



WORKPLACE NEPOTISM AND EMPLOYEES' JOB SATISFACTION IN NIGERIA: DOES IT AFFECT HEALTHCARE COMPANIES?

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ABSTRACT: *In recent times, workplace nepotism has become a prevalent issue facing small, medium and large companies; hence, it has turned out to be a major discussion among management practitioners and researchers. Besides, while we acknowledged the plentiful studies on workplace nepotism and employees' job satisfaction nexus, there is limited literature on whether nepotism in the workplace does affect employees' job satisfaction among healthcare companies in Nigeria. In view of the above, this study assessed workplace nepotism and employees' job nexus of selected healthcare companies in Nigeria. The study used a sample of three hundred and ten (310) respondents, which were selected via a purposive sampling technique. Data obtained were analysed using descriptive (mean, standard deviation, skewness, kurtosis, and Pearson correlation), diagnostic (variance inflation factor) and inferential (multiple regression) statistical tools. Findings indicated significant and negative relationships between workplace nepotism dimensions (gender and ethnic divides) and employees' job satisfaction. Given the findings, it was recommended that the management of healthcare companies should strive towards overseeing the divides in gender and ethnicity so as to cushion the effect on employees' job satisfaction. Additionally, there is a need for healthcare companies' management to set up measures aimed at fitting the divides in gender and ethnicity in order to encourage harmony among employees.*

KEYWORDS: Workplace nepotism; Employee job satisfaction; Gender; Ethnicity; Nigeria; Healthcare.



INTRODUCTION

Predominantly, problem in the workplace emanates from nepotism on the part of either top management and which trickles down to lower and middle management; this problem is clearly evident in both small, medium and large companies (Egberi & Olufolahan, 2021; and Akua & Cecilia, 2015). In Nigerian organisations, for instance, numerous acts of nepotism appear in the form of recruiting more men than women (gender nepotism) and recruiting on the basis of ethnic divides (ethnic nepotism).

According to Athena and Daisii (2014); and Deshwal (2016), in organisations that engage in acts of nepotism, the employees suffer a lot, resulting in decreased job satisfaction. Similarly, Dwomoh, Owusu and Mensah (2015) opined that acts of nepotism in the workplace lead to and bring about inequalities, which could lead to decreased employees morale and commitment and increased employees turnover, which subsequently results in a negative impact on employees' job satisfaction and performance (Giberevbie, Osibanjo, Adaniji & Aludayo, 2014; and Jorfi, Jorfi, Fauzy, Yaccob & Nor, 2014). The above situation was clearly described by Haq, Ziaud-Din and Rajvi (2018) and Ngale (2018), stating that a workplace characterised by acts of nepotism makes the workforce frustrated, humiliated, and constrained to chase their professional and personal aspirations and goals.

Employee job satisfaction as it pertains to workplace nepotism can be viewed when staff feels that they are not treated because of their gender, ethnic divide, and group affiliation; these acts of nepotism in the workplace usually makes them feel angry and estranged, which results in negative work-related behaviour (Robert, 2018). In addition, a perceived act of nepotism is also related to more extreme work withdrawal behaviour (Ombanda, 2018; Fox & Cowan, 2015). Weziak-Białowolska, Białowolski and McNeely (2020) observed that acts of nepotism make employees become emotionally fragile, paranoid and angry individuals. Hence, the abolition of acts of nepotism in the workplace becomes more crucial for organisations that seek to enhance employees' job satisfaction (Yu, Klongthong, Thavorn & Ngamkroekjoti, 2021).

In the views of Mohamed, Abed and Hassan (2022), acts of nepotism in the workplace may be slight or severe yet affect many employees. The acts of nepotism in the workplace manifest in areas of task assignment, mentoring, coaching, appraisal, promotion, recruitment, selection, etc. (Egberi & Olufolahan, 2021). In the management literature, numerous factors have been identified to influence employees' job satisfaction; one such is nepotism (in areas of ethnic, cultural, religious, gender, etc.) (Giao, Vuong & Tushar, 2020).

Notably, when employees are not satisfied, it decreases the capital market (Okoro, 2014; Okoro, 2016) and economic growth (Egberi & Samuel, 2017; Okoro & Egberi, 2019). Whilst we acknowledged the numerous empirical studies on workplace nepotism and employees' job satisfaction in both developed and developing countries, there are limited works of literature on whether nepotism in the workplace does influence employees' job satisfaction among healthcare organisations in Nigeria; hence, this study was carried out with the view to assessing workplace nepotism and employees' job nexus of selected healthcare companies in Nigeria.



THEORETICAL LITERATURE

Workplace Nepotism

In the human resource management (HRM) literature, Workplace nepotism is a well-researched concept; however, the practice of it has been condemned by HRM practitioners (Baker & Palmieri, 2021). Workplace nepotism refers to partiality or favouritism in recruiting, selecting, promotion, task assignment, appointment termination, employee compensation, coaching, and mentoring. According to Egberi and Olufolahan (2021), workplace nepotism includes harassment, ethnic and opposing work behaviours on employees by either management or superiors in an organisation.

Workplace nepotism also implies unequal or mistreatment of employees in a formal setting. In most developed nations, laws on workplace nepotism have attracted huge concerns, like the implementation of laws prohibiting workplace nepotism; in most developing nations like Nigeria, laws on workplace nepotism are yet to gain ground. In the management literature, several types of workplace nepotism or favouritism have been identified. Fundamental among these workplace nepotism types are those offered by Hellen Hemphill and Ray Hainesd (Hemphill & Haines, 1997, cited in Egberi & Olufolahan, 2021), which identified four (4) broad-based types of workplace nepotism to include isolated, small group, direct institutional, and indirect institutional workplace nepotisms.

First, isolated workplace nepotism is an intentionally harmful act undertaken by a dominant group of employees against other employees of a subordinate group (Hoch & Seyberth, 2021). Second, small-group workplace nepotism is an intentionally harmful act undertaken by a few dominant groups of employees against employees of subordinate groups without the sanction of the larger organisation. While direct and indirect institutional workplace nepotism is practised in the workplace that has a negative effect on employees of a subordinate group, even though the prescribed norms guiding the workforce actions are established with no intent to harm employees of the subordinate group.

The above categorisations of workplace nepotisms are quite prevalent in the workplace; however, the most predominant forms of workplace nepotism include but are not limited to ethnic, sexual, race, gender, and disabilities nepotism. In this study, emphasis has been on two (2) dimensions of the workplace: gender and ethnic divides, as it affects the satisfaction of employees of healthcare companies in Nigeria.

Workplace gender nepotism emanates in diverse ways, but it broadly connotes where an employee is treated differently or less favoured due to their sex, sexual orientation and/or gender identity (Hemphill & Haines, 1997 cited in Egberi & Olufolahan, 2021). Workplace ethnic nepotism implies favouritism based on skin colour, race or ethnic divides, a situation where organisations disagree to socialise or share resources with people of a certain group.



Employees' Job Satisfaction

In the management literature, employee job satisfaction has been broadly discussed as a major issue for management or organisations. According to Horsfall (2020), employee job satisfaction is an affirmative, pleasurable and congenial emotional state generated by employees' evaluation of their work. Iis, Yunus, Adam & Sofyan (2018) contended that employee job satisfaction impacts the efficiency and quality of service of the workforce.

Similarly, Kanyutu (2021) sees employee job satisfaction as an evaluative judgment about employees' jobs in terms of the pleasure they derive in the workplace. Empirical evidence has shown employees who experience nepotism in the workplace would show some signs of deterioration in morale. On the other hand, Hemphill and Haines (1997), cited in Egberri and Olufolahan (2021), linked employee job satisfaction with workplace nepotism and revealed that negativity in the workplace (such as acts of nepotism) results in decreased employee job satisfaction.

Furthermore, prior studies support the linkage between workplace nepotism, favouritism and employees' job satisfaction and performance. For instance, when management or supervisors or groups display acts of nepotism, it can result in the emotional exhaustion of employees and, consequently, decreased job satisfaction (Iis, Yunus, Adam & Sofyan, 2018; and Bashir, Arshad, Asif & Khalid, 2020). Research has established that the sources of employees' dissatisfaction are linked with negative treatment from superiors, the management or from co-workers.

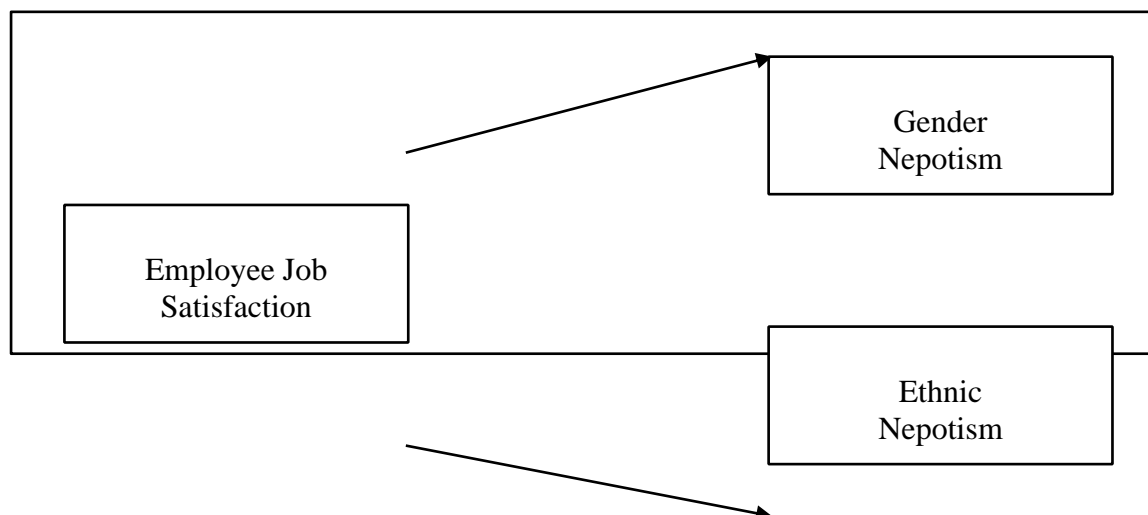


Figure 1: Conceptual Model of the Study

Conceptualized by the Researcher (2023)



Figure 1 conceptualised the relationship between workplace nepotism dimensions (ethnic and gender divide) and employees' job satisfaction; the conceptual model was employed as a groundwork for estimating the empirical models of the study.

MATERIALS AND METHODS

In this study, the descriptive survey research design was adopted to enable the researcher to obtain relevant datasets from a wide range of individuals regarding their perception of workplace nepotism and employees' job satisfaction. The study population comprised employees of healthcare companies in Nigeria, out of which three hundred and ten (310) were selected using the judgmental sampling technique.

The study used primary data (questionnaire) to obtain the viewpoints of respondents on whether workplace nepotism affects employees' job satisfaction. The questionnaire was structured via a 4-point scale of strongly agree, agree, strongly disagree and disagree. The questionnaire was administered to the respondents by the researcher alongside three (3) trained research assistants in order to ensure adequate collection and retrieval of the research instrument.

Furthermore, to ensure the reliability of the instruments, a pilot test was carried out on thirty (30) respondents who did not form part of this study and the data obtained were correlated via Cronbach alpha. The Cronbach Alpha reliability coefficients are considered good since they are above 0.05, as recommended by Cronbach (cited in Egberi & Osio, 2019; and Oboreh, Egberi & Egberi, 2022). The Cronbach alpha result showed reliability coefficients as follows:

Table 1: Cronbach Alpha Reliability Coefficients

| Variable(s) | Reliability Coefficients | Remarks |
|---------------------------|--------------------------|----------|
| Gender Nepotism | 0.78 > 0.05 | Reliable |
| Ethnic Nepotism | 0.81 > 0.05 | Reliable |
| Employee Job Satisfaction | 0.79 > 0.05 | Reliable |

Source: *Compiled by the Researcher from Pilot Study (2023)*

The dependent variable is employee job satisfaction while the independent variable is workplace nepotism (with two dimensions – gender and ethnic divides). In view of this, the following multiple regressions were estimated:

$$EMJOBSAT = f(GENDNEP, ETHNNEP) \quad - \quad \text{eq. 1}$$

Equation 1 is the implicit form of the regression model while equation 2 was re-estimated to capture the explicit form of the regression model as follows:

$$EMJOBSAT_i = \delta_1 GENDNEP_i + \delta_2 ETHNNEP_i + \varepsilon_i \quad - \quad \text{eq. 2}$$

Where: *EMJOBSAT* is employee job satisfaction; *GENDNEP* is gender nepotism, *ETHNNEP* is ethnic nepotism; $\delta_1 - \delta_2$ are regression coefficients; ε is error term while *i* is the individual respondents of the selected healthcare companies. Data obtained in the survey were analysed via descriptive (mean, standard deviation, minimum and maximum value, Pearson correlation),



diagnostic (variance inflation factor) and inferential (multiple regression) statistical techniques. The analysis was carried out with the aid of STATA 16.0.

RESULTS

Table 2: Descriptive Statistics showing Ethnic Nepotism and Employees' Job Satisfaction

| Variables | Mean | Standard Deviation | Min. Value | Max. Value |
|---------------------------|-------|--------------------|------------|------------|
| Employee Job Satisfaction | 2.403 | 0.0383 | 1 | 4 |
| Ethnic Nepotism | 2.322 | 0.0544 | 1 | 4 |

Source: *Field Work, 2023*

Table 2 showed the descriptive statistics/results for employees' job satisfaction and ethnic nepotism of the selected healthcare companies in Nigeria. The descriptive results revealed that the dimension of workplace nepotism (ethnic nepotism) and employees' job satisfaction scored above the 2.0 cut-off point of the mean. This suggests that all the items on workplace nepotism (ethnic divide) are vital metrics for assessing employees' job satisfaction among healthcare companies in Nigeria. The low standard deviation values further support the above result; hence, to an extent, ethnic nepotism is predominant in the workplace among healthcare companies in Nigeria.

Table 3: Descriptive Statistics showing Ethnic Nepotism and Employees' Job Satisfaction

| Variables | Mean | Standard Deviation | Min. Value | Max. Value |
|---------------------------|-------|--------------------|------------|------------|
| Employee Job Satisfaction | 2.403 | 0.0383 | 1 | 4 |
| Gender Nepotism | 2.219 | 0.0461 | 1 | 4 |

Source: *Field Work, 2023*

Table 3 showed the descriptive statistics/results for employees' job satisfaction and gender nepotism of the selected healthcare companies in Nigeria. The descriptive results revealed that the dimension of workplace nepotism (gender nepotism) and employees' job satisfaction scored above the 2.0 cut-off point of the mean.

This indicates that all the items on workplace nepotism (gender) are vital metrics for assessing employees' job satisfaction among healthcare companies in Nigeria. The low standard deviation values further support the above result; thus, to an extent, gender nepotism is prevalent among healthcare companies in Nigeria.

Table 4: Pearson Correlation for Workplace Nepotism and Employees' Job Satisfaction

| Variables | EMJOBSAT | GENDNEP | ETHNNEP |
|-----------|----------|---------|---------|
| EMJOBSAT | 1.0000 | | |
| GENDNEP | -0.0373 | 1.0000 | |
| ETHNNEP | -0.0579 | -0.0484 | 1.0000 |

Source: *Field Work, 2023*



Table 4 showed the Pearson correlation results for employees' job satisfaction and the dimensions of workplace nepotism (ethnic and gender) among the healthcare companies in Nigeria; the result showed that Pearson coefficients are -0.0373(GENDNEP) and -0.0579 (ETHNEP). An indication that there is a negative relationship between the workplace nepotism dimensions and employees' job satisfaction; impliedly, workplace nepotism negatively affects employees' job satisfaction.

Table 5: Variance Inflation Factor (VIF) for Ethnic and Gender Nepotisms

| Variables | VIF | 1/VIF |
|-----------|------|--------|
| GENDNEP | 1.11 | 0.8992 |
| ETHNNEP | 1.09 | 0.9143 |
| Mean VIF | 1.66 | |

Source: *Field Work, 2023*

Table 5 showed the multicollinearity results (Vif) for the independent variables of the study (workplace nepotism dimensions) among the healthcare companies in Nigeria. The mean VIF is = 1.66 and is not greater than the accepted mean VIF of 10.0, indicating that there is an absence of multicollinearity problems in the models of workplace nepotism and employees' job satisfaction. VIF value above 10.0, according to Gujarati (2003), as cited in Egberi (2011); Okoye, Okoro and Salubi (2017); and Okoro and Ekwueme (2021), is considered good. Hence, the dataset is exceptionally reliable for conducting inferential statistics (multiple regressions).

Table 6: Multiple Regression Statistics showing Workplace Nepotism (Ethnic and Gender Divides) and Employees' Job Satisfaction

| Estimator | Predictors | t-values |
|----------------|------------|-----------------|
| R-Squared | 0.7506 | GENDNEP = -4.03 |
| R-Squared Adj. | 0.6670 | ETHNNEP = -3.72 |
| F-Value | 12.09 | T-Prob. 0.0000 |
| Prob. F | 0.0000 | |

Source: *Field Work, 2023*

Table 6 showed the multiple regression statistics of workplace nepotism dimensions (ethnic and gender divides) and employees' job satisfaction among the selected healthcare companies in Nigeria. In Table 6, the R^2 is 0.7506, indicating that the dimensions of workplace nepotism explained 75.06% of the systematic variation in employees' job satisfaction in healthcare companies in Nigeria. Consequently, the model of nepotism in the workplace and employees' job satisfaction provides a good fit for the study's dataset.

Furthermore, the f-value is 12.09; the result showed that the dimensions of workplace nepotism significantly affect employees' job satisfaction. Impliedly, ethnic and gender nepotisms play a major role in influencing employees' job satisfaction. Additionally, the t-values suggest that gender and ethnic nepotisms negatively influence employees' job satisfaction among healthcare companies in Nigeria. The results of the study agree with those of Egberi and Olufolahan (2021); Haq et al. (2018); Ngale (2018); Ombanda (2018); Deshwal (2016); Akua and Cecilia



(2015) who found that workplace nepotism or favouritism negatively and significantly influence employees' job satisfaction.

CONCLUSION AND RECOMMENDATIONS

In contemporary organisations (whether small, medium, large or multinational), nepotism in the workplace occupies a commonplace and hence has become a predominant issue facing organisations. More so, workplace nepotism has raised and attracted the attention of management and researchers alike, thus making the concept a major discussion or debate in the management literature. Whilst we acknowledged the numerous empirical studies on workplace nepotism and employees' job satisfaction, there is a dearth of empirical studies on whether workplace nepotism does influence employees' job satisfaction, particularly as it concerns healthcare companies in Nigeria.

Given this gap, this study was carried out to assess workplace nepotism's job nexus among some selected healthcare companies in Nigeria using a sample of three hundred and ten (310) respondents. Data obtained were analysed using descriptive, diagnostic and inferential statistical tools. The study's findings indicated significant and negative relationships between workplace nepotism (gender and ethnic divides) and employees' job satisfaction.

In view of the findings of the study, it was recommended that the management of healthcare companies should strive towards overseeing the divides in gender and ethnicity so as to cushion the effect on employees' job satisfaction. In addition, there is an urgent need for healthcare companies' management to set up measures aimed at fitting the divides in gender and ethnicity to encourage harmony among employees.

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