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## *Perception of promoters and the hurdles to practice Ethics in Hotel Industry*

**Chitra Shashidhar**

Researcher, Jain University  
Bengaluru – India

**Dr. M Prakash**

Research Guide  
India

*Abstract: The Indian tourism and hospitality industry is one of the key drivers of growth from the country's services stable. The hotel and tourism industry's contribution to the Indian economy by way of foreign direct investments (FDI) had been healthy. There had been a rush of international hotel chains towards India since the latter half of 2010. A lot of major hotels had announced their plans to expand their footprint in India. The hotel industry has been emerging as one of the country's leading economic sectors. It has also been aiding and abetting the growth of allied sectors like tourism and transportation. What is striking about the hotel industry is that it uses mostly indigenous resources for its growth and for its eventual contribution to the country's GDP. To better understand the Indian hotel industry, one had better examine the country's tourism and hospitality industry of which the former is a subset.*

*In this study an insight into the ethical issues is been made from the point of view of promoters.*

*Keywords: perception, hurdles, hotel industry, promoters.*

### I. TOURISM AND HOSPITALITY INDUSTRY IN INDIA

To better understand the Indian hotel industry, one had better examine the country's tourism and hospitality industry of which the former is a subset.

The Indian tourism and hospitality industry is one of the key drivers of growth from the country's services stable. Tourism in India has great potential in view of the rich cultural and historical heritage, diverse ecology, terrains and places of natural beauty spanning the country. Tourism is a potentially large employment generator and a significant source of foreign exchange earnings for the country.

The industry is expected to generate 13.45 million jobs across sub-segments such as restaurants (10.49 million jobs), hotels (2.3 million jobs) and travel agents/tour operators (0.66 million) (India Brand Equity Foundation, 2016). The Ministry of Tourism plans to help the industry meet the increasing demand of skilled and trained manpower by providing hospitality education to students as well as certifying and upgrading skills of existing service providers.

India has moved up 13 positions to 52nd rank from 65th in Tourism & Travel competitive index.

### II. STATEMENT OF THE PROBLEM

Ethics or the set of principles that people use to decide what is right and what is wrong is imperative for a business to succeed – more so in the case of hotel business which involves a lot of interpersonal skills. Given that the hotel industry by the very nature of its operations is a great melting pot, entertaining people belonging to various races, various countries, various social classes, etc, is a regular feature. However, not all perceptions are practicable for various reasons, some of them valid and some of them not so valid. Hence in its own interest the industry has to ensure that the gulf between the perception of ethics and practice of ethics is minimized, if not eliminated altogether. This is easier said than done for obvious reasons – not all

solutions are implementable. However, the solutions can, if properly developed and targeted, can bring down the gulf between perception and practice. As is the case with any industry that is a melting pot, the regulatory environment can contribute the most to narrow down the gap.

### III. SCOPE OF THE PRESENT STUDY

The study confines itself to the hotel industry of Karnataka and the categories of respondents associated with it, namely the promoters who are considered the major stakeholders pertaining to hotel industry. The area selected for study is in and around the Bengaluru City because more than 80% four and five star category hotels are situated in Bengaluru. For the purpose of the study only four and five star category hotels are selected for the study.

### IV. OBJECTIVES OF THE STUDY

1. Ascertain the perception of ethics on the part of the promoters, executives, employees and patrons of the hotel industry
2. Identify the hurdles the hotel industry faces in minimizing if not eliminating the gap between the perception and practice of ethics.
3. Devise solutions to minimize if not eliminate the gap between the perception and practice of ethics in the hotel industry.

### V. METHODS OF DATA COLLECTION

Ascertain the perception of ethics on the part of the promoters, executives, employees and patrons of the hotel industry

Identify the hurdles the hotel industry faces in minimizing if not eliminating the gap between the perception and practice of ethics.

Devise solutions to minimize if not eliminate the gap between the perception and practice of ethics in the hotel industry.

### VI. SOURCE OF DATA

Primary data was collected from the respondents, viz., hotel promoters, hotel executives, hotel employees and hotel patrons.

Secondary data was collected / downloaded in hard version / digital form the stakeholders associated with the hospitality industry like the Hotel Association of India (HAI), the Federation of Hotel and Restaurant Associations of India (FHRAI), Federation of Associations in Indian Tourism and Hospitality (FAITH), CII, FICCI, ASSOCHAM, the relevant departments of the governments of India and Karnataka and the financial press.

### VII. SAMPLING PLAN

*Promoters:* Given the limited number of four star hotels and five star hotels operating in Karnataka, purposive or judgement sampling under the non-probability method was deployed to select the promoters. Applying controlling interest as the criterion, the Researcher selected 25 promoters. This criterion, according to the Researcher, is the most appropriate one for the present study. What matters is the typicality and the relevance of the sampling units to the study and not the overall representativeness to the population. Thus it guarantees inclusion of the relevant elements in the sample. Probability sampling plans cannot give such a guarantee.

### VIII. FIELD WORK

Fieldwork was undertaken by Researcher and by utilising the services of suitably-briefed manpower for the purpose. The respondents were contacted individually and personally and their responses were recorded. Observations also used suitably to understand the environment in Hotels.

**IX. DATA PROCESSING AND ANALYSIS PLAN**

The Statistical Package for the Social Sciences (SPSS) was used for data processing. Statistical tools like chi-square test, correlation test and analysis of variance were used for data analysis and testing the hypotheses.

**X. LIMITATIONS OF THE STUDY**

Primary data has sometimes been deduced through constant topic-oriented discussions with the respondents. It is possible that a certain degree of subjectivity, even if negligible, has influenced their views. Nevertheless, the fact is that the respondents, being human, could err and hence the Researcher would like to admit candidly that the findings of the thesis, which draw equally heavily from the discussions the Researcher held with the said respondents, may have been affected, albeit to a negligible extent. Hence it will not affect the accuracy of the findings of the study.

**Analysis of Primary Data Collected from Promoter Respondents**

In the following paragraphs, the primary data collected from the 25 promoter respondents is analysed.

**Lack of Work Ethic at the Workplace is a Hurdle / Issue the Industry Faces in Minimising if not Eliminating the Gap between the Perception and Practice of Ethics**

The respondents' agreement / otherwise with the statement is expressed at five levels, namely, Strongly Agree, Agree, Neutral, Disagree and Strongly Disagree. These variates are assigned the values 1, 2, 3, 4 and 5. Their levels of agreement with the statement are reflected in the following Table.

**Table-1 Lack of Work Ethic at the Workplace is a Hurdle / Issue the Industry Faces in Minimising if not Eliminating the Gap between the Perception and Practice of Ethics**

Levels of Agreement (Values)	Frequency	Percentage
Strongly Agree (1)	4	16
Agree (2)	7	28
Neutral (3)	5	20
Disagree (4)	1	4
Strongly Disagree (5)	8	32
<b>Total</b>	<b>25</b>	<b>100</b>

According to the table 11 or 44 percent of the respondents agree that lack of work ethic at the workplace is a hurdle / issue the industry faces in minimising if not eliminating the gap between the perception and practice of ethics. While 5 or 20 percent remain neutral, the remaining 9 or 36 percent do not agree with the statement.

<b>Statistical Table – 1A</b>	
Average	2.24
Median	2.00
Mode	1.00
Variance	1.94
Standard Deviation	1.39
Skewness	0.74
Kurtosis	-0.83

According to the Table, the value of the variate for which the frequency is maximum (8) is (4) which represents 'Strongly Disagree'. Most respondents "DISAGREE" that lack of work ethic at the workplace is a hurdle / issue the industry faces in minimising if not eliminating the gap between the perception and practice of ethics. The responses show a positive skewness. The kurtosis for the table -0.83 (< 3) is a platykurtic which means that the data is widely spread across the normal distribution.

**Minor Thefts at the Workplace are a Hurdle / Issue the Industry Faces in Minimising if not Eliminating the Gap between the Perception and Practice of Ethics**

The respondents' agreement / otherwise with the statement is expressed at five levels, namely, Strongly Agree, Agree, Neutral, Disagree and Strongly Disagree. These variates are assigned the values 1, 2, 3, 4 and 5. Their levels of agreement with the statement are reflected in the following Table.

**Table-2 Minor Thefts at the Workplace are a Hurdle / Issue the Industry Faces in Minimising if not Eliminating the Gap between the Perception and Practice of Ethics**

Levels of Agreement (Values)	Frequency	Percentage
Strongly Agree (1)	8	32
Agree (2)	17	68
Neutral (3)	0	0
Disagree (4)	0	0
Strongly Disagree (5)	0	0
<b>Total</b>	<b>25</b>	<b>100</b>

All the respondents agree that minor thefts at the workplace are a hurdle / issue the industry faces in minimising if not eliminating the gap between the perception and practice of ethics.

Statistical Table – 2A	
Mean	1.44
Median	1.00
Mode	1.00
Variance	0.26
Standard Deviation	0.51
Skewness	0.26
Kurtosis	-2.11

According to the Table, the value of the variate for which the frequency is maximum (17) is (2) which represents 'Agree'. Most respondents "AGREE" that that minor thefts at the workplace are a hurdle / issue the industry faces in minimising if not eliminating the gap between the perception and practice of ethics. The responses show a positive skewness. The kurtosis for the table -2.1 (< 3) is a platykurtic which means that the data is widely spread across the normal distribution.

#### **The Habit of Lying is a Hurdle / Issue the Industry Faces in Minimising if not Eliminating the Gap between the Perception and Practice of Ethics**

The respondents' agreement / otherwise with the statement is expressed at five levels, namely, Strongly Agree, Agree, Neutral, Disagree and Strongly Disagree. These variates are assigned the values 1, 2, 3, 4 and 5. Their levels of agreement with the statement are reflected in the following Table.

**Table-3 The Habit of Lying is a Hurdle / Issue the Industry Faces in Minimising if not Eliminating the Gap between the Perception and Practice of Ethics**

Levels of Agreement (Values)	Frequency	Percentage
Strongly Agree (1)	11	44
Agree (2)	5	20
Neutral (3)	6	24
Disagree (4)	3	12
Strongly Disagree (5)	0	0
<b>Total</b>	<b>25</b>	<b>100</b>

16 or 64 percent of the respondents agree that the habit of lying is a hurdle / issue the industry faces in minimising if not eliminating the gap between the perception and practice of ethics. While six or 24 percent remain neutral, the remaining three or 12 percent do not agree with the statement.

#### **Employees not Viewing the Job as the Start of a Career is a Hurdle / Issue the Industry Faces in Minimising if not Eliminating the Gap between the Perception and Practice of Ethics**

These variates are assigned the values 1, 2, 3, 4 and 5. Their levels of agreement with the statement are reflected in the following Table.

**Table-4 The Employees not Viewing the Job as the Start of a Career, is a Hurdle / Issue the Industry Faces in Minimising if not Eliminating the Gap between the Perception and Practice of Ethics**

Levels of Agreement (Values)	Frequency	Percentage
Strongly Agree (1)	16	64
Agree (2)	5	20
Neutral (3)	0	0
Disagree (4)	4	16
Strongly Disagree (5)	0	0
<b>Total</b>	<b>25</b>	<b>100</b>

21 or 84 percent of the respondents agree that the employees not viewing the job as the start of a career, is a hurdle / issue the industry faces in minimising if not eliminating the gap between the perception and practice of ethics. The remaining four or 16 percent do not agree with the statement.

Statistical Table – 4A	
Mean	1.68
Median	1.00
Mode	1.00
Variance	1.23
Standard Deviation	1.11
Skewness	1.50
Kurtosis	0.83

According to the Table, the value of the variate for which the frequency is maximum (16) is (1) which represents 'Strongly Agree'. Most respondents "AGREE" that the employees not viewing the job as the start of a career, is a hurdle / issue the industry faces in minimising if not eliminating the gap between the perception and practice of ethics. However the responses show a positive skewness which means most of the respondents agree with the above statement. The kurtosis for the table 0.83 ( $< 3$ ) is a platykurtic which means that the data is widely spread across the normal distribution.

#### **Employees being Poorly Motivated is a Hurdle / Issue the Industry Faces in Minimising if not Eliminating the Gap between the Perception and Practice of Ethics**

The respondents' agreement / otherwise with the statement is expressed at five levels, namely, Strongly Agree, Agree, Neutral, Disagree and Strongly Disagree. These variates are assigned the values 1, 2, 3, 4 and 5. Their levels of agreement with the statement are reflected in the following Table.

**Table-5 Employees being Poorly Motivated is a Hurdle / Issue the Industry Faces in Minimising if not Eliminating the Gap between the Perception and Practice of Ethics**

Levels of Agreement (Values)	Frequency	Percentage
Strongly Agree (1)	0	0
Agree (2)	2	8
Neutral (3)	3	12
Disagree (4)	3	12
Strongly Disagree (5)	17	68
<b>Total</b>	<b>25</b>	<b>100</b>

Two or eight percent of the respondents agree that the employees being poorly motivated is a hurdle / issue the industry faces in minimising if not eliminating the gap between the perception and practice of ethics. While three or 12 percent of the respondents remain neutral, the remaining 20 or 80 percent of the respondents do not agree with the statement.

#### **Analysis of data to overcome the problems**

#### **Culturally Different Values Can Be Resolved With Effective Communication**

The respondents' agreement / otherwise with the statement is expressed at five levels, namely, Strongly Agree, Agree, Neutral, Disagree and Strongly Disagree. These variates are assigned the values 1, 2, 3, 4 and 5. Their levels of agreement with the statement are reflected in the following Table.

**Table-6 Culturally Different Values can be Resolved with Effective Communication**

Levels of Agreement (Values)	Frequency	Percentage
Strongly Agree (1)	9	36
Agree (2)	11	44
Neutral (3)	5	20
Disagree (4)	0	0
Strongly Disagree (5)	0	0
<b>Total</b>	<b>25</b>	<b>100</b>

20 or 80 percent of the respondents agree that culturally different values can be resolved with effective communication.

#### Management Should Engage Employees in Frequent Conversations about Ethics and Organisation Values

Statistical Table – 7A	
Mean	2.04
Median	2.00
Mode	2.00
Variance	0.96
Standard Deviation	0.98
Skewness	0.79
Kurtosis	-0.13

According to the Table, the value of the variate for which the frequency is maximum (11) is (2) which represents 'Agree'. Most respondents "AGREE" that hotel managements should engage employees in frequent conversations about ethics and organisation values. The responses show a positive skewness which means most respondents agree with the above statement. The kurtosis for the table -0.13 ( $< 3$ ) is a platykurtic which means that the data is widely spread across the normal distribution.

#### Thefts must be Dealt with Swiftly and Directly

The respondents' agreement / otherwise with the statement is expressed at five levels, namely, Strongly Agree, Agree, Neutral, Disagree and Strongly Disagree. These variates are assigned the values 1, 2, 3, 4 and 5. Their levels of agreement with the statement are reflected in the following Table.

**Table-8 Thefts must be Dealt with Swiftly and Directly**

Levels of Agreement (Values)	Frequency	Percentage
Strongly Agree (1)	5	20
Agree (2)	12	48
Neutral (3)	3	12
Disagree (4)	5	20
Strongly Disagree (5)	0	0
<b>Total</b>	<b>25</b>	<b>100</b>

17 or 68 percent of the respondents agree that thefts must be dealt with swiftly and directly. While three or 12 percent remain neutral, five or 20 percent of the respondents disagree.

Statistical Table – 8A	
Mean	2.32
Median	2.00
Mode	2.00
Variance	1.06
Standard Deviation	1.03
Skewness	0.53
Kurtosis	-0.76

According to the Table, the value of the variate for which the frequency is maximum (12) is (2) which represents 'Agree'. Most respondents "AGREE" that thefts must be dealt with swiftly and directly. However the responses show a positive skewness which means most respondents agree with the above statement. The kurtosis for the table  $-0.76 (< 3)$  is a platykurtic which means that the data is widely spread across the normal distribution.

### To Meet its Moral Obligations, the Industry should give Something back to the Society that has made its Success Possible

The respondents' agreement / otherwise with the statement is expressed at five levels, namely, Strongly Agree, Agree, Neutral, Disagree and Strongly Disagree. These variates are assigned the values 1, 2, 3, 4 and 5. Their levels of agreement with the statement are reflected in the following Table.

**Table-9 To Meet its Moral Obligations, the Industry should give Something back to the Society that has made its Success Possible**

Levels of Agreement (Values)	Frequency	Percentage
Strongly Agree (1)	7	28
Agree (2)	15	60
Neutral (3)	3	12
Disagree (4)	0	0
Strongly Disagree (5)	0	0
<b>Total</b>	<b>25</b>	<b>100</b>

22 or 88 percent of the respondents agree that to meet its moral obligations, the industry should give something back to the society that has made its success possible. Three or 12 percent of the respondents remain neutral.

## XI. CONCLUSION

According to the promoters respondents largely agree that of course there are few ethical issues bothering the hotel Industry but there are few steps to curb the same.

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