

**UNIVERSITI TEKNOLOGI MARA**

**KNOWLEDGE OF RISKS  
AND VULNERABILITY,  
PREPAREDNESS,  
THE GOVERNMENT SUPPORT  
AND HOMESTAY OPERATORS  
BUSINESS RESILIENCY**

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## ABSTRACT

In business general, resilience is the capability to quickly adapt and react to interferences as well as maintain the business operations to enable growth. Within the tourism related business, the concept of resilience is closely associated with the economy, socio-politic, cultural, and institutional or infrastructures as business in this industry is too fragmented and fragile and well depend on the tourists. Since homestay program is one of new tourism products and important contributors to the rural area and community development and country revenue the understanding or knowledge on the risks and vulnerability either the internal and external and the preparedness among it operators toward their business resiliency is crucially important. Hence, this study empirically examines the effect of knowledge of risks and vulnerability on preparedness and the homestay business resiliency. In investigating this, a causal research design using the quantitative approach was used and the individual homestay community in all states in Malaysia who are currently registered with Tourism Malaysia under cluster homestay project is chosen as a sample of the study. Through a self-administered survey, 580 usable questionnaires were successfully collected. Various statistical analyses ranging from frequency, descriptive, inferential and the Partial Least Square (PLS- SEM) were used to answer the research questions and hypotheses. The analysis results provide evidence that there is a linkage between knowledge of risks and vulnerability attributes and homestay business resiliency or there is a causal relationship between operational, economy, social and culture risks and vulnerability and homestay business resiliency. In addition, knowledge of operational, social and culture risks and vulnerability is giving strong impact to homestay operators' preparedness while knowledge of economy risk and vulnerability although weak, also positively giving impact to the resiliency. This notion is further strengthened with the emergence of preparedness as mediator and the government support as moderator to the homestay business operation resiliency. To be more precise, in achieving resiliency in the homestay business operation besides knowledge of economy, operational, social and culture the element of preparedness is undeniably utmost important. In this sense, the strength of the relationship between knowledge of economy and social risk and vulnerability with preparedness is strongly increased with the presence of the government support. These optimistic indications from the practical aspects carry varying consequences and implications for the potential, the existing homestay operators, the individuals that closely associated with this kind of business operation and the relevant authorities.

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# **CHAPTER ONE**

## **INTRODUCTION**

### **1.1 PREAMBLE**

This chapter consists of nine sections with the first section generally highlighted on resilient as the subject matter and the background of the study. Personal, business, organizational and the concept of resilient in tourism industry are centrally emphasized in this section. This is followed by illustrating the research context and problem statement. The pertinent issues related to homestay program resilient and attributes that might be associated to it such as preparedness, knowledge and the understanding on vulnerability risks in the study contextual setting is subsequently discussed. The objectives, research questions, the study conceptual framework together with the hypotheses are then addressed in the fourth, fifth and sixth sections of this chapter. The succeeding section is addressing the significance of the study from both academic and practical perspectives followed by the scope of the research and the definitions of the key terms. The final section underlines all chapters through the structure of the thesis.

### **1.2 BACKGROUND OF THE STUDY**

Resilience is a multi-faceted phenomenon that encompasses of personal and environmental factors that interact in a synergistic fashion to produce competence despite the adversity and the hardship. To be more explicit, it is associated with the ability to expand, mature and enhance the competency to face every adverse circumstance. These circumstances may involve personal characteristics, familial, academic or any biological abnormalities or environmental challenges in either ecological, economic, socio-cultural, climate change, water availability or natural resource flows, including waste streams and businesses (Sakmar, Wackernagel, Galli & Moore, 2011). Resilience is considered a process rather than a trait to be had. A person could be classified as resilience when he/ she can face difficult experiences and rise above them with ease. Resilience is not a rare ability and in reality, it is found in