

Introduction

Nepotism as per its dictionary meaning refers to favoritism. In the workplace, nepotism is seen when people in a position of power favor their spouses, friends and relatives by bestowing jobs or job promotions upon them. Nepotism is a controversial subject, even though it has always been observed in organizations either formally or informally.

People usually look upon negatively since they believe that favoritism is a privilege obtained due to relationships within a family or through social connections. People believe that the merit of an individual must be at the forefront; therefore, anti nepotism policies are important. Merit and nepotism are not mutually exclusive. Thus, career advancement through family ties is a wrong practice. Besides, job performance and growth of the organization, both are based on the merit of people working there. So, nepotism and career advancement is potentially harmful to a company. This raises the question about whether practices pertaining to hiring, anti nepotism and career advancement is at all useful to organizations. While some people consider it nepotism if favors are given to two or more than two generations, others believe that a husband, wife or a paired employee also comes under the ambit of anti nepotism and career advancement.

According to Ferrazzi (2004), a survey poll revealed that Inc.com readers believe the number one reason people get ahead in a company is NEPOTISM.

In fact, 48% believe that being the boss's son is the secret to getting ahead, while only 25% said success comes from doing good work.

Results of poll: What factor do you think more often leads to getting ahead at a company?

6% Seniority

26% doing good work

48% Connections (they're the boss's son, e.g.)

18% being well-liked

The beneficiaries of nepotism may be immune from accountability and sanctions, because of their powerful protectors, which can breed in the incompetent the arrogance of an entitlement mentality that just increases the risk to patients and morale and productivity.

The second reason to oppose nepotism is that, when a person is fully qualified, the decisive reason for a faculty appointment, granting of privileges or admission to medical school or residency is kinship or some other special personal interest of the academic leader in power.

Personal interests are highly subjective and variable, and irrelevant to the task of identifying the most qualified applicant. As a consequence, invoking such personal interests as decisive involves invidious discrimination, because the reason for the hiring or admission decision cannot be rationally tied to fiduciary responsibility and the legitimate interests of the organization. Within a small business, the business owners have been against nepotism due to the belief that if family members work in the business, other employees will consider them to be a hindrance to their advancement in the organization. However, contrary to popular belief, nepotism can actually be used as a positive influence in small and family owned business.

The right way of doing this is to ensure both family and outside employees are rewarded for their contribution to the success and growth of the company. Also, prescribed policies for hiring, training, job responsibilities, reporting structure and succession plan go a long way in reassuring all employees. These factors can vary to suit the nature of business, its organization culture, history and the size of the family of the owner.

Nepotism can help - or harm - a company. The key is to monitor it. Talk about it as a family, Knudsen says. Maybe even develop a policy about it, or convert an unwritten policy into a written one so that everyone can understand it.

If you're the beneficiary of nepotism, Knudsen points out; the door is very easily opened to you. "Once in the door, however, you're expected to produce the same as anybody else." (Knudsen, 1998)

In studies of organizations, performance sometimes appears as an independent variable, but it is more likely to appear on the left-hand side of the equation as a dependent variable. This emphasis is most explicit in the field of organizational strategy, which is often defined as having organizational performance as its primary focus, but the idea that performance is to be predicted, understood, and shaped is commonplace throughout the field.

Organizations compete with one another, consciously seeking advantage. A major feature of that competition is competitive imitation. Poor performance rankings are interpreted by potential competitors as indications that a practice does not work or a market does not exist, thus inhibiting imitation and competition, thereby reducing the competitive pressure and improving relative performance.

Good performance rankings, on the other hand, not only stimulate admiration; they also encourage imitation and competition that tend to erode a favorable position. Organizations seek to emulate the performance successes of others by emulating their organizational forms and practices. This practice is institutionalized through concepts of "best practice" and in the activities of managerial media and consultants.

Recent research suggests that high-involvement work practices can develop the positive beliefs and attitudes associated with employee engagement, and that these practices can generate the kinds of discretionary behaviors that lead to enhanced performance. Simply put, employees who conceive design and implement workplace and process changes are engaged employees. Employee engagement can be critically important to competitiveness in the contemporary business environment. The Gallop Organization, which studied employee engagement in 7,939 business units in 36 companies, found that employee engagement was positively associated with performance in a variety of areas, including increased customer satisfaction, profitability and productivity, and reduced employee turnover.

Broad problem area/Background

In today's complex business environment, the success of any organization depends on the performance of the employees which is regarded as the greatest asset of any organization. It is the performance of every employee that sums up to be the organization's performance.

The process of staff recruitment and selection is becoming increasingly complex. It means that the successful outcome of these processes is vital for job performance and organizational success. The importance of the recruitment and selection process is vital for organizational competitiveness and a failure to approach this function effectively will have consequences for future job performance.

Recruitment is the sum of the various methods that an organization uses to help it establish and connect with a pool of candidates. Selection is the act of choosing and hiring the individual who best meets the technical requirements and culture fit of your organization.

There are some starting points that can ensure a successful recruitment and selection program: focus as much on culture fit as with a candidate's technical skills; build relationships with potential employees before they're needed; and place yourselves into potential hires' shoes to fully understand their drivers and needs. Ultimately, recruitment and selection is about finding, wooing and hiring the right talent for the job, though the reality is somewhat more complex.

Management may experience failure in effectively sourcing potential candidates during the recruitment process and this may affect the competitive advantage because of the inability to acquire skilled workers. (Compton, Morrissey & Nankervis, 2002, p.29). One reason for this may be use of nepotism in the hiring process. The selection process is affected when management makes excessive use of nepotism during the hiring process and this may result in poor job performance if incorrect selection has occurred (Stone, 2002, pp.174-175).

ATV Network provides exciting career opportunities, but at the same time it faces many challenges regarding its HR practices which need to be addressed i.e. extensive use of nepotism as a selection tool resulting in mismatched candidate selection. This leads to employee job dissatisfaction; declining work quality and poor employee performance which in turn affect the organizational performance.

This project was selected on basis of personal observation. Two of the group members are permanent employees at ATV Network, Islamabad, namely Ayesha Kanwal (Senior News Caster) and Ali Mohsin Alvi (Producer). Both members have been with ATV Network, Islamabad since its inception and have observed that employees are hired if they have a contact within the organization regardless of their experience, qualification or expertise. The only selection criteria being followed is belongingness to a senior executive's hometown or region and/or being from the same religious sect as that of a senior executive.

This observation was shared with the Chairman ATV Network, who then encouraged these two group members to go ahead and further observe/study/research this observation and utilizing what was learnt during the MBA program, write a research project on "Nepotism and Performance of employees at ATV Network, Islamabad".

This project will give us an overview of the inside of the Recruitment and Selection (R&S) procedures of an Organization and how important and vital Recruitment and Selection is for a company. For that we have chosen ATV as our target organization. The further report will help in how appropriate use of R&S tools can help in improving the performance of the employees and that of the organization as well.

Problem statement

The problem statement and hence the main focus of this paper is to investigate:

"Nepotism in Recruitment & Selection decreases job satisfaction and employee performance"

Objectives of the study

The objective of highlighting effects of nepotism as a selection tool for ATV Network is to assess any deficiencies in the recruitment and selection process which could be affecting the organizational performance.

- Gather validated research papers and articles to support and strengthen the topic at hand.
- Identify and evaluate the deficiencies in the R&S process.
- Investigate and analyze the excessive use of nepotism as a selection tool.
- Identify the factors responsible for job dissatisfaction and decreased performance.
- Identify the effects of inappropriate recruitment and selection criteria on the overall well-being and productivity of employees and the organization.

DEFINITION OF TERMS

Nepotism

Employment and economic policies practicing favoritism toward one's family. Firms give favored employment positions to family members as well as encouraging business transactions with other family members. Many U.S. businesses discourage nepotism in personnel practices

Nepotism is commonly hiring a relative. The technical definition of nepotism is "bestowal of patronage by public officers in appointing others to positions by reason of blood or marital relationship." Nearly half the states restrict nepotism to varying degrees. All 50 states have laws that either prohibit the practice or have guidelines to use in conflict-of-interest situations, which may restrict nepotism depending on interpretation of the law

In the business world, nepotism is the practice of showing favoritism toward one's family members or friends in economic or employment terms. For example, granting favors or jobs to friends and relatives, without regard to merit, is a form of nepotism

Job satisfaction

Job satisfaction, a worker's sense of achievement and success, is generally perceived to be directly linked to productivity as well as to personal wellbeing. Job satisfaction implies doing a job one enjoys, doing it well, and being suitably rewarded for one's efforts. Job satisfaction further implies enthusiasm and happiness with one's work.

Job satisfaction the sense of fulfillment and pride felt by people who enjoy their work and do it well. This feeling is enhanced if the significance of the work done and its value are recognized by those in authority

Work quality

Performing an activity with a great degree of excellence in which one exerts strength or faculties to do or perform something efficiently and effectively. Sustained physical or mental effort to overcome obstacles and achieve an objective or result with high quality

Individual job performance

The ability of an individual to learn and perform the task required, according to the standards required to achieve them, the knowledge and skill required to perform their job, motivation and environment play a vital role in individual's job performance. Along with all that feedback from the management is necessary for employee to know about the status of their performance.

Organizational performance

Organizational performance actually consists of the outputs or the results of an organization that are measured against its goals or objectives. Most of the organizations are looking forward to enhance their organizational performance. Organizational performance is very crucial for the organizations

Organizational performance comprises the actual output or results of an organization as measured against its intended outputs (or goals and objectives). Specialists in many fields are concerned with organizational performance including strategic planners, operations, finance, legal, and organizational development.

Recruitment

Process of identifying and hiring best-qualified candidate (from within or outside of an organization) for a job vacancy, in a most timely and cost effective manner.

The activity of employing workers to fill vacancies or enrolling new members. Employment recruitment is composed of several stages: verifying that a vacancy exists; drawing up a job specification; finding candidates; selecting them by interviewing and other means such as conducting a psychometric test; and making a job offer. Effective recruitment is important in achieving high organizational performance and minimizing labor turnover. Employees may be recruited either externally or internally

Selection

The act of selecting, or the state of being selected; choice, by preference

The entire process of selection begins with an initial screening interview and concludes with a final employment decision. When a selection policy is formulated, organizational requirement like technical and professional dimensions are kept in mind.

The Main Objective of a selection procedure is to determine whether an applicant meets the qualification for a specific job, and then to choose the applicant who is most likely to perform well in that job.

Human Resource Management

Human Resource Management (HRM) is the function within an organization that focuses on recruitment of, management of, and providing direction for the people who work in the organization. Human Resource Management can also be performed by line managers.

Human Resource Management is the organizational function that deals with issues related to people such as compensation, hiring, performance management, organization development, safety, wellness, benefits, employee, motivation, communication, administration, and training.

Middle level management

Middle management is a layer of management in an organization whose primary job responsibility is to monitor activities of subordinates while reporting to upper management.

Managers with full management responsibilities reporting to higher level managers. In many organizations middle managers are called departmental managers, plant managers, assistant managers, and so on.

The middle tier of management, usually including lower executives and employees who manage supervisors overseeing day-to-day operations.

Top level management

Top-level management Require an extensive knowledge of management roles and skills. They have to be very aware of external factors such as markets. Their decisions are generally of a long-term nature.

Their decisions are made using analytic, directive, conceptual and/or behavioral/participative processes. They are responsible for strategic decisions. They have to chalk out the plan and see that plan may be effective in the future. They are executive in nature.

Discrimination (Gender, regional and sect)

Gender discrimination, or sex discrimination, may be characterized as the unequal treatment of a person based solely on that person's sex. While females have historically laid claim to the cry of unequal treatment, modern civil rights laws banning sex discrimination have been construed to protect males as well, especially in the area of employment.

Sect

A dissenting or schismatic religious body; especially: one regarded as extreme or heretical, a religious denomination, for example, Sunni, Shia, etc. a group adhering to a distinctive doctrine or to a leader.

Regional

Discrimination in a branch of an organization that serves a region, or recruiting and selecting people according to their region (Encyclopedia Britannica 2006). For example, supervisor can employ a person of his own choice (region) as his/her subordinate and not according to merit, or terminating an employee cause of its region.

Research Methodology

Type of study

The type of study is Descriptive & Research Oriented.

Population/Sample

We conducted our research in Islamabad. We distributed 50 questionnaires among employees from middle level management at ATV Network, Islamabad. The response was good and we received back 40 questionnaires.

Out of the total respondents 95% were male and 5% were female.

Samples from the following departments were taken to carry forward the research.

- Human Resource department (HR)
- Information Technology department (IT)
- News and Current Affairs department (N & CA)
- Production department (Entertainment)
- Marketing department
- Post Production department (NLE's)

Instruments and measures

The analysis of impact of nepotism as a selection tool on individual performance at ATV was started off by initially interviewing the employees of ATV Network, to collect information on the current situation pertaining to existence of nepotism in the organization. Initially, each and every employee from the middle level management was inquired about the Recruitment & Selection process they had to go through, his/her job description, the responsibilities actually being performed by them and their levels of job satisfaction and work quality.

The next step was to analyze the information gathered through initial interviews and synthesize the relevant information required to construct the R&S questionnaire.

After the analysis of the primary data, a questionnaire was constructed for the middle level management.

In order to gather information regarding organizational performance, an interview questionnaire was formed for the top level management, also the decision makers in ATV's case.

After developing the questionnaires, the next step was to distribute it among the employees at ATV Network and getting them filled.

The questionnaire was formed on the basis of dependant and independent variables found crucial to the study i.e. Nepotism, the independent variable and performance, the dependant variable. These concepts were measured as follows:

Nepotism

Nepotism measured by selection process of employees, recruitment process of employees, and discrimination: measured by religious sect, gender, region of belonging. In these scales we used dichotomous scale categorized as a yes and/or a no. It is used to elicit a yes or no answer. This scale is often used in organizational research.

Performance

Performance measured by employee job satisfaction and work quality. In these scales we used dichotomous scale categorized as a yes and/or a no. It is used to elicit a yes or no answer. This scale is often used in organizational research.

The top level management was personally interviewed by the group members upon acquiring appointments.

When all questionnaires were filled up, the final stage of this survey was initiated i.e. the analysis of the questionnaires and recommending relevant suggestions to the ATV Network management.

Scope and limitations

Scope

This study focused on primarily assessing the effects nepotism as a selection tool, has on the overall individual and organizational performance of an organization.

This study is targeted to:

ATV Network Islamabad.

Pakistani media organizations.

Electronic communication channels.

Related organizations in the media industry

LIMITATIONS

Following were the major problems that were faced during the project execution for ATV Network:

Non cooperativeness

While conducting this study, the basic problem faced was the non-cooperative attitude of the employees of various departments at ATV Network, Islamabad. Most of the employees were non-cooperative.

The reason for this non-cooperative attitude was that they felt that the Human Resource Department might be trying to fire/transfer/demote them based on the information the employees shared.

Basically, the researchers found the attitude of the employees and the whole environment to be very hostile which can be linked to employee's insecurities regarding their performance.

Resistance to Change

Change is always opposed at all levels. Similar was the case at ATV Network, Islamabad. This survey was conducted with a view to change the culture (use of nepotism as a selection tool) currently prevailing at ATV Network, Islamabad, but almost every interviewed individual from the middle level management showed resistance to change. A lot of excuses were presented to not to be included in the samples.

Distortive Image of the HR department of ATV Network, Islamabad

The middle level employees do not take too well with the image of the HR department of ATV Network, Islamabad. Especially the employees selected on merit were not happy with the role that HR was playing at ATV Network, Islamabad. Almost all the participants were of the view that since it was the first time any such survey was being conducted, HR was merely doing paper work and all the questionnaires that were being filled up, would be trashed.

Feelings of insecurity

Most of the participants felt insecure as they viewed this nepotism survey an evaluation of their performance and assumed that on the basis of this survey the process of firing will start off.

Contemporary Research (Literature review)

LITERATURE REVIEW

The process of staff recruitment and selection is becoming increasingly complex and Human Resource (HR) strategies means that the successful outcome of these processes is vital for job performance and organizational success. The importance of the recruitment and selection process is vital for organizational competitiveness and a failure to approach this function effectively will have consequences for future job performance. Jobs change accordingly as organizations respond to economic and technological pressures (Nankervis, Compton & McCarthy, 1999, p.190). In addition to the need for management to evaluate the effect of social, economic and political impacts on the organization, a factor that contributes towards poor performance is the incorrect assessment about the types of jobs that need filling and the skills needed to perform them. In other words, the organization's external environment directly affects the organizational context (Irwin, 2003, pp.6-7). For example, whilst an organization will restructure and re-engineer work processes to adapt to new technology or comply with legislative requirements, it will also reallocate work and create new jobs. However, if it fails to correctly address its staffing needs, then employees will inevitably fail to perform.

Recruitment is the sum of the various methods that an organization uses to help it establish and connect with a pool of candidates. Selection is the act of choosing and hiring the individual who best meets the technical requirements and culture fit of your organization.

There are some starting points that can ensure a successful recruitment and selection program: focus as much on culture fit as with a candidate's technical skills; build relationships with potential employees before they're needed; and place yourselves into potential hires' shoes to fully understand their drivers and needs. Ultimately, recruitment and selection is about finding, wooing and hiring the right talent for the job, though the reality is somewhat more complex (Victorian and Downs).

While the organization may have a thorough understanding of the job requirements, HR management will need to evaluate the most effective recruitment methods, internally and externally, otherwise HR practitioners may fail in acquiring the most suitable pool of applicants (Compton, Morrissey & Nankervis, 2002, pp.52-57). It is common perception by management that internal recruitment methods are beneficial because of the cost advantages and knowledge of applicants.

However, it should be acknowledged that there may be discontent from rejected applicants and the belief that internal recruitment reduces creativity because if 'inbreeding' and limited pools of applicants may appear discriminatory (Stone, 2002, p.178; Compton, Morrissey & Nankervis, 2002, p.52).

The most popular selection procedures used are: interviews, job-related exercises, and personality measures. Interviews are used widely for selection purposes at senior or executive level (Campion, Palmer, & Campion, 1997; Garman, 2005). Research shows that to increase their reliability, validity and feasibility, interviews should be based on a thorough job analysis and selection criteria, they should be semi-structured and scored according to a behaviorally anchored rating scale.

Job-related exercises can be valid predictors of job performance when designed and conducted according to best practice (Damitz, Manzey, Kleinmann, & Severin, 2003; Lievens, Van Keer, & De Witte, 2005). In order to obtain valid ratings of performance the exercises should be based on competencies identified by job analysis, and scored by trained assessors using pre-defined anchored rating scales. Presentations and written tests are two of the most frequently used exercises for executive or senior level selection. Confidentiality issues often warrant the use of individual exercises.

Personality measures can also be used to enhance the decision making process at senior/executive level; to comply with best practice they should always be used in conjunction with other selection methods and never as the sole determinant of a selection outcome (<http://www.scotland.gov.uk/Publications>)

Employees are the most valuable asset in any organization. A successful and highly productive business can be achieved by engaging them in improving their performance.

All employees are not equal in their working and they have different modes of working like some have highest capability regardless of the incentive but other may have occasional jump-start.

If they are handled effectively, the result can be greater productivity and increased employee morale (Kamboh, 2009)

There are a number of factors which may be affecting the employees' performance. Each employee may have different effect from different things at workplace. Their attitude and behavior can play a vital role in their performance (Kamboh, 2009).

Skill is playing an important role in improving confidence of the employee and will also have a critical role in improving the level of performance in any field of the job and ultimately will get an importance place in performance of the employee. The skill can be achieved with learning and experience. Class room training, computer based / e-learning and on job training is also a considerable way of getting positive performance improvements if they are getting in a very professional way. It will also give a view of finding the importance of the said training and its effect on the performance of the employees in playing profitable role in any organization (Kamboh, 2009)

A system is necessary for performing the required work at any level of the organization and the employees have to follow the set procedures and there may be a difficulty in accepting the standard procedures.

Role of supervision or management is also a very important factor in the success and profitability of the organization (Kamboh, 2009)

Being a manager is a huge responsibility because you have the task of bringing out the best in your employee. You have to work extra hard to encourage employee performance improvement. If you're a manager and your goal is to change an employee's behavior, you might have to make some adjustments in the manner of dealing with some employees (Harper, 2009)

As a manager you should be able to identify the specific work attitude or behavior that needs to be changed. Usually, the problems with an employee's performance is identified as a need for improvement of work-related abilities like communication, or a task-related skill like data entry, written communication, and public speaking (Harper, 2009)

Managing employee performance every day is the key to an effective performance management system. Setting goals, making sure your expectations are clear, and providing frequent feedback help people perform most effectively (<http://humanresources.about.com/od/manageperformance/Managing DaytoDay Employee Performance.htm>)

In reaction to poor performance issues, companies will sometimes offer their employees top-notch training that has little or no effect on the participants' job performance. Management may blame the ineffectiveness of the training on the training program or the trainer,

When in fact the training effort was not the correct resolution to the problem in the first place. If training is definitely not the answer, the trainer must identify the root cause (or causes) of the problem and pass this information on to management (Krivanek, 1999)

Ability: The capacity to learn and perform the tasks required. Standards: Expectations to achieve and guidelines by which to achieve them. Knowledge and Skill: The information and expertise necessary to perform the job. Feedback: Feedback from management that effectively communicates the status of the person's performance, based on measurable guidelines and tools. Environment: Acceptable working conditions, such as enough time and equipment to perform the job effectively. Motivation: Incentives in place that positively reinforce good performance (Krivanek, 1999)

In a study a structural model was specified in which the psychological states of employees' performance capacities are a function of employees' cognitive responses to 'knowledge and skill development' climates and supporting workplace factors.

Performance capacities are conceptualized as including the psychological states of one's 'competence' (how well job task are performed) and 'impact' (importance of how well job task are performed on the performance of one's work area).

Validated in the employee empowerment literature, these psychological states are strong predictors of actual performance outcome (G. Meyer, University of Akron, pg. 2)

Supporting workplace factors, furthermore, are found to be highly interrelated with knowledge and skill development climates and the meaningfulness of the work one performs is found to be highly influence performance capacities (G. Meyer, University of Akron, pg. 2)

Another thing that has an effect on the performance of the employees and of the organization is NEPOTISM. It has some disadvantages as well as some benefits; it can affect the performance either way. Sometimes nepotism benefits the organization, as we already know the person (employee) and know his/her working capabilities, skills, and experience. So it becomes easy when promoting or hiring that person. But sometimes it may back-fire as other employees are demotivated and dishearten by their job.

Nepotism is getting a better name than it used to have. And that's fortunate because family businesses can hardly get along without it (Nelton, Nation's business, 1998)

My dictionary describes nepotism as "favoritism shown to relatives, especially in appointment to desirable positions." The accepted wisdom is that nepotism has more negatives than positives attached to it.

Business owners and their advisers have often feared that nonfamily employees would resent and possibly treat unkindly family members brought into the business or would see the family members as roadblocks to their own career success. They also feared that some family members themselves might be incompetent or lazy yet have an attitude of entitlement (Nelton, Nation's business, 1998)

But when it's practiced with fairness, "there are a lot of good things to be said for nepotism," says Carl Thomas Holst-Knudsen. Tom Knudsen, as he is better known, is the third-generation president of Thomas Publishing Co., the New York City-based company that is famous for the Thomas Register of American Manufacturers and other business publications. Knudsen finds that nonfamily employees actually treat family employees very well. Family members, he says, "are given special treatment in extremely subtle ways." So subtle, he says, that even the "nepotism police" wouldn't be able to detect it (Nelton, Nation's business, 1998)

But he sees it when a nonfamily manager extends extra encouragement to a family member or gives a family member an interesting assignment because it would offer good experience. Knudsen encourages nepotism among Thomas' 700 independent sales contractors because he thinks it results in high performance, stability of the contractors' companies, and long-term commitment to Thomas. Some of the companies that represent Thomas are themselves third-generation companies (Nelton, Nation's business, 1998)

Nepotism can help - or harm - a company. The key is to monitor it. Talk about it as a family, Knudsen says. Maybe even develop a policy about it, or convert an unwritten policy into a written one so that everyone can understand it. If you're the beneficiary of nepotism, Knudsen points out; the door is very easily opened to you. "Once in the door, however, you're expected to produce the same as anybody else." (Nelton, Nation's business, 1998)

The first step is to think about what nepotism is all about. It's about having three things. 1) Superior ACCESS to people in power, 2) The deepest CARE and concern from those people who can speed you to success, and then, and only then, 3) Sufficient SKILL. Access, care, and skill - that's the recipe. (Ferrazzi, 2004)

In the business world, nepotism is the practice of showing favoritism toward one's family members or friends in economic or employment terms. For example, granting favors or jobs to friends and relatives, without regard to merit, is a form of nepotism. These practices can have damaging effects on businesses—such as eroding the support of non-favored employees or reducing the quality and creativity of management. In response, some larger companies have instituted "anti-nepotism" policies, which prevent relatives (by blood or marriage) from working in the same department or firm.

But in many smaller, family-owned businesses, nepotism is viewed in more positive terms. Family members are trained in various aspects of management to ensure the continuity of the company when members of the earlier generation retire or die. In fact, in many small businesses nepotism is considered a synonym for "succession."

[\(http://definitions.uslegal.com/n/nepotism/\)](http://definitions.uslegal.com/n/nepotism/)

One of the most common arguments against nepotism is that the emotional ties between people who are related may negatively affect their decision making abilities and professional growth. In the past, many businesses sought to avoid even the appearance of nepotism by forbidding relatives from working closely together. This began to change as women entered the work force in ever greater numbers and began to rise to positions of prominence. Often, both the man and the woman in a married couple were too valuable for a company to lose. Instead of instituting strict anti-nepotism rules, many businesses decided that family members could be accommodated within a merit system, especially if there was no direct supervisory link between the positions of related employees

[\(http://definitions.uslegal.com/n/nepotism/\)](http://definitions.uslegal.com/n/nepotism/)

But in order to avoid potential pitfalls and ensure that relatives work together effectively, the company should establish formal guidelines regarding hiring, responsibilities, reporting structure, training, and succession.

Nepotism used more loosely, also means showing favoritism to others who, while not kinfolk, are in some relationship of special significance with oneself or one's colleagues. Because it involves favoritism based on irrelevant personal relationships such as a resident applicant being someone's spouse or child, nepotism in hiring and admissions in academic health centers is viewed as ethically suspect, at best, or ethically inappropriate or even illegal, at worst (Chervenak, MD, and McCullough, PhD)

Ethically justified opposition to nepotism: There are two main reasons to oppose nepotism.

The first reason concerns incompetence. Hard data are not available. However, experience teaches that nepotism has at times resulted in hiring incompetent faculty members, granting of hospital privileges to incompetent or barely competent physicians, or admitting unqualified or barely qualified individuals to medical schools and residencies (Chervenak, MD, and McCullough, PhD)

The second reason to oppose nepotism is that, when a person is fully qualified, the decisive reason for a faculty appointment, granting of privileges or admission to medical school or residency is kinship or some other special personal interest of the academic leader in power. Personal interests are highly subjective and variable, and irrelevant to the task of identifying the most qualified applicant.

As a consequence, invoking such personal interests as decisive involves invidious discrimination, because the reason for the hiring or admission decision cannot be rationally tied to fiduciary responsibility and the legitimate interests of the organization (Chervenak, MD, and McCullough, PhD)

Nepotism is a controversial subject, even though it has always been observed in organizations either formally or informally. Normally, this subject generates negative feelings among people. People usually look upon negatively at nepotism since they believe that favoritism is a privilege obtained due to relationships within a family or through social connections. People believe that the merit of an individual must be at the forefront; therefore, anti nepotism policies are important. Thus, career advancement through family ties is a wrong practice. Besides, job performance and growth of the organization, both are based on the merit of people working there. So, nepotism and career advancement is potentially harmful to a company (Agarwal, 2008)

To counter anti nepotism and career advancement, a number of companies have come up with either formally notified policies or unwritten ones. The Bureau of Labor Statistics of the U.S. Department of Labor has found that in more than sixty percent of married people, both the spouses are employed.

This raises the question about whether practices pertaining to hiring, anti nepotism and career advancement is at all useful to organizations. While some people consider it nepotism if favors are given to two or more than two generations, others believe that a husband, wife or a paired employee also comes under the ambit of anti nepotism and career advancement (Agarwal, 2008).

Within a small business, the business owners have been against nepotism due to the belief that if family members work in the business, other employees will consider them to be a hindrance to their advancement in the organization. However, contrary to popular belief, nepotism can actually be used as a positive influence in small and family owned business (Agarwal, 2008)

The right way of doing this is to ensure both family and outside employees are rewarded for their contribution to the success and growth of the company. These factors can vary to suit the nature of business, its organization culture, history and the size of the family of the owner (Agarwal, 2008)

Numerous organizations are competing to survive in this ever increasing challenging and volatile market environment. Motivation and performance of employees are powerful tools for the long-term success of the organization. Performance measurement since it reflects the progress and achievement of the organization (Latt, pg 1, 2008)

An organization which has adopted a set of working practices deemed to enhance individual and organizational performance. The concept of the HPWO (High-Performance Work Organization) has evolved from research into the link between human resource management and organizational performance. The characteristics commonly associated with HPWOs are: moves toward a flatter and less hierarchical organization structure; a willingness to adopt new working practices; an emphasis on empowerment and teamwork; and high levels of employee participation and learning. These characteristics are believed to foster motivation, trust, communication, knowledge sharing, and innovation within the organization. They are also thought to lead to an ability to adapt to the changing business environment and to improvements in performance and quality of working life (<http://dictionary.bnet.com/definition/high-performance+work+organization.html>).

It has been extensively documented that, due to factors such as national and organizational cultures, strategic orientations, and management styles, there are significant differences between organizations operating in different countries. Less clear, however, is whether there are significant differences in the factors that drive performance in the most successful firms, regardless of country (Deshpandé, Farley, and E. Webster, Jr., 1997 [97-108])

Most studies of organizational performance define performance as a dependent variable and seek to identify variables that produce variations in performance (March, Sutton, *Organizational Science*/Vol, 8. No.6 Nov-Dec 1997)

From the research perspective, the importance of defining and measuring organizational effectiveness remains understandable because organizational effectiveness is a significant indicator to show the direction, position, and the future of the organization. Whether or not an organization can be defined, the fact is that, there have been trials and measuring definitions of organizational effectiveness (Vinitwatanakhun, 1998, page 2)

Evaluating the effectiveness of an organization is a widespread and on-going activity. Most researchers and practitioners have agreed that a necessary condition for an organization's success is survival (Vinitwatanakhun, 1998, page 2)

Organizational effectiveness also requires a focus on human resources and organizations must help people gain the skill and self-reliance to master the new environment, to find security and support. To compete effectively organizations must attract, retain, motivate and utilize effectively the most talented people they can find (Vinitwatanakhun, 1998, page 2)

Since changes are taking place in the external business environment, it is mandatory for all organizations to adapt to the important changes that can be source of motivation for competitive advantage. All changes have a direct motivation influence on the organization and people. So as to achieve its target, greater level of skills, commitment, and intelligence of employees are required and organization have to make a huge amount of investment (Latt, 2008, page 1)

One's happiness might seem like a personal subject, but a Kansas State University researcher says employers should be concerned about the well-being of their employees because it could be the underlying factor to success. Thomas Wright, Jon Wefald Leadership Chair in Business Administration and professor of management at K-State, has found that when employees have high levels of psychological well-being and job satisfaction, they perform better and are less likely to leave their job - making happiness a valuable tool for maximizing organizational outcomes (Science Daily, 2009)

Research suggests that high-involvement work practices can develop the positive beliefs and attitudes associated with employee engagement, and that these practices can generate the kinds of discretionary behaviors that lead to enhanced performance. Simply put, employees who conceive design and implement workplace and process changes are engaged employees (Konrad, March/April 2006, page 1)

High-Involvement work practices that provide employees with the power to make workplace decisions, training to build their knowledge and skills in order to make and implement decisions effectively, information about how their actions affect business unit performance and rewards for their efforts to improve performance, can result in a win-win situation for employees and managers. Employees seem to enjoy working in high-involvement workplaces, and managers reap enhanced performance from these systems (Konrad, March/April 2006, page 1)

So, basically the recruitment of high quality staff is crucial to the objectives and continued success of the organization. Organizations need to recognize the skills and abilities of all people regardless of their sex, sexual orientation, marital status, race, religion, age, creed, color or nationality. This includes equal treatment of existing staff, which are considered for promotion or acting up arrangements.

This project will identify the root of employee behavior and how it relates to low productivity at ATV Network, Islamabad, so that strategies may be established for improving employee performance.

Industry Overview/Industrial Analysis

The major product lines and market segments of ATV Network can be categorized into the following categories namely:

- Entertainment
- News
- Current Affairs
- Info-tainment

Let us look at each of these category's products and market segments:

Entertainment

The entertainment programs are one of the heavy cash generators for ATV Network.

ATV Network offers a tantalizing mix of entertainment programs in different categories, namely:

Game show:

Daredevils

Magazine show:

Soch Hai Aap Ki

Movie:

Shandar Numaish jari Hai

Music:

Fusion with J.B

Jungle Rocks

Pop Shop

Boom On Live

Drama:

Kaash Ek Baar

Beena

Hairat Kahani

Sohail Clinic

Aitebar

Drama Dose

Tumharay Baad

Abhi Kuch Dair Baqi Hai

Shaam

Chokhat

Kuch Apnay Kuch Praye

Suraj Mukhi

Comedy:

Khawaja Online

ATV's entertainment programs are targeted towards both the male and female viewers including the children, the youngsters, the middle aged group and the senior citizens of the Pakistani market.

A-News

The broadcasting setup of SRBC clicked on the very outset and played a major role in the prosperity and stability of the ATV stations which are located at [Islamabad](#), [Karachi](#), [Lahore](#), [Faisalabad](#), [Sialkot](#) (Daska), the Company. In spite of being an entertainment channel, ATV has always maintained its great record for breaking the most important news in country, earlier than any other channel.

One of the special features of A-News is The "A. District News". Local news from all across the Pakistan are collected and broadcast here, ATV is the only channel with such a widespread network of reporters in even the smallest towns of Pakistan's each province.

ATV is poised to lead the news coverage of Pakistan from Front and provides round the clock live news regarding:

National News

International news

Sports News

Business News

Entertainment News

A-News is targeted towards the male and female viewers including, the youngsters, the middle aged group and the senior citizens of the Pakistani market.

Current Affairs

ATV offers a wide range of recorded and live current affair programs, including:

Talk Show:

Current

Forum

Pakistan Today

Interview:

Off the Floor

One on One

Daily News:

A District News

ATV's current affairs programs are targeted towards the male and female viewers including the middle aged group and the senior citizens of the Pakistani market.

Info-tainment

The programs offered in this category are:

Religion:

Laws in Quran

Deen Aasaan

Hayya Al' Salah

Magazine Show:

A Morning with Farah

Reality Show:

Kon Ho Ga Naujawanon Ka Wazir-e-Azam?

World News:

Global Ga'own

Fashion & Life Style:

Surkhi Poder

Interview:

Who's That Woman?

Paint Box

Do Jama Aik

Urdu Club

ATV's Info-tainment programs are targeted towards the male and female viewers including the children, the youngsters, and the middle aged group of the Pakistani market.

Growth Rate for the Entire Industry

There is immense growth opportunity in the media industry which can be seen by the number of TV channels springing up in all the major cities of Pakistan. The reasons contributing to this growth are:

The media industry in Pakistan has expanded tremendously in the last decade. Now there are more than twelve major players as compared to three to four TV channels in early 2000.

Exposure available to them is huge. They want to be provided with the best in entertainment, news, current affairs and info-tainment.

The on-screen media personalities are much more in demand and are offered huge sums to anchor or host programs and news. This can be regarded as a sign of growth in the Pakistani media industry.

So, it can easily be said that the media industry in Pakistan will keep on growing with a fast pace as the latest trend is news and current affairs programs catering to the tastes of all segments of the market.

Competitor Analysis

Major competitors

Competition is a healthy activity for the industry, the major players and the customers, and in this case, the viewers.

PTV (Pakistan Television Network)

Geo

ARY Digital

Hum TV

Indus TV

Duniya

Express

Aaj TV

Their Market Shares

It is very tough to calculate the precise market shares of the media industry's competitors due to the fast paced environment. A percentage would also not describe well the market shares that each player enjoys as they depend on the 'rating' of the programs. The market shares however can be given in qualitative terms:

The market share of various competitor TV channels varies according to the category in which they are competing with ATV.

Indus TV and Hum TV compete with ATV when it comes to offering Drama's and entertainment programs.

PTV, Geo, Duniya, ARY Digital, Express and Aaj TV compete with ATV in the News and Current affairs category and also in the entertainment and drama category.

Geo and Hum TV compete with ATV on the info-tainment front as well.

Their Goals

The goals of the competitor TV channels are the same as that of ATV or for that matter any other TV network in the world i.e.

To do better than the competition.

To be the market leader in all categories.

To maximize the viewers value and loyalty.

Their Strategies

The strategies adopted by various TV channels vary according to the segments they are competing in, going back to the list of major competitors. The major strategies are as under:

PTV's strategy is to broadcast news usually in favor of the sitting government as per their policy, to minimize their presence when it comes to "breaking the news" and to preserve the traditional concept of 'Drama'.

Geo's strategy is to be the market leader in the 'Breaking News' front, to create hype in the environment regarding the 'law and order' situation in Pakistan and to offer drama's similar to that of Indian daily soaps.

Duniya and Express wants to attract the young viewers with their 'hot and spicy' political analysis and entertainment news.

Technology Analysis

Technical Methods that affect the industry

Quite a few Middle-East based and foreign funded TV channels have entered the Pakistani market with the latest technical abilities and resources, hence threatening the existence of traditional, local based TV channels operating in the Pakistani market.

Technology plays a major role in the success or failure of any TV channel; pertaining to the Media industry being such a fast paced and services oriented Viewers are now more aware, more demanding and more critical!

The market leaders when it comes to technology and its effective use are Geo, Duniya, Express and ARY Digital.

Some areas which affect the media sector particularly are:

Live broadcast vehicles: - Broadcasting live coverage on the spot.

Satellite up-links: - Up-loading live and direct feed to the studios.

Multi color/green screens: - The use of multi color or green screens gives channels like Duniya and Express the flexibility of choosing from a range of colors for the backgrounds of the visuals as compared to the old 'Blue' screens. The multi color or green screens are more costly but the results are more dynamic and professional.

Innovation

ATV Network recognizing the importance of those viewers and segments of the market which do not have access to 'cable' employed an innovative strategy which was not even thought of by the official TV channel of Pakistan, the PTV Network. ATV Network is Pakistan's first largest privately operated terrestrial TV Network with effective reach.

ATV is watched throughout Pakistan terrestrially (on antenna) and in 86 countries of the world including the Gulf States on Asia Sat-3.

Organizational Overview

INTRODUCTION TO THE ORGANIZATION

ATV Network was launched on June 24th, 2005 with its head office in Lahore. ATV was registered as a semi-government organization with Mr. Abdul-Jabbar, Chairman, ATV Network holding 20% of the shares while the remaining 80% were held by Shalimar Recording & Broadcasting Company (SRBC), a subsidiary of Pakistan Television Network (PTV). ATV also established its headquarters in all provincial capitals of the country, and set up the marketing and advertising bureaus and systems.

By 2006, only a year after the initial set up, ATV made a place in the minds and hearts of its viewers in record time and became Pakistan's largest privately operated terrestrial television network with the 2nd largest national viewer ship base. ATV could be watched throughout Pakistan terrestrially (on antenna) and in 86 countries of the world including the Gulf States.

ATV's live transmission is sent on-air by the Islamabad set-up while the Lahore head office sees to the recorded programs and transmission.

ATV with its reach and impact became a symbol of quality television entertainment in Pakistan. It launched a host of fresh and entertaining programs keeping in view all segments of its diverse viewer ship that ranged from urban to rural and terrestrial to international. These programs represented women, children, youth and all other age, social and income groups. ATV's dramas, music, fashion, showbiz, current affairs, news and agriculture programs were designed to cater to the varying entertainment taste buds and information needs of its esteemed viewers.

By and large, the responsibility of running the organization rests with the Chairman, who has four levels of management below him - the managing director, the director programs, the general managers, and the department heads.

The Organizational Departments

ATV Network has the following departments working in unison to maximize the performance of the organization:

Human Resource department (HR)

Information Technology department (IT)

News and Current Affairs department (N & CA)

Production department (Entertainment)

Marketing department

Post Production department (NLE's)

ATV's Initial Recruitment & Selection Policy

Due to time constraints and the pressure to immediately start operations in 2005, the initial employee selection and recruitment procedures had been informal and unstructured. The employees were hired through external recruitment. This was done mostly through nepotism, references, importing employees from other TV channels (a common practice in the media sector) and only a few cases through advertising in leading national newspapers.

The employees hired on this policy ranged from the technical staff: the engineers, the camera men, the lighting crew, the NLE's (non-linear editors), the technical advisors, the panel & switcher personnel and the producers, to the news & current affairs personnel: the news editors, the composers, the news casters and the sensor board.

DATA ANALYSIS

The data was collected through a survey questionnaire. This questionnaire was filled by middle level employees at ATV Network, Islamabad. The questionnaire addressed all the questions concerning the effects of nepotism on individual and organizational performance, as well as their work quality and levels of job satisfaction.

Results

We applied a data analytic technique through SPSS so that the data can qualify for the reliability test and then we applied the Regression test to get the results.

Reliability Test

Cronbach's coefficients α values were estimated to examine the internal consistency of the measures. The values rendered varied from a highest of 1.000 for Recruitment (R) to a lowest of 0.744 for Satisfaction (SN). Hinton et al. (2004) has suggested four cut-off points for reliability - excellent reliability (0.90 and above), high reliability (0.70-0.90), moderate reliability (0.50-0.70) and low reliability (0.50 and below) (Hinton et al., 2004).

The above-defined criteria suggest that of the five constructs, four possessed excellent reliability and the remaining one construct illustrated high reliability. None of the constructs demonstrated moderate and/or low reliability. The Cronbach's α value for all constructs imply that they are internally consistent. This means that items of each of the constructs measured the same content universe (i.e. construct).

Table 1: Reliability of data:

Construct	N	Cronbach's alpha
Recruitment	40	1.000
Selection	40	0.922
Discrimination	40	0.900
Satisfaction	40	0.744
Work Quality	40	0.919

According to Nunnally (1979), operationally, reliability is adequate in the early stages of developing a measure if .70 or higher is attained.

Regression Analysis

In order to analyze the results and measure the significance of the relationship between dependent and independent factors, a regression analysis was performed. N (Nepotism) was taken as the independent variable with three items i.e. R (Recruitment), S (Selection) and D (Discrimination) as the predictor variables. On the other hand P (Performance) was taken as the dependant variable with two items i.e. WQ (Work Quality) and SN (Satisfaction) as the predictor variables. The total number of cases analyzed was 40.

In simple or multiple linear regression, the size of the coefficient for each independent variable gives you the size of the effect that variable is having on your dependent variable, and the sign on the coefficient (positive or negative) gives you the direction of the effect. In regression with a single independent variable, the coefficient tells you how much the dependent variable is expected to increase (if the coefficient is positive) or decrease (if the coefficient is negative) when that independent variable increases by one.

Independent variable: NEPOTISM (recruitment, selection, discrimination)

Dependent variable: Employee Performance (satisfaction)

Table 2:

Coefficients (a)

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	1.204	.269		4.478	.000
	Recruitment	-.007	.095	-.012	-.074	.942
	Selection	.261	.118	.355	2.217	.033
	Discrimination	-.025	.139	-.029	-.180	.858

A Dependent Variable: Satisfaction

Independent variable: NEPOTISM (recruitment, selection, discrimination)

Dependent variable: Employee Performance (work quality)

Table 3:

Coefficients (a)

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	1.513	.538		2.812	.008
	Recruitment	-.113	.191	-.099	-.591	.558
	Selection	.143	.236	.103	.608	.547
	Discrimination	.065	.278	.040	.234	.817

A Dependent Variable: Work Quality

Satisfaction (Dependant predictor variable)

One of the independent predictor variables was found to have a very significant relationship with the dependant predictor variable. This included selection ($\beta = 0.355$, $p = 0.033$) followed by less significant discrimination ($\beta = -0.29$, $p = 0.858$). However, recruitment ($\beta = -0.12$, $p = 0.942$) demonstrated the most insignificant relationship with satisfaction.

Work Quality (Dependant predictor variable)

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Discussion

The internal consistency of the variables was measured by conducting a reliability test i.e. Cronbach's α . For an exploratory study, reliability should be equal to or above 0.60 (Straub et al., 2004). For the study under discussion, the Cronbach's α values ranged from as high as 1.000 to as low as 0.744. None of the variables showed a medium and/or low reliability i.e. a measure of less than the recommended 0.60 Cronbach's α value. This suggests that the measures involved in the study demonstrated a significant level of internal consistency.

The validated relationship between the independent variables and dependent variable i.e. N and P were rendered by conducting a linear regression analysis.

S (Selection), the independent predictor variable of N (Nepotism), which is the main independent variable, has the most significant relationship with the two dependant predictor variables of P (performance) i.e. SN (satisfaction) and WQ (work quality). In simpler words, S (selection) has the most strong significance or impact on the dependant variable P (performance) and R (recruitment) having -Ive sign for b, the beta coefficients has the least degree of influence on the dependant variable P (performance).

So, basically it is the proper or improper selection criteria, method or process which is directly affecting the individual performance. As is already explained earlier in the project, nepotism is being used as a selection criterion at ATV Network, Islamabad while not taking into account the qualification, capabilities and experience required for the said job.

It is quite evident from the regression analysis that, at ATV Network, Islamabad, excessive use of nepotism as a selection tool is directly affecting the employee's performance and is the root cause of declining individual and organizational performance.

Hence, the independent variables considered in this study are important for understanding declining individual and organizational performance levels at ATV Network, Islamabad.

Interview Analysis

Interview questions for the top level management were constructed and were administered personally. The sample consisted of five executives holding the positions of:

Chairman, ATV Network

Vice Chairman, ATV Network

General Manager (Production), ATV Network, Islamabad

General Manager (Marketing), ATV Network, Islamabad

General Manager (Programs), ATV Network, Islamabad

Director News and Current Affairs, ATV Network, Islamabad

Results

Recruitment & Selection process of ATV Network, Islamabad:
All six executives agreed on having some say in the Recruitment & Selection process of the organization and also that they were seldom refused.

- Awareness of active use of nepotism as selection criteria: All six executives admitted to being aware of active use of nepotism as a selection criterion and said that it was a common practice almost in every organization.
- Hiring employees in personal capacity, regardless of the selection criteria: All six executives admitted to having hired many employees in their personal capacity, regardless of the selection criteria. The main motive, according to them was, paying back a favor to somebody or obliging individuals from the executive's home town.

- Organizational treatment towards employees hired due to nepotism: Two out of six executives had heard complaints from employees hired due to nepotism, regarding mis-treatment from other managers, the remaining four were unaware of any such scenarios.
- Performance of employees hired due to nepotism: All six executives had at one time or the other, encountered complaints from such employee's supervisors or managers. Four admitted to doing nothing in response due to 'Escalation of commitment'.
- ATV Network's performance in comparison to its competitors: All six agreed on the competitor's performance to be much better and advanced as compared to ATV Network, four blamed the limited resources and Government restrictions with ATV Network being a semi-government organization.
- Seldom use of nepotism: Two out of four agreed on seldom use of nepotism in order for the organization to be more effective. Four stated that it was a common practice in the Pakistani media industry and had no negative effects as far as they were aware.
- Training and career development opportunities for employees hired through nepotism: Five out of six agreed to recommending training and career development opportunities for employees hired through nepotism if the research at hand proved it to be the reason for their declining performance. One was 'not sure' about the prospect.

DISCUSSION

It is seen from the results that the top level management at ATV Network, Islamabad is not only aware of 'excessive use of nepotism as a selection tool' within the organization but is also an active part of it.

The main motive was found to be obliging individuals from the executive's home town. Also, they had on different occasions encountered complaints and problems regarding these individuals performance.

As far as the competitors are concerned, they did know that they were far behind in that area but did not think it was because of excessive use of nepotism at ATV Network because according to them, it was a common practice in the concerned industry.

Basically, in their eyes, excessive use of nepotism is not a harmful practice but they were willing on providing training and career development opportunities to such employees if this research study proved it to be the main cause of the declining employee and organizational performance. Also, they hinted on less frequent future use of nepotism depending on the research analysis and results.

Identification of issues

At ATV Network, Islamabad, following issues was identified during the research:

- The first and most important problem identified was the excessive use of nepotism as a selection tool.
- Employees were not hired through professional and tested methods such as written tests, interviews, previous work samples etc.
- The employees were selected based on regional, sect and gender discrimination and 95% of them were sure of being selected at the time of applying.
- At time of applying, 95% of the employees did not think that they had the required skills, knowledge and expertise required to carry out the said job, but were selected anyways.
- At the time of applying, 95% of the employees did not have a clear idea of the responsibilities the said job entailed.
- Majority of employees had reference letters/calls and important contacts within the organization and were given special preference over other candidates.

- Individuals belonging to the same region as that of many of the top level management executives were hired regardless of their experience or being best for the said job.
- Employees were having a hard time meeting the goals set for them and also were not able to perform in accordance to the set standards.
- Employees selected through nepotism felt that they were respect neither by the management or their colleagues.
- Employees felt unsatisfied with the recognition given to their efforts and felt as a mis-fit within the organization
- Employees were not able to perform their best due to improper selection and because of that the organizational performance and image was suffering.

Possible options/alternatives

Laying-off

It is seen that, employees selected with nepotism as the main criteria, are not able to perform well for the organization and are also aware of their incompetency.

The easiest way out of this issue is that these employees can be taken in confidence by the management and be explained to that since they were not selected on merit and also are not able to pull up their performance levels, it will be best both for those employees and the organization as well, that they be laid off.

But on the other hand this approach might not be best despite being the easiest as these employees are related to the top level management executives in one way or the other, and they might not want to jeopardize their relationship with those employees.

Less frequent use of Nepotism

Nepotism being a selection criterion is not an uncommon concept both nationally and internationally. It is usually its excessive use that creates problems for the organization as it is then that the performance and standards are compromised.

If employees selected with this method are made to understand that once inside the organization's doors, they are on their own and have to give their best performance in order to stay aboard then they might change their mind-set and actually focus on learning their jobs and performing as per set standards. This is also referenced in the literature review as: If you're the beneficiary of nepotism, as Knudsen points out, the door is very easily opened to you. "Once in the door, however, you're expected to produce the same as anybody else."(Nelton, 1998)

Autonomy of the HRM department

The HRM department should be made autonomous. Once the need for new or more personnel is generated and conveyed to the HRM department, it should be their responsibility to select and implement the required Recruitment and selection process for the particular posts, and not the General Manager or the Managing Director.

Keeping track of the entire process and following it through to completion will take longer than what the HR Personnel are currently used to but in the long run will prove to be more authentic and professional.

Recruitment and selection policy

Recruitment and Selection turned out to be the most influential independent predictor variables in our research. Therefore, a Recruitment and Selection policy, well aligned with the organizational goals, should be formulated by the HRM department, so as to reduce the chances of unqualified employees.

This can be done as follows:

- Each job or position to be held should be thoroughly studied by the HR department and then job descriptions and job specifications should be outlined
- Job openings should be made public through advertisements etc, to start off the recruitment process

- Written tests reliable enough to judge the applicant's competency and ability for the said post should be formulated
- The interviews should be well designed with 'construct' and 'content' reliability
- The applicants should be clearly told of the responsibilities and duties the job applied for entails.
- Only candidates who pass all the tests and clear the interviews should be offered the job
- The whole process should be monitored by the HR department or HR manager instead of any top level executive not trained for Recruitment and Selection processes.

Training

Massive laying-off can earn the organization a bad name and repute in the market, as well as additional cost of the re-hiring process, which can otherwise be avoided. In order to minimize the damage caused by employees selected through nepotism and avoiding the laying-off option, training can be offered to, or made mandatory for all such employees to improve their skills and to get a grip on their responsibilities and individual performance.

The training offered to such employees can be in the form of:

- Skills & technical training
- Coaching
- Counseling
- Mentoring
- Presentation Methods
 - ✓ Instructor-led classroom format
 - ✓ Audiovisual techniques
- Hands-on Methods
 - ✓ On-the-job training
 - ✓ Simulations
 - ✓ Business games and case studies
 - ✓ Behavior modeling
 - ✓ Web-based training
 - ✓ Small group work-sessions

Best Option/Recommendations

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Action Plan

In light of the humble recommendations made in the earlier chapter, the following action plan is proposed to the management at ATV Network, Islamabad to rectify the problems identified.

Step 1: The management should hold a general staff meeting and share the issues identified through this research project with all staff members.

Step 2: It should be made clear by the management that the meeting is not being held to insult or embarrass any of the staff members but to involve them in the rectifying process.

Step 3: The supervisors or managers should be informed to gather data relating to employee performance and determine which employee needs to be further trained to improve performance levels.

Step 4: The employees should be notified to cooperate with the supervisors or managers for their performance evaluation.

Step 5: Based on the evaluation results, the types of training sessions to be offered should be finalized with assistance from the HRM department.

Step 6: The employees should be made clear to, that their improved performance for the organization depends on their level of cooperation and involvement, regarding the training sessions.

Step 7: The employees selected through nepotism method should be made to understand that once inside the organization's doors, they are on their own and have to give their best performance in order to stay aboard then they might change their mind-set and actually focus on learning their jobs and performing as per set standards.

Step 8: The end results of the training sessions should be strictly scrutinized and evaluated by the HRM department and employees failing to pull up their performance levels should be laid-off as a final resort.

Note: This might be expensive and time consuming for the organization, but in our humble opinion is quite possibly the only way out, if the training sessions fail to improve the individual and as a end result, the organizational performance.

Step 9: On the other hand a professional Recruitment and Selection policy, following the current market trends should be formulated and its strict appliance in the future should be ensured.

Step 10: The HRM department should be made autonomous and less or no interference by the top level management should be ensured.

Step 11: The top level management should also recognize the deficiencies in the selection process and focus on minimizing future excessive use of nepotism as a selection tool for ATV Network, Islamabad.

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Annexure

Questionnaire Sample

QUESTIONNAIRE FOR MIDDLE LEVEL MANAGEMENT

Name

Current position held

A1 which department are you currently working in?

A2 what is your gender?

1) Male

2) Female

A3 Were you hired externally or internally?

Externally

Internally

A4 (Incase of choosing option a) How did you get to know about the job opening for the position you are currently holding?

Newspaper

Word of mouth

Recruitment agency

Radio or television

Contact within the organization

A5 (In case of choosing option b) How did you get to know about the job opening for the position you are currently holding?

Direct application/notice board

Response to an offer

Recommendation

Contact

NEPOTISM

N1 Recruitment

N1-A. At time of applying, did you think that you had the required skills, knowledge and expertise required to carry out the said job?

1) Yes

2) No

N1-B At the time of applying, did you have a clear idea of the responsibilities the said job entailed?

1) Yes

2) No

N2 Selection

N2-A Did you attempt a written test to be selected for the said job?

1) Yes

2) No

N2-B Did you give any interviews to be selected for the said job?

1) Yes

2) No

N2-C Did you provide any work sample from your previous jobs to be selected for the said job?

1) Yes

2) No

N2-D Did you give any test proving your mental or physical capabilities, to be selected as an ideal candidate?

1) Yes

2) No

N2-E Did you have any recommendation letter and/ or a letter/telephone call reference from a contact within the organization?

1) Yes

2) No

N3 Discrimination

N3-A Do you think you were given any special preference over the other candidates?

1) Yes

2) No

N3-B Were you asked about your marital status?

1) Yes

2) No

N3-C Do you think that by belonging to a specific gender, you had an edge over the other candidates?

1) Yes

2) No

N3-D Do you think that by belonging to a specific sect, you had an edge over the other candidates?

1) Yes

2) No

N3-E Do you think that by belonging to a specific region/province of the country, you had an edge over the other candidates?

1) Yes

2) No

EMPLOYEE PERFORMANCE

EP1 Work Quality

EP1-A Do you feel qualified enough to achieve the goals set for you?

Yes

No

EP1-B Do you have difficulties meeting deadlines set for you by your supervisor?

Yes

No

EP1-C Do you feel up to the standard that is set for daily procedures?

Yes

No

EP1-D Do you think that you are provided with facilities that aid you in performing your daily tasks?

Yes

No

EP1-E Do you think your job lets you use your skills?

Yes

No

EP1-F Is your contribution to the task considered worthy?

Yes

No

EP2 Satisfaction

EP2-A Do you feel that you are satisfied with your responsibilities?

Yes

No

EP2-B Do you feel you are satisfied with the recognition you get from your organization?

Yes

No

EP2-C Do you feel that you are respected by the management?

Yes

No

EP2-D Do you think that respect by your colleagues plays an important role in work satisfaction?

Yes

No

EP2-E Do you ever feel as a mis-fit in your organization?

Yes

NO

CALL REPORTS

Date and time of meetings

The meetings were conducted during the months of July 2009 and October 2009. All group members were present during the meetings and fully participated.

Persons interviewed

Interview questions for the top level management were constructed and were administered personally. The sample consisted of six executives holding the positions of:

Mr. Abdul-Jabbar, Chairman, ATV Network

Mr. Tariq Toor, Vice Chairman, ATV Network

Mr. Ejaz Bhutta, General Manager (Production), ATV Network, Islamabad

Mr. Rohail Ahmed, General Manager (Marketing), ATV Network, Islamabad

Ms. Sadia Jabbar, General Manager (Programs), ATV Network, Islamabad

Mr. Naveed Mairaj, Director News and Current Affairs, ATV Network, Islamabad

Interview sheet

INTERVIEW QUESTIONS FOR TOP LEVEL MANAGEMENT

ORGANIZATIONAL PERFORMANCE

NAME

DESIGNATION

DEPARTMENT

Q1. Do you have any say in the recruitment and/or selection process of the organization?

Q2. Are you aware of the active use of nepotism as selection criteria within the organization?

Q3. Have you ever hired an employee in your personal capacity, regardless of the selection criteria?

Q4. How do you think the organization treats employees hired due to nepotism?

Q5. How do you think the employees hired due to nepotism are performing for the organization?

Q6. Do you think that ATV Network is doing well in comparison to its competitors?

Q7. Do you think that for any organization, to be a success, nepotism should be seldom used?

Q8. Do you think that the organization should provide training and/or career development opportunities to the employees hired due to nepotism, so that they can prove to be useful for the organization in the future?