Workplace Discrimination and Job Satisfaction in Nepalese Organizations

Makshindra Thapa¹ and Damodar Niraula²

Abstract

Workplace discrimination is the state of unfair treatment to employees based on the factors irrelevant to their job performance. It affects individuals' job efficiency, their lives and the organization in whole. This study has been carried out to examine the relationship of workplace discrimination with job satisfaction of employees in Nepalese organizations. Primary data were collected by administering a set of questionnaires that comprise 5-point Likert Scale statements on job satisfaction and the different forms of discrimination. Respondents were selected using convenient and snowball sampling method. Response from 196 workers collected through google form was analyzed on SPSS. The descriptive results show that prejudice against individuals on the basis of gender, religion, and nepotism is moderate. The other forms of discrimination, based on age, race, and favoritism, have been determined to be normal. Pearson's association between workplace discrimination based on gender, religion, nepotism, and job satisfaction revealed a statistically significant negative correlation. There was no significant correlation found between work satisfaction and age, race, or favoritism. The findings offer insightful information and inspiration for future studies and initiatives focused on understanding and addressing discrimination at the workplace.

Keywords: workplace discrimination, gender-based discrimination, age-based discrimination, race-based discrimination, religion-based discrimination, job satisfaction

Introduction

In today's businesses, workplace discrimination, workforce diversity, and their effects on satisfaction with work are intricate concerns. It has forced employees of all kinds and backgrounds to collaborate in order to meet the goals of the organization. In reality, discrimination stems from individual differences and can give rise to conflicts and prejudice. Thus, managers face a critical task in safeguarding employees against acts of discrimination or unjust treatment at work. As stated by Wayne (1995), managing diversity means developing a varied workforce that can perform to its full potential in an

¹ Corresponding concerning this article should be addressed to Makshindra Thapa, Patan Multiple Campus, Lalitpur. Email: makshindra.thapa@pmc.tu.edu.np
² Faculty Member, Nesfield International College, Lagankhel, Laliptur.

https://doi.org/10.3126/batuk.v10i2.68151
THE BATUK : A Peer Reviewed Journal of Interdisciplinary Studies
Vol. 10, Issue No. 2, July 2024, Page: 42-54
ISSN 2392-4802 eISSN 2565-4934
Received: 27 June 2024 Revised: 12 July 2024 Accepted: 21 July 2024
equitable workplace where no one is unfairly benefited or disadvantaged. The discriminatory practice is a social outcome and a common practice in all areas of work. In an ideal society, everyone, regardless of color or gender, would have equal rights, opportunities, and responsibilities. But discrimination is happening even in places that, by definition, should be void of all personal prejudices, specifically in offices and other business environments.

Moreover, workplace discrimination is a global phenomenon and has many negative consequences. It is an unfair and negative treatment of workers or job applicants based on certain characteristics of person’s identity that are irrelevant to job performance (Chung, 2001). In addition, it is the practice of unfairly treating existing or potential employees differently. Further, discrimination has two forms: formal discrimination, which comprises institutionalized processes that restrict target groups, and informal discrimination, which arises due to unofficial policies or practices that allow harassment and discrimination against minority employees (Levin & Leonard, 1984).

ILO Convention No. 111 defines discrimination as any distinction, exclusion, or preference made on the basis of race, color, gender, religion, political opinion, national extraction, or social origin that has the effect of nullifying or impairing equality of opportunity and treatment in employment or occupation. The ILO provisions support anti-discrimination policies and practices at the workplace. Section 18 (Right to Equality) of Constitution of Nepal (2018) has also guaranteed that the state shall not discriminate against citizens on grounds of origin, religion, race, caste, tribe, gender, economic condition, language, region, ideology, or on similar other grounds. Similarly, Section 6 of Labor Act 2017 prohibits discrimination at the workplace. It has suggested some special provisions that guide fair labor practices so as to minimize discriminatory and unfair treatment of employees.

Despite constitutional and legal provisions, the issue of justice and discrimination at the workplace in Nepalese organizations is an authentic one. Although there is a growing body of research on diversity and discrimination globally, the existing research works have focused on a limited form of discrimination with reference to specific sectors. In this context, this study has been carried out to mitigate the gap and to examine the functional reality in terms of workplace discrimination in Nepalese organizations. More specifically, it ascertains the extent of discrimination in the workplace in terms of gender, age, race, religion, nepotism and favoritism in Nepalese organizations.

On the other hand, workplace discrimination creates an unfair perception and has a detrimental impact on their productivity, loyalty, and happiness at work. Mashi (2017) discovered a strong correlation between job happiness and workplace fairness. Job
satisfaction is both directly and indirectly predicted by prejudice in the workplace on a daily basis (Taylor et al., 2013). People frequently experience alienation and anger when they believe they are being treated unfairly due to their membership in a group, and this can lead to unfavorable work-related behaviors (Ensher et al., 2001). It is clear that discrimination lowers potential job satisfaction and demotivates workers (Denissen & Saguy, 2014; Ghafoor et al., 2016; Kern et al., 2020; Ozer & Gunluk, 2010). In this context, this study further examines the relationship of workplace discrimination with job satisfaction.

Methods

This study aims to investigate the association between workplace discrimination and job satisfaction in Nepalese organizations. The study framework has been based on two prominent theories: social identity theory and equity theory. The social identity theory of Tajfel and Turner (1979) explains the cognitive processes and social conditions underlying intergroup behaviors, especially those related to prejudice, bias, and discrimination arising from social categorization, identification, and comparison. The equity theory of Adams (1963) provides insights into relational satisfaction based on the concept of perceived fairness. Based on these theoretical foundations, the study uses six workplace discrimination areas (gender, age, race, religion, nepotism, and favoritism) as proxies of independent variables and employee job satisfaction as a dependent variable.

The study adopted descriptive and correlational research designs. Study samples were selected adopting convenience and snowball sampling methods. By using google form, a set of questionnaires with 5-point Likert scale were distributed to 220 respondents. The questionnaire consisted of a cover letter and respondent demographics, along with workplace discrimination and job satisfaction items. A total of 196 useful responses on attitude towards study variables were processed and analyzed on SPSS.

Study Variables and Hypothesis

Gender Based Discrimination and Job Satisfaction. Unfavorable treatment of a person based on their gender is considered to be gender discrimination, also known as "gender discrimination" or "gender-based discrimination." According to Carr (2003), gender discrimination occurs when an employer, through actions, policies, or behavior, believes or perceives that an employee is entitled to particular privileges due to their gender. This kind of behavior and action have the potential to make the workplace hostile and reduce employee output. Gender-based discrimination, according to Frone and Parks (2017), directly raises employee stress levels, which in turn lowers employee morale and negatively impacts their mental and physical health. This expanded anxiety
and mental issues straightforwardly hurt worker fulfillment and prompt a decrease in the execution of representatives. Asif and Rehman (2021) likewise tracked down a negative and significant relationship between gender discrimination and job satisfaction. Based on the literature, this study hypothesizes as follows:

H1. Gender discrimination is negatively related to job satisfaction.

**Age Based Discrimination and Job Satisfaction.** When an employer treats a candidate or employee less favorably because of their age, it is known as age-based discrimination. Employers who try to drive specific employees into retirement in order to reduce costs or who reject candidates who are older than a specified age are the most prevalent targets of age discrimination. Macnicol (2006) explains that age discrimination can manifest itself in a variety of ways. As far as hiring, firing, promoting, retraining, and mandatory retirement are concerned, he claims that "ageism is 'age proxies' in personnel decisions." According to Dennis and Thomas (2007), ageism, also known as age-based discrimination, is a problem that exists in the workplace and is linked to how employers act as well as their policies. Tomlin (2016) states that although age discrimination is prohibited, it nevertheless occurs in the workplace, primarily targeting older workers. Older workers who experience prejudice at work directly lose their dignity, which has a substantial negative impact on their job satisfaction and productivity. Similarly, following hypothesis has been developed for the study:

H3. Age discrimination is negatively related to job satisfaction.

**Race Based Discrimination and Job Satisfaction.** Racial discrimination refers to an employer’s disapproving treatment of a person because of an individual's race or any characteristics associated with a specific race, such as skin color or hair texture. People feel that racial discrimination in society is largely purposeful, which means that it is not the result of ignorance or misinterpretation but rather of knowing and choosing to treat certain groups differently (Apfelbaum et al., 2017). An outgroup's resistance is considered the perceived cause of prejudice by an ingroup. According to Thye et al. (2009), the in-group would consciously utilize distinctions, such as ethnic disparities, as a justification for biased assessment, unfair treatment, and resource access restrictions. The impact of racial discrimination at work on individuals has been the subject of some research. Discrimination lowers work satisfaction, according to research (Ensher & Gran-Vallone, 2001; Madera et al., 2012). Likewise, the proposed hypothesis for the study is:

H2. Racial discrimination is negatively related to job satisfaction.
Religion Based Discrimination and Job Satisfaction. Religious discrimination at the workplace involves underprivileged treatment of an employee based on his or her religious beliefs or affiliation. It occurs when people are treated unjustly because of their varied religious convictions. Dhima and Golder (2021) found that, even when religious attendance might have declined in line with the expectations of secularization theory, religious beliefs remain present. Fox and Sandal (2016) suggest that, with time, religion’s impact evolves and “the influence of many of religion’s individual facets waxes and wanes.” In addition, the outcomes of Vang et al. (2019) show that the negative effect of religious discrimination on life satisfaction is large and equivalent to the effects of some major life events such as widowhood and unemployment. Accordingly, the following hypothesis has been proposed to examine:

H4. Religious discrimination is negatively related to job satisfaction.

Nepotism Based Discrimination and Job Satisfaction. According to the definition provided by Kwon (2006), nepotism is the practice of selecting and developing incompetent applicants or those who do not fulfill the work standards, job description, or qualifications of the open position solely out of friendship, personal interest, or other relationship. When family members and relatives are given preference in managerial choices on hiring, advancement, and rewards, it is evident that nepotism exists in the workplace. In the modern world, nepotism practices have had a negative influence on the social, moral, and economic cultures of both organizations and nations. In addition to discouraging the driven and committed worker, nepotism negatively affects the employee’s performance, happiness, and ability to contribute to the success of the company (Efraz et al., 2022). In line with their findings, a hypothesis has been developed as follows:

H5. Nepotism is negatively related to job satisfaction.

Favoritism Based Discrimination and Job Satisfaction. Within the framework of social identity theory, social categorization, identification, and comparison processes lead to favoritism when an individual or group favors others with comparable backgrounds. People naturally prefer their own group above other groups because they find comfort and familiarity in other people who share their interests, as stated by Balliet et al. (2014). As a result, people usually think that their own group is better than others. Members of the in-group perceive themselves more favorably than other members of the out-group. In accordance with Smith and Mackie (2005), an environment experiences in-group formation when all of the individuals within it identify with particular dominant features. The results of Shaw et al. (2018) suggested that situations where one's behavior is scrutinized by others may aid in adjusting the target of the favoritism behavior. In
particular, when judgments are made public, participants prefer to show bias toward their friends rather than against them. Employee work satisfaction will be badly impacted by this unfair treatment of some employees while favoring others inside the firm (Keleş et al., 2011). Lastly, the following hypothesis has been proposed to test:

H6. Favoritism is negatively related to job satisfaction.

Results

Reliability Statistics of the Variables

Table 1 indicates the details of the study variables and associated reliability scores (Cronbach’s alpha).

Table 1
Reliability Statistics and Detail of the Study Variables

<table>
<thead>
<tr>
<th>Forms of Discrimination</th>
<th>Scale of measurement</th>
<th>No of items</th>
<th>Cronbach’s alpha</th>
<th>Remarks</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gender</td>
<td>5-point Likert scale</td>
<td>6</td>
<td>0.771</td>
<td>Reliable</td>
</tr>
<tr>
<td>Race</td>
<td>5-point Likert scale</td>
<td>5</td>
<td>0.652</td>
<td>Reliable</td>
</tr>
<tr>
<td>Age</td>
<td>5-point Likert scale</td>
<td>5</td>
<td>0.556</td>
<td>Quite reliable</td>
</tr>
<tr>
<td>Religion</td>
<td>5-point Likert scale</td>
<td>6</td>
<td>0.883</td>
<td>Very reliable</td>
</tr>
<tr>
<td>Nepotism</td>
<td>5-point Likert scale</td>
<td>5</td>
<td>0.602</td>
<td>Reliable</td>
</tr>
<tr>
<td>Favoritism</td>
<td>5-point Likert scale</td>
<td>6</td>
<td>0.798</td>
<td>Very reliable</td>
</tr>
<tr>
<td>Job satisfaction</td>
<td>5-point Likert scale</td>
<td>5</td>
<td>0.612</td>
<td>Reliable</td>
</tr>
</tbody>
</table>

The reliability scores suggested the internal consistency in the measures of the study variables.

Descriptive Results

Table 2 reports descriptive statistics of the study variables.

Table 2
Descriptive Statistics of Response on the Study Variables (N = 196)

<table>
<thead>
<tr>
<th>Discrimination Based on</th>
<th>Gender</th>
<th>Race</th>
<th>Age</th>
<th>Religion</th>
<th>Nepotism</th>
<th>Favoritism</th>
<th>Job Satisfaction</th>
</tr>
</thead>
<tbody>
<tr>
<td>Std. Dev.</td>
<td>0.835</td>
<td>0.468</td>
<td>0.398</td>
<td>0.813</td>
<td>0.365</td>
<td>0.436</td>
<td>0.891</td>
</tr>
<tr>
<td>Skewness</td>
<td>-0.796</td>
<td>-0.407</td>
<td>0.496</td>
<td>0.733</td>
<td>0.337</td>
<td>-0.486</td>
<td>-0.691</td>
</tr>
<tr>
<td>Kurtosis</td>
<td>0.646</td>
<td>0.178</td>
<td>1.198</td>
<td>0.464</td>
<td>0.928</td>
<td>1.537</td>
<td>-0.747</td>
</tr>
<tr>
<td>Minimum</td>
<td>1.000</td>
<td>1.600</td>
<td>2.400</td>
<td>1.000</td>
<td>2.000</td>
<td>1.667</td>
<td>1.000</td>
</tr>
<tr>
<td>Maximum</td>
<td>5.000</td>
<td>4.200</td>
<td>5.000</td>
<td>5.000</td>
<td>4.400</td>
<td>4.667</td>
<td>4.200</td>
</tr>
</tbody>
</table>
Table 2 shows the key descriptive statistics of responses on the workplace discrimination variables and job satisfaction. The variables were normally distributed as skewness and kurtosis values are within the limits (-1.50 to 1.50). Considering the mean scores of workplace discrimination variables Nepotism (3.665), religion (3.576), gender (3.483), age (3.341), and favoritism (3.186), the moderate status of such discrimination was found to be moderately present in Nepalese workplaces. Relatively, racial discrimination was found to be lower than other forms. Job satisfaction (mean = 2.741, SD = 0.891) was average as perceived by the respondents.

Table 3 contains z test scores and representative p values for all six dimensions of workplace discrimination.

**Table 3**

<table>
<thead>
<tr>
<th></th>
<th>Z</th>
<th>p</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gender</td>
<td>49.622</td>
<td>&lt; .001</td>
</tr>
<tr>
<td>Race</td>
<td>43.670</td>
<td>&lt; .001</td>
</tr>
<tr>
<td>Age</td>
<td>47.600</td>
<td>&lt; .001</td>
</tr>
<tr>
<td>Religion</td>
<td>36.696</td>
<td>&lt; .001</td>
</tr>
<tr>
<td>Nepotism</td>
<td>56.389</td>
<td>&lt; .001</td>
</tr>
<tr>
<td>Favoritism</td>
<td>45.399</td>
<td>&lt; .001</td>
</tr>
</tbody>
</table>

The results from the z test clearly indicated that all six forms of workforce discrimination based on gender, race, age, religion, nepotism, and favoritism are available in Nepalese organizations.

**Correlation Results**

Table 4 reports the results of correlations among study variables.

**Table 4**

<table>
<thead>
<tr>
<th>Variables</th>
<th>Gen dis</th>
<th>Age dis</th>
<th>Race dis</th>
<th>Rel dis</th>
<th>Nep dis</th>
<th>Fav dis</th>
<th>JS dis</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gen dis</td>
<td>1</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Age dis</td>
<td>-0.024</td>
<td>1</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Race dis</td>
<td>0.231***</td>
<td>0.175*</td>
<td>1</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Rel dis</td>
<td>0.081</td>
<td>0.294**</td>
<td>0.359**</td>
<td>1</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Nep dis</td>
<td>0.081</td>
<td>0.06</td>
<td>0.258**</td>
<td>0.331**</td>
<td>1</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Fav dis</td>
<td>0.214**</td>
<td>0.04</td>
<td>0.270**</td>
<td>0.156*</td>
<td>0.421**</td>
<td>1</td>
<td></td>
</tr>
<tr>
<td>JS dis</td>
<td>-0.150*</td>
<td>-0.083</td>
<td>0.053</td>
<td>-0.105*</td>
<td>-0.195**</td>
<td>0.039</td>
<td>1</td>
</tr>
</tbody>
</table>

*p < 0.05. **p < 0.01.
The associations between workplace discrimination based on gender and job satisfaction ($r = -0.15$, $p = .032$), religion and job satisfaction ($r = -0.11$, $p = .045$), and nepotism and job satisfaction ($r = -0.195$, $p = .007$) were negative and significant. However, discrimination in the form of age, race, and favoritism showed no statistically significant association with job satisfaction.

### Table 5

*Hypotheses Test Results Using Job Satisfaction as the Dependent Variable*

<table>
<thead>
<tr>
<th>Predictor Variables</th>
<th>Relationship</th>
<th>Significance</th>
<th>Decision</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Expected</td>
<td>Reported</td>
<td></td>
</tr>
<tr>
<td>Gender discrimination</td>
<td>Negative</td>
<td>Negative</td>
<td>Sig. at .05 level</td>
</tr>
<tr>
<td>Age discrimination</td>
<td>Negative</td>
<td>Positive</td>
<td>Not significant</td>
</tr>
<tr>
<td>Racial discrimination</td>
<td>Negative</td>
<td>Negative</td>
<td>Not significant</td>
</tr>
<tr>
<td>Religious discrimination</td>
<td>Negative</td>
<td>Negative</td>
<td>Sig. at .05 level</td>
</tr>
<tr>
<td>Nepotism</td>
<td>Negative</td>
<td>Negative</td>
<td>Sig. at .01 level</td>
</tr>
<tr>
<td>Favoritism</td>
<td>Negative</td>
<td>Positive</td>
<td>Not significant</td>
</tr>
</tbody>
</table>

The result from correlation analysis has produced a mix results of study hypotheses. Three of the hypotheses were accepted regarding discrimination based on gender, religion, and nepotism. However, other three hypotheses declare a negative relationship between discrimination based on age, race, and favoritism and job satisfaction.

### Discussion

The main objective of this study was to determine the status of workplace discrimination in Nepalese organizations on the grounds of gender, age, race, religion, nepotism, and favoritism. The results have indicated the presence of discriminatory practices at workplaces, even though the provisions of the Constitution and the Labor Act deny all forms of discrimination. The discrimination practices based on nepotism, religion, gender, age, and favoritism are at a moderate level. These findings of unfair and prejudiced practices are causes of many workplace disorders, mainly employee motivation, satisfaction, and job performance, as commonly explained by the researchers.

The mixed results have been extracted for the study objectives concerned with investigating the association between discrimination practices and job satisfaction. The empirical results found negative and significant associations between gender-based discrimination and job satisfaction. This result is aligned with previous findings (Asif & Rehman, 2021; Bui & Permpoonwiwat, 2015; Kerdpitak & Jermsittiparsert, 2020). As pointed out by Frone and Parks (2017), gender-based discrimination may directly result
in an increased level of stress among employees, which then affects their morale and affects their mental as well as physical health. These consequences may be the reason for lower job satisfaction. Consequently, the findings revealed no significant correlation between racial discrimination and job satisfaction, disconfirming the results of Kerdpitak and Jermsittiparsert (2020) and Draper and Kamnuanisilpa (2016). Nepalese workplaces consist of employees from diverse castes and creeds. Due to the fact that constitutional and legal provisions prohibit such discrimination, and social culture is also cohesive, there is no remarkable association between these variables detected.

Similarly, there is a negative and significant association found between discrimination based on religion and job satisfaction that supports the findings of Kerdpitak and Jermsittiparsert (2020) and Vang et al. (2019), who revealed the negative effect of religious discrimination on life satisfaction. In the present, religious discrimination has been lowering due to legal and state policies and actions but is still present. Employees from different religious backgrounds may not get fair facilities and provisions. The relationship between age discrimination and job satisfaction was found to be negative but weak and not significant. However, the results of Harada et al. (2019) indicated that perceived age discrimination at work was associated with a lower level of job satisfaction. Nepotism also found a significant negative correlation with job satisfaction. The result has supported findings demonstrating that declining nepotism behavior from organizations boosts individual job satisfaction (Efraz et al., 2022). Due to socio-economic tradition, nepotism prevails in organizations in all aspects of human resource management practices, from recruitment to retirement. The socio-political culture has added fuel to nepotism, but it demoralizes a skilled and experienced workforce. Huge brain drains and migrated workers in foreign employment are contributed by nepotistic practices to some extent. It causes substantial harm not only to employees but also to businesses and the economy (Efraz et al., 2022). Tight measures and a work culture are necessary to prevent employee nepotism. In addition, the findings indicated no association between favoritism and job satisfaction in Nepalese organizations. This unfair treatment to favor certain people in organizations will disturb the state of employees negatively and affect job satisfaction among employees (Keleş et al., 2011).

Productivity and value of employees within the organization impact their satisfaction and performance, which is directly affected by discrimination. Therefore, all forms of discrimination may produce negative work-related consequences, which need to be minimized. A fair workplace environment attracts and retains a talented workforce and also ensures better performance. The results provide valuable insights and motivation for research and organizational initiatives aimed at comprehending and dealing with discrimination in the workplace. These findings suggest that both macro-policy-level and
organizational-level interventions might be necessary to mitigate discrimination at workplaces. Effective measures and policies for a fair and discrimination-free work environment are a requirement for healthy and prosperous organizations.

**Conclusion**

The results from the descriptive analysis indicated that workplace discrimination based on gender, religion, and nepotism is moderately present in Nepalese organizations. However, other forms of discrimination—racial, age, and favoritism—were found to be at an average level. The test result of the Z statistic indicates the presence of all six forms of discrimination, more or less, in Nepalese organizations. In regard to the association between job satisfaction and discrimination, the results of the correlation analysis showed mixed results. Four discrimination practices Gender, race, religion, and nepotism are negatively correlated with job satisfaction. But two forms of discrimination—age and favoritism—are not related to job satisfaction. The correlation between job satisfaction and gender, religion, and nepotism is statistically significant. The results provide valuable insights and motivation for research and organizational initiatives aimed at comprehending and dealing with discrimination in the workplace.

**References**


