



workmarket[®]
an ADP[®] company

About the Client



Company: Institutional Real Estate, Inc. (IREI)



Website: irei.com

ABC Test Explained

- A.** The individual is free from control and direction of the hiring entity in connection with the performance of the work, both under the contract for the performance of the work and in fact.
- B.** The individual performs work outside the usual course of the hiring entity's business.
- C.** The individual is customarily engaged in an independently established trade, occupation or business of the same nature as that involved in the work performed.

Seamless and Compliant Payments for Contractors in One Automated Platform

About IREI

Founded in 1987, Institutional Real Estate, Inc. (IREI) is a global media firm that provides investment fiduciaries with information and insights on the people, issues, ideas and events driving the global real estate and infrastructure investment marketplaces.

IREI publishes a diversified portfolio of news publications, special reports and investment guides to benefit the global institutional real estate and infrastructure investment communities. Each publication provides subscribers with news, insights and perspectives on the trends and events shaping the investment landscape in private and public equity and debt markets. The firm's award-winning flagship publication, [Institutional Real Estate Americas](#), has been the industry's go-to resource for more than 30 years.

The Problem

Like many publishers, IREI has a business model that relies heavily on independent contractors. Based in California, with many local talent resources, IREI was concerned about abiding by California Assembly Bill 5 (AB5), which extends employee classification status to some contractors. Under AB5, companies must use a three-pronged test (ABC test) to prove workers are independent contractors rather than employees or risk penalties and fines.

With more contractors than FTEs (48 vs. 36), IREI knew it needed a better way to capture worker information to compliantly manage, track and pay their independent workers in order to mitigate the company's risk. This risk was the catalyst for finding a technology solution that could navigate the nuances around paying and engaging with independent contractors.

Furthermore, IREI had a valuable base of contractors who balked at the idea of using new technology. So, if IREI was going to adopt a new solution, it wanted to ensure the platform was user-friendly and made paying contractors seamless. The firm also needed a way to pay workers faster because it was relying on manual processes that often caused delays.

Erika Cohen, IREI's president and COO, knew they had "a straight-forward problem that needed a straight-forward solution."



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The Solution

IREI chose WorkMarket because it allowed for automated documentation on how contractors are managed — from the jobs they completed to payment details. With WorkMarket's advanced reporting capabilities, IREI can instantly track and report on contractors engagements. This gave IREI peace of mind, knowing all workers included on the platform would be properly managed and paid per the AB5 requirements.

Previously, IREI created and processed invoices manually, sending out paper checks in the mail, which can cause delays in the pay distribution process and can also be prone to errors. With WorkMarket, when the contractor completes an assignment, invoicing is done automatically, and the workers are paid immediately.

Since contractor satisfaction was also an important consideration, IREI was extremely satisfied with the simplicity of the mobile app, knowing that its contractors would find it easy to use. Plus, WorkMarket's flexible payment options meant contractors could now set up auto-withdrawal on their account to ensure funds transfer automatically, which could prove to be a crucial element in retaining and keeping freelancers happy.

The Results

After implementing WorkMarket, IREI can perform reliable and up-to-date internal audits to monitor the firm's risk around wages and hours to ensure it wasn't exceeding any thresholds or violating AB5. IREI now has greater visibility into its contractor workforce to further mitigate compliance risk.

Some additional WorkMarket benefits IREI has seen as explained by Jenny Guerrero, controller at IREI, include:

- Eliminating the manual process of approving all invoices because payment terms are automatic and preset for each assignment.
- WorkMarket's handling of electronic 1099 preparation and submission with the IRS (state and federal) on the clients' behalf. This includes furnishing copies, both digital and print, to the contractors.

Taking into account the full scope and impact WorkMarket has made on her business, Guerrero was emphatic when saying, "Now, we are finally able to easily and compliantly use more contractors. WorkMarket has helped us save both time and money."

In addition, IREI has been pleased with the initial evaluation, setup assistance and the ongoing customer support since implementation. Guerrero explains, "WorkMarket's customer support has become a valuable and trusted partner. They are responsive and always there when we need them." Cohen and Guerrero agree that WorkMarket has helped IREI take the necessary steps to protect its business model and reduce the firm's compliance risk. Furthermore, Cohen advises, "Any company that has a contractor workforce should strongly consider WorkMarket. The platform makes bringing on contractors easy, paying them seamless, and mitigates the compliance risks we were concerned about."

About WorkMarket

WorkMarket, an ADP company, is a freelance management solution that empowers businesses to efficiently onboard independent contractors, automate verification workflows, manage jobs at scale and deliver fast (and flexible) payment options. Giving businesses the ability to scale, without growing the back office!



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Erika Cohen,
COO

Eliminate manual processes and protect your business with robust end-to-end technology to help your company automate workflows and create the visibility you need to maintain compliance.



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