UNIVERSITY OF KWAZULU NATAL

GRADUATE SCHOOL OF BUSINESS & LEADERSHIP

A RESEARCH REPORT

ON

Perceptions of Nepotism and Cronyism on Employees' Job Satisfaction in the Public Sector: A Case Study of ILembe District Municipality.

SUBMITTED IN ACCORDANCE WITH THE REQUIREMENTS

FOR THE DEGREE OF

MASTERS OF BUSINESS LEADERSHIP

BY

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2017

UKZN Graduate School of Business & Leadership

DECLARATION

I, Wendy Thembeka Charity Dlomo - Nwankwo (Student Number 216071593) declare that the dissertation is my own work and that all sources used or quoted have been indicated and acknowledged by means of complete references.

Signed:…………………………………………………………………….

ACKNOWLEDGEMENTS

I would like to acknowledge the following people for their role in my completing this research report:

- ❖ Firstly, my heavenly father for giving me the strength to go on even when I felt like I couldn't do it. The wisdom to withstand this degree could have come from only you Jehovah God.
- ❖ My husband Victor Chilenye Nwankwo, for your encouragement and unconditional support. Without you this could have been very difficult for me.
- ❖ My beautiful daughters Chilenye Anele Nwankwo and Ijeamaka Maisha Nwankwo. Thank you for always being proud of me and making me want to always better myself for you. I hope I make you proud always.
- ❖ My mother Berry Buyi Dlomo, for all the times I couldn't come to see you as much as I would have loved to. Thank you for understanding and pushing me to do my best.
- ❖ Dr. E. Mutambara, my supervisor, without your academic guidance this would not have been possible.
- ❖ The ILembe District Municipality community, for allowing me to complete this work. I'm really grateful.

ABSTRACT

This study evaluated the perception of nepotism and cronyism on employee job satisfaction at ILembe District Municipality which is a district municipality in a local government sphere of South African government. Nepotism and cronyism are on the rise despite public outcries against its existence in society and especially its prevalence in local government institutions. In the Republic of South Africa, nepotism and cronyism are perceived to be linked to corruption and viewed seriously as the cause of incompetent recruits to the high positions of strategic nature as well as the cause of a lack of service delivery. This study reviewed the extent of the perceived practice of nepotism and cronyism in the municipality, examined the merits and demerits of the practice of nepotism and the relationship between nepotism and cronyism on employee job satisfaction. A descriptive research design was used, and it involved in- depth collecting and analysis of data. The research data collection was facilitated through the use of the quantitative data technique in the form of questionnaires for the primary research, published journals, and other related credible online publications for the secondary research. The research found that there is a negative relationship between nepotism and employee job satisfaction. The majority of the employees confirmed that the higher the perception of the practice of nepotism and cronyism, the lower the levels of employee job satisfaction. The research also revealed how the employees viewed the importance of rewards for the job well done. This seemed to be a general concern amongst the employees as most felt they were not compensated according to their efforts. The research results also brought a new dynamic issue, where majority of respondents confirmed that they could get used to nepotism if they were working with their relatives and not that of their superior. The findings have led the study to conclude that platforms to engage freely about the concerns over the practice of nepotism and cronyism must be created to encourage participation and freedom of speech in the municipality. The management needs to understand the effects that can be caused by employee's dissatisfaction. These may result in lack of motivation, lack of productivity, sub-standard basic services and high staff turnover. As covered in the literature review, there are various tools to assist in boosting staff moral and increase employee job satisfaction.

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CHAPTER 1

INTRODUCTION

1.1 Introduction

As the economies grow, the companies are also becoming very competitive and want to have the best possible personnel. Trust is an important factor between managers and employees. It might be for this reason that there has been a rise in the perceived nepotism practices implemented in organisations. Various studies detect the widespread use of nepotism across nations. In his publication, Boutilier (2009), explained how nepotism continues to thrive in spite of the various pressures that seek to address merit-based approaches in hiring and promotion. Nepotism and cronyism are on the rise despite public outcries against its existence in society and especially its prevalence in local government institutions. In the Republic of South Africa, nepotism and cronyism are perceived to be linked to corruption and are viewed seriously as the cause of positioning incompetent recruits to the high positions of strategic nature as well as the cause of the lack of service delivery. Perceptions of nepotism have also been linked to job satisfaction in the workplace. This study focuses on the ILembe District Municipality to investigate the perception of nepotism and cronyism on employees' job satisfaction.

This chapter defines the research problem and background to the problem. It articulates the research questions together with the objectives of the study. In addition, this chapter presents a brief overview of the research methodology and outlines the content of each chapter.

1.2 Background to the study

The study focuses on ILembe District Municipality which lies on the east coast of KwaZulu-Natal, between eThekwini Metro in the south and uThungulu District in the North. This is the smallest of the 11 KZN District Municipalities with a total population of approximately 606,809. ILembe District family of Municipalities is constituted by 4 Local Municipalities i.e. Mandeni, KwaDukuza, Ndwedwe and Maphumulo (ILembe District

Municipality Annual Report, 2016). The district municipality is known to be amongst the highly politically active region within the province of KwaZulu Natal.

A number of provincial leadership originates from this region. This includes Sihle Zikalala, Nomusa Dube and others to name a few. The district is also known for its high active citizenry. This is attributed to the number of service delivery protests that have been experienced in that district over the past years. An SABC article dated 10 April 2014, indicated that "the cause of the series of community protest was as a result of lack of competent management in the municipality" (News, 2014).

South Africa has experienced amplified concerns about corruption. Yap (2017: 122) quoted Anderson and Heywood (2009, 748–751) Rothstein and Teorell (2008) and; Kurer (2005), when she said "corruption refers broadly to the failure of the government to exercise impartiality of authority". Many public sector organisations have been overshadowed by allegations of corruption due to the resources spent inappropriately, non-compliance with legislation, specifically procurement laws and regulation. There have been perceptions of poor performance attributed to millions of ranks spent on mediocre work standards. The South African media have also reported news depicting the perception that corruption and maladministration in the public and private sector is rife. Nkandla in the public sector, as well as bank rate fixing have been but few corruption scandals to dominate the media (News, 2015). Some of the attributes of corruption are linked to deployment of unqualified and inefficient people in strategic positions of power. This is mainly seen as cronyism, nepotism or favoritism.

It is, therefore, not surprising that a study on the issues of nepotism and cronyism in the municipality is conducted as they are part of the public sector. There is no dominant perception on the current levels of nepotism in the municipality, and this is due to the fact that there aren't no recent papers available to this regard in the public sector especially in South Africa; however, as a public sector it is not immune to the challenges that are faced by all other government institutions.

The South African Local Government Association also conducted a study on the community protests across the local municipality including the ILembe District Municipality. Their findings noted that the higher the levels of services in the areas resulted in more protests in that area which then disassociated the notion of service delivery protest linked to lower performance of the municipalities(SALGA, 2015).

At the end of this study, it is anticipated that this research would have investigated and understood the relationship between nepotism, cronyism, the merits and demerits and how they influence job satisfaction in the public sector.

1.3 Problem statement

Nepotism and cronyism are common practices in both private and public sectors. Although these could be subtle in how they are practiced, it's not unusual for employees to identify and be affected by the acts of nepotism and cronyism in the workplace. Under such conditions, appointments of employees based on competence and knowledge seem impossible. It also creates a challenge on promoting deserving employees, if they compete with the employee who has a relative or friends in a higher-level position in the organisation. The lack of confidence that appears in such circumstances negatively affects job satisfaction, organisational commitment and individual performance.

There have also been perceptions of high protest levels in the municipalities in South Africa which was mainly perceived as related to corruption. The ILembe District Municipality has also experienced these protests and, therefore, is a good candidate to investigate and determine the levels of perceived nepotism and cronyism in the municipality. It also assists us to determine how these existing levels are affecting the job satisfaction of the employees.

In order to thoroughly conduct a research on the problem statement, we would need to determine how the variables influence each other.

1.4 Objectives of the study

The research aims to explore the significance and dependability of the two variables of this study.

- ✓ **Objective 1**: To establish the extent to which nepotism and cronyism are practised in the ILembe District Municipality

- ✓ **Objective 2**: To ascertain the merits and demerits of cronyism and nepotism in relation to employees' job satisfaction in the ILembe District Municipality

- ✓ **Objective 3**: To assess if there is a relationship between cronyism, nepotism and employee job satisfaction.

- ✓ **Objective 4:** To provide recommendations on how to minimise cronyism and nepotism and its effects on job satisfaction.

1.5 Research Questions

This study seeks answers to the following questions:
- ✓ To what extent is the ILembe District Municipality affected by nepotism and cronyism?
- ✓ What are the merits and demerits of nepotism and cronyism in relation to employees' job satisfaction in the ILembe District Municipality?
- ✓ Is there a relationship between nepotism, cronyism and employee job satisfaction?
- ✓ What recommendations can be made to minimise nepotism in the ILembe District Municipality?

1.6 Aims of the study

The aim of the study is to investigate the perception of nepotism and cronyism in the ILembe District Municipality and its impact on employee job satisfaction. The study findings will provide insight on how nepotism and cronyism in the municipality can influence productivity and job performance of employees based on their satisfaction levels.

1.7 Significance of the study

The main aim of the study is to bridge the gap between what has been researched so far in terms of the secondary literature that has been consulted as well as placing the focus in a South African context. However, the phenomena of this study are also very broad and, therefore, there are limitations. Currently the studies that have been done so far place emphasis on the definitions of nepotism. They also identify who is mostly affected by nepotism. There are also conflicting views with anti-nepotism theories such as Reggio and Saggi (2015) and Arasli & Turner (2008) linking nepotism to poor staff morale and performance, and pro-nepotism such as Jones & Stout (2015) as well as Michaels (2016) viewing it as beneficial to one party without harming the other.

Studies have also shown that nepotism and cronyism can be perceived differently, depending on the scope of the research; with employees, the results are mostly negative, while with management the results are mostly positive. It is envisaged that through this research, more information will be explored and new insights will be achieved that can be used by other researchers for further investigation purposes.

The findings of the study will assist the municipality to determine the gaps in terms of policies and it will improve by documenting the trends in the organisations and provide feedback on the impact of nepotism through employee surveys which will result in low turnover of labour and protect the businesses intellectual capacity. Through the research results, the ILembe municipality will also establish ways to combat negative effects of nepotism; enable organisations to reduce cost of rehiring as a result of high turnover linked to low morale and job dissatisfaction.

The positive effects of nepotism can be used as competitive advantage. The study may also ascertain the perceptions of the employees so that management can do something about it if there are negative perceptions concerning employee satisfaction. This study may also create awareness among leaders on the negative impact of the perceived nepotism in their organisations.

In addition, the findings will assist management in understandingthe significance of their leadership roles in the management of perceived practice of nepotism in the workplace.

Part of the benefits of this study may be to broaden the body of knowledge in this discourse. Even though there is a considerable amount of literature on this topic, the data is mostly outdated and globally based. There are limited literatures on this topic in a South African context and especially at local government level. The effects of nepotism will lead to the recommendations which might influence the formation of policies that will deal with nepotism practices in the workplace. This will benefit both employees and employers as follows:

- ✓ The employees – Fair practices will be implemented and this will improve job satisfaction.
- ✓ The organisation - qualified and well experienced people will be employed and this will help improving the organisational performance and improve service delivery.

Trade Unions would use the research to advocate legislation that regulates nepotism and other researchers will use the findings for further research purposes.

1.8 Delimitations

It is necessary to delimit the area of study to a manageable population. Nepotism and cronyism have many facets and can be implemented in private companies, public sector, NGOs, community organisations etc. For the purposes of the study these variables have been delimited to the public sector. The variables for job satisfaction range from a point of high morale perceptions; trust between leader and followers, working conditions, pay and productivity.

This research, therefore, focuses on the ILembe District Municipality in KwaZulu Natal. Due to the selection of a district municipality instead of a local municipality, the population selected will provide a good representation of the total population of the family of municipalities within this district.

1.9 Implications of this research

This study will assist the municipality in improving the perception of nepotism by increasing the implementation of the policies that promotes transparency in the processes of recruitment as well as conducting and providing feedback on the impact of nepotism through employee surveys which will result in low turnover of labour and protect the businesses intellectual capacity.

It will also enable organisations to reduce costs of rehiring as a result of high turnover linked to low morale and job dissatisfaction. The positive effects of nepotism can be used as competitive advantage for this municipality and can be strengthened to ensure it boosts staff morale.

The study has not only created an awareness on the impact of the perceived nepotism in the municipality but management can now do something about it in order to ensure the staff moral and job satisfaction is maintained. The leaders will be able to understand just how significant or important their leadership role is in the management of perceived nepotism in the workplace. The employees will get to have more fair and transparent practices in the organisation to improve job satisfaction. Due to the implementation of job competencies, the organisation will also recruit qualified and well experienced people and this will help improve organisational performance and service delivery. Trade Unions would use the research to advocate legislation that regulates nepotism and other researchers will use the findings for further research purposes.

1.10 Research method

The study employs a quantitative methodology, using a questionnaire as a data collection instrument. The study is about establishing causal relationships between variables; therefore, it is an explanatory research (Wahyni, 2012). A survey research strategy is used for this study. This is done based on a deductive approach where the quantitative research data are utilized to test a hypothesis of the negative relationship between the practice of nepotism and cronyism on employee job satisfaction (Wahyni, 2012).

Surveys are popular as they allow the collection of a large amount of data from a sizeable population in a highly inexpensive approach. Often obtained by using a questionnaire administered to a sample, these data are homogenous, allowing easy comparisons.

The survey strategy allows the researcher to collect quantitative data which can be analysed quantitatively using descriptive and inferential statistics (Groenewald, 2014). In addition, the data collected using a survey strategy can be used to suggest possible reasons for particular relationships between variables and to produce models of these relationships.

1.11 Organisation of the study

The study comprises the follow chapters:-

Chapter 1: Background

Chapter one of the study was the introduction to the study. This chapter gave the research background, problem statement, the research objectives and questions as well as the significance of the study. Other areas that were considered in this chapter included the scope and delimitations of the study together with the brief description of the research methodology used in the study.

Chapter 2: Literature review

The literature review for the study included the review of secondary data that was available in the public domain which included both books and other publications in the electronic libraries. Meta-analysis approach was employed to give a more detailed analysis of the research findings as guided by the research objectives in Chapter One. Chapter Two provides a detailed presentation of the existing literature on the subject area of study, increasing the body of knowledge on the topic for both the reader and researcher.

Chapter 3: Methodology

Chapter three presents the research design and methodology for the study. A quantitative approach is utilised. In addition, this chapter is a detailed discussion of the methods, approaches and techniques used in the data collection process. This chapter further describes the study area, sample and ethics of the study.

Chapter 4: Presentation of Results

Chapter four presents the descriptive and inferential statistical findings of the study through the analysis of the data.

Chapter 5: Interpretation of the results and discussion

Chapter five focuses on the interpretation of the results as presented in Chapter 4. The findings are presented and discussed under each research question. In addition, the primary findings are justified by selected literature.

Chapter 6: Conclusion and recommendations

Chapter 6 is the last chapter of the study and it concentrates on the recommendations of this research based on the findings. It also stipulates the research limitations and how this research could be broadened in the future.

1.12 Summary

This chapter has provided the background to the study. It presented the problem statement relating to the research. The perceived lack of performance in the public sector necessitates that research of this nature be conducted to understand the underlying factors for the current scenario. There are various perceptions that exist including the notion of nepotism in the public sector being the main cause of the inefficiencies in government.

There are three variables in this research: Nepotism, cronyism and job satisfaction; however, the study also looks at indirectly linked variables like corruption and service delivery that could come up in the literature review of this study.

The goal of the study is to show the relationship amongst the three variables and to determine if there is a relationship. The results of this study are important in focusing on a critical problem, which is known, but is rarely examined. Recommendations will be offered to the public sector based on the findings. The next chapter will review the literature that is relevant to this study.

CHAPTER 2

LITERATURE REVIEW

2.1 Introduction

This chapter reviews the literature for the predictive variable, nepotism and cronyism as well as dependable variables, job satisfaction. The literature review starts by defining the variables, and reviewing previously tested relationships between variables within the context of this study. Factors affecting these variables will be discussed as well as previously tested relationships between them will also be reviewed.

A considerable amount of literature has been published worldwide on nepotism dating back to the 13th century. *(The search engine used was google scholar with keywords nepotism).* The first formal rules prohibiting nepotism probably originated within the Roman Catholic Church, when bitterness began to build against incompetent staff appointed to high clerical office during the middle ages and renaissance (White Jr, 2000).

Early research by the Harvard Business Review (Ewing, 1965) found that more than 60% of their sample of approximately 2700 businessmen had negative attitudes toward nepotism. A considerable majority of people expressed negative opinions about nepotism (Padgett and Morris, 2005). According to this widely held stance, CEO careers in family-controlled firms are characterised by highly distinctive patterns, such as longer tenures and faster routes to the executive suite, granted in particular, to family members (Kets de Vries, 1993).

In as far as Robertson-Snape (1999) is concerned, nepotism in Asian countries is influenced by common law and customs for example, offering of gifts by subjects to their ruler which is a Japanese custom. Gift exchange is, therefore, a business norm in Indonesia and is not regarded as corruption, as a result of Indonesian customs following on Japanese customs (Robertson-Snape, 1999). Nepotism and collusion can be explained in a similar vein. In traditional culture, a public official's duty to his office is secondary to that towards his family or community. Any opportunities to further the economic or employment opportunities of that family will, therefore, be considered legitimate in terms of the official's priorities (Robertson-Snape, 1999).

Likewise, Bauer and Van Wijk (1999: 60) confirmed the same, that nepotism in major parts of Africa is mainly tribally influenced. One would expect many instances of nepotism within family owned businesses and this would play a role in the success and longevity of the business.

With family firms, although the statistics vary, it seems that only three out of ten family firms make it through the second generation, and only one in ten through the third. Analysts have estimated the average life-span of an entrepreneurial firm at only twenty-four years, the usual length of time the founder is associated with it (Kets de Vries, 1993: 60). The research on altruism in family firms explained how the need to look after the next generation can reduce firm performance (Schulze et al., 2003). The limited amount of previous research on nepotism provides little basis for predicting whether employees hired through nepotism performed poorly resulting in low staff morale (Padgett and Morris, 2005). There is, however, a degree of uncertainty around nepotism and its impact on job satisfaction as many researchers arrive at different conclusions.

2.2 Defining key concepts

In this section, three key variables relevant to this study are defined: nepotism, cronyism and job satisfaction.

2.2.1 Nepotism

Nepotism can be defined as the preferential treatment given to a member of an official's family, again ignoring meritorious considerations (Grobler and Joubert, 2004). Nepotism has a negative connotation attached to it and this review will determine if it's all negative. Riggio and Saggi (2015) suggested that nepotism can benefit one party without harming another i.e. it can be beneficial without harming the organisation or employees if, best practices in hiring, evaluating and promoting employees are implemented. There is not enough academic work has been conducted in the 21st century on nepotism however the journals that could be sourced has a lot in common with the past literature,

taking into cognizance the elements such as relationship, friendship as well as family membership forming part of the nepotism definition. The term nepotism is historically and literally referred to as the bestowal of patronage by reason of relationship regardless of merit (Simon, 1966: 54). For Wong and Kleiner (1994), nepotism referred to the hiring and advancement of unqualified or under qualified relatives simply by virtue of their relationship with an employee, officer, or shareholder in the firm.

According to Hamilton (1964), humanity has to do with ethics, religion and philosophy but mostly about biology. Humans aid their kin because they share their genes, so that their aid in effect increases the genetic representation in the next generation. Nepotism provides room for "preferential treatment of one individual over another, without taking into account the relative merit of the respective individuals; this represents nothing but victimization of an individual or individuals" (Ijewereme, 2015: 3). This definition is similar to Grobler and Joubert (2004) who defined nepotism as an owner's or manager's preference for hiring family members (nepots) rather than unrelated job applicants.

Jaskiewicz et al. (2013) defined nepotism as hiring based on family ties thereby discriminating against non-family members, whilst Calvard and Rajpaul-Baptiste (2015) defined nepotism as a loose phenomenon that "covers the spectrum from blatant favoritism towards an idiot relative to appointing someone you already know to a job".

A review of all the definitions indicates that most authors agree on the technical definition of nepotism. From the literature reviewed, the author can therefore, define nepotism as the employee in a senior position hiring a family relative in a position without considering his/her suitability and qualifications for that particular job and solely on the virtue of their family relations.

2.2.1.1 Types of nepotism

The key to understanding the behavioral patterns of social exchange relationship will assist in understanding the types of nepotism and how they result in either a better organisation or worse off organisation. In their article (Jaskiewicz et al., 2013) stated how they viewed nepotism in two forms or types that is, Reciprocal nepotism and Entitlement nepotism.

2.2.1.1.1 Reciprocal nepotism

Jaskiewicz et al. (2013) described Reciprocal nepotism as highly associated with interdependence, norms and exchanges that aimed to support family members. Previously established perspectives on reciprocal nepotism outcomes helps explain the potentially superior performance of firms that take advantage of generalized exchanges among family members in their employment policies. These, therefore, result in a generalized social exchange relationships which are important to tacit knowledge management (Jaskiewicz et al., 2013). It is as a result of this strength that the authors believed that reciprocal nepotism can improve the ability for the firm's tacit knowledge management (Jaskiewicz et al., 2013). This can be a critical success factor in a company's competitiveness and performance if managed effectively.

2.2.1.1.2 Entitlement nepotism

The authors of the article had a different view on Entitlement nepotism which they described as nepotism that occurs without consideration of family conditions (Jaskiewicz et al., 2013). They believed that this type of nepotism will lead to restricted social exchanges amongst the relatives and thus ignored the benefits associated with family ties. Restricted exchange relationships are subsequently transactional in nature and focused on direct reciprocity to receive a particular object (Long and Mathews, 2011)

The authors clearly felt this type of nepotism is dangerous and destructive and dysfunctional to any company as it requires very little performance obligation. Trust has been highlighted as one of the important features in this regard over what value the individual brought to the organisation. Entitled recruited members are more likely to exploit the organisation's resources for personal gain rather than to utilize the environment for the collective benefit of current and future family business owners.

2.2.1.1.3 Social exchange relationships and its implications for nepotism

Social exchange relationships are based on the people's perception of a cost benefit analysis between receiving favor and giving favors. In social exchanges an individual believes that the exchange partner will reciprocate over an unspecified period of time.

This expectation of reciprocity is one reason explaining the cohesiveness of social groups; therefore, Jaskiewicz et al. (2013), agreed when they commented that in social exchanges people are motivated by potential returns, and stressed the difficulties of achieving the same benefits elsewhere.

The relationship of reciprocation is mainly dependent on how each party has vested trust in themselves. It is clear that this phenomenon has implications for the employee's behavior as well as employee performance. It simplifies the need for the employees to have assurance of the employer's commitment to them before they can develop any sort of attachment to that organisation. This is why reciprocal nepotism can represent the heart and soul of an organisation as being a family member, one can influence it in a positive way (Jaskiewicz et al., 2013).

One of the factors that can influence nepotism is culture. Briggs (2012) believed that there are limited chances of avoiding conflict when the world of family and business collide. According to him having different interest with family members not only helps and protects them, but also promotes business interest in terms of performance and profits. A conflict of interest would, therefore, evidently arise if an incompetent Nepos is hired. Most research studies are convinced that these types of promotions are based on relationships vs. eligibility. Briggs (2012) cautioned that such a practice may cause negative reactions in employees who see this practice as unjust and may result in bribery, withdrawal from productivity, job stress and even decrease in job satisfaction.

 Hofstede (1991) proposed five cultural dimensions which are stated as uncertainty, avoidance, masculinity femininity, short/long-term orientation, power distance, and *individualism/collectivism.* He cited other researchers having resorted to Individualism and Collectivism being the main dimensions influencing cultural differences. Briggs (2012) also agreed with him when he stated that individualism and collectivism as cultural dimensions affected nepotism the most. He argued that if the organisational culture had a collectivism approach, nepotism might thrive in that environment and even be beneficial for the organisation; however, if the culture is individualistic there might be issues that might arise and cause conflict in the organisation as a result of nepotism.

2.2.2 Cronyism

In many studies, cronyism was discussed as public based under corruption and worsening occurrences. Arasli and Tumer (2008a) defined cronyism as giving undue preference to politicians' particularly to cronies also known as close friends of long standing, especially in the appointment of a position or office regardless of their qualifications.

Zudenkova (2015: 473) defined cronyism as the appointment of friends and associates to positions of authority without proper regard of their qualifications. According to Khatri et al. (2003), cronyism is a form of favoritism where the employer prepares a team of people who can be easily influenced in decision making to avoid confrontation and conflict among people. Just like nepotism, cronyism is rooted in a social exchange theory, which treats social relations among actors as the primary unit of analysis. Khatri et al. (2006) also believed that social group dynamics can be explained by propositions about individuals interacting with other individuals or corporate groups to exchange resources. It is evident that there is a relationship between nepotism and cronyism; however, based on the definitions above, the author can define cronyism as the provision of privilege to people closely acquainted with people in positions of power; like friends, colleagues and people to promote their own interests (Midoun, 2017).

2.2.3 Job Satisfaction

Job satisfaction is one of the most prominent work attitudes examined in the work and organisational literature (Hassard J. et al. 2013). For an organisation to be successful, it has to continuously ensure the satisfaction of its employees. Researchers have often included this construct in their examination of the relationship between work issues and work outcomes. Job satisfaction describes how content an individual is with his or her job. The happier people are within their jobs, the more satisfied they are said to be.

As such, job satisfaction is thought to be a hypothetical construct that describes a positive affective response to a job and has been shown to be associated with both physical and mental well-being (Weiss, 2002:174).

One of the most published definitions is that of Rowden (2002: 410) who defined job satisfaction as "an individual's reaction to the job experience". It is also defined as a pleasurable emotional state resulting from the appraisal of one's job or an affective reaction to one's job and an attitude towards one's job (Weiss, 2002: 174)

Smith (1974) defined job satisfaction "as an effective response of the worker to his job. She, however, indicated that there was no implicit connection between productivity and satisfaction" (Smith, 1974: 343). The second approach identified by Schleicher et al. (2011) characterized job satisfaction as an attitude, rather than an emotional state. Hyz (2010:86) described job satisfaction" as a general or global affective reaction that individuals hold about their job."

Researchers and practitioners have discovered interest in measuring different "facets" or "dimensions" of job satisfaction. Examination of these facets is often useful for a more careful examination of employee satisfaction with critical job factors (Williams, 2004). Traditional job satisfaction facets include: co-workers, pay, job conditions, supervision, nature of the work and benefits (Williams, 2004).

Job satisfaction may be the most frequently measured organisational variable in both research and applied settings. There are multiple reasons for interest in this work attitude. First, organisations are interested in simply assessing the current state of employee job satisfaction. Organisations often want to know the state of employee morale over time and thus, some form of job satisfaction measurement is generally included in employee opinion surveys. This area forms part of this study i.e. how job satisfaction is influenced by nepotism and cronyism.

Various components are considered important for job satisfaction, because they all influence the way a person feels about his/her job. These components include: pay, promotion, benefits, supervisor, co-workers, work conditions, communication, safety, productivity and the work itself. All of these factors will impact on the individual's job satisfaction differently. Students at UKZN have debated more recently as to whether job satisfaction is a global concept or is composed of facets of satisfaction with various aspects of an individual's job.

The most important determinants of job satisfaction are whether an employee finds his/her job interesting, has a good relationship with his/her manager and colleagues, has a high income, is allowed to work independently, and has clearly defined career advancement opportunities.

2.2.3.1 Motivational Theories

i) Maslow, McGregor, & Hertzberg

Many authors like Maslow, McGregor and Hertzberg have come up with a number of theories trying to explain why people feel the way they do about their jobs. Early work done by well-known pioneers like Maslow in 1943 and McGregor in 1966, have done much to raise the awareness and importance of job satisfaction and its effect on morale and well-being of employees. Maslow (1943) argued that even though people aim to meet the basic needs, they do however, seek to meet the other higher needs of the pyramid as per his adapted model below:

Figure 2.1: Hierarchy of needs

Self-actualization — morality, creativity, spontaneity, problem solving, lack of prejudice, acceptance of facts

Esteem — self-esteem, confidence, achievement, respect of others, respect by others

Love/Belonging — friendship, family, sexual intimacy

Safety — security of body, of employment, of resources, of morality, of the family, of health, of property

Physiological — breathing, food, water, sex, sleep, homeostasis, excretion

Figure: 2.1 Adapted from Maslow Hierarchy of Needs (1943)

One of the most interesting and controversial theories is Frederick Herzberg's concept of motivator-hygiene factors. In his study Frederick asked a number of accountants and engineers about their feelings towards their jobs.

He noticed that the respondents identified different things such as sources of work dissatisfaction and he called those hygiene factors and those that were identified as sources of satisfaction, he called motivators and from that he concluded that satisfaction and dissatisfaction were not simple opposites (Grobler et al., 2006)

Figure 2.2: Hertzberg Two factor theory

Figure 2.2: Adapted from Hertzberg Two Factor Theory (1966)

Hertzberg (1966) argued that the presence of Motivators (Responsibility, Recognition, Promotion, Achievement and Intrinsic aspects of the job) caused enduring states of motivation in employees but their absence did not lead to dissatisfaction. They are intrinsic in nature as they reflect the content of the job. On the other hand, Hygiene Factors (Supervision, Salary, Work Environment, company policies, relationship with colleagues) produced unacceptable working environments but did not increase satisfaction.

According to him these factors reflect the context of the job and so they can be thought of as extrinsic conditions, which mean they are factors controlled by someone other than the employee. (Grobler et al., 2006). He argued that although it was necessary to address both types of factors, the improvement of just Hygiene Factors would not necessarily bring about satisfaction.

He contended that in order to improve job satisfaction, the focus of intervention by the organisation must be on intrinsic elements such as making the work interesting and personally rewarding. According to Anderson et al. (2001), job satisfaction theory can be put into one of three main categories: situational, dispositional or interactive.

Situational theory hypothesizes that satisfaction is derived from the nature of the job and working environment. Dispositional theory suggests that job satisfaction is rooted in the personality of the individual and lastly the interactive theory considers the role that both situational variables and individual differences have to play. For the purposes of this study, only the situational variables within the workplace will be explored.

When evaluating job satisfaction, different individuals consider multiple facets associated with their job and weigh them according to their relative importance (Anderson et al., 2001: 237). For example, working conditions and career prospects might be important to one person whilst pay and bonuses might be important to another person. While the Hertzberg model has stimulated much research, it has received a great deal of attention and criticism *(Google scholar, Hertzberg model).* When looking at this theory, Health and Safety practices in the work place would fall under Hygiene Factors, as they would form part of the company policies as well as working conditions or environment in an organisation. The environment in which people work has a tremendous effect on their level of pride for themselves and the work they are doing and as such would have an impact on their job satisfaction.

ii) Hackman and Oldham's Job Characteristics Model

Hackman and Oldham (1976) suggested that Herzberg (1965) original formulation of the model may have been a methodological artifact. Hackman and Oldham's Job Characteristics Model (1976) support the intrinsic versus extrinsic argument. According to the Job Characteristics Model, jobs containing intrinsically motivating factors will result in increased job satisfaction. It looks at five core characteristics: task identity, task significance, skill variety, autonomy and feedback.

- ❖ Skill variety: using an appropriate variety of your skills (too many might be overwhelming, too few might be boring)

- ❖ Task Identity: being able to identify with the work at hand as more whole and complete, and, hence, enabling more pride to be taken in the outcome of that work.

- ❖ Task significance: being able to identify the task as contributing to something wider, to society or a group over and beyond self

- ❖ Responsibility is derived from autonomy, as without being given freedom of self-decision, then it is not possible to succeed.

- ❖ Feedback is the crucial element that creates knowledge of outcomes. This can be anything from production figures to customer satisfaction scores.

Figure 2.3: Hackman and Oldham Job characteristic Model
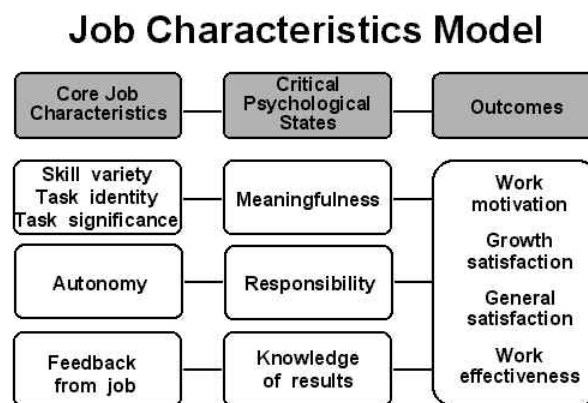
Figure 2.3: Adapted from Hackman and Oldham Job Characteristic Model (1976).

It appears that there has been much support for the model with studies showing that when evaluating facets of job satisfaction, it is the nature of work that emerges as the most important and is almost always strongly correlated with overall satisfaction (Jurgensen, 1978).

2.2.4 Measuring Job Satisfaction: Global or Facet Approach

One of the common ways to measure job satisfaction is by the use of rating scales where employees report their reactions about their jobs. The types of measurements employed vary according to the approach taken to job satisfaction, global or component (Jurgensen, 1978).

Global measures tend to use single item approaches using a scale to measure degrees of general satisfaction. Several different scales have been developed for this purpose and these vary greatly in form and scope .(Jurgensen, 1978). One of the most popular questionnaires is the Job Descriptive Index (JDI) where people indicate whether each of several adjectives describes their work. Another widely used measure, the Minnesota Satisfaction Questionnaire (MSQ) uses a different approach. In this case people rate the extent to which they are satisfied or dissatisfied with various aspects of their jobs, high scores reflect higher degrees of satisfaction. One advantage of rating scales is that they can be completed quickly and by many people (Mishra, 2013).

Another procedure of accessing job satisfaction is the critical incidents technique; in this technique individuals describe events relating to their work they found to be especially satisfying or dissatisfying. Their replies are then examined to uncover underlying themes (Mishra, 2013). For the purposes of this study a questionnaire was used to collect the information on the people's job satisfaction levels.

Figure 2.4: Variables relationship framework
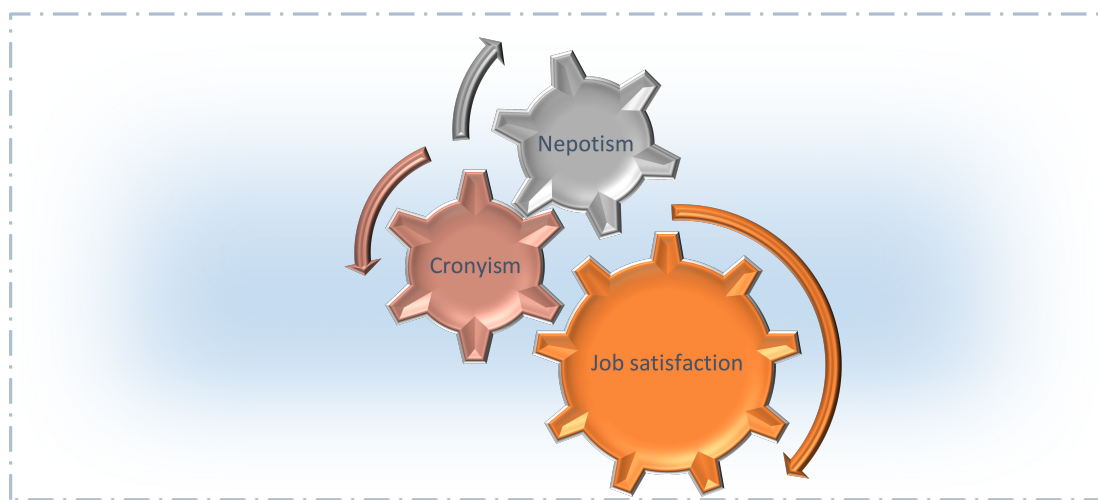
Figure 2.4: Variables relationship (Dissertation Author is the source)

2.3 Merits and demerits of nepotism and cronyism

Nepotism has been a phenomenon because it's controversial, speculative and somewhat conflicted on the views based on the perspective in which it is addressed.

There have been conflicting views within various researches conducted on nepotism, with some authors becoming pro-nepotism and others anti-nepotism. The pro-nepotism view is that nepotism can benefit one party without harming another.

Ewing (1965) identified another perspective from the executive/management where the practice of nepotism was seen to be advantageous as it lowered recruitment costs, training costs, built the ideal corporate image the business was looking for through sourcing the ideal personnel etc. He also articulated how nepotism can lead to conflict, resentment as well as de-motivate employees. These findings seem to be overlooked as results of nepotism. Such findings emerge when the study is analyzed through the employee's perspective.

(Michaels, 2016b) argued that nepotism cannot be summed up as a negative practice, as his study identified advantages and disadvantages of the practice. This finding lends strong support to the studies of Ewing (1965). We see concurrence again in the studies of Jones & Stout (2015), when they defended nepotism and described anti nepotism policies as a form of discrimination to qualified recruitment candidates who have to be excluded based on family ties.

The anti-nepotism views described nepotism as destructive and possibly results in poor staff morale and performance. Nepotism has a negative connotation attached to it. Research suggests that the negative effects of nepotism can be minimized by emphasizing the importance of best practices and good leadership (Riggio and Saggi, 2015).

Nepotism is always associated with the perception of incompetence; hence, the hiring of too many incompetent individuals (whether they are "family" or not) would certainly threaten the effectiveness and possibly even the survival of the business (Lansberg, 1983). However, Molofsky (1998) had a different view and he thought nepotism promotes shorter learning curve, greater loyalty, lower risks, better performance, lower turnover, and fulfilling needs at peak times which could be construed to be the lead opposite of Lansberg's theory.

Arasli and Tumer (2008b) stated that the main implications of nepotism are that it paralyses human resource practices and affects the level of satisfaction among employees. Customers and clients perceive and evaluate the quality by considering the attitude, behavior and tone of the voice of employees.

Nepotism has implications not only for management development, promotion, control, image, and the public relations of an organisation, but also for executives who have or would like to have relatives in management positions. On the opposite end, Michaels (2016a) argued this, saying that nepotism tends to foster a positive family-oriented environment which boosts morale and job satisfaction for all employees relatives and non-relatives. Justification for relatively "broad" no spouse rules, is that married individuals will bring their quarrels to work, to the detriment of their performances. In hiring dual couples, managers cannot ignore the potential for favoritism and abuse of power.

Nepotism can needlessly expose an organisation to family fights and sibling rivalries. It also can be against those who share a last name with the boss. Many of these managers will quit because nepotism blocked their advancement. As a result, ambitious professional managers will be discouraged from joining such firms (Abdalla et al., 1998: 59). Contrary to the dated findings, current research by Riggio and Saggi (2015) revealed that nepotism, effectively managed, does have numerous benefits for the organisation as well as the employees. High levels of social exchange between a superior and a subordinate through the use of motivating language by the superior has a positive impact on employees' performance as well as employees' productivity and job satisfaction (Ansari et al., 2015).

It is thus the practice of nepotism that facilitates commonly held family goals of passing the firm's leadership on to the next generation (Miller and Breton-Miller, 2006). Founders experience many difficulties when trying to evaluate the performance of a close relative who works in the firm - particularly when it comes to objective evaluation of their own children (Lansberg,1983: 43).

This interpretation contrasts with that of Barmash (1986) which stated that nepotism keeps companies alive and that the chances are that if succeeding generations are brought into oneness, Nepos will develop a pride of ownership and family ties. According to Arasli and Tumer (2008b) reducing and eliminating nepotism might increase an organisations' capacity to prevent turnover through increasing job satisfaction, losses in terms of time, finance and morale for the organisation. These views are supported by the studies of Jones and Stout (2015) that focused on the issues of discrimination against competent family members who were more than able to manage an organisation but are excluded based on family ties. Vveinhardt (2017), had the view that implementation of good governance nepotism is actually largely practiced in organisations.

Amundsen (2001) criticized nepotism as a highly biased method of distribution of state resources where public officers prefer their relatives and family members or friends in awarding contracts, job recruitment, promotion, appointment to public positions. He felt they are, ignoring the merit principle and this may lead to downgrading of the quality of the public service. It is, therefore, apparent that nepotism does not only affect the private sector.

One can immediately observe that nepotism results in employees feeling under-privileged, deprived, unfairly treated, cheated and left with negative feelings of self and the environment such as low confidence, pessimistic views of the future and detachment from the organisation. All these negative dynamics affect the level job satisfaction commitment to the organisation, poor performance and low morale. The opinions and beliefs may differ between the employer and the employee.

2.4 Nepotism and cronyism in the public sector

Local government has become one of the critical role players in ensuring better improvements in the lives of the people in the communities. This has resulted in the new for new solutions in a local level system of governance. Transformation can expand government functions and services very swiftly, widening its scope of regulatory and other intervention and multiplying opportunities for corruption (UNDP, 2000; Pillay, 2004) .

Corruption is most commonly defined as the abuse as well as misuse of public office and its resources for private gain (UNDP, 1999). It can come in various forms and a wide array of illegitimate behaviors, such as nepotism, cronyism, bribery, extortion, fraud, theft, falsification of records, kickbacks, and campaign contributions. Although corruption is highly associated with the public sector it is not unusual to experience corruption in the private sector as well. (UNDP, 1999) classified corruption into two types: spontaneous and institutionalized (or systemic). Spontaneous corruption is mainly located in citizens practicing ethics and morality in the public service; whereas institutionalized corruption is where corrupt behaviors are constantly widespread or persistent. This is where corruption has essentially become part of the lives of the civil servants and portrays a negative outlook towards any public office bearer (UNDP, 1999).

UNDP (2000) also classified corruption into three different broad layers being the political system, the public sector and the agencies. Political system corruption includes demands of electoral politics, the extensive use of patronage in political appointments, and the existence use of "illicit" funds (UNDP, 1999). Corruption within the public sector is usually focused on identifying and sanctioning employees engaged in corrupt and illicit behavior, considerations of pay and employment, and unfavorable government procurement processes. Corruption within specific agencies, involves grand corruption (involving widespread syndicates and millions); and petty corruption (involving smaller amounts of money, such as money to facilitate delivery of goods and services (UNDP, 1999).

Studies like the report from EE publishers on how South Africa need to attract domestic and foreign investment for economic growth, have shown that a corrupt country fails to attract investments and the results could be a shrinking GDP. Countries with high levels of corruption also experience a slow down on the Foreign Direct Investment in comparison to the countries perceived as uncorrupt (UNDP, 1999). The conclusion could, therefore, be that high levels of corruption reduce economic growth. It makes an environment conducive for distort allocation of resources resulting in low levels of performance for the government. The people that tend to be affected by the consequences of corruption are the poorest of the poor.

This is due to the fact that the resources meant for the poor in the form of social services and big infrastructure projects are redirected to the wealthy and powerful as they maximize bribery receipts and minimize chances of detection (UNDP, 2000). Post 1994, the government reformed nine regions called provincial government as well as a total of two hundred and eight four local municipalities. Though there was a substantial amount of human resources, a large number of management were replaced by political deployed resources of the new dispensation. (UNDP, 1999). This caused uncertainty and insecurities to older management and may have had an impact in the erosion of ethics in the public sector (UNDP, 1999).

The use of public resources has also come under fire where the first years of local government were at the center of the threat of corruption due to the implementation of unclear principles of public management. (UNDP, 1999). The government post 1994 however managed to introduce policies that were to promote accountability and transparency as well as Batho Pele principles and other principles of public management to ensure that public resources were in safe hands. However, the deployment doesn't seem to have just stopped at senior management levels, but carried down to the municipalities as well opening a huge scope of cronyism and nepotism.

South Africa has however been riddled with perceptions of corruption which moved from being very good to deteriorating to bad. In 2015 on the corruption scale, South Africa was ranked number 61 on par with Senegal and Italy (Koelble, 2017). This however is not just about the perception but also the actual incidents of spectacular cases of corruption including Nkandla as well as the state capture allegations. The Auditor General of South Africa also confirmed that the general level of corruption is widespread in all spheres of government (Koelble, 2017).

2.5 The relationship between Nepotism and Cronyism and its effect on employees' job satisfaction

In the literature, nepotism has always been associated with job dissatisfaction and low staff morale; hence, Berry (1997) defined job satisfaction as an individual's reaction to the job experience. Similarly Madamba and De Jong (1997) agreed that job satisfaction referred to an individual's positive emotional reactions to a particular job. It is an effective reaction to a job that results from the person's comparison of actual outcomes with those desired, anticipated, or deserved in the workplace (Madamba and De Jong, 1997).

Nepotism, favoritism and cronyism create job stress in the workplace and this increases dissatisfaction of the staff about their organisations. Nepotism has the greatest effect on job stress (Arasli and Tumer, 2008b). Job stress can also have various effects on the individual as well as on the organisation, for example losing adaptability to the work, negative attitude and an intention to quit. Nepotism, which arises from blood tie relations, is prominent in family owned businesses; however, even public sector has noticed an increase in the number of related people working in the same state owned organisation. Nepotism in these organisations affects the employees' working performances. More clearly, nepotism has some effects on employee's job satisfaction, negative word of mouth and quitting intention (Araslı et al., 2006).

Aziri (2011), in his article quoted Hoppock on the job satisfaction which he defined as any combination of psychological, physiological and environmental circumstances that cause a person truthfully to say "I am satisfied with my job". Job satisfaction represents a combination of positive or negative feelings that workers have towards their work (Aziri, 2011). When Redding (1990) described how Chinese family based organisations were characterized by political infighting between relatives and immediate family members whereby environment characteristics were defined by autocratic management and unhappy employees, Dailey and Reuschling (1980) pointed out that nepotism is good for the small family-owned organisation because it provided an efficient way to identify dedicated personnel to staff such organisations.

Undoubtedly, nepotism has been seen to be a threat to rational management in the public sector, because favoritism based on familial relationships, buying influence or influencing processes of shaping legislation and policies for obtaining undue advantages are currently diminishing state and local governments' resources as well as improperly using resources meant for the common good (Ansari et al., 2015).

Research conducted show a very large area of corruption and nepotism in offices and among politicians. (Pillay, 2004). Therefore, legal solutions taken by the government management usually refer to the prevention or restriction of hiring of relatives or creating positions for family relationships of public officials. However, the practices of competition recorded in the Act on Government Employees (Act, 1994) are not unambiguous because they are lacking in clear procedures for selecting candidates for a specific office position. This is also the case in South Africa, as the law could be interpreted as discrimination should one be prevented from being hired in a position one qualifies for as a result of a relative working there already. Legal solutions are filled with formal requirements; however, they do not offer precise substantive requirements and a system on how to verify those requirements.

2.6 Summary

Not enough studies have been done on the effects of nepotism and cronyism. The studies conducted looked at how nepotism affect productivity and moral but very little has been done on job satisfaction in the workplace. Most findings have been around how nepotism and cronyism depict negative impacts on job commitment. This has also been known to result in employee's intention to leave their jobs. Therefore, high staff turnover is seen to be one of the consequences of nepotism and cronyism. However, other studied revealed that it might actually benefit the organisation to have people who already have a relationship outside the work environment and those people can relate better and make smooth decisions which is positive for the organisation. In the final analysis, as stated by Jaskiewicz et al. (2013) nepotism can either be good or bad and it depends on what type of nepotism is implemented and in which organisation. The next chapter reflects on the research methodology that is used to conduct the empirical part of this study

CHAPTER THREE

RESEARCH METHODOLOGY

3.1 Introduction

This chapter provides an overview of the methodology that the researcher used to collect the primary data. The researcher adopted a descriptive quantitative study based on a deductive approach where the quantitative research methods will be utilized to test a hypothesis that there is a negative relationship between nepotism and employee job satisfaction. A questionnaire was used as the data collecting instrument. The study is about establishing causal relationships between variables; therefore, it is an explanatory research.

3.2 The aim of the study

The study investigates the perception of the practice of nepotism and cronyism in the public sector and how it affects job satisfaction. The ILembe District Municipality was selected as a case study for this research.

3.3 Research paradigm

Research philosophy or paradigms guide the research process and are used to decide on thetype of research questions, the research design, methods and techniques to be adopted in the study (Farber, 2001). Appropriate research methods are determined mainly by the nature of the research problem and the aims of the study. The researcher must have adequate epistemological knowledge of the method and its values to the research project. Two paradigms are discussed including the paradigm choice for this particular study.

3.3.1   Positivist paradigm

Positivists believe that different researcher's perceiving similar factual problems will produce comparable outcomes by cautiously using statistical tests and applying a similar research process in investigating a large sample. Their common belief is the existence of a universal generalization that can be applied across contexts (Wahyuni, 2012).

3.3.2   Interpretive view

Interpretivists believe that reality is constructed by the public and their perception of it. They recognize that people with their own varied backgrounds, assumptions and experiences contribute to the on-going construction of reality existing in their broader social context through social interaction (Wahyuni, 2012).

3.3.3   Paradigm applicable to the study

The study adopted a positivist approach as it will be using a quantitative research design.

3.4 Research design and methodology

Research may be classified as either applied or basic research. Applied research is done with the intention of applying its results to its findings in order to solve a problem currently being experienced. An example of an applied research can be a medical research with a purpose of finding a cure. However, basic or pure research is done to improve our understanding of problems that occur in our communities. The research design chosen was basic research as the main purpose of the study is to expand knowledge and influence the decision to be taken going forward.

The researcher used nepotism, cronyism and job satisfaction as the key words when conducting a secondary research in the online library and other relevant databases. The appropriate and relevant journals were then selected using the title of the journals as well as reading the abstract of the papers.

The quantitative method was used as the primary data collecting tool. Data collected from 100 participants at the ILembe District Municipality produced a response rate of 88%. Questionnaires were constructed and sent via email to the municipality respondents. However, there was a problem with the municipality printing out the copies due to the moratorium and hard copies had to be brought to the participants to get responses.

3.5 Research strategy

There are various research strategies in business studies that could be used based on the nature of the research question and purpose of the study and these are:

- Exploratory research design
- Descriptive research design
- Causal research design: Explanatory and Predictive
- Mixed methods research design
- Survey research design / strategy

The study required the use of a sample to find the result that will be applicable to the population. Since funds were not available to conduct this study, it was important to keep costs to a minimum. To facilitate this task, it was necessary to use a survey strategy to collect a lot of data in the least possible time and with minimum costs.

3.5.1 Survey: key features

Surveys are popular as they allow the collection of a large amount of data from a sizeable population in a highly inexpensive approach. The survey strategy allows one to collect quantitative data which can be analysed quantitatively using descriptive and inferential statistics. Often obtained by using a questionnaire administered to a sample, these data are homogenous, allowing easy comparisons. In addition, the data collected using a survey strategy can be used to suggest possible reasons for particular relationships between variables and to produce models of these relationships.

3.6 Sampling strategy

The two broad categories of sampling designs are probability sampling and non-probability sampling Probability sampling is based on the concept of random selection – a selection procedure that ensures that each element of the population is given a known chance of selection. This is the sampling process that was used in the study. Probability sampling exists within the positivistic quantitative paradigm as it is based on scientific assumptions of developing generalized knowledge about categories and aspects of reality and not about the individual and the unique.

According to Groenewald (2004) when he quoted Bless and Higson-Smith (2001), the population of a study, refers to a set of objects which are the focus of the research and about which the researcher wants to determine some characteristics. Based on this definition, any group of things can constitute a research population. For this study, the targeted group are the employees of ILembe District Municipality. The organisation is chosen as it meets the criteria of being a public sector in the Local Government sphere.

Barlett et al. (2001) argued that there are key determinants in establishing the sample size. Although the scope of this study does not allow for a detailed explanation of these determinants, they are worth mentioning. These key factors are, primarily, variables of measurement, error estimation, continuous data, and categorical data. This is why simple random sampling method was used to select the sample for the study.

The actual sample was selected using a table of random numbers or computer programme to generate random samples. A more practical approach entailed narrowing the focus from the population of 400 in the ILembe District Municipality including the family of municipalities down to 100 employees mainly in the ILembe District. This method ensured that the population is selected randomly without any sequence or frequency.

The 100 participants were recruited through visits in each department with follow up calls from the researcher to remind the participants to complete the questionnaire.

3.7 Reason to sample

As elaborated above, survey sampling assist in getting the information about the population without going through the entire population. It is not only unreasonable to conduct a survey with the whole population but it can also be costly and time consuming. Hence, it is necessary to have a sample of the population to complete this study.

3.8 The research instrument

The researcher selected the questionnaire as the measuring instrument. The research questionnaire was developed and responded to by the employees of ILembe District Municipality. The positives and negatives of using a questionnaire are listed below.

Questionnaire
Positives
Anonymity
Increased chances of honest responses since the name will not be required
Information can be analyzed more scientifically and objectively that other forms of research
It's very practical
Negatives
People can just fill the questionnaire for the sake of it without being honest
They will want to know what's in it for them therefore you need to sell the questionnaire

3.9 The Pilot study

The pilot study was conducted with 10% of the population. The researcher circulated an email to the PMS department and used 8 employees from PMS and finance department to pilot the study. Hard copies of the questionnaires were provided to the participants to make it easy for them. All 8 questionnaires were fully completed. All of them answered the questions without any problems and therefore, none of the questions were changed following the pilot study.

3.10 The construction of the questionnaire

The questionnaire construction was done by considering the research objective as well as the research questions of this study. The questionnaire had a total of 30 statement constructed as follows: -

Part A - Biographical information consisting of 6 statements

Part B – The extent to which nepotism and cronyism are at ILembe District Municipality consisting of 5 statements

 Part C – The merits and demerits of nepotism and cronyism in relation to employees' job satisfaction at ILembe District Municipality, which had a total of 10 statements

Part D - The relationship between nepotism, cronyism and employee job satisfaction with 9 statements

3.11 Data Collection

Data was collected using the structured questionnaires, as these were suitable to collect the information quickly, efficiently and easily. Even though this seemed like an easier method to collect the data the research was exposed to both the positive and negative aspects associated with the process.

- ❖ **Positives**
- (a) The method was chosen as it was cost effective by ensuring that the research reached as many people as possible.
- (b) The identity of the participants was protected and they were allowed to give their outputs and perceptions anonymously.
- (c) The questionnaire was going to elicit important information to questions that could have been difficult to get when blatantly asked from the participants.
- ❖ **Negatives**
- (a) The risk of not receiving all completed questionnaires.
- (b) The possibility of incorrect feedback due to misinterpretations of questions in the questionnaire.
- (c) The possibility of collusion when answering the questions since some participants worked in an open space environment.

3.12 Limitations

During the data collection phase the researcher did experience some problems. The municipality had a moratorium on expenditure which included printing. Due to the number of pages on the questionnaire and the number of questionnaire needed, the researcher was requested to bring hard copies for the questionnaire. These were circulated to all heads of department together with the approval letter and communication form the municipal manager's office. The feedback was not as expected and the researcher had to make another trip to explain the process and get more people to participate. In the end 88% response rate was achieved and this formed the bases of the research for this study.

3.13 Data analysis techniques

The data analysis assisted in producing meaning from the data that was collected. The data received from questionnaires was transformed to show responses in a table (percentage format). Quantitative research data was summarized using descriptive statistics. Data collected from the study was analyzed using SPSS 24.0 software.

3.14 Validity and Reliability

The validity of an instrument is the degree to which an instrument measures what it is intended to measure. Content validity refers to the extent to which an instrument represents the factors under study. To achieve content validity, the questionnaire was built primarily around the aim and research question of the study. The questions were formulated in simple language for clarity and ease of understanding and clear instructions were given to the participants. For validation, the questionnaires were submitted to the supervisor and a professional statistician,

Reliability is the degree of consistency with which an instrument measures the attribute that it is designed to measure and reproduces similar results when replicated at other times. Reliability can also be ensured by minimizing sources of measurement error such as data collector bias. Data collector bias was minimized by the researcher being the only one to administer the instruments and standardizing conditions such as exhibiting similar personal attributes to all respondents such as friendliness and support.

3.15 Ethical Considerations

Conducting research requires not only expertise and diligence but also honesty and integrity. This was done to recognize and protect the rights of human subjects. To render the study ethical, the rights to self-determination, anonymity, confidentiality and informed consent were observed. The researcher had a covering letter which requested the consent of the respondents to fill in the questionnaire and it explained what information the questionnaire was trying to source. Informed consent forms were drawn up. The subjects were informed of their rights to voluntarily consent or decline to participate, and to withdraw participation at any given time without penalties or prejudice

3.16 Elimination of bias

While devising the data collection instruments, care was taken to formulate the questions in such a way that it was understood by every respondent. Furthermore, the instruments were written in English. Finally the instruments made no discriminatory difference as regards to gender, race and/or physical condition. The researcher maintained a very cordial relationship with the respondents and refrained from influencing them in any manner what so ever.

3.17 Summary

Chapter 3 focused primarily on the methodology used in conducting this research. The aim of the empirical investigation, which concerned itself primarily with offering an explanation of the goal of the research, was discussed. This chapter also examined the study population and the research instrument used in the research. There are three variables in this study: nepotism, cronyism and job satisfaction. The next chapter presents the results from the empirical study.

CHAPTER FOUR

PRESENTATION OF RESULTS

4.1 Introduction

This chapter presents the results obtained from the questionnaires in this study. The questionnaire was the primary tool that was used to collect data and was distributed to 100 employees at the ILembe District Municipality. The data collected from the responses was analyzed with SPSS version 24.0. The statistics are generated primarily from the quantitative data collected from the respondents in the ILembe District Municipality. These are presented in the form of graphs, tables, charts, cross tabulations and other figures for the quantitative data that was collected. Inferential techniques include the use of correlations and chi square test values; which are interpreted using the p-values.

4.1.1 The response rate

In total, 100 questionnaires were dispatched and 88 were returned which gave an 88% response rate.

4.1.2 The Research instrument

The research instrument consisted of 30 items, with a nominal or an ordinal level of measurement. The questionnaire was divided into 4 sections which measured various themes as illustrated below:

A Biographical data

B The extent of nepotism and cronyism at ILembe District Municipality

   The demerits and merits of nepotism and cronyism in relation to employees' job

C satisfaction at ILembe

   District Municipality

D The relationship between nepotism and employee job satisfaction

4.2 Reliability Statistics

The two most important aspects of precision are **reliability** and **validity**. Reliability is computed by taking several measurements on the same subjects. A reliability coefficient of 0.600 or higher is considered as "acceptable" for a newly developed construct.

The table below reflects the Cronbach's alpha score for all the items that constituted the questionnaire.

Table 4.1: Cronbach's Apha score

Section		Cronbach's Alpha
B	The extent of nepotism and cronyism at ILembe District Municipality	0.518
C	The demerits and merits of nepotism or cronyism in relation to employees' job satisfaction at ILembe District Municipality	0.617
D	The relationship between nepotism and employee job satisfaction has an effect on service delivery	0.663

The reliability scores for 2 of the 3 sections exceed the recommended Cronbach's alpha value. This indicates a degree of acceptability, and consistent scoring for these sections of the research. The first section has a value that is slightly less than the norm. The primary reason for this is the nature of the statements, where some were bidirectional.

4.3 Descriptive statistics / Section Analysis

The section that follows analyses the scoring patterns of the respondents per variable per section. The results are first presented using summarized percentages for the variables that constitute each section. Results are then further analyzed according to the importance of the statements.

4.2.1 Section A: Biographical Data

This section summarizes the biographical characteristics of the respondents. The figure below describes the overall distribution by age.

Figure 4.1: Age Distribution

The spread of the respondents' ages is not uniform with significantly more respondents (76.1%) being below the age of 40 years ($p < 0.001$). 50% of all respondents were between the ages of 31 – 40 and 23, 9% over the age of 40 years. This implies that a majority of the respondents were of significantly younger age.

The racial composition of the sample is shown below.

Figure 4.2: Racial Composition
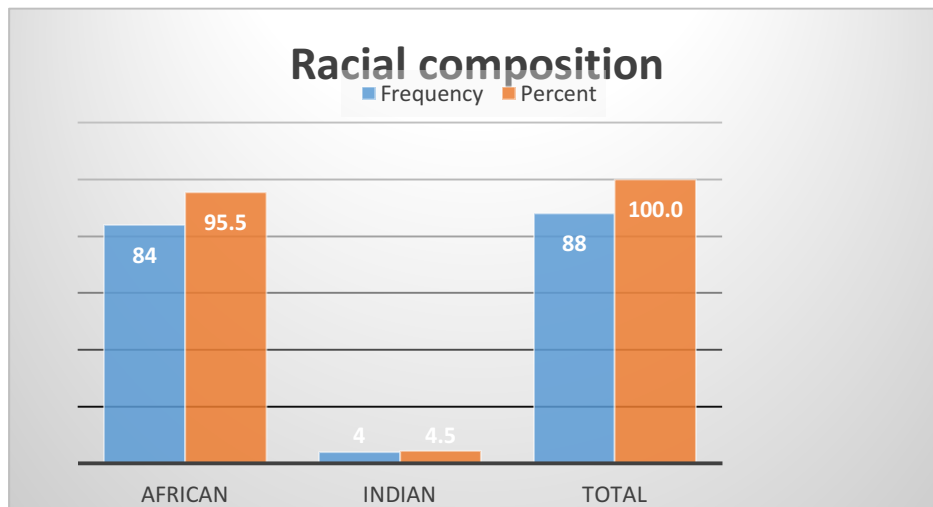
Figure 4.2: Racial composition

There were significantly more African respondents than Indian (19: 1 ratio) ($p < 0.001$). This is also due to proportionate of the area in the North coast where it's known for its African and Indian dominance.

The table below indicates the cross tabulation between Years of service and Employment status.

Table 4.2: Years of Service

			Employment status		Total
			Permanent	Contract	
Years of service	1 - 5	Count	38	0	38
		% within Years of service	100.0%	0.0%	100.0%
		% within Employment status	44.2%	0.0%	43.2%
		% of Total	43.2%	0.0%	43.2%
	6 - 10	Count	29	0	29
		% within Years of service	100.0%	0.0%	100.0%
		% within Employment status	33.7%	0.0%	33.0%
		% of Total	33.0%	0.0%	33.0%
	11 - 20	Count	17	2	19
		% within Years of service	89.5%	10.5%	100.0%
		% within Employment status	19.8%	100.0%	21.6%
		% of Total	19.3%	2.3%	21.6%
	20+	Count	2	0	2
		% within Years of service	100.0%	0.0%	100.0%
		% within Employment status	2.3%	0.0%	2.3%
		% of Total	2.3%	0.0%	2.3%
Total		Count	86	2	88
		% within Years of service	97.7%	2.3%	100.0%
		% within Employment status	100.0%	100.0%	100.0%
		% of Total	97.7%	2.3%	100.0%

Table 4.2: Years of Service

Overall, the ratio of permanent to contract staff is approximately 100:1 (97.7%: 2.3%). Within the years of service category of 11 to 20 years, 89.5% were permanent. This figure could also impact on the responses received from the participants based on the number of years in the employment without being confirmed for permanent employment. Within the permanent category only, 33, 7% had been in the workplace between 6 – 10 years and 19.8% had been employed for between 11 to 20 years of service. This category of permanent staff having 11 to 20 years' experience formed 19.3% of the total sample. Independently, each category had significantly varying frequencies ($p < 0.001$).

The questionnaire seeked to identify the length of service and the figure below indicates the length of service in the current position of the respondents.

Figure 4.3: Period in current position
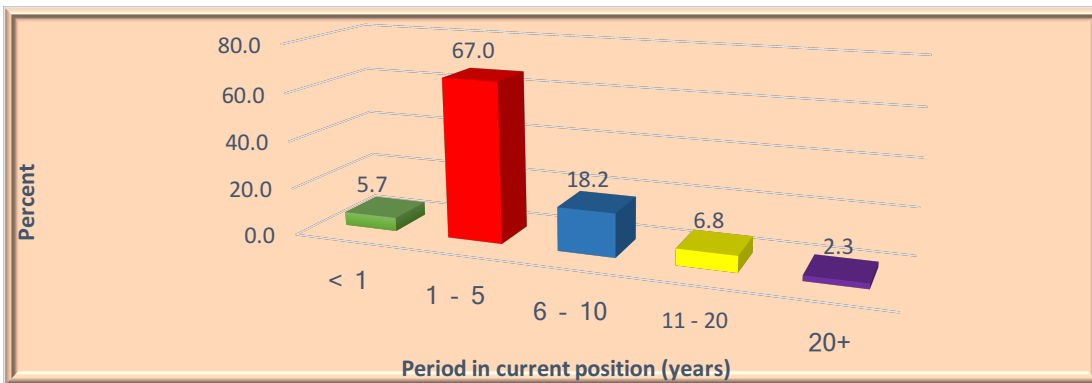
Figure 4.3: Period in current position

Two-thirds of the respondents (67.0%) had been in employ in the current position for between 1 to 5 years, with less than 6% having less than 1-year experience in their current position (p < 0.001). 6, 8% of respondents have been employed by the municipality for 11-20 years and only about 2, 3% of the respondents were in employment for more than 20 years in their current positions. This implies that respondents had been in employ for a while and this is very important as it indicates responses from experienced workers.

Presentation of these results is shown in Figure 4.3 above

Figure 4.4: Position of respondents.
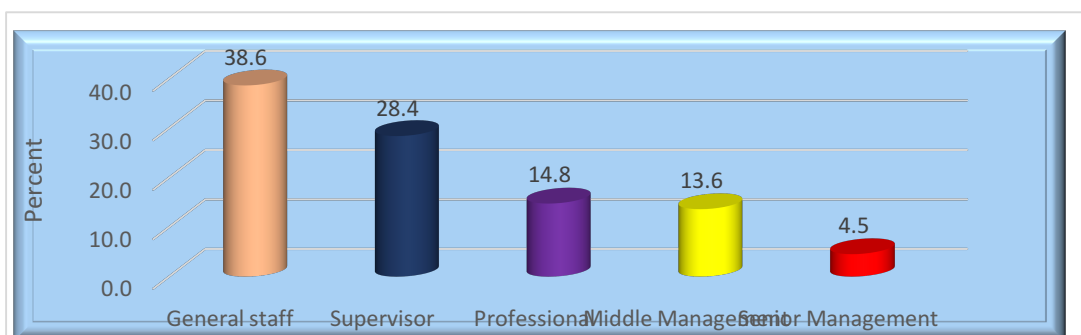
Figure 4.4: Positions of the respondents

The results presented indicates that 36, 8% of the respondents were general staff, whilst 28, 4% and 14, 8% were supervisory level and professional level staff respectively.

About 13, 6% of the respondents were middle management and only 4, 5% of the respondents were senior management. Now looking at the composition of the municipality, this pattern does seem to make sense and, therefore, has a marginal error of ($p < 0.001$).

4.2.2 Section B: Extent to which nepotism and cronyism is perceived in the municipality

This section attempts to determine the extent to which nepotism and cronyism is perceived in the municipality.

Figure 4.5: **Extent of nepotism and cronyism in ILembe District Municipality**
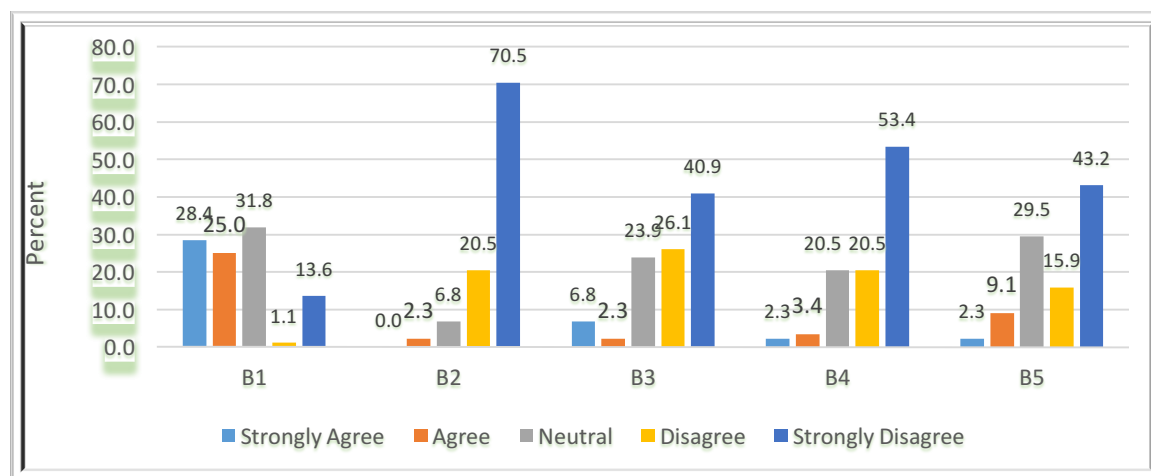
Figure 4.5: Extent of nepotism and cronyism practice in the municipality

With reference to statement B1, which read as follows: **There is a substantial practice of nepotism & cronyism at the municipality**: 28,4% of the respondents strongly agreed that there is a significant practice of nepotism and cronyism in the municipality. There were atleaste 25% of the respondents who also agreed that there is this practice within the municipality.

On the same statement,31,8% of the respondeds were neutral, 1,1 % disagreed that there was a significant practice of nepotism and cronyism in the municipality whilst 13,6% strongly disagreed that the practice was significant and even existed.

A pattern is identified where 31,8% of respondents chose not to give a definite answer. The follow up question will assist us in understanding where this percentage falls based on the follow up answers.

When the respondents gave feedback on the B2 statement which stated: **I have been benefitted from nepotism & cronyism at the municipality**, 20,5 % disagreed while 70,5% strongly disagreed that they had benefitted from this practise in the municipality. In total 91% of respondents disagreed of being the beneficiaries of this practice.

Responding to B3 statement which asked**: I have been a victim of nepotism and cronyism at the municipality**: Majority of the respondents disagreed with the statement with 40, 9% strongly disagreeing with the statement and 26, 1% disagree with the statement. 23, 9% were neutral, whilst 6, 8% strongly agreed and 2, 3 % agreed with the statement.

 With reference to B4 statement**: I don't have a problem with the practice of cronyism and nepotism at the municipality,** 20,5% disagreed that they are happy with this practice while 53,4% of the respondents strongly disagreed with the statement they they do not have a problem with this practice in the municipality. 20,5% remained neutral whilst the balance percentage of the respondents agreed that they really did not have any problem with this practice in the municipality.

When respondents were asked if they felt **they had a platform to raise their concerns about the practice in statement B5**; 15,9% disagreed whilst 43,2% strongly disagreed. On the same statement, 29,5% were neutral and the balance of the respondents agreed there were platforms for them to voice their concerns on the practice of nepotism and cronyism in the municipality.

4.2.3 Section C : The demerits and merits of nepotism and cronyism in relation to employees' job satisfaction at ILembe District Municipality.

This section unpacks the merits and demerits of the practice of nepotism and cronyism in relation to employee job satisfaction in the municipality.

Figure 4.6: Merit s and Demerits of nepotism and cronyism in relation to employee job satisfaction
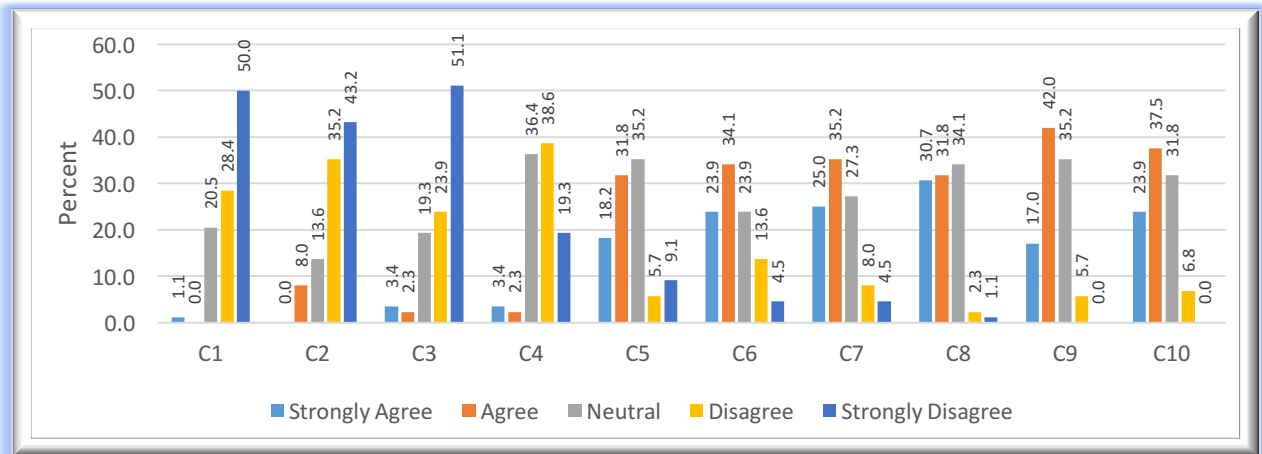
Figure 4.6: Demerits and Merits of nepotism and cronyism in relation to employee job satisfaction

With reference to statement C1: **Working with my relatives is an advantage because they have a strong commitment to getting the work done:** 28, 4% of the respondent disagreed whilst 50% strongly disagreed with the notion that working with a relative is an advantage because they have a strong commitment to getting the work done. This is a considerably high number and it is not surprising at all when comparing the numbers that oppose the practice of nepotism and cronyism in the municipality. 20, 5 % of the responds were neutral, while 1, 1% strongly agreed with the statement.

When the respondents were asked about statement C2, whether they saw **working with a relative or a friend as an advantage because they would understand their skills, strengths and weaknesses**, 35, 2% of the respondents disagreed, whilst 43, 2% strongly disagreed. About 13, 6% of the respondents were neutral and 8% agreed with the statement.

With reference to C3 statement: **I feel I need to have a relative or a friend in high-level position,** 23, 9% of respondents disagreed and 51, 1% strongly disagreed with statement C3 where they were asked if they feel the need to have a relative or a friend in high-level position. About 19, 3% were neutral whilst 2, 3% and 3, 4% agreed and strongly agreed respectively.

For statement C4 which asked: **I am comfortable with the presence of those employees with close personal ties to high-level executives, most** respondents disagreed with the statement with only 5, 7% in agreement with that statement and 36, 4% neutral on the statement.

With reference to statement C5 **whether acquaintances' disagreements become business problems in organisations,** 23, 9% strongly agreed whilst 34.1 % agreed with the statement. Therefore, more than half of the respondents felt that having acquaintances at a workplace can result in their outside disagreements becoming business problems in the organisation.

Statement C6: **Acquaintances' disagreements become business problems in organisations:** 23, 9% of the respondents strongly agreed and 34, 1% agreed with the statement. On the same statement, 23.9% remained neutral and 18, 1% were split between disagreeing and strongly disagreeing with the statement.

Statement C7 wanted to find out if: **A friend or acquaintance of an executive can never meet the expectation of other employees if given a position at the municipality:** Majority of the respondents at 65, 2% felt that no matter how hard they worked a family member, friend or acquaintance of an executive can never meet the expectations of other employees if given a position at the municipality. 27, 3% remained neutral whilst 8% disagreed and 4, 5% strongly disagreed with the statement.

With reference to statement C8, which was: **Managers have a hard time demoting or firing friends and acquaintances at the municipality:** 62, 5 % of the respondents also agreed that managers have a hard time demoting or firing friends and acquaintances at the municipality. A figure of 34, 1% remained neutral and 3, 4% either disagreed or strongly disagreed.

On statement C9 which wanted to learn if: **Politicians and political affinities are connected to the recruitment processes of the municipality:** 59% of the respondents when they agreed that politicians and political affinities are connected to the recruitment processes of the municipality, whilst 35, 2% were neutral and 5, 7% disagreed with the statement.

With reference to statement 10, which was: **The changes in political leaders leaves employees feeling anxious about the changes:** Majority of the respondents at 61, 4% agreed that changes in political leaders leaves employees feeling anxious, whilst 31,8% were neutral and 6,8% disagreed with the statement.

4.2.4 Section D : The relationship between nepotism and employee job satisfaction

This section unpacks the effect of nepotism and cronyism in relation to employee job satisfaction in the municipality. The respondents have unpacked how they felt about nepotism and cronyism and now this section will provide the effects of nepotism and how they view and value their job.

Figure 4.7: The relationship between nepotism and cronyism in relations to employee job satisfaction

Figure 4.7: The raltionship between nepotism and cronyism in relation to employee job satisfaction

Having asked the respondents if they considered their job unpleasant, on **statement D1: I consider my job unpleasant,** the results received were as follows: 14, 8 % of the respondents agreed that they find their jobs unpleasant; however, that is a particularly low number than the 57, 9 % that disagreed with the statement. 27, 3 % of the respondents were neutral on this statement. **Statement D2: My work gives me a feeling of personal accomplishment:** wanted to know from the respondents **if their work gives them a feeling of personal accomplishment**. 52, 3 % strongly agreed and agreed with the statement. 23, 8% disagreed with the statement and 23, 9% remained neutral on the statement.

Statement D3: I feel encouraged to come up with new and better ways of doing things. 47, 8 % either agreed or strongly agreed with the statement. 22, 7% was neutral whilst 21,6% disagreed and 8% strongly disagreed with the statement. **Statement D4: My job makes good use of my skills and abilities,** wanted to learn if the respondent's jobs required them to makes good use of their skills and abilities to which the responses were 47, 8% of respondents agreed with the statement, 22, 7% remained neutral and 20, 4% disagreed with the statement.

Statement D5 asked **if the respondents felt that their manager notice them for the hard work they put in their job,** 62, 5% of the respondents agreed, whilst 12, 5% of the respondents remained neutral and 25% of the respondents disagreed with the statement. **Statement D 6 focused on compensation satisfaction levels for the work conducted** and only 26, 1% of the respondents felt their compensation was equal to the quality of work their put in their jobs. 21,6 were neutral and 52,3 were a split between disagree and strongly disagree with this statement.

In statement D7 the respondents were asked if they felt they have a fair opportunity to get a better job in their municipality. The responses were, 26, 1% who felt they had a fair chance of career progression in the municipality, 29, 5 % remained neutral and 44, 4 % felt they did not have a fair chance of career progression in the municipality.

Statement D8: I feel demotivated as I'm overlooked for promotions over people less qualified, required the respondents to express their feelings towards promotions. About 46, 6 % agreed that they are demotivated as a result of being overlooked for promotions over less qualified people. 20, 5% remained neutral and 32, 9% disagreed with the statement. **Statement D9 determined whether the respondents felt the municipality has a hard time attracting and retaining quality people who are not acquaintances of senior managers**. About 54, 6% of the respondents agreed with the statement. This was followed by 30, 7% of the respondents who remained neutral while 13, 6 % disagreed with the statement.

4.3 Factor Analysis

Factor analysis is a statistical technique whose main goal is data reduction. A typical use of factor analysis is in survey research, where a researcher wishes to represent a number of questions with a small number of hypothetical factors. Factor analysis can be used to establish whether the three measures do, in fact, measure the same thing. If so, they can then be combined to create a new variable, a factor score variable that contains a score for each respondent on the factor.

The matrix tables is preceded by a summarized table that reflects the results of KMO and Bartlett's Test. The requirement is that Kaiser-Meyer-Olkin Measure of Sampling Adequacy should be greater than 0.50 and Bartlett's Test of Sphericity less than 0.05. In all instances, the conditions are satisfied which allows for the factor analysis procedure. Factor analysis is done only for the Likert scale items. Certain components divided into finer components. This is explained below in the rotated component matrix.

Table 4.3: KMO and Bartlett's Test

	Section	Kaiser-Meyer-Olkin Measure of Sampling Adequacy	Bartlett's Test of Sphericity		
			Approx. Chi-Square	df	Sig.
B	The extent of nepotism and cronyism at ILembe District Municipality	0.531	22.661	6	0.001
C	The demerits and merits of nepotism or cronyism in relation to employees' job satisfaction at ILembe District Municipality	0.628	307.223	36	0.000
D	The relationship between nepotism and employee job satisfaction has an effect on service delivery	0.700	222.147	15	0.000

All of the conditions are satisfied for factor analysis, that is, the Kaiser-Meyer-Olkin Measure of Sampling Adequacy value should be greater than 0.500 and the Bartlett's Test of Sphericity sig. value should be less than 0.05.

Table 4.4: Rotated Component Matrix

a) Rotated Component Matrix

	Component	
	1	2
There is a significant practice of nepotism & cronyism at the municipality	-0.027	0.791
I have been benefited from nepotism & cronyism at the municipality	0.799	0.211
I have been a victim of nepotism and cronyism at the municipality	0.162	0.765
I don't have a problem with the practice of cronyism and nepotism at the municipality	0.843	-0.058

Extraction Method: Principal Component Analysis.
Rotation Method: Varimax with Kaiser Normalization.
a. Rotation converged in 3 iterations.

b) Rotated Component Matrix[a]

C	Component		
	1	2	3
Working with my relatives is an advantage because they have a strong commitment to getting the work done	-0.503	0.681	0.123
Working with my relative or a friend is an advantage because I understand their skills, strengths and weaknesses	-0.107	0.863	0.133
I feel I need to have a relative or a friend in high-level position	0.274	0.651	-0.298
I am always careful when speaking to employees who are acquaintances or relatives to high level executives	-0.008	0.236	0.753
Acquaintances' disagreements become business problems in organisations	0.255	-0.202	0.740
A friend or acquaintance of an executive can never meet the expectation of other employees if given a position at the municipality	0.416	-0.507	0.520
Managers have a hard time demoting or firing friends and acquaintances at the municipality	0.867	-0.013	0.120
Politicians and political affinities are connected to the recruitment processes of the municipality	0.569	-0.069	0.634
The changes in political leaders leaves employees feeling anxious about the changes	0.802	-0.091	0.233

Extraction Method: Principal Component Analysis.
Rotation Method: Varimax with Kaiser Normalization.
a. Rotation converged in 7 iterations.

c) Rotated Component Matrix[a]

D	Component	
	1	2
My work gives me a feeling of personal accomplishment	0.827	0.019
I feel encouraged to come up with new and better ways of doing things	0.869	0.297
My job makes good use of my skills and abilities	0.868	0.219
I feel my manager notices me for the hard work I put in my job	0.084	0.772
I feel I'm compensated well for the quality of the work I put in my job	0.215	0.793
I feel I have a fair opportunity to get a better job in this municipality	0.161	0.856

Extraction Method: Principal Component Analysis.
Rotation Method: Varimax with Kaiser Normalization.
a. Rotation converged in 3 iterations.

With reference to the table above the principle component analysis was used as the extraction method, and the rotation method was Varimax with Kaiser Normalization. This is an orthogonal rotation method that minimizes the number of variables that have high loadings on each factor. Its main goal is to simplify the interpretation of the factors. Factor analysis/loadings show inter-correlations between variables and items of questions that loaded similarly imply measurement along a similar factor. An examination of the content of items loading at or above 0.5 (and using the higher or highest loading in instances where items cross-loaded at greater than this value) effectively measured along the various components.

It is noted that the variables that constituted Section C loaded along 3 components (sub-themes) and Sections B and D loaded along 2 components. This means that respondents identified different trends within the section.

4.4 Hypothesis Testing

The traditional approach to reporting a result requires a statement of statistical significance. A **p-value** is generated from a **test statistic.** A significant result is indicated with "p < 0.05". A Chi square test was conducted with the following results:

Table 4.5 Chi square test

	Chi-Square	df	Asymp. Sig.
Age	35.182[a]	3	0.000
Race	72.727[b]	1	0.000
Employment status	80.182[b]	1	0.000
Years of service	32.455[a]	3	0.000
What is your current employment level at ILembe District Municipality?	31.886[c]	4	0.000
How long have you been in your current position?	128.023[c]	4	0.000
There is a significant practice of nepotism & cronyism at the municipality	27.795[c]	4	0.000
I have been benefited from nepotism & cronyism at the municipality	103.273[a]	3	0.000
I have been a victim of nepotism and cronyism at the municipality	43.023[c]	4	0.000
I don't have a problem with the practice of cronyism and nepotism at the municipality	75.068[c]	4	0.000
I have the platform to voice concerns over nepotism and cronyism practices in the municipality	47.455[c]	4	0.000
Working with my relatives is an advantage because they have a strong commitment to getting the work done	43.182[a]	3	0.000
Working with my relative or a friend is an advantage because I understand their skills, strengths and weaknesses	30.091[a]	3	0.000
I feel I need to have a relative or a friend in high-level position	69.273[c]	4	0.000
I am comfortable with the presence of those employees with close personal ties to high-level executives	53.023[c]	4	0.000
I am always careful when speaking to employees who are acquaintances or relatives to high level executives	30.750[c]	4	0.000
Acquaintances' disagreements become business problems in organisations	22.341[c]	4	0.000
A friend or acquaintance of an executive can never meet the expectation of other employees if given a position at the municipality	30.523[c]	4	0.000

Managers have a hard time demoting or firing friends and acquaintances at the municipality	49.386[c]	4	0.000
Politicians and political affinities are connected to the recruitment processes of the municipality	29.273[a]	3	0.000
The changes in political leaders leaves employees feeling anxious about the changes	18.818[a]	3	0.000
I consider my job unpleasant	38.250[c]	4	0.000
My work gives me a feeling of personal accomplishment	23.364[c]	4	0.000
I feel encouraged to come up with new and better ways of doing things	9.159[c]	4	0.057
My job makes good use of my skills and abilities	24.386[c]	4	0.000
I feel my manager notices me for the hard work I put in my job	29.841[c]	4	0.000
I feel I'm compensated well for the quality of the work I put in my job	13.250[c]	4	0.010
I feel I have a fair opportunity to get a better job in this municipality	15.295[c]	4	0.004
I feel demotivated as I'm overlooked for promotions over people less qualified	4.159[c]	4	0.385
The municipality has a hard time attracting and retaining quality people who are not acquaintances of senior managers	35.977[c]	4	0.000

A second Chi square test was performed to determine whether there was a statistically significant relationship between the variables (rows vs columns). The null hypothesis states that there is no association between the two. The alternate hypothesis indicates that there is an association.

The tables below summarise the results of the second chi square test conducted looking at the statement associated with the objectives. The first noticeable relationship is on the employment level of people that agreed that nepotism and cronyism exist in the municipality. The p-value between "There is a significant practice of nepotism & cronyism at the municipality" and "What is your current employment level at ILembe District Municipality?" is $p < 0.001$.

This means that there is a significant relationship between the variables and these are perceived differently in the different levels of employments. The crosstab frequency table shows the direction of frequencies.

			General staff	Super visor	Profess ional	Middle Manage ment	Senior Managem ent	Total
Table:4.6 Crosstab 1								
			What is your current employment level at ILembe District Municipality?					Total
There is a significant practice of nepotism & cronyism at the municipality	Strongly Agree	Count	2	2	6	2	0	12
		% within There is a significant practice of nepotism & cronyism at the municipality	16.7%	16.7%	50.0%	16.7%	0.0%	100.0%
		% within What is your current employment level at ILembe District Municipality?	5.9%	8.0%	46.2%	16.7%	0.0%	13.6%
		% of Total	2.3%	2.3%	6.8%	2.3%	0.0%	13.6%
	Agree	Count	1	0	0	0	0	1
		% within There is a significant practice of nepotism & cronyism at the municipality	100.0%	0.0%	0.0%	0.0%	0.0%	100.0%
		% within What is your current employment level at ILembe District Municipality?	2.9%	0.0%	0.0%	0.0%	0.0%	1.1%
		% of Total	1.1%	0.0%	0.0%	0.0%	0.0%	1.1%
	Neutral	Count	15	5	0	6	2	28
		% within There is a significant practice of nepotism & cronyism at the municipality	53.6%	17.9%	0.0%	21.4%	7.1%	100.0%
		% within What is your current employment level at ILembe District Municipality?	44.1%	20.0%	0.0%	50.0%	50.0%	31.8%
		% of Total	17.0%	5.7%	0.0%	6.8%	2.3%	31.8%
	Disagree	Count	7	4	5	4	2	22
		% within There is a significant practice of nepotism & cronyism at the municipality	31.8%	18.2%	22.7%	18.2%	9.1%	100.0%
		% within What is your current employment level at ILembe District Municipality?	20.6%	16.0%	38.5%	33.3%	50.0%	25.0%
		% of Total	8.0%	4.5%	5.7%	4.5%	2.3%	25.0%
	Strongly Disagree	Count	9	14	2	0	0	25
		% within There is a significant practice of nepotism & cronyism at the municipality	36.0%	56.0%	8.0%	0.0%	0.0%	100.0%
		% within What is your current employment level at ILembe District Municipality?	26.5%	56.0%	15.4%	0.0%	0.0%	28.4%
		% of Total	10.2%	15.9%	2.3%	0.0%	0.0%	28.4%
Total		Count	34	25	13	12	4	88
		% within There is a significant practice of nepotism & cronyism at the municipality	38.6%	28.4%	14.8%	13.6%	4.5%	100.0%
		% within What is your current employment level at ILembe District Municipality?	100.0%	100.0 %	100.0%	100.0%	100.0%	100.0%
		% of Total	38.6%	28.4%	14.8%	13.6%	4.5%	100.0%

The above table tells us that Professionals Strongly Agree at 46.2%, with that there is a significant practice of nepotism and cronyism in the municipality; however, there are high levels of disagreement for General Staff and Supervisors with 25, 6% and 56% disagreement's rates respectively.

Managers have a hard time demoting or firing friends and acquaintances at the municipality * What is your current employment level at ILembe District Municipality?

<p align="center">Table 4.7 Crosstab 2</p>

			What is your current employment level at ILembe District Municipality?					Total
			General staff	Supervisor	Professional	Middle Management	Senior Management	
Managers have a hard time demoting or firing friends and acquaintances at the municipality	Strongly Agree	Count	6	14	5	2	0	27
		% within What is your current employment level at ILembe District Municipality?	17.6%	56.0%	38.5%	16.7%	0.0%	30.7%
	Agree	Count	10	4	6	4	4	28
		% within What is your current employment level at ILembe District Municipality?	29.4%	16.0%	46.2%	33.3%	100.0%	31.8%
	Neutral	Count	15	7	2	6	0	30
		% within What is your current employment level at ILembe District Municipality?	44.1%	28.0%	15.4%	50.0%	0.0%	34.1%
	Disagree	Count	2	0	0	0	0	2
		% within What is your current employment level at ILembe District Municipality?	5.9%	0.0%	0.0%	0.0%	0.0%	2.3%
	Strongly Disagree	Count	1	0	0	0	0	1
		% within What is your current employment level at ILembe District Municipality?	2.9%	0.0%	0.0%	0.0%	0.0%	1.1%
Total		Count	34	25	13	12	4	88
		% within What is your current employment level at ILembe District Municipality?	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

The above table tells us that there is a significant relationship between nepotism and job satisfaction as 62,5% of all the respondents agreed that managers have a hard time demoting or firing friends and acquaintances at the municipality which gives other employees a level of discomfort.

4.5 Correlation Analysis

Spearman's rho was chosen to conduct the correlation analysis for the variables. It basically measures the strength of association of two variables. A positive correlation coefficient indicates a positive relationship between the two variables (the larger A, the larger B) while a negative correlation coefficients expresses a negative relationship (the larger A, the smaller B). A correlation coefficient of 0 indicates that no relationship between the variables exists at all. However, correlations are limited to linear relationships between variables.

Spearman's Correlation

The following tables denote the correlations that was tested between different variables. The focus was only on two variables i.e. nepotism &cronyism and job satisfaction

Result of Spearman's Correlations between feeling of personal accomplishment (job satisfaction) and extent of practice of nepotism and cronyism.

Table 4.8 Correlations: 1

		There is a significant practice of nepotism & cronyism at the municipality
My work gives me a feeling of personal accomplishment	Spearman's Correlation	-.337**
	Sig. (2-tailed)	0.001
	N	88

**. Correlation is significant at the 0.01 level (2-tailed).

The test above was done to determine if there is any relationship between feelings of personal accomplishment (job satisfaction) and extent of practice of nepotism and cronyism. The direction of the test was 2-tailed. The used sample size (N) was 88 participants. The value of correlation coefficient obtained between job satisfaction and nepotism was -0.337. This means that there is an inverse relationship that is if one variable increases the other decreases. This is the case with these two variables as well. The greater the levels of nepotism & cronyism at the municipality, the smaller (or less) the feeling of personal accomplishment, and vice versa.

Result of Spearman's Correlations between There is a significant practice of nepotism & cronyism at the municipality" and "I am comfortable with the presence of those employees with close personal ties to high-level executives

Table 4.9: Correlations 2

		There is a significant practice of nepotism & cronyism at the municipality
I am comfortable with the presence of those employees with close personal ties to high-level executives	Spearman's Correlation	-.406[**]
	Sig. (2-tailed)	0.000
	N	88

**. Correlation is significant at the 0.01 level (2-tailed)
*. Correlation is significant at the 0.05 level (2-tailed).

The test above was done to determine if there is any correlation between the practice of nepotism and cronyism at the municipality and how comfortable the employees were in the presence of those employees with close ties to high level executives. The direction of the test was 2-tailed. The used sample size (N) was 88 participants. The value of correlation coefficient obtained between the two variables was -0.406. This means that there is an inverse relationship that is the more nepotism exists in the municipality the less comfortable respondents are with employees associated with this practice.

Result of Spearman's Correlations between There is a significant practice of nepotism & cronyism at the municipality" and "The changes in political leaders leaves employees feeling anxious about the changes

Table 4.10: Correlations 3

		There is a significant practice of nepotism & cronyism at the municipality
The changes in political leaders leaves employees feeling anxious about the changes	Spearman's Correlation	.508[**]
	Sig. (2-tailed)	0.000
	N	88

**. Correlation is significant at the 0.01 level (2-tailed)
*. Correlation is significant at the 0.05 level (2-tailed).

The used sample size (N) was 88 participants. The value of correlation coefficient between these two statements was 0.508. This means that there is directly proportional relationship between these statements that is the more nepotism exists in the municipality the more changes in the political leaders leave employees anxious about those changes.

Result of Spearman's Correlations between There is a significant practice of nepotism & cronyism at the municipality" and "I feel I have a fair opportunity to get a better job in this municipality.

Table 4.11: Correlations 4

		There is a significant practice of nepotism & cronyism at the municipality
I feel I have a fair opportunity to get a better job in this municipality	Spearman's Correlation	-.426**
	Sig. (2-tailed)	0.000
	N	88

**. Correlation is significant at the 0.01 level (2-tailed)
*. Correlation is significant at the 0.05 level (2-tailed).

The used sample size (N) was 88 participants. The value of correlation coefficient between these two statements was -0.426. This means that there is an adverse relationship between these statements that is the more nepotism exists in the municipality the less the employees feel they have a fair opportunity of getting a better job within the municipality.

Result of Spearman's Correlations between There is a significant practice of nepotism & cronyism at the municipality" and "I feel demotivated as I'm overlooked for promotions over people less qualified.

Table 4.12 Correlations 5

		There is a significant practice of nepotism & cronyism at the municipality
I feel demotivated as I'm overlooked for promotions over people less qualified	Spearman's Correlation	.263[*]
	Sig. (2-tailed)	0.013
	N	88

**. Correlation is significant at the 0.01 level (2-tailed)
*. Correlation is significant at the 0.05 level (2-tailed).

The value of correlation coefficient between these two statements was 0.263. This means that there is a direct proportional relationship between these statements; that is the more nepotism exists in the municipality the more employees feel de-motivated and overlooked for promotions over people less qualified than them

4.6 Summary

This chapter addressed the analysis of descriptive statistics using graphs and tables. All parts A, B, C & D of the collected data have been analyzed by testing different variables to ascertain if there is relationship as and if the relationship is directly proportional or inverse. The statistics, therefore, addresses the empirical component of this study and Chapter 5 discusses the results linking them to literature.

CHAPTER FIVE

INTEPRETATION AND DISCUSSIONS

5.1. Introduction

Chapter 4 of this study presented the results from the statistical analysis point of view. This Chapter provides an interpretation and explanation of these findings. The aim of the study including the objectives of this research is repeated to ensure that all objectives and research questions have been addressed by the study.

5.2. Discussion of Research Objectives

The research objectives were the fundamental centers used to determine if the perception of nepotism and cronyism in the municipality has an effect on job satisfaction. In chapter1, the research set out four objectives and three of these objectives are discussed below with objective four (recommendations) discussed in the last chapter.

5.2.1 Discussion pertaining to Objective 1

The first Objectives sought to establish information from the employees regarding their perception of the extent of nepotism and cronyism practices in the municipality. As discussed in the literature review, nepotism provides room for "preferential treatment of one individual over another, without taking into account the relative merit of the respective individuals; this represents nothing but victimization of an individual or individuals" (Ijewereme, 2015). According to Khatri et al. (2003) cronyism is a form of favoritism where the employer prepares a team of people who can be easily influenced in decision making to avoid confrontation and conflict among people.

These findings were discussed from both the positive and negative aspects, since both practices have merits and demerits. For the study to be able to extract this information, it was important to understand just how they perceived the practice in the municipality.

The questionnaire provided relevant statements to help participants identify their relevant responses to the perception they have over these practices in ILembe District Municipality. The following statements were included in the questionnaire to determine just how they perceived the practice of nepotism and cronyism in the municipality.

- There is a significant practice of nepotism & cronyism at the municipality
- I have been benefited from nepotism & cronyism at the municipality
- I have been a victim of nepotism and cronyism at the municipality
- I don't have a problem with the practice of cronyism and nepotism at the municipality
- I have the platform to voice concerns over nepotism and cronyism practices in the municipality

A total of 53, 4% of the respondents agreed that there is a significant practice of nepotism and cronyism in the municipality as shown in Table 5.1.

Table 5.1 Responses on the extent of nepotism in the municipality

		Strongly agree		Agree		Neutral		Disagree		Strongly Disagree		Chi Square
		Count	Row N %	Count	Row N %	Count	Row N %	Count	Row N %	Count	Row N %	p-value
There is a significant practice of nepotism & cronyism at the municipality	B1	25	28.4%	22	25.0%	28	31.8%	1	1.1%	12	13.6%	0.000
I have been benefited from nepotism & cronyism at the municipality	B2	0	0.0%	2	2.3%	6	6.8%	18	20.5%	62	70.5%	0.000
I have been a victim of nepotism and cronyism at the municipality	B3	6	6.8%	2	2.3%	21	23.9%	23	26.1%	36	40.9%	0.000
I don't have a problem with the practice of cronyism and nepotism at the municipality	B4	2	2.3%	3	3.4%	18	20.5%	18	20.5%	47	53.4%	0.000
I have the platform to voice concerns over nepotism and cronyism practices in the municipality	B5	2	2.3%	8	9.1%	26	29.5%	14	15.9%	38	43.2%	0.000

These figures suggest that the employees perceive the municipality as having a significant practice of nepotism and cronyism. Even though the majority of the employees agreed that there was a significant practice of the nepotism and cronyism in the municipality 31, 8% chose to remain neutral to this statement.

This is a significantly high percentage of neutral response to such a direct question. The conclusion gleaned from this finding is that this topic is still very sensitive and uncomfortable for people to address and discuss its practice and implications. This is due to the fact that the practice of nepotism and cronyism can be seen as form of corruption, which is also a sensitive phenomenon (Midoun, 2017). The follow up question though did give an indication of the feelings of employees about the practice on hand. These will be discussed in objective 2 of the study.

5.2.2   Discussion pertaining to Objective 2

Objective 2 set out to establish the merits and the demerits of nepotism and cronyism in the municipality. The study used appropriate literature to unpack objective as well as empirical findings to verify the literature findings. On the literature review, the study looked at different articles relating this objective. There were several advantages and disadvantages of practising nepotism and cronyism. Different authors had different views on whether they were pro or anti nepotism and cronyism with Jones & Stout (2015) pro nepotism and Reggio and Saggi (2015) anti-nepotism views. As stated in the literature review, most authors found the practice to lead to conflict and resentment as well as de-motivating employees.

(Vveinhardt, 2017) found that despite western beliefs of the successful implementation of good governance nepotism is largely practiced in organisations. He also found that when analysing information from the employee's perspective, it was found that nepotism can lead to conflict and resentment as well as de-motivating employees.

Arasli and Tumer (2008b) also stated that the main implication of nepotism is that it paralyses human resource practices and affects the level of satisfaction among employees. On the empirical study, the main statements that were used to assist in determining the merits and demerits of nepotism and cronyism were as follows:

- Working with my relatives is an advantage because they have a strong commitment to getting the work done
- Working with my relative or a friend is an advantage because I understand their skills, strengths and weaknesses
- I feel I need to have a relative or a friend in high-level position.
- I am comfortable with the presence of those employees with close personal ties to high-level executives
- I am always careful when speaking to employees who are acquaintances or relatives to high level executives
- Acquaintances' disagreements become business problems in organisations
- A friend or acquaintance of an executive can never meet the expectation of other employees if given a position at the municipality
- Managers have a hard time demoting or firing friends and acquaintances at the municipality
- Politicians and political affinities are connected to the recruitment processes of the municipality
- The changes in political leaders leave employees feeling anxious about the changes.

Looking at the literature reviewed as well as the results from the empirical study, it can be confirmed that there are both positive as well as negative factors related to nepotism and cronyism. The study also confirmed the researcher's opinions on the outlook of nepotism as the results indicate.

On the correlation analysis of the study, when respondents were asked if the organisation managers had a hard time demoting or firing friends and acquaintances at the municipality and the extent to which nepotism was practised, the result was a positive 0.587, meaning there is a directly proportional relationship with these statements where the more nepotism existed, the more managers had a hard time firing or demoting friends and acquaintances in the municipality leading to reduced productivity and substandard service to the public.

The respondents were also asked the extent of the nepotism and cronyism practice in the municipality and if changes in the political leadership leave the employees feeling anxious. The value of correlation coefficient between these two statements was 0.508. This means that there is a directly proportional relationship between these statements, and the more nepotism exists in the municipality, the more changes in the political leaders leave employees anxious about those changes.

This finding is supported by the studies of Ewing (1965) from an executive/management focus that the practice of nepotism was seem to be advantageous as it lowered recruitment costs, training costs, built the ideal corporate image the business was looking for through sourcing the ideal personnel etc. Michaels (2016) concurred with this view as he argued that nepotism cannot be summed up as a negative practice, because there are both advantages and disadvantages to the practice. More recently, Jones and Stout (2015), defended nepotism and described anti nepotism policies as a form of discrimination to qualified recruitment candidates who have to be excluded based on family ties.

This could also be supported by the responses of some of the participants in the empirical study where acorrelation value between "I don't have a problem with the practice of cronyism and nepotism at the municipality" and "Working with my relatives is an advantage because they have a strong commitment to getting the work done" was 0.431. This is a directly related proportionality. Respondents indicated that the more they work with relatives, the more accepting they are of the practice, and vice versa.

The study, however, found that employees will always look at the practice of nepotism and cronyism negatively until it affects their own relatives which then slowly changes to a positive view. The study also pointed out that there are more inverse relationships on nepotism and cronyism than related proportionality.

This does show that even though they might have conflicting perceptions about the merits and demerits of the practices, more employees felt uncomfortable and de-motivated with the perceived practice. The results of the study concur with the views of Molofsky (1998) when he stated that, nepotism promotes shorter learning curves, greater loyalty, lower risks, better performance, lower turnovers, and fulfilling needs at peak times which could be construed to be the opposite of Lansberg's theory (1983).

5.2.3 Discussion pertaining to Objective 3

Objective 3 set out to find out whether a relationship exists amongst nepotism, cronyism and employee job satisfaction. The study used the literature review including various books and journals to understand whether there is a relation amongst the said variables and what type of relationship exists. Identifying the type of relationship was executed through the empirical study. The following statements were used to collect data on the relationship amongst these variables. The primary findings were justified by theory from the literature review on nepotism practices in the municipality.

- I consider my job unpleasant
- My work gives me a feeling of personal accomplishment.
- I feel encouraged to come up with new and better ways of doing things.
- My job makes good use of my skills and abilities.
- I feel my manager notices me for the hard work I put in my job.
- I feel I'm compensated well for the quality of the work I put in my job.
- I feel I have a fair opportunity to get a better job in this municipality.
- I feel de-motivated as I'm overlooked for promotions over people less qualified.
- The municipality has a hard time attracting and retaining quality people who are not acquaintances of senior managers

Arasli and Turner (2008b) stated that nepotism, favoritism and cronyism create job stress in the workplace and this increases dissatisfaction of the staff about their organisations. They were of the opinion that nepotism had the greatest effect on job stress and job satisfaction. This contention was supported by the studies of Arasli (2006) which found that nepotism certainly affected the employees' working performances. More specifically, nepotism promoted ill will amongst staff and quitting intentions (Araslı et al., 2006).

The frequency analysis of the empirical study indicated that there was a general consensus that nepotisms and cronyism was harmful to the organisation. A total of 46, 6% of the respondents felt de-motivated because they were overlooked for promotions over people less qualified than themselves while 54, 6% of the respondents i felt the municipality has a hard time attracting and retaining quality people who are not acquaintances of senior managers.

The correlation coefficient between these statements was 0.263 which reaffirmed that employees are de-motivated as a result of nepotism and cronyism practices in the municipality. The correlation analysis indicated that there was an inverse relationship amongst these statements. The more evident the levels of practice of nepotism and cronyism at the municipality, the smaller (or less) the feeling of personal accomplishment, and vice versa.

The pattern continued with the employees feeling that they were not compensated sufficiently for the work that they were doing and that they did not stand a fair chance of being promoted to the job they know they are qualified to occupy. These findings cement the hypothesis that the higher the nepotism practices in an organisation there is an increase in the number of disgruntled employees in the organisation.

5.3 Summary

Chapter 5 contributed in clarifying the relationship between nepotism and employee job satisfaction. It also looked at the correlations between different statements to determine how these variables influence each other. The relationship between nepotism, cronyism and employee job satisfaction has been found to be negative. Chapter 6 addresses the conclusions and recommendations related to this study.

CHAPTER 6

CONCLUSION AND RECOMMENDATIONS

6.1 Introduction

This chapter focuses on the conclusion of this research. It identifies whether the objectives of the study were met and whether the research questions were answered. The results and discussion addressed in the previous chapter will be used in this chapter.

6.2 Conclusion

The researcher sought to find out if nepotism and cronyism affects employee job satisfaction. The results received from collected data suggested that the employees perceived that there was a significant practice of nepotism and cronyism in the municipality. The first part of the data collection tool had a majority of 54, 6% of the participants who agreed that there was indeed a significant practice of nepotism and cronyism in the municipality.

The second objective was to determine the merits and the demerits of the nepotism and cronyism. 78, 4 % which is an overwhelming majority did not believe that working with relatives is an advantage. The participants felt there is no need to have a relative in a higher position to do a great job. 58% of the participants believed that having acquaintances working together could result in disagreements becoming business problems in organisations. They participants agreed that the more they work with their relatives and friends the more they might get used to the idea and not have a problem with the practice of nepotism.

This essentially means that they were not against it if it was their own relatives rather than the manager's relatives. This assumption introduces the need for further research on whether the perception of nepotism and cronyism practice in any organisation really depends on who is perceiving it.

Strong support for this recommendation is offered by the 4, 5% senior management that were split between neutral and disagree that there was any form of nepotism practice in the municipality versus the professionals who believed that there was a significant practice of nepotism and cronyism in the municipality.

The third objective was the main core of the study as it evaluated if there was a relationship between nepotism and cronyism practice and employee job satisfaction. The results demonstrated that the employees were not happy with how some recruitment processes were being undertaken. Even though they perceived their work to be of very good standards and were convinced they were giving off their best, they felt they were not being compensated according to the work they put in and were overlooked for promotions because people who were less qualified for the position were appointed since they knew someone in senior management. Spearman's correlation provided similar results about the relationship between nepotism and cronyism and employee job satisfaction. There is a fair relationship between the two variables. Chapter two of this study also covered the literature review, and it agreed with Arasli and Turner (2008) and Riggio an Saggi (2015), on the negative effects these practices can have on job satisfaction.

6.3 Recommendations - Discussion pertaining to Objective 4

The fourth objective gave recommendations on what the municipality could do to ensure the perception of nepotism in the municipality does not result in a decrease in employee job satisfaction as well as make recommendations for managers in the public sector based on the empirical findings. Literature review also assisted us with the formation of these recommendation. Various job satisfaction and motivation theories were reviewed starting form Maslow Hierarchy of Needs (Maslow, 1943), the Hertzberg two factor theory (Hertzberg, 1966).

The study has established that job satisfaction is affected by a combination of factors on nepotism and cronyism. The findings show a significant practice of nepotism and cronyism in the municipality when looked upon in isolation.

The scenario changes when the merits are brought up to reflect employee's relations. Nevertheless, the overall findings revealed a negative relationship between job satisfaction and nepotism. In order to improve job satisfaction in the public sector, it is recommended that managers implement the following changes in the workplace.

- The research findings indicate there is a relationship between nepotism, cronyism and employee job satisfaction. It is also observed that the relationship can change over a period of time based on other economic or social-emotional resources. Participants have agreed that they feel their manager's notices the hard work they put in; however, they also felt that they were not compensated enough for the amount of work they were putting in. It is, therefore, recommended that the managers use a tool to ensure transparency and reward work done well to promote employee affirmation. Mishra (2013) agrees that the satisfaction survey through the rating scale will enable the municipality to measure the job satisfaction.

- The participants in the study agreed that they could get used to having people who are hired even though they are associated with senior managers as long as the playing fields are fair and transparent. Therefore, the managers must ensure that the process of recruitment is transparent as far as is possible and all employees are subjected to the same rules and regulations. It is important for management to demonstrate ethical behaviour in dealings of recruitment in the municipality. More important it is imperative that the managers defeat the notion that politicians are involved in the recruitment process. Michaels (2016) made the point clear when he argued that nepotism cannot be summed up to negative or positive and that there are advantaged and disadvantaged depending on how the practice is managed.

- Participants are not happy with the situation where managers appoint people who are less qualified than themselves in positions higher than them. Therefore, the managers must ensure that there are good competencies that guide the recruitment process to ensure that everyone appointed in the position has the necessary skills required for that position.

- The municipality can also introduce a performance management system to manage the performance of the employees and not just the performance of the managers in order to ensure that people are rewarded based on the effort of work put in as it will motivate people that are working hard and increase job satisfaction.

The research has found that the topic is still regarded as taboo and employees prefer to speak about it only in the corridors with the fear of being victimised. It is recommended that the municipality create platforms to engage freely about the concerns over the practice and to encourage participation and freedom of speech in the municipality. The management needs to understand the effects that can be caused by employee's dissatisfaction. These may result in lack of motivation, lack of productivity, sub-standard basic services and high staff turnover. As covered in the literature review, there are various tools to assist in boosting staff moral and increase employee job satisfaction.

6.4 Limitation of the study

The study was only meant for and limited to employees of ILembe District Municipality; having a bigger data pool would have been more favourable to the study. Representation of the South African public sector would be better captured if a bigger number of municipalities had been used. This research was also based on two predicting variables that is nepotism and cronyism and how they affected the variable of employee job satisfaction. The researcher is of the opinion that there are other possible variables that could have affected the predicted variable which were not considered in this study. There was also limited research material on this topic in the context of South Africa.

6.5 Areas for further research

The limitations mentioned above provide reason for further research in this area. It would be of significant interest to the public sector and academia if future research involved larger population samples, more municipalities and even government departments. This research only focused on two variables and how they impact on job satisfaction. More studies could be undertaken to explore and extend the knowledge in this field as well as expand on other variables that could impact this study. Some likely topics are for further research:

- A study of nepotism and cronyism practices in the South African Government
- A comparative study of nepotism and cronyism practices in the provinces of Gauteng and KwaZulu Natal

6.6 Conclusion

The research set four objectives, all of which were achieved. The study concludes that nepotism and cronyism does have an effect on employee job satisfaction. Equally, the research notes that the significance of the perceived nepotism and cronyism depends on which level of employment it's perceived from. However, it is in the interest of the organisations to ensure that these perceptions are effectively managed. Nepotism is clearly a controversial, inconclusive, and speculative topic, and more academic discourse will benefit us understanding more about this phenomenon.