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EFFECT OF EMPLOYEE MOONLIGHTING: A CHALLENGING TASK FOR MANAGERS AND ORGANIZATIONS

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The global environment and the economy are changing very rapidly. Human resource management practices are also taking its shape and molding into various dimensions. In this era of economic change, employees are far more concerned about how they will not only flourish professionally but also economically. This has given rise to the addition of extra work with extra pay with some other employer along with their primary job. This is nothing but what we can call as Moonlighting by employees. Moonlighting has various effects on the work life of an employee as also it affects the compliance policy of the employers. Is it correct for the employee to work in two or more organizations along with their current organization being unaware of that? How can organizations counsel the employees to support them economically so that they don't practice moonlighting? What if the employee is handling all the jobs in a more fruitful way without hampering any one of them? All these questions are of great concern as moonlighting practices by employees pass from blue moon to full moonlighting.

Keywords: Moonlighting, Blue moon, Full moon, Quarter moonlighting, Half moonlighting, Performance

INTRODUCTION

The human resource management field is developing very fast and human activity is realizing its importance in the smooth functioning of the organization. Innovative techniques are developing day by day so as to give employees a suitable culture to work in a more motivated way. There is a tough competition all around the globe for the survival of the fittest and we have to comply

with the changing work culture and ways to adopt the new human resource practices in various organizations. Those who refuse to change will remain in the backyard and have to accept defeat. Hence it is imperative to implement the latest human resource practices in the organization.

For most of us one job is enough. But for some others, it barely pays the bills and people take hold of a second job or even a third job just to get

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by. But what's the impact of moonlighting in the workplace and on the employee? According to the most recent figures available from the Australian Bureau of Statistics, there are over 600,000 people with more than one job in Australia, representing approximately 5.4 per cent of the population. Women are more likely to be multiple jobholders than men, and retail is the primary source of a second job, followed by healthcare. So, moonlighting or holding a second job parallel to one's current job is an important feature that rolls from blue moonlighting to full moonlighting. Let us first understand the transition of blue moon to full moon and its effect on organizations.

TRANSITION OF BLUE MOON TO FULL MOON

Employees get paid for their services rendered to an organization in the forms of wages and salaries. Organizations also pay dearness allowance to effect the decline of the purchasing power of the employee due to rise in cost of living. Fringe benefits are also paid by the organizations to upgrade the standard of living of the employees. Despite all these fringe benefits, allowances that the organizations pay to the employees, the employees still feel that the wages are low, allowances are inadequate and fringe benefits insufficient. They feel that the employers are enjoying the profit and they are being exploited by the employer. Consequently they agitate for hike in wages, allowances and benefits so as to improve their living standards. But a few employees start believing that all their demands cannot be met by the organization alone. Hence they depend either on some other organizations for part time job, part time business or start entrepreneurial activity in order to earn more money and become much more financially stronger. Moonlighting refers to the situation

where an employee holds a second job, whilst in the service of the employer which can also be referred as double jobbing. A substantial number of employees do in fact work for more than one organization. In some instances they seek outside employment to supplement their income. In others, they're testing the waters to go out on their own. In any case, it gives you, the employer, a little something to think about. With the current economic environment, people are doing whatever it takes to make ends meet. Unfortunately, sometimes this means a second job. A recent survey of employees who moonlight shows that 13% moonlight with a second job because of the economy. The DOL estimates that as many as 4.17 million Americans moonlight. Outside employment policies vary by employer, but typically define a certain amount of time spent devoted to other activities, which may be compensated or uncompensated.

THE BLUE MOON

In future employees will demand the management for hike in wages and salaries. Responding to that the management will also positively reciprocate to the matter and listen to the employees. Some employees will be satisfied with the increased wages and benefits and adjust their expenses with the level of wages and benefits from time to time willingly. Some employees will not be satisfied and they will not go for a second job in future because of their inability to get one. Such type of employees will have a conflict with the organizational wage level structure as this category will need a second job for additional income and it will not be available to them. Thus their efforts to earn additional money will not bear any fruits to them. Such type of efforts and the consequent result may be called Blue Moonlighting by employees.

QUARTER MOONLIGHTING

An employee after completing his academic life starts his career at the lower level managerial position. He spends his bachelor life comfortably with his salary. But with the passage of time, as he gets married and his family increases in size, it sometimes become difficult to meet both the ends with the current salary. He could not spend upon his child's education and other amenities. Then the employee takes up a part time job side by side with his current job. Hence, an additional income is generated and he can spend his personal as well as family life well. In this way taking up additional jobs to support the family as well as the person himself due the increase demand of wealth by the employees is called the quarter moon lighting.

HALF MOON LIGHTING BY EMPLOYEES

Some employees will not be satisfied with the current levels of earning in their job. They expect a very high salary with respect to their job description. Hence they take up additional jobs or go for business so that they can buy luxury articles and lead a comfortable life. This category of people spends fifty percent of their time in the second job rather than their original job as they have to earn large sufficient amount. This extent of moon lighting is called half moon lighting by the employees.

Employees and banks and financial institutions grant loans and advances to entrepreneurs, trades, business people and industrialists. They follow up the implementation of the project and check the various stages of progress. If the project becomes sick and the borrower becomes unable to repay the loan and the repaying capacity becomes red, the bank officers apply their minds

to recover principles, policies and plan of action of the bank. Thus they will be in the shoes, suit and mind. If the entrepreneur is skillful and tactful, and if the environment favours him, his project will be successful. It will fetch him continuous inflow of money and he flourishes with the bank's money. Then the bank officer himself feels happy for granting him loan. He then thinks of taking up a similar entrepreneurial project along with his existing job which is at the same time difficult too. This type of situation is responsible for change of values and aspiration of employees for becoming stronger financially with a shock absorber. If the employees fails in his project then he will be incurring loss but his current job will act as a cushion and a shock absorber. Hence employees take up other occupations and spend more or less 75% of their time and resources for their business or industrial units. Second job activity to this extent may be called three quarter moon lighting by employees.

FULL MOONLIGHTING

Employees in some occupation have free time whereas some employees feel that their income from their job is too low and does not meet their expectation. Some employees have friends who earn more than them and they are socially at a much higher state. Although the friend might be academically weak although but socially the job he has, he gets more benefitted through his income. This creates a mental pressure on the employee who realizes this difference in earning capacity. Hence after their realization, these employees start a new venture and spend most of their time and resources in starting, developing, expanding and diversifying their business or entrepreneurial activities. They keep on staying on the job as it will be useful for them as a shock

absorber in times of need. Their financial and social position will almost be determined by their second occupation. This extent of second jobbing is known as Full Moon lighting by the employees.

THE POSITIVE EFFECTS OF MOONLIGHTING

Employees may be learning new skills that can benefit their organization. Employees can improve their job skills on someone else's dime. Allowing employees to Moonlight can help improve retention. Employees may not feel as much desire to look for another job when they can juggle both. Moonlighting can help compensate employees in a difficult economy.

Issuance of a Policy by the Organization or not?

The first reaction may be to ban outside employment altogether. This is probably not the best way to deal with the situation, however, because it can cause retention problems and lead to poor employee relations. Instead, you might want to adopt a moonlighting policy that simply discourages outside employment or restricts it based on business-related criteria.

The debate about moonlighting shouldn't be centered on whether it's good or bad. . It is more important to think about the extent to which the two employments complement or conflict with one another and this is because there are usually two potential outcomes. The first possible outcome is 'role enrichment', which is when the work an employee performs in one job ultimately benefits the other. Moonlighting can give an employee a chance to develop skills that he or she can later apply in the main job. But the second potential outcome, 'role depletion', is less positive. It occurs when the energy and resources invested by an employee into one job means that the other job

suffers. The employee might be earning more cash, but it's at the expense of one or both employers. If moonlighting generates excessive hours, that's clearly a problem. For example, if an employee squeezes in two full-time jobs, it's a weight of work that's unsustainable. And in some cases, the hours are chronic. In the data released by the ABS, the proportion of moonlighters working over 55 hours a week was double than those who have single jobs. This overwork results in higher levels of stress. A majority of moonlighters admit they "often or always" feel rushed or pressed for time, compared to a minority of single jobholders. But it's not just about stress. Conflict of interest is another issue that arises, and it occurs when a moonlighter's second employer happens to be a competitor. The ABS analysis revealed that up to 14 per cent of moonlighters do similar types of work in both jobs. This heightens the possibility of a conflict of interest. That's why many companies have a strict policy forbidding employees from doing it. But if employees need the additional income and can keep the second job a secret, there isn't much that employers can do about it. Unless they find out. And with some industries being incestuously small, the prospect of exposure exists. To be enforceable, a moonlighting policy can only restrict activities that damage the employer. Because an employee's loyalty belongs to the primary job, employers can restrict an employee's second job if it causes an employee to show up late, fail to meet performance standards, creates a conflict of interest or breaches employer confidentiality. For example, employers can prevent employees from working for a direct competitor or their vendors or clients if that creates a real or perceived conflict of interest.

One in 20 employees moonlights, and a hot labor market offers employees in your shop new opportunities to work second jobs. Moonlighting can create tired, distracted employees, plus spark conflict-of-interest problems and liability risks. Prevent problems before they crop up. Draft a policy that doesn't ban moonlighting but stops its negative effects.

During the go-go Internet boom, employees dumped their day jobs to launch Web businesses. But after the dot-com bust, many would-be entrepreneurs are playing it safe, starting new businesses or taking second jobs while keeping their full-time gigs.

These days, about 6 percent of U.S. employees hold two or more jobs, up from 4 percent two decades ago, say government statistics.

If a company is considering creating such a policy, the following guidelines should be included:

AVOID CONFLICTS OF INTEREST

1. The outside employment cannot involve a material conflict of interest related to one's organization's trade secrets and proprietary information.
2. The outside employer cannot be a competitor of the organization.
3. The outside employment cannot involve work that would adversely affect the organization's image.

KEEPING OUTSIDE WORK SEPARATE

1. The employee cannot perform outside work during the normally scheduled work hours of the organization.

2. The employee cannot use the organization's tools or equipment (fax, phone, copier, software, computer, letterhead, envelopes, etc.) for outside work.
3. The outside work cannot interfere with the employee's job performance.
4. The employee cannot represent his organization while working for the outside employer.

ESTABLISHING AN APPROVAL PROCESS

1. Before performing any outside work, the employee must notify and receive approval from his or her immediate manager and from your human resources department. In general, the employer should not ask for any information other than just enough to determine if the outside job is a conflict of interest. There is a distinct line between protecting the company and violating an employee's privacy, and the employer should be certain not to cross that line
2. Serving on the board or in an advisory capacity for another business or for-profit organization must be approved by the human resources department and by the CEO, board of directors, or the highest level of management.

Overall, moonlighting policies should focus on preventing direct conflicts of interest with the organization. A well-crafted policy will achieve this goal and at the same time will help the employer create an open environment and retain a quality workforce. The absence of a clause or provision in an employment contract or policy prohibiting or regulating moonlighting, means absence of a sanction if an employee engages in moonlighting. As such, an employee who is found to have

engaged in moonlighting cannot legally be accused of having broken the trust relationship. In the absence of any provision from the employment contract or policy dealing with the issue of moonlighting, it will be legally wrong to discipline the employee on the basis of misconduct. Instead, the employer may have to investigate the impact that the moonlighting has had on the work normally carried out by the employee. Should it be found that moonlighting negatively affected the employee's performance, then a disciplinary course to be followed would have to be the one of a form of incapacity known as a poor work performance for which item 9, schedule 8 of the Code of Good Practice: Dismissal (the Code) set out the necessary guidelines.

CONCLUSION

Thus, in order to prevent uncertainties, moonlighting has to be regulated and controlled.

Policies must be put in place and their terms must be incorporated in the employment contract for employees to know and appreciate the consequences of breaching them.

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