

Ethics in commercial hospitality
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Abstract

Anecdotally, hospitality has a reputation for poor ethical standards, and it is anticipated that this research will provide a basis for that reputation. Several themes are being explored, such as the causes of poor ethical standards in hospitality, and in particular, management's role in encouraging and preserving these standards. Unethical behaviour in hospitality is investigated, in order to measure tolerance according to different demographic attributes.

It is hypothesised that hospitality managers both passively and actively support unethical behaviour, by providing inadequate financial, physical and human resources to meet profit targets by ethical means. Managers may be aware of unacceptable behaviour, but do not take preventative action, perhaps because the behaviour helps them meet short term goals.

Preliminary research included a review of literature relating to moral philosophy, business and hospitality ethics, and the origins of hospitality. Studies influencing the direction of the research are reviewed in this paper, with an outline of the research design and some preliminary results.

This study is expected to make a significant contribution to improving ethical standards in hospitality workplaces by identifying the existence and scope of ethical problems, as well as their major causes. Staff and managers have conflicting views about what is fair and unfair, and by identifying these, a common understanding can be established.

The ability to predict functional areas in which ethical problems will occur, as well as the kinds of incidents likely to generate unethical behaviour, is likely to help hospitality managers incorporate preventative techniques into training programmes. Furthermore, if unethical behaviour is tolerated in specific areas of hospitality, it is possible that causes of unwanted behaviour can be identified and minimised.

Introduction

Mars and Nicod (1984) identify rewards for hospitality staff as basic pay, subsidised lodging, subsidised or free food, tips, fiddles, and knock-offs. However, the traditions of pilfering (Johnson, 1983) and misusing cash and products (Divine, 1992) represent just one aspect of the unethical behaviour prevalent in this industry. Gilbert, Guerrier and Guy (1998) identified high turnover, poor working relationships, and decreased productivity due to absenteeism and turnover as the effects of sexual harassment. Furthermore, an estimated 630 people die of food poisoning in Australia each year (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 using 'potentially dangerous practices' in terms of food hygiene (Johnston, Arthur & Campbell, 1992).

In New Zealand 118 people died and 502 were seriously injured in alcohol-related motor vehicle accidents in 2001 (LTSA, 2002) and passive smoking is estimated to cause about 374 deaths and 190 hospital admissions each year (Woodward and Laugesen, 2001). The effects of poor personnel practices and theft are more difficult to assess, but are likely to include poor turnover and poor profitability.

Hospitality has a crucial role in tourism, which accounted for 14% of New Zealand's export earnings in 2002 (Provisional Tourism Satellite Account 2000-2002, 2003). Understanding the cause and extent of unethical behaviour is a significant step towards protecting the New

Zealand industry from the traditions of opportunism and moral insensitivity prevalent in the hospitality industry in some countries.

There is no evidence of research in hospitality ethics in New Zealand, except studies of specific ethical issues, such as sexual harassment and food safety. Nor is there any significant commentary on the perceived importance of ethical behaviour amongst hotel managers, nor definition of personal ethics as applied to the hospitality industry, even though the importance of ethics in business is well documented internationally. This research therefore sets out to identify the scope of unethical behaviour in New Zealand commercial hospitality, by soliciting views from industry employees on questionable behaviour occurring in their workplaces.

The Problem with Ethics and Hospitality

The hospitality industry is staffed predominantly by women, a frequent prey of sexual harassment. Pays are low (Gilbert, Guerrier and Guy, 1998) and the service encounter places consumers in direct contact with the service provider. These, and other factors, create an environment in which unethical behaviour flourishes.

The review in this paper outlines the problem and tradition of ethics in hospitality as an introduction to the wider task of identifying causes of unethical behaviour. Published examples of unethical behaviour are discussed, as well as their causes and predictors, especially management's passive and active role as a significant cause of unethical behaviour. For the purposes of this paper, ethics is construed as the rules and principles derived from morality, which is concerned with differences between right and wrong (The Concise Oxford Dictionary, 2001).

Hospitality employees have poor social status (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' (Guerrier & Adib, 2000, 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, p. 77) as part of their work. There are numerous stories of incidents 'such as requests for fellatio and other sexual favours, which blur the barriers between staff and guests, and staff and management' (Guerrier & Adib, 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. However, other causes are also apparent.

The requirement to please customers (and therefore management) places employees in a weak and subservient position, which is further compounded by sexual harassment (Guerrier & Adib, 2000), low pay (Mars & Nicod, 1984; Beck, 1992) and poor personnel practices (Price 1984). In such an environment, it is not surprising to find employees stealing from guests, the company, and each other (Mars & Nicod, 1984; Divine, 1992), practising poor food hygiene (Morrison, Caffin & Wallace, 1998; Poulston 2000) and violating regulations governing the responsible sale of liquor (Poulston). This paper identifies these and other breaches of ethical standards in hospitality, in an attempt to establish correlations between ethical problems and their causes.

Hypothesis

Although an alarming range of unethical solutions is used to solve day to day problems in hospitality (Poulston, 2000), the precise causes and predictors of such behaviour are not

known. The following hypotheses outline the causes and predictors being tested in this research.

- H1 Management is aware of unethical behaviour but does not take preventative action unless the organisation's profits are likely to be compromised
- H2 Management actively supports and causes unethical behaviour

Research design

As a preliminary study identifying ethical issues in hospitality was undertaken in 2000, further exploratory research is not considered necessary. Subsequent to this research, a pilot study (n = 60) tested a range of questions designed to identify relationships between possible causes and predictors of unethical behaviour, and tolerance of unethical behaviour in individual respondents. After minor adjustments, the data collection phase of the study began in July 2003, with a survey of staff and managers in Auckland hotels, hospitality students at the Auckland University of Technology, and hospitality workers attending on-site union meetings.

Conclusions and Implications

It is anticipated that predictors of unethical behaviour will include the use of student labour and young employees. A correlation between poor formal rewards and tolerance of unethical behaviour is likely to emerge, and a divergence of attitudes towards unethical behaviour found between staff and management. It is also anticipated that management will emerge as the sleeping partner to many crimes and misdemeanours, being a passive, if not active supporter, of sexual harassment, under-staffing, and poor food hygiene.

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