

## **The Moderating Role of Nepotism in the Effect of Employee Empowerment on Perceptions Regarding Organisational Justice at Hospitality Organisations**

Cihan Seçilmiş<sup>1</sup>, Davut Uysal<sup>2</sup>

<sup>1</sup>(Department of Hotel Management, TourismFaculty/EskişehirOsmangazi University, Turkey)

<sup>2</sup>(Department of Hotel Management, TourismFaculty/EskişehirOsmangazi University, Turkey)

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**ABSTRACT:** *The purpose of this study is to investigate the potential relationship between nepotism, empowerment and organisational justice within the context of hospitality organisations. The research was carried out on 232 employees working at some 5 star hospitality organisations operating in Marmaris, which is a county of Muğla Province in Turkey. The data were collected through questionnaire technique. The questionnaire used in the study consists of four sections; demographic information, nepotism, employee empowerment and perception regarding organisational justice. In the study, correlation and regression analyses were conducted to find out the relationship between nepotism, employee empowerment and perceptions regarding organisational justice as well as some descriptive statistics aiming to reveal characteristics of the organisations where the participants were employed. Correlation analysis revealed a weak and negative relationship between nepotism and organisational justice. According to the regression analysis, nepotism was found to have a moderating role solely on meaning-competence dimensions when the relationships between dimensions of empowerment and organisational justice were considered.*

**Keywords:** *Nepotism, Employee Empowerment, Organisational Justice, Hospitality Organisations*

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### **I. INTRODUCTION**

With the increase in the competition conditions of modern age, organisations have started to look for better ways of gaining advantage over their competitors in their sectors. Some organisations believe that equipping themselves with advanced technology, developing alternative and innovative marketing strategies and providing better customer relations will make them more powerful and advantageous in the sector. With this regard, human resource management has become a significant issue for every organisation especially for those operating in the service sector. This is also true for hospitality organisations in tourism sector which is known to be a service-centred sector because employees delivering services at these organisations have key significance for their organisations and possess some unique skills that are hard for their competitors to imitate and which make their organisations more advantageous over their competitors (Talbot, 2006) [1].

One of the most commonly used ways of human resource management techniques at hospitality organisations is empowering employees, which is also known as participative management (Amir and Amen, 2014) [2]. The term of employee empowerment which is defined as delegating employees with more power and responsibilities has become one of the most significant tools for competition. With the help of employee empowerment, employees feel more motivated towards their businesses, and raise more awareness about their contributions to their organisations believing that their contributions result in valuable consequences. Therefore, they display better performance in realization of organisational goals. Especially those employees who are in close contacts with customers can easily ensure client satisfaction as they are empowered with relevant authorities and facilities to find immediate solutions to the problems which may potentially arise in service delivery.

Another matter of fact often encountered at workplaces is nepotism. Nepotism is defined as employment of relatives within an organisation without considering if they are qualified enough to be able to fulfil the tasks assigned (Bierman and Fisher, 1984) [3]. This is most often encountered in employee empowerment, and it demotivates employees and reduces their sense of equity regarding their organisations. Therefore, the managers who empower their employees need to be very careful with nepotism not to cause any sense of organisational injustice in the minds of employees.

According to Moorman (1991) [4], organisational justice is closely related to treating employees fairly not to influence their attitudes and behaviours negatively within the organisation (Sezgin, 2009) [5]. Organisational justice is perceptions of employees regarding how fair their efforts are treated and valued and how fair their organisation is in giving value for employees' efforts. With this regard, organisational justice can be defined, with a simple term, as employees' perceptions regarding justice in managerial activities within an organisation (Başar, 2011) [6]. The idea that employee empowerment and nepotism may lead to some negative

employee perceptions regarding unfair managerial practices is the problem of this study. Therefore, this study aims to examine the effects of employee empowerment and nepotism on employees' perceptions regarding organisational justice. Moreover, the moderating role of nepotism in empowerment and perception of organisational justice was also examined. Under the lights of the explanations stated above, this study primarily discussed nepotism, employee empowerment and organisational justice in theory and then the methodology and findings of this field study which examined the relationship between these terms based on employee perceptions were presented. Under the light of the information obtained through literature review regarding nepotism, employee empowerment and organisational justice, appropriate hypotheses were developed in line with the aims of the study.

## **II. CONCEPTUAL FRAMEWORK**

### **2-1 Employee Empowerment**

One of the most important factors affecting employee motivation and efficiency at organisations is employee empowerment. Organisations confronting new opportunities and threats as a consequence of the increase in competition and rapid environmental changes empower their employees integrating them into their jobs and workplaces to provide maximum benefit from them. Conger and Kanungo (1988) [7] define employee empowerment as identification of the factors affecting weaknesses and processes increasing employee self-confidence by eliminating them through formal and informal organisational implementations. From another angle, empowerment is the act of building, developing and increasing employees' power by facilitating and encouraging cooperation, sharing and working together or giving employees the power to fulfil their job-related tasks within the organisation (Randolph et.al. 2002) [8]. Hales and Klidas (1998) [9] define empowerment as the method of sharing job related information and power with those working at lower levels within an organisation. Erstad (1997) [10] defines employee empowerment as offering relevant facilities to employees considering their tasks within an organisation so that they can make quick decisions in fulfilling their organisational tasks assigned by managerial level.

Two different approaches have been developed regarding empowerment in the literature so far (Liden and Arad, 1996) [11]. The first of these approaches is "situational" explaining the responsibilities and duties taken by senior management in employee empowerment. The other one is the "cognitive dimension" focusing on the employee perceptions and handling it in a "psychological" point of view. This approach focuses on how empowerment practices of senior managers are perceived by employees rather than focusing on what senior managers are supposed to do with this regard. The researchers examining employee empowerment with a cognitive point of view (Thomas and Velthouse, 1990 [12]; Conger and Kanungo, 1988 [7]) discuss empowerment with a psychological point of view and point out that empowerment is a term which cannot be explained with a single dimension. With this regard, employee empowerment is cognitively handled in four dimensions;

The first dimension is "meaningfulness". Meaningfulness is the meaning of a value, a task, a goal and purpose, judgement of them considering individuals' own ideals or standards. The second dimension is "competence". Competence is an individual's belief in his/her capability to perform assigned tasks skilfully. The third dimension is "self-determination. Self-determination is autonomy in the initiation and continuation of work-related behaviours and processes. The last dimension is "impact". Impact is the perception of the degree to which an individual can influence certain outcomes at an organisation. As individuals' scores in each of these dimensions get higher, employees' sense of empowerment also increases. When an individual lacks of any of these dimensions mentioned above, their level of empowerment feeling decreases.

Hu and Leung (2003) [13] claim that empowerment's being holistic is dependent on the combination of these four dimensions mentioned above. They also suggest, as Spreitzer (1995) [14] does too, that failing in any of these dimensions does not eliminate the sense of empowerment completely, but decreases the level of the sense of empowerment. Therefore, these four dimensions can be suggested to be a "complete and sufficient cognitive set" to comprehend psychological empowerment.

The studies carried out in the literature suggesting positive contributions of employee empowerment (e.g.Pelit,Özturk,Arslanturk, 2011) [15] suggest that empowered employees are more flexible and efficient in fulfilling their tasks and decision making processes within their organisations. Thus, the services delivered and the consequences of the service delivery are much more favourable. Employee empowerment needs to be favoured more in the workplaces where the quality of the delivered services is a major determinant factor in clients' perceptions regarding service quality. It is also suggested that empowered employees tend to exhibit more proactive behaviours as they rely on their organisations. Employees are more eager to ensure a complete customer satisfaction. Besides, empowerment is also an effective way of improving quality of service delivery and encouraging a constructive competition within the organisation.

## **2-2 Organisational Justice**

The concept of organisational justice is used as a term to define individuals' or groups' perceptions of fairness regarding the treatments received at an organisation and how they react to such perceptions (James, 1993) [16]. In other words, organisational justice is a personal evolution regarding ethical and moral practices of those at managing positions at organisations.

Studies regarding organisational justice are based on Equity Theory put forward by Adams (1965) [17] in mid 1960s. According to this theory, employees compare their gains obtained as a consequence of their contributions to their organisations to the gains of others. Then, their perceptions regarding organisational justice within their organisation develop (Greenberg, 1990) [18].

Beginning from 1980, it was understood that a perception of one dimensional organisational justice cannot qualify the term. Then, the studies carried out in this period started to focus on decision making processes rather than the decisions made. In the same period, the term of justice was re-evaluated with a process oriented point of view. The studies carried out beginning from the late 1980s attempted to make clear the distinction between distributive justice and procedural justice. For this purpose, all dimensions of organisational justice became subjects of study. Interactional justice is a term which was defined in this period as a sub-dimension of procedural justice. These dimensions which are defined to better understand organisational justice can be explained as follows;

“Distributive justice” is defined as employees' perceptions regarding whether gains and rewards obtained by employees within an organisation are fairly distributed or not (Folger and Cropanzano, 1998) [19]. Distributive justice is explained based on Adams' Equity Theory, Leventhal's Justice Judgement Model and Crosby's Relative Deprivation Model. With this regard, individuals compare the gained rewards with those given to others, and they pass a judgement regarding how fair they were treated in the distribution of rewards considering all contributors' gains. The judgement that they passed affects their attitudes either positively or negatively. What is important with distributive justice is that employees think they are fairly and equally treated in the distribution of organisational sources (Özdevecioğlu, 2003) [20].

Procedural justice is employees' perceptions regarding the fairness of the methods, tools and procedures used in identification of rewards and gains (Folger and Greenberg, 1985 [21]; Moorman, 1991[4]; Scandura, 1999 [22]). The Theory of Procedural Justice by Thibaut and Walker and Distributive Justice by Leventhal et.al are the theories developed to conceptualise the procedural justice. According to Leventhal, consistency and fairness in decision making processes regarding employees at an organisation need to be free from prejudices, accurate, fair, representative and ethical, all of which are major determinants on employees' perceptions or organisational justice (Altıntaş, 2007) [23]. Any procedure satisfying the points stated above improves employees' perceptions regarding organisational justice.

Another dimension of organisational justice discussed in the literature is interactional justice as well as distributive and procedural justice. According to Greenberg (1990) [18], perceptions regarding procedural justice are affected by some other factors except formal procedures used in distribution of rewards. This factor is interactional justice which is defined as decision makers' attitudes towards those affected by already made decisions and as justifications of decision makers regarding their decisions. Interactional justice is about valuing employees, respecting them and justifying decisions to employees, which is also called as social value. As suggested by Beugre, (2002) fair treatment against employees means for individuals to be sincerely and respectfully treated and to develop the sense of being valued. Masterson et. al. suggests that interactional justice is discussed within the scope of procedural justice (cited in Turunç, 2011)[24].

The benefits of organisation justice at an organisation are plentiful. The first is about long-range benefits. Employees at an organisation need to know how they will be treated within organisation in the future. If there is a sense of justice at an organisation, most of employees feel more secure for their future benefits. The next benefit of the sense of justice at an organisation is about social considerations. People are social creatures and they need to be accepted and valued by some other important people, and they also need to be sure that they are not being abused and given any harm by those making up important decisions within organisation. In other words, they want to be sure that they are treated fairly. They feel they are respected by others. They also feel less risk regarding any mistreatment at the organisation. Employees' sense of belonging to an organisation also brings about many economic benefits for the organisation (Tyler and Blader, 2000)[25].

Another benefit of the sense of organisational justice is dealt with under the title of ethical considerations. People give importance to the term of justice as they believe that it is morally the most appropriate way of treating people within an organisation (Folger, 2001) [26]. For example, when employees see a customer mistreating one of their co-workers, other employees are likely to develop stress and stress related behaviours in the future. Thus any mistreatment to one employee within an organisation is quickly spread to other members of organisations.

There are studies carried out in hospitality industry revealing that employees' perceptions of organisational justice have significant effects on employees' commitment to their organisations (Fulford,

2005)[27]. Therefore, it becomes a necessity for those managing hotels to be more careful in their decisions and decision making processes as employees are very sensitive to these procedures. Justice perceptions of employees within an organisation are closely related to individual and organisational outcomes (Johnson et al., 2006)[28]. The sense of justice at an organisation is also suggested to lead to some other positive consequences such as better leader-member relationships, more job satisfaction, and more commitment to organisation, less turnover intention and more organisational citizenship behaviours (OCBs). For example, Schneider and Bowen (1995)[29] claim that the employees who feel they are fairly treated exhibit some OCBs that are beyond their responsibilities assigned and expected by their organisations, and they are also willing to find alternative ways to be effective employees at organisations (Lord and Brown, 2004)[30].

In brief, the studies carried out regarding organisational justice point out the significance of perception of organisational justice for increased organisational efficiency. Employees' perceptions regarding organisational justice are major determinants in their behaviours and habits within organisation. Therefore, it is considered that the issue of organisational justice can have significant effects on organisational success (Turunç, 2011)[24]. .

### **2-3 Nepotism**

Another term which is most often encountered in workplaces is nepotism. The term of "nepotism" dates back to Renaissance-era popes to find high level clerical offices for their nephews without taking their qualifications into account. The term of "nepo" comes from the Latin word "nepot" which means nephew. It is, in general term, defined as employment of relatives within an organisation as suggested by Ford and McLaughlin, (1986)[31]. In today's world, nepotism is most generally used to describe the cases when relatives of those at managing positions are employed without examining if their qualifications are adequate or not (Abdalla et.al, 1994 [32] ; 1998; Ford and McLaughlin, 1985) [33]. Abdalla et.al., (1994) [32] also went on to suggest that nepotism is a term which is generally used to define a negative situation. Nepotism is usually used as a synonymous word for favouritism. However, favouritism is a term which is much more wide-ranging and which host many other sub-terms. Some of these are favouring kith and kin, friends, fellow townsmen, school mates, cognate, origin and those sharing the same political views, all of which are considered to be beyond nepotism. Besides, the employees who feel any nepotism of those at managing positions feel demotivated as they are unfairly treated at their workplaces (Ichniowski, 1988[34];Abdalla et.al., 1998)[35]. Although nepotism gives harm to organisational relationships and lead employees to failure in fulfilling their job-related tasks (Ichniowski, 1988 [34] ; Abdalla et.al., 1998)[35] and it makes employees dissatisfied with their jobs (Araslı et.al., 2006)[36], the issue of nepotism has not been adequately dealt with scientifically in the literature (Padgett and Morris, 2005)[37].

The definitions regarding nepotism and favouritism stated above reveal that nepotism and favouritism take place in the cases when a boss with managerial power pushes and favours some employees without regarding if they are qualified enough for the assigned position, whether they have enough knowledge regarding their positions they have been assigned or not.

Nepotism may generally have negative effects on employees. The studies carried out in the field suggest the following negative effects of nepotism on employees (Ichniowski, 1988 [34]; Abdalla et.al., 1998 [35]; Araslı et.al., 2006 [36]; Ateş, 2003)[38];

- Loss of employee motivation
- Job stress and job dissatisfaction
- Increase in fatigue and intention to leave job.
- Loss of employees' beliefs in themselves and their skills.
- The sense regarding that they are useless in their organisations
- Permanent negative considerations and fears for their future
- As positions within organisations are occupied by the favoured employees, employees lose their potentials ready to use for their organisations
- Limitations removing interpersonal competition opportunities for some higher and promising positions and projects
- Damage to efforts regarding teamwork
- Formation of a weak organisational culture leading to increase in physical violence and mobbing events within organisations
- Negative reflections of employee favouring on management-related decision making processes regarding who to employ or who to contact with

Nepotism which is generally associated with negative connotations, as stated above, may sometimes have some positive contributions to organisations with regards to sustainability and employee satisfaction. Studies in the literature suggest the following advantages for nepotism; (Dailey and Reuschling, 1980 [39]; Barmash, 1986)[40].

- Nepotism is good for small family-owned organisations because it is an efficient way of identifying dedicated employees for organisations.
- Allowing nepotism in a workplace makes it possible for all employees to be effective contributors to their organisations. Thus a large pool of potential employees is not simply missed out just because of their blood or marriage relationships.
- Nepotism tends to encourage positive family-oriented environments which offer morale and job satisfaction for all employees, relatives and those who are not relatives.
- Nepotism provides a type of balance of sustained entrepreneurialism when there is a need for corporate takeovers.
- Nepotism provides a new type of infrastructure at an organisation where those with no family connections can rally.
- Nepotism creates a family competition which guarantees some benefits of the company.
- Nepotism keeps difficult younger generations off the streets.
- Nepotism keeps companies alive. If young generations are given chances to succeed in their tasks, they will develop a sense of ownership for their companies.

Bellow (2003)[41], in his work named “In Praise in Nepotism”, states that nepotism practices have significant contributions to organisational success and goes on to suggest that accusing of nepotism for organisational failure is not a logical approach. The author defends that nepotism is a commonly encountered issue in some fields such as manufacturing industry, security agencies and fire departments. As working with relatives and acquaintances is considered to be safe and assuring for those at managerial positions, being nepotist in the transfer of managerial authorities to second and third generations can be reacted normally (Karacaoğlu and Yörük, 2012) [42].

Although nepotism gives harm to organisational relationships and lead employees to failure in fulfilling their job-related tasks (Ichniowski, 1988 [34]; Abdalla et al., 1998)[35] and it makes employees dissatisfied with their jobs (Araslı et al., 2006)[36], the issue of nepotism is not adequately dealt with scientifically in the literature (Padgett and Morris, 2005)[37].

### **III. RESEARCH MODEL AND HYPOTHESES**

When relevant literature was examined; it was seen that the relationships between employee empowerment, nepotism and organisational justice were separately investigated in many studies, but no study has investigated these three terms in one single study. It was seen that the number of studies regarding nepotism and organisational justice in the literature was very limited and especially the studies focusing on nepotism were found to be mostly on family owned organisations (Iyışşeroğlu, 2006 [43]; Asunakutlu and Avcı, 2010[44]; Büte and Tekarşlan, 2010 [45]; Keleş et. al., 2011 [47]; Karacaoğlu and Yörük, 2012)[42]. In addition, there has not been any study investigating the relationship between employee empowerment, nepotism and organisational justice within the context of employees employed in hospitality industry. Therefore, this study is considered to fill in a significant gap regarding the issues stated above

As mentioned before, the purpose of the study is to investigate the relationship between employee empowerment, nepotism and organisational justice within the context of some employees in hospitality organisations. Various hypotheses have been developed with this regard.

Yürür and Demir (2011) [48] carried out a study to examine the relationship between employee empowerment and organisational justice. The first finding of this study is that psychological empowerment affects the perception of distributive justice both directly and indirectly through the mediating effect of procedural justice. This finding supports what Equity Theory claims and Procedural Justice Theory which claims that fair gains can be obtained only through fair procedures (Thibaut and Walker, 1978) [49]. When the findings regarding the sub-dimensions of psychological empowerment were considered, it was found that the impact-self-determination sub-dimensions have more effects on the perception of distributive justice than meaning-competence sub-dimensions did.

Mistreatments in decision making processes within organisations or unfair treatments in social interactions cause employees to believe that their organisations are not treating them fairly and equally. Nepotism is suggested to be one of the factors leading to such perceptions. In a study carried out on some employees who were favoured in their recruitment procedures, it was found that nepotism was perceived more unfairly compared to fair recruitment procedures and the favoured employees left more negative impression on other employees (Padgett and Morris, 2005)[37]. The researches carried out in the field suggest that nepotism based on kindredship in job recruitments violate some procedural justice principles such as consistency, being free from prejudice and prioritizing competency. The researches carried out on some family-owned organisations reveal that nepotism was found to be negatively correlated with procedural, distributive and interactional justice (Mulder, 2008) [50].

Büte and Tekarslan (2010)[45] conducted a study on this issue and found out that there was a significant but negative relationship between promotional, procedural nepotism and process justice. In another study carried out by Arslaner et.al (2014)[51] at some family owned hospitality organisations, it was found that there has been a significant and negative relationship between nepotism and perception of organisational justice. There was not any significant relationship between nepotism and perception of organisational justice at family owned hospitality organisations.

**H1: Self-determination dimension of empowerment is effective on organisational justice.**

**H2: Meaning-competence dimensions of empowerment are effective on organisational justice.**

**H3: Impact dimension of empowerment is effective on organisational justice.**

**H4: Nepotism is effective on organisational justice.**

Moderating variable is defined as qualitative or quantitative variable, determining the impact and the direction of the impact and the impact of independent variable on dependent variable (Baron and Kenny, 1986)[52]. Moderating variables are supposed to have correlations between -1 and +1 with the other two variables (Burmaoğlu, 2013)[54]. With this regard, as discussed in the study, the following correlation values presented in Table III, were obtained, which is also taken as a base in investigations regarding the moderating impact between employee empowerment and organisational justice variables. In addition to that, the fact that there has not been any research in the literature regarding the moderating impact of nepotism considering the relationship between employee empowerment and organisational justice increases the authenticity of this study. Based on the points stated above, the following hypotheses have been developed;

**H: Nepotism has a moderating impact on the relationship between self-determination dimension of employee empowerment and organisational justice.**

**H2a: Nepotism has a moderating impact on the relationship between meaning-competence dimensions of empowerment and organisational justice.**

**H3a: Nepotism has a moderating impact on the relationship between impact dimension of empowerment and organisational justice.**

## **IV. METHOD**

### **4.1. Research Population and Sample**

Employee empowerment, nepotism and organisational justice were investigated in this study, and this study was carried out on some employees at some hotel organisations where employee satisfaction has a major role in assuring the quality of service delivery. To increase the objectivity of the participants, questionnaires were delivered to the participants in sealed envelopes by the researchers and then they were all collected by the researchers in person. The total number of questionnaires distributed to employees was 278, but 241 of them were returned. 9 questionnaire forms were excluded from the data analysis as they were incomplete and faulty. The final number of questionnaires submitted for data analysis was 232.

To assure the efficient use of time in the study, Marmaris, which is a county of Muğla Province, was chosen as it was a handy destination for the researchers to administer the questionnaires. According to the information received from Muğla Provincial Directorate of Culture and Tourism, it was found out that the number of 5 star hotels with operation permission in the region was 15. As the data regarding the number of employees employed at hospitality organisations were not available from the Provincial Directorate of Culture and Tourism, the number of employees employed at those organisations was calculated based on the number of rooms they had (Ağaoğlu, cited in Erdem, 2004)[58]. When it was considered from this point of view, the number of employees employed at 15 hotels was calculated as 2500. Convenience sampling technique was used in the study and the data were collected from the employees who were volunteer to participate in the study. According to Ural and Kılıç (2011)[55], the number of participants was found to be 334 at 0.05 significance level, when the sample size was considered. However, the final number of participants was 232 as some of the organisations and employees refused to participate in the study or as some of the questionnaires returned were incomplete.

The questionnaire used in the study consisted of four sections. In the first section of the questionnaire, the items regarding demographic information were placed; in the second section, the items regarding nepotism, in the third section, the items regarding the perceptions of organisational justice and in the last section of the questionnaire, the items regarding employee empowerment were placed. All the items in the questionnaire form were designed in Likert scale (for nepotism; 1= strongly disagree, 5= strongly agree; for organisational justice; 1= very little, 5= very much). The nepotism scale used in the study was adapted from the scale used by Asunakutlu and Avcı (2010)[44]; Büte and Tekarslan (2010)[45].

#### 4.2 Scales

Factor analysis was carried out to test the sub-dimensions of the scales used in the study, Cronbach alpha coefficient was used to measure the reliability of the scales. Regression and correlation analyses were carried out to test the hypotheses.

##### 4.2.1. Organisational Justice

The scale of organisational justice used in the study was developed from the scale of Lee et.al. (2001)[46], which consists of 20 items. Relevant analyses were carried out regarding the reliability of the tests. The items whose estimated values were below 0.40 which reveals the explanatory power of the latent variable and 2 items which served more than one latent variable were excluded from the model. General reliability coefficient of the scale of organisational justice (Cronbach's Alpha) was calculated as 0.83. The scale of organisational justice which consisted of three sub-dimensions but handled under one main dimension was tested in the study under one main dimension. The analyses revealed that this three-factor structure could explain 63% of the total variance. Bartlett's test demonstrated that factor analysis could be used. ( $X^2=2511,769$ ;  $p=0,000<0,001$ ). Moreover, the calculated Kaiser-Meyer-Olkin value reveals that the size of the sampling was enough for the study (KMO=0,909).

##### 4.2.2 Employee Empowerment

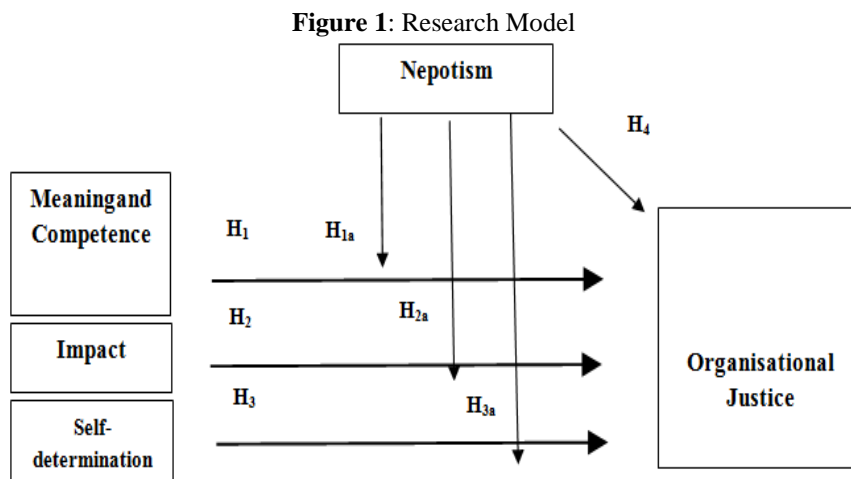
The scale used in the study was adapted from the scale used by Spreitzer (1995) [14], and it consisted of 12 items regarding employee empowerment. Reliability tests were also carried out for this scale as well. General reliability coefficient (Cronbach's Alpha) was found to be 0.96. The factor analysis conducted on the scale of psychological empowerment produced a three-factor structure differently from the original scale. In another study carried out in Turkey, meaning and competence dimensions were found to have combined (Çöl, 2008)[56]. Based on these findings, the analysis regarding psychological empowerment variable was done in three sub-dimensions in the study. The variance explanatory level of this structure was found to be 77%. Bartlett's test revealed that factor analysis could be used ( $X^2=3914, 182$ ;  $p=0,000<0,001$ ). The calculated Kaiser-Meyer-Olkin value revealed that the sampling size was enough for the study (KMO=0,830).

##### 4.2.3 Nepotism

The scale of nepotism used in this study was adapted from the scale used by Asunakutlu and Avcı (2010) [44] and Büte and Tekarslan (2010)[45], and it consisted of 14 items in total. Following the relevant analysis, one item serving more than one dimension was excluded from the study. General reliability coefficient (Cronbach's Alpha) was calculated as 0.91. The scale of nepotism which consisted of three sub-dimensions but was handled under one main dimension was tested in the study under one main dimension. Bartlett's test revealed that factor analysis could be used ( $X^2=3212,458$ ;  $p=0,000<0,001$ ). Besides, the calculated Kaiser-Meyer-Olkin value revealed that the sampling size was enough for the study (KMO=0,872).

### V. THEORETICAL MODEL OF THE RESEARCH

To find out the relationship between organisational justice (OJ) and meaning and competence (MC), impact (IM) and self-determination (SD) and to find out if nepotism (NP) had a moderating impact on these relationships, relevant analysis were conducted regarding the research model created using the data from the employees operating in Tourism sector. Hypotheses and Research Model is given in Fig. 1.



**Findings**

This section presents demographic information about the participants. 232 employees participated in the study in total. The demographic distributions of the research questionnaires and their profiles are given in Table 1.

**Table I: Descriptive Statistics Regarding Research Sample**

Specifications		f	%	Specifications		f	%
Gender	Male	147	63.4	Education	Primary School	59	25.4
	Female	85	36.6		Secondary School	49	21.1
	<b>Total</b>	232	100		High School	77	33.2
Age	16-25	104	44.8		Vocational High School	23	9.9
	26-35	60	25.9		Undergraduate	24	10.3
	36-45	45	19.4	<b>Total</b>	232	100	
	46-55	21	9.1	Service period	1-5	158	68.1
	56+	2	0.9		6-10	56	24.1
	<b>Total</b>	232	100		11-15	14	6.0
Marital Status	Married	95	40.9		21 and above	4	1.8
	Single	137	59.1		<b>Total</b>	232	100
	<b>Total</b>	232	100	Tourism education	Yes	150	64.6
			No		82	35.4	
			<b>Total</b>		232	100	

When demographic features of the participants were examined, as can be seen in Table I, majority of them consisted of male (63,4%), and the percentage of female was 36.6%. 59.1% of the participants was found to be single, but the percentage of married ones was 40,9%. When the ages of participants were examined, those aged between 16 and 25 were found to be 44.8%, which was the majority in the study. Then those aged between 26 and 35 was found to be 26%. When the participants’ educational backgrounds were examined, the graduates of high school were found to be 33,2%, then the graduates of primary school came by 25.4%. The percentage of those with an undergraduate degree was found to be 10,3% whereas the percentage of those with foundation degrees was found to be 9.9%. When participants’ service periods in their organisations were examined, those who have worked between 1 and 5 came the first, then those with 6-10 year-service period came the second. About 65% of the participants stated that they had tourism education.

**5-1 Descriptive Statistics**

The average values and standard deviations of all the variables are given in Table II

**Table II: Descriptive Statistics Regarding Variables.**

Variable	Total	Average	Standard Deviation
Meaning and Competence	232	4,23	1,20
Impact	232	3,18	1,94
Self-determination	232	3,64	1,35
Organisational Justice	232	3,66	1,12
Nepotism	232	3,06	1,01

As seen in Table II, the score averages of the dimensions of organisational justice (average = 3,66; ss. = 1,12), meaning and competence (average= 4,23; ss.=1,20), impact (average = 3,18; ss. = 1,94), self-determination (average = 3,64; ss. = 1,35), nepotism (average= 3,06; ss. = 1,01) are above the midpoint. This reveals that the perception levels of the participants regarding the items of employee empowerment, organisational justice and nepotism are above the average

**5-2 Correlation among Variables**

Pearson correlation coefficients were calculated in the study to reveal the relationships between dependent and independent variables. The results of correlation analysis are given in Table III.

**Table III: Correlation Scores among the Variables.**

	Average	St.Dev.	MC	IM	SD	OJ	NP
MC	4,23	1,20	1	,170**	,505**	,418**	,126*
IM	3,18	1,94	,170**	1	,405**	,113	,233**
SD	3,64	1,35	,505**	,405**	1	,307**	,190*
OJ	3,66	1,12	,418**	,113	,307**	1	-,108*
NP	3,06	1,01	,126*	,233**	,190*	-,108*	1



Before calculating the correlation among the variables, the total scores for each variable were found out, and then these final scores were calculated. When the relationships between the three different factors in the scale of employee empowerment and the factor of organisational justice was examined, the highest correlation was found to be between meaning-competence and organisational justice ( $r = 0,418$ ;  $p < 0,01$ ) and the lowest correlation was found to be between self-determination and organisational justice ( $r = 0,307$ ;  $p < 0,01$ ). When the correlation between the three different factors in the scale of employee empowerment and the factor of nepotism was examined, the highest correlation was found to be between the impact dimension and nepotism ( $r = 0,233$ ;  $p < 0,01$ ) and the lowest correlation was found to be between meaning-competence dimensions and nepotism ( $r = 0,126$ ;  $p < 0,01$ ). In addition to that, it was also found out that there was a significant correlation between nepotism and organisational justice ( $r = 0,108$ ;  $p < 0,01$ ). Based on these findings, the H1, H2 and H4 hypotheses are accepted. The third hypothesis suggesting that the impact dimension of employee empowerment is effective on organisational justice (H3) is refused.

**5-3 The effect of moderating variable on the relationship between independent and dependent variable.**

The moderating impact is the change of the relationship between two variables at different levels of a third variable (Baron and Kenny, 1986)[52]. Moderating variable is defined as a third qualitative or quantitative variable affecting the direction or/and power of the relationship between one independent variable and dependent variable (Baron and Kenny, 1986 [52]; Frazier, Tix and Barron, 2004)[53]. To be able to analyse the moderating impact, Baron and Kenny’s analysis method was used in the study. To be able to analyse the moderating impact, moderating variable should be multiplied by the independent variable to obtain a new variable (interactional variable). If the interactional variable is significant, moderating impact can be suggested to exist (Baron and Kenny, 1986)[52]. To analyse moderating impact, the macro named as PROCESS which was developed by Andrew Hayes was used.

Table IV presents the results of the analysis regarding the testing of moderating variable.

**Table IV: Analyses Regarding the Moderating Role of Nepotism.**

Model	Non-standardized B	Std. Error	T	P
Invariant	3,66	0,07	51,92	0,00**
NP	0,04	0,07	0,59	0,54
SD	0,24	0,05	4,41	0,00**
NP*SD	-0,01	0,06	-0,19	0,84
<b>R 2= 0,3571 F= 60,4321 P=0,001</b>				
Model	Non-standardized B	Std. Error	T	P
Invariant	3,67	0,06	52,49	0,00**
NP	0,04	0,07	0,61	0,53
MC	0,36	0,05	6,25	0,00**
NP*MC	-0,19	0,03	-2,60	0,04**
<b>R 2= 0,4216 F= 21,9235 P=0,001</b>				
Model	Non-standardized B	Std. Error	T	p
Invariant	3,63	0,07	47,81	0,00**
NP	0,06	0,08	0,80	0,42
IM	0,00	0,06	0,09	0,92
NP*IM	0,06	0,08	0,76	0,44
<b>R 2= 0,0184 F= 0, 5909 P=0, ,4429</b>				

Based on these findings, it can be suggested that the two dimensions of empowerment (Meaning-competence and self-determination) are effective on organisational justice. In spite of significant effect of self-determination on organisational justice ( $P = 0,00^* p < 0,05$ ), this study does not provide any significant findings to support the hypothesis suggesting that nepotism have moderating impact on the relationship between self-determination and organisational justice ( $P = 0,84, p > 0,05$ ). Thus, hypothesis 1a is refused. The moderating impact of the meaning and competence dimensions of nepotism on organisational justice was found to be insignificant. ( $P = 0,04^* p < 0,05$ ). In other words, some statistical findings have been found in the study to support the hypothesis suggesting that nepotism had moderating impact. Therefore, it can be suggested that hypothesis 2a is confirmed. Based on the findings of regression analysis, the hypothesis suggesting that nepotism had a moderating role between the impact dimension and organisational justice was supported in this study. Thus, hypothesis 3a was confirmed.

**VI. CONCLUSION**

The findings of the study suggest that meaning-competence dimensions of employee empowerment and self-determination dimension ( $p < 0, 01$ ) significantly and positively affected organisational justice. Under

the light of the findings of the study, it is suggested that employee empowerment is effective on organisational justice. In addition to this, data analysis reveals that nepotism had moderating impact on the relationship between the meaning-competence sub-dimensions of empowerment and organisational justice ( $\beta =, 019$ ;  $p < 0, 05$ ).

A similar study was carried out by Yürür and Demir (2011)[48] to examine the relationship between empowerment and organisational justice. Yürür and Demir found that psychological empowerment increased the perception of distributive justice both directly and indirectly through the mediating impact of procedural justice. This finding is suggested to support Equity Theory and Procedural Justice Theory which claims that fair gains can only be obtained only by fair procedures (Thibaut and Walker, 1978)[49]. It was also found in their study that psychological empowerment increased the perceptions of employees regarding procedural and interactional justice. However, this study found out that the perception of procedural justice was affected by the impact-self-determination sub-dimensions of psychological empowerment rather than meaning-competence sub-dimensions. This study also found out that meaning-competence sub-dimensions had more effects on organisational justice. It was seen that employees had perceptions of fair workplace as a consequence of employee empowerment implemented to grant authority so that they could find their jobs meaningful and could fulfil their tasks assigned by their organisations

The fact that employees in tourism organisations delay their expectations regarding the issues such as their impact on business and self-determination to later stages as a consequence of lack of participative management understanding at tourism organisations may be the cause for the fact that their perceptions of justice are affected less.

This study also examined the relationship between nepotism and organisational justice. The correlation analysis carried out revealed that there was a negative and low level correlation between nepotism and organisational justice perceptions of the employees at hospitality organisations. In a similar study carried out by Burucuoğlu et.al. (2015)[57], a significant but inverse correlation was found between the dimensions of nepotism and organisational justice. It was also found out that the highest effect of nepotism perceptions of employees was on distributive justice dimension of organisational justice. Another study conducted by Arslaner et.al (2014)[51] on some employees working at some family-owned hospitality organisations operating in Eskişehir Province did not suggest any significant relationship between nepotism and organisational justice (Arslaner et.al. 2014)[51]. In another study carried out by Karacaoğlu and Yörük on some employees at a family-owned organisation operating in Middle Anatolia Region, it was found that there was a low-level and inverse correlation between nepotism and organisational justice. It was also found that promotion and recruitment dimensions of nepotism were effective on the perception of organisational justice (Karacaoğlu and Yörük, 2012)[42]. To avoid negative effects of nepotism, business executives should avoid nepotism practices and develop fair human resource management systems perceived fair by employees. Besides, they should adapt a transparent, open and accountable management understanding. It is also suggested that professional support should be taken from consulting companies if necessary to avoid from promotion, recruitment and procedural nepotism. Administrators should think professionally and unsentimental to be heart-headed in managerial activities. They should be unbiased in the issues regarding human resources (Karacaoğlu and Yörük, 2012)[42].

In addition to that, it was also confirmed in this study that nepotism had moderating impacts partially on the relationship between employee empowerment and organisational justice. When the findings of the study were considered in general, the constructive effects of being empowered on organisational justice were found to be higher in the environments where negative nepotism perception was high. This finding reveals that a fair workplace environment needs to be developed to support employees as well as empowering them to be able to achieve organisational goals. Avoiding nepotism in recruitment, placement and orientation processes as well as promotion, payment and incentive policies will contribute positively to employee performance.

This study was carried out on a limited sampling group working at some hospitality organisations to find out the relationship between employee empowerment, nepotism and the perception of organisational justice. Therefore, it would be fair to evaluate the findings of this study considering this fact. Further researches could focus on the relationship between employee empowerment, nepotism, organisational justice and some other organisational variables, which are very important for hospitality organisations.

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