
Key-drivers in hotel and environmental management: a comparative analysis in Malaysia

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Abstract: In tourism, the environment is a core business product. Since hotels occupy a central place in the tourism industry and its development does impact upon the environment considerably, it is believed that hotels should be more proactive in their managerial response concerning environmental performance. Using interview data, this study compares the environmental management practices among hotels operating in Penang and Langkawi, Malaysia. The results have shown that although hotel companies in both destinations are concerned with environmental management issues, many are not proactive enough in their responses and prefer to only take management initiatives that have considerable financial benefits for their business. Focus has been mainly on cost-cutting management measures such as minimising energy use and water conservation as this contributes directly toward a hotel's profitability. In both cases, business refuses to take sole ownership on environmental management. Instead, the government and society are expected to play a leading role before business can be expected to emulate.

Keywords: environmental management; hotel management; sustainable tourism; Penang Island; Langkawi Island; Malaysia.

Reference to this paper should be made as follows: Kasim, A., Scarlet, C. and Rashid, J.R. (2008) 'Key-drivers in hotel and environmental management: a comparative analysis in Malaysia', *Int. J. Management and Enterprise Development*, Vol. 5, No. 2, pp.123–135.

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1 Introduction

Understanding the drivers behind the adoption of environmental management practices within the hotel sector is critical to the successful promotion of such practices.

The decision for the hotel sector to improve environmental performance is due to a variety of drivers and barriers. The drivers include the potential to generate greater profits, reduce operational costs, attract larger market share, moral obligations and compliance with the law. Whereas the barriers to the adoption of environmental management practices include increased cost in making changes, the government's lack of environmental guidance and legislation and the lack of a clear understanding of the sustainability concept and its possible benefits to hotel operations.

Even limited to the internal auditors' perspectives, the research findings demonstrate that there is no difference between service industry and manufacturing industry – as far as environmental awareness; however, there is significant difference regarding the knowledge of environmental protection (Shih et al., 2006).

In this paper, the issue is explored in the contexts of Penang and Langkawi, both of which are beautiful island destinations in the Northwest of Peninsular Malaysia. Penang is known for its distinct wealth of culture and heritage while Langkawi is known for its pristine jungle and sandy beaches.

2 Literature review

A notable research effort has been made by scholars to conceptualise an integrative system for management of sustainability performance, which addresses both the economic performance and socio-environmental aspects of corporate management – in

general – and corporate sustainability management – in particular. The sustainability performance management requires a

“sound management framework which firstly links environmental and social management with the business and competitive strategy and management and, secondly, that integrates environmental and social information with economic business information and sustainability reporting” (Schaltegger and Wagner, 2006).

From the same prospective of sustainability, the need to meet both consumers’ requirements as far as hotel services and overall society’s needs led to new integrated environment-quality design approaches (Raggi and Petti, 2006).

In order to assess the firm’s environmental performance, a new concept called ‘green grade’ was introduced (Liu and He, 2005). The proposed quantitative model of ‘green grade rating system’ includes seven elements of the ‘green value chain’ of a firm: green management, green suppliers, green design, green process, green marketing, green consumption and green recycle. The model and method were designed as an effective tool to assess the firm’s environmental performance, mainly for the environment major polluters – such as the tourism and hospitality industry – regardless the reason why (lack of interest, limited capital and/or outdated technology).

According to various studies, it is the economic factors that have strongly driven the hotel sector to ‘go green’ (Bohdanowicz, 2005; Buckley and Araujo, 1996; Enz and Siguaw, 1999; Knowles et al., 1999; Stabler and Goodall, 1997; Wallis and Woodward, 1997). Many hotels have initiated recycling programmes, introduced energy-efficient lighting and put into place water conservation policies such as reduction of unnecessary laundry usage. Such efficient use of resources will lead to lower operating and maintenance, thus contributing significantly to the property’s bottom line. For instance, through the recycling programme at Hyatt Regency Chicago, the hotel managed to reduce its waste-hauling costs by 50% (Enz and Siguaw, 1999) whereas another hotel in England reduced its water consumption by 30% when it fitted aerators to all the showerheads in guest rooms (Wallis and Woodward, 1997).

Marketing opportunities have been cited as another major reason for the hotel sector adopt environmental management practices. Trends in holidaymaking, as with consumer behaviour generally, reflect increasing consumer interest in environmentally-friendly products (Cummings, 1997; Mensah, 2005; Wallis and Woodward, 1997). Both tourists and corporate sector clients are becoming more demanding in terms of the environmental quality of their destinations so environmentally-friendly properties will therefore have an advantage over rival properties (Cummings, 1997; Hjalager, 1999). This shift in consumer focus provides an opportunity for hotels to attract a new market segment. Hotels may even see a rise in occupancy levels by targeting these green consumers. There is however, several studies that contradict such findings in consumer demand. In Bohdanowicz’s (2005, p.193) survey of hoteliers in Europe, it has been revealed that environmental issues are ranked low among a majority of customers. A study conducted by Kasim (2004) also showed that most guests still chose a hotel-based on price, service quality and a hotel’s physical attractiveness rather than environmental and social behaviour.

Other opportunities are offered by the new web technology: the research completed by Burgess et al. (2005) among small accommodation providers in a regional city in Australia has identified that promotional content is the most highly valued website feature.

As a source of competitive advantage, greener designs and operations allow the hotel property to differentiate itself from competition. The Hyatt Regency Kauai, for example, has repackaged its resort products to appeal to the ecotourists (Ayala, 1995). One of its products, 'Discover Kauai' is a programme that actually helps guests be responsible tourists. Sheraton Rittenhouse Square in the USA is another example of a hotel that promotes itself as a green hotel, showcasing an environmentally-responsible combination of high-tech features (Starwood Hotels and Resorts, 2003). As the first 'eco-smart' hotel in the USA, all of its 193 rooms, meeting rooms and public areas receive filtered fresh air around the clock and are totally smoke-free. Such greening initiatives could also attract media coverage, thus providing a form of free publicity and enhanced reputation of the property. On the other hand, properties that fail to contribute towards environmental sustainability may lose their market share to competition.

There are however a number of hotels that have taken extra initiatives to protect the environment purely out of social and moral obligation. In Hobson and Essex's (2001) study of accommodation businesses in Plymouth, it was revealed that over two-thirds of respondents recognised the contribution to environmental protection, while about half of them thought that green initiatives would offer no financial reward. Another study conducted in New Zealand also supports this finding. Respondents in this study identified that the main reason they implement environmental programmes is to protect the physical environment (Cheyne and Barnett, 2001). This study also concluded that respondents were unaware of the link between increased profits and environmental programmes. It is suggested that if cost-savings associated with environmental initiatives are widely demonstrated, this would further encourage to take up such initiatives.

Government legislation is also another main driver of environmental action by hotels. An e-government support system might be used to ease the decision-making process in tourism and hospitality industry (Patelis et al., 2005). It has been argued by some commentators that businesses tend to respond more to statutory or regulatory requirements than to voluntary codes of practice (Berry and Ladkin, 1997; Enz and Siguaw, 1999; Wallis and Woodward, 1997). In contrast to the above opinion, other studies have shown that environmental initiatives are not adopted solely because it is imposed by authorities (Gee, 1994; Stabler and Goodall, 1997). An interesting research was conducted in Satakunta Region (Southern Finland): private companies, public organisations, research institutions, NGOs and citizen groups of the region call for a regional network management system aiming to engage in a cooperative environmental management effort in a regional context (Niutanen and Korhonen, 2003). Waste management scenarios were discussed based on modern EU concepts as Regional/Environmental Management System (R/EMS), Eco-Management and Auditing Scheme (EMAS) or ISO 14001 standard. The results of this study indicate that

"the regional systems approach to many different municipalities and many different firms can better prevent problem displacement or problem shifting than more fragmented and isolated management efforts, e.g. of an individual firm or of an individual municipality" (two examples are given for this argument).

Studies carried out by Stabler and Goodall (1997), Berry and Ladkin (1997), Firth and Hing (1999), Hobson and Essex (2001) and Knowles et al. (1999) reveal that the inaction of hotels in implementing environmental management practices is due to three major factors. Some hotels state that the increased cost in making changes is a main barrier, whereas others blame the public sector for the lack of environmental guidance and

legislation. Another significant factor that has impeded the translation of ST principles into workable practices is the lack of a clear understanding of the concept and its possible benefits to the hotel operations. Even if hoteliers understand the concept of sustainability and do have an interest in adopting environmental management practices, their main concern could then be the time, energy and money needed to make the transition. Some of them commented that the costs of recycling and other ventures often outweigh the benefits, thus generating doubts over the degree to which environmental management practices are worth implementing (Berry and Ladkin, 1997).

Hoteliers need to recognise the fact that although it could be costly, environmental programmes are actually an investment for the future, for both small, independent hotels and larger chain hotels.

As mentioned earlier in this report, smaller entities are unlikely to gain large savings in the same way as large hotel chains which can undertake capital investment, such as the latest hi-tech combined heat and power systems (Stabler and Goodall, 1997). For the hotels located in relatively sunny areas, the solar energy can supply either the steam consumers or the chilling system or both. In Turkey, parabolic solar collectors were introduced into application for solar process steam generation and high efficient solar chilling (Lokurlu et al., 2005). Based on hybrid energy supply systems, the operation mode can be changed depending on various electricity and fuel prices.

According to recent research-based on Porter's value chain model (Ahmed and Sharma, 2006) the internet technology has a revolutionary potential in terms of both economic and environmental gains, by reducing the amount of raw materials and energy consumed by companies as well as diminishing the associated waste and pollution: sophisticated sensors and real-time communication linked to computerised systems to monitor the pollution spillovers and to optimise the use of resources.

Recent studies (Herath et al., 2006) demonstrate that, in developing countries as Sri Lanka, the corporate culture of family firms (as many hotels are) can either hinder or enhance a firm's ability to successfully react to the challenges it faces in the global market.

3 Methodology

Although the two studies were conducted at two different places, the approach and research tool used to elicit data were similar. Thus, the comparison made here is justified. To be specific, the research approach was qualitative using in-depth personal interviews as the data collection method. It was deemed to be the most appropriate methodology for gaining an understanding of key drivers and barriers to the adoption of environmental management practices among hotels in Penang and Langkawi. Letters were sent out to the general managers of all the hotels in both destinations inviting them to participate in this study. Appointments for face-to-face interviews were made with those who were willing to participate in the interview. Interviews, which lasted 1 hr on average, were all tape-recorded with the permission of the respondents and fully transcribed verbatim. These verbatim transcriptions of the interviews were then analysed by locating key themes, ideas and patterns that could provide an answer to the research question.

The fieldwork sought to understand the existence (or lack thereof) of regulatory pressure, community and employee pressure the sectoral pressure and consumer demand. Categorising the drivers as either formal (governmental regulations, trade regulations)

or informal (shareholder, community, customer) drivers, hotel respondents were interviewed on the existence (if any) and strength of these potential drivers in the context being studied.

The relevant external agencies were also interviewed on the subject for the purpose of triangulation. The results of both studies are summarised below.

4 Summarised discussion of results from both destinations

4.1 Penang

Research in Penang was based on the input from 18 hotels of various categories. From the findings, it can be concluded that very few of the theoretical drivers were actually present in the context of the Penang hotel sector. There were only one endogenous driver and one exogenous driver present at the time of the fieldwork. However, they were either still at a preliminary stage or occurred in isolated cases. The endogenous factor that is, corporate policy has been found to drive a particular hotel chain towards adopting Environmental Management System (EMS) ISO 14001. But a closer examination revealed that rather than aiming at reducing environmental and social impacts, business benefit such as improved image, cost-efficiency and marketing were the major goals of the policy. Nonetheless, the indirect benefits that may have been accrued from this policy could demonstrate the 'win-win' theory. In other words, in the process of achieving the three business benefits mentioned, the hotel chain may have also consumed lesser non-renewable resources, reduced the amount of wastes generated and helped develop the community.

The lack of similar policy in other hotel firms indicates that the effectiveness of this driver depends, in turn, on executive management vision. The policy works in Shangri La chain because of the owner's vision to be the first hotel chain to formally adopt EMS in Penang. In fact most managers stressed that top-down instruction is the most powerful endogenous driver for organisational change. Top management commitment towards an issue ensures appropriate planning and implementation of initiatives. However, many hotels in Penang (and in Malaysia in general) are uniquely structured because an organisation may be owned by a company or a conglomerate, but managed by another hotel management firm. Due to this structure, organisational change depends on the vision of hotel owners (as the most influential decision-makers in the organisation) rather than the vision of a hotel manager. Unfortunately, foresight about environmental management may have not yet existed in other hotel owners, explaining the lack of motivations among many top hotel managers to systematically consider environmental and social issues.

The exogenous driver demonstrates a combination of international, industrial and governmental efforts to push the concept of environmental management in the Malaysian tourism industry. It also demonstrates the need for an international influence to set off environmental and social management trend in developing countries. This is clearly the case for Thailand, which has successfully pioneered hotel industry's environmental management in Southeast Asia with the cooperation of the Canadian government. However, the long process of negotiation and the novelty of environmental management concept to the hotel sector means that this exogenous driver is still in its preliminary stage. Thus its effectiveness cannot be measured at this stage.

Other key theoretical drivers have been found to be absent in the context of the Penang hotel sector. Malaysian pressure groups for example, have dissimilar interest and capability compared to their counterpart in developed countries. In relation to interest, the generally political nature of NGO's campaigns and their consistent focus on challenging government's decision on various issues rather than scrutinising business behaviour have led to the observation that Malaysian NGOs are more inclined towards highly publicised politically motivated causes such as the controversial Bakun Dam project.¹ This phenomenon supports (Utting's, 2002) contention that NGO and civil movements in developing countries may have become more active but their demands and priorities are not necessarily related to corporate accountability. In relation to capability, Malaysian NGOs are generally constrained by their limited resources. On the other hand, the scope of social and environmental concerns that need to be addressed can be very wide. This is a typical situation in developing countries. As observed by Perry and Singh (2002) the weakness of NGO pressure in developing countries can be attributed to the fact that many of them are operating on limited resources due to low membership, logistical and financial constraints.

Low societal expectation about business role in environmental and social issues in Malaysia is another explanation for the slow business response. Unlike communities in many developed countries such as Switzerland, the Netherlands and the USA community concern and demand for environmental management (or for environmental protection issues in general) is still profoundly lacking in Malaysia. Weak consumer power and public environmental awareness as well as the lack of expectation for business to disclose basic information are actually typical of many developing countries (Utting, 2002).

Parallel to the overall absence of community concern, employee pressure towards environmental care still seems a distant phenomenon. Based on the research findings, it is argued that the worker's weak predisposition towards environmental management is related to a lack of appreciation about the importance of environmental issues and possible stress from more overriding concerns such as lack of employment and retrenchment problems. Focus on survival would reduce the tendency to 'whistle blow' as suggested by the stakeholder theory about deeper issues such as environmental reputation. Limited returns in terms of changing status within the community can deter or delay business investment in environmental responsibility (Perry and Singh, 2002).

Regulation is another theoretical driver that is found to be ineffective in relation to the environmental management agenda in Malaysia. Regulations relevant to hotels do exist, but they are either specific to certain environmental concern (e.g. the banning of ozone-depleting refrigerants) or not directed to hotels that are already in operation (e.g. the Environmental Impact Assessment requirement for new projects). In addition, existing regulations are often ineffectively monitored and enforced due to the logistical problems faced by the regulatory agencies and the separation of jurisdictions between federal level and states on these issues, which has led to a decentralisation of environmental monitoring. Reflecting on the hotel and trade associations' comments on the matter, and considering the strong state role in the economic orientation of the country, specific and comprehensive regulations (or at least strong governmental involvement) seems to be the most influential factor in the hotel sector's environmental and social responsiveness. In addition, previous successful interventions have proven that the state could potentially be a useful catalyst in relation to improving business attitudes towards environmental management. Therefore, it is entirely possible to speed up

environmental management in the hotel sector via strong governmental promotion of voluntary environmental and social initiatives.

Within the environmental management concept, the term economic driver may be viewed from two angles:

- 1 the economic or monetary return of environmental and social engagement
- 2 the economic conditions (prosperity, growth) that could drive a firm towards environmental management.

In Penang's hotel sector, the first driver has been motivating an increasing number of hotels to engage in energy-saving and waste management initiatives. On the other hand, the second factor has been one of the main barriers of engaging in activities that are not considered a hotel's core competency, such as environmental and social initiatives. The Asian financial crisis, the brief political instability that ensued, the outbreak of contagious diseases and haze had significantly reduced tourist arrivals in the country. Consequently, there has been enhanced competition among hotels, often to the detriment of the SMEs. During such challenging times, business survival may override other concerns, particularly externalities such as the environmental and social issues.

An increase in discerning consumers is another theoretical driver that this research investigated. According to Rivera (2001), one of the reasons hotels actively participate in the Costa Rican's CST programme is hotel's focus on 'green' consumers. However, discussions with hotel managers indicate that tourists choosing a hotel-based on practical considerations such as price, quality and aesthetics are still the predominant criteria. The tourists' unwillingness to forego comfort and leisure in place of environmental and social considerations display what Kirk (1995) terms as the conflict between service quality and environmental actions.

The relatively new emergence of the Business Environmental Responsibility concept in Malaysia suggests that government agencies, civil society organisations and the public are yet to adjust their attitudes from 'business as usual' to 'environmental and socially enlightened'. Thus, business is not yet compelled to engage in voluntarism in relation to environmental and social measures. The novelty of environmental management means that attitudinal barriers exist in the form of resistance to change (change is difficult), suspicion about the motives surrounding change (perception that new change is merely a disguised effort to impose foreign standards on local business) and finger pointing (between private and public agencies; between management and employees; between hotels and the public). In addition, Malaysia also suffers from weak civil society and limited implementation and enforcement capacity that are typical of many developing countries. Without sufficient time, a sense of urgency about the need for change, a clear sense of drivers and a good leadership, attitudinal barriers are admittedly complex problems to resolve.

4.2 Langkawi

The study conducted in Langkawi revealed that the drivers of environmental management practices were savings in expenditure, government legislation and personal commitment of upper-management. Out of the six hotels that took part in the interviews, a majority of them chose to adopt environmental management practices because they felt responsible for the protection of the environment and not solely because of economic factors. This finding complements (Hobson and Essex's, 2001) research and reaffirms

their proposition that hoteliers felt that not all environmental management practices would benefit their business in a way that would be worthwhile commercially. Having said that, several of the respondents admitted that a number of the environmental projects that they carried out were actually cost-saving measures that happened to have environmental payoffs. For instance, most of the hotels monitor water and electricity usage to reduce their electricity bills, which simultaneously contributes to conserving finite natural resources. There is a body of literature that supports the findings of this study and agrees that multiple and overlapping drivers are important for the observation of environmental performance.

As mentioned before, savings in expenditure was mentioned by respondents as one of the motivators for adopting environmental management practices, thus supporting the argument put forward by previous researchers. In Meade and Monaco's (2001) case study of Jamaica's hotel industry, it was suggested that environmental improvements that show evidence of low implementation costs and rapid payback periods can effectively persuade hotels to implement environmental management practices. Likewise, Hobson and Essex's (2001, p.137) study also proved that businesses are more likely to incorporate environmental objectives and practices if such implementation can result in financial rewards. It is worth highlighting that although there is a vast range of environmental initiatives that contribute towards lower costs and higher revenues, it was revealed that most hotels on Langkawi Island only undertook initiatives that contributed towards savings on electricity bills and water consumption costs. For most respondents, investments in other initiatives that could improve resource management, such as recycling, were restricted to those that involved no financial costs to the business.

The next driver of environmental change is government legislation. In the review of literature, it was evident that businesses tend to respond more to statutory or regulatory requirements than to voluntary codes of practice (Almanza and Ghiselli, 1997, p.212; Berry and Ladkin, 1997, p.438; Burgos-Jimenez et al., 2002, p.215; Enz and Siguaw, 1999, p.73; Wallis and Woodward, 1997, p.96). The Department of Environment is one of the government agencies that is responsible for controlling the activities and ensuring certain standards are met by hotels on Langkawi Island. For instance, the department tackled the problem of water pollution on the island by making it mandatory for all hotels to have sewage treatment plants. Not only do the hotels have to treat their sewage before discharging it into the sea, they also have to submit samples of their treated sewage on a monthly basis for the Department of Environment to test its quality. All of the respondents agreed that legislation plays an important role in making sure hotel operations do not pollute the environment and were very supportive of the government's intervention.

In contrast to the above-mentioned findings, it has been proven by Stabler and Goodall (1997, p.29) that instead of the regulations being imposed by authorities, businesses are much more motivated to adopt environmental management practices if offered incentives such as grants, reduced taxes and loan schemes. Unfortunately, when asked if Langkawi Island hotels received any offers of incentives to encourage the implementation of environmental protective procedures, all of the respondents said no but were hopeful that such incentives will be offered in the future. Another study viewed the lack of regulation as an opportunity to tailor an environmental programme to the needs of their property and the environment in which it operates (Iwanowski and Rushmore, 1994, p.34). Hotels on Langkawi Island should therefore voluntarily pursue

environmental action before the government enforces a standardised programme that might not be appropriate for their own hotel operations.

As for the third driver of good environmental practices, some of the hotels on Langkawi Island were found to be taking action on environmental matters because of the hotel owners and managers' personal commitment in protecting the environment. For some hotels, the owners even personally took charge of the design of the property to ensure environmental damage was kept to a minimum level. In addition to this, the culture of being environmentally friendly was also instilled in all staff members through their involvement in various environmental programmes conducted by upper-management. However, it is not clear whether this upper-management commitment in protecting the island from environmental damage has genuine philanthropic motives or is actually a strategy to advance the company's financial objectives. Evidence from this research supports Knowles et al.'s (1999, p.255) study which stated that the motivations of proactive environmental behaviour are not mutually exclusive and emphasises that profit orientation is more often than not the primary driver of environmentally friendly initiatives.

Three major factors have impeded hotels from adopting environmental management practices. Some hotels state that the main barrier in making changes to their current operations would be the increase in costs, whereas others are not satisfied with the public sector because of their lack of environmental guidance and legislation. The third reason for the inaction of hotels in implementing environmental management practices is the lack of a clear understanding of the sustainable tourism concept and its possible benefits to hotel operations.

It was the previous study by Stabler and Goodall (1997, p.29) that identified perceptions of high capital costs and increased operating expenses as a disincentive for introducing environmentally-friendly changes in hotel operations. Berry and Ladkin's (1997, p.433) research in East Sussex, one of the UK's top tourist destinations, also revealed that although local businesses are willing to make a positive contribution to the environment, perceived extra cost was one of the greatest obstructions. In contrast to these two findings, none of the respondents in this present study specifically mentioned high costs as the reason for not implementing environmental management practices. Moreover, the respondents recognised the fact that although it could be costly, investments in environmental programmes are actually worthwhile because of its contribution to long-term financial benefits. Expressions of frustration towards the public sector's lack of support and guidance regarding environmental issues were very strong and obvious among all of the respondents in this study. This finding is supported by Berry and Ladkin (1997, p.438) in that the public sector was greatly criticised for their lack of coordination and poor management of sustainable tourism. However, compared to the feedback gathered from the respondents in this study, Berry and Ladkin's respondents demonstrated a stronger mistrust of the local government.

Most of the respondents in this study stated that government agencies were not coordinating environmental activities effectively and have failed to provide sufficient information and support on the subject of what hotels can do to improve their environmental performance. Even the basic provision of recycling bins by the local authority was at times in short supply. There were also complaints about garbage not being collected on time and the difficulties in contacting certain government agencies to convey their environmental concerns. Despite these problems, the respondents still demonstrated the willingness to assist the government with environmental

programmes. At the same time, they also demand the public sector to show commitment to protecting the environment by offering a more efficient service and provide accessible and user-friendly guidance on how the environmental performance of hotels could be improved.

Hobson and Essex (2001, p.133) previously identified the lack of understanding of the sustainable tourism concept as one of the main obstacles to developing and implementing environmental management practices. Their study revealed that the hotel operators did not interpret the term sustainable tourism in its environmental context and felt that the responsibility for any potential damage to the environment lay outside the accommodation sector. Relevant to Hobson and Essex's (2001, p.133) findings, previous research by Berry and Ladkin (1997, p.433) and Stabler and Goodall (1997, p.19) also discovered that tourism operators' awareness and appreciation of the sustainable tourism concept were limited, thus contributing to the limited adoption of environmental management practices in their operations.

Evidence from this study revealed a slightly different perspective on the issue. Respondents strongly communicated that environmental management practices were adopted in their hotel operations because these practices contribute towards the sustainability of the tourism industry. In other words, the respondents were very aware of the importance of environmental resource base to the tourism industry and sometimes went to the extent of resolving environmental problems that were beyond their responsibility.

5 Conclusions

As it has been demonstrated above, very few drivers exist to push the hotel sector into seriously addressing its environmental management responsibility in Penang and Langkawi.

Lack of drivers, and little understanding on the meaning of sustainable business and hotel role towards achieving it has led to a slower reaction from hotel business on the issue of environmental management.

Obviously, the sector is in need of environmental leadership and it is the responsibility of the government to provide them with this leadership through regulatory or non-regulatory (particularly, demonstration of financial rewards related to environmental initiatives) approaches. In addition, barriers to adoption of environmental initiatives should also be addressed.

Unlike in developing nations where voluntary action through trade associations and business initiatives exists, Malaysia needs the government to act as an impetus to environmental management. Without this leadership, environmental management would cease to be an important agenda.

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Note

- ¹Bakun Dam project is a controversial hydro mega-project involving thousands of acres of pristine forested land in Serawak.