

A COMPARISON OF HOSPITALITY EDUCATORS'  
AND HOSPITALITY PRACTITIONERS'  
PERCEPTIONS OF ETHICS EDUCATION

By

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## DEDICATION

This thesis is dedicated to my wife, Chiung-Fang (Denise)

Yeh, my daughter, Courtney Yeh, my father, An-Ming

Yeh, my mother, Fang-Chu Yeh, my grandmother, Chin

Hsu, and my grandfather, Wen-Tau Hsu.

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“It is better to learn from those who are still learning than those who have learned it all.”  
-Unknown

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## CHAPTER I

### INTRODUCTION

Ethical behavior is a growing concern by many organizations and sections of American society (Vallen & Casado, 2000). Business ethics is a popular topic in both the academic arena and business within the hospitality industry (Damitio & Schmidgall, 1993; Dunfee & Donaldson, 1999). Although business ethics courses are now an accepted part of business school curriculum, a limited effort has been made to measure the perceptions and needs of these courses from educators and industry practitioners (Jaszay, 2002; Murphy & Boatright, 1994). This research will investigate the perceptions of hospitality educators and hotel practitioners regarding business ethics in contemporary hospitality programs and within the hospitality industry. By preparing hospitality students to logically and ethically solve dilemmas, educators are equipping future managers with confidence and self-esteem to make a “right” decision when confronted with a dilemma (Jaszay, 2002; Vallen & Casado, 2000). Cook, Hunsaker, and Coffey (1997) define “decision-making” criteria as reflecting “ethical” criteria. They believe that decision-making criteria should conform to laws, human rights, and social responsibilities. In addition, organizations need to establish a commonly agreed upon policy as well as a corporate code of ethics to guide decisions. Although an individual might always follow corporate rules and policies, it does not mean that this individual is always ethical.

Therefore, when individuals are confronted with decision-making dilemmas that conflict between their own personal interests and corporate profit, they can make sound decisions. A comparison between educators and hotel practitioners was conducted to discern if there are any differences in terms of their perceptions about business ethics. The substantive focus of this dissertation is to uncover crucial findings from educators and hotel practitioners relative to their perceptions of business ethics.

Students must be formally trained in business ethics before they work in the industry (Jaszay, 2002; Vallen & Casado, 2000). A positive ethical working attitude and environment can enhance graduates' and other employees' job performance and satisfaction and have a direct influence on their customers' service and satisfaction.

### Statement of the Problem

Ethics is a growing concern for American society, particularly in the hospitality industry. It is a topic that is hard to define and hard to grasp. Educators and practitioners alike are struggling with this issue.

### Purposes and Objectives of the Study

This research study will investigate the perceptions of hospitality educators and hospitality practitioners regarding business ethics in contemporary hospitality education and the hospitality industry. This study will attempt to provide some fundamental

findings as to how hospitality educators and hotel practitioners perceive the knowledge and behavior of hospitality students relative to business ethics. The research findings may be able to provide some implications for hospitality educators as to whether ethics education is imperative or not.

### Background

The integration of ethics into the hospitality curriculum has been advocated by educators (Vallen & Casado, 2000). Developing an awareness and sensitivity to personal integrity should be one of the goals of all hospitality programs. Hospitality educators prepare students for careers in management and must address ethical and legal issues. There is controversy surrounding the teaching of ethics education. Some argue there is a lack of empirical work in business ethics curriculum (Jaszay, 2002). Thurow (1987) and Bunke (1988) argue that it is too late to teach business ethics to college students. Murphy and Boatright (1994) contend that there is insufficient validated theory and principle relative to where an ethics course should be placed in the curriculum or how it should be taught. And, within the community that supports ethics education there is controversy on how to offer it. Jaszay (2002) stated that most educators agree that it is more effective to incorporate a thoroughly planned ethics component into each required course than to teach a separate ethics course.

Kohlberg articulates that there are three developmental levels of moral theory and philosophy. From lower order to higher order of moral development, these three levels

are egoism, group-oriented values, and fairness-as-virtue. Kohlberg believes that ethics can be taught in accordance with these three developmental stages (Folger, 1998). In Radical Business Ethics, Lippke (1995) argued that one of the ultimate goals of business ethics was simply to raise business practitioners' awareness of moral issues. Managers in contemporary society must deal with many legal-ethical dilemmas. In the past, employees were primarily interested in "what" to do and "how" to accomplish their jobs, but frequently never made an inquiry into "why," or "is this the best way"? Profit was frequently the primary mission and goal of the business (Lippke, 1995). Management in contemporary society has been pressured by the public to address ethical issues in the workplace.

Why does the hospitality industry need to do business with an ethical attitude?

The reason is, "Hospitality is one of the noblest words in the English language, connoting welcome, friendship, comfort, and gracious service" (Whitney, 1992, p.1). In the hospitality business, "ethics" has been defined as treating customers in a fair and equitable manner (The Golden Rule). One can interpret "ethics", as treating customers, as you would like to be treated as a customer (Vallen & Casado, 2000; Whitney, 1992).

One of the most challenging tasks for business leaders, managers and entry-level employees is ethical decision-making (Seglin, 2000). Cook, Hunsaker, and Coffey (1997) define "decision-making" criteria as reflecting "ethical" criteria. They believe that decision-making criteria should conform to laws, human rights, and social responsibilities. In addition, those organizations need to establish a commonly agreed upon policy as well as a corporate code of ethics to guide decisions. Although an individual always follows corporate rules and policies, it does not mean that this individual is always ethical.

Therefore, when individuals are confronted with decision-making dilemmas that conflict between their own personal interests and corporate profit, they can make sound decisions.

Damitio and Schmidgall (1993) discussed ethics in the hospitality industry and presented seven ethical scenarios to a group of hotel general managers (GMs), controllers, and club managers from the International Association of Hospitality Accountants. These seven scenarios are considered typical hospitality ethical dilemmas:

1. The manager decides to accept her own pay raise while the company decides not to increase the hourly employees' average pay due to the company's financial problem.
2. The manager hires spies to inspect whether employees perform their jobs according to the company's standards.
3. The manager personally pays one of the property's best maintenance workers to work at the manager's house, paying him the same corporate hourly wage.
4. The manager accepts a new contractor's offer to roof her personal residence for half-price.
5. The manager tests a cashier's integrity by placing extra money in the register receipts.
6. The manager decides to reduce full-time employees' fringe benefits in order to maintain the company's profitability and manager's bonus.
7. The manager decides to accept a free case of wine from a new beverage purveyor (Damitio and Schmidgall, 1993).

More recently, the energy giant, Enron improperly inflated its earnings by nearly \$400 million between 1997-2000 (Emshwiller, 2002). This unethical managerial decision-making has had a tremendous impact on Enron's employees and society. Fiscally sound organizations require managers to promote ethical conduct within their firms. Within this context, how to address the area of ethical decision-making is of particular importance to educators. Ethical practices are critical for success within the hospitality industry. If a corporation only believes and emphasizes maximizing profits, the corporation will have different methods of evaluating its business strategy compared to a moral-oriented company (Elloy, 1997; Wilson, 1997).

### Definition of Terms

#### Ethics

Hall (1992) has given a definition to ethics as "Knowing what ought to be done, and having the will to do it" (p. 12). Moreover, he identified five principles for hospitality managers to test themselves before making a decision. These five useful test methods are as follows:

- (1). Is the decision made based on legal practice?
- (2). Is the decision fair for anyone?
- (3). Does the decision hurt anyone?
- (4). Have I been honest with those affected?
- (5). Can I live with my decision?

Lippke (1995) defined ethics as the theoretical perspective provided by a larger theory of social justice. He explained that such a theory provides people with two things: “(1) a set of well-grounded general principles that allow us to determine what fundamental rights and responsibilities all individuals in society have; and (2) a conception of the sorts of basic political, social, and economic institutions that ensure individuals’ fundamental rights are realized and fundamental responsibilities are upheld” (p. 8).

### Business Ethics

The general concept of business ethics embraces a large scope, ranging from broad topics such as the meaning of ethics and the role of business activity to such narrow issues as individual ethical dilemmas confronted by managers in the specific industries (Stiles, 1997).

### Hospitality Business Ethics

In a 1988 survey of 1,000 American Hotel & Motel Association (AH&MA) member hotels of 300 rooms or more, hoteliers were asked to define ethics. The participants provided a variety of responses, but had one central thread, treating others in a fair and equitable manner, the Golden Rule (Hall, 1992). The Golden Rule is doing to others as you would have others do to you.

## Significance of the Study

This study contributes to hospitality education and the hospitality industry relative to ethics education and business ethics. A harmonious and healthy society is heavily dependent upon people's ethical philosophy and ethical practices (Dunfee & Donaldson, 1999). Ethical management insures a better ethical business and living environment. Preparation of a student's business ethics education at school may contribute to student's long-term career development and elevate the hospitality industry's quality and prosperity (Vallen & Casado, 2001).

## Assumptions

The following assumptions were made regarding the reliability of data collection: (a) for hotel general managers, all returned responses were coming from general managers or a person the general managers requested to represent her or him, and (b) this study employed a mixed mode methodology where survey responses were collected through U.S. mail and web-based e-mail forms. It was assumed that different data collection techniques, mail and web-based e-mail forms, did not affect the responses.

## Limitations

This study encountered some computer technical problems while delivering e-mail survey invitations and prenotice letters to the hospitality educators. Sending a testing e-mail to ascertain the functionality of computer and the Internet service before sending the real survey invitation could prevent these computer technical problems. This



is an important consideration if researchers choose to use web-based surveys. In addition, this research supported a higher response rate using electronic delivery than mail delivery. These are all points for future researchers to consider.

The response rate for hospitality educators was low thus the results cannot be generalized beyond the findings. Also, the respondents who answered the questionnaire could be more interested in ethical issues, thus a higher response rate, higher bias and lower research validity might be expected.

CHRIE members and hotel practitioners selected in this study did not represent all hospitality educators and hospitality practitioners. Thus, the results cannot be generalized beyond the findings.

### Research Questions

The research questions that guided this study were:

1. What preparation have hospitality educators in the field of hospitality received to help them address ethical challenges in their practices?
2. What are the attitudes of hospitality educators toward ethics education in preparation in the field of hospitality?
3. What are the attitudes of hospitality educators toward ethical decision-making in practice in the field of hospitality?
4. What preparation have hospitality practitioners in the field of hospitality received to help them address ethical challenges in their practices?

5. What are the attitudes of hospitality practitioners toward ethics education in preparation in the field of hospitality?
6. What are the attitudes of hospitality practitioners toward ethical decision-making in practice in the field of hospitality?
7. How do hospitality educators and hospitality practitioners in the field of hospitality compare regarding what will help them address ethical challenges in their practices?
8. How do the attitudes of hospitality educators and hospitality practitioners compare toward ethics education preparation in the field of hospitality?
9. How do hospitality educators and hospitality practitioners compare toward ethical decision-making in practice in the field of hospitality?

## CHAPTER II

### REVIEW OF LITERATURE

#### Introduction

Within the last two decades, many scholars have devoted their efforts to the practice of ethics in education (Dunfee & Donaldson, 1999; Snyder, 2000). Deeds and activities in the business environment have influenced hospitality education and hospitality curriculum. Amy Gutman “asks universities first to adopt a climate of ethical debate and then to create courses across the curriculum on practical ethics for all students. The goal, she argued, should be to teach students to realize how ethical principles can be applied to solving practical problems” (Snyder, 2000, p. 530). Smart hospitality firms care about both social responsibility and social responsiveness. Social responsibility is shown in a firm’s actions toward the environment and other external areas affecting society. Social responsiveness can be seen in the business attitude toward employee benefits, safety, personal growth, professionalism, human rights, and well being for employees. Hospitality firms realize that customers are more sophisticated and demand higher standards of external and internal business ethics. In addition, many firms are not only generating profits for stakeholders but are also creating benefits for the companies’ employees (Birkner & Birkner, 2000). This focus has impacted hospitality education and the desire of educators to produce successful managers.

Another impact on hospitality education is globalization and diversity. When a business has to expand overseas, organizations confront varying ethical issues. One example of this is the concept of bribery. Bribery to local government officials is common and necessary for doing business in many Asian countries (Reynolds, 2000; Yu, 1999). This bribery becomes a dilemma for a United States hospitality manager. Because of the growth of global businesses, the study of business ethics in multinational companies (MNC) is important for scholars and organizational managers in all countries (Bain, 1997). If a company has not explicitly established a written policy addressing bribery, and top management has not had a positive influence on employees' ethical behavior, it could be common for bribery to occur.

In the past, organizational management frequently did not strongly articulate ethical policies nor clearly communicate ethical statements and codes to their employees and their customers. Communications between managers and employees was not consistent in terms of ethical management and decision-making (Longnecker, 1985). Today, we are in a transition period where ethics, integrity, and moral character are part of the definition of "success" in the hospitality industry.

### History and Development of Ethics

In order to better understand contemporary ethics and business ethics, the history and development of ethics needs to be introduced to comprehend the linkage between historical and contemporary ethics. This section will depict the history and fundamental

doctrines of ethics, history and fundamental theories of business ethics, modern history and development of ethics, and Kohlberg's model of ethics development.

### History and Fundamental Doctrines of Ethics

Ethics in most areas emphasizes principles of action, the action itself, and its consequences. There are two typical doctrines that are always the focus of debate on most ethical issues; the two are Kant's deontology and Mill's utilitarianism. Deontology focuses on the principle of action, on universality and justification. Utilitarianism basically focuses on the consequences of action and goodness or badness (relative benefits and harms) of the action. Ethics in general and business ethics specifically have generally agreed that all three elements, the principles of action, the action itself, and the action's consequences, must be taken into account. Nevertheless, there is another doctrine that is not part of either deontology or utilitarianism, which has been defined as "virtue ethics." Its focus is different from deontology or utilitarianism, which primarily focuses on the person's character or on those traits of character expressed in this and other actions (Angelo & Vladimir, 2001 & Solomon, 1999).

People tend to agree that the most famous virtue ethicist is the great Greek Philosopher Aristotle (384-322 BCE). In his *Nicomachean Ethics*, Aristotle stated that a system of virtue ethics still remains the starting point, if not the model, for most virtue ethicists. Aristotle believed, "virtue ethics tends to begin within an established tradition or culture and pay attention to specific attributes that are admired in that tradition or culture" (Solomon, 1999, p. 31). This nature raises the specter of "relativism", which proposed that there might be very different virtues in different societies and different individuals.

## History and Fundamental Theories of Business Ethics

As an academic field, business ethics is considered a new entrant, although it has already succeeded in establishing its own research paradigms. A majority of influential research has been conducted in the past three decades. The initial efforts at business ethics applied either classical ethical theories to problems of business ethics or expanded concepts already familiar to business academics (Dunfee & Donaldson, 1999).

One important business ethics concept was developed from the “Social contract approach.” The primary purpose and goal of social contract is to understand better the obligations of key social institutions, such as business or government. This goal is achieved by attempting to understand what a fair agreement is between those institutions and society, or among different communities within those institutions. The seventeenth-century English philosopher, Thomas Hobbes, asked what underlying agreement between people and sovereign was necessary to avoid chaos and war (Dunfee & Donaldson, 1999). The eighteenth-century French philosopher, Jean Jacques Rousseau, asked what underlying agreement would be likely to enhance social welfare. And, the eighteenth-century English philosopher, John Locke, asked what agreement between state and citizenry was necessary to protect liberty and property. Generally speaking, prior to the mid-nineteenth century, most social contract aims focused on the contract between government and the people (Dunfee & Donaldson, 1999).

## Modern History and Development of Ethics

This section will depict William Kay’s Moral development (1970) of the earlier ethics advocates as well as their theories and research works in a sequential order.

Macaulay and Watkins, 1925:

When these two authors published the results of their study on the environmental influences, which affect the development of moral values, they could scarcely have known that this work would remain the solitary contribution of English scholars for many years to come. Until recently, apart from Piaget's contribution, one has to refer to work done mostly in America. The English remained singularly silent on this subject (Kay, 1970).

Hartshorne, May, and Maller, 1928-1930:

The authors concluded that there was not a general pattern in moral development, which was apparently incompatible with Macaulay and Watkins' theory. Hartshorne, May, and Maller argued that so complex were the factors producing moral actions that it was impossible to make any generalizations at all about moral behavior, and this applies equally to any pattern of moral development (Kay, 1970).

Piaget, 1932:

Piaget's work marks a further stage in the emergence of some scheme of moral development. In fact Piaget's work was based on the earlier works of Durkheim, Fauconnet, Bovet, and Baldwin. These four scholars and their works impressed Piaget because each of them has dealt a problem, which Piaget considered to be relevant to his own studies on the development of moral judgment. They were:

1. The influence of adult constraint on the child.
2. The effect of social cooperation on moral judgment.
3. The reflection of intellectual development on the processes of moral thoughts.
4. The interaction of these three factors (Kay, 1970).

Havighurst and Taba, 1949:

The authors contended that character develops as a result of three forces: reward and punishment, unconscious imitation, and reflective thinking. In other words, morality passes from the prudential stage of reward and punishment, through the social stage of unconscious imitation, into the personal stage reflective thinking (Kay, 1970).

Gesell, and his associates, 1946-56:

In general these authors believed that the moral growth is presaged during the first five years of life. Based on this theory, they summarized that the next two cycles of development, such as from six to ten years and then from eleven to sixteen years, simply build upon this early foundation. This building process is facilitated by increasing intellectual power and widening social relationships (Kay, 1970).

Swainson, 1949:

Swainson's study was both exhaustive and comprehensive. This study attempted to trace the development of moral ideas from childhood to adolescence. She concluded that moral development consists of progressive integration of the psyche in increasing mutual relations with an ever-widening environment. She also found that moral activities could only be judged specifically in concrete instances (Kay, 1970).

McKnight, 1950:

McKnight's research was to elucidate the moral controls operating in the relationship between general intelligence and moral-test performance, the relationships between the economic and social environment, and the influence of gender on moral controls. Some argued that McKnight's conclusions were midway between those of Macaulay and Watkins and Hartshorne, May, and Maller. In other words, McKnight



believed that not only a scheme of development could be traced but also there is a certain degree of moral specificity (Kay, 1970).

Morris, 1955:

Morris discovered clear empirical evidence that it was not possible to trace a simple and clearly defined pattern in moral development. In addition, Morris emphasized on the specificity of moral conduct, which leads to his conclusion (Kay, 1970).

The above review of relevant literature on moral development has been simplified in order to perceive more clearly whether it precipitates a basic hypothesis or not. The evidence suggests that it does, and also indicates the general form, which such a hypothesis will take. According to the earlier research, it had the tendency to become more and more apparent that the weight of evidence lies on the side of those who claim to be able to discern a clear pattern of sequential developmental moral growth (Kay, 1970).

Kohlberg (1981) demonstrated the stages of collective normative values and the sense of community. This model reflects three different moral developmental stages that are generally recognized and practiced.

## Stage 1

### Kohlberg's Stages of Collective Normative Values and the Sense of Community

#### Collective Normative Values

There is not yet an explicit awareness of collective normative values. However, there are generalized expectations that individuals should recognize concrete individual rights and resolve conflicts through exchange.

#### Examples:

1. Do not rat on another group member. Ratting or reporting another group member to authorities is disapproved of because it exposes the rule breaker to likely punishment.
2. Do not bother others. Live and let live.
3. Help others out when you want to.

#### Sense of Community

There is no clear sense of community apart from exchanges among group member. Community denotes a collection of individuals who do favors for protection. Community is valued insofar as it meets the concrete needs of its members.

#### Example:

The community is like a bank. Members meet to exchange favors but you cannot take more than you give.

## Stage 2

### Kohlberg's Stages of Collective Normative Values and the Sense of Community

#### Collective Normative Values

Collective normative values refer to relationships among group members. Membership in a group implies living up to shared expectations. Conflicts should be resolved by appeal to mutual collective normative values.

#### Examples:

1. Members of a group should be able to trust each other with their possessions.
2. Members of a group should care about other members of the group.

#### Sense of Community

The sense of community refers to a set of relationships and sharings among group members. The group is valued for the friendliness of its members. The value of the group is equated with the value of its collective normative expectations.

#### Examples:

1. The community is a family in which members care for each other.
2. The community is honorable because it helps others.

### Stage 3

#### Kohlberg's Stages of Collective Normative Values and the Sense of Community (Cond't)

##### Collective Normative Values

##### Sense of Community

Collective normative values stress the community as an entity distinct from its individual members. Members are obligated to act out of concern for the welfare and harmony of the group.

The school is explicitly valued as an entity distinct from the relationships among its members. Group commitments and ideal are valued. The community is perceived as an organic whole composed of interrelated systems that carry on the functioning of the group.

##### Examples:

1. Individuals not only are responsible for themselves but share responsibility for the whole group.
2. Individuals should participate in the political organization of the group by making their opinions known and by being informed voters.

##### Example:

Stealing affects the community more than the individual because that is what we are. We are not just a group of individuals.

In conclusion, the above model is an illustration of moral stage movement, which reveals growth in collective norms. It also focuses upon the development of students' ideals and conceptions of school community, as they move from the first to third stage. This model attempts to show that this growth represents a growth in shared ideals and expectations of the students, not simply the growth of each student's changing ideals and conceptions in isolation (Kohlberg, 1981).

## Ethics in the Hospitality Industry

Why does the hospitality industry need to conduct business with an ethical attitude? The reason is, “Hospitality is one of the noblest words in the English language, connoting welcome, friendship, comfort, and gracious service” (Whitney, 1992, p.1). In the hospitality business, “ethics” has been defined as treating customers in a fair and equitable manner, the Golden Rule. However, one can interpret “ethics” in a different way that is treating customers, as you would like to be treated as a customer.

In order to be successful, a good manager usually carries skillful and distinctive knowledge and expertise. Three general objectives of managers in the hospitality industry are:

1. Managers must be able to have a friendly manner and behavior toward both customers and colleagues. This is, in fact, an ethical way of managing their employees and businesses.
2. Managers want to ensure that they always satisfy and fulfill customer needs.
3. Managers prefer a long-term approach for their businesses. Managers expect profits in the long run by including ethics in business (Powers, 1995).

Because business ethics in the hospitality industry was seldom mentioned and ethical practices were implemented even less, Damitio and Schmidgall (1993) presented seven ethical scenarios to a group of hotel general managers (GMs), controllers, and club

managers from International Association of Hospitality Accountants in the form of a questionnaire. These seven scenarios are as follows:

1. The manager decides to accept her own pay raise while the company decides not to increase the hourly employees' average pay due to the company's financial problem.
2. The manager hires spies to inspect whether employees perform their jobs according to the company's standards.
3. The manager personally pays one of the property's best maintenance workers to work at the manager's house, paying him the same corporate hourly wage.
4. The manager accepts a new contractor's offer to roof her personal residence for half-price.
5. The manager tests a cashier's integrity by placing extra money in the register receipts.
6. The manager decides to reduce full-time employees' fringe benefits in order to maintain the company's profitability and manager's bonus.
7. The manager decides to accept a free case of wine from a new beverage purveyor.

The results revealed that the majority of respondents revealed similar responses on six of the seven scenarios. This indicated that high-level managers had a general agreement on what constitutes ethical behavior.

## Education and Practice in Business Ethics

This section discusses an overview of education and practice.

A longitudinal study by Murphy and Boatright (1994) revealed that by implementing instruction in business ethics, student abilities to identify the presence of ethical issues have been enhanced. Additionally, Derek Bok, former president of Harvard University, has proposed that ethics courses can achieve three main results: (a) to help students become more aware of alerting the moral situations that they will confront with in their daily lives, (b) to teach student to possess the ability to judge prudentially about ethical issues, and (c) to help students clarify their moral aspirations (Bok, 1976). Additionally, Kohlberg (1981) and Jaszay (2002) stated that the domain of ethics encompasses more than just moral reasoning. In other words, the student of morality is concerned not only with moral reasoning but also with moral action. This can be interpreted as the process by which people arrive at moral decisions and take action based on those decisions.

In terms of instructional technique, several studies have found that discussion of business ethics scenarios (case study) was the most effective method to boost student abilities to identify ethical situations and to develop skills in ethical judgment (Burton, Johnston, & Wilson, 1991; Murphy & Boatright, 1994; Vallen & Casado, 2000; Jaszay, 2002; & Weber, 1990). Moreover, in a study of Vallen and Casado (2000) uncovered that ethical challenges appeared on a regular basis in the hospitality industry, therefore, hospitality ethics education was an imperative task for educators to implement. This

study also suggested that ethics education would provide certain intellectual skills for students to be aware of ethical issues and to act ethically in the workplace.

### Ethics in Hospitality Management

Managing employees with a right leadership style is critical in the hospitality industry. Statistically, labor turnover rate is high, productivity is low, and absenteeism is quite prevalent in the hospitality industry. This may boil down to the wrong style of leadership within the organization. If a manager's leadership style does not match with subordinates' interests and needs, the jobs will not be done as told by that manager. The term of leadership style refers to "Your pattern of interacting with your subordinates-how you direct and control the work of others, how you get them to produce the goods and services for which you are responsible to the quality standard required. It includes not only your manner of giving instructions but the methods and techniques you use to motivate your workers and to assure that your instructions are carried out" (Miller, Porter, & Drummond, 1998, p.31).

Furthermore, as proposed by Vallen and Casado's study, the 12 ethical principles of the Josephson's Institute in Ethics are the most adequate approaches for an integrated hospitality-ethics program. It is suggested that integration of these principles into curriculum will help future hospitality managers to make correct decisions (Vallen & Casado, 2000).



The Josephson Institute in Ethics offers training programs for ethics educators and has recommended 12 core ethics principles. These 12 principles are accountability, commitment to excellence, concern for others, fairness, honesty, integrity, law abiding, leadership, loyalty, promise keeping, reputation, and respect for others (Vallen & Casado, 2000). These 12 principles have helped many businesses develop and define corporate codes of ethics. The brief concept of each principle is given as follows:

**Accountability:** Managers or employees are morally accountable for their actions and treatment of others. For example, morally responsible hospitality managers must be accountable for the welfare of the employees.

**Commitment to excellence:** There is a necessity to deliver the most excellent service possible for the price obtained. Managers may cheat their customers of their right to have their money's worth for service received if managers do not follow this principle.

**Concern for others:** Managers should at least follow the golden rule, which is "do unto others as you would have them to do to you" or possess a human concern for the needs of others.

**Fairness:** Managers should follow a basic policy to deal with people evenhandedly for equal performance. Managers who deviate from this principle would have a propensity for treating minorities, women, senior citizens, or vulnerable workers more harshly and unfairly.

**Honesty:** Managers must possess an attitude toward telling the truth no matter how painful it is. Fail to do so; the managers and possibly the companies will receive costly lawsuits.

**Integrity:** This is the conflict between the manager's self-interest and moral standard.

The company may continue its business operation regardless of damaging local environment and hurting local people.

**Law abiding:** An action's legality does not guarantee that the action is morally right.

For instance, taking advantage of bankruptcy laws to avoid paying creditors is legal.

**Leadership:** Managers and leaders should establish their own corporate business style.

They should always act ethically regardless of competitors' unethical business practices.

**Loyalty:** Loyalty is can be defined as faithfulness to engagements and obligations toward laws, companies, guests, and employees anytime, anywhere, and any situation. Managers should share information with other departments for organizational growth, and not hide useful information for personal or own department benefit.

**Promise keeping:** In addition to the deals closed in the presence of attorneys, managers should always keep their promises.

**Reputation:** The community's and guests' estimation of a company is crucial in conducting business in today's society.

**Respect for others:** This principle proposes that every human being should be treated with respect and treated as an end, not as the means to the end. Managers should always consider other people's benefits before making a decision every time. In other words, decisions should not benefit certain group of people while hurting other group of people.

## Written Codes of Ethics

A code of ethics is essential for hospitality businesses whose managers want to achieve a unified direction and a satisfactory level of control over the conduct of business (Angelo & Vladimir, 2001). A company's ethics should reflect the company's mission and communicate to those who are responsible for carrying out that mission. Because each individual has her or his own code of ethics, without a corporate code of ethics, how can a manager and an employee know what the company considers ethical or unethical (Angelo & Vladimir, 2001)? A written code of ethics guides the business practices of a company.

## Profit-Oriented Decision-Making

As pointed out by Wilson (1997), if a corporation's business practices are to only emphasize maximizing profit, this corporation will have different method of evaluating its business strategy compared to a moral-oriented company. In the past, companies tended to assess the business performance according to the profit results. In some cases, ethical issues might be neglected and sacrificed.

Social responsibility and ethics have been implemented within business for many decades. More scholars have devoted their efforts to this practice continuously. Carroll (1991) described that social responsibility embraces four dimensions. These four dimensions are philanthropic (discretionary), economic, legal, and ethical. Although business ethics has been a concern for decades, there were not many practical efforts in

this area until the early 1980's. From previous evidence, corporate management did not properly implement business ethics in decision-making processes (Dunfee & Donaldson, 1999).

A lot of companies have established their corporate priorities for profitability, productivity, market share, and technology. These priorities can be considered as methods, theories, and characteristics of company profitable decision-making. The following are more fundamental obstacles that hindered companies in the development of their business ethics in the past (Longnecker, 1985):

1. Lack of moral character of leaders. This usually became the most significant determinant of company's ethical performance.
2. Corporate management culture and process with profit-oriented characteristics would have an impact on its ethical decision-making.
3. Organizational management did not strongly articulate ethical policies and clearly communicate ethical statements and codes.
4. Communications between managers and employees were not consistent in terms of ethical management and decision-making.

Previously, ethics and social responsibility have been one of the considerations in conflicts between firms and society. Ethical issues were primarily centered on companies' original goals and management styles and profitable decision-making, which companies have practiced for a long time. Most times, companies would respond through attempts to manipulate public opinion and improve corporate image. As a result, these attempts failed to comply with social pressures, thus, firms had to be responsible for business decisions in ethical issues (Longnecker, 1985).

## Moral-Oriented Decision-Making and Social Responsibility

One of the most challenging tasks in business for managers and even entry-level employees is to make decisions. Regardless of whether the decisions are considered appropriate or not, they are always difficult. Whenever a decision needs to be made, timing is crucial and should be taken into account. A perfect decision can also be considered useless information, especially if this decision is long overdue (Seglin, 2000).

Cook, Hunsaker, and Coffey (1997) defined decision-making as having to satisfy the following criteria:

1. Be specific. The decision should be measurable and the decision must be attainable in terms of sufficient time, resources, and expertise.
2. Ethical. "Decision criteria should conform to what is considered morally right by society. Criteria should be legal, fair, and observant of human rights.

Organizations need to establish a commonly agreed on set of ethical standards to guide decisions when individuals are confronted with conflicting obligations, cost-benefit trade-offs, and competing value choice" (p.396).

3. Decisions will not be feasible and profitable if they are not acceptable by the involved parties.

Goll (1992) demonstrated a definition for Social Responsibility that offered four perspectives:

1. Economic responsibility of business is to supply goods and services at a fair price that satisfies both consumers and owners.

2. Legal responsibility is another priority in management that organization must conform to business laws and meet society's expectations while implementing business.
3. Ethical responsibility is what management should be concerned with although the law does not articulate it.
4. Discretionary responsibility is the corporate value that management will have to face a moral or profitable decision when the situation is neither expected by law nor by society.

More and more, businesses today are paying more attention to other factors such as employees, society, the community, and ethics in general, rather than focusing only on profit. Decision-making ability can be more important than strategic planning ability for a successful business management. One of the management concepts, consumer loyalty, is truly believed by most of the firms to be expensive. For example, "Johnson & Johnson decides to pull Tylenol from store shelves when eight people died from cyanide poisoning in 1982. A total of 31 million bottles were pulled from stores, at a cost of \$100 million. The company's fast response to the tampering case and its clear concern for consumer safety allowed Tylenol's sales to recover quickly" (Anonymous, 2000, p.7).

The relationship between business and social responsibility has intensified in recent years. Managers and companies cannot just operate their businesses in profit-oriented manner. Profit and ethics must be considered at the same time while practicing business. In today's society, business is responsible for both the organizational and employees' profits, and social responsibilities. As stated in Current Issues in Business Ethics, there is a new concept of the organization's "license to operate". The

interpretation of this concept is, “This license is granted by all the firm’s stakeholders – its shareholders, employees, customers, suppliers, the local community, and any number of pressure groups” (Wilson, 1997, p.50).

As Berenbeim (1987) identified, U.S. and European CEOs and high-level managers agreed on the concept of “Corporate ethics”. Corporate ethics need to consider and comply at three levels, each more specific than the last: (1) the corporate mission, (2) constituency relations, and (3) policies and practices.

Today, managers have an obligation to be concerned with ethics in business. There is a trend that organizations will require managers to promote ethical conduct within their firms. There are two effective methods available to business managers. First, each individual employee is the primary driving force to facilitate a company’s moral development and ethical decisions. The reason is that each worker is the basic unit of the organizational structure and each individual is important. Without workers’ cooperation, any ethical practice will not be implemented appropriately and successfully. Second, the organizational managerial style will generate many external factors that will affect employee behaviors. These factors can be extrinsic and intrinsic rewards, punishments, corporate culture, management processes and procedures, and other environmental conditions. Normally, if an organization wants to implement its organizational business decision conduct from the bottom to top, employees should possess decision-making rights and responsibilities. To facilitate this, a decentralized management structure is usually used and the level of empowerment workers have over those ethical decisions needed to be clearly defined by organizations (Elloy, 1997).

In the present business environment, firms care about both social responsibility and employee benefits. This can also be interpreted as external and internal business ethics. Employee benefits, safety, personal growth and professionalism, human rights, and well being for employees are also tremendous concerns of companies. Firms today are not only generating profits for stakeholders but also creating benefits for companies' employees (Birkner & Birkner, 2000).

### Impact of Decision-Making on Management

Management is a difficult concept to define, although many people have tried. DuBrin defined management as "The process of using organizational resources to achieve organizational objectives through the functions of planning, organizing and staffing, leading, and controlling" (DuBrin, 1997, p. 2).

A manager is the one who carries out management tasks, such as planning, organizing, leading, and controlling. The general idea of "manager" is a person who is in charge of a number of people and a specific task that needs to be done within certain period of time. Managers may or may not do the actual work themselves, but they will provide essential supervision to ensure their subordinates will accomplish the tasks as planned and expected. Furthermore, the qualities of an effective manager are crucial. Several features of managers include:

1. Has good understanding of knowledge and skills required by his immediate subordinates.



2. Emphasizes task-oriented roles.
3. Builds a communication channel to exchange different opinions and recommendations from subordinates.
4. Attempts to understand subordinates needs and thinking.
5. Shows respect to exchange opinions and will change his/her decision if necessary.
6. Has ability to foresee problems and resolve them before problems affect on organization.
7. Accepts the punishment when making an incorrect decision (Hecht, 1980).

Managers' personal freedoms or limitations by company rules and regulations will have impacts on managerial decisions in business ethics. "Ethics in decision-making processes is a unique for understanding the interrelationship between personal space and freedom and organizational guidelines. Ethics works as 'soft rules' for combining the 'corporate culture' with personal responsibility. The specific characteristics of these ethics are determined in the firm of values. These values give individuals indications in detail on how to act and decide" (Schnebel, 2000, p. 80). Leading people is different from managing people because leaders are people oriented and managers are task oriented. Leaders inspire and motivate people as well as plan, organize, lead, and control people and tasks (Callaway, 1999; Exley, 2000).

Different management styles have a decisive impact on business ethics. Specifically, management can be categorized into several dimensions. First, levels of management are comprised of top-level managers, middle-level managers, and first-level managers. Second, the managerial functions are planning, organizing and staffing,

leading, and controlling. Finally, managerial skills and roles also represent some unique features and characteristics in management. Businesses often determine their success or failure by understanding and implementing decent business ethics because, presently, customers and suppliers prefer to do business with ethical companies. Businesses do not merely focus on the growth of the corporate profits. In fact, companies have been paying closer attention to business ethical issues more than in the past (DuBrin, 1997; Callaway, 1999).

Every individual has the ability to work independently and solve complex issues knowledgeably and with appropriate skills and integrity, even if this individual is a new profession and at the lowest level of the corporate ladder. The above theory gives managers a challenging task to decentralize autonomous decision-making to the employees, especially when dealing with a diverse cultural organization (Davis, 2000).

### Impact of Decision-Making on Leadership

Leadership has existed in a variety of forms since primitive times. Leadership has turned into a controversial topic simply because no individual can provide one precise and standard definition for leadership. Leadership has been considered as a broad, abstract, and ambiguous concept for most people (Wren, 1995).

A powerful and an effective leadership style can also have influence on decision-making in business ethics. Vallen and Casado (2000) found from surveying the U.S. hotel general managers that leadership was ranked the highest among the Josephson's 12

ethical principles in terms of the importance on profitable hotel operations. This study also indicated that if leaders routinely acted unethically or deceived employees, they would consequently create a negative impact on employees' ethical behavior. The most distinctive characteristics of leadership are to create both transactional and transformational relationships with followers. Leaders use motivation to inspire followers, satisfy their basic needs, ensure their freedom from threat, create belongingness and self-esteem, and fulfill their self-actualization (Wren, 1995).

After discussing the notion of leadership, the relationship and differentiation between leadership and management should be reviewed in order to give a clearer picture of leadership. Most people believe that leadership and management coexist, regardless of whether one has more effect and influence on the other.

Leaders manage their employees by exchanging their passion and mission in order to develop these employees' momentum and capabilities. Consequently, business profits and market shares will also be expanded. A manager and leader always have intentions to understand the backgrounds of employees (people-oriented) and the job contents of employees within the business (task-oriented). The above theory infers that a powerful leader must possess some good managerial skills (Exley, 2000).

"Caring for people" has been defined as a new and true way of looking at leadership in a business setting. This "caring for people" can be interpreted as business ethics. By taking care of people, a company will always be a growing and profitable business both internally and externally in the long run. This explanation is illustrated as follows: when we refer to "people," it actually means both customers (the external factor)

and employees (the internal factor). The new way to do business is to take care of employees and customers (Winner, 2000; Bianco, 2000).

Managing employees with a right leadership style is critical in the hospitality industry. Statistically, labor turnover rate is high, productivity is low, and absenteeism is quite prevalent in the hospitality industry (Miller, Porter, & Drummond, 1998). It may boil down to the wrong style of leadership within the organization. If a manager's leadership style does not match with subordinates' interests and needs, the jobs will not be done. The term leadership style refers to "Your pattern of interacting with your subordinates-how you direct and control the work of others, how you get them to produce the goods and services for which you are responsible to the quality standard required. It includes not only your manner of giving instructions but the methods and techniques you use to motivate your workers and to assure that your instructions are carried out" (Miller, Porter, & Drummond, 1998, p. 31).

### Diversity and Globalization

Most people possess a basic understanding of what diversity is, but few can precisely define it. For instance, in the U.S., the typical example used to describe diversity is the American population. The American population is made of a wide variety of ethnicities, cultural backgrounds, and nationalities (Harley & Allard, 1995).

McDonald's can be used as an example to illustrate "inclusive" business ethics. McDonald's implemented diversity programs in 1979 as part of its strategic plan. Diversity is always part of the culture and is included in company orientations. They also have

both internal and external training programs. Diversity counseling is also available for minority employees (LaVecchia, 1998):

Ethnic diversity can be a positive force in the hospitality industry. Managers must take advantage of diversity and be flexible and understanding of cultural differences. Christensen-Hughes (1992) described that some companies have utilized their minority employees to serve ethnic clients to perform better business practices. Non-minority employees also report higher career satisfaction and commitment in such organizations. Vallen and Casado (2000) defined fairness as a basic policy for hospitality managers to deal with people for equal performance regardless of their gender, color, age, and legality of working status.

There is a growing trend in the United States that minorities will constitute a disproportionate share of the workforce in the 21st century. An estimate shows that between 1980 and 2000, about 83 % of the U.S. new entrants to the labor force were people of color, women, or immigrants (Banks, 1999). Moreover, there is evidence in the hospitality industry that shows the same trend. It is estimated that roughly 60 % of the line-level employees in the hospitality industry are ethnic minorities, and the majority of these workers are African Americans, Hispanic, and Asian Americans.

At present, the workforce is made up of large numbers of minorities and women. With a diverse workforce, managers will find their jobs more complicated than in the past. Language, culture, religion, custom, and working attitude are all different from country to country. Managing diversity means that the organization realizes that difference can add value in terms of new perspective, creativity, and better understanding of customers and markets (Harvey & Allard, 1995). In contrast, mismanaged diversity in hospitality can

have long-reaching impacts on employee and customer satisfaction as well as company productivity. Employees who perceive themselves as valued members of an organization tend to be more conscientious, involved, and innovative. Unfortunately, ethnic minority employees often feel less valued than do mainstream majority employees because of stereotyping, ethnocentrism, and discrimination. Mismanagement also affects the worker's ability and motivation, this lead to diminished job performance (Iverson, 2000).

Due to global businesses growing rapidly, the study of business ethics in multinational companies (MNCs) is definitely worthwhile for scholars and organization managers in all countries. There are three themes identified regarding the business ethics of MNCs:

1. What is the potential harm that can result when a multinational company (MNC) does business in a less developed country?
2. How does one act when faced with norms that differ from one's own?
3. What is the role that individual companies and business associations play in ensuring ethical conduct of business (Bain, 1997)?

As international business grows rapidly, international hospitality operations are also developing vigorously. When a business has to expand to overseas, organizations confront all kinds of business ethical issues inevitably. These confrontations to ethical issues can be both domestic and international. Domestic issues include expatriate manager's training and preparation physically and mentally, as well as benefits for family. Another important issue is a manager's career opportunity and personal identification after returning from foreign country. International concerns may include the question of whether business will damage anything or hurt anyone in a less developed host country.

Moreover, if there are ethical standard conflicts while operating business, what kinds of decisions should be made by managers in terms of business ethics? For instance, bribery to local government officials is common and necessary for doing business in Asian countries. Should managers adapt to that culture or not (Yu, 1999; Reynolds, 2000)?

A variety of factors, such as individual's ethical beliefs and actions, often play a decisive role on corporate decisions (Fleming, 1985; Stark, 1993; & Upchurch, 1998). Leadership, codes of ethics, diversity and personal value systems are all issues with which businesses struggle. This study will explore educators' and industry practitioners' perceptions relative to these issues.

The literature on ethics centers around: ethics in the hospitality industry, history and development of ethics, education and practice in business ethics, ethics in hospitality management, written codes of ethics, profit-oriented decision-making, moral-oriented decision-making and social responsibility, impact of decision-making on management, impact of decision-making on leadership, and diversity and globalization. These major issues and points guided this study.

## CHAPTER III

### METHODOLOGY

#### Introduction

Planning and development for this dissertation began spring, 2001. During that time, a review of literature was conducted and data collection procedures were determined. Additionally, a descriptive cross-sectional questionnaire survey research design was formulated, and data analysis techniques were selected.

The purposes of this study are to investigate the perceptions and needs of hospitality educators and hospitality practitioners regarding business ethics in contemporary hospitality education and the hospitality industry. The main topics that will be presented are subjects and sampling plan, instrument, validity and reliability, data collection techniques, data analyses, and limitations.

#### Subjects and Sampling Plan

The target population of this study was current members of the International Council on Hotel, Restaurant, and Institution Education (CHRIE) as of November 2002 and general managers of hotels in the United States regardless of the room size of their properties as found in Business Traveler Planner (2001). The sample used in this study was a census of the CHRIE members that belong to four and more year institutions. The sample size was 896 members obtained from the online CHRIE directory. A sample size



of  $n = 1,200$  was selected for the hotelier survey by using the Statistical Analysis Software (SAS) Windows v8 (2001). The list of hoteliers was randomly selected from a published traveler guide book- Business Travel Planner (2001), which has approximately 22,000 listed as hotels and motels. The sample size  $n = 1,200$  was determined based on the following reasons. Gay and Airasian (2000) indicated that it is common to sample 10 to 20% of the population for descriptive research. Because each study is unique, the researcher can decide the “how much is enough” issue in that particular study. For this study, according to Vallen and Casado (2000), the researcher expected to have 9 to 10% of response rate, which would be equivalent to 108 to 120 responses that would be sufficient to conduct the selected statistical analyses in this study. The researcher used the same questionnaire for both hospitality educators and hotel general managers to make a direct and valid comparison.

#### Instrument

A researcher-designed questionnaire was created from information obtained from the literature research and a focus group for this investigation. The purpose of this focus group was to identify the current hospitality ethical business practices that challenge hospitality practitioners daily. This instrument is defined as “Assessment of Perceptions and Needs for Ethics Education in the Hospitality Industry.” A six-point Likert-type scale, Yes/No response options, close-ended questions, as well as open-ended questions were developed to measure the subjects’ perceptions and needs about ethics education and ethical practices within the hospitality industry and hospitality programs.

The questionnaire was developed and verified by the departmental directors of hotels to increase the content validity. Particularly, the second section presented 12 ethical scenarios that reflect practices associated with the hospitality industry, which was developed by the hotel departmental directors. These hotel departmental directors were employed in different geographical regions, which included town, small city, medium-sized city, and big city. Covering all different geographical regions was necessary in terms of generalizability because the questionnaire would be administered nationwide. The above geographic regions are defined in terms of population as follows: town: up to 19,999, small city: 20,000 to 99,999, medium-sized city: 100,000 to 299,999, and big city: 300,000 or more ([www.epodunk.com](http://www.epodunk.com)). A pilot study of this questionnaire was conducted among hospitality educators (n = 50) to check the reliability of the statements. There were 17 returned responses, which accounted for a 34 % response rate. Cronbach's Alpha reliability score was 0.77. According to Hair, Anderson, Tatham, and Black (1998), a Cronbach's Alpha score that is greater than 0.60 is acceptable. Revisions to the questionnaire were based on the recommendations from the pilot test. A pilot study was not conducted among hospitality practitioners because the questionnaire was developed and verified by a focus group, which consisted five hospitality practitioners.

The questionnaire was organized in three sections. The first section listed statements related to organizational ethical practices and standards, as well as ethics education preparation in hospitality programs, and ethics education in the hospitality industry. An example of these statements was: "Hospitality programs should focus more on codes of ethics and start offering more relevant courses to teach students how to resolve ethical dilemmas." The second section presented 12 ethical scenarios that reflect

practices associated with the hospitality industry, which was developed by the hotel departmental directors. The idea of developing 12 ethical scenarios was derived from the 12 core ethical principles of the Josephson Institute in Ethics. For example: “These principles establish the standards or rules of behavior within which an ethical person functions and could be adopted as the basis of the formation of future business leaders” (Vallen & Casado, 2001, p. 45). The third section consisted of demographic profile questions such as gender, age, income, and education.

### Validity and Reliability

Validity is the most important characteristic a test or measuring instrument can possess. It is concerned with the appropriateness of the interpretations made from test scores. When people test, they test for a purpose. Any measurement instrument that accurately measures what it was intended to measure may be considered as valid.

Validity refers to the relationship between a concept and its indicators. Two validity checks were performed in this study: content and construct validity. Validity is important in all forms of research and in all types of tests and measures. In some situations, a test or instrument is used to make a number of different interpretations (Gay & Airasian, 2000).

#### Content Validity

Content validity is the degree to which a test measures an intended content area. Content validity requires both item validity and sampling validity. Item validity is concerned with whether the test items are relevant to measurement of the intended

content area. Sampling validity is concerned with how well the test samples the total content area being tested. The key to content validity lies in the procedures that are used to develop the instrument. One way would be to search the literature and see how other researchers defined and investigated the concept (Gay & Airasian, 2000). In order to learn more about up-to-date hospitality ethical business practices that challenge hospitality practitioners currently, a focus-group interview was conducted. The focus group consisted of hotel departmental directors and general managers employed in different geographical regions, which included town, small city, medium-sized city, and big city. There were three hotel general managers and two directors of human resources department. These hotel general managers and directors were employed in Midwest States in the United States. The researcher contacted five focus group members in summer 2002 to verify and develop scenarios to be used in the survey instrument. Each focus group member was asked to develop 12 hospitality ethical scenarios that were operational challenges in the hospitality industry. The idea of developing 12 ethical scenarios was derived from the 12 core ethical principles of the Josephson Institute in Ethics (Vallen & Casado, 2000). The researcher selected those most reflective of the final 12 scenarios from each focus group member's 12 scenarios and approved by the hospitality educators. The survey instrument was completed and provided by all the focus group members in November 2002. Covering all different geographical regions is necessary in terms of research validity because questionnaire would be delivered nationwide. The purpose of this focus group was to identify the current hospitality ethical business practices that challenge hospitality practitioners daily. Additionally, a pilot study (N = 50) of this questionnaire was conducted among hospitality educators to

test the efficacy and clarity of the questionnaire. Pilot participants pointed out that a couple of questions were unclear in wording. Revisions of the questionnaire were made based on the recommendations of the pilot testes.

### Construct Validity

Construct validity is the most important form of validity because it takes the fundamental validity question: What is this test really measuring? People have seen that all variables derive from constructs and that constructs are nonobservable traits, such as intelligence, anxiety, honesty, and ethics, “invented” to explain behavior (Gay & Airasian, 2000). The instrument used in this study had up-to-date hospitality business ethics content that was developed by a focus group and had some ethics education and ethics business practice contents that proved to be relative to the construct of hospitality educators’ and hospitality practitioners’ perceptions of ethics education.

### Reliability

In everyday English, reliability means dependability or trustworthiness. The term means the same thing with respect to measurements. Reliability is the degree to which a test consistently measures whatever it is measuring. The more reliable a test is, the more confidence the researcher can have that the scores obtained from the test are essentially the same scores that would be obtained if the test were readministered to the same test takers. Internal consistency between the items in the measures was estimated using the Cronbach’s coefficient alpha. This is the most widely used reliability measure to estimate the degree to which the items on a measure are representative of the domain of

the construct being measured (Gay & Airasian, 2000). The Cronbach's reliability coefficient was 0.81 for hospitality educators and 0.80 for hotel managers suggesting a high level of reliability of measurement among variables. According to Hair, Anderson, Tatham, and Black (1998) a Cronbach's Alpha score that is greater than 0.60 is acceptable.

### Data Collection Techniques

This research employed a uniform mixed methodology that included both web-based/e-mail and mail survey methodologies. Cobanoglu, Warde, and Moreo (2001), Dillman (1999), and Dillman and Tarnai (1988) demonstrate that the web-based survey method usually yields higher response rate and faster response as well as incurs lower cost in comparison with telephone, fax, mail, and personal visit survey methods. For hospitality educators, this study employed web-based survey methodology where the survey instruments were disseminated by e-mail/web-based forms. Each respondent in the sample was sent an email from the researcher explaining the project and asking her/him to go to a survey web site. A hot link was provided for the respondents to click and be directed to the survey web site automatically. The researcher planned to conduct hoteliers survey with a self-administered mail questionnaire due to the fact that email addresses were not available. There were no identity questions in the survey in order to protect the anonymity of the respondents.

This research employed a monetary incentive plan for both hospitality educators and hospitality practitioners to increase the response rate. The researcher stated on the cover letter that in order to show the researcher's appreciation for participants' effort and

time on this research, their returned responses would be entered in a cash reward drawing. The researcher entered 106 code-posted postcards that had been returned by hotel practitioners and entered 110 returned e-mails that had been sent by hospitality educators. Only 110 hospitality educators, out of 173 returned respondents, agreed to participate in a cash drawing. These 110 hospitality educators provided their names and e-mail addresses for purposes of this drawing. A total of 216 respondents were entered for a cash drawing. There was one winner of \$100 cash and three \$50 winners. The Charles W. Lanphere Fellowship at Oklahoma State University sponsored this monetary incentive plan.

For both mail and e-mail surveys, follow-up procedures were planned to increase response rate. For the e-mail survey, a follow-up letter was e-mailed to notify and encourage non-responding hospitality educators to participate in this study. The initial questionnaire was sent out via e-mail on November 26, 2002, a first follow up was sent out via e-mail on December 9, 2002, and a second follow up was sent out via e-mail on December 16, 2002. Since there were no identifications on the returned e-mail questionnaires, all respondents received a follow-up letter saying that "if you had not completed and returned your questionnaire, please help us by completing it." For mail questionnaires, the researcher used a code-posted postcard for following up with nonrespondents. When the respondents completed the questionnaire, they mailed the postcards at the same time that they mailed the separate questionnaires. A code-posted postcard helped the researcher to identify who had returned the questionnaires. However, the researcher was unable to match a code-posted postcard with a certain questionnaire

because they were mailed separately and no identification number appeared on the questionnaire.

For hospitality educators' e-mail questionnaires, a prenotice e-mail had been sent on November 20, 2002 before the actual questionnaire that was sent on November 26, 2002 to increase the respondents' likelihood of responding the questionnaires. That is, for hospitality educators, a prenotice e-mail was sent to notify them that they would receive a request to participate in a study that examines perceptions of ethics education and ethical practices in the field of hospitality in a few days. In a few days, a real survey instrument was e-mailed to the respondents for invitation to participate in the study.

#### Data Analyses

The data collected were entered into the computer using Microsoft Excel from Microsoft Corporation for statistical analysis (MS Excel, 2000). The data were analyzed using the Statistical Package for Social Sciences version 10.05 (SPSS, 2000). Standard statistical procedures, such as frequency, mean, standard deviation, Chi square test, Independent Samples t-test, and factor analysis were used to analyze the data. The researcher used the same data analysis methods to conduct the survey for industry practitioners. The data are presented in tables.



## CHAPTER IV

### RESULTS

This study investigated the perceptions and needs of hospitality educators and hotel general managers regarding business ethics in contemporary hospitality education and industry. This study attempted to provide some fundamental findings as to how hospitality educators and hotel practitioners perceive business ethics. This chapter will depict a number of significant findings based on the research questions. Demographic profiles will also be presented in this chapter. This research was guided by the following questions:

1. What preparation have hospitality educators in the field of hospitality received to help them address ethical challenges in their practices?
2. What are the attitudes of hospitality educators toward ethics education in preparation in the field of hospitality?
3. What are the attitudes of hospitality educators toward ethical decision-making in practice in the field of hospitality?
4. What preparation have hospitality practitioners in the field of hospitality received to help them address ethical challenges in their practices?
5. What are the attitudes of hospitality practitioners toward ethics education in preparation in the field of hospitality?

6. What are the attitudes of hospitality practitioners toward ethical decision-making in practice in the field of hospitality?
7. How do hospitality educators and hospitality practitioners in the field of hospitality compare regarding what will help them address ethical challenges in their practices?
8. How do the attitudes of hospitality educators and hospitality practitioners compare toward ethics education preparation in the field of hospitality?
9. How do hospitality educators and hospitality practitioners compare toward ethical decision-making in practice in the field of hospitality?

#### Demographics of Hospitality Educators

After the questionnaire was developed, the researcher sent out survey invitations to hospitality educators (Council of Hotel, Restaurant and Institutional Educators - CHRIE members) using the CHRIE Listserv, which was comprised of all CHRIE members who had e-mail addresses (N = 896). The initial questionnaire was sent out via e-mail on November 26, 2002, a first follow up was sent out via e-mail on December 9, 2002, and a second follow up was sent out via e-mail on December 16, 2002 (See appendix).

Because the hyper-link was not hot, initially, only 18 people responded to the survey by using the copy and paste method or by typing in the website address to participate in the survey. Therefore, follow-up invitation letters were necessary to obtain a higher response rate. There were 13 people who responded to the survey after the first follow up reminder. There were 142 people who responded to the survey after the second

follow up reminder. A total of 173 returned responses were received from hospitality educators, for a 19.3 % raw response rate. Out of 896 e-mail contacts, 163 were undeliverable and returned to the researcher. Those returned e-mails were not available either temporarily or permanently. They had either gone for businesses or vacations temporarily or moved to different jobs permanently. Therefore, the adjusted response rate was 23.6% (see Table 1).

Table 1

Response Rate

	Surveys
Sample Size	896
Number not deliverable	163
Percent not deliverable <sup>1</sup>	18.2%
Effective sample size <sup>2</sup>	733
Surveys returned	173
Raw Response Rate <sup>3</sup>	19.3%
Adjusted Response Rate <sup>4</sup>	23.6%

Notes. 1: Number not deliverable/ Sample size

2: Sample size-Number not deliverable

3: Surveys returned/Sample size

4: Surveys returned /Effective Sample Size

Table 2 provides a demographic profile of the surveyed hospitality educators. Sixty percent of the respondents were male, while 40 % were female. The majority of the respondents were between 50-59 years old (40.5 %). The majority of the respondents were American (73.4 %). Fifty-eight percent of respondents had doctorate degrees, while master's degree holders represented 34.7 % of the respondents for the second highest percentage. The majority of the respondents were assistant professors (27.7 %) followed

by associate professors (24.3 %). The majority of the respondents had 5-10 years of working experience in hospitality education (28.9 %) followed by 23.7 % with more than 20 years in hospitality education. The majority of the respondents had more than 20 years of working experience in the hospitality industry (29.5 %) followed by 25.4 % with 5-10 years in the hospitality industry. For the highest degree that respondents' institutions offered, 46.8 % of respondents' institutions offered doctorate degrees followed by master's degree with 18.5 %. The majority of respondents' institutions were either a department/school under another college (32.9 %) or a college by itself (23.1 %). Approximately 31 % of the respondents had less than 5 years working experience in their current institutions followed by 25.4 % with 5-10 years in their current institutions. Finally, the majority of the respondents did not hold an administrative position (58.4 %).

Table 2

## Demographic Profile of Hospitality Educators

<b>Gender</b>	<b>f</b>	<b>%</b>	<b>Age</b>	<b>F</b>	<b>%</b>
Male	104	60.1	20-29	2	1.2
Female	69	39.9	30-39	26	15
Missing	0	0	40-49	61	35.3
			50-59	70	40.5
			60+	13	7.5
			Missing	1	0.6
<b>Nationality</b>			<b>Education</b>		
American	127	73.4	High school/GED	0	0
Asian	12	6.9	2 year college	0	0
European	15	8.7	4 year college	12	6.9
Latin American	3	1.7	Master's	60	34.7
Other	12	6.9	Doctorate	101	58.4
Missing	4	2.3	Missing	0	0
<b>Current position</b>			<b>Experience in Hosp Ed</b>		
Instructor	19	11.0	Less than 5 yrs	20	11.6
Assistant professor	48	27.7	5-10 yrs	50	28.9
Associate professor	42	24.3	11-15 yrs	35	20.2
Professor	32	18.5	16-20 yrs	25	14.5
Other	23	13.3	20+ yrs	41	23.7
Missing	9	5.2	Missing	2	1.2
<b>Experience in hospitality</b>			<b>Experience in current Org</b>		
Less than 5 yrs	27	15.6	Less than 5 yrs	54	31.2
5-10 yrs	44	25.4	5-10 yrs	44	25.4
11-15 yrs	20	11.6	11-15 yrs	31	17.9
16-20 yrs	14	13.2	16-20 yrs	22	12.7
20+ yrs	51	29.5	20+ yrs	20	11.6
Missing	1	0.6	Missing	2	1.2
<b>Highest degree offered</b>			<b>College affiliation</b>		
Certification	3	1.7	A college by itself	40	23.1
Associate degree	30	17.3	A dep't/school by itself	37	21.4
Bachelor degree	26	15.0	Under human sciences	33	19.1
Master's degree	32	18.5	Under agriculture college	3	1.7
Doctoral degree	81	46.8	Under another college	57	32.9
Missing	1	0.6	Missing	3	1.7
<b>Administrative position</b>					
Yes	71	41.0			
No	101	58.4			
Missing	1	0.6			

Note. n = 106. f = frequency.

**Research Question One: What preparation have hospitality educators in the field of hospitality received to help them address ethical challenges in their practices?**

Questions one through nine in the questionnaire consisted of yes/no questions regarding business ethics being taught in hospitality curricula and in the hospitality industry (See table 3). These questions were developed from the literature review. When hospitality educators were asked *“Have you taken any courses or attended any seminars on ethics related topics within the last year”*? seventy-five percent of hospitality educators responded “NO” to the question. When hospitality educators were asked *“Do you think any of these ethics courses or seminars have been of benefit to you”*? ninety-three percent of hospitality educators responded “YES” to the question. When hospitality educators were asked *“Does your institution currently offer ethics related courses or workshops for students”*? sixty-one percent of hospitality educators responded “YES” to the question. However, when hospitality educators were asked *“Have you taught any ethics related courses or seminars at your school within the last year”*? approximately seventy-four percent of hospitality educators responded “NO” to the question. In terms of the statement *“Do you formally discuss business ethics on a regular basis in your institution”*? approximately seventy percent of the hospitality educators responded “YES” to the question. When hospitality educators were asked *“Have you conducted any research projects or dealt with current issues or situations related to ethics in the past year”*? seventy-eight percent of hospitality educators responded “NO” to the question. In addition, in terms of existence of codes of ethics in hospitality programs, sixty one percent of hospitality educators indicated that they had a code of ethics in their institution.

Most of the hospitality educators (79 %) believed that business ethics could be taught and 93 % of hospitality educators thought that ethics courses or seminars had been of benefit to them (see Table 3).

Table 3

Educators' and Practitioners' Preparation of Ethics Education in Hospitality Curricular

	Educators			Practitioners		
	Yes/%	No/%	Not sure/%	Yes/%	No/%	Not sure/%
1. Have you taken any courses or attended any seminars on ethics related topics within the last year?	24.9	75.1		20.8	79.2	
2. Do you think any of these ethics courses or seminars have been of benefit to you?	93.2	6.8		20.8	2.8	
3. Does your institution/organization currently offer ethics related courses or workshops for students/employees?	60.1	38.7		17.9	81.1	
4. Have you taught any ethics related courses or seminars at your school/business within the last year?	26.4	73.6		8.5	40.6	
5. Do you formally discuss business ethics on a regular basis in your institution/organization?	67.6	32.4		66.0	34.0	
6. Have you conducted any research projects or dealt with current issues or situations related to ethics in the past year?	21.4	78.0		16.0	83.0	
7. Do you have a code of ethics in your institution/organization?	61.3	33.5		66.0	32.1	
8. If no, do your employees or colleagues follow their professional codes of ethics (i.e. Accounting, Marketing, or Finance)?	8.1	2.9	42.2	11.3	5.7	19.8
9. Do you think business ethics can be taught?	79.2	5.8	12.7	72.6	11.3	13.2

Note. n = 173 for educators. n = 106 for practitioners.

**Research Question Two: What are the attitudes of hospitality educators toward ethics education in preparation in the field of hospitality?**

Table 4 illustrates the degree that hospitality educators agreed with all of the six statements (questions 10 through 15) with regard to business ethics being taught in hospitality education and in the hospitality industry. Among these six statements, most of the hospitality educators agreed that question 10 was the most important statement with regard to ethics education with mean score of 4.86. This was the statement “*Ethics issues should be addressed and discussed in all fields/areas of business on a regular basis.*” In addition, among these six statements, most of the hospitality educators agreed that question 12 was the second most important statement with regard to ethics education with a mean score of 4.52. This was the statement “*Business ethics is important and must be introduced to students before they work in the hospitality industry.*”



Table 4

Attitudes of Hospitality Educators toward Ethics Education Preparation for Students

	Mean	SD <sup>1</sup>
10. Ethical issues should be addressed and discussed in all fields/areas of business on a regular basis.	4.86	1.43
12. Business ethics is important and must be introduced to students before they work in the hospitality industry.	4.52	1.45
11. Educational hospitality programs should focus more on codes of ethics and start offering more relevant courses to teach students how to resolve ethical dilemmas.	4.44	1.35
13. Business ethics courses help hospitality students with their future careers.	4.39	1.38
14. Students who have studied business ethics make greater contributions to the hospitality industry.	3.95	1.37
15. Hospitality multinational companies (MNCs) are aware and understand local laws and ethical issues while operating businesses in foreign countries.	3.22	1.30
<b>GRAND MEAN</b>	<b>4.23</b>	<b>1.38</b>

Note. n = 173. <sup>1</sup> = Standard Deviation. Likert-type scale where 1 = strongly disagree through 6 = strongly agree.

**Research Question Three: What are the attitudes of hospitality educators toward ethical decision-making in practice in the field of hospitality?**

Table 5 illustrates the degree that hospitality educators agreed with all of the 12 statements with regard to business ethics being practiced in the hospitality industry. These 12 scenarios are some of the most current challenges that hotel managers have to face on a regular basis. Hotel managers currently working in the industry wrote the scenarios. The responses were based on a Likert scale where 1 = very ethical through 6 = very unethical. Twelve scenarios were presented to measure educators' perceptions of business ethics being practiced in the hospitality industry. Among these 12 scenarios,

most of the hospitality educators agreed that scenario five was the most unethical business practice with mean score of 5.45. This was the scenario “*A hotel manager and an employee used a former colleague as the scapegoat for a mistake they had made themselves since no one could tell what had happened.*” Hospitality educators believed that scenario nine was the least unethical business practice with mean score of 3.32, which was the scenario “*A frequent guest who stays at least once a week with the hotel calls for a room. The hotel is overbooked but the guest is told he will have a room that night, even at the lower rate he has always paid*” (See table 5).

Table 5

Hospitality Educators' Perception: 12 Scenarios about Business Ethics Being Practiced in the Hospitality Industry

	Mean	SD <sup>1</sup>
5. A hotel manager and an employee used a former colleague as the scapegoat for mistakes they had made themselves since no one now can tell what had happened.	5.45	1.23
6. Budget performance is monitored carefully by regional and corporate executives. Failure to meet certain budgeted numbers will cost the GM approximately \$12,000 in year-end bonus. A year-end decision is made to "slide" \$50,000 in expenses into January to secure the GM's bonus payment.	5.31	1.25
4. The compensation analyst has conducted an exhaustive wage survey and determined from the results that a two-tier wage scale would be more competitive and prudent for the hotel. On average, Hispanics are willing to accept 75 cents less per hour as compared to other applicants. Therefore, a two-tier wage scale is recommended to reflect this market reality.	5.30	1.28
12. The hotel manager strongly encourages his hourly employees to participate in an abortion/death penalty rally over the weekend.	5.24	1.28
8. An outside company promises to deliver the required 20 international associates with the understanding that the work authorization paperwork would be handled and that the labor company must be paid directly by the hotel. Further, the hotel may allow the associates to work for as many hours per week as needed without incurring overtime since the labor company only pays them at straight-time for all hours worked. The hotel accepts participation in the proposed labor pool since the labor company is accepting responsibility for their actions.	4.86	1.46
2. The restaurant in a hotel advertises using "Fresh chicken breasts" to prepare customers' order for "Honey pecan chicken," yet several times throughout the month they use frozen chicken breasts.	4.78	1.19
7. A Food and Beverage Director interviews an extraordinary candidate for a banquet captain position. The market has been void of experienced captain level candidates. The position is absolutely critical to the effectiveness and efficiency of this department. The interviewer does not ask but notices she is obviously pregnant. Although knowing the law prohibits discrimination, the interviewer decides not to extend an offer since the department cannot tolerate any further disruption in supervisory continuity and consistency.	4.78	1.24
10. A catering event was accepted by a handshake agreement. Circumstances changed and the client was told the promise could not be delivered.	4.66	1.35
11. Although continuously criticized by guests and clients for the obvious inability of the banquet department to deliver Four Star service, the sales team is constantly reminded to sell on the strength of the rating and the ability of the hotel to deliver extraordinary banquet events in both quality of service and product.	4.53	1.24
1. A manager who supervises an associate that is under medical care for a workplace injury decides to terminate the individual for documented poor job performance.	4.17	1.59
3. A pregnant and single mother who relies on public assisted childcare to make ends meet has been late to work on numerous occasions because of the operating hours of the day care center. Other than chronic tardiness, her work has been well above average. The manager has written her up each time and has now decided to terminate her.	3.86	1.35
9. A frequent guest who stays at least once a week with the hotel calls for a room. The hotel is overbooked but the guest is told he will have a room that night, even at the lower rate he has always paid.	3.32	1.46
<b>GRAND MEAN</b>	<b>4.94</b>	<b>1.33</b>

Note. n = 173. Likert-type scale where 1 = very ethical through 6 = very unethical.

Factor analysis was conducted by grouping new factors to determine the dimensions among the 12 scenarios relative to hospitality educators' perceptions in ethical business practice. For sample size and reliability factors, various rules have suggested. Sample size can be determined as a function of the number of variables being analyzed, ranging anywhere from two subjects per variable to 20 subjects per variable. However, it is generally accepted that three to five responses per variable are the minimum needed (Stevens, 2002). The most important factors are component saturation (the absolute magnitude of the loadings), absolute sample size, and the number of variables per component. The components with four or more loadings above 0.60 in absolute value are reliable, regardless of sample size (Stevens, 2002). Table 6 has complied with the above requirements in terms of sample size and reliability factors with 14 subjects per variable.

The Principle Component Analysis (PCA) with VARIMAX rotation was used to determine the underlying dimensions for representing educators' ethical business practice perceptions. These are (a) leadership honesty and integrity, law abiding, and respect for others (b) manager's accountability and concern for employees and customer satisfaction, and (c) corporate reputation and employee's loyalty. Factors based on the latent root criterion (Eigenvalues > 1), total explained variance, scree test criterion, and VARIMAX (orthogonal)-Rotated Component Matrix were done using SPSS analysis. The scree test criterion was used to show the latent roots (Eigenvalues) criterion of greater than one (1) for the factors. Hair et al. (1998) indicated that for a sample size of 150, the factor loading values considered significant must be greater than  $\pm .45$  when interpreting the factor matrix of loadings.

The factor analysis aggregated the hospitality educators' ethical business practice perceptions variables into new factors for: (a) leadership honesty and integrity, law abiding, and respect for others (b) manager's accountability and concern for employees and customer satisfaction, and (c) corporate reputation and employee's loyalty. With respect to the hospitality educators' ethical business practice perceptions, the Kaiser-Meyer-Olkin (KMO) Measure of Sampling Adequacy (MSA) was .876 (see Table 6). The KMO was used to determine the appropriateness of applying factor analysis. Values above .50 for the factor matrix are appropriate (Hair, et al., 1998). The Bartlett's Test of Sphericity value (Chi-Square) was 690.934, significant at  $p = .000$  which showed a significant correlation among some of the variables. The new factors (a) leadership honesty and integrity, law abiding, and respect for others (b) manager's accountability and concern for employees and customer satisfaction, and (c) corporate reputation and employee's loyalty were derived with eigenvalues of 4.863, 1.368, and 1.070, respectively, which accounted for 60.843 % of the total variance. This means educators perceive the practices of honesty/integrity, manager's accountability and concern for employees and customer satisfaction, and corporate reputation and employee's loyalty as important practices within the hospitality industry. This means that the original 12 ethics in practice components are commonly grouped under these three newly developed factors.

Table 6

## Hospitality Educators: Factor Analysis of Managers' Ethical Business Practices with Varimax-Rotations

Variables	VARIMAX-Rotated Loadings			Communality
	F1	F2	F3	
1. A manager who supervises an associate that is under medical care for a workplace injury decides to terminate the individual for documented poor job performance.	4.208E-02	.795	6.421E-02	.638
2. The restaurant in a hotel advertises using "Fresh chicken breasts" to prepare customers' order for "Honey pecan chicken," yet several times throughout the month they use frozen chicken breasts.	.143	.654	6.688E-02	.452
3. A pregnant and single mother who relies on public assisted childcare to make ends meet has been late to work on numerous occasions because of the operating hours of the day care center. Other than chronic tardiness, her work has been well above average. The manager has written her up each time and has now decided to terminate her.	.163	.599	1.261E-03	.385
4. The compensation analyst has conducted an exhaustive wage survey and determined from the results that a two-tier wage scale would be more competitive and prudent for the hotel. On average, Hispanics are willing to accept 75 cents less per hour as compared to other applicants. Therefore, a two-tier wage scale is recommended to reflect this market reality.	.826	.236	9.835E-02	.747
5. A hotel manager and an employee used a former	.891	.156	-1.439E-02	.819

colleague as the scapegoat for mistakes they had made themselves since no one now can tell what had happened.

6. Budget performance is monitored carefully by regional and corporate executives.

Failure to meet certain budgeted numbers will cost the GM approximately \$12,000 in year-end bonus. A year-end decision is made to "slide" \$50,000 in expenses into January to secure the GM's bonus payment.

7. A Food and Beverage Director interviews an extraordinary candidate for a banquet captain position. The market has been void of experienced captain level candidates. The position is absolutely critical to the effectiveness and efficiency of this department. The interviewer does not ask but notices she is obviously pregnant. Although knowing the law prohibits discrimination; the interviewer decides not to extend an offer since the department cannot tolerate any further disruption in supervisory continuity and consistency.

8. An outside company promises to deliver the required 20 international associates with the understanding that the work authorization paperwork would be handled and that the labor company must be paid directly by the hotel. Further, the hotel may allow the associates to work for as many hours per week as needed without incurring overtime since the labor company only pays them

.841	.167	7.662E-02	.741
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.547	.110	.298	.400
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.653	.185	.271	.534
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at straight-time for all hours worked. The hotel accepts participation in the proposed labor pool since the labor company is accepting responsibility for their actions.				
9. A frequent guest who stays at least once a week with the hotel calls for a room. The hotel is overbooked but the guest is told he will have a room that night, even at the lower rate he has always paid.	-1.425E-02	2.157E-02	.916	.840
10. A catering event was accepted by a handshake agreement. Circumstances changed and the client was told the promise could not be delivered.	.467	.481	.287	.531
11. Although continuously criticized by guests and clients for the obvious inability of the banquet department to deliver Four Star service, the sales team is constantly reminded to sell on the strength of the rating and the ability of the hotel to deliver extraordinary banquet events in both quality of service and product.	.485	.257	.496	.547
12. The hotel manager strongly encourages his hourly employees to participate in an abortion/death penalty rally over the weekend.	.804	5.206E-02	-.129	.665
Eigenvalue	4.863	1.368	1.070	
Percentage of Variance Explained	40.527	11.401	8.915	
Cumulative % of Variance Explained	40.527	51.928	60.843	
Kaiser-Meyer-Olkin Measure of Sampling Adequacy (MSA):	.876			
Bartlett's Test of Sphericity: approximate Chi-Square:	690.934	df: 66	Sig.: .000	



Dimensions	Variables	Reliability (Cronbach's Alpha)
<p><b>Factor 1: leadership honesty and integrity, law abiding, and respect for others</b></p>	<ul style="list-style-type: none"> <li>• The compensation analyst has conducted an exhaustive wage survey and determined from the results that a two-tier wage scale would be more competitive and prudent for the hotel.</li> <li>• A hotel manager and an employee used a former colleague as the scapegoat.</li> <li>• Budget performance is monitored carefully by regional and corporate executives.</li> <li>• A Food and Beverage Director interviews an extraordinary candidate for a banquet captain position.</li> <li>• An outside company promises to deliver the required 20 international associates.</li> <li>• The hotel manager strongly encourages his hourly employees to participate in an abortion/death penalty rally over the weekend.</li> </ul>	<p>.8721</p>

<p><b>Factor 2: manager's accountability and concern for employees and customer satisfaction</b></p>	<ul style="list-style-type: none"> <li>• A manager who supervises an associate that is under medical care for a workplace injury decides to terminate the individual for documented poor job performance.</li> <li>• The restaurant in a hotel advertises using "Fresh chicken breasts."</li> <li>• A pregnant and single mother who relies on public assisted childcare to make ends meet has been late to work on numerous occasions because of the operating hours of the day care center.</li> <li>• A catering event was accepted by a handshake agreement.</li> </ul>	<p>.5791</p>
<p><b>Factor 3: corporate reputation and employee's loyalty</b></p>	<ul style="list-style-type: none"> <li>• A frequent guest who stays at least once a week with the hotel calls for a room. The hotel is overbooked but the guest is told he will have a room that night, even at the lower rate he has always paid.</li> <li>• Although continuously criticized by guests and clients for the obvious inability of the banquet department to deliver Four Star service.</li> </ul>	<p>.4239</p>

## Demographics for Hospitality Practitioners

A total of 1200 questionnaires were mailed to hospitality practitioners in the United States. One hundred six usable questionnaires were returned, for an 8.8 % raw response rate. There were 56 undeliverable mail invitations. Therefore, the adjusted response rate was 9.3 % (see Table 7). Vallen and Casado (2000) conducted a similar study, which surveyed the 500 largest lodging properties in each of the 50 United States. The number of returned valid questionnaires was just 9.0 %. Thus this response rate although low, can be considered standard.

Table 7

Response Rate

	Surveys
Sample Size	1200
Number not deliverable	56
Percent not deliverable <sup>1</sup>	4.7%
Effective sample size <sup>2</sup>	1144
Surveys returned	106
Raw Response Rate <sup>3</sup>	8.8%
Adjusted Response Rate <sup>4</sup>	9.3%
Notes. 1: Number not deliverable/ Sample size	
2: Sample size-Number not deliverable	
3: Surveys returned/Sample size	
4: Surveys returned /Effective Sample Size	

Table 8 provides a demographic profile of the survey respondents. About 67 % of the respondents were male while 33 % were female. The majority of the respondents were between 50-59 years old (29.2 %). The majority of the respondents were American

(91.5 %). Fifty percent of the respondents had four-year college degrees while two-year college graduates represented 24.5 % of the respondents for second highest percentage in education. The majority of the respondents had more than 20 years of working experience in the hospitality industry (37.7 %) followed by 20.8 % with 5-10 years in the hospitality industry. Almost 36.8 % of the respondents had less than 5 years working experience in their current organizations followed closely by 35.8 % with 5-10 years in their current organizations. The majority of the respondents held an administrative position (90.6 %). Finally, the size of each property where the respondents worked ranged between 10 to 700 rooms, with an average of 158 rooms per property.

Table 8

## Demographic Profile of Hospitality Practitioners

<b>Gender</b>	<b>f</b>	<b>%</b>	<b>Age</b>	<b>f</b>	<b>%</b>
Male	71	67.0	20-29	12	11.3
Female	35	33.0	30-39	26	24.5
Missing	0	0	40-49	28	26.4
			50-59	31	29.2
			60+	9	8.5
			Missing	0	0
<b>Nationality</b>			<b>Education</b>		
American	97	91.5	High school/GED	18	17.0
Asian	3	2.8	2 year college	26	24.5
European	1	0.9	4 year college	53	50.0
Latin American	3	2.8	Master's	8	7.5
Other	2	1.9	Doctorate	1	0.9
Missing	0	0	Missing	0	0
<b>Experience in hospitality</b>			<b>Experience in current Org</b>		
Less than 5 yrs	8	7.5	Less than 5 yrs	39	36.8
5-10 yrs	22	20.8	5-10 yrs	38	35.8
11-15 yrs	21	19.8	11-15 yrs	14	13.2
16-20 yrs	14	13.2	16-20 yrs	9	8.5
20+ yrs	40	37.7	20+ yrs	6	5.7
Missing	1	0.9	Missing	0	0
<b>Administrative position</b>			<b>Property room number</b>		
Yes	96	90.6	0-100	41	38.7
No	8	7.5	101-200	33	31.1
Missing	2	1.9	201-300	17	16.0
			301-700	12	11.3
			Missing	3	2.8
			<b>Ave. property room No.</b>	<b>158</b>	

Note. n = 106. f = frequency.

**Research Question Four: What preparation have hospitality practitioners in the field of hospitality received to help them address ethical challenges in their practices?**

Questions one through nine consisted of yes/no type of questions regarding business ethics being taught in hospitality curricula and in the hospitality industry. When hospitality practitioners were asked *“Have you taken any courses or attended any seminars on ethics related topics within the last year”*? approximately seventy nine percent of hospitality practitioners responded “NO” to the question. When hospitality practitioners were asked *“Do you think any of these ethics courses or seminars have been of benefit to you”*? approximately twenty one percent of hospitality practitioners responded “YES” to the question. When hospitality practitioners were asked *“Does your organization currently offer ethics related courses or workshops for employees”*? approximately eighty one percent of hospitality practitioners responded “NO” to the question. When hospitality practitioners were asked *“Have you taught any ethics related courses or seminars at your business within the last year”*? approximately forty percent of hospitality practitioners responded “NO” to the question. However, in terms of the statement *“Do you formally discuss business ethics on a regular basis in your organization”*? sixty six percent of the hospitality practitioners responded “YES” to the question. When hospitality practitioners were asked *“Have you conducted any research projects or dealt with current issues or situations related to ethics in the past year”*? eighty-three percent of hospitality practitioners responded “NO” to the question. In terms of existence of codes of ethics in lodging organizations, sixty six percent of hospitality practitioners answered that they had a code of ethics in their organization. Most of the

hospitality practitioners (73 %) believed that business ethics could be taught (See Table 9).

Table 9

Educators' and Practitioners' Preparation of Ethics Education in Hospitality Curricular

	Educators			Practitioners		
	Yes/%	No/%	Not sure/%	Yes/%	No/%	Not sure/%
1. Have you taken any courses or attended any seminars on ethics related topics within the last year?	24.9	75.1		20.8	79.2	
2. Do you think any of these ethics courses or seminars have been of benefit to you?	93.2	6.8		20.8	2.8	
3. Does your institution/organization currently offer ethics related courses or workshops for students/employees?	60.1	38.7		17.9	81.1	
4. Have you taught any ethics related courses or seminars at your school/business within the last year?	26.4	73.6		8.5	40.6	
5. Do you formally discuss business ethics on a regular basis in your institution/organization?	67.6	32.4		66.0	34.0	
6. Have you conducted any research projects or dealt with current issues or situations related to ethics in the past year?	21.4	78.0		16.0	83.0	
7. Do you have a code of ethics in your institution/organization?	61.3	33.5		66.0	32.1	
8. If no, do your employees or colleagues follow their professional codes of ethics (i.e. Accounting, Marketing, or Finance)?	8.1	2.9	42.2	11.3	5.7	19.8
9. Do you think business ethics can be taught?	79.2	5.8	12.7	72.6	11.3	13.2

Note. n = 173 for educators. n = 106 for practitioners.

**Research Question Five: What are the attitudes of hospitality practitioners toward ethics education in preparation in the field of hospitality?**

Table 10 illustrates the degree to which hospitality practitioners agreed with all of the six statements (questions 10 through 15) with regard to business ethics being taught, based on a Likert scale to denote their responses where 1 = strongly disagree through 6 = strongly agree. Among these six statements, most of the hospitality practitioners agreed that question 12 was the most important statement with regard to ethics education with a mean score of 5.09. This was the statement “*Business ethics is important and must be introduced to students before they work in the hospitality industry.*” Among these six statements, most of the hospitality practitioners agreed that question 10 was the second most important statement with regard to ethics education with a mean score of 5.05. This was the statement “*Ethical issues should be addressed and discussed in all fields/areas of business on a regular basis.*”



Table 10

## Attitudes of Hospitality Practitioners toward Ethics Education Preparation for Students

	Mean	SD <sup>1</sup>
12. Business ethics is important and must be introduced to students <u>before</u> they work in the hospitality industry.	5.09	1.11
10. Ethical issues should be addressed and discussed in all fields/areas of business on a regular basis.	5.05	0.93
13. Business ethics courses help hospitality students with their future careers.	4.82	1.05
11. Educational hospitality programs should focus more on codes of ethics and start offering more relevant courses to teach students how to resolve ethical dilemmas.	4.71	0.91
14. Students who have studied business ethics make greater contributions to the hospitality industry.	4.42	1.18
15. Hospitality multinational companies (MNCs) are aware and understand local laws and ethical issues while operating businesses in foreign countries.	3.64	1.19
<b>GRAND MEAN</b>	<b>4.62</b>	<b>1.06</b>

Note. n = 106. <sup>1</sup> = Standard Deviation. Likert-type scale where 1 = strongly disagree through 6 = strongly agree.

**Research Question Six: What are the attitudes of hospitality practitioners toward ethical decision-making in practice in the field of hospitality?**

Table 11 illustrates the degree that hospitality practitioners agreed with all of the 12 statements with regard to business ethics being practiced in the hospitality industry based on a Likert scale where 1 = very ethical through 6 = very unethical. Among these 12 scenarios, most of the hospitality practitioners agreed that scenario five was the most unethical business practice with a mean score of 5.36. This was the scenario *“A hotel manager and an employee used a former colleague as the scapegoat for a mistake they had made themselves since no one could tell what had happened.”* On the other hand, hospitality practitioners believed that scenario three was the least unethical business

practice with mean score of 3.09. This was the scenario “*A pregnant and single mother who relies on public assisted childcare to make ends meet has been late to work on numerous occasions because of the operating hours of the day care center. Other than chronic tardiness, her work had been well above average. The manager has written her up each time and has now decided to terminate her.*”

Table 11

Hospitality Practitioners' Perception: 12 Scenarios about Business Ethics Being Practiced in the Hospitality Industry

	Mean	SD <sup>1</sup>
5. A hotel manager and an employee used a former colleague as the scapegoat for mistakes they had made themselves since no one now can tell what had happened.	5.36	1.25
12. The hotel manager strongly encourages his hourly employees to participate in an abortion/death penalty rally over the weekend.	5.34	1.34
4. The compensation analyst has conducted an exhaustive wage survey and determined from the results that a two-tier wage scale would be more competitive and prudent for the hotel. On average, Hispanics are willing to accept 75 cents less per hour as compared to other applicants. Therefore, a two-tier wage scale is recommended to reflect this market reality.	5.24	1.26
6. Budget performance is monitored carefully by regional and corporate executives. Failure to meet certain budgeted numbers will cost the GM approximately \$12,000 in year-end bonus. A year-end decision is made to "slide" \$50,000 in expenses into January to secure the GM's bonus payment.	5.19	1.25
10. A catering event was accepted by a handshake agreement. Circumstances changed and the client was told the promise could not be delivered.	4.62	1.35
8. An outside company promises to deliver the required 20 international associates with the understanding that the work authorization paperwork would be handled and that the labor company must be paid directly by the hotel. Further, the hotel may allow the associates to work for as many hours per week as needed without incurring overtime since the labor company only pays them at straight-time for all hours worked. The hotel accepts participation in the proposed labor pool since the labor company is accepting responsibility for their actions.	4.50	1.56
2. The restaurant in a hotel advertises using "Fresh chicken breasts" to prepare customers' order for "Honey pecan chicken," yet several times throughout the month they use frozen chicken breasts.	4.44	1.35
11. Although continuously criticized by guests and clients for the obvious inability of the banquet department to deliver Four Star service, the sales team is constantly reminded to sell on the strength of the rating and the ability of the hotel to deliver extraordinary banquet events in both quality of service and product.	4.23	1.19
7. A Food and Beverage Director interviews an extraordinary candidate for a banquet captain position. The market has been void of experienced captain level candidates. The position is absolutely critical to the effectiveness and efficiency of this department. The interviewer does not ask but notices she is obviously pregnant. Although knowing the law prohibits discrimination, the interviewer decides not to extend an offer since the department cannot tolerate any further disruption in supervisory continuity and consistency.	4.07	1.50
1. A manager who supervises an associate that is under medical care for a workplace injury decides to terminate the individual for documented poor job performance.	3.95	1.56
9. A frequent guest who stays at least once a week with the hotel calls for a room. The hotel is overbooked but the guest is told he will have a room that night, even at the lower rate he has always paid.	3.19	1.75
3. A pregnant and single mother who relies on public assisted childcare to make ends meet has been late to work on numerous occasions because of the operating hours of the day care center. Other than chronic tardiness, her work has been well above average. The manager has written her up each time and has now decided to terminate her.	3.09	1.37
<b>GRAND MEAN</b>	<b>4.44</b>	<b>1.39</b>

Note. n = 106. Likert-type scale where 1 = very ethical through 6 = very unethical.

Factor analysis was conducted to determine the dimensions among the 12 scenarios and hospitality practitioners' perceptions in ethical business practice. These 12 scenarios are some of the most current challenges that hotel managers have to face on a regular basis. For sample size and reliability factors, it is suggested that sample size be determined as a function of the number of variables being analyzed, ranging anywhere from two subjects per variable to 20 subjects per variable. However, it is generally accepted that three to five responses per variable is the minimum needed (Stevens, 2002). The most important factors are component saturation (the absolute magnitude of the loadings) and absolute sample size. Also, the number of variables per component is considered important. One of the recommendations for the applied researcher is that components with four or more loadings above 0.60 in absolute value are reliable, regardless of sample size (Stevens, 2002). Table 12 has complied with the above requirements in terms of sample size and reliability factors with nine subjects per variable.

The Principle Component Analysis (PCA) with VARIMAX rotation was used to determine the underlying dimensions for representing practitioners' ethical business practice perceptions. These are (a) leadership honesty and integrity, (b) corporate reputation and customer satisfaction (c) manager's accountability and concern for employees, and (d) law abiding and ethical business practice. In order to determine the underlying dimensions, factors based on the Latent Root Criterion (Eigenvalues > 1), Total Variance Explained, Scree Plot, and VARIMAX (orthogonal)-Rotated Component Matrix were done using the SPSS analysis. The Scree Test Criterion was used to show the latent roots (Eigenvalues) criterion of greater than one (1) for the factors. Hair et al.

(1998) indicated that for a sample size of 100, the factor loading values considered significant must be greater than  $\pm .55$  when interpreting the factor matrix of loadings.

The factor analysis aggregated the practitioners' ethical business practice perceptions variables into new factors for: (a) leadership honesty and integrity, (b) corporate reputation and customer satisfaction (c) manager's accountability and concern for employees, and (d) law abiding and ethical business practice. With respect to the managers' ethical business practice perceptions, the Kaiser-Meyer-Olkin (KMO) Measure of Sampling Adequacy (MSA) was .798 (See Table 12). The KMO was used to determine the appropriateness of applying factor analysis; values above .50 for the factor matrix are appropriate (Hair, et al., 1998). The Bartlett's Test of Sphericity value (Chi-Square) was 334.455, significant at  $p = .000$  which showed a significant correlation among some of the variables. The new factors (a) leadership honesty and integrity, (b) corporate reputation and customer satisfaction (c) manager's accountability and concern for employees, and (d) law abiding and ethical business practice were derived with eigenvalues of 3.906, 1.557, 1.255 and 1.078, respectively, which accounted for 64.966 % of the total variance. This means business practitioners perceive the practices of honesty/integrity, corporate reputation and customer satisfaction, accountability/employee concern, and law abiding ethical business practices as important practices within the hospitality industry. This means that 12 ethics in practice components are commonly grouped under these four newly developed factors.

Table 12

Hospitality Practitioners: Factor Analysis of Managers' Ethical Business Practices with Varimax-Rotations

Variables	VARIMAX-Rotated Loadings				Communality
	F1	F2	F3	F4	
1. A manager who supervises an associate that is under medical care for a workplace injury decides to terminate the individual for documented poor job performance.	4.211E-02	.220	.742	-.252	.665
2. The restaurant in a hotel advertises using "Fresh chicken breasts" to prepare customers' order for "Honey pecan chicken," yet several times throughout the month they use frozen chicken breasts.	.487	-.167	.181	.387	.448
3. A pregnant and single mother who relies on public assisted childcare to make ends meet has been late to work on numerous occasions because of the operating hours of the day care center. Other than chronic tardiness, her work has been well above average. The manager has written her up each time and has now decided to terminate her.	2.317E-02	-9.407E-02	.846	.236	.780
4. The compensation analyst has conducted an exhaustive wage survey and determined from the results that a two-tier wage scale would be more competitive and prudent for the hotel. On average, Hispanics are willing to accept 75 cents less per hour as compared to other applicants. Therefore, a two-tier wage scale is recommended to reflect this market reality.	.729	6.365E-04	-.113	.179	.577
5. A hotel manager and an					

employee used a former colleague as the scapegoat for mistakes they had made themselves since no one now can tell what had happened.	.873	9.814E-03	8.586E-02	5.868E-02	.783
6. Budget performance is monitored carefully by regional and corporate executives. Failure to meet certain budgeted numbers will cost the GM approximately \$12,000 in year-end bonus. A year-end decision is made to "slide" \$50,000 in expenses into January to secure the GM's bonus payment.	.777	-1.509E-02	1.565E-02	.158	.630
7. A Food and Beverage Director interviews an extraordinary candidate for a banquet captain position. The market has been void of experienced captain level candidates. The position is absolutely critical to the effectiveness and efficiency of this department. The interviewer does not ask but notices she is obviously pregnant. Although knowing the law prohibits discrimination; the interviewer decides not to extend an offer since the department cannot tolerate any further disruption in supervisory continuity and consistency.	.130	.221	-2.954E-02	.833	.761
8. An outside company promises to deliver the required 20 international associates with the understanding that the work authorization paperwork would be handled and that the labor company must be paid directly by the hotel. Further, the hotel may allow the associates to work for as many hours per week as needed without incurring overtime since the	.635	.389	-1.671E-02	-.185	.590

labor company only pays them at straight-time for all hours worked. The hotel accepts participation in the proposed labor pool since the labor company is accepting responsibility for their actions.					
9. A frequent guest who stays at least once a week with the hotel calls for a room. The hotel is overbooked but the guest is told he will have a room that night, even at the lower rate he has always paid.	-.204	.805	.138	.161	.735
10. A catering event was accepted by a handshake agreement. Circumstances changed and the client was told the promise could not be delivered.	.622	.325	.160	-.214	.563
11. Although continuously criticized by guests and clients for the obvious inability of the banquet department to deliver Four Star service, the sales team is constantly reminded to sell on the strength of the rating and the ability of the hotel to deliver extraordinary banquet events in both quality of service and product.	.295	.720	-3.594E-02	4.845E-02	.610
12. The hotel manager strongly encourages his hourly employees to participate in an abortion/death penalty rally over the weekend.	.801	-4.895E-02	8.275E-03	.105	.656
Eigenvalue	3.906	1.557	1.255	1.078	
Percentage of Variance Explained	32.546	12.977	10.458	8.985	
Cumulative % of Variance Explained	32.546	45.523	55.981	64.966	
Kaiser-Meyer-Olkin Measure of Sampling Adequacy (MSA):	.798				
Bartlett's Test of Sphericity: approximate Chi-Square:	334.455		df: 66	Sig.: .000	



Dimensions	Variables	Reliability (Cronbach's Alpha)
<b>Factor 1: leadership honesty and integrity</b>	<ul style="list-style-type: none"> <li>• The restaurant in a hotel advertises using “Fresh chicken breasts.”</li> <li>• The compensation analyst has conducted an exhaustive wage survey and determined from the results that a two-tier wage scale would be more competitive and prudent for the hotel.</li> <li>• A hotel manager and an employee used a former colleague as the scapegoat.</li> <li>• Budget performance is monitored carefully by regional and corporate executives.</li> <li>• An outside company promises to deliver the required 20 international associates.</li> <li>• A catering event was accepted by a handshake agreement.</li> <li>• The hotel manager strongly encourages his hourly employees to participate in an abortion/death penalty rally over the weekend.</li> </ul>	.8570
<b>Factor 2: corporate reputation and customer satisfaction</b>	<ul style="list-style-type: none"> <li>• A frequent guest who stays at least once a week with the hotel calls for a room. The hotel is overbooked but the guest is told he will have a room that night, even at the lower rate he has always paid.</li> <li>• Although continuously criticized by guests and clients for the obvious inability of the banquet department to deliver Four Star service.</li> </ul>	.4226

<b>Factor 3: manager's accountability and concern for employees</b>	<ul style="list-style-type: none"> <li>• A manager who supervises an associate that is under medical care for a workplace injury decides to terminate the individual for documented poor job performance.</li> <li>• A pregnant and single mother who relies on public assisted childcare to make ends meet has been late to work on numerous occasions because of the operating hours of the day care center.</li> </ul>	.4473
<b>Factor 4: law abiding and ethical business practice</b>	<ul style="list-style-type: none"> <li>• A Food and Beverage Director interviews an extraordinary candidate for a banquet captain position.</li> </ul>	N/A

**Research Question Seven: How do hospitality educators and hospitality practitioners in the field of hospitality compare regarding what will help them address ethical challenges in their practices?**

In this study, cross tabulation and Chi square analyses were conducted on questionnaire items to discern whether there are differences between hospitality educators' and hospitality practitioners' perceptions on questions one through nine. Both cross tabulation and Chi square results were reported. Chi square values were considered significant at the < .05 level. It is considered significant, when there are significant differences between hospitality educators' and hospitality practitioners' perceptions, with the critical value (.05) greater than the calculated value.

For question 1 *“Have you taken any courses or attended any seminars on ethics related topics within the last year”*? The majority (n = 130) of hospitality educators responded “NO” to the question while 43 hospitality educators responded “YES” to the question. On the other hand, the majority (n = 84) of hospitality practitioners responded “NO” to the question while 22 of hospitality practitioners responded “YES” to the question. The results show that there is no significant difference between hospitality educators’ and hospitality practitioners’ perceptions on the above statement ( $\chi^2 = .619$ ,  $df = 1$ ,  $Sig. = .432$ ) (See table 13). Chi square ( $\chi^2$ ) is used to compare critical and calculated values.

Table 13

Chi Square: Question 1

	Educator		Practitioner		df <sup>1</sup>	$\chi^2$	Sig. <sup>2</sup>
	N	%	N	%			
Yes	43	25	22	21	1	.619	.432
No	130	75	84	79			
Total	173	100	106	100			

Note. <sup>1</sup> = Degrees of freedom. <sup>2</sup> = valid and significant at < .05.

For question 2 *“Do you think any of these ethics courses or seminars have been of benefit to you”*? The majority (n = 41) of hospitality educators responded “YES” to the question while three hospitality educators responded “NO” to the question. On the other hand, the majority (n = 22) of hospitality practitioners responded “YES” to the question while three hospitality practitioners responded “NO” to the question. The results show that there is no significant difference between hospitality educators’ and hospitality

practitioners' perceptions on the above statement ( $\chi^2 = .539$ ,  $df = 1$ ,  $Sig. = .463$ ) (See table 14).

Table 14

Chi Square: Question 2

	Educator		Practitioner		df <sup>1</sup>	$\chi^2$	Sig. <sup>2</sup>
	N	%	N	%			
Yes	41	93	22	88	1	.539	.463
No	3	7	3	12			
Total	44	100	25	100			

Note. <sup>1</sup> = Degrees of freedom. <sup>2</sup> = valid and significant at  $< .05$ .

For question 3 “*Does your institution/organization currently offer ethics related courses or workshops for students/employees*”? The majority ( $n = 106$ ) of hospitality educators responded “YES” to the question while 67 hospitality educators responded “NO” to the question. On the other hand, the majority ( $n = 86$ ) of hospitality practitioners responded “NO” to the question while 19 hospitality practitioners responded “YES” to the question. The results show that there is a significant difference between hospitality educators’ and hospitality practitioners’ perceptions on the above statement ( $\chi^2 = 49.223$ ,  $df = 1$ ,  $Sig. = .000$ ) (See table 15).

Table 15

Chi Square: Question 3

	Educator		Practitioner		df <sup>1</sup>	$\chi^2$	Sig. <sup>2</sup>
	N	%	N	%			
Yes	106	61	19	18	1	49.223	.000
No	67	39	86	82			
Total	173	100	105	100			

Note. <sup>1</sup> = Degrees of freedom. <sup>2</sup> = valid and significant at < .05.

For question 4 “*Have you taught any ethics related courses or seminars at your school / business within the last year*”? The majority (n = 78) of hospitality educators responded “NO” to the question while 28 hospitality educators responded “YES” to the question. On the other hand, the majority (n = 43) of hospitality practitioners responded “NO” to the question while nine hospitality practitioners responded “YES” to the question. The results show that there is no significant difference between hospitality educators’ and hospitality practitioners’ perceptions on the above statement ( $\chi^2 = 1.613$ , df = 1, Sig. = .204) (See table 16).

Table 16

Chi Square: Question 4

	Educator		Practitioner		df <sup>1</sup>	$\chi^2$	Sig. <sup>2</sup>
	N	%	N	%			
Yes	28	26	9	17	1	1.613	.204
No	78	74	43	83			
Total	106	100	52	100			

Note. <sup>1</sup> = Degrees of freedom. <sup>2</sup> = valid and significant at < .05.

For question 5 “*Do you formally discuss business ethics on a regular basis in your institution/organization*”? The majority (n = 117) of hospitality educators responded “YES” to the question while 56 hospitality educators responded “NO” to the question. On the other hand, the majority (n = 70) of hospitality practitioners responded “YES” to the question while 36 hospitality practitioners responded “NO” to the question. The results show that there is no significant difference between hospitality educators’ and hospitality practitioners’ perceptions on the above statement ( $\chi^2 = 8.815$ ,  $df = 4$ ,  $Sig. = .066$ ) (See table 17).

Table 17

Chi Square: Question 5

	Educator		Practitioner		df <sup>1</sup>	$\chi^2$	Sig. <sup>2</sup>
	N	%	N	%			
Yes, daily	12	7	17	16	4	8.815	.066
Yes, weekly	32	18	18	17			
Yes, monthly	36	21	12	11			
Yes, annually	37	21	23	22			
No	56	33	36	34			
Total	173	100	106	100			

Note. <sup>1</sup> = Degrees of freedom. <sup>2</sup> = valid and significant at < .05.

For question 6 “*Have you conducted any research projects or dealt with current issues or situations related to ethics in the past year*”? The majority (n = 135) of hospitality educators responded “NO” to the question while 37 hospitality educators responded “YES” to the question. On the other hand, the majority (n = 88) of hospitality practitioners responded “NO” to the question while 17 hospitality practitioners responded “YES” to the question. The results show that there is no significant difference between

hospitality educators' and hospitality practitioners' perceptions on the above statement ( $\chi^2 = 1.176$ ,  $df = 1$ ,  $Sig. = .278$ ) (See table 18).

Table 18

Chi Square: Question 6

	Educator		Practitioner		df <sup>1</sup>	$\chi^2$	Sig. <sup>2</sup>
	N	%	N	%			
Yes	37	22	17	16	1	1.176	.278
No	135	78	88	84			
Total	172	100	105	100			

Note. <sup>1</sup> = Degrees of freedom. <sup>2</sup> = valid and significant at  $< .05$ .

For question 7 “*Do you have a code of ethics in your institution/organization*”?

The majority ( $n = 106$ ) of hospitality educators responded “YES” to the question while 58 hospitality educators responded “NO” to the question. On the other hand, the majority ( $n = 70$ ) of hospitality practitioners responded “YES” to the question while 34 hospitality practitioners responded “NO” to the question. The results show that there is no significant difference between hospitality educators' perceptions and hospitality practitioners' perceptions on the above statement ( $\chi^2 = .202$ ,  $df = 1$ ,  $Sig. = .653$ ) (See table 19).

Table 19

Chi Square: Question 7

	Educator		Practitioner		df <sup>1</sup>	$\chi^2$	Sig. <sup>2</sup>
	N	%	N	%			
Yes	106	65	70	67	1	.202	.653
No	58	35	34	33			
Total	164	100	104	100			

Note. <sup>1</sup> = Degrees of freedom. <sup>2</sup> = valid and significant at < .05.

For question 8 “If no, do your employees or colleagues follow their professional codes of ethics (i.e. Accounting, Marketing, or Finance)”? The majority (n = 73) of hospitality educators responded “NOT SURE” to the question while 14 and 5 of hospitality educators responded “YES” and “NO” respectively to the question. On the other hand, the majority (n = 21) of hospitality practitioners responded “NOT SURE” to the question while 12 and 6 hospitality practitioners responded “YES” and “NO” respectively to the question. The results show that there is a significant difference between hospitality educators’ and hospitality practitioners’ perceptions on the above statement ( $\chi^2 = 9.049$ , df = 2, Sig. = .011) (See table 20).

Table 20

Chi Square: Question 8

	Educator		Practitioner		df <sup>1</sup>	$\chi^2$	Sig. <sup>2</sup>
	N	%	N	%			
Yes	14	15	12	31	2	9.049	.011
No	5	5	6	15			
Not sure	73	80	21	54			
Total	92	100	39	100			

Note. <sup>1</sup> = Degrees of freedom. <sup>2</sup> = valid and significant at < .05.



For question 9 *“Do you think business ethics can be taught”*? The majority (n = 137) of hospitality educators responded “YES” to the question while 22 and 10 hospitality educators responded “NOT SURE” and “NO” respectively to the question. On the other hand, the majority (n = 77) of hospitality practitioners responded “YES” to the question while 14 and 12 hospitality practitioners responded “NOT SURE” and “NO” respectively to the question. The results show that there is no significant difference between hospitality educators’ and hospitality practitioners’ perceptions on the above statement ( $\chi^2 = 2.940$ ,  $df = 2$ ,  $Sig. = .230$ ) (See table 21).

Table 21

Chi Square: Question 9

	Educator		Practitioner		df <sup>1</sup>	$\chi^2$	Sig. <sup>2</sup>
	N	%	N	%			
Yes	137	81	77	75	2	2.940	.230
No	10	6	12	12			
Not sure	22	13	14	13			
Total	169	100	103	100			

Note. <sup>1</sup> = Degrees of freedom. <sup>2</sup> = valid and significant at < .05.

In summary, the majority of hospitality educators and hospitality practitioners did not have different perceptions on the ethics education statements (questions 1-9) based on Chi square tests except with regard to question 3 *“Does your institution/organization currently offer ethics related courses or workshops for students/employees”*? and question 8 *“If no, do your employees or colleagues follow their professional codes of ethics (i.e. Accounting, Marketing, or Finance)”*?

**Research Question Eight: How do the attitudes of hospitality educators and hospitality practitioners compare toward ethics education preparation in the field of hospitality?**

Both hospitality educators ( $\bar{x} = 4.23$ ) and hospitality practitioners ( $\bar{x} = 4.62$ ) agreed with all of the six statements (questions 10 through 15) with regard to business ethics being taught in hospitality education. Among these six statements, most of the hospitality educators and hospitality practitioners agreed that question 10 and 12 were the most important statements with regard to ethics education. These were the statements *“Ethics issues should be addressed and discussed in all fields/areas of business on a regular basis,”* and *“Business ethics is important and must be introduced to students before they work in the hospitality industry.”*

In this study, the Independent Samples *t*-test analyses were conducted on the questionnaire items to discern whether there are mean differences between hospitality educators’ and hospitality practitioners’ perceptions on questions 10 through 15. The Independent Samples *t*-tests were considered significant at the  $< .008$  level. Because there are six items as a multiple comparison, the significance level was derived from the following formula:  $.05 / 6 = 0.008$ .

For question 10 *“Ethical issues should be addressed and discussed in all fields/areas of business on a regular basis,”* the results did not reveal a significant difference between hospitality educators and hospitality practitioners.

For question 11 *“Educational hospitality programs should focus more on codes of ethics and start offering more relevant courses to teach students how to resolve ethical*

*dilemmas,*” the results did not reveal a significant difference between hospitality educators and hospitality practitioners.

For question 12 “*Business ethics is important and must be introduced to students before they work in the hospitality industry,*” the results did reveal a statistical significance between hospitality educators and hospitality practitioners. The mean of hospitality educators was 4.52 while it was 5.09 for hospitality practitioners. The mean difference was significantly higher for hospitality practitioners than hospitality educators ( $t = 3.728, df = 274, p = .000$ ) (See Table 22). The results indicate that hospitality practitioners agreed more on the above statement. T value is used to determine whether there are differences between the perceptions of educators and practitioners. It is considered significant, when there are significant differences between hospitality educators’ and hospitality practitioners’ perceptions, with the critical value (.05) greater than the calculated value.

Table 22

Independent Samples T-test between Educators and Practitioners: Ethics Education

	Educator	Practitioner	<i>t</i> <sup>1</sup>	Sig. <sup>2</sup>
Business ethics is important and must be introduced to students <u>before</u> they work in the hospitality industry.	MEAN 4.52	5.09	3.728	.000
	SD 1.45	1.11		

Note. 1 = Independent samples t score. 2 = Significant at .008 level.

Likert-type scale where 1 = strongly disagree through 6 = strongly agree.

For question 13 “*Business ethics courses help hospitality students with their future careers,*” the results revealed a statistical significance between hospitality

educators and hospitality practitioners. The mean of hospitality educators was 4.39 while it was 4.82 for hospitality practitioners. The mean difference was significantly higher for hospitality practitioners than hospitality educators ( $t = 2.919$ ,  $df = 271$ ,  $p = .004$ ) (See Table 23). The results indicate that hospitality practitioners agreed more on the above statement.

Table 23

Independent Samples T-test between Educators and Practitioners: Ethics Education

		Educator	Practitioner	<i>t'</i>	Sig. <sup>2</sup>
Business ethics courses help hospitality students with their future careers.	MEAN	4.39	4.82	2.919	.004
	SD	1.38	1.05		

Note. 1 = Independent samples t score. 2 = Significant at .008 level.

Likert-type scale where 1 = strongly disagree through 6 = strongly agree.

For question 14 “*Students who have studied business ethics make greater contributions to the hospitality industry,*” the results revealed a statistical significance between hospitality educators and hospitality practitioners. The mean of hospitality educators was 3.95 while it was 4.42 for hospitality practitioners. The mean difference was significantly higher for hospitality practitioners than hospitality educators ( $t = 2.882$ ,  $df = 272$ ,  $p = .004$ ) (See Table 24). The results indicate that hospitality practitioners agreed more on the above statement.

Table 24

Independent Samples T-test between Educators and Practitioners: Ethics Education

		Educator	Practitioner	<i>t</i> <sup>1</sup>	Sig. <sup>2</sup>
Students who have studied business ethics make greater contributions to the hospitality industry.	MEAN	3.95	4.42	2.882	.004
	SD	1.37	1.18		

Note. 1 = Independent samples t score. 2 = Significant at .008 level.

Likert-type scale where 1 = strongly disagree through 6 = strongly agree.

For question 15 “*Hospitality multinational companies (MNCs) are aware and understand local laws and ethical issues while operating businesses in foreign countries,*” the results did not reach a statistical significance between hospitality educators and hospitality practitioners.

The following is the summary table of attitudes of hospitality educators and hospitality practitioners toward ethics education preparation for students. In summary, it is worthwhile to note that hospitality practitioners’ mean scores were all higher than hospitality educators’ mean scores. These results indicate that hospitality practitioners agreed more on questions 12-14, which reached a statistical significant level at 0.008 (See table 25).

Table 25

## Independent Samples T-test between Educators and Practitioners: Ethics Education

	Educators			Practitioners		
	$\bar{x}$	t	P*	$\bar{x}$	t	P*
10. Ethical issues should be addressed and discussed in all fields/areas of business on a regular basis.	4.86	1.323	.187	5.05	1.203	.230
11. Educational hospitality programs should focus more on codes of ethics and start offering more relevant courses to teach students how to resolve ethical dilemmas.	4.44	1.995	.047	4.71	1.826	.069
12. Business ethics is important and must be introduced to students <u>before</u> they work in the hospitality industry.	4.52	3.728	.000	5.09	3.508	.001
13. Business ethics courses help hospitality students with their future careers.	4.39	2.919	.004	4.82	2.747	.006
14. Students who have studied business ethics make greater contributions to the hospitality industry.	3.95	2.983	.003	4.42	2.882	.004
15. Hospitality multinational companies (MNCs) are aware and understand local laws and ethical issues while operating businesses in foreign countries.	3.22	2.678	.008	3.64	2.614	.009

Note. n = 279.  $\bar{x}$  = mean score. P\* = significant level at 0.008. Liker-type scale where 1 = strongly disagree through 6 = strongly agree.

**Research Question Nine: How do hospitality educators and hospitality practitioners compare toward ethical decision-making in practice in the field of hospitality?**

The results revealed the degree that hospitality educators (Grand  $\bar{x}$  = 4.94) and hospitality practitioners (Grand  $\bar{x}$  = 4.44) agreed with all of the 12 statements with regard to business ethics being practiced in the hospitality industry based on a Likert-type scale where 1 = very ethical through 6 = very unethical. It is worthwhile to note that among

these 12 scenarios, most of the hospitality educators and hospitality practitioners agreed that scenario five was the most unethical business practice. This was the scenario “*A hotel manager and an employee used a former colleague as the scapegoat for mistake they had made themselves since no one can tell what had happened.*”

In this study, Independent Samples *t*-test analyses were conducted on questionnaire items to discern whether there are mean differences between hospitality educators’ and hospitality practitioners’ perceptions on 12 business ethics scenarios. The Independent Samples *t*-tests were considered significant at the  $< .004$  level. Because there are 12 items as a multiple comparison, the significance level was derived from the following formula:  $.05 / 12 = 0.004$ . Among these 12 business ethics scenarios, scenarios 1, 2, 4, 5, 6, 8, 9, 10, 11, and 12 did not reach a statistical significance between hospitality educators and hospitality practitioners. Scenarios 3 and 7 reached a statistical significance between hospitality educators and hospitality practitioners.

For scenario 3 “*A pregnant and single mother who relies on public assisted childcare to make ends meet has been late to work on numerous occasions because of the operating hours of the day care center. Other than chronic tardiness, her work has been well above average. The manager has written her up each time and has now decided to terminate her,*” the results reached a statistical significance between hospitality educators and hospitality practitioners. The mean of hospitality educators was 3.86 while it was 3.09 for hospitality practitioners. The mean difference was significantly higher for hospitality educators than hospitality practitioners ( $t = -4.528$ ,  $df = 267$ ,  $p = .000$ ) (See Table 26). The results indicate that hospitality educators perceived the above scenario more unethical than hospitality practitioners.

Table 26

## Independent Samples T-test between Educators and Practitioners: Ethics in Practice

		Educator	Practitioner	<i>t</i> <sup>1</sup>	Sig. <sup>2</sup>
A pregnant and single mother who relies on public assisted childcare to make ends meet has been late to work on numerous occasions because of the operating hours of the day care center. Other than chronic tardiness, her work has been well above average. The manager has written her up each time and has now decided to terminate her.	MEAN	3.86	3.09	-4.528	.000
	SD	1.35	1.37		

Note. 1 = Independent samples t score. 2 = Significant at .004 level.

Likert-type scale where 1 = very ethical through 6 = very unethical.

For scenario 7 “A Food and Beverage Director interviews an extraordinary candidate for a banquet captain position. The market has been void of experienced captain level candidates. The position is absolutely critical to the effectiveness and efficiency of this department. The interviewer does not ask but notices she is obviously pregnant. Although knowing the law prohibits discrimination, the interviewer decides not to extend an offer since the department cannot tolerate any further disruption in supervisory continuity and consistency,” the results reached a statistical significance between hospitality educators and hospitality practitioners. The mean of hospitality educators was 4.78 while it was 4.07 for hospitality practitioners. The mean difference was significantly higher for hospitality educators than hospitality practitioners ( $t = -4.244$ ,  $df = 267$ ,  $p = .000$ ) (See Table 27). The results indicate that hospitality educators perceived the above scenario as being more unethical than did hospitality practitioners.



Table 27

Independent Samples T-test between Educators and Practitioners: Ethics in Practice

		Educator	Practitioner	<i>t</i> <sup>1</sup>	Sig. <sup>2</sup>
A Food and Beverage Director interviews an extraordinary candidate for a banquet captain position. The market has been void of experienced captain level candidates. The position is absolutely critical to the effectiveness and efficiency of this department. The interviewer does not ask but notices she is obviously pregnant. Although knowing the law prohibits discrimination, the interviewer decides not to extend an offer since the department cannot tolerate any further disruption in supervisory continuity and consistency.	MEAN	4.78	4.07	-4.244	.000
	SD	1.24	1.50		

Note. 1 = Independent samples t score. 2 = Significant at .004 level.

Likert-type scale where 1 = very ethical through 6 = very unethical.

The following is the summary table of attitudes of hospitality educators and hospitality practitioners toward ethical decision-making in practice in the field of hospitality. In summary, the majority of hospitality educators and hospitality practitioners did not have different perceptions on ethics in practice scenarios (scenarios 1-12) based on an Independent Samples T-test. Hospitality educators' mean scores were all higher than hospitality practitioners' mean scores except scenario 12. This may indicate that non-hospitality practitioners may perceive more unethically to hospitality ethical issues than hospitality practitioners who may tend to be profit-oriented. In other words, hospitality practitioners may have to facilitate higher standard relative to hospitality ethical issues and practices to satisfy customers (See table 28).

Table 28

## Independent Samples T-test between Educators and Practitioners: Ethics in Practice

	Educators Practitioners		t	P*
	$\bar{x}$	$\bar{x}$		
1. A manager who supervises an associate that is under medical care for a workplace injury decides to terminate the individual for documented poor job performance.	4.17	3.95	-1.095	.275
2. The restaurant in a hotel advertises using "Fresh chicken breasts" to prepare customers' order for "Honey pecan chicken," yet several times throughout the month they use frozen chicken breasts.	4.78	4.44	-2.162	.031
3. A pregnant and single mother who relies on public assisted childcare to make ends meet has been late to work on numerous occasions because of the operating hours of the day care center. Other than chronic tardiness, her work has been well above average. The manager has written her up each time and has now decided to terminate her.	3.86	3.09	-4.528	.000
4. The compensation analyst has conducted an exhaustive wage survey and determined from the results that a two-tier wage scale would be more competitive and prudent for the hotel. On average, Hispanics are willing to accept 75 cents less per hour as compared to other applicants. Therefore, a two-tier wage scale is recommended to reflect this market reality.	5.30	5.24	-.359	.720
5. A hotel manager and an employee used a former colleague as the scapegoat for mistakes they had made themselves since no one now can tell what had happened.	5.45	5.36	-.586	.558
6. Budget performance is monitored carefully by regional and corporate executives. Failure to meet certain budgeted numbers will cost the GM approximately \$12,000 in year-end bonus. A year-end decision is made to "slide" \$50,000 in expenses into January to secure the GM's bonus payment.	5.31	5.19	-.733	.464
7. A Food and Beverage Director interviews an extraordinary candidate for a banquet captain position. The market has been void of experienced captain level candidates. The position is absolutely critical to the effectiveness and efficiency of this department. The interviewer does not ask but notices she is obviously pregnant. Although knowing the law prohibits discrimination, the interviewer decides not to extend an offer since the department cannot tolerate any further disruption in supervisory continuity and consistency.	4.78	4.07	-4.244	.000
8. An outside company promises to deliver the required 20 international associates with the understanding that the work authorization paperwork would be handled and that the labor company must be paid directly by the hotel. Further, the hotel may allow the associates to work for as many hours per week as needed without incurring overtime since the labor company only pays them at straight-time for all hours worked. The hotel accepts participation in the proposed labor pool since the labor company is accepting responsibility for their actions.	4.86	4.50	-1.931	.055

9. A frequent guest who stays at least once a week with the hotel calls for a room. The hotel is overbooked but the guest is told he will have a room that night, even at the lower rate he has always paid.	3.22	3.19	-0.020	.536
10. A catering event was accepted by a handshake agreement. Circumstances changed and the client was told the promise could not be delivered.	4.66	4.62	-.042	.809
11. Although continuously criticized by guests and clients for the obvious inability of the banquet department to deliver Four Star service, the sales team is constantly reminded to sell on the strength of the rating and the ability of the hotel to deliver extraordinary banquet events in both quality of service and product.	4.53	4.23	-0.303	.051
12. The hotel manager strongly encourages his hourly employees to participate in an abortion/death penalty rally over the weekend.	5.24	5.34	.100	.526

Note.  $n = 279$ .  $\bar{x}$  = mean score.  $P^*$  = significant level at 0.004. Liker-type scale where 1 = strongly disagree through 6 = strongly agree.

## CHAPTER V

### SUMMARY, CONCLUSIONS, AND RECOMMENDATIONS

#### Summary

This research study investigated the perceptions and needs of hospitality educators and hospitality practitioners regarding business ethics in contemporary hospitality education and industry. This chapter will compare a number of significant findings between the hospitality educators and the hospitality practitioners based on the research questions.

The research questions that guided this study were:

1. What preparation have hospitality educators in the field of hospitality received to help them address ethical challenges in their practices?
2. What are the attitudes of hospitality educators toward ethics education in preparation in the field of hospitality?
3. What are the attitudes of hospitality educators toward ethical decision-making in practice in the field of hospitality?
4. What preparation have hospitality practitioners in the field of hospitality received to help them address ethical challenges in their practices?
5. What are the attitudes of hospitality practitioners toward ethics education in preparation in the field of hospitality?

6. What are the attitudes of hospitality practitioners toward ethical decision-making in practice in the field of hospitality?
7. How do hospitality educators and hospitality practitioners in the field of hospitality compare regarding what will help them address ethical challenges in their practices?
8. How do the attitudes of hospitality educators and hospitality practitioners compare toward ethics education preparation in the field of hospitality?
9. How do hospitality educators and hospitality practitioners compare toward ethical decision-making in practice in the field of hospitality?

The target population of this study was current members of the International Council on Hotel, Restaurant, and Institution Education (CHRIE) as of November 2002 and hotel general managers in the United States regardless of the room size of their properties as found in Business Traveler Planner (2001). The sample used in this study was a census of CHRIE members that belong to four and more year institutions. The sample size was 896 members obtained from the online CHRIE directory. A sample size of  $n = 1200$  was selected for the hotelier survey by using the Statistical Analysis Software (SAS) Windows v8 (2001). The list of hoteliers was randomly selected from a published traveler guide book- Business Travel Planner (2001), which has approximately 22,000 listed hotels and motels.

A self-administered questionnaire was created from information obtained from the literature review and evaluation of focus group findings for this investigation. The questionnaire was developed and verified by departmental directors of hotels to increase

the research validity. A pilot study of this questionnaire was conducted among hospitality educators (n = 50) to check the reliability of the statements.

The survey was self-administered in three sections. The first section listed statements related to organizational ethical practices and standards as well as ethics education preparation in hospitality programs and ethics education in the hospitality industry. An example of these statements include: *“Hospitality programs should focus more on codes of ethics and start offering more relevant courses to teach students how to resolve ethical dilemmas.”*

The second section presented 12 ethical scenarios that reflect practices associated with the hospitality industry. The hotel departmental directors developed this section. The idea of developing 12 ethical scenarios was derived from the 12 core ethical principles of the Josephson Institute in Ethics. “These principles establish the standards or rules of behavior within which an ethical person functions and could be adopted as the basis of the formation of future business leaders” (Vallen & Casado, 2001, p. 45). The third section consisted of demographic profile questions such as gender, age, income, and education.

### Summary of Findings and Conclusions

This research employed a uniform mixed methodology that included both web-based/e-mail and mail survey methodologies (Cobanoglu, Warde, & Moreo, 2001). It has been demonstrated that web-based survey method usually yields higher response rate and faster responses as well as incurs lower cost in comparison with telephone, fax, mail, and personal visit survey methods. It was not possible to obtain email addresses of the

industry practitioners, thus mail questionnaire was used to obtain their responses. A total of 173 returned responses were received from hospitality educators, for a 19.3 % raw response rate. A total of 163 e-mails out of 896 were undeliverable and returned to the researcher. Therefore, the adjusted response rate was 23.6 %. A total of 1200 questionnaires were mailed to hotel general managers in the United States. One hundred six usable questionnaires were returned, for an 8.8 % raw response rate. There were 56 undeliverable mail invitations. Therefore, the adjusted response rate was 9.3 %.

For research question one, part one of the questionnaire, questions one through nine consisted of yes/no type of questions regarding what preparation have hospitality educators in the field of hospitality received to help them address ethical challenges in their practices. When hospitality educators were asked *“Have you taken any courses or attended any seminars on ethics related topics within the last year”*? approximately 75 % of hospitality educators responded “NO” to the question. This finding may indicate that ethics education is not widely discussed and/or focused on in hospitality programs. This finding is in the agreement with the literature review. When hospitality educators were asked *“Does your institution currently offer ethics related courses or workshops for students”*? approximately 61 % of hospitality educators responded “YES” to the question. This result may indicate that hospitality institutions are aware of the need for students to have ethics education and training, even though faculty do not spend time on this issue. In addition, when hospitality educators were asked about *“Have you taught any ethics related courses or seminars at your school within the last year”*? approximately 73 % of hospitality educators responded “NO” to the question. This result may imply that although educators feel that they should and possibly think that they do,

most hospitality programs have not incorporated and implemented ethics education in their curricula. When hospitality educators were asked “*Have you conducted any research projects or dealt with current issues or situations related to ethics in the past year*”? seventy-eight percent of hospitality educators responded “NO” to the question. This result may imply that hospitality educators are not interested in conducting research related to ethics issues, which is one of the research objectives in this study. In terms of existence of codes of ethics in hospitality programs, 61 % of hospitality educators indicated that they had a code of ethics in their institution while 33 % of hospitality educators indicated that they did not have a code of ethics in their institution. This finding may imply that hospitality educators initially perceive that a code of ethics should be important since they exist within their institutions. But, when hospitality educators were asked “*If no (you do not have a code of ethics), do your employees or colleagues follow their professional codes of ethics (i.e. Accounting, Marketing, or Finance)*”? the majority (42.2 %) of hospitality educators responded “Not Sure” to the question. This result may indicate that hospitality educators do not have clear idea regarding organizational codes of ethics. Furthermore, most of the hospitality educators (79 %) believed that business ethics could be taught and 93 % of hospitality educators thought that ethics courses or seminars had been of benefit to them. Thus, this result supports the problem statement and literature review of this study. Hospitality educators had positive attitudes toward ethics education and training in the hospitality industry and hospitality education.

For research question two, part two of the questionnaire, most of the educators agreed that question 10 was the most important statement with regard to ethics education



with a mean score of 4.86, which was the *statement “Ethics issues should be addressed and discussed in all fields/areas of business on a regular basis.”* Thus, this result supports the literature review of this study. It may imply that hospitality educators would like to encourage more ethics education and training for the entire society, which includes hospitality students, hospitality educators, and hospitality practitioners. In addition, among these six statements, most of the hospitality educators agreed that question 12 was the second most important statement with regard to ethics education with a mean score of 4.52, which was the statement *“Business ethics is important and must be introduced to students before they work in the hospitality industry.”* Thus, this result supports the problem statement and literature review of this study. Hospitality educators would like to encourage and demand more ethics education and training for hospitality students before they graduate.

For research question three, hospitality educators agreed with all of the 12 statements (Grand  $\bar{x}$  = 4.94) with regard to business ethics being practiced in the hospitality industry. This may indicate that hospitality educators have positive attitudes toward ethical practices in the hospitality industry. Among the 12 scenarios, most of the hospitality educators agreed that scenario five was the most unethical business practice with mean score of 5.45. This was the scenario *“A hotel manager and an employee used a former colleague as the scapegoat for a mistake they had made themselves since no one could tell what had happened.”* This may suggest that most hospitality educators perceived that accountability, fairness, honesty, and integrity are common factors in terms of ethical practices in the hospitality industry. Thus, this result supports the literature review of this study. It is worthwhile to note that both hospitality educators and

hospitality practitioners perceived that scenario five was the most unethical business practice. On the other hand, hospitality educators believed that scenario nine was the least unethical business practice with mean score of 3.32, which was the scenario “*A frequent guest who stays at least once a week with the hotel calls for a room. The hotel is overbooked but the guest is told he will have a room that night, even at the lower rate he has always paid.*” This may suggest that loyalty and reputation to the current customer for repeat business and long-term business profit are important factors for business practice in the hospitality industry. Thus, this result supports the problem statement and the literature review of this study.

For research question four, when hospitality practitioners were asked “*Have you taken any courses or attended any seminars on ethics related topics within the last year*”? approximately 79 % of hospitality practitioners responded “NO” to the question. This finding may indicate that ethics education is not widely discussed and implemented in hospitality programs, which is in the agreement with literature review in chapter two. Furthermore, when hospitality practitioners were asked “*Do you think any of these ethics courses or seminars have been of benefit to you*”? approximately twenty one percent of hospitality practitioners responded “YES” to the question while 2.8 % of hospitality practitioners responded “NO” to the question. This finding may serve as an indicator that hospitality practitioners believe that ethics courses and seminars have been of benefit to them and should be implemented in hospitality programs to benefit hospitality employees and students. This is in the agreement with the literature review. When hospitality practitioners were asked “*Does your organization currently offer ethics related courses or workshops for employees*”? approximately 81 % of hospitality practitioners

responded “NO” to the question. This result may indicate that the lodging industry has not been paying much attention to employees’ ethical education and training. When hospitality practitioners were asked “*Have you taught any ethics related courses or seminars at your business within the last year*”? approximately 40 % (40.6%) of hospitality practitioners responded “NO” to the question while 8.5 % of hospitality practitioners responded “YES” to the question. The rest of the respondents did not answer this question. This result may imply that most hospitality properties have not incorporated and implemented ethics education and training for their employees. Thus, this result supports the problem statement of this study. However, in terms of the statement “*Do you formally discuss business ethics on a regular basis in your organization*”? sixty-six percent of the hospitality practitioners responded “YES” to the question, while 34 % of the hospitality practitioners responded “No” to the question. This result may indicate that hospitality practitioners have been paying attention to ethics education, which has similar responses to hospitality educators and is in the agreement with literature review in chapter two. When hospitality practitioners were asked “*Have you conducted any research projects or dealt with current issues or situations related to ethics in the past year*”? eighty-three percent of hospitality practitioners responded “NO” to the question. This result may imply that hospitality practitioners do not perceive that there are many issues related to ethical practices, which is one of the research objectives in this study that the researcher wished to discover. In addition, most hospitality practitioners do not conduct research. In terms of existence of codes of ethics in lodging organizations, 66 % of hospitality practitioners answered that they had a code of ethics in their organizations while 32 % of hospitality practitioners indicated that they

did not have a code of ethics in their organizations. This finding may imply that hospitality practitioners perceive that a code of ethics is important and hospitality properties should focus more strongly on the existence of codes of ethics. Moreover, when hospitality practitioners were asked “*If no (you do not have a code of ethics), do your employees or colleagues follow their professional codes of ethics (i.e. Accounting, Marketing, or Finance)*”? The majority (19.8 %) of hospitality practitioners responded “Not Sure” to the question. This result may indicate that hospitality practitioners do not have clear idea regarding an organizational code of ethics. Furthermore, most of the hospitality practitioners (73 %) believed that business ethics could be taught. This result supports the problem statement and literature review of this study. These hospitality practitioners suggest that hospitality managers, and hospitality employees can be more ethical in dealing with ethical dilemmas if students and employees have more education and training on business ethics.

Furthermore on research question five, the hospitality practitioners agreed with all of the six statements ( $\bar{x} = 4.62$ ), questions 10 through 15, with regard to business ethics being taught in the hospitality industry. Hospitality practitioners had positive attitudes toward ethics education and training in the hospitality industry and hospitality education. Thus, this result supports the problem statement and literature review of this study. Among these six statements, most of the hospitality practitioners agreed that question 12 was the most important statement with regard to ethics education with mean score of 5.09, which was the statement “*Business ethics is important and must be introduced to students before they work in the hospitality industry.*” Thus, this result also supports the problem statement and literature review of this study. The hospitality practitioners would

like to encourage and see more ethics education and training for hospitality students before they enter the industry. In addition, among these six statements, most of the hospitality practitioners agreed that question 10 was the second most important statement with regard to ethics education with mean score of 5.05, which was the statement *“Ethical issues should be addressed and discussed in all fields/areas of business on a regular basis.”* This result also supports the literature review. Hospitality practitioners would like to encourage more ethics education and training for the entire society, which includes hospitality students, hospitality educators, *and* hospitality practitioners. It may also imply that hospitality practitioners would like to see more ethics education and awareness for hospitality students and employees.

Research question six asked the perceptions of hospitality practitioners about business ethics being practiced in the hospitality industry. Hospitality practitioners agreed with all of the 12 statements (Grand  $\bar{x}$  = 4.44) with regard to business ethics being practiced in the hospitality industry. This result supports the problem statement and literature review of this study. Hospitality practitioners had positive attitudes toward ethical practices in the hospitality industry. Among the 12 scenarios, most of the hospitality practitioners agreed that scenario five was the most unethical business practice with a mean score of 5.36, which was the scenario *“A hotel manager and an employee used a former colleague as the scapegoat for a mistake they had made themselves since no one could tell what had happened.”* This suggests that most hospitality practitioners perceive that accountability, fairness, honesty, and integrity are common factors in terms of ethical practices in the hospitality industry. This result supports the literature review. And, it is worthwhile to note that both hospitality educators and hospitality practitioners

perceived that scenario five was the *most* unethical business practice. On the other hand, hospitality practitioners believed that scenario three was the *least* unethical business practice with mean score of 3.09. This was the scenario “*A pregnant and single mother who relies on public assisted childcare to make ends meet has been late to work on numerous occasions because of the operating hours of the day care center. Other than chronic tardiness, her work had been well above average. The manager has written her up each time and has now decided to terminate her.*” This finding may suggest that hospitality practitioners perceive that leadership, fairness, and respect for others are important for corporate morale and long-term profit and productivity. Thus, this result supports literature review of this study.

Looking at research question seven: How do hospitality educators and hospitality practitioners in the field of hospitality compare regarding what will help them address ethical challenges in their practices? Hospitality educators reported that they did offer ethics courses (61%) while hospitality practitioners reported that they did not offer *ethics related courses or workshops for employees*” (81%). This result may indicate that the lodging industry has not been paying much attention to employees’ ethical education and training, or that they believe employees get that training in school prior to entering the workplace. Perhaps lodging industry practitioners should start focusing on employees’ ethical training and education.

When hospitality educators were asked about “*Have you taught any ethics related courses or seminars at your school within the last year*”? approximately 73 % of hospitality educators responded “NO”, and hospitality practitioners (41 %) responded “NO”. The above figures were obtained from the majority respondents. This result

implies that most hospitality programs and hospitality organizations have not incorporated and implemented ethics education and training for their students and employees. This result supports the problem statement of this study.

In terms of existence of codes of ethics in hospitality programs, 61 % of hospitality educators indicated that they had a code of ethics in their institution while 66% of hospitality practitioners answered that they had a code of ethics in their organizations. Thus, codes of ethics appear to be in existence in both instances.

Most of the hospitality educators (79 %) believed that business ethics could be taught and 93 % of hospitality educators thought that ethics courses or seminars had been of benefit to them. Seventy three percent of hospitality practitioners believed that business ethics could be taught. These hospitality educators and hospitality practitioners suggest that hospitality students, hospitality educators, and hospitality employees can be more ethical in dealing with ethical dilemmas if students and employees have more education and training on business ethics. In addition, the majority of hospitality educators and hospitality practitioners did not have different perceptions on ethics education statements (questions 1-9) based on Chi square test. The results may suggest that both hospitality educators and hospitality practitioners perceived that it is important to implement ethics education to increase students' and employees' business ethics knowledge and to help their future career.

For research question eight, the hospitality educators ( $\bar{x} = 4.23$ ) and the hospitality practitioners ( $\bar{x} = 4.62$ ) agreed with all of the six statements, questions 10 through 15, with regard to the attitudes of hospitality educators and hospitality practitioners toward ethics education preparation in the field of hospitality. Hospitality

educators and hospitality practitioners had positive attitudes toward ethics education and training in the hospitality industry and hospitality education. Among these six statements, most of the hospitality educators and hospitality practitioners agreed that questions 10 and 12 were the most important statements with regard to ethics education, (*“Ethics issues should be addressed and discussed in all fields/areas of business on a regular basis,”* and the statement *“Business ethics is important and must be introduced to students before they work in the hospitality industry.”*) This implies that hospitality educators and hospitality practitioners would like to encourage more ethics education and training for the entire society, which includes hospitality students, hospitality educators, and hospitality practitioners. In addition, it may imply that hospitality educators and hospitality practitioners would like to encourage and demand more ethics education and training for hospitality students before they graduate. Although hospitality educators ( $\bar{x} = 4.23$ ) and hospitality practitioners ( $\bar{x} = 4.62$ ) had positive attitudes toward ethics education, the majority of hospitality educators and hospitality practitioners perceived differently on ethics education statements (questions 10-15) based on an Independent Samples T-test. Moreover, it is worthwhile to note that hospitality practitioners’ mean scores were all significantly higher than hospitality educators’ mean scores. This result may indicate that hospitality practitioners have higher concern and demand for ethics education and ethical employees in the hospitality industry. This may also imply that hospitality practitioners are not having enough ethical employees and would like to see more ethical hospitality graduates in the future. On the other hand, it is difficult for hospitality educators to observe and be aware of their students’ ethical behavior because these students are not in a business environment.



Research question nine asked “How do hospitality educators and hospitality practitioners compare toward ethical decision-making in practice in the field of hospitality?” The results revealed that hospitality educators (Grand  $\bar{x}$  = 4.94) and hospitality practitioners (Grand  $\bar{x}$  = 4.44) agreed with all of the 12 statements with regard to business ethics being practiced in the hospitality industry. This may indicate that hospitality educators and hospitality practitioners had positive attitudes toward ethical practices in the hospitality industry. It is worthwhile to note that among these 12 scenarios, most of the hospitality educators and hospitality practitioners agreed that scenario five was the most unethical business practice, which was the scenario “*A hotel manager and an employee used a former colleague as the scapegoat for mistake they had made themselves since no one can tell what had happened.*” Most hospitality educators and hospitality practitioners perceived that accountability, fairness, honesty, and integrity were common factors in terms of ethical practices in the hospitality industry. In addition, the majority of hospitality educators and hospitality practitioners did not perceive differently on ethics in practice scenarios (questions 1-12) based on an Independent Samples T-test. The results support the objectives of this study. Additionally, it is worthwhile to note that hospitality educators’ mean scores were all higher than hospitality practitioners’ mean scores except scenario 12. This may indicate that hospitality educators perceived more unethically on hospitality ethical issues than hospitality practitioners who might tend to be profit-oriented. In other words, hospitality practitioners may have to advocate and implement higher standards relative to hospitality ethical issues and practices to satisfy customers, thus they are more pragmatic in their approach to ethics.

## Implications

The results of this study have generated a number of crucial implications for hospitality ethics education. The results imply that most hospitality programs have not incorporated and implemented ethics education into their curricula, although faculty members tend to think that they have. These results support the literature review and the problem statement of this study. Furthermore, most hospitality educators and hospitality practitioners believed that business ethics can be taught and ethics courses or seminars had been of benefit to them. Most hospitality educators and hospitality practitioners have not taught any ethics related courses or seminars at their institutions or businesses within the last year. Most hospitality educators and hospitality practitioners have not conducted any research projects or dealt with current issues or situations related to ethics in the past year. In conclusion, there is a need to incorporate and implement ethics education and training for students and employees. Ethics education may enhance students' business ethics knowledge and hospitality employees' ethical conduct to improve the overall quality of the hospitality industry since most hospitality educators and hospitality practitioners believed that business ethics can be taught and ethics courses or seminars had been of benefit to them. Hospitality industry and hospitality programs may consider incorporating ethics across the curriculum and using scenarios and case studies to teach ethics. For hospitality practitioners, ethics seminars could be held either monthly or at least quarterly.

In addition, hospitality educators rated lower toward ethical perceptions in teaching of principles while hospitality practitioners rated lower toward ethics in practice. It can be interpreted that it is difficult for hospitality educators to observe and be aware of

their students' ethical behavior because these students are not in a business environment. On the other hand, hospitality practitioners tend to be profit-oriented. Hospitality practitioners are more profit driven than hospitality educators, which is the major cultural difference between these two groups.

### Conclusions

In conclusion, it is imperative for hospitality programs and hospitality organizations to embed and implement ethics education and training for their hospitality students and employees. If this is the climate (ethical) they wish their employees to work in, then the material must be delivered.

This study shows that hospitality educators and hospitality practitioners possess a positive attitude toward ethics education and training in the hospitality industry and hospitality education. Most hospitality educators and hospitality practitioners agreed that question 10 and 12 were the most important statements with regard to ethics education, which were the statements "*Ethics issues should be addressed and discussed in all fields/areas of business on a regular basis,*" and "*Business ethics is important and must be introduced to students before they work in the hospitality industry.*" This implies that hospitality educators and hospitality practitioners would like to encourage more ethics education and training for the entire society, which includes hospitality students, hospitality educators, and hospitality practitioners. In addition, hospitality educators and hospitality practitioners would like to encourage and demand more ethics education and training for hospitality students before they graduate. This study revealed that hospitality

educators and hospitality practitioners agreed with all of the 12 statements with regard to business ethics being practiced in the hospitality industry. Both hospitality educators and hospitality practitioners perceived that scenario five "*A hotel manager and an employee used a former colleague as the scapegoat for a mistake they had made themselves since no one could tell what had happened*" was the most unethical business practice.

Hospitality educators and hospitality practitioners perceive that accountability, fairness, honesty, and integrity are common factors in terms of ethical practices in the hospitality industry. This means that 12 ethics in practice components are commonly grouped under these four newly developed factors.

### Recommendations

Based on the findings of this study, the following recommendations are provided for consideration:

- (1) Hospitality programs and lodging organizations should better utilize their codes of ethics. They believe that code of ethics have not been properly enforced in hospitality education and the hospitality programs. They also believe that the code of ethics may have tremendous influence on ethical behavior. This might be an avenue to help them educate students and employees relative to ethics.
- (2) Hospitality educators and hospitality practitioners believe that hospitality students, hospitality educators, and hospitality employees may be more ethical in dealing with ethical dilemmas if students and employees have more education and

training on business ethics. This belief should be put into measurable practice.

Again, perhaps the code of ethics would be the proper vehicle for this practice.

- (3) Hospitality educators and hospitality practitioners would like to encourage more ethics education and training for the entire society, which includes hospitality students, hospitality educators, and hospitality practitioners.
- (4) Hospitality educators and hospitality practitioners would like to encourage and demand more ethics education and training for hospitality students before they graduate. They believe that ethics education and training for hospitality students may have impact on their long-term career development. This recommendation is in the agreement with the literature review.
- (5) Hospitality educators and hospitality practitioners advocate positive attitudes toward ethical practices in the hospitality industry. They agreed that ethical business practices should be encouraged to improve the overall quality of the hospitality industry.
- (6) Hospitality educators and hospitality practitioners suggested that (a) leadership honesty and integrity, and fairness and respect for others (b) corporate reputation, law abiding, and employee's loyalty, and (c) manager's accountability and concern for employees and customer satisfaction were significant factors in ethical business practices.
- (7) Hospitality practitioners have higher concern and demand for ethics education and ethical employees in the hospitality industry. Thus, hospitality educators should implement ethics education for students so that better ethics knowledge employees can be expected in the hospitality industry.

- (8) Hospitality practitioners may have to advocate and implement higher standard relative to hospitality ethical issues and practices to satisfy customers.
- (9) Hospitality industry and hospitality programs may consider incorporating ethics across the curriculum and using scenarios and case studies to teach ethics. For hospitality practitioners, ethics seminars could be held either monthly or at least quarterly.

#### Further Research

Future research might replicate this study with international hospitality educators and hotel managers in Asia, Europe, Australia, and Canada to discern if differences exist between U.S. CHRIE educators and American hotel managers and their international counterparts. This study could also be replicated in restaurants, resorts, or country clubs to reveal if differences exist between hotel managers and restaurant managers, resort managers, and/or country club managers. Replication of this study could occur also by classifying different room sizes of hotel properties to discover if differences exist between different room sizes of hotel properties. Finally, it would be valuable to study hotel employees in order to compare with hotel managers/practitioners to differentiate if hotel managers have different perspectives than their hotel employees. In addition, it could be contributory and meaningful to conduct the same research by surveying hospitality students.

Ethics education is supported by this study, although the practice of ethics education has some voids. This study supports the literature review that this is a difficult

and complicated issue. Most agree there is a need for education, and desire an ethical environment, but in practice we need better implementation. In addition, according to the literature review and the findings, codes of ethics are crucial for implementing and improving employees' ethical behavior. Thus, one could conduct research relative to how to obtain, introduce, and implement codes of ethics to every employee.

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## APPENDICES

APPENDIX A

COVER LETTER

## COVER LETTER FOR WEB-BASED SURVEY METHOD

Fall, 2002

Dear Hospitality Educator:

In order to show our appreciation for your effort and time on this research, your returned response will be entered for a **cash reward drawing**. There will be one winner for **\$100** and three winners for **\$50** each.

We are asking you to participate in a study that examines perceptions of ethics education and ethical practices in the field of hospitality. Would you please take 5 minutes of your time to complete this survey? The survey has been organized into three sections: ethics education, ethical practices, and demographic profile. Your input is **extremely important** to the outcome of this study. The findings will provide valuable insight into the impact of ethics on education and business practices. The results will be disseminated to the academic and hospitality industry sector.

To go to the online survey, please click:

<http://www.osuhrad.com/ethicsed>

Your responses will remain **anonymous** and **confidential**, and your participation in this survey is strictly **voluntary**. There is no penalty for refusal to participate and you are free to withdraw your consent and participation in this project at any time without penalty. Returning the survey implies you have given your informed consent.

If you have any further questions, please contact the researcher, Ronnie Yeh at (405) 332-0486 ([jungmao@okstate.edu](mailto:jungmao@okstate.edu)) or Sharon Bacher, Institutional Review Board (IRB) Executive Secretary, 203 Whitehurst, **Oklahoma State University**, Stillwater, OK 74078, (405) 744-5700 ([sbacher@okstate.edu](mailto:sbacher@okstate.edu)). We look forward to receiving your response in the near future. **Thank you again for your cooperation.**

Sincerely,

Ronnie Yeh  
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## COVER LETTER FOR MAIL SURVEY METHOD

Fall, 2002

Dear Hospitality General Manager:

In order to show our appreciation for your effort and time on this research, your returned response will be entered for a **cash reward drawing**. There will be one winner for **\$100** and three winners for **\$50** each.

We are asking you to participate in a study that examines perceptions of ethics education and ethical practices in the field of hospitality. Would you please take 5 minutes of your time to complete this survey? The survey has been organized into three sections: ethics education, ethical practices, and demographic profile. Your input is **extremely important** to the outcome of this study. The findings will provide valuable insight into the impact of ethics on education and business practices. The results will be disseminated to the academic and hospitality industry sector.

Your responses will remain **anonymous** and **confidential**, and your participation in this survey is strictly **voluntary**. There is no penalty for refusal to participate and you are free to withdraw your consent and participation in this project at any time without penalty. The code-posted on the enclosed postcard will be only used for following up with nonrespondents. **When you have completed the survey, please place and seal it in the enclosed envelope and mail it at the same time that you mail the separate postcard.** Returning the survey implies you have given your informed consent.

If you have any further questions, please contact the researcher, Ronnie Yeh at (405) 332-0486 ([jungmao@okstate.edu](mailto:jungmao@okstate.edu)) or Sharon Bacher, Institutional Review Board (IRB) Executive Secretary, 203 Whitehurst, **Oklahoma State University**, Stillwater, OK 74078, (405) 744-5700 ([sbacher@okstate.edu](mailto:sbacher@okstate.edu)). We look forward to receiving your response in the near future. **Thank you again for your cooperation.**

Sincerely,

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COVER LETTER FOR FIRST FOLLOW UP

Dear Fellow CHRIE member:

Thank you if you have already completed this survey. We need your help to insure an adequate response rate. Please, if you have not completed this survey on ETHICS.....take five minutes and respond.

Go to: <http://www.osuhrad.com/ethicsed>

This is a survey for Ronnie Yeh's dissertation. *Your assistance is greatly appreciated!*

HAVE A WONDERFUL HOLIDAY SEASON!!!

*If you have any further questions, please contact the researcher, Ronnie Yeh at (405) 332-0486 ([jungmao@okstate.edu](mailto:jungmao@okstate.edu)) or Sharon Bacher, Institutional Review Board (IRB) Executive Secretary, 203 Whitehurst, Oklahoma State University, Stillwater, OK 74078, (405) 744-5700 ([sbacher@okstate.edu](mailto:sbacher@okstate.edu)).*

Sincerely,

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COVER LETTER FOR SECOND FOLLOW UP

Dear Fellow CHRIE member:

We are having trouble with response rates. THANK YOU very much if you have completed the following questionnaire. If you have not would you please take 5 minutes to fill out the following questionnaire for a doctoral student at Oklahoma State University?

Thanks in advance!

<http://www.osuhrad.com/ethicsed>

If you have any further questions, please contact the researcher, Ronnie Yeh at (405) 332-0486 ([jungmao@okstate.edu](mailto:jungmao@okstate.edu)) or Sharon Bacher, Institutional Review Board (IRB) Executive Secretary, 203 Whitehurst, **Oklahoma State University**, Stillwater, OK 74078, (405) 744-5700 ([sbacher@okstate.edu](mailto:sbacher@okstate.edu)). We look forward to receiving your response in the near future. **Thank you again for your cooperation.**  
**May you have a joyous holiday season!!!**

Sincerely,

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APPENDIX B  
QUESTIONNAIRE

## QUESTIONNAIRE FOR HOSPITALITY EDUCATORS

### ETHICS EDUCATION

For questions 1 through 9, please provide the best answer to each question.

1. Have you taken any courses or attended any seminars on ethics related topics within the last year?  Yes  
 No, please go to question 3.
  
2. Do you think any of these ethics courses or seminars have been of benefit to you?  Yes  No  
Why or why not, please specify \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_
  
3. Does your institution currently offer ethics related courses or workshops for students?  
 Yes (If Yes, please go to question 4).  
 No (If No, please go to question 5).
  
4. Have you taught any ethics related courses or seminars at your school within the last year?  
 Yes  
 No
  
5. Do you formally discuss business ethics on a regular basis in your institution?  
No  Yes, Daily  Yes, Weekly  Yes, Monthly  Yes, Annually
  
6. Have you conducted any research projects or dealt with current issues or situations related to ethics in the past year?  
 Yes  No  
If yes, please specify the projects, issues, or situations \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_
  
7. Do you have a code of ethics in your organization?  
 Yes (Please go to question 9)  
 No (Please go to question 8).
  
8. If no, do your employees or colleagues follow their professional codes of ethics (i.e. Accounting, Marketing, or Finance).  
 No  Not sure   
 Yes, please specify \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_
  
9. Do you think business ethics can be taught?  
 Yes  
 No  
 Not sure

Please circle the number that best describes your attitude towards ethical education preparation in the field of hospitality, using the following scale: 1= Strongly Disagree (SD), 2= Disagree, 3=Somewhat Disagree, 4=Somewhat Agree, 5=Agree, and 6=Strongly Agree (SA)

- |   | SD | SA |
|---|----|----|
| 10. Ethical issues should be addressed and discussed in all fields/areas of business on a regular basis.  | 1  | 6  |
| 11. Educational hospitality programs should focus more on codes of ethics and start offering more relevant courses to teach students how to resolve ethical dilemmas. | 1  | 6  |
| 12. Business ethics is important and must be introduced to students <u>before</u> they work in the hospitality industry.  | 1  | 6  |
| 13. Business ethics courses help hospitality students with their future careers.  | 1  | 6  |
| 14. Students who have studied business ethics make greater contributions to the hospitality industry.   | 1  | 6  |
| 15. Hospitality multinational companies (MNCs) are aware and understand local laws and ethical issues while operating businesses in foreign countries.                | 1  | 6  |

### ETHICS IN PRACTICE

Using the following scale, please circle the number that best describes your attitude regarding how ethical the decisions were made in each scenario associated with the hospitality industry: 6= Very Unethical (VU), 5= Unethical, 4=Somewhat Unethical, 3=Somewhat Ethical, 2=Ethical, and 1=Very Ethical (VE).

- |   | VE | VU |
|---|----|----|
| 1. A manager who supervises an associate that is under medical care for a workplace injury decides to terminate the individual for documented poor job performance.   | 1  | 6  |
| 2. The restaurant in a hotel advertises using "Fresh chicken breasts" to prepare customers' order for "Honey pecan chicken," yet several times throughout the month they use frozen chicken breasts.  | 1  | 6  |
| 3. A pregnant and single mother who relies on public assisted childcare to make ends meet has been late to work on numerous occasions because of the operating hours of the day care center. Other than chronic tardiness, her work has been well above average. The manager has written her up each time and has now decided to terminate her. | 1  | 6  |

4. The compensation analyst has conducted an exhaustive wage survey and determined from the results that a two-tier wage scale would be more competitive and prudent for the hotel. On average, Hispanics are willing to accept 75 cents less per hour as compared to other applicants. Therefore, a two-tier wage scale is recommended to reflect this market reality. 1 2 3 4 5 6
5. A hotel manager and an employee use a former colleague as the scapegoat for mistakes they had made themselves since no one now can tell what had happened. 1 2 3 4 5 6
6. Budget performance is monitored carefully by regional and corporate executives. Failure to meet certain budgeted numbers will cost the GM approximately \$12,000 in year-end bonus. A year-end decision is made to "slide" \$50,000 in expenses into January to secure the GM's bonus payment. 1 2 3 4 5 6
7. A Food and Beverage Director interviews an extraordinary candidate for a banquet captain position. The market has been void of experienced captain level candidates. The position is absolutely critical to the effectiveness and efficiency of this department. The interviewer does not ask but notices she is obviously pregnant. Although knowing the law prohibits discrimination, the interviewer decides not to extend an offer since the department cannot tolerate any further disruption in supervisory continuity and consistency. 1 2 3 4 5 6
8. An outside company promises to deliver the required 20 international associates with the understanding that the work authorization paperwork would be handled and that the labor company must be paid directly by the hotel. Further, the hotel may allow the associates to work for as many hours per week as needed without incurring overtime since the labor company only pays them at straight-time for all hours worked. The hotel accepts participation in the proposed labor pool since the labor company is accepting responsibility for their actions. 1 2 3 4 5 6
9. A frequent guest who stays at least once a week with the hotel calls for a room. The hotel is overbooked but the guest is told he will have a room that night, even at the lower rate he has always paid. 1 2 3 4 5 6
10. A catering event was accepted by a handshake agreement. Circumstances changed and the client was told the promise could not be delivered. 1 2 3 4 5 6
11. Although continuously criticized by guests and clients for the obvious inability of the banquet department to deliver Four Star service, the sales team is constantly reminded to sell on the strength of the rating and the ability of the hotel to deliver extraordinary banquet events in both quality of service and product. 1 2 3 4 5 6
12. The hotel manager strongly encourages his hourly employees to participate in an abortion/death penalty rally over the weekend. 1 2 3 4 5 6

## DEMOGRAPHIC PROFILE

Your Gender? (1) \_\_\_ Male (2) \_\_\_ Female

Your age? (1) \_\_\_ 20-29 yrs. (2) \_\_\_ 30-39 yrs. (3) \_\_\_ 40-49 yrs.  
(4) \_\_\_ 50-59 yrs. (5) \_\_\_ Above 60 yrs.

Nationality? (1) \_\_\_ American (2) \_\_\_ Asian (3) \_\_\_ European  
(4) \_\_\_ Latin American (5) \_\_\_ Other

Highest Education Completed?

(1) \_\_\_ High school/GED (2) \_\_\_ Two year college (3) \_\_\_ Four year college  
(4) \_\_\_ Master's degree (5) \_\_\_ Doctorate degree

What is your position? (1) \_\_\_ Instructor (2) \_\_\_ Assistant Professor  
(3) \_\_\_ Associate Professor (4) \_\_\_ Professor (5) Other: \_\_\_

How long have you worked in hospitality education?

(1) \_\_\_ Less than 5 yrs (2) \_\_\_ 5-10 yrs. (3) \_\_\_ 11-15 yrs. (4) \_\_\_ 16-20 yrs.  
(5) \_\_\_ 20+ yrs.

How long have you worked in your current institution?

(1) \_\_\_ Less than 5 yrs (2) \_\_\_ 5-10 yrs. (3) \_\_\_ 11-15 yrs. (4) \_\_\_ 16-20 yrs.  
(5) \_\_\_ 20+ yrs.

How long is your hospitality industry experience?

(1) \_\_\_ Less than 5 yrs (2) \_\_\_ 5-10 yrs. (3) \_\_\_ 11-15 yrs. (4) \_\_\_ 16-20 yrs.  
(5) \_\_\_ 20+ yrs.

What is the highest degree your institution offers?

(1) \_\_\_ Certification (2) \_\_\_ Associate Degree (3) \_\_\_ Bachelor Degree  
(4) \_\_\_ Master's Degree (5) \_\_\_ Doctorate Degree

College affiliation? (1) \_\_\_ A college by itself (2) \_\_\_ A department or school by itself

(3) \_\_\_ A department/school under Human Sciences College

(4) \_\_\_ A department/school under Agriculture College

(5) \_\_\_ A department/school under another College

Do you hold an administrative position? (1) \_\_\_ Yes (2) \_\_\_ No

**Thank you!! Your prompt response is crucial for the success of this study.**

**Please return to: Ronnie Yeh, Oklahoma State University, School of Hotel and Restaurant Administration, 210 Human Environmental Sciences West, Stillwater, Oklahoma, 74078. Thank you for your insight and time in completing this survey.**

## QUESTIONNAIRE FOR HOTEL GENERAL MANAGERS

### ETHICS EDUCATION

For questions 1 through 9, please provide the best answer to each question.

1. Have you taken any courses or attended any seminars on ethics related topics within the last year?  Yes  
 No, please go to question 3.
  
2. Do you think any of these ethics courses or seminars have been of benefit to you?  Yes  No  
Why or why not, please specify \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_
  
3. Does your organization currently offer ethics related courses or workshops for employees?  
 Yes (If Yes, please go to question 4).  
 No (If No, please go to question 5).
  
4. Have you taught any ethics related courses or seminars at your business within the last year?  
 Yes  
 No
  
5. Do you formally discuss business ethics on a regular basis in your organization?  
No  Yes, Daily  Yes, Weekly  Yes, Monthly  Yes, Annually
  
6. Have you conducted any research projects or dealt with current issues or situations related to ethics in the past year?  
 Yes  No  
If yes, please specify the projects, issues, or situations \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_
  
7. Do you have a code of ethics in your organization?  
 Yes (Please go to question 9)  
 No (Please go to question 8).
  
8. If no, do your employees or colleagues follow their professional codes of ethics (i.e. Accounting, Marketing, or Finance)?  
 No  Not sure   
 Yes, please specify \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_



9. Do you think business ethics can be taught?

- Yes  
 No  
 Not sure

Please circle the number that best describes your attitude towards ethical education preparation in the field of hospitality, using the following scale: 1= Strongly Disagree (SD), 2= Disagree, 3=Somewhat Disagree, 4=Somewhat Agree, 5=Agree, and 6=Strongly Agree (SA)

- |   | SD |   |   |   |   | SA |
|---|----|---|---|---|---|----|
| 10. Ethical issues should be addressed and discussed in all fields/areas of business on a regular basis.  | 1  | 2 | 3 | 4 | 5 | 6  |
| 11. Educational hospitality programs should focus more on codes of ethics and start offering more relevant courses to teach students how to resolve ethical dilemmas. | 1  | 2 | 3 | 4 | 5 | 6  |
| 12. Business ethics is important and must be introduced to students <u>before</u> they work in the hospitality industry.  | 1  | 2 | 3 | 4 | 5 | 6  |
| 13. Business ethics courses help hospitality students with their future careers.  | 1  | 2 | 3 | 4 | 5 | 6  |
| 14. Students who have studied business ethics make greater contributions to the hospitality industry.   | 1  | 2 | 3 | 4 | 5 | 6  |
| 15. Hospitality multinational companies (MNCs) are aware and understand local laws and ethical issues while operating businesses in foreign countries.                | 1  | 2 | 3 | 4 | 5 | 6  |

### ETHICS IN PRACTICE

Using the following scale, please circle the number that best describes your attitude regarding how ethical the decisions were made in each scenario associated with the hospitality industry: 6= Very Unethical (VU), 5= Unethical, 4=Somewhat Unethical, 3=Somewhat Ethical, 2=Ethical, and 1=Very Ethical (VE).

- |  | VE |   |   |   |   | VU |
|--|----|---|---|---|---|----|
| 1. A manager who supervises an associate that is under medical care for a workplace injury decides to terminate the individual for documented poor job performance.                                  | 1  | 2 | 3 | 4 | 5 | 6  |
| 2. The restaurant in a hotel advertises using "Fresh chicken breasts" to prepare customers' order for "Honey pecan chicken," yet several times throughout the month they use frozen chicken breasts. | 1  | 2 | 3 | 4 | 5 | 6  |

3. A pregnant and single mother who relies on public assisted childcare to make ends meet has been late to work on numerous occasions because of the operating hours of the day care center. Other than chronic tardiness, her work has been well above average. The manager has written her up each time and has now decided to terminate her. 1 2 3 4 5 6
4. The compensation analyst has conducted an exhaustive wage survey and determined from the results that a two-tier wage scale would be more competitive and prudent for the hotel. On average, Hispanics are willing to accept 75 cents less per hour as compared to other applicants. Therefore, a two-tier wage scale is recommended to reflect this market reality. 1 2 3 4 5 6
5. A hotel manager and an employee use a former colleague as the scapegoat for mistakes they had made themselves since no one now can tell what had happened. 1 2 3 4 5 6
6. Budget performance is monitored carefully by regional and corporate executives. Failure to meet certain budgeted numbers will cost the GM approximately \$12,000 in year-end bonus. A year-end decision is made to "slide" \$50,000 in expenses into January to secure the GM's bonus payment. 1 2 3 4 5 6
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12. The hotel manager strongly encourages his hourly employees to participate in an abortion/death penalty rally over the weekend.

1 2 3 4 5 6

## DEMOGRAPHIC PROFILE

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Your age? (1)\_\_\_20-29 yrs. (2)\_\_\_30-39 yrs. (3)\_\_\_40-49 yrs.  
(4)\_\_\_50-59 yrs. (5)\_\_\_Above 60 yrs.

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(4)\_\_\_Latin American (5)\_\_\_Other

Highest Education Completed?

(1)\_\_\_High school/GED (2)\_\_\_Two year college  
(3)\_\_\_Four year college (4)\_\_\_Master's degree (5)\_\_\_Doctorate degree

How long have you worked in the hospitality industry?

(1)\_\_\_Less than 5 yrs (2)\_\_\_5-10 yrs. (3)\_\_\_11-15 yrs. (4)\_\_\_16-20 yrs.  
(5)\_\_\_20+ yrs.

How long have you worked in your current organization?

(1)\_\_\_Less than 5 yrs (2)\_\_\_5-10 yrs. (3)\_\_\_11-15 yrs. (4)\_\_\_16-20 yrs.  
(5)\_\_\_20+ yrs.

Do you hold an administrative position? (1)\_\_\_Yes (2)\_\_\_No

How many rooms does your property have? \_\_\_\_\_

**Thank you!! Your prompt response is crucial for the success of this study.**

**Please return to: Ronnie Yeh, Oklahoma State University, School of Hotel and Restaurant Administration, 210 Human Environmental Sciences West, Stillwater, Oklahoma, 74078. Please place and seal your survey in the enclosed envelope and mail it at the same time that you mail the separate postcard. Thank you for your insight and time in completing this survey.**

APPENDIX C

APPROVAL FORM FOR RESEARCH  
INVOLVING HUMAN SUBJECTS

Oklahoma State University  
Institutional Review Board

Protocol Expires: 6/18/03

Date: Monday, August 12, 2002

IRB Application No HE0265

Proposal Title: A COMPARISON OF HOSPITALITY EDUCATORS' AND HOSPITALITY  
PRACTITIONERS' PERCEPTIONS OF ETHICS EDUCATION

Principal  
Investigator(s):

Jung-Mao Lin  
8 S. University Pl Apt #4  
Stillwater, OK 74075

Lynda J. Martin  
210 HESW  
Stillwater, OK 74078

Reviewed and  
Processed as: Exempt

Approval Status Recommended by Reviewer(s): Approved

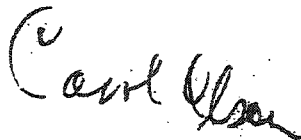
Modification

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Please note that the protocol expires on the following date which is one year from the date of the approval of the original protocol:

Protocol Expires: 6/18/03

Signature:



Carol Olson, Director of University Research Compliance

Monday, August 12, 2002

Date

Approvals are valid for one calendar year, after which time a request for continuation must be submitted. Any modifications to the research project approved by the IRB must be submitted for approval with the advisor's signature. The IRB office MUST be notified in writing when a project is complete. Approved projects are subject to monitoring by the IRB. Expedited and exempt projects may be reviewed by the full Institutional Review Board.

VITA 2

Jung-Mao (Ronnie) Yeh

Candidate for the Degree of

Doctor of Philosophy

**Thesis: A COMPARISON OF HOSPITALITY EDUCATORS' AND HOSPITALITY PRACTITIONERS' PERCEPTIONS OF ETHICS EDUCATION**

**Major Field: Human Environmental Sciences**

**Biographical:**

**Personal Data:** Born in Kaohsiung, Taiwan, May 18, 1969; the son of An-Ming Yeh and Feng-Chu Yeh; married to Chiung-Fang (Denise) Huang, May 9, 2000.

**Education:** Graduated from Kaohsiung Municipal Vocational High School, Kaohsiung, Taiwan, in June 1987; received Bachelor of Arts degree in Asian Studies from Oklahoma City University, Oklahoma City, Oklahoma, in August 1994; Master of Arts degree in Asian Studies from San Diego State University, San Diego, California, in December 1997; completed the requirements for the Doctor of Philosophy degree with a major in Human Environmental Sciences at Oklahoma State University, Stillwater, Oklahoma, in August 2003.

**Professional Experience:** Variety of entry level, supervisory, management positions held at domestic and international organizations. At TYC Brother Industrial Co., Ltd as an account manager, Tainan, Taiwan, 1998-2000, at Oklahoma State University's (OSU) Atherton Hotel as an intern, Stillwater, Oklahoma, 2001, at OSU's State Room Restaurant as an assistant manager, Stillwater, Oklahoma, 2002, and at Stillwater Country Club as an intern, Stillwater, Oklahoma, 2002. Teaching and Research Assistant, Oklahoma State University, 2000-Present.

**Professional Organizations:** International Council of Hotel, Restaurant, and Institutional Education, Eta Sigma Delta International Hospitality Honor Society, Oklahoma State University Hospitality Administration Graduate Student Association, Special-Interest-Group (SIG) of CHRIE on Quality and Ethics, and National Association of Graduate and Professional Students (NAGPS).