

Impact of Moonlighting on the tech industry in India
A soft system methodology approach



Module: Effective Management Consultancy(BNM817)

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Introduction

Since the beginning of the pandemic in 2020, which shook the world, changes in employment patterns have become apparent. In the wake of the post-pandemic period, a new phenomenon gaining prevalence is dual job-holding or moonlighting[1]. Moonlighters, though small in number, have existed since the initiation of work culture in the world as well as India. Recently, a significant number of IT companies declared moonlighting as unfair and even dismissed employees from their roles due to it. On the other hand, some other IT service companies introduced a formal policy on moonlighting for their employees which allows them to earn financial benefits by undertaking extrinsic projects[2].

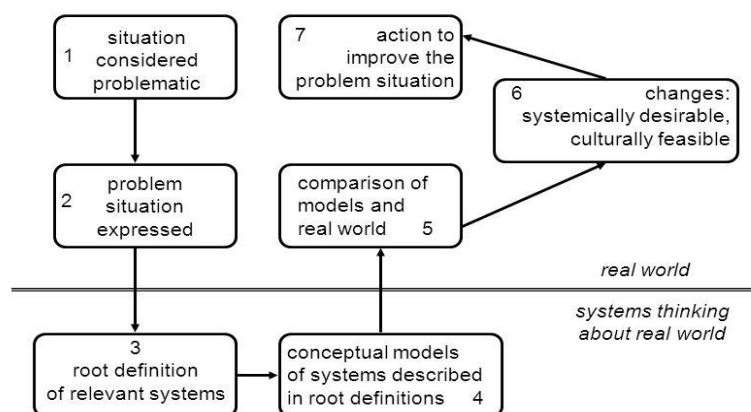
A survey of 400 people across the IT and ITES space revealed that 65% knew of people pursuing part-time opportunities or moonlighting while working from home. Another report has revealed 43% of Indian IT employees find moonlighting favourable.

Indian law does not expressly define or deal with dual employment. On the other hand, prohibition with regard to the inclusion of a non-compete clause is laid down in Section 27 of the Indian Contract Act, of 1872[1].

The client in this report is TCS(Organization). TCS is an Indian-based IT services, consulting, and business solution organization. I will focus on the dual employment problem that the company is facing currently. The main concern of the TCS is the organization does not have the knowledge of the employees practising Moonlighting and is concerned about the data of the company and the confidential information of the clients.

This paper discusses SSM application in the case of the Impact of moonlighting in tech industries in India. The paper is divided into four sections including this first introduction section. The detail of the background and motivation of the case study is described in the next section. The third section explains the detailed application of SSM which includes its seven consecutive stages. Finally, the conclusion is provided in the final section

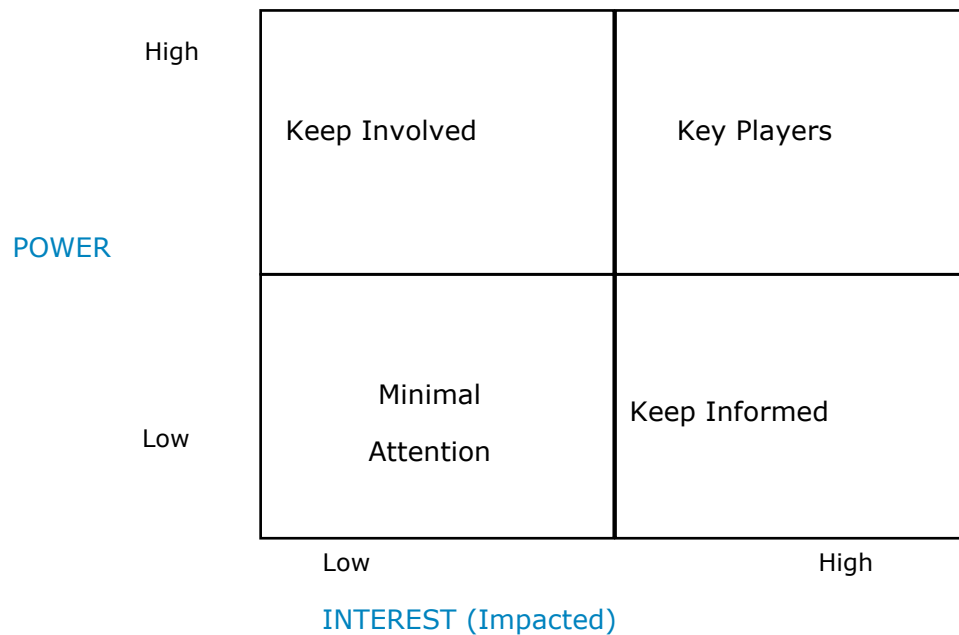
SSM Seven Stages



List of Stakeholders and roles and relationships

Nos	Name	Relationships	What's on their mind?
1.	Ministry of electronics and IT	Policy makers for IT companies and their employees	To come up with the policy that supports moonlighting with guidelines
2.	Organization	Related to CEO, Client	Fear of data breach, client relationship
3.	CEO	Organization, Senior manager	Work efficiency and misuse of company data by employees
4.	Managing director	Organization	Employees practicing dual employment
5.	Senior manager	Team leader	Work efficiency of the employees
6.	Government	Ministry of electronics and IT	To come up with the policy that supports moonlighting with guidelines
7.	Bank and Investors	Organization, CEO	Should they invest in the company or not
8.	Clients	Organization	Data breaching of their confidential information
9.	Tax department	Human resources	Collection tax history of the employees
10.	IT department	Human resources	Monitoring of employees system
11.	Human resources	Senior manager, Employees	To monitor employees unethical practices
12.	Team leader	Employees, Senior manager	Employees work performance
13.	Employees	Human resources, Team leader	Low wage rate and free time
14.	Associates	Human resources, Team leader	Want clarity on work ethics
15.	Candidates	Human resources	Want clarity on work ethics
16.	Family members	Employees	Employees are the only earning member of the family
17.	Future candidates	Organization	If they should apply for future roles or not

Power Interest of Stakeholders – Matrix



High power and high interest (key players)

- Ministry of electronics and IT
- Organization
- CEO
- Managing director

High power and low interest (keep involved)

- Government
- Banks and Investors
- Clients

High interest and low power (keep informed)

- Tax department
- IT department
- Human resources
- Team leader

Low power and low interest (minimal attention)

- Employees
- Associates
- Candidates
- Family members of the employees
- Future candidates

The Problem Statement Expressed – Part 1 -Rich Picture – SSM Stage 2

In this second stage of SSM, the unstructured problem is expressed in a nontechnical description. According to Peter Checkland [4], the description can be made using a rich picture. Fig. 1 depicts rich picture for the unstructured problem that previously has explained.

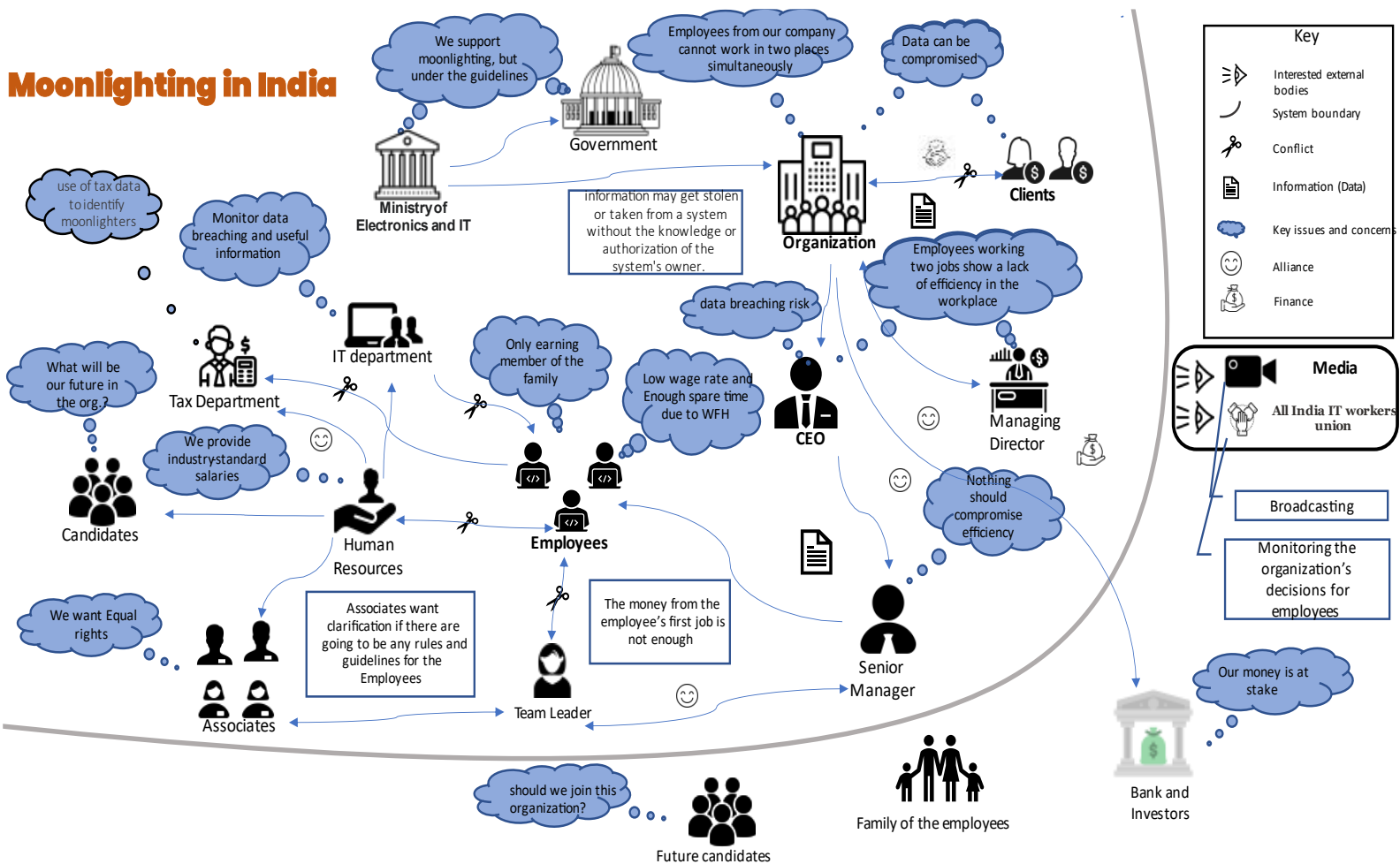


Figure 1 – RICH PICTURE

We can see how each stakeholder is connected to the system that is in the organization and others who impact the process in the detailed picture above. We can see that there are number of conflicts between the stakeholders in the rich picture. The main dispute is between the Organization and the Employees as the employees want to do moonlighting in the ideal time they have due to low wages from the organization and organization is concerned about data breach and misuse of confidential information of company and their clients.

SSM Analysis – Part 2 - Purpose Statements SSM Stage 3

Selection of Stakeholders

The PQR formula is used to populate the root definition, and sets out purposeful activity as a transformation. The P is the what, Q the how, and the R, the why, or as Checkland and Poulter describe, “do P, by Q, in order to help achieve R[5].

<u>Stakeholders</u>	<u>P (What)</u>	<u>Q (How)</u>	<u>R (Why)</u>
1. Senior Manager	A system to extract the performance report of the employees	By looking at their quarterly report and past projects performance	In order to conclude if the employees performance is up to the mark or inadequate
2. Ministry of Electronics and IT	A system to help employees	By implementing a potent set of regulations to be followed by both Employees and organization	In order to approve dual employment for the employee benefits as well not compromising with company and clients data information
3. Human Resources	A system to find employees practicing moonlighting	By conducting background checks and monitoring their tax data on regular intervals	In order to protect company confidential information and data provided by clients
4. IT Department	A system to penalize a set of employees	By monitoring and auditing the data present on the employees system	In order to identify employees doing data breach and where the data is being used

Statements:

1. A system to extract the performance report of the employees by looking at their quarterly report and past project performance in order to conclude if the employees performance is up to the mark or inadequate.
2. A system to help employees by implementing a potent set of regulations to be followed by both employees and the organization in order to approve dual employment for the employee benefits as well as not compromising with company and clients data information.
3. A system to find employees practicing moonlighting by conducting background checks and monitoring their tax data on regular intervals in order to protect company confidential information and data provided by clients.
4. A system to penalize a set of employees by monitoring and auditing the data present on the employees system in order to identify employees doing data breaches and where the data is being used.

CATWOE

The CATWOE Analysis makes it possible to identify problem areas, look at what a company wants to achieve, and which solutions can influence the stakeholders. The analysis uses thought solutions from multiple perspectives.

- C for the Customers who are beneficiaries or victims.
- A for the Actors who are responsible for the activities.
- T for the Transformation.
- W for the Worldview.
- O for the Owners who can prevent or change the activity.
- E for the environmental constraints.

CATWOE 1 (Senior Manager)

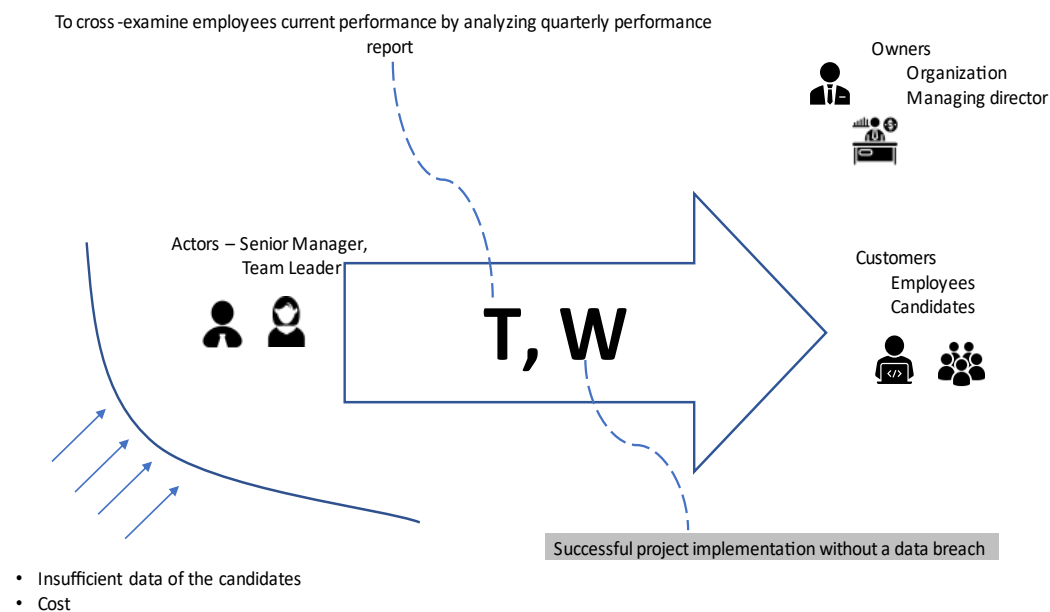


Figure 2 – CATWOE 1

CATWOE 2 (Ministry of Electronics and IT)

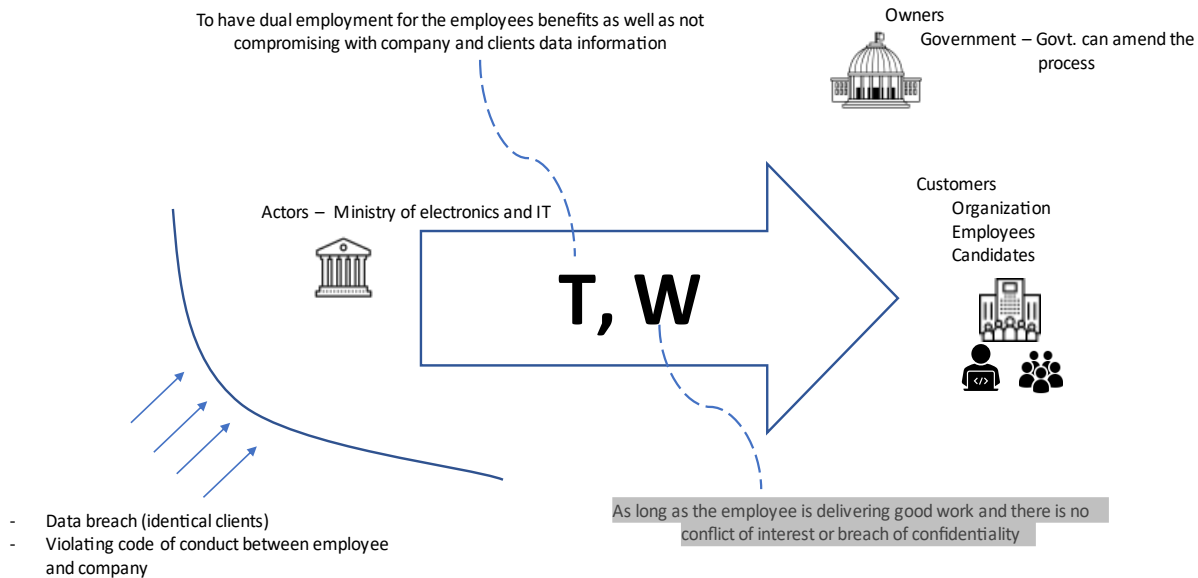


Figure 3 – CATWOE 2

CATWOE 3 (Human Resources)

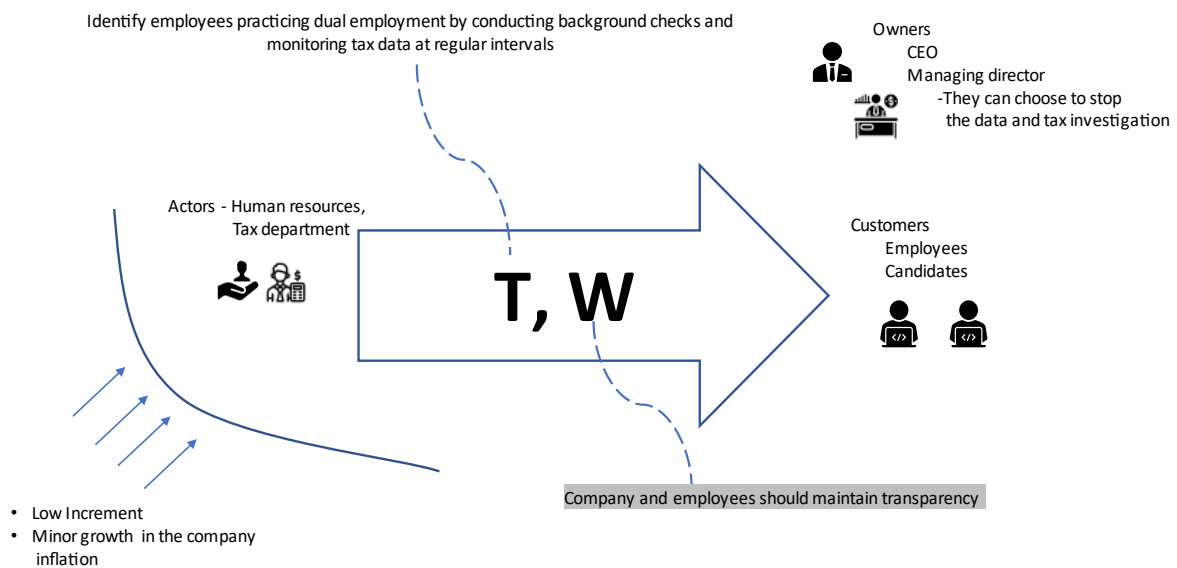


Figure 4 – CATWOE 3

CATWOE 4 (IT Department)

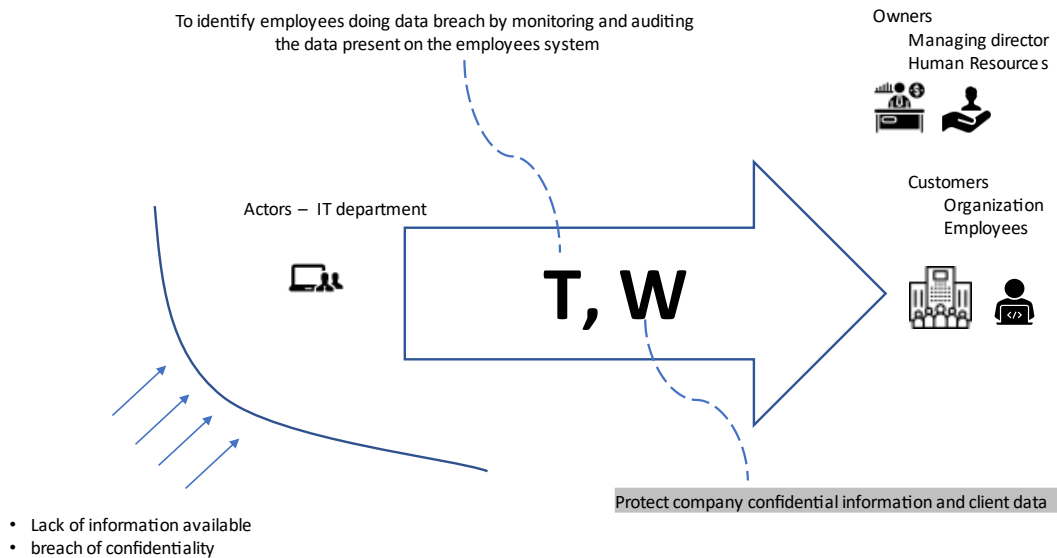


Figure 5 – CATWOE 4

Root Definitions

From the PQR table and after considering CATWOEs for some stakeholders, we can derive the Root Definition, which are statements describing the activity system to be modelled, and viewed from a pure, declared worldview. A Root Definition also captures context by expressing the main constraints and the people associated with the transformation.

Senior Manager - A system to extract the performance report of the employees by looking at their quarterly report and past projects performance In order to conclude if the employees performance is up to the mark or below the requirement or inadequate

Ministry of Electronics and IT - A system to help employees by implementing a potent set of regulations to be followed by both Employees and the organization In order to approve dual employment for the employee benefits as well as not compromising with company and clients data information.

Human Resources - A system to find employees practising moonlighting by conducting background checks and monitoring their tax data at regular intervals In order to identify employees who are practising dual employment.

IT Department - A system to penalize a set of employees by monitoring and auditing the data present on the employees system In order to identify employees doing data breaches and where the data is being used.

Conceptual Models – SSM Stage 4

The conceptual model illustrates ideal activities that need to be done by each of the stakeholders as a compromise on a different perception of customer satisfaction issues, different focal points, and different interests between them[6]. defines two aspects to determine a good conceptual model, the relevance and competency of the model. The relevance of the model relates to how strong the built models improve understanding of the issue. The competency assures that the built models have been derived systematically from the identified issue in the rich picture. Fig. 6 and fig. 7 shows a conceptual model of the customer satisfaction problem in video stream service over mobile and wireless networks.

Conceptual Model 1 (Human Resources and Senior Manager)

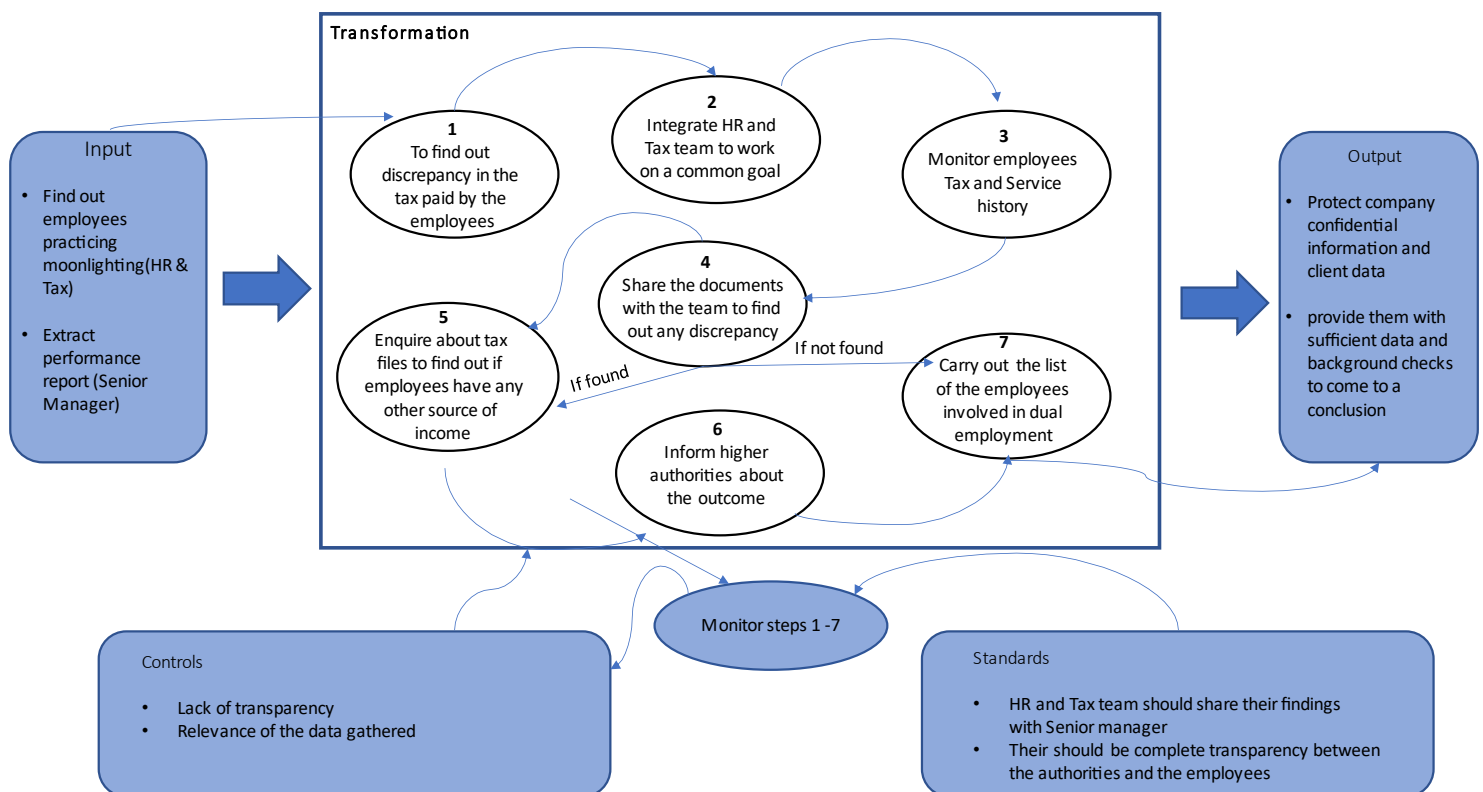


Figure 6 – Conceptual Model 1

3 E's

The way in which Checkland approached “monitoring and control” was by thinking about failure and arguing (Forbes and Checkland [1978]) that there are three potential answers which were expressed as the three E's

Efficacy: is the system providing the desired result

Efficient: is the system using the minimum of resources

Effective: is the system doing the right thing

3 E's (Human Resources and Senior Manager)

Efficacy

- This model gives us an intended result as we will be able to protect company's confidential information and provide them with sufficient data required.

Efficient

- This model gives us the desired result with minimum amount of resources required because the employees' information required by the human resources, senior manager as well as tax department to come to a conclusion is available in their system.

Effective

- This model helps the organization to understand and carry out the number of employees practising dual employment so as to conclude if there are any unethical practices being followed by the employees like data breaching and working with rival organizations.

Conceptual Model 2 (Ministry of Electronics and IT)

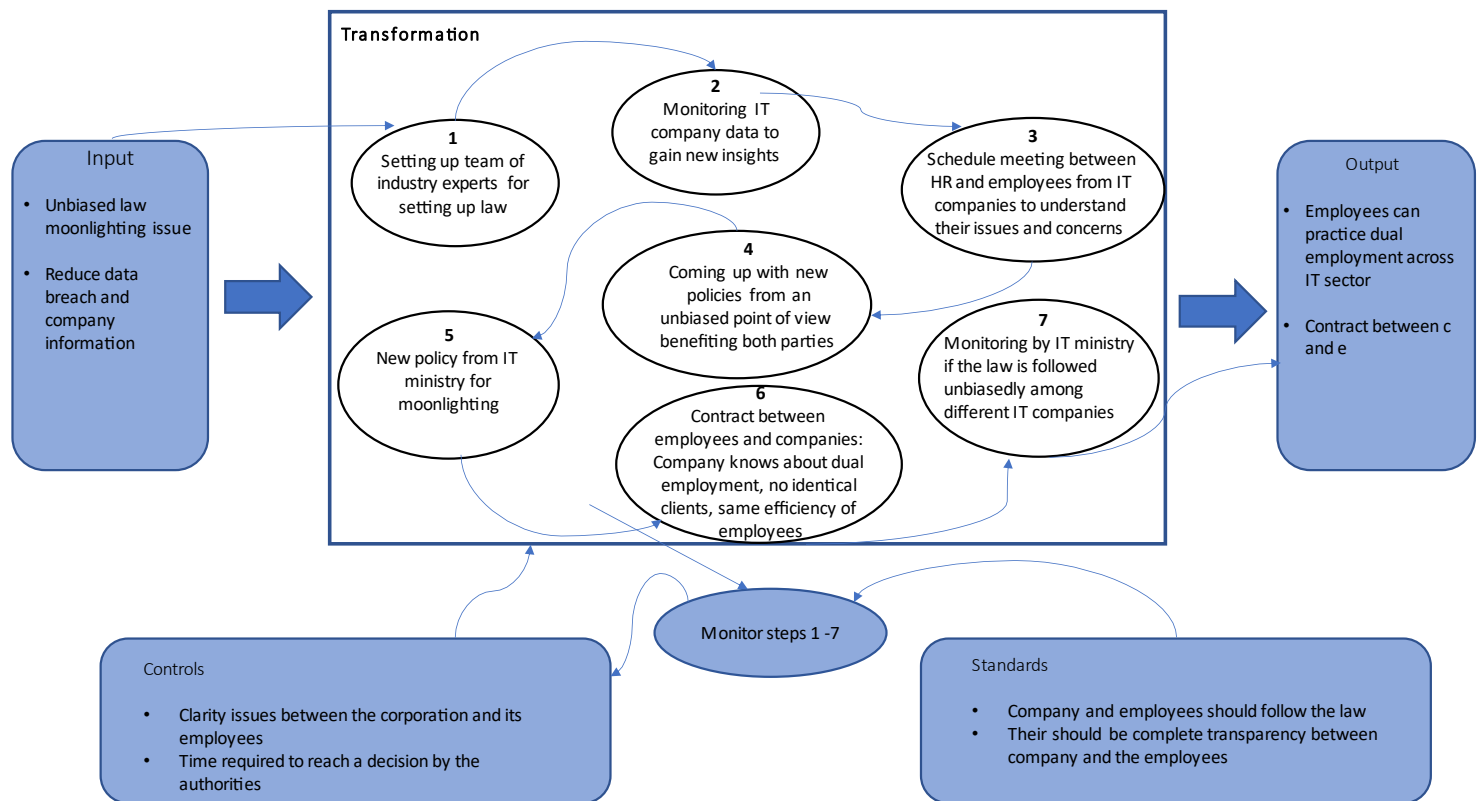


Figure 7 – Conceptual Model 2

3 E's (Ministry of Electronics and IT)

Efficacy

- This model gives us an intended result as we are able to come up with a law that approves dual employment for the employees and associates benefits as well as not compromising with company and clients data information.

Efficient

- This model gives us the desired result but the number of resources required for the success of this model are more as this process will go through will deal with multiple stakeholders. Also this process is complicated and also time-consuming.

Effective

- The system is doing the right thing in this model as the conclusion of this model will help us to set up the ground rules and regulations to be followed by IT companies as well as the employees working for the company which will help us to settle disputes and providing benefits to employees and clarity and trust for the organizations.

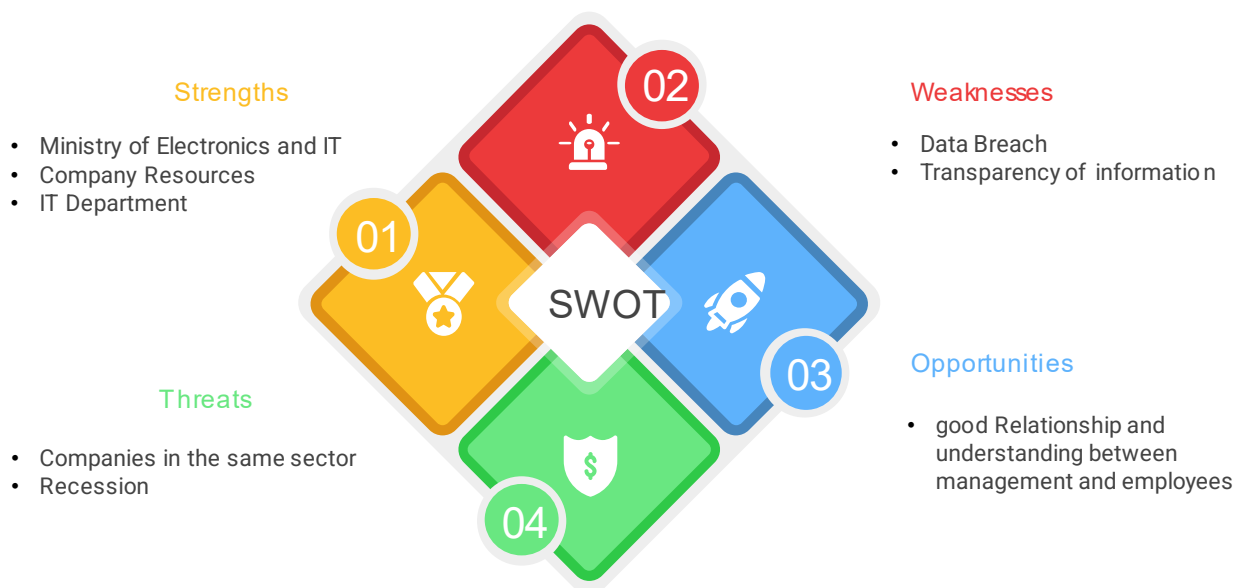
Complementary Analysis – Part 3

SWOT (strengths, weaknesses, opportunities, and threats) analysis is a framework used to evaluate a company's competitive position and to develop strategic planning. SWOT analysis assesses internal and external factors, as well as current and future potential.

A SWOT analysis is designed to facilitate a realistic, fact-based, data-driven look at the strengths and weaknesses of an organization, initiatives, or within its industry. The organization needs to keep the analysis accurate by avoiding preconceived beliefs or grey areas and instead focusing on real-life contexts. Companies should use it as a guide and not necessarily as a prescription.[\[7\]](#)

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SWOT ANALYSIS

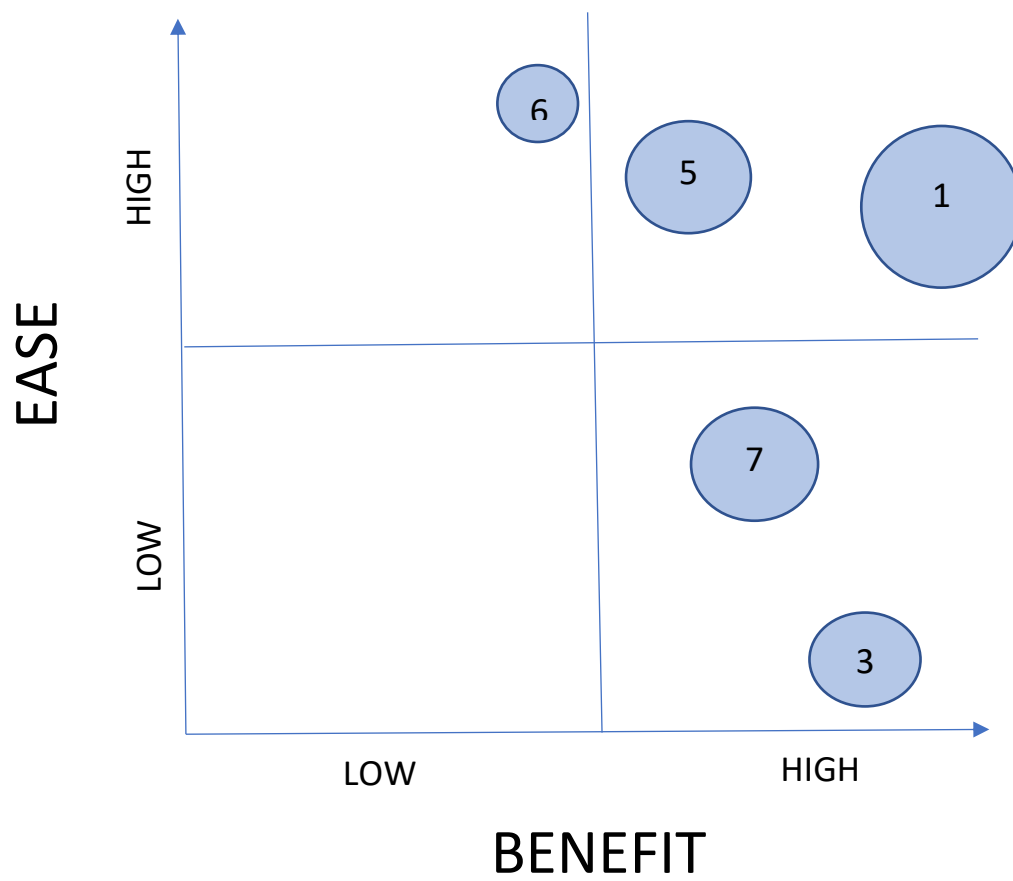


Recommendations – Part 4 - SSM Stage 5

Recommendation for Conceptual Model - 1

No.	IDEAL ACTIVITY	REAL WORLD	PROPOSED CHANGES
1.1	Find out discrepancy in the tax paid by the employees	This is not carried out by company	A new team set up to coordinate
1.2	Integrate HR and Tax team to work on a common goal	Human resources and Tax department work hand in hand to carry out informations	No change
1.3	Monitor employees Tax and Service history	The recruitment team has the data of past service history but tax monitoring is not carried out usually	Tax monitoring can be done by the tax department
1.4	Share the documents with the team to find out any discrepancy	Senior manager conducts meeting with the team on quarterly basis to have the knowledge about the process	No change
1.5	Enquire about tax files to find out if employees have any other source of income	This is something that is not practiced in the IT company.	This can be practiced on quarterly basis
1.6	Inform higher authorities about the outcome	Meetings with managing director and clients is kept to discuss the outcomes	Meeting can be set up to discuss about desired outcomes
1.7	Carry out the list of the employees involved in dual employment	This is not carried out in the company	Process needs to be done to carry out list of the employees

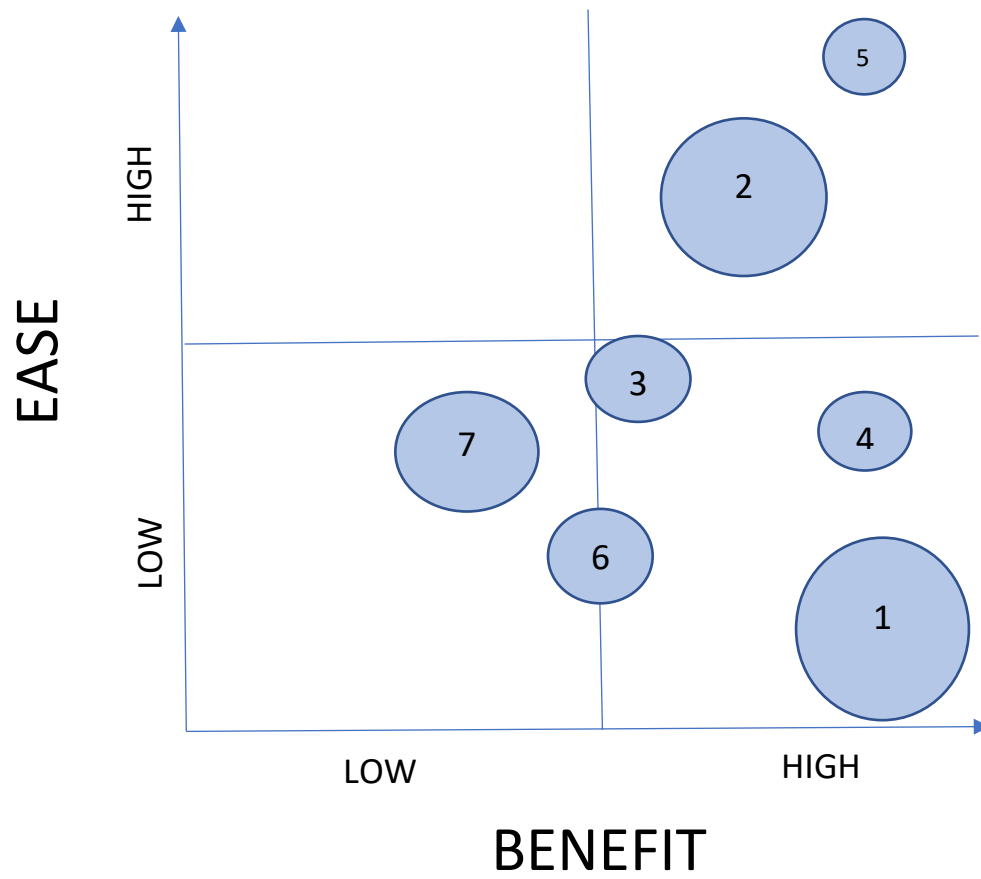
EASE – BENEFIT MATRIX - 1



Recommendation for Conceptual Model - 2

No.	IDEAL ACTIVITY	REAL WORLD	PROPOSED CHANGES
2.1	Setting up a team of industry experts for setting up a law	No team selection has been carried out in the real world	Anonymous and unbiased team selection
2.2	Monitoring IT company data to gain new insights	Data on some level is being collected but not accurate to the requirements	Brainstorming sessions can be done to carry out the required data
2.3	Schedule meetings between HR and employees from IT companies to understand their issues and concerns	Meetings have been carried out between HR and employees but not concerning the moonlighting concerns	Carry on meetings for the particular topic and gain insights from the meeting
2.4	Coming up with new policies from an unbiased point of view benefiting both parties	No such policies have been carried out specific to moonlighting	Coming up with new policies with an unbiased point of view
2.5	A new policy from the IT ministry for moonlighting	No such policies specific to IT companies	Brainstorming and implementing the rules
2.6	A contract between employees and companies: The company knows about dual employment, no identical clients, same efficiency of employees	There are contacts between the company and employees but not similar to the desired contract	Implementation of strict contracts can be made
2.7	Monitoring by the IT ministry if the law is followed unbiasedly among different IT companies	This has not been followed yet	Regular monitoring to avoid any unethical practices and punishment if committed

EASE – BENEFIT MATRIX - 2



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