



誠信旅業
致勝之道

INTEGRITY-
OUR WINNING EDGE

旅遊業專業道德實務指引
A Practical Guide

for the Travel and Tourism Industry



Message from Commissioner, Independent Commission Against Corruption, HKSAR	7
Message from Chairman, Organising Committee of Ethics Programme for the Travel and Tourism Industry	9
Message from Commissioner for Tourism, HKSAR	11
Message from Chairman, Hong Kong Tourism Board	13
Chapter 1 Integrity – Our Winning Edge	17
Chapter 2 Legal Requirements and Standards of Behaviour	21
Chapter 3 Issues of Concern	31
Chapter 4 Practical Tips on Corruption Prevention	63
Chapter 5 Ethical Decision Making	73
Chapter 6 Ethics in Management	85
Chapter 7 Services and Assistance	99
Appendices	
1. Extracts of the Prevention of Bribery Ordinance (Cap. 201)	111
2. Sample Code of Conduct	117

From the Editorial Board

This practical guide is written for all managers in the Travel and Tourism Industry. It examines the major ethical issues that they may encounter in their workplace and provides them with practical guidelines on how ethical management can be implemented.

This publication aims to provide general guidance only and does not purport to deal with all possible issues that may arise in any given situation. Explanations of legal requirements under the Ordinances are necessarily general and abbreviated and are not a substitute for the need to review the Ordinances in detail and where appropriate to obtain specific legal advice on any issue arising. No responsibility for loss occasioned to any person acting or refraining from action as a result of any material in this publication can therefore be accepted by the Independent Commission Against Corruption or the Organising Committee.

The scenarios given in this practical guide are based on a mixture of past prosecutions and hypothetical cases for illustration only.

Throughout this guide, the male pronoun is used to cover references to both the male and female. No gender preference is intended.

The Travel and Tourism Industry, as one of Hong Kong's top foreign exchange earners, is crucial to its economy. The territory has long been renowned as a world-class tourist centre. In the midst of intensified competitions from other tourist centres in Asia, maintaining our enviable reputation is not easy. While making an effort in enhancing our tourists' attractions and improving the tourists' facilities, we must not forget that people are our greatest asset. Investing in our winning edge, i.e. the quality of service, professionalism, integrity of the workforce and ethical leadership, should be our prime concern.

Establishing high ethical standards within the companies can attract and retain the best employees and professionals. The professional and quality services offered by these honest practitioners will subsequently build the tourists' confidence in Hong Kong and keep them coming in and coming back again. Such an investment can ultimately contribute to better financial performance in the companies, benefit the Travel and Tourism Industry as a whole and the entire Hong Kong economy in the long run.

As business leaders, we should be mindful of the corruption temptations faced by all levels of staff members and must be vigilant to prevent any malpractice or corruption to take root. A single incident of corruption could ruin our hard-earned reputation and is too heavy a price for the Industry to bear. It would result in the loss of a company's business and profits, loss of competitiveness in the Industry, loss of jobs in the workforce, loss of trust in the tourists and loss of revenue for Hong Kong's economy. Unity is strength. Managers should make every effort to lead by example and put ethics into practice. Together, we can pave the way for further breakthroughs and win the hearts of tourists and the support of Hong Kong people.

第5章 Chapter 5



道德抉擇

Ethical Decision Making

Managers are often required to make many daily decisions. Some issues are easy to resolve while others are not. Those involving ethical dilemmas in particular, can often plague one's mind. Impulsive decisions may result in unethical or inappropriate actions that can lead to undesirable consequences. Sometimes they may pose damage to the career of the decision maker, the reputation of his company and the profession at large. It is, therefore, important for you to think carefully and thoroughly when facing ethical dilemmas so as to avoid making unsound decisions.

The following questions will provide useful guidelines on how to structure your decision making in a systematic way:

- (a) Have you identified the ethical issue involved?
- (b) Have you gathered all the relevant facts?
- (c) Have you taken stock of all stakeholders or parties involved?
- (d) Have you assessed objectively each stakeholder's position?
- (e) Can you identify viable alternatives and their effects on the stakeholders?

Four basic considerations to facilitate ethical decision making

A number of alternatives may be generated as a result of adopting the afore-mentioned thinking process. Checking each option against the following four basic considerations will help ensure that the decision is ethical:

Are there any violations of the laws such as the Prevention of Bribery Ordinance, etc.?



Are there any breaches of the professional, trade-related or company code of conduct?



Is a particular alternative commensurate with your personal values such as honesty, fairness, trustworthiness, etc.?



Does a particular alternative pass the sunshine test, i.e. can the decision be disclosed openly without misgivings?

Case study in application – At the ethical crossroads

Stephen joins a major travel agency as a tourist guide some years ago. With his hard work and experience, he is recently promoted to the position of manager, responsible for designing travel itineraries and selecting restaurants and shops for the company's tour groups. He has demonstrated to the company's management his efficiency, trustworthiness and high potentials.

To share the joys of promotion with his family members, Stephen treats them all to a celebratory dinner at his brother-in-law's restaurant. Ivan has married Stephen's elder sister, Katherine, for years. The couple's restaurant is facing keen competition from some newly opened restaurants and they are happy to learn of Stephen's promotion as it will be a great idea to expand their own customer base to accommodate tour groups.

Relying on their relationship with Stephen, the couple seeks Stephen's assistance in recommending their restaurant to his company to arrange tourists to patronise. However, the rebates offered by the couple, to Stephen's company, are not as competitive as those of other restaurants.

Ivan further informs Stephen about their plan in setting up a branch restaurant if their expansion strategy succeeds and they will surely treat Stephen as their new partner and provide him with some free shares in the new branch. Caught in a dilemma, Stephen is bewildered as to what to do next.

With reference to the above-mentioned list of questions, the analysis is outlined below:

The ethical issue identified is “Should Stephen assist Katherine and Ivan?” and the parties involved include Katherine and Ivan, Stephen’s company and other tourists. After assessing each stakeholder’s position, a few alternatives are worked out as follows:

- ◆ Agree to recommend Katherine and Ivan’s restaurant, notwithstanding that may not be the best deal for the company
- ◆ Put their restaurant on the recommendation list but process the selection without any preferential treatment
- ◆ Refuse Ivan and Katherine’s request

Such alternatives have to be further checked against the following considerations:

Legal requirements:

- ◆ Shares is regarded as an advantage under the PBO. Accepting the free shares without company’s permission as a reward for recommending Ivan and Katherine’s restaurant is a corruption offence. Both Katherine and Ivan, the offerors, and Stephen, the acceptor, will all be liable to prosecution.
- ◆ According to PBO Section 11, it is not an excuse for Stephen to accept the advantages even if his recommendation fails and the purpose of the bribe is not achieved.

Professional, trade-related or company code of conduct:

- ◆ Under the Travel Agents Amendment Ordinance enacted in April 2002, inbound travel agents are required to register with the Travel Agents Registry and become a member of the Travel Industry Council of Hong Kong and follow all its codes of conduct

and regulations. A member has to avoid actions and situation inconsistent with his legal or contractual obligations or that are likely to raise doubts about his integrity.

- ◆ Stephen should also consider whether his company has any internal rules or guidelines that govern part-time work, investment, conflict of interest, etc.
- ◆ If Stephen receives free shares in a newly set up branch restaurant owned by Katherine and Ivan, he should report the investment to his company. Such an investment may lead to a conflict of interest situation, i.e. his interests are in conflict with those of the company. Proper declaration should be made.

Uncompromising self values:

- ◆ Stephen has to ask himself whether a particular alternative is commensurate with his personal values, such as loyalty to his company, honesty, fairness and professional competence in conducting his official duties and above all his personal integrity.

Sunshine test:

- ◆ Can Stephen disclose his decision to any parties, including his company, colleagues, friends, family members, clients, without misgivings?

Stephen's Right Choice

After considering all the above, Stephen should handle his sister and brother-in-law's request with prudence. First, Stephen should decline the free shares which may be considered as an advantage offered in relation to his company's business.

Stephen should also declare to the management his relationship with Katherine and Ivan. If he chooses to recommend their restaurant to the management, he should let the management decide whether it is still appropriate for him to be involved in the selection process.

Stephen should also take heed of the perceived conflict of interest that may arise, i.e. even if Katherine and Ivan's restaurant offers Stephen's company competitive rebates and turns out to be the best restaurant under an impartial assessment. The fact that Katherine and Ivan are his relatives, if known to others, may lead to suspicion that the outcome of the assessment has been the result of his undue influence. A perceived conflict of interest is as detrimental as an actual one and may give rise to loss of trust or negative criticism.

To avoid misunderstanding, Stephen should try to explain to his sister and his brother-in-law the spirit underlying the legal and professional requirements.