A Review Study on the Concept of Moonlighting and it’s Impact on Growth of Organisation

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Abstract

Human resource is considered as the important asset for any organisation. As the economy growing and expanding itself to be in the global competitive era, attracting and maintaining human resource is a challenge for the business management. A large number of employees do moonlighting nowadays. The focus of the employer must not be banning employees from moonlighting rather than focusing on preventing any conflict of interest.

Keywords: Moonlighting, Monetary benefits, Business

Introduction

Human resource is considered as the important asset for any organisation. As the economy growing and expanding itself to be in the global competitive era, attracting and maintaining human resource is a challenge for the business management. The human resource management is coming up with new trends and techniques everyday to meet with the new challenges of human capital. As the economy growing faster and better there is a continuous focus on talent acquisition. HR manager focuses on attracting and retaining employees. According to Maslow’s needs hierarchy theory, monetary benefits or compensation is the important need of an employee as it fulfils his physiological (basic) needs. As per the Review of Literature, Monetary benefits are considered as highly motivating compensation for an employee, which leads to Job Satisfaction.

With the context of increasing financial benefits or income, the life style of the generations also improved. In order to increase the financial output or earning, most of the employees seek number of other opportunities with their current job. At the same time, an employee
holding two jobs, one is regular and other is part timer, doing secretly that is called moon lighting.

Moonlighting has many meanings but it is majorly related to doing a job secretly and typically at night. It is also known as act of doing a second job without telling your current employer. With low pay and compensation policy in India, people are opting for moonlighting. Employees have many reasons to do moonlighting. Moonlighting could make a noticeable difference in employee income and ultimately to the standard of living. Moonlighting is a challenge for both employees as well as HR professionals.

**Review of Literature**

**Semion and Adebisi (2019)** studied that professional and managerial level employees of public sectors are more engaged in moonlighting. His findings concluded that moonlighting promoting disloyal and discontent workforce, encouraged bureaucracy, promote leisure attitude towards job, inefficient leadership, and ineffective organisational policies. He also recommended that government should come up with necessary checkmates to prohibit moonlighting in public sectors.

**Sabron & Hassim (2018)** concluded that public employees had high rates of moonlighting engagement. They examined the employee’s perception on moonlighting practices in for Malaysian public sector hospitals. The study was conducted to determine the environment, personal and behavioural factors that are related to the employees practising moonlighting. The findings obtained that personal factor and environment factor had a positive and significant relationship towards employee’s engagement in moonlighting and concluded that it is complex to implement moonlighting in an organization for employers and it is also time consuming. The results also state that environment factor and personal factor influences employee more to be engaged in moonlighting and recommended that government should offer part time basis admin job also so employees can learn new things.

**Ara and Akbar (2016)** explained the effect of moonlighting practices on job satisfaction of public universities teachers in Pakistan. They identified four factors that are skill diversity, blocked promotion, job autonomy, and additional income responsible for moonlighting among university teachers. They explained that there is a significant impact of moonlighting on job satisfaction.
Ashwini et al studied the drivers for moonlighting in IT sector. The person engaged in moonlighting either for monetary or non-monetary motives. They found that people moonlight to deal with their financial problem or increased financial obligations in their family to satisfy the non monetary priorities. The employees do the secondary job according to their free time not only for motives. Total numbers of hours spends in secondary jobs and monetary, non monetary motives might be the factor for deciding moonlighting types and its extent. They identified that many factors can lead to employees towards multiple job holding and number of family members is the major factor of it. The study also said that intention to moonlight varied from married to unmarried employees. Work experience is an important factor that led to the intention to moonlight. Moonlighting motives are also dependent on demographic factors.

Shweta (2014) studied the different aspects of moonlighting of employees. She analysed various issues related to moonlighting and explained the need to understand why employees moonlight. She provided recommendations for employers and employees for preventing moonlighting.

Betts (2011) studied on the gender differences among teachers who do moonlighting. He found that male and female teachers have different patterns of moonlighting behaviour. According to pay, type and prevalence of moonlighting activity differences were noticed.

Gayaytri studied that moonlighting helps to increase the standard of living of employees and employees try to test their skills in different job. Job satisfaction and monetary benefits can avoid moonlighting. She found the impact of moonlighting on employer as well as employee. Moonlighting can lead to misbalance of physical and psychological needs of an employee. Employees may also moonlight to gain more experience in different jobs or to start a new business. Employer can provide monetary as well as non monetary benefits to motivate the employees and avoid moonlighting. Job rotation and job security by employer can also help employee to avoid moonlighting.

Georgeos et al (2011) studied the dynamics of human capital, dual job holding, and occupational choice between primary and secondary jobs were investigated the determinants and factors affecting secondary job were also studied. He also studied the effects of multiple jobs holding on primary jobs. Their research indicated that dual job holding may also lead to self employment and new primary jobs.
Objectives

1. To understand the concept of Moonlighting
2. To understand the impact of moonlighting on Organisational Growth

Research Methodology

Secondary data has been used, articles, journals, research papers, review papers and internet sources. This paper studied several aspects related to moonlighting in an organisation.

Impact of Moonlighting on the Organization

Moonlighting poses various challenges for the management. It has both positive and negative impacts on an organisation. Several issues which came in light due to moonlighting are discussed below:

1. Low Productivity
   When employees are engaged in two or more jobs, their performance hampers because of the lack of focus on the current job. So their productivity decreases which leads to incompletion of tasks.

2. Loss of Business Privacy and Competition Threat
   When employees does other job with the current job or start his own venture similar to the current job there is a competition threat for the present employer. Conflict of interest may arise between them. The present employer could also be anxious about his business privacy and confidentiality.

3. Employees Well Being
   Employees engaged in more jobs feel exhausted in terms of physical and mental health. They face anxiety and fatigue related health issues. So these employees are unable to perform best in their jobs. Due to overburdened work they may face various health issues.

4. Ethical Issues
   An ethical dilemma arises when an employee do moonlighting in the same industry. If employee shares information from both the employers then the problem arises. It leads to sharing of business confidential information. Also if any employee uses both physical and intellectual resources of the company for the other company then the ethical problem arises. Hence it may be consider as theft.
It is argued that employee has a right to use his free time. Employees want to make it lucrative. So this trend is prevailing in current scenario.

**Advantages of Moonlighting:**

1. **Wages Increment**

Moonlighting allows employee to earn more, which decreases the pressure on the employer to increase the wages. Hence it decreases the financial burden on the organisation.

2. **Bigger Network**

More jobs of an employee means he has bigger network, which can benefit the main employer. For example- if the employee has larger base he can refer new clients or he can help the organisation in future with his known.

3. **Hardworking Employees**

A person who is focussing or holding two or more jobs is surely hardworking and motivated employee. So he is an asset to the organisation.

4. **Improving Skills**

Moonlighting could be a way for employees to gain and upgrade their skills which can be applied at their primary job. So an employer is benefitted with the skilled employee.

Employers may take the following steps to effectively manage moonlighting in the organisation.

1. **Agreement to not to work in the same industry or competitors**

Employers need to ensure that employees do not engage with their competitive firm or industry. It reduces the risk of loss of business privacy. A non competitor clause should be in the employment contract.

2. **Revision of minimum wages**

Employers must safeguard the interest of employees by providing them minimum wages for their basic needs. Timely incentives should also be provide to keep the employees motivated.

If the employees basic economic needs are fulfilled then it will decrease the risk of taking up the secondary job.
3. **Conflict of interest should be avoided**

Employees must not engage with the second job whose objectives conflicted with the primary employer.

4. **Keeping the two jobs separately**

The second job objectives must not interfere with the primary job the employee should manage the time effectively that the time spend on the second job should not be dedicated from the first job. The resources either physical or intellectual of primary job should not be used to fulfill the obligations of the second job.

5. **Seeking permission for second job**

The employer must attain a approval from the employer for the second job. This will benefit employee as well as employer. The employee will be free from the guilt of hiding something or fear of being exposed and the employer can also be confirmed that there is no conflict with the second job and it will not hinder the employee performance on the current job. (Banerjee.S 2012)

**Conclusion**

Many of the employers do not have any concern with the employees to do moonlighting and indeed there can be a lot of benefit for allowing it. On the other hand, few of the employers feel negative due to the loss of business privacy and competition threat and other productivity related issue. It is better for employers to find better ways to handling it rather than banning it. Managers should have clear moonlighting policy. The policy must specify the organisation rules and regulations regarding moonlighting.

Human resource management plays a strategic role in managing people and workplace environment. An impartial HR policy can accomplish both management and employee goals together. More efforts could be directed towards improving the performance of the employee who is engaged in moonlighting. Appropriate policies must be framed to overcome the effects of moonlighting and maintaining harmonious relationship between employer and employees in an organisation.
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