AUTHOR BIOS (150 words for each author. Must include full name, title, email address, OSU mailing address, and research experience/interest.)

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PROJECT DESCRIPTION

TITLE
The Consequences of Perceptions of Workplace Favoritism in Organizations

LEAD RESEARCHER: Dr. Rick Sanchez

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AMOUNT REQUESTED: $3,500.00

ABSTRACT (200 words)
To measure the consequences of perceived workplace favoritism in organizations, the current study developed and validated a favoritism scale using two independent samples at two time points. Results showed that employees’ perceptions of leaders performing favoritism at work can negatively affect employees’ perceptions of justice, organizational commitment, job satisfaction, and turnover intention.

PRESS PARAGRAPH (150 words)
Bosses may have their favorite(s), and they may treat the favored employee(s) differently intentionally or unconsciously. Favoritism has always been considered as deviant or unethical behavior at work, because by initiating differential treatments at work, supervisors are negatively affecting the job and non-job related well-being of the victims. This study developed a scale to measure perceived favoritism in the workplace and will test a model of how favoritism may affect important work outcomes. Results showed that PWF can negatively affect employees’ perceptions of justice, organizational commitment, job satisfaction, and turnover intention.
The Consequences of Perceived Workplace Favoritism in Organizations

Introduction (1-3 Pages)

In the once popular CBS prime time show “Friends,” there was one episode where Rachel had to take up smoking as a way to make inroads with her boss, because her colleague who took smoke breaks with the boss always got better opportunities. In this case Rachel may have thought she was a victim of workplace favoritism.

Bosses may have their favorite(s), and they may treat the favored employee(s) differently intentionally or unconsciously. In a sample of 303 U.S. executives, Reinsch and Gardner (2014) found that more than half (56%) of the executives had a favored candidate, and 96% of them will promote their favorites rather than considering the candidates’ communication abilities, which is crucial for the position. Similarly, the U.S. Merit Systems Protection Board’s (MSPB, 2013) survey results reported that 25% of American federal employees believe that their supervisor practices favoritism, over 50% suspect that other supervisors in their organization practice favoritism, and 30% of human resources management staff agreed that favoritism occurs in the organizations that they serve in. A little research evidence has shown the employees’ perceptions of favoritism at work can lead to low self-esteem (Roy & Roy, 2004), job stress, decreased job satisfaction (Arasli & Tumer, 2008), lower motivation (Kwon, 2006), turnover intention (Arasli, Bavik, & Ekiz, 2006), and lower job performance (Aryee, Chen, & Budhwar, 2004). The potential consequences of favoritism are thus numerous. In spite of very few existing empirical studies, there are currently few theory-based models on the consequences of favoritism at work. It is difficult to study empirically, in part because of the lack of a good measure of the construct of favoritism. This study developed a scale to measure perceived favoritism in the workplace and tested a model of how favoritism may affect important work outcomes.
The Vertical Dyad Linkage (VDL) Approach

In the current study, favoritism represents differential treatment initiated by the supervisors at work. The Vertical Dyad Linkage (VDL) approach to understanding leaders’ interpersonal behaviors (Dansereau, Graen, & Haga, 1975; Graen, Cashman, Ginsburg, & Schiemann, 1977) is the first theoretical model that described such differentiated leadership relationships. Instead of assuming the importance of an average leadership style in the workplace or that a leader uses a similar style with all followers, VDL proposed that managers develop very different relationships with different direct subordinates. Early VDL work contended that due to the limited time and social resources possessed by the supervisors, they tend to invest these limited resources differently across subordinates within their work units (Graen & Uhl-Bien, 1995). Notably, the theory did not argue that it is necessarily the case that treating subordinates differently is a bad practice (e.g., Duchon, Green, & Taber, 1986).

The VDL approach soon developed into Leader-Member Exchange (LMX) theory (e.g., Graen & Cashman, 1975) from the social exchange (e.g., Blau, 1964; Gouldner, 1960) perspective of view that the quality of leader-member exchange can lead to different organizational outcomes. For years, researchers have been using LMX theory to emphasize the importance of developing effective leadership relationships, as well as the positive effects of high quality LMXs on organizational attitudinal and behavioral outcomes, such as OCB, job satisfaction, job performance, commitment (e.g., Gerstner & Day, 1997; Ilies, Nahrgang, & Morgeson, 2007). However, leaders can only develop quality exchange relationships with a few of their subordinates, and exchange relationships with other subordinates would be lower quality (e.g., Graen & Uhl-Bien, 1995). A few studies showed the possible outcomes from employees’ perceptions of differentiation in the ways they were being treated by their supervisors (e.g.,
Henderson et al., 2009; Hooper & Martin, 2008; Sherony & Green, 2002).

The current study will extend the VDL model by examining two research questions: Do employees perceive some leader-member dyads that are distinct from others, and if they do, how will this differentiation affect employee attitudes and important organizational outcomes?

**Hypotheses (1-3 pages)**

As favoritism may affect employees who receive preferential treatments and employees who perceive less favorable treatment from the supervisors differently, the current study will mainly focus on the latter population.

**Interpersonal conflict.** In a family setting, research has supported the idea that both current and past parental favoritism can reduce the closeness among siblings (Suitor et al., 2009) and even lead to sibling tensions in adulthood (Gilligan, Suitor, Kim, & Pillemer, 2013). Similarly, workplace favoritism can lead to evaluation, distribution, or promotion biases, which may lead to negative emotions such as anger, anxiousness, and jealousy. Such negative emotions may lead to conflicts among coworkers:

*Hypothesis 1:* Perceived workplace favoritism is positively related to employees’ perceptions of interpersonal conflict at work.

**Organizational justice.** Organizational justice is important in understanding employees’ perceptions of employment relationships (Shore et al., 2004). According to justice theory, individuals form subjective perceptions of fairness based on the quality of the interpersonal treatment people receive (interactional justice; e.g., Bies & Shapiro, 1987), their perceived control of the process (procedural justice; e.g., Thibaut & Walker, 1975), and how fair the allocation rules are (distributive justice; e.g., Sweeney & McFarlin, 1997). LMX has been found to be positively related to perceived justice (Erdogan & Liden, 2006). Although the authors argue
that a fair work environment will lead to better LMX quality, it can also be interpreted the other way around such that individuals who have higher LMX with the supervisors tend to perceive the workplace as fairer. Both favoritism and LMX imply behaviors that indicate differential treatments. Subordinates who are victims of workplace favoritism may have stronger senses of injustice when compared with those who receive preferential treatments at work:

**Hypothesis 2**: Perceived workplace favoritism is negatively related to employees’ perceptions of interactional, procedural, and distributive justice.

**Abusive supervision.** Abusive supervision refers to subordinates’ perceptions of the extent to which supervisors display hostile verbal and nonverbal behaviors (usually without physical contact; Tepper, 2000). Supervisors may treat their favorites rather than others as an in-group member. In-group favoritism and out-group discrimination not only lead to biased treatments towards affiliated members, but also lead to harsher punishment towards out-group members (Schiller, Baumgarter, Knoch, 2014; Turner, 1984). When seeing themselves as out-group members, employees may feel like victims of out-group discrimination from the supervisor. These conclusions may change their perspective of views on their daily interactions with the supervisor, and they may perceive their interactions with the supervisor as more hostile and abusive, especially when compared to their colleagues who are being favored by the supervisors; that is, they might think their supervisors are being abusive.

**Hypothesis 3**: Perceived workplace favoritism is positively related to employees’ perceptions of abusive supervision.

**Employee Attitudes.**

**Job satisfaction and turnover intention.** When compared with favored employees, the under-privileged employees more than likely will have negative feelings towards the supervisor,
the job, and even the organization. These negative feelings may lead to decreased job satisfaction, and even intention to leave:

Hypothesis 4: Perceived workplace favoritism is negatively related to employees’ job satisfaction and is positively related to turnover intention.

Organizational commitment. Meyer and Allen (1991) identified three types of employee commitment to the organization: affective, continuance and normative. Affective commitment is about employees’ emotional attachments to their organizations. Favoritism at work may hurt employees’ emotional bonds with the organization in the form of lower affective commitment. Normative commitment is usually characterized as a feeling of obligation to the organization (Allen, & Meyer, 1990). Continuance commitment is the result of one’s estimation of the costs that are associated with leaving the organization (Meyer, & Allen, 1991). People who are victims of workplace favoritism may choose to stay with the organization only for these “side bet (Becker, 1960)” reasons, because supervisors’ biased behaviors may already impair their motivations and enthusiasm at work.

Hypothesis 5: Perceived workplace favoritism is negatively related to employees’ affective and normative commitment, but is positively related to employees’ continuance commitment.

Methods (1-3 pages)

Sample

Two samples were used in the current study: a pilot sample and a main sample consisted of working adults who worked at least 30 hours a week. The pilot sample was majorly used to develop and test the psychometrics properties of the favoritism scale, while the main sample will be used to test the consequences of favoritism.
**Pilot Sample.** Employed undergraduates who enrolled in psychology and management classes from a university from a mid-Michigan were recruited to take the surveys at two time points with a four-week time lag. Most of the participants were females (62%), and Caucasians (92.4%). The average age of the participants was 20, and their average work experience was 17.74 months.

**Main sample.** Participants from the main sample were recruited from an online research panel—Qualtrics. A total of 268 American working adults completed two surveys with a one month time lag, with 47% of the participants reporting that their supervisors tend to treat some employees better than others in the workplace and 21.3% of the participants reporting that they are the supervisors’ favorites at work. To test the consequences of favoritism on under-privileged employees, the 57 participants (21.3%) who considered themselves to be favored by the supervisor were excluded from hypotheses testing. Among the remaining 211 participants, 47% were men and 53% were women. They were on average 45.59 years old and had 10.54 years of work experience.

Most items were rated on seven-point Likert scales from 1 (strongly disagree) to 7 (strongly agree) except for the work conflict scale and abusive supervision scale.

**Perceived Workplace Favoritism (PWF).** As there was no existing validated perceived favoritism scales, the authors developed and validated a perceived workplace favoritism scale.

Items were generated through three methods: (1) A preliminary survey with two open-ended questions; (2) Description of favoritism behaviors in popular business journals; (3) Subject matter experts. These items were then reviewed by eight Ph.D. candidates with industrial and organizational psychology backgrounds on several criterion suggested by Bennett and Robinson (2000). As a result of this process, a total of 35 items were kept for the next step.
**Interpersonal conflict at work.** Interpersonal conflict will be measured with the four-item scale by Spector and Jex (1998). Responses will be recorded on five-point frequency scale from 1 (Less than once per month or never) to 5 (Several times per day). The alpha of the scale is .73.

**Justice.** Procedural justice, interactional justice, and distributive justice will be measured using scales from Neihoff and Moorman (1993). The alphas of the scales are .95, .98, and .89 separately.

**Abusive supervision.** Abusive supervision will be measured by the fifteen-item scale developed by Tepper (2000). All items were rated using a five-point Likert scale from 1 (I cannot remember my supervisor ever did this) to 5 (My supervisor always does this). The alpha of the scale is .96.

**Job satisfaction.** A three-item job satisfaction scale from Cammann, Fichman, Jenkins, and Klesh (1983) was used. The alpha of the scale is .93.

**Turnover intention.** Turnover intention will be measured by a three-item turnover intention scale adapted from Cammann et al. (1979). The alpha of the scale is .91.

**Organizational commitment.** The affective commitment scale (ACS), continuance commitment scale (CCS) (Allen & Meyer, 1990), and the normative commitment scale (NCS) (Meyer, Allen, & Smith, 1993) were used. The alphas of the scales are .92, .92, and .83 separately.

**Discussion and Implications (1-3 pages;**

**Researchers: Please be sure to prioritize this section**

This study aims to find out that: (1) if perceived workplace favoritism is a prevailing phenomenon in a lot of workplaces and is stable over time; (2) if such supervisor behaviors will
cause negative consequences in the workplace both directly and indirectly through employees’ perceptions of organizational justice.

The results can extend the VDL model and led to the conclusion that supervisors do treat employees differently and such differential treatments will have negative affect on employees.

Leaders play favorites at work for various reasons. Some leaders practice favoritism to strategically maximize their self-interest; they adopt favoritism to seek their personal interests or the interests of a friend or family member.[3] Or they use favoritism as a tool to manipulate and control situations by deliberately favoring some employees over others to gain loyalty and centralize power.[4] These types of favoritism are typically deemed unethical — even illegal in extreme cases. But some other leaders may be seen as playing favorites simply because they have more in common with some employees than they do with the others, or they simply like some employees more than others. Subordinates may feel their leaders are exhibiting favoritism because their supervisor hangs out with one of the other employees more often or praises a certain individual and nobody else.

Employees who perceive more favoritism behaviors at work tend to be less satisfied at work, less committed to the organization, felt less justice in the organization, and tend to perceive more abusive behaviors initiated by the supervisor and perceive more conflicts in the workplace. On the other hand, these under-privileged employees are more likely to think about quitting or chose to stay because of “side-bet” reasons. The indirect relationships between favoritism and outcomes through justice also extended the body of research on organizational justice.

Other potential consequences of favoritism can be numerous. Employees may not only deemed favoritism as a form a workplace injustice/unfairness, but they can also react to
favoritism behaviors with negative emotions toward the organization, and feel less loyalty to the company, stronger intentions to quit the job, less work motivation and more emotional exhaustion. Subordinates who perceive higher degrees of favoritism can having poor work relationships with their leaders. They may even receive less recognition and professional help, such as mentoring and coaching from the supervisor.

Are favored employees happy? The author found in a study of hers that the favored employees may also be victims to a certain extent. They felt pressure from their peers for receiving better treatment, frequently perceived conflicts initiated by coworkers — likely due to envy — and therefore exhibited higher levels of emotional exhaustion and expressed greater intentions of quitting.

Thus, playing favorites is a dangerous game.

The current study hope to unveil these negative consequences of perceived workplace favoritism, as well as the prevailing of favoritism behaviors and potential harms associated with them. We also hope the study can raise the attention of organizations to such negative workplace phenomena and find solutions.
References


**Deliverables**

The final product of the project will be a manuscript that will be submitted to a peer-reviewed academic journal. The project will follow the following timeline:

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<th>Date</th>
<th>Tasks</th>
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<tr>
<td>October 15th 2019</td>
<td>Complete First Round of Data Collection</td>
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<tr>
<td>November 20th 2019</td>
<td>Complete Second Round of Data Collection</td>
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<td>January 21st 2020</td>
<td>Complete Data Analyses</td>
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<td>February 15th 2020</td>
<td>Finish Initial Results Write-up</td>
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<td>March 3rd 2020</td>
<td>Finish Leadership Research Grant Conference Presentation</td>
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<tr>
<td>June, 2020</td>
<td>Complete Manuscript for Journal Submission</td>
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<td>Submit to Potential Outlets</td>
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**Outlets**

Journal of Applied Psychology

Journal of Organizational Behavior

Academy of Management Journal

Personnel Psychology

Leadership Quarterly

**Budget & Description**

Key investigators in the project will not receive any salary or compensation for their time. For participants who will take the surveys, we will compensate them for taking surveys on both time points. Each time they take the survey, they will receive a $10 amazon digital gift card. We are looking to recruit a total of 150 participants and each participant will take the survey twice (hence two $10 gift card per person; a total of 300 digital gift cards needed). We also aim to recruit participants through an online-panel, which will charge a flat fee of $500.
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Statement

By submitting this application, I (principal investigator) certify that the statements and information provided are true to the best of my knowledge. Should I be selected for a leadership research grant, I agree that the award funds will be used only for the purpose reflected in my application. I hereby agree to submit all deliverables by March 15, 2019 to the Fisher Leadership Initiative and to attend the Fisher Leadership Initiative Academic Conference on April 11, 2019 (Example Date).

The results of the project will be completed by March 2020, and will lead to manuscripts to be submitted to journals by Fall 2020.

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