

## Sustainability of Hotel Establishments in Tuguegarao City

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### ABSTRACT

The utilization of the descriptive-survey method secures adequate and reliable source on the Sustainability practices of hotel establishments in Tuguegarao City in terms of economic, environment, social aspect, employee motivation, customer satisfaction and employee satisfaction. (60) Owners of hotels establishments in Tuguegarao City were the participants of the study. A guided questionnaires and interview were used for instrumentation. For data analysis, frequency and percentage, weighted mean and analysis of variance (ANOVA) were employed. Based on the findings, hotels establishments managers are aware of the hotel sustainability of their businesses. Their primary motivation is long-term profitability of the hotel business. Economically, they always offer affordable products. When it comes to environment, they invest in renewable energy resources. From the social aspect, they are friendly to their co-workers. From the employee motivation, they value their employees. And from the customer satisfaction, they have a better communication skill to their customers, participants s agreed on the perceptions on business ethics and their motivation to practice business sustainability but their level of motivation and employee motivation is often manifested and hotels establishments may participate in the activities of government like consumer welfare month or those activities with advocacy in helping the environment. Owner can give rewards to customers for frequent purchases like loyalty cards, discounts and other forms to promote products to customers.

Keywords: Sustainability, Sustainability practices, Hotel Establishment

### INTRODUCTION

Sustainable businesses, large and small, have the capacity to provide innovative products and services, create fulfilling jobs, reward shareholders and communities, promote accountability, reduce natural resource dependence and pollution, contribute to enhance energy and food security worldwide, address the needs of developing nations, help people everywhere to lead healthier, more creative and more fulfilling lives.

According to the Fordham University (2013), the economic, social and environmental challenges facing businesses today are unlike any of the challenges faced by the organizations in the past. There is more pressure, from the government level down to the consumer to conduct business in ways that protect the environment. There is an increased desire for trustworthy, upstanding businesses – combined with flagging public trust in many of our largest corporations. Sustainable business provides a foundation for businesses' success in this climate. Its techniques enable organizations to be profitable while, at the exact same time, helping people and the environment, resolving tenacious social problems.

Why are sustainable businesses successful? At first it seems counter intuitive: Doesn't going out of the way to respect people and planet make it more difficult to profit? The truth, as Fordham's sustainable business students learn, is actually the opposite. Companies that invest in sustainability are the ones that can effectively weather resource constraints. They are the ones that survive market upheavals; because consumers are committed to remaining with companies they feel match their values.

Hotel business play a major role in the country's economic development through their contribution in rural industrialization; rural development and decentralization of industries; creation of employment opportunities and more equitable income distribution; use of indigenous resources; creation of backward and forward linkages with existing industries and entrepreneurial development. They are vital in dispersing new industries to the countryside and stimulating gainful employment. A country like Philippines where labor is abundant has much to gain from entrepreneurial activities. Small and medium enterprises are more likely to be labor-intensive, thus they generate jobs in the locality where the enterprise is located.

Hospitality Industry are quick in assimilating new design trends, developing contemporary products and bringing them to the marketplace ahead of the competition. They tend to be more innovative in developing appropriate technology which may be grown later into becoming pioneer breakthroughs. They are particularly skilful in maximizing the use of scarce capital

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resources and able to partner with large firms by supplying locally available raw materials in unprocessed or semi processed forms. They play in important part in providing services in the community. They can also make an important contribution to regional development programs.

According to **Cornell University's Center for Hospitality Research** (2018), stated that Over the past several decades, hoteliers have turned their focus to the importance of sustainability in the hospitality industry as it relates to hotel development and operations, including the environmental, economic and social impact. Sustainability is one of the most important issues currently facing our world. The hospitality sector has historically had a dramatic environmental impact through energy and water consumption, use of consumable and durable goods, and solid and hazardous waste creation. Hotels consume energy for HVAC operations, lighting, fuel and other power needs. Water is used for bathrooms, F&B, and laundry, as well as other general operations (irrigation, cleaning and maintenance). Waste is generated by the disposal of paper, batteries, bulbs, furniture, equipment, appliances and more. Economically, myths include the ideas that green operation is more expensive and that guests are not interested in sustainability. In fact, the reverse is true for both. Recent advances in technology related to renewable sources of energy (solar, geothermal, wind, etc.) have improved the economics of using these kinds of alternative energies at the property level.

In the last year, the International Standards Organization (ISO) released **ISO 21401**: a sustainability management system for accommodation providers. Not only does the new standard address issues related to environmental protection, resource consumption, and waste generation, it also includes matters concerning human rights, local economic development, and the health and safety of employees and guests.

Evaluating the commitment to sustainability by lodging establishments at a global level is finally possible. Eco-friendly hotels that implement ISO 21401 will soon be able to prove that they are indeed sustainable organizations, putting those who pay lip service to green initiatives in serious jeopardy of lost bookings and revenues.

According to Dominican University of California's MBA (2012), focusing on sustainability, one must develop the tagline "Transform Yourself, Transform Business, Transform the World." In Sustainable hotel business is an engaging learning community where people with strong environmental and social values develop effective leadership capacities to advance economically successful, ecologically restorative, and socially just initiatives in any type of organization. In many ways, sustainability can benefit businesses looking to cut costs. For example, adopting alternative means of energy is a great way to save money over time, even though it is rather pricy upfront. You could spend thousands (or even hundreds of thousands) of dollars installing solar panels or wind turbines that will take your facilities off the grid. But considering you'll start getting free energy, you stand to make that money back (and then some) over time. And with sustainable energy becoming more popular and easier to obtain, the initial cost could see a marked decrease in the coming years.

According to WBCSD World Business Council on Sustainable Development (2000), the term business sustainability which often means merely for profits without environmental concerns. Rather the commitment to sustainable development includes economic growth, ecological balance, and social equity. Sustainability is not merely an emerging trend. With more and more people competing for finite natural resources, sustainable production is likely to become the only viable alternative.

According to UNIDO (2011), the definition of hotel business is a significant issue for policy development and implementation and depends primarily on the purpose of the classification. Like other countries, various authors have usually given different definitions to small and medium enterprise.

Hotel Establishments has led to an emphasis on their social and environmental impact illustrated by an increasing number of initiatives aimed at engaging in Sustainability of Hotel Establishments in Tuguegarao City. The aim of the study there for is to progress understanding the characteristics, its limitation opportunities, benefits, factors and barriers in sustaining a business through exploration of the best practices of the enterprise.

The world is currently operating in an unsustainable manner, but people continue to exist, getting stronger for them to attain specified goal. Same in the world of business, there's a matter of life and death in moving towards business success despite of risks, obstacles and barriers which arise but unfortunately, not all businesses will develop, some tend to fail. They tend to ask "why did I fail? Or where did I go wrong? And this is where our study enters, Sustainability of Hotel Establishments in Tuguegarao City.

With this study, we want to learn and understand more about business sustainability and how it affects the economy, social, and the environment. It is important for us to learn and understand business sustainability because it gives a strong impact in the condition of the economy

## Conceptual Framework of the Study

Organizations shape behaviors through explicitly recognizing what is important to the organization to simplify complexity, shaping procedures to reinforce certain outcomes, and by endorsing a specific set of values for individuals to exhibit. A model of hotel business makes clear who is important to the organization and therefore impacts the values shared in an organizational system. This, in turn, impacts how decisions are made at all levels of the organization.

Sustainable development reflects the interests and 'stakes in the ground' of groups, including corporate, who contest the definition of the concept. Applied to understandings of sustainable development held by corporate managers, they reveal conceptions largely based in eco-modernism and political sustainability.

Hotel Business Sustainability is a continuous process. It requires high level of decision making for those who are managing enterprises. Hotel Business Sustainability shapes the organization to recognize what are important in the business. In

sustaining Hotel business, they are not only after for the profit they will earn, but they also have good camaraderie to their people with social values to be environmental steward.

Sustainability means ensuring human rights, well-being, and achieving global food security without depleting or diminishing the capacity of the earth's ecosystems to support life or at the expense of others' well-being. It is a multi-dimensional concept encompassing good governance, social development, environmental integrity, and economic resilience.

Hotel Business Sustainability acknowledges the social contribution and strength of people and how their competencies can be re-envisioned and applied to create sustainable value. This will enable business to consider all aspects of sustainability without limitations to environmental and technological considerations alone.

Sustainability is a macro concept that applies more broadly to entire systems and infrastructures. The term can be somewhat elusive but can be characterized as it spans a multitude of topics. Within our sustainability consulting practice, we have found it helpful to start the conversation about sustainability with a common language. Regarding business sustainability, The Natural Step framework offers a common language for discussion. However, while visiting with individuals seeking a sustainable lifestyle, sometimes discussing sustainability concepts that are most familiar are a quick easy way to begin the conversation. Sustainability concepts, in the form of strategies, tools, ideas and models, are tangible mechanisms used to achieve sustainability for both businesses and individuals.

The idea is a simple one based on three fundamental assumptions. The first of these is that businesses have an interest in generating value in the long term. The second is that business conduct that is destructive of the natural or social environment will ultimately give rise to burdensome direct and indirect costs – either through the imposition of formal penalties imposed by governments or through the loss of value in damaged relationships with key stakeholders including: customers, current and future employees, shareholders and so on. Finally, it is argued that the pursuit of sustainable growth creates new commercial opportunities for businesses able to develop and market new goods and services that help to achieve the goals of sustainability.

Sustainability is widely regarded as the key to a successful business in the 21st century. Sustainability or social responsibility is fast becoming a prime concern for public and private sectors alike and the hotel industry is no exception. But what does this term really mean? In simple words, sustainability means that natural ecosystems can continue to support life and provide resources to meet the needs of the present and future generations. Evidently, the hotel sector puts increased pressure on the environment and is demanding on the natural resources. However, the industry also relies on the same natural environment – unspool landscapes, sandy beaches, turquoise waters, glaciers, waterfalls, coral reefs and fresh air; all of which serve as great tourist attractions. Therefore, there is an inherent danger that we might harm the very basis on which hospitality is built.

In addition, other business concerns, such as rising costs, increased government pressures and competitors' actions have only motivated hoteliers to embrace sustainability and make it an integral part of the corporate agenda. Tourists themselves are also increasingly aware of the issue of sustainability, expecting hotels to assume responsibility and conduct their business sustainably.

The industry has been quick to respond to these changes and is progressively turning 'green'. Policies and practices have been put into place in order to recycle, re-use grey water, prevent waste, reduce energy use and lower carbon footprints. Indeed, all major players within the hotel sector (Hilton Worldwide, Intercontinental Hotel Group, Marriott, Starwood and Carlson Rezidor to name a few) regularly publish their sustainability reports, whilst reporting initiatives undertaken to reduce the negative impacts on the environment. For many, such as the **Green House Hotel** in Bournemouth, sustainability is a part of the core experience, as their business mantra is 'to spoil the guests without spoiling anything else'.

However, sustainability is a lot more than environmental management, it is also about economic progress and social development. Social concerns such as inclusivity, promoting work-life balance, promoting employees' health and wellbeing, sourcing supplies locally and stimulating entrepreneurship are all part of the sustainability agenda.

### Statement of the Problem

This study aims to determine the Sustainability of Hotel Business Establishments in Tuguegarao City. Specifically, it will seek to answer the following questions:

What is the profile of participants in terms of gender, age, employment status, years in business, highest educational and monthly salary?

What is the profile of establishment in terms of nature of business, type of business, start-up capital, years of operation, gross monthly income ?

What is the participants knowledge on Business Sustainability?

What are participants motivations to practice Business Sustainability?

What are the participants' sustainability practices in terms of economic, environment, social aspect employee motivation and customer satisfaction?

Is there significant difference on the sustainability of business establishment when grouped according to profile variables?

What are the problem and challenges encountered by the hotel owners in practicing Business Sustainability?

### MATERIALS & METHODS

This chapter presents the research design, participants of the study, instrumentation, data gathering procedures and data analysis.

## Research Design

The descriptive research design, specifically the descriptive survey method was used in the study. It deals on the Sustainability practices of hotel business establishments in Tuguegarao City in terms of economic, environment, social aspect, employee motivation, customer satisfaction and employee satisfaction.

## Respondents of the Study

A total of sixty (60) owners, supervisor and manager of hotel business establishments in Tuguegarao City were the respondents of the study. Purposive random sampling will be used in selecting the respondents of the study.

## Instrumentation

A survey questionnaire was used to gather data which was personally administered by the researcher to the participants of the study. The researcher sought the assistance of some credible faculty and administrators before administering the questionnaire for further improvement and validity.

The questionnaire consists of the following parts: Part I consists the participants profile including age, gender, and educational attainment, monthly income; Part II consists the hotel based business' profile including nature of the business, type of business, startup capital, years of operation and gross monthly income; Part III consists of the participants' perception about business sustainability; Part IV consists the respondents' motivation to practice Business Sustainability; Part V consists the degree of implementation of business sustainability; and Part VI consists the participants' encountered challenges in implementing sustainability of their businesses.

## Data Gathering Procedures

The researchers considered the following procedures sought approval from the Dean to allow the researchers to conduct the study. A letter of request and permission to conduct the study that was given to the managers, supervisor or owners of hotels.

## Data Analysis

**The following statistical tools were used to analyze the data gathered:**

Frequency Count and Percentage Distribution. This was used to determine the profile of the participants and the business.

Weighted Mean and ANOVA. This were used to determine the participants' perception about business sustainability, the respondents' motivation to practice business sustainability, the business practices in implementing sustainable business in terms of economic, environment, social aspect, employee motivation, customer satisfaction, and employee satisfaction, the challenges in implementing their sustainability of their businesses.

## Summary findings, Conclusions and Recommendations

This chapter summarizes the findings and conclusions of the study as drawn from the results of investigation that was conducted by the researchers and this offers recommendations in light of the researchers' findings.

### Summary of Findings

Based on the analysis of data gathered, the researchers have arrived at the following findings:

#### Profile of the Respondents

##### Gender

Majority or 80 percent of the participants are female while 12 or 30 percent are male.

##### Age

The highest percentage of (38.3) of the participants is 25-30 years of age, 23 or 38.3% of the participants are 25-30 years old. There are 21 or 35% of participants who are below 25 years old. There are 15 or 25% of the respondents who are 31-35 years old and there is 1 or 1.7% respondent who is 36-40 years old.

##### Employment status

Majority or 71.7 percent of the participants re permanent while 17 or 28.3% are contractual.

##### 1.4 Years in the business

The highest percentage (41.7) of the participants are 3-5 years in the business, 18 or 30% participants are 2 years in the business, 10 or 16.7% participants are 1 year in the business and 7 or 11.7% are 6 years and above in the business.

##### Highest Educational Attainment

The highest percentage (75 percent) of the participants have mastered units, 13 or 21.7 are college graduates, 45 Or 75 percent have mastered units, 2 or 2.14 percent have masters and doctoral units.

##### Monthly salary

The highest percentage (46.7 percent) of the participants received a salary of 5,000-9,999, 21 or 35% participants received a salary of 10,000- 19,999, 8 or 13.3% received a salary of below 5,000, 2 or 3.3% received a salary of 20,000 - 29,999 and 1 or 1.7% received a salary of 30,000 and above.

## Profile of the Establishment

### Nature of Business

Majority or 85% are Hotel with restaurant and catering service, 5 or 8.3% are Hotel and 4 or 6.7% are Hotel with bar and pool.

## Type of Business

Majority or 66.7 percent respondents are sole proprietorship, 20 or 33.3% are in a partnership type of business.

### Start-up capital



The highest percentage (45) of the participants have a start-up capital of 300,000 and above 200,000,000, 24 or 40% participants have a start-up capital of 100,000,000 and above, 6 or 10% participants have a start-up capital of below 900,000 and there are 3 or 5% participants who have 500,000- below.

### Years of Operation

The highest percentage (41.7) of the participants' establishment that operates below 5 years, 16 or 26.7% businesses that operates 6-10 years, 12 or 20% business that operates 11-15 years, 5 or 8.3% business that operates 20 years and above, and there are 2 or 3.3% business that operates 16-20 years.

### Gross monthly income

The highest percentage (31.7) of the r participants have gross monthly income of 150,000-199,999, 16 or 26.7% participants have gross monthly income of 100,000-149,999, 12 or 20% participants have gross monthly income of below 50,00, and there are 11 or 18.3% participants have gross monthly income of 200,000 and above.

### Participants' Knowledge on Sustainability of Business establishments

The overall mean of 4.11 discloses that the respondents have agreed on the perceptions on business sustainability.

### Participants' Motivation to practice Business Sustainability

The overall mean of 4.10 shows that the respondents agreed on the motivations to practice business sustainability.

#### Participants Sustainability Practices in terms of

##### Economic

The participants' have always performed economic engagements with an overall mean of 4.40.

##### Environment

The overall mean of 4.11 shows that the participants 'often perform the different activities for the environment.

##### Social

The overall mean of 4.29 shows that the participants' have always been engaged socially.

##### Employee motivation

The participants' have always manifested employee motivation practices with an overall mean of 4.51.

##### Customer Satisfaction

The overall mean of 4.45 shows that the participants' are always satisfied with the services of the hotel product and services.

Significant differences on the Sustainability of Business Establishments when grouped according to the identified variables

There is no significant difference on the business sustainability of small and medium enterprises when group according to the profile of respondents and business with regards sustainability Practices in terms of economic, environment, social, employee motivation, customer satisfaction

## CONCLUSION

### Based on the findings of this study, the following conclusions were drawn

Business establishments' managers are aware of the hotel business sustainability of their businesses. Their primary motivation is long-term profitability of the business. Economically, they always offer affordable products. When it comes to environment, they invest in renewable energy resources. From the social aspect, they are friendly to their co-workers. From the employee motivation, they value their employees. And from the customer satisfaction, they have a better communication skill to their customers.

The participants agreed on the perceptions on business ethics and their motivation to practice business sustainability, but their level of motivation and employee motivation is often manifested by the participants.

The primary challenge of the participants is satisfying their customers. It is difficult to satisfy customers because they have different preferences.

## RECOMMENDATIONS

In the light of findings and conclusions derived from this study, the researchers offer the following recommendations:

Hotel Business establishments may participate in the activities of government like consumer welfare month or those activities with advocacy in helping the environment.

Hotel Business establishments should know better not only the personalities of their employees but also their interest for them to construct a stronger relationship.

Hotel Business establishments management may have an open line communication between managers and their employees.

Business establishments' owner can give rewards to customers for frequent purchases like loyalty cards, discounts and other forms to promote products to customers.

Hotel Business establishments owner may continue to implement the current practices of satisfying their customers.

A similar study may be conducted to validate the findings of the study and include the innovation and technology aspect

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