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# Moral Intensity and Service Delivery in the Hospitality Industry: The Value of Codes of Ethics

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**ABSTRACT** There are frequent ethical lapses and ethical dilemmas which are encountered by the hospitality industry employees at all levels in the hotel organizational hierarchies which result from the many day-to-day interactions with the guests and other stakeholders. This research is based on a literature-based exploratory overview research methodology and suggests that without the effective codes of ethics and a high level of moral intensity, a hotel cannot hope to be successful in an industry which is saturated for the most part and increasingly under the spotlight by the customers who seek the best value for money deals. The research thus aids the hotel service providers to assess the ethicality of their current service conditions from a customer's standpoint. While the codes of ethics may be in place, these can in no way conceivably cover every possible contingency. Nonetheless the good judgment of the employees, based on ethics in the workplace, is indispensable to the delivery of service quality excellence.

# **INTRODUCTION**

Customers of hotels often have a poor image of the services they obtain and this is for the most part due to many varied and negative interactions such as unethical conduct experiences they may have with the employees and also due to the sub-standard service delivery issues (Lee 1998). Hospitality managers are responsible for ultimately upholding the highest levels of service delivery, quality, excellence, guest satisfaction and an ideal return on the investment. Thus they need to deliver services that meet and exceed the customer needs and wants. In the day-to-day operations employees are confronted with a number of ethical issues that can leave a permanent negative impression in the minds of their management, guests and other employees. Ethical practices undoubtedly contribute to an organization's productivity by minimizing losses, creating trust with the suppliers, establishing customer loyalty and also then maintaining a successful team of employees (Thomas 2016).

The hotel industry offers numerous opportunities for unethical practices. Employees often find themselves in ethically vague situations including *inter alia* overcharging the guests, overbooking, pilfering of stock, theft of the guests' belongings from the rooms, the rights of the guests, false statements made to the guests, un-kept promises, departmental relations issues racism and intolerance of cultural diversity, exploitation of subordinates by line managers, intentional disruption of operations due to personality clashes between fellow employees, vendor relationships, misleading brochures and website information, inaccurate restaurant menus, sexual harassment, poor public relations and generally poor service delivery and service failure (Wong and Chan 2010; Harris 2012). Where service failures occur these invariably create negative customer perceptions which may adversely impact a hotel due to the power of the word-of-mouth communications (Sajtos et al. 2010). In the last two decades, South Africa's hotel industry has been briskly developing, which is driving the process to improve service quality delivery and make it excellent. Trust is a crucial aspect which can impact on the ethical issues in the workplace. Thus ascertaining what guests' and other stakeholders want and need is very important, as once an organization knows these aspects, it can build the relationship by ethically offering what is desired. The very aspect of service intangibility makes it difficult to gauge service quality. However, guests in a hotel are equally the 'audience and actors in the service drama' and their perceptions of a service encounter are individual and difficult to predict and the perishability of services also makes it difficult to rework or replace the defective services (Lashley 1997) so it is critical to do things right the first time out. It is critical to develop

effective ethical education for the hospitality students in particular and examine hospitality ethical leadership and its effects on the significant outcomes for the industry (Fennell 2014).

Ethical principles and values need to be inculcated into the workplace, which include honesty and respect for all the stakeholders, responsibility, accountability, diligence, integrity, commitment, trust, dependability, fairness, leadership and care, which lead to the service quality excellence. Only by driving such principles and values can a hotel hope to be sustainable. It is vital that every service encounter becomes an opportunity for the hotel to increase customer satisfaction and meet and exceed the customer needs and wants since this is what ultimately leads to repeat business and loyalty. Thomas (2016) asserts that hotels and resorts which have earnestly focused on the ethical responsibility experience improvement in share value, client retention, and they also attract new guests, as well as investors and employees.

A healthy hotel organization environment is engendered by nurturing ethical awareness, morally correct practices, principled behavior and it additionally leads to a greater employee satisfaction and the reduction of employee turnover, desirable guest experience, and increased profits (Cheng et al. 2013). It is thus of paramount importance that ethical guidelines, effective training, and adherence to laws guides the employees in making the correct decisions when acting on behalf of the hotel which employs them. Freeman and Money (1995) asserted that employers must have a vision which encompasses a standard of ethicality to which to all the employees should aspire and which serves as a guide to their actions. Unfortunately, it is often the case that hotel employees engage in unethical practices in the workplace due to the pressure exerted on them by their supervisors or the managers in order to satisfy some or the other short-term goals. The ethical behavior of the hotel employees may often be compromised because they naturally have a low moral character (Hunt and Vitell 2006) and also if they encounter ethical conflict issues between their own ethical stances on the given issues and the hotel's goals and objectives. Thus they cannot always act as they would like to during a service encounter with a guest but are in a sense obliged to 'tow-the-line' (Dubinsky and Levy 1989). This is often to the detriment of the longer-term goals associated with guest satisfaction (Dubinsky and Levy 1989; Singhapakdi et al. 1999). Ethically geared hotels experience a lesser risk of compliance violations and better financial performance (Thomas 2016) which is highly conducive to sustainability.

# METHODOLOGY

This study used a literature-based exploratory overview research methodology in which important topic areas were identified, a search was conducted using primary and secondary sources including books, articles from journals and websites, and the important aspects were read and highlighted, outlined and summarized to arrive at conclusions. Information obtained helped identify the main issues that required addressing. Findings were discussed and recommendations were made within the scope of the research in the context of ethics in the hotel workplace environment.

## **OBSERVATIONS AND DISCUSSION**

# Ethics

When it comes to ethics, what exactly is meant? The terms 'morals' and 'ethics' are used inter-changeably in this study. There are of course numerous definitions of what ethics refers to. For the purpose of this study, three are provided below:

Messick and Bazerman (1996) took ethics as the basis by which people, either individually or collectively can decide what possible actions are either right or wrong, good or bad, and if an individual should do something or has a right to do something from a moral vantage point and on principle.

Chandler and Plano (1988) define ethics as a philosophy dealing with values as they relate to one's conduct and how what a person does is 'right' or 'wrong' and ultimately why one does what they do in a given situation. Business ethics as such relates various moral and ethical dilemmas that may arise in the business situations (Svensson and Wood 2007).

The Concise Oxford English Dictionary (2009) defines ethics as an action that involves the notions of 'rightness', 'correctness', 'behaving honourably', 'virtuous in general conduct', or 'concerned with the distinction between right and wrong'.

Ethics is thus a moral philosophy which aids one to determine the rights and the wrongs and to select actions to arrive at good results. It takes on various forms including metaethics (doing what is good), descriptive ethics (which morals does society adhere to?), normative ethics (what should people be doing?), applied ethics (how we apply ethical practices to our work and personal lives) and it also falls in the realm of moral psychology (with psychological and biological foundations). It allows one to evaluate the motives for doing something. It has also been viewed in the literature as something that allows us to select to do what is beneficial for the society and what is deemed as acceptable and sustainable. What is desirable is to arrive at the point where the golden rule is observed- do to others as you would like them to do unto you! A challenge is that the hospitality sector is highly diverse and involves employees and managers from a wide range of social, cultural, age, racial, educational, sex and religious backgrounds (Vallen and Casado 2000). Hospitality employees require a clear understanding of what is acceptable and what is not in how they operate. Service providers thus need to safeguard ethical and excellent service provision and need to mitigate against a poor service delivery and particularly where it involves ethical malpractices. The industry per se desires employees who are ethically orientated, skilled, competent, and who are demonstrably committed to their chosen vocations. It is thus 'a given' that employees at all levels of the organizational matrix, are expected to serve guests effectively and efficiently and be guided by a strong 'moral compass'. Where there are service failures, employees generally seek to resolve looming or existing conflicts between themselves and the guests and this is where the employees' moral stance plays an important part in resolving the problems that may arise or have arisen. Guests at hotels very rarely consider the establishments as being providers of service quality excellence or ethical (Lee 1998).

Service employees in the hotels represent the organization in the guests' viewpoint. They thus have a big impact on the organizational image and reputation. When service employees' act ethically the guests' needs and wants are attended to and the hotel achieves a positive reputation and ultimately greater market share and may charge more than its competitors for service but still attract its customers (Wilson et al. 2008). Where there is a service failure of any type, guests tend to assess the fair-mindedness of the service recovery efforts which may follow, and they may examine whether or not a recovery effort fulfills the ethical standards that they consider to be important (McColl-Kennedy and Sparks 2003). Ethical conduct is thus an essential component in the service organizations such as the hotels. It is critical that hotel employees treat guests with respect rather than offer compensation for a service failure so as to circumvent the future negative word-of-mouth marketing (Blodgett et al. 1997). Hotel employees invariably have diverse work values which affect their perceptions and behavior, and principally their ethical decision making. These include for example, achievement, security, prestige, economic return, independence, creativity and altruism (Chen and Choi 2008). Ethical decision making is a task of various and often unique individual and situational factors in which employees finds themselves. When it is principle based, ethics drive the employees to be the best they can be in the workplace, and they want to deliver top-notch service to the guests while contributing to the society at large. They also consider their ecological impact and act accordingly. Ethical employees also comply with the existing laws, standards, guidelines and societal norms and morals. They reflect on what they do and evaluate views and respect the viewpoints of others. There is a strong relationship between the ethical climate, organizational commitment and job satisfaction. The employees' perception of their hotel's ethical climate is allied to the job satisfaction, and organizational commitment and performance (Kim and Miller 2008).

Service quality excellence is fast becoming the fundamental strategic competitive advantage in the hospitality industry. Where there are positive perceptions of ethicality in a hotel, this augments brand trust and increases the brand loyalty (Singh et al. 2012). Service excellence contacts between guests and the employees are invaluable to the success of all the service organizations (Wilson et al. 2008). In any event, hotels have an obligation to treat the guests and all the stakeholders ethically. Employees thus need to be professional in how they conduct their duties and deal with the guests and other stakeholders such as suppliers. Svensson and Wood (2007) noted that the ethics presented in a business often exposes itself as the moral and ethical dilemmas that arise in the course of business transactions and settings as opposed to the ethical issues and challenges particular linked to the various elements, undertakings, and activities of a business. Shaw (2010) stated that the morals of the service employees such as the hotel staff, refer to the standards that govern the employees' interactions with the guests, especially relating to the guest welfare. When we speak of 'ethical' or 'moral' employees we are referring to those who we believe to be good and who act correctly. Conversely, 'bad' employees are those who act incorrectly in terms of the organizational and the societal expectations.

The ethical stance of an employee can have devastating consequences when it comes to the relationship they have with the guests (Shaw 2010). Ford and Richardson (1994) suggested that ethical decision making includes personal characteristics such as gender, age, education, level of moral development, and also a range of internal factors including the organizational climate, peer group influence, and code of ethics. They also asserted that ethical decision making is highly situation-specific.

Ethical hotel operations demonstrate a strong social responsibility. By contrast, unethical operations display certain negative attributes such as driving a short-term perspective that is devoid of real reflection. They also reduce priority to safety issues and prioritize time and costs. They generally have either no codes of ethics for the employees or codes which are not effectively utilized. Such operations have pervasive cultures which are rigid. What is most evident is a lack of training of the employees in how to deliver service quality excellence to the guests. This is where an effective training comes in. Service employees' who are well trained, know, understand, and are worried about meeting the customers' needs and wants. They also impact the five dimensions of service quality namely, reliability, responsiveness, empathy, assurance, and tangibles (Wilson et al. 2008). These dimensions of service are based on Parasuraman et al.'s (1985) Service Gap Model. This Gap Model assists in arriving at the elements of the perceived service quality. This is defined as the difference between what the guests' expect to obtain in service delivery situations and what they ultimately perceive (Parasuraman et al. 1985). It is critical for the employees to fully comprehend the guests' needs and wants and deliver the needed service ethically (Wilson et al. 2008).

A fundamental constituent leading to an ethical workplace is the recruiting, contracting and training of the right employees. Hotels need to strive to recruit the best possible employees and this is critical to their success (Wilson et al. 2008: 281). They also require employees to have a service competence as well as a service inclination (Wilson et al. 2008). Service providers should thus be seeking to recruit employees with respectable morals and inspire them to behave ethically by means of an effective incentive system (Hunt 2013), and develop a company culture that is more static and which exudes an ambience of ethical correctness, including the artefacts which create the climate.

The ethical climate by contrast is a transactional process in any organization and is invariably the awareness of the organizational practices and procedures explicitly collective, recognized, and adopted by the employees' thus defining to them what is considered right or wrong, or good or bad, within the business (Parboteeah and Kapp 2008). Hoque (2000: 6), cited Guest (1987) and Walton (1985) and asserted that the frontline employees are regarded as an organization's most significant advantage, since they are in a position to both achieve and sustain a competitive advantage. Considering services, customer satisfaction or customer dissatisfaction transpires when especially the frontline employee and the guests interact (Lewis and Entwistle 1990). Customers tend to complain more when employees fail to remedy or recognize that they have delivered an inferior service or behaved poorly and make a scant effort to remedy a situation. Marshall and Dewe (1997) explained that the context in which an ethical issue manifests to an employee, affects their understanding of the problem as well as the way in which they respond to it. Generally, customers tend to consider the service delivery performance of the service delivery employees in the public service as ubiquitously disinterested (Norris 2003) and the same applies to the hotel employees. Consequently some customers may feel that they have been unfairly treated. However, where customers see that an effort is made to recover from a poor service delivery, they are likely to be more satisfied (Alexander 2002). Service failure frequently results in placing guests in a state of mind of inequity (Maxham 2001) which is in itself highly problematic.

There is ample evidence which suggests that companies that perform in a socially responsible manner tend to enjoy greater profits and create a superior shareholder value (Godfrey et al. 2009). Consequently, hotels need to be aware of the importance of their employees since the latter represents and reinforces the brand image by their ethical actions and by providing service quality excellence to the guests. Even in the face of utter despair it is important to empower employees via training, to demonstrate empathy and positive emotions even in the face of a total service failure (Prasongsukarn and Patterson 2012). Hotels as service providers need to integrate the notion of reasonableness and service quality excellence for example via SERVQUAL considerations (Parasuraman et al. 1988) into their service designs as this is crucial to sustainability as the hotels image is at stake. Disgruntled guests invariably lose faith in both the company image and the company trust, and can destroy a business by negative word-of-mouth interactions with other current or potential customers (Sajtos et al. 2010).

There is a fundamental link between the guest satisfaction and the involvement of the customer contact employees providing the services to the guests (Taylor and Baker 1994). Lunday and Barry (2004), stated that reflective thought and associated actions and decision making are hugely influenced and encouraged by a role-model leadership. Magnini et al. (2007) asserted that where there is an efficacious salvaging from a service delivery failure such as an ethical lapse, this may at times even increase the overall customer satisfaction to a higher level than if the service letdown did not emerge in the first instance. Robbins and Miller (2004) stress the importance of always considering the issue of customer loyalty in efforts to develop effective service recovery action plans.

It is evident that guests' perceive unethical behavior by the employees. Harris (2012) ascertained that the hotel service employees' unethical conduct is both common and recurrent, and most importantly, that the guests do notice any misdemeanors. Consequently, service providers also need to safeguard that an effective ethical service recovery is operationalized in order to satisfy the guests and also to improve the longterm customer relationships since they are important word-of-mouth marketers (Li et al. 2012). A "recovery paradox," is to be expected when a guest customer does not have an earlier negative experience of service with the same service provider (Magnini et al. 2007). Reflective thought and carefully considered actions are required for an effective decision making. This is influenced by the ethical conduct guidelines such as codes of ethics, effective employee training and adherence to the law. Above all moral intensity is needed.

## **Moral Intensity**

Moral awareness refers to the recognition of the ethical aspects of any situation and this is of primary importance in the ethical decision making process (Jones 1991). Moral intensity is essentially the notion that the basic characteristics of any issue define and encourage ethical decisions and numerous researchers' have examined the role which moral intensity plays in the decision making arena and established that decision making is a practice of engagement in which individuals, groups, and even organizations evaluate the situational subtleties to arrive at a desired ethical decision (Chia and Mee 2000; Paolillo and Vitell 2002). Moral intensity can thus either, directly or indirectly, help shape and enhance the behavior in a hotel operation. Employees may view a given situation in a service encounter in a hotel as more or less ethically more important than another situation which may have arisen (Brinkmann and Peattie 2008). There is also the important aspect that subjectivity may differ based on one's cultural, economic, or religious education and customs (Hosmer 2003). Paolillo and Vitell (2002) studied the value of moral intensity as it impacts decision making processes and they concluded that making a decision is in essence a process of engagement in which employees evaluate the distinct dynamics of every situation before adopting an ethical or any other stance.

Jones (1991: 372) considered moral intensity to be "the extent of issue-related moral imperative in a situation". In his issue-contingent model of ethical decision making advocated that the features of a moral issue, encompassing the moral intensity of that issue, considerably influenced the process of ethical decision making and succeeding ethical behavior that is demonstrated. When employees' do not recognize that a service delivery issue has ethical content, then their ethical judgment processes are unlikely to

be involved. Jones (1991) however diminished the significance of the context on a matter's of moral intensity and contended that the moral intensity of an issue would influence the acknowledgement of an issue as being an ethical problem and thus also affect the consequent behavior employed by a decision maker (Jones 1991). He thus negated the important individual traits of all the decision makers, and especially their level of knowledge on ethics and also their moral development stage (Kohlberg 1976). Moral intensity augments ethical decision making and is a guide that supports an ethic assessable on a situationto situation basis. It thus has the potential to influence the ethical performance of the employees as well as the perception the stakeholders of an organization may have, concerning ethical conduct and it thus impacts the service quality. We cannot and should not however ignore the role that context plays in the ethical decision making processes (May and Pauli 2002) and it may be either amplified or decreased by the context in which something transpires.

A range of internal and external forces incorporating the leadership characteristics, organizational ethical climate and the ethical positioning of the employees for ethical values and decision-making are affected by the moral intensity. Such aspects as well as the daily lived experiences of employees in the workplace tend to create the organization's assessment and an employee's perception of a particular issue or a situation (Kelley and Elm 2003). The employee is able to appreciate the presence of an ethical issue based on his or her attributes, values and attitudes and even gender, including a range of supplementary cognitive processes such as context (Elm and Nichols 1993). Moral identity controls the association between moral belief and behavior (Aquino and Reed 2002). If the ethical beliefs one harbors are an indispensable constituent of one's self-identity, then one's ethical beliefs are likely to result in ethical behavior (Aquino and Reed 2002). Where employees have relatively high moral identities they are additionally more likely to predict their moral behavior during the service encounters. Conversely, employees with low moral identities are more susceptible to unethical conduct. Customer care is thus more important for those with high moral identities (Hart et al. 1998).

An important principle of moral intensity is transparency. Thus decision making is a process of engagement where the employees, groups of employees, or the organization evaluate elementary features in making an ethical decision (Chapman 2000). Research also shows that supervisors' and line managers' influence the ethical behavior of their minions in the workplace (Wimbush 1999). The way employees' view the organizational environment is also considerably related to the ethical decisions that they make (Sims and Keon 1999). Moral intensity submits that actions and decisions taken by employees are considered to be ethical when they are dependent on the apparent characteristics of a given issue (Jones 1991). The interaction of a manager's personal monitoring proclivity and the ethical climate of an organization can also influence the moral reasoning of all the employees as an antecedent to the ethical behavior (Elm and Nichols 1993).

## **Organizational Culture**

Treviño (1986), submitted that a manager's moral reasoning level in a job context and within the organizational culture influences the ethical decision-making process. The culture of a hotel will reflect its orientation as well as its identity. It intrinsically includes the informal rules of work and the practices that are expected to be adhered to by the employees and how they do things. The culture therefore shapes the behavior and also the attitude of the employees (Schein 1992). In a research conducted by Kim and Miller (2008) six types of an organization's ethical climate were identified including moral caring, law and code, self-interest, efficiency, rules, and team spirit. Such ethical climates are viewed in a different way by the employees contingent upon the characteristics of the hotel and also the employee and his/her level of education, gender etc. The ethical climate may of course differ from organization to organization.

The culture gives employees a frame of reference upon which to conduct their work and guides them towards an appropriate behavior and this why it is important for a code of ethics to be in place and utilized effectively as it aligns the values and norms of the hotel with the employees'. In addition to these aspects the culture also provides a reinforcement of the notion of a common sense of identity which is important both within and externally. Critically for the hotel operations, it directly impacts the basic

ways in which all the employees interact within the set structures (Stevens 2008). If the culture is ethically driven it can act as a mechanism for attracting and retaining like-minded ethical employees. When it comes to the service delivery culture promotes consistency as employees adopt the cultural values espoused by the organization. Culture is of course dynamic and it may from time to time be manipulated by the management to achieve strategic objectives (Schein 1992). The structure of an organization as well as its systems and culture are important levers that work in tandem so that strategy can be implemented effectively. Ethics education should be one aspect that informs practices in the culture that is desirable.

# **Ethics Education**

Barry and Lunday (2004) posited that reflective thought and careful actions are needed for an effective decision making. These are influenced by the ethical conduct guidelines such as codes of conduct or ethics, effective employee training and adherence to the law. Where no codes of ethics are in place, employees are more likely to make reckless and unethical decisions. Literature suggests that where decision making is linked to the ethical conduct, organizations tend to have inspirational role-model leaders and employees. A spirit of ethical practice needs to be infused into the organizational DNA as an ethos of value driven care for the guests pervades the ambience of the workplace. Lapin (1992) suggests that there is indeed a difference between ethical practice or compliance and ethos or the commitment of the employees. Employees can only comply with what is expected even if they do not entirely identify with what they are doing. Compliance is thus attained via sanction or compulsion. Induced compliance can be realized in the employees by presenting compatible cognitions that offset the dissonant cognitions, such as providing rewards for unethical behavior or for failing to report an unethical act (Brewer 2007). This can also be achieved by diminishing the importance of the effects (Zyglidopoulos and Fleming 2008). When employees comply, they do not necessarily perform at their optimum levels of service delivery and their real innovative abilities are somewhat stifled by the imposition of what appear to be imposing standards. It is thus critical to engage with the employees and strive to instill within them a sense of genuine identification with what they do and should do in the workplace, failing which unethical behavior will gradually permeate the employees all the way through the organization's ethical culture. Having trained and motivated employees is a primary management objective. However, it is important that managers be personally motivated to support all the employees' education efforts and direct the motivation of all the employees toward the achievement of an ethical workplace. A good managerial attitude can lead the employees to greater heights.

Organizations should optimize strategies to fashion a flexible workplace environment that can guide especially their front-line employees' to deal with ethical dilemmas and problems that may arise in the course of a workday. In an era in which self-interest is a pervasive economic notion, ethics education is invaluable as it provides a needed basis for values and visions to be expressed. It tends to motivate the employees and makes for good stakeholder relationships. It also mitigates numerous negative exposures and risks that a hotel may face and makes good governance sense for the businesses desirous of sustainability. More importantly, hotel guests expect ethical conduct to prevail. Douglas et al. (2001) maintained that the culture of an organization not only influences an employee's ethical behavior, but it can also serve to modify the personal ethical philosophy of an individual in any organization. Every hotel has its own set of operating rules and values that are referred to as the organizational culture. Wilson et al. (2008: 269) define the organizational culture as "the pattern of shared values and beliefs that give the members of an organization meaning, and provide them with the rules for behavior in the organization". While all the hotels have a corporate culture, either well developed or not, not all have a service culture and necessary appreciation of quality ethical service. This is problematic since all business as such, should be depending on their service culture to guide employees' ethical behavior, judgments and approaches in dealing with guests and other stakeholders.

If a hotel manager fails to emphasize ethical service delivery and does not engender an ethical ambience which inspires the employees to be ethically service-oriented and of course, cognizant of guests' needs and wants and also the organization's concerns, the service level of the hotel will plunge and the operation will not be sustainable (Grönroos 2000). Hosmer (2003) stated that subjectivity relating to ethical conduct could differ considerably based on an employee's cultural, economic, religious background and the local traditions and this implies that cultural diversity needs to be considered when educating the employees' in adopting an ethical approach. Where there is a service failure, employees who have been trained in a workable code of conduct in which ethical practices are inculcated, are more likely to find a sensible solution which favors the guest and ensure ethical service delivery and ultimately the guest's return business. Where seasonal employees are appointed from especially neighboring countries, they also require suitable professional training and an ethical consciousness injection of service quality excellence. Their presence often accompanied by a lack of training can tarnish the image of a hotel and negatively impact on its reputation. Wilson et al. (2008) indicated that over and above the education issues, internal marketing communications must be so well-managed that information from the hotel to all employees is precise, comprehensive and dependable when it comes to dealing with the guests.

## **Codes of Ethics and Their Value**

Hospitality managers should take a key role in encouraging ethical behavior in their organizations (Smith and Colman 2006). The hotel industry employees' require a higher ethical opinion in the guests minds than other industries and a resilient capability to evaluate the ethical issues as per the organization's code of ethics and other policies.

If a hotel desires to both develop and sustain a constant guest-driven and service-oriented employees, it should at the outset make efforts to recruit and employ ethical people. Over and above this initially important step, employees should be trained on ethical service delivery technical skills, and also interactive soft skills which exceed the guests' expectations (Wilson et al. 2008). Hospitality employee ethics awareness and education are increasingly growing in interest over the last twenty years (Lee and Tsang 2013). In fact, today the training of employees on ethical conduct is considered to be crucial to success (Treviño and Weaver 2001). Ethical guidelines will assist employees to identify what is an ethical issue and offer guidance on how to handle ethical dilemmas in the day to day operations (Patterson 2008). Over and above, training on the hotel's mission, vision and strategies (Henle et al. 2005) teamwork should be developed in what is essentially an increasingly multi-skilled driven industry. The value of guests and customers as stakeholders in a hotel or any other business cannot and should not be sidelined (Ferrell 2004). If guests feel they have been treated unfairly or unethically, it is unlikely that they will return to the hotel for further business (Severt and Rompf 2006). When an organization fails to internalize what it claims to stand for, things can go awry wrong (Christensen and Kohls 2003). A code of ethics would mitigate calamity to a large extent and present acceptable behavioral guidelines.

Problem solving strategies, tend to stimulate ethics by increasing the employee awareness through effective skills training, and supply tools for the employees to be able to identify prospective ethical and other issues that arise in a hotel. A code of ethics is an important way in which employees can be made aware of the company's culture and expectations for the service delivery. Thus codes of conduct serve the purpose of helping employees to identify potential ethical issues and explain to them how to respond in an ethically appropriate fashion.

There are sadly many hotel managers who believe that profit is the singular factor which influences their decisions, and they also maintain that a hotel's code of ethics is purely a public relations exercise of no real value. There is also a disagreement between the hotel managers about what is considered ethical and what is not, and in such organizations, there is no code of ethics (Beck et al. 2007). There are also findings which suggest that some hotels have employed codes of conduct to inspire an ethical behavior amongst their employees, but they have not entirely been successful in this regard (Beck et al. 2007). The issue here is effective versus ineffective implementation and monitoring. Nonetheless every hotel should have a working code of ethics. There must also be severe consequences to ethical breaches. When employees transgress the given code of ethics, they should also obtain feedback and action should be taken against them followed by additional mentoring to remedy the wrong actions. Feedback is critical and will steer employees on

the desired course of action in the future (Hellriegel et al. 2005). A code is equally of great importance as both an internal guideline for the employees and also as an external declaration of the organizational values and obligations. Wellwritten codes of conduct that are effectively implemented and which foster desired behavior such as those evident in the Ritz Carlton hotels' elucidates an organization's mission, values and principles, and connects them with desired standards of professional conduct (Reiss 2009). The code of conduct will articulate the values the hotels' wants to nurture in all employees and, and in doing so, describes the desired behavior. Codes of conduct are then benchmarks against which individual employee and also organizational performance may be assessed. However training on ethics must be an ongoing process when it comes to all but especially the service employees (Wilson et al. 2008). A code aids compliance, and empowers the employees to handle ethical dilemmas and thus reduces financial and legal risks for ethical misconduct. It sends a signal that a hotel has made an effort to prevent the unethical actions.

Within the hotel, top-down backing for codes of conduct and their effective implementation is critical. If management ethics is not exemplary, this will adversely affect the entire organization. Especially managers then need to apply ethical standards in its relations with the employees and they also need to act consistently when it comes to a hotel's culture and ethical values. Ethical service delivery and general conduct requires regular review and evaluation. Hotels thus need to review their main concerns and make necessary modifications from time to time so that ethical practice remains the norm. Where employees discern that a code of ethics they have been given on employment is meaningless, the hotel's credibility suffers. Codes need to be carefully internalized as employees are empowered to do the right thing and provide immaculate service quality.

Wang (2014) asserted that ethical and sustainable practices matter a great deal in hospitality and must be taken seriously. Management undoubtedly plays a huge role in influencing a hotel's ethical performance by its institution of policies and standards to address the ethical conduct of the organization (Foster and Hegarty 2009). Management establishes the organizational priorities that impact the ethical conduct of all employees by identifying the values that they consider to be critical and by articulating these in a code of ethics. A code of ethics usually describes the required core ethical behaviors, responsibilities, activities or approaches employees should have in the organization and is aimed at preventing unethical practices. Thus what is acceptable and what is not is explained so that the desired ethical values and standards can be adhered to by all the employees. It partly ensures that all the employees are on the same page and have a clear understanding of the business' mission statement, vision and values. The code also offers guidance on how employees should act or react in various business situations in which there are ethical issues or dilemmas. Essentially the rules of ethical behavior that all the employees are expected to follow is articulated in the code as well as the disciplinary steps for non-compliance with the set guidelines. A good code motivates employees and sends a signal that management trusts them to do the right thing (Hall 2000). Where an ethical issue arises and employees are not certain of what to do, they should be encouraged, in the first instance, to address such issues with their supervisors or the line managers or even the HR manager, as most problems can be resolved.

A code of conduct should speak on issues of employee-discipline, honesty, integrity, respect, corruption, purchasing irregularities, inter-employee relationships, sexual harassment, racial intimidation, compliance with health and safety regulations, conflicts of interests, business transactions, the issues of gifts, transparency, whistle blowing procedures, abusive, offensive or harassing behaviors. Creating a culture of open and truthful communication is critical in the workplace and a code of ethics goes a long way in promoting this notion as well.

## CONCLUSION

Given the need to generate enhanced service quality by improving both the ethical conduct and the responsiveness of the front-line hotel employees in service situations, moral intensity in the organizational culture and effective codes of ethics, have a significant role to play. In order to create an ethical organization, understanding of the issues which are precursors and essential to ethical decisions and conduct is required. Moral intensity augments ethical decision making and can guide and support ethical actions which are determinate on a situation-specific basis. Moral intensity can thus craft a reduction in the unethical behavior.

More importantly the guests experience is elevated to higher levels of satisfaction. A successful hotel is driven by service quality excellence and managed by a well-trained team which practices honesty and integrity. The organizational culture of a hotel should exude the essence of hospitality which is care and service provision of the highest quality. Codes of ethics play a key role here and if they are effectively used are considered to be a good way forward. These need to be internalized by effective education and training of all the employees and an ongoing inculcation of the desired operational values through all the actions and communications in the organization. Ethical employee performance is essential to achieve the desired service encounters and it is also required to develop in the employees a sense of ownership and individual efficacy which empowers them to deal with the needs of different guests. After all, guest satisfaction and the building of solid long-term relationships are at the core of the hotel business and ethical action by the employees' impacts this the most.

## RECOMMENDATIONS

Guests want to be delighted in the service encounter and this means that the role of the leaders as visionaries with regard to ethicality in the workplace cannot be underestimated. Where leaders have a vision this infuses purpose into the employees and their conceptual foresight promotes ethical practice and serves as a guide for the employee actions. Ethical matters must focus on guest-employee relationships in the hotels as these tend to be very high in moral intensity. Moral intensity is significant in ethical decision making and requires greater consideration. In order to provide guests with service quality excellence, and in an ethical fashion, service providers need to ensure that their employees behave ethically during all the service encounters. Crafting a strong ethical environment is required as this will result in increased profits, superior employee relations and greater levels of management efficiency. The inherent skills and talents of the employees must be put to use for the ultimate benefit of the hotel and for its guests who desire satisfaction in quality service delivery. Employees must be trained since those who are effectively trained in ethics are empowered to exercise some form of responsible independence in the workplace. It still remains however, the task of the management to decide on the employees' accountabilities and the parameters within which employees may operate and also to act as a check on the employees' individual outputs.

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