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Original Research Article

The dual job dilemma: Exploring the arguments 'for' and 'against' moonlighting and the current scenario in India

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Abstract

Background: Is moonlighting truly harmful, or is it simply misunderstood? This question invites a deeper exploration into the complexities surrounding the practice of holding a second job alongside one's primary employment. Flipkart was founded by Sachin and Binny Bansal while they were working at Amazon. Nasdaq-listed Freshworks was founded by Girish Mathrubootham, while he was still at SaaS rival Zoho. Thus, the practice of moonlighting is not new, history is filled with successful examples of individuals who took on additional work to pursue their entrepreneurial dreams. Moonlighting, by definition, involves taking on additional work outside of regular working hours, often done discreetly to avoid conflicts or repercussions from the primary employer. Although moonlighting itself may not be inherently problematic, the secrecy surrounding it can erode trust, create potential legal and ethical dilemmas, and negatively affect job performance and professional relationships.

Results: This paper is a conceptual exploration that delves into the multifaceted debate on moonlighting, aiming to provide a comprehensive understanding of its concept, types, and the arguments for and against the practice. In addition, this paper also advocates for its recognition as legitimate in India. For moonlighting to truly benefit all stakeholders, there is a need for greater transparency and a well-defined legal framework. By establishing clear guidelines that allow employees to engage in moonlighting within certain boundaries, India can ensure that both the interests of employers and the autonomy of employees are protected. However, the legal and regulatory framework in India remains ambiguous on the subject, often leaving both employees and employers uncertain about their rights and responsibilities.

Conclusion: This paper emphasizes the need for formal recognition and regulation of moonlighting to maximize its benefits for all stakeholders.

Keywords: Moonlighting, Employer, Employee, Legal framework, Stakeholders

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1. Introduction

Moonlighting has become a prominent aspect of the modern workforce, a trend that shows no signs of slowing down. The growth of the gig economy, along with evolving work arrangements and shifting attitudes towards work-life balance, has made moonlighting a fundamental part of many people's professional lives.¹

In the early 1800s, the term "moonlighting" originally described activities carried out at night, often referring to criminal behaviour conducted under the cover of darkness, hence the association with the moon. It implied that these actions were secretive, hidden from view, and taking advantage of the night's concealment. Over time, however, the meaning of "moonlighting" has shifted significantly. Today, it is most commonly understood to mean the act of holding a second job, usually performed after hours in addition to one's main employment. This second job is often kept secret from the primary employer to avoid potential conflicts of interest or concerns about divided loyalty. The modern use of the term still carries a sense of secrecy, suggesting that the employee is keeping their employer "in the dark" while engaging in a secondary occupation. While moonlighting in itself is not inherently problematic and can be a necessary means for individuals to supplement their income, doing so in a secretive manner can lead to several issues. It can undermine trust between the employer and the employee, as the lack of transparency may create a sense of betrayal or dishonesty. Moreover, it can give rise to potential legal and ethical complications, particularly if the secondary job creates a conflict of interest or violates contractual agreements with the primary employer.

1.1 Statement of problem

The statement of problem for this paper is that moonlighting, is a prevalent yet misunderstood concept. Despite its widespread occurrence, it is often viewed negatively, with concerns about productivity loss, conflicts of interest, and confidentiality breaches. This misunderstanding leads to inconsistent policies and legal ambiguities, creating uncertainty for both employers and employees. This paper aims to explore moonlighting in depth, addressing misconceptions and analysing its implications. By fostering a clearer understanding and advocating for its legalization, we can promote a balanced, flexible work environment that acknowledges the evolving nature of modern employment.

2. Objectives

This paper aims to highlight that moonlighting is already a prevalent practice, but it is greatly misunderstood and looked upon in an unfavourable manner. Thus, it is essential to explore the concept in greater depth, examining its parameters and all of its facets. Only then can we present a strong case for legalizing moonlighting and establishing it as an acceptable part of the modern workforce. Thus the objectives of the study are:

- 1. To provide a brief understanding of the concept and causes of moonlighting
- 2. To gain an insight on the arguments 'for' moonlighting
- 3. To gain an insight on the arguments 'against' moonlighting
- 4. To provide the Indian scenario on moonlighting

3. Materials and Methods

This conceptual paper aims to delve deeply into the phenomenon of employee moonlighting, exploring its causes and various aspects. The study is based on secondary data sourced from a materials such as academic journals, online platforms, articles, business magazines, and books. By synthesizing existing literature and research, the paper provides a thorough understanding of moonlighting, examining the concept along with the supporting and opposing arguments. Additionally, it highlights the moonlighting landscape in India, stressing the importance of establishing clear regulations to maximize its potential benefits while addressing concerns for all involved parties.

3.1 Concept of moonlighting

Moonlighting refers to working a second job with one's primary job. This has become a common phenomenon. This term simply refers to holding multiple jobs, regardless of the legality or specific hours involved. As defined by the Cambridge Dictionary, "moonlighting is the act of working at an extra job, especially without telling your main employer."

Moonlighting is not a new occurrence, it has been a common practice across various sectors for a long time but gained more visibility during the COVID-19 era. Moonlighting occurs when individuals take on additional employment outside their main job. For example, a teacher might offer private tutoring in the evenings, an office worker could drive for a ride-sharing service, a nurse might write freelance articles, a software developer could create apps, or a retail worker might sell handmade crafts online. This practice allows people to earn extra income, explore personal passions, or develop new skills beyond their primary employment.

3.1 Types of moonlighting2,8

There are different types of moonlighting based on levels of individual involvement. These has been identified as:

3.2 Full Moonlighting:

- 1. Employees take on a second job with hours and effort similar to their primary job.
- 2. It is the most demanding form of moonlighting.
- 3. Requires a significant amount of time in addition to the primary job.
- 4. Often leads to maximum stress and burnout for the employee.

3.2 Half moonlighting

- 1. Involves working a secondary job with a reasonable level of commitment on a part-time basis.
- 2. Provides additional income without overburdening the individual.
- 3. Less burnout for the employee with additional income

3.3 Quarter moonlighting

- 1. Marginal secondary work, requiring only a few hours per week.
- 2. Least challenging form of moonlighting.
- 3. Low-commitment way to earn extra money e.g. freelancing.
- 4. Lowest stress and burnout for employee.

3.4 Blue moonlighting

- 1. The most sporadic form of moonlighting.
- 2. Involves taking on additional work very infrequently, like during peak seasons
- 3. No extra stress or burnout for employee

3.5 Motives for moonlighting

- 1. *Additional Income*: Taking on extra work provides additional income, which is often the primary reason for pursuing dual employment.
- 2. *Entrepreneurship*: Moonlighting allows individuals to test business ideas or prepare for launching a new

venture without immediately leaving their primary job.

- 3. *Passion Projects*: Many secondary jobs are driven by passion projects, allowing individuals to pursue their interests and hobbies outside their main source of income.
- 4. *Career Growth*: Secondary jobs facilitate the development of new connections, skills, and knowledge, thereby boosting the individual's career trajectory.
- 5. Job Dissatisfaction: Feeling unfulfilled or underpaid in primary employment may drive individuals to seek fulfilment and financial stability through additional work.
- 6. *Skill Development*: Engaging in practical applications through secondary employment offers opportunities for learning new skills and enhancing existing ones.

3.6 Arguments for moonlighting ^{3,3}

Advocates for legalizing moonlighting argue that it offers a multitude of benefits not only to employees but also to employers and the economy at large. From increasing employee income and promoting skill diversification to enhancing job satisfaction and fostering a culture of innovation, moonlighting provides a flexible framework that aligns with the modern gig economy.

Arguments for moonlighting are:

3.7 Encourages entrepreneurship

- 1. Low-Risk Environment for Experimentation: Moonlighting allows aspiring entrepreneurs to test business ideas or new ventures without the fear of losing a steady income. The security of a primary job serves as a safety net while they experiment.
- 2. **Financial Stability**: With a primary job providing a stable income, employees can invest more cautiously in their entrepreneurial endeavors. This reduces the financial pressure and stress that often accompanies full-time entrepreneurship.

3.8 Develops diverse skill sets

- 1. **Skill Development** -Moonlighting enables employees to engage in different roles or industries outside their primary job, allowing them to learn new skills that are not part of their regular work responsibilities.
- 2. Enhanced Problem-Solving Abilities: Working in different environments exposes employees to varied challenges, fostering stronger problem-solving and critical thinking skills that can be beneficial in their primary job as well.
- 3. **Cross-Functional Expertise**: Moonlighting provides a chance to gain expertise across multiple

fields, making employees more well-rounded. For example, a finance professional might take on a consulting role in data analysis, broadening their competencies.

3.9 Increased income for employees

- 1. **Extra Income Source**: Moonlighting provides an additional stream of income, helping employees boost their earnings beyond what they receive from their primary job. This extra income can be used to manage expenses, save for future goals, or invest in personal development.
- 2. **Financial Security and Stability**: For employees whose primary job income is insufficient to cover personal or family expenses, moonlighting offers a way to achieve greater financial stability, helping them manage rising living costs or unexpected expenses more effectively.

3.9 Better application of skills and expertise

- 1. **Maximizes Employee Potential**: Moonlighting enables employees to fully utilize their diverse skill sets that may not be tapped into in their primary job. For example, an employee skilled in both software development and graphic design can contribute meaningfully in both fields, maximizing their potential.
- 2. Encourages Multidisciplinary Collaboration: Employees with varied talents can work across different fields and projects, fostering a culture of multidisciplinary collaboration and innovation, which can lead to more creative solutions and advancements in their primary and secondary roles.

3.10 Greater networking prospects

- 1. **Networking Opportunities**: Moonlighting allows entrepreneurs to build valuable professional connections and relationships over time, expanding their network in a low-risk environment. This network is crucial for support, mentorship.
- 2. **Refining Offerings Through Feedback**: Moonlighting provides a platform for entrepreneurs to test their products or services, gather feedback, and make necessary improvements. This iterative process ensures that their offerings are well-aligned with market demands, increasing the chances of sustainable growth.

3.11 Empowering employees

1. **Career Control and Flexibility**: Allowing moonlighting gives employees the freedom to shape their own career paths, choose projects that align with their interests, and diversify their income

streams, leading to a greater sense of control over their professional lives.

- 2. **Boosts Motivation and Job Satisfaction**: When employees have the autonomy to pursue passions or side gigs alongside their primary jobs, they often feel more satisfied and motivated, which can enhance their overall productivity and engagement at work.
- 3. Encourages Proactive Skill Development: Empowered to manage their careers, employees are more likely to seek out opportunities that challenge them and help develop new skills, benefiting both their personal growth and their primary employer with a more skilled and versatile workforce.

Thus, allowing the employees to do dual jobs within the given parameters or boundaries can lead to many benefits for both employees and employers.

3.12 Arguments against moonlighting

Opponents of moonlighting argue that it can lead to a variety of negative outcomes, including decreased productivity, divided focus, and even potential conflicts of interest. When an individual is engaged in multiple jobs, there is a risk that their attention and energy may get exhausted, ultimately compromising the quality of work in their main job. Furthermore, if moonlighting is conducted without the knowledge of the primary employer, it can lead to issues of trust and transparency, which are fundamental to maintaining a healthy employer-employee relationship.

Thus, arguments against are:

3.13 Reduced primary job performance¹⁰

- 1. **Reduced Focus**: Managing multiple jobs can split attention and make it difficult to stay focused on the primary job, potentially leading to errors and decreased work quality.
- 2. **Lower Productivity**: Fatigue and time constraints from balancing additional work can result in reduced efficiency and slower completion of tasks at the primary job.
- 3. **Compromised Work Standards**: The demands of a secondary job may lead to insufficient rest and preparation, affecting overall job performance and the ability to meet deadlines or achieve targets.
- 1. **Industry Similarity**: A secondary job in the same industry might lead to concerns about sharing confidential information or undermining competitive advantages.
- 2. **Competitive Employment**: Working for a rival company can create loyalty issues and ethical

conflicts, impacting trust with the primary employer.

- 3.14 Effects on personal Well-being
 - 1. **Work-Life Imbalance**: Taking on additional jobs can reduce the time available for personal activities, disrupting the balance between work and life.
 - 2. Lower Quality of Life: The demands of multiple jobs can lead to decreased enjoyment of personal time and overall life satisfaction.

3.15 Legal and ethical risks:

- 1. **Contract Breaches**: Taking on a secondary job may violate employment contracts or company policies, risking disciplinary action.
- 2. **Ethical Issues**: Failing to disclose moonlighting activities can create ethical conflicts and erode trust with the primary employer

3.16 Increased stress and burnout:

- 1. **Heightened Stress Levels:** Managing multiple jobs can significantly raise stress levels, affecting overall well-being.
- 2. **Risk of Burnout:** The demands of balancing extra work can lead to burnout, causing exhaustion and diminishing work performance.
- 3. **Physical and Mental Health Impact:** Prolonged overwork can negatively affect both physical and mental health, leading to fatigue, anxiety, and other health issues.

3.17 Moonlighting: Scenario in India

In India, the prevalence of moonlighting is increasing, particularly with the rise of remote and hybrid work models. According to Deloitte, 62% of Gen Z workers and 51% of millennials in India are already engaged in more than one job. This trend reflects a broader shift in work culture where employees seek additional income or pursue passions alongside their primary responsibilities.

The debate about moonlighting is not just about legality but also about productivity and ethics.^{Error! Reference source not found.} Wipro's Chairman, Rishad Premji, labelled moonlighting as cheating, whereas other industry leaders like C.P. Gurnani, CEO of Tech Mahindra, have taken a more nuanced view. Gurnani argues that as long as employees meet productivity targets and adhere to ethical standards, moonlighting should not be an issue. Some startups or freelance-based companies are more lenient and supportive of moonlighting, especially if it does not interfere with the primary job or if it helps employees grow their skills.

Indian companies, particularly in sectors like IT, have been taking a firm stance against it due to concerns about reduced productivity, intellectual property leaks, and conflict of interest. Large IT companies in India, like Infosys and Wipro, have openly discouraged moonlighting, with some citing a breach of trust or conflict of interest as the reason for strict policies.

4. Common Policies and Measures Adopted By Indian Companies to Curb Moonlighting

4.1 Contractual agreements

Exclusive employment clauses are typically included in the appointment letter or employment contract. Violating these clauses can lead to termination of employment. Companies like TCS, Infosys, and Wipro enforce exclusive employment clauses.

4.2 Non-compete clauses

Many companies include non-compete clauses in their employment contracts. These clauses specifically prohibit employees from working for competitors or taking up any employment that directly or indirectly conflicts with the business interests of their primary employer. In case of a violation, companies may impose penalties like termination of employment or legal action.

4.3 Non-disclosure agreements (NDAs)

Many organisations equire an employee to enter into nondisclosure agreements (NDAs) that bar employees from sharing any confidential or proprietary information to secure against the risk of intellectual property (IP) theft or leakage of sensitive business information to competitors or external clients.

4.4 Written guidelines

Many companies circulate clear guidelines to employees, outlining what constitutes moonlighting and the consequences of being found guilty of it.

4.5 Zero-tolerance policies

Large IT firms such as Infosys and IBM have adopted zerotolerance policies toward moonlighting. For instance, Infosys made headlines with its famous statement: "No two-timing, no moonlighting," clearly articulating their opposition to employees holding secondary jobs.

5. Internal Development Programs

Many companies have started employee development initiatives for skill development, encouraging employees to grow within the organization rather than seeking freelance opportunities.

Overall, moonlighting in India remains a debated practice. While it offers financial and personal growth opportunities for employees, companies remain cautious about its impact on productivity and potential legal issues.

One viewpoint strongly advocates for the regulation of moonlighting, arguing that legalizing this practice could serve as an important step toward acknowledging and supporting the evolving nature of work. By formalizing moonlighting, companies and employees can establish clearer guidelines, enhancing transparency and ensuring that both parties can navigate their commitments effectively. It aligns with the preferences of a modern workforce that values flexibility and diverse opportunities. By formalizing regulations around moonlighting, companies can create transparent guidelines that protect both employers and employees, leading to trust and ensuring ethical practices. Embracing moonlighting could also drive economic growth by encouraging entrepreneurship and skill development. Employees could explore new fields, enhance their capabilities, and contribute more effectively to the economy. In conclusion, moonlighting is a longstanding practice that reflects changing work dynamics. Legalizing it in India would align with global trends, support a flexible and motivated workforce, and contribute to economic development. It is time to move beyond outdated views and recognize moonlighting as a legitimate aspect of modern work life.

6. Results and Discussion

Employee Benefits of Moonlighting

- 1. Provides additional income, skill enhancement, and opportunities to pursue passion projects.
- 2. The gig economy and remote work have made it easier for professionals to balance multiple roles.
- 3. Flexible work arrangements can increase job satisfaction and personal growth.

6.1 Employer concerns about moonlighting

- 1. Risk of conflicts of interest, breaches of confidentiality, and reduced productivity.
- 2. Larger firms, particularly in the IT sector, enforce strict policies and penalties against moonlighting.
- 3. Some companies are beginning to adopt flexible approaches, recognizing potential benefits to employee retention and satisfaction.

6.2 Regulatory and policy considerations in India

- 1. Ongoing discussions highlight the need for regulatory frameworks to balance employee aspirations and employer expectations.
- 2. Clear guidelines are necessary to define acceptable forms of moonlighting and ensure transparent communication.
- 3. Developing new contractual models could provide flexibility while maintaining trust and productivity.

7. Further Discussions

- 1. Companies may need to adapt policies to accommodate the evolving work landscape while protecting core business interests.
- 2. Striking a balance between employee autonomy and long-term corporate goals will be critical.
- 3. Promoting transparency, ethical behaviour, and collaboration can help transform moonlighting into an accepted and beneficial practice.

4. A balanced strategy could enhance workforce engagement, contribute to India's economic growth, and improve global competitiveness.

8. Conclusion

The debate around moonlighting raises complex issues, balancing the need for employee flexibility with the potential risks it poses to workplace integrity and productivity. For employees, moonlighting offers a chance to supplement income, enhance skills, and pursue passion projects,⁶ With the rise of the gig economy and remote work, it has become easier for professionals to balance multiple roles, benefiting from flexible work arrangements. However, employers view moonlighting with concern, particularly due to potential conflicts of interest, confidentiality risks, and reduced productivity. Larger firms, especially in the IT sector, have adopted strict policies and penalties to prevent employees from taking on secondary jobs. While some companies remain firm on their stance against moonlighting, others are beginning to explore flexible approaches, recognizing that allowing certain types of side gigs can boost employee satisfaction and retention.

In the Indian context, moonlighting remains a complex issue, with ongoing discussions around the need for regulatory frameworks that balance the interests of both parties. The corporates need a balanced strategy that harmonizes employee aspirations with employer expectations. This necessitates the establishment of clearer guidelines regarding acceptable forms of moonlighting, promoting transparent communication between employees and employers, and potentially developing new contractual models that provide flexibility without compromising trust and productivity. For moonlighting to transition from a contentious issue to an accepted practice, it is crucial to foster mutual understanding and collaboration among all stakeholders. By cultivating an environment that emphasizes transparency, ethical behaviour, and innovation, India can harness the benefits of moonlighting while minimizing its potential downsides. Such an approach could ultimately lead to a more engaged, satisfied, and productive workforce, significantly contributing to India's economic growth and enhancing its global competitiveness.

Moving forward, companies may need to rethink their policies to accommodate the evolving work landscape, while ensuring that their core business interests remain protected. Striking a balance between employee autonomy and the company's long-term goals will be crucial in dealing with the challenges that moonlighting presents in India's work environment.

9. Source of Funding

None.

10. Conflict of Interest

None.

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