



When To Use

For core roles requiring long-term commitment, stability, and consistency in performance



Legal Snapshot

- Must comply with employment laws for wages, benefits, and workplace protections
- Subject to termination rules in your jurisdiction
- Must include policies for remote or hybrid work if applicable



Tax and Payroll Rules

- Employer responsible for payroll tax withholding
- Must provide annual tax forms (e.g., W-2 in the U.S.)
- Employer pays statutory contributions (e.g., Social Security, unemployment insurance)



Benefits Eligibility

- Typically eligible for full benefits (health, retirement, PTO)
- May be required by law above certain hours thresholds



Must-Have Clauses

- Scope of work and responsibilities
- Compensation and benefits details
- Termination notice and severance
- Confidentiality and IP ownership
- Remote work provisions (if relevant)



Key Risks

- Higher long-term cost commitments
- Complex compliance obligations
- Harder to scale down quickly



Quick Checklist



- Role is mission-critical
- Expect 35–40 hours per week
- Budget covers full benefits
- Long-term retention is a priority



When To Use

For roles that need regular staffing at reduced hours or to supplement peak workloads



Legal Snapshot

- Must follow wage laws for part-time employees
- Proportional benefits required in some jurisdictions
- Track hours for benefits eligibility thresholds



Tax and Payroll Rules

- Employer responsible for tax withholding
- Payroll tax contributions generally proportional to hours worked



Benefits Eligibility

- May qualify for partial benefits depending on jurisdiction
- Often excluded from some benefit programs



Must-Have Clauses

- Weekly hour expectations
- Pay rate and schedule
- Eligibility rules for benefits
- Termination terms



Key Risks

- Potential loss of talent to full-time roles elsewhere
- Complexity in tracking benefits eligibility
- Less availability for urgent needs



Quick Checklist



- Need ongoing support, but not full-time
- Hours will remain under 30 per week
- Workload is consistent but limited
- Budget allows for proportional benefits if required



When To Use

For project-based work, seasonal peaks, or covering temporary leave



Legal Snapshot

- Start and end dates required
- May require full benefits for contract period
- Termination rules vary by jurisdiction



Tax and Payroll Rules

- Employee classification; tax withholding applies
- Payroll tax contributions required during term



Benefits Eligibility

- Often mirrors full-time for contract duration
- Benefits end with contract unless renewed



Must-Have Clauses

- Specific start and end dates
- Scope of deliverables
- Termination and renewal terms
- Benefits during term



Key Risks

- Renewal limits may apply by law
- Less flexibility to end early without cause
- Need to plan for smooth offboarding



Quick Checklist



- Work is time-bound
- Clear deliverables and deadlines exist
- Budget covers the full term
- Benefits obligations understood



When To Use

For highly flexible, on-demand roles with unpredictable workloads



Legal Snapshot

- No guaranteed hours
- Worker classification laws may apply
- Must meet minimum wage requirements



Tax and Payroll Rules

- Employee classification; tax withholding applies
- Pay only for hours worked



Benefits Eligibility

- Rarely eligible for benefits
- Local laws may require certain protections



Must-Have Clauses

- Hour scheduling process
- Pay terms and minimums
- Compliance with labor laws
- On-call expectations



Key Risks

- Income instability can reduce worker loyalty
- Higher turnover potential
- Scrutiny from regulators in some regions



Quick Checklist



- Workload varies significantly
- Need maximum staffing flexibility
- Can manage high turnover risk
- Compliance obligations are clear

Freelance and Independent Contractor Agreement



When To Use

For specialized, project-based work without long-term employment obligations



Legal Snapshot

- Contractor is self-employed; no employee benefits
- Must pass worker classification tests
- IP ownership and confidentiality clauses are essential



Tax and Payroll Rules

- Contractor handles own taxes
- No payroll tax withholding by employer
- Provide year-end tax form (e.g., 1099-NEC in U.S.)



Benefits Eligibility

- None provided by employer



Must-Have Clauses

- Scope of work and milestones
- Payment terms
- IP ownership transfer
- Confidentiality requirements



Key Risks

- Misclassification penalties if treated like employees
- Less control over work process
- IP disputes if contract is unclear



Quick Checklist



- Work is project-based
- No need for ongoing employee relationship
- Contractor classification rules are met
- IP ownership terms are defined



When To Use

For U.S.-based roles needing flexibility to terminate employment quickly



Legal Snapshot

- Either party may terminate at any time, with or without cause
- Still subject to anti-discrimination and wrongful termination laws



Tax and Payroll Rules

- Employee classification; tax withholding applies
- Payroll tax contributions required



Benefits Eligibility

- Eligible if full-time
- Same benefit rules as other employees in jurisdiction



Must-Have Clauses

- At-will status statement
- Pay and benefits details
- Termination notice (if offered)
- Confidentiality or IP clauses



Key Risks

- Higher turnover risk
- Perceived job insecurity can impact morale
- Limited use outside U.S.



Quick Checklist



- Role is in the U.S.
- Flexibility outweighs retention concerns
- Benefits eligibility confirmed
- Compliance with state laws is clear



When To Use

For irregular, short-term needs such as seasonal projects or ad hoc staffing



Legal Snapshot

- Hours vary; often short notice
- May require minimum shift pay
- Benefits eligibility minimal



Tax and Payroll Rules

- Employee classification; tax withholding applies
- Pay for hours worked only



Benefits Eligibility

- Usually minimal or none
- Local laws may require some entitlements



Must-Have Clauses

- Hour scheduling process
- Pay terms and rates
- Termination flexibility
- Compliance with labor laws



Key Risks

- High turnover
- Limited loyalty and engagement
- Scheduling complexity



Quick Checklist



- Staffing needs are irregular
- No need for guaranteed hours
- Turnover risk is acceptable
- Budget allows for on-demand hiring

Comparison Matrix



Category	Full-time	Part-time	Fixed-term	Zero-hour	Freelance / independent contractor	At-will	Casual
Typical duration	Ongoing	Ongoing	Specific start/end date	Variable/ on-demand	Project-based	Ongoing	Irregular, short-term
Benefits eligibility	Full benefits in most jurisdictions	Proportional in some regions	Often same as full-time for duration	Rarely eligible	None	Full if full-time	Minimal or none
Flexibility level	Low	Medium	Medium	High	Very high	High (termination flexibility)	High
Common use cases	Core roles, leadership positions	Peak-hour coverage, specialized support	Project work, seasonal hiring, leave cover	Hospitality, events, gig work	Creative projects, consulting, tech development	U.S.-based agile roles	Seasonal work, ad-hoc staffing
Key risks	High cost commitment, harder to scale down	Potential turnover, benefits tracking complexity	Renewal limits, less flexibility to end early	Worker income instability, regulatory scrutiny	Misclassification penalties, IP disputes	High turnover, morale impact	High turnover, scheduling challenges