



UNIVERSITI
TEKNOLOGI
MARA

Institut
Pengajian
Siswazah

THE DOCTORAL RESEARCH ABSTRACTS

Volume: 13, Issue 13

April 2018

13th ISSUE



Name : JUNAIDAH BINTI JAIDI

Title : BUSINESS ENVIRONMENTALISM STRATEGY, COMPETITIVE ADVANTAGE AND ORGANISATIONAL PERFORMANCE IN MALAYSIAN HOTEL INDUSTRY

Supervisor : ASSOC. PROF. DR. SARMINAH SAMAD (MS)
ASSOC. PROF. DR. RAMAN NORDIN (CS)

As the today's tourists are becoming increasingly concerned with the environment and environmental products, the management teams within the hotel industry believe that the integration of environment aspects into their business strategies will lead to better organisational performance. Hotel managers believe that the environmental integration is able to create value and competitive advantage. This research, which is grounded in the resource-based view, examined the relationship between business environmentalism strategy (corporate environmentalism and environmental management accounting practices) and organisational performance among Malaysian hotels. This research further examined the mediating role of competitive advantage on the link between environmental business strategy and organisational performance. Employing the simple random technique, data were collected from 122 hotel managers from 3 to 5-star hotels in Malaysia. The data was analysed using the Partial Least Squares (PLS) approach to Structural Equation Model (SEM). Results of the hypotheses testing showed that all seven hypotheses were supported. Thus, it was concluded that both corporate environmentalism and environmental management accounting practices have a positive and significant relationship with organisational performance. It was also found that competitive advantage partially mediated the relationship between corporate environmentalism and environmental management accounting practices with organisational performance. Given the substantial explanatory power of the model findings, this research has provided significant theoretical and

practical contributions. This study has successfully provided a theoretical model that explains the contribution of environmental business strategy on the organisational performance of the Malaysian hotel industry by extending the current theoretical framework for corporate environmentalism. Added to the framework is the element of environmental management accounting practices as part of the strategic management component. Furthermore, this study has also provided a deeper understanding and practical suggestions on how the integration of environmental aspect into the business strategy may help the organisations gain competitive advantage, which directly contribute to better performance. Of the most important finding, internal environmental orientation (IEO) has been revealed to be insignificant in the formation of corporate environmentalism compared to the other three dimensions; marketing environmental strategy (MES), corporate environmental strategy (CES), and external environmental orientation (EEO). Even though it was been proven in the literatures that all the four dimensions are equally important in the formation of corporate environmentalism. To conclude, this research has provided important insights into the role of business environmentalism strategy towards organisational performance in general, and the Malaysian hotel industry specifically. More importantly, this research has opened up possibilities for further research in the adoption of business environmentalism strategy in Malaysia and other developing countries.