



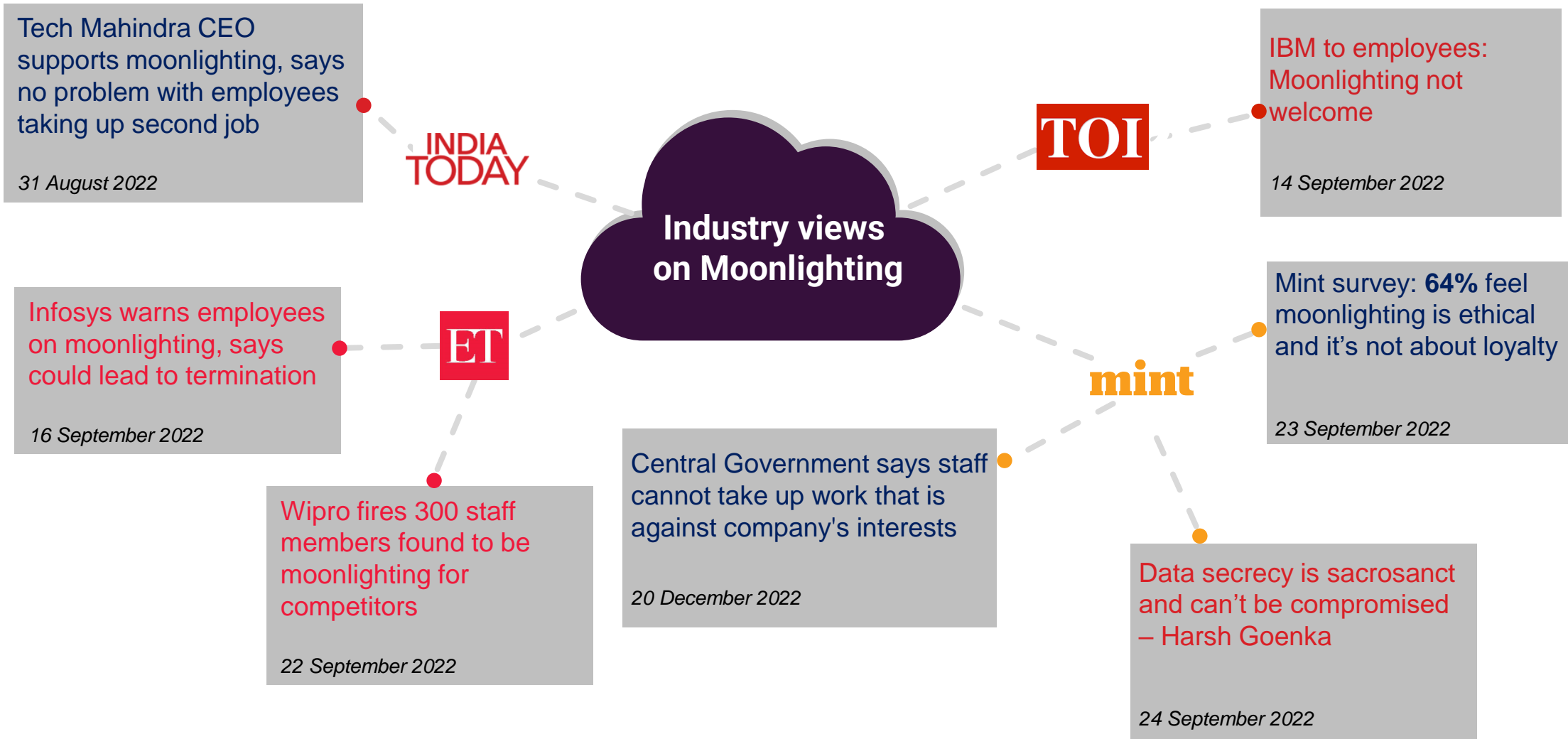
Moonlighting reviews

Forensic Services | Advisory

January 2023

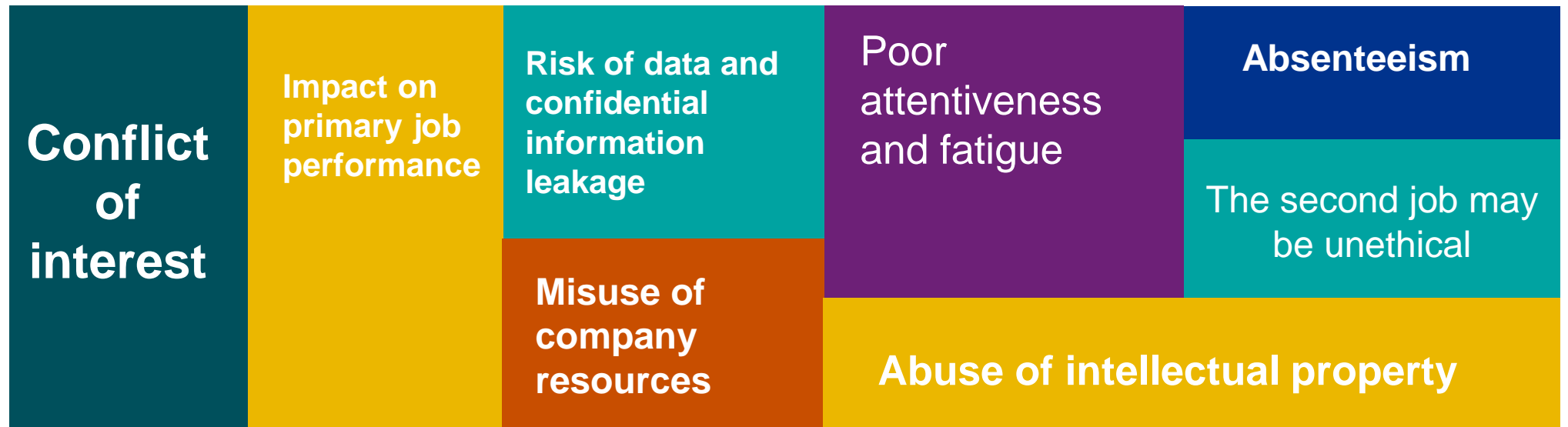


What's in the light?



Typical concerns across industries

Moonlighting is the practice of working on a second job outside the primary job. The pandemic has resulted in “work from anywhere” culture for many organization however this has also given rise to a surge of instances of moonlighting cases as it has become easier for employees to work on a second job or business without their primary employer’s knowledge.



Broad approach

Identifying moonlighting issues require a 2-step approach to establish whether such acts are in violation of the terms of employment contract or are a wider company policy-guideline oriented breaches, unacceptable to the corporation on a moral and ethical grounds.

To help you establish the breach undisputedly, provided herewith is a structured approach and suggestive steps, to ensure the moonlighting review and conclusion is both pertinent and defensible.

Phase 1: Screening procedures

- Screening candidates through government databases such as UAN, Traces using KPMG proprietary technology
- Conducting data analytics to identify duplicity and discrepancies based on employment history
- Social media and dark web scan
- Collecting discreet human intelligence on the candidate profile outliers

Phase 2: Deep dive procedures

- Employee interview (including evidence gathering, validation, issuing MoM and other linked steps)
- Digital forensic data analytics, eDiscovery, e-mail review, establishing chronology of events etc.
- Company desktop or laptop logs to understand employee's availability on system

Ongoing support:

General Counsel support in terms of show cause and other legal operations aspects

Phase 1 - Screening procedures

Source

Employee information:

- Universal Account Number (UAN)
- Employee ID
- Department
- Date of joining

Process

- KPMG processes the UAN provided and collects data from Employer's Provident Fund Organization (EPFO)
- Information gathered is analyzed by KPMG forensic professionals

Deliverable

Post filtering false positives (*refer side box for details*), provide an analysis of tenure overlap to infer*:

- Dual employment while employed with current employer and/or
- Dual employment in any previous employers

- Employee not entering last working date on system for previous employer
- One/two months overlap in PF deduction, while switching the job
- Employee accepting multiple offers at the same time but joining only one company
- Technical glitch on PF tools or errors at other company's end

[Annexure 1 - Sample UAN Analytical Report](#)

[Annexure 2 - Moonlighting case study: An Employee with 14 Active employments](#)

Phase 2 - Deep dive procedures

Planning

- The approach as per client's needs
- Necessary templates – invites, Minutes of Meeting (MoM) etc.
- Logistics / operational requirements
- Data collection and coordination with client points of contact (POC)

Interview Process

- Scheduling and conducting interviews
- Sharing MoMs and making necessary follow-ups
- Evidence gathering from employee, review and recording
- Preparing final fact-finding report

Deliverable

- Conducting computer forensic analytics, reviewing login data
- eDiscovery and e-mail review if appropriate, based on initial review
- Real time tracking of interview progress
- State-of-the-art reporting and dashboards

Key takeaways from our experience

Crucial Trends / Issues

- High rate of moonlighting admissions (around 80%) by employees through the interview process, post initial UAN verification.
- Instances identified of im-personification, non-qualified/skilled individual doing the job, data breach / theft by employees, including of Personally Identifiable Information (PII).
- Inaccuracies found in client billing, work logs, impacting company's reputation / goodwill.
- Need recognized for company policies / employment contract to clearly call out dual employment / moonlighting being a violation.

False Positives

- Employee not entering last working date on system for previous employer.
- One to two months overlap found in PF deduction, during job switch.
- Employee accepting two offers at the same time but joining only one company.
- Technical glitch on PF tools, wrong linking of Aadhar or error at other company's end.

Our credentials



**Large IT-ITeS corporation
in the country**

Dual employment

KPMG was appointed to conduct independent verification of UAN data and performed end-to-end investigation, including forensic data analytics and employee interviews.

In a batch of 350 employees being reviewed, identified 80% positive dual employment cases in Phase 1



**Leading telecom company
in India**

Moonlighting review

KPMG was appointed to conduct employee interviews, gather explanation and evidence from employees.

We were able to establish dual employment in majority of the cases. Few false positives, such as wrong linking of Aadhar, were also found



Large IT company

Moonlighting screening

KPMG was appointed to identify any moonlighting instances working on a specific client project

Through Phase 1, KPMG identified 4% confirmed moonlighting instances in current and/ or previous employment along with 13% cases identified with undisclosed employments



**Large Global Captive
Center in India**

Moonlighting screening

KPMG was appointed to conduct moonlighting screening

Out of a batch of 2000 employees, KPMG identified 2% employees with confirmed dual employments with a number of candidates moonlighting with competing organizations were identified through Phase 1 review

Since dual employment is identified:

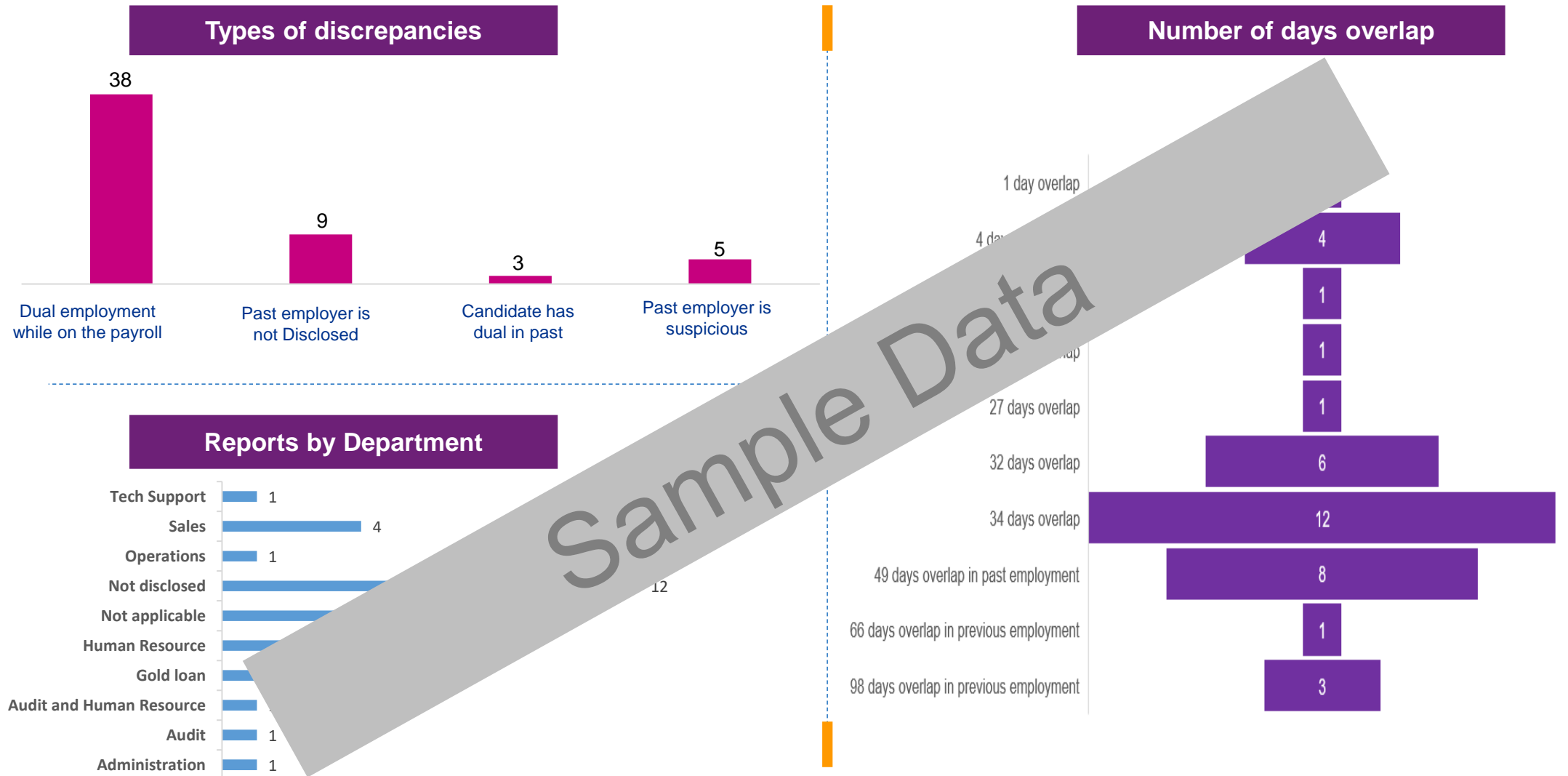
- BGV - With recent or previous employer, Cross-reference with the recent background screening verification report to confirm if the candidate has been relieved from previous employment/s
- Policy - Based on company policy, employment contract, assess permissibility of moonlighting and this can be dependent upon if the same is conflicting or non-conflicting with current employee's current role/ job profile. For e.g., Employee having an active YouTube channel OR employee is a part-time musician



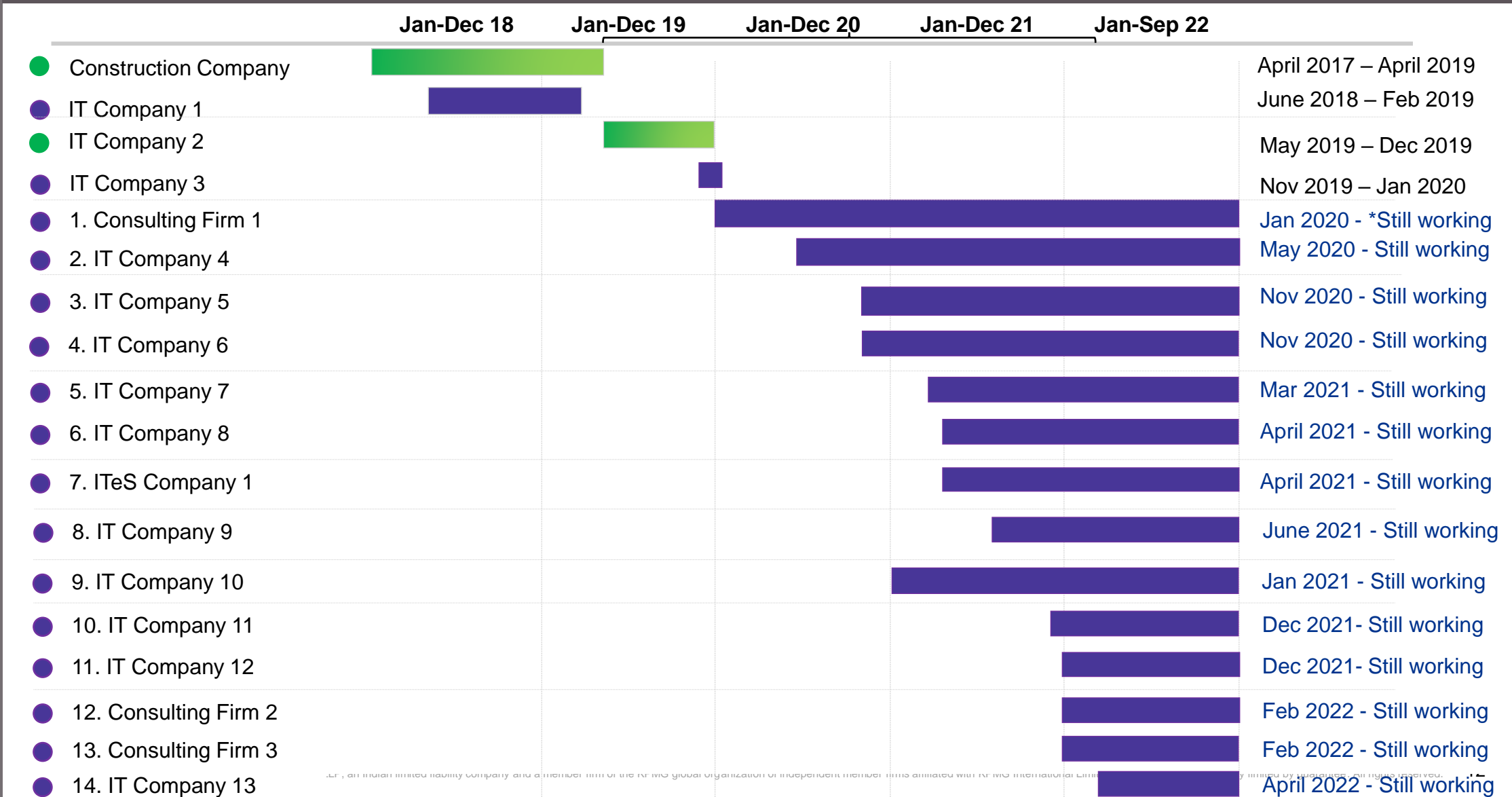
Annexures

Annexure 1 - Sample UAN Analytical Report

Analysis will be shared to identify types of overlaps in tenure of employment of existing employees. Detailed excel with findings will be shared for Client to take necessary action as per Company policy

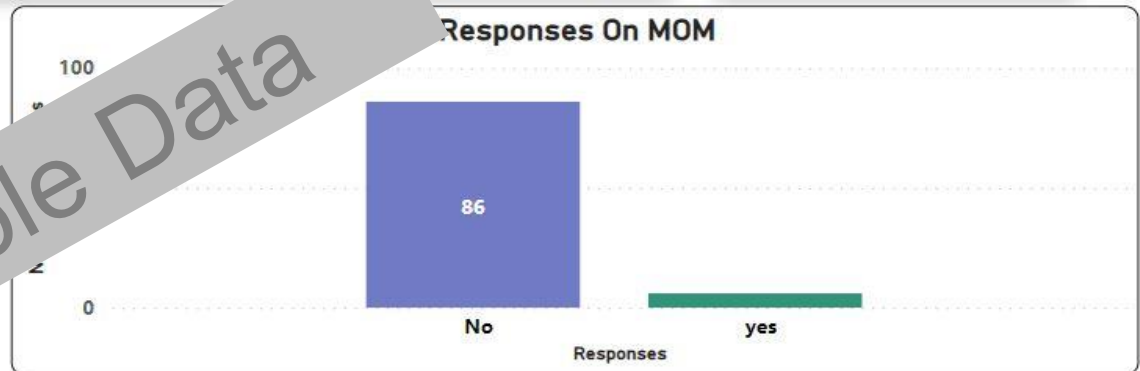
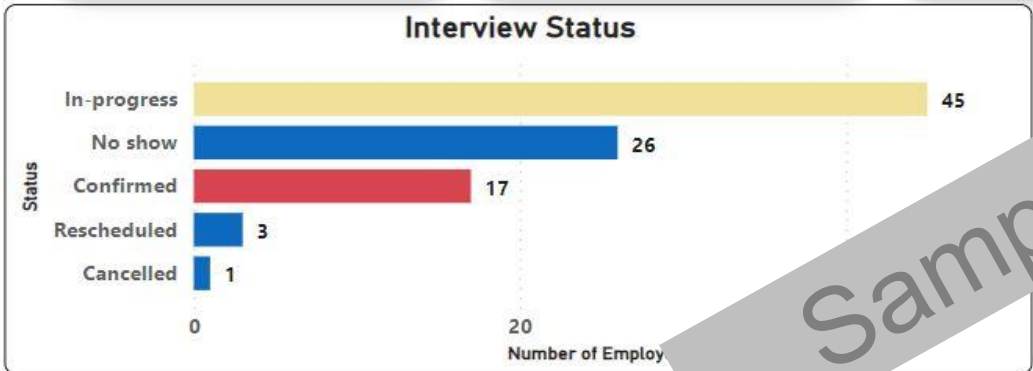


Annexure 2 - Case study: An employee found with 14 overlapping employments



Annexure 3 - Sample Investigation Report

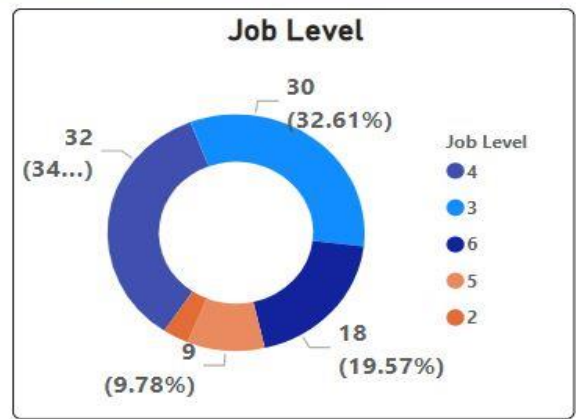
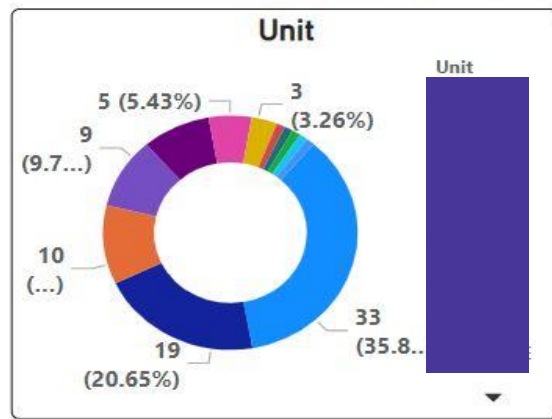
Summary Dashboard



Employer Details

Employer Name	Number of Employees
	2
	2
	1
	1
	1
	1
	1
	1
	1
	1
	1
Total	22

Department Wise Overview





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