Moonlighting: Inevitable, But Is It Sustainable

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Abstract - **Moonlighting is holding a second job is a widespread phenomenon in many industries worldwide. It is a situation wherein employee works at multiple jobs in addition to his or her primary job. Moonlighters are the one who are highly energetic and motivated young individual with growing family; works at multiple jobs; for additional income, remain busy, experiment with other job role, gain satisfaction, supply skills to the community where there is demand for it; better living; and willing to work hard. In addition to this, some employees are opting for moonlighting due to fear of unexpected terminations, pay-cuts, temporary lay-offs, and other challenges that have emerged post Covid-19 pandemic. The practice of working on second job in addition to an individual's primary employment can have both positive and negative effects on individuals as well as the employer. Analysing the fact that moonlighting is inevitable, this paper discuses concept of moonlighting, factors motivating employee to become moonlighter, moonlighter impact on individual as well as organization, ethical and legal aspect on moonlighters, and strategies to effectively embrace the challenges presented due to moonlightings.**

Keywords: **moonlighter, burnout, stress, sustainability**

MOONLIGHTING: CONCEPT

Moonlighting is not a new concept rather was prevalent (in small numbers) in the work culture since initiation of the organization work. For instance, teachers giving private tuitions outside school; consultants freelancing after their full time job; employees becoming LIC agents in addition to their primary job; and others. However, it came in light as the repercussion of 2020 covid-19 pandemic that has disrupted the work culture across organizations. Work from home (WFH) has resulted in white-collar employees practicing it. The spark on the moonlighter came from the incident when NASSCOM received complaint that an employee is working on seven jobs simultaneously as he owned multiple provident fund account.

At this point, it is indispensable to understand about moonlighting. Moonlighting, also known as holding a second job is a widespread phenomenon in many industries worldwide. It is a situation wherein employee works at multiple jobs in addition to his or her primary job. Moonlighting is working at an additional job without revealing it to the main employer (Cambridge, n.d.). Individual working at more than one job at same time during a specific period results in multiple job holding (Taylor et. al., 2008). Moonlighters are the one who are highly energetic and motivated young individual with growing family; works at multiple jobs; for additional income, remain busy, experiment with other job role, gain satisfaction, supply skills to the community where there is demand for it; better living; and willing to work hard (Hamel, 1967). In addition to this, some employees are opting for moonlighting due to fear of unexpected terminations, pay-cuts, temporary lay-offs, and other challenges that have emerged post Covid-19 pandemic. Various theories that explain factors behind employee engaging in moonlighting are:

- Hour constrain model – which says that employees tends towards moonlighting as employer does not require enough hours from the employee on the primary job.
- Non- financial incentives (Gonzalez and Garcia-Prado, 2007) – the incentives like status, professional opportunities, recognition, and others are the reason for opting moonlighting.

It is assumed from the review that employees are engaged in moonlighting due to financial need; embrace opportunity to gain new experience; assumption that his skills are not appreciated at his prime workplace; or has a desire to start new venture. At the same time, moonlighting has resulted in compliance as well as ethical issues. This has initiated fresh debate over moonlighting. Thus, the paper aims to presents moonlighting concept, its impact, and legal as well as ethical viewpoint on moonlighting.

MOONLIGHTING: IMPACT

The practice of working on second job in addition to an individual's primary employment can have both positive and negative effects. It can provide individuals with additional income and the opportunity to acquire new skills, which can be beneficial for employees. On contrary, it has become a major challenge for the employer. Some of the reasons why employers are highly concern with the employee moonlighting are - it can divulge business secrets of the prime employer; employee gets unproductive or distracted from the primary job responsibilities; tendency to use primary organization's resources for the other jobs; employee fatigue on the job, stress, burnouts, and others. Some of the sharp reactions from employer include (Economic Times, 2022):

- Rishad Premji (Wipro Chairman) equated moonlighting with "cheating"
- C P Gurnani (Tech Mahaindra CEO) stated that he welcomes the disruption in the way they work as it is necessary to change with the time.
- Mohandas Pai stated that individual's free time is their own but they should not indulge at working with other organization for the time they are committed to their prime employer. Further, they must not leverage assets, resources, intellectual properties of the prime employer for other purposes.

- Infosys – warned its employee that indulging into moonlighting may lead to termination of their services.
- Wipro fired three hundred employees for moonlighting with Wipro's rival company at same time.
  Thus, the following section attempts to present impact of moonlighting on productivity, employee morale, and company culture as:
- **Reduced productivity -** one of the primary concerns about moonlighting is its potential impact on an individual productivity at their primary job. Working on a second job can lead to fatigue and reduced focus, which can negatively affect an individual's performance at their primary job. This can result in decreased productivity, which can have a ripple effect throughout the organization. If an employee is not performing at their best due to fatigue from moonlighting, it can lead to decreased efficiency and potentially even errors in their work. This can have an adverse impact on the overall organizational productivity (Jackson et. al., 1989). Furthermore, moonlighting can also lead to conflicts between an employee's primary and secondary jobs. An employee who is working on a second job may have to take time off from their primary job to fulfil their commitments at their secondary job. This can result in decreased availability and potentially even absenteeism, which can further affect employee productivity at prime employment (Gould, 1978).
- **Adverse impact on employee morale -** The pressure of having to balance two jobs can lead to stress and burnout, which can adversely affect employee well-being and motivation. Studies have shown that employees who hold a second job tend to have lower job satisfaction and higher burnout (Jackson et. al., 1989). This can be attributed to the demands of managing two jobs and the increased workload that comes with it. Further, they may feel overwhelmed and stressed due to the demands of managing two jobs. This can lead to decreased job satisfaction and an increase in burnout. Decreased job satisfaction has a domino effect on employees and overall well-being as it leads to a decrease in morale and potentially even turnover (Bartel, 1990). Moreover, employees who are not satisfied with their job are less likely to be engaged, motivated, and productive in their primary job. Furthermore, moonlighting can also lead to decreased work-life balance, which can further contribute to stress and burnout. When employees are working multiple jobs, it can be challenging them to find time for other activities and responsibilities such as family, leisure, and self-care, which can further decrease employee well-being and job satisfaction.
- **Impact on organizational culture -** This can lead to a lack of transparency and potentially even a breakdown in trust between employees and management. When employees feel the need to keep their moonlighting a secret, it can create a culture of secrecy and mistrust, which can be detrimental to the overall culture of the organization. Furthermore, if moonlighting is widespread within an organization, it can lead to a culture of overwork and burnout. The pressure to work multiple jobs can create a culture where employees feel that they need to work excessive hours in order to meet the demands of their multiple jobs. This can lead to a negative work environment and potentially even lead to a decrease in the overall quality of work being produced. Moreover, when employees are focused on working on multiple jobs, it can lead to a lack of engagement and involvement in the company's culture and values. This can lead to a disconnection between employees and the organization, which can affect the overall cohesion and performance of the organization (Gould, 1978).
- **Increase in employee turnover -** Moreover, moonlighting can lead to increased employee turnover, as employees who hold a second job are more likely to leave their primary job than employees who do not hold a second job (Bartel, 1990). Employee turnover is a major challenge for the HR managers, as it requires considerable time and resources to hire and train new employees for required knowledge, skills, and abilities. The higher the turnover rate, the more resources are required to maintain a stable workforce. Furthermore, it can also lead to decreased productivity and morale among remaining employees, as they may feel overworked and understaffed because of their colleague's departures. Furthermore, if employees are leaving their primary job at a high rate, it can create a sense of instability and uncertainty within the organization.

MOONLIGHTING: FROM LENS OF LAW

According to Factory Act, 1948 (Section 60) – workers are not allowed to work in more than one factory simultaneously. Additionally, Industrial Employment Central Rules (1946, Standing Order) states that worker should not take job against the interest of the employer or has adverse impact on the employer or there is violation of confidentiality. However, this provision does not apply to information technology (IT) professionals, administrative or supervisory employees. Thus, moonlighting legality completely rests on the employer's hand or as per terms of the employment contract.

MOONLIGHTING: FROM LENS OF ETHICS

Ethics has been derived from *Ethicus* (Latin) or *Ethicos* (Greek) word or Ethos that means way of living. It is a system that include rules, moral principles, conducts that foster guideline for what is correct or incorrect.
The ethical side of moonlighting states that it is unethical on part of the employee to indulge in moonlighting as they are sacrificing with the trade secrets and confidentiality of their prime job. Further, they are the one who are deceptive and show mistrust to their employer who spent heavily on upskilling the employees, cheating the employer by working on other project during working hour or sacrificing the productivity for their second job. On contrary, employee justifies moonlighting as it helps employee to earn extra income, satisfy their need or passion. However, this may result in adverse impact on their productivity, health, and mental well-being.

MOONLIGHTING: FROM LENS OF SUSTAINABILITY

The other crucial aspect related to moonlighters is *sustainability*. Technology and digital transformation has resulted in many innovations that has made job easier but at the same time has helped organization to expand their business globally. Further, to remain competitive and deal with dynamic business environment, organization are continuously changing and adapting new

technology, behaviour, and process. These changing and challenging work cultures require employees to work harder and for long duration. In addition to this, indulging in moonlighting will lead to fatigue, reduced focus, overburden, work-life imbalance, stress, anxiety, lower motivation, and other adverse impact on the health of the employee well-being. However, some of the organization may progressively consider moonlighting as new work-requirement, but in long run, it may not be sustainable option from employee's point of well-being. Further, *Generation Z and Millennial* work force are the one who are opting work-life balance instead of promotion and increased pay. They are the one who are ready to forego high incentives, remunerations promotion for their wellness. So, moonlighting may be opted for short-run but may not be sustainable in long-run.

CONCLUSION

Analysing various studies and secondary information, it is evident that motivation behind employees practicing moonlighting are to have extra income, to increase savings, to pay debt, to overcome debt, to deal with boredom or to gain more experience. Thus, moonlighting is beneficial for individual but can have negative effects on industry, including adverse impact on productivity, employee morale, and organization culture. Organizations should be aware of these potential effects and consider them when making decisions related to moonlighting practices. Moreover, WFH culture and increased financial burden of employees has made moonlighting as inevitable. Therefore, some of the effective strategies to resolve the moonlighting culture include:

- Clearly communicate policies and expectations with their employees regarding moonlighting. Like, employees will not be allowed to get involved in second job due to risk of confidentiality and information leakage.
- Organization must have strict protocols regarding disciplinary actions, against the employees who practice moonlighting covertly.
- Making progressive HR policy (Exception-case, case basis) allowing employees to freelance only with prior approval and declaring everything about the second or more job role he or she is going to undertake. This will foster organization giving employee freedom to freelance if the new job does not sacrifice with confidentiality or interest of the prime employer.
- Organization implementing policies that promote work-life balance and employee well-being to mitigate the negative effects of moonlighting on organization culture.
- Building a system of continuous feedback and communication with employees, to gauge in the issue of underpayment as per their skills; upskilling requirement, engaging in more productive job assignments, and others.
- Implementing close supervision on the employee's activities, tracking their online activity on job, and having IT secured network for checking any breach of data.

Thus, it can be concluded that moonlighting has become inevitable part of current work culture. Moonlighting help the individual to earn extra income, earn from their passion or hobbies, reduce boredom, and others. At the same time, moonlighters are challenge for the employer as it leads to confidentiality issue, culture of mistrust, reduced employee productivity, morale, use of organization resources for other organization, and others. It is a fact that law or ethics does not clearly make moonlighting unethical or illegal. Further, it is also apparent that moonlighting can be good in short-run but it may not be sustainable due to adverse impact on the work-life balance and employee well-being.

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