



EXECUTIVE GUIDE

Tips to Drive Efficiency and Scale with an Independent Contractor Workforce



Introduction

Companies that rely on independent contractors encounter significant challenges, particularly when critical processes like recruiting, onboarding, negotiating, payments, and insurance enrollment are still managed manually. This outdated approach not only hampers efficiency but also leaves these companies ill-equipped to scale effectively as their operations grow.

On the other hand, some contracting companies have adopted software solutions to automate these manual tasks, streamlining their workflows. However, only a small fraction of these organizations has taken the next step to truly stand out. By transforming their contractor management software into a robust, high-performance tool, they've unlocked unprecedented levels of efficiency and scalability, creating a distinct competitive advantage in the market.

This executive guide highlights how forward-thinking contracting companies have built efficient operational frameworks that drive scalability and long-term success.

Lightning-Fast Contractor Recruiting & Onboarding

Can't keep up with demand? Contractor management software can accelerate independent contractor onboarding by 94%, allowing businesses to scale workforces quickly—especially during peak demand periods. With mobile-friendly workflows, advanced software streamlines every step, from screening and rate negotiation to document collection, compliance checks, and e-signatures. By reducing manual onboarding, businesses significantly improve operational efficiency.

The most advanced software ensures compliance through automated document collection, audit trails, and digital timestamps while seamlessly integrating (when needed) background checks, MVRs, and drug testing during onboarding.



INSIDER TIP

By automating top-of-funnel engagement, an Openforce delivery client increased its driver pool **12X in three months**. How? They shifted from cold calling to following-up with engaged drivers eager to start enrollment process. With ease, recruiters:

- Generated location-based driver enrollment links directly from the Openforce platform.
- Embedded enrollment links across geo-targeted marketing automation efforts to generate driver opt-ins.
- Used Openforce as a replacement for an expensive ATS system.

Automating Deductions & Payments for Maximum Efficiency

To eliminate time-consuming and error-prone processes, forward-thinking contracting companies have embraced software which automates independent contractor deductions and payments. Smart technology ensures timely, accurate settlements while reducing administrative burdens and improving transparency.

Advanced software seamlessly handles itemized deductions for expenses such as uniforms, vehicle rentals, garnishments, and child support, ensuring compliance and efficiency. Contractors benefit from flexible payment options, including direct deposit and prepaid debit cards, making it easier to access their earnings. Additionally, automated 1099 preparation and filing streamline tax season for both businesses and contractors, further enhancing efficiency and compliance.



INSIDER TIP

Use APIs to automate payment processing, which includes custom deductions, so your team can focus on other business priorities.

Yield Higher Insurance Adoption Rates

For high insurance adoption rates, insurance should be integrated into contractor management workflows. Smart technology ensures the vendors meet coverage requirements—whether occupational accident, liability, or other essential policies. Automated premium collection, policy updates, and reporting reduce administrative burdens, ensure compliance, and prevent coverage gaps.

Beyond automation, advanced solutions also provide vendor support teams to handle policy and claims inquiries, allowing businesses to focus on operations instead of insurance-related questions. When the entire process is streamlined, contracting companies enhance efficiency, reduce risk, and support full compliance with insurance requirements.



INSIDER TIP

By bundling Workers' Compensation, Occupational Accident, and Contingent Liability insurance under a single carrier... and leveraging the Openforce platform, Openforce clients may unlock the advantage of having Openforce become the contractors' Payor of Record.

Mitigate Misclassification and Compliance Risks

Advanced contractor management software offers a reliable audit trail and complete visibility into every independent contractor decision. This ensures maximum separation between the contracting company and its independent workforce and provides a solid defense against audits.

With all contractor information securely stored in a centralized platform, advanced search functionality enables users to quickly locate documents. Legal and risk teams also benefit from secure access to compliance records, making audits and regulatory checks more efficient to quickly surface evidence of contractor choice and compliance when responding to an audit or claim. Automated alerts prompt vendors to update documents before expiration, while real-time status tracking simplifies verification. And as mentioned on page 3, integrating background checks, MVRs, and drug tests into onboarding also strengthen compliance.



INSIDER TIP

In 2024 alone, Openforce helped defend against 164 misclassification claims, saving clients over \$10 million in demands. Openforce helps companies build moats around their independent contractor model, enabling businesses to stay protected while operating efficiently.

Conclusion

Openforce's technology enables contracting companies to unlock scale and efficiency by automating crucial processes like recruiting, onboarding, payments, insurance enrollment, and compliance management. By embracing automation, businesses can streamline their operations, reduce manual errors, and scale quickly to meet growing demand—especially during peak periods.

With features like real-time visibility, automated payment and deduction management, and seamless integration with recruitment tools, companies can improve operational efficiency and focus on strategic growth. By prioritizing risk management and compliance, Openforce helps mitigate costly misclassification claims and ensures that businesses stay protected, efficient, and ready to scale.

Discover why Openforce is the leading contractor management solution—schedule a 15-minute demo today.