

# **Ethical issues and workplace problems in commercial hospitality: a New Zealand study**

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**2006**

This thesis is submitted to the AUT University in fulfilment of the degree of  
Doctor of Philosophy.

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## **Attestation of Authorship**

I hereby declare that this submission is my own work and that, to the best of my knowledge and belief, it contains no material previously published or written by another person (except where explicitly defined in the acknowledgements), nor material which to a substantial extent has been submitted for the award of any other degree or diploma of a university or other institution of higher learning.

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Jill Poulston (candidate)

## **Acknowledgements**

The assistance of Stuart Young for statistics tuition, and my supervisors, Professor Charles Crothers and Dr Heather Devere, for advice, guidance and support, is acknowledged with gratitude.

## **Dedication**

I dedicate this to my parents Eddie and Gypsy Poulston, because they brought me up to think I could do anything, my beautiful daughters Annie and Rosemary Maguire, for putting up with my years of study, and my husband, Rodney Wilson, who stopped playing his accordion for a whole year so I could get this finished.

## **Ethics Approval**

Approval to use human subjects for research was granted by the AUT Ethics Committee (AUTEK). Approval was given for a period of two years, commencing 20 January 2003; the ethics application reference number was 02/171.

## **Abstract**

This study explores a world of pretence and glamour, uncovering and explaining the causes of workplace problems and dubious practices lying behind the cheerful façade of commercial hospitality. Such an exploration necessarily extends into unethical, unsafe and unfair practices, eight of which are selected for detailed analysis. These are: working in smoke, sexual harassment, constructive dismissal, staffing levels, training, illegal alcohol service, poor food hygiene, and theft. Some of these problems or practices are deliberately destructive (and are therefore considered as ethical issues), some can cause harm (so are health and safety issues), and some concern the way staff are managed (and are therefore labour issues). The persistent focus however, is the avoidable harm and wrongdoing that can occur where groups of people are controlled by a few.

Several themes are explored, in particular the causes of poor ethical standards and management's influence on these standards. The hypotheses address the behaviour of hospitality workers generally, but managers in particular, as they are ultimately responsible for workplace conduct, and are therefore best placed to make change. Ethical standards are investigated by measuring the actual and perceived incidence, tolerance and management acceptance of problems according to individuals' demographic attributes. The combination of quantitative and qualitative data enables a thorough and scientific analysis of practices in a domain well known for persistent social problems, with the specific intention of identifying causes, and therefore solutions.

The following hypotheses are examined: H1) Unethical behaviour is common in hospitality; H2) Management is aware of unethical behaviour in hospitality; H3) Management actively or passively supports unethical behaviour in hospitality, and H4) Management's support is a cause of unethical behaviour.

Although unethical practices are found to be common, many managers are unaware of this, while some are significant causes of sexual harassment, constructive dismissals and poor standards of training. Observations include the influence of codes of ethics on undesirable behaviours such as sexual harassment, the influence of social consensus on workplace behaviour, and the profound unhappiness of many hospitality employees. The causes of workplace

problems and unethical behaviour are found to be low pay and poor training. A principle of reciprocated loyalty is proposed, based on the relationships identified between employer commitment and employee behaviour, and informed by mechanism theory, which states that for every action there is an equal and opposite reaction.

This is the first major analysis of workplace issues in New Zealand hospitality, and offers solutions to problems such as theft, sexual harassment and understaffing, that significantly undermine the industry's credibility and potential for success.

# Chapter One: Introduction

The beginning of knowledge is the discovery of something we do not understand (Frank Herbert)

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## 1.1 Introduction

This doctoral study investigates workplace problems in New Zealand commercial hospitality, by analysing the actual and perceived incidence, tolerance and management acceptance of problems and undesirable behaviours. As hospitality has a reputation for offering poor working conditions, it was expected that an academic basis for such a reputation would be readily established. Several themes are explored, but in particular, the causes of dishonest and unfair practices, and management's influence on these practices. The hypotheses address the attitudes and behaviours of hospitality workers generally, but managers in particular, as they are responsible for workplace conduct, and are therefore best placed to make change.

Poor workplace conduct and poor working conditions may be features of hospitality workplaces because they are supported by management, either implicitly or explicitly. If managers are aware of breaches of legal or ethical standards of behaviour, it is possible they do not take preventative action because the breaches have the effect of meeting short term goals, and therefore appear to work in their favour. However, some hospitality workplaces are so stressful that employees move on to other occupations after just a few weeks, leaving vacancies open for more school leavers, students, migrants, and other newcomers who, for whatever reason, find it difficult to get work elsewhere.

This study makes an academic contribution by providing an insight into hospitality workplaces and their problems, and identifying causes and solutions to critical workplace issues. It provides quantitative and qualitative data, analysis, and discoveries, in an area well known for persistent social problems, with the intention of improving working conditions and ethical standards in hospitality workplaces. Until now, there has been no research of any substance into the cause of ethical issues and workplace problems in hospitality, and (for those interested in the New Zealand industry) although this is the first study of its type anywhere, the development of a New Zealand context facilitates further work in this area. This study also makes a contribution by suggesting solutions to problems such as theft and harassment that have troubled the industry for more than century.

Prior studies have been undertaken by researchers such as business analysts, moral philosophers, ethicists, labour process theorists, alcohol and drug experts, and food safety experts, but there has been no substantial research into the causes of workplace and ethical problems in hospitality workplaces. Although a brief overview of moral philosophy is included, this study is not intended to be a presentation of philosophical arguments surrounding unethical behaviours, but a pragmatic and focussed analysis of workplaces and their problems.

The results of this work are already being promulgated to industry operators through conference presentations, industry magazines, academic journals, seminars and students at the Auckland University of Technology.

## **1.2 Rationale for the research**

Little is known about the types of problems occurring in commercial hospitality, except that a significant portion (22%) of ethical problems relates to breaches of the law and health and safety codes (Poulston, 2000). This is considered adequate motivation for further research.

The ability to predict operational departments in which problems such as theft and poor food hygiene are most likely to occur, as well as conditions that cultivate inappropriate behaviours, could help managers develop appropriate preventative measures such as targeted training programmes. Furthermore, if workplace problems are more prevalent in some areas more than in others, it is possible that causes can be identified and minimised.

Mars and Nicod (1984) identified 'fiddles'<sup>1</sup> and 'knock-offs'<sup>2</sup> as part of the expected rewards for hospitality work. However, the tradition of pilfering (Johnson, 1983) and misusing cash and products (Divine, 1992) represents merely one aspect of workplace problems in the industry. A cursory review of unacceptable behaviours in hospitality reveals these include theft, sexual harassment, poor food hygiene, illegal alcohol service, and a general disregard for health and safety.

<sup>1</sup> Fiddle - extract cash from a person or business in such a way as to conceal the theft (e.g. adding water to a bottle of gin can conceal the theft of cash to the equivalent value). Wanhill defines fiddles as 'thefts achieved by staff diverting revenue to themselves that should accrue to the business'(1994, p. 275)

<sup>2</sup> Knock-off - stealing products such as food, usually with the intention of selling on.

Gilbert, Guerrier, and Guy (1998) attributed high turnover in British hospitality to difficult working conditions; of their sample, 19% reported that staff had left their jobs because of sexual harassment at work. In Australia, an estimated 630 people die each year of food poisoning (Morrison, Caffin, & Wallace, 1998) and in a random sample of 300 food service outlets in New Zealand, 36% of restaurants, 27% of takeaway bars and 25% of deli-bars and butchers were considered to have 'potentially dangerous' food safety practices. Furthermore, these results are thought to be under-estimated, as data were collected from interviews with management (Johnston, Arthur, & Campbell, 1992). In a survey of 19 Australian establishments, Morrison et al. found nine with unsatisfactory food hygiene standards. In New Zealand 141 fatalities were attributed to drinking and driving in 2003 (Land Transport New Zealand, 2004) and passive smoking causes about 374 deaths and 190 hospital admissions in New Zealand a year (Woodward & Laugesen, 2001), although this is only partially attributable to the hospitality industry.

Hospitality plays a pivotal role in tourism, which currently accounts for 16% of New Zealand's export earnings (Tourism New Zealand, Ministry of Tourism, 2001). Understanding the causes and extent of workplace problems and unethical behaviours will be a significant step towards protecting the New Zealand industry from the traditions of opportunism and moral insensitivity traditionally associated with this industry.

### **1.3 The problem with hospitality**

The hospitality industry is staffed predominantly by women, a frequent prey of sexual harassment. Pay is low and service relationships place consumers in direct contact with service providers. These and other factors create an environment in which problems, deviance, and unethical behaviours can flourish.

Hospitality employees have poor social status (e.g. Whyte, 1948) and are perceived by some as 'the dregs of society: doing dirty, tedious and hard jobs for little pay because they have no alternative' (Gilbert, Guerrier, & Guy, 1998, p. 257). They sell their labour 'under the scrutiny of the customer who is paying to be served, obeyed and entertained' (Gabriel, 1990, p. 3), learning to 'turn a blind eye, make arrangements for blue movies, call girls' (Hearn & Parkin, 1987, Chapter 1

p. 77) and so on, as part of their work. In short, 'guests demand a certain amount of obeisance or servility' (Horowitz, 1960, p. 15) from providers of personal services, which is in effect, what hospitality workers are. There are numerous stories of incidents 'such as requests for fellatio and other sexual favours, which blur the safety barriers between staff, guests, and management' (Guerrier & Abid, 2000, p. 265). Given the disreputable beginnings of commercial hospitality commented on by White (1968), Taylor and Bush (1974), Mars and Nicod (1984), and Walton (2000), traditional forms of behaviour and socialisation cannot be over-looked as causes of poor ethics, but other causes are also apparent.

The requirement to please customers (and therefore management) places employees in subservient roles, which are compounded by sexual harassment (Guerrier & Abid, 2000), low pay (Beck, 1992; Gilbert, Guerrier, & Guy, 1998; Mars & Nicod, 1984) and poor personnel practices (Price, 1994). In such an environment it is not surprising to find employees stealing from guests, the company, and each other (Divine, 1992; Mars & Nicod), practising poor food hygiene (Morrison, Caffin, & Wallace, 1998; Poulston, 2000) and violating regulations governing the responsible sale of liquor (Poulston).

However, ethical problems and corruption are poorly represented in hospitality literature (Coughlan, 2001; Reynolds, 2000). In the *Cornell Hotel and Restaurant Administration Quarterly*, 'ethics' did not appear in any of the abstracts, key words or titles of the 85 articles published in 2001. In a 1997 analysis of 90 hotel companies in America<sup>3</sup>, Stevens found 26 usable ethical codes, and Gray, Matear, and Matheson's (2000) study of 21 New Zealand hospitality companies found only 57% had written ethical codes (compared with 68% in non-hospitality businesses), and only 76% had policies to encourage ethical conduct (compared with 92% in non-hospitality businesses). Hall's (1992) study of 1000 American hotel General Managers found that 39% of respondents believed higher ethical standards would increase profitability, 10% thought they would decrease profitability, and 51% were not sure. Although these data suggest hotel managers might have good reasons for being interested in maintaining ethical workplaces, such an interest is reflected neither

<sup>3</sup> Through-out this thesis, 'America' refers to the United States of America.  
Chapter 1

in the literature, nor in the content of hospitality curricula. Kahn and McCleary (1996) comment that ethics is not commonly offered in hospitality courses, and in an informal survey of ten hospitality degrees world-wide (Poulston, 1999), none was found to offer ethics as a mandatory paper, although it is likely some studies of ethics were included in other papers.

### 1.3.1 Indices of workplace problems

This study presents quantitative and qualitative data relating to a variety of unfair, undesirable, unsafe or negligent practices known to occur in commercial hospitality. Quantitative data relate to eight specific issues (Table 1), and qualitative data offer commentaries on those issues and others identified as problems by respondents. Whether or not these are perceived as ethical issues is part of the subject of the study, but is not important to the study's outcomes.

<b>Problem</b>	<b>Potential harm to workers or customers</b>	<b>Potential harm to business</b>
Having to work in smoke	Sickness and death	Customer and employee health, cleaning, and maintenance costs
Sexual harassment	Stress and unhappiness	Staff turnover, legal costs
Constructive dismissal	Loss of employment	Under-staffing, legal costs
Under-staffing	Stress and over-work Poor service	Poor service, inadequate supervision of labour
Inadequate training	Stress and embarrassment Poor service	Poor service, staff turnover, product wastage
Alcohol service to minors	Legal costs, loss of employment	Legal costs, closure
Poor food hygiene	Sickness and death	Loss of customer loyalty, legal costs, closure
Theft	Loss of property and profit	Loss of profit

**Table 1** Indices of workplace problems examined

For example, expecting employees to work in hazardous conditions such as cigarette smoke might be considered by some to be unethical, but as this was legal when the study commenced, it is probably a matter for debate. Similarly, poor training and under-staffing, although problematic, are not strictly ethical issues. However, they are included in the study because of their potential to generate unhappiness and stress for employers, employees, and customers, and because they occur so often in hospitality workplaces.

### **1.3.2 The hypotheses**

The primary interest of this study is to identify the relationships between, and results of, specific problems. The hypotheses are therefore linked to establishing whether these problems are common in hospitality, and if so, why they occur. The hypotheses relating to these questions are:

- H1 Unethical behaviour is common in hospitality
- H2 Management is aware of unethical behaviour in hospitality
- H3 Management actively or passively supports unethical behaviour in hospitality
- H4 Management's support is a cause of unethical behaviour.

### **1.3.3 Key variables**

The selection of variables that might be associated with the perceived incidence and tolerance of, and opposition to undesirable behaviours was developed by considering all the possible groups that hospitality employees belong to, and selecting those that might possibly affect their responses to questions about workplace problems. For ease of presentation, variables are classified into four groups.

- 1 Personal characteristics: age, gender, and ethnicity
- 2 General work related characteristics: qualification, experience and occupation
- 3 Specific work related characteristics: seniority, pay, job security
- 4 Workplace characteristics: department, size, and type of workplace

It was expected that identifying respondents' ethnicity and pay might identify other relationships, such as work that is particularly poorly paid, or departments in which particular ethnicities are over-represented. It was expected that isolating these relationships would help identify actual predictors of unethical behaviour rather than attributes associated with those behaviours.

## **1.4 Approach to the problem**

### **1.4.1 Overview of the eight issues in the study**

This study is essentially an exploration into a world of pretence, glamour, and dubious practices, with the expected and associated problems of (for example)

staff turnover and employee misbehaviour. Such an exploration necessarily extends into specific unethical, unsafe, and unfair practices, each of which typifies and characterises many hospitality workplaces. Of the eight issues examined, five relate to working conditions, (working in smoke, sexually harassment, constructive dismissal, staffing levels and training), and three to employee behaviours (illegal alcohol service, poor food hygiene, and theft). The first five primarily reflect the way workplaces are managed, whereas the last three are types of employee deviance, some of which may be the result of how workplaces are managed.

Although each of these issues has an ethical dimension to it, some have the capacity to harm (and are therefore health and safety issues), and some are related to the way managers treat staff (and are therefore labour issues). The persistent theme is of harm and wrongdoing in workplaces where groups of people are controlled by a few. However, the classifying of six of these problems as ethical issues is important to the hypotheses, as well as to comparisons with other work in the ethics discipline, such as literature on the relationship between age and ethical tolerance. For these reasons, the rationales for treating various workplace problems as ethical issues are presented in Table 2, and are based on potential for harm. The classification of problems as ethical issues is important insofar as the hypotheses refer to 'unethical behaviour' rather than merely 'workplace problems'. Calling these issues 'workplace problems' in the hypotheses may imply problems unrelated to this study, such as a lack of appropriate equipment, or the effect of misinformation on rosters. While both of these are workplace problems, they do not have the same ethical, safety, or labour implications as the issues in this study, and for that reason, the hypotheses address issues of ethics, and not workplace problems.

### **1.4.2 Three theoretical approaches**

Although there are three readily apparent approaches to examining these practices, their influences are not discrete, which presents problems in identifying a single and appropriate approach.

<b>Three approaches to eight workplace problems</b>		
<b>Problem</b>	<b>Approach</b>	<b>Rationale</b>
Having to work in smoke	Ethical	Staff are required to work in conditions known to be harmful
Sexual harassment	Ethical and safety	Managers may harass staff and may not be doing enough to protect employees from harassment by customers
Constructive dismissal	Ethical, safety, labour process	Employees' rights to work are terminated without substantial justification or fair procedures
Under-staffing	Labour process	Lack of staff may reflect poor compensation and working conditions, and therefore, labour exploitation
Inadequate training	Safety and labour process	Untrained staff are put in stressful and potentially dangerous situations. Poor investment in staff is exploitative
Alcohol service to minors	Ethical and safety	Illegal and dangerous
Poor food hygiene	Ethical and safety	Illegal and dangerous
Theft	Ethical	Illegal and unfair

**Table 2** Three approaches to eight workplace problems

### **1.4.3 Ethical considerations**

As indicated in Table 2, there is a frequent but not constant theme of unethical behaviour in the issues studied, so some acknowledgement of ethical theory, particularly business ethics, is appropriate. Ethics are defined by Fraedrich and Ferrell (1992) as 'the study of human conduct with an emphasis on the determination of right and wrong', noting that the right standard of behaviour between two parties is normally described as ethical (p. 246). Ethics are community rules, and good ethical standards rely on principles, values, duties and obligations.

Because ethics concern interactions between people, unethical behaviour can hurt or harm people. An ethical person is therefore likely to be someone who understands the inter-dependent nature of behaviour and the consequences on others of behaving unethically. Unethical behaviour alters and upsets the balance of interactions in a community such as a workplace; if a manager or supervisor takes a self-serving position on something, a negative consequence may be generated for staff. An unethical act or practice implies knowledge of this potential for harm, such as the dangers of working in smoke, or operating kitchen equipment without proper training. Unethical behaviour therefore has a premeditative or negligent quality. All of the problems selected for study (except understaffing and inadequate training) are therefore considered ethical issues,

as they are deliberate acts that can cause harm to others (see Table 2).

### **1.4.3 Ethics, and health and safety requirements**

The New Zealand Health and Safety in Employment Act (1992) defines 'harm' as 'illness, injury, or both; and includes physical or mental harm caused by work-related stress'. A workplace safety issue is therefore one with the capacity to harm (such as inadequate training), whereas an ethical issue is one in which that harm is knowingly caused. In effect, a health and safety issue ignored becomes an ethical issue. Prior to realising the dangers of second-hand smoke, being required to work in smoke was harmful, but not unethical. However, when its potential for harm was recognised, and people began to protect themselves from environmental smoke, requiring someone to work in smoke became unethical. Since Environmental Tobacco Smoke (ETS) was classified as an environmental toxin (U.S. Environmental Protection Agency, 1992), requiring people to work in smoke is an unjustifiable pursuit of profit, and an unacceptable breach of the duty of care.

Not all ethical issues (such as lying about the quality of a brandy) relate to safety. Taking a health and safety approach to this study, although useful in terms of reducing workplace harm, risks overlooking the other dimensions of problems, and limiting the recommendations to areas of hazard control and minimisation.

### **1.4.4 Ethics, and labour relations processes**

A third significant theme concerns the relationships between staff and managers in hospitality workplaces. In labour process terms, managers are given the responsibility of extracting the maximum value from other employees' labour to generate a profit. This effectively rewards supervisors and managers for securing the maximum labour for the minimum cost, which (not surprisingly) creates tensions between staff and management. Where a traditional hierarchical approach is used (as is common in hospitality), the emphasis on achieving through others can result in the exploitation of labour, as those at the bottom of the hierarchy may labour hardest but for the least pay.

Many hospitality operators favour the scientific management approach proposed by Taylor (1911), which is also the basis of the kitchen partie system

of organisation devised by Escoffier in the late nineteenth century. However, Braverman (1974) (amongst others) argued that specialisation deskills workers and separates them from management and decision-making. His view was that under Taylorism, the role of managers has become one of extracting the maximum value from labour by identifying and allocating tasks and supervising those who undertake them, thereby maximising labour use, and contributing to the accumulation of capital.

Fast food operators such as McDonalds use the division of labour approach for both service and production workers (Baum, 2002), ostensibly to improve efficiency, productivity, and profitability. However, critics might argue that the resultant lack of skills limits workers' ability to apply for other jobs, as they have insufficient skills to present an attractive offer to another employer. It is similarly difficult for them to secure promotions, not having a clear idea of what managers do. Not surprisingly, many become bored and demotivated, and move on to more interesting occupations.

Constructive dismissal, under-staffing and inadequate training are considered common in hospitality workplaces, and expressions of a particular style of management - a style concerned considerably less with employee happiness than with meeting profit targets. However, the literature gives strong indications that meeting the needs of employees will also meet the needs of the business, as they will contribute to quality and productivity (Davies, Taylor, & Savery, 2001), and stay longer (e.g. Bowen, Gilliland, & Folger, 1999; Buick & Muthu, 1997; Chiang, Back, & Canter, 2005; Davies, Taylor, & Savery, 2001; Lo & Lamm, 2005). While some writers suggest productivity can be improved by organising businesses to use low skilled labour more effectively (Lewis, Sicmci, Balay, & Sakatc, 1992), others debate the effectiveness of treating employees merely as work units. It seems especially illogical in labour intensive industries such as hospitality to treat workers poorly, as negative effects on labour have the capacity to penetrate deep inside the business.

While this is not a study of labour process issues, the impact of Taylorism cannot be overlooked, and some thirty years since Braverman's (1974) attack on scientific management, the hospitality industry continues to simplify skills and endanger craftsmanship in an effort to boost productivity. This study

therefore solicits and analyses views on the adequacy of training, as minimising training is a form of de-skilling.

Whether it is unethical to treat workers poorly is debatable, particularly when some unfair practices (such as paying poorly or offering inadequate training) breach neither the organisation's norms, nor those of the local community. Dismissing staff without following fair procedures is unethical (being illegal, deliberate, and avoidable), but providing inadequate training, or operating with insufficient staff, would not generally be considered matters of ethics. These latter practices fall into the domain of labour process issues, being symptoms of ineffective management. They are also likely indications that many so-called managers are in fact quasi-managers, who have the same grievances as other employees, such as poor pay and inadequate training.

Theft and poor food hygiene are not labour issues, but may be acts of retaliation to inadequate human resource maintenance. Harassing staff and expecting them to work in smoke, are indicators of the absolute power managers have over their staff; power that possibly arises from a division of labour that has staff under-taking menial tasks while managers ostensibly develop policies and strategies for improving productivity. In reality, managers are often coping with the effects of inadequate human resource maintenance.

## **1.5 Major findings**

Although unethical practices are found to be common, many managers are unaware of this, while some are significant causes of sexual harassment, constructive dismissals and poor standards of training. Observations include the influence of codes of ethics on undesirable behaviours such as sexual harassment, the influence of the law and social consensus on workplace behaviour, and the profound unhappiness of many hospitality employees. The causes of workplace problems and unethical behaviour are found to be low pay and poor training. A principle of reciprocated loyalty is proposed, based on the relationships identified between employer commitment and employee behaviour, and informed by mechanism theory, which states that for every action there is an equal and opposite reaction.

## **1.6 Format of the thesis**

The first three chapters review literature relating to the study: the definition, moral character and history of hospitality (Chapter 2), ethics, morality, and unethical behaviour in hospitality (Chapter 3), and likely predictors of unethical behaviour (Chapter 4). The issues reviewed in Chapter 3 are those tested in the questionnaire, and the predictors identified in Chapter 4 are the demographic characteristics tested against the issues studied.

Chapter 2 examines definitions and views of hotels, hospitality, and hospitableness, and the defining characteristics of private and commercial hospitality. The origins of hospitality, the duty to strangers, and the provision of sexual favours, alcohol and food are discussed, as these form the roots of the modern industry. The immoral beginnings of the industry, its conflicting motives and the status of its workers are also examined by way of analysing the systemic challenges inherent in selling hospitality.

The examination of the history of western hospitality provides an insight into the industry's traditions, such as payment in kind, that confuses the demarcation between theft and wages, and the tradition of sexual favours that has evolved into sexual harassment. The development of the New Zealand hospitality industry is also examined, partly to locate the study firmly in this country, but also to identify any peculiarities of the local industry (such as resistance to tipping) that may affect local ethical standards. The history of New Zealand hospitality is preceded by a British history, partly because New Zealand's first settlers came from Britain, but also, because this forms the basis of western hospitality, the subject of this study.

Because some of the issues examined have an ethical dimension to them, a brief introduction to moral philosophy is presented in Chapter 3, to identify rules commonly applied to moral decision-making, and the relationships between morality, ethics, and business ethics. This chapter overviews the complexities of ethical decision-making and the ethical challenges inherent in a business environment, then presents a detailed examination of each of the eight issues selected for study.

Chapter 4 examines the effects of specific demographic characteristics on

ethical standards and ethical decision-making, to determine the likely effects of these characteristics on hospitality workers. Together, Chapters 2, 3 and 4 provide a comprehensive review of literature relevant to a study of ethical issues in hospitality, in preparation for a study of eight specific issues.

Details of the study's processes are provided in Chapter 5, which describes the research problem, choice of research instrument, development of the questionnaire, data collection, and data analysis.

Chapters 6 to 9 present quantitative analyses of research results, and Chapter 10 summarises and interprets the qualitative data. In preparation for the quantitative analysis, a preliminary overview of the sample is presented in Chapter 6, identifying important relationships between the independent variables, and the typical profiles of respondents. This analysis particularly explores the relationships between age, ethnicity, seniority and department, and the other independent variables.

A full analysis of dependent variables is presented in Chapters 7 and 8, working systematically through responses on actual and perceived incidence, ethical tolerance, and perceived management opposition to the issues studied. A discussion about tolerance of theft is included at the end of Chapter 7, as extra data were collected on theft of particular items, the profiles of thieves, and what they were likely to steal.

Chapter 8 presents a separate section on smoking and sexual harassment, as questions on these aspects of hospitality working conditions provided different data to questions on other issues (explanations for which are provided at the start of the relevant section). Following these analyses, a section on ethical comfort, perceptions about ethical standards, and codes of ethics explores the relationships between these and other variables. The final section of Chapter 8 analyses the strength of associations between the dependent variables. These and the analyses at the conclusion of each section within Chapters 7 and 8, identify the causal relationships between the dependent variables, as well as those between the dependent and independent variables.

Using the findings presented in Chapters 7 and 8, Chapter 9 focuses on specific causes and predictors of the issues studied. The actual and perceived

incidence of behaviours and practices according to respondents' seniority is first examined, and then the different perceptions of staff, supervisors and managers quantified and compared. The argument that managers are substantially unaware of problems in their workplace is predicated on the discrepancies presented in Chapter 7, between the perceived incidence of unethical and illegal practices reported by staff, supervisors, and managers.

Managers' active and passive support of unethical behaviours is then examined, to establish the effect of management's perceived tolerance of specific behaviours. The discussion in this section finds that (with the exception of theft) unethical behaviours occur more when management's opposition to these is perceived as weak. Management's active and passive support of unethical behaviours is then examined by identifying the behaviours that are opposed by management at sufficient intensity to limit their occurrence. When the frequency of perceived opposition is less than that of the perceived or actual incidence of a specific behaviour, this is construed as support of the behaviour, whether deliberate or negligent.

The final discussion in Chapter 9 combines information on associations between the actual and perceived incidence of behaviours and other variables, dependent and independent, to identify possible causes of problematic behaviour. In this discussion, poor training emerges as consistently associated with the workplace problems examined in the study.

A digest of the narratives is presented in Chapter 10 (a more comprehensive and very readable rendition of respondents' comments is presented in Appendix D), and eight rationalisations offered for tolerance of theft. The narrative identifies dissatisfaction with almost every aspect of personnel management, such as pay, hours, and working conditions, and provides further and compelling evidence of problems and management level.

The first section of the final chapter (Chapter 11) examines each of the independent and dependent variables in relation to the literature, cataloguing and interpreting major findings relating to the issues studied, and commenting on the relationship between unethical behaviours and the perception that management tolerates these behaviours. The relationships between ethical

standards, ethical comfort and codes of ethics is also addressed in this section, followed by further observations from the analysis of independent and dependent variables.

In the second section of Chapter 11, three of the four hypotheses are confirmed, and one found untrue. Unethical and illegal behaviours are found to be common in hospitality, although management is substantially unaware of this. Management is not generally perceived as opposing these behaviours, but in fact supports many undesirable practices, either passively or actively. This support is found to be the major cause of workplace problems, and poor training is identified as a specific and controllable cause.

The final discussion compares the actual and perceived incidence, tolerance, and perceived management acceptance of the issues studied, noting that illegal activities are tolerated significantly less than those that are legal. This section includes further analysis of the relationship between management's weak opposition to problem behaviours and the effect of this on a workplace, noting that enforcement of the law is likely to reduce illegal practices (except theft) by nearly a third.

Theft is also addressed in this chapter, which concludes that persistent theft is a likely outcome of poor working conditions, and the perception noted in the narratives, that management is often perceived as more of an enemy than an ally. It is suggested that theft, under-staffing and work-place conflict could be reduced by minimising part-time and casual employment.

The root cause of unethical behaviours is also examined in this chapter, and three models proposed:

- 1 The Principle of Reciprocated Loyalty (the causal relationship between working conditions and employee behaviour);
- 2 Reactive Management Cycle (tight operating margins leading to poor pay and poor training, leading to high staff turnover and raising costs); and
- 3 Poor Training: the Heart of Hospitality Workplace Problems (poor training as a cause of staff turnover, constructive dismissal, sexual harassment and poor food hygiene).

Although this study did not initially expect to generate specific solutions to workplace problems, as these were self-evident, they are discussed in the final chapter, with recommendations for practitioners and comments about the direction of future research.

The appendices include the pilot study questionnaires (Appendix A), results of the pilot studies (Appendix B), main questionnaires and information sheets (Appendix C), narrative comments from the open ended questions (Appendix D) and correspondence relating to the data collection (Appendix E). Footnotes through-out the document explain hospitality jargon and local idiom, and supplementary readings in moral philosophy and ethics are provided in Appendix F. As the chapters are included in the numbering system, references to material in the text are prefixed with the chapter number.

## Chapter Two: Description and definition of commercial hospitality

'Tis good to give a stranger a meal, or a night's lodging (Ralph Waldo Emerson)

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## **2.1 Introduction**

To establish a realistic starting point for research into hospitality and its problems, a thorough search of literature mentioning hospitality was undertaken, which surrendered material dating back to Homer's *Odyssey* and the Bible. As an overview of such an extensive topic would soon distract from an investigation into specific problems, material has been limited to academic texts and articles, but extended to topics such as food, alcohol, and accommodation. As some original documents were not available for viewing, some readings have been referenced as 'cited in', rather than omit them altogether, although it is recognised that this is not ideal practice.

The specific purpose of this review is to understand the meaning of 'hospitality', as well as identify any clues to the anecdotal view that the hospitality industry is an unsavoury one. A definition of commercial hospitality is proposed in Section 2.6, to ensure that the parameters of the research are clear, and relevant components of the industry included.

Research into the origins of the industry was undertaken in case this identified causes of ethical problems evident in modern hospitality. A brief general history of alcohol, taverns and lodging houses is therefore outlined, as well as the development of the New Zealand industry.

### **2.1.1 Method**

A library of some 750 references was developed using Endnote 7 software, which enabled a collection of notes, abstracts and academic papers to be held electronically, allowing repeated studies of many articles to ensure their authors' views were interpreted appropriately. The study of the New Zealand hospitality industry (Section 2.5) was initiated by searching local university and public libraries for books, letters, and other accounts that would identify the earliest examples of commercial hospitality. One or two theses were examined at this stage and telephone calls made to authors of interesting texts, to help identify other useful material. Research into the beginnings of the New Zealand industry proved so interesting, consideration was given to changing the direction of the study, as very little work has been undertaken in this area. The history of western hospitality (Section 2.4), as is evident in the review, leaned heavily on

prior studies, some of which had to be brought into New Zealand for this research.

The remainder of the review relied mostly on academic articles, although some texts were used, such as *In Search of Hospitality* (Lashley & Morrison, 2000), which provided a wealth of material on the philosophy of hospitality. Although reference lists in texts and articles were used to source further material, most literature was sourced using academic databases such as Proquest 5000, available from the Auckland University of Technology's electronic library. Search terms for the definitions of hospitality included all aspects of the industry (e.g. hotel, café, bar etc) as well as the products and services of the industry, such as alcohol, leisure, spa etc.

A similar approach was taken for each aspect of the review, which led to a wide reading of material on moral philosophy, ethics and business ethics, hospitality issues such as theft and smoking, and characteristics likely to act as predictors of unethical behaviour, such as age and gender. Searches were made for studies on alcohol, minors, second-hand smoke, hospitality, occupational hazards, sexual harassment, food safety, unsafe food, food issues, constructive dismissals, unfair rosters, staff, training, theft, ethics, management, and ethnicity, to name but a few. Once each topic had been explored, sub-topics were then explored, such as smoking, having to work where people smoke, having choice about working in smoky conditions, views on working in smoke, and consequences of working in smoke etc.

Finally, to ensure a complete review of relevant studies in hospitality had been undertaken, the contents of some journals such as the *International Journal of Contemporary Hospitality Management*, and *Cornell Hotel & Restaurant Administration Quarterly* were checked from 2000 to 2004 to ensure nothing important was missed. Although a thorough and systematic approach was taken to ensure nothing written in English and relevant to this study was overlooked, the wealth of material available is enormous, and no doubt some relevant studies have been over-looked. However, sufficient literature has been examined to cover the main themes, as well as identify material that may have influenced the direction of the research.

## **2.1.2 Scope**

The review is in three sections: definitions, hospitality and morality, and the origins of hospitality. The philosophy of hospitality, the development of commercial hospitality, the hotel industry, the food and liquor service industries, and specific characteristics of the hospitality industry are discussed.

The definition of hospitality proposed by Derrida (2000) requires that a host allows guests to 'take place in the place I offer them, without asking of them either reciprocity (entering into a pact) or even their names' (p. 25). This is in conflict with the principle of commercial hospitality, which explicitly requires guests to exchange money in return for hospitality. The title of this thesis therefore includes 'commercial', as the findings of this study are of limited value to hosts offering hospitality privately.

## **2.2 Definitions of hospitality**

### **2.2.1 Commercial hospitality**

The term 'hotel' is derived from 'hostel', a 'place of sojourn, a house with lodges, a lodging' (*The Oxford English Dictionary*, 1989, p. 418). 'Hospitality' is defined as 'the act or practice of being hospitable; the reception or entertainment of guests, visitors, or strangers, with liberality and goodwill' (p. 415), and being hospitable is 'offering or affording welcome and entertainment to strangers; extending a generous hospitality to guests and visitors' (p. 414). Philip Sidney (1554-1586) was one of the earliest to use the term, when he referred to a law of hospitality that 'dictated good behaviour towards strangers' (Evans, 1977, as cited in Heal, 1990, p. 4).

Modern usage suggests that a hotel is 'an institution of commercial hospitality, which offers its facilities and services for sale' (Medlik & Ingram, 2000, p. 13). Although hotels are generally purveyors of food, beverages and accommodation for those away from home, Nailon (1981) considers any definition based on these services inadequate, given the comprehensive range of activities commonly offered. Medlik and Ingram define a hotel as 'an establishment providing for reward accommodation, food and drink for travellers and temporary residents, and usually also meals and refreshments and sometimes other facilities for other users' (p. 4). However, hospitality is not

restricted to hotels, and defining hospitality is not straightforward, as the following discussion reveals.

Lockwood and Jones (2000) suggest that commercial hospitality has 'emerged from domestic hospitality as a business in its own right to serve a market for food, drink and lodging outside the home' (p. 158). Similarly, Walton (2000) wrote that hospitality services are 'embellished in various ways in different settings, through the provision (for example) of medical, sexual and entertainment options for customers' (p. 57).

According to Cassee (1983), hospitality should no longer be considered as merely 'providing food and shelter to satisfy basic needs' (p. xiv), while Pfeifer (1983) was content to define hospitality as 'offering food, beverage and lodging' (p. 191). Jones (1996) wrote that hospitality comprised 'overnight accommodation and sustenance, both for people away from their homes', (p. 1) and Telfer (1996) defined it as '...the giving of food, drink and sometimes accommodation to people who are not regular members of a household'(p. 83).

## **2.2.2 Views on hospitality and hospitableness**

Some authors interested in definitions of hospitality focus on concepts of hospitality and hospitableness, rather than on hotels and catering, while others incorporate a psychological component into their definition. Christian's (1979) view, that 'hospitality throughout history has been centered around security, physical comfort and psychological comfort (provided) to others by a host' (as cited in Nailon, 1982, p. 136) reflects this.

Nailon calls hospitality 'the unifying factor, or binding thread, of the many and diverse activities in whatever sector of the industry we may be engaged' (1981, p. 2). Similarly, Pfeifer, Reuland and Cassee note that hospitality 'satisfies more and higher needs in the Maslow sense' (as cited in Cassee, 1983, p. xiv), as it mixes the tangible components of food, beverages and beds, with the intangibles of ambience, environment, and staff behaviour. Nailon refers to hospitality as 'the provision of physiological and psychological comfort and security' (p. 138) and Cassee, as a combination of product, environment and behaviour, that satisfies guests' needs. The common thread then, is that hospitality provides the basic needs of food, drink and shelter, and by doing so,

meets the psychological needs of security and comfort.

Some authors contend that a persistent feature of hospitality is the provision of accommodation for those away from home (e.g. Hepple, Kipps, & Thomson, 1990; Jones, 1996), but such a definition effectively excludes rest homes, serviced apartments and domestic cleaning companies from an industry which would logically include them for operational reasons. Similarly, if hospitality is restricted to environments in which the provision of physical and psychological comfort is implied, then prisons are certainly not part of this industry. Either way, as the art of inhospitableness is the prison wardens' maxim, it seems logical to exclude penal institutions on this basis alone. Whether commercial or otherwise, hospitality implies hospitable behaviour. As Telfer (2000) notes, 'to say a commercial host cannot be said to behave hospitably is like saying that doctors cannot be said to behave compassionately because they are being paid for what they do' (p. 45).

Burgess (1982) identifies four types of hospitality, differentiating them according to the motive for the exchange:

- 1 Hospitality provided privately without payment to family and friends;
- 2 Hospitality provided privately for payment, often through a commercial agency;
- 3 Public hospitality, principally for travellers, but not always for monetary reward; and
- 4 Institutional domestic hospitality, such as schools, hospitals and prisons.

Although otherwise providing an apparently reasonable basis for differentiation, Burgess does not address the possibility that there is no intention to provide psychological comfort in prisons, but merely bundles this part of the market (sic) in with other institutional providers. His classification system is therefore not considered valid.

Several authors (Burgess, 1982; Cassee, 1983; Hepple, Kipps, & Thomson, 1990; King, 1995), write of a link between hospitality and making a guest feel at home, thereby emphasising the psychological comfort implied in commercial hospitality. Brotherton (1999) identifies another aspect of psychological comfort, by suggesting that hotel guests enjoy escaping the duties and routines of day to

day home life, and the excitement of variety.

### **2.2.3 Views on the characteristics of hospitality**

The characteristics of hospitality can also be used to develop a definition of the industry. Hepple et al. (1990) identify four attributes of hospitality:

- 1 hospitality is conferred by a host on a guest who is away from home;
- 2 it is interactive, involving contact between provider and receiver;
- 3 it comprises a blend of tangible and intangible factors; and
- 4 the host provides security, psychological and physiological comfort of guests.

These characteristics incorporate earlier concepts from authors such as Nailon (1981) and Cassee (1983) and recognise both the physiological and psychological aspects of the hospitality exchange.

King (1995) also proposes four attributes of hospitality:

- 1 a relationship between individuals who take the roles of host and guest';
- 2 a relationship which may be commercial or private;
- 3 knowing what brings pleasure to guests and providing this 'flawlessly and generously'; and
- 4 a process that includes greetings, 'providing comfort and the fulfilment of guests' wishes', and an invitation to return, and at each step, 'social rituals are enacted and define the status of the guest and the nature of the guest/host relationship (p. 229).

King's (1995) view is located in the interaction between host and guests, and emphasises the importance of caring for and bringing pleasure to guests.

Some of the characteristics of the service industry identified by Mullins (1998), draw attention to the specific characteristics of commercial hospitality that make it a demanding industry for its employees. Mullins proposes six characteristics of service industries:

- 1 The consumer is a participant
- 2 Simultaneous production and consumption

- 3 Perishable capacity
- 4 Labour intensive
- 5 Intangibility
- 6 Difficulty in measuring performance (p. 18)

Recurrent characteristics identified by Brotherton and Wood (2000), include those that indicate hospitality is:

- 1 the production and supply of accommodation and/or food and/or drink;
- 2 an 'economic, social, or psychological' exchange between people;
- 3 the 'combination of tangible and intangible elements';
- 4 not the same as hospitable behaviour, which is a 'necessary but not sufficient condition for the existence of hospitality';
- 5 voluntarily entered into and for a variety of motives;
- 6 designed to 'produce commensality and mutual enhancement' for those involved; and
- 7 an exchange with a 'close temporal connection' between consumption and production (p. 140-141).

Drawing on these characteristics, Brotherton (1999) defines hospitality as 'a contemporaneous human exchange, which is voluntarily entered into, and designed to enhance the mutual wellbeing of the parties concerned through the provision of accommodation and food or drink' (p. 168). Both Brotherton and Wood (2000) also maintain that 'the establishment and maintenance of social relations is a central aspect of the hospitality exchange, whether this is reciprocal or not' (p. 139).

#### **2.2.4 Summary**

Establishing a basic definition of hospitality from different authors' viewpoints is not difficult, providing some leniency is allowed between terms such as 'sustenance', 'food and drink' etc. However, most authors agree that commercial hospitality is an industry providing refreshment, and sometimes accommodation, for financial reward. Service rituals in this industry are similar to the social rituals of welcoming and hosting visitors in private homes, but have as their desired outcome, specific economic benefits for the host.

Some service industry characteristics imply potential areas of difficulty for employees, such as the customer's involvement in the process, and the simultaneity of production and consumption. Accordingly, some of these areas of difficulty are explored in Section 2.3, which identifies areas in which workplace problems might be more prevalent.

## **2.3 Hospitality and morality**

### **2.3.1 The duty of hospitality**

The original concept of hospitality was based on the Christian concept of brotherly love rather than a profitable occupation, although it clearly became one, assisted as it was by astute engineering and profiteering (Taylor & Bush, 1974). In early modern England, gifts, rather than money, were exchanged for hospitality. However, as private hospitality to strangers is arguably no longer part of our value system, there is no particular moral imperative to entertain guests (Heal, 1990), although economic imperatives clearly exist. What was once 'proclaimed from the pulpit' as the duty of a good Christian (p. 2), is now fundamental to the economic, rather than the moral values of the community.

Historically, 'the right of weary travellers to a night's free shelter and food was taken absolutely for granted' (White, 1968, p. 9). Indeed, the provision of 'liberal entertainment of all sorts of men, at one's house, whether neighbours or strangers, with kindness, especially with meat, drink and lodgings' (Heal, 1990, p. 3), once considered necessary to secure a place in heaven, now accrues significantly more economic than religious appeal. The poor, who once had 'access to a host's generosity' (p. 3), now seek safety and shelter from church operated hostels, rather than individual home owners, who are more likely to limit visitors to personal friends or paying guests.

Derrida (2000) viewed hospitality as a gift requiring no reciprocation, concurring with Burgess's (1982) view that true hospitality is a 'gift of friendship, shelter and physical replenishment to a guest by a host' (p. 49). This 'reduced sense of reciprocity and mutual obligation' affects guests and hosts in a commercial setting (Lashley, 2000, p. 13) by relieving them of most obligations except financial ones. King's (1995) view that 'the guest's only obligation is to pay, and to behave reasonably' (p. 229), provides them the freedom to go elsewhere if

service dissatisfies them. In this sense, commercial hospitality has an appeal not found in social hospitality, as behaviours and expectations are prescribed and overt, and guests are free to come and go and behave as they please. Such freedom for guests has likely implications for their standards of conduct, resulting in behaviours such as the sexual harassment of hospitality employees.

Aside from any moral obligation to extend hospitality to a stranger, are the responsibilities accruing to the provider, some of which may conflict with other moral duties. For example, adherence to Kant's categorical imperative would require a host to surrender a guest suspected of murder to the police, ahead of the duty of hospitality, a duty with which Derrida (2000) agreed. He wrote 'it is better to break with the duty of hospitality rather than break with the absolute duty of veracity' (p. 71).

Cognisant of a host's duty to offer protection to guests, Lashley (2000) finds the murder of Duncan by his house guest MacBeth particularly abhorrent. This is in conflict with Derrida's view, and leaves Kant's categorical imperative to the somewhat less hospitable. Telfer (1996) also argues that hosts must protect their guests from harm, as they are responsible for their safety, and must not endanger them either negligently, or deliberately. Hoteliers who (whether negligently or deliberately) poison their guests, are therefore in breach of their fundamental and moral duties as providers of hospitality. Brillat-Savarin (1970) encapsulated this concept, writing 'to invite people to dine with us is to make ourselves responsible for their well-being for as long as they are under our roofs' (p. 4). Breaches of this moral duty are examined in this study by analysing participants' attitudes to food hygiene.

### **2.3.2 Conflict of motives and roles**

Some have gleefully suggested an earlier thesis title of 'Ethics in Commercial Hospitality' was an oxymoron. Similarly, Telfer (1996) points out that 'commercial hospitality' is also a contradiction in terms, as 'the location of it is not a home, the hospitality is not given, the guests are not chosen' (p. 40). A commercial host's motives are necessarily ulterior, resulting in the supply of 'just that amount of hospitality that will ensure guest satisfaction, omit complaint and hopefully generate a return visit whilst turning a profit', while payment for these pleasures relieves guests of any pressure to either be agreeable, or visit

again (Lashley, 2000, p. 14). Heal's (1990) comment that commercial hospitality implies a 'paradox between generosity and the exploitation of the marketplace' (p. 1), suggests a tension between the giving and taking of products and services that may subsume the nuances of a host-guest relationship, developing instead, into a carefully prescribed exchange of kindness for money.

Conflicting motives manifest as tensions between customers, employees, and management. Customers are likely to be concerned with 'the quality of facilities and services, hotel employees with working conditions, (and) hotel owners with the security of their investment, and a variety of 'other satisfactions they may derive from their role' (Medlik & Ingram, 2000, p. 27). These tensions, exacerbated as they are by the presence of customers, are strongly associated with service industries such as hospitality, and are evident in the narrative and stories provided by participants in this study, and presented in Chapter 10.

Tensions are also generated by the requirement for hospitality workers to meet the physiological and psychological needs of their customers (King, 1995), which may produce a 'synthetic smile' rather than a 'genuine scowl' (Nailon, 1982, p. 17), concealing the conflict between actual emotions, and those that may be appropriately demonstrated. Mills (1951, as cited in King, 1995, p. 182) observes that sales people manage customers with personal charm, a feat requiring 'self control, false smiles, tact, stereotyped greeting and insincere friendliness'. This is 'emotional labour' (Hochschild, 1983), in which feelings are managed, and emotions displayed to encourage appropriate responses from customers; a kind of labour that results in what Lashley (2000) refers to as the 'cheerful but counterfeit smile' seen on the faces of many hospitality employees (p. 12).

Whyte (1947) observed '...a number of girls break down and cry under the strain' of the emotional tension caused by orders being generated concurrently by both customers and supervisors (p. 304). Such conflict is still common when the requirement to maximise tips places a high emphasis on customer service (Whyte, 1948), because that emphasis may counteract other income-affecting factors, such as bonuses for achieving targeted food costs (Bowey, 1976, as cited in Wood, 1997).

Conflicting goals, emotional labour, and emotional tension all have the capacity to create difficulties for employers and employees. Many of these difficulties are described in comments provided by participants in this study, and presented in Chapter 10.

### **2.3.3 Status and reputation**

A further theme to emerge from the literature is that of hospitality's dubious reputation. Nailon (1981) notes that hospitality workers have been treated with suspicion since hospitality became commercialised, perhaps due to the 'somewhat disreputable beginnings and frequent dubious practices' of the industry (p. 4). Jones (1996), however, provides another plausible and logical explanation. Because hospitality comprises elements that are 'fundamental to human existence', he contends that it is common for people to think it is 'straightforward and unsophisticated' (p. 1), and therefore accessible to those with few skills and little experience. However, when these people enter the industry with insufficient experience, 'their lack of expertise leads to low standards' with which this industry is often associated, and which attracts criticism and a certain degree of suspicion.

The status of hospitality workers is threatened by the ease with which service and servitude can be conflated, commodifying staff and opening the way to disrespectful treatment from those in positions of power, such as managers and customers. Service employees are often required to be compliant and deferential to customers (Horowitz, 1960), and work in subservient roles not commonly found elsewhere (Gabriel, 1990). They may even be perceived as working in those roles, not out of choice, but they have no alternative (Guerrier & Abid, 2000). Experienced hospitality workers often develop the ability to be so discreet and invisible (Gabriel), they may appear to have no personality or emotions of their own, and therefore, few rights.

Other attributed causes of low status are various. Catering workers are also primarily part-time employees and women (Gabriel, 1990), whose inherent low status is further reinforced by poor remuneration and working conditions (Wood, 1997). Low status might also be a consequence of associations with the intimate bodily functions of eating, drinking, sleeping, and cleaning up after these activities (Saunders, 1981, as cited in Guerrier & Abid, 2000). Guerrier

and Adib (2000) note that the role of a hospitality worker is to keep the dirty work hidden, and present a clean and staged façade. In this respect, it is similar to nursing, but clearly lacks the dignity associated with caring for the sick. They also suggest that the nature of hospitality work also demeans employees by controlling 'not just what people do but how they interact with other people' (p. 257).

Further to the requirements to be invisible and work with bodily functions, hospitality workers are also required to 'turn a blind eye, make arrangements for blue movies, call girls' etc., as part of their friendly service (Hearn & Parkin, 1987, as cited in Guerrier & Abid, 2000, p. 261). Numerous stories exist of requests for fellatio and other sexual favours, and which blur the barriers between staff and guests, and staff and management. The requirement to please customers at whatever cost, renders hospitality employees vulnerable to abuse, and places them in precarious positions.

### **2.3.4 Hospitality workers' characteristics**

Whyte (1948) noted that restaurants attract employees who enjoy a high rate of social activity and changes in physical activity. Judge and Cable's (1997) work on organisation-personality congruence suggests that an individual's 'neuroticism, extraversion, openness to experience, agreeableness, and conscientiousness' (p. 359) will be matched with the perceived hypothesised culture of their preferred workplace. Those working in hospitals are therefore likely to have different personalities from those working in prisons, spiritual retreat centres, or restaurants, even though the routine tasks involved are substantially the same. Those attracted to hospitality work are likely to enjoy smoking, drinking, gambling, partying, and dining out considerably more than their counterparts working in retreat centres, who may be more inclined to spiritual pursuits and other salubrious activities. Such links between organisations and the types of people who work in them have profound significance for this study, as they help explain a significant cause of behaviours such as sexual harassment, serving alcohol to minors, and smoking, as well as perhaps, some absenteeism and illness caused by unhealthy lifestyles. The narratives discussed in Chapter 10 reveal that hospitality workers are surprisingly tolerant of behaviours such as sexual harassment which other

workers may find abhorrent.

### **2.3.5 Summary**

The differences between hospitality as a gift and commercial hospitality as a money-making enterprise are probably as notable as those between a happy couple, and between a prostitute and client. Although superficially each is the same, the requirement for compensation somehow contaminates one expression of the relationship by emphasising the mercenary motives of the 'giver'. While sex and kindness cannot successfully be sold without the presence of appropriate skills and attitudes, commercialisation necessarily changes the nature of the service into something that must be measured, in order to extract appropriate compensation. It is this act of measurement that can place stress on front line providers, who must ensure they do not give so much that there is insufficient for the next customer, or opportunity for their employer to reprimand them for giving away saleable commodities. The tensions generated by this measuring are explored in this study, especially in the areas of sexual harassment, and deliberately poor treatment of customers.

## **2.4 History and origins**

### **2.4.1 Immoral beginnings**

Early records from 1700 BC indicate that a tavern was a kind of brothel in which the landlady acted as both barmaid and prostitute (White, 1968). Because commercial hospitality has its origins in 'drunkenness and harlotry', White considers it no surprise that '...inns and innkeepers were held in such poor repute throughout the centuries'. He further suggests 'not only did these physical aspects arouse contempt, but until very recent times the view has persisted, perhaps still persists, that the innkeeper himself has prostituted hospitality' (p. 9). Indeed, the hospitality industry has historically been held in such poor regard, that even in Greek times, the same laws which 'forbade certain classes of female slaves being sold into prostitution, also forbade their being sold to inn-keepers' (p. 24).

Alehouses had an important function, providing food, drink, lodgings for travellers, and work, but were also thought to attract the poor, drawing them and others into 'debauchery and poverty' (Walton, 2000, p. 60). The more literate

elite apparently distanced themselves from the common culture, which in their view, lacked discipline. Underdown's description of the nobility's view of the poor could hardly be improved. He writes that they were perceived as

...following dissipated paths, drinking, singing, engaging in idle chatter, being drawn into promiscuous sex which might beget bastards to be a charge on the community, disrupting church services when they went at all, and neglecting their work (1992, as cited in Walton, 2000, p. 60).

All these activities, no doubt, were happily facilitated by the hospitality industry.

## **2.4.2 The origins of commercial hospitality**

Beer is mentioned in the 6,000 year old *Book of the Dead*, in which hieroglyphics depict 'thousands of loaves of bread, thousands of vases of ale' (McLauchlan, 1994, p. 34). The Egyptians reputedly brewed the first beer (White, 1968), evidenced by the Sumerians' recipe records and the story of Osiris the Egyptian God of Agriculture, who taught the art of brewing. The common and seemingly logical view, is that beer was discovered when grain fermented in storage pots, and was found to produce a pleasant drink with pleasant effects. McLauchlan claims that 'alcohol is the oldest drug used by humans, and the most common' (p. 34). The first known reference to taverns or drinking houses is in the code of Hammurabi, from around 1700 BC, and etched in stone. The hospitality industry is one of the oldest in existence, accompanied naturally enough, by brewing and prostitution.

The concept of an inn is generally attributed to the Egyptians, who used inns as places for travellers to find drink and overnight accommodation. Early inns were probably khans, a cross between a stable, a warehouse and a fortress, and provided shelter for travellers, in 'crowded, stinking and above all noisy' surroundings' (White, 1968, p. 4). Taylor and Bush (1974) describe the earliest lodging houses in England as brothels and drinking houses that were dirty and rough, with communal kitchens. Sleeping quarters were called dormitories and usually held one or more beds, and dining rooms were reserved for the use of over-night guests and their friends.

The same descriptors were initially used for both inns and brothels, perhaps providing some insight into the origins of this fascinating industry. White (1968) suggests that as the women who worked in the alehouses were whores, and

therefore required 'sleeping' quarters, the progression from drinking to harlotry to accommodation was a fairly logical one. The first written reference to accommodation houses is thought to be a decree by King Ethel Bert in the sixth century, which attempted to regulate and keep order in English inns (White).

### **2.4.3 British hospitality after the 10<sup>th</sup> century**

Roads were particularly bad in medieval England, and most travellers moved by foot or horseback. Travel was stimulated by pilgrimages, crusades and trade, and was a dangerous occupation, as highways were frequently infested with robbers and outlaws. Travellers moved in groups and sought safe shelter at night, which was freely provided by noblemen, gentry, and monasteries. Rights to food and accommodation in religious houses were associated with the Christian rights to sanctuary (White, 1968), which was also used by criminals fleeing from the law. Travellers had rights to 'salt and fire', and frequently dined in the great halls of castles, albeit at the lower table with the dependent classes (Medlik, 1972).

Inns were originally large houses, and large inns were designed in the same style as big town houses. Inns (which became hostels and then hotels) were built by the nobility on main routes to accommodate the entourages of noble guests (White, 1968). Any householder, who (either because of his more salubrious accommodation, or a lack of local competition), accommodated all the travellers passing through his area, became the de facto inn-keeper (Medlik, 1972). According to Heal (1990), these inn-keepers saw themselves as private hosts, performing the same duties as those motivated by compassion, but providing hospitality 'for money rather than for love' p. 203).

Although the common people stayed in monasteries and religious houses, the nobility stayed with private householders of their own class, who took in strangers, friends and acquaintances. Their houses developed into inns, and the hosts, into inn-keepers (Lockwood & Jones, 2000). Meals were eaten in large dining halls, and after dinner the tables were removed and the area converted to sleeping quarters. Private rooms were built as standards improved, although travellers could not necessarily expect to sleep alone. At the end of the 11<sup>th</sup> century, the crusades increased travel dramatically, and therefore, the need for safe shelter at night (Medlik, 1972).

In the 12<sup>th</sup> century, monasteries continued to accommodate travellers, but as this became a nuisance, 'Edward I forbade anyone to eat or lodge in a religious house unless he were formally invited' (White, 1968, p. 26). However, by this time, London already had 'pretensions to licensing alehouses' (Walton, 2000, p. 57). In the late 13<sup>th</sup> century, Bishops de Swinfield and Giffard were recorded as staying at abbeys during their travels, but purchasing their meals, indicating that by this time the inn-keeping trade was well established (Heal, 1990). The size of beer handles is mentioned in the Magna Carta, and an act authorising the taxation of liquor was passed in 1266 (Bollinger, 1967, p. 10), providing further evidence of hospitality's commercialisation.

Purpose built inns were firmly established by the 14<sup>th</sup> century, following the design of larger private houses (Medlik, 1972). Taverns were the early equivalent of a modern licensed restaurant, providing casual refreshment (food and wine), and a place for people to meet, but not to stay over-night. Inns were restricted by law to the reception and entertainment of travellers by day or night, and were forbidden from being places of 'idle resort' (p. 24). Taverns provided food and drink, and ale-houses provided beer for the lower classes.

In 1494 a law was passed requiring ale-house keepers to be of good behaviour, or their businesses would be closed down by a local Justice of the Peace. Good behaviour it seems, meant conducting their house in an orderly manner and not annoying the neighbours (Medlik, 1972), and Justices of the Peace were empowered to close offenders' alehouses and secure financial bonds from inn-keepers to enforce the law (Walton, 2000).

'Politics, litigation, or the need for other specialist services' (Heal, 1990, p. 85) in the 15<sup>th</sup> century, required noblemen to travel to London. Economic and social activity in English towns ensured that the growth of inns and alehouses for members of the public was well developed by then. As the church's influence decreased and business travel increased, the number of inns grew steadily, and although many travellers preferred the relative comfort of monasteries, a definite system of public hospitality was in place (Medlik, 1972). As inns became the accommodation of choice, those who stayed with friends when an inn was available incurred financial penalties, thereby protecting and supporting the inn-keeping trade, relieving the burden on the monasteries, and keeping

track of travellers (White, 1968). The dissolution of British monasteries began in 1536, and removed 608 religious houses from competing with the inns. This came at a time of increased travel, and resulted in the prospering and growth of the inn-keeping trade (Lockwood & Jones, 2000; Medlik).

The beginning of liquor licensing can be traced to the middle of the 16th century with an Act of Parliament in 1552 requiring ale-house keepers to be licensed, which quickly led to fixed closing hours and prices. Because of a developing need to licence and regulate the inns, more is known about alehouses after the middle of the sixteenth century than before. In a colourful account of early hospitality, Walton (2000) describes ale-houses as harbouring 'vagrants and encouragers of unruly amusements, gambling, sexual frolics, criminal conspiracies, Sabbath-breaking, distractions from church services and from work, defiance of authority, and noisy, violent disorder' (p 58). By 1552, holding a licence had become a privilege rather than a right, and legislation was passed in 1563 and again in 1570 to limit the numbers of ale-houses in each town. Extrapolated statistics from 1577 suggest that there were around 25,000 establishments in England selling liquor; about one outlet per 200 people (Medlik, 1972; Walton, 2000).

Fortunately for travellers, conditions had improved somewhat by the 16<sup>th</sup> century. Sir John Harrington invented the water closet in 1596, and wheeled coaches had become common in London (White, 1968). Although accommodation in inns and alehouses was widely available, many of the ruling class still stayed with other members of the nobility, in accordance with the traditions of the period. However, there was also widespread dependence on services provided by inns and taverns (Heal, 1990). Taverns were used for dining out, and there was a growth of inland and seaside resorts and haute cuisine in France (Lockwood & Jones, 2000). From the mid-sixteenth century, increasing population, trade, and interest in law, order, and labour issues, combined with religious concern over the behaviour of patrons to increase the importance and visibility of the hospitality trade (Clark, 1983, as cited in Walton, 2000). Spas were established to provide pleasure, rather than just accommodation for business or religious travel. Tunbridge Wells and Harrogate had well established spas by 1630, and better accommodation was soon in demand. The Post Office was established in 1625, and in April 1657 one of the

first stage coaches started its four day journey from Chester to London, generating notable growth in the inn-keeping trade. Inns were popular, not so much because there were so many travellers, but because travel was so arduous and took so long (White).

By the 18<sup>th</sup> century inns were able to offer a degree of comfort and the basis of the modern industry was well established (Medlik, 1972). With the development of the railway system in England, ale-houses and hotels gradually replaced the inns, some inns and larger public houses traded up to call themselves hotels, uniformed staff were introduced, and the modern hotel industry was born. The word 'hotel' came into use around 1780 (Taylor & Bush, 1974), and was used to describe an establishment common in Paris, called a *hotel garni*, a large house in which guests were accommodated in rather more luxurious surroundings than those in inns (Medlik, 1972). Licensed premises were pejoratively called alehouses, and unlicensed premises called whisht or hush-shops, because their existence was supposedly secret. Smaller back-street pubs and unlicensed alehouses became resorts for illegal union activity and radical politics, as infiltrators from the upper classes could be easily identified by locals (Walton, 2000). Inns and taverns were frequented by doctors, lawyers and other professionals for social reasons, meals, or to discuss business. The Victorian middle class abandoned pubs because the temperance movement had given them a bad name, preferring the big new hotels, cafes and restaurants of the 70s, 80s and 90s (Girouard, 1984). At first there were no public dining rooms, just room service, but restaurants opened as demand increased (Walton). Luxurious décor and improved services and amenities towards the end of Queen Victoria's reign developed into definitive properties such as the Ritz and Claridges, both of which opened in the last few years of the century (Medlik).

The Beerhouse Act was passed in 1830, allowing beer to be retailed anywhere for a licence, providing the premises were closed at 10 pm and order was maintained. Not surprisingly, beerhouses multiplied rapidly after this, but many became haunts for prostitutes (often employed as servants), and hosted blood sports such as dog fighting, cock fighting and strip shows. In short, beerhouses became central to the social life of the working class (Jennings, 1995 and Walton & Wilcox, 1991, as cited in Walton, 2000).

Group travel operations commenced with the opening of the first steam railway in 1825. Hotels generally became more luxurious, and guests could wash in their rooms instead of in the yard, using a bowl of water and the traditional free bar of soap (White, 1968). Restaurants developed in the late 19<sup>th</sup> century, first as dining rooms in large hotels, and then as separate establishments for the 'fastidious diner' (Medlik, 1972, p. 38). Gradually diners were given the privacy of separate tables, and eating out became a way of life, not just for the nobility, but also for clerical and manual workers who previously took a packed lunch to work.

In the 1880s it was common to work for tips alone<sup>4</sup>, and many waiters actually paid their proprietor a levy for their job. Escoffier developed his famous kitchen assembly line using specialisation to speed up food production, but was dismissed from the Savoy, reputedly for stealing food. Escoffier's absolute devotion to his work, and correspondingly high expectations of his workers, proclaimed work as a virtue, and is thought to be partially responsible for the tradition of long hours worked by hoteliers, and the 'exploitation of weak Victorian labour by powerful management' (Taylor, 1977, p. 41).

Early last century, hotel staff in London dined well on staff meals and quality left-over food. With a third of Londoners living below the level required to maintain physical efficiency, hotel work at that time was an attractive proposition (Taylor & Bush, 1974). However, a lack of skilled labour and 'continuing low pay and poor working conditions' (Taylor, 1977, p. 39) provided early indications of persistent problems in the industry.

By the late 18<sup>th</sup> century and into the 19<sup>th</sup> century, heavy gin and beer consumption was becoming a problem, particularly in London (Medlik, 1972). The common people were reputedly 'destroying themselves with gin' (Girouard, 1984, p. 20), and the restriction of beer licences encouraged illegal drinking and drunkenness. In 1830, 'an attempt was made to reduce the amount of spirit drinking by permitting the general sale of beer by retail', but apparently this actually exacerbated the drunkenness (Medlik). However, Girouard suggests that 'the 1830s gin scare' is probably exaggerated by modern standards, and represented more of an increase in middle-class awareness of drunkenness

<sup>4</sup> In Colombia, and possibly many other countries, this is still the norm.  
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than drunkenness itself.

Motorised travel and increased leisure led to rapid expansion of the inn-keeping trade (Medlik, 1972). Operating costs in the luxury hotels ran high, and many managers who were dismissed as a result, moved on to small resort hotels (Taylor & Bush, 1974). By 1914, inflation was dramatically raising labour and food costs, and with increased taxes and competition for patrons, arguments frequently developed over possible causes of the inevitable financial problems. Many managers were accused of taking commission from suppliers, stealing food and wine, overcharging customers and encouraging prostitution. Competition for business was intense, and some managers began the insidious tradition of direct marketing, writing to guests in competing hotels, hoping to secure their business. Occupancy was low during the 1914 – 1918 war, and problems with food supplies and staffing made it difficult to operate hotels at all, let alone generate a profit (Taylor & Bush).

By the 1950s the industry had extended to holiday camps, milk-bars and industrial canteens, and leading hotels such as the Dorchester, and Park Lane and Mayfair Hotels were well established (Medlik, 1972). As the hospitality industry grew, service standards deteriorated, staff became more difficult to find, and more expensive, and hotel architecture became less opulent (Taylor & Bush, 1974). Staff shortages continued into the 1960s to become a persistent characteristic of the modern industry, accompanied by low pay and long working hours.

The diversification of the lodging industry in the 20<sup>th</sup> century from luxury and small resort hotels into backpacker hostels, motels, health spas, self-contained resorts, cruise ships, and boutique lodges, has generated an industry of substantial size and influence. Commercial hospitality is now part of the wider tourism industry, and contributes with it, just over 10% of the global Gross Domestic Product and 214.6 million jobs (Oxford Economic Forecasting, 2004). Beyond mere economic contributions, as a purveyor of entertainment, commercial hospitality wields considerable influence over people's lives, and has responsibilities as both employer and service provider, to conduct its affairs honestly and ethically.

#### 2.4.4 Ethics in early hospitality

Aside from historical associations with prostitution and drunkenness, commercial hospitality is also linked to early forms of profiteering, many of which persist today. Records from around 1700 BC show that 50 measures of cheap liquor could be brewed from just five measures of corn, yet six measures of liquor were sold for the price of five measures of corn. This represents a cost of production and sales of just over 12%, and an enviable margin by today's standards. White's (1968) view is that these are early indications that innkeepers were 'disreputable, but enjoying a wide profit margin' (p. 3)

Another reference to profiteering dates back to 1349, when Edward III imposed a penalty of double the amount any innkeeper was caught swindling from a guest. Apparently this was insufficient as a deterrent, because only four years later, mayors and justices were directed to investigate the 'deeds and outrages of hostellers and their kind' (Medlik, 1972, p. 25), hopefully to eradicate unfair practices and unfair pricing. Over-charging and serving poor beer persisted (at least) into the 15<sup>th</sup> century. 'In the 1420s there were a series of major fires in the inns, started, one of the St Albans chroniclers gleefully surmised, by visitors who had been over-charged by the proprietors' (Heal, 1990, p. 237). By 1434, disputes had become so common, brewers in Oxford called a meeting and agreed to brew good and wholesome ale, at least, to the best of their ability (White, 1968).

A delightful example of profiteering comes from the stage-coach journey from London to Edinburgh; some landlords found they could bribe the coachmen to call their travellers just as they sat down to dine, so their meals could be returned to the kitchen and saved for the next group (Taylor & Bush, 1974; White, 1968). Another example comes from 1851, when guests travelling to the Great Exhibition were advised to obtain a price for their room in advance of their arrival, in case the hotelier raised the price according to his perception of what they could afford. Although reported by Taylor and Bush as a dubious practice, a similar incident today would go unnoticed, being an example of excellent yield management<sup>5</sup>.

The best profits in the 19<sup>th</sup> century (and arguably still) were generated by high

<sup>5</sup> Adjusting room rates according to time of purchase and customer, to maximise revenue  
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mark-ups on liquor. According to one record, sherry purchased for 3/- and wine purchased for 1/- were both sold for 6/-. Astute hotel managers bottled their own wines to increase their profits, and salted the beers to improve their customers' thirsts (Taylor & Bush, 1974). Similarly, modern hoteliers often provide complimentary salted nuts and chips to their guests, either of which is likely to increase bar sales. Table d'hote dinners (i.e. limited choice) were the standard fare, but the liquor account was shared between participating diners after their meal, a custom likely to result in more, rather than less consumption of alcohol. Astute guests wishing to protect themselves from contributing to large liquor accounts dined early and alone (Taylor & Bush). Similarly, modern restaurateurs can become fractious and a little condescending if a diner asks for his or her account to be separated off from that of the rest of the group.

In the late 19<sup>th</sup> century, as expectations of abundant quantities of food tended to militate against easy profits, it was common to raise the prices of essentials such as candles and coffee, in order to secure a profit (Taylor & Bush, 1974), in much the same way as hotels now charge inflated rates for toll calls and internet use. Around this time (1880), the average hotel labour cost was approximately 11% of turnover (Taylor, 1977, p. 42) and was based on a 100 hour week. Current labour costs are around 30 – 35% of turnover, and although they are based on a 40 hour week, as comments in Chapter 10 indicate, many employees work well beyond this. Reliance on tips was therefore a logical step, which allowed a degree of tax evasion as well as relieving managers of the burden of paying competitive wages. Eager to improve their financial position, many staff learned to provide gifts of cake, or 'free' room upgrades to improve their tips. 'Management, from the earliest period in the industry's history, told workers, in effect, to forage for themselves in the rich orchard represented by the guests' (Taylor, p. 43). By the 1960s, a lack of skilled industry personnel meant that dishonest employees had a reasonable chance of survival, as those who were caught and dismissed for their crimes could always find work elsewhere. Tips were tax-free earnings, and 'although a service charge of ten per cent was common, this did not stop staff from trying to get a little more from the customers direct' (p. 163).

Hotel managers have traditionally paid poor wages because the requirement to make a profit meant they could not afford to do anything else (Taylor, 1977).

Poor wages were traditionally accepted by hotel workers, as leaving their jobs in earlier times could mean starvation. Even last century, hotel workers commonly lived in staff quarters, and although this kept them well fed, they became institutionalised and docile, preventing them from challenging poor wages and working conditions. Taylor suggests that for residential workers, the fear of having to fend for themselves in the real world was even greater than the fear of the financial results of dismissal.

## **2.5 Hospitality in New Zealand**

### **2.5.1 The development of New Zealand hospitality**

Captain Cook's log from the Resolution in Dusky Sound, describes the first brew of New Zealand beer on Saturday 27 March 1773, for a crew of over a hundred men. After 11,000 miles and 117 days at sea without once having sighted land, Cook was surely justified in putting down a brew purely for pleasure, although his most likely purpose was to protect his crew from scurvy. His journal states:

Also began to brew beer with the leaves and branches of a tree which resembles the American black Spruce insipissated Juice of Wort and Melasses... By making use of warm Water (which ought always to be done) and keeping of it in a warm place if the Weather be cold, there will be no difficulty in fermenting it, a little grounds of either Small or Strong beer will answer as well as yeast. (McLauchlan, 1994, p. 31)

Grog, a mix of rum and water, was introduced to New Zealand by whalers and traders around 1820, but whisky was the most popular drink for the first fifty years of settlement. Governor Hobson prohibited the distilling of liquor, probably because it was easier to collect customs on imported spirits than collect excise on local distillations (Bollinger, 1967), but also, because the local concoctions were apparently strong and very rough.

The first licensed house (sic) was the Duke of Marlborough in Russell, opened in 1826 by Johnny Johnson, an ex-convict from Sydney. Although he sold grog to whalers, at first he had no licence, there being no licensing law at this time. Money had little value in the 1830s, as there were few shops apart from those in the Bay of Islands. As it was therefore common to pay whalers in rum, food and clothes (Sharp, 1976), alcohol acquired an influential role in the lives of the early settlers. According to Thomson (1859, as cited in Sharp), the first grog

shop was opened by Benjamin Turner in 1830 at Kororarereka, and by 1834 grog shops in this area were offering accommodation to travellers (McCormick, 1963, as cited in Sharp). As far as can be determined, this was the beginning of the New Zealand hotel industry.

In 1834, 57,701 people petitioned Parliament to discover the causes and extent of drunkenness, and the first temperance meeting took place in a Methodist Mission station in North Auckland (Bollinger, 1967). The first commercial brewery was opened by a 24 year old from London who arrived in 1831, and by 1835 had established a shop and brewery near the beach (McLauchlan, 1994). Ten years later, the Kai Warra brewery was the largest building in Wellington. Apparently the early brews were similar to those in England: 'brown ale, warm and sweet' (p. 10).

By 1835 the prohibition movement was developing considerable momentum in an attempt to bring to an end the lawlessness attributed to alcohol (Sharp, 1976). By 1838 there were five hotels in Kororarereka (Thomson, 1859, as cited in Sharp), and the same year, the Kororarereka Association was established to distribute justice to offenders: justice that included tarring and feathering, and locking culprits in sea-chests overnight. Although observers were frequently drunk, it was not the drunkenness that was objected to, but the associated violence and problems (Sharp).

When Captain Hobson arrived in 1840, he instituted a legal system governing the sale of liquor, so Johnson and five others were able to secure licences in July that year. According to McNeish (1966), the Duke of Marlborough hotel burned down in 1845 after drunken brawls between Maori and Pakeha. The reincarnated Marlborough hotel is the oldest licensed house still operating, and also one of the earliest recorded land purchases (McNeish).

In 1842, some years after the first temperance meeting, the first temperance society was established, a year after the opening of one of the first commercial breweries, in Nelson. McLauchlan (1994) notes that 'drunkenness was undeniably rife in pioneering New Zealand and the theory was that to restrict and ultimately stop the manufacture and sale of alcohol would end the scourge' (p. 93). New Zealand's first liquor licensing legislation was the Licensing

ordinance of 1842, which regulated the sale of liquor, apparently to little effect. Measures were also taken to prohibit the distillation of spirits (Bayvel, 1996). The origins of hotels in New Zealand are varied; many started as transit houses for new settlers, such as the White Hart in New Plymouth, which operated as a six-roomed refuge from 1844 to 1855. The Whangamomona Pub in Taranaki had a morgue (in room 12a, opposite the dining room) until 1954 (McNeish, 1966), and many others started as meeting houses for the Freemasons, earning the name 'The Masonic'.

Alcohol consumption and drunkenness was becoming a serious social problem that many did not recognise. Sharp (1976) notes that

...mass participation in a certain kind of behaviour tends to legitimatise the behaviour, so it is certain that the sailors, whalers, traders, and ex-convicts, who are now notorious for their drinking feats, saw little wrong with their behaviour (p. 11).

Early liquor legislation attempted to curtail this drunkenness (McLauchlan, 1994), but legislation has not yet been entirely successful in this area. The Sales of Spirits to Natives Ordinance was passed in 1847 restricting the sale of liquor to Maori. Bollinger (1967) notes that 'in the 1860s, liquor was deliberately used by unscrupulous Pakehas as a means of debauching individual Maoris, especially chiefs, and swindling them of their tribal lands'. The same year, 1847, one in eight Aucklanders was convicted for drunkenness (McLauchlan, 1994, p. 94).

Pilgrims arriving in Lyttleton in December 1850 paid £4 10s a day for their accommodation, while other settlers stayed with friends or on their ship, until their permanent accommodation was ready (McNeish, 1966). Nelson had its first hotel in 1857, well before its first church, which was not established until 1864 (Somerville, 2000). The Cardrona Hotel, established in 1865, is still operating, as are the Puhoi Tavern, originally established in 1873 for a community of Germans (Donovan, 1995), and the Naseby Hotel, established in 1875.

Auckland had around 20 or 30 breweries in the 1860s, the first being the Great Northern plant, established in May 1861 for Queen Victoria's birthday celebrations (McLauchlan, 1994). Drunkenness was so widespread at that time,

the government whip had to restrain drunk members in special sobering-up rooms provided by parliament (Bollinger, 1967) (In 1872, a bottle of whisky was reportedly lowered down the chimney of a sobering-up room, to keep E.J. Wakefield drunk, and out of the house). In 1873, William Fox reported that 'five hundred persons die in this colony every year from the excessive quantity of intoxicating drink which they consume' (Bollinger, 1967, p. 26). However, with the decline of gold-mining settlements and increased numbers of women (and consequently, married men), beer consumption per person between 1870 and 1890 almost halved. Liquor legislation was by now perceived as separating men from their families by providing drinking places close to their work, and encouraging them to use them after work by closing them at 6 pm.

Taihape opened its first hotel in 1898, catering for characters who 'abounded in a near lawless region' (Robertson, 1995, p. 128). As with many hotels in Kororaraka, some have since burned down, and what appears to have been Taylor's boarding house (later known as The Old Taihape Hotel) on Hautapu Street, burned down in 2000. By 1901 there were two accommodation houses in Taihape. Both started as boarding houses, and one became a temperance hotel. Many hotels began as boarding houses and 'many people living in the town invariably had one or two boarders living in their homes' (p. 128).

Long working hours also became part of the New Zealand industry, and in 1906, a dispute arose between the Cooks and Waiters Union and their employers, because cooks wanted a 65 hour maximum working week. The outcome of the dispute was that the employees (which included waiters and pantry-men) had their free drinks and free dripping stopped (Brien, 2004).

Prohibition reached its peak in 1908, and as no more licences were issued to publicans after 1910, more and more electorates went dry (Brien, 2004; McLauchlan, 1994). Professor Salmond, who battled noisily against prohibition, wrote that the public's concept of prohibition was largely (and falsely) predicated on the contention that problems with alcohol are caused by alcohol per se, rather than the way it was used. He insisted that 'prohibition can never be a universal moral duty until it is shown that the sale of wine is inherently an immoral act' (Salmond, 1911, p. 19). He questioned the extent to which alcohol caused the social ills commonly attributed to it, saying 'drunkenness is a

symptom of social disease and disorganisation' (p. 39) rather than its cause. Salmond also suggested that the mere act of restricting something would probably generate an unnatural desire for it, pointing out that the aim of prohibition was 'to make the whole country sober by making it physically impossible for the inhabitants to be anything else' (p. 11). The 1919 general election came very close to total prohibition, had it not been for the now famous soldier's votes, which were sufficient for continuation (Brien).

In the 1940s, a Taranaki magistrate was cited in the proceedings of the Royal Commission on Licensing (1945-6, as cited in Bollinger, 1967, p. 1) as saying that New Zealanders

drink jowl by jowl like pigs at a trough, what they are given instead of what they want, and, like pigs, gulp down more than they need of it while they can get it; and for the privilege of doing so, pay many times the cost of the hogwash they swallow..

By 1966 there was apparently little improvement, as the average New Zealander was drinking '22.4 gallons of beer and stout a year', according to a report in *The Dominion* newspaper (14 March, 1966, as cited in Bollinger).

In 1960, hoteliers were resistant to any changes to public bar rules that might interfere with their sales, as liquor profits subsidised their accommodation operations. During this period, between 5 pm and 6 pm a 'large number of adult men were crammed into rather primitive facilities, pejoratively described, in polite terms as beer-houses, and in less polite terms as public urinals' operations (Stace, 1988, p. 51). Such facilities were considered inappropriate places for women and children, and music was restricted in 1964 to discourage people from entering. Live entertainment and dancing were also prohibited, mostly because of the types of people it attracted. In *The Evening Post*, 11 December 1967, a New Zealand Press Association report noted 'between 1200 and 1400 charges for licensing breaches had been laid in Dunedin this year, or more than double last year's number' (as cited in Biggs, 1970, p. 5).

By the 1970s it was evident that New Zealand was suffering from the same problems as England: crime, prostitution, poverty, drunkenness and insanity. Alcohol was deemed to be a major cause, and was associated with 'wife desertion, child neglect, crime, insanity, prostitution, infant mortality, racial

degeneration and society's general moral decay' (Bayvel, 1996, p. 26).

## **2.5.2 Ethics in New Zealand hospitality**

In the mid 19th century when New Zealand tavern keeping was just beginning, it was common practice for travellers to give their landlord a cheque and ask to be told when their food and lodging money had expired. Shrewd landlords brought forward the cheque's natural expiry date by 'spiking' their drinks (adding hard liquor or drugs to a drink), then putting them into what was called the 'dead room', or 'blood room', to sleep off their stupor. This process was called 'lambing down' and resulted in the expeditious eviction of travellers who lost track of time after a deep and unnatural sleep (McNeish, 1966).

Service standards (or lack of them) appear to have been similar to those in Britain. In 1947, at the Rangitaiki Hotel near Taupo, the glasses were found to be dirty, the service poor, and the likelihood of receiving the correct change apparently remote. The innkeeper used complaints about this to advantage, proclaiming them on a sign at the town's entrance: 'Rangitaiki Hotel: bad beer, dirty glasses, crook change!' (McNeish, 1966, p. 83). Apparently business increased due to this judicious advertising, though records do not show whether or not the complaints persisted.

However, some landlords were determinedly responsible, and worked as a policeman, barber, mayor, or even (in the case of Richard Seddon) Premier. Those who provided light relief for whalers and passing seamen did well, and also provided liquor and accommodation to travellers, gold-diggers, settlers, and gum-diggers (McNeish, 1966). There were many reputable landlords, such as Paterson of Cardrona, who apparently regulated drinking in his bar, and did not like serving women, or more than one drink to those driving over the hazardous Crown Range to Queenstown. His predecessor, Willoughby, was a Sunday School teacher who apparently bought the hotel 'with the sole object of controlling the drinking' (p. 225).

Naturally enough, not all were so upright. 'The filthy practice engaged in by certain licensees of pouring the slops (or dregs) left in customers' glasses into a special container, and emptying this after closing time back into the bulk supply for resale next day' was referred to by a Hamilton Magistrate as 'a common

practice to help keep up bar percentages' (Bollinger, 1967, p. 99). This was not always due to the landlords' desire for profit, but to pressure from employers, many of whom placed unscrupulous demands on their staff. Bollinger wrote of a Whangarei landlord who refused to trade after hours, and was subsequently 'moved on' (an early constructive dismissal), suggesting that this was not uncommon. Breweries apparently viewed hotel managers unfavourably if sales were poor, expecting them to boost profits with after hours trading.

The licensing system must have frustrated many landlords, as breaches were often tolerated by the local police, who found the pressure required to maintain legal drinking hours were often too great for a few constables in a small town.

The system of so many rings on a back or side door, the abuse of the guest register, and the abundant provision of front-door keys bore witness to the unsatisfactory nature of 6 pm closing with its inflexible 9 am to 6 pm hours. Police statistics do not give an accurate picture of the extent of illegal drinking on licensed premises, because in many cases the local policeman accepted breaches of liquor laws as the price which had to be paid for obtaining cooperation from the community at large (Biggs, 1970, p. 81).

'The legal requirements to remove patrons from the premises within the quarter of an hour after closing time was one of the less pleasant aspects of their work' (Biggs, 1970, p. 347).

McLauchlan (1994) reports that during the compilation of his history, he frequently encountered difficulties obtaining accommodation in small country towns, where hotels were obliged to offer accommodation and attempted to comply with the law by having bedrooms but not renting them out. According to him, travellers complained to the police from time to time, who would force the hoteliers to meet their obligations by making a room and meals available. He writes that 'beating the system became a national pastime. Clandestine drinking after the legal hours was common, a challenge enjoyed by publican and drinker alike' (McLauchlan, p. 138). Some publicans even protected men from their wives by saying they were not in the bar, but letting them know they were wanted at home. There are numerous stories about the ways landlords worked around the law, such as giving the local constabulary generous Christmas gifts, or signing in bar guests as house guests, so they could drink after 6 pm.

## 2.6 Summary

For the purposes of this study, 'commercial hospitality' refers to an industry providing refreshment, and sometimes accommodation, primarily for financial reward. This definition excludes institutional hospitality such as hospitals, school, and prisons, because their purpose is to meet the specific service needs of a community, rather than accrue financial reward.

Several areas of commercial hospitality have been identified that are likely to generate problems. Tensions between the needs of employers, employees, and customers are potential areas of conflict, as is the provision of emotional labour, which may cause stress. The conflicts raised in Section 2.3.1 between the duty of hospitality and Kant's categorical imperative may arise in other situations involving guest contact, such as requests for illegal or improper services (e.g. drugs, or strip-tease dancers). Poor working conditions and remuneration commented on in Section 2.3.4, and issues raised in Section 2.4.4 are also likely to be present in modern hospitality. Alcohol abuse emerges as a persistent issue, as well as the exploitation of hospitality employees in order to meet financial goals. Notably, where customer contact is high, ethical issues are likely to arise.

Different approaches to morality and ethics, as well as different kinds of ethical issues in hospitality will therefore be reviewed, to identify specific areas where ethical issues and unfair treatment are most likely to occur. In particular, problems that have the potential to cause serious harm are examined in the following chapter.

# Chapter Three: Ethics and morality in hospitality

Moral philosophy is nothing else but the science of what is good, and evil, in the conversation, and society of mankind (Thomas Hobbes)

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### **3.1 Introduction and scope**

This review of ethical and moral issues identifies breaches of ethical standards in hospitality in an attempt to identify relationships between problems and their causes.

As this is a study of workplace problems, it also includes unfair, offensive, or socially unacceptable behaviours and practices, some of which are not extensively addressed in hospitality literature. A brief introduction to moral theory and influences on moral decision-making is included by way of introduction to the general topic of ethics, and the problems and traditions of unethical behaviour in hospitality outlined to introduce the wider task of examining specific types of unethical behaviour. Research into the behaviours examined in this study is discussed in Section 3.4, which addresses each of the eight selected issues under the sub-headings of incidence, cause, and impact.

Morality, perceived differences between right and wrong, ethics, and ethics in hospitality are outlined under the headings of ethics and moral philosophy, ethics in hospitality, and unethical and inappropriate behaviour. An extensive review of moral philosophy and ethics literature is not provided, as a pragmatic analysis of the relationship between undesirable behaviours and their possible causes is considered more pertinent. However, the following section briefly overviews ethics and moral theory, and because this is another interesting topic, the assiduous reader is referred to a reading list in Appendix F, most of which is derived from the author's previous academic study and master's thesis, *Role Related Ethical Conflict in Hospitality* (Poulston, 2000).

### **3.2 Ethics, morality, and moral philosophy**

Ethics is moral 'law', and is derived from 'ethos', a set of beliefs or ideas about the behaviour of an individual or group. Ethics can be 'good' or 'bad'; the way people behave reflects their ethical standards, and therefore, their morality.

Nusbaum (1992) suggests that ethics characterise what is good and bad or duty and obligation from a perspective of culturally or generally accepted standards of conduct, whereas morality is 'a system of principles of right and wrong as they apply to both belief and actions' (p. 25). This definition of morality is similar

to Muncy and Vitell's (1992) definition of ethics: 'the moral principles and standards that guide behavior of individuals or groups' (p. 298).

Morality and ethics are not the same. Whereas morality is sanctioned by an individual's personal conscience, ethics can be individual or according to the rules of a group. An ethical decision will be legally and morally acceptable to the wider community (Kohlberg, 1984), rather than a subset of a community that adheres to separate values. Because morality is personal, it is possible to act immorally without acting unethically – for example, while some might believe it to be immoral to eat meat, as eating meat does not generally cause harm, it is not unethical. While some authors use the terms 'ethics' and 'morality' interchangeably, in this discussion, ethics are construed as 'rules of conduct' which are primarily concerned with differences between right and wrong (*The Oxford English Dictionary*, 1989, p. 422).

### **3.2.1 Approaches to morality: deciding between right and wrong**

Examining different approaches to morality helps explain ethical decision-making, by identifying the theoretical bases for moral decision-making and establishing the likely attributes of moral behaviour. However, a cursory overview of moral theory reveals that moral decision making is fraught with problems and a difficult arena in which to establish absolute truths.

Some (e.g. Haan, 1982) view morality as a human construct with no objective absolute, and defined only by social agreement. A moral position is therefore likely to change according to the group involved in the agreement.

If utilitarianism is used to guide moral decision-making, people will act in whatever way brings the greatest good to those affected and as little harm as possible, judging their actions as right or wrong solely on the consequences. However, used without reference to other moral theories, adherence to utilitarianism could result in actions that would be generally considered immoral, such as sacrificing one person to save several others (e.g. making one worker redundant to increase the pay of each of the remaining workers). Such an action would also be in conflict with Kant's categorical imperative, which directs us to act only according to rules that could be adopted universally. However, Kant's rules do not allow the telling of a lie to save someone from harm, further

confounding any hope of finding absolute guidance on moral issues.

Those who subscribe to virtue theory should act according to virtues, such as courage, honesty, and loyalty (Rachels, 1993). However, this does not take account of possible conflicts between these virtues and other moral imperatives, such as the duty not to harm another person, which could conflict with the duty of loyalty.

A cultural relativist would say something is morally right just because it is valued by some cultures (for example, a business environment), even though those from a different culture (for example, a non-business environment), might find those values unacceptable.

Social contract theory dictates that one should follow the rules that rational, self-interested people agree on for their mutual benefit, such as whether or not to engage a prostitute for a hotel guest, or whether or not to sell rooms that will probably be available, but not necessarily. The latter example is standard practice in most hotels, although it contravenes moral logic by selling something that might not exist, just in case it does.

Although this study does not attempt to associate particular behaviours with specific standards of morality, it does identify behaviours that might be considered unethical, especially in a business context. Some of these behaviours, such as smoking where other people work, might be considered both immoral and unethical, because of their obvious capacity to harm. Although it might seem unwise to suggest that those who smoke (or allow smoking) around other people are immoral, some individuals, because of their beliefs, might consider them so.

Although extensively debated, the rules of morality are inherently difficult to define, leaving individuals no option but to engage whatever powers of reasoning and logic are available, assuming that a morally right decision is considered important.

### **3.2.2 Morality in business**

Although Friedman (1970) asserts that a business's primary responsibility is to increase profits 'so long as it stays within the rules of the game' (p. 157), this

does not imply the exclusion of other obligations, nor should it be interpreted as a licence to breach the moral codes of the wider non-business community. The hospitality industry provides essential services to society (e.g. food and accommodation for travellers), which implies responsibilities such as cleanliness and value for money, the provision of entertainment (e.g. gambling and alcohol), and the responsibility of all businesses, to keep within the law. The social responsibility of hospitality justifies its existence beyond economic benefits such as the provision of employment and the distribution of profits to share-holders, and may therefore provide guidance on the resolution of some ethical dilemmas.

Donaldson (1982, 1989) proposed the use of Social Contract Theory to develop moral principles for business, imagining business as a member of a community in which a social contract operates. He identified two types of business obligation, direct (i.e. legal and contractual), and indirect, and used Social Contract Theory to clarify the obligations. He proposed that (like individuals) businesses have rights and obligations, and will be penalised if they flout the rules. His initial theory was widely criticised (e.g. Hodapp, 1990), partly because it seems unlikely that businesses will voluntarily submit to a contract with the rest of the community, or even have the community's interests at heart (Spurgin, 2004), and also, because Hobbes' State of Nature (1651) is more difficult to imaginatively apply to a business context (Hodapp). In the 1990s, and in collaboration with Dunfee (Donaldson & Dunfee, 1994), Donaldson refined his theory as an Integrative Social Contract Theory (ISCT), which developed in subsequent refinements in attempts to clarify the 'deeper and more universal contract' that binds businesses together in moral communities (Donaldson & Dunfee, 1999, 2000). Both initial and later propositions stimulated extensive debate (Boatright, 2000; Calton, 2001; Conry, 1995; Lavengood, 2001; Rowan, 2001; Sama & Shoaf, 2005; Wempe, 2004) in the business ethics arena, but the general view appears to be one of support for offering a pragmatic approach to business ethics theory.

Social Contract Theory in business has been discussed more recently in terms of corporate citizenship (Jeurissen, 2004), addressing issues such as the profit motive (Toenjes, 2002), and the application of Social Contract Theory to professional ethics. However, extending political philosophy (such as Social

Contract Theory) to business ethics has challenges inherent in the nature and motives of each. For example, although the central justice issues are the same, governance issues such as the application of democracy to business are not so clear (Moriarty, 2005). One of the differences evident in the literature is that of voice and exit (Phillips & Margolis, 1999; Rowan, 2001), as departure from a business, although potentially distressing, at least offers an escape for individuals concerned, whereas departure from a political system has implications for family and friends. Others include differences in motives, governance, expectations of contribution, and distribution of benefits (Moriarty).

### **3.2.3 The influence of a business environment**

Business ethics involves 'the application of one's understanding of what is morally right and truthful' (Lewis, 1985). Making morally right decisions in a business context are complicated by the use of a different set of rules, which influences the ability to recognise and resolve dilemmas. A moral dilemma, which is a conflict between a duty and the needs or welfare of others (Kohlberg, 1984), is normally resolved with reference to moral standards (Waters, Bird, & Chant, 1986). However, if the moral dimension of a dilemma is not recognised, other criteria (such as economic) are used to make the decision (Jones, 1991; Rest et al., 1986). These criteria affect reasoning by influencing the outcome of a moral dilemma in favour of a business goal that may take priority over individual moral beliefs.

Environmental factors (cultural, industrial and organisational) can affect perceptions of the existence of an ethical problem (Hunt & Vitell, 1986) and in business, factors such as job context and organisational culture and characteristics further influence judgement (Trevino, 1986).

People confront and perceive moral dilemmas differently in the business context than otherwise: if moral reasoning is dependent on contexts and the content of a moral dilemma, the measurements carried out in business ethics research do not produce the same results as in other contexts. (Marnburg, 2001, p. 278).

The way individuals perceive the ethical standards of their work group profoundly influences moral judgement (Cunningham, 1991), and for managers, the desire to act appropriately may over-ride other decision-making criteria (Derry & Kelly, 1989). Fraedrich and Ferrell (1992) argue that different criteria to

those normally used, are often applied in business, perhaps because business is perceived as a game, and therefore, subject to game rules.

### **3.2.4 General causes of unethical behaviour in business**

Jones and Ryan (1998) identified several causes of unethical behaviour specific to business environments.

- Unethical acts can be disguised with morally neutral euphemisms, such as calling bribes 'gratuities';
- moral issues may be considered less important than achieving company goals, and therefore not deserving of sufficient discussion (Bird & Waters, 1989);
- responsibility for immoral acts can be shared, so no individual person feels responsible;
- employees can be encouraged to relegate responsibility for ethical issues to management, while still performing discrete tasks which are part of immoral acts; and
- employees can be pressured (by threatening their rewards) to treat ethical behaviour as secondary to other goals.

It seems logical therefore, that ethical standards are likely to be lower in a business environment than in private or domestic domains; Marnburg (2001) cites several authors (Armstrong, 1987; Fraedrich & Ferrell, 1992; Weber, 1990) who found ethical standards lower in business samples than in the general population. For example, Fraedrich and Ferrell's research, conducted with 700 marketing managers (assumed to be an American study, although this was not stated), found that non-business decisions that were viewed as unethical were often considered ethical in a business context. The resultant lower standards (or higher tolerance of unethical behaviour) might also be attributable to the socialisation occurring in a business environment, which helps individuals' ethical standards gradually adjust to those of their organisation (Smith & Carroll, 1984). Smith and Carroll argue that such 'concurrence seeking' can become so dominant that it overwhelms any ability (including logic and reasoning) to evaluate alternative courses of action. In a study of around 6000 American executives and managers, Posner and Schmidt (1984) found that pressure for

managers to conform to the norms of their organisation was very strong, effectively subjugating personal ethical standards.

Higgins, Power and Kohlberg (1984) also found that moral atmosphere affects moral reasoning and judgement. 'Moral action usually takes place in a social or group context, and that context usually has a profound influence on the moral decision making of individuals' (p. 75). Moral atmosphere and social context no doubt explain many of the brutalities perpetrated against Jewish people in World War II, demonstrating the ease with which individuals can be conditioned to act immorally. Similarly, American obedience studies undertaken by Milgram (1974) showed how ordinary people could be encouraged to behave destructively, and their moral senses confused to the extent that they would inflict electric shocks on others, providing they believed this was sanctioned by someone in authority.

The positive corollary of the relationship between morality and a group context however, is that organisational culture, leadership, and codes of ethics can be used positively to influence ethical decision making and behaviour (Cohen, 1995; Jones & Ryan, 1998; Victor & Cullen, 1988).

### **3.2.5 The influence of moral intensity factors**

Some influences on moral decision-making are not restricted to a business environment. Ferrell and Gresham (1985), and Chia and Mee (2000) argue that consensus on appropriate ethical conduct is likely to change according to the issue. That is, individuals are more inclined to steal by exaggerating business expenses, than by altering company accounts, perhaps because the consequences of altering company accounts may be more severe than penalties for adjusting expense accounts, even though the outcome is fiscally the same.

Distance (social, psychological, cultural or physical) also affects moral behaviour, explaining why those who make toll calls at their employers' expense, or misappropriate company stationery, would not necessarily steal from an individual (Jones, 1991). Jones identified the following six factors of moral intensity as influences on moral decision-making.

- 1 Social consensus  
'The degree of social agreement that a proposed act is evil (or good)' (Jones, 1991, p. 375), and which affects the way an act is perceived. Legislation is a form of social consensus that reduces moral ambiguity.
- 2 Proximity  
Response to an ethical issue varies according to how the issue is perceived to affect someone personally (Bird & Gandz, 1991).
- 3 Concentration of effect  
This factor is utilitarian-based and relates to the number of people affected
- 4 Probability of effect  
The likelihood that the proposed act will actually occur and cause the harm that was predicted (Chia & Mee, 2000) affects moral decision-making, and relates to perceptions of risk.
- 5 Temporal immediacy  
Low temporal immediacy reduces the likelihood that a consequence will occur, as interventions may occur in the interim. Low temporal immediacy therefore allows greater latitude for unethical acts.
- 6 Magnitude of consequences  
This refers to the amount of harm or benefit to those affected by an act (Jones). Fritzsche and Becker (1983) found that managers appeared to make decisions on ethical issues more according to the perceived magnitude of consequences than any set of rules.

In a business context, some moral intensity factors have the potential to create ideal conditions for unethical behaviour to flourish. For example, low proximity may allow senior managers in distant offices to generate unethical policies they need never confront the results of, such as requiring hotels to maximise revenue by selling rooms they do not have, or designing provocative uniforms for cleaning staff.

### **3.2.6 Economic reasons for being ethical**

If economic reasons to behave ethically are not apparent, unethical behaviour can flourish in an industry constrained by tight financial margins, such as hospitality is. However, studies investigating the relationship between ethical behaviour and profitability have surrendered ample commentary and theoretical

modelling (e.g. Arjoon, 2000; Enz, 2002; Hosmer, 1994), but little hard evidence to provide reassurance that moral behaviour leads to profitability. Hosmer notes the absence of empirical data, concentrating instead on a sound argument in support of moral management, while others (e.g. Bhide & Stevenson, 1990) note that there is little factual or logical basis for behaving ethically, and that the only imperative is not because it is good business to do so, but because it is the right thing to do.

Graafland (2002) notes that not only does unethical behaviour frequently go unpunished, but 'unethical behaviour sometimes pays off and the good guy sometimes loses' (p. 297). However, Quazi and O'Brien (2000) contend that this is not sufficient incentive to be unethical, noting that businesses have a role as 'part of the larger society with a wider responsibility reaching beyond the narrow perspective of profit' (p. 33). In a survey of 611 Korean and Japanese business executives, Lee and Yoshihara (1997) found respondents considered business ethics 'beneficial for both long-run profit and management efficiency of business firms' (p. 7). Similarly, Key and Popkin (1998) argued 'incorporating ethics in the strategic management process is not only the right thing to do but also the profitable thing to do' (p. 331) but do not support their argument empirically.

Waddock and Graves collected data on the relationship between corporate social responsibility and financial performance, and found that poor labour relations and problematic products may have 'deleterious impacts on financial performance' (1997, p. 316). Their research evaluated the financial results of 469 American companies against criteria such as the treatment of women and military contracts. However, a similar study of 56 British companies by Balabanis, Phillips, and Lyall (1998) surrendered inconclusive results. A study of 237 Singaporean managers by Koh and Boo (2001) revealed that job satisfaction is related to ethical behaviour and management's support of ethical behaviour, leading them to conclude that positive organisational outcomes can be achieved by supporting and rewarding ethical behaviour.

Simons' (2002) finding that a hotel manager's integrity is the greatest influence on profit is probably the single most important discovery in this area of literature, as it provides a tangible promise of success to managers who behave ethically (others are likely to have both their consciences and share-holders to grapple

with). Simons hypothesised that employees react to inconsistencies between their managers' words and actions, surveying several thousand hospitality employees in America and Canada to test the effects of management's 'behavioural integrity' (p. 18). His results demonstrated that management's integrity (i.e. consistency between words and actions) is the most profound influence on profit of any aspect of management's behaviour. Although Simons' findings have not been replicated to date, the concept that integrity pays should be sufficiently plausible to convince many managers – providing someone tells them. Although the economic performance of a business would not be perceived by some as more important than morality, it is encouraging to find that moral behaviour may be a necessary (but not sufficient) condition for a business to succeed.

### **3.2.7 Summary**

The rules of morality are inherently difficult to define, and in a business environment where complex and conflicting motives dominate moral reasoning, moral standards can be difficult to maintain. A business environment can therefore facilitate unethical behaviour, partly because of the pursuit of profit, and also, because business is often perceived as a game, and therefore subject to game rules. Jones and Ryan (1998) identify several causes of unethical behaviour specific to business environments, alongside other causes such as socialisation (Posner & Schmidt, 1984; Smith & Carroll, 1984), conflicting goals (Jones & Ryan; Wong, 1998), and the moral atmosphere (Higgins, Power, & Kohlberg, 1984). Ethical standards are likely to be lower in a business context than in private or domestic domains (Armstrong, 1987; Fraedrich & Ferrell, 1992; Weber, 1990). Furthermore, Jones (1991) identified six influences on moral decision-making, some of which could create ideal conditions for unethical behaviour to flourish in business.

Data linking ethical behaviour to profitability and business success are disappointingly scarce. However, increased job satisfaction was associated with management support of ethical behaviour (Cialdini, Petrova, & Goldstein, 2004; Koh & Boo, 2001) and management integrity was found by Simons (2002) to positively influence a business's profitability and success.

### **3.3 Ethics and hospitality**

#### **3.3.1 Poor ethical climate**

As outlined in the previous chapter, certain characteristics of the hospitality industry, such as being labour intensive and having narrow profit margins, subject it to extraordinary opportunities for unethical behaviour, resulting in a poor ethical climate. The ethical climate comprises 'the prevailing perceptions of typical organizational practices and procedures that have ethical content' (Victor & Cullen, 1988, p. 101) and influences the way individuals make decisions by providing an unwritten package of rules and expectations. For example, a sales person in a poor ethical climate might be more inclined to over-represent a product and unfairly inflate the price, than one in a climate where this would be considered unethical. In this way, a poor ethical climate can be self-perpetuating.

Mars and Nicod (1984) worked as waiters in five British hotels over a three year period, studying techniques used to obtain illicit rewards from employers, and the systems used to inculcate new employees with unethical behaviours. They argued that not only is the ethical climate in hospitality weak, but it is kept so deliberately by those who benefit. They found new employees being taught to 'fiddle' by socialising them to the moral climate of their new workplace. Learning was rewarded with monetary gifts (bribes), such as giving a new waiter part of a tip intended for another staff member, on the understanding that he or she would not betray the crime.

Because anyone who does not accept the fiddle poses something of a threat to those who practise it, teaching the moral career in stages makes it possible to identify the whistle-blowers before they have the chance to report a major fiddle (Mars & Nicod, p. 123).

If the ethical climate in hospitality is as weak as Mars and Nicod claim, likely causes need to be identified.

#### **3.3.2 Causes of poor ethical climate**

Hospitality's reputedly poor ethical climate may derive from a variety of causes, some of which might relate to the characteristics of employees and the way they are employed and treated, and some (for example, sexual harassment) which might be historical.

Stevens (2001) felt that high staff turnover and the use of part-time employees contribute to a poor ethical climate in hospitality but did not support this with data. However, there is a wealth of literature noting the relationship between part-time work and reduced organisation commitment (e.g. Maynard, Thorsteinson, & Parfyonova, 2006; Stamper & Dyne, 2003; van Emmerik & Sanders, 2005), which, if moderated by job dissatisfaction, is likely to result in unethical behaviour such as theft (Adams, 1963). These studies are briefly reviewed in Section 4.1.10, which discusses the effects of reduced job security.

Geller (1991) noted that hospitality is vulnerable to theft, citing its particular characteristics of cash transactions, low skill jobs, positions with low social status, and highly priced portable commodities, as causes. However, management's ethical standards, the presence of customers, low pay, and the availability of portable products are also likely causes of ethical problems, as the following section addresses.

### **3.3.2.1 Management's weak ethical standards**

If senior management has a strong influence on an organisation's ethical climate, and management's ethics are weak, their standards will be reflected through-out their organisation. Reynolds (2000) investigated ethical practices in Asia, where western codes of ethical conduct are perceived as obstructions to business, and where corruption and nepotism are the norm. After interviewing 14 American, British and Australian expatriate hotel General Managers, he found that all admitted to compromising their values in the course of business, rationalising their behaviour in a variety of ways. Excuses included 'all the other hotels are doing it' and 'the practice was in place before I arrived', emphasising the effects of socialisation at management level.

According to Reynolds' research and empirical data gathered by other authors (Fritzche, 1987; Fritzche & Becker, 1984; Hegarty & Sims, 1978; Posner & Schmidt, 1987), management establishes the ethical climate by example and enforcement. Reynolds also found that balancing the needs of customers and those of the organisation presented a major challenge. As a result, even if senior management has high ethical standards, other influences on ethical decision-making can still weaken the ethical climate, especially where customer needs and economic priorities dominate.

Mars and Nicod (1984) believe managers are commonly aware of the systematic thefts operating in their properties. According to them, chefs and food and beverage managers tolerate certain levels of pilferage, but if staff greed jeopardises their profits, and therefore their bonuses, they intervene. They refer to an unwritten code that defines acceptable limits of dishonesty, noting that acts of dishonesty are often committed by people who do not consider themselves dishonest.

### **3.3.2.2 Presence of customers**

Upchurch's (1998) study of ethical climates in American lodging operations, found in a sample of 500 operations that the dominant influence on ethical decision making was the benevolence climate. The benevolence ethical reasoning type draws on the work of Fritzsche and Becker (1984) and Williams (1985). The benevolence climate maximises joint interests, and suggests a work environment that primarily responds to its customers' needs (Upchurch & Ruhland, 1996, p. 1091). In their discussion of the ethical climate in hospitality, Upchurch and Ruhland identify customer contact as a dimension strongly influencing ethical reasoning.

Constant interaction with customers can cause employees to react against them, sabotaging service (Harris & Ogbonna, 2002; Weatherly & Tansik, 1993), or creating tensions between the needs of the organisation and the customer that result in poor service or disobedience (Chung & Schneider, 2002). While neither of these situations would necessarily result in unethical behaviour, both have the potential to demotivate employees, which may result in dishonest or inappropriate behaviour. When pleasing a customer offers a more tangible and immediate reward than meeting the needs of the organisation (e.g. a social reward such as a smile or thanks, rather than a complaint), deviant behaviour such as stealing can be the result.

Crick (1991) examined the effects of tipping by soliciting views from the managers of 12 Jamaican hotels and found that 'dysfunctional behaviours increased in proportion to the number of guest contact employees' (p. 26), citing reduced effort, pilferage, and tip solicitation. She attributes this to reduced supervision, claiming that customers sometimes become de facto supervisors in traditional hotels.

Although some unethical behaviours cannot occur without the presence of customers (such as sexual harassment by customers), there is little other evidence to suggest that the presence of customers reduces ethical standards. However, as customers place extra pressure on staff simply by their existence, and as they are in a position to make demands that can only be met by behaving unethically (e.g. securing a call girl, pouring free drinks, or allowing free use of facilities), it seems likely that the presence of customers will increase unethical behaviour.

Wong's (1998) Hong Kong study of 299 employees in housekeeping, front office and food and beverage departments demonstrated the complexity of maintaining high ethical standards while maximising customer service. He found that where a choice exists between two conflicting values, although most employees favour honesty ahead of guest satisfaction, they also place customer satisfaction ahead of meeting other company goals, suggesting that many would improve services at the company's expense. Wong's findings have implications for operations where employees have access to company property, services, products, time, and money, and where there is an organisational focus on pleasing customers. Opportunities to improve tips can further motivate employees to provide enhanced standards of customer service. The discovery that back-of-house employees are less tolerant of unethical behaviour than front-of-house suggests customer contact has a harmful effect on ethical standards<sup>6</sup>. However, although respondents generally 'reacted positively' to ethical dilemmas, Wong notes that his results may have limited application in the west, where the desire to please is less culturally ingrained.

### **3.3.2.3 Availability of products combined with low pay**

Beck (1992) proposed that the nature of commercial hospitality tempts poorly paid employees into dishonest behaviours ranging from embezzlement to theft. Similarly, Divine (1992) attributes dishonesty such as 'misappropriation, outright theft, and other misuses of cash and products by employees, managers, owners, and vendors' (p. 101) to the portability and perishability of food and beverage products.

<sup>6</sup> Back-of-house – hotel departments not seen by customers, such as laundry, kitchen, and engineering.  
Chapter 3

### **3.3.3 Summary**

Mars and Nicod (1984) found not only does hospitality have a poor ethical climate, but management is commonly aware of ethical problems, yet does not intervene. As several authors found that management establishes the ethical climate by enforcement and example (Fritzche, 1987; Fritzche & Becker, 1984; Hegarty & Sims, 1978; Posner & Schmidt, 1987), such evidence of management co-operation with unethical behaviour (even passively), does not auger well for commercial hospitality. The presence of customers influences ethical reasoning (Upchurch, 1998; Upchurch & Ruhland, 1996) and ethical standards are lower where employees have direct contact with customers (Crick, 1991; Wong, 1998). Furthermore, the hospitality is vulnerable to theft because so many products are perishable and portable (Divine, 1992). The poor ethical climate in hospitality is therefore attributed in part to ineffective management, the presence of customers, and the ease with which products and services can be stolen or converted to cash.

### **3.4 Unethical and inappropriate behaviour in hospitality**

The weak ethical climate in hospitality businesses nurtures certain behaviours that are well-known for their association with the industry, such as sexual harassment and theft. Some behaviours are specific to hospitality, such as those associated with food and beverage services, while others are more ubiquitous. Mars and Nicod (1984) catalogued the behaviours they found objectionable, some of which are included in this list, by way of example.

- 1 Providing poor service to save time, money, or effort
  - watering down coffee when it runs out
  - mixing different products together
- 2 Poor food hygiene
  - reusing unwashed dishes
  - spitting on cutlery to polish it
  - wiping crockery with dirty cloths
  - touching food to test the heat
- 3 Poor treatment of customers
  - lying about the quality of a product, such as brandy
  - using condescending language and body language

- deliberately misunderstanding customer requests
- 4 Fiddling or knocking-off
- selling cheap products under expensive labels
  - selling own products
  - selling meals and keeping the money
  - watering down spirits
  - serving less wine than is charged for at banquets
  - buying staff drinks on clients' accounts at the end of a shift
  - serving half nips and keeping the money
  - letting rooms and keeping the money
  - giving free accommodation to prostitutes for commission

When these are added to other behaviours from this writer's experience and a sample from prior research (Poulston, 2000), the list expands to include poor treatment of employees.

5 Providing poor service to save time, money, or effort

- putting sugar in dry wine to make medium house wine
- mixing bottled wine leftovers as house wine

6 Poor food hygiene

- serving food or drink from which a foreign object was retrieved
- serving food that was on the floor
- serving food returned from another guest's plate
- walking on food before serving it

7 Poor treatment of customers

- giving preferential treatment to wealthy guests (for tips)
- over-selling rooms, then accommodating guests elsewhere
- providing substandard services because staff are not trained
- charging for water
- falsifying clients' accounts to meet revenue targets
- replacing purified water machine with normal tap water
- serving non-halal meat as halal

8 Fiddling or knocking-off

- giving free products and services for tips
- stealing from mini-bars

- falsifying time-sheets
  - using guest rooms for personal liaisons
  - stealing portion control units (soaps, shampoos, jams etc)
  - giving preference to companies that supply gifts to buyers
- 9 Treating staff badly
- gender related insults, suggestive looks and sexual comments
  - persecuting unwanted employees until they resign
  - providing only small uniforms to avoid hiring larger staff
  - requiring employees to work in smoky environments
  - requiring employees to work with hazardous cleaners
  - requiring staff to clean vomit or faeces without gloves
  - forcing staff resignations over trivial matters

Although this list is not exhaustive, it serves to illustrate the kinds of activities common to hotels, restaurants and bars, which either infringe rights, or interfere with company profits. After informal discussions with employees and managers working in hospitality, a further list was developed, and the following eight issues selected for detailed study.

### **3.4.1 Smoky working environment**

A compelling example of poor ethics in hospitality is management's refusal to accept responsibility for the health of employees and non-smoking customers, by allowing smoking in restaurants and bars. In December 2004 it became illegal in New Zealand to allow smoking in most public areas, including restaurants and bars. However the penalties are not severe and, even before the legislation came into effect, hoteliers were reported in local newspapers as being confident of circumventing the law by removing ashtrays and displaying notices telling people not to smoke. Providing they had taken all reasonable and practicable steps to prevent people from smoking, they would not be held liable, and as there are no individual penalties for smoking offences, guests would have no incentive to refrain. Fortunately however, the law has been effective, and bars and restaurants are mostly (but not entirely) smoke-free.

#### **3.4.1.1 Smoky working environment: incidence**

Prior to the 2004 amendments to the New Zealand Smoke-free Environments Act (1990) most New Zealand restaurants and bars allowed smoking, although non-smoking areas (usually outside, or near the entrance) were required by law. Now the locations are reversed, and patrons wishing to smoke in restaurants must do so outside, typically in seats along the footpath. Staff who work in smoking areas are therefore still subjected to contamination from second-hand smoke, and staff who clean guest rooms are likely to work in smoke. Research into the impact of second-hand smoke on the health of workers increased noticeably in the last few years, as concern about the risks associated with smoking and second-hand smoke became more widely promulgated.

#### **3.4.1.2 Smoky working environment: cause**

Although cigarette smoking is losing social acceptance, a smoky environment will prevail by default in a commercial setting, unless the law expressly forbids it. Most bar-tenders and restaurant workers are therefore likely to be required to work in smoke in countries or environments where this is legal. The potential impact of the impending ban on smoking became a matter of intense debate in the months prior to the amendment to the Smoke-free Environments Act (1990). Even though indications from international research and experience (see the following section) were that the amendment would be a success, not just in terms of workers' health, but also in terms of customer satisfaction and profit, many hospitality operators noisily resisted the impending ban.

#### **3.4.1.3 Smoky working environment: impact**

In a Californian medical study by Eisner, Smith and Blanc (1998) before and after smoking bans were imposed on bars, 'the establishment of smoke-free bars and taverns was associated with a rapid improvement of respiratory health' (p. 1909). Eisner et al. assessed the respiratory symptoms of 53 bar workers exposed to environmental tobacco smoke, and found of the 74% who initially reported respiratory symptoms, 59% no longer had symptoms at follow-up, and of the 77% who reported sensory irritation symptoms, 78% had their symptoms resolved at follow-up after prohibition of smoking had taken effect.

Most studies focus on the economic impact of smoking bans, as this is the

criterion most important to business. Cuthbert and Nickson (1999) found that many British restaurateurs were fearful of smoking bans in case they lost customers, even though smoking affects the health of both those who smoke, and those who refrain. Although there is plenty of evidence to support smoking bans, bars and restaurants in England and some states in Australia and America continue to subject both staff and customers to this known health hazard, and are likely to do so until legislation forces them to desist.

In support of an economic argument to ban smoking in hotels, some researchers have examined the impact of smoking on travellers using hotel accommodation. For example, according to Fields' (1999) American study, the availability of non-smoking rooms is important to more than 80% of non-smoking travellers, and hotels could lose up to 40% of their potential business by offering too few non-smoking rooms. Similarly, in a parallel study of two cafes by Künzli, Mazzoletti, Adam, Götschi, Mathys, Monn, et al. (2003), in which 177 guests were surveyed, the criterion of smoking or non-smoking was cited by 83% of the sample as the strongest influence on choice of cafe, and was the most frequently cited criterion. Although sales were the same in each café, tips in the non-smoking cafe were significantly higher than in the café where smoking was permitted.

Studies on the impact of smoking bans on hospitality operations generally support a ban. Glantz and Charlesworth (1999) compared hotel and tourism revenue in nine American locations before and after smoke-free ordinances had been applied, and found significant increases in four locations, no significant change in four locations, and a reduction of revenue in one location. From this they concluded that 'smoke-free ordinances do not appear to adversely affect, and may increase, tourist business' (p. 1911). Dunham and Marlow (2000) surveyed 1300 American hospitality operators for their predictions of the effect of smoking bans on revenue, and found that 6% of restaurant owners thought revenue would increase, whereas 39% thought it would decrease. In bars, only 2% thought revenue would increase, whereas 83% thought it would decrease, indicating good reasons (albeit from an economic perspective) for hospitality operators to fight smoking bans.

Hyland, Puli, Cummings, and Sciandra (2003) studied the effects of smoking

bans in New York, and found hospitality sales and employment did not decrease after bans were implemented. They state 'despite the evidence that smoke-free regulations are not bad for business, policy makers continually give that as a reason for not implementing such policies' (p. 10). They also point out that their results do not support claims that smoke-free regulations are bad for restaurant businesses, noting that their results agreed with several other peer reviewed studies, while several studies purporting to show adverse effects of smoking bans were not peer reviewed, and were funded by tobacco companies.

New Zealand workers are protected by the Health and Safety in Employment Act (1992) from hazardous working environments, and potential danger in a place of work is generally accorded the serious and urgent attention it deserves. Although Wilson and Thomson (2002) contend that workplace smoke accounts for 100 avoidable deaths each year in New Zealand, for many years, the issue of smoking in hospitality workplaces escaped the attention of legislators, and employers subjected their staff to hazard levels that would not be tolerated elsewhere. As Woodward and Laugesen (2001) state somewhat redundantly, passive smoking causes illness and death.

This study expects to establish the characteristics of employees most likely to work in smoke, which business environments most likely to require this, and whether or not employees feel they have choice about working in smoke.

### **3.4.2 Sexual harassment**

The New Zealand Human Rights Commission defines sexual harassment as sexual behaviour using 'physical, verbal or visual means, which is unwelcome or offensive and is either repeated or so significant that it has a detrimental effect on another person' (Human Rights Commission, 2001b). Woods and Kavanaugh (1994) extend this to include the creation of an 'intimidating, hostile, or offensive work environment' (p. 21), and note that sexual harassment also includes consensual sex, citing a 1986 Supreme Court ruling in Virginia.

#### **3.4.2.1 Sexual harassment: incidence**

The incidence of sexual harassment in hospitality is of legendary proportions. In a Massachusetts study, Eller (1990) found sexual harassment significantly more common in hospitality than elsewhere, and in another American study, Woods

and Kavanaugh (1994) found that managers acknowledge harassment as a pervasive industry problem. Woods and Kavanaugh analysed 613 surveys collected from hospitality graduates working in (86%) or consulting to (14%) the industry. Of the male respondents, 39% thought that most women in their field had been subjected to sexual harassment, compared to 65% of the women who thought this. However, their research investigated perceptions rather than events, as the gender discrepancy in the two results indicates.

In a British study, Worsfold and McCann (2000) analysed responses from 274 hospitality students returning from supervised work experience, and found 57% had been sexually harassed. They considered this consistent with levels in other industries, citing a report conducted by the British Labour Research Department (1987), in which 73% of 157 respondents said they had been sexually harassed. However, as the data are old, their comparison with other industries may not be currently valid.

In a Luxembourg study of 502 working women aged 16-50 years, the hotel and catering industry was reported to be the sector most affected by sexual harassment (European Commission, 1998). This is supported by Hoel and Einarsen's report on violence at work in catering, hotels, and tourism (2003) which identifies the hospitality industry as high risk, citing (amongst others) the following theses and reports.

- 1 A report by the European Agency for Safety and Health at Work (2000), found the hotel and restaurant sector to be the most frequently noted in the European Union and European Free Trade Association countries as having a high degree of sexual harassment.
- 2 Hoel's doctoral dissertation (2002), a study of bullying and harassment in the United Kingdom, found that 24% of respondents had experienced unwanted sexual attention at work, by far the highest figure of any other participating sector.
- 3 A report on working conditions in the Danish HORECA<sup>7</sup> sector conducted

<sup>7</sup> 'Horeca' is a kind of acronym, from every first two letters of HO-tel, RE-staurant, and CA-fe, and is pronounced in Dutch as 'whore-ah-car'. In Holland, hospitality workers are sometimes referred to as 'ho-re-kaffers', which is no compliment. A kaffer is a Zulu-tribe in South-Africa, and the Boers, of Dutch stock, used the pejorative terms 'kaffers' for blacks. Early last century, the name became current in Holland to mean an oaf or moron (Ronald Langereis, personal communication, 26 February, 2005).

by the European Foundation for the Improvement of Living and Working Conditions (2003), found 6% of hospitality workers reported sexual harassment experiences, against a national average of 2%.

- 4 In a Norwegian survey among female trade union members (Einarsen, Raknes, & Matthiesen, 1993), 18% reported unwanted sexual attention, the second highest number of the sectors studied. Although this survey also notes that exposure to undesirable sexual attention is worst for women working in male-dominated organisations, this is not the typical profile of a hospitality business.

In 2000, the New Zealand Human Rights Commission (HRC) analysed sexual harassment complaints received between 1995 and 2000 (Human Rights Commission, 2001b). Of the 284 complaints received, 19% came from hospitality, although the industry employed only 4.5% of the workforce at that time. The HRC suggests this is because hospitality employs 'young, low-skilled female workers in positions subordinate to those of men' (p. 53). Most complaints came from cafes and restaurants with fewer than ten employees, where the harassers were owners or managers. Victims were typically 'young, low paid, part-time female employees working as waiting staff or kitchen hands' (p. 30). The report notes that 'the stereotypical scenario of a young female waitress or barmaid being sexually harassed while working in the service industry was substantiated by the research' (p. 30). However, there seems little point in hospitality workers taking complaints about guests to the HRC, unless they are repeat customers who can continue to cause problems. Data from HRC complaints are therefore likely to be skewed in the customers' favour.

#### **3.4.2.2 Sexual harassment: cause**

The cause of sexual harassment in hospitality is generally attributed to the close relationships between employees and customers, as well as between employees working in close physical proximity. In the introduction to another Norwegian study of harassment, Folgerø and Fjeldstat (1995) suggested that the inherent characteristics of service organisations create a prime breeding ground for sexual harassment.

Gilbert, Guerrier and Guy (1998) analysed responses from 32 American personnel directors, a third of whom worked for small companies (fewer than

100 employees), a third for medium sized (100 – 500 employees), and a third for large companies (over 500 employees). Their results showed that 39% of their participants did not allow female staff to wear trousers, 7% thought flirting was part of the service (39% were neutral), and 29% considered sexual jokes and teasing a minor issue. Several (19%) also reported that staff had left because of harassment, and 10% had been involved in legal cases following sexual harassment incidents. Respondents revealed management's support of prevalent and unethical sexual practices, indicating a need for further research to establish management's responsibility for sexually inappropriate practices in hospitality, and to determine the origin of the problem.

Gilbert et al. (1998) wrote that the 'service production process is inextricably linked to the close involvement of the customer, and behavioural norms are often set around satisfying a customer's expectations' (p. 49). They contend that as hospitality workplaces are often staffed by young women with little formal education, problems with sexual harassment are compounded by many employees' inability to defend themselves.

After studying sexual harassment in restaurants in Hong Kong and New Orleans, Agrusa, Coats, Tanner, and Leong (2002) wrote that agreement on acceptable levels of sexually oriented behaviour is difficult in the catering industry, where the environment is informal, the hours are long, and contact between fellow employees and customers is close. Although these authors do not support their views with data, their logic is widely accepted.

Sexual harassment may also be exacerbated by the apparently relaxed attitude staff and managers have towards harassment as a problem. Stevens (2001) examined 165 completed questionnaires from hospitality students and human resource directors to determine which behaviours were perceived as most unethical. The results were (in order, with the most unethical first):

- 1 Theft of cash
- 2 Sexual harassment
- 3 Attempts to gain proprietary information from another company
- 4 Specifying racial preferences
- 5 Making a false accusation

- 6 Pretending to be a stripper for a joke
- 7 Keeping gratuity with management's approval.

Although sexual harassment is ranked second highest in Stevens' study, the other forms of unethical behaviour offered do not have the same potential to harm people, either in the short or long term. This study highlights the prioritisation of property over people, and was subsequently confirmed by Yeung (2004) in a survey of 308 hospitality employees in Hong Kong who also considered theft more seriously than sexual harassment.

Worsfold and McCann (2000) suggest that hospitality managers ignore sexual harassment because of the expense of establishing sexual harassment prevention programmes. However, as 30% of the harassment in their British sample came from managers and supervisors, it seems that not only does management tolerate harassment, but is also a significant perpetrator. Although the authors identified other perpetrators of harassment as colleagues (26%), chefs (11%), and customers (29%), they did not explore reasons for management-initiated harassment, focussing mostly on harassment from colleagues. They identified customers as a major source of harassment, and suggested this is peculiar to the hospitality, leisure and tourism industries. If service industries such as banking and retail are immune, such immunity might be attributable to a more formal working environment than that offered by the leisure and entertainment industries.

Following the release of the Human Rights Commission (2001a) report on sexual harassment in New Zealand an article in New Zealand's Hospitality magazine (Wane, 2001) attributed the high levels of sexual harassment in hospitality to the

...physical intimacy of a cramped kitchen, late night shifts that end with staff sharing drinks afterwards, an emphasis on appearance and sexuality, the implied pressure to use sexuality as a marketing tool, odd hours, and the 'strange people' who are attracted to the industry (p. 12).

Although not supported by research, Wane's conclusion seems logical.

### **3.4.2.3 Sexual harassment: impact**

Sexual harassment has a negative impact on both the individuals and workplaces involved. The New Zealand HRC report (2001b) found that most (60%) victims left their work after being harassed, and a significant number (22 out of 284) reported that absenteeism was becoming a problem for them, indicating a considerable expense to their employers. The HRC cited 'monetary damages, legal costs, increased worker sick days and general absenteeism, staff losses, the cost of hiring and training new staff, negative publicity and lower staff productivity and morale' as costs of sexual harassment to employers (p. 4). In 72% of cases, victims were of inferior work status to their harassers, with the most at risk group being young, low status women.

This study expects to identify departments in which sexual harassment is most common, and any factors associated with sexual harassment that might be causes of harassment in hospitality.

### **3.4.3 Constructive dismissals**

An unfair or constructive dismissal (sometimes called forced resignation) occurs when an employer follows a course of conduct with the deliberate intention of forcing an employee to resign (Department of Labour, 2003).

In such situations, although the Employment Relations Act (2000) provides for employees to seek redress by taking a personal grievance against their employer, many prefer to quietly seek alternative employment. Employees can be encouraged to resign rather than face formal disciplinary procedures, even though these provide opportunities for employees to conform to required behaviour models. They may be asked to choose between dismissal and resignation, or (more covertly), their work environment manipulated to force a resignation. Either way, offering unfair shifts, minimal work, or bullying, is often sufficient to cause all but the very stubborn to leave (Poulston, 2000).

There is a common misconception that it is impossible to dismiss staff legally. However, a fair dismissal, although necessarily time consuming, provides both employee and employer with opportunities to ensure their relationship is severed for objective reasons, and not on the whim of an irritated supervisor or manager. Similarly, the requirement for substantial justification requires that

employees' relationships with their employers are not terminated for capricious reasons.

#### **3.4.3.1 Constructive dismissals: incidence**

In the United Kingdom, Lucas (2002) found a fifth of hospitality workplaces lacked formal grievance and disciplinary procedures, and employment tribunal complaints were more common for hospitality than other industries, with constructive dismissal being the main jurisdiction.

In an earlier New Zealand study, the author (2000) analysed qualitative data from 58 questionnaires collected from hospitality students. The largest group of ethical issues raised related to employment matters, in which 37 different problems were identified, 11 of which were disciplinary issues.

#### **3.4.3.2 Constructive dismissals: cause**

Head and Lucas (2004) noted that some hospitality staff are 'let go' rather than dismissed, which they attribute to 'widespread arbitrary management practice' (p. 239). In Price's (1994) British study of employment contracts, 241 establishments responded to a postal questionnaire on the use of written contracts, equal employment policies, recruitment practices, and disciplinary procedures. As the sample was representative of larger, progressive and higher quality employers, personnel arrangements for respondents were expected to be above average. To the contrary, most employers did not advise staff about matters of protection such as their rights in disciplinary and grievance procedures, preferring instead to highlight those relating to management authority, such as hotel policies and procedures. Furthermore, a significant minority did not use job descriptions (28%) or person specifications (37%), indicating that their selection procedures were likely to be subjective. Recruitment was mostly by word of mouth, offering employment opportunities to those 'in the know', and perpetuating current ethnic employment patterns. Most examples of good practice were from relatively large companies.

Although limited to personnel practices, Price's (1994) research highlights common inadequacies in human resources practice, and notes that larger organisations have better developed personnel procedures and policies, and more sophisticated approaches to personnel management. The poor use of

formal disciplinary procedures in small operations (17%, compared to 91% in large operations) suggests that 'capricious decisions' (p. 50) in this domain are frequent and deserve scrutiny.

### **3.4.3.3 Constructive dismissals: impact**

Constructive dismissals are unfair, unethical, and in many countries, illegal. In New Zealand, inappropriate dismissals for misconduct, poor performance, and redundancy, cost employers \$12 million a year in personal grievance claims (Tritt, 2004). However, costs extend well beyond the risks of litigation into employee replacement costs and turnover-related costs such as poor quality service. Woods and Macaulay (1989) estimated a cost of \$US3000 to replace a waged employee, and Hinkin and Tracey (2000) place estimates as high as \$US12,880. Ulrich, Halbrook, Meder, Stuchlik, and Thorpe (1991) found high employee turnover negatively affected customer satisfaction, and Simons and Hinkin (2001) found staff turnover was 'strongly associated with decreased profits' (p. 67).

This study expects to find that constructive dismissals are endemic in commercial hospitality, and perpetuated by supervisors inadequately equipped for their responsibilities. Inexperienced supervisors, who know little or nothing of procedural fairness and substantial justification, nor the legal and moral implications of their actions, might not have access to practical alternatives to a constructive dismissal. Hopefully the published results of this aspect of the study (Poulston, 2005) will draw attention to the prevalence and perceived legitimacy of constructive dismissals in hospitality, and contribute to its ultimate demise.

## **3.4.4 Under-staffing**

### **3.4.4.1 Under-staffing: incidence**

The hospitality industry's problem with recruitment, retention, and therefore under-staffing is well documented and well recognised (e.g. Baum, 2002; Brien, 2004; Choi, Woods, & Murrmann, 2000; Gustafson, 2002; Jameson, 2000), and solutions offered are varied. David Wood, Chairman of the British based Hotel and Catering International Management Association (HCIMA), noted that the industry was suffering an annual deficit of around 21,000 adequately prepared

recruits. Wood, amongst others, suggests recruitment is the most significant problem faced by the industry, calling it 'the millennium time bomb' (Powell & Wood, 1999, p. 138).

#### **3.4.4.2 Under-staffing: cause**

Low unemployment reduces the availability of appropriately skilled employees, placing extra demands on vulnerable industries. Ulrich et al. (1991) noted nearly 15 years ago that changing demographics were making employees a scarce resource, exacerbating the critical recruitment problems confronting hospitality operators. Changing demographics continue to present labour intensive industries with this challenge. As Powell and Wood (1999) commented, recruiting into hospitality is already difficult, because of its image as a low-skilled, and low-paid industry. With unemployment in New Zealand currently below 4%, (Statistics New Zealand, 2005), the situation is unlikely to improve in the near future.

Persistent labour supply problems result in a lack of on-call staff, and the use of inappropriately prepared supervisors and junior managers to help out at peak times when staff are sick. When senior management uses salaried supervisors and managers as staff, the extra labour for that period appears to have no real cost, and while this may seem a pointless use of supervisory and management skills, in the writer's experience it is a strategy commonly used to cut costs. Rowley and Purcell (2001) refer to these 'impacts of unforeseen labour turnover' as 'pressures upon continuing staff to cover labour shortages and skill gaps by extended hours and work intensification' (p. 172). Their research, conducted in the United Kingdom, confirmed the suspicion held by many employees, that staff shortages are largely management's fault. They write that

...much of the labour turnover was self-inflicted by employers. They deliberately and fatalistically recruited heavily from transient labour segments, offered low pay in return for hard work and long, unsocial hours, and failed to manage stress and bullying in the workplace (p. 173).

While the relationship between paying low wages and having insufficient staff is largely self-evident, hospitality operators appear reluctant to take advice from writer such as Enz (2004) who suggest that offering competitive wages would help reduce staff turnover, and therefore, under-staffing.

### **3.4.4.3 Under-staffing: impact**

Bonn and Forbringer (1992) forecast a major labour shortage in hospitality over ten years ago, largely based on American demographic trends reducing the availability of teenagers, the traditional source of hospitality labour. They accused the industry (not unfairly) of hiring 'interested warm bodies', offering solutions such as hiring the elderly, or offering rewards to employees who referred recruits. Although the literature is replete with discussions of labour shortage problems and solutions, there is little discussion about the impact of under-staffing on front-line employees when their colleagues fail to come to work.

This study is interested in whether or not employees consider under-staffing to be an ethical issue, because of the potential impact it has on staff and customers. Brien's (2004) analysis of employee turnover in New Zealand found that of 67 hotel human resource managers, only 53% thought employee turnover had a negative impact on other employees. The extent of management's perceived acceptance of under-staffing is therefore tested in this study, as well as the perceived incidence of under-staffing. Although this study does not expressly test the impact of under-staffing on employees, it does solicit views from respondents at all levels of hospitality organisations, in the expectation that the views of staff and management will be different. Labour shortages in hospitality are quantified by examining responses on whether or not a workplace is under-staffed to provide empirical evidence of shortages, instead of relying on management's perceptions. Under-staffing is relevant to a study of workplace problems, because it may be a symptom of other problems.

### **3.4.5 Poor training**

#### **3.4.5.1 Poor training: incidence**

Although most hospitality companies train their employees to behave appropriately with customers (Gilbert, Guerrier, & Guy, 1998), the industry has a poor record of training, (Maxwell, Watson, & Quail, 2004; Pratten, 2003), even though this is not well supported empirically. It could be that to many researchers, the poor training offered in many hospitality operations is self-evident and requires no empirical support. An exception is Wood, who noted that only 16% of managers were adequately trained for their positions (Powell &

Wood, 1999). Although not stated, Wood has presumably drawn this figure from the British based Hotel & Catering International Management Association (of which he was the Chief Executive at that time), which represents 23,800 managers across the globe.

#### **3.4.5.2 Poor training: cause**

Some hospitality managers are reluctant to invest in training in case staff leave (Davies, Taylor, & Savery, 2001; Jameson, 2000; Loe, Ferrell, & Mansfield, 2000; Lowry, Simon, & Kimberley, 2002), or because their time is already fully occupied with recruitment and selection. Other causes might include the casual nature of employment in hospitality, tight operating margins, weak management skill, or under-staffing. Performing a task publicly without the necessary skill is likely to demean and embarrass employees, as well as jeopardise service quality, yet anecdotal evidence from students suggests inadequate training is endemic in hospitality, and employees are frequently compromised by, and censured for their inability to perform. Although poor training does not automatically connote unethical behaviour, there is an argument for establishing a connection predicated on the likely harm inflicted on employees and customers. Poor training is also investigated as a possible cause of other workplace problems.

#### **3.4.5.3 Poor training: impact**

Training and development affects job satisfaction and organisational commitment (Lam & Zhang, 2003; Lowry, Simon, & Kimberley, 2002; Pratten, 2003; Smith, 2002; Taylor, Davies, & Savery, 2001), which in turn affect staff retention. Many researchers also link training to service quality (Maxwell, Watson, & Quail, 2004), a link that would not be difficult to substantiate with research. However, many hotels provide inadequate training, exacerbating staff turnover and risking quality standards, and profitability.

This study will assess whether or not employees perceive that training is adequate in their workplace, and whether or not they perceive poor training as an ethical issue. It will also identify management's actual and perceived view on the provision of training, as a way of determining the cause of training problems.

### **3.4.6 Illegal alcohol service**

#### **3.4.6.1 Illegal alcohol service: incidence**

Supervised alcohol service is one of the social justifications for the existence of commercial hospitality. Aside from obvious advantages to travellers seeking places to eat and sleep, commercial hospitality offers little to justify its existence to the rest of the community, except the purveying of pleasurable entertainment, and the control and supervision of potentially harmful pursuits such as drinking, gambling, and eating. From this perspective, illegal alcohol service might be viewed as a serious contravention of responsibility, yet alcohol is regularly served to minors, inebriates, and those who request it out-of-hours. The interest of this study is not to document illegal alcohol service, but to examine the service of alcohol to those who are legally too young to purchase it. The reasons for this are varied, but primarily include the potential harm inflicted on individuals and the community by under-age drinking, as well as the ease with which data can be obtained from students, some of whom are under-age. Of particular interest is the extent of illegal alcohol service to minors in relation to other behaviours, and the attitudes of hospitality workers and management to illegal alcohol service.

Forster, Murray, Wolfson, and Wagenaar (1995), found in their study of mid-west communities in America, that 50% of minors' attempts to purchase liquor were successful. In America, under-age drinking is a 'persistent public health problem' (Komro & Toomey, 2002, p. 5), and all states raised the minimum drinking age to 21 after research identified significant associations between lower drinking ages and youth involvement in motor vehicle accidents (Wagenaar & Toomey, 2002).

Although a report by Huckle, Pledger, and Casswell (2003) showed that 43% of Auckland bottle stores were prepared to sell liquor to minors, no comparative research has been undertaken in bars and restaurants. American research by Foster et al. found that around half the minors who drink buy their alcohol from bottle stores (1995). However, they also found that restaurants and bars were more likely than bottle-stores to sell alcohol to under-age drinkers, presumably because their primary focus is on serving food, so their control mechanisms for monitoring youth drinkers are inadequate.

New Zealand teenagers aged 12 to 17 were calculated by GALA (Group Against Liquor Advertising, 2005) to consume around \$1 million of liquor each week. A report commissioned by ALAC (Alcohol Advisory Council of New Zealand) on youth alcohol purchasing, notes that of 12-17 year olds surveyed, 70% reported that it was easy to purchase alcohol (McDonald, 2004). Their 2003 survey showed that 8% of under-age drinkers purchased their own alcohol, mostly from bottle stores, and almost half (47%) reported they were rarely or never asked for identification<sup>8</sup>.

#### **3.4.6.2 Illegal alcohol service: cause**

Around half the minors who drink in New Zealand are not asked to verify their age (McDonald, 2004), and around half of American licensed premises tested were prepared to sell liquor to minors (See Section 3.4.6.1). Bar staff have responsibility for compliance, which they are unlikely to exercise unless expressly encouraged to do so by management (Mosher, Delewski, Saltz, & Hennessey, 1989). In Australia, mandatory training and enforcement of licensing laws were found to be essential for responsible liquor service (Lang, Stockwell, Rydon, & Beel, 1998), and only two thirds of licensed premises surveyed in NSW (New South Wales) had policies relating to responsible alcohol service (Wiggers, Cosidine, Daly, & Hazell, 2000).

In a global review of research attempting to determine the effectiveness of policies relating to the MLDA (Minimum Legal Drinking Age), Wagenaar and Toomey (2002) noted that efforts to reduce the sale of alcohol to teens required the active enforcement of regulations on those who sell liquor. They found that enforcement actions were rare, and 47% of outlets tested were prepared to sell liquor to minors.

#### **3.4.6.3 Illegal alcohol service: impact**

The social costs of New Zealand alcohol abuse in 1991 were estimated by Devlin, Scuffham, and Bunt (1997) to range between \$1045 and \$4005 million, and included criminal and health costs, excess unemployment, and lost production time. Aside from the economic costs and effects on individuals and communities, alcohol is a significant cause of motor vehicle accidents and

<sup>8</sup> Legally acceptable identification in New Zealand is a driver's licence, a passport, or Eighteen Plus (18+) card, available from the Hotel Association of New Zealand.

fatalities, and drownings. In 1996, alcohol-related vehicle accidents in New Zealand cost an estimated \$1.2 billion (Miller & Blewden, 2001), and in 2003, drink driving was a contributing factor to 42.6% of all road accidents, including 141 fatalities, 77 of which were drunk drivers themselves (Land Transport New Zealand, 2004). Furthermore, coroners' reports indicated that half of those who drowned between 1992 and 1994 had significantly high levels of alcohol in their blood (Warner, Smith, & Langley, 2000).

Alcohol consumption is a contentious community issue, especially its effects on young people, so there is an abundance of research detailing its effects, and the impacts of factors such as advertising and legislation on reducing alcohol abuse. However, from a hospitality perspective, there is no information about whether or not hotel and restaurant employees perceive the legislation as being enforced, and how they view management's attitude to illegal alcohol service. This study seeks answers to these questions, and expects to identify the characteristics of workplaces and employees where alcohol is served illegally, and to what extent.

### **3.4.7 Poor food hygiene**

#### **3.4.7.1 Poor food hygiene: incidence**

Ghiselli and Ismail (1999) found in an American study of food service managers that 15% considered it acceptable to serve milk after using a finger to remove an object from it, and 18% agreed with serving food that had been dropped on the floor. In a British microbiological study, Gillespie, Little and Mitchell (2000) noted that of the 2579 catering establishments from which they collected samples, 26% were of unsatisfactory quality and 15 (<1%) were unacceptable from a food safety perspective.

In an audit of 19 Australian establishments, Morrison, Caffin and Wallace (1998) found nine with unsatisfactory food hygiene standards. Behaviour considered by them to put customers at risk of food poisoning included staff not following cleaning schedules, inadequate hygiene training, and inadequate storage procedures. Food hygiene and safety problems represented 8% of the ethical problems identified in an earlier study (Poulston, 2000), and included high risk faults such as serving food that had been on the floor, or another customer's

plate.

The New Zealand Food Safety Authority's (NZFSA, 2003) report on public perceptions about food safety found that respondents were concerned about food safety in mobile food outlets, buffets, franchised fast food outlets, Asian restaurants and food halls. This report was based on a telephone survey of 750 New Zealanders, and measured (amongst other factors) levels of concern about food safety issues, and the incidence of food poisoning and observed unsafe practices. Although only 2% reported experiencing food borne illness in the last two years (which they attributed to eating out), around half had observed unhygienic practices in food services premises in the last two years.

Like dishonesty in housekeeping staff, poor food hygiene is self-regulating. Restaurants that poison their customers are generally discovered and the problem rectified by closure or procedural changes. Persistent poor food hygiene can therefore be regarded as occurring against all odds, including legal constraints, staff and management attitudes, and customer complaints.

#### **3.4.7.2 Poor food hygiene: cause**

Food-borne illness from campylobacter in New Zealand is three times higher than any other developed country (Lake, Hudson, Cressey, & Nortje, 2003), hospitalising 300 – 400 people each year. Although campylobacter was strongly associated with recent consumption of chicken in restaurants by Lake et al., a Ministry of Health study conducted in Ashburton (New Zealand) found contact with bovine animals was the highest risk factor (Baker et al., 2002). Their study found campylobacter in 98% of dairy cattle faeces and 28% of chickens on sale, suggesting that the high rates of campylobacter in New Zealand may be associated more with cattle farming than chicken consumption. Therefore, although food borne illness is strongly associated with food services premises (Gillespie, Little, & Mitchell, 2000; Lake, Hudson, Cressey, & Nortje, 2003; Morrison, Caffin, & Wallace, 1998), the high incidence of campylobacter in New Zealand is unlikely to be caused solely by poor food hygiene in the hospitality industry.

Walczak and Reuter (2004) identify a variety of causes of food poisoning in their discussion paper about unsafe food practices in the context of corporate

violence, citing negligence, the quest for profit, and violations of food safety codes as causes of poor food hygiene. They refer to a survey by Klara (1999) which used 400 American restaurant employees. Although results indicated most respondents had a good understanding of basic procedures, they also had a weak understanding of the detailed requirements of food safety. For example, although 87% knew that personal cuts and injuries were potential food safety hazards, nearly 29% thought it acceptable to store beef below poultry in a refrigerator, a dangerous technique that allows poultry to contaminate the beef.

In a similar study by Lynch, Elledge, Griffith, and Boatright (2003) in Oklahoma, questionnaires returned from 231 restaurant operators showed that although food safety knowledge was generally good, there were some alarming deficiencies, especially amongst those with no formal training. The results of this study have implications for the discussion in Section 3.4.5.3, in which the impacts of poor training are reviewed.

In summary, although the incidence of campylobacter is extremely high in New Zealand, the major cause is unlikely to be associated with hospitality. Causes of poor food hygiene in hospitality are likely to be negligence, the quest for profit, violations of food safety codes (Walczak & Reuter, 2004), lack of knowledge of food safety practices (Klara, 1999), and poor training (Lynch, Elledge, Griffith, & Boatright, 2003).

#### **3.4.7.3 Poor food hygiene: impact**

The potential impact of poor hygiene is illness and death. Mead et al.'s (2000) major study of food-related illness and death in America found an estimated 76 million cases of illness from food poisoning occur each year, resulting in 5194 deaths. Five deaths from food poisoning were recorded by NZFSA in 2001, who also commented that this was likely to be under-reported (Jenny Bishop, NZFSA, personal communication, 26 July, 2002). This view is supported by their findings in a quantitative study of food safety issues, that of 750 interviewees, 68% of those who had suffered recent food poisoning (n = 136) had not reported it (NZFSA, 2003). Data on mortality from food poisoning in New Zealand is elusive.

An analysis of food hygiene practices in New Zealand restaurants is beyond the

scope of this study, which is primarily interested in unethical behaviour, and therefore intentional or negligent harm. As food-borne illness is often linked to the hospitality industry, this study will seek to determine the incidence of deliberate breaches of good food hygiene practices, as well as management's perceived attitude to these breaches.

### **3.4.8 Theft**

#### **3.4.8.1 Theft: incidence**

Employee theft is estimated to cost \$200 billion annually in America (Niehoff & Paul, 2000). Although the literature does not surrender quantitative data on theft in hospitality, many authors (Divine, 1992; Johnson, 1983; Mars & Nicod, 1984; Stevens & Fleckenstein, 1999; Wanhill, 1994) comment that theft is common. Mars and Nicod's study describes fiddles and examples of theft from employers and customers by staff and supervisors, but does not explore incidences of colleague or management theft, which are also likely to be prevalent.

Theft (followed by sexual harassment) was identified as the most serious form of unethical behaviour in the view of human resource directors and students in Stevens and Fleckenstein's (1999) research, a finding subsequently confirmed by Yeung (2004). Similarly, in a study of attitudes to crime, in which 1500 New Zealanders were surveyed (Paulin, Searle, & Knaggs, 2003), burglary with a weapon was perceived more seriously overall than importing heroin or assault.

Presumably hospitality management's stern view of theft is because the likely victim is the organisation. However, moral codes dating back to Biblical times would consider crimes against the person as more serious than crimes against property. Stevens notes that this is a transgression of Judeo-Christian ethics, and specifically forbidden in the commandments received by Moses (Exodus 20:117, as cited in Stevens, 2001, p. 233). It is therefore expected that although Mars and Nicod (1984) found that theft was common, it will not be as common as some other breaches of ethical standards such as constructive dismissal, which although illegal in New Zealand, is not such an obvious breach of moral codes as to be illegal in all developed countries.

### **3.4.8.2 Theft: cause**

Geller (1991) commented that the hospitality industry is vulnerable to theft because of its particular characteristics (cash transactions, low skill jobs etc), including the preponderance of small businesses, implying that small businesses have lower ethical standards than larger ones. Either way, hospitality certainly provides a veritable menu of opportunities for supplementing low pay through systems of informal rewards, which in many cases are accepted by both staff and management. Furthermore, the hospitality tradition of payment in kind provides numerous opportunities for perquisites, pilfering, and fiddling (Johnson, 1983).

Mars and Nicod (1984) noted that hospitality pay is just one component of available rewards, and informal rewards are 'accepted as a normal part of the total rewards received by a significant proportion of the workforce' (p. 6). They catalogue rewards as basic pay, subsidised lodging, subsidised or free food, tips, fiddles, and knock-offs, all in a moral climate supportive of theft. Their study is the earliest major work investigating unethical behaviour peculiar to hospitality, and provides an insight into the idiosyncrasies of the industry, and the attitudes of those working in it.

Although the root causes of theft are varied, the literature reflects a strong theme of theft associated with unfair or inequitable employment conditions (Adams, 1963; Greenberg, 1990, 2002; Withiam, 1996). Other major causes of theft include staff turnover (Thoms, Wolper, Scott, & Jones, 2001; Withiam), a lack of trust between staff and management (Niehoff & Paul, 2000), organisational dishonesty (Cialdini, Petrova, & Goldstein, 2004), and employee unhappiness (Korolishin, 2003).

### **3.4.8.3 Theft: impact**

Employee theft affects prices, profits and employee wages (Pankratz, 2000). Wanhill (1994) performed complex calculations on the specific effects of fiddles and knock-offs in hospitality, and concluded that as fiddles reduce revenue, they raise the break-even point of a business, and are therefore more damaging than knock-offs. Knock-offs reduce sales (and thereby raise the break-even point), but do not have an impact on revenue.

This study expects to identify the incidence of theft compared to other forms of unethical behaviour, and measure ethical tolerance to theft in an attempt to replicate or refute Stevens and Fleckenstein's (1999) finding that theft is common in hospitality.

### **3.5 Conclusion**

Ethical problems in hospitality include poor working environments caused by smoking, sexual harassment, poor personnel practices, illegal alcohol service, poor food hygiene, and theft. Poor personnel practices include constructive dismissals, under-staffing, and poor training.

This study expects to identify the comparative incidence of the behaviours outlined, as well as the ethical tolerance of staff and management to those behaviours. As managers are implicated as a source of sexual harassment (Gilbert, Guerrier, & Guy, 1998; Human Rights Commission, 2001b; Worsfold & McCann, 2000) and are implicated as unethical by allowing employees to work in smoke, perceptions about management's views will also be identified as a way of either exonerating or blaming management for unethical behaviour in hospitality.

# Chapter Four: Demographic predictors of unethical behaviour

The only real valuable thing is intuition (Albert Einstein)

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## **4.1 Causes and predictors of unethical behaviour**

A wide range of influences on unethical behaviour is identified in the literature, but the relationship between many of these and specific hospitality issues has not been previously examined. The issues introduced in Chapter 1 (i.e. smoky working environment, sexual harassment etc), and their relationship with likely predictors of unethical behaviour are analysed.

Unethical behaviour is likely to be associated with high tolerance of unethical behaviour and may be associated with poor moral reasoning. Although Loe et al. (2000) contend that 'studies reveal that moral philosophy is related to ethical decision making' (p. 187), the relationship between moral philosophy and ethical behaviour in ethical decision-making is a matter of some debate. While Elm, Kennedy and Lawton (2001) contend that moral reasoning does not directly affect ethical behaviour, Rest et al. (1986) claim it does. However, after analysing questionnaires from 1010 Norwegian academics, engineers and economists, Marnburg (2001) concluded there is no significant relationship between moral reasoning and ethical attitudes, at least, not in Norway. Such conflicting ideas confound the potential themes and direction of this review. If Marnburg's findings are taken into account, studies on the effects of demographic characteristics on moral reasoning should be ignored, and only studies on the effects of various characteristics on ethical standards considered. However, as many studies surrender similar results for both moral reasoning and ethical attitudes, both these dimensions of ethical behaviour need to be understood. In the following discussion therefore, moral reasoning ability is construed as having the potential to improve ethical standards and reduce tolerance of unethical behaviour, even though such an association is not proven. To discount any connection between moral reasoning and tolerance of unethical behaviour would be failing to dredge though a goldmine of literature, thereby missing some nuggets. Furthermore, as it is beyond the scope of this study, it is not intended to prove or disprove any association between moral philosophy and ethical decision-making, but merely to assume the existence of an association for the purposes of interpreting secondary data.

### 4.1.1 Age

Although age is a well respected predictor of moral development and reasoning, debate on this continues. Kohlberg (1984) proposes that people do not reach their highest level of development until their late twenties or early thirties, a view also held by Peek and Havighurst (1962), who found that moral and ethical sensitivity develop with age. However, Forte's (2004) study of 400 managers and executives in America, found neither age, work tenure, industry type, seniority, nor education, significantly influenced moral reasoning. Although Forte's sample primarily utilised well educated senior executives, her findings still challenge the results of prior studies and serve to confirm the complexity of identifying firm predictors of unethical behaviour.

Opinion on the relationship between age and ethical standards (as opposed to moral reasoning) is also divided, even though it appears logical that ethical standards will improve as moral reasoning develops (that is, providing there is motivation to be ethical).

Some writers associate increased age with higher ethical standards. For example, Kanner (1986) contends that younger managers will be more likely than older managers to compromise their principles to conform with the expectations of their employers. Posner and Schmidt (1987) also considered younger managers more at risk of unethical behaviour, and found they were more likely to 'compromise their personal principles' (p. 385) to conform with those of their organisation.

Some studies support these views. For example, after surveying 425 New York hospitality management students and managers, Freedman measured students' and managers' levels of commitment to integrity and honesty in business, and their observance of the laws governing their work. He found that men had lower ethical values than women, and college business students had lower values than business managers. Posner and Schmidt (1987) also found 'managers under 40 years old believed that their personal values do not match those of the organization' and supervisors were more likely than senior managers were, to think their organisation was not ethically guided (p. 385). Wong's Hong Kong study (1998) also showed that younger employees were significantly more tolerant of unethical behaviour. However, younger employees are typically

employed in high profile front-of-house positions, with older and more experienced (and perhaps less visually attractive) employees working in housekeeping, stores, engineering and laundry. Ethical standards in these back-of-house positions may be higher through lack of direct customer contact.

In a review of studies investigating influences on ethical decision-making, Loe et al. (2000) concluded that age was significantly associated with ethical decision making, citing several empirical studies (e.g. Brady & Wheeler, 1996; Browning & Zabriskie, 1983; Kelley, Ferrell, & Skinner, 1990; Muncy & Vitell, 1992). However, Browning, and Zabriskie (1983) inferred that as older respondents were more relaxed about accepting gifts and entertainment than younger respondents, the younger respondents were (in this case at least) more ethical. Such a result does not suggest that ethical standards decrease with age, but more that age (and probably income) changes attitudes about accepting gifts. Although some studies (Ruegger & King, 1992; Stevens, Harris, & Williamson, 1993) found senior students more ethical than those in their first year, as age was closely co-related to education level, results from these studies may not be reliable. Callan (1992) found that age did not substantially influence ethical values, and Loe et al. (2000) identified several other authors who did not consider age a significant factor in ethical decision making (Izraeli, 1988; Jones & Gautschi, 1988; Kidwell, Stevens, & Bethke, 1987; Kohut & Corriher, 1994; Stevens, 2001; Stevens, 1984).

Of the following studies, all except Wong's (1998) and Izraeli's (1988) were undertaken in America, and only four used hospitality employees or hospitality students.

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**Age as a significant influence on ethical decision-making**

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<b>Authors</b>	<b>Year</b>	<b>n =</b>	<b>Sample</b>	<b>Age sig.</b>
Browning & Zabriskie	(1983)	145	Salespeople (re gifts)	Yes
Stevens	(1984)	462	Hosp students and executives	No
Kidwell, Stevens & Bethke	(1987)	100	Managers	No
Posner & Schmidt	(1987)	1498	Hosp students & graduates	Yes
Izraeli	(1988)	97	Managers (Israel)	No
Jones & Gautschi	(1988)	455	Students	No
Freedman	(1990)	425	Hospitality students	Yes
Kelly, Ferrell & Skinner	(1990)	550	Market researchers	Yes
Muncy & Vitell	(1992)	569	Householders	Yes

<b>Age as a significant influence on ethical decision-making</b>				
Ruegger & King	(1992)	2196	Students	Yes
Tyson	(1992)	495	Students	No
Stevens, Harris & Williamson	(1993)	171	Students and lecturers	Yes
Kohut & Corriher	(1994)	86	Students	No
Brady & Wheeler	(1996)	141	Finance employees	Yes
Wong	(1998)	299	Hosp employees (Hong Kong)	Yes
Peterson, Rhoads & Vaught	(2001)	280	Graduates in business	Yes
Forte	(2004)	400	Managers	No
Average size		492		

**Table 3** Age as a significant influence on ethical decision making

All studies drawing on large samples found age to be a significant factor associated with ethical decision making, as did three of the four using hospitality samples, and the two (Kelley, Ferrell, & Skinner, 1990; Muncy & Vitell, 1992) that analysed ethical decision making in samples representing a diverse range of demographic characteristics. Kelley et al. analysed responses from 550 American market researchers with a range of demographic characteristics, and concluded that gender, age, and work experience were all significant influences on ethical decision making. Muncy and Vitell's results are also likely to be reliable as they analysed responses from 569 American householders, which provided diversity and a wide range of demographic characteristics.

Although this study expects to find youth strongly associated with lower ethical standards, because the majority of hospitality employees are young people, factors such as position and seniority are also expected to be strong influences.

#### **4.1.2 Gender**

The service industry, particularly hospitality, is dominated by women. Statistics New Zealand's 2001 census of Populations and Dwellings recorded that 62.5% of workers in accommodation, cafes and restaurants, were women (2001), and in a prior Auckland study (Poulston, 2000) 59% of the participants (n = 58) were women. Understanding the influence of gender on ethical standards in hospitality will help identify high risk areas dominated by a particular gender.

Beliefs about ethical differences between the genders vary. Some authors (e.g. Chonko & Hunt, 1985; Elm, Kennedy, & Lawton, 2001; Freedman, 1990; Okleshen & Hoyt, 1996; Roxas & Stoneback, 2004; Tyson, 1990; Whipple & Swords, 1992), found females more ethical than males while others (e.g.

Callan, 1992; Forte, 2004; Jones & Kavanagh, 1996; Kidwell, Stevens, & Bethke, 1987; Sikula & Costa, 1994; Tsalikis, 1990; Wimalasiri, Pavri, & Jalil, 1996; Wong, 1998) found limited or no significant differences. Some studies also found that differences between the genders were unlikely to appear in a corporate setting (Derry & Kelly, 1989; Forte, 2004; Harris, 1990; Rest, 1988). However, as Peterson, Rhoads and Vaught (2001) note, there is little evidence to suggest men are more ethical than women. Although Wong found no significant differences between the genders, he did find ethical standards higher in housekeeping and laundry (the traditional domains of women) than in engineering and the kitchen (generally male dominated departments).

In a study of the effect of gender and culture on ethical decision making, Roxas and Stoneback (2004) found gender differences were significantly influenced by a country's culture (for example, Australian males were slightly less ethically sensitive than Australian females).

Of 26 studies analysed by Loe et al. (1977), most authors concluded that either gender was not significant, or females were more ethically sensitive than males. Gilligan's (1977) work has been influential in this respect, as she proposed that women's morality is different from men's, substantiating her theory with extracts from interviews with women and challenging the work of Kohlberg and Piaget. She found that women have a nurturing approach to morality, and try to solve conflicts without hurting anyone, whereas men follow paths of 'independent principled judgment' (p. 484). Gilligan believes that men's approach to morality tends to emphasise individuals' rights, whereas a woman's approach tends to emphasise responsibilities. She summarised this as a justice orientation for males, and a responsibility orientation for women, and relates the example of little boys trying to resolve disputes, compared with little girls, who withdraw from difficult situations to protect their relationships.

In a business environment such as hospitality, which is dominated by women but largely managed by men, this may translate into a loss of voice for women, and a tendency to become dominated by male supervisors and managers.

Some studies identified factors that affect the relationship between ethical standards and gender. For example, after interviewing 20 male and 20 female

managers in America about moral conflicts in work situations, Derry and Kelly (1989) found that differences in moral reasoning that were expected between the genders were not always evident in strong organisational cultures where both men and women were heavily socialised and trained to achieve corporate goals.

Interactions between variables such as age, seniority and experience may also obscure gender-based differences. Kidwell et al. (1990) surveyed managers to identify gender differences, whereas Freedman (2001) surveyed both managers and students, and found male students had significantly lower scores on integrity and honesty than female students. No significant difference was found by either Freedman or Kidwell et al. between male and female managers, suggesting differences may be more pronounced with younger or less experienced employees. Peterson et al. (2001) analysed results from 280 questionnaires completed by graduates in American businesses, and found that women appeared more ethical in the younger age groups, whereas men appeared more ethical in the older groups.

Although it is expected that this study will identify associations between unethical behaviour and areas in which males work, as this includes management where employees are generally older, the influential variable may be difficult to isolate.

### **4.1.3 Ethnicity**

Race is a division of human kind based on distinct physical characteristics, such as those of Koreans, Maori, or Caucasians, whereas ethnicity is often based on nationality, and relates to 'racial, cultural, religious or linguistic characteristics' (*The Oxford English Dictionary*, 1989, p. 424). Although a Korean born in New Zealand might be a New Zealander by nationality, such a person would be likely to declare his or her ethnicity as Korean. Some studies purporting to analyse differences between ethnic groups might therefore be analysing national, rather than ethnic differences.

Hofstede's (1980) work suggests that as value systems are shared by most of a specific population, values will differ from culture to culture. However, the literature suggests that ethnicity is not a strong influence on moral reasoning.

Wimalasiri, Pavri, and Jalil (1996) studied 157 business students in Singapore, specifically examining different racial groups identified as Chinese, Malays, Indians, and Eurasians to determine (amongst other factors), whether or not ethnicity influenced moral reasoning. They concluded that neither gender nor ethnicity (sic) of their subjects was significantly related to responses, and throughout their discussion, used 'ethnicity' to denote race.

Robertson, Crittenden, Brady, & Hoffman (2002) analysed 210 responses to vignettes from business managers in Australia, Chile, Ecuador and America, to determine the influence of culture on environmentalism, bribery, sex discrimination and child labour. Although they found that responses were influenced by national origin, responses also altered according to the situational context, such as increased economic hardship. Their findings are therefore unlikely to be replicated in the current study.

Rashid and Ho (2003) found in their study of 161 Malays, Chinese and Indians in Malaysia, that ethnicity had 'some influence' on perceptions of business ethics, but differences were limited. In fact the literature yields little discussion about racial differences in moral reasoning, and seems mostly concerned with differences between Afro-Americans and white Americans, a discussion with little obvious relevance to this study.

Some authors have tried to identify differences in moral reasoning or ethical standards based on national origin. Lysonski and Gaidis (1991) found in their study of 424 under-graduate business students in America, New Zealand and Denmark, that there were no significant differences in ethical decision-making between the different groups. Similarly, in a study by Whipple and Swords (1992), no significant differences were found in the ethical decision-making between 319 American and British management students. Lee and Yoshihara's (1997) study of 611 business executives also surrendered little difference between the ethical decision-making of the Japanese and Koreans. Similarly, when Allmon, Chen, Pritchett, and Forrest (1997) examined questionnaires from 558 business students in Australia, America and Taiwan, they concluded that there was 'significant agreement with the way students perceive ethical/unethical practices in business' (p. 183).

However, some studies identified differences based on ethnic or national origin. Lin's (1999) study of 265 students in Taiwan, Australia, America and Israel found that Taiwanese had different perceptions of ethical conduct than those from the other three countries studied. Most (71%) participants were males, but as the Taiwanese were younger (aged 19 – 25) than participants from other countries (aged 30 – 40), her results may not be reliable.

Other authors found significant differences between respondents from different countries. In a study of 699 undergraduate students in New Zealand and America, Okleshen and Hoyt (1996) found New Zealanders more tolerant of situations involving fraud, coercion, and self-interest. Similarly, Roxas and Stoneback (2004) found significant differences between 750 respondents from eight countries (including America, Australia, and China, but excluding New Zealand).

More recently, in a study by Robertson et al. (2002), differences were found between different ethnic groups, which the authors referred to as different cultures. Their 'cross-cultural' study used 210 financial service managers from Ecuador, Chile, Australia, and America. They found responses to ethical dilemmas differed according to the dilemma, rendering any generalised assumptions about particular cultures' ethical standards futile. However, clear differences in responses to dilemmas about (for example) sexual harassment or bribery, indicated significantly different beliefs according to the respondent's culture.

Three studies reviewed by Loe et al. (2000) found American students and managers more ethical than either Australians (Small, 1992), Taiwanese (White & Rhodeback, 1992), or British (Robertson & Schlegelmilch, 1993). With the exception of Hegarty and Sims (1978), who found foreign students more ethical than American students, no authors reviewed by Loe et al. found respondents in their own country less ethical than those in another (Morgan, 1993; O'Clock & Okleshen, 1993; Reynolds, 2000; Tyson, 1990, 1992). This example of cultural relativism perhaps parallels the view that people consider themselves more ethical than those around them (Reynolds, 2000; Tyson, 1990, 1992).

The literature offers little guidance on whether or not ethnicity (i.e. national

origin) is a reliable indicator of ethical or moral reasoning, even though logic suggests that it would be, due to the close relationship between religious and cultural beliefs, and national origin. New Zealand is consistently perceived as one of the four most ethical countries in the world (Transparency International, 2004), suggesting that comparisons between New Zealanders and those from most other countries might show New Zealanders in the best light.

The Corruption Perceptions Index is produced annually at Passau University in Germany, by polling independent surveys to collate the perceptions of business people and analysts around the world. Countries where ethical standards are highest are where standards of living are also high, such as New Zealand, Denmark, Finland and Iceland. Either way, if New Zealanders are indeed more ethical than those from most other countries, continued immigration from countries such as the United Kingdom (11th position currently) China (71st), or India (90th) may threaten ethical standards here. However, as the United Kingdom is New Zealand's greatest source of immigration and the British are perceived as being significantly less ethical than New Zealanders, the particular characteristics of immigrants (e.g. adventure-seekers, risk-takers) may also be associated with values and ethical standards in the antipodes.

This study will therefore include a question on the ethnicity of respondents to identify any effects of ethnicity on ethical tolerance and perceptions about unethical behaviour.

#### **4.1.4 Education**

Isolating the effect of education level on ethical tolerance and moral reasoning is confounded by inter-related factors such as age and environment, and whether the education is arts or business oriented.

Forte (2004) analysed 214 questionnaires from American business people in a comprehensive analysis of the relationships between specific demographic variables and moral reasoning. She found no statistically significant associations between age, tenure (length of service), seniority, or education, and moral reasoning, and only limited associations between gender, industry type, and moral reasoning. However, cognisant of the work of Rest (1986) and Trevino (1992), she maintains there is 'something in the educational process

that results in the development of higher modes of moral development' (p. 337), suggesting the homogeneity of her sample may have militated against confirming this. Other authors (e.g. Wimalasiri, Pavri, & Jalil, 1996) also found that increased education improves moral development, and several found that education improves ethical standards (Kelley, Ferrell, & Skinner, 1990; Muncy & Vitell, 1992; Ruegger & King, 1992; Stevens, Harris, & Williamson, 1993). However, as Muncy and Vitell found age, income and education to be the most influential factors on ethical concerns, they also note that income and education are indicators of social class, which may be the predominant influence.

Other authors produced similar results to those of Forte (2004). Loe et al.'s (2000) review amalgamating results from studies of moral reasoning, ethical tolerance and ethical decision making, identifies several authors (Dubinsky & Ingram, 1984; Goodman & Crawford, 1974; Lane, Schaupp, & Parsons, 1988; McNichols & Zimmerer, 1985; Serwinek, 1992; Stevens, Richardson, & Abramowitz, 1989) who found no significant associations between ethical decision making, education level, and work experience, and just one study (Stevens, Harris, & Williamson, 1993) finding senior students more ethical than first year students.

Hospitality studies investigating the education levels of respondents are also contradictory. Wong's (1998) Hong Kong study identified a correlation between levels of education and tolerance of unethical behaviour, but with improved education being a predictor of high ethical tolerance. This was in conflict with Upchurch's American study, which identified education as a predictor of low ethical tolerance. Upchurch (1998) analysed responses from managers of 198 American lodging businesses, and found a 'general trend for ethics to increase with increased educational attainment, indicating a heightened level of sensitivity to ethical issues' (p. 1356).

Increased levels of moral reasoning associated with improved education level, are likely to be influenced by socialisation from the place of education, as noted by Patenaude, Nivonsenga, and Fafard (2001) in their longitudinal study of 92 Canadian medical students. This contextual education is commented on by several authors (e.g. Smith & Rogers, 2000), including Elm et al. (2001), who tested the significance of the relationship between moral reasoning and

education by collecting data from students and graduates from both secular and non-secular schools. They found that moral reasoning was highest in the two religious schools in their sample, but suggested the poor results from one of the other schools may have been related to educational and intelligence differences between the schools (although they did not comment that students from religious - and therefore private - schools might be more intelligent and better educated, this appears to be their sub-text and suggests the influence of social class rather than religious instruction). So, although they concluded that increased education is related to a higher level of moral reasoning, they accept that improved moral reasoning may also be related to factors such as age and (in their sample) the likelihood that the respondents were in full-time employment.

Some studies have identified relationships between the type of education received, and moral reasoning. Elm et al. (2001) found business students had lower levels of moral reasoning than non-business students (although not statistically significant), corroborating to some extent, the results of other authors' research (e.g. Armstrong, 1987; Hawkins & Cocanougher, 1972; McCabe, Dukerich, & Dutton, 1991; Smith & Oakley, 1997; Weber, 1990). However, almost all their graduate students came from Catholic schools, an influence which they did not adequately address in their discussion, and which may have affected their responses. In their review of studies identifying influences on ethical reasoning, Beltramini, Peterson, and Kozmetsky (1984) were the only authors identified by Loe et al. (2000) to find those with business majors were less tolerant of questionable business practices. Logic suggests that those with a business orientation will be more tolerant of some practices, as their primary interest is by definition, success in business, which is generally judged according to profitability.

Although the literature suggests that higher education is not a firm predictor of higher moral reasoning, it also does not find to the contrary. However, as students and graduates with a business, rather than liberal arts orientation, are found to have either less well developed moral reasoning, or higher tolerance of unethical behaviour, ethical standards of hospitality students and operators may be lower.

This study hopes to clarify the relationship between education and tolerance of unethical behaviour in hospitality, and expects to uphold Upchurch's (1998) findings, that increased education is a predictor of low ethical tolerance (see Section 4.1.4). Upchurch's study utilised a large sample (n = 607), and was collected in a culture more similar to that in New Zealand than Wong's (1998) Hong Kong study.

#### **4.1.5 Experience and tenure**

Because work experience is inextricably entwined with age, and often strongly associated with seniority and education level, true associations between work experience and ethical standards are difficult to identify. Perhaps as a result, with the exception of Callan (1992), studies reviewed by Loe et al. (2000) (Section 4.1.4) that found no significant association between ethical decision making and education, also found that ethical decision making and work experience were not related. Although Callan found that senior managers were most likely to object to cronyism, he found that length of employment was not specifically related to ethical values, and did not examine the influence of education.

Some authors (Kelley, Ferrell, & Skinner, 1990; Kidwell, Stevens, & Bethke, 1987; Patenaude, Niyonsenga, & Fafard, 2003) found length of time in the workforce correlated positively with ethical decision making, but most (e.g. Callan, 1992; Dubinsky & Ingram, 1984; McNichols & Zimmerer, 1985; Serwinek, 1992; Stevens, Richardson, & Abramowitz, 1989) found no significant influence. Forte (2004) also concluded there was no statistically significant relationship between work tenure and moral reasoning.

If work experience influences ethical decision making, such an influence is likely to be due to age and a complex set of contextual factors. This study therefore expects to find that although increased experience is likely to be associated with reduced tolerance of unethical behaviour, the specific influence of experience per se, rather than age and seniority will be difficult to identify.

#### **4.1.6 Student labour (occupation)**

In Stevens' (2001) American study of hospitality Human Resources Directors and students, directors rated ethical dilemmas more seriously than did students,

'indicating that experience and heightened sensitivity to possible litigious situations' may have affected the directors' judgement (p. 233). Managers are identified in several other studies (Arlow & Ulrich, 1980; Carroll, 1975; Freedman, 1990; Glenn & Loo, 1993; Stevens & Fleckenstein, 1999; Stevens, 1984) as having higher ethical values than students. However, such findings rely not just on age as a predictor of ethical values, but also on experience and seniority. Freedman found that hospitality management students under 26 with no management experience had lower integrity scores than hospitality managers, and from that concluded that the students' ethical values were lower than those of the managers (1990).

No studies could be found identifying students as more ethical than non-students, graduates, or managers. This does not auger well for the hospitality industry, which is an important source of work for students (Hoel & Einarsen, 2003), who do not generally seek work with career opportunities while they concentrate on their studies. Although the description of 'student' implies some educational achievement, it also implies youth and financial constraints, either of which is likely to influence ethical standards. This study therefore expects to find that students are more tolerant of unethical behaviour than the rest of the general population, which is likely to affect the ethical standards of the industry.

#### **4.1.7 Seniority (management's role)**

The association between management's ethical standards and those of an organisation's employees cannot be under-estimated. Managers have a considerable influence on their staff, and it would be easy to under-estimate the power associated with their position. After analysing responses from 99 senior executives amongst New Zealand's top companies, Alam (1993) found that senior management's commitment and a clear statement of the required ethical standards were considered the most important influences on ethical standards in a corporate environment. Some ten years later, Simons (2002) demonstrated that management's integrity is the most profound influence on the success of a business, of any aspect of management's behaviour. As part of integrity is behaving ethically, this suggests that an ethical manager will be a more successful business person than one who is unethical (see Section 3.2.6).

Becker, 1984; Hegarty & Sims, 1978; Posner & Schmidt, 1987), Reynolds (2000) concluded that senior managers establish the ethical climate by example and enforcement, and believe they are more ethical than their peers. In his study of hotel managers (Section 3.3.2.1) he found wide variations in views regarding the ethical nature of certain acts, as well as variations according to the issue. All the managers interviewed by Reynolds admitted to compromising their principles in the course of business. This pressure to compromise principles to conform to the ethical standards of the organisation was also noted by Carroll (1975) and Posner and Schmidt (1987), although they considered the problem more prevalent in lower management.

Callan (1992) found the status of employees was associated with attitudes about discriminatory work practices. For example, seniority was associated with concerns about discriminatory practices, and those with the most power and authority were those most critical of cronyism and other advantages to staff.

The discussion in Section 4.1.6 identifies managers as having higher ethical standards than students. Furthermore, Smith and Rogers (2000) found senior accountants to be more ethical than younger accountants, a difference which they attributed to professional socialisation. The discussion in Section 4.1.1 identifying age as a predictor of higher ethical values also suggests that managers will be more ethical than staff, as they may be older (particularly in hospitality businesses). Overall therefore, managers seem likely to possess the appropriate ethical perspectives and standards to lead their staff, and a proven responsibility to do so for the sake of both their business and the ethical standards of their employees (Alam, 1993, 1999; Arlow & Ulrich, 1988; Baumhart, 1968; Callan, 1992; Lee & Yoshihara, 1997). As summarised by Alam (1999), a manager must have 'personal integrity, high moral standards and must provide examples for the employees to follow' (p. 147). Although several studies found managers had higher ethical values than students (Arlow & Ulrich, 1980; Carroll, 1975; Freedman, 1990; Glenn & Loo, 1993; Stevens & Fleckenstein, 1999; Stevens, 1984), such findings indict students rather than exonerate the managers, as students are firmly associated with lower ethical standards (Section 4.1.6).

Managers are likely to be interested in improving ethical standards; Stevens

and Fleckenstein (1999) found 37 of 84 human resource directors interested enough to request the results of their research. However, management's ostensibly low tolerance of unethical behaviour is not always evident in a hospitality environment. Hospitality managers emerge as tolerant, encouraging, and even causing unethical behaviour. Mars and Nicod (1984) noted that senior managers were generally aware of unethical behaviour and Price (1994) found that hospitality managers were more interested in protecting their own rights than those of their staff. In one study, a significant proportion (29%) of managers passively supported some forms of sexual harassment (Gilbert, Guerrier, & Guy, 1998), and Worsfold and McCann (2000) and the New Zealand HRC (2001b) found managers and supervisors were major sources of sexual harassment, all of which militate against the view that managers have better than average ethical standards.

As managers are responsible for the ethical climate in their organisation (Reynolds, 2000), and their integrity has a profound effect on an organisation's success (Simons, 2002), management's inadequacies may be a cause of low ethical standards in commercial hospitality. A further problem identified by Hall (1992) in a study of 1000 American hotel General Managers, was that only a minority (39%) of managers considered higher ethical standards would increase profitability, thereby offering little business incentive to be ethical.

Although (perhaps by virtue of their age and education) managers are likely to be more ethical than their staff, the literature is unable to associate hospitality managers with good ethical standards. This study is therefore unlikely to find that hospitality managers are more ethical than junior employees or students. Furthermore, as a manager's role in guiding the ethical standards of an operation is so critical, this study will examine employees' perceptions about management's position on specific ethical issues, as well as management's awareness of these issues.

#### **4.1.8 Pay**

Hospitality pay is lower than that in comparable occupations in other industries; in the United Kingdom, 'male (hospitality) workers earn approximately 45% of the national industry average for males' (Hoel & Einarsen, 2003, p. 6). Total rewards for staff are therefore likely to extend well beyond basic pay and

legitimate perquisites into fiddles, and knock-offs (Mars & Nicod, 1984).

Although tips comprise a substantial portion of some employees' income, Hoel and Einarsen (2003) noted that this is dependent on the culture of the country in which they work. Tipping is less prevalent in cultures (such as New Zealand) where power and status differences are not well accepted (Lynn, 1997). New Zealanders prefer fair pay to low pay and tips, and see tips as a reward for good service (Casey, 2001). Some even consider tipping dishonest, especially pre-tipping (tipping for preferential service), which is a form of bribery and is unfair on other customers (Casey). Crick (1991) suggested that tipping is linked to 'absenteeism, turnover, pilferage, tip solicitation, and more importantly, reduction of employee effort' (p. 24). Although tipping may be associated with a weak ethical climate in hospitality, as it is not the norm in New Zealand, the association will not be investigated.

It is not difficult to find research discussing the poor pay of hospitality workers. New Zealand service and sales people have the lowest hourly wage of all occupations, women are generally paid less than men (due to occupational preferences), and the lowest paid are those under 24 years (Statistics New Zealand, 2003). If women and young people are shown to dominate the hospitality workforce, data suggest hospitality workers will be poorly paid.

The relationship between poor pay and retribution against an employer by way of illicit reimbursement was initially proposed by Adams (1963) and is often cited by writers investigating relationships between poor wages and theft (e.g. Greenberg, 1990, 2002). When employees perceive their treatment as inequitable or unfair, they become motivated to reduce the inequity (Adams), which may result in stealing or giving away of company property. If this reduces profitability, it places pressure on the organisation, which is passed on to employees, further alienating them. Hospitality managers encourage dishonest behaviour by paying poorly, while providing employees with opportunities to rectify this by unethical means (Beck, 1992; Divine, 1992; Johnson, 1983; Mars & Nicod, 1984).

Partly based on Adams' (1963) theory of inequity, this study expects to find low pay is a predictor of high tolerance and actual and perceived incidence of

unethical behaviour. Other contributing factors may include the financial stress of those on low pay, and less easily identified factors such as low social class, associated by Muncy and Vitell (1992) with lower ethical standards.

#### **4.1.9 Tenure (length of stay)**

Comments relating to tenure are addressed in Section 4.1.5, on experience.

#### **4.1.10 Job security**

Stamper and van Dyne (2003) noted that while many hotel managers believe part-time staff exhibit 'lower commitment, higher turnover, (and) lower performance' (p. 33), they found no empirical evidence to support this. However, in a study of 257 American restaurant workers, they found that in some environments, part-time workers exhibited less 'helping' behaviours than their full-time counterparts. They related this to reduced organisational commitment on behalf of the employees, who were responding to a reduced commitment to them, by the organisation. They link this to human-capital theory, which suggests employers invest most in those with the potential to produce an ongoing benefit, and who are therefore unlikely to be part-time workers.

Some studies found workplace commitment is mediated by the discrepancy between the preferred and actual number of working hours. For example, in a study of 222 employees working for a Dutch ministry, both full-time and part-time workers who were dissatisfied with their hours (that is, they wanted more or less hours than they were working) showed less commitment to their organisation (van Emmerik & Sanders, 2005). Similarly, a survey of 1069 part-time university workers in the North East of America showed that involuntary part-time workers reported lower job attitudes and greater turnover intention, than did either voluntary part-time workers or full-time workers (Maynard, Thorsteinson, & Parfyonova, 2006)

Although Szwegold (1994) found that part-time employees stole more than full-time employees, Inman and Enz (1995) found part-time workers had a high acceptance of organisational standards and values (however, such a finding does not preclude the incidence of theft).

If part-time employees are more tolerant of unethical behaviour, Adam's equity theory (1963) suggests this may derive from poor job security and low pay. Accordingly, this study expects to find a correlation between poor job security and low ethical standards.

#### **4.1.11 Department (and customer contact)**

Unethical behaviour has a profound impact on customer satisfaction because of the high level of customer contact involved in customer service. Many hospitality employees work directly with customers, a factor which may create a desire to please merely on the strength of normal human interactions. Employees who are otherwise honest may therefore choose to resolve conflicts by favouring customers over the employer, on the basis that the customer is visible but the employer is not. Section 3.3.2.2 briefly outlines the effect of customers on ethical reasoning (Upchurch, 1998; Upchurch & Ruhland, 1996) and ethical standards (Chung & Schneider, 2002; Harris & Ogbonna, 2002; Weatherly & Tansik, 1993; Wong, 1998).

Some hospitality departments may have lower ethical standards because of the availability of products and cash involved (Divine, 1992). It seems likely that those who steal food are likely to be found working in the kitchen or restaurant, and those who steal money will have access to cash. In some departments however, such as housekeeping (where guest complaints can easily identify possible thieves), thefts are unlikely to go unnoticed. Therefore, where staff are placed in positions of trust, such as those who clean rooms are, it seems likely that their ethical standards will be higher. Employees who steal guests' property from a room will eventually be discovered. However, employees who steal cash or food from their employer may go unnoticed for some time, as these thefts are more difficult to identify and trace.

The literature offers little guidance on the effect of customers on ethical decision making, concentrating more on environmental factors that affect thinking over time. This study will therefore explore the relationship between customer contact and unethical behaviour in a hospitality setting. It is expected that Wong's (1998) results will be confirmed, and a significant relationship found between front-of-house positions and high tolerance of unethical behaviour. Higher ethical standards may also be found in housekeeping, where dishonesty

in employees is most easily discovered.

#### **4.1.12 Size and type of business**

Although no studies confirmed that ethical standards are lower in small businesses, several suggested this might be the case, noting specific incidences of unethical behaviour that are most likely to occur in small businesses.

Smaller hospitality businesses were found by Price (1994) to have more unethical personnel procedures than larger organisations, and sexual harassment is more prevalent in smaller operations (Human Rights Commission, 2001b; Worsfold & McCann, 2000). Guest and Conway (1999) found smaller organisations less likely to be unionised, and Earnshaw, Marchington, and Goodman (2000) suggested 'a lack of specialist knowledge of employment law' and informal employment relations (p. 69) contributed to unfair employment practices in small firms.

In Morrison, Caffin and Wallace's (1998) audit of Australian food operations, 73% of the small establishments (fewer than ten employees) posed significant health risks to their consumers. They suggested that food safety was likely to be compromised in small operations, where managers were more concerned with cost control and customer satisfaction than food hygiene, and lacked the economies of scale available to larger companies who could invest in cleanliness and food safety. Other possible reasons for poor food hygiene in small businesses included a lack of technical resources, lack of specialist staff, lack of time to implement appropriate training and systems, and lack of financial resources (Kirby, 1994), all of which are unlikely to be restricted to areas affecting food hygiene.

The current study therefore expects to find that smaller businesses such as restaurants and nightclubs have higher incidences of the problems studied than do hotels, and smaller hotels will have higher incidences of ethical problems than larger hotels.

#### **4.1.13 Codes of ethics**

There is little research into the use of codes of ethics in hospitality (Coughlan, 2001) and continuing debate about the usefulness of codes of ethics as influences on ethical decision making. Early studies (Boling, 1978; Callan, 1992; Cullen, 1989; Singhapakdi, Rao, & Vitell, 1996; Woelfel, 1986) found support for the use of codes of ethics, but later studies found codes were useful only if enforced (Peppas, 2003; Verschoor, 2002) or supported by (for example) training (Benson, 1989). Other studies found codes of ethics had little or no effect (Cleek & Leonard, 1998; Stevens, 1999).

After interviewing 57 executives in a Canadian study, Schwartz (2001) concluded that codes of ethics were a potential influence on behaviour, citing examples of respondents who modified their behaviours to conform with their company's codes of ethics. Lee and Yoshihara (1997) also found codes of ethics an important factor in improving the ethical standards of Korean and Japanese business executives, although not as important as the manager's personal values. Snell (2000) found codes of ethics helped promote ethical standards, and Ghiselli and Ismail (1999) noted that managerial codes of conduct were associated with more concern for ethical issues.

In their review of studies investigating influences on ethical decision-making, Loe, Ferrell, and Mansfield (2000) examined 17 studies relating to the use of codes of ethics and concluded that ethical codes influence ethical decision making, citing amongst others, studies by Weaver and Ferrell (1977) and McCabe, Trevino and Butterfield (1996). However, they also noted that Kohut and Corriher (1994) found codes of ethics did not significantly affect ethical decision making, and that Glenn and Van Loo (1993) believed codes of ethics were less effective than earlier research had indicated.

Hotel and hospitality management companies do not have ethical codes to the extent found elsewhere (Stevens, 1997). Gray, Matear & Matheson (2000) found that of 21 New Zealand hospitality organisations, 57% had written ethical codes, and 76% had policies to encourage ethical conduct. They suggested that hospitality organisations are less likely than others to 'adopt policies and procedures to assure ethical conduct' (p. 153).

Although this study does not expect to conclude debate concerning the usefulness of codes of ethics, it will attempt to identify if a significant relationship exists between higher ethical standards and the presence (and awareness) of codes of ethics in hospitality.

#### **4.1.14 Conclusion**

The foregoing demographic characteristics are inconclusive as predictors of either weak moral reasoning or poor ethical standards, although some, such as age, appear to be strong indicators. Although this study is unlikely to finally resolve this debate, it does expect to clarify the impact of these characteristics on the actual and perceived incidence, tolerance and perceived acceptance of ethically questionable behaviour in hospitality, particularly in New Zealand.

## **4.2 Linking the literature to the research**

Section 3.3.2 of the previous chapter outlines characteristics of hospitality that may predispose the industry to unethical behaviour, and Section 3.4 examines specific behaviours (which may or may not be construed as unethical) that may occur in hospitality. The extent to which specific demographic characteristics are likely to be associated with these behaviours is outlined in Section 4.1, which identifies the information required from participants in the study.

This study expects to identify the scope of workplace problems generally, and unethical behaviour particularly, in New Zealand commercial hospitality. A major theme suggested by the research is the role of managers and supervisors as direct and indirect causes of problematic behaviours, as outlined in the following discussion.

### **4.2.1 Hospitality's poor ethical climate**

Hospitality has a poor ethical climate, largely caused by ineffective management, the presence of customers, and the ease with which products and services can be stolen or converted to cash. Although there are other influential factors such as the intimate working environment and tight operating margins, factors within management's control are the primary interest of the study.

This study addresses problems associated with working in a smoky working environment, sexual harassment, constructive dismissals, under-staffing, poor training, poor food hygiene, illegal alcohol service, and theft. It is important to the study, that (with the possible exception of theft), solutions to these problems are deemed to be within the jurisdiction of management. However, as theft is strongly associated with employee unhappiness, and in hospitality, with the tradition of payment in kind, theft is also likely to be within management's control.

The incidence and causes of workplace problems selected for this study are summarised as follows.

- 1 Even though passive smoking causes illness and death (Woodward & Laugesen, 2001), most bars and restaurants in New Zealand subjected their employees to smoky working conditions until prevented by law from doing so. British restaurateurs are afraid to ban smoking in case they lose customers (Cuthbert & Nickson, 1999), and managers allow smoking in restaurants and bars because they believe it increases profits (Dunham & Marlow, 2000).
- 2 Sexual harassment is common in hospitality (Labour Research Department, 1987; Woods & Kavanaugh, 1994; Worsfold & McCann, 2000) and is more common in hospitality than in other industries (Einarsen, Raknes, & Matthiesen, 1993; Eller, 1990; European Agency for Safety and Health at Work, 2000; European Commission, 1998; European Foundation for the Improvement of Working and Living Conditions, 2003; Hoel, 2002; Human Rights Commission, 2001a, 2001b).

Managers passively support sexual harassment (Gilbert, Guerrier, & Guy, 1998; Worsfold & McCann, 2000) and consider theft as a more serious breach of ethical standards (Stevens, 2001; Stevens & Fleckenstein, 1999). Supervisors and managers are a significant cause of sexual harassment (Gilbert, Guerrier, & Guy, 1998; Human Rights Commission, 2001a; Worsfold & McCann, 2000).

- 3 Hospitality employees are more concerned about employment matters than any other ethical issue (Poulston, 2000). Employment disputes are more common in hospitality than in other industries, with constructive

dismissals being the main problem (Lucas, 2002). Formal disciplinary procedures are poorly utilised by hospitality managers (Price, 1994).

- 4 Recruitment, retention, and under-staffing are problem areas in hospitality (Baum, 2002; Brien, 2004; Choi, Woods, & Murrmann, 2000; Gustafson, 2002; Jameson, 2000). Recruitment is difficult because of hospitality's poor image (Powell & Wood, 1999) and the high labour turnover associated with the industry is largely management's fault (Rowley & Purcell, 2001).
- 5 Training in hospitality is inadequate (Maxwell, Watson, & Quail, 2004; Powell & Wood, 1999; Pratten, 2003), perhaps because managers are reluctant to invest in training in case staff leave (Davies, Taylor, & Savery, 2001; Jameson, 2000; Loe, Ferrell, & Mansfield, 2000; Lowry, Simon, & Kimberley, 2002). However, as training affects job satisfaction and organisational commitment (Lam & Zhang, 2003; Lowry, Simon, & Kimberley, 2002; Pratten, 2003; Smith, 2002; Taylor, Davies, & Savery, 2001), inattention to training needs is likely to negatively affect staff retention.
- 6 Most (i.e. more than half) minors can purchase alcohol illegally (Forster, Murray, Wolfson, & Wagenaar, 1995; McDonald, 2004). Nearly half of the Auckland bottle stores will sell alcohol to minors (Huckle, Pledger, & Casswell, 2003), and bars and restaurants are more likely to sell to minors than bottle stores (Forster, Murray, Wolfson, & Wagenaar, 1995). Training and enforcement of licensing laws is essential for responsible liquor service (Lang, Stockwell, Rydon, & Beel, 1998; Mosher, Delewski, Saltz, & Hennesey, 1989; Wagenaar & Toomey, 2002), but as around half the under-age drinkers in New Zealand are not asked to verify their age (McDonald, 2004), it seems unlikely that management is enforcing the law.
- 7 Although poor food hygiene occurs in hospitality (Ghiselli & Ismail, 1999; Gillespie, Little, & Mitchell, 2000; Morrison, Caffin, & Wallace, 1998; New Zealand Food Safety Authority, 2003; Poulston, 2000) it is not endemic. Poor food hygiene is associated with poor training (Klara, 1999; Lynch, Elledge, Griffith, & Boatright, 2003), negligence, and the quest for profit (Walczak & Reuter, 2004), all within management's control.
- 8 Theft is common in hospitality (Divine, 1992; Johnson, 1983; Mars &

Nicod, 1984; Stevens & Fleckenstein, 1999; Wanhill, 1994) and is considered by both staff and management to be more serious than sexual harassment (Stevens, 2001; Stevens & Fleckenstein, 1999; Yeung, 2004). Reasons given for theft include: many cash transactions, low skill jobs, poor social status, highly priced commodities, the prevalence of small businesses (Geller, 1991), the tradition of payment in kind (Johnson, 1983; Mars & Nicod, 1984), staff turnover (Thoms, Wolper, Scott, & Jones, 2001; Withiam, 1996), a lack of trust between staff and management (Niehoff & Paul, 2000), organisational dishonesty (Cialdini, Petrova, & Goldstein, 2004), and employee unhappiness (Korolishin, 2003). Theft is also attributed to unfair or inequitable employment conditions (Adams, 1963; Greenberg, 1990, 2002; Withiam, 1996).

#### **4.2.2 Hospitality's ethical climate and ineffective management**

Hospitality's poor ethical climate is largely caused by ineffective management as summarised below.

- 1 Senior managers establish the ethical climate by example and enforcement (Fritzche, 1987; Fritzche & Becker, 1984; Hegarty & Sims, 1978; Posner & Schmidt, 1987).
- 2 Management's commitment and a clear statement of the required ethical standards (but not necessarily through the use of a code of ethics) are the most important influences on ethical standards (Alam, 1993), and management's integrity is the most important influence on profit (Simons, 2002).
- 3 Although managers have higher ethical values than students, (Arlow & Ulrich, 1980; Carroll, 1975; Freedman, 1990; Glenn & Loo, 1993; Stevens & Fleckenstein, 1999; Stevens, 1984) they are likely to compromise them (Reynolds, 2000).
- 4 The way management's values are perceived affects employees' ethical choices (Alam, 1993, 1999; Arlow & Ulrich, 1988; Baumhart, 1968; Callan, 1992; Lee & Yoshihara, 1997).

#### **4.3 Conclusion**

Managers (by virtue of position, age, education and perhaps socialisation) are likely to have higher ethical standards than (for example) students, yet such

standards are not apparent in many hospitality operations. Because management's influence on ethical standards is so strong, it is difficult to avoid the obvious hypothesis, that hospitality's poor ethical standards are management's fault. However, although hospitality managers emerge as culpable (it would be unethical to pretend that the author would behave any better in their position), their major weakness may be their persistent belief that they are ethical (Reynolds, 2000) when they are probably not.

This study of New Zealand hospitality operations is undertaken with the intention of identifying causes (i.e. specific influences), predictors (i.e. specific associations), and levels of ethical tolerance of workplace problems. It is expected that recommendations for improvement in exposed and vulnerable areas will also be identified, but other problems such as low pay and under-resourcing may be (at least in the interim) beyond the scope of management to improve. In some cases, these may be management's burden as well, and under the circumstances they are likely to be found to be 'doing well' in the difficult conditions of this industry.

Another theme worthy of investigation is the conflict between satisfying customers, maintaining good ethical standards, and co-operating with the policies of the organisation. This was raised by both Wong (1998) and Reynolds (2000), but will not be tested in this study.

Fortunately for New Zealand, research into hospitality ethics is likely to reveal the presence of strong ethical standards, as this country is currently rated second (after Finland) on the International Corruptions Perceptions Index (Transparency International, 2004). However, complacency should not be allowed to develop, as early detection of problems will help managers establish and maintain high ethical values.

## Chapter Five: Methodology

The first precept was never to accept a thing as true until I knew it as such without a single doubt (Rene Descartes)

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## **5.1 Research problem and hypothesis**

Although prior research indicated a range of solutions to routine problems in hospitality (Poulston, 2000), the specific causes and predictors of unethical behaviour in hospitality are not known. The aim of this study therefore, is to understand workplace problems in hospitality by soliciting views from staff, supervisors and managers on specific issues. Proving or disproving the hypotheses (Section 1.3.2) will provide an understanding of these problems, identifying possible causes and solutions.

### **5.1.1 Anticipated results**

It was anticipated that the use of student (and therefore transient) labour and young employees would be associated with unethical and illegal practices. Questions were therefore designed to test respondents' tolerance of unethical practices, so correlations between individual demographic characteristics (such as whether or not the respondents are students) and levels of tolerance could be identified<sup>9</sup>. It was also anticipated that correlations between poor formal rewards and high tolerance of unethical behaviour would be identified, and some rationalisations for inappropriate behaviour provided in the answers to open-ended questions.

It was expected that management would emerge as a sleeping partner to many crimes and misdemeanours, being a passive supporter of sexual harassment, under-staffing, and poor food hygiene.

## **5.2 Research design**

### **5.2.1 Rationale**

An empirical approach was selected, following exploratory research on the same topic (Poulston, 2000). The exploratory research confirmed the writer's belief based on some fifteen years in hotel management, that the hospitality industry is riddled with unpleasant, unfair, illegal and unethical behaviours, many of which are traditional and self-perpetuating. *The Oxford English Dictionary* (1989) defines empirical as based on observation or experience

<sup>9</sup> 'Although 'demographic' denotes a population's characteristics, in this study, this is extended to characteristics relating to the nature of people's employment, such as tenure, department, and business type.

rather than deduction from theory, and broadly refers to knowledge derived from experience. The purpose of this research was to therefore capture and quantify observations based on experience to provide an academic basis for anecdotal information already available, so industry practitioners might recognise the effect and gravity of the problem. The underlying objective was also to advance knowledge in the area of hospitality workplace issues generally, to facilitate discussion, stimulate further study, and identify industry specific causes.

While a comparative approach would have provided opportunities to demonstrate industry standards alongside other susceptible industries (politics and second-hand car dealing?), this might also have allowed recalcitrant operators to claim they were no worse than anyone else. Furthermore, the question is not 'how bad are we compared to them?', but 'how big is this problem, and what's causing it?' An empirical non-comparative approach aims to answer these questions, and allows unimpeded focus on hospitality, the writer's particular interest. For someone interested in unethical, illegal, and unpleasant behaviours, the hospitality industry has an appeal similar perhaps to that of a bramble bush heavy with blackberries, just waiting to be harvested.

### **5.2.2 Research instrument**

Enghagen and Hott (1992) identified ethical issues nominated by respondents by using open-ended questions, the same methodology used in the exploratory research preceding this study. Vignettes are useful for probing moral reasoning and predicting behaviour (Roxas & Stoneback, 2004), and commonly employed in ethics research because of the issue-dependent nature of ethical behaviour. Stevens and Fleckenstein (1999) asked respondents to rank responses to vignettes based on actual hospitality incidents to determine which were perceived as unethical. Their methodology was informed by the work of Damitio and Schmidgall (1993), in which managers rated fictitious ethical dilemmas, resulting in a ranking of behaviours according to the perceived seriousness from an ethical perspective. Paulin, Searle, and Knaggs (2003) also used vignettes in their survey of 1500 people on their attitudes to six different crimes in New Zealand.

Ghiselli and Ismail (1999) used vignettes to determine which role-related situations were perceived as unethical. They outlined incidents such as

dropping food on the floor, asking respondents to select one of four offered solutions. They applied a closed question format, which has the advantage of offering a quantitative approach to analysis. However, while empirical research of this nature is generally appropriate for confirming or refuting a hypothesis, vignettes were not considered suitable in this thesis, as the following discussion explains.

Primarily, respondents are likely to take more time to read and consider a vignette than a question of one or two lines. As the scope of this study is wide, and three or more responses sought on each of eight issues, simple questions were considered more efficient; besides, the intention of these questions is not to probe moral reasoning, but to identify the status quo in terms of incidence, tolerance, and attitudes. Secondly, questions allow for a wider range of responses than do vignettes; for example, a question requiring a yes or no answer is a more efficient way to determine which items respondents are prepared to steal, than is a series of vignettes. Thirdly, this study examines responses to specific issues such as 'how often does this happen in your workplace?', 'what do you think about it?', and 'what is management doing about it?', rather than hypothetical situations that require vignettes to stimulate a respondent's imagination.

Questionnaires surveying large populations are frequently used in ethics research (e.g. Chonko & Hunt, 1985; Forte, 2004; Jones & Gautschi, 1988; Lin, 1999) and other areas of social science, to measure seemingly abstract concepts such as organisational culture (e.g. Hofstede, Neuijen, Ohayv, & Sanders, 1990). Hospitality research predominantly uses quantitative survey instruments (Lucas & Deery, 2004) which are particularly favoured for measuring aspects of service such as quality (e.g. Lee & Hing, 1995) and service orientation (e.g. Kim, McCahon, & Miller, 2003).

While there is an abundance of studies examining the effects of the environment on moral reasoning, ethical attitudes and standards (e.g. Cunningham, 1991; Forte, 2004; Hunt & Vitell, 1986; Jones & Ryan, 1998; Trevino, 1986), and ethical perceptions in a hospitality environment (e.g. Damitio & Schmidgall, 1993; Ghiselli & Ismail, 1999; Reynolds, 2000; Stevens & Fleckenstein, 1999; Yeung, 2004), there is none measuring the actual and

perceived incidence of unethical behaviours alongside tolerance of these behaviours. Furthermore, very few empirical studies in hospitality identify areas that might be considered high-risk from an ethical perspective. (An exception is Wong's (1998) Hong Kong study, which identifies front-of-house areas as high risk.)

The use of a questionnaire facilitates the collection of ideas from a large number of participants, whereas interviews and focus groups, while providing answers from industry representatives, would be more likely to point the way to a subsequent quantitative study measuring the problem and its causes. The use of a set of measurable variables also allows the quantification and manipulation of data in a variety of combinations (Botterill, 2000), and therefore, the isolation of influential variables.

### **5.3 Questions**

Five-point Likert scales are commonly used in questionnaires to facilitate speedy respondent participation and simplify analysis. However, where different dimensions exist within a variable, the simple Likert scale proves inadequate. For example, although such a scale will measure graded beliefs about how often employees steal, it is not so well suited for measuring whether or not stealing is allowed, and if not allowed, whether management is perceived as trying to stop it. Similarly, the standard Likert scale is not suited to different categories of the same variable, such as whether or not to steal pens, cash, and cars, unless the intention is to rank respondents' propensity to steal these. Although ranking these would have been interesting, to collect such detail would have been at the expense of other information that may have been more helpful to the hypothesis.

It was therefore decided to adapt the Likert-scale format, but use different sets of graded response according to the question, rather than a simple 1 – 5 rating. First, eight hospitality issues were selected, as outlined in Chapters 1 and 3 (working in smoke, sexual harassment, constructive dismissal, under-staffing, poor training, poor food hygiene, illegal alcohol service and theft). For most issues, three questions were used to test actual and perceived incidence, management's perceived opposition, and ethical tolerance. Categories for which this format were considered unsuitable, were working in smoke and

sexual harassment, as outlined in Sections 5.3.1 and 5.3.2.

### **5.3.1 Actual and perceived incidence**

The actual and perceived incidence of workplace problems is examined to establish the severity of the problems, and areas in which they are most prevalent. For most variables, perceptions rather than incidence are measured, to avoid an investigative approach which might alienate participants, rather than encouraging them to co-operate. Questions concerning the incidence of undesirable behaviours are framed so participants can declare the existence of a problem without incriminating themselves (e.g. rather than asking respondents if they have served food that was dropped on the floor, they are asked if food that was dropped on the floor was also served to customers). It is hoped that this will enable a reasonably accurate picture to emerge, as perceived incidence is work-place specific rather than person-specific.

Questions relating to smoking and sexual harassment test actual, rather than perceived incidence; respondents were asked if this had occurred to them personally, rather than if it had occurred in their workplace.

Perceived (and actual) incidence is tested using a Likert scale of 'never', 'once or twice', 'commonly', 'frequently', and 'all the time'. Participants were also offered options of 'does not apply' and 'don't know'. The incidence of working in smoke is measured two ways, to determine both personal incidence, as well as choice about being subjected to smoke. Management's perceived opposition was not tested, as asking an employee to work in smoke is construed as low management opposition.

### **5.3.2 Ethical tolerance**

Ethical tolerance is examined to establish how strongly participants feel about the behaviours tested, and to identify whether or not the selected problem is perceived to be an ethical issue. Ethical tolerance is actual rather than perceived, and is also measured using a Likert scale: 'strongly agree', 'agree', 'neutral', 'disagree', or 'strongly disagree'. Tolerance to smoking is measured two ways, to determine both personal tolerance to working in smoke, and ethical tolerance of people smoking in a workplace.

### **5.3.3 Perceived opposition**

While ethical tolerance is actual tolerance, perceived opposition is concerned with management's tolerance. Perceived opposition was tested using a Likert-type scale of 'standard practice', 'encouraged', 'allowed', 'not allowed', and 'something management is actively try to stop'. Participants were also offered options of 'does not apply' and 'don't know'.

Perceived opposition is examined to establish how strongly management is perceived to oppose the practices in the study. Perceived opposition to employees working in smoke is not tested, as the existence of smoke in bars and restaurants before December 2004 indicates that managers were not opposed to their staff working in smoke. Similarly, there were so many dimensions of sexual harassment questions (identifying both the harasser and harassed), respondents were not questioned about management's perceived attitude to harassment. Perceptions as well as actual opposition are measured, as some responses are from managers themselves.

### **5.3.4 Questionnaires**

Respondents had the opportunity to add written comments about each issue in the questionnaire (e.g. sexual harassment), as well as respond to four open-ended questions designed to solicit information about unfair or unethical personnel practices, services, treatment of customers, and behaviours relating to guest needs. At the end of the questionnaires, a blank page entitled 'Your story' was added, inviting respondents to provide information that had not been requested elsewhere. Several participants (58) took up this opportunity, mostly to describe situations they found particularly difficult or stressful.

Four questionnaires were used, which appear in the appendices. The first two were used for pilot studies (PS/1 and PS/2), the third (MC/1), for hotels in the Auckland area, and the fourth and fifth (MC/2 and MC/3), for students at AUT, as well as hotel, bar, and night-club respondents. The fourth questionnaire (MC/2) was modified to obtain more precise information on ages, lengths of service and experience, when it became evident from responses that some of the groupings were being over-utilised (e.g. of all respondents, 66% had been in their positions for fewer than five years). However, the extra data could not be

used without compromising consistency. The fifth questionnaire (MC/3) was altered to provide more detail on the workplace type of respondents, as many Auckland University of Technology (AUT) participants responded 'does not apply' to the hotel size question, indicating they were not working in hotels. Although bars, nightclubs, restaurants, and 'other' were added, bars and nightclubs were subsequently collapsed as 'bar', as there were so few nightclub respondents, and this was the best category in which to recode them.

## **5.4 Research process**

### **5.4.1 Preliminary, pilot and main studies**

A preliminary survey was administered in 2000, to 58 undergraduate hospitality students at AUT. The survey comprised 17 questions designed to identify areas of ethical uncertainty, as well as situations, products and activities that respondents might feel unsure about or uncomfortable with. As the scope of the research problem was not clearly defined, questions were open-ended and the sample small, producing primarily qualitative data. Respondents considered their own ethical and general workplace problems, as well as those of colleagues, superiors, staff, and competitors, to mitigate any sensitivity about reporting on their own inappropriate behaviour. Neutral language was maintained by referring to 'dilemmas' and 'conflicts', hoping this would encourage participants to view inappropriate and illegal activities as problems rather than inherently bad acts. This survey contributed to a Masters' thesis, and references to this study are cited as Poulston (2000).

Two pilot studies were conducted in March and April 2003, and are discussed in detail in Appendix B. Both tested a questionnaire designed to identify relationships between workplace problems and demographic characteristics, and although most questions used a four or five point Likert scale, some open-ended questions were included to solicit qualitative data. Questionnaires were self-completed, and analysed using Statistical Package for Social Science (SPSS).

After minor adjustments, 1848 questionnaires were distributed amongst staff, supervisors and managers in 27 Auckland hospitality-related workplaces, and to hospitality students at AUT, producing 534 usable responses. Workplaces

included food services premises, nightclubs, bars, three, four, and five star hotels, a trade union, and the AUT School of Hospitality. Students ranged from those on short courses learning basic service skills, to second year post-graduate students (the exact courses on which the students were enrolled and the names of cooperating hospitality workplaces are confidential to the writer but available to the thesis supervisors and examiners on request). Response rates are presented in Sections 5.5 and 5.6.

#### **5.4.2 Ethics approval**

Approval to use human subjects for research was applied for and granted by the AUT Ethics Committee (AUTEK) in January 2003, for a period of two years. Approval was initially sought for hospitality employees only, but subsequently extended to include AUT students. An extension beyond the expiry date in January 2005 was not required. Separate approval was granted for the preliminary study in 2000, and subsequent approval obtained for the pilot and main studies (presented in Appendix E).

As part of the application for ethics approval, arrangements were made with AUT's Health and Counselling group to provide free counselling to anyone who, as a result of participating in the study, wanted to talk to a counsellor. The following extract was included in the information sheet attached to the questionnaire.

If you find these questions disturbing, you can discuss your concerns with an AUT counsellor at no charge. The counselling service has been advised of this research in case any person feels distressed as a result of answering these questions and can be contacted by telephoning 917 9999 extension 9992 and asking for (name of counsellor).

AUTEK also required that participants were fully informed of the purpose of the research, who to contact if they wished to discuss anything relating to it, and also, that their participation was voluntary. These issues were also addressed in the information sheet attached to each questionnaire. Most AUT students participating in the study also had the opportunity to view the information sheet displayed on a screen at the front of their classroom.

## **5.5 Participant selection**

### **5.5.1 Target population**

The study was located in New Zealand because little hospitality research has been undertaken here, although hospitality workplaces struggle with the same problems of staff turnover, low pay, and tight profit margins commented on internationally. Although the local environment has its own idiosyncrasies (e.g. less tipping, smaller population, and arguably more ethical), as research findings from elsewhere can often be applied here, the results of this study should be applicable to many overseas locations. Although data could have been collected throughout New Zealand, locating the study in Auckland, being the writer's current place of residence, expedited data collection and offered the advantages of local knowledge (e.g. the names of local hotel managers).

An initial target of 1000 was somewhat arbitrarily set after consulting numerous studies to determine the reasoning for their sample sizes. Studies utilising student populations generally obtain the greatest number of participants, but such a sample provides data from a subset of the population that may not necessarily represent the remainder. Studies soliciting views from employees and managers in industry were generally able to reach 400 participants, but few achieved substantially more than this (see Chapter 4, Table 3). In consideration of Auckland's small population (1.1 million, Statistics New Zealand, 2001) by international standards, achieving even 1000 completed responses from industry was likely to prove difficult, but the attempt made anyway. As expected, some hotels did not participate and a student sample was added to reach the amended target of 500. Cohen's (1988) contention that a sample of 384 is sufficient to represent an infinite population was not entirely convincing, but provided some comfort.

### **5.5.2 Industry workplaces**

Letters requesting participation were initially sent to 33 hotels and 12 liquor outlets (bars, taverns, and nightclubs). A telephone call followed each letter explaining the purpose of the research. As many managers asked to see the questionnaire before agreeing to participate, blank questionnaires were included in all except the first mail-out. The participant harvest resulted in 16 active participants (35%), three participants that did not produce any completed

responses, and ten that proved difficult to contact personally, and were therefore added to the postal collection.

<b>Industry participant harvest: approach</b>				
	<b>Hotel</b>	<b>Liquor outlet</b>	<b>Union</b>	<b>Total</b>
Letter	33	12		45
Personal contact			1	1
<b>Total participants</b>				46

**Table 4 Industry participation harvest: approach**

Names and addresses were primarily derived by merging contact details supplied for the purpose by the Major Accommodation Providers (MAP) organisation, with lists generated from the yellow pages of the Auckland telephone directory. Discussions with the writer's teenage children resulted in the addition of several nightclubs and liquor outlets that were apparently popular with their contemporaries. Each property was telephoned before a letter was sent out, to ensure the manager's name was correct.

<b>Industry participant harvest: participants and non-participants</b>				
<b>Non participants</b>				
Repeatedly deferred	1			1
Not contacted	3			3
Telephoned to refuse	1			1
Emailed to refuse	3			3
Wrote to refuse	2			2
Refused when telephoned	6	1		7
<b>Non participants subtotal</b>	16	1		17
<b>Participants</b>				
Cooperated without response	1	1	1	3
Resulted in postal collection	1	9		10
Active participation	15	1		16
<b>Participants subtotal</b>	17	11	1	29
<b>Total</b>	33	12	1	46

**Table 5 Industry participation harvest: participants and non-participants**

Actively participating hospitality workplaces totalled 15 hotels (with a range of 98 to over 400 rooms) and one liquor outlet. The first questionnaires were delivered to hospitality workplaces on 6<sup>th</sup> June 2003 and the final collection completed on 6<sup>th</sup> November 2003.

### **5.5.3 Gaps and biases**

Although some large hotels (over 300 rooms) did not participate in the study, there was adequate representation from hotels of 100 rooms or more, and also from those of three or more quality stars. Smaller hotels and lodging operations of lesser quality were approached but proved difficult to work with, often due to the apparent ad hoc nature of their management, and increased pressures caused by having fewer employees and less resources generally. Furthermore, collection from smaller operations is inherently difficult, as more businesses need to be approached to obtain the same number of individual responses as could be secured from one large business. Gaps and biases resulting from these difficulties were resolved by collecting directly from students who worked in a variety of hospitality workplaces, as discussed in Section 5.5.5.

A postal collection was undertaken in February 2004 after the main collection had been completed; 29 packages were mailed out, each containing six blank questionnaires with a stamped-addressed envelope, and a letter requesting that either employees or senior managers complete them, depending on the property's previous response. Of these, 19 were sent to participating and non-participating hotels and 10 to liquor outlets. Examples of all letters are in Appendix E. Hotel managers were very co-operative with the postal collection, which surrendered a 25% return from middle and senior management.

### **5.5.4 Refusals and non-cooperation**

Some questionnaires were not completed or collected, for a variety of reasons. Only three completed responses were obtained from liquor outlets, as many were lost, or at least proved difficult to find. Although the hospitality workers' union was enthusiastic about participating, no questionnaires had been completed when the main collection was finalised in November. Some hotel managers wrote and explained why they did not participate, some emailed, and one telephoned.

Reasons for refusing to cooperate were generally associated with discomfort about the types of questions, although some gave no reason. One human resources manager said the questions about theft suggested it was okay to steal, which she said was too sensitive an area to discuss with employees.

Some general managers felt the questions would compromise their relationship with their staff, and one particularly did not want this to occur as he was in the process of renegotiating their Collective Employment Contract. Another said their hotel was undertaking team building work and felt the questions were negative and could interfere with their current philosophy (however, he did not explain what the current philosophy was, or when it would be no longer current). Two or three owner-managers of smaller operations felt 'a bit uncomfortable' with the questions, though one did say there would be no point in asking his staff such questions as they would have nothing to report, there being no unethical behaviour at his property. Two properties refused because a colleague had recently asked them to co-operate with his doctoral research, and understandably, they did not feel like helping again.

Some (otherwise) well respected hotels did not co-operate with the research for what seemed rather spurious reasons. Although one claimed their hotel never participated in research for security reasons, a senior manager in the hotel advised the writer (in confidence) that due to the sensitive nature of their operation, they would not allow investigations into anything related to ethics or workplace problems. This manager, along with another senior manager from that property, was later found to be surplus to the hotel's requirements.

Another well respected quality hotel 'lost' the completed questionnaires when the General Manager left. However, most hotels that were approached were very co-operative, and some seemed rather naive, returning completed questionnaires with the hotel's name on each envelope.

### **5.5.5 Auckland University of Technology collection**

Six weeks after data collection started, it became evident that a further supply of participants would be required. Projections at that stage indicated that 4000 questionnaires would need to be distributed to secure the target of 1000 responses, double the amount initially anticipated. Although the return rate of 25% (25% completed returns, 25% reusable questionnaires and 50% wastage) was satisfactory, the profile emerging from responses indicated that hotels and restaurants of lesser quality (i.e. less than three stars) were not being adequately represented.

Therefore, in order to obtain better representation from the hospitality community, a request was made to survey AUT's hospitality students on both practical and academic courses, both to reduce the wastage of questionnaires, and to obtain a more complete, and therefore accurate profile, of local hospitality workers. If students had not been added to the collection, there would have been very few responses from bars and nightclubs, and none from small cafes, restaurants, back-packer hostels, or motels, as these were not included in the main collection due to the complexities of working with so many small operations.

Co-operation with this was dependent on approval from the Head of School, and an extension to the ethics approval from AUTECH. Assurances were given that approval would also be sought from tutors and lecturers, and students would not be pressured to participate. As students were included in questions in the demographic section, students' results could be separately identified and analysed separately if necessary. Furthermore, as AUT's students included a variety of ages, skills, and employers, their responses would add real value to the results of the survey. After securing approval, a separate Information Sheet was generated for student collections, and alterations made to the questionnaire to include a wider variety of workplaces than the hotels, bars and restaurants initially specified.

The AUT collection surrendered 305 responses and included employees from a much wider variety of workplaces than could have been otherwise achieved.

## **5.6 Distribution and collection**

### **5.6.1 Distribution**

Many large hotels did not participate, frustrating the collection process. However, the 534 responses collected were considered more than adequate to answer the research questions so active collection stopped after 500 responses had been received, rather than continuing to 1000. Finalising the collection at this point rather than continuing to 1000 also offered the advantage of a condensed collection period, having contemporaneous participants.

Methods of distribution varied according to the preferences of managers, but questionnaires were usually left in staff areas such as cafeterias and offices.

Employees wishing to participate completed a questionnaire and dropped it in a sealed box, which was collected by the writer after two weeks. Although some hotels distributed questionnaires with pay slips, completed responses were still collected independently by the writer. During the collection phase it became apparent that most responses were from staff and supervisors, so six questionnaires were posted to each of the 28 managers cooperating with the research, to ensure sufficient responses were received from senior employees.

<b>Distribution and collection methods</b>		
<b>Method of distribution</b>	<b>Sent</b>	<b>Used</b>
<b>Hospitality workplaces:</b>		
Individually labelled and sent to all employees	208	53
Completed by staff after staff meeting	50	18
Left in staff room for self-completion	651	120
Left in front office for self-completion	40	3
Given to selected staff by senior employees	10	7
Given to union organisers to distribute	100	0
Given to reception to distribute but not collected	65	0
Unknown origin mailed to the author's home	0	1
Mailed out with stamped addressed envelope	140	36
<b>Hospitality workplaces subtotal</b>	<b>1264</b>	<b>238</b>
<b>Auckland University of Technology:</b>		
Distributed and collected by author in classroom	464	262
Distributed by author & collected by lecturer in class	60	34
Distributed and collected by lecturer in classroom	11	2
Left by author's office for staff and students	19	4
Left in hotel school staff room for staff	30	3
<b>Auckland University of Technology subtotal</b>	<b>584</b>	<b>305</b>
<b>Total</b>	<b>1848</b>	<b>543</b>

**Table 6** Distribution and collection methods

### 5.6.2 Collection

Of the 2000 questionnaires printed, 1848 were distributed, 523 (28%) of which were returned as reusable, 782 (42%) lost, and 543 (29%) completed. The remaining 675 (152 + 523) unused questionnaires were destroyed in April 2005. Amongst the 543 completed questionnaires were nine invalid responses that were discarded. These included two facetious responses, and seven from respondents with inappropriate experience, such as retail, and assumed to be from AUT students. Of the 534 analysed in this study, 296 (55%) were from AUT, 202 (38%) from the main collection in hospitality businesses, and 36 (7%) from the postal survey. All hospitality questionnaires were collected by the writer from the workplace or mailed to the university.

<b>Collection summary</b>		
Distributed	1848	
Lost	-782	42.3%
Returned	1066	57.7%
Reusable	-523	28.3%
Completed	543	29.4%
Invalid	-9	0.5%
Usable	534	28.9%

**Table 7** Collection summary

### 5.6.3 Distribution and collection summary

To answer the research question satisfactorily, the views of staff, supervisors and managers were required on issues relating to each group (i.e., staff, supervisors, and managers), so adequate representation from each of these groups was important. Frequency analyses of the independent variables (Chapter 7, Table 3 to Table 7) shows of all respondents, 67% were staff, 12.9% supervisors, and 19.1% managers (many of the remaining 0.8% were chefs who thought they were neither staff nor management). This was considered more than adequate, as there were sufficient respondents identifying as managers to represent management's view. However, the pay, age and experience of some who identified as managers, suggests this group includes a wide range of 'managers', and not just those at senior level.

<b>Frequency analysis of business types and sizes</b>			
	Frequency	Percent	
<b>Business type</b>			
Up to 3 star hotels	74	17.7%	
4 star hotel	104	23.1%	
5 star hotel	117	25.9%	
Does not apply (not hotel)	75	16.6%	
Restaurant, cafe etc	63	14.0%	
Bar	7	1.6%	
Nightclub	2	.4%	
Other	3	.7%	
<b>Total</b>	<b>451</b>	<b>100%</b>	
<b>Hotel size</b>			
			Available
Up to 250 rooms	130	37.2%	73.5%
250 - 349 rooms	45	12.9%	17.6%
350 rooms or more	109	31.2%	8.9%
Don't know	65	18.6%	
<b>Total</b>	<b>349</b>	<b>100%</b>	<b>100%</b>

**Table 8** Frequency analysis of business types and sizes

Frequency analyses of business types and sizes were taken during the

collection to determine whether there would be adequate representation from all parts of the local industry. As data in Table 8 demonstrate, most business types are well represented except bars and night-clubs, as collection from these sites proved exceptionally difficult. As responses from one and two star hotels totalled only six, these properties were regrouped with the next grade up, and the category renamed as three stars or less.

When a similar analysis was taken of hotel sizes, those with 250 – 349 rooms appeared at first to be under-represented. However, a check on the writer's database of Auckland hotels at the time of the collection indicated that 73.5% had less than 250 rooms, 17.6% had 250 – 349, and 8.9% had 350 rooms or more. As the number of mid-sized hotels was approximately a quarter of the number of small hotels, and response from mid-sized hotels a third of that from small hotels, the proportion of participants from mid-sized hotels was considered satisfactory. As there are more potential participants in larger hotels, the proportion of participants from these hotels was also considered satisfactory.

Had the data been skewed to one particular group during the collection phase, it would not have been possible to extrapolate the results of the study to the entire industry. However, some care should also be taken when applying the results of this study to small operations such as cafes, bars, nightclubs, and small lodging operations, as these comprised less than a third of the workplaces included in the study.

Participants from the AUT sample were better qualified than those in the main collection, but had less hospitality experience, shorter lengths of service, lower pay, and less job security. They were also more likely to be working in staff positions than those in the main collection, and worked mostly in food and beverage departments, food and beverage businesses, and hotels of three stars or less. This collection also included more participants under 25 years old, and more Asians, which are reflected in comments relating to students elsewhere in the study.

## **5.7 Analysis**

### **5.7.1 Collation and coding of responses**

As many managers were concerned about privacy, it was decided to ensure that responses could not be matched to properties, even by the writer. Completed responses were therefore mixed together until questionnaires had been uplifted from several workplaces, and no coding used that could identify the workplace of respondents (this subsequently became a matter of some regret, as it was not possible to check some of the demographic characteristics, such as hotel size or standard). Completed questionnaires were labelled with the month and year of collection, and the subset of the collection they belonged to: hospitality or student.

Quantitative data input was undertaken by the writer to ensure a good understanding of the data was achieved. Frequencies are reported using SPSS to determine the profiles of respondents, and cross-tabulations presented to identify associations between attitudinal questions and demographic characteristics.

Valid responses for many questions are less than 534, because of missing responses, 'don't know' and 'doesn't apply', because respondents skipped the question, or because they did not complete the questionnaire. Most of those who did not complete were students, some of whom ran out of time and needed to go to their next class.

### **5.7.2 Significance tests**

Because some expected frequencies are small, two-way contingency was tested using Pearson chi-square tests and eta. Chi-square tests were used to establish whether the row and column variables were independent by testing the statistical significance of the relationship between the two variables. This technique is useful for determining the likelihood that data in a particular contingency table can be reasonably generalised to a population (Bryman, 2001). Chi square is the sum of the difference between the observed and expected counts, divided by the expected value of the cell.

Consistent with conventional social science practice (Hie, Hull, Jenkins,

Steinbrenner, & Bent, 1975), relationships with a probability of five percent or less of occurring, were taken as statistically significant. Significance values of less than .05 were therefore taken as indications that the variables were independent; that is, data were not distributed according to statistical expectations. Statistically significant chi-square values are high-lighted in the data tables (Chapters 6 - 9, and 11).

Eta was also used to test the significance of associations between two sets of variables. Eta is a measure ranging from 0 to 1, with 1 indicating the highest level of association. Statistically significant values were taken as those over .1, and are also high-lighted in the data tables.

Eta is usually used to determine the strength and significance of the relationships between row and column variables in cross-tabulation tables, and is appropriate where one variable is ordinal or scale, and the other is nominal with limited categories, such as gender (Bryman, 2001). In this study, most of the independent variables were ordinal or scale (e.g. seniority and age), but not all (e.g. department), and the dependent variables were ordinal. However, both chi-square tests and eta are presented, as in combination these provided assurance of the significance of relationships between two variables, and were generally consistent, in that low significance values (e.g. .000) were usually associated with higher eta values (e.g. close to .2 or more). For clarity, most data that were not significant were removed.

### **5.7.3 Quantitative data analysis**

Respondents provided confirmatory detail to some of the closed-end questions such as ethnicity, to ensure their interpretation of the question was the same as that of the writer, thereby maximising the accuracy of coding decisions. As data were entered, extra values were added to these variables to allow for greater analysis; however, many of these were subsequently collapsed or regrouped, as the original groupings were for the most part, adequate.

As data were entered it became evident that many employees had not accurately represented either the size of their business, or the quality (i.e. star rating). Initially some corrections were made to represent the facts accurately, but when data from several hotels were being processed simultaneously it

became apparent that accurate corrections could no longer be made, as the hotel sizes were not known to the writer. If questionnaires had been marked to indicate which hotel or workplace they had come from, an accurate representation of size and quality of workplaces would have emerged. As it is, results from questions about the quality of respondents' workplace were discarded, and results relating to size regrouped into values that ensured some degree of accuracy.

Extensive efforts to protect the anonymity of participating hotels were still considered worthwhile, as in most cases, it was not possible to associate particular comments and issues with particular properties. Where associations have been possible, these have not been shared, as confidentiality was promised in both discussions with hospitality operators, and on the Information Sheets attached to the questionnaires. The assurance of anonymity is considered to have been essential, as the frankness of responses might otherwise have been compromised.

#### 5.7.4 Data cleaning (quantitative)

Some data cleaning was required to correct obvious mistakes, and regroup answers logically, and the following data cleaning schedule (Table 9) was used as a guide during this process to ensure errors were not made. Further to this, extra categories were defined during data input, some of which were subsequently collapsed. Further explanations of data groupings are provided in the results chapters as appropriate.

<b>Data cleaning schedule</b>		
<b>Question</b>	<b>Variables affected</b>	<b>Change</b>
All	Discontinued responses	Identify discontinued responses as 'DNC' instead of missing values (99)
All		Allocate small values (e.g. other) to missing
	1.1, 2.1, 3.1, 4.1, 5.1, 6.1, 7.1 8.3, 3.3, 3.4, 3.5, 3.6, 3.7, 3.8, 3.9, 3.10	Combine 'commonly', 'frequently' and 'all the time', into 'regularly'
	1.2, 4.2, 5.2, 6.2, 7.2, 8.4	Combine 'allowed' and 'encouraged' as 'allowed'
	1.3, 2.2, 2.3, 2.4, 3.2, 4.3, 5.3, 6.3, 7.3, 8.2	Combine 'agree'/'strongly agree' as 'agree' Combine 'disagree'/'strongly disagree' as 'disagree'
3	Sexual harassment	If any of 3.3, 3.4, 3.5 or 3.6 are not 'never', and 3.1 is 'never', amend 3.1 to match. If the response for 3.3 – 3.6 is of greater severity than the answer to 3.1, amend 3.1 to match

<b>Data cleaning schedule</b>		
<b>Question</b>	<b>Variables affected</b>	<b>Change</b>
3	3.3, 3.4, 3.5, 3.6, 3.7, 3.8, 3.9, 3.10	Amend system missing to 'does not apply' and combine with 'never'
8.1 series	Theft by item	Read system missing as 'no'
9	Ethical behaviour	Change to categorical values yes/no
11.2	Position	Change chef to staff unless status clarified
11.5	Pay	Amend no pay to under \$10
11.7	Occupation	If 11.6 answer is full-time or salaried, amend 11.7 missing to 'does not apply'
11.8	Ethnicity	Read European countries as European Combine Korea, China, Taiwan, Japan, and Thailand as Asia
11.11	Qualifications	Read DCA (Diploma in Culinary Arts) and Trade Certificate as Bursary Equivalent
12.2	Code of ethics – how do I know it exists?	If code of ethics answer is no, 'don't know', or missing, amend missing values to 'does not apply' (except discontinued responses) If answer to 12.2 explains origin of code of ethics, and 12.1 states no or 'don't know', amend to yes (except 'I asked for a copy' as they may not have received one)
12.3	Hotel size	Hotel collections: Amend 'does not apply' to 'don't know' Student collections: If hotel standard given, amend 'does not apply' on room numbers to 'don't know'
12.4	Business type	Hotel collections: Amend 'does not apply' to 'don't know' Amend 1 or 2 star ratings in July to 'don't know' <sup>10</sup> Student collections: If room numbers given, amend 'does not apply' to 'don't know'
12.4	Business type	All collections: Combine bar and nightclub
11.3 & 11.4	Length of time in industry and job	If time in job is more or less than time in industry, amend time in job to match

**Table 9 Data cleaning schedule**

### 5.7.5 Qualitative data analysis

Written comments on the questionnaires were transcribed by a clerical assistant and are summarised in Chapter 10 with commentary and interpretations. More detailed comments are presented in Appendix D, with an explanation of sorting and modification criteria. It was expected that written comments would provide support for the quantitative analysis, but as discussed in Chapters 10 and 11, the narrative revealed attitudes and rationalisations for behaviours that were both unexpected and illuminating.

<sup>10</sup> The July collections did not include one or two star hotels.

### **5.7.6 Means comparisons**

Summaries were used to compare means, by batching variables into alternatives that are numbered sequentially to enable valid comparisons. If unsummarised versions had been used, weightings at one end of the scale would have distorted and skewed the data.

Values of 'encouraged' and 'standard practice' were combined for the 'management opposition' data analysis, and balanced against 'management trying to stop', with 'allowed' and 'not allowed' as the central values.

## **5.8 Conclusion**

The six month period of data collection was probably the most enjoyable phase of the study, as this provided contact with hospitality operators, and a preview of the narrative, which were read as data from completed questionnaires were entered into SPSS. If there had been any doubts about the importance of this study at the beginning, the written comments and a telephone call from a distraught respondent were sufficient to convince the writer that many hospitality workers were unhappy, being subjected to unfair treatment, and working in unpleasant conditions.

# Chapter Six: Respondent profiles

A business that makes nothing but money is a poor kind of business (Henry Ford)

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## **6.1 Introduction**

To provide a better understanding of the influences of some of the independent variables, data on four of the more influential variables are presented, showing their relationships with the other independent variables. Summarised data are used, as these are more easily read and produce the strongest associations between variables. Although groups with low counts are generally included to avoid misinterpretation of results, a participant who responded to the gender question as 'other' has been removed from the data, and the response changed to 'no response'. In the seniority group, 'other' includes mostly chefs and administrators. A brief explanation and commentary accompanies each section.

## **6.2 Cross-tabulation analysis of the independent variable, age**

This cross-tabulation analysis presents data on demographic variables according to the ages of respondents (Table 10).

### **6.2.1 Age and demographic variables**

The number (count) of valid responses is given in the first row of each group of variables, and the depth of high-lighting indicates the strength of the association between the two sets of variables.

Although there were more women (57%) than men in the research sample, there were more men than women over 30. Although many respondents (40%) had no formal qualifications, nearly as many (39%) had bursary<sup>11</sup>, reflecting the strong student population in this study (nearly half the sample, 48.7%). Just over two thirds (67%) identified as being in staff positions, most were paid between \$10 and \$14.95 an hour (57%), had fewer than five years in their present position (87%), and were part-time workers (52%) in food and beverage departments (58%) (Respondents self-reported their job security, aided with the definitions of casual as irregular work, part-time as regular, full-time as 40 hours weekly, and salaried as always having the same pay). Most respondents worked in hotels (68%), and most in food and beverage (58%), either in a food and beverage business, or a hotel food and beverage department. Of those working in hotels, more (38%) came from hotels with over 250 rooms than from

<sup>11</sup> New Zealand Bursary was the university entrance qualification at the time of the study.

smaller hotels (31%).

Industry experience and the likelihood of working in a hotel rather than a food and beverage business, were associated with older respondents, and seniority, pay, tenure, and job security all improved with age. Older respondents were also associated more with those working in their primary occupation, than students or those in secondary employment. The likelihood of working in a staff position (rather than supervisor or manager) decreased with age until 40, although comparisons between expected and observed counts indicated that the likelihood of working in a supervisory position gradually increased with age. Rooms division and administration positions were associated with older employees, and food and beverage work with younger employees. The likelihood of working in front office gradually increased with age until 40, and then decreased again.

### Cross-tabulation analysis of age with demographic variables

Age	Under 20	20 – 24	25 – 29	30 – 39	40+	Total
<b>Gender (count)</b>	115	173	63	79	64	494
Female	61.7%	61.3%	58.7%	48.1%	48.4%	57.3%
Male	38.3%	38.7%	41.3%	51.9%	51.6%	42.7%
<b>Ethnicity</b>	113	170	63	79	64	489
European	70.8%	44.1%	31.7%	43.0%	56.3%	50.1%
Indian	1.8%	8.2%	12.7%	11.4%	10.9%	8.2%
NZ Maori	6.2%	5.3%	7.9%	13.9%	4.7%	7.2%
Pacific Islander	2.7%	5.9%	12.7%	12.7%	14.1%	8.2%
Asian	15.0%	31.8%	28.6%	7.6%	10.9%	20.9%
Other / mixed	3.5%	4.7%	6.3%	11.4%	3.1%	5.5%
<b>Qualification</b>	110	171	63	78	62	484
Nothing or S Cert	41.8%	36.3%	33.3%	39.7%	56.5%	40.3%
Bursary or Trade	58.2%	41.5%	28.6%	26.9%	24.2%	39.0%
Bachelor's degree	0.0%	17.0%	30.2%	23.1%	12.9%	15.3%
Post-graduate	0.0%	5.3%	7.9%	10.3%	6.5%	5.4%
<b>Experience</b>	112	174	64	78	64	492
Under 5 years	96.4%	85.6%	54.7%	28.2%	20.3%	66.5%
5 – 10 years	3.6%	13.8%	37.5%	23.1%	20.3%	16.9%
11 or more	0.0%	0.0%	7.8%	48.7%	59.4%	16.7%
<b>Main occupation</b>	113	172	63	79	62	489
Another job	2.7%	6.4%	3.2%	6.3%	14.5%	6.1%
This job	13.3%	29.7%	66.7%	81.0%	79.0%	45.2%
Student	84.1%	64.0%	30.2%	12.7%	6.5%	48.7%
<b>Seniority</b>	109	164	59	74	60	466
Staff	89.0%	81.1%	56.9%	32.4%	41.7%	67.0%
Supervisor	9.2%	12.2%	15.5%	16.2%	15.0%	12.9%
Manager	1.8%	6.1%	27.6%	48.6%	43.3%	19.3%
Other	0.0%	0.6%	1.7%	2.7%	0.0%	0.9%

<b>Cross-tabulation analysis of age with demographic variables</b>						
<b>Age</b>	<b>Under 20</b>	<b>20 – 24</b>	<b>25 – 29</b>	<b>30 – 39</b>	<b>40+</b>	<b>Total</b>
<b>Pay</b>	115	171	59	77	62	484
Under \$10	35.7%	22.8%	13.6%	6.5%	1.6%	19.4%
\$10 - \$14.95	60.9%	71.3%	54.2%	39.0%	32.3%	56.6%
\$15 - \$19.95	3.5%	5.8%	23.7%	26.0%	30.6%	13.8%
\$20 or more	0.0%	0.0%	6.8%	28.6%	35.5%	10.1%
<b>Tenure</b>	112	174	64	78	65	493
Under 5 years	99.1%	99.4%	87.5%	74.4%	50.8%	87.4%
5 – 10 years	0.9%	0.6%	9.4%	14.1%	24.6%	7.1%
11 years or more	0.0%	0.0%	3.1%	11.5%	24.6%	5.5%
<b>Job security</b>	115	174	63	77	65	494
Casual	12.2%	9.2%	7.9%	5.2%	4.6%	8.5%
Part-time	80.9%	67.2%	25.4%	23.4%	18.5%	51.8%
Full-time	7.0%	15.5%	39.7%	28.6%	29.2%	20.4%
Salaried	0.0%	8.0%	27.0%	42.9%	47.7%	19.2%
<b>Department</b>	114	173	62	78	63	490
Admin & general	5.3%	8.7%	16.1%	14.1%	47.6%	14.7%
Food & beverages	84.2%	65.9%	46.8%	42.3%	20.6%	58.2%
Front office	10.5%	20.8%	24.2%	25.6%	3.2%	17.3%
Rooms	0.0%	3.5%	12.9%	12.8%	23.8%	8.0%
Other	1.8%	1.2%	1.8%	5.1%	4.8%	1.8%
<b>Hotel size</b>	82	136	55	70	58	401
Up to 250 rooms	18.3%	22.8%	34.5%	47.1%	46.6%	31.2%
250 rooms or more	15.9%	44.9%	49.1%	35.7%	43.1%	37.7%
Non-hotel	65.9%	32.4%	16.4%	17.1%	10.3%	31.2%
<b>Business type</b>	110	166	62	78	63	479
Hotel (3 star plus)	40.0%	64.5%	82.3%	85.9%	90.5%	68.1%
Food or beverage	56.4%	34.9%	16.1%	11.5%	9.5%	30.3%
Other	3.6%	0.6%	1.6%	2.6%	0.0%	1.7%
<b>Overall</b>	23.0%	35.1%	12.8%	16.0%	13.0%	100.0%

**Table 10 Cross-tabulation analysis of age with demographic variables**

### 6.2.2 Two-way contingency analysis: age

All independent variables were significantly linked to the age variable (Table 11). The weakest associations with age were gender and hotel size, indicating that for each age group, the observed counts for gender were close to expected counts according to statistical likelihood calculations. Weaker associations are represented in Table 10 with paler highlighting in the count rows for these two variables. For other variables, observed counts varied significantly from statistical expectations, indicating strong relationships between (for example) department and age. Age was most strongly associated with industry experience, main occupation, pay and job security, with experience being the strongest predictor of age, identified by the high eta value (.665).

## Two-way contingency analysis of age with demographic variables

Independent variable	Chi-square value	Degrees of freedom	Asymp. Sig. (2-sided)	eta
Gender	6.89	4	.142	.109
Ethnicity	73.06	20	.000	.228
Qualification	64.18	12	.000	.261
Experience	261.70	8	.000	.665
Main occupation	175.03	8	.000	.574
Seniority	124.92	12	.000	.479
Pay	188.32	12	.000	.589
Tenure	131.60	8	.000	.481
Job security	179.05	12	.000	.567
Department	157.93	16	.000	.493
Hotel size	10.14	4	.038	.110
Business type	80.48	8	.000	.378

**Table 11** Two-way contingency analysis of age, with demographic variables

### 6.2.3 Age and demographic variables – conclusions

If the population of this study is representative of the wider population of hospitality workers, it can be assumed that older women are less likely to work in hospitality than younger women, whereas older men are more likely to work in hospitality than younger men. Although the likelihood of working in hospitality appeared to gradually decrease with education (very few respondents had post-graduate qualifications), as there are fewer people with higher education in the wider population, this was not interpreted as a trend peculiar to hospitality.

The large proportion of under 20 year olds in casual staff positions suggests that Auckland's hospitality industry is largely a young person's environment, perhaps because the barrier to entry is low, with many unskilled positions available. Older respondents were mostly full-time or salaried workers reliant on hospitality work for their main income. Most of those aged 25 or more had little or no academic qualifications, and those under 25 years old with school qualifications were probably students, as this group was well represented in the sample.

The typical profile of respondents and the industry generally, was of young unskilled workers supporting themselves while studying, or perhaps accumulating experience to use in alternative employment later. Older respondents were better paid, had more industry experience, stayed longer in their jobs, had more secure employment, and were more likely to be

supervisors or managers. However, they were not restricted to particular departments.

### **6.3 Cross-tabulation analysis of the independent variable, ethnicity**

As ethnicity was strongly associated with many of the dependent and independent variables, a cross-tabulation analysis was taken to determine groupings within ethnicities, and to provide a more comprehensive understanding of findings associated with ethnic groupings.

This cross-tabulation analysis presents data on demographic variables according to the ethnicities of respondents (Table 12).

#### **6.3.1 Identifying ethnic characteristics**

Respondents were asked to identify with an ethnicity (or race), out of European, Indian, NZ Maori, Pacific Islander, or South East Asian, as well as specify their ethnicity verbally. They were also given the option of 'other', with an opportunity to specify their particular ethnicity. Although voluntarily specified ethnicities included 'white New Zealander', Australian, Dutch, Hindu, Japanese etc, the categories offered in the questionnaire were ultimately maintained, as these provided the most useful groupings. However, cultural identification may have proven more useful, as Indians sub-divided into Malaysian Indian, South African Indian, and Fijian Indian (to name a few), all of which have different cultural influences which could not be adequately represented in this study. Those of mixed race, and unclear race (e.g. someone identifying as Australian under 'other', rather than 'European') were categorised as 'other'. 'Asian' refers to respondents from South East Asia, and excludes those from west of Burma such as Sri Lanka and the Middle East, who were also categorised as 'other'.

Decisions regarding groupings were according to count, and no groups of less than 35 respondents were established. These groups proved the same as those offered on the questionnaire.

#### **6.3.2 Ethnicity and demographic variables – observations**

Although those in the 'other' group exhibited the characteristics of Indians under 'main occupation', for other variables such as tenure, they exhibited the

characteristics of Maori. Extensive analyses were therefore undertaken of the 27 responses in this category, to determine whether a useful sub-group could be identified. However, this did not prove viable, as many were of mixed ethnicity, or Australians and New Zealanders who did not specify their ethnic origins. Comments relating to this group have therefore been minimal, as no particular conclusions can be drawn from relationships between the 'other' ethnicity, and other independent or dependent variables.

The dominant ethnic group was European (50%) followed by Asians (20%), of whom 53% were 20 – 29 years old. The numbers of Pacific Islanders in the study increased with age, and there were more women than men in each ethnic group except Indians, of whom 65% were males. Except for Europeans and Indians, as qualifications increased, the proportion of respondents decreased; as a result, Europeans and Indians in this study were better educated than those of other ethnicities. The most common qualification for Europeans was New Zealand Bursary equivalent or a trade certificate (45%), and for Indians, a Bachelor's degree (36%), making them the most well educated. Those least well educated were Pacific Islanders, of whom 72% had either New Zealand School Certificate or no qualification.

Those identifying as Asian had the least experience (89% had worked fewer than five years in hospitality) and those with the most, were Pacific Islanders, of whom 29% had worked for over ten years in hospitality. Those most likely to be students were Asians (71%), and those most likely to be managers were Indians. Europeans and Indians were the highest paid, and those most likely to be salaried workers. Although most Europeans in this study worked in food and beverage, they were also more likely than any other group to work in administration. Indians tended to work in front office positions, and Pacific Islanders and Indians were more likely than others to work in large hotels. Pacific Islanders were those least likely to work in food and beverage businesses, appearing disproportionately in rooms division (housekeeping). The highest proportion of Maori (31%) was the group aged 30 – 39, and 50% of Maori were full-time employees. Maori were found in all departments and positions, and on a wider range of salaries than any other group. The distinctive feature of Maori was that they were not concentrated in particular levels of seniority or in particular departments. The likelihood of finding Pacific Islanders

working in hospitality appeared to increase with age, and was associated more with women and poorly educated workers than any other ethnic group. As the Pacific Islanders in the study were generally older than (for example) Asians, their different attitudes to issues such as theft may be a consequence of their age as much as their ethnicity.

### Cross-tabulation analysis of ethnicity with demographic variables

<b>Ethnicity</b>	<b>Europe</b>	<b>Indian</b>	<b>Maori</b>	<b>Pacific</b>	<b>Asian</b>	<b>Other</b>	<b>Total</b>
<b>Age (count)</b>	245	40	35	40	102	27	489
Under 20	32.7%	5.0%	20.0%	7.5%	16.7%	14.8%	23.1%
20 – 24	30.6%	35.0%	25.7%	25.0%	52.9%	29.6%	34.8%
25 – 29	8.2%	20.0%	14.3%	20.0%	17.6%	14.8%	12.9%
30 – 39	13.9%	22.5%	31.4%	25.0%	5.9%	33.3%	16.2%
40 or over	14.7%	17.5%	8.6%	22.5%	6.9%	28	13.1%
<b>Gender</b>	249	40	38	42	104	28	501
Female	56.6%	35.0%	71.1%	81.0%	55.8%	42.9%	57.1%
Male	43.4%	65.0%	28.9%	19.0%	44.2%	57.1%	42.9%
<b>Qualification</b>	241	39	36	39	100	27	482
Nothing or S Cert	39.0%	17.9%	55.6%	71.8%	38.0%	29.6%	40.5%
Bursary or Trade	45.2%	30.8%	30.6%	17.9%	37.0%	44.4%	39.0%
Bachelor's degree	11.2%	35.9%	8.3%	7.7%	21.0%	22.2%	15.4%
Post-graduate	4.6%	15.4%	5.6%	2.6%	4.0%	3.7%	5.2%
<b>Experience</b>	250	40	38	42	103	27	500
Under 5 years	59.2%	55.0%	57.9%	54.8%	89.3%	74.1%	65.4%
5 - 10 years	20.8%	20.0%	21.1%	16.7%	7.8%	7.4%	17.0%
11 or more	20.0%	25.0%	21.1%	28.6%	2.9%	18.5%	17.6%
<b>Main occupation</b>	246	40	37	42	103	28	496
Another job	3.7%	5.0%	8.1%	16.7%	8.7%	7.1%	6.5%
This job	48.8%	62.5%	54.1%	59.5%	20.4%	53.6%	45.6%
Student	47.6%	32.5%	37.8%	23.8%	70.9%	39.3%	48.0%
<b>Seniority</b>	235	40	34	43	473	473	473
Staff	61.7%	60.0%	58.8%	72.1%	82.7%	78.3%	67.4%
Supervisor	12.3%	10.0%	20.6%	20.9%	9.2%	8.7%	12.7%
Manager	25.5%	30.0%	20.6%	4.7%	7.1%	13.0%	19.2%
Other	0.4%	0.0%	0.0%	2.3%	1.0%	0.0%	0.6%
<b>Pay</b>	244	38	37	42	103	27	491
Under \$10	12.3%	10.5%	21.6%	16.7%	37.9%	18.5%	18.9%
\$10 - \$14.95	55.7%	57.9%	51.4%	76.2%	53.4%	51.9%	56.6%
\$15 - \$19.95	15.6%	23.7%	21.6%	4.8%	5.8%	22.2%	14.1%
\$20 or more	16.4%	7.9%	5.4%	2.4%	2.9%	7.4%	10.4%
<b>Tenure</b>	250	40	38	42	103	28	501
Under 5 years	87.2%	92.5%	81.6%	64.3%	95.1%	82.1%	86.6%
5 – 10 years	7.6%	5.0%	10.5%	14.3%	4.9%	10.7%	7.8%
11 years or more	5.2%	2.5%	7.9%	21.4%	0.0%	7.1%	5.6%
<b>Job security</b>	249	40	38	43	104	27	501
Casual	6.8%	7.5%	5.3%	2.3%	19.2%	.0%	8.6%
Part-time	47.8%	32.5%	50.0%	53.5%	63.5%	59.3%	51.1%
Full-time	20.5%	27.5%	23.7%	39.5%	10.6%	25.9%	21.2%
Salaried	24.9%	32.5%	21.1%	4.7%	6.7%	14.8%	19.2%

### Cross-tabulation analysis of ethnicity with demographic variables

Ethnicity	Europe	Indian	Maori	Pacific	Asian	Other	Total
<b>Department</b>	245	40	38	43	104	25	495
Admin & general	19.2%	2.5%	10.5%	11.6%	10.6%	24.0%	14.9%
Food & beverages	60.4%	45.0%	63.2%	32.6%	68.3%	52.0%	58.2%
Front office	15.5%	42.5%	15.8%	9.3%	15.4%	16.0%	17.2%
Rooms	3.7%	10.0%	10.5%	41.9%	3.8%	4.0%	8.1%
Other	1.2%	0.0%	0.0%	4.7%	1.9%	4.0%	1.6%
<b>Hotel size</b>	220	35	30	34	67	19	405
Up to 250 rooms	31.4%	40.0%	50.0%	35.3%	19.4%	21.1%	31.4%
250 rooms or more	34.1%	48.6%	23.3%	58.8%	35.8%	52.6%	37.8%
Non-hotel	34.5%	11.4%	26.7%	5.9%	44.8%	26.3%	30.9%
<b>Business type</b>	244	39	37	41	97	25	483
Hotel (3 star plus)	65.2%	87.2%	70.3%	92.7%	57.7%	68.0%	68.3%
Food or beverage	33.2%	12.8%	27.0%	7.3%	38.1%	32.0%	29.8%
Other	1.6%	0.0%	2.7%	0.0%	4.1%	0.0%	1.9%
<b>Overall</b>	49.7%	7.9%	7.5%	8.5%	20.8%	5.5%	100.0%

Table 12 Cross-tabulation analysis of ethnicity with demographic variables

### 6.3.3 Two-way contingency analysis: ethnicity

All independent variables were significantly linked to ethnicity (Table 13). The weakest associations were gender, tenure, hotel size, and business type, indicated by lower eta values. Ethnicity was strongly associated with age, experience, seniority, pay and job security, and was most strongly associated with pay.

### Two-way contingency analysis of ethnicity with demographic variables

Independent variable	Chi-square value	Degrees of freedom	Asymp. Sig. (2-sided)	eta
Age	73.06	20	.000	.222
Gender	23.16	5	.000	.014
Qualification	53.80	15	.000	.105
Experience	39.67	10	.000	.202
Main occupation	50.70	10	.000	.157
Seniority	34.11	15	.003	.210
Pay	61.39	15	.000	.266
Tenure	33.97	10	.000	.005
Job security	61.24	15	.000	.213
Department	110.92	20	.000	.124
Hotel size	33.34	10	.000	.084
Business type	26.45	10	.003	.034

Table 13 Two-way contingency analysis of ethnicity, with demographic variables

### **6.3.4 Ethnicity and demographic variables – conclusions**

Europeans participating in this study were better educated than those of most other ethnicities, and more likely than others to work in administration, which included marketing, human resources, finance and general management. This tendency was also reflected in their increased likelihood of being on salaries and higher pay. Indians were the only ethnic group with more men than women in the study, and had the highest proportion of respondents with degrees. They were well paid, often on salaries, and also had the highest proportion of respondents identifying as managers. However, very few (2.5%) worked in administration, suggesting they were not senior managers, but departmental (or middle) managers working in front office and food and beverage.

## **6.4 Cross-tabulation analysis of the independent variable, seniority**

Because the hypothesis assumes differences between employees according to their (self-identified) status, in the following table (Table 14), staff, supervisors, and managers are profiled according to their other demographic characteristics (independent variables). This helps identify the characteristics associated with each position, and avoids incorrect conclusions arising about relationships between the dependent and independent variables. For example, as most managers in the study were aged 30 – 39, and this age group was relatively tolerant of under-staffing (compared with 20 – 24 year olds), the view of this age group on under-staffing is probably a management view on under-staffing. Table 14 presents a cross-tabulation of the independent variable, seniority, with the other independent variables, using case summaries.

### **6.4.1 Seniority and demographic variables – observations**

Staff positions were associated with those under 25, women, Europeans and Asians, fewer than five years' experience, students, hourly wages of under \$15, and part-time positions. Staff had less industry experience, lower pay, and less job security than supervisors. Supervisory positions were associated with 20 – 24 year olds, women, those for whom this was their primary occupation, hourly wages of \$10 - \$14.95, and full-time work. Asians and Pacific Islanders were equally represented at supervisor level.

Most managers (40%) were aged 30 – 39, whereas the most common age for both staff (43%) and supervisors (33%) was 20 – 24. Increased seniority was associated with being over 25, having a tertiary qualification, more than five years' experience, this job as the primary occupation, an hourly wage of \$15 or more, and a salary. Increased seniority was associated with males, Europeans, and Indians, but not with Asians, Maori, Pacific Islanders, or students. Most women worked in staff or supervisory positions, whereas most men (57%) were in management positions. The likelihood of being a manager was significantly improved for men. Managers had more experience than either staff or supervisors (half the sample had more than ten years' experience), but shorter lengths of service than supervisors. Managers were generally older than staff or supervisors, better paid, had more job security (71% were salaried), and were better qualified.

### Cross-tabulation analysis of seniority with demographic variables

Seniority	Staff	Supervisor	Manager	Other	Total
<b>Age (count)</b>	312	60	90	4	466
Under 20	31.1%	16.7%	2.2%	0.0%	23.4%
20 – 24	42.6%	33.3%	11.1%	25.0%	35.2%
25 – 29	10.6%	15.0%	17.8%	25.0%	12.7%
30 – 39	7.7%	20.0%	40.0%	50.0%	15.9%
40 or over	8.0%	15.0%	28.9%	0.0%	12.9%
<b>Gender</b>	320	61	91	4	476
Female	60.0%	59.0%	42.9%	75.0%	56.7%
Male	40.0%	41.0%	57.1%	25.0%	43.3%
<b>Ethnicity</b>	319	60	91	3	473
European	45.5%	48.3%	65.9%	33.3%	49.7%
Indian	7.5%	6.7%	13.2%	0.0%	8.5%
NZ Maori	6.3%	11.7%	7.7%	0.0%	7.2%
Pacific Islander	9.7%	15.0%	2.2%	33.3%	9.1%
Asian	25.4%	15.0%	7.7%	33.3%	20.7%
Other and mixed	5.6%	3.3%	3.3%	0.0%	4.9%
<b>Qualification</b>	306	59	91	4	460
Nothing or S Cert	44.4%	42.4%	29.7%	25.0%	41.1%
Bursary or Trade	41.8%	39.0%	31.9%	25.0%	39.3%
Bachelor's degree	11.4%	15.3%	25.3%	50.0%	15.0%
Post-graduate	2.3%	3.4%	13.2%	0.0%	4.6%
<b>Experience</b>	322	62	91	3	478
Under 5 years	79.5%	53.2%	20.9%	100.0%	65.1%
5 - 10 years	14.0%	19.4%	29.7%	0.0%	17.6%
11 years or more	6.5%	27.4%	49.5%	0.0%	17.4%
<b>Main occupation</b>	318	60	92	4	474
Another job	7.2%	10.0%	2.2%	0.0%	6.5%
This job	28.9%	60.0%	85.9%	75.0%	44.3%
Student	63.8%	30.0%	12.0%	25.0%	49.2%

<b>Cross-tabulation analysis of seniority with demographic variables</b>					
<b>Seniority</b>	<b>Staff</b>	<b>Supervisor</b>	<b>Manager</b>	<b>Other</b>	<b>Total</b>
<b>Pay</b>	<b>321</b>	<b>60</b>	<b>84</b>	<b>4</b>	<b>469</b>
Under \$10	25.9%	5.0%	3.6%	0.0%	19.0%
\$10 - \$14.95	67.3%	65.0%	16.7%	100.0%	58.2%
\$15 - \$19.95	5.9%	25.0%	33.3%	0.0%	13.2%
\$20 or more	0.9%	5.0%	46.4%	0.0%	9.6%
<b>Tenure</b>	<b>322</b>	<b>62</b>	<b>91</b>	<b>3</b>	<b>478</b>
Under 5 years	90.4%	75.8%	80.2%	100.0%	86.6%
5 - 10 years	6.8%	9.7%	11.0%	0.0%	7.9%
11 years or more	2.8%	14.5%	8.8%	0.0%	5.4%
<b>Job security</b>	<b>324</b>	<b>62</b>	<b>91</b>	<b>3</b>	<b>480</b>
Casual (irregular)	11.1%	4.8%	2.2%	0.0%	8.5%
Part-time (regular)	67.3%	35.5%	12.1%	33.3%	52.5%
Full-time (40 hours)	17.6%	43.5%	14.3%	66.7%	20.6%
Salaried	4.0%	16.1%	71.4%	0.0%	18.3%
<b>Department</b>	<b>320</b>	<b>62</b>	<b>91</b>	<b>4</b>	<b>477</b>
Admin & general	8.1%	11.3%	34.1%	0.0%	13.4%
Food & beverage	66.6%	58.1%	34.1%	0.0%	58.7%
Front office	17.2%	11.3%	25.3%	0.0%	17.8%
Rooms	7.2%	16.1%	4.4%	50.0%	8.2%
Other	0.9%	3.2%	2.2%	50.0%	1.9%
<b>Hotel size</b>	<b>253</b>	<b>52</b>	<b>83</b>	<b>2</b>	<b>390</b>
Up to 250 rooms	22.9%	38.5%	57.8%	0.0%	32.3%
250 rooms or more	40.3%	28.8%	31.3%	100.0%	37.2%
Non-hotel	36.8%	32.7%	10.8%	0.0%	30.5%
<b>Business type</b>	<b>306</b>	<b>61</b>	<b>90</b>	<b>3</b>	<b>460</b>
Hotel (3 star plus)	62.4%	67.2%	85.6%	100.0%	67.8%
Food or beverage	35.9%	29.5%	12.2%	0.0%	30.2%
Other	1.6%	3.3%	2.2%	0.0%	2.0%
<b>Overall</b>	<b>67.2%</b>	<b>12.9%</b>	<b>19.1%</b>	<b>0.8%</b>	<b>100.0%</b>

**Table 14 Cross-tabulation of seniority with demographic variables**

### **6.4.2 Two-way contingency analysis: seniority**

Job security was the most significant determinant of seniority (eta of .649), with higher pay and more job security strongly linked to senior positions. Gender and tenure were comparatively weak indicators of seniority (Table 15), and job security, pay, age, experience and main occupation all strong predictors of seniority.

### Two-way contingency analysis of seniority with demographic variables

Independent variable	Chi-square value	Degrees of freedom	Asymp. Sig. (2-sided)	eta
Age	124.92	12	.000	.504
Gender	9.20	3	.027	.111
Ethnicity	34.11	15	.003	.205
Qualification	36.90	9	.000	.259
Experience	130.00	6	.000	.490
Main occupation	106.10	6	.000	.461
Pay	247.62	9	.000	.644
Tenure	19.46	6	.003	.142
Job security	252.46	9	.000	.649
Department	123.15	12	.000	.329
Hotel size	43.86	6	.000	.304
Business type	20.64	6	.002	.204

**Table 15** Two-way contingency analysis of seniority, with demographic variables

#### 6.4.3 Seniority and demographic variables – conclusions

A striking feature of this analysis was the short lengths of service – more than 86% of respondents had worked fewer than five years in their current positions. It is expected that such short employment lengths may be related to training and staffing issues evident in this study. The picture to emerge is of a large workforce of poorly educated and poorly paid young people of mixed ethnicities and little job security, managed by a small group of older, better educated, European males.

Most of the Pacific Islanders in the study (45%) worked in rooms division, probably housekeeping. As the housekeeping department had more supervisors than other groups (27% of those in rooms division were also supervisors), the ethnicity profile of supervisors probably reflects this (data not presented in this table). Nearly 60% of the sample was under 25 years old, and 50% gave their main occupation as student. However, as only 40% of the sample had sufficient qualifications to enter university, student respondents were also those studying to be chefs, hospitality service staff, and unrelated trades such as hair-dressing. Of the questionnaires completed at Auckland University of Technology, 156 were from degree students, comprising 29% of the total sample (n = 534).

## 6.5 Cross-tabulation analysis of the independent variable, department

This cross-tabulation analysis presents data on demographic variables according to the departments of respondents (Table 16). Nine respondents who did not fit into the main departments and were classified as 'other', were excluded from this analysis, as the information has no particular value.

**Cross-tabulation analysis of department with demographic variables**

Department	Admin	F & B	Front Office	Rooms	Total
<b>Age (Count)</b>	72	285	85	39	490
Under 20	8.3%	33.7%	14.1%	0.0%	23.3%
20 - 24	20.8%	40.0%	42.4%	15.4%	35.3%
25 - 29	13.9%	10.2%	17.6%	20.5%	12.7%
30 - 39	15.3%	11.6%	23.5%	25.6%	15.9%
40 or over	41.7%	4.6%	2.4%	38.5%	12.9%
<b>Gender</b>	75	291	86	39	500
Female	45.3%	60.1%	47.7%	87.2%	57.4%
Male	54.7%	39.9%	52.3%	12.8%	42.6%
<b>Ethnicity</b>	74	288	85	40	495
European	63.5%	51.4%	44.7%	22.5%	49.5%
Indian	1.4%	6.3%	20.0%	10.0%	8.1%
NZ Maori	5.4%	8.3%	7.1%	10.0%	7.7%
Pacific Islander	6.8%	4.9%	4.7%	45.0%	8.7%
Asian	14.9%	24.7%	18.8%	10.0%	21.0%
Other and mixed	8.1%	4.5%	4.7%	2.5%	5.1%
<b>Qualification</b>	72	281	86	37	484
Nothing or S Certificate	43.1%	39.1%	29.1%	70.3%	40.5%
Bursary or Trade	27.8%	45.2%	36.0%	18.9%	38.6%
Bachelor's degree	19.4%	11.7%	27.9%	8.1%	15.5%
Post-graduate	9.7%	3.9%	7.0%	2.7%	5.4%
<b>Experience</b>	74	292	87	40	501
Under 5 years	47.3%	76.0%	60.9%	45.0%	66.1%
5 - 10 years	17.6%	14.7%	24.1%	17.5%	17.0%
11 years or more	35.1%	9.2%	14.9%	37.5%	17.0%
<b>Main occupation</b>	75	288	86	38	496
Another job	6.7%	6.3%	2.3%	15.8%	6.5%
This job	73.3%	28.5%	61.6%	68.4%	44.8%
Student	20.0%	65.3%	36.0%	15.8%	48.8%
<b>Seniority</b>	64	280	85	39	477
Staff	40.6%	76.1%	64.7%	59.0%	67.1%
Supervisor	10.9%	12.9%	8.2%	25.6%	13.0%
Manager	48.4%	11.1%	27.1%	10.3%	19.1%
<b>Pay</b>	72	289	84	38	491
Under \$10	11.1%	24.6%	13.1%	18.4%	19.8%
\$10 - \$14.95	23.6%	60.9%	65.5%	65.8%	56.8%
\$15 - \$19.95	29.2%	10.4%	14.3%	10.5%	13.6%
\$20 or more	36.1%	4.2%	7.1%	5.3%	9.8%

### Cross-tabulation analysis of department with demographic variables

Department	Admin	F & B	Front Office	Rooms	Total
<b>Tenure</b>	74	292	87	40	501
Under 5 years	79.7%	92.8%	93.1%	57.5%	87.4%
5 - 10 years	10.8%	5.5%	5.7%	12.5%	7.2%
11 years or more	9.5%	1.7%	1.1%	30.0%	5.4%
<b>Job security</b>	74	293	87	40	502
Casual (irregular)	4.1%	10.6%	4.6%	10.0%	8.6%
Part-time (regular)	16.2%	66.6%	42.5%	40.0%	52.0%
Full-time (40 hours)	32.4%	11.3%	33.3%	37.5%	20.7%
Salaried	47.3%	11.6%	19.5%	12.5%	18.7%
<b>Hotel size</b>	65	222	78	32	403
Up to 250 rooms	41.5%	20.3%	52.6%	37.5%	32.0%
250 rooms or more	46.2%	31.1%	37.2%	62.5%	37.0%
Non-hotel	12.3%	48.6%	10.3%	0.0%	31.0%
<b>Business type</b>	72	275	86	39	480
Hotel (3 star plus)	86.1%	52.0%	88.4%	97.4%	67.9%
Food or beverage	13.9%	46.2%	8.1%	0.0%	30.2%
Other	0.0%	1.8%	3.5%	2.6%	1.9%
<b>Overall</b>	14.8%	58.3%	17.2%	7.9%	100.0%

**Table 16** Cross-tabulation analysis of department with demographic variables

#### 6.5.1 Department and demographic variables – observations

The largest group of administration workers was over 40 (41.7%), male (54.7%), and European (63.5%). ‘Administration’ had the highest percentage of managers (48.4%), which was also reflected in higher pay and more job security for this group. In contrast, food and beverage departments (F & B) were dominated by young European and Asian women working in staff positions, mostly students, paid under \$15.00 an hour, and with little industry experience. Although this group had the highest percentage of casual workers (10.6%), part-time workers were the dominant category.

Although front office workers also tended to be young (under 25), this department employed staff with the highest qualifications, perhaps indicating that those entering the industry are more likely to secure front office work if they have some qualifications. Front office workers had more job security and higher pay than food and beverage or rooms workers, but this did not seem to attract more experienced workers, as 93% had been in the industry for fewer than five years. Rooms workers comprised the smallest group (n = 40), and were mostly older Pacific island women with no formal qualifications. Although these respondents had the most industry experience, they were also the lowest paid,

with 84.1% paid under \$15 an hour. As rooms workers comprised the smallest group in the study, it is recognised that assumptions relating to rooms division workers have been made on the basis of just 40 respondents.

### 6.5.2 Two-way contingency analysis: department

The independent variables most strongly linked to department were ethnicity, seniority, and pay, and the weakest associations were gender, qualifications, experience, and main occupation (Table 17). Ethnicity and seniority were the strongest predictors of respondents' departments.

<b>Two-way contingency analysis of department with demographic variables</b>				
<b>Independent variable</b>	<b>Chi-square value</b>	<b>Degrees of freedom</b>	<b>Asymp. Sig. (2-sided)</b>	<b>Eta</b>
Age	157.93	16	.000	.149
Gender	24.96	4	.000	.099
Ethnicity	110.92	20	.000	.301
Qualification	39.36	12	.000	.075
Experience	55.92	8	.000	.044
Main occupation	91.10	8	.000	.066
Seniority	123.15	12	.000	.298
Pay	106.61	12	.000	.270
Tenure	78.23	8	.000	.187
Job security	113.47	12	.000	.162
Hotel size	84.87	8	.000	.106
Business type	83.37	8	.000	.130

**Table 17 Two-way contingency analysis of department, with demographic variables**

### 6.5.3 Department and demographic variables – conclusion

Data in Table 16 and Table 17 reveal strong associations between respondents' departments and their other demographic characteristics, indicating the likelihood that departments were culturally different, and also, that those differences are likely to be perpetuated by informal recruitment methods (Price, 1994), even for those in senior management.

## 6.6 Independent variables: summary and conclusion

Age, experience and job security were strongly linked (Table 11). As expected, seniority was associated with job security, pay, age, and experience and with the size and type of business. Larger businesses appeared to require more supervisors and managers than smaller ones, as hospitality organisation is strongly hierarchical, reflecting perhaps the influence of E'scoffier's partie

system in the kitchen, and a tradition of military-style reporting lines.

## 6.7 Analysis of variance

The analysis of variance using eta values revealed strong associations between respondents' demographic characteristics (the study's independent variables) (Table 19). The strong association between seniority and age indicated that age was a slightly stronger influence on seniority than was experience.

Similarly, although qualifications were significantly associated with seniority, their influence was less strong than either age or experience. Although age was not a significant influence on respondents' department, department was a significant indicator of age. That is, responses on age were dependent on department; respondents in both administration and rooms division were likely to be over 24. However, responses on department were not dependent on age, as those over 24 would be likely to work in administration or rooms division. The strongest influences on pay were seniority, experience and age, and the strongest influences on tenure were experience and age, respectively. Job security was a stronger determinant of tenure than pay or seniority (Table 19). Although occupation, pay and seniority were strong predictors of job security, experience and age were also significant. Responses on gender, ethnicity, qualifications and department were less strongly influenced by other variables.

### Analysis of variance: independent variables

eta values Independent variables	Dependent variables						
	Age	Gender	Ethnicity	Qual	Exper	Occup	Seniority
Age		.118	.222	.221	.686	.521	.504
Gender	.109		.014	.105	.110	.085	.111
Ethnicity	.228	.215		.271	.265	.245	.205
Qualification	.261	.151	.105		.094	.170	.259
Experience	.665	.125	.202	.028		.391	.490
Occupation	.574	.112	.157	.087	.501		.461
Seniority	.479	.139	.210	.238	.521	.330	
Pay	.589	.175	.266	.175	.630	.407	.644
Tenure	.481	.050	.005	.140	.579	.296	.142
Job security	.567	.184	.213	.244	.588	.567	.649
Department	.493	.223	.124	.199	.315	.350	.329
Hotel size	.378	.157	.084	.175	.289	.380	.304
Business type	.366	.148	.034	.214	.260	.349	.204

**Table 18** Analysis of variance: relationships between independent variables (1)

eta values						
Analysis of variance: dependent variables						
Independent variables	Pay	Tenure	Job Security	Dept	Hotel size	Business type
Age	.583	.500	.538	.149	.404	.374
Gender	.170	.026	.161	.099	.130	.130
Ethnicity	.297	.258	.278	.301	.232	.224
Qualification	.199	.179	.225	.075	.209	.165
Experience	.612	.582	.566	.044	.303	.246
Occupation	.532	.305	.720	.066	.504	.436
Seniority	.644	.195	.617	.298	.288	.179
Pay		.287	.709	.270	.308	.275
Tenure	.285		.261	.187	.092	.090
Job security	.716	.295		.162	.464	.412
Department	.397	.383	.401		.432	.362
Hotel size	.308	.101	.409	.106		.874
Business type	.286	.098	.361	.130	.881	

**Table 19** Analysis of variance: relationships between independent variables (2)

## 6.8 Summary

### 6.8.1 Auckland hospitality workers – overview of the sample

- 1 The Auckland hospitality industry is dominated by women (approximately 60%), except in the over 30 age group, which is dominated by men.
- 2 Many (40%) hospitality workers have no formal qualifications, although in this study many had bursary, reflecting the strong student population in the sample.
- 3 In 2003, most staff (57%) were paid between \$10 and \$14.95 an hour, had fewer than five years in their present position (87%), were part-time workers (52%) and in food and beverage departments (58%).
- 4 It is expected that the short employment lengths (87% under five years) may be related to training and staffing issues evident in this study.

### 6.8.2 Age and gender

- 1 The likelihood of working in a staff position (rather than supervisory or management) decreased with age until 40, and the likelihood of being a supervisor increased with age.
- 2 Rooms division and administration employees tended to be older, and food and beverage employees, younger. The likelihood of working in front office gradually increased with age until 40, then decreased again.
- 3 Older workers were paid more, had more industry experience, stayed longer in their jobs, had more secure employment, and were more likely to

be promoted to supervisors or managers. However, they were not restricted to particular departments.

### **6.8.3 Ethnicity**

- 1 Ethnicity was associated with age, experience, seniority, pay, and job security, with pay being the strongest association.
- 2 The dominant ethnic group was European (50%) followed by Asian (20%), particularly in the 20 – 29 year old group. The likelihood of finding Pacific Islanders in the sample increased with age.
- 3 There were more Indian men (65%) than women in the sample.
- 4 Indians and Europeans were better educated than those of other ethnicities, and Pacific Islanders, least well educated.
- 5 Asians had the least industry experience and Pacific Islanders the most. Many Pacific islanders had worked more than ten years in the industry.
- 6 Students were predominantly Asian, and those identifying as managers, Indian. Europeans and Indians were highest paid and generally on salaries.
- 7 Indians and Europeans were more likely to be managers than Asians, Maori, or Pacific Islanders.
- 8 Europeans worked mostly in Food and beverage, but were also those most likely to work in administration. Indians favoured front office, and Pacific Islanders, rooms division. Pacific Islanders and Indians were more likely to work in large hotels, and Pacific Islanders least likely to work in a food and beverage business.
- 9 Maori hospitality workers tended to be older (around a third were aged 30 – 39) and half had full-time work. Maori were associated with all departments, positions, and salaries and were not concentrated in particular levels of seniority or in particular departments.
- 10 Pacific Island workers were primarily poorly educated, older women. Their different attitudes to issues such as theft may therefore be a consequence of their age as much as their ethnicity.

### **6.8.4 Seniority**

- 1 Those in staff positions were mostly under 25, women, Europeans and Asians, students, had fewer than five years' experience, hourly wages of

- under \$15, and worked part-time. Staff had less industry experience, lower pay, and less job security than did supervisors.
- 2 Supervisory positions were associated with 20 – 24 year olds, women, pays of \$10 - \$14.95, and full-time work. Asians and Pacific Islanders were equally represented at supervisor level.
  - 3 Most managers were males aged 30 – 39, and were better paid, had more job security, and were better qualified than either staff or supervisors.
  - 4 Increased seniority was associated with being over 25, having a tertiary qualification, more than five years' experience, an hourly wage of \$15 or more, a salary, and being male.
  - 5 Managers were more experienced than staff or supervisors (half had more than ten years' experience), but changed jobs more frequently than did supervisors.
  - 6 Women worked mostly in staff or supervisory positions, whereas men were mostly in management positions. Women were 25% less likely to be managers than were men.
  - 7 Age was a more significant determinant of seniority than industry experience. Job security and pay were strongly associated with seniority, with higher pay and more job security linked to senior positions. Gender and tenure were comparatively weak indicators of seniority.
  - 8 Housekeeping departments had more supervisors than other groups; more than a quarter of rooms division employees were supervisors.

### **6.8.5 Department**

- 1 Department was strongly associated with ethnicity, seniority and pay.
- 2 Administration workers tended to be over 40, male, and European. Administration had the highest percentage of managers (nearly half), which was reflected in higher pay and more job security for this group.
- 3 Food and beverage departments were dominated by young European and Asian women in staff positions, mostly students, paid under \$15.00 an hour, and with little industry experience. Although this group had the highest percentage of casual workers (11%), part-time workers were the dominant category.
- 4 Front office workers tended to be under 25, but were better qualified than those in other departments, suggesting that those entering the industry

were more likely to secure front office work if they had some qualifications. Although front office workers had more job security and higher pay than food and beverage or rooms workers, less than 10% had more than five years' industry experience.

- 5 Rooms workers comprised the smallest group (n = 40), and were mostly older Pacific island women with no formal qualifications. Although this group had those with the most industry experience, they were also the lowest paid, with 84.1% paid under \$15 an hour.

### **6.8.6 Associations between variables**

- 1 Age was a slightly stronger influence on seniority than experience, and both age and experience were stronger influences on seniority than qualifications.
- 2 Pay was predicted by seniority, experience and age.
- 3 Tenure was strongly predicted by experience and age, and job security was a stronger influence on tenure than pay or seniority.
- 4 Job security was strongly predicted by occupation, pay and seniority, but experience and age were also significant predictors.
- 5 Gender, ethnicity, qualifications and department were less strongly influenced by the other variables.

## **6.9 Conclusion**

The analysis of demographic variables by seniority (Section 6.4) suggests a large workforce of inexperienced, poorly educated and poorly paid young people, managed by a small group of better educated, older, European males. This profile is reinforced by the analysis of demographic variables by department, which revealed associations between the demographic characteristics of respondents and the departments in which they worked.

The following chapter analyses responses on the actual and perceived incidence, tolerance, and perceived opposition to eight specific workplace problems. This chapter provided a background to the analysis in Chapter 7 by presenting the relationships between strongly associated independent variables, in preparation for the discussions in Chapters 9 and 11.

# Chapter Seven: Incidence, tolerance and opposition

One should absorb the colour of life, but one should never remember its details. Details are always vulgar (Oscar Wilde)

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## **7.1 Introduction to chapters seven and eight**

Chapters 7 and 8 present detailed examinations of quantitative data on actual and perceived incidence, ethical tolerance, perceived opposition and ethical perceptions, to ensure no significant associations between variables (or non-associations) are over-looked on the way to resolving the primary research question, of whether or not hospitality managers are actively supporting unethical behaviour in hospitality. Questionnaires used to generate these results are in the appendices, as well as a schedule of the questions used (Appendix C).

Responses to Likert scale questions are analysed using 'Compare Means' in SPSS, enabling valid comparisons to be made between issues included in the questionnaire. For clarity, dependent variables are loosely grouped as working conditions, working environments, or employee behaviour. Problems affecting respondents personally, such as working in smoke, or putting up with sexual jokes and teasing are grouped as working conditions. Human resources issues such as constructive dismissals, having insufficient staff, or inadequate training, are defined as working environments, and may or may not affect people personally. Serving alcohol to minors, serving food that was dropped on the floor, and theft, are classified as employee behaviours. As there are more independent variables than fit on one page in table format, variables are divided into groups: personal characteristics, general work related characteristics, specific work-related characteristics, and workplace characteristics. However, discussion mostly focuses on the groupings of dependent variables, which offers a more logical analysis and one consistent with the theme of the study.

Chapter 7 is separated into three sections: actual and perceived incidence, ethical tolerance, and perceived opposition, each of which is explained in the section's introduction.

Issues relating to working conditions, such as working in smoke and sexual harassment, although overviewed in the main analysis, are also analysed and discussed in Chapter 8, as questions about these issues differ from those on other issues. Answers about respondents' and other employees' perceived ethical standards are also discussed in Chapter 8, and responses relating to

management's awareness of and perceived attitude towards ethical issues, in Chapter 9.

The relative importance of variables was tested using an analysis of variance to ensure conclusions about relationships between variables were correct, and to identify the strength of those relationships. Eta values rather than sig. are presented in the analysis of variance tables at the end of each major section, as these demonstrate the strength of relationships when the sig. value drops to .000. Chi square significance levels are derived from ANOVA tables, and eta, from measures of association tables. The ANOVA is used to compare means between different groups; values of less than .05 indicate significant variations from the overall means; that is, one of the groups is different from the others.

Highlighting is used to draw attention to statistically significant results, and data shaded from white to black according to the intensity of responses, enabling clear patterns to emerge, therefore removing the need for detailed verbal analysis. Where chi-square tests indicate that data are according to statistical expectations, these data are shaded according to the overall mean for this subgroup, and data for individual variables removed, leaving only the overall, and therefore, appropriate result.

Where overall means are presented, these were derived from T tests. The origin of other data in each set of tables is provided at the beginning of each section. For means comparisons, data are summarised into scales of three for ethical tolerance and incidence, and a scale of four for opposition, which had no obvious mid-point. If raw data had been used, weightings at one end of the scale may have distorted the means, as not all values were of the same intensity. Summaries sometimes (but not always) improved robustness of tests for statistical significance, so valid conclusions could be inferred from the relationships between dependent and independent variables.

## **7.2 Actual and perceived incidence of workplace problems**

The incidence of workplace problems was tested by asking respondents about the frequency of certain practices and behaviours. This helped determine both the actual and perceived incidence levels of the behaviours, as well as the profiles of respondents who thought they were occurring. Questions on

incidence were also used to assess management’s awareness of different types of problems by comparing managements’ responses with those of staff and supervisors.

As questions about the incidence of specific behaviours related to respondents’ work places rather than to themselves personally, responses on their working environments generally reflect perceptions rather than actual incidence of problems. However, responses on smoking and sexual harassment reflect the incidence of these problems, and not perceptions.

### 7.2.1 Actual and perceived incidence - frequency analysis

Frequency analysis of actual and perceived incidence						
Valid percent This occurs here	All the time	Frequent	Common	Once or twice	Never	Count
<b>Working conditions</b>						
<b>Working in smoke</b>	21.8%	16.1%	16.9%	14.3%	30.8%	496
Cumulative percent	21.8%	37.9%	54.8%			
<b>Sexual harassment</b>	1.5%	2.1%	3.8%	17.0%	75.7%	530
Cumulative percent	1.5%	3.6%	7.4%			
<b>Working environment</b>						
<b>Constructive dismissal</b>	3.3%	6.7%	12.1%	33.5%	44.4%	448
Cumulative percent	3.3%	10.0%	22.1%			
<b>Under-staffing</b>	12.6%	14.0%	26.0%	38.2%	9.1%	492
Cumulative percent	12.6%	26.6%	52.6%			
<b>Poor training</b>	5.8%	10.8%	20.2%	38.7%	24.5%	481
Cumulative percent	5.8%	16.6%	36.8%			
<b>Employee behaviour</b>						
<b>Alcohol to minors</b>	1.5%	1.2%	0.9%	11.2%	85.3%	340
Cumulative percent	1.5%	2.7%	3.6%			
<b>Food on floor</b>	0.2%	1.7%	2.4%	16.9%	78.8%	420
Cumulative percent	0.2%	1.9%	4.3%			
<b>Theft</b>	3.2%	8.7%	18.0%	47.7%	22.4%	344
Cumulative percent	3.2%	11.9%	29.9%			

Table 20 Frequency analysis of actual and perceived incidence

### 7.2.2 Actual and perceived incidence - means comparison

Under-staffing, working in smoke, and inadequate training were rated as having high incidence levels, and serving alcohol to minors or food that had been on the floor were both rated as low incidence, as presented in the means comparison tables in Section 7.2.2.7.

Incidence was summarised from ‘never’, ‘once or twice’, ‘commonly’, ‘frequently’ and ‘all the time’, to ‘never’, ‘once or twice’ and ‘regularly’, so ‘once or twice’

was the mid-point (had this been summarised with 'commonly' as the mid-point, this might have resulted in a lower mean, which would have invalidated comparisons with other means later in this discussion). Incidence was determined using 1 for 'never', and 3 for 'all the time', with high means representing the highest frequency of incidence.

#### **7.2.2.1 Actual incidence and working conditions – means comparison**

Qualifications, experience, and tenure did not affect responses about working conditions, and age. Department, pay and job security were strongly associated with responses on working in smoke (Section 7.2.2.7). Older respondents, managers, those paid \$15 or more an hour, those with more job security, administrators, and hotel workers, were less likely than others to work in smoke.

Respondents reporting the least problems with working conditions were older well paid males in senior administrative positions. Students, part-time workers, food and beverage workers and those paid under \$15 an hour, were those most likely to work in smoke and be sexually harassed. The high incidence of young Maori and European women reporting sexual harassment was initially thought to be a result of working in food and beverage, but cross-tabulation analyses between ethnicity and department indicated that although most Maori and Europeans worked in food and beverage, so did those of other ethnic groups, such as Asians, who reported lower levels of harassment. The higher incidence levels of harassment reported by Maori and European women are therefore considered accurate, especially as associations between ethical tolerance to harassment and ethnicity were not statistically significant (Table 27), indicating Maori were not significantly less tolerant of harassment than those of other ethnic groups.

#### **7.2.2.2 Actual incidence and working conditions - summary and observations**

A strong association was evident between age and gender, and respondents' working conditions. Unpleasant conditions such as working in smoke and being sexually harassed were associated with young women, who may be perceived as having less to offer (having little work experience), and therefore have less choice about where they work. Alternatively, they might be perceived as having more to offer in terms of their appearance, and are therefore the preferred

employees in these environments. As working in smoke and being harassed were also associated with low pay and poor job security, it is likely that those who are able to, work elsewhere. Food and beverage work was strongly associated with difficult working conditions, whereas administration and rooms division offered more agreeable conditions. Some of the less pleasant aspects of working in food and beverage were the results of high customer contact, borne out by the analysis of sexual harassment under Section 8.3, which indicates most harassment derives from customers.

### **7.2.2.3 Perceived incidence and working environment - means comparison**

Dependent variables related to respondents' working environments yielded the most persistent problems, as evidenced in Table 20. Qualifications were not associated with responses on issues related to working environments, and tenure and hotel size were only weakly associated with responses on these variables (Section 7.2.2.7). The likelihood of reporting high incidence of constructive dismissals reduced with increased age, experience, pay, and job security, and was strongly associated with men, Asians, supervisors, those with other jobs, and casual workers. Casual employees (i.e. those most easily removed from a workplace) and supervisors (i.e. those in a position to dismiss unfairly) reported the highest incidence of constructive dismissal. Under-staffing drew the strongest response of any variable on perceived incidence. The intensity of response increased with age, experience, and pay, and was highest for those whose profiles matched those of management (i.e. males, administrators, higher pays etc.). Although responses were not specifically associated with seniority, those who reported that under-staffing was common appeared to be those responsible for the solution, rather than those experiencing the problem first-hand. Under-staffing was noticeably more critical in hotels than in food and beverage businesses.

Ethnicity, seniority, pay, department and business type were all associated with responses on training problems. Europeans, supervisors and casual workers reported the highest levels of training problems, and Pacific Islanders and rooms division workers reported these least. Although respondents in rooms division were more satisfied with their training than those in food and beverage or front office, hotel workers were generally less satisfied with training than

respondents working in food and beverage businesses.

#### **7.2.2.4 Perceived incidence and working environment - summary and observations**

Constructive dismissals were perceived to occur commonly in the workplaces of 22% of respondents, and were reported most by males, supervisors, Asians, and casual workers. Casual employees, especially Asians, are therefore identified as the probable victims, and supervisors, as the probable perpetrators. It is possible that many Asian workers are unacquainted with local laws, and therefore susceptible to unfair treatment. Under-staffing was the most critical problem identified by participants in this study, and was most acutely felt by those holding themselves responsible, such as those with the attributes of managers. Hotels appeared less well staffed than food and beverage businesses.

Training in rooms division appeared to be better (i.e. more adequate) than in food and beverage (hence Pacific Islanders were comparatively happy with training levels), and hotel food and beverage departments offered the least satisfactory training. The tendency for casual workers to be dissatisfied with their training probably reflected their own training needs, but supervisors' dissatisfaction is considered to arise from both their own needs, as well as the need to improve training for staff. Managers were less concerned about training problems than either staff or supervisors, suggesting that in management's view, training programmes were adequate.

#### **7.2.2.5 Perceived incidence and employee behaviour - means comparison**

Ethnicity, qualifications, department and hotel size were consistently associated with responses on employee behaviour (Section 7.2.2.7). The likelihood of thinking alcohol was served to minors reduced with increased age, experience, seniority, and job security. Casual food and beverage workers, those with other jobs, and minors (i.e. those under 20) were those most likely to report that alcohol was served to minors. Those who thought alcohol was not served to minors in their workplace were also those least likely to know if this were true or not. These were older employees (commonly working in administrative or back-of-house positions), managers, and those with the attributes of managers, such as tertiary qualifications, more industry experience, and better job security. The

lowest mean (1.04) was associated with rooms division respondents.

Seniority and hotel size were strongly associated with responses about serving food that had been on the floor. High perceived incidence was associated with Europeans, Indians, 20 – 24 year olds, those with bursary or trade certificates, supervisors, food and beverage workers, and non-hotel workers. Although no clear pattern emerged from these variables, as some of these attributes were associated with chefs, further analysis was undertaken to identify possible associations between chefs and reports that food was served after being on the floor. However, no firm conclusions could be made, as although 25% said this was a frequent occurrence in their workplace, only 12 respondents self-identified as chefs, a group too small to have its opinions extrapolated to a wider population.

Age, gender, and seniority did not influence responses on incidence of theft. Those with bachelor's degrees, casual workers, and front office workers reported the most theft, and those working in food and beverage businesses reported least. Indians were those most likely to think theft was common, and Maori and Pacific Islanders least likely, and front office employees were more likely than other employees to think theft was common. Both Indian and European front office workers had the same opinion about the incidence of theft (mean of 2.27), whereas Indians working in food and beverage considered theft less of a problem (mean of 2.07). The high mean for Indians on the perceived incidence of theft is therefore thought to be influenced by the strong association between Indians and front office work (20% of Indians worked in front office, comprising 42% of the front office workforce).

Responses on employee behaviour were diverse, with illegal alcohol service and poor food hygiene both appearing to be less of a problem than theft, which was rated as having the fourth most prevalent problem. A detailed analysis of ethical tolerance to theft of specific items is therefore presented in Section 7.3.3.

### 7.2.2.6 Perceived incidence and employee behaviour - summary and observations

Although respondents indicated that alcohol was served to minors, knowledge of this was restricted to minors and those most likely to serve them: food and beverage workers. A possible explanation is that those working in casual positions and those with more than one job may have less workplace loyalty, and are therefore more likely to break the law and serve minors. Illegal liquor service was found to be common and a well kept secret. Those best qualified to know whether food was served after being dropped on the floor (that is, food and beverage workers) believed that it was, along with supervisors, who appeared to be those most familiar with workplace activities.

Explanations for differences between ethnic groups on the incidence of theft, do not relate to differences in ethical tolerance to theft. For example, although Indians and Maori were similarly intolerant of theft, and Pacific Islanders were more tolerant, these relationships were not replicated in reports of incidence, suggesting that Indians encountered more theft than did either Maori or Pacific Islanders. Indians and Maori were both strongly associated with working in food and beverage departments, but Indians were also associated with working in front office, where reports of theft were common. It is therefore concluded that front office staff see the results of cash thefts in their audit procedures, and report more theft than those working in other departments, and that ethnicity is not a reliable indicator of perceptions relating to the incidence of theft (See also the argument in Section 7.2.2.11 on this subject).

### 7.2.2.7 Tables showing actual and perceived incidence by demographic characteristics

**Means comparison of actual and perceived incidence, by personal characteristics**

	Working conditions		Working environment			Employee behaviour		
	Working in smoke	Being harassed	Constructive dismissal	Under-staffing	Poor training	Alcohol to minors	Food on floor	Theft
<b>1 = never 3 = all the time</b>								
<b>Age (sig.)</b>	.000	.058	.002	.162	.580	.031	.196	.557
<b>Age (eta)</b>	.234	.135	.199	.119	.079	.182	.123	.096
Under 20	2.35	1.39	1.88	2.39		1.29	1.25	
20 – 24	2.39	1.39	1.87	2.40		1.22	1.32	
25 – 29	2.15	1.27	1.85	2.54		1.08	1.23	
30 – 39	2.17	1.23	1.49	2.53		1.16	1.21	
40 or over	1.74	1.18	1.54	2.57		1.03	1.11	

### Means comparison of actual and perceived incidence, by personal characteristics

	Working conditions		Working environment			Employee behaviour		
<b>Gender (sig.)</b>	.455	.012	.014	.006	.139	.825	.131	.193
<b>Gender (eta)</b>	.034	.112	.119	.127	.069	.012	.075	.071
Female		1.38	1.69	2.38				
Male		1.24	1.88	2.54				
<b>Ethnicity (sig.)</b>	.813	.022	.338	.082	.011	.167	.516	.051
<b>Ethnicity (eta)</b>	.070	.161	.116	.144	.179	.156	.103	.182
European		1.38	1.79	2.51	2.17	1.21	1.26	2.16
Indian		1.13	1.70	2.37	2.00	1.05	1.31	2.21
NZ Maori		1.39	1.56	2.29	1.94	1.11	1.16	1.84
Pacific Islander		1.14	1.65	2.34	1.74	1.03	1.10	1.79
Asian		1.25	1.87	2.37	2.22	1.25	1.27	2.01
Other and mixed		1.36	1.90	2.67	2.20	1.29	1.30	1.94
<b>Overall</b>	2.24	1.32	1.78	2.43	2.12	1.18	1.25	2.08
<b>Order of effect</b>	2	5	6	1	3	8	7	4

**Table 21** Means comparison of actual and perceived incidence with personal characteristics showing two way contingency analysis

### Means comparison of actual and perceived incidence, by general work related characteristics

	Working conditions		Working environment			Employee behaviour		
	Working in smoke	Being harassed	Constructive dismissal	Under-staffing	Poor training	Alcohol to minors	Food on floor	Theft
<b>1 = never 3 = all the time</b>								
<b>Qualification (sig.)</b>	.717	.690	.495	.282	.382	.014	.068	.348
<b>Qualification (eta)</b>	.054	.055	.076	.091	.082	.182	.134	.101
Nothing or S Cert						1.14	1.21	2.01
Bursary or Trade						1.28	1.33	2.10
Bachelor's degree						1.08	1.24	2.22
Post-graduate						1.06	1.05	2.12
<b>Experience (sig.)</b>	.178	.940	.099	.021	.491	.061	.657	.728
<b>Experience (eta)</b>	.085	.016	.104	.127	.055	.132	.046	.043
Under 5 years			1.83	2.41		1.24		
5 - 10 years			1.77	2.51		1.12		
11- years or more			1.60	2.62		1.09		
<b>Occupation (sig.)</b>	.012	.002	.057	.005	.401	.015	.314	.535
<b>Occupation (eta)</b>	.137	.156	.115	.149	.063	.161	.076	.061
Another job	2.12	1.18	1.97	2.24		1.38		
This job	2.12	1.23	1.68	2.55		1.11		
Student	2.36	1.41	1.84	2.39		1.22		
<b>Overall</b>	2.24	1.32	1.78	2.43	2.12	1.18	1.25	2.08
<b>Order of effect</b>	2	5	6	1	3	8	7	4

**Table 22** Means comparison of actual and perceived incidence with general work related characteristics showing two way contingency analysis

### Means comparison of actual and perceived incidence, by specific work related characteristics

1 = never 3 = all the time	Working conditions		Working environment			Employee behaviour		
	Working in smoke	Being harassed	Constructive dismissal	Under-staffing	Poor training	Alcohol to minors	Food on floor	Theft
<b>Seniority (sig.)</b>	.125	.264	.001	.651	.088	.049	.015	.439
<b>Seniority (eta)</b>	.113	.091	.194	.060	.122	.159	.164	.093
Staff	2.27		1.82		2.14	1.24	1.28	
Supervisor	2.42		1.98		2.21	1.14	1.37	
Manager	2.07		1.53		2.07	1.07	1.10	
Other	2.00		1.00		1.25	1.00	1.00	
<b>Pay (sig.)</b>	.001	.132	.008	.000	.077	.541	.601	.005
<b>Pay (eta)</b>	.185	.106	.166	.214	.122	.083	.069	.197
Under \$10	2.14	1.28	1.81	2.21	1.98			1.81
\$10 - \$14.95	2.37	1.35	1.86	2.47	2.16			2.18
\$15 - \$19.95	2.22	1.37	1.63	2.63	2.27			2.07
\$20 or more	1.85	1.16	1.43	2.65	2.02			2.14
<b>Tenure (sig.)</b>	.577	.708	.274	.020	.684	.489	.825	.045
<b>Tenure (eta)</b>	.048	.037	.077	.128	.040	.067	.031	.135
Under 5 years				2.43				2.12
5 - 10 years				2.70				1.86
11 years or more				2.62				1.76
<b>Job security (sig.)</b>	.003	.006	.005	.016	.668	.011	.677	.129
<b>Job security (eta)</b>	.172	.155	.170	.147	.058	.184	.062	.130
Casual (irregular)	2.30	1.28	2.05	2.45		1.44		2.30
Part-time (regular)	2.34	1.41	1.80	2.37		1.21		2.01
Full-time (40 hours)	2.27	1.21	1.83	2.55		1.10		2.08
Salaried	1.93	1.22	1.54	2.59		1.11		2.18
<b>Overall</b>	2.24	1.32	1.78	2.43	2.12	1.18	1.25	2.08
<b>Order of effect</b>	2	5	6	1	3	8	7	4

**Table 23** Means comparison of actual and perceived incidence with specific work related characteristics showing two way contingency analysis

### Means comparison of actual and perceived incidence, by workplace characteristics

1 = never 3 = all the time	Actual		Perceived					
	Working conditions		Working environment			Employee behaviour		
	Working in smoke	Being harassed	Constructive dismissal	Under-staffing	Poor training	Alcohol to minors	Food on floor	Theft
<b>Department (sig.)</b>	.000	.021	.338	.008	.023	.012	.152	.102
<b>Department (eta)</b>	.248	.151	.103	.170	.156	.199	.129	.152
Admin & general	1.72	1.16	1.65	2.70	2.08	1.10	1.12	2.20
Food & beverage	2.36	1.38	1.83	2.39	2.18	1.26	1.30	2.02
Front office	2.30	1.30	1.77	2.44	2.16	1.06	1.19	2.25
Rooms	2.31	1.25	1.66	2.36	1.74	1.04	1.29	1.92
Other	2.00	1.00	1.43	2.67	1.88	1.00	1.00	2.25

## Means comparison of actual and perceived incidence, by workplace characteristics

	Actual			Perceived				
	Working conditions		Working environment			Employee behaviour		
	Working in smoke	Being harassed	Constructive dismissal	Under-staffing	Poor training	Alcohol to minors	Food on floor	Theft
<b>1 = never 3 = all the time</b>								
<b>Hotel size (sig.)</b>	.275	.001	.713	.020	.572	.028	.014	.095
<b>Hotel size (eta)</b>	.082	.180	.044	.141	.054	.167	.162	.131
Up to 250 rooms		1.33		2.52		1.09	1.12	2.14
250 rooms or more		1.20		2.55		1.17	1.24	2.17
Non-hotel		1.47		2.35		1.27	1.32	1.95
<b>Business type (sig.)</b>	.028	.019	.309	.007	.055	.070	.295	.016
<b>Business type (eta)</b>	.125	.128	.075	.146	.114	.131	.080	.159
Hotel (3 star plus)	2.17	1.27		2.52	2.18	1.14		2.15
Food or beverage	2.33	1.44		2.32	1.99	1.26		1.90
Other	2.87	1.33		2.57	2.11	1.00		2.29
<b>Overall</b>	2.24	1.32	1.78	2.43	2.12	1.18	1.25	2.08
<b>Order of effect</b>	2	5	6	1	3	8	7	4

**Table 24** Means comparison of actual and perceived incidence with workplace characteristics showing two way contingency analysis

### 7.2.2.8 Associations between actual and perceived incidence and specific demographic variables

Department, ethnicity and business type were the most consistent influences on responses on the actual and perceived incidence of workplace problems. For most dependent variables, views on incidence changed for those aged 30 – 39 years old. Further analysis revealed that differences in views were most pronounced for the 35 – 39 year olds, of whom 45% identified as managers. Views of this age group are therefore considered to represent management's views, thereby explaining the difference. Men reported more problems with their working environment and with food dropped on the floor, but less sexual harassment.

Although the ethnic group 'other and mixed' reported high perceived incidence for many issues, no particular ethnicity was associated with this group, which included South Americans, South Africans, New Zealanders who did not specify their ethnicity, and mixed ethnicities, such as Chinese Europeans. Ethnic groups had notably different views; those identifying as Asian reported the most problems, and Pacific Island people reported the least. While it is possible that these are accurate representations, it is also possible that respondents from some cultures are more easily provoked than others.

Qualifications were associated only with issues of employee behaviour; those with bursary or trade certificates reported significantly more problems with food dropped on the floor and alcohol service to minors, for which no explanation was apparent except that these respondents were probably students. Although those with bachelor degrees reported the highest levels of theft, the likelihood that better qualified respondents were more likely to steal was not supported by responses on ethical tolerance to theft. Increases in industry experience increased the intensity of responses about staffing levels, but decreased them on constructive dismissal. Those for whom this was their primary occupation reacted more strongly than others to under-staffing, and less strongly to constructive dismissal. The intensity of response from supervisors was generally similar to or higher than that of staff, and weakest from managers. Although no pattern of increasing or decreasing means (i.e. averages) according to pay was evident, higher means tended to be associated with middle incomes for questions on respondents' environments. That is, those on very low and very high pay reported lower incidence levels of problems with their environments than those on middle incomes, possibly reflecting supervisors' responses.

Food and beverage workers generally reported more problems, and rooms division respondents, the least. For example, rooms employees reported less under-staffing, training problems, alcohol service to minors, and theft, than those in other departments. However, respondents in front office reported the most theft, and administrators (including general managers) reported the most under-staffing. Respondents not working in hotels reported the most sexual harassment, alcohol service to minors, and food dropped on the floor, while those in hotels reported the most problems with training.

## 7.2.2.9 Analysis of variance

### Summarised analysis of variance: actual and perceived incidence and independent variables

eta values	Working conditions		Working environment			Employee behaviour		
	Working in smoke	Being harassed	Constructive dismissal	Under-staffing	Poor training	Alcohol to minors	Food on floor	Theft
Age	.234	.135	.199	.119	.079	.182	.123	.096
Gender	.034	.112	.119	.127	.069	.012	.075	.071
Ethnicity	.070	.161	.116	.144	.179	.156	.103	.182
Qualification	.054	.055	.076	.091	.082	.182	.134	.101
Experience	.085	.016	.104	.127	.055	.132	.046	.043
Main occupation	.137	.156	.115	.149	.063	.161	.076	.061
Seniority	.113	.091	.194	.060	.122	.159	.164	.093
Pay	.185	.106	.166	.214	.122	.083	.069	.197
Tenure	.048	.037	.077	.128	.040	.067	.031	.135
Job security	.172	.155	.170	.147	.058	.184	.062	.130
Department	.248	.151	.103	.170	.156	.199	.129	.152
Hotel size	.082	.180	.044	.141	.054	.167	.162	.131
Business type	.125	.128	.075	.146	.114	.131	.080	.159

**Table 25 Analysis of variance: actual and perceived incidence, with independent variables**

When eta values from Table 21 to Table 24 are collated, the relationships between the independent and dependent variables become clearer, such as that between under-staffing and pay. This association suggests that it raising wages may help solve under-staffing problems, by breaking the association between pay and staffing issues.

Responses on working in smoke and constructive dismissal were most strongly associated with age, and responses on under-staffing and theft, with pay. A strong association is also evident between working in smoke and respondents' department. Responses on constructive dismissal were strongly associated with age and seniority, and to a lesser degree, pay and job security, all of which related to respondents' status (suggesting that those of lower status - that is, young casual staff on low pay - responded differently to older, senior, well paid employees with secure employment). As age was associated with working in smoke, being harassed, constructive dismissal, insufficient staff, alcohol service to minors and poor food hygiene, these kinds of workplace problems are considered more likely to occur where young employees work. The onus is therefore on management to provide adequate support, training, and supervision of this young workforce.

Further analyses of the dependent variables are presented in Section 8.5, and an overview presented in Section 9.5.

#### **7.2.2.10 Summary and observations**

Staff and supervisors appeared more aware of day to day problems, than did managers. Hotel food and beverage departments emerged as difficult working environments, with responses in this area being strongest, especially compared with rooms division, where responses on most problems were comparatively weak. The strongest response to any of the dependent variables was on staffing levels, and the weakest response, on serving alcohol to minors. Working in smoke and with inadequate training also had high levels of reported incidence. The reported incidence of problems appeared to be influenced by their legality, with serving alcohol to minors, poor food hygiene, theft and sexual harassment all rating low levels of incidence. Respondents' department was the most consistent influence on responses on the incidence of workplace problems.

#### **7.2.2.11 Resolving the overlap between ethnicity and department as significant factors affecting responses on incidence**

Although ethnicity was consistently associated with responses on incidence, it was also strongly associated with respondents' departments, thereby influencing inferences about relationships between ethnicity and incidence. For example, although Pacific Islanders reported less problems with training (mean of 1.74), so did rooms division respondents (mean of 1.74), suggesting that Pacific Islanders were happy with their training, either because they were happy with training per se, or because the majority (42%) worked in rooms division, where training was perceived as better. However, the inference that training was better in rooms division may be incorrectly derived from the fact that most rooms workers (41%) were Pacific Islanders, who may think training is adequate wherever they work.

A Factor Analysis using Principal Component Analysis indicated that .865 of variance for department was accounted for, whereas only .656 of variance for ethnicity was accounted for (data not presented). Similarly, when eta levels were used as a guide to determine which of these two variables was the most influential, a cross-tabulation between department and ethnicity showed an eta level of .301, with department as the dependent, and .124 with ethnicity as the

dependent. The conclusion therefore, is that although the views of an ethnic group are influenced by the department they work in, because their department depends on their ethnicity, sufficient variance for ethnicity is accounted for, and the eta level sufficiently robust, to consider ethnicity as a valid determinant of responses on incidence.

The question 'if Pacific Islanders worked in food and beverage, would their opinion on training change?' was used to test this conclusion. When the data set was reduced to Pacific Island respondents only, and a means comparison checked for department and training, data showed that Pacific Island respondents thought training was better in food and beverage (mean of 1.58) than it was in rooms division (mean of 1.69). The eta of .362 indicated the relationship between department and training for this ethnic group was statistically significant. As the opinion changed according to the department, another test was undertaken to determine if the opinion would change according to ethnicity. When all cases except those working in food and beverage were removed, Pacific Islanders were found to have the lowest mean (1.58) for training inadequacy, the highest mean being that of Asians (2.26). The eta for this result of .172, was still statistically significant.

The conclusion therefore, is that both ethnicity and department are valid and reliable indicators of responses on training, with department being the stronger indicator. Respondents in rooms division were more likely than those in food and beverage to think that training was adequate, suggesting that training is better in rooms division. Pacific Islanders were more likely than other ethnic groups (for example, Asians) to think that training was adequate, suggesting that Pacific Islanders are more easily satisfied by training programmes. In contrast, although it is safe to assume that theft is more common in front office than in other departments, it is not safe to assume that Indians are thieves. Both Indian and European front office workers had the same opinion about the incidence of theft (mean of 2.27), whereas Indians working in food and beverage considered theft less of a problem (mean of 2.07) than their colleagues in front office. The high mean for Indians on the incidence of theft is therefore thought to be associated with front office, rather than ethnicity, as Indians are strongly associated with front office work (Section 7.2.2.6). Ethnicity is therefore not considered a reliable predictor of reporting the incidence theft

(see also the argument in Section 7.2.2.7 on this subject).

#### **7.2.2.12 Actual and perceived incidence conclusion**

Young women working in food and beverage businesses risk working in smoke and being sexually harassed. There was more risk of harassment for Maori and European women, than for Indians, Asians, or Pacific Islanders, and supervisors were more likely than others to work in smoke. Food and beverage work was associated with unpleasant working conditions that may be a direct result of customer contact. Although supervisors were more likely to work in smoke than staff, if they became managers, this likelihood reduced by 15%.

Constructive dismissals were perceived as common. The likely victims were casual employees, especially Asians, and the likely perpetrators, supervisors, especially males. Working with insufficient staff was a critical problem, especially in hotels, and a major concern to managers. Training was perceived as better in rooms division than in food and beverage, and hotel food and beverage departments were perceived to have the least satisfactory training. Management was less concerned with training than either staff or supervisors, suggesting that managers believed training programmes were adequate.

Knowledge of alcohol service to minors was restricted to minors and those most likely to serve them. Casual workers with more than one job appeared more likely to serve minors, and alcohol service to minors appeared common, although a well kept secret. Similarly, food and beverage workers and supervisors reported that food was served after being dropped on the floor, whereas managers and administration workers thought this unlikely. Theft was most common in front office, although it is likely that thefts reported by front office staff were actually from other departments, as front office staff may audit tills from bars and restaurants, and receive complaints about theft. Although Indians were associated with the highest incidence of theft, as they comprised 42% of the front office workforce and reported the same levels of theft as Europeans working in front office, Indian ethnicity was not considered a predictor of responses on theft.

Staff and supervisors, particularly supervisors, were more cognisant of day to day problems than were managers. Accordingly, as an analysis of awareness of

workplace problems according to seniority is required to address the hypothesis (management is aware of unethical behaviour in hospitality), a separate section is devoted to this (Section 9.2).

### 7.3 Ethical tolerance of unethical behaviour

Ethical tolerance to workplace problems and behaviours was tested by asking respondents if they considered specific behaviours ‘wrong (unethical)’. High tolerance indicates respondents did not think the problem was an ethical issue, and low tolerance indicates ethical sensitivity. Chi-square tests indicated strong associations between age and ethnicity, and ethical tolerance to the problems in the questionnaire. Gender, experience, tenure, and the type of business respondents worked in, did not significantly affect responses for the dependent variables, and experience affected responses only on theft.

Questions about tolerance of particular problems were designed to identify whether or not respondents considered them ethical problems, rather than problems they merely disliked. Evaluation according to this criterion identified under-staffing as a problem, but not an ethical issue, whereas serving food to customers after it had been on the floor was generally perceived as unethical.

#### 7.3.1 Ethical tolerance - frequency analysis

Frequency analysis of ethical tolerance						
This is wrong Valid percent	Intolerant		Tolerant			Count
	Strongly agree	Agree	Neutral	Disagree	Strongly disagree	
<b>Working conditions</b>						
<b>Working in smoke</b>	29.9%	23.8%	30.3%	10.7%	5.4%	522
Cumulative percent	29.9%	53.6%				
<b>Sexual jokes</b>	43.8%	31.5%	17.8%	4.6%	2.3%	527
Cumulative percent	43.8%	75.3%				
<b>Working environment</b>						
<b>Constructive dismissal</b>	61.6%	23.1%	9.9%	2.3%	3.1%	523
Cumulative percent	61.6%	84.7%				
<b>Under-staffing</b>	25.3%	27.3%	33.6%	10.7%	3.1%	521
Cumulative percent	25.3%	52.6%				
<b>Poor training</b>	44.0%	35.8%	15.1%	3.4%	1.7%	523
Cumulative percent	44.0%	79.7%				

Frequency analysis of ethical tolerance						
This is wrong Valid percent	Intolerant		Tolerant			Count
	Strongly agree	Agree	Neutral	Disagree	Strongly disagree	
<b>Employee behaviour</b>						
<b>Alcohol to minors</b>	64.5%	23.1%	8.3%	1.7%	2.4%	533
Cumulative percent	64.5%	87.6%				
<b>Food on floor</b>	81.7%	9.7%	3.8%	1.1%	3.6%	525
Cumulative percent	81.7%	91.4%				
<b>Theft</b>	57.5%	28.5%	10.2%	2.4%	1.4%	508
Cumulative percent	57.5%	86.0%				

**Table 26** Frequency analysis of ethical tolerance

### 7.3.2 Ethical tolerance - means comparison

Respondents showed the most tolerance to working in smoke and without sufficient staff, as indicated by low cumulative percentages under ‘intolerant’ (Table 26). Ethical tolerance was least to serving food that had been on the floor, serving alcohol to minors, and theft.

Ethical tolerance was summarised from ‘strongly agree’, ‘agree’, ‘neutral’, ‘disagree’ and ‘strongly disagree’, to ‘agree’, ‘neutral’, and ‘disagree’, and is presented using 1 to indicate the behaviour was considered wrong, and 3, to indicate the behaviour was tolerated. High means therefore reflect low ethical tolerance. (Responses were inverted to represent intolerance with a high, rather than low number, being easier to interpret visually.)

#### 7.3.2.2 Ethical tolerance and working conditions – means comparison

Gender, experience, and tenure did not affect responses about working conditions, but age and pay were directly related to ethical tolerance to working in smoke (that is, older respondents were less tolerant), and Pacific Islanders were more tolerant of working in smoke than other ethnic groups. Although it was expected that women would be less tolerant than men of sexual jokes and teasing, gender was not a determinant of response on tolerance of this.

Older respondents, Indians, those with better qualifications, better pay, and in administration positions, had low ethical tolerance to working in smoke. However, most respondents did not consider it wrong for people to smoke where other people worked (mean of 1.38), indicating that this was not perceived as an ethical issue, even though it is potentially lethal. Those with the

profiles of managers - older employees, managers and administrators, and those on higher pay - also indicated low ethical tolerance to sexual jokes and teasing, but sexual jokes and teasing were not generally considered as particularly serious issues.

### **7.3.2.3 Ethical tolerance and working conditions - summary and observations**

Ethical tolerance to working in smoke was high, indicating most respondents did not think it wrong or unethical, to be required to work in smoke. Those most likely to consider that working in smoke was unethical were also those least likely to work in smoke, such as administrators and those on higher pay. The same profile of respondents, that is, those in positions of responsibility, had similarly low ethical tolerance to sexual jokes and teasing. Those who disagreed with these behaviours were also those who did not have to confront them in their own work, although they allowed their staff to work in conditions they personally considered unethical.

The generally high ethical tolerance to working in smoke and sexual teasing suggests that respondents considered offences against themselves (e.g. smoking and sexual harassment) less seriously than breaches of the law (constructive dismissal, serving unhygienic food, alcohol to minors and theft).

### **7.3.2.4 Ethical tolerance and working environment – means comparison**

Respondents considered constructive dismissal as an ethical issue, but not under-staffing or inadequate training. Qualifications, experience and tenure were not strongly associated with responses about working environments. Constructive dismissal (bullying and hassling staff to get rid of them) was rated as the fourth most serious ethical issue, and emerged as a critical problem. Those who objected least to constructive dismissal were Pacific Islanders, but there was no clear pattern relating to those who objected strongly.

Personal characteristics and specific work related characteristics were most strongly associated with responses on ethical tolerance to under-staffing, with pay being the strongest association (eta level of .207). Under-staffing was rated as the least serious ethical issue, indicating that for most respondents, under-staffing was not an ethical issue. Those least likely to think under-staffing was

an ethical issue were highly paid, salaried employees, Europeans, and managers, all of whom were probably the same respondents, and those aged 25 – 29, Maori, Asian, and full-time employees were those most likely to consider under-staffing unethical. Although women felt more strongly about under-staffing than did men, gender was only weakly associated with attitudes to under-staffing. The weakest of all responses relating to under-staffing as an ethical issue came from the 9.4% of respondents paid \$20 or more per hour.

The belief that working without sufficient training was wrong, was associated with age, ethnicity, job security, main occupation, and the type of business respondents worked in. There was a general trend for ethical tolerance to inadequate training to decrease with age, and tolerance was notably lower in hotels than in food and beverage businesses.

#### **7.3.2.5 Ethical tolerance and working environment - summary and observations**

There were strong responses to constructive dismissal as an ethical issue, but not to staffing and training problems, suggesting that managers may perceive under-staffing as an operational rather than ethical issue, and one that is beyond their control, rather than one with a 'villain and victim' aspect. Those on higher salaries and therefore most likely to be responsible for staffing levels, did not consider it unethical to provide insufficient staff. However, the response on under-staffing from those paid over \$20 an hour was very low (mean of 0.96).

#### **7.3.2.6 Ethical tolerance and employee behaviour – means comparison**

Ethical tolerance to employee behaviour issues was not associated with workplace type, and most strongly associated with age and ethnicity. Attitudes towards serving alcohol to minors were strongly associated with age, but also with ethnicity, qualifications, and seniority. Ethical tolerance decreased with qualifications and seniority, and was weakest for the youngest and oldest respondents. Those least tolerant were Indians, those with post-graduate qualifications, and those under 20 years old, and Pacific Islanders were most tolerant. Attitudes towards serving food that had been on the floor were influenced only by ethnicity, with Maori being least tolerant<sup>12</sup>. Tolerance of theft was not associated with gender, qualifications, or workplace characteristics, and

<sup>12</sup> Maori have a strong ethos of welcoming guests and serving food.

was most strongly associated with age (eta level of .293); ethical tolerance to theft decreased significantly with age, experience, seniority, pay, and job security. Students were notably more tolerant of theft than other occupation groups. The strongest responses were from Maori, who were intolerant of serving dirty food, and better qualified respondents, who were intolerant of theft.

### 7.3.2.7 Ethical tolerance and employee behaviour – summary and observations

As expected, ethical tolerance to employee misbehaviour was weak, as respondents reacted strongly to practices that were clearly and morally wrong, such as theft. Respondents of all ages found serving dirty food repugnant, whereas attitudes towards theft and serving alcohol to minors appeared to develop with age. Otherwise, age and ethnicity were consistently associated with attitudes towards employee behaviours.

### 7.3.2.8 Tables showing ethical tolerance by demographic characteristics

Means comparison of ethical tolerance, by personal characteristics								
1 = tolerant 3 = intolerant	Working conditions		Working environment			Employee behaviour		
	Working in smoke	Sexual jokes	Constructive dismissal	Under-staffing	Poor training	Alcohol to minors	Food on floor	Theft
<b>Age (sig.)</b>	.012	.049	.913	.092	.021	.000	.362	.000
<b>Age (eta)</b>	.161	.139	.045	.127	.153	.236	.094	.293
Under 20	1.24	1.56		1.34	1.70	1.63		1.57
20 – 24	1.29	1.73		1.41	1.65	1.87		1.84
25 – 29	1.44	1.73		1.56	1.83	1.95		1.92
30 – 39	1.54	1.68		1.34	1.84	1.91		1.92
40 or over	1.52	1.80		1.22	1.84	1.86		1.95
<b>Gender (sig.)</b>	.351	.227	.864	.032	.631	.415	.434	.135
<b>Gender (eta)</b>	.042	.054	.008	.095	.021	.036	.035	.067
Female				1.45				
Male				1.31				
<b>Ethnicity (sig)</b>	.027	.685	.131	.231	.149	.369	.329	.129
<b>Ethnicity (eta)</b>	.159	.079	.130	.117	.127	.104	.108	.132
European	1.34		1.80	1.32	1.74	1.82	1.84	1.79
Indian	1.62		1.90	1.42	1.85	1.95	1.90	1.97
NZ Maori	1.32		1.87	1.51	1.73	1.84	2.00	1.95
Pacific Islander	1.10		1.76	1.40	1.79	1.72	1.83	1.84
Asian	1.48		1.80	1.51	1.68	1.86	1.84	1.79
Other and mixed	1.42		1.56	1.37	1.96	1.79	1.96	1.77
<b>Overall</b>	1.38	1.68	1.79	1.39	1.75	1.83	1.87	1.82
<b>Order of effect</b>	8	6	4	7	5	2	1	3

**Table 27** Means comparison of ethical tolerance with personal characteristics showing two way contingency analysis

### Means comparison of ethical tolerance, by general work related characteristics

1 = tolerant 3 = intolerant	Working conditions		Working environment			Employee behaviour		
	Working in smoke	Sexual jokes	Constructive dismissal	Under-staffing	Poor training	Alcohol to minors	Food on floor	Theft
<b>Qualification (sig.)</b>	.045	.827	.289	.825	.687	.141	.526	.410
<b>Qualification (eta)</b>	.129	.043	.088	.043	.055	.105	.068	.078
Nothing or S Cert	1.36					1.80		
Bursary or Trade	1.29					1.82		
Bachelor's degree	1.54					1.89		
Post-graduate	1.58					2.00		
<b>Experience (sig.)</b>	.308	.304	.872	.406	.289	.129	.834	.002
<b>Experience (eta)</b>	.069	.069	.023	.060	.070	.090	.027	.155
Under 5 years								1.77
5 - 10 years								1.92
11 years or more								1.92
<b>Occupation (sig.)</b>	.032	.238	.912	.328	.048	.229	.305	.013
<b>Occupation (eta)</b>	.117	.075	.019	.067	.109	.076	.069	.132
Another job	1.50				1.70			1.91
This job	1.45				1.81			1.88
Student	1.28				1.69			1.76
<b>Overall</b>	1.38	1.68	1.79	1.39	1.75	1.83	1.87	1.82
<b>Order of effect</b>	8	6	4	7	5	2	1	3

**Table 28** Means comparison of ethical tolerance with general work related characteristics showing two way contingency analysis

### Means comparison of ethical tolerance, by specific work related characteristics

1 = tolerant 3 = intolerant	Working conditions		Working environment			Employee behaviour		
	Working in smoke	Sexual jokes	Constructive dismissal	Under-staffing	Poor training	Alcohol to minors	Food on floor	Theft
<b>Seniority (sig.)</b>	.359	.013	.883	.002	.319	.087	.648	.051
<b>Seniority (eta)</b>	.083	.149	.037	.176	.086	.117	.059	.128
Staff		1.67		1.43		1.80		1.78
Supervisor		1.69		1.49		1.84		1.85
Manager		1.74		1.12		1.93		1.92
<b>Pay (sig.)</b>	.006	.627	.077	.000	.585	.351	.293	.000
<b>Pay (eta)</b>	.159	.059	.117	.207	.063	.081	.087	.194
Under \$10	1.32		1.69	1.38				1.65
\$10 - \$14.95	1.31		1.84	1.47				1.83
\$15 - \$19.95	1.43		1.74	1.36				1.91
\$20 or more	1.70		1.78	0.96				1.94
<b>Tenure (sig.)</b>	.751	.982	.132	.290	.467	.741	.589	.871
<b>Tenure (eta)</b>	.034	.008	.089	.070	.055	.034	.046	.024

### Means comparison of ethical tolerance, by specific work related characteristics

1 = tolerant 3 = intolerant	Working conditions		Working environment			Employee behaviour		
	Working in smoke	Sexual jokes	Constructive dismissal	Under-staffing	Poor training	Alcohol to minors	Food on floor	Theft
<b>Job security (sig.)</b>	.009	.075	.432	.001	.127	.248	.965	.052
<b>Job security (eta)</b>	.152	.116	.074	.186	.106	.090	.023	.125
Casual (irregular)	1.40	1.77		1.42	1.72			1.73
Part-time (regular)	1.27	1.63		1.42	1.70			1.78
Full-time (40 hours)	1.45	1.69		1.53	1.83			1.87
Salaried	1.55	1.80		1.13	1.79			1.91
<b>Overall</b>	1.38	1.68	1.79	1.39	1.75	1.83	1.87	1.82
<b>Order of effect</b>	8	6	4	7	5	2	1	3

**Table 29** Means comparison of ethical tolerance with specific work related characteristics showing two way contingency analysis

### Means comparison of ethical tolerance, by workplace characteristics

1 = tolerant 3 = intolerant	Working conditions		Working environment			Employee behaviour		
	Working in smoke	Sexual jokes	Constructive dismissal	Under-staffing	Poor training	Alcohol to minors	Food on floor	Theft
<b>Department (sig.)</b>	.061	.197	.781	.001	.386	.463	.566	.589
<b>Department (eta)</b>	.134	.110	.059	.190	.091	.084	.077	.076
Admin & general	1.57	1.79		1.11				
Food & beverage	1.29	1.64		1.46				
Front office	1.41	1.76		1.29				
Rooms	1.38	1.65		1.47				
Other	1.56	1.56		1.67				
<b>Hotel size (sig.)</b>	.292	.012	.417	.309	.019	.137	.266	.144
<b>Hotel size (eta)</b>	.078	.148	.066	.076	.139	.098	.081	.098
Up to 250 rooms		1.72			1.82			
250 rooms or more		1.77			1.79			
Non-hotel		1.57			1.64			
<b>Business type (sig.)</b>	.257	.011	.765	.245	.021	.130	.248	.145
<b>Business type (eta)</b>	.075	.136	.033	.076	.126	.091	.076	.090
Hotel (3 star plus)		1.74			1.78			
Food or beverage		1.58			1.64			
Other		1.44			1.89			
<b>Overall</b>	1.38	1.68	1.79	1.39	1.75	1.83	1.87	1.82
<b>Order of effect</b>	8	6	4	7	5	2	1	3

**Table 30** Means comparison of ethical tolerance with workplace characteristics showing two way contingency analysis

#### 7.3.2.9 Associations between ethical tolerance and specific demographic variables

Gender was not a predictor of ethical tolerance to workplace problems, but attitudes to tolerance of theft were influenced by most of the other independent variables. Strong associations were evident between age and the dependent

variables, especially for problems with employee behaviour. Ethical tolerance decreased with age for theft and problems relating to working conditions, but for training and alcohol service to minors, younger and older respondents were least tolerant. This pattern was reversed for staffing problems, towards which, younger and older respondents were the most tolerant. The only consistent predictor of ethical tolerance was ethnicity, which was associated with all dependent variables except sexual jokes and teasing. For variables significantly associated with ethnicity, the order of tolerance was (least tolerant first): Indians, Maori, Asians, Pacific Islanders, and Europeans. Pacific Islanders were most tolerant of smoking, and Maori, of sexual jokes and teasing. Europeans emerged as those most ethically tolerant of workplace problems.

Qualifications were associated only with attitudes to working in smoke, and serving alcohol to minors. Students were less likely than non-students to think of working in smoke, poor training, and theft, as ethical issues, and except for under-staffing, ethical tolerance generally decreased with seniority. Hotel size and business type influenced attitudes only towards sexual jokes and training, and respondents in food and beverage businesses were generally more tolerant of unethical behaviour, than were those in hotels.

### 7.3.2.10 Analysis of variance

#### Summarised analysis of variance: ethical tolerance and independent variables

eta values	Working conditions		Working environment			Employee behaviour		
	Working in smoke	Sexual jokes	Constructive dismissal	Under-staffing	Poor training	Alcohol to minors	Food on floor	Theft
Age	.161	.139	.045	.127	.153	.236	.094	.293
Gender	.042	.054	.008	.095	.021	.036	.035	.067
Ethnicity	.159	.079	.130	.117	.127	.104	.108	.132
Qualification	.129	.043	.088	.043	.055	.105	.068	.078
Experience	.069	.069	.023	.060	.070	.090	.027	.155
Main occupation	.117	.075	.019	.067	.109	.076	.069	.132
Seniority	.083	.149	.037	.176	.086	.117	.059	.128
Pay	.159	.059	.117	.207	.063	.081	.087	.194
Tenure	.034	.008	.089	.070	.055	.034	.046	.024
Job security	.152	.116	.074	.186	.106	.090	.023	.125
Department	.134	.110	.059	.190	.091	.084	.077	.076
Hotel size	.078	.148	.066	.076	.139	.098	.081	.098
Business type	.075	.136	.033	.076	.126	.091	.076	.090

Table 31 Analysis of variance: ethical tolerance, with independent variables

Data in this table are extracted from Table 27 to Table 30. The only notable associations are those between age and attitudes to serving alcohol to minors and theft, and between pay and attitudes to under-staffing. Further analyses are presented in Section 8.5.

#### **7.3.2.11 Summary and observations**

The strongest responses to any of the dependent variables were those against serving food to customers after it had been on the floor (mean of 1.87), and serving alcohol to minors (mean of 1.83). Theft was the third most serious ethical issue in the view of respondents, and was rated more seriously than sexual harassment. Attitudes to theft and illegal alcohol service developed with age, and age and ethnicity were consistent predictors of attitudes on employee behaviour. Employee behaviour issues were considered to be more serious ethical issues than those relating to working conditions or working environment. Tolerance to unethical behaviour appeared to be more strongly influenced by the legality of the behaviour (e.g. serving alcohol to minors, poor food hygiene, theft and sexual harassment) than its potential for harm, the criterion usually applied to discriminate between moral and immoral behaviour (Section 3.2.1).

Qualifications were associated only with attitudes to working in smoke and serving alcohol to minors, and gender did not predict ethical tolerance. Tolerance generally decreased with age and with characteristics associated with age, such as seniority, job security and pay, and varied according to ethnicity. Both Europeans and Pacific Islanders were comparatively tolerant of unethical behaviour.

#### **7.3.2.12 Ethical tolerance conclusion**

Responses on ethical tolerance indicate which workplace problems were considered to be ethical issues. It is interesting to note that two of the six problems classified in this study as ethical issues (having to work in smoke and being sexually harassed) were not considered so by many respondents, who appeared to be influenced more by legality and distributive fairness.

As gender was not associated with the dependent variables, this study does not support the view that gender affects ethical beliefs. However, there is evidence to suggest that ethical sensitivity increases with education.

Respondents were most ethically tolerant of working in smoke and sexual jokes and teasing. Those most tolerant had the characteristics of those in positions of responsibility who also did not have to confront these issues at work, yet allowed their staff to work under such conditions. High ethical tolerance of working in smoke and sexual teasing suggests that offences against the person are not considered as seriously as breaches of the law, such as constructive dismissal, serving unhygienic food or alcohol to minors, and theft. Respondents felt more strongly about active interference with their working environment than about problems arising by default, such as poor recruitment and inadequate training. Tolerance to employee behaviour issues was particularly low, indicating that respondents reacted most strongly to practices that were clearly wrong, such as theft.

The response on under-staffing from those paid over \$20 an hour was so low it was construed as an insistence, rather than a mere belief, that under-staffing is not wrong. This group received more than twice the pay of 18% of the respondents, and included those who were the most likely to have responsibility for solving staff problems. Ethical tolerance generally decreased with age and with characteristics associated with age, such as seniority, job security and pay, and varied according to ethnicity. Along with Europeans, Pacific Islanders were comparatively tolerant of unethical behaviour, perhaps more because they are a tolerant people, than because they are inherently unethical. However, these results do not allow differentiation between these two possibilities, and no other obvious explanation is apparent. Higher qualifications predicted low ethical tolerance of working in smoke and serving alcohol to minors, and may be the result of being better informed about the dangers of second-hand smoke and teenage drinking.

### **7.3.3 Ethical tolerance to theft - frequency analysis**

Because additional questions on theft were added to the questionnaire to solicit perceptions about the severity of theft according to the item stolen, further discussion on theft is presented here, examining the relationships between the acceptance of taking specific items of hotel property home, and respondents' demographic characteristics.

Pens and left-over food were the items most commonly taken home by hotel

employees (Table 32). Although some might feel they have implicit permission to take pens and food, the author knows of a reputable Auckland hotel that searches the bags of staff leaving work, giving warnings to those with hotel pens, indicating that pen theft is treated seriously in some workplaces. Similarly, many workplaces do not allow staff to take left-over food home, as this confuses the boundaries between theft of (for example) uncooked steak, and taking a piece of left-over cake that would otherwise be thrown out.

Respondents were asked to ‘tick those items you think it is okay to take home for personal use without asking’. Some ticked money and vehicles, suggesting that money (i.e. tips) can be taken home without asking. However, most of those who thought it acceptable to take a vehicle home for personal use without asking (n = 10), were young, part-time staff, poorly paid, and working in hotels in either rooms or food and beverage. No obvious explanation could be found other than that they felt free to use company vehicles without asking. A third of respondents thought it acceptable to take pens home without asking, and a quarter, to take left-over food. There was a general trend for older, more experienced, better paid, and more senior respondents to be less likely to think it acceptable to take hotel property home without asking, and younger employees and students the most likely to think it acceptable. Respondents were more tolerant of taking items from their own department than from another department.

<b>Frequency analysis of ethical tolerance to theft by item</b>		
<b>Item</b>	<b>Count</b>	<b>Valid Percent</b>
Alcohol	12	2.3%
Food (guest)	19	3.6%
Food (left-over)	135	25.8%
Soap	36	6.9%
Cleaning products	13	2.5%
Toilet paper	18	3.4%
Towels	13	2.5%
Pens	176	33.6%
Paper	62	11.8%
Money	13	2.5%
Vehicles	10	1.9%

**Table 32** Frequency analysis of ethical tolerance to theft by item

### **7.3.3.1 Ethical tolerance to taking pens, paper, and food - means comparison**

Less than 5% of respondents thought it acceptable to take liquor, guest food, cleaning products, toilet paper, towels, money, or vehicles home for personal use without asking. Although some results were interesting and statistically robust, responses from less than 2.5% of the population are not presented, to avoid extrapolating data from too few responses. For example, although only 12 respondents said they would take towels home, 92% of these were men, yet men comprised only 43% of the sample. Such a result is still fairly convincing, even when extrapolated from such a small group.

The likelihood of taking guest food was associated only with seniority and department, with supervisors in food and beverage departments being those most likely to think it was acceptable to take guest food. The likelihood of taking left-over food however, was associated with all the independent variables except gender and qualifications. Those most likely to take left-over food were younger respondents, Asians, those with other work, students, those with least experience, least job security, lowest pays, supervisors, and food and beverage workers. Occupation was the most significant determinant of taking left-over food, and is likely to be related to the economic circumstances of respondents.

Front office workers, students and those with bursary or trade certificates were those most likely to take pens, and food and beverage workers were those most likely to take left-over food. However, of those with bursary or trade qualifications, 60% were also students, who perhaps take pens because they value them. The most significant determinant of pen theft was age.

### 7.3.3.2 Tables showing ethical tolerance to theft by item by demographic characteristics

**Cross tabulation analysis of tolerance to theft by item, by personal characteristics**

	Guest food	Left-over food	Soap	Toilet paper	Pens	Paper
<b>Count</b>	19	135	36	18	176	62
<b>Age (sig.)</b>	.299	.000	.000	.170	.000	.000
<b>Age (eta)</b>	.099	.245	.220	.114	.334	.244
Under 20		35.7%	14.8%	3.5%	51.3%	20.9%
20 – 24		34.3%	8.0%	6.3%	44.6%	16.6%
25 – 29		25.4%	0.0%	1.6%	23.8%	3.2%
30 – 39		10.0%	2.5%	1.3%	16.3%	5.0%
40 or over		10.8%	0.0%	1.5%	9.2%	0.0%
<b>Gender (sig.)</b>	.697	.344	.080	.020	.628	.863
<b>Gender (eta)</b>	.017	.042	.077	.103	.021	.008
Female				1.7%		
Male				5.5%		
<b>Ethnicity (sig.)</b>	.496	.068	.312	.012	.409	.003
<b>Ethnicity (eta)</b>	.093	.143	.109	.170	.100	.189
European		25.1%	7.6%	2.4%	37.5%	11.2%
Indian		25.0%	7.5%	0.0%	30.0%	2.5%
NZ Maori		18.4%	7.9%	2.6%	28.9%	10.5%
Pacific Islander		14.3%	0.0%	2.4%	21.4%	2.4%
Asian		36.2%	5.7%	9.5%	34.3%	21.9%
Other and mixed		21.4%	14.3%	0.0%	32.1%	7.1%
<b>Overall</b>	3.6%	25.8%	6.9%	3.4%	33.6%	11.8%

**Table 33 Cross tabulation analysis of theft by item with personal characteristics showing two way contingency analysis**

**Cross tabulation analysis of theft by item, by general work related characteristics**

	Guest food	Left-over food	Soap	Toilet paper	Pens	Paper
<b>Count</b>	19	135	36	18	176	62
<b>Qualification (sig.)</b>	.506	.371	.892	.139	.001	.414
<b>Qualification (eta)</b>	.069	.080	.035	.106	.179	.076
Nothing or S Cert				5.5%	28.9%	13.9%
Bursary or Trade				1.6%	45.5%	12.6%
Bachelor's degree				4.0%	26.7%	9.3%
Post-graduate				0.0%	26.9%	3.8%
<b>Experience (sig.)</b>	.371	.000	.035	.775	.000	.001
<b>Experience (eta)</b>	.062	.221	.115	.032	.234	.166
Under 5 years		33.4%	9.0%		41.8%	15.5%
5 - 10 years		16.1%	3.4%		23.0%	6.9%
11 years or more		10.3%	2.3%		14.9%	2.3%

**Cross tabulation analysis of theft by item, by general work related characteristics**

	Guest food	Left-over food	Soap	Toilet paper	Pens	Paper
<b>Count</b>	19	135	36	18	176	62
<b>Occupation (sig.)</b>	.208	.000	.048	.895	.000	.003
<b>Occupation (eta)</b>	.079	.262	.109	.021	.174	.150
Another job		38.2%	2.9%		26.5%	8.8%
This job		13.2%	4.4%		26.0%	7.0%
Student		36.0%	9.7%		42.5%	17.0%
<b>Overall</b>	3.6%	25.8%	6.9%	3.4%	33.6%	11.8%

**Table 34** Cross tabulation analysis of theft by item with general work related characteristics showing two way contingency analysis

**Cross tabulation analysis of theft by item, by specific work related characteristics**

	Guest food	Left-over food	Soap	Toilet paper	Pens	Paper
<b>Count</b>	19	135	36	18	176	62
<b>Seniority (sig.)</b>	.160	.000	.022	.588	.000	.032
<b>Seniority (eta)</b>	.104	.201	.141	.063	.210	.136
Staff	3.7%	29.7%	9.6%		40.9%	15.2%
Supervisor	8.1%	32.3%	1.6%		32.3%	9.7%
Manager	1.1%	8.7%	2.2%		15.2%	4.3%
Other	0.0%	0.0%	0.0%		25.0%	0.0%
<b>Pay (sig.)</b>	.175	.001	.054	.266	.000	.002
<b>Pay (eta)</b>	.099	.181	.123	.089	.194	.170
Under \$10		34.0%	10.3%		28.9%	16.5%
\$10 - \$14.95		29.1%	8.2%		42.6%	14.9%
\$15 - \$19.95		16.9%	1.45%		22.5%	2.8%
\$20 or more		7.8%	2.0%		19.6%	2.0%
<b>Tenure (sig.)</b>	.905	.034	.697	.263	.001	.372
<b>Tenure (eta)</b>	.020	.115	.038	.072	.164	.062
Under 5 years		28.4%			36.9%	
5 - 10 years		12.5%			20.0%	
11 years or more		14.8%			7.4%	
<b>Job security (sig.)</b>	.690	.000	.045	.059	.000	.002
<b>Job security (eta)</b>	.053	.256	.125	.121	.211	.169
Casual (irregular)		39.5%	14.0%	9.3%	32.6%	16.3%
Part-time (regular)		34.0%	8.3%	2.3%	42.6%	16.2%
Full-time (40 hours)		18.7%	3.7%	5.6%	29.9%	7.5%
Salaried		7.2%	3.1%	2.1%	16.5%	3.1%
<b>Overall</b>	3.6%	25.8%	6.9%	3.4%	33.6%	11.8%

**Table 35** Cross tabulation analysis of theft by item with specific work related characteristics showing two way contingency analysis

**Cross tabulation analysis of theft by item, by workplace characteristics**

	Guest food	Left-over food	Soap	Toilet paper	Pens	Paper
<b>Count</b>	19	135	36	18	176	62
<b>Department (sig.)</b>	.231	.011	.185	.751	.001	.235
<b>Department (eta)</b>	.105	.161	.111	.062	.190	.105
Admin & general	6.7%	18.7%	4.0%		25.3%	10.7%
Food & beverage	4.4%	32.2%	8.8%		36.6%	13.6%
Front office	1.1%	21.8%	6.9%		44.8%	13.8%
Rooms	0.0%	12.8%	0.0%		10.3%	2.6%
Other	0.0%	11.1%	0.0%		22.2%	0.0%
<b>Hotel size (sig.)</b>	.710	.000	.108	.361	.032	.030
<b>Hotel size (eta)</b>	.041	.250	.104	.071	.130	.131
Up to 250 rooms		18.5%	3.8%		30.0%	7.7%
250 rooms or more		15.0%	5.9%		35.9%	9.2%
Non-hotel		39.4%	10.2%		45.7%	17.3%
<b>Business type (sig.)</b>	.449	.002	.036	.266	.245	.003
<b>Business type (eta)</b>	.057	.157	.117	.074	.076	.156
Hotel (3 star plus)		21.6%	5.1%			9.9%
Food or beverage		36.7%	9.5%			15.6%
Other		22.2%	22.2%			44.4%
<b>Overall</b>	3.6%	25.8%	6.9%	3.4%	33.6%	11.8%

**Table 36** Cross tabulation analysis of theft by item with workplace characteristics showing two way contingency analysis

**7.3.3.3 Associations between ethical tolerance to taking pens, paper, and food by specific demographic characteristics**

Age, seniority and job security were all strongly and consistently associated with tolerance to taking hotel property home. Gender was a determinant of taking cleaning products, toilet paper and towels, and although only a few respondents thought it acceptable to take these items, most were males (Table 37).

**Cross-tabulation analysis of theft of cleaning products, towels and toilet paper, by gender**

Count	Cleaning products	Towels	Toilet paper
<b>Gender (sig.)</b>	.024	.001	.020
<b>Gender (eta)</b>	.100	.153	.103
Males (yes to theft)	9	11	12
Females (yes to theft)	3	1	5
<b>Total</b>	12	12	17

**Table 37** Cross tabulation analysis of theft and gender

Indians appeared generally intolerant of all theft, and Asians, those most likely to take something home, especially left-over food, pens, and paper. However, as 71% of Asian respondents were also students, and 52% were under 25

years old, no particular conclusion about Asians and honesty is inferred, as responses from Asians on this question paralleled those from other younger respondents and students.

Managers and those with the characteristics of managers (well paid, older, and better educated), were less tolerant of taking hotel property home, and supervisors most tolerant. Any of staff, supervisors, or managers appeared likely to take pens and left-over food, although managers were less inclined than others. Students were significantly more likely to take property home than were other respondents.

#### **7.3.3.4 Summary and observations**

A third of respondents thought it acceptable to take pens home without asking, and a quarter, to take left-over food. Older, more experienced, better paid, and more senior respondents were least likely to take hotel property home, and younger employees and students most likely. Age, seniority and job security were all strongly and consistently associated with tolerance of taking hotel property home.

Food and beverage supervisors were those most likely to take guest food, and those most likely to take left-over food were younger respondents, Asians, those with other jobs, students, those with least experience, least job security, lowest pay, supervisors, and food and beverage workers. Respondents were more likely to take items from their own department than from another department. Front office workers, students and those with bursary or trade certificates were those most likely to take pens, and food and beverage workers those most likely to take left-over food. Being male was a determinant of taking cleaning products, toilet paper and towels, and the most significant determinant of pen theft was age. Indians were generally intolerant of theft, and Asians, most tolerant, especially left-over food, pens, and paper.

Managers were less tolerant of taking property home, and supervisors most tolerant. Results suggest that any staff, supervisors, or managers are likely to take pens and left-over food, although managers were less inclined to theft than were others. Students were significantly more prepared to take hotel property home than were others.

## 7.4 Perceived (management) opposition to unethical behaviour

Perceived opposition to specific behaviours and practices was tested by asking respondents if these practices were 'standard practice', 'encouraged', 'allowed', 'not allowed' or 'something management was trying to stop'. Low perceived opposition indicates respondents thought the behaviour was accepted by management, and high perceived opposition indicates respondents thought management was actively trying to prevent the behaviour. Chi-square tests indicated consistent associations between age, ethnicity, main occupation, pay, and job security, and perceived opposition to behaviours.

### 7.4.1 Perceived opposition - frequency analysis

Frequencies of perceived opposition (Table 38) show that respondents perceived management as only weakly opposing under-staffing and having staff working in smoke, indicated by the cumulative percentages in bold, under 'disagree'. Nearly one third (31%) of valid responses indicated that employees had little choice about whether or not they worked in smoke, which was considerably higher than expected. Similarly, over a third (33.6%) of respondents (n = 333) indicated that constructive dismissals were either allowed or encouraged in their workplace. Most respondents did not perceive management as trying to overcome staffing problems; nearly 60% thought under-staffing was allowed, and only 28% thought management was trying to stop it.

Alcohol service to minors was rated as the behaviour most opposed by management, with 87% thinking this was not allowed.

Frequency analysis of perceived opposition					
Valid percent 'I can choose'	Strongly disagree	Disagree	Strongly agree	Agree	Count
<b>Working conditions</b>					458
<b>Working in smoke</b>	8.1%	22.9%	<b>38.6%</b>	30.3%	
Cumulative percent	8.1%	<b>31.0%</b>			

## Frequency analysis of perceived opposition

Valid percent 'This is...'	Standard practice	Encourage	Allowed	Not allowed	Mgmt trying to stop it	Count
<b>Working environment</b>						
<b>Constructive dismissal</b>	8.7%	2.1%	22.8%	54.1%	12.3%	333
Cumulative percent	8.7%	10.8%	33.6%			
<b>Under-staffing</b>	26.9%	4.6%	28.0%	11.9%	28.5%	453
Cumulative percent	26.9%	31.6%	59.6%			
<b>Poor training</b>	12.9%	2.5%	29.3%	27.1%	28.2%	443
Cumulative percent	12.9%	15.3%	44.7%			
<b>Employee behaviour</b>						
<b>Alcohol to minors</b>	2.5%	0.0%	0.8%	87.4%	9.2%	357
Cumulative percent	2.5%	0.0%	3.4%			
<b>Food on floor</b>	2.5%	0.7%	3.7%	85.6%	7.5%	402
Cumulative percent	2.5%	3.2%	7.0%			
<b>Theft</b>	3.2%	1.1%	2.9%	67.0%	25.9%	379
Cumulative percent	3.2%	4.2%	7.1%			

**Table 38** Frequency analysis of perceived opposition

### 7.4.2 Perceived opposition - means comparison

Illegal alcohol service, serving dirty food and theft, were perceived as most strongly opposed by management, and working in smoke and under-staffing, as least opposed.

Management opposition was summarised from 'standard practice', 'encouraged', 'allowed', 'not allowed' and 'management trying to stop', as 'standard practice'/encouraged', 'allowed', 'not allowed', and 'management trying to stop'. Opposition was determined by using 1 for accepted, and 4 for opposed, high means indicating high opposition. As legislation at the time of data collection allowed staff to work in smoke, there seemed no point asking respondents whether or not managers allowed them to work in smoke, as very few workplaces were smoke-free. Respondents' perceived choice about whether or not they had to work in smoke was therefore used as to measure management's acceptance of, or opposition to, employees working in smoke. For mean comparisons, non-summarised data were used, as this used a scale of four, and was therefore comparable to other means for perceived opposition.

Respondents were not asked about management's attitudes to sexual harassment or sexual jokes and teasing, as there other questions on this issue to determine the identities of victims and perpetrators, and it was considered further questions might discourage respondents from completion.

#### **7.4.2.2 Perceived opposition and working conditions – means comparison**

Although management's attitude to working in smoke was assessed on a different scale, even taking this into account, after results were converted to enable valid comparisons, many respondents were shown as reporting that they had little choice about working in smoke – that is, working in smoke had weak management opposition. Choice improved with job security, for those over 40, administration workers, and those paid \$20 or more an hour, all of which profile management. Choice was particularly poor for casual workers and those in food and beverage departments or businesses.

#### **7.4.2.3 Perceived opposition and working conditions – summary and observations**

Nearly a third of respondents felt they had no choice about whether or not they worked in smoke.

#### **7.4.2.4 Perceived opposition and working environment – means comparison**

Those most likely to think managers were opposed to constructive dismissals were those over 40, Europeans, those with post-graduate qualifications, managers, those paid \$20 or more, salaried workers, and those in large hotels, all of whom match the profile of managers. Those who thought constructive dismissals were allowed were most likely to be Indians, supervisors, full-time workers, and those with other jobs, a group which offers little in the way of a pattern except perhaps to profile supervisors. Respondents in larger hotels were less likely than those in smaller hotels or food and beverage businesses to think constructive dismissals were allowed.

Those who thought under-staffing was not allowed were males, Indians, Pacific Islanders, those with the most experience and tenure, full-time workers, and those in rooms division. Maori, those with post-graduate qualifications and casual workers were those most likely to think under-staffing was allowed.

Respondents from food and beverage departments, non-hotels and food and beverage businesses were most likely to think understaffing and inadequate training were allowed. The youngest respondents, Pacific Islanders and Asians, those with other work and casual workers, were those most likely to think

inadequate training was allowed. Those who thought management opposed inadequate training had post-graduate qualifications, were on higher pay, salaries, and managers, all of which match the management profile. Pay and job security were the strongest determinants of beliefs about management's attitude to training, with higher pay and better job security both associated with the belief that management was trying to improve training.

#### **7.4.2.5 Perceived opposition and working environment – summary and observations**

Constructive dismissals, under-staffing, and inadequate training are all human resources issues, and were therefore expected to elicit strong responses indicating that these practices were opposed by management. However, while those with a management profile thought managers opposed constructive dismissals and inadequate training, they also thought managers allowed under-staffing. Those who thought under-staffing was not allowed matched the profile of rooms staff, where under-staffing is less common than in food and beverage, and possibly more difficult to cope with when it does occur. Under-staffing and inadequate training were both associated with food and beverage work.

#### **7.4.2.6 Perceived opposition and employee behaviour – means comparison**

Most respondents seemed clear that management did not permit the sale of alcohol to minors. Supervisors, Europeans, 20 – 24 year olds and those paid \$15 - \$19.95 were least likely to think this was allowed, and those most likely were Maori, those with other jobs, and those on the lowest and highest pay. Of staff, supervisors, and managers, managers were those most likely to think serving alcohol to minors was allowed.

Ethnicity, experience, tenure and department, were the only variables significantly associated with what respondents thought about management's attitude to serving food that had been on the floor. Indians and those with 5 – 10 years' experience were those most likely to think this was not allowed.

Theft was the behaviour perceived as most overtly opposed by management, with a mean of 3.15 (close to the maximum of 4). Job security was the strongest determinant of beliefs on management's attitude to theft, which were not

influenced by respondents' workplace characteristics. Part-time employees were significantly more likely than others to think it was okay to take property home without asking.

#### 7.4.2.7 Perceived opposition and employee behaviour – summary and observations

Most respondents thought that managers opposed the employee behaviours of serving unhygienic food, serving alcohol to minors, and theft. However, while those matching the profile of supervisors were most likely to think managers did not allow alcohol service to minors, no consistent pattern emerged from the associations between working in smoke, poor food hygiene, illegal alcohol service and the independent variables, suggesting beliefs about management's opposition to these practices are common to many employees.

#### 7.4.2.8 Tables showing perceived opposition, by demographic characteristics

<b>Means comparison of perceived opposition, by personal characteristics</b>							
<b>1 = accepted / no choice 4 = opposed / choice</b>	<b>Conditions and environment</b>				<b>Employee behaviour</b>		
	Working in smoke	Constructive dismissal	Under-staffing	Poor training	Alcohol to minors	Food on floor	Theft
<b>Age (sig.)</b>	.051	.416	.441	.080	.347	.756	.043
<b>Age (eta)</b>	.148	.112	.094	.140	.116	.071	.165
Under 20	2.14	2.71		2.60	3.01		2.99
20 – 24	2.17	2.56		2.57	3.09		3.11
25 – 29	2.05	2.63		2.77	3.07		3.33
30 – 39	2.10	2.71		2.92	2.95		3.25
40 or over	1.76	2.87		2.88	3.02		3.15
<b>Gender (sig.)</b>	.627	.780	.002	.577	.824	.059	.483
<b>Gender (eta)</b>	.023	.116	.148	.027	.012	.096	.037
Female		2.67	2.53				
Male		2.69	2.17				
<b>Ethnicity (sig.)</b>	.686	.311	.055	.013	.204	.486	.684
<b>Ethnicity (eta)</b>	.085	.137	.158	.183	.147	.108	.093
European		2.74	2.43	2.81	3.07	3.01	
Indian		2.48	2.09	2.74	3.04	3.03	
NZ Maori		2.60	2.73	2.97	2.89	2.87	
Pacific Islander		2.83	1.91	2.44	3.03	2.92	
Asian		2.52	2.45	2.44	2.97	2.94	
Other and mixed		2.53	2.32	2.35	3.18	2.89	
<b>Overall</b>	2.09	2.68	2.37	2.68	3.03	2.97	3.15
<b>Order of effect</b>	7	4=	6	4=	2	3	1

**Table 39** Means comparison of perceived opposition with personal characteristics showing two way contingency analysis

### Means comparison of perceived opposition, by general work related characteristics

1 = accepted / no choice 4 = opposed / choice	Conditions and environment				Employee behaviour		
	Working in smoke	Constructive dismissal	Under-staffing	Poor training	Alcohol to minors	Food on floor	Theft
<b>Qualification (sig.)</b>	.348	.219	.031	.038	.726	.692	.181
<b>Qualification (eta)</b>	.088	.119	.144	.141	.063	.063	.117
Nothing or S Cert		2.73	2.25	2.62			3.07
Bursary or Trade		2.62	2.52	2.63			3.17
Bachelor's degree		2.51	2.22	2.75			3.19
Post-graduate		2.89	2.83	3.24			3.38
<b>Experience (sig.)</b>	.357	.613	.006	.184	.213	.113	.573
<b>Experience (eta)</b>	.069	.055	.151	.089	.096	.107	.055
Under 5 years			2.47			2.98	
5 - 10 years			2.38			3.06	
11- years or more			1.99			2.89	
<b>Main occupation (sig.)</b>	.199	.024	.099	.002	.001	.919	.021
<b>Main occupation (eta)</b>	.086	.151	.103	.168	.199	.021	.144
Another job		2.19	2.36	2.48	2.70		2.88
This job		2.69	2.24	2.87	3.06		3.23
Student		2.70	2.49	2.52	3.05		3.10
<b>Overall</b>	2.09	2.68	2.37	2.68	3.03	2.97	3.15
<b>Order of effect</b>	7	4=	6	4=	2	3	1

**Table 40** Means comparison of perceived opposition with general work related characteristics showing two way contingency analysis

### Means comparison of perceived opposition, by specific work related characteristics

1 = accepted / no choice 4 = opposed / choice	Conditions and environment				Employee behaviour		
	Working in smoke	Constructive dismissal	Under-staffing	Poor training	Alcohol to minors	Food on floor	Theft
<b>Seniority (sig.)</b>	.487	.320	.520	.003	.246	.746	.305
<b>Seniority (eta)</b>	.077	.108	.074	.184	.114	.058	.101
Staff		2.66		2.55	3.04		3.09
Supervisor		2.50		2.70	3.10		3.25
Manager		2.80		3.04	2.99		3.20
Other		2.50		2.75	3.50		3.00
<b>Pay (sig.)</b>	.027	.172	.151	.000	.328	.904	.128
<b>Pay (eta)</b>	.146	.126	.111	.216	.102	.039	.126
Under \$10	1.90	2.67	2.55	2.51	2.98		3.06
\$10 - \$14.95	2.21	2.61	2.37	2.56	3.05		3.10
\$15 - \$19.95	2.09	2.64	2.11	3.03	3.11		3.31
\$20 – or more	1.92	2.94	2.52	3.10	2.95		3.24
<b>Tenure (sig.)</b>	.188	.717	.013	.561	.700	.033	.860
<b>Tenure (eta)</b>	.087	.046	.140	.052	.046	.133	.029
Under 5 years			2.43			2.99	
5 – 10 years			2.06			2.93	
11 years or more			1.78			2.67	

### Means comparison of perceived opposition, by specific work related characteristics

1 = accepted / no choice 4 = opposed / choice	Conditions and environment				Employee behaviour		
	Working in smoke	Constructive dismissal	Under-staffing	Poor training	Alcohol to minors	Food on floor	Theft
<b>Job security (sig.)</b>	.158	.220	.018	.000	.388	.920	.000
<b>Job security (eta)</b>	.109	.117	.151	.214	.094	.036	.217
Casual (irregular)	2.31	2.69	2.64	2.48			3.30
Part-time (regular)	2.15	2.63	2.47	2.55			2.99
Full-time (40 hours)	1.98	2.55	2.05	2.69			3.22
Salaried	2.00	2.84	2.33	3.10			3.32
<b>Overall</b>	2.09	2.68	2.37	2.68	3.03	2.97	3.15
<b>Order of effect</b>	7	4=	6	4=	2	3	1

**Table 41** Means comparison of perceived opposition with specific work related characteristics showing two way contingency analysis

### Means comparison of perceived opposition, by personal characteristics

1 = accepted / no choice 4 = opposed / choice	Conditions and environment				Employee behaviour		
	Working in smoke	Constructive dismissal	Under-staffing	Poor training	Alcohol to minors	Food on floor	Theft
<b>Department (sig.)</b>	.004	.875	.078	.262	.855	.310	.517
<b>Department (eta)</b>	.189	.062	.138	.111	.063	.112	.094
Admin & general	1.71		2.25	2.95		3.02	
Food & beverage	2.21		2.49	2.62		2.98	
Front office	2.09		2.31	2.71		3.03	
Rooms	2.03		2.18	2.70		2.88	
Other	2.00		1.56	2.63		2.67	
<b>Hotel size (sig.)</b>	.320	.164	.050	.020	.739	.824	.606
<b>Hotel size (eta)</b>	.080	.117	.129	.149	.047	.036	.057
Up to 250 rooms		2.66	2.30	2.87			
250 rooms or more		2.83	2.23	2.81			
Non-hotel		2.60	2.59	2.50			
<b>Business type (sig.)</b>	.269	.404	.073	.025	.400	.252	.839
<b>Business type (eta)</b>	.079	.077	.111	.133	.075	.087	.031
Hotel (3 star plus)			2.30	2.78			
Food or beverage			2.59	2.52			
Other			2.38	2.14			
<b>Overall</b>	2.09	2.68	2.37	2.68	3.03	2.97	3.15
<b>Order of effect</b>	7	4=	6	4=	2	3	1

**Table 42** Means comparison of perceived opposition with workplace characteristics showing two way contingency analysis

#### 7.4.2.9 Associations between ethical tolerance and specific demographic variables

Pay was the most consistent predictor of beliefs about management's attitude to the behaviours and practices in the questionnaire, although age, occupation, ethnicity and job security were also consistently associated with most

dependent variables. No particular pattern emerged from associations between age and the dependent variables. Gender was a determinant of beliefs only on attitudes to constructive dismissal and under-staffing, with males significantly more likely to think under-staffing was allowed.

Pacific Islanders were more likely than those of other ethnic groups to think management allowed the behaviours and practices tested in the questionnaire, particularly under-staffing, and Europeans and Maori were least likely to think this. However, of Pacific Island respondents, 42% worked in rooms division, where under-staffing was less critical than in some other departments. The belief that management opposed inadequate training and theft increased with increased education, and experience was inversely associated with beliefs about under-staffing; that is, respondents with the least industry experience were those most likely to think management opposed under-staffing. Those who said 'this job' was their main occupation were those most likely to think that inadequate training, serving alcohol to minors, and theft, were not allowed by management, and students were significantly more likely to think that under-staffing was not allowed. While supervisors were those most likely to think constructive dismissals were allowed, staff were more likely to think inadequate training and theft were allowed, and managers, that alcohol service to minors was allowed. Tenure was inversely related to under-staffing and serving food that had been on the floor; and those with longer tenures were least likely to think these behaviours were allowed. Full-time workers were less likely to think management opposed the stated behaviours, and salaried workers, more likely.

#### 7.4.2.10 Analysis of variance

##### Summarised analysis of variance: perceived opposition and independent variables

eta values	Conditions and environment				Employee behaviour		
	Working in smoke	Constructive dismissal	Under-staffing	Poor training	Alcohol to minors	Food on floor	Theft
Age	.148	.112	.094	.140	.116	.071	.165
Gender	.023	.116	.148	.027	.012	.096	.037
Ethnicity	.085	.137	.158	.183	.147	.108	.093
Qualification	.088	.119	.144	.141	.063	.063	.117
Experience	.069	.055	.151	.089	.096	.107	.055
Main occupation	.086	.151	.103	.168	.199	.021	.144
Seniority	.077	.108	.074	.184	.114	.058	.101
Pay	.146	.126	.111	.216	.102	.039	.126

### Summarised analysis of variance: perceived opposition and independent variables

eta values	Conditions and environment				Employee behaviour		
	Working in smoke	Constructive dismissal	Under-staffing	Poor training	Alcohol to minors	Food on floor	Theft
Tenure	.087	.046	.140	.052	.046	.133	.029
Job security	.109	.117	.151	.214	.094	.036	.217
Department	.189	.062	.138	.111	.063	.112	.094
Hotel size	.080	.117	.129	.149	.047	.036	.057
Business type	.079	.077	.111	.133	.075	.087	.031

**Table 43** Analysis of variance: perceived opposition, with independent variables

Data in Table 43 are extracted from Table 39 to Table 42. Notable associations are those between poor training, pay, and job security, and between theft and job security. Main occupation emerged as a strong predictor of responses on management's attitude to serving alcohol to minors, and pay was a predictor of responses on managements' attitude to training. Job security was also a predictor of responses on training, as well as on management's attitude to theft. Pay and gender were consistent predictors of responses on management's attitudes.

#### 7.4.2.11 Summary and observations

The strongest responses to any of the dependent variables were towards poor food hygiene, illegal alcohol service, and theft. Management opposition to working in smoke and under-staffing was generally perceived as weak. Theft was perceived as most strongly opposed (mean of 3.15), and working in smoke, most weakly opposed (mean of 2.09), as many respondents had little choice about whether they worked in smoke. Although pay was the variable most consistently associated with views on management's opposition to problematic behaviours and practices, nothing specific is inferred from this. Respondents whose characteristics matched management's profile opposed constructive dismissals and inadequate training, but not under-staffing, while supervisors were those most likely to think constructive dismissals were allowed. Many respondents indicated that constructive dismissals were allowed or encouraged, and most did not think managers were trying to overcome staffing problems.

As expected, attitudes to illegal alcohol service, serving dirty food, and theft, indicated that most respondents thought these were prohibited. Pay, age,

occupation, ethnicity and job security (and not gender, industry experience, tenure and business type), were consistent predictors of beliefs about management's attitudes.

#### 7.4.2.12 Perceived opposition conclusion

Poor food hygiene, illegal alcohol service and theft were thought to be strongly opposed by management, probably because of the risks associated with these illegal behaviours.

Management was perceived as accepting of staff having to work in smoke, and before the 2004 amendment to the Smoke-free Environments Act (1990), few managers attempted to protect their workers by asking customers not to smoke. Although under-staffing was also perceived as weakly opposed by management, this is more likely to be associated with management's inability to resolve staffing problems, than an intention to operate with insufficient staff. Supervisors were more likely than staff or managers to think constructive dismissal was allowed; data in Table 44 indicate that a staggering 52.3% of supervisors believed constructive dismissals were condoned by management. Such a finding has concerning implications for both the fair treatment of staff, and staff retention.

**Cross-tabulation analysis of perceived opposition to constructive dismissal, by seniority**

	Staff	Supervisor	Manager	Total
Allowed	34.9%	52.3%	21.3%	34.7%
Not allowed	52.8%	29.5%	70.5%	53.0%
Mgmt trying to stop	12.3%	18.2%	8.2%	12.3%

**Table 44 Frequency analysis of perceived opposition to constructive dismissal by seniority**

Those most affected by the behaviours in the questionnaire were also those most likely to think that management supported the behaviours; that is, where incidence was high, perceived management support was also likely to be high. This is explored in Section 9.3, which compares means for incidence, ethical tolerance, and perceived opposition to working in smoke, and sexual harassment.

## **7.5 Summary**

The following summaries repeat information presented elsewhere in this chapter for the purpose of grouping observations together.

### **7.5.1 Actual and perceived incidence**

- 1 Under-staffing, working in smoke and inadequate training were considered more common than the other behaviours and practices.
- 2 Having to work in smoke was associated with low status, suggested by low seniority, low pay, poor job security, and youth. However, although supervisors were more likely to work in smoke than staff, if they became managers, this likelihood was reduced by 15%.
- 3 Young female students, particularly Europeans and Maori working part-time in food and beverage businesses, were those most likely to be sexually harassed.
- 4 Constructive dismissals were common, and casual employees, especially Asians, were the likely victims. Casual employees and supervisors had the most contact with constructive dismissals, and the most likely perpetrators were male supervisors.
- 5 Under-staffing was more critical in hotels than in food and beverage businesses, and was reported most by older males in administrative or managerial positions.
- 6 Training problems were most acute in food and beverage and front office, especially in hotels. Many managers were either satisfied with training levels, or unaware that training problems existed.
- 7 Only casual food and beverage workers and minors were aware that alcohol was sold to minors; older employees and those with the profile of managers were not aware of this. Illegal liquor service was common, but a well guarded secret.
- 8 Although poor food hygiene was not a critical problem, those who handled food were aware that the problem exists.
- 9 Front office employees were those most aware of theft.
- 10 Ethnicity was not a predictor of theft.
- 11 Asians had strong views on ethical issues, and Pacific Islanders, weaker views.
- 12 Food and beverage workers were more aware of, or at least had more

contact with the problems and practices in the questionnaire, than did hotel workers.

- 13 Sexual harassment, poor food hygiene, and illegal alcohol service occurred more in food and beverage business than in hotels.
- 14 Staff and supervisors were more aware of workplace problems than were managers, and problems were most common in food and beverage departments and businesses.
- 15 Problems that did not have a legal dimension to them (e.g. under-staffing, working in smoke and poor training) were more common than those that were illegal (e.g. theft, sexual harassment, constructive dismissal, poor food hygiene and serving alcohol to minors).
- 16 Although workplace problems were strongly associated with department and ethnicity, department was the stronger influence on whether or not problems would arise.
- 17 Food and beverage work was generally associated with unpleasant working conditions.
- 18 Age was a strong predictor of responses on working in smoke and constructive dismissal, and pay, of under-staffing and theft. Seniority was a predictor of views on constructive dismissal, and department, of working in smoke and serving alcohol to minors. The strongest association was that between department and working in smoke.
- 19 Responses on constructive dismissal were strongly associated with age and seniority, and to a lesser degree, pay and job security, all of which relate to respondents' status.
- 20 As age was strongly associated with working in smoke, being harassed, constructive dismissal, under-staffing, serving alcohol to minors and poor food hygiene, there is a strong indication that workplace problems were more prevalent where young employees worked.
- 21 Department and ethnicity were consistent predictors of response on the incidence of workplace problems. Education was a predictor only of perceptions about food hygiene, alcohol service to minors, and theft.

### **7.5.2 Ethical tolerance**

- 1 Ethical tolerance was lowest for issues that are illegal, such as (in order of perceived severity) poor food hygiene, serving alcohol to minors, and theft,

- and highest for under-staffing and working in smoke.
- 2 The high tolerance to working in smoke and sexual jokes suggests that offences against the person are thought less serious than illegal practices.
  - 3 Most did not think it unethical to expect people to work where others smoke.
  - 4 Older, better qualified and better paid respondents were those least ethically tolerant of working in smoke, and Pacific Islanders, the most.
  - 5 Low tolerance of working in smoke and sexual harassment was associated with older respondents and administrators. Those who were least likely to work in smoke or be harassed (i.e. older respondents and administrators) were therefore allowing employees to work in conditions that they considered unethical.
  - 6 Those with the profile of managers (well paid, salaried, European managers) did not think of under-staffing as an ethical issue, but young Maori and Asian workers, and full-time and salaried workers thought it was unethical to have insufficient staff.
  - 7 Respondents felt more strongly about active interference with their working environment (e.g. constructive dismissal), than they did about problems arising by default, such as poor recruitment and poor training.
  - 8 Age was a strong predictor of attitudes towards serving alcohol to minors and theft, and pay was a strong predictor of attitudes on under-staffing.
  - 9 Education was a weak predictor of attitudes towards serving alcohol to minors, and did not affect attitudes on poor food hygiene and theft. Respondents of all ages found poor food hygiene repugnant, but attitudes to theft and illegal alcohol service developed with age.
  - 10 Tolerance of unethical behaviour generally decreased with age and age-related characteristics such as seniority, job security and pay.
  - 11 Ethnicity was a consistent predictor of ethical tolerance. The order of tolerance in this study was: Indians, Maori, Asians, Pacific Islanders, and Europeans, who were the most tolerant of unethical behaviour. Indians were particularly intolerant of theft.
  - 12 Although there is evidence to suggest ethical sensitivity increased with education, the evidence is not conclusive, as educational level also tended to increase with age. However, education was associated with low ethical tolerance of working in smoke and serving alcohol to minors.

- 13 A third of respondents were prepared to take pens home, and a quarter, to help themselves to left-over food without asking.
- 14 Age was a determinant of theft, with younger people being those most tolerant of theft.
- 15 Theft was department specific; that is, employees were more likely to think it acceptable to take something from their own department than from another.
- 16 Men were more likely than women to think it acceptable to take cleaning products, toilet paper and towels.
- 17 Those most likely to think it acceptable to take left-over food were those who needed it most; young poorly paid and inexperienced workers with poor job security, students, and also those with access, such as food and beverage workers. Asians and supervisors were very likely to take food home.
- 18 Although the most significant determinant of pen theft was age, students and front office workers were also more likely than others to steal pens.
- 19 Age, seniority and job security were all strongly and consistently associated with tolerance of taking hotel property home.
- 20 Managers were less tolerant of taking hotel property home, and supervisors most tolerant. However, many staff, supervisors, and managers thought it acceptable to take pens and left-over food, and students were generally more prepared than others to take property home for personal use.

### **7.5.3 Perceived opposition**

- 1 Illegal alcohol service, serving dirty food, and theft were perceived as strongly opposed by managers, and working in smoke or without sufficient staff, weakly opposed. Management was not generally perceived as trying to overcome staffing problems.
- 2 A third of the respondents thought constructive dismissals were allowed, and those most likely to think management opposed constructive dismissals had the characteristics of managers. Full-time supervisors and those in small food and beverage businesses were those most likely to think constructive dismissals were allowed.
- 3 Those in food and beverage departments, non-hotels and food and

beverage businesses, were those most likely to think understaffing and inadequate training were allowed.

- 4 Respondents with a management profile opposed constructive dismissals and inadequate training, but not under-staffing.
- 5 Although most agreed that management was against poor food hygiene, serving alcohol to minors and theft, managers themselves were likely to think serving alcohol to minors was allowed or encouraged.
- 6 Theft was most clearly opposed by management, and those with the least job security were most likely to think taking hotel property home was allowed.
- 7 Gender was a determinant of beliefs about constructive dismissal and under-staffing, with males more likely to think under-staffing was allowed.
- 8 Those with least experience were those most likely to think managers opposed under-staffing, and those who were better educated were most likely to think that managers opposed inadequate training and theft. Similarly, students were more likely than others to think under-staffing was not allowed.
- 9 Supervisors were those most likely to think constructive dismissals were allowed, staff that inadequate training and theft were allowed, and managers, that alcohol service to minors were allowed.
- 10 Workplace problems were most prevalent where management opposition was perceived to be weak.
- 11 Occupation was a strong predictor of response on management's attitude to training and serving alcohol to minors, and pay, a predictor of response on managements' attitude to training.
- 12 Job security was a predictor of response on training and management's attitude to theft.
- 13 Pay, occupation and ethnicity were consistent predictors of responses on management's attitudes.

# Chapter Eight: Smoke, harassment, and ethical comfort

The source of every crime, is some defect of the understanding; or some error in reasoning; or some sudden force of the passions (Thomas Hobbes)

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## **8.1 Introduction**

Because additional questions on problems related to working in smoke and sexual harassment were added to solicit specific information, discussions in Sections 8.2 and 8.3 examine aspects of these problems that are not addressed elsewhere. For example, further to asking respondents if they thought smoking was wrong, they were also asked if they objected to working in smoke. This discussion draws on (and sometimes repeats) extracts from discussions on incidence, ethical tolerance, and perceived opposition, to facilitate easy comparisons and an overview.

Data and discussion about perceived ethical standards and ethical comfort are presented in Section 8.4, and analyses of variance relating to data in chapters 7 and 8 are presented in Section 8.5.

## **8.2 Smoke-related issues**

These tables compare means for incidence, compliance, ethical tolerance, and perceived opposition. Some frequency analyses and cross-tabulations are also presented, as means comparisons are not always sufficiently detailed for this discussion. Actual incidence ('I work where people smoke') was determined by using 1 for 'never', and 3 for 'all the time', with high means representing the highest frequency of incidence. Data are the same as those presented in the incidence tables in Section 7.2.2.7. Ethical tolerance ('It's wrong for people to smoke where other people work') uses the same data as those in the tolerance tables in Section 7.3.2.7. Perceived opposition ('It's my choice to work where people smoke') uses the same data as the opposition tables in Section 7.4.2.7, but to facilitate comparisons, data were converted from out of 4 to out of 3.

### **8.2.1 Incidence of working in smoke**

Respondents' age and department were strongly related to responses on working in smoke (Table 25). Older respondents, managers, those paid \$15 or more an hour, those with more job security, administrators, and hotel workers, were less likely than others to work in smoke, and students, supervisors, part-time workers and food and beverage workers were those most likely. A cross-tabulation analysis of working in smoke and department (Table 45) indicates

that although more food and beverage respondents worked in smoke, 15.7% said this had occurred only once or twice, compared with 2.8% of those working in rooms. Those most likely to report that they worked in smoke frequently or all the time, worked in rooms division.

<b>Cross-tabulation analysis of incidence of working in smoke, by department</b>						
sig. .000 eta .241	Incidence					Count
	Never	Once or twice	Common	Frequent	All the time	
Administration	53.7%	20.9%	9.0%	6.0%	10.4%	67
Food and beverage	24.3%	15.7%	18.6%	15.4%	26.1%	280
Front Office	29.6%	11.1%	22.2%	21.0%	16.0%	81
Rooms	33.3%	2.8%	8.3%	25.0%	30.6%	36
Total	30.4%	14.6%	17.2%	15.5%	22.3%	468

**Table 45** Cross-tabulation analysis of working in smoke incidence with department

### 8.2.2 Objections to working in smoke

Data on smoking compliance (Table 47 to Table 50) are not analysed elsewhere in this study. All independent variables except gender, tenure and hotel size were associated with dependent variables on smoke related issues, and increases in age, experience, qualifications, seniority, and job security, were directly related to increased objection to working in smoke. Except those paid \$10 - \$14.95 an hour, there was also a trend for higher pay to be related to increased objection. Europeans and Indians objected most to working in smoke, and Maori and Pacific Islanders, least. A frequency analysis (not presented) indicated that 43.7% of respondents did not want to work in smoke.

### 8.2.3 Ethical tolerance to working in smoke

Gender, experience, seniority, tenure and hotel size and type did not affect ethical tolerance to working in smoke. Age, pay and job security were strongly related to tolerance, with older respondents notably less tolerant. Older respondents, Indians, those with better qualifications, better pay, and in administrative positions, had the lowest ethical tolerance to working in smoke. Pacific Islanders objected less than those of other ethnicities. However, most respondents did not consider it wrong for people to smoke where others worked (1.38), indicating this was not perceived as an ethical issue.

## 8.2.4 Perceived opposition to working in smoke

Many who worked in smoke found it objectionable but felt they had little choice. Perceived choice about working in smoke improved with job security, for those over 40, administration workers and those paid \$20 or more an hour, all of whom match a management profile. Choice was low for casual workers and food and beverage workers.

## 8.2.5 Comparisons between working in smoke incidence and choice

The mean for objecting to working in smoke was higher than the mean for incidence of working in smoke, indicating that more respondents objected to working in smoke than were actually working in it, although 21.9% worked in smoke regularly (Table 46). Of those who felt they had some choice about working in smoke, 16.2% worked in smoke all the time, compared with 59.7% who felt they had no choice or were not sure. If respondents felt they could choose whether to work in smoke, the likelihood of their working in smoke was reduced by more than a quarter (27%).

<b>Cross-tabulation analysis of working in smoke incidence, by choice</b>						
<b>Choice</b>	<b>Incidence</b>					
sig .000 eta .251	<b>Never</b>	<b>Once or twice</b>	<b>Common</b>	<b>Frequent</b>	<b>All the time</b>	<b>Count</b>
Agree	40.1%	14.8%	13.8%	15.2%	16.2%	297
Don't know	24.1%	14.8%	16.7%	16.7%	27.8%	54
Disagree	14.5%	13.0%	23.9%	16.7%	31.9%	138
<b>Total</b>	31.1%	14.3%	17.0%	15.7%	21.9%	489
<b>Count</b>	152	70	83	77	107	489

**Table 46** Cross-tabulation analysis of working in smoke incidence with choice

## 8.2.6 Tables showing smoke related issues, by demographic characteristics

<b>Means comparison of smoke-related issues, by personal characteristics</b>				
	<b>Incidence</b>	<b>Objection</b>	<b>Tolerance</b>	<b>Opposition</b>
	<b>1 = never 3 = all the time</b>	<b>1 = okay 3 = not okay</b>	<b>1 = tolerant 3 = not tolerant</b>	<b>1 = choice 3 = no choice</b>
<b>Age (sig.)</b>	.000	.001	.012	.051
<b>Age (eta)</b>	.234	.189	.161	.148
Under 20	2.35	1.91	1.24	1.61
20 – 24	2.39	2.05	1.29	1.63
25 – 29	2.15	2.27	1.44	1.54
30 – 39	2.17	2.24	1.54	1.58
40 or over	1.74	2.40	1.52	1.32
<b>Gender (sig.)</b>	.455	.490	.351	.627
<b>Gender (eta)</b>	.034	.031	.042	.023
<b>Ethnicity (sig.)</b>	.813	.104	.027	.686
<b>Ethnicity (eta)</b>	.070	.136	.159	.085
European		2.15	1.34	
Indian		2.15	1.62	
NZ Maori		1.81	1.32	
Pacific Islander		1.98	1.10	
Asian		2.14	1.48	
Other and mixed		2.41	1.42	
<b>Overall</b>	<b>2.24</b>	<b>2.12</b>	<b>1.38</b>	<b>1.57</b>

**Table 47** Means comparison of smoke related issues with personal characteristics showing two way contingency analysis

<b>Means comparison of smoke-related issues, by general work-related characteristics</b>				
	<b>Incidence</b>	<b>Objection</b>	<b>Tolerance</b>	<b>Opposition</b>
	<b>1 = never 3 = all the time</b>	<b>1 = okay 3 = not okay</b>	<b>1 = tolerant 3 = not tolerant</b>	<b>1 = choice 3 = no choice</b>
<b>Qualification (sig.)</b>	.717	.087	.045	.348
<b>Qualification (eta)</b>	.054	.116	.129	.088
Nothing or S Cert		2.06	1.36	
Bursary or Trade		2.11	1.29	
Bachelor's degree		2.31	1.54	
Post-graduate		2.36	1.58	
<b>Experience (sig.)</b>	.178	.007	.308	.357
<b>Experience (eta)</b>	.085	.139	.069	.069
Under 5 years		2.04		
5 – 10 years		2.25		
11- years or more		2.32		

**Means comparison of smoke-related issues, by general work-related characteristics**

	Incidence	Objection	Tolerance	Opposition
	1 = never 3 = all the time	1 = okay 3 = not okay	1 = tolerant 3 = not tolerant	1 = choice 3 = no choice
<b>Main occupation (sig.)</b>	.012	.005	.032	.199
<b>Main occupation (eta)</b>	.137	.145	.117	.086
Another job	2.12	2.29	1.50	
This job	2.12	2.24	1.45	
Student	2.36	2.00	1.28	
<b>Overall</b>	2.24	2.12	1.38	1.57

**Table 48** Means comparison of smoke related issues with general work related characteristics showing two way contingency analysis

**Means comparison of smoke-related issues, by specific work-related characteristics**

	Incidence	Objection	Tolerance	Opposition
	1 = never 3 = all the time	1 = okay 3 = not okay	1 = tolerant 3 = not tolerant	1 = choice 3 = no choice
<b>Seniority (sig.)</b>	.125	.025	.359	.487
<b>Seniority (eta)</b>	.113	.141	.083	.077
Staff	2.27	2.04		
Supervisor	2.42	2.18		
Manager	2.07	2.31		
Other	2.00	1.50		
<b>Pay (sig.)</b>	.001	.000	.006	.027
<b>Pay (eta)</b>	.185	.227	.159	.146
Under \$10	2.14	2.12	1.32	1.43
\$10 - \$14.95	2.37	1.99	1.31	1.66
\$15 - \$19.95	2.22	2.25	1.43	1.57
\$20 – or more	1.85	2.64	1.70	1.44
<b>Tenure (sig.)</b>	.577	.378	.751	.188
<b>Tenure (eta)</b>	.048	.062	.034	.087
<b>Job security (sig.)</b>	.003	.001	.009	.158
<b>Job security (eta)</b>	.172	.182	.152	.109
Casual (irregular)	2.30	2.02	1.40	1.73
Part-time (regular)	2.34	2.03	1.27	1.61
Full-time (40 hours)	2.27	2.10	1.45	1.49
Salaried	1.93	2.44	1.55	1.50
<b>Overall</b>	2.24	2.12	1.38	1.57

**Table 49** Means comparison of smoke related issues with specific work related characteristics showing two way contingency analysis

**Means comparison of smoke-related issues, by workplace characteristics**

	<b>Incidence</b>	<b>Objection</b>	<b>Tolerance</b>	<b>Opposition</b>
	<b>1 = never 3 = all the time</b>	<b>1 = okay 3 = not okay</b>	<b>1 = tolerant 3 = not tolerant</b>	<b>1 = choice 3 = no choice</b>
<b>Department (sig.)</b>	.000	.174	.061	.004
<b>Department (eta)</b>	.248	.113	.134	.189
Admin & general	1.72	2.32	1.57	1.28
Food & beverage	2.36	2.06	1.29	1.66
Front office	2.30	2.16	1.41	1.57
Rooms	2.31	2.03	1.38	1.52
Other	2.00	2.22	1.56	1.50
<b>Hotel size (sig.)</b>	.275	.166	.292	.320
<b>Hotel size (eta)</b>	.082	.094	.078	.080
<b>Business type (sig.)</b>	.028	.042	.257	.269
<b>Business type (eta)</b>	.125	.115	.075	.079
Hotel (3 star plus)	2.17	2.19		
Food or beverage	2.33	1.98		
Other	2.87	2.00		
<b>Overall</b>	<b>2.24</b>	<b>2.12</b>	<b>1.38</b>	<b>1.57</b>

**Table 50 Means comparison of smoke related issues with workplace characteristics showing two way contingency analysis**

### 8.2.7 Smoke related issues – summary and conclusions

Low incidence, strong objection, low ethical tolerance and high perceived choice about working in smoke, were all strongly associated with older respondents, managers and administrators, those paid more, and those with more job security. Not working in smoke was associated with better working conditions and improved status within the organisation. Higher pay generally indicated stronger levels of objection to working in smoke, and nearly half the respondents (43.7%) did not want to work in smoke. Managers objected strongly to working in smoke (57% said they did not want to work in smoke, compared to 39% of staff) and were unlikely to work in smoke frequently. Seniority (expressed as age, pay, job security and main occupation) was a strong predictor of not wanting to work in smoke.

Most respondents did not think it wrong for people to smoke where others worked, indicating that this was not thought of as an ethical issue. Age, pay and job security were strongly related to ethical tolerance to working in smoke (that is, older respondents were less tolerant), and Maori and Pacific Islanders objected less to smoking than did those of other ethnicities, perhaps because many of them smoke. In 2002, more than a third (35%) of Pacific Islanders, and

a half (49%) of Maori smoked (Ministry of Health, 2003). Casual workers and food and beverage workers felt they had little choice about working in smoke. Choice was a firm predictor of not working in smoke; those who felt they had no choice were those most likely to work in smoke, and those who felt they had choice, were least likely (Table 46). When respondents felt they had choice, the likelihood of working in smoke was reduced by more than a quarter.

Rooms division workers were those most likely to work in smoke frequently or all the time. Of those who said they worked in smoke, 65% worked in food and beverage, and 68.3% in staff positions. Working in smoke was strongly associated with low status, indicated by low seniority (staff positions), low pay, and poor job security. Although 49% of managers said they worked in smoke, only 7.1% said this was all the time, compared with 77.8% of staff.

Even though the mean incidence of working in smoke was higher for food and beverage workers than for those in rooms division (Table 50), finding that rooms division workers worked in smoke more frequently than those in food and beverage (Table 45) was a surprise and cause for concern, as recent legislation in New Zealand did not address this. Although rooms division workers clear ash-trays and clean in guest rooms that are used for smoking, perhaps because they work 'back-of-house' and are more tolerant of smoky working conditions, their working conditions have not been brought to the notice of the general public. The 2004 amendment to the Smoke-free Environments Act, (1990) banning smoking in public places, is therefore ineffective in protecting the health of many hotel workers.

### **8.3 Sexual harassment**

Sexual harassment was defined in the questionnaire as unwanted behaviour of a sexual nature. Incidence was summarised from 'never', 'once or twice', 'commonly', 'frequently' and 'all the time', to 'never', 'once or twice' and 'regularly', with 'once or twice' taken as the mid-point. Some frequency analyses and cross-tabulations are also presented, as means comparisons do not offer sufficient detail for a full discussion. As respondents commented on their own experiences in questions on sexual harassment, incidence is actual, rather than perceived.

### **8.3.1 Sexual harassment - means comparison**

Incoming harassment (they harassed me) and outgoing harassment (I harassed them) were determined by using 1 for 'never' and 3 for 'regularly', with high means representing the highest frequency of incidence. Incoming harassment data are the same as those presented in the incidence tables under Section 7.2.2.7, but outgoing harassment data are not presented elsewhere in this study.

Harassment came from guests, peers, seniors, and juniors, in that order, with intensity levels of guest harassment being significantly higher than those of other groups, and harassment by juniors, negligible. Young people, Europeans, women, students, casual and part-time employees and those working in food and beverage or front office were most likely to say they had been sexually harassed. Where age, education, job security or hotel size were strongly associated with reported levels of harassment, the likelihood of being harassed decreased as age etc. increased. Maori reported high levels of harassment, more by peers than by guests, and Indians and Pacific Islanders reported comparatively low levels. Students were harassed more than others, probably because many were also in casual and part-time positions, which were associated with higher levels of incoming harassment than full-time or salaried positions. Ethnicity and hotel size were consistently associated with incoming harassment, and harassment by guests was associated with respondents' personal and work characteristics. As expected, there was considerably more evidence of incoming harassment than outgoing, partly because guest responses were not solicited. Harassing was associated only with ethnicity, occupation, seniority, and job security. Full-time employees and supervisors were those most likely to admit to harassing others, and peers were the main targets of outgoing harassment.

### 8.3.2 Tables showing sexual harassment, by demographic characteristics

Means comparison of sexual harassment, by personal characteristics								
1 = never 3 = regularly	They harassed me				I harassed them			
	Peer	Junior	Senior	Guest	Peer	Junior	Senior	Guest
<b>Age (sig.)</b>	.793	.965	.739	.009	.833	.910	.915	.599
<b>Age (eta)</b>	.058	.034	.063	.164	.054	.045	.044	.075
Under 20				1.29				
20 – 24				1.29				
25 – 29				1.16				
30 – 39				1.14				
40 or over				1.08				
<b>Gender (sig.)</b>	.488	.723	.049	.001	.235	.080	.075	.299
<b>Gender (eta)</b>	.031	.016	.087	.146	.053	.077	.079	.046
Female				1.27				
Male				1.13				
<b>Ethnicity (sig.)</b>	.033	.500	.031	.027	.912	.373	.423	.450
<b>Ethnicity (eta)</b>	.155	.093	.156	.158	.055	.103	.099	.097
European	1.17		1.16	1.27		1.08		
Indian	1.00		1.05	1.13		1.05		
NZ Maori	1.24		1.21	1.21		1.08		
Pacific Islander	1.02		1.02	1.05		1.02		
Asian	1.10		1.05	1.18		1.01		
Other and mixed	1.18		1.14	1.07		1.07		
<b>Overall</b>	1.14	1.06	1.12	1.21	1.09	1.06	1.05	1.04

**Table 51** Means comparison of sexual harassment with personal characteristics showing two way contingency analysis

Means comparison of sexual harassment, by general work-related characteristics								
1 = never 3 = regularly	They harassed me				I harassed them			
	Peer	Junior	Senior	Guest	Peer	Junior	Senior	Guest
<b>Qualification (sig.)</b>	.113	.860	.709	.802	.194	.643	.768	.754
<b>Qualification (eta)</b>	.110	.039	.053	.045	.098	.058	.048	.049
Nothing or S Cert	1.12							
Bursary or Trade	1.19							
Bachelor's degree	1.07							
Post-graduate	1.08							
<b>Experience (sig.)</b>	.880	.364	.616	.443	.706	.447	.398	.559
<b>Experience (eta)</b>	.022	.063	.044	.057	.037	.056	.060	.048
<b>Main occupation (sig.)</b>	.416	.563	.638	.000	.382	.125	.029	.130
<b>Main occupation (eta)</b>	.059	.048	.042	.180	.062	.090	.118	.090
Another job				1.09			1.06	
This job				1.13			1.09	
Student				1.30			1.02	
<b>Overall</b>	1.14	1.06	1.12	1.21	1.09	1.06	1.05	1.04

**Table 52** Means comparison of sexual harassment with general work related characteristics showing two way contingency analysis

**Means comparison of sexual harassment, by specific work-related characteristics**

1 = never 3 = regularly	They harassed me				I harassed them			
	Peer	Junior	Senior	Guest	Peer	Junior	Senior	Guest
<b>Seniority (sig.)</b>	.797	.618	.205	.668	.387	.287	.128	.916
<b>Seniority (eta)</b>	.046	.061	.098	.057	.079	.089	.109	.033
Staff							1.04	
Supervisor							1.13	
Manager							1.04	
Other							1.00	
<b>Pay (sig.)</b>	.221	.615	.457	.271	.717	.419	.333	.826
<b>Pay (eta)</b>	.094	.060	.072	.088	.052	.075	.082	.042
<b>Tenure (sig.)</b>	.562	.457	.904	.421	.369	.725	.486	.395
<b>Tenure (eta)</b>	.048	.055	.020	.058	.063	.036	.053	.060
<b>Job security (sig.)</b>	.655	.250	.700	.005	.392	.062	.080	.289
<b>Job security (eta)</b>	.056	.090	.053	.159	.077	.120	.115	.086
Casual (irregular)				1.28		1.00	1.00	
Part-time (regular)				1.28		1.05	1.04	
Full-time (40 hours)				1.12		1.11	1.10	
Salaried				1.11		1.10	1.08	
<b>Overall</b>	1.14	1.06	1.12	1.21	1.09	1.06	1.05	1.04

**Table 53** Means comparison of sexual harassment with specific work related characteristics showing two way contingency analysis

**Means comparison of sexual harassment, by workplace characteristics**

1 = never 3 = regularly	They harassed me				I harassed them			
	Peer	Junior	Senior	Guest	Peer	Junior	Senior	Guest
<b>Department (sig.)</b>	.664	.489	.869	.002	.435	.618	.827	.441
<b>Department (eta)</b>	.069	.082	.050	.183	.087	.073	.055	.086
Admin & general				1.03				
Food & beverage				1.28				
Front office				1.22				
Rooms				1.18				
Other				1.00				
<b>Hotel size (sig.)</b>	.480	.084	.113	.080	.767	.936	.862	.603
<b>Hotel size (eta)</b>	.060	.110	.103	.111	.036	.018	.027	.050
Up to 250 rooms		1.12	1.15	1.22				
250 rooms or more		1.05	1.06	1.17				
Non-hotel		1.04	1.15	1.31				
<b>Business type (sig.)</b>	.788	.398	.711	.039	.460	.529	.477	.391
<b>Business type (eta)</b>	.031	.061	.037	.115	.056	.051	.055	.062
Hotel (3 star plus)				1.18				
Food or beverage				1.31				
Other				1.11				
<b>Overall</b>	1.14	1.06	1.12	1.21	1.09	1.06	1.05	1.04

**Table 54** Means comparison of sexual harassment with workplace characteristics showing two way contingency analysis

### **8.3.3 Sexual harassment – summary and conclusions**

Customer contact was a predictor of sexual harassment, especially for young European women, casual, and part-time staff. Young Maori women were victims of peer harassment, which was likely to affect those working in food and beverage or front office, where genders are mixed more than in rooms division. Although supervisors admitted to harassing peers, this could not be corroborated by responses on incoming harassment, as differences between staff, supervisors and managers were close to statistical expectations (Table 53). Fewer respondents admitted to outgoing sexual harassment than to incoming.

As expected, harassment was common, with 24% of respondents saying they had been harassed (Table 20). Rooms employees were least likely to be harassed, perhaps because they have less customer contact, wear loose clothing and are associated with menial work. To the contrary, women working in food and beverage and front office are usually well presented, have more customer contact, and are associated with more appealing work; perhaps as a consequence, they are harassed more. Few hoteliers dress their cleaners in sexually attractive uniforms, but most require front line staff to look sexy and attractive, often requiring women to wear tight clothes and make-up. Although there is some public awareness of the high levels of harassment in food and beverage, especially in kitchens, there is evidence to suggest harassment levels in front office are just as high, and sexual harassment is not a function of kitchen work, but of customer contact.

## **8.4 Perceptions about ethical standards**

Perceptions about ethical standards were tested by asking respondents if they thought that behaviour in their workplace was mostly ethical. Comparisons of perceptions about ethical standards as well as respondents' feelings about their own ethical comfort are presented in this section. Perceptions were tested by asking respondents if their own, the staff's, management's and customer's behaviour was mostly ethical, and whether they felt comfortable with ethical standards in their workplace. Chi-square tests indicated the independent variables most consistently associated with perceptions about ethical standards were qualifications and department (Table 55 and Table 58).

### **8.4.1 Perceived ethical standards and ethical comfort**

Respondents ticked 'strongly agree', 'agree', 'disagree', or 'strongly disagree', to indicate that a group's (or their own) behaviour was ethical most of the time, or that they felt comfortable with the ethical standards, with higher means representing the least confidence in ethical standards. Independent variables were summarised as in the preceding sections.

#### **8.4.1.1 Perceived ethical standards and ethical comfort - means comparison**

Respondents' qualifications and department were associated with their perceptions about ethical standards, with their department being the strongest association. Gender and type of business they worked in did not significantly affect responses, and hotel size was only weakly associated with responses (Table 55 and Table 58).

Ethnicity, qualifications, seniority, pay and department were all significantly associated with respondents' views on their own ethical standards. Respondents generally rated themselves as the most ethical, followed by staff, managers, and customers. Maori, Pacific Islanders, Asians, and rooms division workers did not consider themselves ethical, whereas those on higher pay, with better qualifications, and generally fitting the profile of managers, such as Europeans, managers, and administration workers, were more likely to consider themselves ethical. Supervisors generally considered their own behaviour unethical.

The perception that staff were unethical was associated with Asians, inexperienced staff, those under 25, casual employees, and food and beverage workers, all of whom fit the typical profile of a transient worker. Those most confident that staff were ethical were Indians, Pacific Islanders, those with post-graduate qualifications, full-time employees, rooms division workers, and those for whom their hospitality job was their main occupation. Those least likely to think managers were ethical were 20 – 24 year olds, Asians, Maori, those with bachelor's degrees, and front office workers. Those most likely to think managers were ethical fit the profile of a manager: older, experienced, well paid, salaried, administration workers with post-graduate qualifications, and managers themselves. Rooms division workers also thought managers were

ethical.

Respondents had little confidence in guests' ethical standards, with front office and food and beverage workers having dim views of guests' ethics. The likelihood of thinking customers were ethical increased with seniority and experience, and was associated with back-of-house positions, such as administration and rooms. Respondents were a little uncomfortable with ethical standards in their workplaces, indicated by a mean of just under two (1.92), out of a possible four. Increased ethical comfort was associated with increased seniority, pay, and job security. Those most uncomfortable were aged 20 - 24, Asian, and working in casual positions in food and beverage departments.

#### **8.4.1.2 Perceived ethical standards and ethical comfort – summary and observations**

Age, ethnicity, qualifications, seniority and department, were strongly associated with views on ethical standards. As each department is likely to have a different ethical standard (see Section 6.5.3, on departments being culturally different), it is likely that administration and rooms employees who thought ethical standards were high, worked in departments with higher ethical standards than did those in food and beverage and front office, whose employees rated standards as less high. As expected, respondents rated themselves as the most ethical, followed by staff, managers, and customers. Confidence in personal ethical standards increased with status and seniority with the exception of supervisors, who generally considered themselves unethical.

The belief that staff were unethical was associated with Asians, under 25 year olds, casuals, and food and beverage workers, all of whom were associated with short tenures (of Asian respondents, 95% had been in their jobs less than five years – the highest proportion of any ethnic group). Although tenure was not strongly associated with beliefs about the ethical standards of staff, data suggest that transient workers (i.e. those with short tenure) were more likely than others to consider staff unethical. Similarly, the belief that staff were ethical, was associated with less transient employees, such as Pacific Islanders, full-time employees, and rooms division workers.

This finding is the key to determining whether or not rooms division and Pacific Island people in this study are ethical. Pacific Islanders (of whom 42% work in rooms division) in this sample are associated with high tolerance of unethical behaviour, but this may be due to their tolerant natures more than their attitudes to unethical practices and behaviour. This was also evident in their reporting of unethical behaviour, which was comparatively low, as well as their disregard for the dangers of smoking.

Rooms division respondents (of whom 45% were Pacific Islanders) were associated with low tolerance of unethical behaviour, and reported less incidence of workplace problems than respondents in other departments. It is therefore concluded that rooms divisions have less problem with unethical practices and behaviours than do other departments. Logic also suggests that rooms division staff are required to be honest, as cleaners have unimpeded access to guests' belongings. If they took advantage of opportunities to steal from guests, customer complaints would soon identify the culprits. Long tenure in rooms division is therefore likely to be an indicator of good ethical standards, or at least, of honesty.

No significant pattern was evident amongst those who thought managers were unethical, except that front office workers generally have the most contact with management, and are therefore in a better position to comment, and front office had the most respondents with bachelors' degrees. Furthermore, evidence thus far suggests that food and beverage workers (and therefore, Asians and 20 – 24 year olds) have the least pleasant working conditions, and may associate these with thinking management is unethical.

Just as respondents generally rated themselves as more ethical than others, so did managers rate themselves as ethical. However, rooms division workers may have rated managers as ethical because the workers themselves were more ethical. Respondents were generally critical of guests' ethical standards (especially those with the most guest contact), and were not entirely comfortable with the ethical standards of their workplace. It appears that seniority accrues more than better pay and more job security: it also brings more ethical comfort. Those with the least ethical comfort were food and beverage workers, casual workers, those aged 20 – 24, and Asians, typically all

the same group. Again, the food and beverage department appeared to be the least pleasant working environment.

#### 8.4.1.3 Tables showing perceived ethical standards and ethical comfort, by demographic characteristics

<b>Means comparison of perceived ethical standards and ethical comfort, by personal characteristics</b>					
<b>1 = ethical 4 = unethical</b>	<b>Self</b>	<b>Staff</b>	<b>Managers</b>	<b>Guests</b>	<b>Ethical comfort</b>
<b>Age (sig.)</b>	.579	.141	.001	.021	.002
<b>Age (eta)</b>	.077	.123	.205	.163	.196
Under 20		1.96	2.04	2.18	1.98
20 – 24		1.96	2.19	2.13	2.05
25 – 29		1.80	2.04	1.95	1.79
30 – 39		1.80	1.92	2.15	1.82
40 or over		1.80	1.68	1.93	1.71
<b>Gender (sig.)</b>	.531	.682	.626	.363	.541
<b>Gender (eta)</b>	.028	.019	.023	.043	.029
<b>Ethnicity (sig.)</b>	.082	.004	.182	.910	.130
<b>Ethnicity (eta)</b>	.141	.192	.130	.059	.137
European	1.49	1.84	1.98		1.91
Indian	1.56	1.79	1.94		1.81
NZ Maori	1.62	1.88	2.13		1.84
Pacific Islander	1.67	1.67	1.89		1.81
Asian	1.67	2.11	2.20		2.08
Other and mixed	1.78	1.88	1.88		1.80
<b>Overall</b>	<b>1.58</b>	<b>1.88</b>	<b>2.02</b>	<b>2.09</b>	<b>1.92</b>

**Table 55 Means comparison of perceived ethical standards and ethical comfort with personal characteristics showing two way contingency analysis**

<b>Means comparison of perceived ethical standards and ethical comfort, by general work related characteristics</b>					
<b>1 = ethical 4 = unethical</b>	<b>Self</b>	<b>Staff</b>	<b>Managers</b>	<b>Guests</b>	<b>Ethical comfort</b>
<b>Qualification (sig.)</b>	.051	.202	.020	.209	.715
<b>Qualification (eta)</b>	.127	.101	.150	.103	.055
Nothing or S Cert	1.64	1.82	2.08	2.13	
Bursary or Trade	1.58	1.95	1.96	2.08	
Bachelor's degree	1.50	1.93	2.19	2.15	
Post-graduate	1.31	1.80	1.67	1.88	
<b>Experience (sig.)</b>	.197	.018	.007	.206	.009
<b>Experience (eta)</b>	.081	.131	.148	.085	.143
Under 5 years		1.94	2.07		1.95
5 - 10 years		1.74	2.09		1.99
11- years or more		1.81	1.77		1.71

<b>Means comparison of perceived ethical standards and ethical comfort, by general work related characteristics</b>					
<b>1 = ethical 4 = unethical</b>	<b>Self</b>	<b>Staff</b>	<b>Managers</b>	<b>Guests</b>	<b>Ethical comfort</b>
<b>Main occupation (sig.)</b>	.205	.008	.207	.754	.133
<b>Main occupation (eta)</b>	.080	.144	.084	.036	.094
Another job		2.03			
This job		1.79			
Student		1.96			
<b>Overall</b>	1.58	1.88	2.02	2.09	1.92

**Table 56** Means comparison of perceived ethical standards and ethical comfort with general work related characteristics showing two way contingency analysis

<b>Means comparison of perceived ethical standards and ethical comfort, by specific work related characteristics</b>					
<b>1 = ethical 4 = unethical</b>	<b>Self</b>	<b>Staff</b>	<b>Managers</b>	<b>Guests</b>	<b>Ethical comfort</b>
<b>Seniority (sig.)</b>	.012	.362	.026	.148	.006
<b>Seniority (eta)</b>	.152	.085	.147	.113	.169
Staff	1.58		2.08	2.12	1.98
Supervisor	1.77		2.04	2.10	1.96
Manager	1.43		1.81	1.98	1.72
Other	1.50		1.75	1.67	1.50
<b>Pay (sig.)</b>	.006	.269	.006	.363	.010
<b>Pay (eta)</b>	.160	.093	.166	.086	.158
Under \$10	1.73		2.05		1.99
\$10 - \$14.95	1.58		2.12		1.98
\$15 - \$19.95	1.48		1.97		1.81
\$20 – or more	1.36		1.69		1.69
<b>Tenure (sig.)</b>	.569	.146	.271	.018	.005
<b>Tenure (eta)</b>	.048	.091	.076	.134	.150
Under 5 years				2.12	1.93
5 – 10 years				2.00	2.03
11 years or more				1.78	1.52
<b>Job security (sig.)</b>	.269	.074	.018	.467	.049
<b>Job security (eta)</b>	.089	.122	.149	.076	.131
Casual (irregular)		2.10	2.22		2.05
Part-time (regular)		1.90	2.08		1.97
Full-time (40 hours)		1.80	2.02		1.90
Salaried		1.84	1.81		1.77
<b>Overall</b>	1.58	1.88	2.02	2.09	1.92

**Table 57** Means comparison of perceived ethical standards and ethical comfort with specific work related characteristics showing two way contingency analysis

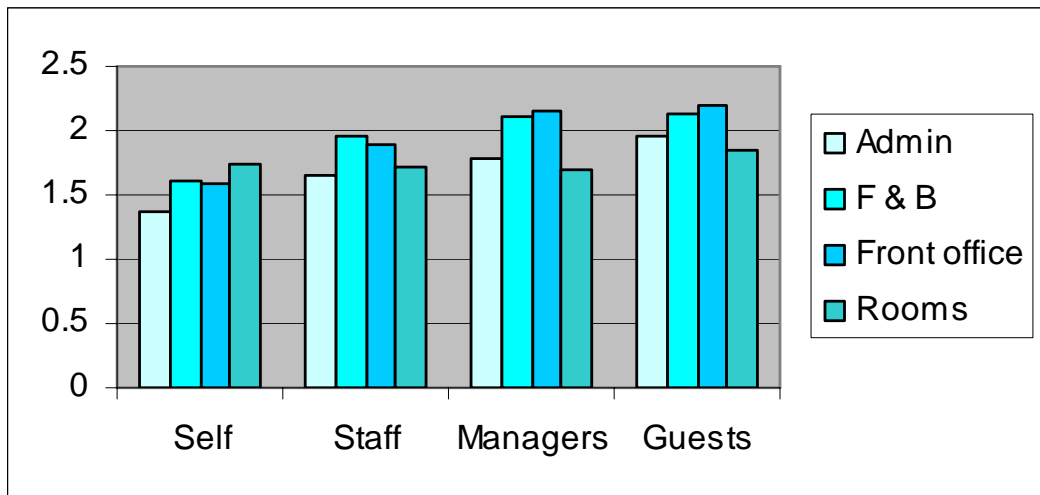
<b>Means comparison of perceived ethical standards and ethical comfort, by workplace characteristics</b>					
<b>1 = ethical 4 = unethical</b>	<b>Self</b>	<b>Staff</b>	<b>Managers</b>	<b>Guests</b>	<b>Ethical comfort</b>
<b>Department (sig.)</b>	.011	.005	.001	.017	.004
<b>Department (eta)</b>	.162	.178	.204	.165	.183
Admin & general	1.36	1.66	1.79	1.96	1.69
Food & beverage	1.60	1.96	2.10	2.13	1.99
Front office	1.59	1.90	2.16	2.19	1.94
Rooms	1.75	1.71	1.69	1.84	1.71
Other	1.78	2.00	1.57	2.14	1.86
<b>Hotel size (sig.)</b>	.220	.165	.074	.631	.294
<b>Hotel size (eta)</b>	.087	.096	.118	.050	.081
Up to 250 rooms			1.88		
250 rooms or more			2.06		
Non-hotel			2.09		
<b>Business type (sig.)</b>	.615	.531	.793	.538	.767
<b>Business type (eta)</b>	.045	.053	.033	.054	.035
<b>Overall</b>	1.58	1.88	2.02	2.09	1.92

**Table 58** Means comparison of perceived ethical standards and ethical comfort with workplace characteristics showing two way contingency analysis

#### **8.4.1.4 Associations between views on perceived ethical standards and beliefs about unethical behaviour**

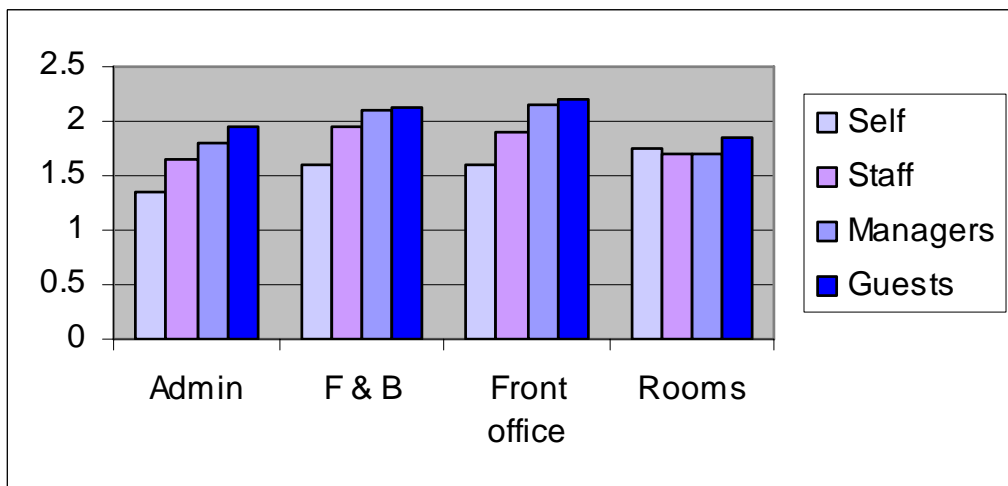
If those who consider themselves ethical are also those who think others are ethical, then individuals' views of their own ethical standards may affect their responses on unethical behaviour. For example, those who consider themselves ethical might be less likely to think that unethical behaviour is prevalent, and therefore (for example), that alcohol would be served to minors. Two independent variables strongly associated with variables on ethical behaviour, qualifications and department, were selected to test this hypothesis. Means were graphed to identify patterns, and to determine if some groups (e.g. those with bursary) were likely to have similar views on each dependent variable. Using qualifications as the constant, in the case of post-graduate respondents this proved true, as post-graduate respondents consistently had the lowest response, indicating they considered themselves ethical and believed others were as well (results not presented). However, when data from Table 58 were graphed (Figure 1), views on the ethical standards of self, staff, managers, and guests, did not follow similar patterns, indicating that (for example) administration workers perceived guests to be considerably less ethical than themselves. Food and beverage respondents had slightly more negative views than others (represented by higher means), and administration

respondents, slightly more positive.



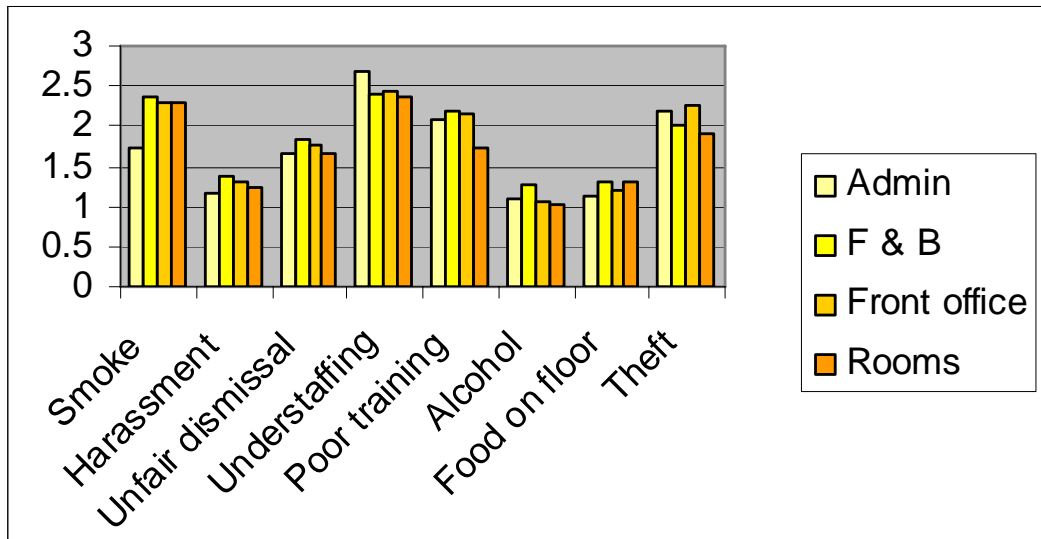
**Figure 1 Perceptions of ethical standards by group**

Rooms respondents' views did not vary much according to the group they were rating (Figure 2) and this was the only group exhibiting low self esteem – that is, they rated their own ethical standards as lower than those of others. For each of the other groups, the pattern was consistent, with guests perceived as the least ethical, and self perceived as the most ethical.



**Figure 2 Perceptions of ethical standards by department**

As this suggests that views on workplace problems and practices may be influenced more by personal perception than by the actual problems, responses on perceived and actual incidence (by department) were checked to determine whether or not these related to views on ethical standards (Figure 3).



**Figure 3 Perceptions of workplace problems (incidence), by department**

However, analysis showed that views on perceived and actual incidence of workplace problems varied according to the issue, and were not contaminated by respondents' feelings about their own ethical standards. Although only one variable (department) was used to test this hypothesis, the result indicates data are sufficiently different (according to the issue) to contra-indicate further testing. This test confirms that responses on workplace problems (perceived incidence) and on other people's ethical standards, allow for valid comparisons to be made, but do not necessarily render actual levels of (for example) incidence, as responses are influenced by personal views as well as the problem itself. Although this may appear obvious, this short test provides useful confirmation.

#### **8.4.1.5 Summary and conclusions**

Qualifications and department were strongly associated with views on ethical standards, but not gender, or type or size of business. Administration and rooms were perceived as having higher standards than food and beverage and front office.

Respondents generally rated themselves as the most ethical, then staff, managers, and customers. Views on personal ethical standards are a form of self-esteem ratings. Maori, Pacific Islanders, Asians, and rooms division workers did not consider themselves ethical, whereas those fitting the profile of managers thought themselves ethical. Supervisors considered themselves

unethical, and therefore, having low self-esteem. The belief that staff were unethical was associated with those fitting the profile of a transient worker, and although tenure was not significantly associated with views on the ethical standards of staff, those most confident in staff's ethical standards fitted the profile of long-term employees.

Those most likely to think managers were ethical generally fitted the profiles of managers and rooms workers (who have less contact with senior management.) Food and beverage workers have the least pleasant working conditions, and may therefore have good reason for thinking managers are unethical. Those working most with guests had dim views of guests' ethical standards; and the likelihood of thinking guests were ethical was associated with back-of-house positions such as administration and rooms. Generally the more contact respondents had with a particular group, the less ethical they seemed to think that group was. Views on personal ethical standards were similar to views on ethical comfort, as those with the most seniority or status demonstrated the highest levels of ethical comfort, and casual food and beverage workers, the lowest.

#### **8.4.2 Perceived ethical standards and perceived incidence**

These data compare means for respondents' perceptions of ethical standards, their own ethical comfort, whether or not they thought their workplace had a code of ethics, how they knew about the code of ethics (if one existed), and the actual and perceived incidence of workplace problems and practices.

Questions relating to codes of ethics in the workplace were not designed to identify which types of workplaces have codes of ethics, but to identify relationships between those thinking there was a code of ethics, and the kinds of problems they reported as occurring in their workplace. Results were also expected to demonstrate the likelihood that behaviour would be different where respondents had their own code of ethics. Perceptions about ethical standards use the same data as in the preceding section (Section 8.3). Incidence (for example, 'I work where people smoke') is expressed with values of 1 for 'never', and 3 for 'regularly' (summarised from 'commonly', 'frequently', and 'all the time'), with high means representing the highest frequency of incidence. Data used are the same as those used in the incidence tables in Section 7.2.2.7.

Responses on whether there was a code of ethics in the workplace were coded 1 for 'yes', 2 for 'don't know', and 3 for 'no', with higher means representing the least likelihood of a code of ethics. Results were then converted to out of four for easier comparisons. Respondents were asked how they knew about a code of ethics in their workplace to determine the importance of giving employees personal copies of codes of ethics. Responses were coded as 1 for having their own copy, 2 for having seen a copy, 3 for having heard that the code existed, and 4 for other means, such as reading something in the organisation that indicated a code of ethics existed. Higher means indicate the greatest distance from a code of ethics that was thought to exist.

The following tables show the relationships between respondents' views of ethical standards in their organisation, and the levels of problematic behaviour they reported (actual and perceived incidence). Dependent variables (ethical standards) are horizontal, and independent (actual and perceived incidence), vertical.

#### **8.4.2.1 Perceived ethical standards and actual and perceived incidence - means comparison**

Perceptions about ethical standards, particularly those of management and staff, were consistently and strongly associated with the actual and perceived incidence of workplace problems. Where strong associations existed between views on ethical standards, ethical comfort, and codes of ethics, higher levels of actual and perceived incidence were associated with the perception that ethical standards were low, ethical comfort was low, and there was no code of ethics. Working in smoke and understaffing were associated with only two of the dependent variables; other problems were associated with five or more of the variables on ethical standards.

Respondents' views about their own ethical standards were not associated with responses on working in smoke, sexual harassment, or under-staffing. For the problems examined (except serving food that was dropped on the floor), increased perceived incidence was associated with decreased views of personal ethical standards. Dropping food on the floor 'once or twice' was associated with the lowest levels of personal ethical standards. Increased levels of actual and perceived incidence of all workplace problems except working in

smoke and under-staffing were associated with the view that staff were unethical, except those who had been harassed once or twice, who were more likely to think staff were unethical than those who had been harassed regularly.

Perceptions about management's ethical standards were strongly associated with actual and perceived incidence levels, and the likelihood of thinking management was unethical significantly increased with the perception that workplace problems were prevalent. This was even evident where there were high levels of under-staffing; although respondents had relatively high ethical tolerance of under-staffing (Section 7.3.2.7), where under-staffing was most critical, respondents had low opinions of management's ethical standards. Higher reported levels of sexual harassment, constructive dismissal, alcohol service to minors and theft, were all associated with the increased likelihood of perceiving guests and managers as unethical. Other behaviours were not associated with perceptions about guests' ethical standards. Although levels of ethical comfort were strongly associated with each problem examined (except working in smoke), incidence levels of 'once or twice' rather than 'regularly', were associated with lower levels of ethical comfort for sexual harassment, alcohol service to minors, and serving dirty food. For other problems, reduced ethical comfort was generally associated with higher levels of actual and perceived incidence.

The likelihood that respondents would think their workplace had a code of ethics was not associated with sexual harassment, under-staffing, or theft. For other variables (except serving alcohol to minors), the likelihood of thinking a code of ethics existed reduced with increased workplace problems. Those who thought alcohol had been served to minors once or twice were least likely to think their workplace had a code of ethics. Sexual harassment, under-staffing, and serving food that had been on the floor were all associated with how respondents knew about the code of ethics in their workplace, but trends were not consistent. The highest mean (3.67) was associated with those who thought a code of ethics existed but had not actually seen it, and with those who thought food was regularly dropped on the floor, and then served.

### 8.4.2.2 Tables showing perceived ethical standards, by actual and perceived incidence

#### Means comparison of perceived ethical standards, by actual incidence (working conditions)

Actual incidence	1 = ethical / comfortable 4 = unethical/ uncomfortable				1 = yes 4 = no		1 = own copy 4 = other
	Self	Staff	Mgmt	Guests	Ethical comfort	Code of ethics	How I know
<b>Smoke (sig.)</b>	.480	.447	.005	.671	.283	.015	.712
<b>Smoke (eta)</b>	.056	.060	.155	.043	.076	.135	.058
Never			1.85			2.09	
Once or twice			2.09			2.25	
Regularly			2.12			2.37	
<b>Overall</b>							
<b>Harassment (sig.)</b>	.178	.000	.000	.001	.000	.105	.240
<b>Harassment (eta)</b>	.083	.189	.201	.174	.202	.096	.115
Never		1.82	1.93	2.04	1.84		2.82
Once or twice		2.13	2.28	2.16	2.16		3.16
Regularly		1.97	2.34	2.41	2.12		2.59
<b>Overall</b>	1.58	1.88	2.02	2.09	1.92	2.27	2.85

**Table 59** Means comparison of perceived ethical standards with actual incidence (working conditions) showing two way contingency analysis

#### Means comparison of perceived ethical standards, by perceived incidence (working environment)

Perceived incidence	1 = ethical / comfortable 4 = unethical/ uncomfortable				1 = yes 4 = no		1 = own copy 4 = other
	Self	Staff	Mgmt	Guests	Ethical comfort	Code of ethics	How I know
<b>Const dismissal (sig.)</b>	.000	.000	.000	.003	.000	.031	.609
<b>Const dismissal (eta)</b>	.196	.312	.446	.175	.403	.129	.074
Never	1.45	1.70	1.71	1.99	1.70	2.19	
Once or twice	1.59	1.97	2.10	2.17	1.93	2.31	
Regularly	1.77	2.21	2.65	2.25	2.39	2.51	
<b>Under-staffing (sig.)</b>	.470	.136	.005	.975	.005	.822	.189
<b>Under-staffing (eta)</b>	.057	.094	.157	.011	.155	.029	.127
Never			1.84		1.84		3.33
Once or twice			1.92		1.81		2.86
Regularly			2.15		2.02		2.73
<b>Poor training (sig.)</b>	.036	.000	.000	.249	.000	.031	.747
<b>Poor training (eta)</b>	.119	.239	.311	.082	.289	.124	.054
Never	1.51	1.74	1.75		1.69	2.08	
Once or twice	1.52	1.81	1.93		1.85	2.29	
Regularly	1.68	2.09	2.35		2.17	2.39	
<b>Overall</b>	1.58	1.88	2.02	2.09	1.92	2.27	2.85

**Table 60** Means comparison of perceived ethical standards with perceived incidence (working environment) showing two way contingency analysis

**Means comparison of perceived ethical standards, by perceived incidence (employee behaviour)**

Perceived	1 = ethical / comfortable 4 = unethical/ uncomfortable				1 = yes 4 = no		1 = own copy 4 = other
	Self	Staff	Mgmt	Guests	Ethical comfort	Code of ethics	How I know
<b>Alcohol (sig.)</b>	.031	.072	.146	.039	.245	.102	.750
<b>Alcohol (eta)</b>	.146	.131	.113	.148	.097	.121	.063
Never	1.52	1.87	1.98	2.07	1.88	2.21	
Once or twice	1.63	2.09	2.06	2.29	2.06	2.59	
Regularly	2.00	2.18	2.45	2.42	1.75	2.19	
<b>Food on floor (sig.)</b>	.004	.000	.000	.225	.007	.001	.047
<b>Food on floor (eta)</b>	.163	.254	.293	.091	.161	.188	.189
Never	1.52	1.81	1.91		1.85	2.21	2.74
Once or twice	1.80	2.22	2.42		2.13	2.65	3.44
Regularly	1.69	2.25	2.65		2.06	2.67	3.67
<b>Theft (sig.)</b>	.151	.000	.000	.018	.003	.624	.686
<b>Theft (eta)</b>	.106	.224	.232	.161	.192	.054	.072
Never	1.47	1.66	1.87	2.02	1.76		
Once or twice	1.57	1.90	1.95	2.06	1.87		
Regularly	1.65	2.07	2.32	2.26	2.09		
<b>Overall</b>	1.58	1.88	2.02	2.09	1.92	2.27	2.85

**Table 61 Means comparison of perceived ethical standards with incidence (employee behaviour) showing two way contingency analysis**

**8.4.2.3 Associations between views on perceived ethical standards and actual and perceived incidence of unethical behaviour**

High levels of actual and perceived incidence of workplace problems were strongly associated with the view that ethical standards were low. The highest incidence level (for dropping food on the floor) was associated with thinking that a code of ethics existed, but having never seen it. Constructive dismissal, poor training, serving alcohol to minors, dropping food on the floor once or twice, and theft, were all associated with low levels of personal ethical standards.

Views about personal ethical standards were not influenced by working conditions (working in smoke and sexual harassment) or views on the perceived incidence of under-staffing, and views about the ethical standards of staff were not influenced by responses on working in smoke or perceptions about the incidence of under-staffing. Those most likely to think staff were unethical had been harassed once or twice rather than regularly, suggesting that once or twice was enough for respondents to change their perceptions about the ethical standards of staff, who may have been those responsible for the harassment. (Perhaps some of those who were harassed more than once or twice, no longer

worked in hospitality, so were unable to comment.) Views about guests' ethical standards were associated with being sexually harassed, and the perceived incidence of constructive dismissal, serving alcohol to minors, and theft. Where strong associations existed between views about guests' ethical standards and the actual or perceived incidence of workplace problems, associations were also evident between levels of actual and perceived incidence and views on staff's and management's ethical standards.

Food was dropped on the floor most where respondents did not have their own code of ethics (although they thought one existed in their workplace), and those who had been harassed once or twice were least likely to have their own codes of ethics, indicating that harassment occurs less where codes of ethics are most obvious. A possible explanation for a reduced likelihood of staff having their own copies of codes of ethics where under-staffing never occurs, is that although under-staffing is wide-spread in hospitality, perhaps the small and informally operated businesses that might suffer this least, are also less likely to distribute codes of ethics to their staff.

#### **8.4.2.4 Perceptions about ethical standards - summary and conclusions**

Perceptions about managers' and staff's ethical standards were consistently and strongly associated with perceptions about the incidence of workplace problems. Where strong associations existed between views on ethical standards, ethical comfort, and codes of ethics, workplace problems were associated with the perception that ethical standards were lower, reduced ethical comfort, and the absence of a code of ethics.

Increased levels of actual and perceived incidence of all problems examined except having to work in smoke and being under-staffed were generally associated with thinking staff were unethical, and the likelihood of thinking managers were unethical significantly increased as the levels of actual and perceived incidence of problems increased. Where under-staffing was most critical, respondents had low opinions of managers' ethical standards. Higher reported levels of sexual harassment, constructive dismissal, serving alcohol to minors and theft, were associated with perceiving guests as unethical.

Constructive dismissal, poor training, serving alcohol to minors and dropping

food on the floor were associated with respondents being critical of their own ethical standards, particularly when these behaviours occurred just once or twice. Respondents rated their ethical standards as higher when these behaviours occurred more regularly, suggesting perhaps that employees became ethically desensitised with increased unethical behaviour, or that unethical behaviour occurred more because they had low opinions of their own ethical standards. Poor food hygiene and sexual harassment were more common where respondents did not have their own codes of ethics, indicating that these behaviours occur less where codes of ethics are most obvious.

## 8.5 Analyses of variance

### 8.5.1 Actual and perceived incidence and other dependent variables

To enable a clearer understanding of the influences on the incidence of unethical behaviour, an analysis of variance of the relationships between the actual and perceived incidence of workplace problems and other dependent variables is presented in Table 62.

<b>Analysis of variance: actual and perceived incidence and dependent variables</b>								
<b>eta values</b>	<b>Working conditions</b>		<b>Working environment</b>			<b>Employee behaviour</b>		
	Work in smoke	Harassment	Construct dismissal	Under-staffing	Poor training	Alcohol to minors	Food on floor	Theft
<b>Incidence</b>								
Working in smoke		.184	.153	.118	.132	.185	.095	.205
Being harassed	.179		.203	.114	.186	.132	.066	.203
Construct dismissal	.159	.199		.253	.389	.172	.230	.328
Under-staffing	.115	.112	.260		.351	.046	.147	.363
Poor training	.126	.203	.390	.347		.070	.276	.277
Alcohol to minors	.184	.132	.173	.024	.089		.216	.278
Food on floor	.083	.067	.232	.147	.256	.176		.303
Theft	.213	.185	.329	.365	.263	.304	.334	
<b>Tolerance</b>								
Working in smoke	.272	.129	.075	.029	.087	.028	.044	.074
Sexual jokes	.080	.073	.044	.076	.053	.177	.157	.043
Construct dismissal	.041	.130	.150	.052	.038	.047	.063	.079
Under-staffing	.026	.114	.146	.042	.200	.097	.083	.052
Poor training	.109	.029	.060	.109	.121	.047	.135	.084
Alcohol to minors	.115	.098	.050	.116	.106	.214	.157	.096
Food on floor	.014	.109	.132	.056	.007	.118	.377	.143
Theft	.118	.090	.118	.085	.007	.156	.072	.182

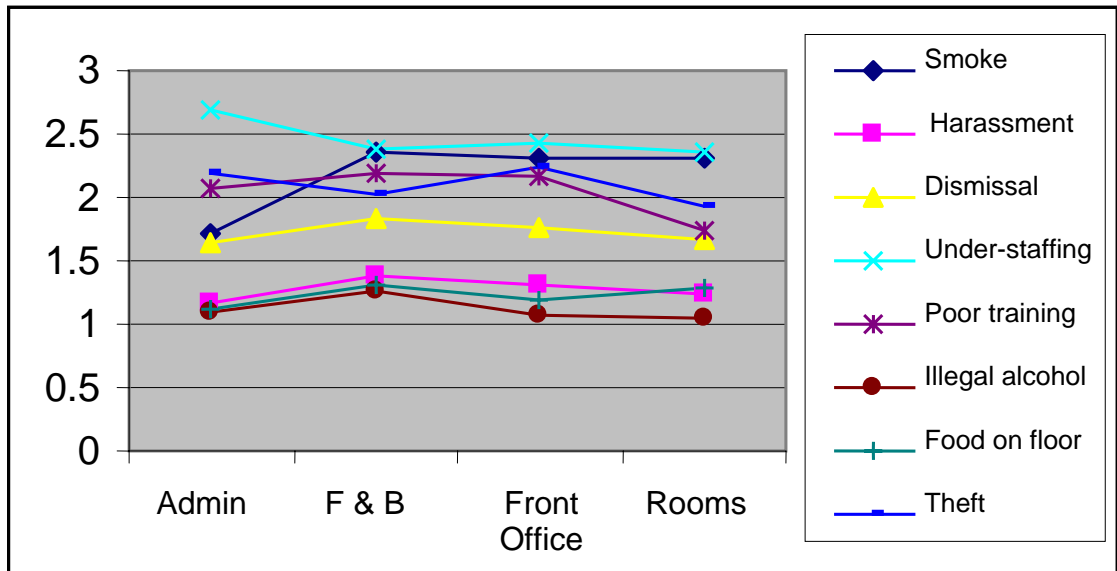
## Analysis of variance: actual and perceived incidence and dependent variables

eta values	Working conditions		Working environment			Employee behaviour		
	Work in smoke	Harassment	Construct dismissal	Under-staffing	Poor training	Alcohol to minors	Food on floor	Theft
<b>Perceived opposition</b>								
Working in smoke	.265	.161	.112	.096	.171	.119	.015	.167
Construct dismissal	.107	.292	.670	.198	.333	.138	.200	.185
Under-staffing	.116	.123	.212	.549	.236	.045	.075	.206
Poor training	.128	.179	.384	.295	.668	.063	.256	.165
Alcohol to minors	.131	.125	.121	.057	.089	.437	.073	.171
Food on floor	.118	.091	.151	.018	.179	.066	.450	.096
Theft	.055	.168	.209	.176	.217	.101	.253	.355

**Table 62** Analysis of variance: actual and perceived incidence and other dependent variables

The reported incidence levels of problems were generally inter-related; that is (for example), responses on harassment were strongly dependent on responses on training and associated with reported levels of all other practices and problems except serving food that had been on the floor. Perceptions about the incidence of theft were strongly associated with perceptions about the incidence of each of the other behaviours, suggesting that theft is ubiquitous and occurs whether or not other unethical practices and behaviours are present. Perceptions about the incidence of under-staffing were those most strongly related to perceptions about theft.

Although responses on the perceived incidence of theft were associated with responses on all other issues, incidence levels did not move in parallel (Figure 4). That is, although theft, under-staffing and alcohol service to minors were perceived as common by front office workers (F.O.), administrative employees rated under-staffing as more common than theft. The only logical conclusion about the relationship between responses on the perceived incidence of theft and other problems, is that they are related, meaning that responses on theft from individual respondents will affect their responses on each of the other behaviours. No particular inference is drawn from this, except that as workplace problems occur in clusters, reducing the incidence of one type of unethical behaviour may reduce the incidence of related behaviours.



**Figure 4 Actual and perceived incidence, by department**

Data in Table 62 also show that the incidence of working in smoke, and the perceived incidence of serving alcohol to minors and dropping food on the floor, was associated with tolerance of these practices. The perceived incidence of poor training was associated with tolerance of under-staffing – that is, views on the quality of training depended on how tolerant respondents were of under-staffing. Conversely, the actual and perceived incidence of sexual harassment, constructive dismissal, understaffing and theft was not related to tolerance of these problems.

Associations between actual and perceived incidence and perceived opposition were strong, indicating that where the actual and perceived incidence of workplace problems was high, management’s opposition was perceived as weak. Extremely strong associations were evident between the perceived incidence and opposition of constructive dismissal, under-staffing, and poor training, and these three problems were also linked together; i.e. perceptions about training were linked to perceptions about constructive dismissal and under-staffing. Weak management opposition to undesirable working conditions such as constructive dismissal, under-staffing, and inadequate training is therefore considered a firm predictor of that these conditions will prevail.

## 8.5.2 Ethical tolerance and other dependent variables

An analysis of variance of the relationships between tolerance to unethical behaviour and the other dependent variables is presented in Table 63.

Analysis of variance: ethical tolerance and dependent variables								
eta values	Working conditions		Working environment			Employee behaviour		
	Work in smoke	Sexual jokes	Const dismissal	Under-staffing	Poor training	Alcohol to minors	Food on floor	Theft
<b>Incidence</b>								
Working in smoke	.267	.075	.061	.038	.110	.087	.018	.112
Being harassed	.104	.056	.089	.110	.022	.100	.054	.080
Construct dismissal	.033	.061	.158	.146	.072	.028	.048	.094
Under-staffing	.022	.089	.073	.075	.131	.187	.029	.117
Poor training	.050	.075	.071	.198	.074	.054	.013	.017
Alcohol to minors	.044	.175	.057	.096	.027	.205	.065	.160
Food on floor	.054	.127	.066	.088	.093	.174	.217	.071
Theft	.179	.108	.058	.079	.079	.148	.102	.199
<b>Tolerance</b>								
Working in smoke		.070	.129	.118	.142	.151	.131	.159
Sexual jokes	.077		.022	.050	.110	.148	.050	.164
Construct dismissal	.118	.090		.251	.213	.062	.311	.126
Under-staffing	.124	.049	.262		.251	.114	.138	.132
Poor training	.151	.111	.232	.236		.090	.176	.174
Alcohol to minors	.140	.159	.056	.057	.087		.117	.207
Food on floor	.172	.155	.300	.110	.133	.126		.222
Theft	.168	.163	.134	.150	.181	.216	.193	
<b>Perceived opposition</b>								
Working in smoke	.136	.047	.083	.089	.171	.117	.107	.100
Construct dismissal	.149	.115	.199	.222	.072	.117	.158	.128
Under-staffing	.059	.140	.051	.084	.111	.060	.065	.018
Poor training	.068	.097	.045	.192	.113	.251	.096	.240
Alcohol to minors	.070	.203	.049	.131	.054	.186	.066	.166
Food on floor	.107	.185	.078	.179	.104	.199	.104	.133
Theft	.119	.122	.114	.089	.102	.267	.059	.213

**Table 63 Analysis of variance: ethical tolerance and other dependent variables**

Responses on ethical tolerance of working in smoke, constructive dismissal, serving alcohol to minors, dropping food on the floor and theft, were all associated with responses on the incidence of these behaviours, indicating that responses on tolerance were dependent on responses on incidence. Conversely, as tolerance of sexual jokes, under-staffing and poor training was not dependent on the actual and perceived incidence of these problems, tolerance of these behaviours was independent of incidence.

Tolerance of constructive dismissal was strongly associated with tolerance of

under-staffing, poor training, and dropping food on the floor, and tolerance of dropping food on the floor and constructive dismissals were co-related. Strong associations were also evident between tolerating (or not tolerating) certain practices (e.g. serving alcohol to minors) and the perception that management allowed (or did not allow) certain other problems to exist (in this case, poor training, dropping food on the floor, and theft).

### 8.5.3 Perceived opposition and other dependent variables

<b>Analysis of variance: perceived opposition and dependent variables</b>							
	<b>Working conditions and environment</b>				<b>Employee behaviour</b>		
<b>eta values</b>	Work in smoke	Const dismissal	Under-staffing	Poor training	Alcohol to minors	Food on floor	Theft
<b>Incidence</b>							
Working in smoke	.344	.118	.063	.081	.079	.062	.007
Being harassed	.176	.224	.016	.106	.078	.069	.041
Constructive dismissal	.137	.224	.200	.288	.062	.118	.125
Under-staffing	.098	.196	.407	.251	.054	.017	.051
Poor training	.190	.187	.195	.408	.116	.017	.120
Alcohol to minors	.167	.179	.053	.086	.344	.113	.041
Food on floor	.056	.121	.104	.227	.057	.224	.159
Theft	.182	.074	.155	.085	.081	.110	.200
<b>Tolerance</b>							
Working in smoke	.167	.070	.040	.102	.088	.071	.131
Being harassed	.048	.088	.085	.111	.173	.139	.035
Constructive dismissal	.075	.147	.037	.072	.033	.034	.060
Under-staffing	.059	.196	.065	.106	.033	.041	.079
Poor training	.170	.081	.025	.058	.036	.045	.080
Alcohol to minors	.099	.050	.120	.112	.080	.107	.092
Food on floor	.070	.050	.048	.110	.016	.044	.033
Theft	.091	.038	.028	.129	.084	.100	.179
<b>Perceived opposition</b>							
Working in smoke		.182	.149	.043	.073	.115	.092
Constructive dismissal	.173		.296	.376	.263	.149	.294
Under-staffing	.104	.256		.343	.094	.276	.081
Poor training	.172	.384	.337		.143	.177	.296
Alcohol to minors	.187	.295	.045	.147		.204	.057
Food on floor	.106	.292	.119	.233	.263		.239
Theft	.096	.349	.071	.243	.241	.230	

**Table 64 Analysis of variance: perceived opposition and other dependent variables**

Responses on perceived opposition to workplace problems were strongly and systematically associated with responses on incidence, as presented in Table 64. Strong links were evident between what management was perceived to accept, and what management received, in terms of undesirable practices and problems. There was also a strong association between those who felt training

was inadequate, and those who experienced constructive dismissals, under-staffing, inadequate training, and poor food hygiene, suggesting that poor training is a central issue.

Perceptions about management's opposition to workplace problems were weakly associated with tolerance of those problems. However, responses on opposition to specific practices were strongly associated with the perception that management opposed other practices, particularly constructive dismissal, which was associated with responses on management's perceived attitude to under-staffing, poor training, alcohol service to minors, poor food hygiene, and theft.

## **8.6 Summary**

The examinations in Chapters 7 and 8, of data on actual and perceived incidence, ethical tolerance, perceived opposition and ethical perceptions, prepare the way to answering the research question addressed in Chapter 11. Relevant summarised findings are also presented in Chapter 11. The following summaries repeat information presented elsewhere in this chapter for the purpose of grouping the observations together.

### **8.6.1 Working in smoke**

- 1 Managers were least likely to be required to work in smoke, and students, supervisors, part-time workers and food and beverage workers most likely.
- 2 Many food and beverage employees worked in smoke from time to time, but those rooms employees who worked in smoke, did so frequently or all the time.
- 3 Europeans and Indians objected to working in smoke more than Maori and Pacific Islanders did, who objected least.
- 4 A significant proportion of hospitality workers (44%) did not want to work in smoke.
- 5 Age, pay and job security were determinants of ethical tolerance of working in smoke. Although most respondents did not consider being asked to work in smoke unethical, those with the characteristics of managers considered this unethical.
- 6 Nearly a third (31%) of those who worked in smoke frequently felt they had

little or no choice.

- 7 Choice about working in smoke improved with job security, for those over 40, administrators, and those on higher pay, all of which matched the typical management profile. Many who worked in smoke felt they had little choice, particularly casual workers and food and beverage workers.
- 8 Choice about working in smoke was a predictor of not working in smoke. For those who felt they had choice, the likelihood of working in smoke was reduced by more than a quarter (27%).
- 9 Many of those who worked in smoke found this objectionable.
- 10 Strong objection, low ethical tolerance and high perceived choice about working in smoke were associated with the characteristics of managers. Not working in smoke was associated with better working conditions and improved status in the workplace.
- 11 Increased age, experience, qualifications, pay, seniority and job security, were predictors of not wanting to work in smoke.

### **8.6.2 Sexual harassment**

- 1 Sexual harassment was caused by guests, peers, seniors, and juniors, in that order, with harassment from guests being the most severe.
- 2 The likelihood of being harassed decreased with age.
- 3 Europeans experienced high levels of guest harassment. Maori also experienced high levels of harassment, mostly by peers, and Indians and Pacific Islanders experienced comparatively low levels of harassment.
- 4 Ethnicity was strongly associated with harassment.
- 5 Customer contact was a predictor of sexual harassment and customers were a major source of sexual harassment.
- 6 Casual and part-time women in front-of-house positions such as food and beverage and front office, were those reporting the most harassment.

### **8.6.3 Ethical perceptions**

- 1 Although most respondents considered themselves more ethical than others, supervisors generally considered themselves unethical.
- 2 Staff were considered the most ethical, followed by managers, then customers, who were viewed as least ethical.
- 3 Front-of-house workers were those most likely to think guests were

- unethical, and were perceived as having the lowest ethical standards.
- 4 Contact with a group of people was a determinant of thinking that group was unethical; for example, rooms workers thought managers were ethical (having little contact with management), and front office workers thought guests were unethical (having high guest contact).
  - 5 Those with the least ethical comfort were food and beverage workers, casuals, those aged 20 – 24, and Asians, typically all the same group.
  - 6 Workplace problems were associated with the belief that ethical standards were lower, ethical comfort low, that there was no code of ethics in the workplace, and belief that management was unethical. Where under-staffing was most critical, employees had low opinions of management's ethical standards.
  - 7 There was no association between thinking the workplace had a code of ethics and the incidence of sexual harassment, under-staffing, or theft. However, poor food hygiene and sexual harassment occurred less where employees had their own codes of ethics.
  - 8 As some increases of workplace problems were associated with a reduced likelihood of thinking a code of ethics existed, there is some value in having a code of ethics, and in providing employees with a personal copy.
  - 9 Seniority was a predictor of ethical comfort. Confidence in personal ethical standards was associated with ethnicity, pay, education, seniority and department. Maori, Pacific Islanders, Asians, and rooms division workers did not consider themselves ethical, whereas those on higher pay, with better qualifications, and generally fitting the profile of managers, such as Europeans, managers, and administrators, were more likely to consider themselves ethical. Ethical comfort was strongly associated with pay, tenure, and department.
  - 10 Administration and rooms departments were perceived as having higher ethical standards than food and beverage and front office.
  - 11 Increased levels of sexual harassment, constructive dismissal, serving alcohol to minors and theft were associated with thinking guests and managers were unethical.
  - 12 Working in smoke or with insufficient staff were associated with thinking management was unethical, and were therefore perceived as ethical issues.

- 13 Sexual harassment, constructive dismissal, poor training, poor food hygiene and theft were strongly associated with the perception that ethical standards were low, and serving alcohol to minors, weakly associated.
- 14 Constructive dismissals, poor food hygiene and poor training were very strongly associated with the view that management's ethical standards were poor.

#### **8.6.4 Analysis of variance**

- 1 Neither working in smoke, nor where alcohol was served to minors, was associated with the incidence of other unethical behaviours.
- 2 As workplace problems occur in clusters (i.e. if one problem occurs, other are also likely to occur), reducing one type of problem may reduce the incidence of others.
- 3 Working in smoke, where alcohol was served to minors and where food was dropped on the floor were determinants of tolerance of these behaviours.
- 4 Poor training was associated with attitudes to under-staffing (For example, Table 23 and Table 29 show that supervisors perceived training to be inadequate and supervisors were also intolerant of under-staffing.)
- 5 Harassment and the perceived incidence of constructive dismissal, understaffing and theft respectively, were not related to tolerance of these behaviours.
- 6 Perceptions about the incidence of theft were strongly associated with perceptions about the incidence of each of the other problems, suggesting that theft was ubiquitous and occurred whenever other problems were present.
- 7 Weak management opposition was a strong predictor of high incidence, levels especially for constructive dismissal, under-staffing, and inadequate training.

## Chapter Nine: Causes and Predictors

No man is fit to command another that cannot command himself (William Penn)

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## **9.1 Introduction**

This chapter examines management's active and passive support of the problems examined in the questionnaire, to provide an understanding of management's role and attitude. All noteworthy findings are presented, whether or not they appear to have immediate relevance to the research question.

## **9.2 Actual and perceived incidence by seniority**

This section presents an argument supported by data extrapolated from the means comparisons tables, that managers are substantially unaware of the severity of day to day ethical issues affecting their supervisors and staff. This argument is predicated on the discrepancies between incidence levels of workplace problems reported by respondents and those reported by managers. Table 65 presents a comparison of actual and perceived incidence of workplace problems according to seniority, where this association is significant. Incidence was analysed on a Microsoft Excel spreadsheet, and means expressed as a percentage of the supervisors' mean response, as supervisors had the highest means for each value except alcohol to minors, for which staff had the strongest response. Significance, eta levels, and means are the same as in Table 23.

### **9.2.1 Means comparison and observations**

Management's ignorance of the incidence of workplace problems is illustrated in Table 23, which reveals managers were significantly less aware of the incidence of five of the problems and practices tested than either staff or supervisors were (responses on the other three problems, sexual harassment, under-staffing and theft, were not statistically significant).

Data in Table 65 indicate that for all values, where the supervisor's mean is used as a benchmark, managers and staff are shown as considerably less aware of workplace issues than are supervisors. Overall, managers were aware of only 86% of the workplace problems reported by supervisors, and staff, 97% aware. Staff exceeded supervisors only in their knowledge of alcohol service to minors, with a mean response of 109% of that of supervisors.

If responses to poor training are removed from the analysis (last column) and just the ethical issues analysed, management's awareness of problems reduces

from 86% to 83.5%.

<b>Comparison of actual and perceived incidence, by seniority</b>							
<b>1 = never 3 = all the time</b>	<b>Working in smoke</b>	<b>Const dismiss AI</b>	<b>Poor training</b>	<b>Alcohol to minors</b>	<b>Food on floor</b>	<b>All issues</b>	<b>Ethical issues only</b>
<b>Seniority (sig.)</b>	.125	.001	.088	.049	.015		
<b>Seniority (eta)</b>	.113	.194	.122	.159	.164		
Staff mean	2.27	1.82	2.14	1.24	1.28	1.75	1.65
Staff %	93.8%	91.9%	96.8%	108.8%	93.4%	95.9%	95.6%
Supervisors mean	2.42	1.98	2.21	1.14	1.37	1.82	1.73
Supervisors %	100%	100%	100%	100%	100%	100%	100%
Managers mean	2.07	1.53	2.07	1.07	1.10	1.57	1.61
Managers %	85.5%	77.3%	93.7%	93.9%	80.3%	86.0%	83.5%

**Table 65 Comparison of actual and perceived incidence by seniority**

### **9.3 Management’s active and passive support (by issue)**

This analysis was undertaken to answer the question, ‘if an undesirable practice is overtly opposed, is it likely to occur less?’ Data indicate that undesirable practices are less prevalent when they are perceived as opposed by management. Means in Table 66 were obtained from T tests which provided overall means for each group of variables. To enable comparisons, means for perceived opposition were converted from out of 4 to out of 3, and means for ethical tolerance inverted.

The frequency analysis in Table 67 compares responses on incidence and management’s attitude according to the issue. Data are the same as those in the frequency analyses of actual and perceived incidence and perceived opposition in Chapters 7 and 8 (Table 20 and Table 39), although for incidence the cumulative frequency for ‘commonly’, ‘frequently’ and ‘all the time’, is summarised as ‘regularly’, for clarity. Working in smoke and sexual harassment are not included in Table 67, as responses on working conditions are not suited for direct comparison of this type. Incidence is therefore perceived, not actual.

### 9.3.1 Means comparison

(Of actual perceived incidence, ethical tolerance, and perceived opposition, by issue)

<b>Summarised means comparison of actual and perceived incidence, ethical tolerance and perceived opposition, by issue</b>			
	<b>Incidence</b>	<b>Tolerance</b>	<b>Opposition</b>
	1 =never 3 = all the time	1 = tolerant 3 = intolerant	1 = accepted 3 = opposed
Smoking	2.24	1.38	1.57
Sexual harassment	1.32	1.68	n/a
Construct dismissal	1.78	1.79	2.01
Under-staffing	2.43	1.39	1.78
Poor training	2.12	1.75	2.01
Alcohol to minors	1.18	1.83	2.27
Food on floor	1.25	1.87	2.23
Theft	2.08	1.82	2.36
<b>Overall</b>	1.80	1.69	2.03

**Table 66 Summarised means comparison of actual and perceived incidence, ethical tolerance and perceived opposition, by issue**

Means were examined for possible relationships between intensity of response, and the following findings noted.

#### 9.3.1.1 Actual and perceived incidence and perceived opposition

Where actual and perceived incidence of a problem was very high (over 70% of the maximum of 3, as in working in smoke, under-staffing and poor training), perceived opposition was low (under 60% of the maximum of 3). Where actual and perceived incidence was very low (under 50% of the maximum of 3, as in sexual harassment, alcohol service to minors and serving dirty food), perceived opposition was high.

Conclusion: high incidence of workplace problems is associated with the perception that management does not oppose the problem. The exception is theft, which although is perceived as strongly opposed by management, is also analysed as having high incidence.

### **9.3.1.2 Incidence, ethical tolerance, and perceived opposition**

Working in smoke and under-staffing were both perceived as having high incidence, but were opposed only weakly by management. Respondents indicated high ethical tolerance of these behaviours.

Conclusion: when management is perceived as opposing a problem or practice only weakly, that problem or practice is more likely to occur (see also, 3.2.1)

### **9.3.1.3 Ethical tolerance and perceived opposition**

Respondents were generally less ethically tolerant of employee behaviour issues that were perceived as being strongly opposed by management.

Conclusion: issues of morality or legality, such as theft, serving dirty food, or illegal alcohol service, are likely to be strongly opposed by management and employees generally. Except theft, such high opposition and low tolerance is associated with low incidence.

### **9.3.1.4 Ethical tolerance and perceived opposition**

Although ethical tolerance and perceived opposition were similar for constructive dismissal and inadequate training, inadequate training was perceived as having higher incidence.

Conclusion: standards of training affect all staff, whereas constructive dismissals affect only those who are dismissed, and who may therefore be unavailable to comment. Although inadequate training appears to be more common than constructive dismissal, in fact it may not be so.

### **9.3.1.5 Incidence and ethical tolerance**

Means varied most for incidence, which had a range of 1.18 to 2.43, whereas the range for ethical tolerance was very low (1.38 to 1.87).

Conclusion: reported incidence varies according to what happens to an individual, whereas responses on ethical tolerance are likely to be more consistent, being less affected by specific incidents and workplace characteristics.

### 9.3.2 Frequency analysis

#### (Of perceived incidence and perceived opposition, by issue)

Table 67 shows the close relationships between practices that are not allowed and never occur for all issues except theft, which although perceived as not allowed, still occurs. Constructive dismissal was perceived as allowed by approximately the same proportion of respondents who reported that these occurred regularly.

Frequency analysis of perceived incidence and opposition, by issue						
	Never	Once or twice	Occurs regularly	Allowed	Not allowed	Mgmt trying to stop
Constructive dismissal	44.4%	33.5%	22.1%	22.8%	53.0%	12.3%
Under-staffing	9.1%	38.2%	52.6%	28.0%	11.7%	28.6%
Poor training	24.5%	38.7%	36.8%	29.3%	26.8%	28.2%
Alcohol to minors	85.3%	11.2%	3.5%	0.8%	87.8%	9.2%
Food on floor	78.8%	16.9%	4.3%	3.7%	86.0%	7.5%
Theft	22.4%	47.7%	29.9%	2.9%	67.6%	25.9%

**Table 67** Frequency analysis of perceived incidence and opposition, by issue

### 9.3.3 Summary and observations

Except theft, the occurrence of undesirable practices and workplace problems is associated with the perception that management is not perceived as opposing them. Similarly, when management is perceived as not acting to prevent a problem, that problem is more likely to occur. Except theft, issues of morality or legality (such as serving dirty food or alcohol to minors), are likely to be opposed by management and employees alike, and therefore, occur less. Theft still occurs, even though opposition to this is high.

Incidence levels of workplace problems are likely to vary according to personal experience. Hence, although inadequate training appears more common than constructive dismissal, it may not be, as inadequate training affects all staff when it occurs.

Strong relationships exist between levels of perceived incidence and perceived opposition of poor training, serving alcohol to minors, and dropping food on the floor. Perceived incidence is high where perceived opposition is low. This indicates that undesirable practices can be reduced by increasing

management's perceived opposition.

### **9.3.4 Analysis of management's active or passive support (by issue)**

If reported levels of incidence of a particular problem exceed those of management's perceived opposition to it, this suggests the problem occurs more often and at a higher intensity than management's attempts to prevent it. For these problems, management's intervention is not strong enough to prevent their occurrence.

This examination of the incidence and intervention of issues relating to employees' working environment and behaviour identifies the practices that are opposed by management at sufficient intensity to limit their occurrence. Where frequencies of perceived opposition are less than those of actual and perceived incidence, this is interpreted as passive support, even if this is considered unintentional. Perceptions about management's attitude to working in smoke and sexual harassment could not be analysed as questions did not test this. However, employees can only be required to work in smoke with management support, or it would not occur. Management's attitude to working in smoke is therefore construed as active support, as incidence was high (55%).

#### **9.3.4.1 Comparison of incidence and opposition, by issue**

Possible responses for management's attitude to specific problems and practices, were 'standard practice', 'encouraged', 'allowed', 'not allowed', and 'something management is actively trying to stop'. Incidence response choices were 'never', 'once or twice', 'commonly', 'frequently', and 'all the time', the last three being summarised as 'regularly'. A practice perceived as 'standard practice' could also be perceived as one 'management was trying to stop'. In this case, if respondents selected 'standard practice' instead of 'something management is actively trying to stop', results suggest either management did not object to the practice, or management's intervention was not successful.

Similarly, for practices perceived as 'not allowed', respondents could select 'not allowed' or 'something management is actively trying to stop'. As a problem must occur before management can try to stop it, respondents could select 'not allowed' whether or not they thought the problem occurred, but would be likely to

select 'something management is trying to stop' only if it occurred, and therefore, could be stopped. The following interpretations have therefore been placed on the analysis of management opposition to workplace problems and practices.

High levels of 'management is trying to stop it' indicate management is perceived as being aware of a problem and trying to stop it. When these levels are combined with incidence levels of 'occurs regularly', this indicates management is perceived as aware of the problem but ineffective in preventing its occurrence. Although management is perceived as aware of problems with staffing, training, and theft, management intervention is not sufficient to control these behaviours.

Low levels of 'management is trying to stop it' and 'occurs regularly', indicate the problem is under control. Management is perceived as having illegal alcohol service and serving food that has been dropped on the floor under control.

Low levels of 'management is trying to stop it' and high levels of 'occurs regularly', indicate that either management does not want the practice stopped, or does not realise it occurs. This is construed as support for the practice, either passive or active. Management is perceived as passively supporting constructive dismissals.

High levels of working in smoke indicate management's active support, as managers expressly allow employees to work in smoke.

<b>Frequency analysis of management's perceived attitude, by actual and perceived incidence</b>				
	<b>Occurs regularly</b>	<b>Mgmt trying to stop</b>	<b>Difference</b>	<b>Outcome</b>
Working in smoke	54.8%	n/a		Active support
Sexual harassment	7.4%	n/a		n/a
Constructive dismissal	22.1%	12.3%	9.8%	Passive support
Under-staffing	52.6%	28.5%	24.1%	Ineffective opposition
Inadequate training	36.8%	28.2%	8.6%	Ineffective opposition
Alcohol to minors	3.5%	9.2%	-5.7%	Under control
Food on floor	4.3%	7.5%	-3.2%	Under control
Theft	29.9%	25.9%	4.0%	Ineffective opposition

**Table 68** Analysis of management's perceived attitude, by actual and perceived incidence

Table 69 presents these findings as a matrix.

<b>Matrix of perceived management opposition to and incidence of workplace problems</b>		
	<b>HIGH INCIDENCE</b>	<b>LOW INCIDENCE</b>
<b>HIGH OPPOSITION</b>	Under-staffing Inadequate training Theft	Illegal alcohol service Poor food hygiene
<b>LOW OPPOSITION</b>	Constructive dismissal Working in smoke	

**Table 69 Matrix of perceived management opposition and incidence**

An understanding of management’s awareness of constructive dismissal contributes to understanding management’s attitude. As the ‘management is trying to stop it’ level is low, and the ‘occurs regularly’ is high, either management does not want the practice stopped, or does not know it occurs. As management is generally perceived as unaware of constructive dismissals (indicated by low responses to ‘management is trying to stop it’ – see Table 67), management’s attitude has the initial appearance of passive support. However, some support is not passive, but active, as the following discussion finds.

#### **9.3.4.2 Management’s attitude to workplace problems**

The comparison of actual and perceived incidence and opposition by issue, indicates that management passively supports or ineffectively opposes four of the seven issues examined. Further analysis of managers’ perceived attitude towards these issues helps clarify their position, as some attitudes depend on seniority. However, relationships between actual and perceived incidence and perceived opposition (by seniority) were statistically insignificant for all but constructive dismissal, inadequate training, and illegal alcohol service.

A cross-tabulation analysis of statistically significant issues shows that of supervisors, 52% thought constructive dismissal was allowed, explaining the common occurrence of this practice, as supervisors are those most likely responsible for the high incidence (Section 7.2.2.5). Of managers, 70% thought it was not allowed, and a further 8% thought managers were trying to stop it. However, as the remaining 21% believed constructive dismissal was allowed,

what was initially construed as passive support (Table 68), is for many managers, active. A significant proportion of managers (21%) actively support constructive dismissal.

Responses on inadequate training indicate that of managers, 28% thought management was trying to do stop inadequate training, and a further 27% thought inadequate training was not allowed. Deviations from this overall result indicate supervisors were more likely than staff to think management was trying to improve training, and managers those most likely to think this. Although managers were those least likely to think inadequate training was allowed, the 31% who thought it was allowed, actively supported inadequate training. Although management is perceived as opposing inadequate training, a significant proportion (31%) thinks inadequate training is allowed, which is construed as active support.

Data on perceptions about serving alcohol to minors indicate this is generally thought of as not permitted, with staff those most likely to think management is trying to stop it.

<b>Cross-tabulation analysis of management's perceived attitude by seniority</b>			
	<b>Allowed</b>	<b>Not allowed</b>	<b>Mgmt trying to stop</b>
<b>Const dismissal (sig)</b>	.007	.007	.007
<b>Const dismissal (eta)</b>	.101	.101	.101
Staff	34.9%	52.8%	12.3%
Supervisor	52.3%	29.5%	18.2%
Manager	21.3%	70.5%	8.2%
Overall	34.8%	53.0%	12.3%
<b>Poor training (sig)</b>	.012	.012	.012
<b>Poor training (eta)</b>	.180	.180	.180
Staff	49.4%	28.1%	22.4%
Supervisor	48.2%	19.6%	32.1%
Manager	31.3%	26.5%	42.2%
Overall	45.3%	26.8%	27.8%
<b>Alcohol to minors (sig)</b>	.084	.084	.084
<b>Alcohol to minors (eta)</b>	.140	.140	.140
Staff	4.0%	84.9%	11.1%
Supervisor	0.0%	90.2%	9.8%
Manager	2.6%	94.9%	2.6%
Overall	3.1%	87.8%	9.1%

**Table 70** Cross-tabulation analysis of management's perceived attitude by seniority showing two way contingency analysis

### **9.3.4.3 Summary and observations**

Even though managers are perceived as actively trying to stop under-staffing, inadequate training and theft, all of which occur regularly, more respondents thought that managers allow inadequate training, than thought otherwise. Although management is not perceived as trying to stop illegal alcohol service or food being dropped on the floor, as these had low levels of reported incidence, management intervention may not be required. However, management is not perceived as trying to stop constructive dismissal, which has high levels of perceived incidence, and therefore warrants intervention. Furthermore, 21% of managers think that constructive dismissal is allowed, suggesting that management support of this is both passive and active.

As 55% of respondents reported that working in smoke for them was a regular occurrence, management is considered to actively support working in smoke.

## **9.4 Causes of actual and perceived incidence**

### **9.4.1 Summary of associations and predictors**

A summary of predictors of the actual and perceived incidence of workplace problems identified in Chapter 7 is presented here to conclude the examination of causes of workplace problems in hospitality, and complete the picture developing during the course of this thesis. Although these data have already been presented in sections relating to the specific variables, they are combined here to facilitate the emergence of a complete picture. Only strong predictors are noted and are based on data extracted from Table 25 and Table 62.

- 1 Age, seniority, and the actual and perceived incidence of sexual harassment, under-staffing, poor training, poor food hygiene and theft, are strong predictors of constructive dismissal. The strongest predictor of constructive dismissal is management's perceived opposition to constructive dismissal, but management's perceived opposition to under-staffing, poor training and theft are also strong predictors.
- 2 Pay is a strong predictor of the perceived incidence of under-staffing, as are constructive dismissal, poor training and theft, and management's perceived opposition to constructive dismissal, under-staffing and poor training.

- 3 Poor training is associated with the incidence of constructive dismissal, under-staffing, poor food hygiene and theft, tolerance of under-staffing, and management's perceived opposition to constructive dismissal, under-staffing poor training, and theft.
- 4 Serving alcohol to minors is department specific. The perceived incidence of theft, tolerance to serving alcohol to minors, management's perceived opposition to serving alcohol to minors and thinking there is no code of ethics, are strong predictors of serving alcohol to minors.
- 5 The perceived incidence of constructive dismissal, poor training, serving alcohol to minors, theft, and not having a personal code of ethics are strong predictors of poor food hygiene, as are tolerance of poor food hygiene and management's perceived opposition to constructive dismissal, poor training, poor food hygiene and theft.
- 6 Pay and perceptions about the incidence of other workplace problems are strong predictors of theft. Management's perceived attitude to under-staffing and theft are also strong predictors.
- 7 Poor training emerges as a consistent predictor of the problems analysed in this study, and is strongly associated with the perception that management allows poor training.
- 8 High levels of actual and perceived incidence of problems are associated with the perception that ethical standards are lower, ethical comfort is low, and there is no code of ethics (Section 8.4.2.1).
- 9 Increased actual and perceived incidence of problems is generally associated with low ethical comfort, decreased views of personal ethical standards, and the view that staff are unethical. The likelihood of thinking management is unethical increases as undesirable behaviour increases.
- 10 Sexual harassment, constructive dismissal, serving alcohol to minors and theft, are all associated with perceiving guests and managers as unethical.
- 11 Except for sexual harassment, under-staffing and theft, the likelihood of thinking a code of ethics exists reduces as workplace problems increase.

#### **9.4.2 Multi-variate analysis**

A multi-variate analysis of the dependent variables associated with actual and perceived incidence was undertaken (Table 71) to ensure isolation of the variable 'training' as a predictor of understaffing and constructive dismissal was

valid. The rotated solution of the principal component analysis reveals that perceived inadequate training has the highest loading against the other factors (followed by under-staffing), indicating very little of the variance is accounted for, and inadequate training is therefore the critical factor. However, under-staffing and poor training are very likely inextricably linked, and attempts to isolate one as the cause of the other, while statistically pleasing, is not considered particularly important.

<b>Rotated Component Matrix</b>		
	Component	
	1	2
Working in smoke	.088	.590
Sexual harassment	.180	.469
Constructive dismissal	.625	.257
Under-staffing	.727	-.068
Poor training	.756	.021
Alcohol served to minors	-.027	.769
Food dropped on floor	.441	.257
Theft	.549	.456

**Table 71** Principal Component Analysis using Kaiser Normalisation

Although the perceived incidence of poor training is confirmed as a consistent predictor of other problems, poor training and under-staffing are correlated.

## 9.5 Summary

- 1 Managers are substantially unaware of the severity of day to day ethical issues affecting their supervisors and staff, evidenced by the discrepancies between incidence levels of problems reported by respondents and those reported by managers.
- 2 Managers and staff are considerably less aware of problems in their workplaces than are supervisors.
- 3 Undesirable practices are associated with the perception that management does not oppose the practice, and when management is perceived as only weakly opposing an undesirable practice, it occurs more. It is therefore concluded that undesirable practices can be reduced by increasing management's perceived opposition.
- 4 Management is perceived as actively trying to stop under-staffing, inadequate training and theft, but not perceived as trying to stop alcohol service to minors, serving food that has been dropped on the floor,

constructive dismissal, and working in smoke.

- 5 Perceived poor training is a strong predictor of sexual harassment, and perceptions about constructive dismissal, under-staffing and serving alcohol to minors.

## Chapter Ten: Narrative (Qualitative Data)

Nearly all men can stand adversity, but if you want to test a man's character, give him power (Abraham Lincoln)

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## 10.1 Introduction

Further to specific opportunities that respondents had to provide written comments, many wrote on their questionnaires to provide specific information or emphasis to their answers. Brief interpretations and commentary are presented here, supported by detailed comments in Appendix D to provide a more complete understanding (Appendix D should be read prior to this discussion).

### Section A: closed questions

## 10.2 Working in smoke

**(I have had to work where people smoke)**

Hospitality workers know that if they are to get a job in the industry there is going to be smoking

### 10.2.1 Narrative theme

Narrative on working in smoke revealed both a strong resentment towards smokers: 'I hate people who smoke (even my Dad)', as well as an acceptance of the inevitability of working in smoke when the data were collected: 'it comes with the job but a new law would be good'. That 'people should be able to work in the hospitality industry without harming their health' seems a basic human right, and the complications of designated smoking areas (such as who cleans them) were recognised by many respondents.

### 10.2.2 Conclusion

If more hospitality workers work in smoke more than those in other industries, this may be because their workplace is supportive of smoking, providing tobacco products and places to enjoy them. Legislation prohibiting smoking in hospitality workplaces may therefore reduce the smoking of both customers and staff. As Hyland, Puli, Cummings, and Sciandra (2003) found hospitality sales and employment do not decrease after smoking bans are implemented; neither customer demand nor avarice is a valid reason to allow smoking inside restaurants and bars, which is now prohibited by law. However, hospitality workers will not be free of smoky workplaces until the law also prevents smoking in guest rooms and exterior areas.

## 10.3 Sexual harassment

(I have been sexually harassed)

*All in good fun, nothing serious*

### 10.3.1 Narrative theme

Narrative on sexual harassment exposed high levels of tolerance, which were also evident in other data on harassment (Table 26). Tolerance was associated with work enjoyment and the nature of the industry, and implies a behavioural norm extending well beyond limits accepted in other industries. Respondents had a generally high level of acceptance of this aspect of their work, and seemed happy to go about their duties knowing that sexual harassment could be part of their working day.

Perhaps a fine line exists, not just between harassment and good fun, but also, between the expectation of being harassed, and a willingness to solicit harassment (sic) or sexual activity. Tolerance of harassment does not imply acceptance for all hospitality employees however, nor does it imply that customers (who are a major source of harassment) expect sexual jokes and teasing to be part of the service. If the Pareto Principle (Pareto & Fubini, 1948) could be applied to sexual harassment and customers, it is likely that 20% of the customers are responsible for 80% of the harassment, and therefore, do not represent a general expectation.

### 10.3.2 Conclusion

Comments such as 'not intentionally trying to hurt me, but guests saying things to make me uncomfortable' described the humiliation caused by behaviours that seemed to be perpetuated by those who did not actively object to being harassed. For those less willing to tolerate sexual harassment, front-of-house hospitality work may ultimately lose its appeal, accounting for some of the staff turnover associated with hospitality.

## **10.4 Constructive dismissal**

**(Supervisors have written unfair rosters or hassled staff to get rid of them)**

*Sometimes it is the only way to get rid of useless staff members*

### **10.4.1 Narrative theme**

Comments presented examples, reasons for and techniques of constructive dismissals, as well as behaviours perceived to be constructive dismissals that might not have been. Some respondents demonstrated a weak grasp of their legal rights and obligations, and constructive dismissal was generally perceived as weakly opposed by management.

Comments betrayed an atmosphere of squabbling and fighting reminiscent of the establishment of a pecking order amongst hens. Unfairnesses perpetrated by supervisors and managers for capricious reasons, suggest a jostling for position by those seeking to retain power, and the acceptance of a victimisation mentality at senior level. Although some evidence of substantial justification existed in the narrative, this was often matched with constructive dismissal procedures that were feebly opposed by management, if at all. The picture of hospitality workplaces evident in respondents' comments is barely palatable, as there were very few comments worthy of defence.

### **10.4.2 Conclusion**

Although it would be remarkably easy to blame management for all unfair behaviour in the workplace, this would be a facile approach, as (at the time of writing) management lacks access to the quantitative and qualitative data collected in this study, which present a more balanced view. The narrative indicates a very stressful working environment caused by weaknesses in human resource management. If comments collected in this study represent the wider hospitality community (and there is no reason to suspect otherwise), many workplaces would benefit from having training programmes that develop right human relations, and good ethical standards.

Courses in self-esteem, employment law, and assertiveness training, might provide employees and managers with the skills to express themselves positively, as well as defend themselves against harassment or physical

violence. However, such recommendations are well beyond the scope of this study, which primarily intends to isolate the causes of workplace problems. The cause of poor supervisory behaviour appears to be weaknesses commonly associated with youth, inexperience, poor education, and a lack of basic 'people' skills, skills that are surely needed for the provision of good customer service.

## **10.5 Under-staffing**

**(When staff call in sick or can't work their shift, we have had to manage without replacement staff)**

*It is way too hard on us, because we are expected to run around and be able to work way too hard. It is impossible and very stressing. And it then causes customers to complain of bad service.*

### **10.5.1 Narrative theme**

Comments about under-staffing revealed that this was perceived as an industry issue, was within management's control, and was caused by staff. Respondents showed very a high tolerance of problems caused by under-staffing, exhibiting a strong mentality of 'the show must go on'. Low tolerance was strongly associated with increased pressure of work.

The narrative certainly indicates the existence of critical labour shortages in the Auckland hospitality industry, reflected in both the high incidence of under-staffing, and the reluctant reliance on unreliable staff, presumably because better employees cannot be found. Although staff held management and their colleagues responsible, comments from supervisors and managers suggest the acceptance of a wider problem but one exacerbated by the behaviours of unpredictable employees.

The obvious strain of extra pressure on staff and management alike suggests under-staffing is one of the most critical problems to face the industry.

## 10.5.2 Conclusion

As labour shortages in hospitality are not restricted to either Auckland or New Zealand, the prevalence of under-staffing is likely to be caused by the types of people attracted to the industry, and the frequency with which they commonly change their place of work, leaving unfilled vacancies behind them. Persistent under-staffing is an obvious source of unhappiness and frustration for all hospitality workers, not just staff, perhaps because it ultimately represents a barrier to improved service quality, employee satisfaction, training, and profitability.

Both narrative and quantitative data suggest a connection between supervisory practices and under-staffing. Comments and statistics on constructive dismissals indicate that supervisors were keen to dispose of unwanted staff, even when they had insufficient for service. The connection is significant. If supervisors developed their staff instead of discarding them as inappropriate, not only would they have enough staff, but their service quality would rise, as staff would be retained long enough to learn the basic elements of their jobs.

## 10.6 Poor training

**(Staff have had to work without proper training)**

*They learn the ropes quickly enough (food and beverage supervisor, male, under 20)*

### 10.6.1 Narrative theme

The narrative identified three major themes: inadequate training, misinterpretation of the concept of on the job training, and the frequency and support for Sink or Swim training. Causes, examples, and effects of poor training were also commented on.

High incidence of inadequate training was expected because of results from the quantitative data analysis, anecdotal evidence and personal experience, but the other two themes were surprisingly strong. On The Job Training requires specialised trainer training, and is well suited to a labour intensive industry because of the practical nature of many tasks. However, comments referring to on the job training generally implied a buddy system or a 'show as you go'

method. The only similarities between these and appropriate on the job training systems are that they are both conducted in the workplace. Formal On The Job Training is usually conducted by the same trainer each time, and utilises a programme that can only be conducted in a workplace where the appropriate properties (e.g. cash register, bed, or banquet table) are available.

Being 'thrown in the deep end' is likely to be a frightening and bewildering experience for many people, and to extend the swimming metaphor further, will probably result in faulty technique that merely raises the victim above the surface, gasping for air with neither dignity nor grace.

### **10.6.2 Conclusion**

Many hospitality workplaces give inadequate attention to staff training needs. This, combined with the prevalence of constructive dismissals and critical staff shortages, presents the picture of a poorly managed workforce and a poorly managed industry. Good training is strongly associated with low staff turnover, and is a common requirement of formal disciplinary processes when poor staff performance is the cause of discipline.

## **10.7 Serving alcohol to minors**

**(Alcohol was sold to under-age drinkers)**

*Sometimes staff feel obliged to serve their underage friends*

### **10.7.1 Narrative theme**

Comments about alcohol service to minors mostly indicated support for the law, and evidence of illegal alcohol service to minors was scant, belying statistical evidence collected in other studies (e.g. Huckle, Pledger, & Casswell, 2003; McDonald, 2004). Some written comments suggest the law is complied with, but not necessarily agreed with. Non-compliance (i.e. high incidence) was associated with peer pressure ('staff feel obliged to serve their underage friends') and ineffective enforcement ('we are encouraged to check IDs').

### **10.7.2 Conclusion**

Questions about serving alcohol to minors were included in this study because of the magnitude of consequences of this form of unethical behaviour. However,

there is little evidence that this is perceived as a major issue, possibly because of regular media coverage of issues associated with teenage drinking, which may help remind hospitality workers of their responsibilities. Although this study does not reveal blatant disregard of the Sale of Liquor Act, this is probably associated more with the types of workplaces studied than the statistical insignificance of these findings. It may also be that only one breach of the law is needed to supply a group of teenagers with alcohol, and therefore, only one potential respondent to comment on selling alcohol to minors.

## **10.8 Poor food hygiene**

**(Food was served to customers after it was dropped on the floor)**

<i>It happens more than consumers think</i>
---

### **10.8.1 Narrative theme**

Although written comments contained some disturbing examples of poor food hygiene, commentary generally indicated a sense of revulsion towards this, and a determined theme of duty and trust associated with customer care. However, some concerning examples of poor food hygiene were given, and some rather cavalier comments indicative of the high tolerance of a few respondents.

### **10.8.2 Conclusion**

As with narrative on illegal alcohol service, the magnitude of consequences appear to have influenced respondents' thinking, and only a few breaches were evident. However, as prior research using open-ended questions on food hygiene surrendered a variety of disturbing breaches, it is likely that the selected topic influenced respondents, who restricted their comments to food dropped on the floor. As statistical data in Chapter 7 concur with written responses, this study concludes that poor food hygiene is not a major problem in the Auckland industry, at least, not in comparison to issues such as constructive dismissal and under-staffing.

## 10.9 Theft

**(Some people have taken hotel property home for personal use, without asking)**

*I don't agree with it but it's hard to stop*

Like sexual harassment, the incidence of theft in commercial hospitality is of legendary proportions, although respondents seemed reluctant to admit this. It is certainly evident from written comments (and quantitative data) that respondents are more inclined to report crimes against themselves than those they perpetrated, leaving food hygiene and theft somewhat under-reported.

### 10.9.1 High tolerance rationalisations

**(It's okay to take this home because)**

Tolerance was largely associated with excuses (rationalisations), for which there were many. Excuses noticed (in order of frequency) were:

#### **Eight excuses for theft**

- 1 Error (it was a mistake)
- 2 Excess (they were going to throw it out anyway)
- 3 Insignificance (I only took a little bit)
- 4 Environment (I used it here)
- 5 Expense (it didn't cost much)
- 6 Enhancement (actually, I was being quite helpful)
- 7 Endorsement (they don't mind)
- 8 Epidemic (everyone is doing it)

Although other rationalisations exist, they relate to minor thefts in which respondents sought to reclassify the behaviour as something else, such as being helpful. Larger scale thefts require justifications rather than excuses (e.g. excitement and envy)

#### **1 Error (it was a mistake)**

Commentary contained comments such as 'can't be helped, especially things like pens, paper etc' and 'it can be an honest mistake taking hotel property

home for example having a pen left in your pocket'. 'Honest' in this comment serves to further rationalise and normalise behaviour which is petty theft, and which results in discipline in many hotels. Respondents also excused the behaviour of others who were stealing: 'Only thing I have seen staff take has been stationery. Often they have been using it and put it in bag at end of shift – not intentional stealing'. Rationalisations also included admissions of guilt, perhaps following legal practice which sometimes reduces penalties for guilty pleas. One respondent noted that although she often had 'pens in your pockets at the end of the shift', she would 'use them again on your next shift', deftly combining error and environment, as well as distancing herself by writing in the third person.

## **2 Excess (they were going to throw it out anyway)**

Respondents had little difficulty rationalising thefts of surplus food, which is often given to staff to take home, but not always. One respondent noted that the regulations were to throw out excess food, a common practice because of the difficulties establishing boundaries about what may or may not be taken home. This necessarily extends to bones and other food that might otherwise be taken home for pets: 'if chefs have made extra food you should be allowed to take it home' and 'it will be thrown out anyway'.

## **2 Insignificance (I only took a little bit)**

Claims that thefts were insignificant were common, and probably account for such a high percentage of respondents (34%) thinking it was acceptable to take pens home, a figure that rises to 51% for under 20 year olds. Excuses relating to insignificance included:

- if it's within reason;
- pens is not a major issue unless it was by the box;
- a pen and paper then I can understand ... but not a lot of pens and paper;  
and
- tip money allowed to take home without asking ...depends on how much tip you get.

#### **4 Environment (I used it here)**

The excuse of where something is used relies on the interpretation of theft as 'unauthorised removal'. Providing the item is not removed from the premises, a thief can rationalise that nothing has been stolen. Some supermarkets are alert to this, and accost thieves eating food from the bulk bins.

#### **5 Expense (it didn't cost much)**

Theft of minor items such as pens, mints and matches is easier to rationalise than thefts of towels, largely on the basis that individual items cost very little. One respondent was certain that taking expensive items was unethical, but taking inexpensive items did no harm.

- I have never noticed anything other than pens, mints and matches go. Still theft, I know but not too serious in my mind; and
- alcohol is unethical. Pens is ethical.

#### **6 Enhancement (actually, I was being quite helpful)**

Enhancement is a wonderful excuse for theft, as it enables a thief to convince him or herself that a favour has been performed for the organisation: 'you need a hotel pen on you if asked by a guest' and 'pens and papers is advertising'.

#### **7 Endorsement (they don't mind)**

Although it was expected that endorsement (as an excuse for theft) would be common only two examples of this were offered. Endorsement relating to tips is not considered as theft, as depending on the policy of the operation, tips may be perceived as personal, and therefore not subject to scrutiny or confiscation by colleagues and supervisors.

- They don't really care about the pen!
- Money (should not be taken home) unless it's a tip

#### **8 Epidemic (everyone is doing it)**

The last excuse is much more of a justification for known theft, rather than an attempt to re-classify a crime as an ordinary event, and as such, sits just as comfortably with justifications as with excuses. However, as this excuse was evident in the narrative, it has been included here as an attempt to normalise

theft by noting that it is ubiquitous. One respondent addressed this excuse very effectively: 'if you let one do it then you might as well let everyone'.

- Happens in all industries
- Management are ones who take hotel property

### **10.9.2 Narrative theme**

Commentary indicates that theft is common in hospitality, evidenced by the many examples contained in the excuses, as well as those listed in Appendix D (Section D.8.1.1). Theft is hard to stop ('there is a huge amount of disappearing items') and many properties are aware of this, maintaining a vigil over entries and exits ('security should keep an eye'), and disciplining those caught. Intolerance was associated with the consequences of theft, although specific penalties were not mentioned: 'you face the consequences if you don't follow these rules'.

### **10.9.3 Conclusion**

Although the narrative identified eight different excuses for removing hotel property for personal use, none of the respondents provided a detailed description of planned or persistent thieving, even though (from the writer's experience) this is common. However, comments on theft revealed an indignant morality, evidenced in comments such as 'if its not yours, don't take it', suggesting at first that theft was generally opposed. However, the excuses suggest otherwise. Furthermore, prior studies indicate that those most likely to moralise are also those most easily tempted to behave immorally (e.g. Forsythe & Nye, 1990; Freedman, 1990). Such a combination does not auger well for the retention of hotel property by a business employing a large and poorly remunerated work force.

## **Section B: open ended questions**

### **10.10 Perceptions about ethical behaviour**

The few comments received under this heading were integrated with comments on similar topics presented in Section 10.10, to enable clearer patterns to emerge.

Comments were also made in response to open-ended questions about unethical personnel practices, unethical services offered to guests, unethical treatment of customers, and unethical behaviour to meet guests' needs. As many comments under the heading 'unethical personnel practices' did not strictly relate to personnel practices, a new heading of 'unethical or unpleasant working environment' was added.

The theme of this section is different from those in previous sections on smoking etc, as here, respondents commented on what they perceived to be unethical behaviour. Such a plurality of comments was received on unethical supervisory behaviour, that a large section of responses was combined with comments on constructive dismissal in Appendix D. Similarly, complaints that training standards were unethical were combined with comments on poor training in Appendix D.

## **10.11 Unethical personnel practices**

I am not happy

The incidence and diversity of perceived unethical personnel practices was higher even than expected, indicating a disturbing and profound dissatisfaction with the way employers manage their human resources. As labour is likely to constitute around one third of the costs of a hospitality operation, weak management of this resource suggests the inevitability of cost over-runs, staff turnover, ineffective discipline, and revenge in the form of theft, poor service, and (as one respondent commented), downright 'malishness' (maliciousness).

Narrative revealed the following problems were considered unethical.

### **10.11.1 Pay, hours, and breaks**

- Long hours (shifts of up to 18 – 20 hrs)
- Poor hourly rate
- Inadequate days off (6 or 7 days straight)
- Less pay than others
- No recognition of experience or qualifications in hourly rate
- Unpaid sick leave
- No holiday pay (although possibly included in weekly rate)

- Pay increase promises broken
- Inequity - pay increases given to some staff but not others
- Insufficient or no breaks
- Rosters planned and changed without consultation
- Frequent roster changes interfering with personal life
- Blaming staff for not knowing about roster changes
- Pressuring staff to work past public transport times without offering alternatives
- Pressuring, bullying and forcing people to work extra shifts
- Poor rostering with inadequate recovery time: back-to-back and double shifts
- Full time employees given less than 40 hours work
- Taking shifts off staff to give to family members
- Operating with too few staff to reduce overheads

### **10.11.2 Working conditions**

- Not providing accommodation for back to back shift workers
- Removing a coke machine from a staff room
- Putting women in a frumpy uniform
- Providing old food for staff meals
- Giving staff unfair levels of responsibility
- Leaving unqualified staff to act as duty manager
- Hiring staff without work permits

### **10.11.3 Narrative theme**

Narrative about unethical personnel practices revealed gripes and misunderstandings relating to almost every aspect of personnel management, including the expected dissatisfaction with pay, hours, and working conditions. While it is recognised that given an opportunity, many workers will complain about these aspects of their employment relationship, the vehemence of complaints and apparently comprehensive collection of issues suggest serious inadequacies in hospitality personnel practices.

Pay issues included problems with overtime not paid, poor hourly rates, being under-paid, and pay inequities. Issues associated with hours included long hours, poor breaks, roster changes, too much or too little work, and bad shifts.

Problems with working conditions included disciplinary issues, training, uniforms, meals, and levels of responsibility.

#### **10.11.4 Conclusion**

Herzberg's (1976) theory of motivation suggests that unless the hygiene factors in an individual's relationship with his or her employer are met (e.g. satisfactory pay and working conditions), motivating factors such as opportunities for advancement, have no effect. Comments regarding hospitality personnel practices in this study suggest that the motivation of those participating in the study was severely limited because basic hygiene factors were not adequately met. The most likely outcome, and evident in the quantitative data analysed in this study, is high staff turnover. The outcome evident in this part of the study is unethical treatment of customers, discussed in Section 10.13.

#### **10.12 Unethical or unpleasant working environment**

Ritual humiliation. Gossip. Everyone knows about everyone's personal lives. Too friendly. Humiliated in front of everyone. Scared.

##### **10.12.1 Narrative theme**

Many of the unpleasant employee behaviours reported were of a malicious or petty nature, such as squabbling over tips, harassment, and destructive gossiping, all of which are associated with the resolution of pecking orders, and ascension to power based on personality rather than objective criteria. Working in such conditions is likely to be difficult, as individuals appeared to compete for favours such as improved pay, better rosters, and management's favour, which may bring relief from unpleasant working conditions. Unpleasant behaviours included abuse of position, commodification of employees, petty malice, discriminatory behaviour, and just bad management. While most unethical behaviours were associated with supervisors and managers, staff and customers were also implicated.

Although respondents were invited to report on unethical behaviours rather than ethical behaviours, the wealth of comments received about managers suggests a strong theme of incompetence and lack of 'people skills', suggesting the term

'manager' is applied somewhat loosely in many workplaces.

### **10.12.2 Conclusion**

As behaviours described in this study are not consistent with those usually associated with managers, it seems that many so-called managers are actually supervisors, lacking the social or leadership skills implied in a management role. Those who wield power beyond their competency, do so to the detriment of those they supervise. High staff turnover may thrust workers into management positions before they have developed sufficient experience and maturity for their promotion. Destructive behaviours exhibited by those at staff and supervisory level are a likely outcome of weak leadership.

### **10.13 Unethical services (or products) offered to guests**

*My workplace always refuses the unethical behaviour to customers*

#### **10.13.1 Narrative theme**

Very few problems were mentioned in this section, and none in any quantity, except comments about sex workers. Other comments mostly concerned alcohol, drugs, accounting practices, and an objection to having to 'smile all the time'. Although the narrative revealed few problems with the services and products offered to guests, it is likely that respondents felt more motivated to write about unfairnesses and inequities affecting them personally, rather than those which, although immoral by some definitions, were not actually hurting them.

#### **10.14.2 Conclusion**

The provision of sexual favours and the misuse of alcohol were topics that initially stimulated this study, and it was expected that responses on these topics would surrender sufficient material for exhaustive analysis. However, prostitution and drunkenness faded into obscurity beside injustices wrought upon employees by their supervisors.

## **10.14 Unethical treatment of customers and other people**

Customers are only treated badly if they deserve it

### **10.14.1 Narrative theme**

Treating customers badly because they deserved it, screening them to ensure they met the standard of the hotel (or other customers) and using food from a garbage bin for customers suggest a commodification of customers that is in conflict with the ethos of true hospitality and service. Customers were subjected to unfair charges, inattentive, poor, or slow service, rudeness, malice, and arrogance. When they were not present, they were criticised, and when they were present, they were judged according to subjective criteria, some of which are unfair and illegal.

### **10.14.2 Conclusion**

Customers appeared to suffer the same misfortunes as employees, but the instruments of their suffering were crafted and camouflaged to mimic care and service. A cursory read through the narrative about unethical treatment of customers suggests not that customers are always right, but that they will be treated well at the convenience of the service providers, and sometimes treated as an enemy.

## **10.15 Meeting guests' (and staff's) needs by being unethical**

Whatever a guest wants we are obligated to deliver, despite our feelings

### **10.15.1 Narrative theme**

Comments about meeting guests' needs by being unethical described abuse of company property, services and employees, using sex to please customers, and the difficult management of fussy and abusive customers. Some respondents commented on the abuse of company property to meet the needs of staff, such as having drinks at the company's expense.

### **10.15.2 Conclusion**

Although there were several comments about difficult customers, there was no particular theme of either abuse of employees by customers, or behaving

unethically in response to pressure from customers.

### **10.16 Qualitative data - conclusion**

Well I think a house maid can do anything and the Managers of the hotel should treat them with respect and care for them

Personal stories from respondents have already been presented with comments on similar themes. The remaining stories by definition, have no consistent theme, and therefore, require no summarising. A selection of these comments is presented in Appendix D, and is recommended to the assiduous reader as an insight into the attitudes and feelings of predominantly young people beginning their working lives in a very challenging environment.

The narrative reveals much more than does a mere quantitative analysis, and more than can be summarised or packaged for easy digestion; they should be read in full. However, it is hoped that the digest and interpretations presented here are sufficient to convince anyone unfamiliar with commercial hospitality that the working environment is challenging, stressful, and often unpleasant.

### **10.17 Summary**

Major findings and interpretations are as follows.

- 1 Many hospitality employees expect to work in smoke and be sexually harassed because they see this as part of their industry.
- 2 Tolerance of sexual harassment is associated with enjoyment and the nature of the industry, and implies a behavioural norm extending well beyond limits accepted in other industries. Some employees enjoy what others call sexual harassment, and are tolerant of harassment. Sexual harassment may occur more in hospitality than elsewhere because those attracted to work in this industry are tolerant of harassment.
- 3 For those less tolerant of sexual harassment, working with customers will have limited appeal, and will account for some staff turnover.
- 4 Many hospitality workers do not understand their legal rights and obligations with respect to constructive dismissals.
- 5 Hospitality workers demonstrate a strong ethos of 'the show must go on' enabling them to tolerate difficult conditions.

- 6 Critical labour shortages are revealed in both the high incidence of understaffing, and the use of unreliable staff. Understaffing is exacerbated by the behaviours of fickle employees, and is one of the most critical problems in the industry.
- 7 Supervisors are keen to dispose of unwanted staff, even if they have insufficient for adequate service.
- 8 Inadequate training, abuse of the concept of on the job training, and the frequency and support for Sink or Swim training are training issues. Being thrown in the deep end is a common occurrence that appears to be a frightening and bewildering experience for many people.
- 9 Inadequate training, constructive dismissals and critical staff shortages suggest a poorly managed workforce and a poorly managed industry.
- 10 Serving alcohol to minors is associated with peer pressure and ineffective enforcement.
- 11 Poor food hygiene is not a relatively major problem. Good practice is supported by a sense of duty and trust associated with customer care.
- 12 Tolerance of theft is always rationalised. Theft is hard to stop, and intolerance is associated with consequences and moralising.
- 13 Many hospitality employees feel a disturbing and profound dissatisfaction with the way their employers manage them as human resources.
- 14 There is dissatisfaction with almost every aspect of personnel management, such as pay, hours, and working conditions. The intensity of responses suggests serious inadequacies in hospitality personnel practices.
- 15 Staff compete for improved pay, better rosters, and management's favour.
- 16 Unpleasant behaviours include abuse of position, commodification of employees, petty malice, and discriminatory behaviour, and are primarily associated with supervisors and managers, although staff and customers are also implicated.
- 17 Comments about managers reveal a strong theme of incompetence and a lack of appropriate skills.
- 18 Customers are treated well at the convenience of service providers, and sometimes treated as enemies.

# Chapter Eleven: Discussion and Conclusions

It requires a very unusual mind to undertake the analysis of the obvious (Alfred Whitehead)

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## 11.1 Major findings and implications

This section presents findings from summaries at the end of Chapters 6 to 10 that may relate to identifying causes to and solutions for workplace problems in hospitality. Chapter 3 introduced the eight issues examined in this study, outlining the incidence, cause and impact of each as identified in the literature, followed by a detailed examination of likely causes of unethical behaviours in Chapter 4. This section also links the results of this study with those of other authors, noting whether previous findings are supported.

### 11.1.1 Causes and predictors (independent variables)

The Auckland hospitality industry is mostly populated by young women with little industry experience. As hospitality employees mature, they leave the industry and work elsewhere, evidenced by the youth of the respondents, and critical under-staffing, reputedly the cause of many of the industry's ills.

Young males are less common in hospitality than young women, perhaps because young unskilled males have access to better paid work reliant on a stronger physical condition, such as road construction or meat processing. It may also be that young women are more attracted to working with people than are young men. Although findings relating to the ethnicities of respondents are interesting, as ethnicity was neither strongly nor consistently associated with ethical beliefs and perceptions about workplace problems and ethical issues, many findings are not considered relevant to the thesis. They are presented here more because they are true (i.e. Indians and Europeans are more likely to be managers than are Maori or Pacific Islanders), than because they are a strong influence on the study's results.

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<b>Analysis of variance: strongest predictors of tenure (length of stay)</b>							
eta values	Age	Ethnicity	Exper	Occup	Pay	Job Security	Dept
Tenure	.500	.258	.582	.305	.287	.295	.383

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**Table 72** Analysis of variance: strongest predictors of tenure

The analysis of variance presented in Table 72 reveals that although tenure (length of stay) is influenced more by job security than by pay, the strongest influences are experience and age. Anecdotal evidence also suggests that

improving job security by offering full-time work to as many employees as possible would enable them to stay longer, thereby improving tenure. However, the tendency for senior managers to change jobs regularly (often initiated by their head office) has probably confounded the opportunity to find an even stronger association between tenure and job security than data in Table 72 suggest.

<b>Means comparison: tenure and job security</b>	
1 = under 5 years 4 = 21 years or more	<b>Job security</b>
Casual	1.05
Part-time	1.07
Full-time	1.41
Salaried	1.33
Overall	1.19

**Table 73 Means comparison: tenure and job security**

Seniority is strongly associated with age, experience, occupation, pay and job security. However, eta values and chi square tests (Chapter 6, Table 15) indicated that age may be a more significant determinant of seniority than experience, suggesting that senior positions are readily available to those old enough to supervise the many young people working in the industry. Such supervision implies an element of pastoral care not evident in the narrative, and from which the industry might benefit (see Section 11.5).

Participants' departments are relevant to the outcome of this study because departments are strong predictors of tenure and job security (Table 19), and related to specific ethical issues, such as (for example) serving alcohol to minors. The strong associations between departments and variables such as age and ethnicity suggest that each department is a subculture within a business, and therefore subject to a specific subset of norms. Departmental boundaries are reinforced by barriers to entry, such as the requirement for better qualifications for those wishing to work in front office. Not only does this impact on the culture of front office, but also on departments left with less well educated employees, perpetuating undesirable subcultures such as those evident in food and beverage operations. Promotion schemes requiring employees to demonstrate experience in several departments before promotion may help militate against strong subcultures, by circulating employees from

different educational and ethnic backgrounds amongst other employees.

Analysis of the relationships between the independent variables is helpful in explaining the demographic profile of the workforce and its influences on behaviour. A study of the relationships between personal characteristics and problematic behaviours (e.g. young people are more tolerant of unethical practices than older people) could be used to advantage by introducing staff of different demographic characteristics into an area to help change the culture. For example, bringing older Pacific Island women into food and beverage service may improve ethical standards in food and beverage departments. (However, comments made to the author by some Auckland hotel managers indicate that older Pacific Island women often have language and literacy problems that might render customer service work too difficult for them).

Although management is largely unaware of it, unethical practices and workplace problems are persistent in food and beverage departments, particularly in food and beverage businesses. Inadequate training is common, especially in food and beverage and front office, and although there are problems with food hygiene and alcohol service to minors, only workers in these areas are privy to this information. Increased education is associated with low ethical tolerance of having to work in smoke and alcohol service to minors, and may be the result of being better informed about the dangers of second-hand smoke and teenage drinking. Education programmes specific to these areas might be usefully integrated into corporate training to decrease the ethical tolerance of less well educated employees.

#### **11.1.1.1 Age**

The expectation that youth is strongly associated with lower ethical standards is confirmed, evidenced by the relationship between high tolerance of unethical behaviour (Table 27 to Table 30), and the perception that the illegal practices of constructive dismissal, serving unhygienic food and alcohol to minors were common, was associated with those under 25 years old (Table 21). These findings are consistent with those of many other studies (e.g. Freedman, 1990; Kanner, 1986; Kohlberg, 1984; Peek & Havighurst, 1962; Wong, 1998).

### **11.1.1.2 Gender**

The literature suggested that some associations might be identified between unethical behaviour and areas in which males work, which it did to some extent, as males were associated with seniority in this study, and as managers, are implicated in workplace problems. However, although males were also associated with the perceived incidence of constructive dismissals and the likelihood of taking hotel property, this was not sufficient to conclude that gender is a predictor of ethical standards; furthermore, gender was not a predictor of ethical tolerance.

The finding that gender was not associated with responses on ethical tolerance is consistent with findings of authors who found limited or no significant differences between the ethical standards of men and women (e.g. Callan, 1992; Forte, 2004; Jones & Kavanagh, 1996; Kidwell, Stevens, & Bethke, 1987; Sikula & Costa, 1994; Tsalikis, 1990; Wimalasiri, Pavri, & Jalil, 1996; Wong, 1998). It is also consistent with the findings of Loe et al. (1977), who analysed the results of 26 studies, and noted that either gender was not a significant influence on ethical behaviour, or women were more ethically sensitive than males. Although this study did not expect to resolve the extensive debate about differences between the ethical tolerance of men and women, results are sufficiently convincing to add weight to the argument that gender does not predict ethical tolerance.

### **11.1.1.3 Ethnicity**

As the literature offered little guidance on whether or not ethnicity is an indicator of ethical or moral reasoning, it was hoped to determine the effect of ethnicity on ethical tolerance and perceptions about unethical behaviour. Although many authors of cross-national studies (Allmon, Chen, Pritchett, & Forrest, 1997; Lee & Yoshihara, 1997; Lysonski, 1991; Whipple & Swords, 1992; Wimalasiri, Pavri, & Jalil, 1996) found no significant differences in ethical decision-making, studies on people of different national origin or race (Okleshen & Hoyt, 1996; Roxas & Stoneback, 2004) did find significant differences.

This study found that ethnicity was a consistent predictor of responses on the actual and perceived incidence of all the problems in the study except theft, and

the only consistent predictor of ethical tolerance, being associated with all the dependent variables except sexual jokes and teasing. For variables significantly associated with ethnicity, the order of tolerance (least tolerant first) was: Indians, Maori, Asians, Pacific Islanders, and Europeans. Pacific Islanders were the most tolerant of smoking, and Maori, of sexual jokes and teasing. Maori were the least tolerant of serving food that had been dropped on the floor. Ethnicity was also a strong predictor of responses on the ethical standards of staff.

These findings are consistent with Hofstede's view (1980), that values differ from culture to culture, and also with those of Robertson et al. (2002), who found significant differences between cultures on issues such as sexual harassment and bribery, and Rashid and Ho (2003), who found perceptions of business ethics differed between different racial groups in the same country. It is therefore concluded that ethnicity has a significant effect on ethical tolerance and perceptions about ethical standards, but not on perceptions about the incidence of unethical behaviours and workplace problems.

#### **11.1.1.4 Education**

Some authors (e.g. Wimalasiri, Pavri, & Jalil, 1996) found that increased education improves moral development, and several found that education improved ethical standards (Kelley, Ferrell, & Skinner, 1990; Muncy & Vitell, 1992; Ruegger & King, 1992; Stevens, Harris, & Williamson, 1993). However, several authors (Dubinsky & Ingram, 1984; Goodman & Crawford, 1974; Lane, Schaupp, & Parsons, 1988; McNichols & Zimmerer, 1985; Serwinek, 1992; Stevens, Richardson, & Abramowitz, 1989) found no significant associations between ethical decision making and education level.

This study hoped to clarify the relationship between education and tolerance of unethical behaviour in a hospitality setting, and expected to uphold Upchurch's findings that ethical sensitivity increases with education, and refute those of Wong (1998), which were to the contrary. Although education level was strongly associated with pen theft and the perception that employees were unethical (poor food hygiene, illegal alcohol service and theft), as students were those most likely to steal pens, and increased educational attainment was not consistently associated with perceptions about unethical behaviour, education is

not considered a predictor of perceptions about the incidence of unethical behaviour.

However, educational achievement was a predictor of low ethical tolerance of working in smoke, and of serving alcohol to minors, and is considered to be the result of being better informed about the dangers of second-hand smoke and teenage drinking. Upchurch's findings (1998) that ethical sensitivity increases with education were to some extent upheld, but for only these two issues.

#### **11.1.1.5 Experience**

Some authors (Kelley, Ferrell, & Skinner, 1990; Kidwell, Stevens, & Bethke, 1987; Patenaude, Niyonsenga, & Fafard, 2003) found work experience correlated positively with ethical decision making, but most (e.g. Callan, 1992; Dubinsky & Ingram, 1984; Forte, 2004; McNichols & Zimmerer, 1985; Serwinek, 1992; Stevens, Richardson, & Abramowitz, 1989) found that it was not a strong influence.

The expectation that increased experience (along with age and seniority) would be associated with reduced tolerance of unethical behaviour was met. Tolerance to theft was the only ethical issue strongly predicted by experience, but tolerance to theft was also associated with age and seniority, with age being the strongest predictor. Similar results were obtained on tolerance to theft of food, soap, pens and paper, all of which were associated with both age and experience, but most strongly associated with age.

#### **11.1.1.6 Main occupation**

The variable 'main occupation' was primarily used to identify students, but also to determine the profile within the sample in terms of employee commitment. A substantial proportion (45%) responded that the job they were in when completing the questionnaire was their primary employment, and 48% reported that they were students. Of the total sample, 55% was collected from AUT respondents, who were mostly students. The discrepancy between responses from students (48%) and AUT (55%) is considered to derive from part-time students who are fully employed, and who therefore did not tick 'student' as their main occupation. Comments relating to students are therefore based on responses from full-time students, and not on those who work full-time in

hospitality and attend school, polytechnic institute or university part-time.

The literature provided strong indications that students would prove less ethical than the rest of the sample (Freedman, 1990; Stevens, 2001), partly from comparisons of students' ethical standards with others, but also because young people are those most likely to be full-time students. The expectation that students would be more tolerant of unethical behaviour than others was met in relation to theft, but not in relation to poor food hygiene, sexual harassment, or illegal alcohol service. Students were more ethically tolerant of working in smoke and theft, were particularly disposed to stealing pens and paper, but slightly less likely than those who ticked 'another job' as their main occupation, to take left-over food. However, having a workforce dominated by students is considered to be a predictor of theft.

#### **11.1.1.7 Seniority**

Hospitality managers are associated with unethical behaviour in prior hospitality studies (Gilbert, Guerrier, & Guy, 1998; Mars & Nicod, 1984; Price, 1994; Worsfold & McCann, 2000). This study therefore expected to find little, if any difference, between the ethical standards of managers and the rest of the sample; that is, they were not expected to be more ethical than other respondents.

Managers in this study proved less tolerant of theft and illegal alcohol service than others, but more tolerant of sexual jokes and teasing. This finding supports the findings of Gilbert, Guerrier and Guy (1998), Worsfold and McCann (2000), and to some extent, the New Zealand HRC (2001b) (although the HRC is more likely to receive complaints about managers than customers, who are more difficult to find and prosecute). Managers were also significantly less likely than staff or supervisors to find it acceptable to take hotel property home. As perceptions about management's ethical standards are a significant influence on the ethical standards of a business (Alam, 1993) and on a business's success (Simons, 2002), an extensive study was made of respondents' perceptions of management's standards, management's perceived attitude to unethical behaviour, and management's awareness of unethical practices.

As respondents perceived management's ethical standards to be significantly

lower than either their own or the staff's standards (Table 55), workplaces included in this study are likely to have poor ethical standards. Furthermore, managers know substantially less than staff and supervisors do, about undesirable practices and behaviours (Table 65), complicating any efforts by management to operate ethical workplaces. Management was perceived as strongly opposing poor food hygiene, illegal alcohol service and theft, but not constructive dismissals (Table 68), but their opposition was not sufficient to stop theft. As management's perceived attitude towards unethical behaviour is integral to this study's hypothesis, the following section (11.1.3) discusses this in more depth prior to addressing the hypotheses in Section 11.2.

#### **11.1.1.8 Pay**

Adams' theory of inequity (1963) suggests low pay is a predictor of high tolerance and incidence of unethical behaviour. Increased ethical tolerance of working in smoke and theft were both associated with low pay, as was taking left-over food. These relationships are important to the study's findings, and are further commented on in Section 11.3.3.

#### **11.1.1.9 Tenure**

Data on respondents' tenure was collected to help identify staff turnover, as experience was expected to be more of an indicator of ethical standards than tenure. Tenure was not associated with ethical tolerance, and only weakly associated with the likelihood of taking food and pens.

#### **11.1.1.10 Job security**

Part-time staff were found by Swerzgold (1994) to be more likely than others to steal cash and merchandise from their employers. Adam's theory of inequity (1963) also suggests that the reduced job security of part-time staff may cause them to behave unethically. Accordingly, a correlation between poor job security and low ethical standards was expected in this study.

Poor job security was associated with increased ethical tolerance of theft, and an increased tendency to steal left-over food, soap and toilet paper. Part-time employees were also more likely to steal pens and paper than casual employees, reflecting the high proportion of students employed on a part-time

basis (82%), being those most likely to steal pens and paper.

#### **11.1.1.11 Department**

Respondents' departments were likely to be associated with the incidence of unethical behaviour because of the presence of customers in some departments, and the different products available in each department. Front-of-house employees were found in some studies to be more tolerant of unethical behaviour than those working back-of-house (Wong, 1998), and more likely to deliberately provide poor service (Chung & Schneider, 2002; Harris & Ogbonna, 2002; Weatherly & Tansik, 1993) (although back-of-house employees have less opportunity to undermine service, they are also less motivated by negative customer interactions, to sabotage service). Other hospitality departments are considered more vulnerable to theft because of the availability of products and cash (Divine, 1992). It was therefore expected that front-of-house employees would report more unethical behaviour generally, and food and beverage and front office workers would report more theft and more tolerance of theft.

As expected, food and beverage employees were those most prepared to take left-over food, and front office employees, to take pens and paper; theft was notably department-specific. Respondents' departments were significantly associated with the incidence of each of the problems and practices tested in the questionnaire, with food and beverage employees reporting significantly higher incidence of all problems except under-staffing. The highest levels of sexual harassment were reported by food and beverage workers, and of theft, front office, followed by food and beverage. However, department was not associated with tolerance of any unethical behaviour except sexual harassment, which was tolerated least by clerical workers (administration and front office).

#### **11.1.1.12 Hotel size and business type**

As several authors noted that some unethical behaviours were more likely to occur in small rather than large businesses (Earnshaw, Marchington, & Goodman, 2000; Guest & Conway, 1999; Human Rights Commission, 2001b; Kirby, 1994; Morrison, Caffin, & Wallace, 1998; Price, 1994; Worsfold & McCann, 2000), size of business was included as a variable in the questionnaire. However, during data input and analysis it became apparent that

some respondents were unsure of the size of their business (Section 5.7.4), and the hotel size variable had to be regrouped to improve accuracy. As a result, some small businesses were identified as 'not hotels', being bars, night-clubs, cafes, and restaurants, and others (small lodging operations) regrouped with hotels of under 250 rooms. As the hotel size and business type variables provide similar information in this study, they are discussed here in combination.

As suggested by the literature, this study expected to find that smaller businesses such as restaurants and nightclubs would have higher incidence levels of unethical behaviours than hotels. Similarly, if the hotel size divisions had been accurate, this study might have found that small hotels (i.e. under 50 rooms) had the highest incidence levels of unethical behaviour. However, as hotels with 250 rooms would not generally be considered small businesses, it was considered that larger hotels might have more ethical problems than small hotels. Reasons for this assumption include the increased communication problems, the need for more staff, and therefore, the likelihood of more staffing problems, and increased bureaucracies exposing businesses to opportunities for theft and other forms of deviance.

Sexual harassment, illegal alcohol service and poor food hygiene were more common in food and beverage businesses (i.e. not hotels) than in hotel food and beverage departments, consistent with the expectation that restaurants and nightclubs would have more unethical behaviour than hotels. Respondents in food and beverage businesses were also more tolerant of sexual jokes and teasing, perhaps contributing to their higher levels of sexual harassment. Although there was more sexual harassment in small hotels, illegal alcohol service, poor food hygiene and theft were perceived as occurring more often in larger hotels than in smaller ones, consistent with the expectation that larger hotels would have more problems with unethical behaviour. Also as expected, under-staffing was most critical in large hotels.

#### **11.1.1.13 Codes of ethics**

Although some authors found codes of ethics an effective way to influence ethical standards (e.g. Ghiselli & Ismail, 1999; Lee & Yoshihara, 1997; Schwartz, 2001; Singhapakdi, Rao, & Vitell, 1996; Snell & Herndon, 2000; Weaver & Ferrell, 1977), others found they had little or no effect (e.g. Cleek &

Leonard, 1998; Kohut & Corriher, 1994; Stevens, 1999). Although this study did not expect to finally resolve uncertainty about the usefulness of codes of ethics, it hoped to identify any significant relationships between higher ethical standards and the presence (and awareness) of codes of ethics.

Of the six ethical issues studied, working in smoke, constructive dismissal, and poor food hygiene occurred less where respondents thought a code of ethics existed, and illegal alcohol service was more likely to occur once or twice if respondents thought there was no code of ethics. Furthermore, the more likely respondents were to have their own code of ethics, the less likely they were to be harassed 'once or twice', or drop food on the floor. Although the perceived incidence of theft was not influenced by codes of ethics, codes of ethics are otherwise considered to have positive effects on ethical behaviour, particularly if employees have their own copies.

Of all respondents, 45% thought their workplace had a code of ethics, and 40% did not know. Of those who worked in hotels, 51% said their hotel had a code of ethics, and of those in other businesses such as bars and restaurants, only 43% thought there was a code of ethics. These figures are somewhat lower than those in Gray, Matear, and Matheson's (2000) study of 21 hospitality businesses, which found 57% of New Zealand hospitality businesses had codes of ethics. Although data in this study were based on perceptions rather than facts, for codes of ethics, perception is more important, as it provides assurance that a code exists (even if it does not).

### **11.1.2 Dependent variables**

Behaviours that were legal (e.g. under-staffing, working in smoke and poor training) were more prevalent than those that were not (e.g. theft, sexual harassment, constructive dismissal, poor food hygiene and serving alcohol to minors) (Table 21). The apparent aversion to illegal behaviours is consistent with the theory of social consensus commented on in Section 3.2.5. Sexual harassment, poor food hygiene and illegal alcohol service occurred more in food and beverage businesses than in hotels (Table 24), and food and beverage businesses and departments were generally associated with unpleasant working conditions.

### **11.1.2.1 Personal working conditions**

Many managers in this study required employees to work in conditions that they personally considered unethical, such as to work in smoke or with sexual harassment. If senior managers applied their personal ethical standards to employees' working conditions, providing environments that they themselves would tolerate, their ostensible integrity would be likely to have positive repercussions for their businesses (Simons, 2002). Narrative indicated that many hospitality employees expected to work in smoke and be sexually harassed because they perceived this as part of their industry; many indicated surprisingly little objection to being harassed.

### **11.1.2.2 Working in smoke**

When the data were collected, it was legal to smoke in restaurants and bars; smoking is now no longer permitted in public places, and in hotels is restricted to guest bedrooms and designated exterior smoking areas. This study expected to establish the demographic profiles of employees most likely to work in smoke, which business environments were most likely to require this, and whether or not employees felt they had choice about working in smoke, none of which were commented on in the literature.

Those most likely to work in smoke had low seniority, low pay, poor job security, and were typically under 25 years old. Managers were generally resistant to working in smoke, and considered it unethical. A significant proportion of respondents did not want to work in smoke, and although many found it objectionable they also felt they had little choice, particularly casual and food and beverage workers.

Food and beverage, front office and rooms employees all reported high incidence levels of have to work in smoke, but since changes to legislation, only rooms employees (i.e. housekeeping staff) are still required to work in smoke indoors. At the time of the study, food and beverage operations had a higher incidence of staff working in smoke than did hotels. Of the 267 who reported that they worked in smoke regularly (55%), half felt they had no choice, or were not sure if they had a choice (Table 46). Choice about working in smoke was associated with not working in smoke; having choice reduced the likelihood of

working in smoke by more than a quarter (27%).

Age and department were strong predictors of working in smoke, and responses on theft were strongly associated with those on working in smoke.

### **11.1.2.3 Sexual harassment**

The provision of sexual favours by a barmaid, once a sign of good hospitality, has somehow persisted as a tradition within the industry, and metamorphosed into sexual harassment. It is systemic and associated with other forms of unsavoury and unwanted behaviour, and can harm both the victims and the industry in general. Some guests and managers still expect favours that current values no longer accommodate, and some employees seem happy to oblige, tolerating relatively high levels of sexual harassment. This study expected to identify departments where sexual harassment is most common, and factors that could be identified as predictors of harassment in hospitality.

Sexual harassment is most common in front-of-house positions such as food and beverage and front office, particularly affects casual and part-time female staff, and is caused by guests, peers, seniors, and juniors, in that order. Worsfold and McCann's (2000) study identified managers as responsible for 30% of sexual harassment (23% in this study), peers for 26% (the same proportion as in this study), and customers, for 29% (compared with 39.5% in this study). Their study also identified chefs as responsible for 11% of sexual harassment, whereas this study identified juniors as responsible for 11.5% (chefs were not specifically identified as a source of harassment in this study). Guests are the main source of sexual harassment. Young European women are the main targets of harassment by guests, and young Maori women, of harassment by peers. The New Zealand HRC suggested that young poorly paid part-time female workers in food and beverage departments were the main victims (Human Rights Commission, 2001a, 2001b), a view upheld in this study. Previous British studies indicated that up to 57% of hospitality workers could be victims of harassment (Hoel, 2002; Worsfold & McCann, 2000). In this study, 24% of respondents reported they had been sexually harassed, the same proportion as Hoel's doctoral study identified.

Gilbert, Guerrier and Guy (1998) studied American personnel managers, and

found 29% considered sexual jokes and teasing a minor issue, compared with 22% in this study, who were either in agreement or neutral towards sexual jokes and teasing. Sexual harassment could be reduced by discouraging behaviours and appearances associated with guest harassment, such as the use of sexuality in employee–customer relationships; some hospitality organisations actually train employees to use physical contact such as touching a customer’s arm, to improve tips. Training employees in methods of rejecting sexual advances skilfully and professionally would help reduce harassment, as would promoting a harassment-free workplace to both guests and staff through the use of codes of ethics, pamphlets, or posters. Worsfold and McCann (2000) suggested that hospitality managers ignore sexual harassment because of the expense of establishing sexual harassment prevention programmes. This study found that where respondents had their own codes of ethics, sexual harassment was less prevalent. Poor training was a strong predictor of sexual harassment.

Theft was considered a more serious issue than sexual harassment in studies by Stevens (2001) and Yeung (2004), a view also upheld in this study. Tolerance of harassment indicated in the narrative was associated with enjoyment and the nature of the industry, implying a sense of duty and behavioural norm extending well beyond limits accepted in other industries. Some employees enjoyed what others would call sexual harassment, and were therefore more tolerant, and it may be that harassment occurs more in hospitality than elsewhere because those attracted to work in hospitality are inherently more tolerant. Even amongst mature hospitality academics with many years experience in commercial hospitality, the author observes a strong ethos of ‘get over it’ and ‘it’s just part of the industry’, echoing comments from hospitality employees, and subtly under-mining any movement against unwanted sexual behaviour in the workplace.

For those less tolerant of sexual harassment, working with customers will have limited appeal, and is likely to account for some staff turnover. Perhaps not surprisingly, customers are treated well at the convenience of service providers, and sometimes treated as enemies.

#### **11.1.2.4 Working environment**

Many hospitality employees felt a disturbing and profound dissatisfaction with the way their employers managed them as a human resource. Dissatisfaction with almost every aspect of personnel management was evident in the narrative, particularly pay, hours, and working conditions. The intensity of response suggests serious inadequacies in hospitality personnel practices, which are likely to erode profitability (Waddock & Graves, 1997).

Staff competed for better pay, better rosters, and management's favour, perhaps because this brings relief from unpleasant working conditions. Unpleasant behaviours from senior employees included abuse of position, commodification of employees, petty malice, and discriminatory behaviour, and were primarily associated with supervisors and managers, although staff and customers were also implicated. Comments about managers betrayed a strong theme of incompetence and a lack of appropriate skills. Many employees subscribed to the 'show must go on' mind set, enabling them to tolerate difficult conditions, and perhaps making them vulnerable to being taken advantage of. Employees felt more strongly about active interference with their working environment (e.g. constructive dismissal), than problems arising by default (e.g. under-staffing and training). It is therefore important to reduce such interference, if a relationship based on trust and goodwill between staff and management is to develop.

Workers in food and beverage operations (i.e. businesses and departments) were those most likely to think that under-staffing and inadequate training had management's support. Both under-staffing and inadequate training were strongly associated with food and beverage operations. Poor training, constructive dismissals and critical staff shortages overall, indicate a poorly managed workforce and a poorly managed industry.

#### **11.1.2.5 Constructive dismissals**

Although the literature provided no data relating to constructive dismissals in hospitality, as indications were that they would be common, this study expected to confirm this, and find they were caused by inexperienced and poorly trained supervisors.

Constructive dismissals occurred commonly in the workplaces of 22% of respondents. A third of the participants in the study thought constructive dismissals were allowed, notably full-time supervisors and employees in small food and beverage businesses. Casual employees were the probable victims and male supervisors the perpetrators. Supervisors seemed keen to dispose of unwanted staff, even though under-staffing was an issue. The perception that constructive dismissals occurred was particularly associated with males, supervisors, Asians, and casual workers. It is likely that many Asian workers were unacquainted with local laws, and therefore vulnerable to unfair treatment. The likelihood of reporting high incidence of constructive dismissal reduced with increased age, experience, pay, and job security. Constructive dismissals were associated with the view that management was unethical, and narrative indicated that many hospitality workers did not understand their legal rights and obligations with respect to disciplinary procedures.

If supervisors developed staff instead of rejecting them, not only would they have more staff, but their service quality would rise, as staff would be retained long enough to learn the basic elements of their jobs. Constructive dismissals could be significantly reduced if management opposed them, and those responsible for staff given adequate training.

Although the strongest predictor of constructive dismissal was management's perceived attitude to constructive dismissal, management's perceived attitude to under-staffing, poor training and theft were also very strong predictors. Constructive dismissals occurred most where there was under-staffing, poor training, poor food hygiene and theft. Constructive dismissals in hospitality are common, endemic, and frequently based on the whim of someone in power.

#### **11.1.2.6 Under-staffing**

The hospitality industry has recruitment and retention problems (e.g. Baum, 2002; Brien, 2004; Choi, Woods, & Murrmann, 2000; Gustafson, 2002; Jameson, 2000) that result in under-staffing. Furthermore, as Bonn and Forbringer (1992) forecast a major labour shortage in hospitality more than ten years before this study, it was expected that labour shortages in the Auckland industry would be identified as a critical problem. This study also expected to identify whether or not employees considered under-staffing an ethical issue, as

well as the extent of management's perceived acceptance of under-staffing. Brien (2004) found that many human resources managers in New Zealand hotels did not consider staff turnover to have a negative impact on other employees; this study expected to find otherwise.

Critical labour shortages in the Auckland hospitality industry are evidenced by a high perceived incidence of under-staffing, short tenures, and the use of unreliable workers commented on in the narrative. Of valid responses to questions on under-staffing (n = 492), 52.6% said this was a regular occurrence in their workplace. Understaffing, exacerbated by the behaviours of fickle employees, is the most critical problem confronting the industry. Under-staffing was predicted by poor training, constructive dismissals and low pay, and was strongly associated with theft. Under-staffing was not perceived as strongly opposed by management, but was associated with the perception that management allowed under-staffing and poor training.

Although under-staffing was not perceived as an ethical issue, managers were more likely to think that under-staffing was not an ethical issue, whereas staff and supervisors were less convinced (Table 29). Where under-staffing was most critical, respondents believed managers were unethical (Table 60). Respondents had less ethical comfort where under-staffing was most common, indicating the negative impact of staff turnover on employees, contrary to the views of human resources managers in Brien's study (2004).

#### **11.1.2.7 Inadequate training**

Inadequate training, abuse of the concept of on-the-job training, and the frequency of and support for 'Sink or Swim' training were revealed in respondents' written comments. Being thrust into the public eye without adequate guidance or preparation was a common occurrence that appeared to be a frightening and bewildering experience for many workers. Training and development affects organisational commitment (Lam & Zhang, 2003; Lowry, Simon, & Kimberley, 2002; Pratten, 2003; Smith, 2002; Taylor, Davies, & Savery, 2001) which affects staff retention positively. In this study, management strongly opposed poor training, and more strongly than generally perceived. Although poor training was associated with sexual harassment, constructive dismissal, under-staffing, poor food hygiene and theft, the only issue that could

be construed as a predictor of poor training was under-staffing. However, as training is easier to improve than under-staffing, it is considered that poor training is the cause of under-staffing, rather than the reverse (the discussion in Section 9.4.2 addresses this).

Although the hospitality industry has a poor record of training, (Maxwell, Watson, & Quail, 2004; Pratten, 2003), the only data found to support this view was Wood's contention that only 16% of hospitality managers were adequately trained for their position (Powell & Wood, 1999). The current study found 36% of respondents considered training inadequate in their workplace, and the only clue to determining the root of training problems was the difference between supervisors' and managers' views on training. While 43% of supervisors considered training inadequate, only 32% of managers thought this, indicating a lack of awareness of training problems on management's part.

#### **11.1.2.8 Employee behaviour**

Respondents were significantly intolerant of illegal employee behaviours, suggesting the law is a stronger influence on ethical tolerance than potential harm or offences against the person. Unethical behaviours could therefore be reduced by making the connection between undesirable behaviour and the law overt, such as displaying signs on staff exits warning employees not to take hotel property home.

#### **11.1.2.9 Alcohol service to minors**

Statistics and previous studies suggest illegal alcohol service to minors is common. In an American study, half the minors who attempted to buy alcohol were successful (Forster, Murray, Wolfson, & Wagenaar, 1995). In New Zealand studies, half the minors who attempted to buy alcohol were not asked for identification, and 70% said it was easy to buy alcohol (McDonald, 2004). In New Zealand (Huckle, Pledger, & Casswell, 2003) and in a global study (Wagenaar & Toomey, 2002), just under half the bottle stores tested were prepared to sell to minors. Although no attempt to replicate these results was made in this study, those under 20 were significantly more likely than others to think alcohol was served to minors, and 8% thought this occurred regularly, which was not initially construed as 'common'.

Serving alcohol to minors was associated in this study with peer pressure and ineffective enforcement. Thinking management allowed minors to be served alcohol was a predictor of serving alcohol to minors. Although many workers believed managers opposed alcohol service to minors, managers were more likely than either staff or supervisors to think this was allowed or encouraged. This discrepancy between what managers allowed and what they were perceived to allow, reveals a serious communication weakness between managers and their employees. A further indication of ineffective management opposition was found in the association between codes of ethics and illegal alcohol service; those who thought there was no code of ethics were more likely to serve alcohol to minors 'once or twice'. These findings are consistent with those in previous studies (Lang, Stockwell, Rydon, & Beel, 1998; Mosher, Delewski, Saltz, & Hennessey, 1989; Wagenaar & Toomey, 2002) that found bar staff needed explicit management support if they were to comply with licensing regulations. Furthermore, this support was often found lacking (Wiggers, Cosidine, Daly, & Hazell, 2000).

This study was interested in determining the extent of illegal alcohol service to minors in relation to other behaviours, and the attitude of hospitality workers and managers to illegal alcohol service because of the harm it can inflict. It was also expected to identify the characteristics of workplaces and employees where alcohol is served illegally, and to what extent. Alcohol service to minors was perceived to be more prevalent in food and beverage businesses than in hotels (Table 24). Although perceived as the least serious problem by respondents in this study, under 25 year olds, supervisors and food and beverage workers reported significantly higher levels of illegal alcohol service than did other respondents. Of valid responses (n = 492), 10% thought alcohol was served to minors in their workplace; the remainder either did not know, or thought it never happened (those who responded 'does not apply' were removed from the data). Respondents were intolerant of illegal alcohol service, rating this the second most serious form of unethical behaviour (after poor food hygiene) of those tested. Management opposition was also perceived to be high (second only to theft), but not high enough to eliminate illegal alcohol service. The perception that management opposed illegal alcohol service was not consistent with findings in previous studies, although managers themselves

were associated with thinking this was allowed.

Findings on attitudes to illegal alcohol service appear somewhat inconclusive until management's perceptions of the incidence of illegal alcohol service are examined. Managers were significantly less aware of this as a problem than either staff or supervisors, suggesting that alcohol was served to minors without management's knowledge. This is a significant finding, as when supervisors and managers are removed from the dataset, the figure of 10% thinking alcohol is served to minors rises to 19% (n = 193). Similarly, when the views of those over 24 are removed from the same dataset, 24% of staff respondents (n = 151) thought alcohol was served to minors in their workplace. The conclusion therefore, is that alcohol was served to minors in 24% of the workplaces, although only younger staff were generally aware of this. As with other unwanted behaviours, illegal alcohol service was strongly associated with the incidence of theft.

#### **11.1.2.10 Food hygiene**

Ghiselli and Ismail (1999) found 18% of their participants in an American study would serve food that had been dropped on the floor. Gillespie, Little and Mitchell (2000) found 26% of the British catering establishments they audited had poor food hygiene, and Morrison, Caffin and Wallace (1998) found nine of 19 Australian catering establishments had unsatisfactory food hygiene. In this study, of valid responses (n = 420), 21% thought food had been served after it had been dropped on the floor, a proportion consistent with Ghiselli and Ismail's (1999) findings. The finding that poor food safety was associated with training inadequacies (Klara, 1999; Lynch, Elledge, Griffith, & Boatright, 2003) was also supported in this study, which identified poor training as a strong predictor of poor food hygiene practices.

This study expected to determine the incidence of deliberate breaches of good food hygiene practices, as well as management's perceived attitude to these breaches. The deliberate breaches identified by 21% of respondents were perceived as strongly opposed by management. Poor food hygiene was strongly opposed by respondents of all ages, and was not a comparatively major problem (that is, compared with constructive dismissal, poor training, or theft). The narrative indicated that good practice was supported by a sense of

duty and trust associated with customer care.

Not having a personal code of ethics, poor training, constructive dismissal and theft were strong predictors of poor food hygiene, as were tolerance and management's perceived acceptance of poor food hygiene. Management's perceived acceptance of constructive dismissal, poor training and theft were strongly associated with poor food hygiene.

#### **11.1.2.11 Theft**

Although the literature did not provide quantitative data on theft in hospitality, many authors (Divine, 1992; Johnson, 1983; Mars & Nicod, 1984; Stevens & Fleckenstein, 1999; Wanhill, 1994) commented that it is common. Of valid responses in this study, (n = 344), 78% said theft was occurring in their workplace, a proportion indicating that theft is indeed common. Theft was considered the most serious breach of good ethical standards or most serious crime in studies by Stevens and Fleckenstein (1999), Yeung (2004), and Paulin, Searle, & Knaggs (2003). Respondents in this study were also less tolerant of theft than sexual harassment, and rated theft the third most serious ethical issue after poor food hygiene and illegal alcohol service.

Although Mars and Nicod (1984) found that theft was common, it was not expected to be as common as other breaches of ethical standards such as constructive dismissal, which is not such an obvious breach of moral codes. However, this study found that theft was perceived as more common than constructive dismissal, although constructive dismissal was likely to have been under reported, as those who had been dismissed this way might not have participated in the study.

Tolerance of theft was associated with casual and part-time workers, those under 25, and therefore, those on low pay. Tolerance was also associated with working in smoke and with insufficient staff, both of which contribute to poor working conditions. These findings are consistent with the views of authors associating theft with unfair or inequitable working conditions (Adams, 1963; Greenberg, 1990, 2002; Withiam, 1996). The incidence of theft was also strongly associated with the perception that staff and managers were unethical, suggesting a lack of trust between staff and management also commented on

by Niehoff and Paul (2000), and organisational dishonesty commented on by Cialdini, Petrova and Goldstein (2004). Poor ethical comfort was also associated with the perceived incidence of theft, which was commented on by Korolishin (2003). Theft was associated with staff turnover by Thoms, Wolper, Scott and Jones (2001) and Withiam (1996), as well as in this study, which found under-staffing was associated with the perceived incidence of theft more than any other dependent variable (Table 62). Tolerance of theft was also strongly associated with tolerance of serving alcohol to minors and poor food hygiene, the perceived incidence of theft, and perceptions about management's attitudes to poor training and theft.

Employee theft affects prices, profits and employee wages (Pankratz, 2000; Wanhill, 1994), thereby contributing to tight operating margins that are likely to impact on training and development. The perceived incidence of theft was also associated with the perceived incidence of poor training, and the belief that management tolerated poor training. That is, of those who said theft occurred regularly in their workplace, 57% also said training was poor, and 52% said management allowed poor training. The perception that other unethical behaviours and workplace problems occurred was a strong indicator that theft would occur, as was management's perceived acceptance of under-staffing and theft.

A third of hospitality workers will take pens home, and a quarter will help themselves to left-over food. Age was a determinant of theft, with younger people being those most likely to steal. Theft was department specific; that is, individuals preferred to steal from their own department than from another, perhaps due to ease of access, or to reduced sensitivity caused by an apparent bountiful supply. Theft might therefore be reduced by making a strong connection between removing hotel property and theft, by emphasising the costs to the organisation of theft, and by limiting access to items commonly stolen.

Pen theft might be reduced by providing expensive pens to employees on their first day, by supplying pens as a matter of course, or by making pens a scarce commodity. However, if pens are supplied as a matter of course, supplying these from an administrative or staff area will help differentiate between the

provision of working tools, and theft. Many restaurants and hotels do not allow staff to take left-over food home, as this confuses the boundaries between taking left-over food and guest food, and has legal implications of a conviction for theft is pursued. Illegal employee behaviours were perceived as strongly opposed by management, but perhaps opposition to theft is not strong enough, or needs to be item-specific.

As age and ethnicity were predictors of attitudes towards theft, mixing age groups and ethnic groups may reduce theft. Ethical tolerance generally decreased with age and with characteristics associated with age, such as seniority, job security and pay. Regular communication and contact between staff and managers is therefore likely to help develop ethical awareness by allowing an exchange of ideas between disparate groups. Similarly, as some ethnic groups (e.g. Indians) were notably less tolerant of theft than others (e.g. Europeans), their intolerance might be used to influence others in the workplace.

As casual and part-time employees were more likely than full-time employees to think taking hotel property home was allowed, there may be value in offering full-time employment to as many workers as possible. Full-time workers have more contact with the organisation than do part-time workers, better access to training, and more opportunities for contact with management. Tolerance of theft was persistently and strongly rationalised in the narrative. Theft is hard to stop, and intolerance of theft was associated with consequences and moralising.

### **11.1.3 Management's perceived opposition**

Management sets ethical standards by enforcement and example (Ferrell, 1978; Reynolds, 2000). This study shows that unethical behaviour and workplace problems were more common when management was perceived to support the behaviours and problems in question. Unethical behaviour could therefore be reduced by improving the congruence between management's and staff beliefs, or at least by promoting management's actual, rather than perceived views on behaviour. However, managers were substantially less aware of workplace problems and ethical issues than were staff and supervisors, indicating that some were not acquainted with the day to day

operations of their workplaces. Neither the staff nor the managers appeared to know what the other was either doing or thinking.

Overt management opposition is required for the reduction of unwanted behaviours; illegal alcohol service and serving food that has been dropped on the floor were perceived as opposed by management and were therefore under better control. Although managers were perceived as being aware of understaffing, poor training and theft, they were significantly less aware of these problems than were either staff or supervisors. Even if they were aware of these problems, their intervention was not sufficient to control them. However, management actively supported working in smoke (which continues in guest rooms) and a significant proportion actively supported constructive dismissals and inadequate training.

#### **11.1.4 Ethical standards, ethical comfort and codes of ethics**

Illegal alcohol service, poor food hygiene, theft and constructive dismissals (and to a lesser extent, poor training and sexual teasing) were perceived as ethical issues. The perception that unethical behaviour occurs was associated with low ethical comfort, the absence of a code of ethics, and the perception that staff and management had poor ethical standards. The likelihood of thinking management was unethical increased significantly as unethical behaviours were perceived to increase, and higher levels of sexual harassment, constructive dismissal, serving alcohol to minors and theft, were associated with perceiving guests as unethical.

Cialdini, Petrova and Goldstein (2004) found that organisational dishonesty can create discrepancies between the values of employees and those of the organisation, resulting in reduced employee job satisfaction, leading to increased staff turnover and employee theft. Low standards of ethical comfort and the perception that managers are unethical are therefore like to have the consequences identified in this study as critical problems: staff turnover and theft.

#### **11.1.5 Observations**

The following observations were noted during the analysis of independent and dependent variables, and the narrative.

- 1 Differences between reports of incoming and outgoing sexual harassment indicated that respondents were more prepared to report offences against themselves than those they were responsible for, leaving some problems (e.g. food hygiene and theft) somewhat under-reported.
- 2 Competitive behaviour between staff implied the existence of pecking orders and ascension to power according to personality rather than objective criteria.
- 3 Many so-called managers were in reality, probably supervisors, as they lacked the social and leadership skills implied in a management role. Those who wielded power beyond their competency did so to the detriment of those they supervised. High staff turnover can place employees in senior positions before they have developed sufficient experience and maturity for promotion, and the destructive behaviours described by many respondents are a likely outcome of weak leadership associated with this.
- 4 Customers often appeared to suffer the same misfortunes as employees, but the instruments of their suffering were crafted and camouflaged to mimic care and service.
- 5 The persistent under-staffing evident is a barrier to improving service quality, employee development, and profitability.

## **11.2 Confirming the hypotheses**

A major finding of this study is that unethical practices are common in hospitality, and while some managers support these practices, others are unaware of the problems in their workplaces. Another significant finding is that although hospitality employees are unhappy about their working conditions, particularly personnel issues, many demonstrate a strong ethos of professionalism and a duty of customer care. Their attraction to work in an atmosphere of bullying, hen-pecking and harassment suggests that either they tolerate it for the rewards of hospitality work, or they have no choice. The following discussion focuses on the six workplace problems identified as ethical issues, as poor training and under-staffing, although problematic and undesirable, are not necessarily unethical.

## H1 Unethical behaviour is common in hospitality

The proportion of respondents thinking workplace problems common is important to answering this aspect of the research question. Responses indicated that serving alcohol to minors, serving food that had been on the floor and sexual harassment were common to less than 10% of the sample, which is not construed as common. However, of staff under 25, 24% reported that alcohol was served to minors in their workplace, which is considered common, particularly for an illegal practice (See Section 11.1.2.9)

Constructive dismissal was reported as common by 22% of respondents, and a further 33% said this had occurred 'once or twice' in their workplace. However, as constructive dismissals affect only those who are being dismissed, this is considered a common practice, as respondents must have had some contact with this practice to report that it occurred at all. Theft was reported as common to 30% or more of respondents, with a further 35% or more stating these had occurred 'once or twice'. Working in smoke was described as common by 50% or more of participants (Table 74).

Theft is common in hospitality, and those under 25 know that illegal alcohol service is common. It is also common to treat staff badly, by expecting them to work in smoky environments, and at risk of being unfairly dismissed. This part of the hypothesis is therefore proven true.

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### Frequency analysis of actual and perceived incidence of six ethical issues

Valid percent This occurs here	All the time, frequently or common	Once or twice
Alcohol to minors	3.6%	11.2%
Food on floor	4.3%	16.9%
Sexual harassment	7.4%	17.0%
Constructive dismissal	22.1%	33.5%
Theft	29.9%	47.7%
Working in smoke	54.8%	14.3%

**Table 74** Frequency analysis of actual and perceived incidence

## H2 Management is aware of unethical behaviour in hospitality

This question is addressed in Section 9.2, in which actual and perceived incidence is examined according to the seniority of respondents. Table 65 shows that this hypothesis is incorrect, and managers are substantially unaware

of many workplace problems, and even less aware of unethical practices and behaviours. As noted in Section 9.2.1, managers were aware of only 83% of the unethical practices noted by supervisors, and staff were aware of 96%. The literature gives strong indications that management is the most likely cause of unethical behaviour, based on the premise that management is a strong influence on behaviour. However, as many hospitality managers are unaware of unethical behaviour in their workplaces, even if they are the cause, their predicament is somewhat complicated by their ignorance of problems, which implies no requirement to solve them.

### **H3 Management supports unethical behaviour**

Management's active or passive support of the unethical behaviours tested in this study is examined in Section 9.3.4, Table 68. This study concludes that:

- 1 Because 55% of respondents reported working in smoke was a regular occurrence, and because this was permitted by management, it is concluded that management actively supports working in smoke.
- 2 Supervisors and managers caused 23% of sexual harassment.
- 3 Management actively supports constructive dismissal, as this had high perceived incidence and low perceived opposition. Furthermore, 21% of managers reported that constructive dismissal was allowed.
- 4 Management did not support the service of alcohol to minors.
- 5 Management did not support the service of food that had been dropped on the floor.
- 6 Although management opposed theft, theft is not considered to be under management's control.
- 7 In summary, management actively supports working in smoke and constructive dismissal, but opposes serving alcohol to minors, food that has been dropped on the floor, and theft.

Some of the behaviours supported by management may have the appearance of benefiting management, such as allowing customers to smoke in restaurants, bars and rooms, or removing unwanted staff without using cumbersome disciplinary procedures. Theft has the capacity to compromise service and profitability, and serving food or alcohol illegally are clear breaches of the law with negative repercussions for those caught. It is therefore concluded that as

management is unlikely to oppose unethical behaviour that does not represent a serious threat to the business, management supports unethical behaviour.

#### **H4 Management support is a cause of unethical behaviour**

High (actual and perceived) incidence of unethical behaviour was associated with low perceived management opposition, and low (actual and perceived) incidence was associated with high perceived opposition (Section 9.3.1.1). It is therefore concluded that management opposition influences the incidence of unethical behaviours by limiting them. Similarly, when management was perceived as only weakly opposing a practice or behaviour, it was likely to occur more.

Unwanted behaviour can be reduced by increasing management's perceived opposition to the behaviour. Management support of unethical behaviour is considered a major cause of that behaviour.

### **11.3 Discussion**

#### **11.3.1 Comparisons between tolerance, incidence, and opposition**

**(Comparisons between responses on actual and perceived incidence, ethical tolerance, and perceived opposition)**

This study set out to explore the nastinesses behind the facades of glamour and excitement in an industry that makes a significant contribution to New Zealand, both socially and economically. Many years of working in hospitality followed by some years teaching those who still do, provided the ideal background for an investigation helped by 'insider' knowledge. The findings are substantially worse than anticipated, worse than those in the industry realise, and probably worse than many people will want to know. There are some disturbing incongruities, such as management's support of constructive dismissals and poor training standards, while ostensibly puzzling over critical staffing shortages and high staff turnover. Naturally it is disappointing to confirm the findings of authors such as Stevens (2001), that human nature is to protect possessions at all costs, and before people. Respondents to this study were significantly more averse to theft than they were to working in smoke or sexual harassment, and the congruence between overtly illegal activities (such as theft, illegal alcohol

service and poor food hygiene), low incidence and low ethical tolerance, suggests the law and social consensus are strong influences on ethical decision making (Table 75).

<b>Means comparison of ethical tolerance, overall</b>								
	<b>Working conditions</b>		<b>Working environment</b>			<b>Employee behaviour</b>		
	Work in smoke	Sexual jokes	Constr dismissal	Under-staffing	Poor training	Alcohol to minors	Food on floor	Theft
<b>1 = tolerant 3 = intolerant</b>								
<b>Overall</b>	1.38	1.68	1.79	1.39	1.75	1.83	1.87	1.82
<b>Order of effect</b>	8	6	4	7	5	2	1	3

**Table 75 Means comparison of ethical tolerance, overall**

Perhaps with the introduction of smoking bans in public places in many countries, tolerance to working in smoke will eventually dwindle. With the exception of theft, practices that are illegal (e.g. working in smoke, poor training and under-staffing) or less obviously illegal (constructive dismissal) are much less of a problem than those that are legal (Table 76).

<b>Means comparison of actual and perceived incidence, overall</b>								
	<b>Working conditions</b>		<b>Working environment</b>			<b>Employee behaviour</b>		
	Work in smoke	Being harassed	Constr dismissal	Under-staffing	Poor training	Alcohol to minors	Food on floor	Theft
<b>1 = never 3 = all the time</b>								
<b>Overall</b>	2.24	1.32	1.78	2.43	2.12	1.18	1.25	2.08
<b>Order of effect</b>	2	5	6	1	3	8	7	4

**Table 76 Means comparison of actual and perceived incidence, overall**

However, the way to reduce workplace problems and unethical behaviour is fairly clear, as where the incidence of these problems is perceived to be high, management opposition is perceived to be low (Table 77).

<b>Means comparison of perceived opposition, overall</b>								
	<b>Conditions and environment</b>				<b>Employee behaviour</b>			
	Working in smoke	Constr dismissal	Under-staffing	Poor training	Alcohol to minors	Food on floor	Theft	
<b>1 = accepted / no choice 4 = opposed / choice</b>								
<b>Overall</b>	2.09	2.68	2.37	2.68	3.03	2.97	3.15	
<b>Order of effect</b>	7	4=	6	4=	2	3	1	

**Table 77 Means comparison of perceived opposition, overall**

By strongly opposing undesirable practices, management could be able to reduce these significantly, and enforcing the law could reduce unethical

behaviour by 30% (Except theft, of responses on the actual and perceived incidence of illegal behaviours, 517 respondents (29.7%) reported that these occurred in their workplace.). At the time of the study, five of the tested behaviours were illegal (Table 78).

<b>Frequency analysis of actual and perceived incidence by count</b>			
<b>Valid percent This occurs here</b>	<b>Occurs</b>	<b>Never occurs</b>	<b>Count</b>
<b>Legal behaviours</b>			
Working in smoke	343	153	496
Under-staffing	447	45	492
Poor training	363	118	481
Total	1153	316	1469
<b>Illegal behaviours (exc theft)</b>			
Sexual harassment	129	401	530
Constructive dismissal	249	199	448
Alcohol to minors	50	290	340
Food on floor	89	331	420
Total	517	1221	1738
<b>Theft</b>			
Total	267	77	344
<b>Overall</b>	<b>1937</b>	<b>1614</b>	<b>3551</b>

**Table 78** Frequency analysis of actual and perceived incidence, by count

### **11.3.2 Relationships between responses on issues of staff loyalty**

Although theft is ostensibly opposed by many employees, it is a persistent problem that could be reduced by overt opposition from management, but probably not resolved. Employee theft is related to the way employees feel about their employer and workplace (Adams, 1963), and is more likely to be reduced if management is perceived more as a means of support than as an enemy.

In a Canadian study of stress in the retail sector (Zeytinoglu, Lillevik, Seaton, & Moruz, 2004) found that job insecurity, short and split-shifts, unpredictable hours, low pay, gendered work environments, and the need to maintain several jobs, contributed to absenteeism, high turnover and workplace conflicts. Many of the workers in this study experienced the same difficulties as those in Zeytinoglu et al.'s study, and their employers experienced the same outcomes. Both studies suggest that loyalty and generosity are reciprocal values; if employees do not have adequate job security and tolerable working conditions, they will generate conflict, take time off work, and eventually leave, none of

which seems surprising. By its nature, the hospitality industry cannot offer eight hour shifts and permanent positions to much of its workforce, as more staff are required at times dictated by the human needs of eating and sleeping. Employees not directly associated with these activities, such as housekeeping staff, front office staff and administration workers, are more likely to have full-time positions and longer tenures. Hospitality employers could reduce under-staffing and workplace conflict by providing as many employees as possible with full time work.

### **11.3.3 Root causes of unethical practices and workplace problems**

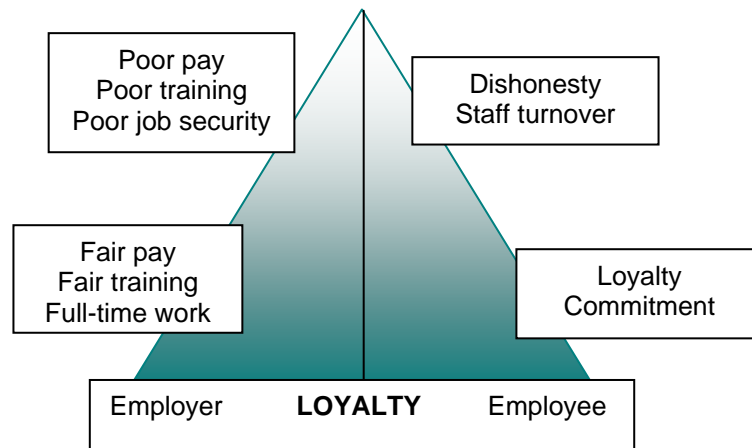
Further to management's responsibility for unethical behaviour, two more causes are readily apparent. Analysis of the narrative suggests that hospitality workers are surprisingly tolerant of working in smoke, sexual harassment, and theft (Chapter 10 and Appendix D), which is considered a significant cause of unethical behaviour in hospitality and one not easily solved. Organisation-personality congruence (Judge & Cable, 1997) noted in Section 2.3.4, is likely to contribute to workplace problems in hospitality, as the very people who find this industry so attractive, are also those likely to enjoy smoking, drinking, gambling, partying, and dining out.

A further cause of workplace problems is identified in the consistency of associations between specific negative working conditions and negative behaviours, and is analogous to the ancient law of karma. This relationship is presented in Figure 5 as The Principle of Reciprocated Loyalty, and is commented on by authors such as Adams (1963), Folger and Konovsky (1989), and more recently, by Fulford (2005).

- 1 Those paid under \$15 an hour reported the highest perceived incidence of theft, and those paid least are those most likely to steal (Table 35)
- 2 Those with the least job security stay the shortest time (Table 73).
- 3 Poor training is a strong predictor of under-staffing.
- 4 Unethical behaviour occurs most where management opposition to this is perceived as weak (Section 11.2, H4).

The strong relationship between under-staffing, constructive dismissal, inadequate training and pay, suggests that if hospitality employees were better

paid and better trained, there would be more of them. Solving under-staffing may also reduce theft, and providing better training will reduce sexual harassment and constructive dismissal. The root causes of unethical behaviour and workplace problems in hospitality are therefore considered to be low pay and inadequate training, from which managers may also suffer.



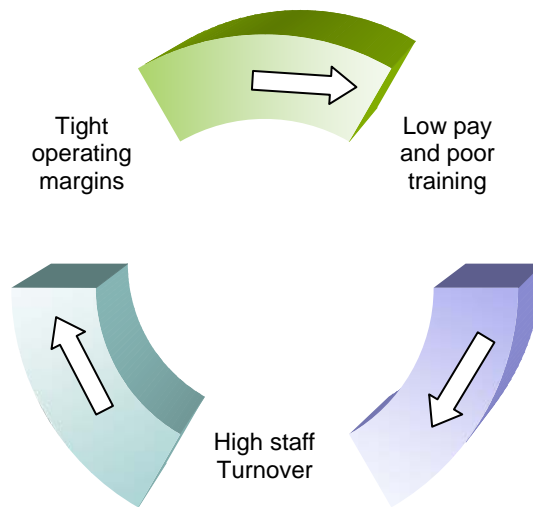
**Figure 5 Principle of reciprocated loyalty**

This principle is informed by mechanism theory, or Newton's third law of motion, which states that for every action there is an equal and opposite reaction.

## 11.4 Conclusions

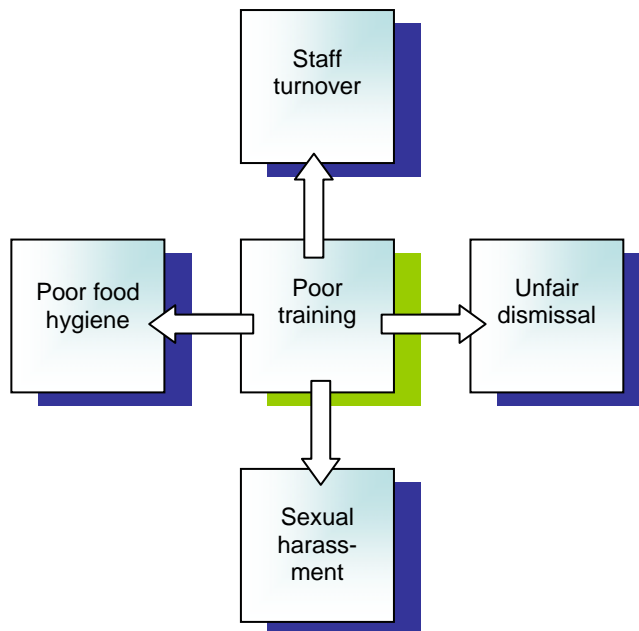
Management is not as likely to be deliberately unethical, as caught in a destructive and self-perpetuating cycle of workplace problems, some of which may derive from financial constraints placed on spending, and therefore, on effective human resource management. The tight operating margins common to hospitality businesses may be the result of a labour intensive industry trying to compete with profit margins more easily achieved elsewhere, such as property investment.

The cycle of reactive management will be broken only by improving remuneration and training, as financial constraints are largely a consequence of the labour intensive nature of hospitality, and not easily resolved. In a persistent cycle, inadequate training will lead not only to high staff turnover, but also to sexual harassment and constructive dismissal, further exacerbating turnover (Figure 6) and strengthening the cycle.



**Figure 6 Reactive management cycle**

Until hospitality organisations invest in routine training, staff’s responses to difficult situations will be ad hoc, leading to problems such as theft, poor food hygiene, illegal alcohol service, constructive dismissal, and sexual harassment. It makes economic sense, if not socially responsible, to provide training merely to avoid the consequences of negative behaviours.



**Figure 7 Poor training: the heart of hospitality workplace problems**

This study hoped to contribute to the improvement of ethical standards in New Zealand hospitality workplaces by quantifying unethical behaviours workplace

problems, and identifying their causes and management's influence on these causes and ethical standards. Although solutions to these problems were not promised, they are self-evident; undesirable behaviour can be limited by management's overt opposition to it (Section 11.1.3).

## **11.5 Recommendations**

Recommendations to the hospitality industry are discussed in Sections 11.1 and 11.4, and do not warrant repeating here, except perhaps to note the importance of management integrity as an influence on the behaviour of staff and supervisors, and the need for managers to invest in their staff by offering fair pay and training. Such investment is likely to reap benefits beyond the economic advantages of reducing under-staffing. If industry leaders do not enable managers to disengage themselves from their self-perpetuating cycles of destructive behaviour, nothing much will change. The integrity of management is the greatest effect on business success (Simons, 2002).

The hospitality industry is largely comprised of young, inexperienced women, supervised by older and better educated male managers. The onus is on these managers to recognise the responsibility of their roles, and lend some of their wisdom and experience to their workers by mentoring them, training them, and offering them some degree of pastoral care. Their role should mimic that of a father and care-giver more than that of a patriarchal oppressor. Actively recognising the implications and responsibilities of offering young people entering the workforce with examples of integrity and objectivity may inspire them to remain in the industry, reducing understaffing and adding experience to the workforce. If young people entering the industry are offered poor working conditions, which they will withstand only as long as they have to, the industry will always be filled with transient workers looking for escape routes.

Hospitality workplaces would benefit from the use of training programmes that positively enable right human relations, such as courses in self-esteem, employment law, and assertiveness.

## 11.6 Limitations and future research

A comparative study under-taken in conference businesses operated by the church, the government, or organisations such as the Boy Scouts and Girl Guides may find that workers in those operations are less tolerant of sexual harassment and theft. Such a study might also find that managers were more cognisant of day to day ethical problems arising in their workplaces, because of the reduced need to 'turn a blind eye' to unpalatable behaviours.

Rooms workers comprised the smallest group (n = 40), and were mostly older Pacific island women with no formal qualifications. Although this group had the most industry experience, they were also the lowest paid, with 84.1% paid under \$15 an hour. As rooms workers comprised the smallest group in the study, it is recognised that assumptions relating to rooms division workers have been made on the basis of 40 respondents.

This study intended to identify possible causes of workplace problems and unethical behaviour in hospitality, and in doing so, isolated poor training as a predictor of workplace problems. Further research is required to confirm the strength of the relationship between training and practices such as theft and constructive dismissal, and may confirm that improving training will improve ethical standards generally.

There is sufficient material in this study to warrant several more years of investigation and analysis, but the analysis presented here answers the research questions and provides hospitality operators with research-based solutions for reducing under-staffing and unethical behaviour. The line in the sand has not been drawn, and although the thesis is complete, work will continue to unravel the connections between attitudes, behaviours, and beliefs about management, with the ultimate goal of making the hospitality industry a better place to work.

Notably, the poster attached to questionnaires in staff rooms during the data collection phase, promised respondents that results of this research hoped to make hospitality workplaces 'even better places to work'.

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**Ethical issues and workplace problems in  
commercial hospitality: a New Zealand study**

**Volume 2 of 2**

**Appendices**

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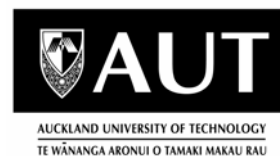
# Appendix A: Pilot study questionnaires

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## 1 Overview

This appendix contains the questionnaires used in the pilot studies, PS/1 and PS/2.

## 2 Pilot study questionnaire one (PS/1)



### **PARTICIPANT INFORMATION SHEET ON QUESTIONNAIRE ABOUT UNETHICAL BEHAVIOUR IN HOSPITALITY WORKPLACES**

Jill Poulston, a lecturer on the Bachelor of International Hospitality Management programme in the School of Hotel and Restaurant Studies at Auckland University of Technology (AUT) is conducting this research project to complete the requirements for a Doctor of Philosophy at AUT. The results of the research will be analysed and discussed in the thesis, and later prepared for submission for publication in a hospitality research journal.

The study involves in-depth interviews and questionnaires. You are invited to complete a questionnaire, along with all other employees at your workplace (and several other workplaces in Auckland). Your workplace has been selected because the management of this organisation has shown interest in understanding unethical behaviour in hospitality workplaces. Results of the study should help find ways of reducing unethical behaviour, which is linked to high staff turnover and absenteeism in hospitality workplaces.

As results from questionnaires will be put together, it will not be possible to tell which answers have come from which organisation. Also, because your name does not appear on the questionnaire, your identity cannot be linked to your answers. The tear-off numbers at the bottom of the questionnaires will help the researcher work out how many questionnaires have been returned from each organisation for statistical purposes only.

If you find these questions disturbing, you can discuss your concerns with an AUT counsellor at no charge. The counselling service has been advised of this research in case any person feels distressed as a result of answering these questions and can be contacted by telephoning 917 9999 extension 9992 and asking for (name of elected counsellor).

While your assistance is appreciated, if you wish, you do not need to complete this questionnaire, nor are you under any obligation to do so. If you have any questions, you can contact either me, or one of my supervisors, as noted below. If you wish to continue, please answer the following questions. Please do not put your name or address on the questionnaire, as the survey must be anonymous.

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Approved by the AUT Ethics Committee on 20 January 2002 for a period of two years, Reference 02/171

## QUESTIONNAIRE ABOUT BEHAVIOUR IN HOSPITALITY WORKPLACES

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## QUESTIONNAIRE

Do you work in a business whose primary concern is to provide accommodation, food, liquor or entertainment to paying guests? If so, please continue with this questionnaire. If not, your responses to these questions will not be required for this research.

If you don't want to answer a question, or don't have an answer, just move on to the next question. The first part is about specific issues that may arise in hospitality workplaces, as well as your perceptions about these issues. At the end of this part there are open-ended questions so you can describe particular types of behaviour. The second part contains demographic questions about you, your background, and the type of place you work in.

'Ethical' behaviour is usually defined as behaviour that does not cause harm to any person.

### Part I

(Alcohol)

- 1    In the past 12 months at my workplace, alcohol has been served to under-age drinkers

Never  
Occasionally  
Commonly  
Frequently  
Constantly  
Alcohol is not served here  
Don't know


2 In the past 12 months at my workplace, selling alcohol to under-age drinkers has been

- Standard practice
- Encouraged
- Allowed
- Not allowed
- Something management is trying to stop
- Alcohol is not served here
- Don't know

3 I think that selling alcohol to under-age drinkers is unethical

- Strongly agree
- Agree
- Neutral
- Disagree
- Strongly disagree

4 Comments

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(Smoking)

5 In the past 12 months at my workplace, I have been required to work in areas where people smoke.

- Never
- Occasionally
- Commonly
- Frequently
- Always
- People do not smoke here

6 I feel I have a choice about whether or not I work in smoky conditions.

- Strongly agree
- Agree
- Not sure
- Disagree
- Strongly disagree

7 I do not have a problem with people smoking in my work area.

- Strongly agree
- Agree
- Neutral
- Disagree
- Strongly disagree

8 I think people should not be allowed to smoke where other people are working (eg hotel lobby, restaurants, bars, staff cafeteria etc)

- Strongly agree
- Agree
- Neutral
- Disagree
- Strongly disagree

9 Comments

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(Sexual harassment)

10 Sexual harassment is unwanted behaviour of a sexual nature. According to this definition, I have been the subject of sexual harassment in the past 12 months at my workplace.

- Never
- Occasionally
- Commonly
- Frequently
- Constantly

11 I don't see any problem with sexual jokes and teasing of staff by customers

- Strongly agree
- Agree
- Neutral
- Disagree
- Strongly disagree

(If you have never been sexually harassed, go to question 16)

12 For me, sexual harassment generally comes from colleagues.

- Never
- Occasionally
- Commonly
- Frequently
- Constantly

13 For me, sexual harassment generally comes from staff (who are not my colleagues)

- Never
- Occasionally
- Commonly
- Frequently
- Constantly

14 For me, sexual harassment generally comes from supervisors and/or managers (who are not my colleagues)

Never	<input type="checkbox"/>
Occasionally	<input type="checkbox"/>
Commonly	<input type="checkbox"/>
Frequently	<input type="checkbox"/>
Constantly	<input type="checkbox"/>

15 For me, sexual harassment generally comes from customers

Never	<input type="checkbox"/>
Occasionally	<input type="checkbox"/>
Commonly	<input type="checkbox"/>
Frequently	<input type="checkbox"/>
Constantly	<input type="checkbox"/>

16 In the past 12 months at my workplace I have sexually harassed colleagues

Never	<input type="checkbox"/>
Occasionally	<input type="checkbox"/>
Commonly	<input type="checkbox"/>
Frequently	<input type="checkbox"/>
Constantly	<input type="checkbox"/>

17 In the past 12 months at my workplace I have sexually harassed staff (who are not my colleagues)

Never	<input type="checkbox"/>
Occasionally	<input type="checkbox"/>
Commonly	<input type="checkbox"/>
Frequently	<input type="checkbox"/>
Constantly	<input type="checkbox"/>

18 In the past 12 months at my workplace I have sexually harassed management (who are not my colleagues)

Never	<input type="checkbox"/>
Occasionally	<input type="checkbox"/>
Commonly	<input type="checkbox"/>
Frequently	<input type="checkbox"/>
Constantly	<input type="checkbox"/>

19 In the past 12 months at my workplace I have sexually harassed customers

Never	<input type="checkbox"/>
Occasionally	<input type="checkbox"/>
Commonly	<input type="checkbox"/>
Frequently	<input type="checkbox"/>
Constantly	<input type="checkbox"/>

20 Comments

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(Food hygiene)

21 In the past 12 months at my workplace, food that was dropped on the floor has been served to customers

Never	<input type="checkbox"/>
Occasionally	<input type="checkbox"/>
Commonly	<input type="checkbox"/>
Frequently	<input type="checkbox"/>
Constantly	<input type="checkbox"/>
Food is not served at my workplace	<input type="checkbox"/>

22 In the past 12 months at my workplace, using food that has been dropped on the floor has been

Standard practice	<input type="checkbox"/>
Encouraged	<input type="checkbox"/>
Allowed	<input type="checkbox"/>
Not allowed	<input type="checkbox"/>
Something management is trying to stop	<input type="checkbox"/>
Food is not served here	<input type="checkbox"/>
Don't know	<input type="checkbox"/>

23 Using food that has been dropped on the floor is unethical

Strongly agree	<input type="checkbox"/>
Agree	<input type="checkbox"/>
Neutral	<input type="checkbox"/>
Disagree	<input type="checkbox"/>
Strongly disagree	<input type="checkbox"/>

24 Comments

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(Supervisors' behaviour)

25 In the past 12 months at my workplace, supervisors have written unfair rosters or hassled staff to get rid of them

Never	<input type="checkbox"/>
Occasionally	<input type="checkbox"/>
Commonly	<input type="checkbox"/>
Frequently	<input type="checkbox"/>
Constantly	<input type="checkbox"/>

26 In the past 12 months at my workplace, writing unfair rosters and hassling staff to get them to leave has been

Standard practice	<input type="checkbox"/>
Encouraged	<input type="checkbox"/>
Allowed	<input type="checkbox"/>
Not allowed	<input type="checkbox"/>
Something management is trying to stop	<input type="checkbox"/>
Does not apply	<input type="checkbox"/>
Don't know	<input type="checkbox"/>

27 Writing unfair rosters and hassling staff to get them to leave is unethical.

Strongly agree	<input type="checkbox"/>
Agree	<input type="checkbox"/>
Neutral	<input type="checkbox"/>
Disagree	<input type="checkbox"/>
Strongly disagree	<input type="checkbox"/>

28 Comments

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(Staffing levels)

29 In the past 12 months at my workplace, when staff cannot come in to work, we have had to manage without replacement staff:

Never	<input type="checkbox"/>
Occasionally	<input type="checkbox"/>
Commonly	<input type="checkbox"/>
Frequently	<input type="checkbox"/>
Constantly	<input type="checkbox"/>

30 In the past 12 months at my workplace, trying to manage without replacement staff when rostered staff can't work has been:

Standard practice	<input type="checkbox"/>
Encouraged	<input type="checkbox"/>
Allowed	<input type="checkbox"/>
Not allowed	<input type="checkbox"/>
Something management is trying to stop	<input type="checkbox"/>
Does not apply	<input type="checkbox"/>
Don't know	<input type="checkbox"/>

31 Asking staff to manage without replacements when other staff can't work is unethical

Strongly agree	<input type="checkbox"/>
Agree	<input type="checkbox"/>
Neutral	<input type="checkbox"/>
Disagree	<input type="checkbox"/>
Strongly disagree	<input type="checkbox"/>

32 Comments

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(Training)

33 In the past 12 months at my workplace, some staff have been asked to do their work without being properly trained

Never	<input type="checkbox"/>
Occasionally	<input type="checkbox"/>
Commonly	<input type="checkbox"/>
Frequently	<input type="checkbox"/>
Constantly	<input type="checkbox"/>

34 In the past 12 months at my workplace, asking staff to do their work without proper training has been

Standard practice	<input type="checkbox"/>
Encouraged	<input type="checkbox"/>
Allowed	<input type="checkbox"/>
Not allowed	<input type="checkbox"/>
Something management is trying to stop	<input type="checkbox"/>
Does not apply	<input type="checkbox"/>
Don't know	<input type="checkbox"/>

35 Asking staff to do their work without proper training is unethical

Strongly agree	<input type="checkbox"/>
Agree	<input type="checkbox"/>
Neutral	<input type="checkbox"/>
Disagree	<input type="checkbox"/>
Strongly disagree	<input type="checkbox"/>

36 Comments

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(Hotel property)

37 In the past 12 months at my workplace, some of my co-workers have taken hotel property (eg food, alcohol, towels) home for their personal use

Never	<input type="checkbox"/>
Occasionally	<input type="checkbox"/>
Commonly	<input type="checkbox"/>
Frequently	<input type="checkbox"/>
Constantly	<input type="checkbox"/>

38 In the past 12 months at my workplace, staff taking hotel property home for personal use has been

- Standard practice
- Encouraged
- Allowed
- Not allowed
- Something management is trying to stop
- Does not apply
- Don't know

39 Taking hotel property home for personal use is unethical

- Strongly agree
- Agree
- Neutral
- Disagree
- Strongly disagree

40 Comments

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(Perceptions)

41 In the past 12 months at my workplace I think my behaviour most of the time has been generally ethical

- Agree
- Disagree

42 In the past 12 months at my workplace I think my colleagues' behaviour most of the time has been generally ethical

- Agree
- Neutral
- Disagree

43 In the past 12 months at my workplace I think management's behaviour most of the time has been generally ethical

- Agree
- Neutral
- Disagree

44 In the past 12 months at my workplace I think the customers' behaviour most of the time has been generally ethical

- Agree
- Neutral
- Disagree

45 In the past 12 months at my workplace, I have been generally comfortable with the ethical standards here

Strongly agree  
Agree  
Neutral  
Disagree  
Strongly disagree


Open-ended questions

46 Unethical personnel practices

Some workplaces do not treat their employees ethically. Please comment on any unfair, unethical or illegal treatment of employees that you have been aware of in your workplace in the past 12 months.

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47 Services offered to guests

Some customers ask for products and services that some employees disagree with. What products and services has your workplace helped customers with in the past 12 months at your workplace, that you think are unethical?

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48 Unethical treatment of customers

Sometimes customers are treated badly. Give some examples of poor treatment of customers that you have been aware of in the past 12 months in your workplace.

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49 Meeting guests' needs

Sometimes the pressure of giving customers what they want, makes staff, supervisors, or even guests behave unethically. What sort of unethical behaviour has occurred in your workplace in the past 12 months at your workplace in order to please guests?

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**Part II**

Answers to the following questions about you, your background and your workplace, will help determine which types of people and workplaces are at most risk of unethical behaviour.

50 What best describes the department you work in?

Administration or finance	<input type="checkbox"/>
Engineering or maintenance	<input type="checkbox"/>
Food and beverage	<input type="checkbox"/>
Front office	<input type="checkbox"/>
Human resources	<input type="checkbox"/>
Rooms	<input type="checkbox"/>
Sales and marketing	<input type="checkbox"/>
Other (specify)	<input type="checkbox"/>

51 What best describes your position?

Staff	<input type="checkbox"/>
Supervisor	<input type="checkbox"/>
Manager	<input type="checkbox"/>
Other (specify)	<input type="checkbox"/>

52 How long have you been working in the hospitality industry?

Under 5 years	<input type="checkbox"/>
5 - 10 years	<input type="checkbox"/>
11 – 20 years	<input type="checkbox"/>
21 years or more	<input type="checkbox"/>

53 How long have you been working in this job?

Under 5 years	<input type="checkbox"/>
5 - 10 years	<input type="checkbox"/>
11 – 20 years	<input type="checkbox"/>
21 years or more	<input type="checkbox"/>

54 What best describes the size of your workplace?

Up to 50 staff	<input type="checkbox"/>
50 – 250 staff	<input type="checkbox"/>
250 – 500 staff	<input type="checkbox"/>
Over 500 staff	<input type="checkbox"/>

55 What is your pay?

Under \$10 an hour	<input type="checkbox"/>
\$10 - \$14.95 an hour	<input type="checkbox"/>
\$15 – \$19.95 an hour	<input type="checkbox"/>
\$20 - \$24.95 an hour	<input type="checkbox"/>
\$25 or more an hour	<input type="checkbox"/>

56 How would you describe the terms of your employment?

- Casual (ie irregular)
- Part-time (ie regular work)
- Full-time (ie 40 hours weekly)
- Salaried (ie always same pay)

57 If casual or part-time, what is your main occupation?

- Care-giver (to child or other)
- No other work
- Other casual or part-time work
- Other full-time work
- Other hospitality work
- Self-employed
- Student

58 What best describes your ethnicity?

- European (specify)
- Indian (specify)
- NZ Maori
- Pacific Islander (specify)
- South East Asian (specify)
- Other (specify)

59 What sex are you?

- Female
- Male
- Other (specify)

60 How old are you?

- Up to 19
- 20 – 24
- 25 – 29
- 30 – 34
- 35 – 39
- 40 – 54
- 55 or over

61 What is your highest qualification?

- No formal qualification
- School Certificate or equivalent
- NZ Bursary or equivalent
- Bachelor's degree
- Post-graduate qualification

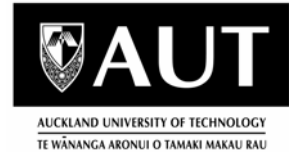
62 Is there a Code of Ethics at your place of employment?

- Yes
- No
- Don't know

63 If you answered yes to the previous question, how do you know there is a Code of Ethics in your workplace?

I asked for a copy	
I have my own copy	
I learned about it at training course	
I saw it at work	
Someone told me about it	
Other (specify)	

### 3 Pilot study questionnaire two (PS/2)



#### **PARTICIPANT INFORMATION SHEET ON QUESTIONNAIRE ABOUT UNETHICAL BEHAVIOUR IN HOSPITALITY WORKPLACES**

Jill Poulston, a lecturer on the Bachelor of International Hospitality Management programme at Auckland University of Technology (AUT) is conducting this research to complete the requirements for a Doctor of Philosophy at AUT. The results of the research will be analysed and discussed in the thesis, and later prepared for submission for publication in a hospitality research journal.

The study involves in-depth interviews and questionnaires. You are invited to complete a questionnaire, along with all other employees at your workplace (and several other workplaces in Auckland). Your workplace has been selected because the management of this organisation has shown interest in understanding unethical behaviour in hospitality workplaces. Results of this study should help find ways of reducing unethical behaviour, which is linked to high staff turnover and absenteeism in hospitality workplaces.

As results from questionnaires will be put together, it will not be possible to work out which answers have come from which organisation. Also, because your name does not appear on the questionnaire, your name cannot be linked to your answers. The numbers at the bottom of the questionnaires will show how many questionnaires are returned from each organisation for statistical purposes only.

If you find these questions disturbing, you can discuss your concerns with an AUT counsellor at no charge. The counselling service has been advised of this research in case any person feels distressed as a result of answering these questions and can be contacted by telephoning 917 9999 extension 9992 and asking for (name of elected counsellor).

You do not need to complete this questionnaire, nor are you under any obligation to do so. If you have any questions, you can contact either me, or one of my supervisors, as noted below. If you wish to continue, please answer the following questions.

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# QUESTIONNAIRE ABOUT BEHAVIOUR IN HOSPITALITY WORKPLACES

## Student

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## Supervisors

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## QUESTIONNAIRE

If you don't want to answer a question, just go to the next one. Part A is about issues that may arise at work, followed by questions asking for your comments. Part B is about you, your background, and your work place.

Ethical behaviour is usually defined as behaviour that does not harm another person.

### Part A

1 Alcohol

1.1 In the past 12 months at my workplace, alcohol has been served to under-age drinkers

Never	<input type="checkbox"/>
Once or twice	<input type="checkbox"/>
Commonly	<input type="checkbox"/>
Frequently	<input type="checkbox"/>
All the time	<input type="checkbox"/>
Alcohol is not served here	<input type="checkbox"/>
Don't know	<input type="checkbox"/>

1.2 In the past 12 months at my workplace, selling alcohol to under-age drinkers has been

Standard practice	<input type="checkbox"/>
Encouraged	<input type="checkbox"/>
Allowed	<input type="checkbox"/>
Not allowed	<input type="checkbox"/>
Something management is trying to stop	<input type="checkbox"/>
Alcohol is not served here	<input type="checkbox"/>
Don't know	<input type="checkbox"/>

1.3 I think that selling alcohol to under-age drinkers is unethical (see definition on page 1)

Strongly agree	<input type="checkbox"/>
Agree	<input type="checkbox"/>
Neutral	<input type="checkbox"/>
Disagree	<input type="checkbox"/>
Strongly disagree	<input type="checkbox"/>

1.4 Comments

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2 Smoking

2.1 In the past 12 months at my workplace, I have been required to work where people smoke.

Never	<input type="checkbox"/>
Once or twice	<input type="checkbox"/>
Commonly	<input type="checkbox"/>
Frequently	<input type="checkbox"/>
Always	<input type="checkbox"/>
People do not smoke here	<input type="checkbox"/>

2.2 I feel I have a choice about whether or not I work where people are smoking.

Strongly agree	<input type="checkbox"/>
Agree	<input type="checkbox"/>
Not sure	<input type="checkbox"/>
Disagree	<input type="checkbox"/>
Strongly disagree	<input type="checkbox"/>

2.3 I do not have a problem with people smoking in my work area.

Strongly agree	<input type="checkbox"/>
Agree	<input type="checkbox"/>
Neutral	<input type="checkbox"/>
Disagree	<input type="checkbox"/>
Strongly disagree	<input type="checkbox"/>

2.4 I think people should not be allowed to smoke where other people are working (eg hotel lobby, restaurants, bars, staff cafeteria etc)

Strongly agree	<input type="checkbox"/>
Agree	<input type="checkbox"/>
Neutral	<input type="checkbox"/>
Disagree	<input type="checkbox"/>
Strongly disagree	<input type="checkbox"/>

2.5 Comments

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3 Sexual harassment

3.1 Sexual harassment is unwanted behaviour of a sexual nature. Using this definition, I have been the subject of sexual harassment in the past 12 months at my workplace

Never	<input type="checkbox"/>
Once or twice	<input type="checkbox"/>
Commonly	<input type="checkbox"/>
Frequently	<input type="checkbox"/>
All the time	<input type="checkbox"/>

3.2 I don't see any problem with sexual jokes and teasing of staff by customers

Strongly agree	<input type="checkbox"/>
Agree	<input type="checkbox"/>
Neutral	<input type="checkbox"/>
Disagree	<input type="checkbox"/>
Strongly disagree	<input type="checkbox"/>

If you have never been sexually harassed, go to question 3.7. If you feel you have been sexually harassed, answer the next four questions as they relate to the past 12 months at your workplace.

3.3 I have been sexually harassed by employees of similar rank or status to me (ie my colleagues or peers)

Never	<input type="checkbox"/>
Once or twice	<input type="checkbox"/>
Commonly	<input type="checkbox"/>
Frequently	<input type="checkbox"/>
All the time	<input type="checkbox"/>

3.4 I have been sexually harassed by employees of lower rank or status to me (ie my juniors)

Never	<input type="checkbox"/>
Once or twice	<input type="checkbox"/>
Commonly	<input type="checkbox"/>
Frequently	<input type="checkbox"/>
All the time	<input type="checkbox"/>

3.5 I have been sexually harassed by employees of higher rank or status than me (ie my supervisors or managers)

Never	<input type="checkbox"/>
Once or twice	<input type="checkbox"/>
Commonly	<input type="checkbox"/>
Frequently	<input type="checkbox"/>
All the time	<input type="checkbox"/>

3.6 I have been sexually harassed by customers

Never	<input type="checkbox"/>
Once or twice	<input type="checkbox"/>
Commonly	<input type="checkbox"/>
Frequently	<input type="checkbox"/>
All the time	<input type="checkbox"/>

If you have never sexually harassed anyone at work, go to question 4. If you feel you have sexually harassed anyone, answer the next four questions as they relate to the past 12 months at your workplace.

3.7 I have sexually harassed employees of similar rank or status to me (ie my colleagues or peers)

Never	<input type="checkbox"/>
Once or twice	<input type="checkbox"/>
Commonly	<input type="checkbox"/>
Frequently	<input type="checkbox"/>
All the time	<input type="checkbox"/>

3.8 I have sexually harassed employees of lower rank or status to me (ie my juniors)

Never	<input type="checkbox"/>
Once or twice	<input type="checkbox"/>
Commonly	<input type="checkbox"/>
Frequently	<input type="checkbox"/>
All the time	<input type="checkbox"/>

3.9 I have sexually harassed employees of higher rank or status than me (ie my supervisors or managers)

Never	<input type="checkbox"/>
Once or twice	<input type="checkbox"/>
Commonly	<input type="checkbox"/>
Frequently	<input type="checkbox"/>
All the time	<input type="checkbox"/>

3.10 I have sexually harassed customers

Never	<input type="checkbox"/>
Once or twice	<input type="checkbox"/>
Commonly	<input type="checkbox"/>
Frequently	<input type="checkbox"/>
All the time	<input type="checkbox"/>

3.11 Comments

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#### 4 Food hygiene

4.1 In the past 12 months at my workplace, food that was dropped on the floor has been served to customers

Never	<input type="checkbox"/>
Once or twice	<input type="checkbox"/>
Commonly	<input type="checkbox"/>
Frequently	<input type="checkbox"/>
All the time	<input type="checkbox"/>
Food is not served at my workplace	<input type="checkbox"/>
Don't know	<input type="checkbox"/>

4.2 In the past 12 months at my workplace, using food that has been dropped on the floor has been

- Standard practice
- Encouraged
- Allowed
- Not allowed
- Something management is trying stop
- Food is not serve at my workplace
- Don't know

4.3 Using food that has been dropped on the floor is unethical

- Strongly agree
- Agree
- Neutral
- Disagree
- Strongly disagree

4.4 Comments

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5 Supervisors' behaviour

5.1 In the past 12 months at my workplace, supervisors have written unfair rosters or hassled staff to get rid of them

- Never
- Once or twice
- Commonly
- Frequently
- All the time
- Don't know

5.2 In the past 12 months at my workplace, writing unfair rosters and hassling staff to get them to leave has been

- Standard practice
- Encouraged
- Allowed
- Not allowed
- Something management is trying to stop
- Does not apply
- Don't know

5.3 Writing unfair rosters and hassling staff to get them to leave is unethical.

- Strongly agree
- Agree
- Neutral
- Disagree
- Strongly disagree

5.4 Comments

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6 Staffing levels

6.1 In the past 12 months at my workplace, when staff cannot come in to work, we have had to manage without replacement staff

Never	<input type="checkbox"/>
Once or twice	<input type="checkbox"/>
Commonly	<input type="checkbox"/>
Frequently	<input type="checkbox"/>
All the time	<input type="checkbox"/>
Don't know	<input type="checkbox"/>

6.2 In the past 12 months at my workplace, trying to manage without replacement staff when rostered staff can't work has been

Standard practice	<input type="checkbox"/>
Encouraged	<input type="checkbox"/>
Allowed	<input type="checkbox"/>
Not allowed	<input type="checkbox"/>
Something management is trying to stop	<input type="checkbox"/>
Does not apply	<input type="checkbox"/>
Don't know	<input type="checkbox"/>

6.3 Asking staff to manage without replacements when other staff can't work is unethical

Strongly agree	<input type="checkbox"/>
Agree	<input type="checkbox"/>
Neutral	<input type="checkbox"/>
Disagree	<input type="checkbox"/>
Strongly disagree	<input type="checkbox"/>

6.4 Comments

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7 Training

7.1 In the past 12 months at my workplace, some staff been asked to work without proper training

Never	<input type="checkbox"/>
Once or twice	<input type="checkbox"/>
Commonly	<input type="checkbox"/>
Frequently	<input type="checkbox"/>
All the time	<input type="checkbox"/>
Don't know	<input type="checkbox"/>

7.2 In the past 12 months at my workplace, asking staff to work without proper training has been

Standard practice	<input type="checkbox"/>
Encouraged	<input type="checkbox"/>
Allowed	<input type="checkbox"/>
Not allowed	<input type="checkbox"/>
Something management is trying to stop	<input type="checkbox"/>
Does not apply	<input type="checkbox"/>
Don't know	<input type="checkbox"/>

7.3 Asking staff to work without proper training is unethical

Strongly agree	<input type="checkbox"/>
Agree	<input type="checkbox"/>
Neutral	<input type="checkbox"/>
Disagree	<input type="checkbox"/>
Strongly disagree	<input type="checkbox"/>

7.4 Comments

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8 Hotel property

8.1 The following items should not be taken home for personal use without authorisation from management (tick those you think you should not take home)

Pens	<input type="checkbox"/>
Alcohol	<input type="checkbox"/>
Food (not left-overs)	<input type="checkbox"/>
Food (left-overs)	<input type="checkbox"/>
Soap	<input type="checkbox"/>
Paper	<input type="checkbox"/>
Money	<input type="checkbox"/>
Cleaning products	<input type="checkbox"/>
Toilet paper	<input type="checkbox"/>
Towels	<input type="checkbox"/>
Vehicles (even if they are returned)	<input type="checkbox"/>

8.2 Taking any hotel property home (as above) for personal use is unethical

Strongly agree	<input type="checkbox"/>
Agree	<input type="checkbox"/>
Neutral	<input type="checkbox"/>
Disagree	<input type="checkbox"/>
Strongly disagree	<input type="checkbox"/>

8.3 In the past 12 months at my workplace, some employees have taken hotel property (eg as above) home for their personal use

Never	<input type="checkbox"/>
Once or twice	<input type="checkbox"/>
Commonly	<input type="checkbox"/>
Frequently	<input type="checkbox"/>
All the time	<input type="checkbox"/>
Don't know	<input type="checkbox"/>

8.4 In the past 12 months at my workplace, staff taking hotel property home for personal use has been

Standard practice	<input type="checkbox"/>
Encouraged	<input type="checkbox"/>
Allowed	<input type="checkbox"/>
Not allowed	<input type="checkbox"/>
Something management is trying to stop	<input type="checkbox"/>
Does not apply	<input type="checkbox"/>
Don't know	<input type="checkbox"/>

8.5 Comments

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9 Perceptions

9.1 In the past 12 months at my workplace I think my behaviour has been ethical most of the time

Agree	<input type="checkbox"/>
Disagree	<input type="checkbox"/>

9.2 In the past 12 months at my workplace I think the staff's behaviour has been ethical most of the time

Agree	<input type="checkbox"/>
Neutral	<input type="checkbox"/>
Disagree	<input type="checkbox"/>
Don't know	<input type="checkbox"/>

9.3 In the past 12 months at my workplace I think management's behaviour has been ethical most of the time

Agree	<input type="checkbox"/>
Neutral	<input type="checkbox"/>
Disagree	<input type="checkbox"/>
Don't know	<input type="checkbox"/>

9.4 In the past 12 months at my workplace I think the customers' behaviour has been ethical most of the time

Agree	<input type="checkbox"/>
Neutral	<input type="checkbox"/>
Disagree	<input type="checkbox"/>
Don't know	<input type="checkbox"/>

9.5 In the past 12 months at my workplace, I have felt comfortable with the ethical standards here most of the time

Strongly agree  
Agree  
Neutral  
Disagree  
Strongly disagree


10 Your comments

10.1 Unethical personnel practices

Some workplaces treat their employees badly. Please comment on any unfair, unethical or illegal treatment of employees that you have been aware of in your workplace in the past 12 months.

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10.2 Services offered to guests

Some customers want products and services that might be considered unethical. What products and services has your workplace helped customers with in the past 12 months, that you think are unethical?

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10.3 Unethical treatment of customers

Sometimes customers are treated badly. Give some examples of poor treatment of customers that you have been aware of in the past 12 months in your workplace.

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10.4 Meeting guests' needs

Sometimes the pressure of trying to please customers makes staff, supervisors, or even the customers behave unethically. What sort of unethical behaviour has occurred in your workplace in the past 12 months at your workplace in order to please customers?

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**Part B**

These questions about you, your background and your workplace, will help identify which types of people and workplaces are at most risk of unethical behaviour.

11 Questions about you

11.1 What best describes the department you work in?

Administration or finance	<input type="checkbox"/>
Engineering or maintenance	<input type="checkbox"/>
Food and beverage	<input type="checkbox"/>
Front office	<input type="checkbox"/>
Human resources	<input type="checkbox"/>
Rooms	<input type="checkbox"/>
Sales and marketing	<input type="checkbox"/>
Other (specify)	<input type="checkbox"/>

11.2 What best describes your position?

Staff	<input type="checkbox"/>
Supervisor	<input type="checkbox"/>
Manager	<input type="checkbox"/>
Administrator	<input type="checkbox"/>
Other (specify)	<input type="checkbox"/>

11.3 How long have you been working in the hospitality industry?

Under 5 years	<input type="checkbox"/>
5 - 10 years	<input type="checkbox"/>
11 – 20 years	<input type="checkbox"/>
21 years or more	<input type="checkbox"/>

11.4 How long have you been working in this job?

Under 5 years	<input type="checkbox"/>
5 - 10 years	<input type="checkbox"/>
11 – 20 years	<input type="checkbox"/>
21 years or more	<input type="checkbox"/>

11.5 What is your pay (before tax)?

Under \$10 an hour	<input type="checkbox"/>
\$10 - \$14.95 an hour	<input type="checkbox"/>
\$15 – \$19.95 an hour	<input type="checkbox"/>
\$20 - \$24.95 an hour	<input type="checkbox"/>
\$25 or more an hour	<input type="checkbox"/>

11.6 How would you describe your employment?

Casual (ie irregular)	<input type="checkbox"/>
Part-time (ie regular work)	<input type="checkbox"/>
Full-time (ie 40 hours weekly)	<input type="checkbox"/>
Salaried (ie always same pay)	<input type="checkbox"/>
Don't know	<input type="checkbox"/>

11.7 If casual or part-time, what is your main occupation?

Care-giver (to child or other)	<input type="checkbox"/>
No other work	<input type="checkbox"/>
Other casual or part-time work	<input type="checkbox"/>
Other full-time work	<input type="checkbox"/>
Other hospitality work	<input type="checkbox"/>
Self-employed	<input type="checkbox"/>
Student	<input type="checkbox"/>
Does not apply	<input type="checkbox"/>

11.8 What best describes your ethnicity, or race?

European (specify)	<input type="checkbox"/>	<input type="text"/>
Indian (specify)	<input type="checkbox"/>	<input type="text"/>
NZ Maori	<input type="checkbox"/>	<input type="text"/>
Pacific Islander (specify)	<input type="checkbox"/>	<input type="text"/>
South East Asian (specify)	<input type="checkbox"/>	<input type="text"/>
Other (specify)	<input type="checkbox"/>	<input type="text"/>

11.9 What sex are you?

Female	<input type="checkbox"/>	
Male	<input type="checkbox"/>	
Other (specify)	<input type="checkbox"/>	<input type="text"/>

11.10 How old are you?

Up to 19	<input type="checkbox"/>
20 – 24	<input type="checkbox"/>
25 – 29	<input type="checkbox"/>
30 – 34	<input type="checkbox"/>
35 – 39	<input type="checkbox"/>
40 – 54	<input type="checkbox"/>
55 or over	<input type="checkbox"/>

11.11 What is your highest qualification?

No formal qualification	<input type="checkbox"/>	
School Certificate or equivalent	<input type="checkbox"/>	
NZ Bursary or equivalent	<input type="checkbox"/>	
Bachelor's degree	<input type="checkbox"/>	
Post-graduate (specify)	<input type="checkbox"/>	<input type="text"/>

12 Questions about your workplace

12.1 Is there a Code of Ethics at your workplace?

Yes	<input type="checkbox"/>
No	<input type="checkbox"/>
Don't know	<input type="checkbox"/>

12.2 If you answered yes to the previous question, how do you know there is a Code of Ethics in your workplace?

I asked for a copy	<input type="checkbox"/>
I have my own copy	<input type="checkbox"/>
I learned about it at training course	<input type="checkbox"/>
I saw it at work	<input type="checkbox"/>
Someone told me about it	<input type="checkbox"/>
Other (specify)	<input type="checkbox"/>

12.3 What best describes the hotel (or business operating with a hotel) where you work?

Up to 250 rooms	<input type="checkbox"/>
250 – 349 rooms	<input type="checkbox"/>
350 rooms or more	<input type="checkbox"/>
Don't know	<input type="checkbox"/>

Thank you for completing this questionnaire. There is a final optional section which gives you the opportunity of telling me about something that has happened to you. If you are interested in doing this, please turn to the next page.

When you have completed the questionnaire, please seal it in the envelope provided and place it in the collection box provided at your workplace. If you do not know where the box is, please ask at reception or human resources.



## Appendix B: Pilot studies

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## **1 Overview**

This appendix contains the results from pilot studies PS/1 and PS/2, which include edited transcripts of the discussions, changes made to the questionnaires, and a sample of the quantitative data obtained from PS/2.

## **2 First pilot study**

The first pilot study was undertaken on 21st March 2003 at a five star hotel in central Auckland. A convenience sample of three female staff known to the writer was selected to participate. No lecturer-student relationship existed with these participants, so objectivity was expected. As they were graduates it was also expected they would be able to critically analyse the survey instrument.

We met in the office of one of the staff, and apart from a few intrusions by an employee accessing a fax machine, we were able to speak freely.

### **2.1 Questionnaires and discussion**

10.45 am

I explained the purpose of the questionnaire and out-lined my research project. I asked them to complete the questionnaire, not as themselves, but as fictitious hospitality employees. I told them I was not particularly interested in their answers, but in what they thought of the questionnaire, and asked them to note any areas they felt were ambiguous or needed clarification.

10.50 Participants (A) (B) and (C) started answering the questionnaire.

10.55 Respondent A finished (5 minutes)

11.00 Respondent B finished (10 minutes)

11.05 Respondent C finished (15 minutes)

There was no conversation until they had finished writing. The subsequent discussion was roughly recorded as:

Interviewer	Any comments?
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- B Looking at question 4, I think it needs a definition of what is 'ethical'
- A 'Ethical' is up to the individual
- B Housekeeping staff may not know – they need some guidelines
- C Yes – you need agreement on what you mean by 'ethical'
- A Yes
- C Question 21 needs a 'don't know' box
- B You need that through-out – back-of-house staff won't know the answers to some of these questions. Question 44, some don't know – it needs another box.
- A Maybe put in the reason for not knowing
- A About the sexual harassment – question 10 – 'occasionally' needs to be 'once or twice'. I only thought about my sexual harassment afterwards – I didn't think of it as harassment at the time.

Interviewer            What happened?

- A A customer blocked the door and I couldn't get out – I felt uncomfortable – I was delivering a room service meal and had to go right inside the room and put it on the table, and when I tried to leave again the door was blocked.
- C I got called in on a four-some<sup>12</sup>.

C continued to describe her situation, in which she was called to a room to make a room service delivery, and witnessed two couples in bed together. She and A wanted to talk about their experiences, and we talked about whether or not this might occur when staff participated in the study. We felt there was a risk of upsetting respondents who needed to talk through experiences they had not previously discussed with anyone.

<sup>12</sup> Four-some – four people engaged in sexual activity together.

When asked about the long questions, they said these were a bit boring, so just scanned them to see what to do.

They thought 'generally' in question 13 was used too loosely.

They suggested that questions 46 on be replaced with 'one section for their own story, whatever it is that they want to tell'. Then they thought this should come before question 46.

Discussions were completed by 11.30.

## **2.2 Observations and recommendations**

### **2.2.1 Counselling**

Because of the response to the sexual harassment question in the pilot study, arrangements may be required for participants to receive counselling on request.

### **2.2.2 Time for completion**

Although I had concerns about timing, I am satisfied that completion should not normally take more than 20 minutes. Respondent B took the longest time to complete, but wrote the most comments.

Respondent A      1 written comment (this respondent had a hang-over and had recently vomited)

Respondent B      6 written comments

Respondent C      10 written comments

### **2.2.3 Code of ethics**

I was interested to observe how responses differed according to the seniority and position of the respondents. In particular, the respondent working in human resources noted that there was a code of ethics in her workplace, whereas of the other two respondents, one said she didn't know, and one said there was no code of ethics, though all worked in the same hotel.

## **2.2.4 Unfair rosters**

The response to this question was most interesting. The respondent in human resources admitted using constructive dismissals, justifying these as ‘a positive way to encourage a poor performer or trouble-maker that has been helped, and is not going to change’ after the question on ‘unfair rosters or hassling staff to get rid of them’. The less senior respondent noted ‘I’m sure it may happen – it’s even happened to me – long story’, confirming the prevalence of this behaviour in hospitality.

## **2.2.5 Treatment of guests**

All respondents commented on situations in which guests were treated unfairly.

## **2.3 Required changes**

### **2.3.1 Section numbers**

Even three questionnaires were difficult to transcribe. Each section needs a section number (eg 1- alcohol, 2 – smoking etc). There were sufficient comments from three questionnaires to warrant using specialised software such as NVivo to analyse the data, or undertake some form of detailed analysis. The questions have been renumbered into clear sections.

### **2.3.2 Definition of ethics**

One respondent commented that a definition of ethics was required, and in the subsequent discussion, all respondents agreed on this point. However, as there already is a definition, I assume they did not read the instructions, thinking I had explained everything they needed to know. I therefore added ‘see definition on page 1’ the first time the word ‘ethical’ is used.

### **2.3.3 Don’t know**

A ‘don’t know’ box was added to question 21 by respondent C. This extra box has been added to all questions where this state might exist. However, Respondent A’s suggestion for a box explaining why ‘don’t know’ was entered will not be implemented, as this is not considered relevant.

### **2.3.4 'Occasionally' or 'once or twice'**

This is a difficult one. As 'occasionally' means infrequent and irregular behaviour, the number of times may be perceived as being dependent on how often the opportunity arises. For serving alcohol to under-age drinkers, 'occasional' may be perceived as once or twice a shift, a week, or a month, whereas for sexual harassment, 'occasional' may be perceived as once or twice a job. However, altering this question to 'once or twice' should provide a more accurate response than 'occasionally'.

### **2.3.5 'Mostly' or 'generally'**

Respondents thought 'generally' in question 13 was used too loosely. This has therefore been deleted, and the wording changed to be more explicit. Similar adjustments have been made to the questions on perceptions.

### **2.3.6 Job definition**

As each respondent noted that she was an administrator (as opposed to staff, supervisor or manager), this category has been added to the job definitions.

### **2.3.7 Hotel property**

As Respondent C thought that removal of hotel linen from work was unethical, but taking pens was okay, I added a question asking respondents to tick the items they think should not be removed from their workplace for personal use.

### **2.3.8 'Your story'**

This was requested by the respondents, and will be added as an optional section, rather than replacing questions 46- 49 (now question 10), which have been moved to the end.

### **2.3.9 Colleagues, staff, and managers**

Although not raised by the respondents, I felt the definitions of harassers in questions 12, 13 & 14 needed clarification and will alter them as follows:

'Employees of similar rank or status to me' to 'staff who are my colleagues'

'Employees of lower rank or status to me' to 'staff who are not my colleagues'

'Managers who are not my colleagues' to 'employees of higher rank or status than me'

I also amended 'colleagues' to 'staff' in the question about the behaviour of colleagues and managers, as there was inadequate differentiation between these terms.

### **2.3.10 Room numbers or staff numbers**

As some respondents may not know how many employees work in their establishments, question 54 may be incorrectly answered. Using hotel room numbers overcomes this problem. The heading for this section has therefore been changed from staff numbers to hotel (or business operating alongside a hotel), with x rooms'. Questionnaires will not be distributed to non-accommodation operations unless this part of the questionnaire is changed.

### **2.3.11 Simplification of instructions**

Noting that the respondents spent little time reading the instructions, I simplified and shortened these to encourage reading.

### **2.3.12 Simplification of categories**

I changed 'constantly' to 'all the time' as the differentiation between 'constant' and 'frequent' is insufficient.

### **2.3.13 Removal of hotel property**

As the question on removal of hotel property was related to co-workers, I amended this to 'employees', as the relationship to the respondent is not relevant.

## **2.4 Conclusion**

The changes noted above have been made, and a second pilot study will be undertaken with a different convenience sample.

## **2.5 Questionnaire results**

Answers to the demographic questions indicated that they answered the questions as themselves, even though they were instructed not to do this.

However, this was very useful, as I was able to observe the differing responses likely to arise from different positions. Written comments only are presented.

#### **2.5.1 Alcohol (1 – 4)**

No comments

#### **2.5.2 Smoking (5 – 9)**

C I am a smoker myself so it's tricky but admit that the smell – especially cigars is disgusting and is constantly floating through the lobby

#### **2.5.3 Sexual harassment (10 – 20)**

C It's simply not professional or appropriate

#### **2.5.4 Food hygiene (21 – 24)**

C (wrote 'don't know' as extra box for question 21)

I'm sure it does happen but I wouldn't know how often. I've seen it once (presume she means food dropped on the floor)

#### **2.5.5 Supervisors' behaviour (25 – 28)**

B In a positive way to encourage a poor performer or trouble-maker that has been helped, and is not going to change

C I'm sure it may happen – it's even happened to me – long story

#### **2.5.6 Staffing levels (29 - 32)**

B Q30 – just have to do it

It is something that happens, but we don't like happening

C It seems to be a common occurrence in many different hospitality organisations – you are expected to cope

#### **2.5.7 Training (33 – 36)**

C I was given no training and expected to cope – then reprimanded when I couldn't – I couldn't win but I'm still here. It just takes a lot longer to get to

grips with your job.

### **2.5.8 Hotel property (37 – 40)**

C It's tricky – depends what it is – eg pens etc may be okay – but not linen etc.

### **2.5.9 Perceptions (41 – 45)**

B Definition of ethical (needed)

Q44 I'm back of house I would guess it to be agree

### **2.5.10 Open-ended questions (46 – 49)**

#### **Q46 Unethical practices**

C Racism

#### **Q47 Services offered to guests**

B Prostitution I'm not sure but if they have I think it is unethical.

#### **Q48 Unethical treatment of customers**

A No true concern for guests

B Lost luggage, scratched cars. Wait too long for meals, checked into dirty rooms.

C Staff abusing

#### **Q49 Meeting guests' needs**

B Lying

### **2.5.12 Demographic questions (50 – 63)**

C Described herself as a New Zealander, in the European section

## **3 Second pilot study**

The second pilot study was undertaken on 29th April 2003 at The Auckland University of Technology. This study used a class of 29 third year

undergraduate students on the International Bachelor of Hospitality Management programme. Although I knew the students from previous semesters, they were not currently being taught by me.

After presenting a literature review on ethics in hospitality, I asked the students to complete a questionnaire on ethical issues in hospitality, explaining that this was the questionnaire I would use for my doctoral research. I advised them that if anyone did not wish to remain for this part of the class, they were free to go. No-one left.

I explained that I wanted their feedback on the questionnaire more than actual answers, as some of them would have an opportunity to provide these at a later date if they were working in hotels selected for my research. I also explained that for this reason, they did not need to answer for themselves, but as a fictitious person, in case they did not feel comfortable answering the questions.

### **3.1 Questionnaires and discussion**

Comments from the discussion after the questionnaires were completed were:

A Canadian student was not sure what his ethnicity was, as he was not European according to his definition. Question 11.8 will be altered to include European (Caucasian) instead of European.

One student asked why there were three gender options: male, female, and other. I explained that this enabled transsexuals to declare their sexual status more accurately than if only two options were given.

A Chinese student felt that racism should have been covered in the ethical issues. This had been considered earlier, but had not arisen as either significant or peculiar to hospitality in previous research.

One student felt that training was not a matter of ethics. However, this question will be retained in order to gauge the pressure on staff to maintain standards without appropriate direction, and to determine whether poor training is perceived as an ethical issue.

## **3.2 Observations and recommendations**

### **3.2.1 Counselling**

Students were also asked if they thought any of the questions unsettled them in any way, or if they felt they needed to talk to a counsellor. I explained that the AUT counselling service was available to them, but no-one seemed to think there was any sensitivity about the questions. Never-the-less, I asked them to email me or see me privately, if they felt that some students or hotel staff might need counselling services after completing the questions. No-one came forward with this comment, so it is reasonable to assume they did not have a problem.

### **3.2.2 Time for completion**

Finishing times for the first half were:

10 minutes	1
11	2
11.5	3
13	4
14	5 - 10
15	11 – 14 (half the sample)

Students were stopped after 20 minutes and the remaining questionnaires collected. Clearly the questionnaire is long, and some respondents might not wish to complete it. However, this is a risk I prefer to take, as the comprehensive demographic section will provide a wealth of data.

## **3.3 Required changes**

Except those noted in Section 1.3, no further changes were considered necessary.

## **3.4 Conclusion**

No further changes are required. The questionnaire is now ready for the main data collection.

## **3.5 Results**

Students were asked by show of hands, whether or not they answered as

themselves, or as a fictitious person. As they all answered as themselves, the results were considered valid, and were analysed using SPSS. Quantitative data are not presented here, but written comments from the questionnaires are in this appendix.

### 3.5.1 Quantitative data

Sample results only are presented, as these were given to the General Managers of prospective cooperating businesses, to help them understand possible outcomes of the study. Of 29 respondents participating in the second pilot study, there were 28 valid responses, the results of which are sampled below.

#### 3.6 I have been sexually harassed by customers

Never	16	57%
Once or twice	8	29%
Commonly	1	3.5%
Frequently	2	7%
All the time	1	3.5%
	28	100%

#### 5.2 In the past 12 months at my workplace, writing unfair rosters and hassling staff to get them to leave has been

Standard practice	2	7%
Encouraged	2	7%
Allowed	7	25%
Not allowed	10	36%
Something management is actively trying to stop	0	0%
(missing)	1	3.5%
Don't know	6	21.5%
	28	100%

#### 7.1 In the past 12 months at my workplace, some staff have had to work without proper training

Never	2	7%
Once or twice	7	25%
Commonly	5	18%
Frequently	7	25%
All the time	5	18%
(missing)	1	3.5%
Don't know	1	3.5%
	28	100%

8.1 It is okay to take the following items home for personal use without asking management

	Yes	%
Pens	21	75%
Alcohol	1	3.5%
Food (not left-overs)	1	3.5%
Food (left-overs)	20	71.5%
Soap	9	32%
Paper	16	57%
Money	0	0
Cleaning products	4	14%
Toilet paper	9	32%
Towels	4	14%
Vehicles (even if they are returned)	0	0

### 3.5.2 Qualitative data

2/3 (i.e. Pilot Study 2, Respondent 3)

Not aware of any

10.3 Customers that don't speak English

2/5

10.4 The customer have to order four times before they got served

2/6

Health reasons as well as other customers (eg children) are affected

Just about how they looked behaved

4.4 It's about serving people just like you. If you want to get treated with respect you as a worker should do the same.

6.4 Because of that one person, other employees have to go through greater amount of stress at work, without getting paid more. This is unfair.

7.4 Employers need to provide training in order to assess their employees' attitudes properly and fairly. Without proper training, one who had training will be far more better than those who had no training. This will affect the performance assessment and will assess individuals unfairly

10.1 Rostering, favouritism

10.2 Calling people by their nationality

10.3 Calling them / talking about them by making comments on how they look or on their names

C Chefs calling names just because of my physical appearance / nationality  
(*Korean female, 20 – 24*)

2/7

Puts extra pressure on those staff that are there causing unnecessary stress

Depends on the type of job they are required to do

10.1 Management has fought with certain members of staff over trivial things to get them to leave

10.2 Not aware of anything

10.3 Regular customers that are known to be rude are served badly

10.4 Not aware of anything

2/9

10.1 Hiring staff, saying they will get training. When they start work management doesn't give proper training. New employees don't work till required standard then don't get given shifts.

10.2 Giving alcohol to customers after alcohol has been stopped serving, especially if it is a bar tab.

10.3 Ignored so they leave

2/10

10.1 Lack of training and communication at times

10.4 Free drinks

C When work is finished, staff often have a few drinks, including manager of

bar, without paying, even though this is technically unethical as the club states this should not happen. Also occasionally a few patrons remain and we serve drinks past the alcohol licence time of 12.30 am when it expires.

2/12

- 2.5 They do not know how much risk they put others in. Second hand smoke actually kills! Customers who smoke think that we have the choice but we don't
- 4.4 For a 5 star hotel to serve food that has dropped on the floor is unethical to me because it means that they are not practising what they preaches.
- 7.4 They expect you to just pick it up. Some people might be a bit slow and it actually put all the other staff members at more trouble.
- 10.1 Lie to an employee who does not appear to perform up to the standard. Telling her that it's a quiet week and no shifts for her.

2/13

- 2.2 It posed second-hand smoke risks to employees
- 4.5 Customers should get what they pay for
- 5.4 Either give them warnings and talk it out than playing tricks on people
- 6.4 Why should the other staff work extra for no extra money to cover those lazy asses
- 7.4 It is putting both untrained staff and existing staff in frustration. Not fair for both.
- 8.5 Some people don't take it home, just either drink / eat on site.
- 10.1 Most will get some employees to work more than 6 days in a row and without giving them a time and a half for the 7<sup>th</sup>, 8<sup>th</sup> etc days, just because management know the employees need the money to survive.
- 10.2 This customer wants port and cigar for part of their meal and want the

cashiers to have them put under other names so the company will not get suspicious

10.3 Busy night and tell them there is not table, whereas there are some uncleared tables available. When the guests come in near closing time, then treat them like they are not welcome.

2/15

4.4 Unethical and unhygienic

10.1 Blaming other people for own unethical behaviour

10.2 Non customer is the king even if some services may be considered as unethical that can be provided (are expected to be provided) as long as they are not unethical

2/16

1.4 It is strange to me that why they are allowed to consume alcohol but not allow to purchase. And why their parents sometimes encourage them.

10.1 Not fulfilling promises, unfair treatment, sexual jokes.

C I return to full-time work on the basis that the manager promises me that I will be promoted within 3 months. In order for me to do full-time work, I would have to give up part of my study which costed me approx \$1000. During the time before I had enough, I was working in a position that my pay does not reflect. I was getting pay as a junior staff while working as a duty manager. I complained after the delay of the promotion to the manager and he simply ignored and told me to keep waiting. Conflict arises and eventually I felt hard done by and resigned.

2/17

1.4 Under-age drinkers cannot control themselves when they are drunk

10.1 Treated badly to those English as a 2<sup>nd</sup> language (who speaks poor English)

10.2 Keep pointing and picking on a particular waitress to serve him (customer)

10.3 Purposely ignore / avoid customers' request if they customers are 'shit'

10.4 Can't recall any...

2/18

7.4 Sometimes working with people who are not trained or do not know how to do things causes problems

10.1 Yelling for getting orders wrong

10.3 Flirting / teasing

10.4 Giving extra food below cost

2/19

10.1 More working hours without overtime pay

10.2 Badly complain on the produce, service and staff

2/21

10.1 Rosters that get staff to leave are common

10.2 Under-age drinkers try to get drinks

10.3 They get drunk so we tell them to piss off

2/22

1.4 It is something education should be addressing, not all the responsibility should be placed on bar people, they are only doing a job

2.5 Designated areas of the mentioned work places should be set up

4.4 People pay for food, if it has been dropped on the floor they should know before they eat it

5.4 Makes me mad the way management thinks they can play god with our lives!

6.4 Puts more pressure on all of us for what?

7.4 Management are too stupid to implement proper training programmes. Every new staff member is not trained properly.

10.1 Constructive dismissal

10.2 Prostitutes, strip clubs, drug dealing

10.3 Staff throwing laundry at guests, employees watching tv in guest cars

10.4 Porters being made to move guest luggage when it wasn't packed so the porter has to pack it

2/23

1.4 It is against the law

10.1 Supervisors hassling staff

10.3 Swearing in front of customers

10.4 Serving drink people alcohol

2/24

5.4 It's a standard practice at some 5 star hotels

7.4 It is also a standard practice for the hotel mentioned previously for banquet department of not giving any training at all

8.5 Everybody does it and it is something that can not be stopped. Efforts of trying to stop it is pointless it would be better to open to some items allowed to take home

10.1 Not giving any training to new employees but asking them to suffer the consequences

Recruiting enormous amount of inappropriate employees with no training given

Management recruiting system is terrible and extremely inefficient

10.3 Food hygiene does not apply under stressful working conditions. Efficiency comes first. There's no quality of service in banquet department

2/25

10.1 Unethical or illegal treatment – ie not giving the meal break or 10 minutes break for 8 hours staff.

Unfair issues could be arised from the workload in comparison to male and female

10.2 Asking for more alcohol since they said their glasses have been cleared from the table but the glasses is not empty at all.

2/26

1.4 Employees should know to ID people

10.1 If a manager tells you the problems she has with other staff members

10.3 Out the back talking about the customers, criticising

2/27

1.4 Against the law – fines involved – also not safe as under-agers don't usually exercise control

2.5 Bad health issues but bad for business if not allowed

4.4 Bad hygiene – cause illness

5.4 If they need to go – they need to go

6.4 If they can do it, and cope with it

7.4 They have to learn somehow. Throw them in the deep end and see if they

swim

8.5 If they can, they will

10.1 Constructive dismissal, free alcohol

10.2 Free drinks, free entry

10.3 Sprayed with coke hose, told to fuck off

10.4 Walking off

2/29

10.1 Lack of training and being expected to carry out tasks

## Appendix C: Questionnaire and questions

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## **1 Overview**

This appendix contains the questionnaires used in the main collection, MC/1, MC/2 and MC/3, as well as a schedule of questions. Part A is common to each of these questionnaires, but some changes were made to Part B in MC/2 and MC/3. Information Sheets used for both hospitality and student collections are also included.

MC/1 was used for questionnaires 1 – 115 inclusive, which were distributed in hotels in Auckland.

MC/2 was used for questionnaires 116 – 346, as the collection was extended to include bars, night-clubs, and AUT students. Some changes were made to Part B to provide more detail on the ages, length of service, and industry experience of participants.

MC/3 was used for questionnaires 347 – 534, and extended to provide more detail on the workplace type of respondents.

A different Information Sheet was given to ensure students providing slightly different information, and ensuring they were fully informed of their right to decline participation.

For a more detailed explanation of the differences between MC/1, MC/2 and MC/3, see Chapter 5, Section 3.4.

## **2 Schedule of questions**

### **Part A**

#### **1.1 Alcohol**

- 1.1 Alcohol was sold to under-age drinkers (frequency)
- 1.2 Selling alcohol to under-age drinkers has been (tolerance)
- 1.3 Selling alcohol to under-age drinkers is wrong (ethical perception)

#### **1.2 Smoking**

- 2.1 I have had to work where people smoke (frequency)
- 2.2 I can choose whether or not to work where people smoke
- 2.3 It's okay with me if people want to smoke where I work
- 2.4 It's wrong (unethical) for people to smoke where other people work (ethical position)

#### **1.3 Sexual harassment**

##### **(unwanted behaviour of a sexual nature)**

- 3.1 I have been sexually harassed at my workplace
- 3.2 It's okay (ethical) for customers to make sexual jokes and tease the staff
- 3.3 I have been sexually harassed by employees of the same status as me
- 3.4 I have been sexually harassed by employees of lower rank or status than me
- 3.5 I have been sexually harassed by employees of higher rank or status than me
- 3.6 I have been sexually harassed by customers
- 3.7 I have sexually harassed employees of the same rank or status as me
- 3.8 I have sexually harassed employees of lower rank or status than me
- 3.9 I have sexually harassed employees of higher rank or status than me
- 3.10 I have sexually harassed customers

#### **1.4 Food hygiene**

- 4.1 Food has been served to customers after it was dropped on the floor (frequency)
- 4.2 Serving food to customers after it was dropped on the floor has been (tolerance)
- 4.3 Serving customers food that has been dropped on the floor is wrong (ethical position)

#### **1.5 Supervisors' behaviour**

- 5.1 Supervisors have written unfair rosters or hassled staff to get rid of them (frequency)
- 5.2 Writing unfair rosters and hassling staff to get them to leave has been (tolerance)
- 5.3 Writing unfair rosters and hassling staff to get them to leave is wrong (ethical position)

## **1.6 Staffing levels**

- 6.1 If someone calls in sick or can't work their shift, we have had to manage without replacement staff (frequency)
- 6.2 Trying to manage without replacements when staff can't work their shift has been (tolerance)
- 6.3 Asking staff to manage without replacements when other staff can't work is wrong (ethical position)

## **1.7 Training**

- 7.1 Some staff have had to work without proper training (frequency)
- 7.2 Staff working without proper training has been (tolerance)
- 7.3 Asking staff to work without proper training is wrong (ethical position)

## **1.8 Hotel property**

- 8.1 It is okay to take the following items home for personal use without asking management: pens, alcohol, food (not leftovers), food (leftovers), soap, paper, money, cleaning products, toilet paper, towels, vehicles (ethical position)
- 8.2 Taking any hotel property home for personal use, without asking, is wrong (ethical position)
- 8.3 Some employees have taken hotel property home for their personal use, without asking (frequency)
- 8.4 Taking hotel property home for personal use, without asking, has been (tolerance)

## **1.9 Perceptions and ethical comfort**

- 9.1 I think my behaviour has been mostly ethical
- 9.2 I think the staff's behaviour has been mostly ethical
- 9.3 I think management's behaviour has been mostly ethical
- 9.4 I think the customers' behaviour has been mostly ethical
- 9.5 I have felt comfortable with the ethical standards

## **1.10 Written comments**

- 10.1 Unethical personnel practices
- 10.2 Services offered to guests
- 10.3 Unethical treatment of customers
- 10.4 Meeting guests' needs

## **Part B**

- 11.1 What department do you work in most
- 11.2 What is your main position
- 11.3 How many years have you been working in the hospitality industry?
- 11.4 How many years have you been in this job?
- 11.5 What is your hourly pay (before tax)?
- 11.6 How would you describe your employment?
- 11.7 If you are not full-time, what is your main occupation?
- 11.8 What best describes your ethnicity, or race?
- 11.9 What sex are you?

- 11.10 How old are you?
- 11.11 What is your highest qualification?
- 12.1 Is there a Code of Ethics at your workplace?
- 12.2 If yes, how do you know there is a Code of Ethics in your workplace?
- 12.3 What best describes the hotel (or business operating with a hotel) where you work?
- 12.4 What is the best way to describe your workplace?

### 3 Questionnaire one (MC/1)

#### QUESTIONNAIRE ABOUT BEHAVIOUR IN HOSPITALITY WORKPLACES

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#### QUESTIONNAIRE

If you don't want to answer a question, just go to the next one. Part A is about issues that may come up at work, Part B is about you and your workplace, and Part C is for your own comments.

**Ethical behaviour is usually defined as behaviour that does not harm anyone**

##### Part A

1 Alcohol

1.1 In the past 12 months at my workplace, alcohol was sold to under-age drinkers

Never	<input type="checkbox"/>
Once or twice	<input type="checkbox"/>
Commonly	<input type="checkbox"/>
Frequently	<input type="checkbox"/>
All the time	<input type="checkbox"/>
Does not apply	<input type="checkbox"/>
Don't know	<input type="checkbox"/>

1.2 In the past 12 months at my workplace, selling alcohol to under-age drinkers has been

Standard practice	<input type="checkbox"/>
Encouraged	<input type="checkbox"/>
Allowed	<input type="checkbox"/>
Not allowed	<input type="checkbox"/>
Something management is actively trying to stop	<input type="checkbox"/>
Does not apply	<input type="checkbox"/>
Don't know	<input type="checkbox"/>

1.3 Selling alcohol to under-age drinkers is wrong (unethical)

Strongly agree	<input type="checkbox"/>
Agree	<input type="checkbox"/>
Neutral	<input type="checkbox"/>
Disagree	<input type="checkbox"/>
Strongly disagree	<input type="checkbox"/>

1.4 Comments

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2 Smoking

2.1 In the past 12 months at my workplace, I have had to work where people smoke

Never	<input type="checkbox"/>
Once or twice	<input type="checkbox"/>
Commonly	<input type="checkbox"/>
Frequently	<input type="checkbox"/>
All the time	<input type="checkbox"/>
Does not apply	<input type="checkbox"/>

2.2 I can choose whether or not to work where people smoke

Strongly agree	<input type="checkbox"/>
Agree	<input type="checkbox"/>
Disagree	<input type="checkbox"/>
Strongly disagree	<input type="checkbox"/>
Don't know	<input type="checkbox"/>

2.3 It's okay with me if people want to smoke where I work

Strongly agree	<input type="checkbox"/>
Agree	<input type="checkbox"/>
Neutral	<input type="checkbox"/>
Disagree	<input type="checkbox"/>
Strongly disagree	<input type="checkbox"/>

2.4 It's wrong (unethical) for people to smoke where other people work

Strongly agree	<input type="checkbox"/>
Agree	<input type="checkbox"/>
Neutral	<input type="checkbox"/>
Disagree	<input type="checkbox"/>
Strongly disagree	<input type="checkbox"/>

2.5 Comments

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3 Sexual harassment (unwanted behaviour of a sexual nature)

3.1 I have been sexually harassed in the past 12 months at my workplace

Never	<input type="checkbox"/>
Once or twice	<input type="checkbox"/>
Commonly	<input type="checkbox"/>
Frequently	<input type="checkbox"/>
All the time	<input type="checkbox"/>

3.2 It's okay (ethical) for customers to make sexual jokes and tease the staff

Strongly agree	<input type="checkbox"/>
Agree	<input type="checkbox"/>
Neutral	<input type="checkbox"/>
Disagree	<input type="checkbox"/>
Strongly disagree	<input type="checkbox"/>

If you think you have been sexually harassed, answer the next four questions as they relate to the past 12 months at your workplace.

3.3 I have been sexually harassed by employees of the same status as me (eg my colleagues, or the people I work with)

Never	<input type="checkbox"/>
Once or twice	<input type="checkbox"/>
Commonly	<input type="checkbox"/>
Frequently	<input type="checkbox"/>
All the time	<input type="checkbox"/>

3.4 I have been sexually harassed by employees of lower rank or status than me (eg my juniors)

Never	<input type="checkbox"/>
Once or twice	<input type="checkbox"/>
Commonly	<input type="checkbox"/>
Frequently	<input type="checkbox"/>
All the time	<input type="checkbox"/>

3.5 I have been sexually harassed by employees of higher rank or status than me (eg my supervisors or managers)

Never	<input type="checkbox"/>
Once or twice	<input type="checkbox"/>
Commonly	<input type="checkbox"/>
Frequently	<input type="checkbox"/>
All the time	<input type="checkbox"/>

3.6 I have been sexually harassed by customers

Never	<input type="checkbox"/>
Once or twice	<input type="checkbox"/>
Commonly	<input type="checkbox"/>
Frequently	<input type="checkbox"/>
All the time	<input type="checkbox"/>

If you think you have sexually harassed someone, answer the next four questions as they relate to the past 12 months at your workplace.

3.7 I have sexually harassed employees of the same rank or status as me (eg my colleagues, or the people I work with)

Never	<input type="checkbox"/>
Once or twice	<input type="checkbox"/>
Commonly	<input type="checkbox"/>
Frequently	<input type="checkbox"/>
All the time	<input type="checkbox"/>

3.8 I have sexually harassed employees of lower rank or status than me (eg my juniors)

Never	<input type="checkbox"/>
Once or twice	<input type="checkbox"/>
Commonly	<input type="checkbox"/>
Frequently	<input type="checkbox"/>
All the time	<input type="checkbox"/>

3.9 I have sexually harassed employees of higher rank or status than me (eg my supervisors or managers)

Never	<input type="checkbox"/>
Once or twice	<input type="checkbox"/>
Commonly	<input type="checkbox"/>
Frequently	<input type="checkbox"/>
All the time	<input type="checkbox"/>

3.10 I have sexually harassed customers

Never	<input type="checkbox"/>
Once or twice	<input type="checkbox"/>
Commonly	<input type="checkbox"/>
Frequently	<input type="checkbox"/>
All the time	<input type="checkbox"/>

3.11 Comments

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4 Food hygiene

4.1 In the past 12 months at my workplace, food has been served to customers after it was dropped on the floor

Never	<input type="checkbox"/>
Once or twice	<input type="checkbox"/>
Commonly	<input type="checkbox"/>
Frequently	<input type="checkbox"/>
All the time	<input type="checkbox"/>
Does not apply	<input type="checkbox"/>
Don't know	<input type="checkbox"/>

4.2 In the past 12 months at my workplace, serving food to customers after it was dropped on the floor has been

- Standard practice
- Encouraged
- Allowed
- Not allowed
- Something management is actively trying to stop
- Does not apply
- Don't know

4.3 Serving customers food that has been dropped on the floor is wrong (unethical)

- Strongly agree
- Agree
- Neutral
- Disagree
- Strongly disagree

4.4 Comments

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5 Supervisors' behaviour

5.1 In the past 12 months at my workplace, supervisors have written unfair rosters or hassled staff to get rid of them

- Never
- Once or twice
- Commonly
- Frequently
- All the time
- Does not apply
- Don't know

5.2 In the past 12 months at my workplace, writing unfair rosters and hassling staff to get them to leave has been

- Standard practice
- Encouraged
- Allowed
- Not allowed
- Something management is actively trying to stop
- Does not apply
- Don't know

5.3 Writing unfair rosters and hassling staff to get them to leave is wrong (unethical)

- Strongly agree
- Agree
- Neutral
- Disagree
- Strongly disagree

5.4 Comments

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6 Staffing levels

6.1 In the past 12 months at my workplace, if someone calls in sick or can't work their shift, we have had to manage without replacement staff

Never	<input type="checkbox"/>
Once or twice	<input type="checkbox"/>
Commonly	<input type="checkbox"/>
Frequently	<input type="checkbox"/>
All the time	<input type="checkbox"/>
Does not apply	<input type="checkbox"/>
Don't know	<input type="checkbox"/>

6.2 In the past 12 months at my workplace, trying to manage without replacements when staff can't work their shift has been

Standard practice	<input type="checkbox"/>
Encouraged	<input type="checkbox"/>
Allowed	<input type="checkbox"/>
Not allowed	<input type="checkbox"/>
Something management is actively trying to stop	<input type="checkbox"/>
Does not apply	<input type="checkbox"/>
Don't know	<input type="checkbox"/>

6.3 Asking staff to manage without replacements when other staff can't work is wrong (unethical)

Strongly agree	<input type="checkbox"/>
Agree	<input type="checkbox"/>
Neutral	<input type="checkbox"/>
Disagree	<input type="checkbox"/>
Strongly disagree	<input type="checkbox"/>

6.4 Comments

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7 Training

7.1 In the past 12 months at my workplace, some staff have had to work without proper training

Never	<input type="checkbox"/>
Once or twice	<input type="checkbox"/>
Commonly	<input type="checkbox"/>
Frequently	<input type="checkbox"/>
All the time	<input type="checkbox"/>
Does not apply	<input type="checkbox"/>
Don't know	<input type="checkbox"/>

7.2 In the past 12 months at my workplace, staff working without proper training has been

Standard practice	<input type="checkbox"/>
Encouraged	<input type="checkbox"/>
Allowed	<input type="checkbox"/>
Not allowed	<input type="checkbox"/>
Something management is actively trying to stop	<input type="checkbox"/>
Does not apply	<input type="checkbox"/>
Don't know	<input type="checkbox"/>

7.3 Asking staff to work without proper training is wrong (unethical)

Strongly agree	<input type="checkbox"/>
Agree	<input type="checkbox"/>
Neutral	<input type="checkbox"/>
Disagree	<input type="checkbox"/>
Strongly disagree	<input type="checkbox"/>

7.4 Comments

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8 Hotel property

8.1 It is okay to take the following items home for personal use without asking management (tick those you think it is okay to take home)

	Yes
Pens	<input type="checkbox"/>
Alcohol	<input type="checkbox"/>
Food (not left-overs)	<input type="checkbox"/>
Food (left-overs)	<input type="checkbox"/>
Soap	<input type="checkbox"/>
Paper	<input type="checkbox"/>
Money	<input type="checkbox"/>
Cleaning products	<input type="checkbox"/>
Toilet paper	<input type="checkbox"/>
Towels	<input type="checkbox"/>
Vehicles (even if they are returned)	<input type="checkbox"/>

8.2 Taking any hotel property home for personal use, without asking, is wrong (unethical)

Strongly agree	<input type="checkbox"/>
Agree	<input type="checkbox"/>
Neutral	<input type="checkbox"/>
Disagree	<input type="checkbox"/>
Strongly disagree	<input type="checkbox"/>

8.3 In the past 12 months at my workplace, some employees have taken hotel property home for their personal use, without asking

Never	<input type="checkbox"/>
Once or twice	<input type="checkbox"/>
Commonly	<input type="checkbox"/>
Frequently	<input type="checkbox"/>
All the time	<input type="checkbox"/>
Does not apply	<input type="checkbox"/>
Don't know	<input type="checkbox"/>

8.4 In the past 12 months at my workplace, taking hotel property home for personal use, without asking, has been

Standard practice	<input type="checkbox"/>
Encouraged	<input type="checkbox"/>
Allowed	<input type="checkbox"/>
Not allowed	<input type="checkbox"/>
Something management is actively trying to stop	<input type="checkbox"/>
Does not apply	<input type="checkbox"/>
Don't know	<input type="checkbox"/>

8.5 Comments

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9 Perceptions

**Ethical behaviour is usually defined as behaviour that does not hurt anyone**

9.1 In the past 12 months at my workplace I think my behaviour has been mostly ethical

Strongly agree	<input type="checkbox"/>
Agree	<input type="checkbox"/>
Disagree	<input type="checkbox"/>
Strongly disagree	<input type="checkbox"/>

9.2 In the past 12 months at my workplace I think the staff's behaviour has been mostly ethical

Strongly agree	<input type="checkbox"/>
Agree	<input type="checkbox"/>
Disagree	<input type="checkbox"/>
Strongly disagree	<input type="checkbox"/>
Don't know	<input type="checkbox"/>

9.3 In the past 12 months at my workplace I think management's behaviour has been mostly ethical

Strongly agree	<input type="checkbox"/>
Agree	<input type="checkbox"/>
Disagree	<input type="checkbox"/>
Strongly disagree	<input type="checkbox"/>
Don't know	<input type="checkbox"/>

9.4 In the past 12 months at my workplace I think the customers' behaviour has been mostly ethical

Strongly agree  
Agree  
Disagree  
Strongly disagree  
Don't know


9.5 In the past 12 months at my workplace, I have felt comfortable with the ethical standards

Strongly agree  
Agree  
Disagree  
Strongly disagree  
Don't know


10 Your comments

10.1 Unethical personnel practices

Some workplaces treat their employees badly. Please comment on any unfair, unethical or illegal treatment of employees that you have been aware of in your workplace in the past 12 months.

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10.2 Services offered to guests

Some customers want products and services that might be considered unethical. What products and services have your workplace helped customers with in the past 12 months, that you think are unethical?

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10.3 Unethical treatment of customers

Sometimes customers are treated badly. Give some examples of poor treatment of customers that you have been aware of in the past 12 months in your workplace.

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#### 10.4 Meeting guests' needs

Sometimes the pressure of trying to please customers makes staff, supervisors, or even the customers behave unethically. What sort of unethical behaviour has occurred in your workplace in the past 12 months at your workplace in order to please customers?

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### Part B

11.1 What department do you work in most (tick one)?

Administration or finance	<input type="checkbox"/>	
Engineering or maintenance	<input type="checkbox"/>	
Food and beverage	<input type="checkbox"/>	
Front office	<input type="checkbox"/>	
Human resources	<input type="checkbox"/>	
Rooms (includes housekeeping)	<input type="checkbox"/>	
Sales and marketing	<input type="checkbox"/>	
Other (specify)	<input type="checkbox"/>	

11.2 What is your main position (tick one)?

Staff	<input type="checkbox"/>	
Supervisor	<input type="checkbox"/>	
Manager	<input type="checkbox"/>	
Administrator	<input type="checkbox"/>	
Other (specify)	<input type="checkbox"/>	

11.3 How long have you been working in the hospitality industry?

Under 5 years	<input type="checkbox"/>
5 – 10 years	<input type="checkbox"/>
11 – 20 years	<input type="checkbox"/>
21 years or more	<input type="checkbox"/>

11.4 How long have you been in this job?

Under 5 years	<input type="checkbox"/>
5 - 10 years	<input type="checkbox"/>
11 – 20 years	<input type="checkbox"/>
21 years or more	<input type="checkbox"/>

11.5 What is your pay (before tax)?

Under \$10 an hour	<input type="checkbox"/>
\$10 - \$14.95 an hour	<input type="checkbox"/>
\$15 – \$19.95 an hour	<input type="checkbox"/>
\$20 - \$24.95 an hour	<input type="checkbox"/>
\$25 or more an hour	<input type="checkbox"/>

11.6 How would you describe your employment (tick one)?

Casual (ie irregular)	<input type="checkbox"/>
Part-time (ie regular work)	<input type="checkbox"/>
Full-time (ie 40 hours weekly)	<input type="checkbox"/>
Salaried (ie always same pay)	<input type="checkbox"/>
Don't know	<input type="checkbox"/>

11.7 If you are not full-time, what is your main occupation?

Other hospitality work	<input type="checkbox"/>
Other casual or part-time work	<input type="checkbox"/>
Other full-time work	<input type="checkbox"/>
Care-giver (for child or other)	<input type="checkbox"/>
No other work	<input type="checkbox"/>
Self-employed	<input type="checkbox"/>
Student	<input type="checkbox"/>
Does not apply	<input type="checkbox"/>

11.8 What best describes your ethnicity, or race?

European (specify)	<input type="checkbox"/>	<input type="text"/>
Indian (specify)	<input type="checkbox"/>	<input type="text"/>
NZ Maori	<input type="checkbox"/>	<input type="text"/>
Pacific Islander (specify)	<input type="checkbox"/>	<input type="text"/>
South East Asian (specify)	<input type="checkbox"/>	<input type="text"/>
Other (specify)	<input type="checkbox"/>	<input type="text"/>

11.9 What sex are you?

Female	<input type="checkbox"/>	
Male	<input type="checkbox"/>	
Other (specify)	<input type="checkbox"/>	<input type="text"/>

11.10 How old are you?

Up to 19 years old	<input type="checkbox"/>
20 – 24 years	<input type="checkbox"/>
25 – 29 years	<input type="checkbox"/>
30 – 34 years	<input type="checkbox"/>
35 – 39 years	<input type="checkbox"/>
40 – 54 years	<input type="checkbox"/>
55 years or over	<input type="checkbox"/>

11.11 What is your highest qualification?

Nothing formal	<input type="checkbox"/>	
School Certificate or equivalent	<input type="checkbox"/>	
Bursary or equivalent	<input type="checkbox"/>	
Bachelor's degree	<input type="checkbox"/>	
Post-graduate (specify)	<input type="checkbox"/>	<input type="text"/>

12.1 Is there a Code of Ethics at your workplace?

Yes	<input type="checkbox"/>
No	<input type="checkbox"/>
Don't know	<input type="checkbox"/>

12.2 If you answered yes to the previous question, how do you know there is a Code of Ethics in your workplace?

I asked for a copy	<input type="checkbox"/>
I was given my own copy	<input type="checkbox"/>
I heard about it during training	<input type="checkbox"/>
I saw it at work	<input type="checkbox"/>
Someone told me about it	<input type="checkbox"/>
Other (specify)	<input type="checkbox"/>
Does not apply	<input type="checkbox"/>

12.3 What best describes the hotel (or business operating with a hotel) where you work?

Up to 250 rooms	<input type="checkbox"/>
250 – 349 rooms	<input type="checkbox"/>
350 rooms or more	<input type="checkbox"/>
Does not apply	<input type="checkbox"/>
Don't know	<input type="checkbox"/>

12.4 What is the star rating (quality) of the hotel (or business operating with a hotel) where you work?

1 *	<input type="checkbox"/>
2 **	<input type="checkbox"/>
3 ***	<input type="checkbox"/>
4 ****	<input type="checkbox"/>
5 *****	<input type="checkbox"/>
Does not apply	<input type="checkbox"/>
Don't know	<input type="checkbox"/>



## 4 Questionnaire two (MC/2)

### QUESTIONNAIRE ABOUT BEHAVIOUR IN HOSPITALITY WORKPLACES

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#### QUESTIONNAIRE

If you don't want to answer a question, just go to the next one. Part A is about issues that may come up at work, Part B is about you and your workplace, and Part C is for your own comments.

**Ethical behaviour is usually defined as behaviour that does not harm anyone**

#### Part A

1 Alcohol

1.1 In the past 12 months at my workplace, alcohol was sold to under-age drinkers

Never	<input type="checkbox"/>
Once or twice	<input type="checkbox"/>
Commonly	<input type="checkbox"/>
Frequently	<input type="checkbox"/>
All the time	<input type="checkbox"/>
Does not apply	<input type="checkbox"/>
Don't know	<input type="checkbox"/>

1.2 In the past 12 months at my workplace, selling alcohol to under-age drinkers has been

Standard practice	<input type="checkbox"/>
Encouraged	<input type="checkbox"/>
Allowed	<input type="checkbox"/>
Not allowed	<input type="checkbox"/>
Something management is actively trying to stop	<input type="checkbox"/>
Does not apply	<input type="checkbox"/>
Don't know	<input type="checkbox"/>

1.3 Selling alcohol to under-age drinkers is wrong (unethical)

Strongly agree	<input type="checkbox"/>
Agree	<input type="checkbox"/>
Neutral	<input type="checkbox"/>
Disagree	<input type="checkbox"/>
Strongly disagree	<input type="checkbox"/>

1.4 Comments

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2 Smoking

2.1 In the past 12 months at my workplace, I have had to work where people smoke

Never	<input type="checkbox"/>
Once or twice	<input type="checkbox"/>
Commonly	<input type="checkbox"/>
Frequently	<input type="checkbox"/>
All the time	<input type="checkbox"/>
Does not apply	<input type="checkbox"/>

2.2 I can choose whether or not to work where people smoke

Strongly agree	<input type="checkbox"/>
Agree	<input type="checkbox"/>
Disagree	<input type="checkbox"/>
Strongly disagree	<input type="checkbox"/>
Don't know	<input type="checkbox"/>

2.3 It's okay with me if people want to smoke where I work

Strongly agree	<input type="checkbox"/>
Agree	<input type="checkbox"/>
Neutral	<input type="checkbox"/>
Disagree	<input type="checkbox"/>
Strongly disagree	<input type="checkbox"/>

2.4 It's wrong (unethical) for people to smoke where other people work

Strongly agree	<input type="checkbox"/>
Agree	<input type="checkbox"/>
Neutral	<input type="checkbox"/>
Disagree	<input type="checkbox"/>
Strongly disagree	<input type="checkbox"/>

2.5 Comments

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- 3 Sexual harassment (unwanted behaviour of a sexual nature)  
3.1 I have been sexually harassed in the past 12 months at my workplace

Never	<input type="checkbox"/>
Once or twice	<input type="checkbox"/>
Commonly	<input type="checkbox"/>
Frequently	<input type="checkbox"/>
All the time	<input type="checkbox"/>

- 3.2 It's okay (ethical) for customers to make sexual jokes and tease the staff

Strongly agree	<input type="checkbox"/>
Agree	<input type="checkbox"/>
Neutral	<input type="checkbox"/>
Disagree	<input type="checkbox"/>
Strongly disagree	<input type="checkbox"/>

If you think you have been sexually harassed, answer the next four questions as they relate to the past 12 months at your workplace.

- 3.3 I have been sexually harassed by employees of the same status as me (eg my colleagues, or the people I work with)

Never	<input type="checkbox"/>
Once or twice	<input type="checkbox"/>
Commonly	<input type="checkbox"/>
Frequently	<input type="checkbox"/>
All the time	<input type="checkbox"/>

- 3.4 I have been sexually harassed by employees of lower rank or status than me (eg my juniors)

Never	<input type="checkbox"/>
Once or twice	<input type="checkbox"/>
Commonly	<input type="checkbox"/>
Frequently	<input type="checkbox"/>
All the time	<input type="checkbox"/>

- 3.5 I have been sexually harassed by employees of higher rank or status than me (eg my supervisors or managers)

Never	<input type="checkbox"/>
Once or twice	<input type="checkbox"/>
Commonly	<input type="checkbox"/>
Frequently	<input type="checkbox"/>
All the time	<input type="checkbox"/>

- 3.6 I have been sexually harassed by customers

Never	<input type="checkbox"/>
Once or twice	<input type="checkbox"/>
Commonly	<input type="checkbox"/>
Frequently	<input type="checkbox"/>
All the time	<input type="checkbox"/>

If you think you have sexually harassed someone, answer the next four questions as they relate to the past 12 months at your workplace.

3.7 I have sexually harassed employees of the same rank or status as me (eg my colleagues, or the people I work with)

Never	<input type="checkbox"/>
Once or twice	<input type="checkbox"/>
Commonly	<input type="checkbox"/>
Frequently	<input type="checkbox"/>
All the time	<input type="checkbox"/>

3.8 I have sexually harassed employees of lower rank or status than me (eg my juniors)

Never	<input type="checkbox"/>
Once or twice	<input type="checkbox"/>
Commonly	<input type="checkbox"/>
Frequently	<input type="checkbox"/>
All the time	<input type="checkbox"/>

3.9 I have sexually harassed employees of higher rank or status than me (eg my supervisors or managers)

Never	<input type="checkbox"/>
Once or twice	<input type="checkbox"/>
Commonly	<input type="checkbox"/>
Frequently	<input type="checkbox"/>
All the time	<input type="checkbox"/>

3.10 I have sexually harassed customers

Never	<input type="checkbox"/>
Once or twice	<input type="checkbox"/>
Commonly	<input type="checkbox"/>
Frequently	<input type="checkbox"/>
All the time	<input type="checkbox"/>

3.11 Comments

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4 Food hygiene

4.1 In the past 12 months at my workplace, food has been served to customers after it was dropped on the floor

Never	<input type="checkbox"/>
Once or twice	<input type="checkbox"/>
Commonly	<input type="checkbox"/>
Frequently	<input type="checkbox"/>
All the time	<input type="checkbox"/>
Does not apply	<input type="checkbox"/>
Don't know	<input type="checkbox"/>

4.2 In the past 12 months at my workplace, serving food to customers after it was dropped on the floor has been

Standard practice	<input type="checkbox"/>
Encouraged	<input type="checkbox"/>
Allowed	<input type="checkbox"/>
Not allowed	<input type="checkbox"/>
Something management is actively trying to stop	<input type="checkbox"/>
Does not apply	<input type="checkbox"/>
Don't know	<input type="checkbox"/>

4.3 Serving customers food that has been dropped on the floor is wrong (unethical)

Strongly agree	<input type="checkbox"/>
Agree	<input type="checkbox"/>
Neutral	<input type="checkbox"/>
Disagree	<input type="checkbox"/>
Strongly disagree	<input type="checkbox"/>

4.4 Comments

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5 Supervisors' behaviour

5.1 In the past 12 months at my workplace, supervisors have written unfair rosters or hassled staff to get rid of them

Never	<input type="checkbox"/>
Once or twice	<input type="checkbox"/>
Commonly	<input type="checkbox"/>
Frequently	<input type="checkbox"/>
All the time	<input type="checkbox"/>
Does not apply	<input type="checkbox"/>
Don't know	<input type="checkbox"/>

5.2 In the past 12 months at my workplace, writing unfair rosters and hassling staff to get them to leave has been

Standard practice	<input type="checkbox"/>
Encouraged	<input type="checkbox"/>
Allowed	<input type="checkbox"/>
Not allowed	<input type="checkbox"/>
Something management is actively trying to stop	<input type="checkbox"/>
Does not apply	<input type="checkbox"/>
Don't know	<input type="checkbox"/>

5.3 Writing unfair rosters and hassling staff to get them to leave is wrong (unethical)

Strongly agree	<input type="checkbox"/>
Agree	<input type="checkbox"/>
Neutral	<input type="checkbox"/>
Disagree	<input type="checkbox"/>
Strongly disagree	<input type="checkbox"/>

5.4 Comments

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6 Staffing levels

6.1 In the past 12 months at my workplace, if someone calls in sick or can't work their shift, we have had to manage without replacement staff

Never	<input type="checkbox"/>
Once or twice	<input type="checkbox"/>
Commonly	<input type="checkbox"/>
Frequently	<input type="checkbox"/>
All the time	<input type="checkbox"/>
Does not apply	<input type="checkbox"/>
Don't know	<input type="checkbox"/>

6.2 In the past 12 months at my workplace, trying to manage without replacements when staff can't work their shift has been

Standard practice	<input type="checkbox"/>
Encouraged	<input type="checkbox"/>
Allowed	<input type="checkbox"/>
Not allowed	<input type="checkbox"/>
Something management is actively trying to stop	<input type="checkbox"/>
Does not apply	<input type="checkbox"/>
Don't know	<input type="checkbox"/>

6.3 Asking staff to manage without replacements when other staff can't work is wrong (unethical)

Strongly agree	<input type="checkbox"/>
Agree	<input type="checkbox"/>
Neutral	<input type="checkbox"/>
Disagree	<input type="checkbox"/>
Strongly disagree	<input type="checkbox"/>

6.4 Comments

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7 Training

7.1 In the past 12 months at my workplace, some staff have had to work without proper training

Never	<input type="checkbox"/>
Once or twice	<input type="checkbox"/>
Commonly	<input type="checkbox"/>
Frequently	<input type="checkbox"/>
All the time	<input type="checkbox"/>
Does not apply	<input type="checkbox"/>
Don't know	<input type="checkbox"/>

7.2 In the past 12 months at my workplace, staff working without proper training has been

Standard practice	<input type="checkbox"/>
Encouraged	<input type="checkbox"/>
Allowed	<input type="checkbox"/>
Not allowed	<input type="checkbox"/>
Something management is actively trying to stop	<input type="checkbox"/>
Does not apply	<input type="checkbox"/>
Don't know	<input type="checkbox"/>

7.3 Asking staff to work without proper training is wrong (unethical)

Strongly agree	<input type="checkbox"/>
Agree	<input type="checkbox"/>
Neutral	<input type="checkbox"/>
Disagree	<input type="checkbox"/>
Strongly disagree	<input type="checkbox"/>

7.4 Comments

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8 Hotel property

8.1 It is okay to take the following items home for personal use without asking management (tick those you think it is okay to take home)

	Yes
Pens	<input type="checkbox"/>
Alcohol	<input type="checkbox"/>
Food (not left-overs)	<input type="checkbox"/>
Food (left-overs)	<input type="checkbox"/>
Soap	<input type="checkbox"/>
Paper	<input type="checkbox"/>
Money	<input type="checkbox"/>
Cleaning products	<input type="checkbox"/>
Toilet paper	<input type="checkbox"/>
Towels	<input type="checkbox"/>
Vehicles (even if they are returned)	<input type="checkbox"/>

8.2 Taking any hotel property home for personal use, without asking, is wrong (unethical)

Strongly agree	<input type="checkbox"/>
Agree	<input type="checkbox"/>
Neutral	<input type="checkbox"/>
Disagree	<input type="checkbox"/>
Strongly disagree	<input type="checkbox"/>

8.3 In the past 12 months at my workplace, some employees have taken hotel property home for their personal use, without asking

Never	<input type="checkbox"/>
Once or twice	<input type="checkbox"/>
Commonly	<input type="checkbox"/>
Frequently	<input type="checkbox"/>
All the time	<input type="checkbox"/>
Does not apply	<input type="checkbox"/>
Don't know	<input type="checkbox"/>

8.4 In the past 12 months at my workplace, taking hotel property home for personal use, without asking, has been

Standard practice	<input type="checkbox"/>
Encouraged	<input type="checkbox"/>
Allowed	<input type="checkbox"/>
Not allowed	<input type="checkbox"/>
Something management is actively trying to stop	<input type="checkbox"/>
Does not apply	<input type="checkbox"/>
Don't know	<input type="checkbox"/>

8.5 Comments

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9 Perceptions

**Ethical behaviour is usually defined as behaviour that does not hurt anyone**

9.1 In the past 12 months at my workplace I think my behaviour has been mostly ethical

Strongly agree	<input type="checkbox"/>
Agree	<input type="checkbox"/>
Disagree	<input type="checkbox"/>
Strongly disagree	<input type="checkbox"/>

9.2 In the past 12 months at my workplace I think the staff's behaviour has been mostly ethical

Strongly agree	<input type="checkbox"/>
Agree	<input type="checkbox"/>
Disagree	<input type="checkbox"/>
Strongly disagree	<input type="checkbox"/>
Don't know	<input type="checkbox"/>

9.3 In the past 12 months at my workplace I think management's behaviour has been mostly ethical

Strongly agree	<input type="checkbox"/>
Agree	<input type="checkbox"/>
Disagree	<input type="checkbox"/>
Strongly disagree	<input type="checkbox"/>
Don't know	<input type="checkbox"/>

9.4 In the past 12 months at my workplace I think the customers' behaviour has been mostly ethical

Strongly agree	<input type="checkbox"/>
Agree	<input type="checkbox"/>
Disagree	<input type="checkbox"/>
Strongly disagree	<input type="checkbox"/>
Don't know	<input type="checkbox"/>

9.5 In the past 12 months at my workplace, I have felt comfortable with the ethical standards

Strongly agree	<input type="checkbox"/>
Agree	<input type="checkbox"/>
Disagree	<input type="checkbox"/>
Strongly disagree	<input type="checkbox"/>
Don't know	<input type="checkbox"/>

10 Your comments

10.1 Unethical personnel practices

Some workplaces treat their employees badly. Please comment on any unfair, unethical or illegal treatment of employees that you have been aware of in your workplace in the past 12 months.

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10.2 Services offered to guests

Some customers want products and services that might be considered unethical. What products and services has your workplace helped customers with in the past 12 months, that you think are unethical?

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10.3 Unethical treatment of customers

Sometimes customers are treated badly. Give some examples of poor treatment of customers that you have been aware of in the past 12 months in your workplace.

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10.4 Meeting guests' needs

Sometimes the pressure of trying to please customers makes staff, supervisors, or even the customers behave unethically. What sort of unethical behaviour has occurred in your workplace in the past 12 months at your workplace in order to please customers?

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**Part B**

11.1 What department do you work in most (tick one)?

Administration or finance	<input type="checkbox"/>
Engineering or maintenance	<input type="checkbox"/>
Food and beverage	<input type="checkbox"/>
Front office	<input type="checkbox"/>
Human resources	<input type="checkbox"/>
Rooms (includes housekeeping)	<input type="checkbox"/>
Sales and marketing	<input type="checkbox"/>
Other (specify)	<input type="checkbox"/>

11.2 What is your main position (tick one)?

Staff	<input type="checkbox"/>
Supervisor	<input type="checkbox"/>
Manager	<input type="checkbox"/>
Administrator	<input type="checkbox"/>
Other (specify)	<input type="checkbox"/>

11.3 How many years have you been working in the hospitality industry?

11.4 How many years have you been in this job?

11.5 What is your hourly pay (before tax)?

Under \$10 an hour	<input type="checkbox"/>
\$10 - \$14.95 an hour	<input type="checkbox"/>
\$15 - \$19.95 an hour	<input type="checkbox"/>
\$20 - \$24.95 an hour	<input type="checkbox"/>
\$25 or more an hour	<input type="checkbox"/>

11.6 How would you describe your employment (tick one)?

Casual (ie irregular)	<input type="checkbox"/>
Part-time (ie regular work)	<input type="checkbox"/>
Full-time (ie 40 hours weekly)	<input type="checkbox"/>
Salaried (ie always same pay)	<input type="checkbox"/>
Don't know	<input type="checkbox"/>

11.7 If you are not full-time, what is your main occupation?

Other hospitality work	<input type="checkbox"/>
Other casual or part-time work	<input type="checkbox"/>
Other full-time work	<input type="checkbox"/>
Care-giver (for child or other)	<input type="checkbox"/>
No other work	<input type="checkbox"/>
Self-employed	<input type="checkbox"/>
Student	<input type="checkbox"/>
Does not apply	<input type="checkbox"/>

11.8 What best describes your ethnicity, or race?

European (specify)	<input type="checkbox"/>	<input type="text"/>
Indian (specify)	<input type="checkbox"/>	<input type="text"/>
NZ Maori	<input type="checkbox"/>	<input type="text"/>
Pacific Islander (specify)	<input type="checkbox"/>	<input type="text"/>
South East Asian (specify)	<input type="checkbox"/>	<input type="text"/>
Other (specify)	<input type="checkbox"/>	<input type="text"/>

11.9 What sex are you?

Female	<input type="checkbox"/>
Male	<input type="checkbox"/>

11.10 How old are you?

11.11 What is your highest qualification?

Nothing formal	<input type="checkbox"/>	
School Certificate or equivalent	<input type="checkbox"/>	
Bursary or equivalent	<input type="checkbox"/>	
Bachelor's degree	<input type="checkbox"/>	
Post-graduate (specify)	<input type="checkbox"/>	<input type="text"/>

12.1 Is there a Code of Ethics at your workplace?

Yes	<input type="checkbox"/>
No	<input type="checkbox"/>
Don't know	<input type="checkbox"/>

12.2 If you answered yes to the previous question, how do you know there is a Code of Ethics in your workplace?

I asked for a copy	<input type="checkbox"/>	
I was given my own copy	<input type="checkbox"/>	
I heard about it during training	<input type="checkbox"/>	
I saw it at work	<input type="checkbox"/>	
Someone told me about it	<input type="checkbox"/>	
Other (specify)	<input type="checkbox"/>	
Does not apply	<input type="checkbox"/>	<input type="text"/>

12.3 What best describes the hotel (or business operating with a hotel) where you work?

- Up to 250 rooms
- 250 – 349 rooms
- 350 rooms or more
- Does not apply
- Don't know


12.4 What is the star rating (quality) of the hotel (or business operating with a hotel) where you work?

- 1 \*
- 2 \*\*
- 3 \*\*\*
- 4 \*\*\*\*
- 5 \*\*\*\*\*
- Does not apply
- Don't know


12.5 What town or city do you work in?

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## 5 Questionnaire three (MC/3)

### QUESTIONNAIRE ABOUT BEHAVIOUR IN HOSPITALITY WORKPLACES

#### Student

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#### QUESTIONNAIRE

If you don't want to answer a question, just go to the next one. Part A is about issues that may come up at work, Part B is about you and your workplace, and Part C is for your own comments.

**Ethical behaviour is usually defined as behaviour that does not harm anyone**

#### Part A

1 Alcohol

1.1 In the past 12 months at my workplace, alcohol was sold to under-age drinkers

Never	<input type="checkbox"/>
Once or twice	<input type="checkbox"/>
Commonly	<input type="checkbox"/>
Frequently	<input type="checkbox"/>
All the time	<input type="checkbox"/>
Does not apply	<input type="checkbox"/>
Don't know	<input type="checkbox"/>

1.2 In the past 12 months at my workplace, selling alcohol to under-age drinkers has been

Standard practice	<input type="checkbox"/>
Encouraged	<input type="checkbox"/>
Allowed	<input type="checkbox"/>
Not allowed	<input type="checkbox"/>
Something management is actively trying to stop	<input type="checkbox"/>
Does not apply	<input type="checkbox"/>
Don't know	<input type="checkbox"/>

1.3 Selling alcohol to under-age drinkers is wrong (unethical)

Strongly agree	<input type="checkbox"/>
Agree	<input type="checkbox"/>
Neutral	<input type="checkbox"/>
Disagree	<input type="checkbox"/>
Strongly disagree	<input type="checkbox"/>

1.4 Comments

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2 Smoking

2.1 In the past 12 months at my workplace, I have had to work where people smoke

Never	<input type="checkbox"/>
Once or twice	<input type="checkbox"/>
Commonly	<input type="checkbox"/>
Frequently	<input type="checkbox"/>
All the time	<input type="checkbox"/>
Does not apply	<input type="checkbox"/>

2.2 I can choose whether or not to work where people smoke

Strongly agree	<input type="checkbox"/>
Agree	<input type="checkbox"/>
Disagree	<input type="checkbox"/>
Strongly disagree	<input type="checkbox"/>
Don't know	<input type="checkbox"/>

2.3 It's okay with me if people want to smoke where I work

Strongly agree	<input type="checkbox"/>
Agree	<input type="checkbox"/>
Neutral	<input type="checkbox"/>
Disagree	<input type="checkbox"/>
Strongly disagree	<input type="checkbox"/>

2.4 It's wrong (unethical) for people to smoke where other people work

Strongly agree	<input type="checkbox"/>
Agree	<input type="checkbox"/>
Neutral	<input type="checkbox"/>
Disagree	<input type="checkbox"/>
Strongly disagree	<input type="checkbox"/>

2.5 Comments

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- 3 Sexual harassment (unwanted behaviour of a sexual nature)  
3.1 I have been sexually harassed in the past 12 months at my workplace

Never	<input type="checkbox"/>
Once or twice	<input type="checkbox"/>
Commonly	<input type="checkbox"/>
Frequently	<input type="checkbox"/>
All the time	<input type="checkbox"/>

- 3.2 It's okay (ethical) for customers to make sexual jokes and tease the staff

Strongly agree	<input type="checkbox"/>
Agree	<input type="checkbox"/>
Neutral	<input type="checkbox"/>
Disagree	<input type="checkbox"/>
Strongly disagree	<input type="checkbox"/>

If you think you have been sexually harassed, answer the next four questions as they relate to the past 12 months at your workplace.

- 3.3 I have been sexually harassed by employees of the same status as me (eg my colleagues, or the people I work with)

Never	<input type="checkbox"/>
Once or twice	<input type="checkbox"/>
Commonly	<input type="checkbox"/>
Frequently	<input type="checkbox"/>
All the time	<input type="checkbox"/>

- 3.4 I have been sexually harassed by employees of lower rank or status than me (eg my juniors)

Never	<input type="checkbox"/>
Once or twice	<input type="checkbox"/>
Commonly	<input type="checkbox"/>
Frequently	<input type="checkbox"/>
All the time	<input type="checkbox"/>

- 3.5 I have been sexually harassed by employees of higher rank or status than me (eg my supervisors or managers)

Never	<input type="checkbox"/>
Once or twice	<input type="checkbox"/>
Commonly	<input type="checkbox"/>
Frequently	<input type="checkbox"/>
All the time	<input type="checkbox"/>

- 3.6 I have been sexually harassed by customers

Never	<input type="checkbox"/>
Once or twice	<input type="checkbox"/>
Commonly	<input type="checkbox"/>
Frequently	<input type="checkbox"/>
All the time	<input type="checkbox"/>

If you think you have sexually harassed someone, answer the next four questions as they relate to the past 12 months at your workplace.

3.7 I have sexually harassed employees of the same rank or status as me (eg my colleagues, or the people I work with)

Never	<input type="checkbox"/>
Once or twice	<input type="checkbox"/>
Commonly	<input type="checkbox"/>
Frequently	<input type="checkbox"/>
All the time	<input type="checkbox"/>

3.8 I have sexually harassed employees of lower rank or status than me (eg my juniors)

Never	<input type="checkbox"/>
Once or twice	<input type="checkbox"/>
Commonly	<input type="checkbox"/>
Frequently	<input type="checkbox"/>
All the time	<input type="checkbox"/>

3.9 I have sexually harassed employees of higher rank or status than me (eg my supervisors or managers)

Never	<input type="checkbox"/>
Once or twice	<input type="checkbox"/>
Commonly	<input type="checkbox"/>
Frequently	<input type="checkbox"/>
All the time	<input type="checkbox"/>

3.10 I have sexually harassed customers

Never	<input type="checkbox"/>
Once or twice	<input type="checkbox"/>
Commonly	<input type="checkbox"/>
Frequently	<input type="checkbox"/>
All the time	<input type="checkbox"/>

3.11 Comments

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4 Food hygiene

4.1 In the past 12 months at my workplace, food has been served to customers after it was dropped on the floor

Never	<input type="checkbox"/>
Once or twice	<input type="checkbox"/>
Commonly	<input type="checkbox"/>
Frequently	<input type="checkbox"/>
All the time	<input type="checkbox"/>
Does not apply	<input type="checkbox"/>
Don't know	<input type="checkbox"/>

4.2 In the past 12 months at my workplace, serving food to customers after it was dropped on the floor has been

Standard practice	<input type="checkbox"/>
Encouraged	<input type="checkbox"/>
Allowed	<input type="checkbox"/>
Not allowed	<input type="checkbox"/>
Something management is actively trying to stop	<input type="checkbox"/>
Does not apply	<input type="checkbox"/>
Don't know	<input type="checkbox"/>

4.3 Serving customers food that has been dropped on the floor is wrong (unethical)

Strongly agree	<input type="checkbox"/>
Agree	<input type="checkbox"/>
Neutral	<input type="checkbox"/>
Disagree	<input type="checkbox"/>
Strongly disagree	<input type="checkbox"/>

4.4 Comments

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5 Supervisors' behaviour

5.1 In the past 12 months at my workplace, supervisors have written unfair rosters or hassled staff to get rid of them

Never	<input type="checkbox"/>
Once or twice	<input type="checkbox"/>
Commonly	<input type="checkbox"/>
Frequently	<input type="checkbox"/>
All the time	<input type="checkbox"/>
Does not apply	<input type="checkbox"/>
Don't know	<input type="checkbox"/>

5.2 In the past 12 months at my workplace, writing unfair rosters and hassling staff to get them to leave has been

Standard practice	<input type="checkbox"/>
Encouraged	<input type="checkbox"/>
Allowed	<input type="checkbox"/>
Not allowed	<input type="checkbox"/>
Something management is actively trying to stop	<input type="checkbox"/>
Does not apply	<input type="checkbox"/>
Don't know	<input type="checkbox"/>

5.3 Writing unfair rosters and hassling staff to get them to leave is wrong (unethical)

Strongly agree	<input type="checkbox"/>
Agree	<input type="checkbox"/>
Neutral	<input type="checkbox"/>
Disagree	<input type="checkbox"/>
Strongly disagree	<input type="checkbox"/>

5.4 Comments

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6 Staffing levels

6.1 In the past 12 months at my workplace, if someone calls in sick or can't work their shift, we have had to manage without replacement staff

Never	<input type="checkbox"/>
Once or twice	<input type="checkbox"/>
Commonly	<input type="checkbox"/>
Frequently	<input type="checkbox"/>
All the time	<input type="checkbox"/>
Does not apply	<input type="checkbox"/>
Don't know	<input type="checkbox"/>

6.2 In the past 12 months at my workplace, trying to manage without replacements when staff can't work their shift has been

Standard practice	<input type="checkbox"/>
Encouraged	<input type="checkbox"/>
Allowed	<input type="checkbox"/>
Not allowed	<input type="checkbox"/>
Something management is actively trying to stop	<input type="checkbox"/>
Does not apply	<input type="checkbox"/>
Don't know	<input type="checkbox"/>

6.3 Asking staff to manage without replacements when other staff can't work is wrong (unethical)

Strongly agree	<input type="checkbox"/>
Agree	<input type="checkbox"/>
Neutral	<input type="checkbox"/>
Disagree	<input type="checkbox"/>
Strongly disagree	<input type="checkbox"/>

6.4 Comments

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7 Training

7.1 In the past 12 months at my workplace, some staff have had to work without proper training

Never	<input type="checkbox"/>
Once or twice	<input type="checkbox"/>
Commonly	<input type="checkbox"/>
Frequently	<input type="checkbox"/>
All the time	<input type="checkbox"/>
Does not apply	<input type="checkbox"/>
Don't know	<input type="checkbox"/>

7.2 In the past 12 months at my workplace, staff working without proper training has been

Standard practice	<input type="checkbox"/>
Encouraged	<input type="checkbox"/>
Allowed	<input type="checkbox"/>
Not allowed	<input type="checkbox"/>
Something management is actively trying to stop	<input type="checkbox"/>
Does not apply	<input type="checkbox"/>
Don't know	<input type="checkbox"/>

7.3 Asking staff to work without proper training is wrong (unethical)

Strongly agree	<input type="checkbox"/>
Agree	<input type="checkbox"/>
Neutral	<input type="checkbox"/>
Disagree	<input type="checkbox"/>
Strongly disagree	<input type="checkbox"/>

7.4 Comments

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8 Hotel property

8.1 It is okay to take the following items home for personal use without asking management (tick those you think it is okay to take home)

	Yes
Pens	<input type="checkbox"/>
Alcohol	<input type="checkbox"/>
Food (not left-overs)	<input type="checkbox"/>
Food (left-overs)	<input type="checkbox"/>
Soap	<input type="checkbox"/>
Paper	<input type="checkbox"/>
Money	<input type="checkbox"/>
Cleaning products	<input type="checkbox"/>
Toilet paper	<input type="checkbox"/>
Towels	<input type="checkbox"/>
Vehicles (even if they are returned)	<input type="checkbox"/>

8.2 Taking any hotel property home for personal use, without asking, is wrong (unethical)

Strongly agree	<input type="checkbox"/>
Agree	<input type="checkbox"/>
Neutral	<input type="checkbox"/>
Disagree	<input type="checkbox"/>
Strongly disagree	<input type="checkbox"/>

8.3 In the past 12 months at my workplace, some employees have taken hotel property home for their personal use, without asking

Never	<input type="checkbox"/>
Once or twice	<input type="checkbox"/>
Commonly	<input type="checkbox"/>
Frequently	<input type="checkbox"/>
All the time	<input type="checkbox"/>
Does not apply	<input type="checkbox"/>
Don't know	<input type="checkbox"/>

8.4 In the past 12 months at my workplace, taking hotel property home for personal use, without asking, has been

Standard practice	<input type="checkbox"/>
Encouraged	<input type="checkbox"/>
Allowed	<input type="checkbox"/>
Not allowed	<input type="checkbox"/>
Something management is actively trying to stop	<input type="checkbox"/>
Does not apply	<input type="checkbox"/>
Don't know	<input type="checkbox"/>

8.5 Comments

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9 Perceptions

**Ethical behaviour is usually defined as behaviour that does not hurt anyone**

9.1 In the past 12 months at my workplace I think my behaviour has been mostly ethical

Strongly agree	<input type="checkbox"/>
Agree	<input type="checkbox"/>
Disagree	<input type="checkbox"/>
Strongly disagree	<input type="checkbox"/>

9.2 In the past 12 months at my workplace I think the staff's behaviour has been mostly ethical

Strongly agree	<input type="checkbox"/>
Agree	<input type="checkbox"/>
Disagree	<input type="checkbox"/>
Strongly disagree	<input type="checkbox"/>
Don't know	<input type="checkbox"/>

9.3 In the past 12 months at my workplace I think management's behaviour has been mostly ethical

Strongly agree	<input type="checkbox"/>
Agree	<input type="checkbox"/>
Disagree	<input type="checkbox"/>
Strongly disagree	<input type="checkbox"/>
Don't know	<input type="checkbox"/>

9.4 In the past 12 months at my workplace I think the customers' behaviour has been mostly ethical

Strongly agree	<input type="checkbox"/>
Agree	<input type="checkbox"/>
Disagree	<input type="checkbox"/>
Strongly disagree	<input type="checkbox"/>
Don't know	<input type="checkbox"/>

9.5 In the past 12 months at my workplace, I have felt comfortable with the ethical standards

Strongly agree	<input type="checkbox"/>
Agree	<input type="checkbox"/>
Disagree	<input type="checkbox"/>
Strongly disagree	<input type="checkbox"/>
Don't know	<input type="checkbox"/>

10 Your comments

10.1 Unethical personnel practices

Some workplaces treat their employees badly. Please comment on any unfair, unethical or illegal treatment of employees that you have been aware of in your workplace in the past 12 months.

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10.2 Services offered to guests

Some customers want products and services that might be considered unethical. What products and services has your workplace helped customers with in the past 12 months, that you think are unethical?

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10.3 Unethical treatment of customers

Sometimes customers are treated badly. Give some examples of poor treatment of customers that you have been aware of in the past 12 months in your workplace.

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#### 10.4 Meeting guests' needs

Sometimes the pressure of trying to please customers makes staff, supervisors, or even the customers behave unethically. What sort of unethical behaviour has occurred in your workplace in the past 12 months at your workplace in order to please customers?

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#### Part B

11.1 What department do you work in most (tick one)?

Administration or finance	<input type="checkbox"/>
Engineering or maintenance	<input type="checkbox"/>
Food and beverage	<input type="checkbox"/>
Front office	<input type="checkbox"/>
Human resources	<input type="checkbox"/>
Rooms (includes housekeeping)	<input type="checkbox"/>
Sales and marketing	<input type="checkbox"/>
Other (specify)	<input type="checkbox"/>

11.2 What is your main position (tick one)?

Staff	<input type="checkbox"/>
Supervisor	<input type="checkbox"/>
Manager	<input type="checkbox"/>
Administrator	<input type="checkbox"/>
Other (specify)	<input type="checkbox"/>

11.3 How many years have you been working in the hospitality industry?

11.4 How many years have you been in this job?

11.5 What is your hourly pay (before tax)?

Under \$10 an hour	<input type="checkbox"/>
\$10 - \$14.95 an hour	<input type="checkbox"/>
\$15 - \$19.95 an hour	<input type="checkbox"/>
\$20 - \$24.95 an hour	<input type="checkbox"/>
\$25 or more an hour	<input type="checkbox"/>

11.6 How would you describe your employment (tick one)?

Casual (ie irregular)	<input type="checkbox"/>
Part-time (ie regular work)	<input type="checkbox"/>
Full-time (ie 40 hours weekly)	<input type="checkbox"/>
Salaried (ie always same pay)	<input type="checkbox"/>
Don't know	<input type="checkbox"/>

11.7 If you are not full-time, what is your main occupation?

Other hospitality work	<input type="checkbox"/>
Other casual or part-time work	<input type="checkbox"/>
Other full-time work	<input type="checkbox"/>
Care-giver (for child or other)	<input type="checkbox"/>
No other work	<input type="checkbox"/>
Self-employed	<input type="checkbox"/>
Student	<input type="checkbox"/>
Does not apply	<input type="checkbox"/>

11.8 What best describes your ethnicity, or race?

European (specify)	<input type="checkbox"/>	<input type="text"/>
Indian (specify)	<input type="checkbox"/>	<input type="text"/>
NZ Maori	<input type="checkbox"/>	<input type="text"/>
Pacific Islander (specify)	<input type="checkbox"/>	<input type="text"/>
South East Asian (specify)	<input type="checkbox"/>	<input type="text"/>
Other (specify)	<input type="checkbox"/>	<input type="text"/>

11.9 What sex are you?

Female	<input type="checkbox"/>
Male	<input type="checkbox"/>

11.10 How old are you?

11.11 What is your highest qualification?

Nothing formal	<input type="checkbox"/>	
School Certificate or equivalent	<input type="checkbox"/>	
Bursary or equivalent	<input type="checkbox"/>	
Bachelor's degree	<input type="checkbox"/>	
Post-graduate (specify)	<input type="checkbox"/>	<input type="text"/>

12.1 Is there a Code of Ethics at your workplace?

Yes	<input type="checkbox"/>
No	<input type="checkbox"/>
Don't know	<input type="checkbox"/>

12.2 If you answered yes to the previous question, how do you know there is a Code of Ethics in your workplace?

I asked for a copy	<input type="checkbox"/>	
I was given my own copy	<input type="checkbox"/>	
I heard about it during training	<input type="checkbox"/>	
I saw it at work	<input type="checkbox"/>	
Someone told me about it	<input type="checkbox"/>	
Other (specify)	<input type="checkbox"/>	
Does not apply	<input type="checkbox"/>	<input type="text"/>

12.3 What best describes the hotel (or business operating with a hotel) where you work?

Up to 250 rooms	<input type="checkbox"/>
250 – 349 rooms	<input type="checkbox"/>
350 rooms or more	<input type="checkbox"/>
Does not apply	<input type="checkbox"/>
Don't know	<input type="checkbox"/>

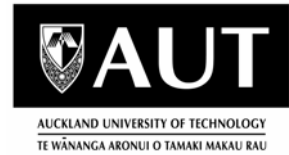
12.4 What is the best way to describe your workplace?

1 * accommodation	<input type="checkbox"/>	
2 ** accommodation	<input type="checkbox"/>	
3 *** accommodation	<input type="checkbox"/>	
4 **** accommodation	<input type="checkbox"/>	
5 ***** accommodation	<input type="checkbox"/>	
Restaurant (not in a hotel)	<input type="checkbox"/>	
Bar (not in a hotel)	<input type="checkbox"/>	
Nightclub (not in a hotel)	<input type="checkbox"/>	
Other (specify)	<input type="checkbox"/>	<input type="text"/>

12.5 What town or city do you work in?



## 6 Hospitality Information Sheet



### **PARTICIPANT INFORMATION SHEET ON QUESTIONNAIRE ABOUT UNETHICAL BEHAVIOUR IN HOSPITALITY WORK PLACES**

Jill Poulston, a senior lecturer on the Bachelor of International Hospitality Management programme at Auckland University of Technology (AUT) is undertaking this research to complete the requirements for a Doctor of Philosophy at AUT. The results of the research will be analysed and discussed in the thesis, and later prepared for submission for publication in a hospitality research journal.

The study involves in-depth interviews and questionnaires. You are invited to complete a questionnaire, along with all other employees at your workplace (and several other workplaces in Auckland). Your workplace has been selected because the management of this organisation has shown interest in understanding unethical behaviour in hospitality workplaces. Results of this study should help find ways of reducing unethical behaviour, which is linked to high staff turnover and absenteeism in hospitality workplaces.

**As all the questionnaires will be put together, we will not know which answers are from your hotel. Also, as your name is not on the questionnaire, your identity will not be known.**

**If you feel upset after answering these questions, you can talk to a counsellor at AUT at no charge. If you would like to do this, please telephone 917 9999 extension 9992 for an appointment.**

**You do not have to answer these questions if you do not want to. If you would like more information, you can talk to me, or one of my supervisors, as noted below.**

#### **Student**

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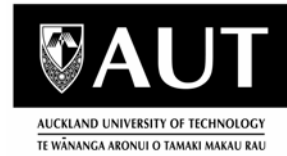
#### **Supervisors**

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Approved by the AUT Ethics Committee on 20 January 2003 for a period of two years,  
Reference 02/171  
(JMP 5/2003)

## 7 Student Information Sheet



### **PARTICIPANT INFORMATION SHEET ON QUESTIONNAIRE ABOUT UNETHICAL BEHAVIOUR IN HOSPITALITY WORKPLACES**

Jill Poulston, a senior lecturer on the Bachelor of International Hospitality Management programme at Auckland University of Technology (AUT) is undertaking this research to complete the requirements for a Doctor of Philosophy at AUT. The results of the research will be analysed and discussed in the thesis, and later prepared for submission for publication in a hospitality research journal.

The study involves in-depth interviews and questionnaires. You are invited to complete a questionnaire, along with other hospitality students and employees around Auckland. Of course if you have already completed this questionnaire somewhere else, there is no need to complete it a second time. Results of the study should help find ways of reducing unethical behaviour, which is linked to high staff turnover and absenteeism in hospitality workplaces.

**As all the questionnaires will be put together, we will not know which answers are from your hotel. Also, as your name is not on the questionnaire, your identity will not be known.**

**If you feel upset after answering these questions, you can talk to a counsellor at AUT at no charge. If you would like to do this, please telephone 917 9999 extension 9992 for an appointment.**

**You do not have to answer these questions if you do not want to. If you would like more information, you can talk to me, or one of my supervisors, as noted below.**

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Approved by the AUT Ethics Committee on 20 January 2003 for a period of two years,  
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## Origin of data

Further to specific opportunities respondents had to provide information for quantitative analysis, many provided written responses to questions, as well as information that was not requested. Their comments are presented here in summary form, with commentaries, interpretations, and an explanation of sorting and modification criteria. Abridged interpretations and observations relating to the narrative are presented in chapter 9.

The following alterations have been made:

- Narrative comments were regrouped according to the ethical categories they relate to, and a few salient comments selected for presentation. Full transcripts are available to supervisors and examiners on request.
- Although every word written by participants was faithfully recorded by a clerical assistant, many were subsequently deleted because they had been coded and analysed quantitatively (e.g. ethnicity or occupation).
- Organisation-specific terms were changed to protect the anonymity of the workplace (for example, Sheraton refers to staff as 'associates', and Starbucks, as 'partners'. Both have been replaced with the word 'staff', and X used to replace the name of an employer where this was given.
- Comments in brackets are the author's, and are intended to clarify meaning
- Comments made by those likely to be General Managers (i.e. those identifying as managers in administration areas on salaries of \$25 or more) are highlighted thus, to ensure their comments are identified accordingly.
- Spelling and grammatical errors have not been corrected.

## **Section A: closed questions**

### **1 Working in smoke**

**(I have had to work where people smoke)**

Sometimes its unavoidable, I just get on with my work as quickly as possible and stay away from the worst areas

#### **1.1 Incidence**

Comments about working in smoke revealed a profound lack of perceived choice from respondents: 'I would like there to be one separate area for smokers only that I didn't have to enter, but I can't see how'. Most were bar workers, although some worked in places where 'the smell of smoke drifts over', so 'the air is really polluted. One solution was to 'get on with my work as quickly as possible and stay away from the worst areas', while another thought 'employers should fully brief employees before starting job so they have that choice'.

The only comment relating to low incidence of working in smoke stressed the importance of choice: 'if I had the choice whether to work in a smoke free environment or not – I would choose to work in the smoke free place'.

#### **1.2 Tolerance**

##### **1.2.1 High tolerance**

The inevitability of working in smoke was strongly linked to hospitality work: 'hospitality workers know if they get a job in the industry there is going to be smoking so it's their choice weather or not they want to work in a job around smoke'. One respondent noted that although 'you can choose not to work where people smoke ...in hospitality your choice of work would be limited'. Most seemed to think 'it comes with the job', although many admitted 'it all depends on if you are a smoker or not'. Many felt that if 'you decide to work somewhere like a bar where people smoke, you take that into account', accepting the relationship between hospitality work and smoky working conditions. One staunch respondent defended smokers, saying 'people can do what they want. Down with anti smoking nazis'.

### **1.2.2 Low tolerance**

Low tolerance of working in smoke was associated with health issues, which were also noted by smokers. An asthmatic wrote 'I like the industry but hate the smoke!', and another asked 'why should people have to die for the pleasure of others?' 'People should be able to work in the hospitality industry without harming their health'.

Low tolerance was also associated with intolerance of smoking per se, illustrated by comments such as 'I don't like smoke, smoking, or smokers'. Some felt disadvantaged because their smoking colleagues took more breaks than non-smokers, while others felt the 'company should have a program to help employees quit smoking as part of health and safety'. Still others objected to the smell. 'I'm not smoking but I can breathe the smoking of other people and there is no different for the smoke and non-smoking, not only that but they can make the workplace smell badly'.

### **1.3 Perceived choice**

Choice was perceived as important, and expressed in comments such as 'workers should be able to work in a healthy environment'. It was also recognised that although it would be 'good to allow staff to choose whether to work where people are smoking', it would be 'hard for (an) employer to follow'.

Many felt the requirement to work in smoke could be mitigated with designated smoking areas: 'as long as smoking is kept within smoking room', suggesting their objections were based on working with colleagues who smoked, rather than guests. Others recognised the inherent difficulties of designated smoking areas, noting 'you can't always avoid those allocated areas', and 'I do think to clean this area should be up to a smoker, not non smoker'. Some workplaces had 'a special place for people to go and smoke' and many respondents complained of smoke from colleagues. A 'significant number of hospitality staff smoke but (they are) not allowed to smoke at workplaces in our hotels'. Others said they wished they had a designated smoking area: 'people who smoke should be allocated a certain area where they can smoke on a break'.

One unhappy respondent noted 'for some unknown reason the owners wife can

smoke anywhere any time', opening a noticeable theme of managers abusing the privileges of their position.

## **2 Sexual harassment**

### **(I have been sexually harassed)**

Some work environments can be very sexually charged – it comes down to setting boundaries and at times these may take time to be established or can be misinterpreted

### **2.1 Incidence**

#### **2.1.1 High incidence, high tolerance**

High incidence of sexual harassment was generally associated with high tolerance, suggesting incidence might be reduced for those who were less tolerant. Analysis of the narrative revealed a variety of rationalisations ranging from stress relief to obvious enjoyment, and excluded comments relating to customer service, tips, or the perceived expectations of customers. Many rationalisations were associated with joking and having fun, identified by comments such as 'relieves a stressful situation', and 'we are all an open minded bunch of people'.

Many insisted that no harm was caused, commenting that it's 'all in good fun, nothing serious', 'it doesn't mean anything', and 'no one has a problem with it'. Such comments were in direct contrast with complaints from questions about unethical behaviours, such as 'customers telling unethical jokes to me' and 'putting up with sexual harassment'. As one respondent noted, 'when a game turns sour ...then it turns nasty, then becomes a complaint or sexual harassment'. It seems that sexual harassment is fun only sometimes, and only for some people.

The respondent who thought 'people in the hospitality industry are prone to more sexual comments than other industries,' was well informed. However, the same respondent's explanation that 'we tend to be more social people' conflates social and sexual relationships, just as they are conflated in the workplace.

## 2.1.2 High incidence, low tolerance

I have to keep smile and polite. Sometimes it is not easy to do

Narrative from those less tolerant of harassment revealed a weakness of defence associated with the subservient nature of hospitality roles. 'Customers (middle aged men) have a bad habit of touching my backside. Verbal harassment is common place by customers! Really quite disgusting at times. Owners often feel they have 'rights' to give you a 'peck' on the cheek or hug you whilst trying to touch your body' (#225, a 25 – 29 year old European female).

Similar comments revealed respondents' inabilities to defend themselves against paying customers or colleagues: 'I have to keep smile and polite. Sometimes it is not easy to do', and 'not intentionally trying to hurt me, but guests saying things to make me uncomfortable'.

One respondent (#367) commented that 'drunks, old idiots ... act like this to you all the time anyway – no different at work', perhaps indicating a strong similarity between the social and working environment of the writer.

## 2.1.2 Low incidence

Of those who said they had not been harassed, one (#87) 25 - 29 year old female claimed she was 'never sexually harassed in my life', which seems less likely than her willingness to admit it. A young male (#227) rather wistfully noted 'if it's happen to me I won't have any problem with that!'.

## 2.2 Tolerance

### 2.2.1 Low tolerance

I'm not like that. I'm not into that sort of thing

All comments suggestive of high tolerance were directly related to implied high or low incidence.

Comments from those intolerant of sexual harassment fell into the two main categories of expressions of dislike and distaste, and expressions of support for recognising harassment as a workplace issue.

A work place is a work place and should be kept it at that. But if any indecent behaviour might happen the company/ workplace management should get rid of the person harassing the staff.

Some thought harassment was being appropriately addressed, writing 'it's good to see that hotels in NZ take sexual harassment seriously' and 'our company has strong guidelines on this type of harassment which makes it easier to complain'. Several wrote that sexual harassment is unacceptable, while others provided a personal emphasis such as 'I'm not like that', or 'I'm not into that sort of thing', suggesting perhaps that others were. While several thought that 'it's a really fine line and hard to define', this was not the view of the 25 - 29 year old Asian male who wrote 'they said just a joke but sometimes I don't like it'. Harassment was not restricted to women, and was easily recognised by those who are intolerant.

### **3 Unfair dismissal**

**(Supervisors have written unfair rosters or hassled staff to get rid of them)**

Some people are not right for the job and people don't want to work with people who don't pull their weight, it is frustrating.

The opportunity to comment on supervisors' behaviour was accepted by many respondents, resulting in lengthy narrative about rosters, shifts, discipline, and dismissals.

#### **3.1 Perceived incidence**

##### **3.1.1 High (or implied high) incidence examples**

Unfair dismissals were common, and examples described a variety of reasons, most of which appeared capricious. Several wrote of accusations of dishonesty such as 'I was accused of stealing a laptop computer. They never laid any charges because they had no proof but they stopped my hours', suggesting managers with insufficient proof of dishonesty would attempt to dispose of suspects by manipulating their hours.

Some dismissals appeared to be for substantially justifiable reasons, but were procedurally unsound, perhaps because managers had insufficient knowledge to follow the correct procedures. One restaurant in financial difficulties removed

two students by dropping their hours down to two a week, and another property told staff to 'take annual leave or they will make you redundant', perhaps indicating insufficient work existed to maintain full rosters. Although these were perceived as unfair dismissals, they are poorly managed redundancies, as inadequate work is a substantial justification for dismissal.

Although some revealed valid justification for formal discipline, such as 'they have got some staff who are lazy, late to work, calling up sick last minute, providing poor service to customers', unfair procedures were still favoured over formal discipline.

Other narrative referred to management support of unfair treatment of employees, such as

A kitchen steward was allowed to resign because of harassment from a chef. The chef had a history of bad behaviour and the steward was loved by everyone. I felt management let him go because he was easier to replace than the chef, despite the chef's history. That sucked.

One comment uncovered the irony of unfair treatment of employees who were 'not good enough for the standards of this establishment', and who were successfully removed by having their hours reduced. There is an irony about using illegal means to remove staff who were perceived as being somehow inferior. Other narrative revealed a 'dog-eat-dog' environment, in which only the favoured few survived. An 'employee that caused a lot of trouble' was dealt with by a bar manager who 'sort of pushed him out the door', suggesting the manager was also a trouble-maker, but one with position power and perhaps, senior management support.

Another recounted the story of a colleague who was

...singled out and treated badly by everyone (well, most). In one instance this made it 'hell' for the person to come to work and he eventually left. I've seen this treatment dished out to other staff as well and wait my turn!

Such narrative disclosed anxieties felt by those witnessing the persecution of their colleagues.

### **3.1.2 High incidence - reasons**

Reasons for unfair dismissal were largely based on subjective judgements by supervisors and managers, such as:

- Chef doesn't like the new guy – bitches about him, wants to get rid of him;
- Employee – organisational fit;
- Managers let their position go to their head; and
- Personality differences with management.

Such reasons effectively preclude the use of formal disciplinary processes, demonstrating the complexity of overcoming this particular form of supervisor behaviour. If reasons for removing employees were substantially sound, such as lateness or laziness, procedurally fair policies could be invoked. However, supervisors who are unaware of the underlying reasons for their dissatisfaction with staff, first need to identify what it is about their employees that makes them so difficult to work with. Only then, can formal disciplinary processes take place, providing of course, that reasons for dismissal are valid.

### **3.1.3 High incidence - techniques**

Giving too many, too few, or no hours were the most popular techniques for removing unwanted staff, although others such as 'firing on the spot after petty disagreements', and 'giving him hard shifts' were also described, and are outlined in other areas of this appendix.

Respondents provided typical examples of 'hassling' to get rid of people:

- Telling off workers rudely in front of customers and other employees, trying to make them feel worse;
- Constantly telling one person off for things everyone does wrong; and
- Being 'cold shouldered'.

One senior manager described methods used to remove unwanted staff, noting the responsibility for training and fair procedures:

When management realizes that they have got some staff who are lazy, late to work, calling up sick last minute, providing poor service to customers, they try to get rid of these staff using means such as putting

pressure, unfriendliness instead of providing more staff training and going through process of dismissal.

### **3.1.4 Behaviours perceived as unfair dismissal**

Not all difficult rosters were attributed to unfair dismissals. Some noted the difficulties of writing rosters to suit everyone, and some suggested 'unfair rosters' were the result of communication problems, rather than deliberate attempts to get rid of staff. One respondent (#376) left after being 'put to night shift, serving in front and cleaning after close', although this may not have been management's intention. Similarly, bringing part-time staff in at '6.30 am and send them home after only two hours' or causing employees 'not have any work because they can't make the shifts given to them' seems an inordinate amount of trouble to go to when a simple reduction of hours would probably have been sufficient to ease out the hapless victims.

Commentary revealed perfunctory attempts to follow formal procedures, such as 'giving warnings for issues that would normally not be a big problem', and being 'made redundant to get rid of them and a new position created'. One respondent thought disciplinary processes were being used to divest the workplace of unwanted employees, rather than help them correct their behaviour: 'they try hard with warnings and checking every move.' However, this observation might be correct.

### **3.1.5 Misunderstanding the law**

Action has been taken three times and won!

New Zealand employment law protects all workers (except contractors, who are deemed to be self-employed) from unfair treatment, not just those with employment contracts. The comment that 'someone got dismissed unfairly' because they had 'no contract' suggests the employee had no recourse under the law, which is unlikely to be true. Workers clearly felt having an employment contract was important: 'I have no contract. It's hard to get one because of management authority and unwillingness'.

A complaint that management was 'not properly notifying you when you are fired', indicated summary dismissal without the benefit of either substantial justification or procedural fairness. Not surprisingly, respondents gleefully

reported successful actions against their employers: 'both instances have landed the company in court!'

Such misunderstandings probably indicate a poor grasp of employment law by both employees and employers, resulting in suspicious employees, and capricious treatment by employers unfamiliar with the benefits of formal disciplinary procedures.

### **3.1.6 Low incidence**

Some insisted that rosters and treatment were generally fair, although two of these came from supervisors or employers: 'family owned business ... we work in with our staff to get the best', and 'I write the roster as fair as I can'. Others came from employees, who wrote comments such as 'my supervisors never done an unfair rosters' and 'it's hard to get rosters to suit everyone but management does try'.

## **3.2 Tolerance**

### **3.2.1 High tolerance**

Legislation is too soft regarding removal of less than ideal employees

There was considerable support of unfair dismissals, mostly because 'due to strict employee laws it is often the only way to get rid of unproductive staff'. A mature supervisor (#6) wrote 'it (the law) forces good employers to try to get rid of someone in this manner'.

Others seemed surprisingly unfamiliar with appropriate procedures: 'people don't want to work with people who don't pull their weight, it is frustrating', and 'if the staff member is always asking for time off and not doing work properly then they should be told to leave'. The general theme seemed to be that constructive or forced dismissal 'is the only way to get rid of some staff'.

One respondent (#40) noted that 'people create their own destinies. Some people constantly call in sick or make excuses to (not) work when they are on shift. These people cannot expect to have the same shift regularly as they are untrustworthy'. The respondent was a mature male in a salaried administration

role, presumably a destiny he created by never falling sick.

### **3.2.2 Low tolerance**

They have no spine and they are useless managers

Low tolerance was often associated with a plea for fairness ('all staff should be treated equally and fairly'), and a perception that management was unprofessional and incompetent.

Poor rosters were associated with favouritism ('a few supervisors have their pet people') and nepotism ('owners have juggled rosters to give their daughter more shifts') creating a dimension of unfairness that employees found difficult to counter.

### **3.3 Perceived opposition**

Management opposition to poor supervisory behaviour and unfair dismissals was generally perceived as weak, supported by comments such as 'not allowed – but done anyway' and 'semi encouraged by HR<sup>13</sup>.' Those who felt there was some opposition from management, also noted that this was inadequate: 'management is trying to stop bad rostering, however people are still not given shifts if they want them to leave'.

## **4 Under-staffing**

**(When staff call in sick or can't work their shift, we have had to manage without replacement staff)**

Standard practice because we can't get replacements – not because we don't want to

### **4.1 Perceived incidence**

As expected, narrative about understaffing revealed the severity of labour shortages, as well as the accompanying frustration of constantly having insufficient staff ('sometimes it just can't be helped'.) Questions on understaffing provided opportunities for general narrative on staffing issues.

<sup>13</sup> HR – Human Resources.

#### **4.1.1 High incidence perceived as within management's control**

The author's suspicion that under-staffing was a deliberate ploy to reduce payroll costs was commented on by just one respondent: 'this has been standard practice ... and recommended to middle management by upper management as a money saving advantage to the company'. However, others noted that staff numbers had been reduced, resulting in 'stress and longer hours; for those who remained, suggesting under-staffing was perceived as within management's control. Narrative contained accusations of both negligent and deliberate attempts to operate with low staff numbers, reporting that managers 'don't hire enough staff', and are 'cost cutting, all the time'. The theme was represented by one respondent as 'not enough is done'.

Staff often portrayed management as having the ability to solve problems but lacking in competence ('should have backup and be more organised') and being quick to blame those affected by the problem: 'management wonder why they get complaints' and 'managers take it out on the staff when it's not our problem'.

#### **4.1.2 High incidence perceived as an industry-wide issue**

That is the trade. Lack of trained employees

One senior manager (#444) suggested it (question about under-staffing) was a 'fairly stupid question when there is a chronic shortage of skilled or willing hospitality labour', emphasising the frustration felt at management level over this debilitating issue. The same manager also noted 'finding good and reliable staff is difficult in hospitality industry', and several respondents wrote 'sometimes there is no one to call on'.

#### **4.1.3 High incidence perceived as caused by staff**

Criticism and fault-finding were persistent themes, perhaps due to pressures felt by staff covering for absent colleagues. Management blamed the labour market, while staff blamed management and each other: 'sometimes it is hard to see the truth reason of their reasons for sick'.

Staff which cannot make it to their work should tell beforehand so that some arrangements can be made. All the staff should work as a team and help each other.

Some felt the malingerers should be disciplined: 'if it becomes frequent with no explanation then you must follow the correct dismissal procedure', identifying management as the ultimate culprit. Staff did not appear to associate extra work with opportunities for overtime, and were notably reluctant to work on their rostered days off: 'I always get called to pick up shifts, no one else wants to'.

#### **4.1.4 Low incidence**

The only two comments reflecting low incidence, were from a workplace that always called in replacements. As the respondents' numbers were sequential (#109 & #110), it is likely they both worked at the same hotel: perhaps the only one in Auckland with enough staff!

## **4.2 Tolerance**

### **4.2.1 High tolerance: 'the show must go on'**

It's hard to get staff to do extra shifts so you must roll up your sleeves and carry on as best as you can

Several expressed high tolerance as 'the show must go on' suggesting a strong commitment to customer service, while others candidly reflected on the inevitability of difficulties: 'sometimes things happen that can't be helped'. A somewhat cavalier 'get over it' theme was also evident:

Sometimes you just cannot help with it, can you? So deal with it! Life is not meant to be easy'... and 'that's life! People get sick or they can't come. You either get someone else or put up with it. Not the end of the world.

In words suggestive of joyful competition and a brisk business ethos, one supervisor (#6) reported 'this can become a positive in some circumstances where other people have stepped up to the mark and shown responsibility. I have promoted twice due to this'.

Tolerance of labour shortages reflected a strong work ethic not evident in other narrative, such as (for example) those in Section 3 on unfair dismissal:

- it's a part of working in hospitality;
- when staff are actual sick I don't have a problem with having to work harder;
- it's ok to manage for 1 day or 2;
- you just have to do your best as a team; and
- you have to work with what you have.

For one respondent, tolerance was related to kudos that might be associated with a display of diligence: 'you should just work a bit harder – prove to the boss you're a hard good work'.

Not all respondents were critical of management; one young restaurant worker insisted 'management do not do this on purpose'. However, this was the only such example.

#### **4.2.2 Low tolerance**

Tolerance of under-staffing was generally low and associated with various causes, as outlined in Section 4.1. Other low tolerance was associated with staff who called in sick ('staff should carry out duties prescribed in their respective contracts'), although not everyone felt absent staff should be penalised, even if they were being remunerated: 'sometimes its wrong but if they can do then why not as long as they get paid for that time'.

The potential for service quality problems was addressed by several respondents ('why cause complaints when they can be prevented in the first place?') as well as the lack of financial compensation for those working with inadequate support ('they will not be paid extra so the employer benefits. It's disgusting and should not be allowed').

#### **4.2.3 Management narrative reflecting low tolerance**

Management intolerance was associated with the negative effect of under-staffing, which 'places undue stress on staff and destroys customer service'. However, the suggestion that 'proper compensation or acknowledgement' be given for working under such pressure, came not from management, but from a staff member.

#### **4.2.4 Low tolerance associated with increased pressure of work**

Under-staffing was commonly associated with comments such as: 'workload too heavy', 'more workload and pressure', 'workload is already high', and 'extra work pressure'. One respondent complained 'we have to do two persons job with one person all the time and then they complain (Management) when something has been overlooked'. The objection certainly seems valid and reasonable (bracketed comment from respondent).

#### **4.2.5 Tolerance dependent on other factors**

Although tolerance of under-staffing was generally low, the narrative also contained a number of factors affecting attitudes to working without replacement staff: Influential factors included:

- how busy we are;
- how experienced staff are;
- if it's not a recurring event;
- if it's temporary and the manager looks sincere;
- the capability of duty managers;
- the size of the establishment;
- whether or not management have tried to get staff;
- whether or not the team could manage; and
- workload and availability.

### **4.3 Perceived opposition**

#### **4.3.1 Perceived as weakly opposed**

Comments suggestive of management's weak opposition to under-staffing were also associated with high incidence and low tolerance, as presented in Sections 4.1 and 4.2.

#### **4.3.2 Perceived as strongly opposed**

They tried to fix it by getting a waiter to be the dishwasher

Opposition to under-staffing was implied in comments indicating that managers sometimes cover shortfalls themselves ('management works itself if all

resources are exhausted'), even to the extent of working two consecutive shifts: 'often managers/supervisors work double shifts to cover'. Such assistance was described as 'very encouraging' by one respondent. One senior manager insisted 'management always try to get replacements'.

One senior manager (#486) expressed opposition to staff absences rather than under-staffing per se, writing 'management (was) keen to eliminate (this) issue however it is a culture amongst staff – particularly Polynesian to call in sick with minimal notice'. Needless to say, he did not identify as Polynesian (94% of Pacific Islanders in this study were paid under \$15 an hour. This manager's salary was in the highest category offered in the questionnaires - \$25 or more, and nearly twice that of the average Polynesian worker. Such a comparison may help explain – but not necessarily justify - the apparent propensity of his Pacific Island staff to enjoy the occasional unscheduled day off).

## **5 Poor training**

**(Staff have had to work without proper training)**

They asking us to know everything and straight to work without training

### **5.1 Perceived incidence**

#### **5.1.1 High incidence - causes**

Poor training was mostly associated with low staff numbers, staff turnover, and being too busy to train staff. One respondent attributed poor training to staff cuts, another to software changes, and another to working for a small business, where 'it might be ignorance on behalf of management as opposed to anything else'. The relationship between staff turnover and poor training was explained as 'time between staff resigning and leaving is often too short to recruit a new employee and train them', suggesting that new staff were put to work as soon as they are hired, leaving no time to train them for their jobs.

A lot of staff ... have been put in unfair situations ie poor training, that they feel the lack of confidence and leave, thus the high turnover.

### **5.1.2 High incidence - examples**

Comments about poor training provided in section B of the questionnaire under 'unethical personnel practices', indicated that respondents viewed inadequate training as an ethical problem. These comments have been combined with those from the section on poor training, and presented here in combination. The ethical dimension of poor training was generally expressed according to the effects on staff and customers, and included frustration over a lack of staff development, such as housekeeping staff not being 'given the chance to go through other departments'.

One respondent complained of having only two days before working alone, noting that this had happened to five other staff at the same property. Training problems such as place employees under stress and encouraging them to look elsewhere for work. Other examples mostly referred to being 'thrown in the deep end', and 'put into situations where I have to ask my supervisors about things that I don't know about'.

Further to references to inadequate training, narrative also revealed specific training problems, such as training is 'not thorough enough'.

### **5.1.3 High incidence - effects**

Comment about the effects of poor training focussed mostly on the 'pressure on new staff members' but one noted the contribution to 'high turnover rates'. Other narrative revealed similar themes to those on under-staffing: getting 'in trouble even though it is not your fault', and 'management wonder why guests complain'. In struggling English, one respondent explained that training was required before employment, not after.

We have to train properly, that we can work fast and good and tidy. Without training properly, waste of time of run around and ask, what I can do. We don't know the working order, rush around and we do wrong thing in wrong place in wrong time. We must train before you got a job.

### **5.1.4 Low incidence**

While some comments outlined induction programmes, as staff must minimally be shown around their workplace and introduced to key people, such programmes do not imply adequate training.

Brief training programmes were described by respondents, in which 'waiting staff are inducted and trained over a three day period', along with an assurance from a supervisor that 'Human Resources conduct regular training courses in conjunction with department heads'.

The buddy system (working with a more experienced staff member until trained) appeared to be common practice, which seems surprising, as it is less efficient to train one-on-one than train several recruits at once. However, this method would be low cost if new recruits are put to work under supervision, responding to instructions and 'learning by doing', rather than being actually trained. As this respondent notes, such 'training' (sic) places a strain on the person supervising the new recruit: 'a senior staff member should be with them at all times instead of the other colleague on the shift to be expected to do their job plus supervise the new staff member'.

Although one respondent commented that training was provided 'after or before your shift', this suggests that (not being part of the shift) it was unpaid, which did not draw comment from the respondent. Similarly, a comment regarding the difficulty of recognising individual training problems rather than just assigning staff 'to join the sessions' at least implied the existence of formal training.

## **5.2 Tolerance**

### **5.2.1 High tolerance to On The Job Training (SOS: Sink or Swim)**

On the job training was favoured as the preferable training system; advantages are that (in the most basic form) it requires no planning and no specialised trainer, and staff can perform useful tasks as soon as they are on the payroll. The main disadvantage is that consistent standards are difficult to achieve unless the same trainer is always used, the tendency to skip tasks in the absence of a comprehensive training programme, and the tendency to train staff in only the bare necessities, and allow them to learn the rest on their own. Many respondents commented on this training system, which seemed to be common.

Many respondents used the metaphor of being thrown in the deep end of a swimming pool, causing the victim to either sink or swim. Comments relating to individuals' personal experiences were often negative, while more positive

comments were written in the third person, using 'you' and 'them', perhaps distancing the experience from the writer.

Most comments about on the job training were positive and supportive:

- you need to be thrown into it to really learn everything;
- all the training in the world cannot always prepare you for the real thing;
- being thrown in the deep end is a good way to learn; and
- practical training on busy shifts – fully supervised – is encouraged.

Some were non-committal:

- some people don't have training but they learn quickly;
- you learn as you go along;
- training is done on the job;
- sometimes new employees require on the job training; and
- sometimes training is not necessary if jobs are simple and supervision is given.

And a few were less tolerant:

- they have thrown new people in the deep end and expect them to know what to do, etc without training of any kind; and
- untrained staff being expected to cope on their own.

Personal testimonies were generally negative: 'I was just thrown in the deep end, struggling to figure out what the requirement for my work was'.

### **5.2.2 High tolerance - other**

High tolerance of inadequate training was also associated with a sense of duty to the employer: 'if you are paying them and are busy they should just do the best they can'. However, although the age and position of this respondent (#65) was not given, it was from a salaried, experienced worker with a post-graduate qualification, suggesting this is a manager's view. Hopefully this manager does not work in Human Resources.

Another interesting comment (from a staff member) was that 'a dishwasher

requires no formal training', which is incorrect, although perhaps a common view. A dishwasher's role has critical implications for food hygiene, and the idiosyncrasies of most chemical feeding systems and dishwashers demand systemised training which is often conducted by supplier companies, and often certificated. However, a dishwasher can be asked to perform tasks with minimal training, just as a new porter may be asked to drive a guest to the airport without clear directions or a map. As another respondent observed, staff 'shouldn't be expected to work without proper training – especially if dealing with chemicals'.

### **5.2.3 Low tolerance because of the effect on new staff**

*You get a reputation as a bad worker when it's not your fault*

Low tolerance of poor training was associated with the negative effects of new staff, and expressed with comments such as 'it is unfair if they don't know what to do and they get in trouble for it, by management', and a delightful testimony: 'if you don't have proper training the workplace is shit – very, very bad.' The distress of being inadequate training was expressed very well by this respondent (#257, a young inexperienced food and beverage worker):

It is the most horrible thing people screaming at you to do your job when no one has bothered to tell you and then you get a reputation as a bad worker when it's not your fault

Poor training also 'gives that staff member a disadvantage so therefore will always be struggling and making mistakes'.

Low tolerance was also associated with the effects on other staff: 'places strain on others as they have to do their work as well as their own', but was perceived as a disciplinary issue: 'consistently low performing staff should be dealt with'. Management was similarly criticised for hiring inexperienced staff: 'which makes other staff members jobs harder as they have to make up for their mistakes'.

### **5.2.4 Low tolerance for other reasons**

Negative effects on customer service were also noted:

It makes our job so hard when we haven't been informed or taught how to do things properly or taught about products and everything because when

customers ask we don't know.

Respondents linked inadequate training to staff turnover, low job satisfaction, poor reputation, financial loss, poor customer service. As one respondent noted, inadequate training means 'staff suffer, business suffer'. Inadequate training was criticised by some because of perceived health and safety risks, expressed as 'can be dangerous and can cause injury', and 'guest safety is at stake', 'they could hurt themselves or others'.

Finally, intolerance of inadequate training was perceived as simply unjust.

Staff who haven't been trained often leave or do jobs wrong then get punished – not their fault if they haven't been trained Can't have people up for not performing well if proper training has not been given as I have seen.

Narrative referred to untrained staff as having 'no skills', and being 'no help to anyone'. Training was described as 'critical', and 'very important'.

The ideal training was described by a Front Office manager as '2 weeks training then rostered on with someone to make sure you are doing things right', which appears to be a reasonable programme, given the complexity of front office work.

## **5.3 Perceived opposition**

### **5.3.1 Perceived as weakly opposed**

Apart from comments such as 'they learn the ropes soon enough' relating to on the job training, there was no evidence that management did not mind inadequate training. However, comments under high incidence such as 'organisation is too busy', and a strong theme of inadequate training suggest that if management is indeed opposed to inadequate training, this is not expressed publicly.

### **5.3.2 Perceived as strongly opposed**

Only two or three comments expressed management disapproval of inadequate training, such as 'not allowed but does happen from time to time'.

## **6 Serving alcohol to minors**

**(Alcohol was sold to under-age drinkers)**

*Punish those who do*

### **6.1 Perceived incidence**

#### **6.1.1 High incidence**

Comments about alcohol service to minors mostly indicated support for the law, which allows those under 18 to be sold alcohol, and minors to be served in some areas (for example, restaurants), providing they are with their legal guardians. Some comments (such as those on unfair dismissal), indicated that hospitality workers were not conversant with laws that affect them, such as ‘I observed legal guardians giving the odd drink to their children’. This comment implies the guardians were committing a crime, as there seems little other reason to report the event. This comment was not evidence of high incidence.

There was little evidence of illegal alcohol service to minors, although some admitted it ‘would happen from time to time’, giving reasons such as ‘they forgot to ask for ID’, ‘staff feel obliged to serve their underage friends’, and ‘to avoid abuse’, most of which related to difficulties associated with refusing service to contemporaries.

#### **6.1.2 Low incidence**

Comments indicative of low incidence were mostly supportive of policy and the law, and are discussed in Section 6.3.

### **6.2 Tolerance**

#### **6.2.1 High tolerance**

*It is ok for young people to drink underage with the supervision of parents or work managers*

High tolerance of serving alcohol to minors was mostly associated with young people drinking with older friends and family, or while dining, and suggested respondents were supportive of guided or supervised drinking.

### **6.2.2 Low tolerance**

Low tolerance was associated with social concerns, business concerns, and drinking per se. Social concerns included the possibility of causing problems to the community, health problems, and a lack of control associated with alcohol, which should therefore not be available to young people.

Some comments revealed an association between ethical tolerance and the perceived magnitude of consequences, which depended on the extent of alcohol consumed: 'it depends on what type of alcohol, how old they are and how much i.e. a glass of wine with dinner for a 15 year old is fine with parents'. Two respondents raised business concerns, noting that selling alcohol to minors is 'bad business practice', 'an embarrassment' and the prospect of being fined for breaking the law.

Narrative also expressed judgments such as appalling, stupid and wrong, 'I strongly disagree of people drinking even socially' and 'punish those who do'.

### **6.2.3 Tolerance associated with the law**

Tolerance of under-age drinking was associated with the law, which was viewed both as too lenient and too stringent. However, some agreed with the law, and gave this as reasons for disagreeing with alcohol service to minors: 'if it is against the law there is often a reason so I don't think that it should be encouraged'. One respondent also linked ethical standards to the law ('selling alcohol to underage drinkers is unethical as it is breaking the law'), perhaps reflecting a common misconception that if something is legal, it must be ethical.

With one exception from an under 20 year old ('the drinking age is way too high'), the drinking age was considered too low, which was surprising considering the majority of respondents (58%) were under 25 years old, and 23% were under 20. Several comments suggested the drinking age should be raised back to 20 years, and one, that parents or guardians should not be allowed to supply alcohol to their under-aged children.

Comments on problems associated with under-age drinking were associated with older managers: 'we have a problem with binge drinking ... in our lower aged people. The price is right – they can afford it' (#527, manager, over 30).

## 6.3 Perceived opposition

### 6.3.1 Perceived as weakly opposed

*They just want to sell more liquor for more revenue*

Narrative concerning alcohol service to minors revealed perceptions of both weak and strong opposition by managers, which related mostly to alcohol service generally, and not just to the respondents' workplaces: 'laws are not enforced strongly enough'.

However, there was evidence of policies enforced by management: 'there is a strong policy ensuring that adequate checks are in place to make sure no underage people are sold alcohol', and 'we have always agreed no ID<sup>14</sup> – no drink'. Some reflected encouragement to comply, rather than actual enforcement: 'we are encouraged to check IDs' and 'selling alcohol to underagers is strongly discouraged'.

## 7 Poor food hygiene

**(Food was served to customers after it was dropped on the floor)**

*It happens more than consumers think*

### 7.1 Perceived incidence

Narrative included examples of poor food hygiene other than serving food that had been on the floor, accompanied by the worrying (and incorrect) defence that what the customer does not see, will not hurt.

#### 7.1.1 High incidence

Comments on high incidence revealed serious breaches of even sensible unwritten food hygiene rules, ignorance of which could literally prove fatal to an unsuspecting customer. One respondent noted 'this (serving food that has been on the floor) will always happen at some time'. Specific breaches included:

- spices used to change the taste of things that have been on the turn;

<sup>14</sup> New Zealand uses three forms of legal identification for those under-age: passports, driver's licences, and 18 plus cards, produced by the Hotel Association of New Zealand (HANZ).

- mould cut off food;
- seen a person lick their fingers then touch food;
- dropped a steak on the floor then served it;
- utensils that are dropped commonly get used again; and
- staff going to the toilet and leaving toilet area without washing hands.

These were supported by comments such as 'kitchen staff don't care as they do not have to handle the customers and their complaints', and 'we don't know what goes on behind closed doors', imparting a vague sense of unease about food hygiene in commercial operations.

### **7.1.2 Low incidence**

Comments about low incidence also implied low tolerance, with expressions of disbelief and disgust: 'does anyone actually do this?' A respondent identifying as a food and beverage manager (#430) wrote 'I don't work in the kitchen so can't honestly speak for what happens there', a comment that does not auger well for commercial food hygiene standards.

## **7.2 Tolerance**

*It really is a case of the customer not knowing, so it doesn't matter*

### **7.2.1 High tolerance**

All comments relating to high tolerance of poor food hygiene were rationalised: 'a steak which you can just put back on the grill and kill the bacteria'. Rationalisations suggested it was acceptable to use uncooked vegetables that had been on the floor, providing they were subsequently washed and cooked. However, one respondent objected with 'it is wrong with uncooked items', perhaps implying that cooked items are acceptable. 'It depends on the reasons' (not the items) suggests that food that has been on the floor may sometimes be used if (for example) the particular item is in short supply, or a customer is waiting for it, and discarding it would cause delays.

## 7.2.2 Low tolerance

Shoes ... step in old gum and cigarettes and animal faeces and vomit and blood and saliva and mucus...I don't want that on my food

Low tolerance sometimes reflected abhorrence, with one respondent commenting on the unfairness of serving of a steak that had been on the floor: 'I think this is a disgrace to the hospitality industry and I feel sorry for the poor bugger that had to eat the floor scrapings' (#179, food and beverage staff).

Narrative indicated disagreement with the five second rule:<sup>15</sup> 'some chefs think it's ok to apply the second rule but I don't agree' and references to discipline, such as 'I would definitely have words to management!'

## 7.2.3 Comment on law or policy

Agreement with policy was a strong theme, with some respondents proudly supporting their food hygiene rating: 'my work has a A hygiene rating – we plan to keep it that way'. Many felt penalties should be severe 'for establishments which do not comply', and were critical of those who breached food hygiene regulations: 'these places should not be in business.'

Objections to poor food hygiene were mostly based on fear of sickness, and breaches of trust and duty. Fear of sickness was expressed in comments such as 'it's potentially dangerous to serve food that has been dropped on the floor' and 'they can make the customers sick'.

Breaches of trust and duty were expressed by staff, supervisors and managers as 'if you wouldn't eat it – don't serve it to others', 'we have a duty', and 'customers trust that food is ...safe. This trust should not be broken'.

Other reasons for serving clean food were:

- good habits make for a real good business;
- it is not right to give food that was been dropped;
- unfair to the customer; and

<sup>15</sup> Five second rule – anecdotal rule suggesting if food has been contaminated for less than 5 seconds it can still be served.

- totally disgusting and unethical.

One experienced respondent (#60) betrayed a clear desire, from time to time, to serve dirty food as a means of revenge.

It does not matter how much a customer may tick you off<sup>16</sup> my work ethics outweigh my emotions and thoughts at the time. Don't get me wrong I have had a few nasty guests and if you could only read my thoughts then.

Although this kind of revenge seeking does occur in hospitality, this is the only reference to such behaviour in the narrative, and hopefully describes a fantasy rather than an actual incident.

## **7.3 Perceived opposition**

### **7.3.1 Perceived as strongly opposed**

Some comments revealed anxiety about whether or not food hygiene practices were dependent on kitchen supervision: 'don't know about when I'm not there'. Narrative revealed a desire to penalise those who breached food hygiene regulations, although this was a common theme for many ethical breaches, and was generally associated with managers: '...it would result in a written warning and if it occurred again dismissed' (#433, a food and beverages manager).

## **8 Theft**

**(Some people have taken hotel property home for personal use, without asking)**

People took home a lot of uncooked food

### **8.1 Perceived incidence**

#### **8.1.1 High incidence**

Evidence of the high incidence of theft was mostly revealed in remarks about strong opposition and consequences, revealed in comments such as 'people have been dismissed for doing so', and 'we have had a couple of thefts from staff...and once we found who it was it was an instant dismissal'. Items cited as

<sup>16</sup> Tick you off – irritate you.

being stolen were: pens, alcohol, shooters<sup>17</sup>, crackers<sup>18</sup>, cutlery, tea-towels, glasses, leftover food, uncooked food, matches, paper, tips, mints and soaps. Although statements minimising the seriousness of theft were common ('happens in all industries'), even a small loss of each of the listed items (except tips) would represent a significant financial risk to most businesses.

Narrative on incidence revealed the difficulty of establishing the definition of theft, revealed in comments such as 'having too many staff drinks' and 'pens is not a major issue unless it was by the box', suggesting that some staff drinks and some pens are fine, but not several. Although the law applies similar logic to speeding – fines are increased according to the speed of the offender – unless specific amounts are approved by management (e.g. it is okay to have one free drink at the end of a shift, or to take one pen home each day), penalising thieves has the potential to be inequitable.

The example of the staff member who 'was caught going upstairs several times during a shift to drink alcohol from the bar' and subsequently fired, implied that if the staff member concerned had gone upstairs for just one drink, he or she may have been merely warned or forgiven.

Other comments suggested high incidence: 'I don't agree with it but it's hard to stop' and 'there is a huge amount of disappearing items that leave our workplace'.

### **8.1.2 Low incidence**

One or two respondents insisted no-one would steal at their workplace, revealing a surprising naiveté about their industry. The first, however, worked in engineering, protected from the pressures of front-of-house, and the second was an inexperienced manager of a bar, but not within a hotel. Both were over 30 years old and seemed unaware of the realities of most of the industry: 'I'm sure does not happen here' (#20, mature male working in engineering), and 'not so much of an issue in a bar/restaurant' (#431, bar manager).

Others noted that they were permitted to take some items home, so their

<sup>17</sup> One nip bar glass.

<sup>18</sup> Cracker – assumed to be water biscuits, but may also be festive crackers of the type used at Christmas.

comments were not considered as low incidence: 'we are allowed to take leftovers (food) home'.

## **8.2 Tolerance**

### **8.2.1 High tolerance rationalisations (it's okay to take this home because)**

As noted, tolerance was largely associated with excuses (rationalisations), for which there were many (Chapter 9, Section 8). Theft is explored in more detail in the text than in this appendix, in order to present excuses for theft.

### **8.2.2 Low tolerance associated with intolerance of theft**

Narrative disclosing ethical intolerance of theft from the workplace was strongly associated with intolerance of theft per se, and included some moralising, with remarks such as 'shouldn't touch what isn't there's in the first place', and 'taking things without asking is stealing. Stealing is wrong'. Although one respondent noted the difficulty of stopping theft, he did not make it clear whether this difficulty was his or that of his organisation: 'I don't agree with it but it's hard to stop'.

Intolerance was also associated with the consequences of theft, although specific penalties were not mentioned: 'you face the consequences if you don't follow these rules'.

## **8.3 Perceived opposition**

A pen might make its way into one's bag or pocket without my intention. I still get orally warned.

### **8.3.1 Perceived as strongly opposed**

As expected, theft was strongly opposed, with opposition ranging from being 'strongly discouraged' to the threat of dismissal. Although there were references to the futility of trying to stop theft, some hotels clearly conducted routine bag checks on staff leaving work:

- kind of trying to stop anyway but the procedure for this is bollocks; and
- something you are fired for. Security / bag/ vehicle checks done.

## **Section B: open ended questions**

### **9 Perceptions**

Comments in this section were integrated with comments on similar topics received in section 10 of the questionnaires, to enable clearer patterns to emerge.

### **10 Unethical personnel practices**

#### **10.1 High incidence**

Because complaints were so varied, and so many deserved inclusion in this examination, commentary has been kept to a minimum, and instead, narrative comments extensively sorted and reduced to a few salient responses representative of narrative themes.

#### **10.2 Pay issues**

I feel that I don't get paid enough

Pay is low in hospitality: in this study, 57% of respondents received less than \$15 an hour, well below the national average at that time (May, 2003), of \$18.60 (NZ Department of Statistics, 2003). Complaints about pays are therefore largely justified, and as the narrative showed, explored areas where financial reward could be increased, in an effort to squeeze businesses for any remuneration they could surrender. Hospitality operators may be reluctant to increase pay for a number of reasons, and according to one respondent, some tried to preserve the status quo by keeping the union at a distance: 'staff having the fear of God put in them and been told that they would be sacked if they even thought of joining a Union'. However, this may be a reaction to what one senior manager called 'stand-over tactics by union'.

##### **10.2.1 Overtime rates not paid**

Comments expressed the unfairness of flat rates (ie normal hourly rates) for overtime, as well as the futility of working for extra money when so much seemed to be taken by the Inland Revenue Department (tax). Although this frustration is not peculiar to hotel workers, it is probably more acute for those struggling to earn a living wage. Respondent #185 was paid less than \$10 an

hour, had worked more than ten years in the same job as a full-time housekeeper, and identified as a Pacific Island female. She complained (not unreasonably):

Working so hard, but not being paid double time, tax man eats all extra earnings.

Food and beverages workers expressed similar frustrations about the apparent lack of connection between extended hours and extended pays: 'shifts of up to 18 – 20 hrs, no incentives...poor hourly rate'.

### **10.2.2 Poorly paid**

Respondents also complained of low hourly rates, many because they thought other employees were receiving more, making comments such as 'less pay than others'. One respondent, paid under \$15.00 an hour, wrote 'money is not much at all after tax, only bills manage to get paid and food', noting the difficulties of managing on a low wage.

Other respondents complained of being paid the same as others:

Everyone ... gets the same pay rate and most of the staff are inexperienced. I work in both kitchen and bar and I feel that I don't get paid enough ...I am experienced and hold a qualification.

### **10.2.3 Under-paid – real and perceived**

Some felt they were being underpaid, and were struggling to have this recognised by management.

My company still own me the sick payment and one week wages. And I have been ring to the manager, he said they pay to my account already. But I really don't get it in my bank account. Since I chase it up in June till now still haven't get the wages back (this was written in September).

One human resources manager accepted responsibility for past problems, and explained that they had been resolved, but did not mention how the problem came to management's attention.

Hotel has addressed a problem where contractual obligations (pay increases) were not being met. Staff affected received written apology and back pay.

## 10.2.4 Pay rises and inequities

Many respondents had been kept waiting for a promised pay rise:

- some ... did not get the salary/wage increase but others have it secretly
- promised salary review and increase after 3 months. Left after 1 year – still no review (good or bad) and no increase

Others noted the unfairness of arrangements such as: 'payment to waiter without paying tax (cash)'.

## 10.3 Hours, breaks and rosters

### 10.3.1 Long hours, poor breaks

I worked for 16 hours and only had 15 minutes break

The inordinately long hours exceeded even the expectations of this writer, who would find it challenging to merely maintain consciousness for the long shifts commented on, let alone perform meaningful tasks. According to one respondent such shifts were illegal: 'since a law has come in ...not to be working more than 12 consecutive hours, I wasn't asked to do so. It did happen before ... seemed to be taken for granted'.

Although employment agreements often stipulate staff breaks, there is no legal requirement to provide these except for safety reasons, such as driving. If breaks are provided for in employment agreements, compensation should be provided when these are missed, but is not mentioned by respondents. Overtime rates often apply after five hours without a break, until such time as a break can be taken, if at all. Comments relating to breaks included: 'no regular breaks is the biggest issue in our hotel' and 'staff working six days per week'. Lack of breaks was blamed on 'busyness' and 'staff shortage'. However, not all staff suffered alike: 'long term staff and full time usually get days off when they want, also have breaks', presumably making a difficult situation even more difficult.

### **10.3.2 Roster changes**

Roster changes were another source of frustration, and ranged from cancelled shifts to pressure to work extra shifts, again, without reference to compensation. If staff arrive for their rostered shift, it seems logical that they should be given a minimum payment for turning up, whether or not they are not required. Roster changes also negatively affected those given extra shifts but without being told, and who were subsequently blamed for not going to work.

- Get shift cancelled when turn up
- My roster changes daily and I am forever cancelling my plans
- Staff being blamed when they don't turn up for work or turn up on days when their hours of work have been changed without them knowing

One respondent complained of having to work 'overtime past the last bus and not offering alternative means of transport', a serious safety issue, and probably a breach of employment agreements, which normally provide for assistance outside public transport times, in the form of a ride home or taxi money.

### **10.3.3 Too much work, pressure to work, or no choice**

Frustrations over inadequate time off extended beyond merely claiming rostered days off to 'pressuring people to work extra shifts', and being 'forced to work', 'even when they've been notified of the shifts that I not able to work'. There were several references to long hours and fatigue, which were perceived as unethical, such as '12 hours straight with only 2 x 15 mins breaks + 1½ hour break in between'.

### **10.3.4 Not enough work**

It appears that there is no type of unfair behaviour that could occur, that did not. While some complained of long hours, ironically, others complained of insufficient work. Curiously, some comments about insufficient hours were from respondents whose questionnaire numbers (eg #65) were preceded and followed by respondents (eg #62 and #67) complaining of long hours, suggesting the possibility (but not certainty) that these came from the same workplace. If this is indeed the case, then the allocation of work is according to mysterious and apparently illogical criteria.

### **10.3.5 Bad shifts**

Respondents complained of double shifts, back-to-back shifts<sup>19</sup>, and graveyard<sup>20</sup> shifts, some of which may have been avoided by hiring more staff (if they were available).

## **10.4 Working conditions and miscellaneous grievances**

Further to issues relating to pay and hours, were those of perceived unfairness relating to how human resources were managed. Issues addressed in this section include staff meals, uniforms, accommodation, training and development, unfair levels of responsibility, and employment relations issues (e.g. contracts).

### **10.4.1 Uniforms, meals and accommodation**

Many hotels provide free accommodation to staff required to work back to back shifts, partly to allow for sufficient sleep, and partly to save hotel transport costs. Such guest accommodation is rarely viewed as a bonus, as very little time is spent in the room. One respondent was upset because a chef was denied this: 'a chef had to work a night shift and then a breakfast shift the next day. He was denied a room in house even though there were plenty of rooms'. Some considered the standard of staff meals and uniforms unethical, revealed in comments such as 'uniform same for guys and girls. Doesn't need to be too sexy...just less frumpy' and 'fed old food that should have been binned'.

### **10.4.2 Levels of responsibility**

Comments detailed unfair levels of responsibility, with some respondents noting breaches of the Sale of Liquor Act, which requires a certificated duty manager to be present when liquor is sold:

- had to manage the restaurant many a night when the owner had other business to attend to and didn't bother giving notice or fair warning; and
- working alone ... without holding a managers certificate.

<sup>19</sup> Back to back – a late shift followed by an early shift, often with a break of only eight hours.  
<sup>20</sup> Graveyard – night shift.

## 10.5 Summary

I am not happy

Narrative revealed the following problems were perceived as unethical personnel practices.

### 10.5.1 Pay, hours, and breaks

- Long hours (shifts of up to 18 – 20 hrs)
- Poor hourly rate
- Inadequate days off (6 or 7 day straights)
- Less pay than others
- No recognition of experience or qualifications in hourly rate
- Unpaid sick leave
- No holiday pay (although possibly included in weekly rate)
- Pay increase promises broken
- Inequity - pay increases given to some staff but not others
- Insufficient or no breaks
- Rosters planned and changed without consultation
- Frequent roster changes interfering with personal life
- Blaming staff for not knowing about roster changes
- Pressuring staff to work past public transport times without offering alternatives
- Pressuring, bullying and forcing people to work extra shifts
- Poor rostering with inadequate recovery time: back to back and double shifts<sup>21</sup>
- Full time employees given less than 40 hours work
- Taking shifts off staff to give to family members
- Operating with too few staff to reduce overheads

### 10.5.2 Working conditions

- Not providing accommodation for back to back shift workers
- Removing a coke machine from a staff room
- Putting women in a frumpy uniform

<sup>21</sup> Double shift – two consecutive shifts without a break in between.

- Providing old food for staff meals
- Giving staff unfair levels of responsibility
- Leaving unqualified staff to act as duty manager
- Hiring staff without work permits

## 10.6 Low incidence

Although it would seem logical for respondents to report only unethical behaviour, quite a few respondents defended their employers by commenting that they had not encountered any particular ethical problems, saying 'I've had really good employers', and 'employees are looked after well where I work'.

## 11 Unethical or unpleasant working environment

My work place have to serve people from government and often important people. They quite nice. However my supervisor is really strict about the way he do things there and sometimes they will yelled at me or my work mate; swore at us and we have to please them perfectly until we didn't get any break or didn't eat.

Narrative about unpleasant working environments contained complaints about employees, supervisors, managers, owners, and customers.

### 11.1 Employee behaviour

Many of the unpleasant employee behaviours reported were malicious or petty, such as squabbling over tips, harassment, and destructive gossiping. One respondent accused others of coming to work 'in hangover condition' and 'very grumpy', and others, of 'bitching behind backs', and 'unpleasant chatting'. Gossiping and back-stabbing were persistent themes, suggestive of difficult working conditions and weak leadership, and resulting in destructive atavistic behaviours. One young female chef made several references to 'ritual humiliation', saying she was 'scared', suggesting levels of harassment well beyond a few harmless jokes.

Some commented on unfair tipping systems, suggesting either that tips that should have been shared and were not, or were being shared, and should not

have been.

## 11.2 Supervisory or management behaviour

Both managers and supervisors were criticised for behaviours inappropriate to their role, circle of influence, and responsibilities. Simons' (2002) finding that a manager's integrity is the greatest influence on profit does not bode well for environments in which managers treat employees with disrespect, humiliating staff publicly, and provoking bad feeling between staff by joining in with gossip and other duplicitous behaviours. Alam (1999) noted that a manager provides examples for employees to follow', whether or not this is positive.

### 11.2.1 Abuse of position

General mgr informing me he is in love with me and one day he will get me. Left notes for me.

Examples of abuse included acts of dishonesty, and a flagrant disregard for the responsibilities of the position:

- money from strong box being used (by Manager)
- managers have abused their expense claims and beverage accounts
- sometimes the Manager would be drunk
- ex General Manager having sex in the boardroom with his PA (consensual)

One incident of sexual harassment by a manager was resolved, although it was not clear how:

I had a manager that used to make gestures at me and other staff that were sexual and when he dropped me home one night because my bus was late he asked me to give him a kiss. I told him to bugger off and got out of the car. I then told another manager and a lot of girls also said the same thing happened to them. He was then fired.

Some staff assumed that their manager's behaviour had not been condoned by the manager's own supervisor. The following examples describe behaviours that may well have been accepted by a manager's supervisor, but were perceived by employees to be illicit:

- management get to many perks is there any harm in sharing with other staff?
- management going to play golf when hotel busy. Going out of hotel for long periods; and
- manager using the chefs during quiet times to do cooking for her own personal dinner partys or out catering. Using hotel power, gas, equipment anything she may have forgotten for the dish. Also the chefs time and in hotel working time.

In some interesting examples of ethical confusion, some respondents were annoyed with managers who took perquisites that the respondents felt belonged to others. 'Manager taking home the samples (food/wine) in two cases. I've seen the head Chef didn't even get to try the samples himself'. While some of these examples may seem a little improbable, they are not, and many of these behaviours (for example, 'sometimes the manager would be drunk') have been witnessed by the author, with numerous others not mentioned.

### **11.2.2 Treating workers disrespectfully**

Managers and supervisors also abused their positions by treating employees disrespectfully:

- employees reduced to tears because they have been yelled at and abused ...called pigs.. when you see the facials and hear the tone of the owners voice then you'll understand;
- giving new staff a hard time...telling them to clean toilets; and
- boss comments on people's weight to their face, he is a bit of a wanker<sup>22</sup>

Respondents complained that they had been humiliated in front of other staff and guests, or within the hearing of guests: 'management growling in front of guests, it's not on', and 'manager embarrassing an employee in front of customers and other staff'.

### **11.2.3 Petty malicious behaviour from managers**

Behaviours complained of by staff suggested some managers were inappropriately suited to their roles, or inadequately trained. Managers 'joke

<sup>22</sup> Wanker – colloquial term for onanist.

around sometimes taking it a bit far, without realising some people might be getting hurt'. One behaved so badly the respondent 'had to remind him often to stop swearing at me and basically back off'.

Other comments reported managers engaging in 'emotional blackmail, detrimental comments and deliberate manipulation', and managers who 'play employees one against the other' and 'bad mouthing / gossiping / spreading unfair unnecessary information'.

#### **11.2.4 Favouritism or taking sides**

Some managers were accused of 'taking sides in an argument or a complaint situation and not being supportive of both parties', while others were accused of cronyism and discriminatory behaviour:

- has his own inner circle of staff ...(and) hangs with them out of work;
- one person is chef's pet for the day. Everyone else is garbage; and
- management here make decisions based on personal bias – that's unethical

#### **11.2.5 ... and just plain bad management**

Sometimes their attitude made me sick

Some managers, although incompetent, were tolerated by other managers, and others, 'people with insecurity and power complexes manipulate their way into positions of authority:

- manager is very moody and her dealings with staff and guests is shocking
- a totally incompetent boss who is protected by the HR department and other management ... aware of his incompetence but refuse to remove him.

### **11.3 Discrimination and prejudice**

Abuse and racism from management and staff

Respondents reported that they were treated differently because of their age, sex, culture, race, or beliefs. One commented that 'all the staff here are foreigners who have no idea of their rights as workers'.

- Treated differently eg given certain allowances due to race, age etc
- Females being treated like lower beings
- Manager has a weakness for girls – particularly blondes – and promotes them over better qualified men
- Not given the same credibility as perhaps someone who isn't female and Polynesian

## 11.4 Customer behaviour

By comparison, customer behaviour seemed remarkably tame, with only a few (but some relatively serious) problems noted, such as 'customer yelling at one of the staff in front of everyone', and 'death threats ... threats to drive through the club ... braking up fights'.

## 12 Unethical services (or products) offered to guests

The hotel turns a blind eye to sex workers accompanying guest to their room

The following comments related to services or products respondents perceived as unethical. It was expected the narrative would reveal a wide variety of ways employees felt pressured to behave unethically in order to please customers, because the mere presence of customers increases the likelihood of unethical behaviour. However, very few problems were mentioned in this section, and none in any quantity, except comments about sex workers.

### 12.1 High incidence

#### 12.1.1 Sex

Six comments were received about sex workers, although one respondent merely commented 'perhaps prostitution – but I don't think this is unethical'. Some hospitality workers were uncomfortable helping 'guests who want sexual favours from staff/ prostitutes', or just 'getting prostitutes', and complained that 'concierge have helped call girls up to the guest floors'. One wrote 'the hotel turns a blind eye to sex workers accompanying guest to their room. This is of course standard practice and I'm not really adverse to it so long as it's done discreetly and no other guests or employee is harmed or deliberately offended by it', indicating the probable acceptance and frequency of this kind of

behaviour in hotels. This illustrates Hearn and Parkin's comment (1987, as cited in Guerrier & Adib, 2000, p. 261), that hospitality workers have to 'turn a blind eye, make arrangements for blue movies, call girls' etc.

One respondent referred to 'staff / prostitutes' together, suggesting that staff are also asked for sexual favours. Another felt uncomfortable about the 'passing of phone numbers to staff', although there was no suggestion that this related to sex.

### **12.1.2 Alcohol, drugs and cigarettes**

Narrative indicated that some respondents were uncomfortable with the legal provision of alcohol and cigarettes ('cigarettes should be outlawed') which seemed surprisingly prim. One respondent considered alcohol unethical, and two objected to serving 'alcohol when guests are borderline over the limit', noting that drunk customers 'demand what you do not have and then they start arguing'. One thought it unethical to serve 'too many absinthe (absinthe?) shots – 89% alcohol'. As absinthe is still illegal in many countries (including America), such a view is not surprising. One respondent noted that 'customers request drugs/ free anything', and another, that 'management turned a blind eye on a guy smoking cannabis in the bathroom'.

### **12.1.3 Accounting**

Corporate clients, especially government employees, often ask for their accounts to be altered to circumvent purchasing restrictions on items such as alcohol and tobacco. Some businesses and individuals cooperate happily with these requests, while others perceive it as fraud, to 'charge the port and cigars to the business bill under another name', and 'fake receipts'.

### **12.1.4 Other**

One respondent objected to having to 'smile all the time', reflecting the emotional labour content of hospitality work commented on by Hochschild (1983). Another emotional labour issue was an objection to 'sexist treatment eg staff only acknowledging one gender when both are checking out', also reflected in the comment objecting to 'the "special" treatment of VIP customers, all should be treated the same'.

## **12.2 Low incidence**

Comments revealed a low incidence of unethical products and services offered to guests, showing instead a strong commitment by workers to provide guests with whatever they requested. Several emphasised that 'no products or services have been provided that are unethical'.

## **13 Unethical treatment of customers and other people**

*Customers are usually treated well to their face but they can be insulted and bad mouthed behind their backs*

### **13.1 High incidence**

In comparison to the apparently low incidence of unethical behaviour driven by customer demand noted in Section 12, unethical treatment of customers appeared comparatively high. However, this was expected, as service transactions provide innumerable opportunities for perceived wrong-doing.

#### **13.1.1 Unfair or incorrect charges**

Narrative revealed discomfort over issues such as over-charging ('booked for more than have arrived and had to pay for those that didn't turn up'), incorrect charging, and unfair charging: 'car was towed due to genuine guest error. No compromise, had to pay \$160'.

#### **13.1.2 Inattentive service and service failure**

One comment, that having a monopoly 'makes management lazy... because they know the customer has no choice' may explain many comments relating to poor service. However, service failures ('not following up a customer's complaint properly') and poor or public recovery of service failures ('long duration of dealing with guests complaint') were also perceived as unethical.

Inattention to customer needs was considered by some to be unethical, and a strong theme of rushing and an inability to attend to customer needs was evident:

- customers are not acknowledged and ask if they need anything else;
- do the job in a rush or roughly; and

- things like follow up and passing things on as we are so busy.

Some felt unhappy about providing poor service, one writing 'I like to treat my customer like being a queen. Make them happy and come back'.

### **13.1.3 Poor service or treatment – other negligent causes**

One respondent described an incident involving slow food service leading to irresponsible liquor service:

At a cocktail party one lady was vegetarian. In order to give her the few vege foods we had to wait until after the majority of meat platters had been taken out. As a result of this the lady drunk heaps and got fed after she was drunk.

### **13.1.4 Service delays**

Service delays appeared common, both in food and beverage service, exemplified by comments such as 'a waitress forgot to write up meals for a table and they waited for 45 mins', and 'letting meals get cold before taking them out'. Delays were also evident in rooms division: 'baggage not going up to rooms on time' and 'rooms not ready for them on arrival' being the most typical.

### **13.1.5 Rudeness**

Rudeness and bad behaviour of a careless nature was commented on by many respondents, who clearly felt uncomfortable with either their own or their colleagues' behaviour. They objected to employees being 'rude or impatient', 'abruptness', 'yelling at customers', and staff who 'talked to other colleagues when serving'.

### **13.1.6 Poor treatment of customers – malicious**

Some rudeness was rationalised as retaliation to rude or difficult customers. One respondent commented on unfair levels of rudeness to staff, suggesting that some tolerance of rudeness is required, but there is a level beyond which tolerance falters. This was also referred to as 'customers yelling at the staff and complaining to the staff at unacceptable levels'. Poor treatment included 'serving badly', 'bad words' 'answering back' and a 'beat up'.

'Rude and arrogant' customers, or those who 'deserved it' caused some

employees to 'get impatient and serve him badly'. This was summarised as 'only through unethical behaviour from the customer have we had to treat them poorly', and 'customers are only treated badly when they deserve it'. One respondent wrote of a porter who 'beat up a drunk guest for harassing the bar staff and other patrons'.

Some incidents and admissions of guilt were serious breaches of moral and legal codes, such as

- a chef who is now Manager using extra herbs and spices to alter the smell and taste of food that was on the turn;
- crusts I've put in the rubbish bin taken out and turned into bread crumbs; and
- scratched their car and management denied.

Rudeness and poor treatment sometimes appeared to have arbitrary causes: 'if the manager does not like a particular customer she does not treat the customer well and tells staff to do the same'. Other poor treatment was associated with reducing workloads, such as 'lying to guests, to get rid of guest requests', and concierges who were 'too lazy to take a paper to a room so they say there are none available'. Respondents also reported that customers were 'turned away because too busy, or because you want to close up early'.

### **13.1.7 Snobby treatment of customers**

Snobby and arrogant treatment of customers, referred to frequently by Mars and Nicod (1984), was also apparent. Such treatment was especially evident where staff judged guests to be somehow inappropriate, although 'asking or trying to find out if he is capable of affording to pay' was also considered rude. 'Judging them on what they look like and how they dress' seems somewhat unfair, considering hospitality's most loyal customers are likely to be those with sufficient money to pay for their enjoyment. Such judgements suggest that some employees defend the standards of their more expensive customers, and scrutinise other guests to ensure they meet this standard. Staff were also accused of being rude to 'people who don't spend that much money'.

'Prejudice on how customers look and whether or not they are checked in', and

treating 'cash guests' as 'scum' is probably caused by those who 'have set the precedent of trashing rooms'. One respondent wrote 'if they look dodgy / rough staff are advised not to check them in due to problems in the past with theft/ damage/ loss of revenue'.

Many incidents of poor treatment revealed no apparent cause except rudeness or arrogance on the part of the staff, who provided 'vague answers or lack of sympathy', 'answered with sarcasm' and treat customers 'like they're an intruder'.

### **13.1.8 Talking about customers behind their backs**

Some respondents felt uncomfortable about bad-mouthing guests: 'customers are usually treated well to their face but they can be insulted and bad mouthed behind their backs', and 'making jokes of the customer after they leave'.

### **13.1.9 Racial discrimination**

Racial discrimination and difficulty with non-English speaking guests was a cause of poor treatment, which was described as having to wait longer, being treated curtly, and getting bad service 'as no one is bothered to be patient and listen'. This was especially commented on with respect to Asian guests, mostly by European respondents: 'certain staff members don't want/like to serve them' and 'level of service much lower to Asian guests'.

### **13.1.10 Other**

Some poor treatment was associated with 'putting budget requirements ahead of customer care', such as:

- overbooking the hotel and denying some else a room;
- being made to charge guests huge fees for hireage of some things; and
- they have to leave the restaurant because they have been there too long.

Other incidents involved staff having too much fun: 'intoxicated, swearing, yelling and singing in the workplace', and 'wolf whistling by drunken chef'.

## **14 Meeting guests' (and staff's) needs by being unethical**

### **Giving in to demands for the sake of peace and quiet**

#### **14.1 High incidence**

As expected, the narrative revealed a variety of behaviours that were perceived as unethical ways of meeting customers' needs.

##### **14.1.1 Abusing company property to meet customer (and staff) needs**

Abuse of company property, which might also be construed as successful recovery of service failure, was perceived by many respondents as unethical. A senior manager described this as:

Apologise and sometimes give discounts or refunds to services provided as gesture of goodwill

Other respondents described this as 'free food given to moaning customers', and 'giving in to demands for the sake of peace and quiet'. However, not all free products were given to customers, as 'free drinks given out by staff to friends/acquaintances after hours when management has gone home and bar licence has run out'. Guests who abused company property, such as 'smoking in non-smoking places' were perceived as behaving unethically.

##### **14.1.2 Abusing company services to meet customer needs**

While some behaviours were considered unethical, they might also be construed as 'going the extra mile', suggesting a difficulty in determining the difference between the provision of good customer service and the avoidance of standard duties (this commonly arises when staff who spend time talking to customers are perceived by their colleagues as lazy).

A Restaurant Supervisor used her own car and during work hours when she was supposed to be supervising the restaurant took the customer around to several places before finally returning to work.

Several examples were breaches of the law (mostly The Sale of Liquor Act), such as 'continuing to serve drunk people', and 'trying to get you to serve them alcohol after the bar has been shut'.

### **14.1.3 Abusing employees to meet customer needs**

Narrative indicated that employees often 'bear the brunt' of problems caused by poor service, difficult customers, or the nature of the service and hospitality industry in general, which was referred to by one respondent as 'taking the side of the customer and not the staff member when the staff member isn't in the wrong'. Another example was 'yelling at staff even when it wasn't their mistake so guests feel like they have had a reaction'.

One manager commented on the difficulty of intervening during service failures, as this could be construed by employees as in some way humiliating.

Overriding the waitress's duties can't be helped when you as a manager can see it (the situation) going downhill...unhappy customers feel like they are taken more seriously by someone ...trained or knowledgeable about dealing with complaints

### **14.1.4 Using sex to please customers**

Some perceived abuse of employees had specific benefits for their employers, such as 'encouraging female staff to put up with sexual harassment from customers as it increases sales':

- Customers telling unethical jokes to me (sexual)
- Customers asking very personal questions. Flirting with me. (old men with wives – yuck!)
- Putting up with sexual harassment
- Staff flirting with customers to get tips
- Staff ... semi-flirted with male customers and have lied etc to guarantee sales

### **14.1.5 Difficult (fussy) customers**

Guests that might be perceived by some as an enjoyable and potentially lucrative challenge, were perceived by others as unnecessarily stressful:

- Being given the order to please guests that are spending a lot of money – top service even though they are too demanding causing unnecessary stress

- Function set up changed several times before the commencement. Too many organizers and hard to follow
- Customers made up their own menu – made it difficult to estimate the price

#### **14.1.6 Difficult (drunk or obnoxious) customers**

However, some customers seemed excessively difficult, creating strain and unpleasantness for those serving them:

- Place order with stupid joke and think we will receive as joke
- Being too drunk and argue ...they end up getting thrown out
- Being rude or racist
- Can't wait or be patient for services when they are tired after travel
- Blame staff for their wrongdoings. Happens a lot in hotels
- Screamed that price was too high for a drink, then abused customers
- Produced broken jagged bottle when asked to leave for loudness and disturbance to other customers

#### **14.2 Low incidence**

One respondent, a Pacific Island female over 30 years old, and paid less than \$10 an hour, suggested:

Be patient... whatever customer say to you whether its good or bad just say sorry forgive. Humble. Smile face. Tone of your voice... words to uplift guests not bitter voice.

Such an employee would surely be a significant advantage to any employer, especially at such a bargain price. Others noted 'customers are always right', and 'they are the ones who pay our wages'. A few wrote that they were not aware of any problems.

### **15 Other comments and personal stories**

In this hotel we don't get lunch or any food treated to the house maid and the way they treat us is like we are the slave

Respondents were invited to write their personal stories on completing the questionnaires. Some stories have already been partially or fully presented with

other material on the same topic. Those presented here are not readily classifiable into any of the previous categories, or are sufficiently lengthy to warrant separate inclusion.

## **15.1 Reasons for leaving**

Two respondents discussed reasons for leaving their employment.

- I quit my last job due to unfair demands on putting up with comments about my physical appearance from customers and the expectations of management to put up with this
- I resigned over a situation where the rules were changed because the amount of the tip was bigger than usual...they were insinuating I was a thief when all I did was follow the rules the way they had always been

Another commented on others who had left their employment, describing a typical situation of unfair dismissal, in which there is an ownership change, and the incoming owner exerts pressure on senior managers until they leave, thereby allowing new managers, more to the liking of the new owners, to be appointed.

There was a change of ownership of the business and as a result of conflict between the new owners and the existing staff members, three staff members left suddenly without giving notice. Two of these staff members were senior members which placed a lot of pressure on staff members.

## **15.2 General dissatisfaction**

Other comments were in the nature of general dissatisfaction with:  
Discriminatory behaviour...

My kitchen is mainly all females. No one wears a hat. I have been there 1 year in 1 month. About 2 months ago I was getting emotionally and mentally harassed for not wearing a hat. I felt horrible – RITUAL HUMILIATION. I was humiliated. I felt I didn't have to wear a hat if no one else was. Just because I am the youngest the front of house picked on me. I was close to leaving and I hate the way we all talk about our lives and everyone gossips. It all starts from the top. I love cooking. I love food but I've lost my passion. It's sad. I just hate getting yelled at and humiliated when it's not my fault. It happens to everyone.

Poor communication...

There is very little communication between departments at my workplace which causes a lot of stress amongst all employees including supervisors and managers. There are so many obvious ways to improve this situation but nothing is ever done about it. This has caused so many problems in our hotel.

and disrespectful treatment...

Well we have worked here for 3 years and we have had no pay raise at all and then some new workers started working and they gave everybody 25c pay raise and I don't think that fair on the other workers including myself. Our Manager over spend on other things for the hotel but he don't care about his workers. Working as a housekeeper in a hotel is properly the hardest job in that department because we have to clean the room and do the best we can and we have to clean it in a hurry before the guest arrives. Most hotel treat there housekeeping staff like krap they look down at them – that they are just cleaners and they are dumb, people that cleans the room well I think a house maid can do anything and the Managers of the hotel should treat them with respect and care for them. In this hotel we don't get lunch or any food treated to the house maid and the way they treat us is like we are the slave – if they want something done they want it to be done straight away without asking in a polite way.

One senior manager explained the difficulties of a labour intensive workforce...

It often (takes) two persons to play a game. If one person is willing and the other unwilling then there is no fun at all to play or start a game. Such a one-sided game usually ends quickly. When a game turns sour...then it turns nasty, then becomes a complaint or sexual harassment. Staff working in hospitality industry should be nice but should not develop emotional or personal relationships. There needs to be a dividing line. There is a wide cross section of ethnicity, backgrounds, educational levels and high level of human contact in this industry, therefore staff must be well trained to cope in most situations, differentiating clearly between work and personal relationships. They don't mix!

### **15.3 No problems or resolved problems**

Some respondents took time to defend their employers, one noting how much things had improved, and another (perhaps ironically) noting the benefits of working in difficult situations.

- Have seen many unethical things in my time but none that come to mind in this job. We are all treated fairly. Sometimes growled the wrong way, but not usually unjustly.

- When I first started, there were fights all the time. It's a lot better now though, a lot, lot better.
- It is good that sometimes have unfair, unethical or illegal treatment of employees. It helps you to grow up and advance your IQ and skill for handling human relationships.

## Appendix E: Correspondence

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### **1 Overview**

This appendix contains examples of letters used to solicit participation from respondents. Details of the letters' recipients are presented in Chapter 5, Section 5.

## 2 AUTEC Ethics approval

### MEMORANDUM

Academic Registry – Academic Services



To: Heather Devere  
From: **Madeline Banda**  
Date: 20 January 2003  
Subject: 02/171 Ethics in commercial hospitality

Dear Heather

Thank you for providing amendment and clarification of your ethics application as requested by AUTEC.

Your application is approved for a period of two years until 20 January 2005.

You are required to submit the following to AUTEC:

- A brief annual progress report indicating compliance with the ethical approval given.
- A brief statement on the status of the project at the end of the period of approval or on completion of the project, whichever comes sooner.
- A request for renewal of approval if the project has not been completed by the end of the period of approval.

Please note that the Committee grants ethical approval only. If management approval from an institution/organisation is required, it is your responsibility to obtain this.

The Committee wishes you well with your research.

Please include the application number and study title in all correspondence and telephone queries.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Madeline Banda', written over a light blue horizontal line.

Madeline Banda  
**Executive Secretary**  
**AUTEC**

From the desk of ...  
**Madeline Banda**  
Academic Services  
Academic Registry

Private Bag 92006, Auckland 1020  
New Zealand  
E-mail: madeline.banda@aut.ac.nz

Tel: 64 9 917 9999  
ext 8044  
Fax: 64 9 917 9812

### 3 Letter to General Managers (GM)

(Name)  
General Manager  
(Hotel name and address)

16 May 2003

Dear (name)

I am a doctoral student and Senior Lecturer at Auckland University of Technology, undertaking research in the area of hospitality ethics. As part of this research, I hope to survey staff and management of your property, along with other major hotels in Auckland.

#### **How will the survey be undertaken?**

I would like all employees in your hotel to complete my questionnaire. My preference is to distribute these at staff meetings, but if this is too difficult, questionnaires and explanatory notes can be attached to payslips, or questionnaires distributed by department heads. I want to reach as many people as possible.

#### **How will the completed questionnaires get back to me?**

If questionnaires are completed at meetings, I can collect them personally. Alternatively, I can leave a box in a suitable area, for employees to leave their completed questionnaires. If this is your preference, I will leave the box for two weeks to allow plenty of time for employees to receive, complete, and return their questionnaires.

#### **What about senior managers?**

I am particularly interested in the opinions and experiences of senior management, and hope all employees will participate. I am happy to provide stamped-addressed envelopes for any colleagues who may have concerns about their privacy. Alternatively, I can leave an additional collection box with you or your Human Resources Manager.

#### **What good will come out of this?**

The results will be collated and analysed, and a paper prepared for publication in a hospitality journal. This paper is expected to identify some of the causes of ethical problems in hospitality, and the types of problems that are perceived to exist. If you agree to participate, I will send you the results directly, so you can see what kinds of unethical activity are occurring, and how staff and managers are reacting to routine ethical issues. As the results will be grouped by property size, you will not be able to identify your results – only those from properties of a similar size.

I will telephone you in the next week or two for approval to proceed with this research. If you would like more information, please email me on [jill.poulston@aut.ac.nz](mailto:jill.poulston@aut.ac.nz), or call me at AUT on 917 9999 extension 8488. If you would like me to explain the project in more detail, or show you the questionnaire, I will be happy to meet with you or your delegate.

Kind regards

Jill Poulston  
Senior Lecturer  
Auckland University of Technology

#### 4 Letter soliciting postal responses from managers (PM)

(Name)  
General Manager  
(Hotel name and address)

4 February 2004

Dear (Name)

Last year, 453 questionnaires for my doctoral research in ethics in hospitality were completed by hospitality employees around Auckland. Some of your employees may have participated in this research, which is helping me identify the views of staff, supervisors, and managers, on a range of different ethical issues.

I have sufficient material from respondents identifying themselves as staff, to identify the common view of employees working in this role. However, I need to know more about the views of **experienced and senior employees, such as General Managers, Rooms Managers, Food and Beverages Managers, Human Resources Managers, Bar Managers, and Restaurant Managers**. Information from employees working in these roles will help me identify the differing attitudes to issues such as removal of company property for personal use, and the service of alcohol to minors.

I therefore include five questionnaires, which I hope you and your senior employees can complete, and return to me in the enclosed stamped and addressed envelopes. This request is being made to around 30 managers of hospitality businesses, so when the completed questionnaires are returned to me, it will not be possible to determine which property they have come from. Your privacy and anonymity in this respect are totally guaranteed.

I look forward to receiving some completed questionnaires shortly, and thank you most sincerely for your cooperation.

Yours sincerely

Jill Poulston  
Senior Lecturer  
Auckland University of Technology

## 5 Letter soliciting postal responses from liquor outlets (PL)

(Name)  
General Manager  
(Hotel name and address)

11 February 2004

Dear (Name)

Last year, 453 questionnaires for my doctoral research in ethics in hospitality were completed by hospitality employees around Auckland, helping me identify the views of staff, supervisors, and managers, on a range of different ethical issues.

I have sufficient material from respondents identifying themselves as hotel staff, to identify the common view of employees working in this role. However, I need to know more about the views of **managers, supervisors, and staff working in liquor outlets such as bottle shops and nightclubs**. Information from people working in these roles will help identify the differing attitudes to issues such as removal of company property for personal use, and the service of alcohol to minors.

Although I delivered blank questionnaires to your property late last year, I was unable to collect them again, for which I apologise. I therefore include five new questionnaires, which I hope you and your employees can complete, and return to me in the enclosed stamped and addressed envelopes. If you still have the original questionnaires delivered to your property last year, please feel free to use these if you need more. Anything you don't use can be thrown away.

This request is being made to around 30 managers of hospitality businesses, so when the completed questionnaires are returned to me, it will not be possible to determine which property they have come from. Your privacy and anonymity in this respect are totally guaranteed.

I look forward to receiving some completed questionnaires shortly, and thank you most sincerely for your cooperation.

Yours sincerely

Jill Poulston  
Senior Lecturer  
Auckland University of Technology

**This is a questionnaire for PhD  
research**

**Please help yourself**

**(to an envelope in the purple box)**

**Answer the questions and post your  
answers in the BIG YELLOW BOX**

**Why?**

**To help make hotels even better places  
to work (and to find out what's in the  
envelope...)**

How will this make my work place better?

By finding out what staff and managers think about ethical issues, a common understanding can be reached about what is right and wrong, fair and unfair.

How can I find out more?

Get a questionnaire from the brown box and read the information sheet. You don't have to fill it out if you don't want to. Just put it in the BIG YELLOW BOX anyway.

If I do this, who will find out what I have written?

No-one. What you write is private. Completed questionnaires from different hotels are mixed together so no-one can tell which hotel they came from, or who said what!

Your help with my research is appreciated

Jill Poulston

AUT PhD student

## **Appendix F: Appendices references and readings**

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