

Your Most Flexible Workforce May Be Carrying Your Business Risk



A business keeps a roster of people it can call when demand rises. It doesn't promise much work, sometimes changes assignments at short notice and expects quick responses when something becomes urgent. When reliable workers start declining requests, management asks HR to improve engagement.

The workers may be making a straightforward economic decision. An assignment offers a stated payment, but accepting it also means reserving time, arranging transportation, turning down other work and trusting that the organization will follow through. If those costs become unpredictable, a higher advertised rate may still represent a poor opportunity.

Canadian HR leaders should examine that exchange before launching a loyalty campaign. Retention in a flexible workforce depends partly on whether the organization offers work people can reasonably plan around. A staffing model that transfers uncertainty to workers can receive uncertainty in return through declining availability, unfilled assignments and repeated replacement costs.

Recent platform-worker protections provide useful signals about the importance of information, payment and access to work. Their legal requirements are targeted, but the management questions extend to many organizations that rely on casual staff, contractors or assignments allocated through digital systems.

Define the workforce before applying the lesson

Gig-adjacent isn't a legal category. In this article, it describes arrangements where work, income or access to assignments can vary substantially and where the organization depends on people who may have limited predictability. That can include casual employees, on-call staff, independent service providers and some platform workers.

Those groups don't share one legal status. A casual employee can have employment rights even if hours vary. A genuine independent contractor may operate a separate business. A platform worker may fall within a specific statutory scheme. Temporary agency arrangements add another set of relationships and responsibilities.

HR should map who performs the work, who engages and pays them, which jurisdiction applies and how assignments are controlled. Review the actual arrangement rather than assume that the roster label or contract title answers the question.

The Canada Revenue Agency's guidance assesses employee or self-employed status using relevant facts, including control, tools, financial risk and opportunity for profit, with different legal approaches in Quebec and elsewhere. Its tax and CPP or EI assessment doesn't resolve every employment standards or labour law question. [1]

This matters when designing retention measures. An organization that wants dependable ongoing availability and substantial control should assess whether its engagement model fits those requirements. It shouldn't try to obtain the practical benefits of employment while assuming a contractor label removes the related obligations.

Read the rights trends for what they reveal

Ontario's Digital Platform Workers' Rights Act came into force on July 1, 2025. It establishes targeted protections for covered digital platform work. [2] The law isn't a general framework for every freelancer, casual employee or business using scheduling software.

British Columbia introduced specific standards and workers' compensation protections for covered app-based ride-hail and delivery workers effective September 3, 2024. [3] Its Employment Standards Regulation includes requirements for information accompanying work offers, including anticipated pickup and drop-off locations and estimated payment. [4]

The broader HR lesson is an inference about workforce design: people need useful information to judge an assignment. A worker can't make an informed decision about work when the scope, location or likely payment becomes clear only after acceptance.

That doesn't mean another employer should copy the platform rules as its complete legal policy. Determine the applicable obligations first, then examine whether clearer offers and more dependable administration would improve the relationship. Compliance establishes required minimums; the retention decision concerns the experience the organization chooses to provide around them.

Calculate the worker's real opportunity

A three-hour assignment at \$35 an hour appears to offer \$105. Suppose the person also spends half an hour on preparation and required administration and an hour on travel associated with accepting that assignment. Across four and a half hours, the gross amount averages \$23.33 an hour before any expenses or taxes.

This is a hypothetical illustration of a worker's economic assessment, not a legal calculation of wages owed. Whether preparation, administration, travel or waiting time must be paid depends on the relationship, work and applicable law. Those questions require their own review.

The illustration explains why workers may reject an apparently competitive offer. The organization sees three productive hours. The worker considers the total commitment and the alternatives they give up.

Ask workers which parts of an assignment create avoidable effort. Are instructions incomplete? Does entry to the site require a long wait? Must an invoice be resubmitted because the approval contact keeps changing? Each problem can reduce the value of accepting work without improving the service delivered.

HR can work with operations and procurement to remove those frictions. Clear instructions, reliable site access and a usable payment process can make an assignment more attractive while reducing administrative work for both sides.

Stop treating uncertain availability as a character flaw

People who receive no dependable volume of work may need other sources of income. An organization should expect their availability to reflect those commitments, rather than assume that inclusion on its roster creates priority access to their time.

Examine what managers ask for. Do they expect workers to hold particular days open? How much notice do they provide? Are people disadvantaged for declining assignments they weren't obliged to accept? Do the contract and actual practices align?

Where the business needs reserved capacity, consider an arrangement that explicitly provides and pays for it, subject to legal review. That might involve a suitable employment model, a negotiated service commitment or another lawful structure matched to the need. It creates a cost the business should compare with the expense of unreliable coverage.

Avoid describing declining availability as disloyalty before checking the offer. A worker who regularly receives late cancellations may rationally prioritize a customer who confirms work earlier. Retention depends partly on becoming a dependable purchaser of time and expertise.

Make cancellation practices part of the retention plan

An organization may cancel an assignment because customer demand changes. The worker may already have reserved the time or incurred costs. If the organization repeatedly transfers the full consequence to the worker, future acceptance decisions will reflect that experience.

Start by identifying legal, contractual and collective agreement requirements. Reporting pay, minimum pay, cancellation terms and scheduling obligations vary. A voluntary retention policy can't replace an amount already owed.

Then decide whether an additional, clearly defined cancellation practice makes business sense. Specify what counts as a confirmed assignment, who can cancel, the relevant notice periods and how payment is handled. Avoid discretionary exceptions that depend on which manager receives the complaint.

A fee won't resolve every problem. Earlier decisions, more accurate demand forecasts and smaller confirmed blocks may reduce cancellations. Workers may also value receiving prompt notice more than a vague promise that their flexibility will be remembered later.

Track the cause. If a few customers or managers generate most late changes, address that source rather than spread the cost across the whole workforce.

Compare predictability with the cost of emergency coverage

Consider a hypothetical Canadian service business purchasing 1,000 assignments a year. Each pays an average of \$160, producing \$160,000 in assignment fees. Assume late changes and unreliable coverage lead to emergency replacement premiums on 80 assignments at \$90 each, or \$7,200 annually.

Suppose staff also spend 160 additional hours finding replacements and resolving disputes. At an assumed loaded cost of \$50 an hour, that consumes capacity valued at \$8,000. The identified annual burden is \$7,200 in additional expenditure plus \$8,000 in internal capacity.

Management proposes a package of earlier confirmations, clearer instructions and a late cancellation payment. Assume 40 employer-cancelled assignments qualify for an additional \$60 payment, costing \$2,400. Improving the scheduling process costs \$3,000 in the first year, for a total incremental cash cost of \$5,400.

If the package halves the emergency premiums and additional administration, it would avoid \$3,600 in premiums and release capacity valued at \$4,000. The combined economic benefit would be \$7,600, exceeding the assumed package cost by \$2,200. Cash expenditure alone would be \$1,800 higher in that first year, because released salaried time isn't automatically a cash saving.

These Canadian-dollar figures are planning assumptions, not evidence that the package will produce that result. The business should test whether cancellations, acceptance and emergency coverage actually improve. Include administration and any ongoing costs, and count only payments additional to existing obligations. A financial comparison that hides required payments inside an optional retention investment misstates the decision.

Treat payment reliability as an operating commitment

Payment problems can damage an otherwise useful relationship. A worker may accept uncertainty in volume while still expecting the organization to pay the agreed amount when due.

Review the path from completed work to payment. Who confirms completion? What records are required? What happens when the approver is away? Can the worker see which part of a payment is disputed and reach someone able to correct an error?

For employees, wage payment obligations apply under the relevant framework. For genuine contractors, the contract and applicable law govern, with additional sector-specific rules potentially relevant. Don't assume the accounts payable timetable is appropriate for everyone performing work.

Give workers a usable explanation of the process and meet it. Where information is missing, identify it promptly rather than leave an invoice unanswered until the next payment cycle. Separate disputed items appropriately and obtain advice on what can be

withheld; an administrative disagreement doesn't automatically justify delaying all amounts.

HR may not own accounts payable, but it should ensure payment experience is included in retention discussions. Asking workers to feel connected to an organization that repeatedly pays late is unlikely to resolve the problem.

Offer development without demanding dependence

Flexible workers can benefit from clear standards, useful information and opportunities to improve their work. Employees need the training and supervision required for their roles. Independent providers may benefit from orientation to the organization's systems, customer requirements and safety arrangements without being managed as though every aspect of their business belongs to the purchaser.

Design support around the relationship and the work. Determine what training is required, who provides it and how time and costs are treated under the applicable requirements. Don't assume mandatory preparation becomes unpaid because it appears in an online portal.

Access to recurring work should follow clear, relevant criteria. Explain qualifications, service requirements and how concerns are assessed. Avoid vague promises that accepting every inconvenient assignment will eventually lead to better opportunities.

Some workers want permanent employment; others value independent business activity or limited commitments. Ask rather than assume. Where the organization has genuine ongoing roles, an explicit route to apply may support retention better than continually expanding expectations within an uncertain arrangement.

Measure retention through actual participation

A roster can look stable while its useful capacity declines. People may never formally resign; they simply stop accepting work. Counting names won't reveal that change.

Examine participation over a period appropriate to the work. How many qualified people receive offers, how many accept and how many complete assignments? How often do workers return after their first few assignments? Review declines alongside notice, location, scope, payment and employer cancellations.

Use careful denominators. A low acceptance rate may reflect offers sent to people who weren't available or qualified. A reduction in assignments may reflect lower business demand rather than worker withdrawal. Review the sequence before concluding that engagement has weakened.

Ask a small sample of active and inactive workers what makes assignments worth accepting. Keep the questions focused, explain how feedback will be used and protect personal information. Don't make participation a hidden condition for receiving work.

The objective is to understand whether the business can sustain access to the

capability it needs on terms people will continue to accept.

Start with the uncertainty the organization can control

HR can begin with one workforce group and one recurring source of friction. Review the engagement model, confirm applicable obligations and trace the experience from receiving an offer to being paid.

Choose a feasible improvement, establish a baseline and monitor the result. Earlier confirmation may be more useful than a broad rewards programme. A reliable payment contact may resolve a problem that repeated recruitment hasn't touched.

Bring the decision to leadership in operating terms. Explain what predictability costs, what unreliable coverage already costs and which assumptions the pilot will test. Retention becomes a more credible business discussion when the organization examines its own dependability alongside the worker's availability. If the staffing model requires people to carry uncertainty, leadership should understand how much it asks them to carry and what it offers in return.