
MOONLIGHTING: NAVIGATING THE DUAL EMPLOYMENT DILEMMA

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ABSTRACT

Human resources are the most important assets of any organisation. The success of the organisation depends on its workforce. A good organisational climate is created by its workforce who are pleased with their job roles in all or maximum parameters of job satisfaction. With the growing competition in the market and the increasing rate of inflation together with change in lifestyle of the people and craving for career development, it became a great challenging task for the organizations to control its human resources. One of the most important motivational factors of the employees is the monetary benefits that they receive in the organisation. Employees take up more than one job to cope up the financial situation, foster their skills or for better job satisfaction. This concept was prevailing from a long time, it is increasing in the present day, especially after the Covid -19 Pandemic. Holding a job other than the primary job is called as "Moonlighting". This is the most trending among the employees these days. This is usually done by hiding the fact from the primary employer or other employers whom they are working with. This research investigates the causes, impacts and measures overcome moonlighting.

Keywords: Human Resources, Organisational Climate, Moonlighting,

1. INTRODUCTION

The concept of moonlighting is rapidly increasing in today's dynamic society where the people are self-motivated and craving for higher incomes, job satisfaction or development of their skills. This is basically an unreported employment. This concept is gaining significance on a large-scale. Employees are also driven by the increasing opportunities in the economy for a secondary job over and above their primary. Moonlighting is holding a secondary job in addition to their primary one by hiding the fact from the employer. Human resources are the greatest assets for any organisation. This emerging trend of moonlighting is making it challenging for both then employees and employers to handle this in an ethical manner.

Moonlighting has multifaced effects on the organisational climate and also on the employees. This influences various aspects of workplace dynamics. Positive side of the moonlighting is that, it may offer employees the opportunity to diversify their skill sets, gain financial stability, and achieve greater job satisfaction. On the other hand, it may result in divided attention, increased stress, and potential conflicts of interest, all of which can undermine team consistency and trust.

According to a report in The Economic Times, Rise on November 23rd, 2023, Employers least bother about their employees who work two jobs. According to Indeed's newly released India Hiring Tracker (Q2 of FY2023), more than half of employers (53%) indicated that moonlighting violated either work ethics or the employment contract (25%), while 13% labelled it unpleasant.

The attitudes towards this concept differs among the sectors. Employers of IT and Manufacturing sectors are on the top list to oppose this with 93% and 79% and only 21% of manufacturing employers consider this as an ethical practice. (Pandey, 2023)

2. LITERATURE REVIEW

Moonlighting, which is commonly characterized as doing two jobs outside of regular business hours, has drawn attention from a number of academic disciplines, including organizational behaviour, labour studies, and economics. This review looks at the reasons behind moonlighting, as well as its advantages and disadvantages, and how it affects companies and workers.

A study by Culler & Bazzoli in 1985 on the factors influencing physicians' decisions to moonlight during their residency training, a controversial issue for hospital administrators and the medical profession. Results showed that residents are highly influenced by economic factors and employment conditions during their training period. (Culler & Bazzoli, 1985)

Paxson & Sicherman in 1996 in their study on "The Dynamics of Dual Job Holding and Job Mobility" explored the relationship between dual job holding and job mobility, analysing U.S. data on patterns of dual job holding, hours changes, and job mobility. It revealed that workers frequently move into and out of second jobs, often due to large changes in work hours.

The authors also reviewed dual job holding theories and present a stochastic dynamic model, where decisions to take second jobs and change main jobs are made simultaneously. (Paxson & Sicherman, 1996)

A research on “Exploring the critical care nurses' experiences regarding moonlighting” investigated the impact of moonlighting on critical care nurses and hospital management. Focus groups revealed both positive and negative experiences, including economic, educational, and psychosocial aspects. The findings suggested that participation in controlling moonlighting activity should involve both management and staff at the functional level, as there is no documented data on its effects in this country. (Bhengu, 2001)

The article explored the factors influencing multiple job holding in the UK, using data from the British Household Panel Survey (BHPS) from 1991 to 2001. It was reasoned by the researchers that financial pressures and the desire for diverse jobs are the main reasons for moonlighting, with the study conducted separately for men and women. (Wu, Zhu, & Baimbridge, 2008)

A research paper based on “Is it all about money? An examination of the motives behind moonlighting” explored the motivations behind multiple-job holding in the labour market. It was suggested that individuals use multiple jobs to cope with financial difficulties or household commitments. Early adulthood is more likely for money moonlighting, and those with more labour market experience are more likely to moonlight for pecuniary reasons. The study contributes to a better understanding of multiple-job holding. (Zangelidis, Dickey, & Watson, 2010)

This study investigated the impact of moonlighting practices on job satisfaction among teachers in public sector universities in Punjab and Federal Capital. The study included 533 teachers from the main campuses and examined factors such as additional income, blocked promotion, skill diversity, and job autonomy. The findings showed that moonlighting significantly impacted job satisfaction among university teachers, with 20% of the population being studied. The study highlighted the importance of addressing these issues to improve job satisfaction among teachers. (Ara & Akbar, 2016)

The researchers investigated the relationship between job satisfaction, organizational commitment, and moonlighting intentions in the virtual era of Industry 4.0. It uses SmartPLS 3.0 software to analyse 161 IT professionals in North Indian IT hubs. The study found that organizational commitment mediates the relationship between job satisfaction and moonlighting intentions, with job satisfaction having a high positive impact on organizational commitment. Additionally, organizational commitment showed a significant inversely proportionate relationship with moonlighting intentions. (Seema, Choudhary, & Saini, 2021)

A study “Breaking the Moonlighting Cycle: How Ethical Climate in Higher Education Can Curb Secondary Employment Intentions Among Teachers.” involving 189 teachers found a significant negative relationship between the ethical climate of higher education institutions and moonlighting intentions. A strong ethical climate decreased moonlighting intention, while gender showed no significant correlation. The findings highlighted the importance of a positive ethical climate in higher education to reduce such intentions. (Bommakanti & Swamy , 2023)

In another research on the impact of job satisfaction on moonlighting intentions among IT professionals in the Tricity province of Chandigarh, Mohali, and Panchkula. The researchers used the Attitudes and Alternatives Model (AAM) of Withdrawal Cognitions to understand the broader factors contributing to turnover and the consequences of moonlighting. Primary data was collected through reliability-tested scales and analysed using SPSS 26.0. The study suggested that organizations should implement robust policies for ethical moonlighting to create a win-win situation between employees and management. The findings suggested that job satisfaction with moonlighting is generally low, highlighting the need for further research in the context of virtual work arrangements and industry 4.0. (Dr. Malodia & Butail, 2023)

The researchers Dr, Kakade and Patnkar in 2023 in their work on “Moonlighting Practices And Their Impact On Job Satisfaction With Reference To Employees In It Sector - Mumbai Region” during the Covid-19 pandemic used a descriptive method to examine the effects of moonlighting on job satisfaction. Four criteria were examined: more income, blocked promotions, skill variety, and job independence. The results showed significant relationships between moonlighting and job satisfaction, highlighting the need for organizations to adapt their HR policies to maintain work-life balance. (Dr. Kakade & Patankar, 2023)

In an analysis on the relationship between job satisfaction, organizational commitment, human resource practices, economic intentions, and moonlighting intentions among IT-enabled industry employees in Hyderabad. It found that job satisfaction and organizational commitment account for 50% of the variance in moonlighting intentions. Job satisfaction positively impacts organizational commitment, while increased commitment decreases moonlighting intentions. Human resource practices also showed a positive moderating effect on intentions to moonlight through job satisfaction. (Prasad, Kalavakolanu, De, & Satyaprasad, 2024)

The study of the impact of moonlighting, their causes in different sectors has been identified by many researchers across the world. But the study lacks a comprehensive analysis of organizational policies and interventions for effectively managing moonlighting, despite their frequent mention in studies without specific strategies or evaluation. Moreover,

the existing researches often focused on the isolated factors that influence Moonlighting. However, the psychological aspect of moonlighting is a complex issue that requires a comprehensive understanding that considers economic, psychological, organizational, and individual factors.

3. OBJECTIVES

1. Assess the Prevalence and Motivations for Moonlighting
2. Evaluate the Impact of Moonlighting on Climate
3. identify the measures to curb moonlighting.

4. METHODOLOGY

A descriptive analysis is carried out in this research paper by using secondary data collected from the study of Journal articles, websites, Newspaper reports and Blogs.

5. ANALYSIS

Blue Moonlighting: When a worker takes a second job in addition to their normal employment but finds it difficult to handle both tasks at the same time, this practice is known as "blue moonlighting." They consequently struggle to function well in each job and become unproductive in one or both. This kind of unsuccessful attempt at working two jobs concurrently is known as "blue moonlighting."

Quarter Moonlighting: When an employee engages in quarter moonlighting, they work a second job in addition to their normal full-time employment, and they are able to balance both without sacrificing their output or efficiency at their day job. In this case, the worker may accept a part-time, three- to four-hour secondary job.

Half Moonlighting: When an employee half moonlights, they finish their first job and dedicate more than half of their free time to the second job in order to make extra money. There is hardly any time left over for personal obligations when moonlighting this way.

Full Moonlighting: Employees that moonlight effectively are able to work on both their primary and secondary employment without sacrificing their productivity in either position. For example, workers might create a business aside from their day job or pick up a side gig like online teaching or bookkeeping.

These categories demonstrate the many strategies people use to augment their income and talents, from finding it difficult to balance both duties in Blue Moonlighting to effectively handling two obligations in Full Moonlighting.

Prevalence and Motivations for Moonlighting

Moonlighting has become more prevalent in recent years, especially in the IT and tech sectors, due to the shift to remote work during the COVID-19 pandemic. This trend is observed in sectors like education, healthcare, and creative industries, with freelance work, gig economy roles, and consultancy jobs becoming popular secondary employment options. Younger professionals, particularly millennials and Gen Z, are more likely to moonlight due to the gig economy's rise in holding multiple jobs, valuing flexibility and diverse work experiences.

Moonlighting is a common practice among employees as it provides additional income, financial security, and flexibility. It can be used to supplement income, tackle unexpected expenses, and build financial security. However, it can also be a means to explore new opportunities to grow, such as acquiring skills or expertise in a different field through freelancing gigs or projects.

Moonlighting is very common in students taking up higher education. They do a part-time or full time job in addition to their education to earn for their daily living, pay fees, repay the educational loans, meet their miscellaneous expenses or to develop their skills for career prospects. (Park & Headrick, 2017)

(Triventi, 2014) However, moonlighting can also lead to job insecurity, as employees may feel unappreciated by their company for their hard work. This can lead to employees taking up part-time jobs or freelancing projects in parallel. Some moonlighting cases also contribute to financial stability, as employees may pursue their passions through other jobs, such as starting a blog in a niche they are interested in. Some employees aspiring to start their own businesses may engage in moonlighting to ensure consistent income while setting up their own business. This can help mitigate challenges such as low funding and cash flow, such as those faced by entrepreneurs. For example, a full-time software engineer may set up a business and work for different clients.

Moonlighting can provide various benefits to employees, such as providing additional income, promoting career growth, addressing job insecurity, pursuing personal interests, and setting up their own businesses.



Impact of Moonlighting on the Climate

Organisations are concerned that if employees work two jobs at once, their productivity and quality of work may deteriorate. Additionally, it's possible that juggling two deadlines will make you more stressed than one, which could result in a smaller or lower-quality product. Another disadvantage of taking on a side gig is fatigue, which can cause distraction and carelessness. Employers frequently worry about data breaches and confidentiality violations, particularly when an employee collaborates closely with a direct competitor. The potential for staff members to take advantage of business resources for a side gig is another problem. This adversely impacts the climate in the organisation.

It is a point of concern to the organisations because

- **Reduced Productivity and Performance:** Employees may feel exhausted and burnt out from multiple jobs, affecting productivity and performance.
- **Conflict of Interest:** Employees may work for competitors in the same industry, raising concerns about potential conflicts of interest and confidentiality breaches.
- **Major Risks: Confidentiality Breach:** Employees may disclose confidential information to a competitor, leading to potential client poaching.

On the other hand, Moonlighting which is non-conflicting can benefit the employer

HR professionals have faced a number of difficulties as a result of moonlighting, which have affected hiring practices, employee retention, talent acquisition, and long-term succession planning. HR managers struggle to handle this tendency while taking into account employers' worries about data security and employees' motives, even though they are more aware of it.

Non-conflicting moonlighting, however, might be a mutually beneficial tactic. It calls for honest communication, deference, and a careful balancing act between the interests of the employer and the employee. Employers who adopt this strategy stand to gain increased employee happiness, increased skill sets, and higher engagement—all of which will contribute to a productive workplace and long-term professional development.

- **Employee Retention:** Moonlighting aids in talent retention by allowing employees to pursue personal goals outside the workplace. It reduces hiring costs, enhances succession planning, boosts morale, optimizes productivity, fosters internal networking, improves employer branding, and enhances customer service.
- **Employee Engagement:** Moonlighting cultivates a workplace culture centered on trust, autonomy, and flexibility, boosting engagement. It contrasts with rigid rules, allowing employees to pursue additional opportunities.
- **Employee Performance:** Moonlighting boosts employee performance by providing opportunities for fresh skills, knowledge, and diverse perspectives.
- **Employer Reputation:** Moonlighting elevates an employer's reputation by showcasing social responsibility, openness, and innovation.

Before taking any measures to curb moonlighting the organisations should firstly identify the Moonlighting by the employees. Businesses must strike a compromise between the need to protect employees' privacy and the requirement to make sure they aren't breaking any agreements or taking part in activities that could create conflicts of interest or lower productivity. It can be detected by:

- Utilising productivity tracking software to monitor work metrics.
- Conducting regular performance reviews to identify work quality declines.
- Conducting thorough background checks during hiring and use services for continuous monitoring.
- Enforcing policies against outside work and conduct regular audits.
- Using IT tools for internet and email monitoring and device monitoring.
- Monitoring professional networks for job changes and social media activity.
- Encouraging anonymous reporting of moonlighting by colleagues.
- Establishing hotlines or suggestion boxes for employee concerns.

Alternatively, Employers can use an employee's Employees' Provident Fund (EPF) Universal Account Number (UAN) to determine if they are working for competitors or moonlighting. They can determine if two PF contributions are made by separate companies by obtaining the UAN number. Moonlighting occurs when two PF contributions are made simultaneously. However, proving moonlighting when an employee takes on extra work as a consultant, freelancer, or part-time worker can be challenging.

Judgements of Court Regarding Moonlighting in India

Indian courts have heard many cases involving moonlighting over the years. Judges have generally supported an employer's right to fire an employee for betraying confidence; this is evident in decisions such as *State of Punjab v. Ram Lubhaya Bagga and Jitendra Nath Biswas v. Steel Authority of India Ltd.* These decisions highlight the requirement for consent from the employee for any secondary employment and the possibility of disciplinary action should it conflict with the primary position.

Industries are at danger from these circumstances, hence appropriate protocols are needed to safeguard business interests. Non-compete agreements in employment contracts and regulations protecting confidentiality and intellectual property have been recognized by Indian courts. Reasonable non-solicitation agreements are also subject to enforcement. Employers should indicate in employment contracts what can be done during non-working hours and whether a function requires exclusivity. Strong contracts and HR guidelines are essential for establishing work circumstances, such as responsibilities, restrictions, and what behavior will result in disciplinary action.

Moreover, moonlighting may be viewed as immoral when contracts contain exclusive employment and non-compete terms, which are typical in traditional contracts. If there are no such clauses or there are exceptions in the contracts, the employees might not consider it a violation of faith.

The term "dual" or "double employment" has not been defined in Indian legislation. Nonetheless, the Apex Court determined that a service contract with one master explicitly forbids service with another, unless the service contract expressly states otherwise or the master gives his approval, in the case of *Manager, Pyarchand Kesarimal Ponwal Bidi Factory vs. Omkar Laxman Thange and Ors.* (AIR 1970 SC 823).

Additionally, the Honorable Madras High Court held in the *Government of Tamil Nadu v. Tamil Nadu Race Course General Employees Union* (1993 ILLJ 977 Mad) case that there may not be a bar against dual employment if the master consents or if the contract provides otherwise. The court cited the ratio of the Apex Court judgment mentioned above in its ruling.

Thus, dual employment is very much allowed by Indian law, but only if the employment arrangement permits it and/or if the current employers give their prior consent. The same is stated in the Industrial Employment (Standing Orders) Act, 1948, often known as the IESO Act.

Section 60 of the Factories Act, of 1948 is related to the regulation of working hours for employees in factories in India. This section outlines the maximum amount of hours that an employee may be expected to work in a given day and week, as well as the procedures for keeping track of those hours.

Section 9 of the Delhi Shops and Establishments Act, 1954 prohibits workers from working in more than one establishment within the hours that are permitted. Schedule I-B of the 1946 Industrial Employment (Standing Order) Rules: forbids workers from accepting positions that are detrimental to the interests of their existing company.

According to Clause 22 of the proposed Model Standing Orders for the Service Sector, 2020, employees must refrain from acting against the interests of their employers and refrain from taking on jobs that would be detrimental to them. Further employment requires permission from the employer.

Measures to curb moonlighting.

From an organizational standpoint, preventing employee moonlighting is essential to preserving moral standards, preventing conflicts of interest, and maintaining efficiency. In order to achieve this the organisations should:

- Develop a clear policy prohibiting external employment without prior approval.
- Outline expectations regarding disclosure of outside commitments and potential conflicts of interest.
- Educate and communicate through training programs and effective communication channels.
- Implement monitoring and surveillance through IT and social media monitoring.
- Conduct regular audits and reviews to detect financial irregularities and misuse of company resources.
- Enforce policies consistently with disciplinary actions and rewards for ethical behavior.
- Foster a positive work culture through work-life balance initiatives and employee engagement.
- Establish whistleblower mechanisms for anonymous reporting and investigation.
- Ensure legal compliance with local labour laws and regulations.

6. CONCLUSION

Though the idea of moonlighting, or doing a second job, is largely acceptable in India, it is subject to a number of laws and rules, such as those pertaining to working hours, permissible types of labour, and tax ramifications. To learn the precise rules and legislation pertaining to moonlighting in India, one should consult with their principal employment and obtain expert counsel. Should a moonlighting clause be included in an employment contract, engaging in such activities might result in disciplinary action, legal action, or damages for the employee. The particular repercussions will be determined by the provisions of the employment contract as well as the rules and regulations that apply in the country where the employer is located.

Moonlighting can have both positive and negative impacts on the climate of an organization. While it can lead to skill enhancement, increased job satisfaction, and broader networks, it can also result in decreased productivity, loyalty issues, and neglected professional development. Organizations need to strike a balance by establishing continuous monitoring methods, clear policies, promoting open communication, offering flexible work arrangements, and leveraging the benefits of moonlighting to enhance their climate. By doing so, they can create an environment that supports employee growth and organizational success.

The phenomenon of moonlighting is complex and shows how labour is changing in the current day. It presents difficulties like decreased productivity, conflicts of interest, and possible legal ramifications in addition to advantages like increased revenue, skill development, and financial stability. Through the implementation of clear regulations, open communication, and the promotion of a pleasant work environment, organizations must negotiate these complications. Companies may capitalize on the potential advantages of moonlighting while reducing the hazards by finding a balance between protecting their interests and meeting the requirements of their workers. This method necessitates a sophisticated comprehension of the driving forces behind moonlighting as well as the creation of plans that promote the interests of the company and the welfare of its workforce.

In the end, adopting a flexible and progressive stance toward moonlighting may improve worker performance, retention, and happiness, creating a more resilient and dynamic team. Organizations that adjust to these changes will be better positioned to prosper in the competitive marketplace as long as the nature of work continues to change.

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