas of risk to consider.

First, workforce classification. Misclassifying employees as freelancers comes with heavy financial, legal and reputational risk, and the rules vary even within the U.S, let alone globally. You need to be sure that you're hiring workers compliantly, and that anyone you call a freelancer, is really working as one. Something as simple as defining how much a worker gets paid, or asking them to augment a team responsible for a core business function could establish them as an employee in the eyes of the government. In this case, you would need to be withholding taxes, Social Security and Medicare. You can't afford to wait for an alert that you've made a mistake, as the IRS puts the responsibility on you as the business to get it right.

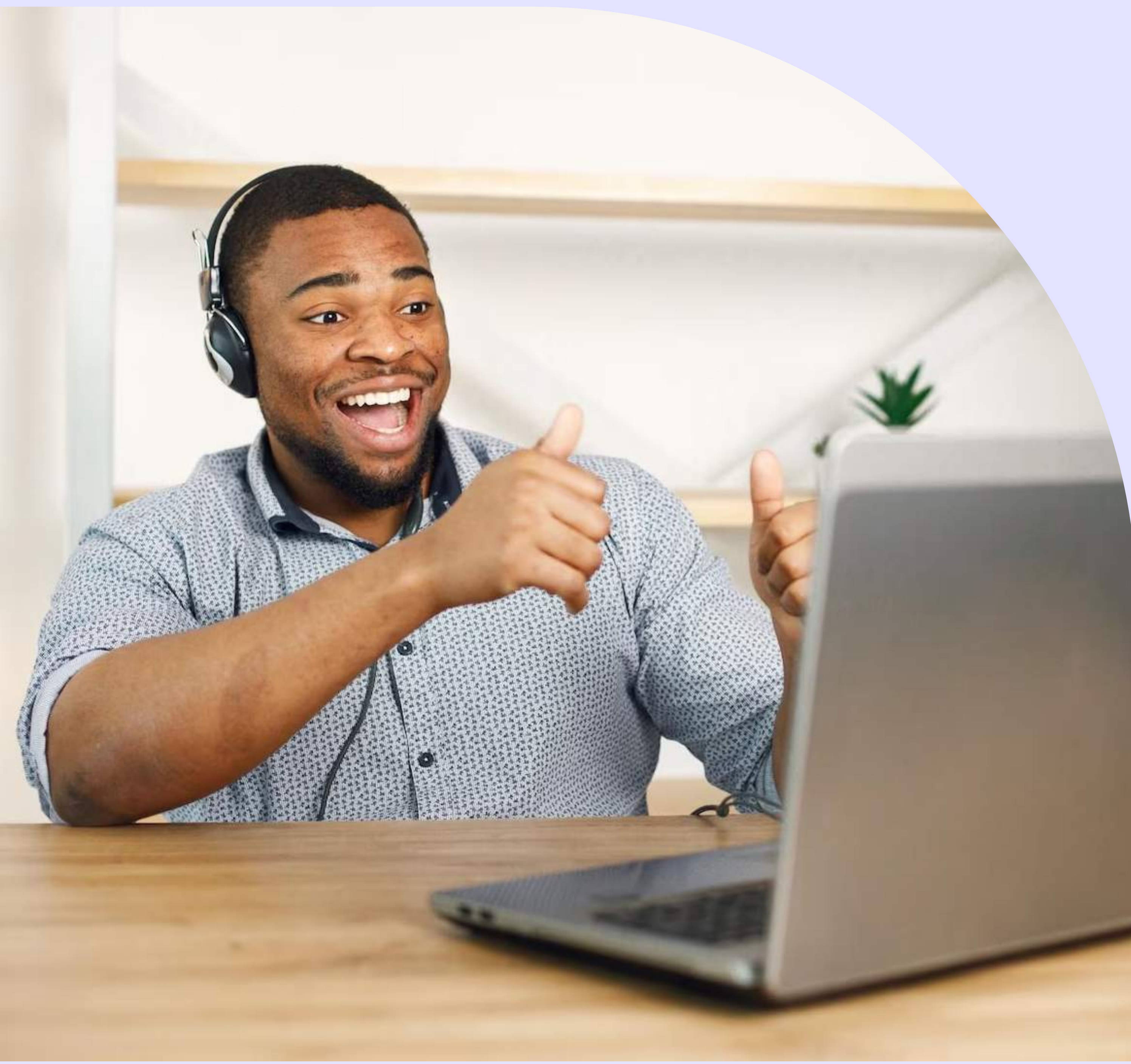
Even when freelancers are classified correctly, there's legal and tax compliance to consider. You'll need to create a process for collecting the right documentation and signatures, building contracts, ensuring system access alongside data privacy, and offboarding compliantly when a project is complete.

To mitigate your risk and maintain a compliant freelancer workforce, make sure you have a complete list of all workers who are not payroll employees, and their scope of work, location, and contract. Don't wait until filing season rolls around to collect documentation such as W-9 and W-8 BEN forms, and always make sure Legal and HR are kept in the loop with one another so that the status of each freelancer is ascertained and verified at all times.

**Misclassification comes with heavy financial, legal and reputational risk. Make sure that anyone you call a freelancer, is really working as one.**

## CHAPTER 6

# Ready, Set, Source: Let Fiverr Enterprise *Take The Stress of Finding Freelancers Off Your Plate*



Today's companies know there's great talent available, it's just about finding freelancers across so many different sources, and narrowing it down from thousands of candidates to the ones who have the right skills and can compliantly work for your organization. Paying staffing agencies high markups is not maintainable, and you can't even be sure you're getting the best talent when you do.

In addition, hiring and onboarding freelancers can be as time consuming as hiring a full time employee, which can slow you down from moving forward with projects, and maximizing business performance. Furthermore, sourcing and vetting need to be done carefully, and even though you could work with any freelancer, you want to make sure you're working with the right freelancer. That's where a freelance management system (FMS) comes in.

Fiverr Enterprise is a SaaS solution that gives you full visibility and control over your entire freelance workforce by allowing you to source, hire, onboard, manage and pay, all while ensuring compliance, so your teams can work faster and maximize business growth.

Built from the ground up to support organizations in finding and hiring the right talent, we know that embracing the freelance workforce is your competitive advantage.

**Source & hire expert talent in 3 easy steps.**

## **1. Set up your job description**

Create your own job requirements, or choose from our existing templates so that you can build job descriptions proven to check all the boxes and stand out from the crowd.

Our hiring service presents you with freelance talent according to your project needs, all from a single platform. Embedded sourcing capabilities means no more shopping around freelancer marketplaces, or hoping someone on LinkedIn sees your post and has the right person in mind.



## 2. Meet your candidates

In 72 hours or less, our sourcing experts provide you with a list of 2-6 candidates perfect for the project at hand.

**Need to get there even faster?** We've pre-selected a list of expert talent with experience in various, high-demand industries and fields, that are instantly ready to work for you. At Fiverr Enterprise, we help you build a private talent pool from freelancers that your company has already worked with, alongside reviews from the colleagues you know and trust. This talent pool is pre-vetted, compliant, and you can rest assured that they know the product and are a cultural fit.

As you work with more freelancers, you can easily filter by skills, language, location, rates and more, making it extremely easy to rehire talent moving forward.

## 3. Interview and onboard

Customize onboarding documents and access requirements in the context of your company's needs, and Fiverr Enterprise checks all the boxes before work even begins.

Furthermore, we make sure all the freelancers you've onboarded are fully compliant for your business. Our solution will validate signatures, store all documents securely, and even alert you before they expire. We take on all the liability on your behalf, ensuring zero risk of misclassification, and full tax and legal compliance, no matter where your freelancers work.





# About Fiverr Enterprise

Fiverr Enterprise is a SaaS solution that gives you full visibility and control over your entire freelance workforce by allowing you to source, hire, onboard, manage and pay, all while ensuring compliance, so your teams can work faster and maximize business growth.

Let us take the stress of hiring freelancers off your plate by finding expert pre-vetted, and business-ready freelancers for **you**.

With Fiverr Enterprise, you can get your freelance talent hired, onboarded and contributing in 1 day.



## Seamless talent discovery

We'll provide you with freelance talent for your projects, directly on the platform.



## Private talent pool

Rehire compliant freelancers your company has already worked with via your private talent pool.



## Legally compliant onboarding

We'll automate and customize legal & tax compliance, and alert you of any misclassification.

## Scale the way you work with your freelance workforce

Schedule a 30-min call with one of our workforce experts.

[Book a Demo](#)