Exploring the Influence of Psychological Distance on Ethical Judgment of Hospitality Workers

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ABSTRACT

To explore the ethical decision making behavior from individual point of view becomes one of the major trends among ethics researches. This study tries to explore the impact of psychological distance toward the individual ethical judgement based on the Construal Level Theory (CLT).

This study adopted experiment design method to explain the psychological distance of CLT by taking its four dimensions (temporal distance, spatial distance, social distance and hypothetical distance) as manipulating variables, and to investigate hospitality employees when confronted with various situations, whether and how psychological distances would influence their ethical judgement. This study constructed ethical dilemma scenarios of eight different psychological distances. We collected 147 subjects that were asked to made their ethical judgement after reading different ethical dilemma scenarios.

Results showed that a significant difference of ethical judgement was showed under spatial distance and hypothetical distance, but temporal distance and social distance. The reason for this may be whether the matter relates to oneself or to the less likely chance of luck, and that the subject will have different judgments about the ethical behavior in different contexts.

Keywords: Ethics in Hospitality, Construal Level Theory, Psychological Distance, Ethical Judgement
Introduction

Taiwan's employment-population ratio in the hospitality industry has grown from 6.16% in 2003 to 7.07% in 2013. The hospitality industry has become one of the pillar industries in the country. It has also experienced several issues on food safety or consumer rights which have gradually attracted attention on related issues of social and ethical responsibilities.

According to Chang (1998), in the past, the most commonly used theories in the research of ethical decision-making to explain individual ethical behaviors were the Theory of Reasonable Action (TRA), proposed by Fishbein and Ajzen (1975), and Theory of Planned Behavior, (TPB) proposed by Ajzen (1985). Recent studies however, have used the Construal Level Theory (CLT) by Trope, Liberman & Wakslak (2007) which further provided the theoretical basis of the different perspectives in ethical decision-making.

TPB is different from CLT in many aspects. First, TPB emphasizes in individual attitudes towards their own behaviors, the subjective norm, and the self-control belief on perceived behavioral control. CLT, on the other hand, lays more emphasis on the individual’s perception of decision-making contexts and believes that behaviors are based on these contexts which are represented in the individual’s mind (Trope et al., 2007). Secondly, TPB is based on the rational perspective which considers that human beings are rational and that sound judgments are made in a systematic way in accordance with the available information; however, CLT adopts the psychological distance variable as its theoretical core, which considers emotion, relationship, identification etc. in decision-making (Adair, 2010).

In recent years, psychological researches for human interaction and consumer behavior have started to adopt CLT; however, for studies on ethical decision-making, it is still in the preliminary stage. Consequently, this study adopts CLT to understand the ethical judgment of individuals.

Literature Review

CLT and Psychological Distance

Trope, Liberman, & Wakslak further developed CLT in 2007. From the cognitive point of view, CLT explores how contextual factors affect individuals’ behaviors and perception of events. This theory utilizes the variable of psychological distance and its constructs, making CLT one of the most basic theories used to interpret individual behaviors.

CLT proposes that there are different construal levels when individuals are involved in different contexts. According to Eyal and Liberman (2010), a high construal level means that individuals adopt abstract, schematic and decontextualized concepts such as ethical rules and/or values (Eyal et al., 2008) to express themselves. On the other hand, a low construal level means that individuals use concrete and contextualized concepts for self-expression, which often contains collateral characteristics (Eyal & Liberman, 2010).
In addition, CLT also believes that individuals tend to choose rules, values and other concepts with high construal levels as basis for judgment when the psychological distance is far. On the contrary, when the psychological distance is relatively close, individuals tend to adopt low level construal or use environmental factors, such as contexts (Eyal et al., 2008).

According to Liberman, Trope & Stephan (2007), the psychological distance is a subjective experience rather than a direct experience. Psychological distance does not only include cognition of the main body, but also contains the experiences and results. Further, it was proposed that psychological distance contains four types of constructs which includes: (1) temporal distance, (2) spatial distance, (3) social distance and (4) hypothetical distance.

Regarding temporal distance, the farther the perceived time of the target event to the present time, the weaker is the individual’s emotional connection to the said event (Adair, 2010); which then will generate a relatively long psychological distance. On the contrary, the closer the perceived time of the target event to the present time, the closer the psychological distance will be.

Regarding spatial distance, the farther the physical location of the event from the individual, the farther the psychological distance will be (Adair, 2010) and vice versa.

Social distance refers to the relationship between the individual and the target people and objects. The more intimate the relationship is, the closer the psychological distance will be and vice versa.

Hypothetical distance refers to the probability of the occurrence of events or acquisition of objects. When the occurrence or realization chances are low, the hypothetical distance is relatively far and vice versa.

**The Application of CLT in Ethical Studies**

In the past, some scholars applied CLT to interpret the decision-making behaviors of individuals in an ethical dilemma. Based on the perspectives of CLT, the behavioral intentions of individuals are defined by their personal attitude, subjective norms and self-control of behaviors. This is in line with the perspectives of moral and ethical studies which believe that individuals carry out the decision-making process and arise to behavioral decisions based on their moral rules, unaffected by contextual factors (Haidt, 2001; Sunstein, 2005); however, Eyal et al. (2008), did not agree with this argument. They believe that a perspective that ignores generalization and the universal principle of contextual factors in dealing with various scenarios is untenable. Baron and Leshnr (2000) also argue that when individuals take specific circumstances into account, they may become less insistent about the values that were originally maintained.

Numerous studies have adopted the concept of CLT into researches, but most of them have been focused on psychological research and consumer behavior research and rarely in the field of ethical behavior. Eyal and Liberman (2010) believed that the adoption of CLT is feasible to explore the influence of contextual factors
on ethical decision-making. Moreover, the study by Eyal et al. (2008) further verified that the experimental subjects tend to adopt moral principles to interpret the events and behave accordingly the farther the psychological distance is.

The results of the study by Gong and Medin (2012) are contrary with those of Eyal et al. (2008). According to them, the differences might be caused by the experimental manipulations, emotional consequences and cultural differences of these two studies. In addition, Wood, nose worthy and Colwell (2013) also studied the correlation between psychological distance and unethical decision-making. These studies explored the reason why well-intentioned managers often make decisions that have a negative influence towards societies and environments. The results verified that there is indeed a correlation between psychological distance and ethical decision-making but they are different from the results of Eyal et al. (2008). Differences and inconsistencies in conclusions between previous empirical studies and existing research results are evident; thus, the need to invest more energy for verification of the results to construct a more complete academic mechanism is a must.

**Methodology**

**Research Design and Framework**

The research framework is shown in Figure 1. This study supports that psychological distance is built on four constructs which are: (1) temporal distance, (2) spatial distance, (3) social distance and (3) hypothetical distance.

![Figure 1. Research Framework](image)

Based on the above research framework and the claims of CLT, when the psychological distance is farther, the intention to adopt CLT and to use moral judgment is stronger. Consequently, this study proposes hypotheses 1, 2, 3 and 4, which are shown as follows:

H1: When there are differences in the temporal distance, the ethical judgments of employees in the hospitality industry will also have differences.

H2: When there are differences in the spatial distance, the ethical judgments of employees in the hospitality
industry will also have differences.

H3: When there are differences in the social distance, the ethical judgments of employees in the hospitality industry will also have differences.

H4: When there are differences in the hypothetical distance, the ethical judgments of employees in the hospitality industry will also have differences.

Operational Definition and Evaluation of Variables

Regarding psychological distance, this study designed four scenarios which are: "using expired ingredients", "using food with extra pesticide residues", "cleaning rooms without standard procedures" and "using low-priced cleaning products" to describe temporal distance, spatial distance, social distance and hypothetical distance respectively. For each scenario, two corresponding situations (near and far) were also created. In this case, there were a total of eight (8) ethical scenarios: A1 is near temporal distance; A2 far temporal distance; B1 near spatial distance; B2 far spatial distance; C1 near social distance; C2 for social distance; D1 near hypothetical distance; and D2 far hypothetical distance. After having read the eight scenarios, the subjects were asked to fill the answers for the awareness and ethical behaviors using the Likert five-point scale.

Program Implementation and Selection of Subjects

Purposive sampling for sample selection was used in this study. All subjects are formal employees with over one year of working experience in hospitality industry. Each subject was handed out a questionnaire and was required to answer using the five-point Likert scale. A total of 150 questionnaires were sent out and 147 effective questionnaires were collected. The effective recovery rate was 98%.

Results

Basic Information and Description of Subjects

The background of subjects is described in Table 1. Male subjects accounted for approximately 40% and females accounted for approximately 60% of the total sample. Regarding educational background, most of subjects are university and college graduates, in which over half of them graduated from a degree related to the hospitality industry. In terms of age, over half of them are under 30 and almost 60% have less than 5 years (included) of working experience; about 25% of the samples are working as directors.
Verification of Contextual Effects in the Scenarios

In order to verify whether or not the subject's mental awareness have reached the pre-set situation, when the subjects have finished reading each scenario with its related story, they were asked to evaluate the psychological distance fitting for the given scenario using the five-point Likert scale. The data analysis shows that there were significant differences in awareness in the pre-set scenarios under the four psychological distances (See Table 2). The results for scenarios A1 and A2 for temporal distance are 2.62 and 4.22 respectively; scenarios B1 and B2 for spatial distance are 1.81 and 3.99 respectively; scenarios C1 and C2 for social distance are 2.01 and 3.67 respectively; and scenarios D1 and D2 for hypothetical distance are 2.19 and 3.63 respectively. The results prove that the scenario contexts of this study are effective.

Judgment of Unethical Behaviors under Different Psychological Distances

According to the theory of cognitive level, the farther the psychological distance of the study is, the stronger the judgment of the unqualified behavior of the subjects is. The results of the study are shown in Table 3.

Regarding unethical behaviors in different scenarios, the results show that the mean value in different temporal distances is relatively higher. In other words, whether the ingredients have been expired a week ago, or three years ago, subjects still considered it unacceptable to use these expired ingredients; however, from the perspective of spatial distance, subjects generated different opinions towards the food with extra pesticide residues used in restaurants whether of foreign countries or of those near their homes. In terms of social distance, the results showed no difference for friends or acquaintances who fail to honor the job descriptions.
Finally, for hypothetical distances, subjects’ tolerance for the use of harsh cleansers that have the potential to cause skin allergies among guests in the hotel depends on the probability of the latter’s hypersensitivity. If the probability of hypersensitivity is low, the subject exhibits a significantly higher tolerance for this behavior.

The results demonstrate that under different temporal distance or social distance, there might not have any differences on judgment towards unethical behaviors. This means that there was not enough evidence to support H1 and H3; however, under different spatial distance or hypothetical distances, significant differences for unethical behaviors were observed supporting H2 and H4.

Table 2. The Verification of Difference of Psychological Awareness Difference under Different Contextual Scenarios

<table>
<thead>
<tr>
<th>Dependent Variables</th>
<th>Groups</th>
<th>Mean</th>
<th>Standard Deviation</th>
<th>t-value</th>
<th>Significance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Temporal Distance Awareness</td>
<td>near temporal distance (scenario A1)</td>
<td>2.62</td>
<td>1.362</td>
<td>-11.324</td>
<td>0.000</td>
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<tr>
<td></td>
<td>far temporal distance (scenario A2)</td>
<td>4.22</td>
<td>1.037</td>
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<tr>
<td>Spatial Distance Awareness</td>
<td>near spatial distance (scenario B1)</td>
<td>1.81</td>
<td>1.029</td>
<td>-18.516</td>
<td>0.000</td>
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<tr>
<td></td>
<td>far spatial distance (scenario B2)</td>
<td>3.99</td>
<td>0.986</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Social Distance Awareness</td>
<td>near social distance (scenario C1)</td>
<td>2.01</td>
<td>1.053</td>
<td>-14.014</td>
<td>0.000</td>
</tr>
<tr>
<td></td>
<td>far social distance (scenario C2)</td>
<td>3.67</td>
<td>0.968</td>
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<tr>
<td>Hypothetical Distance Awareness</td>
<td>near hypothetical distance (scenario D1)</td>
<td>2.02</td>
<td>1.003</td>
<td>-11.649</td>
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<td></td>
<td>far hypothetical distance (scenario D2)</td>
<td>3.63</td>
<td>1.345</td>
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</table>

Table 3. Difference Verification of Unethical Behaviors under Different Psychological Distance

<table>
<thead>
<tr>
<th>Dependent Variables</th>
<th>Groups</th>
<th>Mean</th>
<th>Standard Deviation</th>
<th>t-value</th>
<th>Significance</th>
</tr>
</thead>
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<tr>
<td>Unethical Behavior Judgment</td>
<td>near temporal distance (scenario A1)</td>
<td>4.46</td>
<td>0.808</td>
<td>0.429</td>
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<td>far temporal distance (scenario A2)</td>
<td>4.42</td>
<td>0.714</td>
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<td>Unethical Behavior Judgment</td>
<td>near spatial distance (scenario B1)</td>
<td>4.45</td>
<td>0.632</td>
<td>3.061</td>
<td>0.002</td>
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<td>far spatial distance (scenario B2)</td>
<td>4.19</td>
<td>0.805</td>
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<tr>
<td>Unethical Behavior Judgment</td>
<td>near social distance (scenario C1)</td>
<td>3.98</td>
<td>0.848</td>
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<td>far social distance (scenario C2)</td>
<td>4.08</td>
<td>0.745</td>
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<tr>
<td>Unethical Behavior Judgment</td>
<td>near hypothetical distance (scenario D1)</td>
<td>4.36</td>
<td>0.702</td>
<td>7.407</td>
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<td>far hypothetical distance (scenario D2)</td>
<td>3.49</td>
<td>1.241</td>
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</table>

Discussion

The purposes of this study are to explore how employees in the hospitality industry judge unethical behaviors using the perspective of cognitive level theory and to establish whether there are differences in the judgment of unethical behaviors under the four constructs of psychological distance namely: temporal distance, spatial distance, social distance and hypothetical distance. The research results showed that there were no differences generated under the temporal distance and social distance; however, striking differences were observed under spatial distance and hypothetical distance. The reason probably lies in whether or not
individuals care about the low probability of luck and result in different judgments towards unethical behaviors under different contextual conditions for subjects.

The results of this study illustrate that whether or not subjects care about themselves depends upon their judgment of the events and how these will impact on their own behavior. In order to ensure that employees in the hospitality industry make appropriate ethical behavioral judgments when they encounter controversial ethical issues, they should start with the elimination of concepts deemed ethically unacceptable to distinguish themselves from others when they are establishing complete ethical recognition. When individuals have been equipped with the concept of community and view the events that have occurred on others as it has occurred on them, the judgment standards towards their ethical and moral concepts can be naturally unified.

From the perspective of CLT, this study explored ethical decision-making. The results can be used as a basis for related researches in the future. This study plans to increase the number of samples and to further verify the differences of the results among subjects with different demographic variable.

References


