



PERCEIVED NEPOTISM AND ITS RELATION TO JOB SATISFACTION, NEGATIVE WORD OF MOUTH AND INTENTION TO QUIT

**KAYIRMACILIK ALGISI İLE İŞ TATMİNİ, OLUMSUZ SÖZ SÖYLEME VE İŞTEN AYRILMA
NİYETİ ARASINDAKİ İLİŞKİ**

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ABSTRACT

This study analyzed the relationship between perceived nepotism, job satisfaction, negative word of mouth and intention to turnover. It also tried to find out whether job satisfaction intervenes in the relationship between perceived nepotism-turnover intention and nepotism-negative word of mouth. The sample consists of employees who are not a family member working at different family organizations in Istanbul. The data was collected directly from 430 people working in diverse employment sectors.

The findings of the research indicated that perceived nepotism had a direct and negative impact on the job satisfaction of those feeling discriminated against, that job satisfaction had a direct and negative impact on employees' intention to quit, and that job satisfaction intervened in the relation between both perceived nepotism and intention to quit and perceived nepotism and negative word of mouth. Findings imply that reducing and eliminating nepotism might increase organizations' capacity to prevent turnover through increasing job satisfaction. Also, awareness about groups who seem to suffer nepotism's consequences may be developed. Thus, losses in terms of time, finance and morale for the organization could be minimized.

Key Words: Nepotism, job satisfaction, negative word of mouth and intention to quit.

ÖZ

Bu araştırma; işyerindeki kayırmacılık algısı, iş tatmini, olumsuz söz söyleme ve işten ayrılma niyeti arasındaki ilişkiyi incelemektedir. Bunun yanı sıra iş tatmininin; nepotizm-işten ayrılma niyeti ve nepotizm-olumsuz söz söyleme arasındaki ilişkilerde ara değişken olarak işleyip işlemediğini araştırmaktadır. Örneklem, İstanbul'da farklı aile şirketlerinde çalışan ve aile üyesi olmayan çalışanlardan oluşmaktadır. Araştırma verileri, çeşitli iş sektörlerinde çalışan, farklı özelliklere sahip 430 kişiden toplanmıştır.

Elde edilen sonuçlara göre; algılanan nepotizm boyutları ve iş tatmini arasında negatif bir bağlantı bulunmaktadır. Aynı zamanda iş tatmini ve işten ayrılma niyeti arasında negatif bir ilişki vardır. Bunların yanı sıra, iş tatmini; hem nepotizm algısı ve işten ayrılma niyeti hem de nepotizm algısı ve olumsuz söz söyleme arasındaki ilişkiyi de, araya giren değişken olarak etkilemektedir. Araştırma bulguları gösteriyor ki; kayırmacılığın kaldırılması ile işletmelerde iş memnuniyetinin artması ve dolayısıyla çalışanların elde tutulma kapasitesinin büyümesi sağlanabilir. Kayırmacılığa maruz kalan gruplar hakkında bilinçlendirmenin geliştirilerek, işletmelerde moral, maddiyat ve zaman kayıplarının azaltılması sağlanabilir.

Anahtar Kelimeler: Kayırmacılık, iş tatmini, olumsuz söz söyleme ve işten ayrılma niyeti.

1. INTRODUCTION

Everyone knows that family businesses have an important role in country economies (Mese, 2005: 1). According to research: Among all the businesses, 90% in the USA, 80% in Spain, 95% in Italy, 85% in Switzerland and 95% in Turkey are family businesses. Family businesses play an important role in the development of the economies of the country where they are established. When considering family business's role and share in the economy, the importance of analyzing these businesses carefully, solving their problems and providing a good environment for them to carry out their activities effectively and prolifically is fully understood (Bute, 2008: 314). One of the important problems that family businesses are nepotism. Forms of nepotism are generally unprofessional actions which are criticized due to the behaviors which are contrary to occupational rules (Abdalla, Magharabi and Raggad, 1998). While in developed countries various legal measurements have been taken in order to prevent these actions, in developing countries they continue to be a part of life (Boadi, 2000).

Nepotism has become a widespread behavior in today's business life, especially in family firms (Araslı, Bavik and Ekiz, 2006: 296). It is impossible for human resources departments to continue its operations freely in business enterprises which allow excessive nepotism. Thus, under these circumstances, it is not possible to give a job according to ability and knowledge. If workers in a business enterprise compete with anyone who is a favored person, it is very difficult for them to be promoted in their jobs (Abdala, Maghrabi and Al-Dabbagh, 1994). This environment of unfair competition causes negative effects on workers.

In native and foreign literature, studies of nepotism are exceedingly few and insufficient. Thus, making a study in this scientific field is crucial. This study has two parts. In the first part a literature research containing the topics nepotism's family firms, job satisfaction, negative word of mouth, intention of quitting the job and their relationships with nepotism was conducted. In the second part of the study, an application was made with 430 managers and employees who are not family members but work for family firms operating in Istanbul.

2. NEPOTISM

The concept of nepotism was produced from the word "nepos" meaning in Latin "nephew" (Kiechel, 1984: 143). This concept, which is named "nepotismo" in Italian, was suggested to define some "popes" who created a self-interest for their families in history

(İyiişleroğlu, 2006: 43). Today the concept of nepotism is used for people who misuse their positions for the benefit of their families (Ford and McLaughlin, 1985: 57).

Generally in the literature, showing favoritism for somebody due to his/her political views in a organization is “cronyism”, being given preferential treatment for a mate, fellow or friend is “favoritism”, and showing favoritism for relatives is “nepotism” (Araslı and Tümer, 2008:1238-1239). Also these applications are known as management diseases. “Kin selection” or “favoritism of relatives” is an innate instinct in humans (also in animals according to some biologists). Biological/ecological approaches in social science assert that nepotism must be classified as a rational behavior. In other words nepotism is accepted as a rational and selected behavior, not as an arbitrary, emotional and instinctive behavior (Özler, Özler and Gümüştekin, 2007: 437-438).

According to Webster’s Third New International Dictionary (1976:1510) Nepotism is defined as favoritism as giving preferential treatment to nephews and other relatives instead of qualifications in the work place. To Özler at al. (2007:438), employing or promoting somebody based on kinship relationships while employing or promoting him/her, but not considering his/her required qualities like ability, success and education level means nepotism.

Today nepotism has become a widespread reality in politics, publications, car racing (Joffe, 2004: 74), family firms (İyiişleroğlu, 2006) and the service sector (Araslı, Bavik and Ekiz, 2006: 296). Nepotism is intensively seen in family firms of countries which have traditional connections and relations and haven’t got an improved free market mechanism. Besides, it can be seen in developed countries (Özsemerci, 2002: 13).

3. NEPOTISM AND FAMILY FIRMS

Nepotism contains considering blood ties instead of qualification principles like knowledge, ability, success and education level when promoting or employing organizational staff (İyiişleroğlu, 2006: 44). This situation is a very important problem for organizations, especially for family firms, because in family firms the owner-manager may employ family members without considering their abilities and contributions (Ateş, 2005: 12-13).

The reason for bringing family members into management positions instead of professional people in family firms is that trust is priorities over expertise. But these applications create serious motivation problems for other workers (Develi, 2008: 24). Besides, working under the instructions of people who are given important jobs without consideration

of their abilities causes non-family member employees' performances and job satisfaction to decrease and causes the productivity the organization to decrease. In this way nepotism causes talented managers to leave the organization.

Ichniowski (1988) states that nepotism creates obscurity about the source of the success achieved in an organization, puts pressure on family members and causes family members to live with worry and depression because of the fact that family members can't know whether the source of their success comes from their own success or from relative relationships. Also nepotism gives rise to family disputes, fraternal fighting on managerial issues and makes the family and business mix the two during the decision-making period (Abdalla, Maghrabi and Al-Dabbagh, 1994: 61). Nepotism, which is applied as a strategy for preventing the loss of family member's power in family firms, is one of the most important obstacles in front of the professional behavior, democracy and institutionalization (Özler at al., 2007: 438-439).

Working under the instructions of incapable superior is a disturbing situation for a non-family member person. An inequality between the contribution made and the share taken impels workers to think that they work in an unfair environment. Lack of confidence, which appears under these circumstances, affects job satisfaction, motivation and performance negatively. Especially in family firms in which some managers are non-family members expected high performance and a wage system was favors family members, so causes managers separate from the organization (Bute, 2009: 737).

There is a ways the possibility that a professional top-level manager, who knows the organization's situation and strategy well, may transfer to other organizations in the sector; but it is not the point in question for family members. It is seen as an advantage to appoint the top-level managers from family members (nepotism application) because of the reasons that working with reliable people, which is an important problem in business world, and being with people with the same culture, same values, same sharing and ideas, which contribute to the employee's tranquility and comfort (Iyişleroglu , 2006: 47).

Although nepotism has negative aspects, it has some positive effects, especially on family members. In most organizations employees don't work devotedly and willingly because of the fact that it's not their own business. Because the organizations belong to family members, family members work harder than the other employees do (Iyişleroglu, 2006: 47).

Aranoff and Ward (1993) state that nepotism causes an open connection which will be formed before nepotism needs rules. Nelton (1998) notes that nepotism ensures a high performance in enterprises, a long-term commitment to enterprises and positive relationships with agreement possessors. Danco (1982) claims that nepotism leads to the continuity of success (Vinton, 1998:297-298).

As a result, although nepotism has some beneficial results especially on family members; its harms are much than its benefits for non-family member employees. For this reason measures should be taken to avoid damaging competent and experienced employees' motivation with preferential promotions and appointments. Also family firms should be institutionalized to be permanent (Bute, 2009).

4. NEPOTISM AND ITS RELATION TO JOB SATISFACTION, NEGATIVE WORD OF MOUTH AND INTENTION TO QUIT

Nepotism has become a widespread behavior in today's business life. It is not surprising that there is nepotism in the connection between employer and employees. Nepotism's effects are felt in the organizations which are based on the service sector more than the industries which are based on production and these effects have a vital importance for organization. Nepotism, which arises from blood tie relations, shows its face especially in family firms. Nepotism in these organizations affects the employees' working performances. More clearly, nepotism has some affects on employee's job satisfaction, negative word of mouth and quitting intention (Araslı, Bavık and Ekız, 2006: 296).

4.1. Job Satisfaction

Job satisfaction is explained as a personal reaction or outcome after a certain work experiment (Berry, 1997). In other words, job satisfaction is the situation of individuals' positive reactions against a certain work and taking pleasure of jobs which employees do (Spector, 1997: 214). According to (Madamba and De Jong, 1997) a person makes a comparison between his/her expectations and his/her results which he/she deserves and achieves and as a result of this comparison his/her reaction determines his/her satisfaction level. Emotional reaction which provides job satisfaction occurs as a result of the comparison between individual's expectations, deserving's and his/her achievements. So it's important to have some information about employees' needs and expectations (Bostancıoğlu, 2008: 39). Till today many traits which are very important and provide job satisfaction, has been determined. These traits affect the job satisfaction momentarily (Berry, 1997). There is a

widespread belief that positive changes which can happen in these traits make the employees happy and thereby employees work more productive.

In business enterprises job satisfaction is crucial for an efficient working environment, physical health and psychological harmony. Morality of employees affects their physical health. Employees who are dissatisfied with their jobs constantly, not only can't work in their workplaces a long time but also they tend to escape from their work places due to the sickness and receiving a report (Karaca, 2001: 12). Schmit and Allscheid (1995) stated in their study that employees who are satisfied with their jobs are more productive and also they work in other jobs out of the job identification and they never tell something negative about their enterprises. Also researchers declare that employees, who are satisfied with their jobs, have a little intention to quit the job or come to work without excuse. As a result employees' intention for leaving the job and negative comments decreases as long as job satisfaction of employees increases (Babakus vd., 1996; Hussain et al., 2003)

4.2. Intention to Quit and Negative Word of Mouth

Turnover intention, today, is a very important and expensive problem for many organizations. Intention to quit expresses a well-advised and conscious decision or intention of leaving the organization (Bostancıoğlu, 2008: 10). Turnover intention is the thought of an individual who works for a firm about quitting job in the near future (Mobley, 1982). Transformation from a person's intention to quit to behavior about quitting the job is also a process and it is affected by many factors (Bostancıoğlu, 2008: 54).

Ennew, Banerjee and Li (2000), emphasize that negative word of mouth (to avoid recommending a good, to malign etc.), which is fulfilled among the customers, is more effective than the advertisements on magazines and newspapers; thus it can make the sales of the firm decrease at a considerable rate. According to a study of Mattila and Patterson (2004), employees who are in intention to quit, advertise the firm to their close friends badly. The thought of making a negative impact on customers' decisions when employees are not satisfied with their jobs in terms of colleagues, management style, wages, salaries and benefits etc. underlies the word of mouth which employees do about their firms. Ennew, Banerjee and Lee (2000) state that employees who are satisfied with their jobs don't act as if they intend to quit their jobs; contrarily they speak something positive about their institutions. However; Mattila and Patterson (2004) remark that it would be possible that the employees who intend to quit their jobs do the word of mouth about their work environment.

Based on the literature review, the following hypotheses were formulated for this study.

H1: There is a direct and negative effect of perceived nepotism on the job satisfaction of those exposed to nepotism.

H2: There is a direct and negative effect of job satisfaction on employee's intention to turnover.

H3: There is a direct and negative effect of job satisfaction on the negative word of mouth of the employees.

H4: Job satisfaction intervenes in the relationship between perceived nepotism and intention to turnover of those exposed to nepotism.

H5: Job satisfaction intervenes in the relationship between perceived nepotism and negative word of mouth of those exposed to nepotism.

5. METHODOLOGY

5.1. The Importance and Aim of the Study

Family firms have an important place both in our country is economy and the world economy. When taking the share of the family firms of the economy into consideration, these firms should be carefully analyzed and their problems should be solved. Because these problems decrease the efficiency and productivity of the family firms. One of the important problems that the family businesses have is nepotism.

The objectives of this study were:

- To determine a relationship between the perceived presence of nepotism and the intention to quit;
- To determine a relationship between the perceived presence of nepotism and negative word of mouth;
- To determine whether the job satisfaction of employees exposed to nepotism intervenes in the relationship between perceived nepotism and intention to quit;
- To determine whether the job satisfaction of employees exposed to nepotism intervenes in the relationship between perceived nepotism and negative word of mouth.

5.2. The Model of the Study and Measures

The model, structured to analyze the relationship between perceived nepotism, job satisfaction, negative word of mouth and intention to quit, is shown in Figure 1.

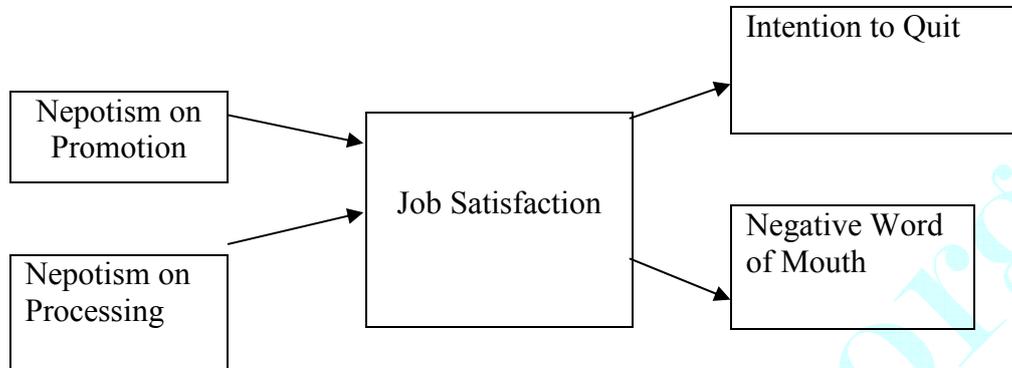


Figure 1: Research Model

The questionnaire includes 7 items on demographic characteristics: age, gender, marital status, education degree, management position, salary and sector. A 28-item survey instrument was used in order to find out the possible relationships among the study variables, namely nepotism, job satisfaction, quitting intention and negative word of mouth.

Nepotism was measured via 17 items in reference to the study by Abdalla et al. (1998) and Asunakutlu and Avcı (2009). Job satisfaction was measured via 4 items in reference to the study by Babin and Boles (1998). Quitting intention was measured through 4 items in reference to the study by Rosin and Korabick (1995). Negative word of mouth was measured via 3 items in reference to the study by Babin and Boles (1998).

Data was collected by a research team composed of students in January and June 2010. Some questionnaires were conducted face to face. The others were given the questionnaires to fill out at home and were collected the next day. Some items originally were in English, so translations were needed into Turkish by using a back-translation method. The questionnaire was tested with the faculty members of a University who were fluent in both languages.

Responses to all items were elicited on a five-point Likert scale ranging from “1= strongly disagree” to “5 =strongly agree”. The statistical analysis of this research was done with SPSS 15.0 for Windows. Reliability analyses were conducted for each of the factors of the research, namely nepotism, job satisfaction, quitting intention and negative word of

mouth. Then means of the variables were obtained. After that, Cronbach's alpha reliability test, mean value, Factor, Linear Regression and Pearson Correlation Analyses were conducted between perceived nepotism forms, job satisfaction, negative word of mouth and intention to quit in order to test the hypotheses.

6. FINDINGS

6.1. Demographic and Other Features of Attendees of the Study

The sample consists of employees who are not family members working at different family organizations in Istanbul. The 430 participants were selected via convenient sampling. Among 430 respondents, 28.37% are female and 71.61% are male, 73.39% of them are 18-30 years old, 15.63% are 31-40, 11,0% are 41-60. 65.0% of them are high school graduates, 19.69% university graduates and 3.31% have masters' degrees. Of the 430 respondents 28.09% 0-5 years, 51.85% are 5-9 years, 14.67% are 10- + years working for the same company. Among 430 of them 56.73% are workers, 16.00 are middle lever manager, 28.17 are junior administrative officers. Among 430 respondents, 33.53% are in the food industry and 39.47% are construction and 27% are in other industries. Among 430 respondents, 69.25% are married and 30.75 % are bachelors. Among 430 respondents, 25.82% of them get less than 500 TL, 24.17% of them get between 500-750 TL, 15.70% of them get between 751-1000 TL, 18.19% of them get between 1001-1250 TL, 8.21% of them get between 1251-1500 TL, and 7.90% of them get more than 1501 of salary. As to the distribution of the participants according to the company's profile, 44% (N= 200) of them work in production and 56% (N= 230) work for service provider firms.

6.2. Means, Standard Deviations, Pearson Correlation and Reliability Analyses

The correlations related to all factors of the independent variables of the study, including the means and standard deviations of the sample size, are depicted in Table 1.

Table 1. Pearson Correlation Analyze Belonging to all Variations Used in the Model

	1. Nepotism on Promotion	2. Nepotism on Processing	3. Job Satisfaction	4. Negative Word of Mouth	5. Intention to Quit
1. Nepotism on Promotion	(,8645)				
2. Nepotism on Processing	,107*	(,8970)			
3. Job Satisfaction	-,517**	-,453**	(,9253)		
4. Negative Word of Mouth	,381**	,351**	-,676**	(,9015)	
5. Intention to Quit	,381**	,325**	-,557**	,234*	(,9141)
Average	1,33	1,51	4,13	2,57	2,34
Standard Deviation	0,99	0,81	0,91	0,83	0,75

** Correlation with %1 significant level (two-tailed). * Correlation with %5 significant level (two-tailed).

() Numbers in parenthesis are Cronbach's alpha reliability values

Alpha reliability coefficients for variations are also given in table 1. From the obtained results, it has been seen that there is no variable below %70 and these variables have a high reliability.

6.3. Regression Analysis and Hypothesis Tests

Hypothesis 1: There is a direct and negative effect of perceived nepotism on the job satisfaction of those exposed to nepotism. Simple linear regression was used to analyze Hypothesis 1 (tables 2 and 3). Perceived nepotism on promotion has a significant ($p < ,05$) negative impact ($Beta = -,29$) on job satisfaction. Perceived nepotism on processing has also a significant ($p < ,05$) negative impact ($Beta = -,39$) on job satisfaction. Thus, Hypothesis 1 was confirmed for both nepotism forms, even though the contribution of perceived nepotism on job satisfaction is moderate.

Table 2. Regression Analysis between Perceived Nepotism on Promotion and Job Satisfaction

Variable	Adjust, R^2	F	p	Beta	t	p
Nepotism on Promotion	0,69	19,27	,00	-,29	-4,37	,00

Dependent Variable: Job Satisfaction

Table 3. Regression Analysis between Perceived Nepotism on Processing and Job Satisfaction

Variable	Adjust, R^2	F	p	Beta	t	p
Nepotism on Processing	,15	31,45	,00	-,39	-5,47	,00

Dependent Variable: Job Satisfaction

Hypothesis 2: There is a direct and negative effect of job satisfaction on the intention to quit of the employees. Simple linear regression analysis is used to investigate Hypothesis 2 (Table 4), too. Job satisfaction has a significant ($p < ,05$) and strong, negative ($Beta = -,57$) contribution on the level of intention to quit. Thus, the hypothesis is confirmed.

Table 4. Regression Analysis between Job Satisfaction and Intention to Quit

Variable	Adjust, R^2	F	p	Beta	t	p
Job Satisfaction	0,27	98,86	,00	-,57	-10,54	,00

Dependent Variable: Intention to Quit

Hypothesis 3: There is a direct and negative effect of job satisfaction on the negative word of mouth of the employees. Simple linear regression analysis is used to investigate Hypothesis 3 (Table 5), too. Job satisfaction has a significant ($p < ,05$) and strong, negative

(Beta= -.53) contribution on the level of negative word of mouth. Thus, the hypothesis is confirmed.

Table 5. Regression Analysis between Job Satisfaction and Negative Word of Mouth

Variable	Adjust, R ²	F	p	Beta	t	p
Job Satisfaction	0,31	101,05	,00	-,53	-11,03	,00

Dependent Variable: Negative Word of Mouth

Hypothesis 4: Job satisfaction intervenes in the relation between perceived nepotism and intention to quit of those exposed to nepotism. Here a multiple regression analysis in three steps was conducted in order to investigate the intervening role of job satisfaction. The first step included perceived nepotism forms as predictors of job satisfaction. This step has already been analyzed as Hypothesis 1 (Table 2 and 3), indicating both perceived nepotism forms to have significant contribution on the level of job satisfaction.

Table 6. Regression Analysis among Nepotism on Promotion, Job Satisfaction, and Intention to Quit

Variable	Adjust, R ²	F	p	Beta	t	p
Nepotism on Promotion	,05	10,58	,00	,23	3,29	,00

Dependent Variable: Intention to Quit

Table 7. Regression Analysis among Nepotism on Processing, Job Satisfaction, and Intention to Quit

Variable	Adjust, R ²	F	p	Beta	t	p
Nepotism on Processing	,11	27,09	,00	,31	4,95	,00

Dependent Variable: Intention to Quit

The second step included perceived nepotism forms as predictors of intention to quit (Table 6 and Table 7). Both perceived nepotism's impact on promotion and perceived nepotism's impact on processing proved to be significant predictors ($p < ,05$) of intention to quit. The third step included both perceived nepotism forms and job satisfaction as predictors of intention to quit (Table 8 and Table 9). When used alone as predictors of intention to quit, both perceived nepotism's impact on promotion and perceived nepotism's impact on processing are significant ($p < ,05$). When combined with job satisfaction, perceived nepotism's impact on promotion is no longer significant ($p > ,05$) in predicting intention to quit. However, perceived nepotism's impact on processing remains a significant predictor of intention to quit, even if its significance level decreases ($p = ,01$). Thus, Hypothesis 4 is partially confirmed.

Table 8. Regression Analysis among Nepotism on Promotion, Job Satisfaction, and Intention to Quit

Variable	Adjust, R ²	F	p	Beta	t	p
1. Nepotism on Promotion	,05	10,58	,00	,23	3,29	,00
2. Nepotism on Promotion Job Satisfaction	,32	53,25	,00	,05 -,51	1,09 -8,13	,29 ,00

Dependent Variable: Intention to Quit

Table 9. Regression Analysis among Nepotism on Processing, Job Satisfaction, and Intention to Quit

Variable	Adjust, R ²	F	p	Beta	t	p
1. Nepotism on Processing	,11	27,09	,00	,31	4,95	,00
2. Nepotism on Processing Job Satisfaction	,33	57,17	,00	,13 -,54	2,37 -8,25	,01 ,00

Dependent Variable: Intention to Quit

Hypothesis 5: Job satisfaction intervenes in the relationship between perceived nepotism and negative word of mouth of those exposed to nepotism. Here a multiple regression analysis in three steps was conducted in order to investigate the intervening role of job satisfaction. The first step included perceived nepotism forms as predictors of job satisfaction. This step has already been analyzed in Hypothesis 1 (Table 2 and 3), indicating both perceived nepotism forms to have significant impacts on the level of job satisfaction.

Table 10. Regression Analysis among Nepotism on Promotion, Job Satisfaction and Negative Word of Mouth

Variable	Adjust, R ²	F	p	Beta	t	p
Nepotism on Promotion	,07	13,21	,00	,19	4,11	,00

Dependent Variable: Negative Word of Mouth

Table 11. Regression Analysis among Nepotism on Processing, Job Satisfaction and Negative Word of Mouth

Variable	Adjust, R ²	F	p	Beta	t	p
Nepotism on Processing	,13	25,79	,00	,27	5,43	,00

Dependent Variable: Negative Word of Mouth

The second step included perceived nepotism forms as predictors of negative word of mouth (Table 10 and Table 11). Both perceived nepotism's impact on promotion and perceived nepotism's impact on processing proved to be significant predictors ($p < ,05$) of negative word of mouth. Third step used both perceived nepotism forms and job satisfaction as predictors of negative word of mouth (Table 12 and Table 13). When used alone as

predictors of negative word of mouth, both perceived nepotism's impact on promotion and perceived nepotism' impact on processing are significant ($p < ,05$). When combined with job satisfaction, perceived nepotism's impact on promotion is no longer significant ($p > ,05$) in predicting negative word of mouth. However, perceived nepotism's impact on processing remains a significant predictor of negative word of mouth, even if its significance level decreases ($p = ,01$). Thus, Hypothesis 5 is partially confirmed.

Table 12. Regression Analysis among Nepotism on Promotion, Job Satisfaction and Negative Word of Mouth

Variable	Adjust, R ²	F	p	Beta	t	p
1. Nepotism on Promotion	,07	13,21	,00	,19	4,11	,00
2. Nepotism on Promotion Job Satisfaction	,29	51,42	,00	,11 -,49	1,17 -7,68	,31 ,00

Dependent Variable: Negative Word of Mouth

Table 13. Regression Analysis among Nepotism on Processing, Job Satisfaction and Negative Word of Mouth

Variable	Adjust, R ²	F	p	Beta	t	p
1. Nepotism on Processing	,13	25,79	,00	,27	5,43	,00
2. Nepotism on Processing Job Satisfaction	,31	55,45	,00	,14 -,51	3,01 -8,73	,01 ,00

Dependent Variable: Negative Word of Mouth

7. RESULTS AND RECOMMENDATIONS

This study investigated the presence and the nature of the relationships between perceived nepotism, job satisfaction, negative word of mouth and intention to quit.

Hypothesis 1- stating that there would be a direct and negative contribution of perceived nepotism on the job satisfaction of those exposed to nepotism was confirmed by regression analyses. This means that the more the employees feel nepotism, the lower their level of job satisfaction will be. This result is consistent with studies that were conducted on a international basis by Araslı et. al (2006), Araslı and Tumer (2008).

Hypothesis 2- stating that there would be a direct and negative contribution of job satisfaction on the intention to turnover of the employees- was confirmed by regression analyses. That is, a decrease in the level of job satisfaction would lead to an increase in the level of turnover intention. This result is strongly supported by previous literature examples that were conducted on a international basis by Araslı et. al (2006), Araslı and Tumer (2008).

Hypothesis 3- stating that there would be a direct and negative contribution of job satisfaction on the negative word of mouth of the employees- was confirmed by regression analyses. That is, a decrease in the level of job satisfaction would lead to an increase in the level of negative word of mouth. This result is strongly supported by previous literature examples that were conducted on an international basis by Araslı et. al (2006), Araslı and Tumer (2008).

Hypothesis 4- stating that job satisfaction would intervene in the relationship between perceived nepotism and intention to turnover of those exposed to nepotism was partially confirmed by multiple regression analysis. Job satisfaction had a concrete effect on the relationship between perceived nepotism on promotion and turnover intention, but or have much of an effect on the relationship between perceived nepotism on operation and intention to quit.

Hypothesis 5- stating that job satisfaction would intervene in the relationship between perceived nepotism and negative word of mouth of those exposed to nepotism was partially confirmed by multiple regression analysis. Job satisfaction had a concrete effect on the relationship between perceived nepotism on promotion and negative word of mouth, but or have much of an effect on the relationship between perceived nepotism on operation and negative word of mouth.

The findings of the research indicated that perceived nepotism has a direct and negative contribution on the job satisfaction of those feeling discriminated against, that job satisfaction has a direct and negative impact on the intention to quit of the employees, and that job satisfaction intervened in the relationship between both perceived nepotism and intention to quit and perceived nepotism and negative word of mouth.

Research findings imply that reducing and eliminating nepotism might increase organizations' capacity to prevent turnover through increasing job satisfaction. Also, awareness about groups who seem to suffer from nepotism may be developed. Thus, losses in terms of time, finance and morale for the organization could be minimized.

There are some limitations to the current study. First, the effects of nepotism on job satisfaction, intention to quit and negative word of mouth were investigated in the study. In future studies, other variables and outcomes might be examined such as job stress, organizational commitment and organizational citizenship behavior. Furthermore, future research with a larger sample sizes elsewhere would be productive to provide a support for

the present findings. Finally, the current study was an investigation of the potential impacts of nepotism and how the employees who are not a family member working at family firms perceived the consequences. In future studies these practices may be examined from the employees' who are a family member point of view.

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Appendix 1. Factor Table and Loads

	Nepotism on Processing	Nepotism on Promotion	Job Satisfaction	Quitting Intention	Negative Word of Mouth	Eigenvalue	Variance Explained (%)
Employees of this bank always feel that need a relative in a high-level position.	,881					8,04	28,71
Supervisors are afraid of subordinates who are related to high-level executives.	,871						
Middle-level managers at this bank are uncomfortable with the presence of those employees with close personal ties to high-level executives.	,860						
I am always careful when speaking to family or relatives of bank executives.	,857						
Executives' relatives are frustrated by never really knowing whether they were appointed because of their talent or family ties.	,850						
If a relative of an executive gets a job here, he/she can never live up to the expectations of the other employees.	,848						
A relative of bank executive can never meet the expectation of other employees if given a position at the bank.	,847						
Family-dominated organizations are more concerned with taking care of their family than the business.	,825						
Executives are more interested in keeping relative in good positions than they are in those employees' performance or the organization's profitability.	,818						
Family disagreements become business problems in organizations allowing nepotism.	,817						
Banks permitting employment of executives' relatives have a hard time attracting and retaining quality people who are not relatives.	,803						
Employees who are promoted or rewarded only because of family ties are a negative influence at this bank.		,876				4,43	15,85
Ability, knowledge and skill are of secondary importance when the employees promote in this enterprise.		,867					
No matter how I become successful, I can't prevent the close friends of business managers.		,836					
Kinship relationships are considered primarily to make the employees promote.		,834					
I think it is easier that close friends of managers promote in this business enterprise.		,812					
Some factors, which are not related with the job, stand in the forefront when the employees are promoted.		,801					
I consider my job unpleasant.			,875			3,08	11,00
I am often bored with my job.			,867				
I feel fairly well-satisfied with my present job.			,856				
Most of the time, I have to force myself to go to work			,821				
I often think of leaving my job.				,868		3,00	10,74
I will not lose much if I were to leave this job.				,840			
It is highly possible that I will be looking for a new job.				,832			
I will leave this job next year.				,822			
My conversation with others about my bank is always positive.					,897	2,47	8,85
When speaking to others I always recommend my bank.					,893		
I encourage my friends and relatives to work at my bank					,848		

Percentage of Total Variance Explained: 75,17