



MOONLIGHTING - CHANGING PERSPECTIVES OF WORK

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Abstract: Moonlighting, the name is derived from working at night or working by the moonlight .i.e. light of the moon and not the day light. Earlier, work from office was the conventional practice but as the pandemic hit, work from home culture exploded and many have jumped on to take the opportunity to take up another job or a side gig to earn extra cash. It's a popular practice in the west and is now making a strong and speedy headway in India. The trustworthiness of the employees is highly questionable in a moonlighting environment. The essence of moonlighting is to offer services covertly and to keep it a secret. There is a lot of chatter about moonlighting in the tech industry and has garnered attention recently. The term has in fact become an apple of discord. Corporations wanted to hire trained talent which then created a huge demand and supply mismatch. There is abundance of talent in the industry and supply of the talent is not a problem even with short time aberrations. This study aims to highlight the causes for moonlighting and the repercussions on the future of work. Data was collected from employees working for IT and ITES sector and the results were analysed accordingly.

Key Words - Moonlight, Organizations, Employer, Employees, Trust, Income.

I. INTRODUCTION

Moonlighting, in simple, is a practice of having a second job after work hours. This second job is usually taken without employer's knowledge and is performed after work hours or at night to earn extra income. This second job may be related or unrelated to the first job. Employer's contractually bind employees to only work for them and prohibit to take any of the side gigs. Some companies have moonlighting guidelines which allow employees to take up other jobs but with proper approvals. We live in a world where certain amount of discipline, time management, targets, etc. exists and moreover, efficiency and productive is measureable. Recently, companies are thinking on ethical moonlighting to create more than one job opportunities and encourage employees to take up multiple projects with their relevant skills within the organization and get paid more.

With an increasing demand from the employees for an extended remote work opportunities, and work-from-home flexibility, the companies are figuring the reasons for employees turning to moonlighting. Organizations are genuinely concerned about the most valued assets of their institutions, the highly talented employees, investing their time, after the regular work hours, with another or similar companies, to earn extra income, instead of giving time either to themselves or to their families. Moonlighting has hit the organizations, at a time, when the HR personnel are trying to retain the employees who are struggling with sleep disorders, absenteeism, occupational stress, amidst the threats of imposter syndrome, and resignations.

NEED OF THE STUDY

Moonlighting has become the buzzword of the Indian IT & ITES market, post Covid, especially in the year 2022, with the remote work opportunity leaving an enormous chance for the employer to think of 'cheating' from the employees' end. Although employees taking up dual jobs was common in the western markets, and exist from quite some time, it has almost taken a new connotation with the pandemic-induced WFH (work-from-home) in the Indian market. This concept is not new in India. Teachers who taught in schools often took tuitions or classes in the evening during their free time; founders of several start-ups had been moonlighting in their previous jobs; doctors owing private clinics and practices; top executives moonlighting as consultants; and to note further, Apple II was made when Steve Jobs was working for Hewlett Packard, etc. This study aims to highlight the causes for moonlighting and the repercussions on the future of work.

OBJECTIVES OF THE STUDY

The present study is based on the objectives of understanding the Reasons for employees turning to moonlighting, and Impact of moonlighting on the prospects of work.

RESEARCH METHODOLOGY

The data used for this study is both primary and secondary in nature. Questionnaire was administered and data was collected from the employees working for IT & ITES sector and a simple random sampling method is used. Secondary data was collected from the recent

newspaper articles, e-journals, and opinions/views of business personnel. The study also tried to cover the opinions of business heads of various organizations, who are divided in highlighting their views, on increasing moonlighting among Indian workforce.

1.1 WHY MOONLIGHTING?

India is the only source of last stage human capital for technology for the world. Industry has been exploiting fresher’s for the last ten years, because there is surplus talent cloud available all over and have not increased compensation. For some, compensation has been stagnant for some time. In Service Industry, as against Product Industry, or new age Digital Organization, parity between compensation is huge. The employee loyalty has evaporated with layoffs on the employer side, and now employees being more mobile as free agents who change and work for different companies. Moonlighting is a popular practice in the west and is now making a strong and speedy headway in India. Generation of fresh workers are some of the most proactive individuals, and things like job loyalty and retaining confidentiality of trade secrets are adhered to, but have a consistent thread of wanting to pursue passion outside their current job. Having a second job, or moonlighting is an extension of the evolving employee/employer relationship, which can only work with clear and specific expectations from both ends. Nature of work, nature of contractual agreement between employer and employee, acceptability of remote working accelerated by the pandemic, etc. has changed the working style, the place of work, nature of work between the two parties.

Moonlighting is different from Freelancing, as in a freelancer involved is self-employed and provides service or freelance to multiple organizations. Moonlighting is where a full time employee holds multiple jobs. Social Media and Work from Home has made moonlighting easy. Moonlighting has not been defined by any of the statutes in India. Section 60 of Factories Act of 1948 prohibits dual employment but is applicable only to regulated labour in factories only. Similarly, State Enactments which deal with employment of persons working in offices, banks, shops, etc. has no provision dealing with dual employment. Industrial Employment (Standing Orders) Act, 1946 prohibits workmen from taking up any employment in addition to his job adversely affecting the interest of the employer. In other words, the employee is at complete liberty to arrange his affairs as he or she pleases, beyond working hours fixed by the employer.

The following are some of the reasons why employees moonlight:

Gig Economy: Gig economy, which includes jobs like freelancing, temporary jobs, working in the sharing economy etc., has increased in recent past due to the evolution of technology. For instance, Swiggys’ moonlighting policy allows staff to take up gigs beyond regular job without affecting productivity and does not have any conflict of interest.

Growing Needs of Generation: Needs of this generation have been growing and sticking to one desk job, sitting at one place and working is no longer satisfying. This millennial generation have a common mind set to make its own money and those who do not come from generational wealth want to make most of moonlighting. Everybody wants to monetize, create more value and achievement out of skill sets. There is a shift in work force, temperament, psychology, confidence, etc. and those who recognize this are bound to succeed. The following table highlights the opinion of the respondents with relation to the increased needs of employees.



Fig 1: Growing needs of employees

Explore New Opportunities: Working in a different role can allow a person to develop new skills, explore related domains and connect with more people for career switch. Financial insecurity at the time of pandemic, working from home allowed few categories of workers to get more work done and freeing up time for a second job are also some of the reasons for moonlighting. During free time, employee can do whatever he/she wants. The following table highlights the opinion of the respondents with relation to the requirement of exploring new opportunities. From the collected dataset, it is quite surprising that male employees with less than seven years of experience, and female employees with more than thirteen years of experience are opting for new opportunities, being made available outside the current job.



Fig 2: Exploring new opportunities

Need to Improve the Skillset: Investment and paying off debts were the two primary reasons for people taking up moonlighting. People want more from their skill sets and digital work experience, to maximize their talent, and give creativity a chance, make most of their potential, sometimes for passion and thereby improve and enlarge their skill sets. The following table shows the respondents opinion towards the need to improve skillset.

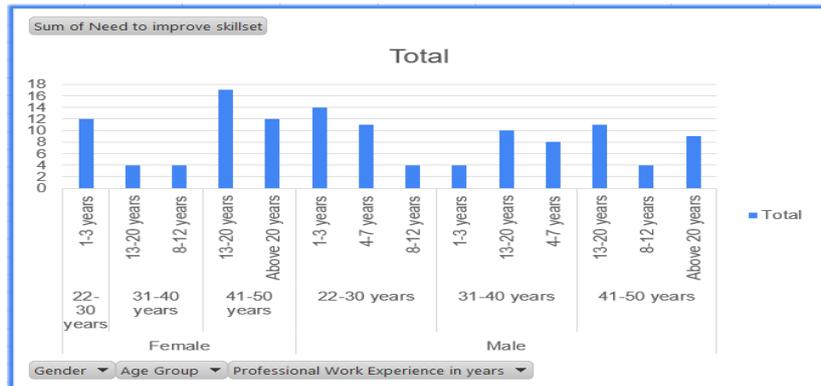


Fig 3: Need to improve skillset

Enhanced Opportunities, Post Covid: People have varied interest and financial goals and hence moonlighting helps both. Moonlighting allows employees to work from home, spend time with family, children and balance work life. Social media has given people the ability to market themselves and sell their product and services at cheaper cost. The following table shows the respondents opinion towards the sum of enhanced opportunities, post covid by professional work experience of 1-3 years, 4-7 years, 8-12 years, 13-20 years and above 20 years.

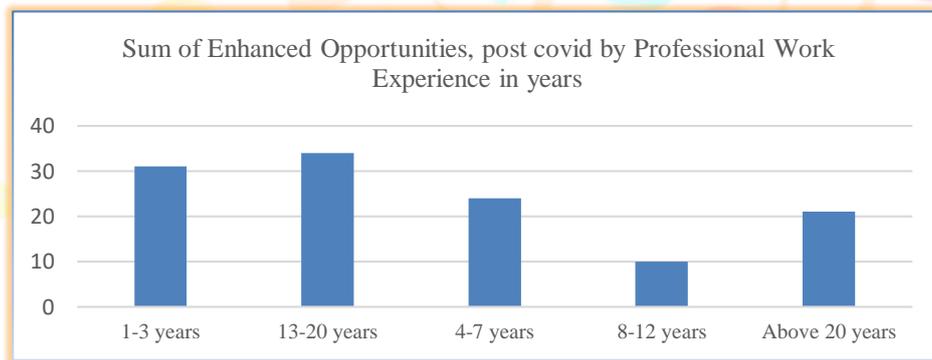


Fig 4: Enhanced opportunities, post covid

Prepare for Future Uncertainties: Furthermore, employee may think he does not have job security or pensionable job. Work from home, competition caused through technology, ambitious people who are capable of doing more than one job, setting up a business remotely, etc. are some of the common reasons. The ongoing layoffs and job insecurity are two main reasons to look for moonlighting.

1.2 IMPACT ON WORK

Industry is abuzz with ethics of employees finding gainful employment in their downtime. Future of work is going to be different as it will be a candidate driven market unlike an employee driven market. The difference is that the employee’s words are measured on loyalty, work, and duration and obviously output. But a candidate driven market is based on merit. Moonlighting represents two very important phenomena. One is the entrepreneurial bug that has bitten every techie and the other is talent deficit or demand for talent. There is a huge opportunity available for Gig work, multiple jobs, project works, etc. There is a huge talent shortage or war on talent. Employees want to monetize, develop, demonstrate and achieve multiple things with their skills.

The following points highlight the impact of moonlighting on the future of work:

Adverse Impact on Health: Holidays and time-off are also meant to rest a worker and improve their efficiency, but taking another job could make this difficult. Moonlighting can have an adverse impact on the mental and physical well-being of employees because they have more than one job.

Disruption to Work Life Balance: Quality of work gets impacted as the employee is overloaded. This will disrupt work life balance. Sometimes with more projects at hand, it is expected for employees to spend more time and will create conflict of interest with the manager. Taking a side hustle will impact both jobs, especially IT jobs.

Employee Loyalty is Questioned: Organizations have few principles like Values, Ethics and Culture which are very important for build-up of the company. Employee, Manager and Client need to be properly aligned. If the employees are transparent in their conduct, they definitely won't have any guilt. This will enable them to improve their performance and holistic well-being too. There is a tight rope that companies need to walk between loyalty and employee satisfaction which exists especially post pandemic. It's difficult to manage workforce who work in remote locations and companies have to create discipline and proper engagement. With such big investment, companies expect employee’s to bring back their learnings. Companies waste and loose lot of resources when employee drops out. Companies’ propriety information and assets could be used or misused for other purposes. One company pays and trains the employees and the other company reaps the benefits.

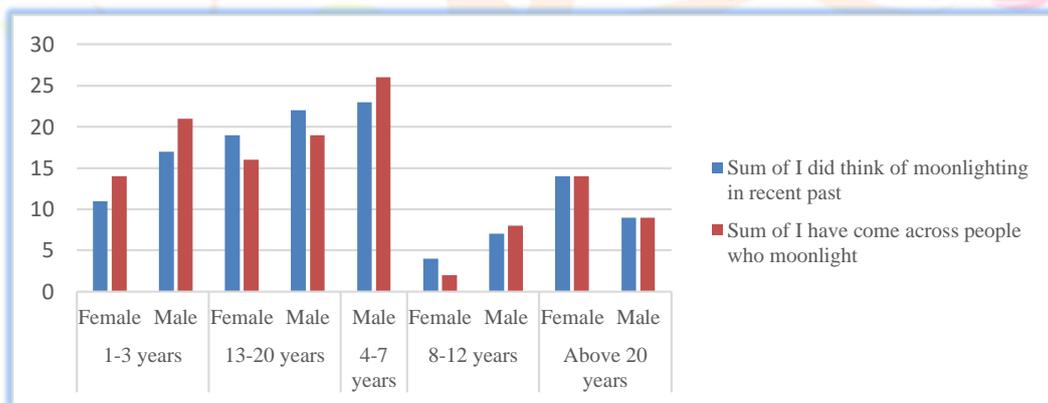
Reluctance to Work from Office: There is a well-recognized reluctance to get back to work in office. Companies are wanting their employee to work from office because they don't know if employees are working on their projects or not. Some organizations denounce Moonlighting and are not so excited about it. Everyone's definition of workload differs and it's for individual to consider. Companies are expecting employees to be at office for at least 25% of time to make 100% of work lot more productive. Some companies have warned employees from moonlighting. Employers are suspicious of this practice often because it can mean that a worker may not give the organization the time it needs, and not give any extra time to either organization. Some of IT majors forbids Moonlighting while some call it two-timing, cheating, unethical, etc. and could lead to termination.

Breach of Confidential Information: Generally, Moonlighting prohibits the employee from working for a rival firm and it worries employers that it could lead to conflict of interest, there could be a breach of confidentiality, employees could be misusing company's resources like office laptops for other gigs and could also lead to absenteeism. Loss of trade secrets, processes, data and confidentiality, loss of productivity during office hours, chances are that attrition will increase are other reasons for companies to worry. But it must be conceded that employers are not worried about start-ups, they are more focused on the possibility of their patented data being handed over to direct competitors. Conflict of Interest and breach of confidential information should be adhered to as long as it does not affect performance in their primary job. There is still a grey area. Companies must have some kind of a system that allows ambitious people to thrive. Companies must provide things like stock options so that employees benefit from profits the companies make.

Post Pandemic Challenges: In Tech industry, pandemic propelled this culture of Moonlighting. With a 12-14 hour of work per day, the employee can't have another job and still be productive. Moonlighting varies for a blue collar job and white collar professions. Since pandemic, people have been switching jobs and companies are paying almost double the salaries to retain talent at a high price. Moonlighting is not always bad for the company or for the economy. Taking a side hustle in a competing environment and not giving 100% in both places is not encouraged. Instead of taking extreme position and using strong words, companies must try to realistically look at what is the right thing for both sides so that it can be worked constructively.

MANAGERIAL IMPLICATIONS

From the dataset, it is noticed that respondents, both male and female employees working for IT & ITES organizations, did think of moonlighting in the recent past and moreover, few respondents did come across people who moonlight. According to a newspaper survey, 64.5% of the respondents considered moonlighting ethical, while only 23.4% opposed it. The Indian IT industry is expected to touch the \$300-\$350 billion mark over the next five years with a growth rate of about 10 per cent annually, according to a McKinsey study. Ban on moonlighting may not be beneficial in the future because employee who wants to moonlight will moonlight anyway and also rival company may allow moonlighting. This is the way of the future and moonlighting is the norm going forward.



Companies must disclose their Moonlighting policy and inform employees where they draw the hard line. Employees have to look for clauses (single employment, non-competing) in the job contract and terms and conditions thereof. Job is only part of a person's life and not life itself and preventing moonlighting is blocking employee's pursuit of learning new skills, happiness, excellence, achieving more, etc. Furthermore, companies must specify the work expectations, i.e. what is expected from the employee, whether it is agreeable with moonlighting as long as it does not affect the work that the employee does, and maintains the confidentiality by not sharing the secrets or intellectual property, or any other act that is against the company policies, etc.

CONCLUSION

Moonlighting is not considered as a wrong practice as long as it is openly shared by the employee and accepted by the employer. But if an employment contract that does not provide for anything beyond full access solely on employee matters, and has been accepted, seems to be incorrect. The employee can always negotiate and renegotiate differently about the contract with a future employer. Companies feel it to be unfair to pay all health and social security benefits to an employee who moonlights, as the employee shares his expertise with other employer. Furthermore, there is always a mega trend of moving towards moonlighting and hence corporate's need to make peace with this and address demands of the next generation. It's futile for IT companies to prevent moonlighting. Suppressing it would be suppressing the power to think. Moonlighting is happening and likely to happen and employers in India must recognize the writings on the wall and not alienate employees.

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