

The Impact of Sustainable Practice on the Indonesian Hotel's Financial Performance: A Case Study of Cipaku Garden Hotel

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Abstract

The agenda of researchers and practitioners within the hospitality and tourism sector has focused on the need and demand for sustainable practice. Following this situation, the Cipaku Garden Hotel, as a small-to-medium-sized hotel operating in Indonesia, follows the trend that has taken place and conducts sustainable practice as part of its business activities. Accordingly, the objectives of this study are to examine the sustainable practice conducted by the Cipaku Garden Hotel, uncover the management's perception concerning the benefits of the applied sustainable practice, and analyze the outcome and influence generated by the implemented sustainable practice on the hotel's financial performance. Through a case study approach, it is found that the Cipaku Garden Hotel applies its sustainable practice within the form of waste management activities. Within those activities, the hotel recycles organic waste into catfish food and compost. As a result, the hotel's waste management activities have improved its cost-saving capabilities, and it is marked by the reduction of cost on catfish care up to 49% and garden maintenance around 50%. Profit-wise, the hotel's sustainable practice has also increased its gross profit margin and net profit margin by 8% and 4%, respectively, compared to its previous year. Thus, the sustainable practice conducted by the Cipaku Garden Hotel brings a positive impact to its financial performance.

Keywords: Sustainable practice, hospitality and tourism sector, small-to-medium sized hotel, Indonesia



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INTRODUCTION

The idea and effort in realizing the concept of Sustainable Development Goals (SDGs) have increasingly become crucial for every organization operating in the Hospitality and Tourism (H&T) sector because the degree of its service excellence is affected by the quality of its surroundings. Although the organizations within the H&T sector provide economic and social improvements to their tourism destination, bad management can trigger a series of adverse events (e.g., noise pollution and increase waste generation) that can harm the societies' well-being and the environment's quality (De Grosbois, 2012). For example, around 75% of the effect generated from the hotel consumption alone (e.g., energy and water consumption) have harmed the environment, and such effects also contribute to the climate changes (Mohamed *et al.*, 2014); in which the hotel's energy consumption rate is the highest within the H&T sector (Bohdanowicz, 2005). Following this circumstance, the need and demand for transforming the organization's activities that considers its effect on social and environmental levels have increasingly become more assertive and more explicit within the H&T sector.

Due to the impact produced by the organization's activities permeate to the societal and environmental level, the practice of corporate sustainability has changed from voluntary engagement to obligatory activities in recent decades (Brockett and Rezaee, 2012). The realization of SDGs focuses on the practice that follows the concept of Environmental, Social, and Governance (ESG). The value of an organization under ESG concentrates on how the organization can adapt to its surroundings and, at the same time, on how they deliver its value to its stakeholders, community, and environments (Franco *et al.*, 2020). Suppose an organization is unable to adapt to its surroundings. In that scenario, it can further exacerbate

the organization's problems, increasing the difficulty of maintaining its value and, ultimately, jeopardizing their well-being and the welfare of every party connected to them.

Although the importance and necessity in putting the concepts of SDGs and ESG into practice are acknowledged by many organizations, its implementations are mostly found within the large organization's activities (Lepoutre and Heene, 2006; Fassin, Van Rossem and Buelens, 2011). Accordingly, some attempts have been made to examine the sustainable practice conducted by small-to-medium-sized enterprises (SMEs). Those studies found that SMEs generally faced more difficulties in conducting ESG activities because their implementation is complex and expensive by nature, and it is only a handful of stakeholders who share a belief that the value of an organization goes beyond than simply of gaining profits (see Hitchens *et al.*, 2005; Lepoutre and Heene, 2006; Dodds and Holmes, 2011; Fassin, Van Rossem and Buelens, 2011; Revell, 2011). Alonso-Almeida and Bremser (2013) added that, in general, SMEs lack the necessary resources and capabilities to conduct sustainable practice in the first place. For instance, the insufficiency of required resources to implement and integrate water and waste management within the SMEs' daily activities as part of its sustainable practice. Therefore, for an SME to adopt the ESG concept and integrate it with its business activities, they are required to gather the necessary resources (e.g., financial and human resources) in formulating and conducting the appropriate activities that are capable of bringing and delivering an added value not only to themselves but also to its surroundings as defined under the concept of SDGs.

The difficulties in adopting ESG and SDGs concepts also exist among the SMEs operating within the H&T sector. Particularly to the sustainable practice conducted by the international hotels, some studies show mixed results concerning the impact of ESG practice on the hotel's financial performance with regards to its cost efficiency and profitability (see, cf., Duric and Topler, 2021; Pereira, Silva and Dias, 2021). Nonetheless, those studies indicate that a sustainable practice that follows the concept of ESG and SDGs can positively influence the hotels' value—particularly on their financial performance. However, within the context of Indonesia, studies concerning the impact of sustainable practice on the hotels' financial performance are sparse. Thus, the Indonesian hotels' ESG and SDGs practices are not fully explored within the literature.

Against this background, the study aims to investigate the impact of sustainable practice on the Cipaku Garden Hotel. Specifically, there are three central objectives that drive this study, namely: (1) to analyze the sustainable practice conducted by the Cipaku Garden Hotel, (2) to uncover the hotel's management perception concerning the benefits generated by the applied sustainable practice, and (3) to examine the outcome and influence of the hotel's sustainable practice on its financial performance. Thus, the findings of this study should provide insights for any SMEs within the H&T sector in conducting sustainable practice.

LITERATURE REVIEW

The Implementation and barriers of sustainable practice within the H&T sector and hotel environment

Sustainable practice, in essence, revolves around how an organization can conduct its activities without compromising the value and quality of the environment and, simultaneously, ensuring its business practice does not harm the societies' and communities' well-being that reside within its surroundings. In practice, however, there are many barriers that hinder the organizations' efforts to consistently and effectively apply and integrate their sustainability practice as part of their business activities. One of the main barriers preventing such practice from being implemented is the lack of resources (Shahzad, Mousa and Sharfman, 2016). According to the slack resource theory, an organization with more resources, financially or otherwise, has better capability and capacity to contribute in environmental and social domains (Waddock and Graves, 1997). In this sense, the impact created by the lack of resources can

lower the organization's capacity in ensuring its sustainable practice fulfills the purpose defined under the concepts of ESG and SDGs.

Given that every organization that operates within the H&T sector has direct relationships with its surroundings (i.e., environments, societies, and communities), they are expected to have a proper sustainable practice integrated within their activities. Nonetheless, the problem lies in the availability of resources that the organization can use to conduct sustainable practice in the first place. In response, many SMEs in the H&T sector adopt environmental management practices (EMPs) to reduce resource consumption and, at the same time, to decrease the generation of waste (see Garay and Font, 2012; Perramon *et al.*, 2014). The application of the EMPs by the SMEs is oriented on reducing its operational cost to ensure its sustainable practice are implemented within their business activities (Pereira-Moliner *et al.*, 2012).

As for the hotel's sustainable practice, landfills are primarily used by the hotels to manage their waste disposal (Pham Phu, Hoang and Fujiwara, 2018). And yet, one of the leading causes that hinder SDGs realization within the H&T sector is poor waste management (World Tourism Organization and United Nations Development Programme, 2017). Prior studies have shown that the poor waste management demonstrated by the hotels is due to the lack of understanding in effectively recycle their waste generation along with the inadequate cost management (see Radwan, Jones and Minoli, 2010; Storey *et al.*, 2013). Following those findings, it can be inferred that an uncontrolled expenditure can directly harm the hotel's revenue and, at the same time, reduce its ability to maintain its sustainable practice's effectiveness. Consequently, many hotels are at risk for not being able to effectively implement their sustainable practice within their pursuit of materializing the purpose and idea of ESG and SDGs.

To cope with such issues, many hotels opted to implement EMPs as part of their sustainable practice. Following this circumstance, the hotels' initial motivation for implementing EMPs tends to revolve around economic reasons (see Garay and Font, 2012; Perramon *et al.*, 2014; Pereira, Silva and Dias, 2021). In doing so, it provided the hotels a way to manage their resource expenditure effectively. Hence, it can be concluded that the application of EMPs by the hotels provides them the opportunities to increase their organizational flexibility to consistently implement its sustainable practice, especially under the condition where their resources are limited.

ESG, corporate governance and organization financial performance

As briefly mentioned in the introduction, a sustainable practice that reflects the concepts of ESG under corporate context refers to the organization that can adapt to its surroundings and shares its value with every party connected to them. The context of sharing their value in this regard refers to the activities that promote environmental conservation and the improvement of the societies' and communities' well-being. In the H&T sector specifically, the organization's capability to consistently conduct ESG activities as part of its sustainable practice plays a major role in shaping the cultural and economic landscape of its tourist destination and product (Bohdanowicz and Zientara, 2008). To put it simply, the realization of sustainable and ESG practices conducted by the organization directly influences communities' well-being, which is an essential factor in enhancing tourism development (Lee and Jan, 2019).

In order for every organization within the H&T sector to successfully and effectively conduct its sustainable practice that reflects the intention of the ESG concept, it is required for them to imbue the idea of Good Corporate Governance (GCG) into its activities. Prior studies have shown that the organization's executives have a pertinent role in ensuring the organization in achieving its objectives and enhancing its value (see Luan and Tang, 2007; Zhu *et al.*, 2016). Alijoyo (2002) explained that without proper implementation of GCG within an organization's activities, it would limit its capabilities and capacity to

detect emerging threats and risks, hence reducing the likelihood of them achieving its predetermined objectives.

By the same token, the role of the organization's executives is also crucial in ensuring its sustainable practice follows the defined purpose under ESG and SDGs. When an organization is not fully committed to the ESG and SDGs practices, it will not benefit them, let alone its surroundings (Haque and Ntim, 2018). In this context, the idea of ESG also extends to the welfare of the organization's employees. To put it into perspective, the sustainable practice conducted by the organization must ensure the improvement of its employee working conditions (e.g., fair wages, career development, and diversity training) to reflect the intention and purpose defined under ESG (De Grosbois, 2012). Thus, without proper GCG practice, it increases the organization's likelihood of not being able to implement sustainable and ESG practices effectively—the failure to implement ESG and SDGs practices can produce significant harm, economically or otherwise, to the organization and its surroundings.

The relationship between the organization's corporate governance, ESG, and financial performance is comprehensively discussed in the literature. It is found that when an organization is able to appropriately and effectively construct its corporate governance mechanism that enables them to conduct ESG activities, it can improve the organization's financial performance in the long run (see Brammer and Millington, 2008; Eccles, Ioannou and Serafeim, 2014; Esteban-Sanchez, de la Cuesta-Gonzalez and Paredes-Gazquez, 2017). Under the H&T sector specifically, the study of Xie *et al.* (2019) shows a positive relationship between the organization's environmental activities and its financial performance (i.e., profitability). Furthermore, some studies argue that the organization's financial performance can be further enhanced through its sustainable practice by help of the government. For instance, Radwan, Jones and Minoli (2010) and Kurniawan *et al.* (2021) point out that the government can create a policy to impose every organization to actively recycle their waste generation to preserve the environment's value, and it has the potential to reduce the harm generated by the organization's activities while at the same time providing some solutions in alleviating some of the organization's financial burden in conducting ESG activities. Hence, it can be concluded that the effectiveness level of the organization's corporate governance conduct directly affects the scale of implementation of its ESG practice and its financial performance.

RESEARCH METHODOLOGY

Study area – The Cipaku Garden Hotel

The Cipaku Garden Hotel is a small-to-medium-sized hotel operating in Bandung—Indonesia. Moreover, it is classified into a three-star hotel, and it is also recognized by the local government due to its environmental practices. The Cipaku Garden Hotel has a land area of 4.2 hectares, and 80% of its land is used for environmental conservation. In which, the Cipaku Garden Hotel is considered a green hotel based on the criteria and characteristics defined by the Green Hotels Associations (2018). Therefore, the Cipaku Garden Hotel is selected as the research object.

Research design and data collections

In order to fulfill this study's aim, a case study approach is utilized. Crowe *et al.* (2011) explained that the case study approach provides a way to investigate a complex problem regarding the phenomena that occur in a particular organization. Thus, it can uncover certain information that would not be easily obtained by other research methodologies.

The data concerning the state of the sustainable practice is obtained through an in-depth interview with operations managers and owners-managers. The main topic used in the interview revolves around the sustainable and environmental practices conducted by the Cipaku Garden Hotel. Additionally, the topic also covers the barriers and challenges faced by the Cipaku Garden hotel regarding the implementation of its sustainable and environmental practices, along with the benefits obtained from such practices. The findings from the interview are then further analyzed by using the initial gap analysis and strength-

weakness-opportunities-weakness (SWOT) analysis to obtain the current conditions of the Cipaku Garden Hotel's sustainable and environmental practices. As for data used to investigate the impact of the hotel's sustainable and environmental practice on its financial performance, it is obtained from the Cipaku Garden Hotel's financial reports, and then it is analyzed by using the common size analysis.

FINDING AND DISCUSSION

The Result of initial gap analysis and SWOT

From the observation and interviews conducted in the Cipaku Garden Hotel, it is found that the respective hotel uses waste management practice (WMP) as their approach in conducting sustainable practice. One of the major triggers that make Cipaku Garden Hotel adopt WMP as their sustainable practice is due to an increase in waste generation in 2018, and it had increased its maintenance cost. According to the hotel's owner-manager, "... in one day, the waste generated by the hotel can reach 300 kg—especially on weekends. 70% of the generated waste is mostly organic waste, and that includes food waste. As for our hotel's garden, the maintenance cost is expensive due to the high amount of fertilizers purchases used to maintain every plant in the garden." In building the WMP, the executives of the Cipaku Garden Hotel support and provide the necessary resources for its implementation. As explained by the hotel's operation manager, "... I feel we have enough resources. The hotel has already provided us the resources in building the facilities for the WMP program." Following this circumstance, it shows that Cipaku Garden Hotel has the commitment to actualizing its sustainable practice, and the respective hotel has made some efforts to address its environmental concerns.

From a different perspective, the application of sustainable practice through WMP also improves the hotel's efficiency. The hotel's WMP reduces its cost expenditure through catfish feed activities and turning dry leaves and food waste into organic compost. The waste generated by the hotel is recycled into catfish food in creating a sustainable food waste treatment and disposal. At the same time, the organic compost created from the dry leaves and food waste is used to maintain the plants within the hotel's proximity. Hence, these two activities enable the hotel to become environmentally friendly and add value to its environment.

As for the SWOT analysis concerning the Cipaku Garden Hotel's catfish feed and compost generation as their WMP, it is presented in Table 1.

Table 1. Streght-Weakness-Opportunity-Threats (SWOT) Analysis of ESG Practices

	Catfish feeds from food waste	Composts
<i>Strength</i>	<ul style="list-style-type: none"> • Provides opportunity to "reuse" food waste as foods for feeding catfish. • A potential source of essential nutrients for catfish (Mo, Man and Wong, 2018) 	<ul style="list-style-type: none"> • Provides opportunity to "reuse" organic waste. • A potential source for maintaining plants
<i>Weakness</i>	<ul style="list-style-type: none"> • The fluctuation in the availability of food waste. 	<ul style="list-style-type: none"> • The possibilities of incomplete treatment of food waste due to long decomposition period (Joshi and Visvanathan, 2019)
<i>Opportunity</i>	<ul style="list-style-type: none"> • May encourage the segregation of waste. • Has the potential to reduce the employees meal cost. 	<ul style="list-style-type: none"> • The recycling process can be upgraded by using the Aerobic Digestion process as a post-treatment process (Thi, Lin and Kumar, 2016)
<i>Threats</i>	<ul style="list-style-type: none"> • Food waste is vulnerable to contamination by foreign object (Sugiura <i>et al.</i>, 2009) 	<ul style="list-style-type: none"> • Environmental controversies could occur due to the greenhouse gas emissions and hygiene issues around

composting area (Thi, Lin and Kumar, 2016).

Apart from the information presented in Table 1, catfish feeding, while popular, has an uncertain future considering the associated risks with regards to food security. The risk of contamination by a foreign object can be addressed in the sorting process by choosing a food waste that has good quality. The food waste that is poor in quality or is not properly separated can be diverted to composting. The created compost is used as a fertilizer in maintaining the plants within the hotel's garden area.

Our findings also suggest that the maintenance department's activities are vital in the Cipaku Garden Hotel's sustainable practice. With the maintenance department, the Cipaku Garden Hotel successfully established a WMP manual to improve and maintain its sustainable and environmental practice (i.e., ESG). The maintenance department is imperative since the hotel has limited skills, knowledge, and competency to develop and implement a formal WMP to ensure that the catfish feeds processing is safe from health risks. A comment from the operational managers reflects the importance of the established WMP and the need for continuous development, "Of course, our WMP has benefitted us in many ways. Given this situation, we are prompted to seek out experts from the environmental and agricultural services to help us further develop our WMP."

The sustainable practice of Cipaku Garden Hotel

The policy and procedures of Cipaku Garden Hotel's sustainable practice

The findings obtained from the interview and observation also uncover that one of the first triggers for the Cipaku Garden Hotel to develop and implement its sustainable practice is related to the Environmental Impact Assessment licensing. Moreover, according to the hotel's owner-manager, the implementation of its sustainable practice is influenced by three factors, namely: (1) legal and compliance requirements, (2) the pressure for minimizing pollution, and (3) continual improvements. These three elements were interconnected with the hotel's development and implementation of WMP. The sustainable practice system was introduced to update the hotel's management on a regular basis. The hotel also developed procedures for monitoring its WMP performance against possible future legislative requirements. Conclusively, the three elements helped the hotel's SDG in regards to environmental protection. Nevertheless, the challenge for the hotel's management is to ensure that all of the objectives are achieved with as few mistakes or conflicts as possible.

During the WMP implementation, managing consistent documentation that covers all the hotel's operations and procedures is a major challenge. The findings from this study indicate that the hotel produced documentation to aid the maintenance department in managing and controlling the hotel's WMP. The documentation system mainly consisted of operational procedures. The Cipaku Garden Hotel's system and operational procedures are a crucial step in the implementation stage of WMP, as the procedures clearly described the core elements of the ESG and the approach for its implementation. In addition, it is also to provide the direction concerning the material usage reporting. These procedures provided a guideline for the hotel in conducting its sustainable practice and, at the same time, provide procedures for the hotel in mitigating environmental risk.

The waste management practices (WMP) of Cipaku Garden Hotel

The WMP procedure conducted by the Cipaku Garden Hotel is presented in Figure 1. In gathering the food waste, the hotel has internal and external sources. The source of food waste comes from the hotel's internal environment: restaurants, kitchens, rooms, and events. Conversely, the source of food waste that is obtained externally comes from landfills, markets, and orphanages around the hotel area. The collected food waste will be sent directly to the waste sorting location. After the food waste is collected, it is separated based on the condition of the food waste (i.e., decomposed food waste or not). The sorting

process ensure that the treated food waste is still feasible and safe for consumption by catfish or even by humans (Cheng *et al.*, 2015). After the sorting process is complete, the waste that has not decomposed is sent to the catfish feed process, and the decomposed waste is sent to the composting process.

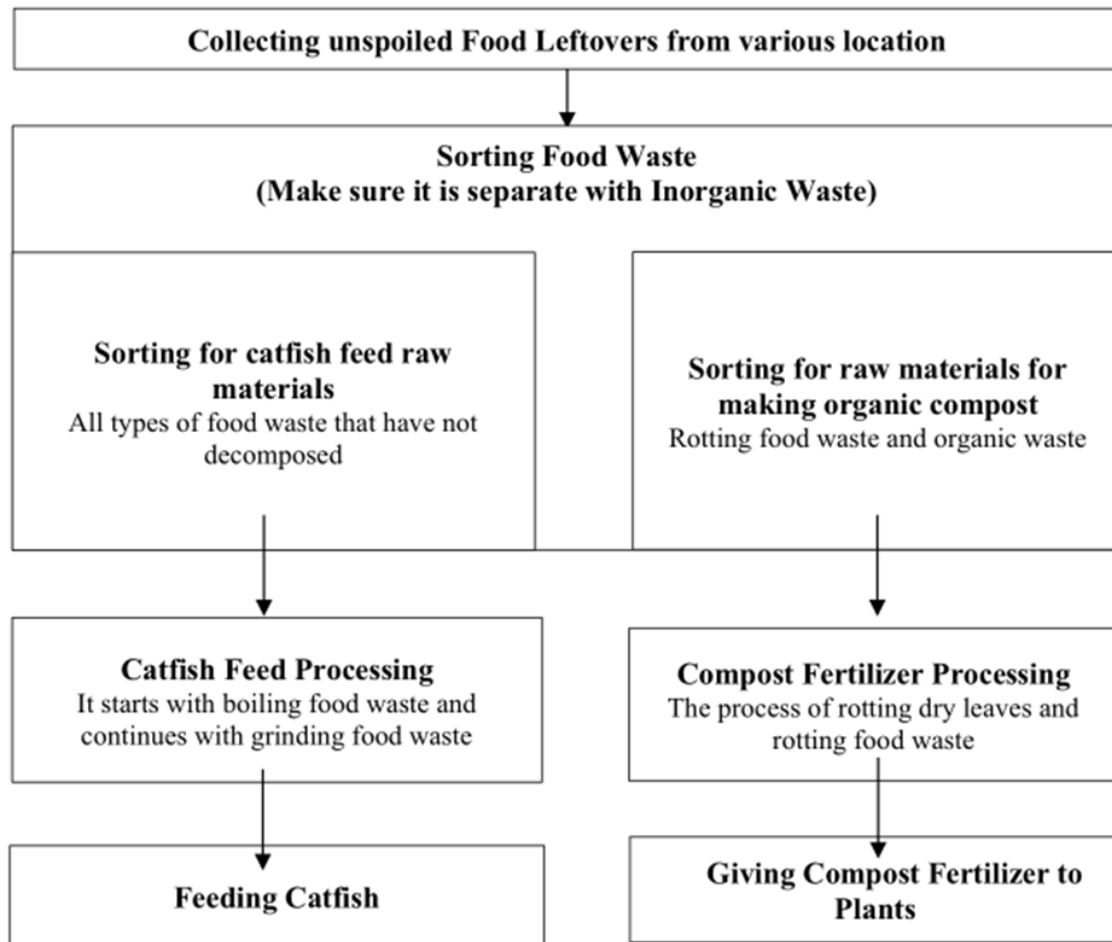


Figure 1. WMPs at Cipaku Garden Hotel

The processing of catfish feed begins with boiling the leftover food that has been prepared in the sorting process. Within this process, the required materials are the leftover firewoods, fuel and large barrels that are utilized to accommodate food waste processing. Food waste is cooked in boiling water with a minimum temperature of 100 degrees Celcius for approximately three hours. The boiling process must be done properly to ensure the catfish feed is free from the bacteria within the food residue. After the food is boiled, then it progresses by grinding the food waste. The grinding process takes approximately one hour, and it can produce about 200 kg of catfish food. The grinding process aims to make it easier for catfish to digest the food. After the grinding process is finished, the food is stored in buckets and then taken directly to feed the catfish in the ponds.

As for the compost fertilizer process, it begins with gathering the rotting food waste and organic waste (e.g., dry leaves) in one spot. Then, in the decomposition process, the decomposing bacteria within the food waste is used to speed up the decay process. Finally, after 100 days, the compost can be used to maintain the plants with the help of several fertilizers such as urea and Nitrogen, Phosphorous, and Potassium (i.e., NPK) fertilizers.

The impact of Cipaku Garden Hotel's sustainable practice on its financial performance

In implementing WMP, there was an initial investment in 2018. The manufacture of catfish feeds cost the hotel around one million rupiahs consisting of tools and materials in the form of a ladle, bucket, and

grinding machine. Meanwhile, for the manufacture of compost, there is no additional cost in processing. The additional cost for the whole process revolves around sending the food waste from outside the hotel, which is around seven million rupiahs. The amount of food waste produced for the hotel's catfish feed activities can reach approximately 276 kg every day. In terms of the catfish farming business, the use of catfish feed from processed food waste has reduced the hotel's feeding cost. Prior to the implemented WMP, the hotel uses pellets as catfish food. In the logging process, leftover woods is utilized, and it is obtained from the inner and external areas of the hotel. As a result, it costs the hotel zero Rupiahs in conducting catfish feed activities. In 2018, the cost of cultivating catfish had reduced as much as 49.02% compared to the previous year.

The established waste management policies started in 2018 are expected to contribute to the hotel's sustainable development activities. Because compost does not require processing costs, it reduces the cost of purchasing other fertilizers. In addition, the increased efficiency and the decrease of plant maintenance costs are due to a reduction in the use of urea and NPK fertilizers. By implementing the waste management policies, the hotel can save 50% of its annual costs compared to its previous year.

As for the common size analysis of the Cipaku Garden Hotel's financial performance, it is presented in Table 2. The years selected for the common size analysis are 2017 and 2018. 2017 is the year where WMP is not yet created, whereas 2018 is the year where the Cipaku Garden Hotel has implemented the WMP within their daily activities.

Table 2. Common Size Analysis of The Cipaku Garden Hotel financial performance

	2017 (%)	2018 (%)
Revenue	100	100
Discount	1.71	1.19
Cost of good sold	14.19	12.79
Salary and employee health costs	29.91	26.63
Administrative cost	29.92	28.23
Miscellaneous expense	7.69	8.25
Employee meal cost	4.44	2.74
Catfish cultivation cost	0.45	0.26
Plant maintenance cost	0.14	0.08
Gross operating profit	11.28	19.83
Property tax	0.93	1.04
Rental cost	4.06	4.58
Insurance fee	0.21	0.24
Cost of depreciation	1.67	1.89
Loan interest fee	0.6	2.21
Profit before tax	3.8	9.86
Tax	1.69	2.97
Net profit	2.1	6.89

Based on Table 2, it is shown that the net profit increased by 2.1% to 6.89%. Furthermore, the impact of WMP practice on the cost concerning catfish farming and plant maintenance has decreased by 0.19% and 0.06%, respectively. In particular, since the WMP is part of the hotel's sustainable practice, it enabled them to reduce the employee meal cost by as much as 1.7% in 2018 due to catfishes farmed by the hotel are used as part of the employees' meal.

CONCLUSION AND FURTHER RESEARCH

This study aims to investigate the impact of sustainable practice conducted in Cipaku Garden Hotel on its financial performance. Additionally, further analysis is conducted to uncover the hotel's perception concerning the benefits obtained from its sustainable practice. The objectives presented in the study are

novel within the context of the hotel's environment in Indonesia, especially to the sustainable practice conducted by the small hotel's .

By using a case study approach, it is found that Cipaku Garden Hotel can enhance its financial performance by conducting sustainable practice through the utilization of WMP. The application of WMP has given the hotel the capability to reduce its cost expenditure. As a result, it has increased the hotel's gross profit margin and net profit margin. Apart from high maintenance cost as one of the reasons for the Cipaku Garden Hotel to adopt sustainable practice activities, three other factors enforce such adoption, namely: (1) legal and compliance requirements, (2) the pressure for minimizing pollution, and (3) continual improvements. As for the hotel's perception concerning the benefits obtained from the applied sustainable practice, it is found that the adopted sustainable practice enables the hotel to become environmentally friendly in conducting its daily activities. In which the primary material for the hotel's WMP is obtained internally (e.g., kitchens) and externally (e.g., landfills) and, in turn, the recycled product generated from its WMP is used to maintain the hotel's environment (e.g., garden maintenance), thus further reducing its expenditure.

Considering this study's findings, it can be said that sustainable practice can positively impact a hotel's financial performance. Moreover, such positive impacts can also bring an added value to the hotel and its environment. Since large organizations are generally the ones who are capable of conducting sustainable practice, this study shows that even an SME can apply such practices even with the lack of resources (financially and otherwise). Any organization, regardless of its industry, can use the findings of this study as an insight in establishing, implementing, and integrating the idea of sustainable practice defined under the concept of ESG and SDGs. Hence, every organization can share its value with its surrounding in order to maintain the quality of its environment and, simultaneously, improve the well-being of its communities.

Although this study can fulfill its objectives, there is one limitation that must be noted. The main limitation of this study is that it uses a single hotel as the research's object. As a result, the approach to creating and implementing sustainable practice within the hotel's activities may not be the same to others. Therefore, it is recommended for future studies to include multiple hotels with a variety of sizes in order to uncover the similarities and differences among their applied sustainable practice, such as the barriers for its implementation or its distinct critical success factors. Furthermore, it can also be extended to investigate the variety or degree of the influence generated by sustainable practice on hotels performance, both financially or operationally.

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