THE ETHICS OF THE SIDE HUSTLE AND MAKING ENDS MEET

By CYNTHIA SCHOEMAN

The restrictions that have been implemented since March 2020 in the fight against the coronavirus have already had serious economic consequences, especially in the area of business failures and unemployment. This situation is exacerbated not only by a pre-covid economy with low growth rates and high unemployment, but also by the country’s international credit rating being relegated to junk status on 27 March, the first day of the lockdown.

The impact of this is that, despite various aid programmes, more people are facing financial hardship. This includes many employees who, although they remain employed, have the added responsibility of supporting family, relatives or friends in financial need. The challenge they face is how to make ends meet. An obvious solution is to take on extra work to supplement their income. The result is the ‘side-hustle’: another job, in addition to the employee’s primary job, in order to increase his/her income.

However, an obstacle that employees face is that most organisations have a policy against external work. The issue for the employer is that this policy is likely to come under threat as regards compliance.

A policy on external work entails that employees are not permitted to perform work for remuneration outside of the scope of their employment. It typically includes a prohibition on conducting work on the organisation’s premises outside of the employee’s job and related duties, using the organisation’s resources and equipment for private work, performing private work after working hours or on weekends, and running a private business for commercial gain.

The intention is to avoid a conflict of interest between the organisation and the employee, and hence this is often addressed in a Conflict of Interest Policy. The primary conflict relates to the use of the employee’s time and expertise that is diverted away from the employers’ benefit.

On the other hand, the side-hustle gains credibility when positioned under the banner of entrepreneurship. Entrepreneur South Africa lists 20 side-hustles that “you can start this weekend”, including becoming a virtual English teacher; brewing your own craft beer; making and selling crafts; and growing indigenous plants. But what any entrepreneur will easily admit is that success – the extra income – requires real focus and time. So the side-hustle is very likely to impact the person’s time...
and attention during working hours – which lead to secrecy and dissatisfaction than disclosure.

What this situation calls for an inclusive, consultative approach: one that looks at the issue from both the organisation’s and employees’ perspectives, and that includes a shared discussion – and probably some compromise – about how this can be best resolved for everyone’s benefit.

About the author

Cynthia Schoeman is Chairman of the Ethics Practitioners’ Association (EPA) and MD of Ethics Monitoring & Management Services (Pty) Ltd.

© Ethics Monitoring & Management Services (Pty) Ltd, 2020