

THE FIVE CONSTANTS: A CONFUCIAN BUSINESS MODEL FOR THE HOSPITALITY INDUSTRY

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ABSTRACT: *This exploratory study develops a Confucian hospitality business model through which Confucian hospitality practice is defined, implemented, interconnected, and interpreted. This study reviews the Confucian historical context to provide a holistic picture of the temporal and spatial evolution of Confucianism. Based on the five Confucian constants of humanity, righteousness, propriety, wisdom, and faithfulness, this study hermeneutically develops a Confucian hospitality business model that embraces business ethics, leadership, work ethics, service provision, and corporate social responsibility. This study is the first to present a holistic understanding of hospitality practice in the light of Confucianism and to propose a Confucian hospitality business model. The model can be adopted by hospitality practitioners who are based in Confucian areas, serve Confucian customers, hire Confucian employees, or establish Confucian partnerships. Based on the model, Confucian hospitality training programs can be developed to guide future hospitality education.*

KEYWORDS: *Confucianism; hospitality; business model; leadership; corporate social responsibility*

INTRODUCTION

Instrumental and utilitarian-rationalized market capitalism has increasingly jeopardized human flourishing, common citizenship, and sustainability. Rising concerns about the ethical legitimacy of capitalism calls for a fresh economic model that can restrict the unbridled quest of self-interest and boundless possession of resources. The wisdom of Confucianism has inspired an alternative moral economy that reconciles personal interests with the collective common good and harmonious human–nature connection.

Confucianism, also known as Ruism, is an ancient Chinese philosophy developed by Confucius (551–479 BC). It is not only a religious and philosophic tradition but also a political ideology and socio-economic system that dominates China and other East Asian countries such as Korean, Japan, and Vietnam (Yao & Yao, 2000). According to Yao and Yao (2000, p. 34), Confucianism ‘gradually became a universal yardstick for behaviour and ideas, an orthodoxy that oriented conduct, thought and relationship’. In an increasingly interconnected and interdependent global business environment, Confucianism provides an ethical mechanism to cope with global uncertainty and the challenges of opportunism (Romar, 2004).

Since the end of Second World War, the East Asian economy has experienced dramatic growth. Confucian ethics are a dominant factor that led to the industrialization and modernization of the Four Asian Tigers (Hong Kong, Singapore, South Korea, and Taiwan) and mainland China (Weiming, 2017). Kim and Park (2003) argued that the Confucian moral codes not only accompanied the economic achievements of East Asia but led it. Confucian impacts on Asia’s economic prosperity manifest in business ethics (Liu & Stening, 2016), leadership (Solansky, Gupta, & Wang, 2017), labour productivity and commitment (Wong & O’Driscoll, 2018), and corporate social responsibility (CSR) (Li, Wang, & Kashyap, 2019).

Meanwhile, up until the recent COVID-19 pandemic, Asia's hospitality industry had achieved remarkable growth reflected in booming hotel brands, growing numbers of tourists, proliferation of airlines, and upgrading of tourism infrastructure. The hospitality industry involves groups of culturally shaped people who serve other culturally shaped people in a milieu of socio-cultural programmes. Hence, ensuring the success of Asia's hospitality industry is not only a technical issue but also a humane goal (Chon, 2019). This indicates that there is a need for better understanding of the socio-cultural dynamics of Confucianism and its hospitality implementation.

A few studies have explored Confucian influences on hospitality and tourism. Gilbert and Tsao (2000) examined Confucian hotels' relationship marketing, which concentrates on interpersonal relationships. Kwek and Lee (2010) found that Confucianism guides Chinese tourists' behaviour. The harmony is achieved through authority deference, conformity, and *Guanxi* (social network). Tsang (2011) classified Chinese cultural values dominating hospitality service provision by work attitude, social attitude, ethical discipline, status, and *Guanxi*. Fu, Cai, and Lehto (2015) found that tourism is a means for Confucian tourists to achieve their ideal way of life through both inner and exterior cultivation. Furthermore, Fu, Cai, and Lehto (2017) developed and validated a nine-dimensional scale of Confucianism travel motivation.

However, there is still scant research offering a holistic and comprehensive understanding of why and how Confucianism influences hospitality practice. This study reviews the historic and theoretical vein of Confucianism, divulges its core moral codes of *Ren* (humanity, 仁), *Yi* (righteousness, 義), *Li* (propriety, 礼), *Zhi* (wisdom, 智), and *Xin* (faithfulness, 信), and hermeneutically reflects on its influences on the hospitality business ethics, leadership, work ethics, service provision, and CSR. The Confucian Hospitality

Business Model potentially promotes the Confucian wisdom across-culture, improves the managerial efficiency, augment the service provision, carries hospitality practice forward and contribute to the hospitality education.

CONFUCIAN HISTORICAL CONTEXT

Confucianism, the dominant ideology and philosophy in East Asia for 2,000 years, has determined and to an extent continues to determine the rules of society, instructions for rituals, origin of values, and ethical codes of habitual conduct among the vast majority of the region's population (Yao & Yao, 2000). Historically, Confucianism has undergone four distinct stages (shown in Figure 1): formative, adaptation, transformation, and renovation.

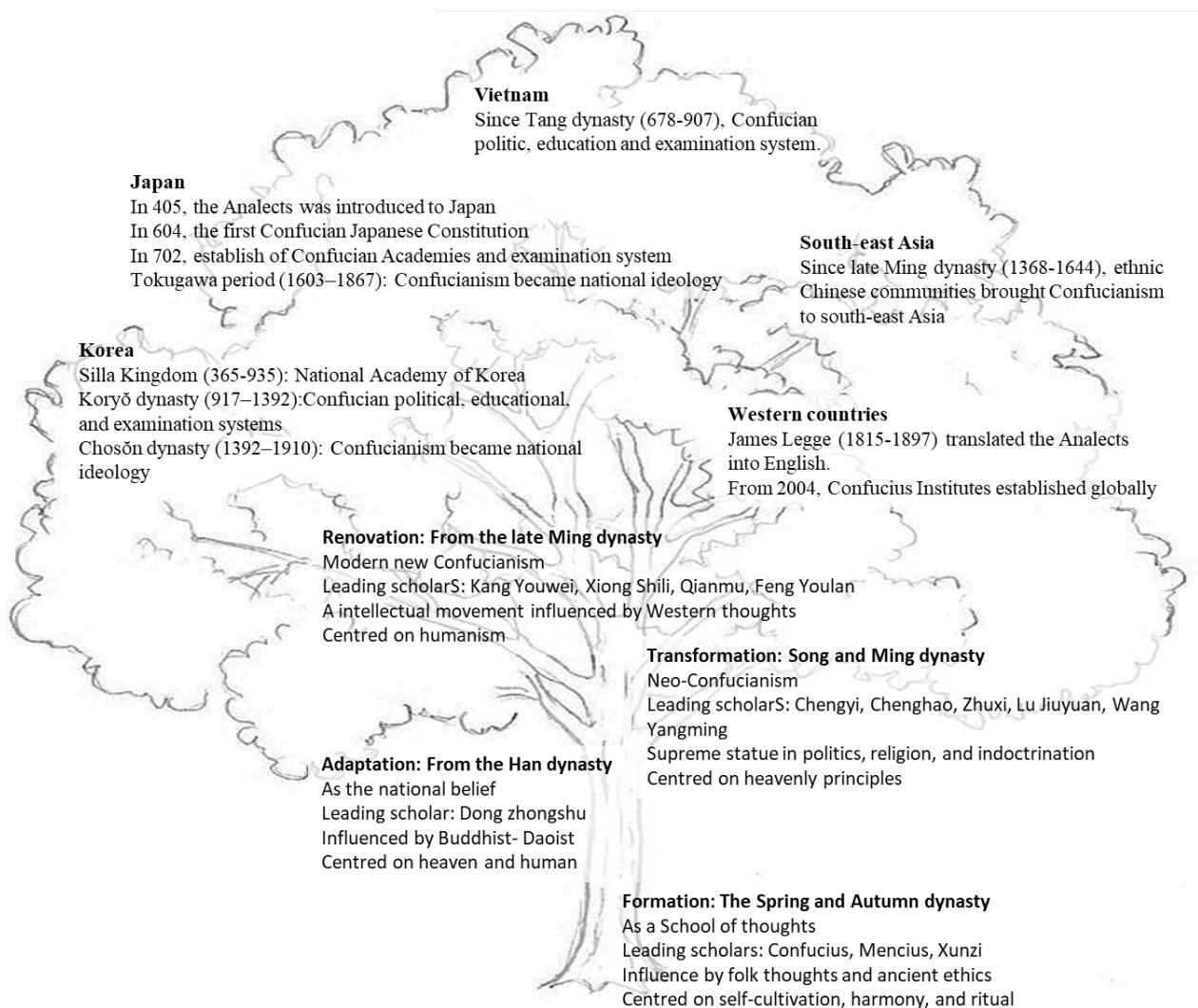


Figure 1
The Historical Thread of Confucianism

In the formative stage in the Spring and Autumn dynasty (771–476 BC), Confucianism was profoundly rooted in the morality, ethics, religions, and spirituality of ancient Chinese society (Lee, 2017). The Chinese philosopher and educator Confucius developed the fundamental philosophy of Confucianism centred on the self-cultivation of *Ren* (humanity), the hierarchical social circumstances of *Li* (propriety), the moral example of *Junzi* (virtuous person), and the human liaison directed by *He* (harmony). Confucius' doctrine has been interpreted, enriched, and developed by generations of Confucian disciples and scholars.

The adaptation stage of Confucianism started with the Han dynasty (206 BC–220 AD). Confucianism was adopted as a tool for ruling by the autocratic monarchy of feudal dynasties. Ever since then, Confucianism has been the orthodox ideology and dominant school of thoughts in most of China's history. Influenced by Buddhist–Daoist philosophy, in the adaptation stage, Confucianism was centred on heaven and humans. According to Dong Zhongshu (董仲舒), the leading Confucian philosopher and politician in the Han dynasty, the great way \originated from heaven This indicates that the political order and social hierarchy of human beings and living creatures are subject to the mandate of heaven (imperial authority). The dominance of Confucianism was reinforced by the political system *Chaju* (察舉) and educational system *Zhengpi* (徵辟, which was transformed into *Keju*, 科舉, the civil service examination system in Imperial China) (Lee, 2017).

The transformation stage of Confucianism occurred during the Song dynasty (960–1279) and Ming dynasty (1368–1644) when such scholars as Chengyi (程頤), Chenghao (程

顛), Zhangzai (張載), Zhuxi (朱熹), and Wang Yangming (王陽明) developed the neo-Confucianism into a rigorous philosophical system. Neo-Confucianism defined *Li* (moral law, 理) as an omnipresent and everlasting existence that was both the origin of secular society and the ultimate criterion for the moral judge. Wang Yangming argued that the heart–mind created the physical existence, while *Li* endowed physical existence with meaning. Zhuxi advocated preserving heaven’s *Li* and destroying human desires. *Li* acted as the moral theology that endowed neo-Confucianism with supreme theocracy and political status.

The renovation stage of Confucianism began in the late Ming dynasty in response to challenges arising from the Western Industrial Revolution. Such scholars as Kang Youwei (康有為), Xiong Shili (熊十力), and Qianmu (錢穆) initiated contemporary new Confucianism in an attempt to break feudal restrictions and achieve social transformation. These scholars re-interpreted classical doctrines of Confucius and the Confucian scholar Mencius to integrate and promote modern democratic thought. Influenced by Christianity, Kang Youwei interpreted Confucianism as a philosophy about fraternity, equality, liberty, and not violent freedom. In a determination to break with the feudal tradition, Confucianism was systematically undermined after the establishment of the People’s Republic of China. However, it has regained popularity in the 21st century with a Renaissance movement of research on ancient Chinese civilization. Although it has transformed over time, Confucianism remains a source of learning, values, and social codes for Chinese.

Confucian influences have expanded globally via cultural transmission, and have flourished in East Asian countries in distinct forms, including *Rujia* (Confucianist doctrine, 儒家), *Rujiao* (Confucianist religion, 儒教), and *Ruxue* (Confucianist scholars, 儒學). Despite Confucianism’s dogmatism in sustaining and reinforcing its authority, it is flexible in shaping and reshaping itself to adapt to miscellaneous milieus (Yao & Yao, 2000). Korea is the first

country to have introduced Confucianism from China. In 372, the National Academy of Korea was established to disseminate Confucian study during the Korean Silla Kingdom (365–935). The Koryō dynasty (917–1392) adopted the dominant Confucian political, educational, and examination systems from China. Confucianism, especially the doctrine of Zhuxi, became the national ideology of the Chosŏn dynasty (1392–1910) (Lee, 2017; Yao & Yao, 2000).

After Korean scholar Wang In introduced the *Analects of Confucius* to Japan in 405, Confucianism was accepted by the Japanese nobility. Confucian thoughts were presented throughout the Seventeen-Article Constitution of Japan in 702. Emperor Bunbu propagated the Taihō code to authorize Confucianism as a national learning system, established Confucian academies, and adopted the Chinese *Keju* examination system. During the Tokugawa period (1603–1867), Confucianism (particularly Zhuxi’s doctrine) became the national ideology and educational foundation in Japan (Lee, 2017; Yao & Yao, 2000).

Confucianism has also had great influences on Southeast Asian countries and the Western world. During the Tang dynasty, Vietnam was partially occupied by China and was named Annam. Vietnam was a Confucian country that followed the Chinese political, education, and examination system until it was colonized by France in 1883. Contemporary Vietnamese still preserve the Confucian tradition and values. Ethnic Chinese communities brought Confucianism to Singapore and Malaysia. Confucianism was religionized in Southeast Asian countries and practised through ancestral worship and family and clan ethics (Lee, 2017). James Legge (1815–1897) first translated the *Analects* into English and took Confucianism to the Western world. From 2004, the Chinese government has been establishing hundreds of Confucius Institutes globally to exert cultural influence through Confucianism and the Chinese language.

CONFUCIAN MORAL CODES

Confucian moral codes are culturally refined and socially accepted moral qualities. *Ren* (humanity), a topic mentioned 104 times in the *Analects*, is a core value that lays the foundations for the Confucian moral codes. Mencius extended Confucian moral codes to a dualistic *Ren–Yi* (humanity–righteousness) framework. He concluded that his philosophy concerned only *Ren* and *Yi*. The *Doctrine of the Mean* further developed the three perspicuous virtues of *Zhi* (wisdom), *Ren* (humanity) and *Yong* (valiance). Mencius enriched the Confucian core value into what he called four beginnings– *Ren* (humanity), *Yi* (righteousness), *Li* (propriety), and *Zhi* (wisdom). During the Han dynasty, the Confucian core moral codes were standardized and promoted as five constants – the same four as previously plus *Xin* (faithfulness) (Wilkinson, 1996). Since then, the five constants have been internalized as Confucian individuals’ cultural DNA and have directed people’s mentality, moral sentiment, and conduct for more than 2 millennia.

The five constants have shaped the moral codes that efficiently act as the normative system prevailing over personal conduct and social events (Ip, 2009). At a subtle level, the five constants are internalized knowledge and social practice for the Confucian population to form a harmonious, cohesive, and virtuous society (Wilkinson, 1996). There is no need for Chinese to learn the five constants from Confucian classics. Confucian moral codes are profoundly rooted and internalized as the ‘collective programming of the mind’ (Fan, 2000, p. 3). Any behaviour that works against the five constants is considered to be unacceptable. The five constants are an invisible lens through which people shape their self-identity, connect to others, define their range of interactions, form society, and make sense of business practice. The following subsections provide further details of each constant.

Ren

Ren, which is human empathic reciprocity and moral sentiments, is understood broadly as humanity (Nhan, 2019), humanness (Yao & Yao, 2000), benevolence (Ding, 2006), kindness (Liu & Stening, 2016), compassion (Ip, 2009), and human-heartedness (Wah, 2010). The concept of *Ren* yields multiple interpretations. When disciples asked Confucius about *Ren*, he defined it as respect, generosity, integrity, alertness, and benefaction. Confucius' *Book of Rites* equated *Ren* with loving people. *Ren* is extended love and kindness to every person, every creature, and every form of life without discrimination. As *Chenghao* claimed in the book 'Study of *Ren*' (識仁篇), A *Ren*-person perceives everything in the universe as one unified entity. *Ren* is sentimental empathy, 'humanism and benevolence, love and affection, kindness and compassion' (Wah, 2010, p. 282). *Ren* is the most precious quality for people's inter-relating. According to the *Analects*, dignified people would not impair *Ren* to survive, instead, they would sacrifice themselves to achieve *Ren*.

Yi

Yi is moral judgment and virtuous conduct based on *Ren*. It is translated as appropriateness (Yeung & Tung, 1996), righteousness (Yao & Yao, 2000), goodness (Liu & Stening, 2016), or courage (Low & Ang, 2013). Confucian scholar Guanzi (管仲) advocated that *Li* (propriety), *Yi* (righteousness), *Lian* (honour) and *Chi* (shame) are the four dimensions of the state Zhuxi explained, *Yi* is the mind–heart judgment and the appropriate conduct. Liu and Stening (2016, p. 825) understood *Yi* as right action based on good judgment. The emphasis in *Yi* conduct is on proactivity and practicality. *Yi* not only is a vital moral code for self-cultivation but also acts as a guideline for interpersonal relationships.

There are no standardized rules of conduct for *Yi*. The understanding of *Yi* is scenario based and it depends on different relationships, circumstances, and interactions (Liu & Stening,

2016). *Yi* does not mean unconditional kindness; instead, it indicates moral rightness, discernibility, and right attitude, action, and relationship (Ip, 2009). As Confucius advocated, repay resentment with *Yi*, and repay virtues with virtues. In the *Book of Rites*, the ten rules of *Yi* were defined as kind father, filial son, well-behaved elder brother, humble younger brother, righteous husband, obedient wife, wise senior, submissive junior, benevolent ruler, and loyal subject.

Li

Li represents the social circumstances and rules of conduct defined by *Ren*. *Li* is translated as ritual (Yeung & Tung, 1996), rites (Jacobs, Guopei, & Herbig, 1995), courtesy and politeness (Low & Ang, 2013), etiquette (Romar, 2004), and propriety (Liu & Stening, 2016). Originally from the aristocratic worship rituals of the Zhou dynasty, *Li* obtained more humanitarian significance and expanded to include the concepts of etiquette, ritual, reciprocity, moral order and social norms. Shen Fengsheng (沈鳳笙) broadly defined *Li* as all the political, religious and criminal law, the bureaucratic system and national rituals whereas the narrow definition referred to rites of worship, funerals, court attendance, military, adulthood passage, and marriage for the aristocracy. *Ren* is the inner quality and source of *Li*, while *Li* is the presence of *Ren* in the social sphere. Confucius asked how a person could perform *Li* without *Ren*.

Li internalizes moral codes and social order by implementing a series of external norms and regulations (Liu & Stening, 2016). According to Wang Anshi (王安石), a poet and politician of the Song dynasty, the purpose of *Li* is to rule the subjects. Fei (1992, p. 100) argued that Confucian society is governed by the ‘rule of *Li*’ rather than the ‘rule of law’. According to Confucianism, society is managed and people are educated under *Li*-oriented folk customs. Through the practice of *Li*, people’s acceptance of social hierarchy and obedience to

social order has been reinforced. If people can perform *Li* according to their status, social harmony can be achieved. As the *Book of Rites* elucidated, the purpose of *Li* is to determine the distance of interpersonal relationships, to judge suspicion, to discern differences and similarities, and to tell right from wrong. A person with *Li* does not please others nor make promises easily. According to *Li*, people do not behave beyond the limits of status, do not insult others, and do not ingratiate themselves with others. So-called virtuous conduct is to cultivate virtue and live up to promises, and the essence of *Li* is about a person's virtuous speech and conduct.

Zhi

In Confucianism, *Zhi* is endowed with the dual meanings of *zhì* (wisdom, 智) and *zhī* (knowledge, 知). Those two words are occasionally interchangeable. The ancient philosopher Xunzi (荀子) distinguished between the two meanings as follows: *zhì* is the ability to learn, whereas *zhī* is the result of learning. Zhangzai (張載), a philosopher and politician of the Song dynasty, understood *zhī* as experience-based wisdom and *zhì* as morality-based wisdom. In Confucian understanding, being virtuous is considered to be more advanced than being knowledgeable, and thus, the transformation from *zhī* to *zhì* is the achievement of real *Zhi*.

Confucius considered that the ultimate purpose of *Zhi* was to achieve *Ren*. Confucius emphasized the order of *Zhi* and *Ren* to his disciples: give indiscriminate love to achieve *Ren*, then use your remaining energy to achieve *Zhi*. *Zhi* is the path by which to achieve *Ren*. According to the *Analects*, *Ren* is cultivated in the process of extensive learning, firm aspirations, earnest curiosity, and profound thinking. Mencius was concerned with discriminability as an important dimension of *Zhi*: discriminability is the beginning of *Zhi*. Xunzi deepened the concept of *Zhi* from the ability to discern the external world to the ability

to discern one's inner heart–mind. People with *Zhi* understand themselves, and people with *Ren* love themselves.

Xin

Xin, conventionally translated as trustworthiness (Low & Ang, 2013), credibility (Liu & Stening, 2016), faithfulness (Yao & Yao, 2000), or commitment (Yeung & Tung, 1996), guarantees the implement of *Ren* and acts as a baseline for social interaction. The *Analects* discussed the application of *Xin* to different occasions, such as Keep *Xin* with friends; I doubt a person without *Xin* can achieve anything; Every day, I reflect about the following three issues: was I loyal to my master, did I keep *Xin* with friends, and did I review newly learned knowledge? The ancient philosophy book, *The Way and Its Power*, defined *Xin* as keeping one's promise: a person who despises promises must lack *Xin*. *The Great Learning* pointed out that *Xin* is necessary for moral practice: The Great Way for a virtuous person was obtained through loyalty and *Xin* and was lost by arrogance and luxurious.

Notably, among the five constants, *Ren* lays the foundation for the other Confucian moral codes, and these other codes enrich the meaning of *Ren* (shown in Figure 2). *Ren* reflects the ultimate moral principle, whereas *Yi* is the moral judgment based on *Ren*, *Li* is the operationalized fork custom of *Ren*, *Zhi* is the path to achieve *Ren*, while *Xin* is the faith and belief that guarantees *Ren*. Without *Ren*, *Yi* would become a mechanical implementation of rules, *Li* would become formalism, *Zhi* would become mere cleverness, and *Xin* would become credit.

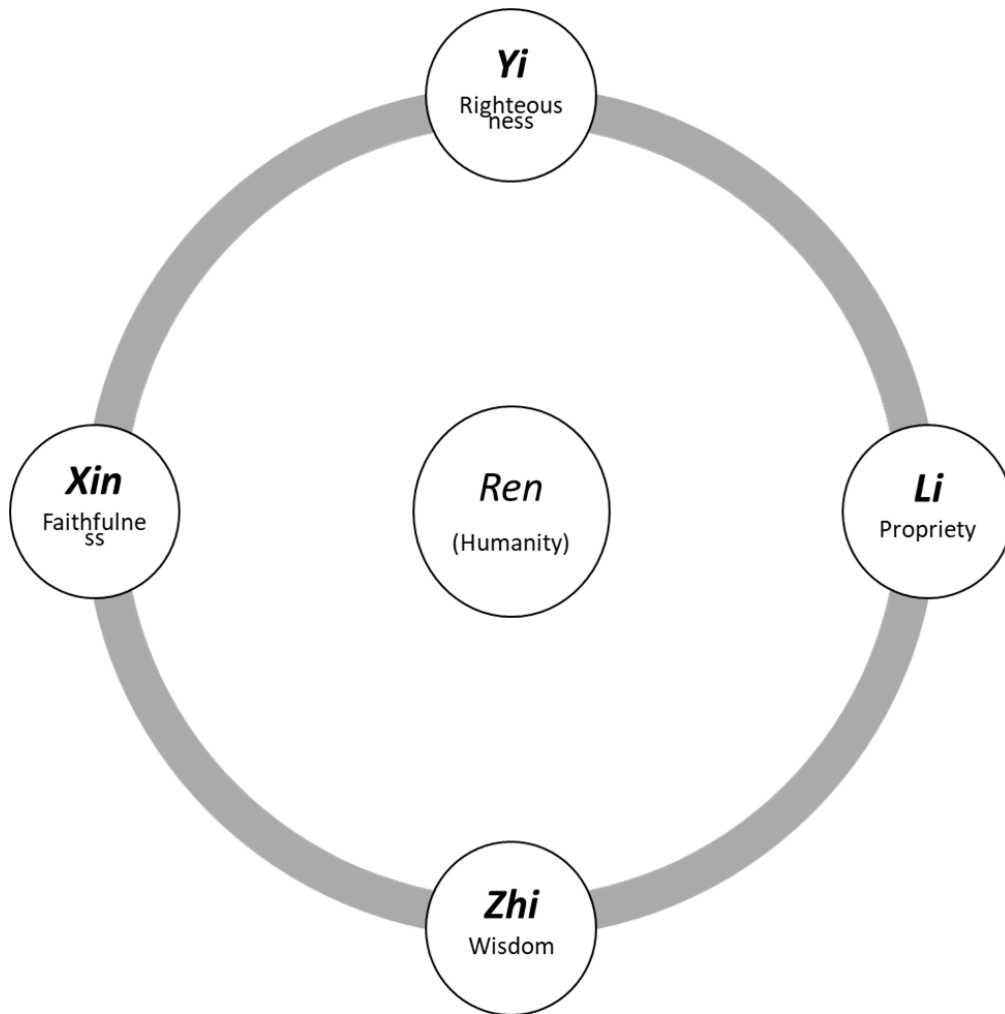


Figure 2
Confucian Moral Codes

CONFUCIAN HOSPITALITY BUSINESS MODEL

Confucian individuals have faith in, uphold, and live according to the Confucian moral codes in daily practice and the business world. ‘Confucian ethics can supply the basis through which people do, conduct business or make business decisions’ (Low & Ang, 2013, p. 32). Such scholars as Wilkinson (1996) and Kim and Park (2003) perceived Confucian moral codes as effectual forces to endorse business success, as ruler–subject loyalty corresponds to company loyalty, father–son benevolence corresponds to Confucian leadership, fraternal piety

corresponds to acceptance of hierarchy, friend–friend kindness corresponds to cooperation with co-workers, and self-cultivation corresponds to work diligence.

A series of studies have explored Confucian business implementation. Jacobs et al. (1995) pointed out that the Confucian business environment is characterized by hierarchy, ruled by men, is family oriented, has supreme authority, supports education, avoids extremism, and maintains honour. Romar (2004) claimed that Confucianism identifies hierarchy as a crucial institutional principle, which requires moral leadership, employees' obedience, and cooperative relationships. Hsu (2007) developed a neo-business excellence model that comprised delighting customers, focusing on fundamentals, people-based management, and continuous development. Ip (2009, p. 463) characterized the Confucian firm as having authority structure, social interaction, decision-making, leadership, and stakeholder relationships. Low and Ang (2013) considered that Confucianism could provide fresh and efficient strategies to make virtuous decisions, cope with global uncertainty, sustain business performance, shelter the workforce and employees, and perform social responsibilities. According to Liu and Stening (2016), Confucian morality is beneficial for strengthening and smoothing interpersonal relationships, building trust in-between economic entities, reaching consensus and harmony, fostering institutional authority, and creating virtuous leadership.

Confucianism perpetually shapes the mentality, moral doctrine, emotional orientation, behavioural patterns, and social norms of hospitality industry employees and customers. The Confucian hospitality firm is by nature characterized by 'collectivism, paternalism, hierarchism, particularism, and authoritarianism' (Ip, 2009, p. 472). Although Confucianism manifests in different ways and has various characteristics, rationally constructed Confucian hospitality firms share the core features of the Confucian hospitality business model, which consists of five aspects: business ethics, leadership, work ethics, service provision, and CSR marketing (shown in Figure 3).

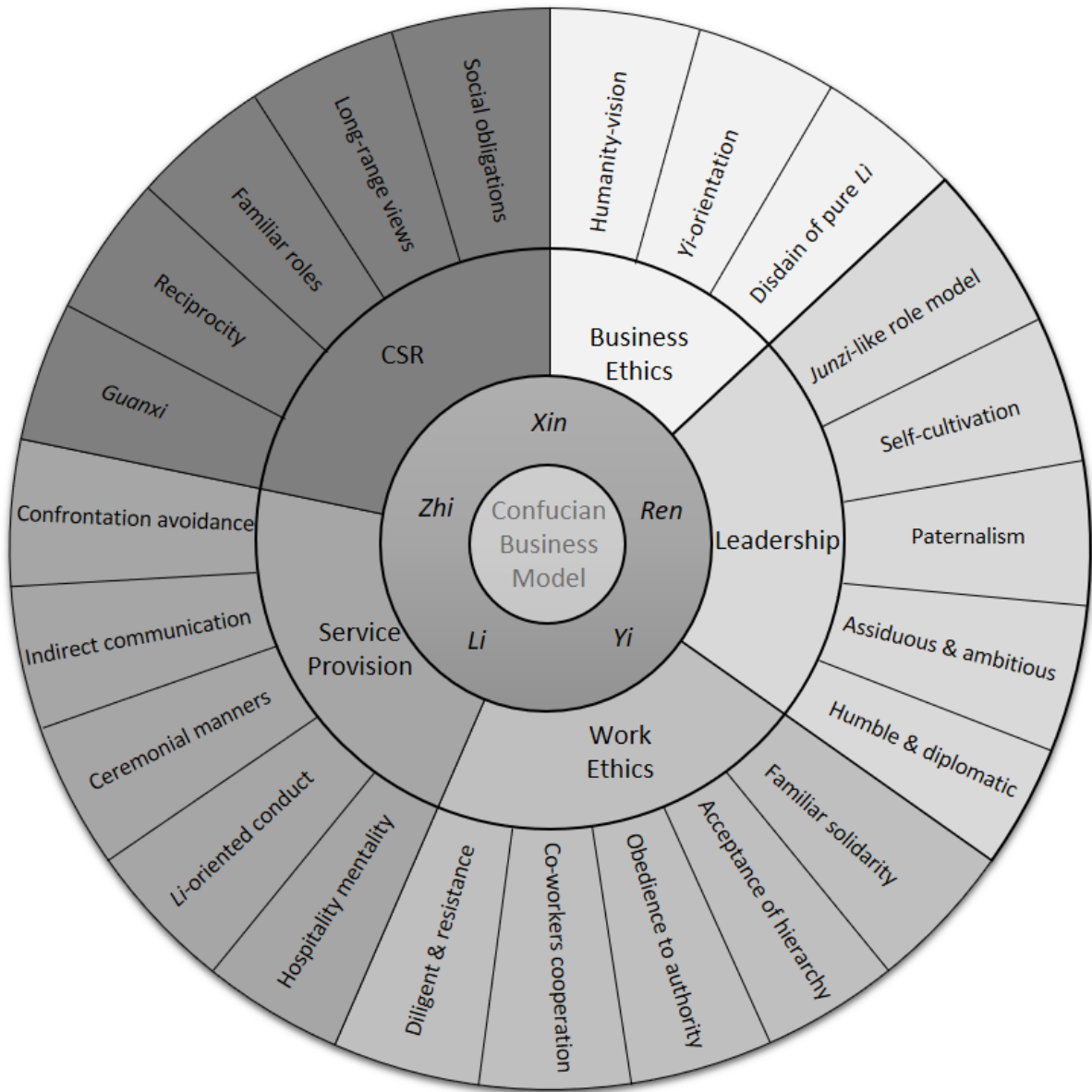


Figure 3
Confucian Hospitality Business Model

Business Ethics

As an important component of sustainable business performance, business ethics offer a critical framework through which to assess whether a firm's actions are ethical. Lashley (2016) mapped business ethics and morality of hospitality and tourism firms from the perspectives of corporate citizenship, equity, honesty, and avoidance of harm. Based on a systematic review, Köseoglu, Sehitoglu, Ross, and Parnell (2016) found that the main concerns of business ethics by hospitality and tourism firms include environmental concerns, CSR, business ethics, and morality. Although such scholars as Wijesinghe (2014) perceived hospitality business ethics as a universal objective measure without cultural differences, the present study argues that Confucian hospitality firms possess some unique business ethics.

The business ethics of Confucian hospitality are centred on the dialectic relationship between *Yi* and *Li* (benefit, 利). The debate between *Yi* and *Li* has lasted for 2,000 years and is a crucial topic for human ethics and values. Zhuxi stated that the doctrine of *Yi* and *Li* is the first and foremost meaning of Confucianism. Confucianism is not against *Li* per se, as long as *Li* is obtained through *Yi*. Rather, Confucianism rejects the unscrupulous pursuit of pure personal benefit at the expense of morality. Confucius said, if I can obtain wealth, I'm willing to be a coachman with a whip in hand. Mencius said, a virtuous person loves wealth and obtains wealth through *Yi*. A virtuous person should prioritize *Yi* over *Li*. Xunzi stated that it is an *honour* to put *Yi* before *Li*, and it is a disgrace to put *Li* before *Yi*. The pursuit of *Li* is a legitimate demand insofar as it is constrained by *Yi*. If *Li* can benefit collectively then, it is a *Yi*-conduct that should be performed and promoted (Ding, 2006), as Confucius asked: Isn't it beneficial and effortless to obtain *Li* for people's *Li*?

In Western linguistics, hospitality is defined as service interactions driven by surplus profit (Lashley, 2015). However, under the Confucian framework, hospitality is perceived as

humanity-oriented conduct ‘that is defined by amenities and features that add material comfort, convenience, and smoothness to social interaction’ (Chon, 2019, p. 13). Confucian moral codes frame the business vision of Confucian hospitality firms, shape their goals and strategies, and direct prescribed business activities. Confucian hospitality firms consider that the rationale of their business is to obtain *Li* through *Yi* conduct, such as creating smooth host–guest interactions, and providing genuine care and pleasant service, improving the mental and physical well-being of employees, sustaining mutual benefits with stakeholders, and contributing back to society in times of need.

Confucian hospitality firms exhibit humane vision, *Yi* orientation, and disdain of pure *Li*. A recent example is the Chinese hospitality industry’s reaction during the spread of the novel coronavirus in 2020. The Chinese hospitality industry suffered extensively due to the crisis. Nevertheless, starting in Wuhan city, and then spreading through Hubei province and nationally, thousands of hotels voluntarily provided free accommodation for doctors, nurses, soldiers, stranded tourists, and quarantined citizens. Travel agents shipped medical supplies to China through their international networks and donated supplies to hospitals. Chinese online travel agents, together with hotels, airlines, and destination management organizations, provided timely refunds for travel expenses. During the national crisis, hospitality firms cooperated to tackle the current difficulties and to sacrifice *Li* for the greater good of *Yi*.

Leadership

Future trends of the hospitality industry call for leadership that indorses ethical conduct and employee gratitude (Chon & Zoltan, 2019). Different leadership style creates various climates of trust, and thereby lead to diverse employee performance, such as firm commitment, work engagement, and work performance (Ling, Liu, & Wu, 2017). The joint effort of Confucian leadership and ideologies has led to rapid economic growth in Asian countries (Kim

& Park, 2003). Romar (2002) argued that Chinese economic strength was rooted in Confucian paternalism, which focuses on morality, benevolence, and authority to foster Confucian leaders. Confucian moral codes can foster ideal leadership, such as righteousness, virtue, pragmatism, stable personality, sincerity, moderation, and long-term outlook (Tsang, 2011). A virtuous Confucian leader should be capable of maintaining harmonious interpersonal relationships, preserving a humble self-image, and avoiding calculated personal gain or loss (Hsu, 2007). McDonald (2011) portrayed the modern Confucian leader as a hard-working, ambitious yet humble person with an abiding interest in self-cultivation. In the hospitality industry, Gilbert and Tsao (2000) discovered that Confucian hotel managers take care of employees professionally and personally, thereby strategically boosting employees' work engagement and commitment.

Through ambitious self-cultivation, Confucian leaders are obliged to emulate a virtuous person in establishing superior personal virtues and setting a moral example for his/ her employees (Romar, 2004). Confucian leadership is based on moral codes and performed by virtuous actions. According to Confucian leadership, if a leader demonstrates virtue, employees would self-govern themselves and obey the leader's instructions. Confucius said, as long as the leader behaves well, people will follow the leader even if he/she doesn't give orders. If the leader acts improperly, people will not follow him/her even if the leader forces them to. Confucian leaders believe in the power of virtue, and thus, they practice it personally and preach it to employees. The *Analects* recorded that a virtuous leader is like the North Star. Although the leader is fixed in one place, stars will be attracted to surround him/her.

Confucian hospitality firms exhibit a culture of 'hierarchical human employer paternalism relations' that manifests as managerial prerogatives and employer paternalism (Wilkinson, 1996, p. 425). The Confucian leader exists in a kind of relationship with spiritual or paternal connotations and is a self-appointed teacher, mentor, or coach for employees.

Confucian hospitality leaders undertake bigger responsibilities and also have greater controlling power. Confucian leaders believe that their responsibilities extend beyond what is written down in company regulations. Like the father in a family, Confucian leaders display generosity and compassion, upwards to the firm, and downwards to employees, as a community of common future. As the Chinese saying goes, Confucian leaders perceive the personal bond with the firm's future as live together and die together and the connection with employees as glory together and abasement together.

Work Ethics

The Confucianism moral codes have been converted into economic form as work ethics for the contemporary hospitality landscape. Hospitality employees adopt work ethics to guide their interaction with leaders, customers, and co-workers (Tavitiyaman, Zhang, Ko, & Ng, 2019). Shaped by familiar solidarity, Confucian employees work for collective benefits rather than personal welfare, and thus, they are capable and willing to work assiduously and bear hardship. They possess great commitment and loyalty to the firm, display acceptance of hierarchy and managerial paternalism, collaborate with co-workers harmoniously and collectively, and devote themselves to continuous self-improvement through education. Fan (2000) depicted Confucius' work ethics as bearing hardship, leader-governed, respect for authority, easy-to-reach consensus or compromise, confrontation avoidance, orientation toward collectivism, disdain of pure profit, sense of social obligation, and satisfaction with status, among others. Similarly, Kim and Park (2003, p. 45) described Confucian work ethics as 'discipline, hard work, dedication to duty, loyalty, responsibility, and achievement-oriented education'.

Confucianism is 'basically humanistic, obligation-based, and collectivistic in nature' (Ip, 2009, p. 464). Family is the building block and sanctified unit of interpersonal relationships

in Confucian society. Confucianism interprets every human relationship as an extension of the family and promotes familial collectivism. In the ever-expanding familial social network, the balance between rights and obligations is dexterously maintained by morality. With the family as a metaphor, the culture of harmony, solidarity, and cooperation is prevalent in Confucian hospitality firms. Consequently, an essential Confucian work ethic is cooperative and collective effort between leaders and employees and among co-workers. With the belief that self-achievement occurs only in social interaction, Confucian employees de-emphasize themselves and show disdain for personal profit (Ding, 2006). An individual's value does not exist without the social network in which he/she is embedded. Confucian employees are motivated to engage in self-sacrifice to contribute to the firm and nation, from long work hours, lower payment, and even risk of health or life.

In addition, compared with their Western counterparts, Confucian hospitality employees display more acceptance of hierarchy and managerial authority. Confucian society is hierarchically constructed, and the same holds for hospitality firms. The Confucian superior-subordinate social pattern plays an important role in smoothing a firm's bureaucracy and management, enhancing work productivity, and taking unified actions (Kim & Park, 2003). Although managerial paternalism can be suspected as an infringement of human rights in the Western context, scholars have discovered that Confucian hierarchy and authoritarianism promote management efficiency and economic expansion (McDonald, 2011). Familiar collectivism entails individuals subordinating their benefits to the group, and yet subordination is not unconditional and obedience is not unprincipled (Romar, 2004).

Service Provision

Human interrelations in the hospitality industry are not only about economic capital, but also have a crucial socio-cultural dimension. The hospitality firm's service provision is a

significant predictor of customer satisfaction and the firm's financial performance (Kao, Tsaur, & Wu, 2016). Hospitality customers from different socio-cultural backgrounds attach different importance to various service dimensions. While Westerners emphasize business expertise, Confucian customers appreciate service humanity. For instance, Kuo (2009) found that US customers focus on immediacy and efficiency, Taiwanese customers value friendliness and enthusiasm, whereas Japanese customers admire courteousness and propriety. For Confucian individuals, serving superiors and elders with deference and obedient gestures is not deprivation of self-esteem, but rather virtuous conduct and great glory. Conversely, some communication styles that display pride in Western culture could be perceived as arrogant and provocative in Confucian understanding (Purnell, 2018).

The Confucian hospitality culture is shared by Confucian societies in which guests are treated with natural warmth, kindness, and deference, which is the foundational mentality for a hospitality firm to succeed (Chon, 2019). The Confucian concept of commonness also lays the foundation for non-discriminatory hospitality practice across races and cultures (Lam, 2003). Confucius advised his followers to welcome guests with genuine pleasure: isn't it a delight when friends visit from afar? Hsu (2007) considered that Confucian virtues, such as mutual kindness and respect, could be adopted to delight customers in the business context. Tsang (2011) revealed Confucian moral codes, such as tolerance, harmony, courtesy, humbleness, trustworthiness, and self-cultivation, as a cultural asset for Confucian hospitality firms to guarantee service provision.

Confucian individuals are shaped by *Li* and have an inherent service mentality. In the Confucian cultural area, guests are served in an almost ceremonial manner. For Confucian hospitality firms, customer retention is naturally embedded in Confucian personality and cultural genes, which does not necessarily need to be instructed or accentuated (Gilbert & Tsao, 2000). The respect and deference for seniors and superiors are naturally reflected in hospitality

workers' attitudes, language, and actions toward customers. For instance, hospitality staff always deliver items to customers and receive items from customers with both hands and a slight bow. Chinese restaurants traditionally utilize a round table, which represents reunion and harmony. Seats around the table are hierarchically distributed according to clan rank in a family gathering or business title. Each dish should be tasted by the most honoured guest and then is passed to others according to rank. Confucian *Li* is accepted as *omotenashi* in Japan, which refers to the Japanese courtesy of serving guests with respect. This customer-oriented mentality is reflected in Japanese restaurants' signs 'we are preparing (the restaurant for you)' instead of 'we are closed' during non-opening hours. Every signal, word, or action that does not follow *Li* is deemed as offensive and destructive of harmony.

Corporate Social Responsibility

The hospitality firm's CSR contributes to the company's reputation and customer satisfaction, predicts customer commitment and behavioural responses (Su, Pan, & Chen, 2017), promotes organization citizenship and task performance (He, Zhang, & Morrison, 2019), improves employees' well-being (Kim, Woo, Uysal, & Kwon, 2018), and forges sustainable practice (Font & Lynes, 2018). Confucian hospitality firms consider that long-standing harmonious *Guanxi* brings relationship longevity and augmented profitability. In a Confucian society, people first spend time establishing proper *Guanxi*, and then address business issues. There is always a blurred boundary between a business transaction with practical purposes and personal interaction with sentimental meaning. As long as *Guanxi* is well-maintained, a business transaction can be further deliberated and established.

The finishing point of one transaction does not indicate the end, but the starting point for enduring cooperation to be continued (Ding, 2006). As the Chinese saying goes, the business has failed but *Ren* and *Yi* continue. Confucian individuals believe that a balance

between gain and payment of social credit exist in the long run only. Every *Guanxi* is a stock to invest in times of abundance and to withdraw in times of need (Yeung & Tung, 1996). This is reflected in the Chinese saying, the kindness of one drop of water must be repaid by a gushing spring. The Confucian social role implies a familiar understanding of one's position in dynamic relationships that extend to business encounters. Confucian firms perceive customers as parents who offer us clothes and food and treat stakeholders as siblings who enjoy prosperity together, and bear hardship together. For instance, when the Banyan Tree hotel group planned to build new hotels, it held an almost religious belief in environmental protection to stay in harmony with nature. Therefore, the hotel would rather modify its design rather than cut a single tree. In addition, Banyan Tree has strong faith in treating employees with *Ren* and *Yi*, and hence, states in its legal labour agreements that employees earn all service charges paid by guests

Some studies have explored Confucian CSR. Gilbert and Tsao (2000) revealed that Confucian firms are devoted to smoothing business growth, creating pleasant interactions, and building predictable, governable, and long-lasting cooperative relationships with stakeholders under strong *Guanxi* focused on honour, human sentiment, and virtues. Confucian characteristics, such as emphasizing *Guanxi*, focus on social bonds rather than immediate gains, and long-range views, are shared by economic entities that contribute to the harmonious cooperation of stakeholders (Fan, 2000). Ding (2006) found that Confucian individuals place great importance on proper human relationships, humble themselves in business encounters, and shun purely personal profits in business transactions. Low and Ang (2013) pointed out that Confucian CSR emphasizes the compelling desire to contribute back to the society, and therefore, CSR is naturally executed by Confucian firms and has become necessary for business success. For instance, leaders establish a familiar bond with employees, by expressing concern for their welfare and future careers, providing genuine care and the highest *Li* for their customers, creating long-standing harmonious connections with and reciprocal benefits for

local communities, showing loyalty to the government and actively serving its needs, and being dedicated to promoting social well-being and environmental protection. It is common practice for Confucian merchants to adhere to CSR, to be passionately involve in charity, and to invest in schools, roads, and bridges for their hometown and local community once they accumulate enough capital (Lam, 2003).

CONCLUSIONS AND DISCUSSION

Conclusions

The purpose of the current study was to provide an explorative analysis of Confucian impacts on the hospitality industry. Confucianism is an inner belief that deeply interconnects all Confucian populations. This study reviewed the Confucian historical context to present a holistic picture of its evolution and geographic variation. One of the insights to emerge from this study is that the five Confucian constants are deeply embedded in the ideological format, behavioural code, and regulatory discipline of the Confucian hospitality industry. At the intrapersonal level, Confucianism emphasizes self-cultivation, at the interpersonal level, it promotes harmonious liaisons, and at the social level, it accentuates hierarchy and collectivism. In today's business world characterized by instrumental and utilitarian rationalities, Confucianism prompts innovative ethical thoughts and conduct that can resolve the ethical deficit and nurture economic expansion in a longer horizon.

This study proposed the Confucian hospitality business model. Confucian hospitality business ethics are characterized by vision for humanity, orientation toward righteousness, and disdain of pure propriety. Confucian leaders are shaped to act morally through assiduous self-cultivation. Ideal Confucian leaders should be ambitious yet humble and principled yet diplomatic by managing employees through virtue rather than discipline. Confucian hospitality

firms are hierarchically constructed. On the one hand, Confucian leadership manifests as managerial prerogatives and employer paternalism, while on the other hand, Confucian employees demonstrate acceptance of hierarchy and deference to authority. This endows Confucian hospitality firms with familiar solidarity and collective efficiency. Confucian hospitality employees are culturally indoctrinated with a hospitality mentality. Compared with their Western counterparts, Confucian hospitality employees are generally committed and loyal to the firm, are obedient and deferent to leaders, cooperate and interact harmoniously with co-workers, and display courtesy and respect to customers. Confucian customers have more expectations regarding propriety, which manifest as service attitude, communication style, etiquette and ritual, moral order, and social norm. In addition, Confucian hospitality firms strive to maintain long-standing, reciprocal, and cooperative *Guanxi* with stakeholders and to serve their major stakeholders – guests, employees, communities, and authorities– with humanity, righteousness, and propriety.

Theoretical Implications

This study aids understanding of the socio-cultural framework through which the Confucian hospitality service is created, delivered, and interpreted. The findings of this study have significant implications for understanding how Confucian hospitality is culturally constructed. The Confucian core moral codes, the five Constants, are explained in both their cultural context and the hospitality setting. The five constants combine an enterprise system and cooperate culture into a hierarchical structure with familiar collectivism and parental authority. The five Constants facilitate the socio-cultural investigation of Confucian firms and individuals in various hospitality and tourism settings. Each of the five aspects of the model can be further developed into a series of empirical studies in future research.

Managerial Implications

For a Confucian hospitality firm to succeed, it should set Confucian morality as a cornerstone of its growth with an emphasis on the five constants; promote a familiar collectivism atmosphere to build morale, perform financially, enhance effectiveness, and boost compatibility; create a common good for major stakeholders and contribute to society; and cultivate virtuous leaders to set a moral example for employees to follow; foster parental and sentimental leader—employee bonds to augment talent retention and reduce staff turnover. Moreover, a successful Confucian hospitality business should use propriety to rationalize the service spirit to forge a genuine customer-oriented hospitality mindset; engage both customers and employees as they would family members; boost Confucian customers' esteem through service procedure; adapt to both the Confucian socio-cultural milieu and the global environment; accommodate diverse values, demands, and communication styles of customers from different parts of the world; and reinforce harmonious relationship with customers, employees, local communities, government, and even competitors.

In addition, with globally expanding Chinese hospitality firms and ever-increasing numbers of Chinese tourists (it is temporarily hindered by the COVID-19 pandemic), a better understanding of Confucianism would be crucial for not only Confucian hospitality firms but also international tourism corporations that target the Confucian market. Consequently, Confucian moral codes, social norms, and hospitality implementation should be systematically developed into a training program for addition to the hospitality educational curriculum. Doing so would be beneficial for firms located within Confucian areas, those that serve Confucian customers, those that hire Confucian employees, and those that establish Confucian partnerships.

Limitations and Future Research

The main limitation of this study is the lack of empirical verification of the research proposition. Empirical studies using mixed methods would add to the growing body of knowledge of the Confucian impacts on hospitality practice. Moreover, this study attempted to present a general image of Confucian influences on the hospitality industry, which has thrown up many questions in need of further investigation. Future research directions on Confucianism in the hospitality industry include the following areas: 1) Confucian hospitality business ethics; 2) Confucian hospitality leadership and Confucian human resource management; 3) Confucian hospitality work ethics; 4) understanding the value, culture, aesthetics, and service expectations of Confucian customers; 5) Confucian CSR in the hospitality industry; and 6) a socio-cultural explanation of Chinese hospitality amid the COVID-19 pandemic. Moreover, we should acknowledge that there are some core values in common between Confucianism and Western ideology (Lam, 2003). Moral codes, such as humanity, righteousness, and faithfulness, widely exist across regions and cultures, and greatly influence the hospitality industry, albeit in different dimensions and forms. Therefore, an essential next step is to examine the uniqueness of Confucianism through cross-cultural comparison of hospitality practice, as well as to understand Confucian hospitality among participants with different social backgrounds and cultures.

It is necessary to acknowledge that Confucianism is a male-dominated philosophy that largely ignores the presence of women in the Confucian linguistic corpus and narrative. In addition, although it is beyond the scope of this study, Confucian hierarchy, authoritarianism, and paternalism have been criticized for repressing human nature and subjective initiative, and hence, for not being compatible with Western individualism. Moreover, the understanding and translation of ancient Confucian classics is subjective, and thus, continues to be mired in controversy. Therefore, there is room to reinterpret aspects of Confucianism.

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