Perceptions of Workplace Favoritism in the Nordic Tourism and Hospitality Industry: Diffusiveness, Impacts and Mitigating Strategies

Workplace favoritism has been a major cause of psychological stress and harm for human resources and has been continuing to bring severe financial damages for many firms. Favoritism can be defined as unique opportunities or treatment given by management to the 'beneficiaries', consisting of family members, close pals, neighbors, townsmen and colleagues (Arasli & Arici, 2020; Arasli & Tumer, 2008; Loewe, Blume & Spear, 2008). As the opposite of this meaning, 'non-beneficiaries' can be defined as non-family members, non-close good friends, non-townsmen, non-neighbors as well as non-acquaintances who are not supplied with any kind of unique opportunities or treatment by the monitoring. Recent research shows that little is known about the prevalence, impacts and outcomes of workplace favoritism in the Nordic tourism and hospitality industry. This project will report on diffusiveness, influences and prevalence of favoritism among staff and managers in the Nordic tourism and hospitality industry. The project also addresses the importance of Nordic leadership in developing a favoritism-free climate within Nordic organizations.

International literary studies have found workplace favoritism to be a widespread problem in the education (Hameed, Anwar & Iqbal 2020; Hussain Rafiq & Malik 2020), tourism, (Gholitabar, Costa & Tourian (2020), hospitality (Abubakar, Namin, Harazneh, Arasli & Tunç 2017; Abubakar, Anasori & Lasisi, 2019; Parvez, 2017), banking (Arasli & Tumer, 2008), IT (Kshetri, 2021), and manufacturing (Baloch & Iraqi, 2020) industries. In the favoritism literature (HR & Aithal, 2020) the work environment showcases the damaging nature of favoritism to non-beneficiary employees, witnessing colleagues, and various negative outcomes for the service or manufacturing oriented firms' image and competitiveness (sabotage, turnover and work-family conflict) (Arasli et al., 2019). Some of these outcomes of favoritism therefore encapsulated attention of academics, employers, labor organizations and regulatory agencies as a serious problem of significant concern at the individual levels (Arasli et al., 2008; 2020).

While many researchers have considered related problems particularly at the individual levels, such as sexual harassment (Strandmark, 2013; Svensson, 2020); bullying (Grimard & Lee 2020; Hansen, Lidsmoes, Laursen, Mathiassen, Jensen, Raby & Tiborn al., 2015; Sortkær & Reimer, 2018; Rayner & Hoel, 1997); mobbing (Petar, Vrhovski & Barbara 2012) and the broader issue of workplace violence (Nyberg, 2020) in the tourism as well as hospitality sectors, very little is known about the diffusion, influences, and coping strategies of workplace favoritism within the tourism and hospitality industry in Nordic countries (Denmark, Iceland, Finland, Norway, Sweden) at individual levels. Particularly, the hospitality and tourism industry is characterized by an increasingly diverse and heterogeneous workforce due to international labor mobility and demographic changes. Increased diversity may have consequences for aspects of workplace favoritism. However, few studies (if any) have so far addressed the prevalence, impact and outcomes of favoritism in relation to workforce diversity in the Nordic tourism and hospitality industry at the organizational level. In short, the literature is quite sparse regarding both individual, and particularly organizational levels, which shows that a profound awareness is also needed for this side of the world toward this serious phenomenon.

As a consequence, the personal and organizational aspects of favoritism at work have been the focus of contribution. For tourism and hospitality, findings from such studies can reveal the diffusion, impacts and possible coping strategies and in return, this can guide management towards resolution for such issues. To add, any evidence on how much the employees experience favoritism and if they

suffer greater negative consequences from favoritism climate than other demographic profiles of employees is yet to be found in the literature.

This project centers first time the Nordic context of workplace favoritism in that possible diffusion, influence and possible outcomes of perceived workplace favoritism within the hospitality and tourism industries in Nordic countries will be investigated through the analysis of favoritism experiences. In this project, LMX theory will be used to help us understand the ways in which non-beneficiary employees respond to favoritism and why favoritism may have a deleterious impact on the psychological capital, engagement and wellbeing of non-beneficiary employees. By collecting data in five Nordic countries (Norway, Sweden, Finland, Denmark, and Iceland) it will be investigated whether the impact of favoritism on non-beneficiary employees differs across demographic data. Further, drawing upon relative deprivation (RD) theory, which suggests that an insecure work climate may lead non-beneficiaries to lose hope regarding their future career and worry about losing their job in the near future, we attempt to advance understanding of the factors triggering the effects of favoritism on non-beneficiaries' wellbeing by considering the potential moderating role of insecure work climate at the group level as well.

As a secondary focus, the project will have a managerial focus on coping strategies and finally, possible prevention strategies to guide organizations with the necessary procedures to tackle with workplace favoritism. Hence, managerial and service employee focuses will be provided for the tourism industry.

The project should investigate and answer the following core research questions:

- What is the prevalence of favoritism in the tourism and hospitality industry in the Nordic countries?
- Who are harmed most within the setting regarding the non-beneficiaries (i.e., young or old? foreign or local? high or less tenure or both pairs?).
- Whether the psychological capital, job engagement and wellbeing of non-beneficiary employees suffer greater negative consequences from favoritism climate than other demographic profiles of employees (e.g., observers)?
- Is the impact of favoritism stronger for non-beneficiary groups of full-time employees?
- How can the potentially negative consequences of favoritism on non-beneficiary of full-time employees be mitigated via using Nordic leadership style (Yousuf et al., 2017, 2020)?

Arasli et al. (2020) proposed that a majority of employees across continents have experienced some form of favoritism such as Wasta in Middle East, Tribalism in Africa (Arasli et al., 2019) and have found favoritism to be associated with various types of physical and psychological distress.

Methodology

This project will adopt a mixed methods longitudinal research design including interviews and surveys. Data will be collected in Norway, Denmark, Sweden, Finland and Iceland. A quantitative study for the purpose of measuring the prevalence of favoritism and collecting qualitative narratives from non-beneficiary employees who have experienced favoritism will be conducted.

A multi-level analysis will also be done in order to test the impacts of group level variables (i.e., leadership and to favoritistic climate) and their moderating effects on psychological capital, wellbeing, and job engagement. This is expected to mitigate the negative impact of these experiences on the employees' psychological capital, wellbeing, and job engagement.

Findings will be disseminated through conference seminars and presentations, publications in top-tier scholarly journals, conferences and if possible, industry reports to help bridge the gap between academia and industry and people experiencing favoritism. It is expected that these attempts will encourage public discourse that can aid in better understanding and reducing favoritism and the potentially damaging impact it has on non-beneficiary members of society.

Supervisory group of the PhD-candidate will be Dr. Huseyin Arasli (main supervisor) and Dr. Tone Therese Linge (co-supervisor). The PhD-candidate will be connected to the WITH (Workplace Inclusiveness in Tourism and Hospitality) research group consisting of a collaboration of researchers from the Norwegian School of Hotel Management and international researchers from Sweden, Scotland, and Australia.

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