

## Moonlighting: An Examination of Dual Employment in Contemporary Organizations

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### Abstract:

In today's dynamic and connected world, moonlighting, the practice of people working multiple jobs concurrently, has become more common. A more flexible and adaptable approach to employment has replaced the conventional notion of a single, lifelong career in the modern workplace. Corporate moonlighting, where employees work two or more jobs simultaneously, is one example of this change. Although the practice of moonlighting is not new, it has become more common and significant in recent years because of advancements in technology, workplace dynamism, employee expectations, and above all the aftermath of COVID-19. The idea of corporate moonlighting is examined in this paper from a variety of perspectives, including its definitions, types, causes, effects, and management approaches. It aims to shed light on the evolving landscape of employment practices and the challenges and opportunities that arise with this phenomenon.

**Keywords:** Moonlighting, Dual Employment, Talent Management

### Introduction

The best resources for the organization can be gathered through effective human resource management. The hiring team puts the most time and effort into selecting the greatest candidate. Whether a chosen candidate will be a long-term investment from the company's standpoint is always a question of strategy. The candidate's perspective is the same when they apply to a company and consider whether or not this organization will be a good place for them to advance their careers. Money is a key decision factor when a candidate is choosing a company. Money would take precedence over other goals for an employee since, according to Maslow's Hierarchy of Needs, it is the basic physiological need of the individual. Financial stability, which most employees look for is a necessity in the world of corporate. Companies are also now evaluating their talent acquisition strategies to get the maximum out of the minimum, that is, to get the best employees at a lower cost to the company. (Dr. Hardeep Kaur, 2020)

To Sustain this ever-changing situation, the employees are also trying to look out for themselves by undertaking different jobs for another source of income. Having a second job with a financial benefit that is unknown to the first employer is termed 'Moonlighting'. It has been a contentious subject for a while, particularly during and after the Covid-19 period when the concept of employees working from the office transformed and most employees switched to working entirely from home. Although working from home is supposed to enhance productivity and provide employees more time with their families, it was also a period when workers learned new methods to grow personally by signing up for different courses and certifications. Upskilling was an important factor to keep them engaged in the work during the pandemic.

Although the new concept of working culture in the corporate world had many positive aspects, it also created new chaos for employers worldwide in terms of adapting HR policies to the new normal and keeping the employees by providing them with enough allowances, benefits, and keeping them motivated during difficult times was a major concern for the employers. existing constraints in their primary work, the acquisition of a new portfolio of occupations that add to their job characteristics, training in other professions, the necessity to meet financial necessities, and indifference in their existing careers are the main motivations for moonlighting. Because of their employment worries or concerns about the future of their profession, some people moonlight work in different industries between their primary and secondary occupations.

*According to a recent report by Indeed India, one out of five employees in India is inclined towards side gigs alongside their current jobs. It also mentioned that more than 40% of employees in the Indian IT sector find moonlighting. This*

*justifies why companies are reevaluating their existing policies to efface any complications and safeguard employees as well as business interests.*

Source:

<https://cio.economictimes.indiatimes.com/news/corporate-news/how-moonlighting-has-changed-the-dynamics-of-company-policies/97045058>

### Definitions and Types

The term "moonlighting" describes the practice of working additional hours or holding a second job in addition to one's primary job. This phrase is frequently used to describe circumstances in which people put in extra time or work side jobs to augment their income or pursue other hobbies. Corporate moonlighting covers a wide spectrum of situations, and to properly comprehend its intricacies, it is crucial to distinguish between different forms.

*Traditional Moonlighting:* This form of moonlighting involves employees taking on a second job outside their primary employment. It often occurs due to financial necessity or the pursuit of additional income.

*Intrapreneurial Moonlighting:* Some employees engage in entrepreneurial activities, such as launching a startup or pursuing a passion project, while still working for their primary employer. This form of moonlighting can lead to innovative ideas and benefits for both the employee and the organization.

*Parallel Employment:* In some cases, employees hold multiple jobs within the same industry or sector, which can create synergies and opportunities for cross-pollination of skills and knowledge.

### Exhibit 1: Types of Moonlighting

There are a variety of reasons why workers opt to work a second job, and they can be broadly categorized into four groups. The various types of moonlighting are listed below.

*Blue Moonlighting:* The term "blue moonlighting" refers to a type of moonlighting that occurs when an employee is looking for a new job due to dissatisfaction with their present role after the performance appraisal and fails to locate one and they receive little to no positive results from their efforts.

*Quarter Moonlighting:* Lack of enough pay is one of the main causes of employees moonlighting, and when this problem emerges, employees start looking for part-time work that they may do after their regular working hours to supplement their income. Quarter moonlighting is the term used for this.

*Half Moonlighting:* Half moonlighting, which is typically employed when a person works for a part-time job for 50% of their spare time, is when an employee spends more time on his second or supplementary job than on his primary one.

*Full Moonlighting:* Full moonlighting is the practice of working two full-time jobs at once due to the never-ending demands of an individual's requirements and the weight of their duties. In rare cases, an individual may even start their own business to match social expectations.

Source: Times of India

### Why did it come into the limelight?

During the pandemic, the companies were all downsizing due to cost-cutting, and that led people to take up additional part-time jobs to make sure that there was another source of income apart from the main job. Hence employees started looking out for jobs that could be done during their free hours apart from the primary job or freelancing. This has turned out to be normal amongst employees to have 2 jobs. This has somewhat given an assurance to the people that even if they have been fired from their primary job, they would still be having a source of income. Some of them take up the jobs due to boredom, some because of passion, and the rest for an additional source of income. This has created a buzz among the employees to play safe. (George, 2022)

### What is the motive behind moonlighting?

While employees may be earning well in their primary jobs, working overtime, or putting in extra effort for completion of work there might be no additional benefits involved in it. once employed often tend to deviate towards other activities

which might give them monetary benefits. As the human's basic need for survival is safety health and security, the motives of the employees tend to be to gain more money from the time they have.

Experience gained from the second job might help them to update themselves quickly. As a new-bee employee, they would tend to look for more opportunities to grow in their desired field and get equipped with the required skill set. Hence, it's a natural tendency for some of them to go to a second job and gain the necessary skills.

Additionally, employees are always on the lookout for what they are passionate about. To find that out, people tend to take up a secondary job to understand and explore the career options available. By doing this, employees are getting additional benefits from the job by gaining more financial stability as well as equipping themselves with skills.

Since the pandemic, entrepreneurship has become the talk of the town, where every person who has financial stability wants to set up a business/firm. While working full-time as an employee in the daytime can help them to have a secure source of income, the business helps them to learn from their mistakes. Concerns about job stability are shared by employees. When an employee's primary position falls vacant, they may take a job elsewhere to cover their essential expenses. (Mukhopadhyay, 2022)

*Motivations:* People may take on moonlighting for various reasons, including financial strain, the desire to save for a specific goal, explore a passion, gain new skills, or simply to have additional disposable income.

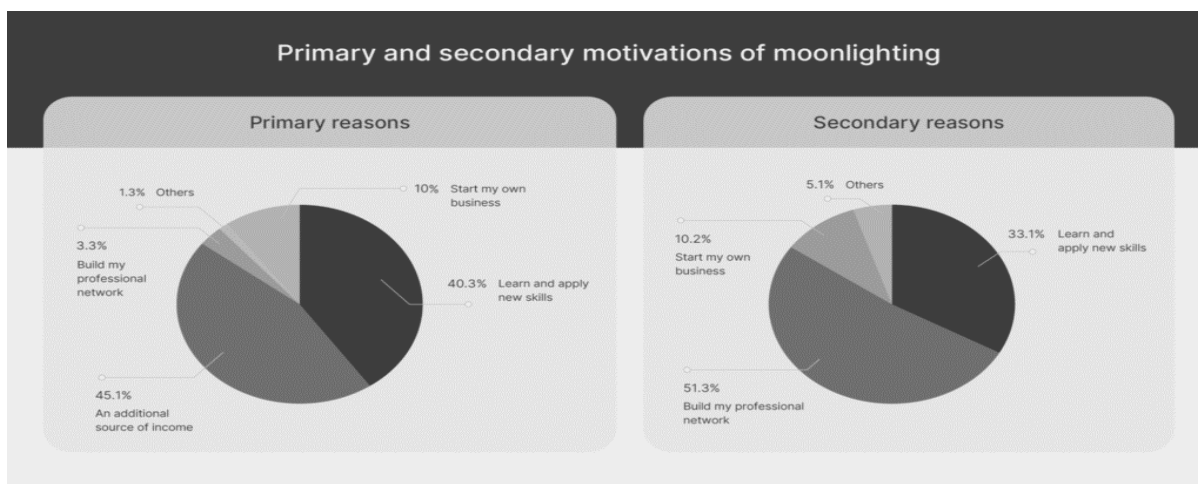
*Time Management:* Moonlighting can be rewarding, but it also demands effective time management. Balancing two or more jobs can be challenging, and individuals need to ensure that it doesn't negatively affect their primary job, personal life, or overall well-being.

*Skill Development:* Moonlighting can provide an opportunity to acquire new skills or explore different industries, potentially leading to better career opportunities in the future.

*Freelancing and Gig Economy:* Moonlighting often involves participating in the gig economy, where individuals offer services or complete short-term contracts for various clients.

*Networking:* Moonlighting can expand one's professional network, which may lead to new job opportunities or partnerships in the future.

Chart 1: Motivations for Moonlighting



Source: <https://cutshort.io/blog/hiring/the-moonlighting-ground-report>

### Factors of Corporate Moonlighting

There are a few prominent factors for corporate moonlighting such as employees' financial stability, entrepreneurial ambitions, skill diversification, and job dissatisfaction.

*Financial Stability:* Economic pressures, including rising living costs, loan commitments, and stagnant wages, often drive employees to seek additional income sources.

*Entrepreneurial Ambitions:* Employees with entrepreneurial aspirations may use moonlighting as a means to test business ideas or generate capital while maintaining the security of their primary job.

*Skill Diversification:* Some individuals take on multiple roles to gain diverse experiences and skills that can enhance their long-term career prospects.

*Job Dissatisfaction:* Employees who are dissatisfied with their primary job may seek alternative employment opportunities as a way to mitigate their dissatisfaction.

### Consequences

Corporate moonlighting has both positive and negative consequences for employees and organizations:

#### Benefits for Employees

*Increased Income:* Additional income from moonlighting can improve financial stability and provide a safety net.

*Skill Development:* Moonlighting can help employees acquire new skills and experiences that may benefit their long-term career growth.

*Entrepreneurial Opportunities:* It can be a stepping stone for employees to transition into full-time entrepreneurship.

#### Challenges for Employers

*Reduced Productivity:* Moonlighting may lead to decreased focus and productivity in the primary job.

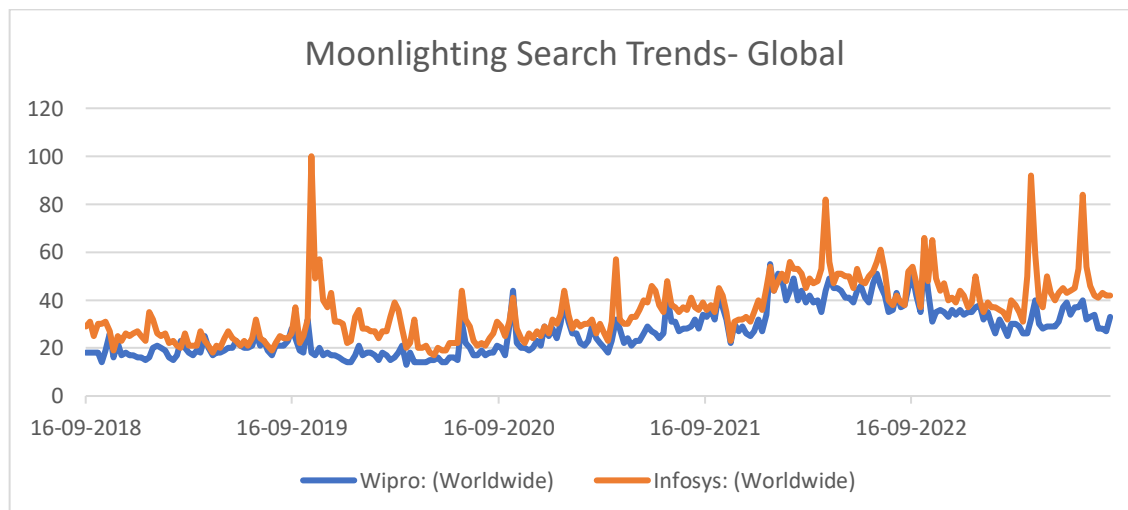
*Conflict of Interest:* Conflicts may arise if an employee's secondary job competes with or compromises the interests of the primary employer.

*Burnout Risk:* Juggling multiple jobs can result in burnout, affecting an employee's overall well-being.

### Moonlighting-Trends

Moonlighting has also become more rampant ever since remote work became the norm during the pandemic, said Viswanath, MD, and CEO of Randstad, India. "In an office, employers have the ability to monitor people more closely. But in a work-from-home environment, you could have multiple machines that you are logging into." When Moonlighting has been a buzzing term in the corporate world, the search trend from Google search has been captured using the keywords Moonlighting in India and Global with Wipro and Infosys as other keyword options. The same has been portrayed below.

**Chart 2:** Moonlighting Search Trends- Global

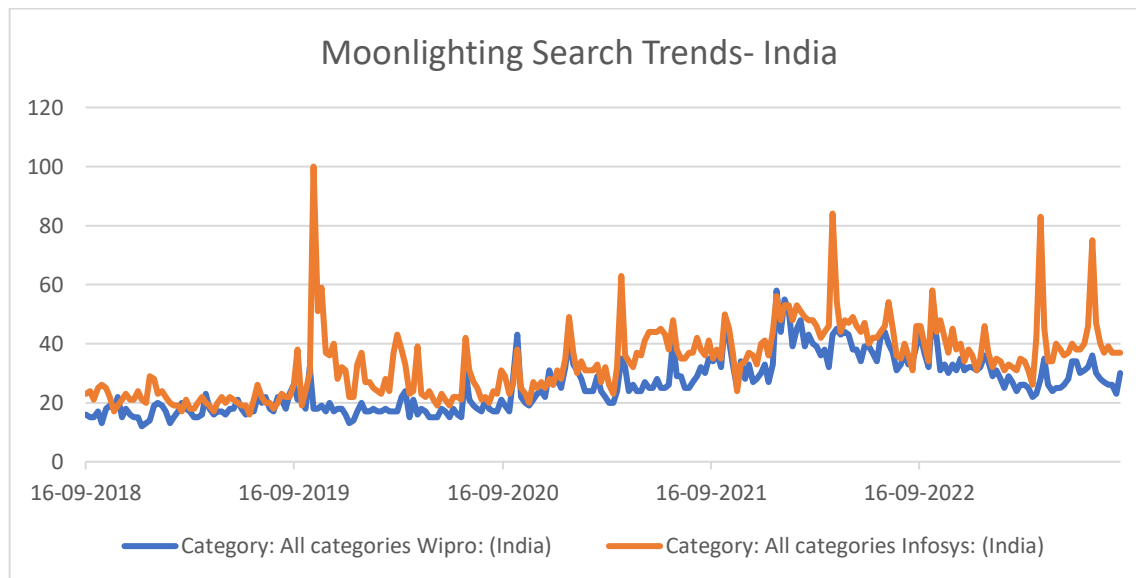


Source: [https://trends.google.com/trends/explore?date=today%205-y&q=%2Fm%2F0241\\_1,Infosys](https://trends.google.com/trends/explore?date=today%205-y&q=%2Fm%2F0241_1,Infosys)

**Interest over time:** Numbers represent search interest relative to the highest point on the chart for the given region and time. A value of 100 is the peak popularity for the term. A value of 50 means that the term is half as popular. A score of 0 means there was not enough data for this term.

From the above chart, it can be inferred that during the pandemic period, there were consistent search trends about moonlighting of Wipro and Infosys across the globe. That makes us understand that especially after COVID times, people have engaged in moonlighting more than the previous times.

Chart 3: Moonlighting Search Trends- India



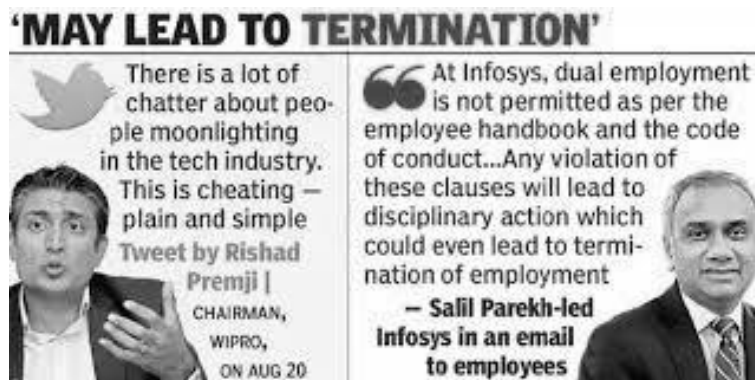
Source: [https://trends.google.com/trends/explore?date=today%205-y&geo=IN&q=%2Fm%2F0241\\_1,Infosys](https://trends.google.com/trends/explore?date=today%205-y&geo=IN&q=%2Fm%2F0241_1,Infosys)

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### Managing Corporate Moonlighting

The idea of moonlighting has been thoroughly discussed, and if we look at the articles and recent events on the subject, we can see that it has been reviewed and analyzed from both, an employer and employee perspective. On the one hand, we can see them supporting the new trend of moonlighting, and on the other hand, they are rejecting the concept entirely. The fact that employees were managing two jobs at once had caused some employers to fire those workers from the company, citing the fact that this would compromise company confidentiality. Other employers, however, have defended this practice, arguing that it is legal and that there is nothing unethical about it. However, when conducting a survey and taking interviews of some of the working professionals it was found that 81% of them are strictly against the idea of moonlighting and they believe that it is unethical to be a part of some other company and work for them either part-time or full-time. (Economic Times , 2022)



Source: <https://m.facebook.com/TimesofIndia/posts/10160648718697139/>

To effectively manage corporate moonlighting, organizations can consider the following strategies:

*Establish Clear Policies:* Organizations should have well-defined policies regarding moonlighting to address issues like conflicts of interest, productivity expectations, and reporting requirements.

*Encourage Transparency:* Employees should be encouraged to communicate openly with their employers about their moonlighting activities, fostering trust and minimizing potential conflicts.

*Flexibility and Support:* Providing flexible work arrangements and support for employees pursuing entrepreneurial ventures can harness the benefits of moonlighting while minimizing drawbacks.

*Monitoring and Evaluation:* Employers can monitor moonlighting activities to ensure they align with organizational goals and values.

#### **Exhibit 2: Moonlighting Poll**

As per the Mint poll, 64.5% of over 500 people who voted are of the opinion that moonlighting is an ethical practice while 23.4% consider it unethical. Around 12% of people are unsure whether to call it ethical or not.

Source: <https://www.livemint.com/news/india/mint-poll-over-64-consider-moonlighting-an-ethical-practice-11662012085650.html>

#### **Legal Aspects of Moonlighting in India**

Even though there are laws in India regarding moonlighting some of the laws are contradicting in nature. Dual employment is not specifically defined or addressed by Indian law. On the other hand, Section 27 of the Indian Contract Act, 1872 forbids the addition of a non-compete clause. An employee is prohibited from starting their own business or accepting a job offer from a rival by such a clause. In light of this, it might be said that accepting dual employment is against the terms of a contract for employment's non-compete clause. The stance of Indian law on this matter isn't entirely clear, though. Dual employment is allowed under the Industrial Employment (Standing Orders) Act of 1946. The Factories Act of 1948, however, forbids multiple works. IT firms have, however, been exempted from this rule in some jurisdictions. (times of india , 2022)

Moonlighting has created a buzz in the IT industry as quite a few employees were found to have second and third jobs. Ironically, there were people with 2 jobs just for the sake of earning more income, and some of them lost their only job during the pandemic. So, the question now stands as to whether moonlighting is a legal practice or not, and if yes, which industry and sector will be the most affected and benefit from it.

#### **Exhibit 3: Moonlighting: Views of Employees and Employers**

As the debate over moonlighting widens, a new report on Tuesday claimed that over 43 percent of employees in the Indian IT sector find dual employment favorable. One of the main reasons why employees work outside their jobs is to safeguard against job loss and supplement their incomes, the report revealed.

However, employers have a different view of this tendency as 31 percent believe that employees moonlight because they are not adequately engaged in their work and 23 percent believe that employees have ample time on hand for a second job, according to the findings from the quarterly hiring tracker by job platform Indeed.

Source:<https://www.india.com/business/moonlighting-in-india-latest-update-22-november-2022-over-43-it-employees-in-india-find-dual-employment-favourable-safeguard-against-job-loss-extra-income-5758780/>

### Emerging Trends due to Moonlighting

Moonlighting has a big effect on the IT industry, hence a new practice called Day 0 checks or pre-on boarding checks has evolved. Other than the background checks they have been conducting for the employees once they have been onboarded, most Indian IT firms conduct background checks for the personnel. Background verification service (BGV) companies took the initiative to conduct background checks for employees from moonlighting checks six months ago. According to reports, these companies handle about 25000 checks per month across 150 clients, and the project managers are advised to act against moonlighters. Although there may be an 8% to 10% increase in verification costs because of this, the organizations are moving forward with it to decrease the number of employees who moonlight and to accurately assess each worker.

## CHANGE OF TONE

<ul style="list-style-type: none"><li>&gt; In September, Infosys warned employees of <b>disciplinary action</b> if found moonlighting</li><li>&gt; Latest message says employees <b>can take up external work</b></li></ul>	<ul style="list-style-type: none"><li>&gt; But this needs to be <b>approved by employee's manager</b></li><li>&gt; The work should not impact employee's <b>productivity</b> in company</li><li>&gt; The work should have <b>no conflict of interest</b> with Infosys or Infosys's clients</li></ul>
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TOI FOR MORE INFOGRAPHICS, DOWNLOAD THE TIMES OF INDIA APP  

Source:<https://timesofindia.indiatimes.com/business/india-business/infosys-allows-employees-to-take-up-outside-gig-work/articleshow/94997854.cms>

Artificial intelligence and computer vision have been utilized in digital applications to track employee productivity levels and the amount of time they spend in front of screens while working for the employer. When these background checks were carried out, it was discovered that employees provided incorrect information for the following: address, university, ID verification, employer references, and offer letter. In addition, moonlighters risked litigation and their intellectual property. Due to the growing number of employees who spend more time engaging in activities other than their primary job, day 0 checks and pre-onboarding checks are becoming increasingly important and may be one of the main causes of employers losing faith in their workforce. (times of india , 2022)

### Conclusion

Corporate moonlighting is a reflection of how work and employment have changed in the twenty-first century. Organizations that handle moonlighting well can take advantage of the skills and abilities of their staff while preserving productivity and staying true to their core goal. Moonlighting brings both opportunities and problems. Further investigation and the modification of HR rules will be necessary to handle this complicated and dynamic phenomena as moonlighting continues to alter the employment landscape. Overall, those looking for additional income or personal fulfillment may find that moonlighting is a realistic choice. The potential effects on one's principal employment, personal life, and adherence to corporate policies or industry standards must be carefully considered, though. Striking a good balance between numerous job responsibilities can be accomplished with the help of open communication with employers and efficient time management.

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