Defining the Factor Structure of Moonlighting: Implications for the Future Workplace

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ABSTRACT

The practice of moonlighting, where employees hold multiple jobs, has gained traction in recent years across various industries. The practice has recently been highlighted by a prominent IT firm, indicating the necessity of studying this prominent phenomenon in this sector. The practice of long working hours (even remotely) with minimal pay is the reality of many freshers entering this buoyant sector. The "silent" prevalence of this practice is creating a psychological rift amongst employees and necessitates studying the underlying dimensions defining moonlighting. Therefore, to address this gap, this research explores the dimensions defining moonlighting among IT/ITES young professionals. The study was conducted on a sample of 309 working IT/ITES professionals at entry level in MNCs located in Delhi NCR region. Exploratory Factor Analysis using SPSS 29.0 was applied. Four factors viz. perceived role conflict, willful multitasking, growth outlook and risk-reward orientation are explaining 64.6% of variance.

The implications of these findings are discussed in the context of organizational policies, employee commitment, and the broader labor market dynamics. Additionally, the study underscores the growing trend of moonlighting within organizations, with many employees perceiving it as a necessity for financial and professional security. This research provides a foundation for understanding how moonlighting can be defined so as to read the workforce dynamics carefully. . These findings have implications for organizational policies, career development programs, and broader workforce trends in an evolving employment landscape.
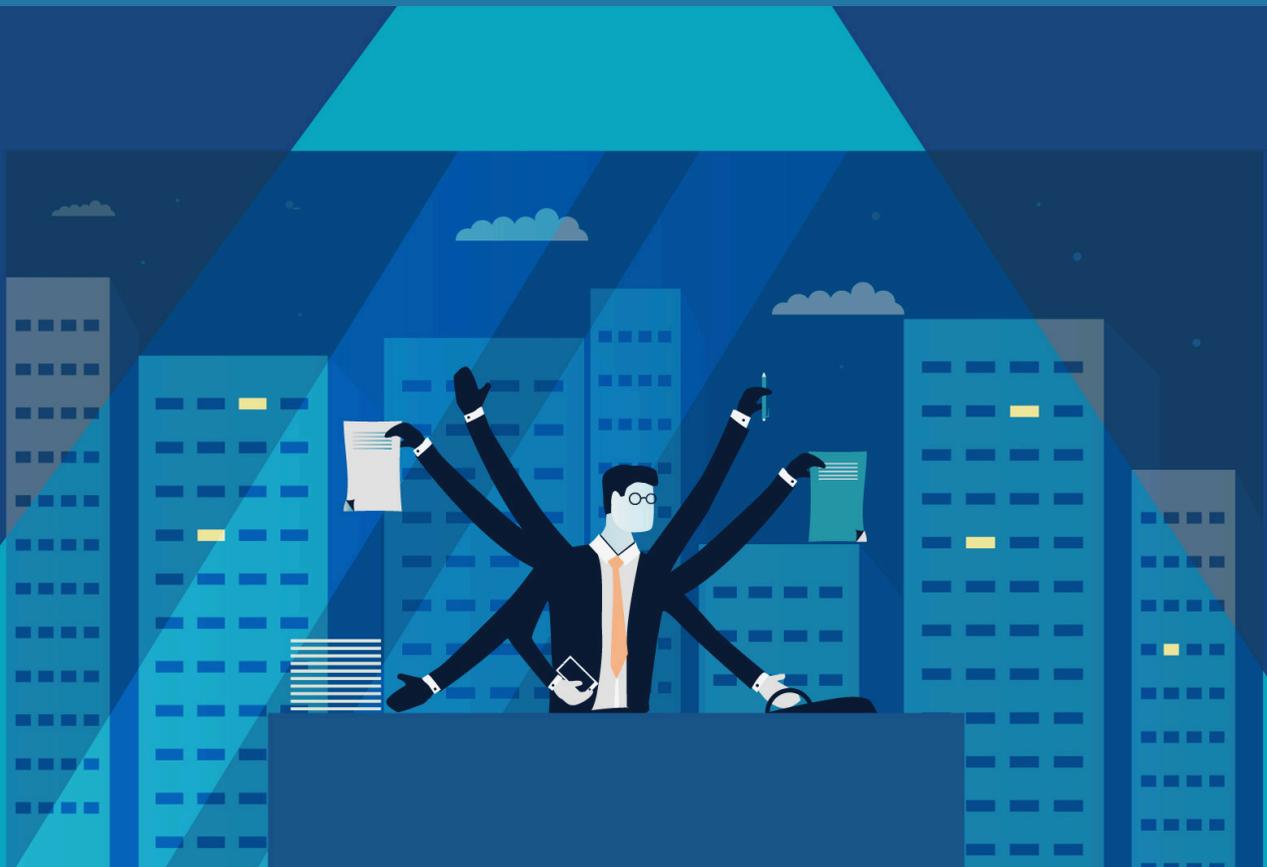
KEYWORDS

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INTRODUCTION

Employee moonlighting refers to the practice wherein an individual engages in multiple employment roles concurrently, most commonly involving a primary full-time position supplemented by one or more part-time jobs. Although traditionally associated with holding a single secondary job, the term encompasses any arrangement in which an employee works for more than one organization simultaneously (Jain 2024; Indeed, 2024). The debate on moonlighting garnered widespread attention after a renowned IT firm terminated 300 employees for allegedly working with rival firms while remaining on its payroll. This incident sparked a surge of public discourse, with social media platforms flooded with content bringing the ethical and professional implications of moonlighting into the spotlight (Gupta, 2023). Traditionally seen as a response to financial inadequacies, moonlighting reflects the need for professional development, flexibility, and financial security. This concept has attracted significant attention across different industries, including IT, education, and healthcare, each with its own unique challenges and opportunities (Samaraweera, 2022). Flexibility being the crux of IT sector, favors multiple assignments by employees and results in reduced loyalty (George & George, 2022). However, some organizations view moonlighting as an emerging aspect of the "future of work," especially in light of the increasing challenges in talent acquisition and retention reported by 78% of corporates. In this context, moonlighting is becoming increasingly popular, particularly among millennials and Gen Z professionals who often experience financial insecurity within what they perceive as a "competitive, ruthless, and inadequately supportive" corporate environment (Gupta, 2023).

The rationale behind this behavior is multifaceted. The uncertainty brought by the pandemic made employees seek additional sources of income to safeguard against job loss and economic instability. Many used the extra time gained from reduced commuting to pursue freelance or gig economy opportunities, including roles in content creation, consulting, and online teaching (Hansen et al., 2023; Majumdar, 2022). The increased flexibility in the Information Technology (IT) sector has also led to heightened job insecurity and shorter employment tenures. As a result, individuals are compelled to explore alternative strategies to ensure job stability and secure additional sources of income to maintain financial well-being (Bajpai & Nirwan, 2023). Studies have shown that employees, especially in tech and digital industries, valued flexibility and autonomy more during this period, prompting them to take control of their career trajectories by diversifying income streams (Jain 2024; Bajpai & Nirwan, 2023; Stephen & Stalin, 2023). Saleem (2024) explores how professionals in this industry often moonlight as a hedge against economic volatility and job insecurity. Particularly relevant in periods of layoffs or economic downturns, moonlighting serves as a financial cushion. Dissatisfaction and disengagement with primary employment, coupled with weak HR practices, often lead to employees seeking additional employment opportunities. Moderating effects of commitment and organizational support emphasize that better work environments could mitigate the need for moonlighting (Prasad et al., 2023). Selvam & Selvaraj (2023) argue that moonlighting, particularly in IT and other tech-driven industries, enhance employability and work involvement. By participating in varied roles, employees can develop new skills and expand their professional network. They also suggest that such practices may strain employees' focus on their primary job, leading to performance issues if not effectively managed. Khera (2023) identified how the rise of remote work during the pandemic has provided employees with the flexibility to manage multiple jobs. This, however, raises the questions about the long-term sustainability of such practices, as employees attempt to balance their professional obligations with the demands of multiple jobs. With the rise of the gig economy, increasing job insecurity, and wage stagnation, moonlighting has become a viable option for

professionals seeking financial stability in the India's labor market structure (Behera et al., 2024). But divided employee focus, reduced productivity, and potential conflicts of interest can hinder organizational growth and innovation (Tripathy, 2023). Also, moonlighting poses ethical challenges for employers, as it requires balancing employee's autonomy to seek supplementary income with organizational concerns related to potential conflicts of interest, diminished productivity, and compromised employee loyalty.

Despite being so relevant and a current modern workplace dilemma, not many studies addressed the dimensionality of this phenomenon. The study addresses this gap of the published literature and aims to dive deeper into the phenomenon by exploring the dimensions of this construct through EFA (Exploratory Factor Analysis) using SPSS 29.0.

LITERATURE REVIEW

Moonlighting refers to the practice of holding a secondary job or employment, typically at night, in addition to one's primary job (Pryor, 1979). Moonlighting, the practice of employees taking on secondary jobs or freelance work, often to combat boredom, gain extra income, or explore new interests outside their primary employment (Satheeshkumar et al., 2024; Saleem, 2004). The complex interplay between job satisfaction, moonlighting intentions, and organizational commitment is examined by Prasad et al. (2024), who studied the mediating and moderating effects of HR practices in their empirical study. This research underscores the importance of understanding the psychological and organizational factors that contribute to employee's decisions to engage in moonlighting activities. Selvam & Selvaraj (2023) discuss the concept of moonlighting as a revolution in employability, suggesting that this practice may be viewed as an adaptive strategy in response to changing labor market conditions. The implications of moonlighting in the context of layoffs in the IT sector are explored by Saleem (2024), highlighting the potential

risks and benefits associated with this practice in a rapidly evolving industry. Nafeesa (2024) contributes to the literature by investigating the precedents of employee moonlighting intention among private school teachers in Kanchipuram District, providing valuable insights into the factors that drive educators to seek additional employment opportunities. The impact of the COVID-19 pandemic on moonlighting intentions is addressed by Khera (2023), who models the motives behind this practice in the context of the global health crisis, offering a timely perspective on how external shocks can influence employment behaviors. Behera et al. (2024) examined the rise of moonlighting in India, contextualizing this trend within the country's unique socio-economic landscape and labor market dynamics. Laxman Kumar Tripathy (2023) provides an introduction to the concept of moonlighting, exploring its causes and impact on organizational growth, which contributes to a broader understanding of the phenomenon from both employee and employer perspectives. The perception and preferences of IT employees towards moonlighting in the IT industry are investigated by Satheeshkumar et al. (2024), offering valuable insights into a sector where this practice has gained significant attention. (2023) delves into the problems and challenges of moonlighting in the Indian IT scenario, highlighting the complexities and potential conflicts that arise from this practice in a rapidly growing industry. The economic implications of moonlighting are explored by Samaraweera (2022), who examines its impact on earning differentials in Sri Lanka, providing a cross-cultural perspective on this phenomenon. Baby (2024) conducts a comprehensive study unveiling the relationship between employee engagement and moonlighting in the IT and ITES sector, offering insights into how multiple jobholding affects worker's commitment and performance. George (2022) presents a review of moonlighting in the IT sector and its impact, contributing to the growing body of literature on this topic in a specific industry context.

The empirical study conducted employs explor-

atory factor analysis to identify key dimensions related to moonlighting intentions. These findings contribute to a nuanced understanding of the various dimensions that influence employee's decisions to engage in moonlighting activities, encompassing both individual and organizational factors. The literature review reveals a complex interplay of factors contributing to moonlighting behavior, including financial motivations, career development aspirations, job satisfaction, organizational commitment, andexternaleconomic conditions. The COVID-19 pandemic has added another layer of complexity to this phenomenon, potentially altering employee's perceptions and motivations regarding multiple jobholding. The IT sector emerges as a focal point in many studies, reflecting the prevalence and significance of moonlighting in this industry. However, the research also spans various other sectors, including education and libraries, indicating the widespread nature of this practice across different professions. The ethical implications of moonlighting, its impact on organizational performance, and its relationship with employee engagement are recurring themes in the literature, highlighting the need for a balanced approach in understanding and managing this phenomenon. As the world of work continues to evolve, particularly in the wake of global disruptions like the COVID-19 pandemic, the study of moonlighting becomes increasingly relevant. Future research may benefit from exploring the long-term effects of moonlighting on career trajectories, work-life balance, and overall job market dynamics. Additionally, cross-cultural studies comparing moonlighting practices and perceptions across different countries and industries could provide valuable insights into the global nature of this phenomenon. The growing body of literature on moonlighting reflects its significance as a contemporary workforce issue, warranting continued attention from researchers, policymakers, and organizational leaders alike.

RESEARCH METHODOLOGY

This research initiative explores the dimensionality of Moonlighting Intentions amongst IT/ITeS employees of junior level working in MNCs in India. The study employs a cross-sectional survey design. A self-constructed questionnaire was administered to the employees chosen through convenience sampling. The sample consisted of 309 respondents, ensuring an adequate sample size for factor analysis (Comrey & Lee, 1992). Based on the extensive review of existing literature, focus group and expert consultation, we developed a 17-item questionnaire to assess the dimensions of moonlighting intentions. Items were measured on a 5-point Likert scale, ranging from 1 (strongly disagree) to 5 (strongly agree). A focus group interview was conducted before finalizing the instrument. 8 IT professionals working at junior level were contacted for the study. A structured interview resulted in item generation. Exploratory factor analysis (EFA) was conducted using SPSS 29.0 to identify the underlying dimensions of moonlighting attitudes. Principal component analysis with Varimax rotation was employed. The Kaiser-Meyer-Olkin (KMO) measure and Bartlett's test of sphericity were used to assess sampling adequacy and factorability of the data.

The 17-item questionnaire was forwarded to the respondents through online mode. The survey was forwarded to around 365 respondents, out of which 309 valid responses were considered resulting in a response rate of 84%. 73% of the respondents were from the age bracket of 23-25 years, 57% were males and 4% had previous work experience of 1-2 years.

DATA ANALYSIS

Exploratory factor analysis (EFA) was applied to generate a list of explanatory factors that underline moonlighting aspirations. By determining the smallest group of descriptive terms that may account for the greatest amount of common variation in the correlation matrix, this method seeks to be as parsimonious as possible (Tinsley & Tinsley, 1987). The long list of items was reduced to a more manageable and useful set of derived items by using EFA.

Kaiser's criterion and Bartlett's test were

performed prior to factor analysis (Table 1). The ratio of squared correlations between variables to squared partial correlations was computed using the Kaiser-Meyer-Olkin (KMO) statistics. For factor analysis, a KMO value greater than 0.5 is deemed appropriate (Kaiser, 1974). Bartlett's measure was very significant (p < 0.001) and the KMO score in this study was 0.653, suggesting that factor analysis was appropriate for the moonlighting data.

Table-1: KMO and Bartlett's Test

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.653
Bartlett's Test of Sphericity	Approx. Chi-Square	334.860
	df	66
	Sig.	.000

By applying EFA, a four-factor solution emerged, which explained 64.6% of the total variance which depicts that these four factors are explaining approximately 65% of the variance.

The eigenvalues for each factor are shown in the Total Variance Explained (Table 2) both before and after extraction, as well as after rotation (Field, 2000). Overall, 12 components were identified, representing all the variables listed. To minimize error variance and focus on common and specific variance, only factors with eigenvalues greater than 1.0 were retained, as shown in the Extraction Sum of Square Loadings. The table also displays the eigenvalues of the factors after rotation. Notably, Factor 1 explains 25.905% of the total variance before rotation. It is common for the first factor to account for a larger proportion of variance compared to subsequent factors. The rotation of the factor axis optimizes the factor structure, and as a result, Factor 1 now accounts for 19.952% of the variance, while the other factors explain 16.3%, 15%, 13.33% of the variance, respectively. The four components taken together explain 64.594% of the variance, offering a thorough grasp of the variables affecting the characteristics that define moonlighting among IT/ITeS workers.

RESULTS

The Rotated Component Matrix (Table 3) presents the factor loadings for each variable on each factor. Following Steven's (1992) recommendation, only items with factor loadings greater than 0.4 are considered for interpretative purposes. The results of the Exploratory Factor Analysis reveal a four-factor solution.

Factor 1. Perceived Role Conflict: This factor captures the psychological and ethical challenges employees face when managing multiple roles. It includes feelings of role overload (e.g., "I feel that working at two designations will create a role overload", loading = .810) and role ambiguity (e.g., "I feel that working at two designations will create a role ambiguity", loading = .799), where employees struggle with balancing and defining responsibilities. Ethical concerns also arise (e.g., "I believe that working at two profiles simultaneously is not ethical, loading = .684), as employees question the fairness of holding multiple designations. These elements highlight the internal conflicts and ethical dilemmas employees encounter with dual employment. The reliability of this factor is 0.759.

Factor 2. Willful Multitasking: This factor reflects an employee's positive, proactive attitude toward engaging in multiple jobs, viewing it to leverage their skills fully and align with career trends. High-loading statements include "I feel working at more than one organization utilizes my capabilities to full" (loading = .782), "I would like to work at two organizations simultaneously even in part-time mode" (loading = .775), and "I feel holding more than one job is the trend of my organization" (loading = .751). Employees who resonate with this factor often see moonlighting

as a valuable career choice rather than a financial necessity. The reliability of this factor is 0.76.

Factor 3. Growth Outlook: The Growth Outlook factor captures the professional and personal development opportunities employees perceive from moonlighting. Employees aligned with this factor view dual employment as a way to enhance their network (e.g., "I believe that being a part of two organizations will increase my own network", loading = .757) and seek additional skill-building opportunities (e.g., "My primary organization does not give me enough opportunities to enhance my capabilities and to work overtime", loading = .753). For these employees, moonlighting is a forward-looking strategy for career growth. The reliability of this factor is 0.745.

Factor 4. Risk - Reward Orientation: This factor addresses the financial stability and security considerations associated with moonlighting. Statements that reflect this view include "If one of my organizations will pay me good salary and rewards, I will leave the other one" (loading = .807) and "I feel secondary job will act as a backup option in turbulent times" (loading = .773). These employees see moonlighting as a safety net during economic uncertainties, a pragmatic choice that balances financial risk and reward. The reliability of this factor is 0.643.

Table-2: Total Variance Explained

Component	Initial Eigenvalues			Extraction Sums of Squared Loadings			Rotation Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	3.109	25.905	25.905	3.109	25.905	25.905	2.394	19.952	19.952
2	2.128	17.730	43.635	2.128	17.730	43.635	1.956	16.297	36.249
3	1.315	10.955	54.590	1.315	10.955	54.590	1.802	15.016	51.265
4	1.201	10.004	64.594	1.201	10.004	64.594	1.600	13.329	64.594
5	.942	7.848	72.443						
6	.778	6.482	78.925						
7	.623	5.192	84.117						
8	.546	4.554	88.670						
9	.454	3.783	92.453						
10	.430	3.585	96.038						
11	.256	2.137	98.175						
12	.219	1.825	100.000						

Extraction Method: Principal Component Analysis.

DISCUSSION

The findings from this study reveal a multifaceted understanding of moonlighting among IT/ITeS professionals, primarily in the early stages of their careers. The four identified factors provide critical insights into the motivations and challenges associated with holding multiple jobs simultaneously. The first factor, Perceived Role Conflict highlights the psychological strain employees experience when juggling multiple responsibilities.

Table-3: Rotated Component Matrix

	Component			
	1	2	3	4
I feel that working at two designations will create a role overload.	.810			
I feel that working at two designations will create a role ambiguity.	.799			
I have a great sense of commitment towards my organization so I don't want to look for another job.	.729			
I believe that working at two profiles simultaneously is not ethical.	.684			
I feel working at more than one organization utilizes my capabilities to full.		.782		
I would like to work at two organizations simultaneously even in part-time mode.		.775		
I feel holding more than one job is the trend of my organization.		.751		
If one of my organizations will pay me good salary and rewards I will leave the other one.			.807	
My primary organization does not give me enough opportunities to enhance my capabilities and to work overtime.			.753	
Future economic downturn is one of the reasons I opted for secondary job.			.639	
I feel secondary job will act as a backup option in turbulent times.				.773
I believe that being a part of two organizations will increase my own network.				.757

Extraction Method: Principal Component Analysis. Rotation Method: Varimax with Kaiser Normalization.
a. Rotation converged in 6 iterations.

Employees express concern over role overload, ambiguity, and ethical considerations, which are consistent with past research on job strain and ethical dilemmas in moonlighting contexts. This finding aligns with existing literature that emphasizes the internal conflicts employees face when managing two jobs (Prasad et al., 2024; Tripathy, 2023). The second factor, Willful Multitasking, portrays a positive attitude towards moonlighting, where employees see it as an opportunity to maximize their skills and keep up with industry trends. Unlike traditional views of

moonlighting as purely financially driven, many respondents view it as a strategic career move, which is reflective of broader changes in workforce behavior post-pandemic (Stephen & Stalin, 2023). Growth Outlook, the third factor, underscores the long-term developmental benefits employees see in moonlighting. Respondents emphasized how secondary jobs offer networking opportunities and skill enhancement, particularly when their primary employment does not fully meet these aspirations. This aligns with contemporary views on moonlighting, where professionals seek roles that contribute to personal and professional growth (Selvam & Selvaraj, 2023). The fourth factor, Risk-Reward Orientation highlights how financial security acts as a significant motivator. Moonlighting serves as a safety net in volatile economic conditions, allowing employees to mitigate risks by diversifying income streams. The pragmatic approach to risk management through secondary employment has been noted in other studies (Behera et al., 2024; Saleem, 2024).

These findings expand the discourse on moonlighting by offering a comprehensive view of the interplay between psychological, financial, and developmental aspects. The results suggest that moonlighting is not just a reactive measure to financial instability but also a proactive strategy for career management.

CONCLUSION AND IMPLICATIONS

This study makes significant contributions by identifying the core dimensions of moonlighting intentions among junior-level IT/ITeS professionals.

The four identified factors capture the diverse motivations behind employees' decisions to engage in multiple jobs. These findings highlight that moonlighting is not solely driven by financial necessity but is also linked to personal growth and career strategy. From an organizational perspective, these insights carry important implications. Companies in the IT sector should consider revising their policies to address the nuanced reasons employees engage in moonlighting. Introducing flexible work arrangements, creating opportunities for skill enhancement, and offering competitive compensation packages could mitigate the need for employees to seek additional employment. Organizations could focus on addressing ethical concerns and role ambiguity by fostering a transparent and supportive work environment, which in turn could improve employee retention and reduce the negative impact of moonlighting on job performance. On a broader scale, the research suggests that moonlighting is likely to remain a prevalent practice, particularly in the gig economy and remote work environments. Future studies should examine how moonlighting affects employee well-being, work-life balance, and professional advancement over the long run. Furthermore, a comparative study across several industries and geographical areas will offer insightful information about the ways in which cultural and economic factors impact moonlighting practices. The results highlight how businesses and workers must adjust to changing workforce dynamics, where keeping several jobs is becoming more and more viewed as a strategic decision rather than a need.

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