

## 1. INTRODUCTION

Hospitality, is without doubt, one of the noblest words in the English language. Amongst others, it connotes welcome, friendship, comfort and gracious service. In recent years, the terms *hospitality* and *tourism* have become synonymous as both by definition includes or requires hospitable acts, expressions of kindness and the treating of others in ways that we would similarly like to be treated.

Of all service industries, the hospitality industry is often said to be the most intensely interactive, with people serving people and providing comfort, sustenance, transport, entertainment, employment and much more. In this maelstrom of human behavior, concerns of right and wrong can neither be hidden or ignored altogether. For this reason, perhaps it is not wrong to surmise that the most challenging of all hospitality industry problems may be that of ethics. From one perspective, all who serve are on the front line, regardless of their occupation or job level as their actions or inactions often have far-reaching consequences for the consumers.

From another perspective, ethics and quality are often equated with the ethical treatment of the customer. As the world's largest industry, with every one of 16 workers employed in feeding, lodging, entertaining or transporting guests (Whitney, 1992), it is clear that the tourism industry has a special interest in providing such quality and assuring the ethical treatment of tourists and host communities alike. In fact, whilst excellence in service do require both men and women to be technically skilled in their craft and mature in their dealings, it is ultimately the ability to hold high ethical ground under fire that, in the long run, distinguishes the true professional from the uninitiated.

The tourism industry in Malaysia has grown by leaps and bounds since its inception in the early 1970s, with the establishment of the country's national tourism board. From a miniscule 2.5 million tourist arrivals in 1981, the industry has reached a peak of 7.4 million arrivals by 1990. In 1997, the country recorded a total tourist arrival of 6.2 million due, in part, to the current economic downturn currently faced by the region. However, foreign exchange earned has not dipped dramatically, registering RM 9.67 billion, which is slightly higher than 1996.

### 1.1. Purpose of the Study

The purpose of this paper is to examine the problems relating to ethics or the lack of it in the world's largest industry, tourism with reference to Malaysia. This study is an empirical investigation into the ethical values held by employees in the tourism industry. It is believed that with the imminent dawning of the New Millennium, there is an urgent need to re-examine many management issues that were once thought to be sacrosanct. Business ethics easily come to the forefront as the business world today appears to be mired deeply in practices and deals that can best be summed up as legally acceptable but conscience-troubling in other aspects.

It is hoped that this study will shed some light on the level of ethical behavior of employees in the tourism industry in Malaysia. It is no mere boast to claim that the tourism industry thrives on trust since the business segments are conducted across foreign lands amidst strange cultures, languages and customs with the common factor being "trust and confidence". In such an environment, it is easy to see that actors in the industry need to display a full range of ethical behavior if such relationships are to continue in the coming Millennium.

## 1.2. Research Questions

To achieve the above objectives, the following research questions were asked :

1. What were the ethical values held by employees in the tourism industry in Malaysia today ?
2. Were there significant relationships between ethical values and other variables such as age, race, gender, marital status, income, religion, education, locality or work environment including occupational level, occupational type, organisational size and length of work experience.?
3. Were there significant differences between components of the tourism industry, such as hotels, travel agents, airlines, state tourism units and national tourism offices ?
4. Are ethical values the proprietary rights of employees in the private sector or are they diffused throughout both private and public sector employees in the tourism industry ?

## 1.3 Significance of the Study

The findings of the study could be useful for employers and planners in various segments of the tourism industry, primarily as a guide in job evaluation and selection. As human resources are increasingly viewed as an organisation's most valuable assets, this aspect of understanding human behavior is fast gaining credence as a pre-emptive strike against potential white-collar crime and may provide a sort of benchmark for organisational staff recruitment.

The tourism industry in Malaysia has been forecast for robust growth in the years ahead once the present economic downturn is contained. In the West, where the tourism industry has reached a certain level of “maturity”, there has been much debate over the need for some corporate or industry codes of ethics that could set the parameters for employee behavior. Woods (1992) cited that the tourism industry as a whole is now being assailed as “socially irresponsible and unethical”. In fact, it was noted that unethical business practices have become so widespread that over the last decade approximately two-thirds of the Fortune 500 companies had been involved in varying degrees in some form of illegal activities. (Gellerman, 1988). In this respect, this study serves, in part, as an exploratory research in a new field of management where the tourism industry is concerned. More significantly, it helps to highlight areas in the workplace which have high frequencies for unethical behavior and directs managerial attention towards such problematic areas.

#### 1.4 Limitations of the Study

There are several limitation to the study. Firstly, this research attempts to find the level of ethicalness of the tourism industry in Malaysia in general. Hence, depth is compromised in return for breadth. Each of the tourism segments such as the travel agencies, hotels, airlines, National Tourism Organisations, commonly referred to as NTOs, and state tourism units are by themselves rich sources for research as each has different characteristics, perspectives and problems.

Secondly, the results of the study are based solely on the perceptions of the respondents in simulated or hypothetical situations. The question is whether there is a difference in perceptions and actual behavior. Moreover, it is unclear as to whether people can accurately assess their own ethical behavior. Baumhart (1968) in his study conceded that even though he

wore the attire of a priest during interviews with the hope of eliciting truthful responses, he was certain that some of the respondents were not telling the whole truth. Hence, whilst the responses can be analysed and acted upon, there is no assurance whatsoever that we are anywhere nearer the truth of the matter.

The methods related to data collection needed to be reviewed as some respondents were reluctant to return them for fear of self-implication since they are unsure as to whether their responses may be vetted by their superiors. This could be due to the collection of the completed questionnaires by the superiors to be returned in bulk to the researcher. There could be some who may be put off from returning the completed questionnaires because of this. To what extent does this group comprise in relation to the number of non-responses, there is no way to find out. However, we can only make an educated guess that some may opt for this, rather than expose themselves to their bosses.

Finally, there is the issue of whether respondents fully understand the concepts relating to ethics. Earlier studies on ethical behavior have tended to focus on business students (Goodman and Crawford, 1974; Beltramini *et al*, 1984; Laczniak and Inderrieden, 1987; Jones and Gautschi, 1988). Most if not all have had sufficient exposure to the subject matter to fully grasp the significance of their responses. The respondents in the current study were assumed to have the faculty for understanding and relating such abstract concepts to their behavior in the workplace. In particular, it must be noted that some respondents only possess basic rudimentary education (that is, up to Form 5) and may have difficulty trying to understand the implications of their responses. Even for degree holders, many of the more senior respondents may not have the benefit of being exposed to an ethics education during their tenure at university years ago.