

MOONLIGHTING BY EMPLOYEES IS IT ETHICAL?



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In one of my classroom lectures, I was interacting with the students of management, and I asked them whether they considered moonlighting to be OK. Whether it was ethical or not? One of the students promptly responded in affirmation. What surprised me the most was the fact that he did not just mention it was okay to moonlight, but he went ahead to state that it is the right of an individual to moonlight since the companies aren't paying enough to sustain with the times.

In recent years, we have seen a rise in instances of moonlighting. Also, how it has shaped the corporation, especially the working policies of the corporates. While a few corporations have supported moonlighting in a limited sense, there are many who outright reject the idea. It is now becoming necessary to define the boundaries and rules that will ensure efficiency and might enable employees to fulfil their needs.

However true the student's statement might be about moonlighting being the right of the employee, I believe moonlighting is a betrayal of the trust of your employer. I also believe people should be allowed to work on side projects to some extent, as long as it is not affecting productivity or conflicting with the company's interests.

Moonlighting is not a new concept, many people have been pursuing side projects or additional jobs to supplement their income and meet personal financial goals. These

activities, which generated additional or passive sources of income, mostly included taking tuition, helping family businesses, or working over the weekends. The issue, however, was aggravated by the pandemic coupled with the adoption of the work-from-home policy. The flexible timing and reduced travel time costs prompted people from many companies to look out for additional sources of income. I believe companies that weren't well prepared for the pandemic were severely affected by the moonlighting. And they were probably the same companies that were cutting salaries and paying their employees less during the pandemic, attempting to salvage company losses through employee salary cuts. Thus creating a vicious cycle through the phenomenon of moonlighting.

The case of lower salaries can be justified in the case of small companies, where companies themselves are struggling to manage their own finances. However, it has been noticed that a few corporations that make huge profits also don't fairly and appropriately compensate their employees. This often prompts an individual to either look for a job change or an additional source of income. The desire to find an additional source is also fuelled if the employee is the sole breadwinner for the family.

It would be unfair to state and presume that only junior employees are moonlighting or taking advantage of the flexible working conditions. In another instance of moonlighting that I came across, a senior management



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professional who was hired as a full-time retainer was trusted with a company's proprietary knowledge. The manager used the senior position to gain access to key company data and start her own venture, which was similar to the business of the employer. One can argue that retainers are allowed to pursue their side projects, but it depends on the kind of contract. My concern is mainly in the case of full-time employment.

Due to lapses in the work-from-home policy, many companies are now reintroducing a strict work-from-office policy. It is also understood that the instances of moonlighting were drastically reduced due to the work-from-office policy. While employees in many companies feel that it is better to have a work-from-home policy because it gives them space and time to have a work-life balance, the companies, on the other hand, not only want employees back in the office for the sake of it but also to reduce the risk of confidentiality and to protect company assets. The loss of data or breach of confidentiality is a more severe loss than saving or cutting costs on infrastructure, electricity, and other bills. According to an article published by the popular newspaper The Mint, a few companies are calling their service providers or gig

workers to the office to provide their services. This move by companies is in the interest of protecting their data. The instances have also decreased because of the fear of losing jobs.

Executives of many top companies have in the past clearly stated that moonlighting is unethical and is against employment contracts and work policies. However,

due to the growing trend of layoffs and recession, it is obvious that people will find alternate sources of income to support their primary income. Therefore, it becomes increasingly important to address these issues, and I believe they can be addressed through trust-building exercises in companies. There should be transparent discussions and forums for dialogue between employees and employers, and expectations should be set correctly. It is also important to revisit the expectation often to maintain a balanced and healthier atmosphere. These exercises will also ensure mutual growth, and the employees will be better able to make a contribution to the company. Even for moonlighting, companies should lay down clear boundaries and should also consider issuing a list of activities that have actual conflicts of interest and potential conflicts of interest. A system of full disclosure must also be devised and linked to an anti-retaliation policy and a zero-tolerance policy. This will enable greater trust and transparency while safeguarding mutual interests.

Before we claim to comply with the laws of the land, let us comply ethically with our contract, appointment letters, and contractual obligations towards our employer.

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