

Resource Management Strategies in the Hospitality Industry: Balancing Profit and Sustainability

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ABSTRACT

This study aimed to explore the strategies employed within the industry to address these dual objectives and to understand how sustainability practices are integrated into business operations. This qualitative study utilized semi-structured interviews with 25 participants from various sectors of the hospitality industry, including management, sustainability officers, and operational staff. The interviews were designed to achieve theoretical saturation and involved detailed discussions about resource management practices. Thematic analysis was conducted to identify the main themes and sub-themes relating to sustainable practices and their implications for business operations. Four main themes were identified: Sustainable Practices, Economic Impacts, Stakeholder Engagement, and Innovation and Adaptation. Sustainable Practices included waste management, energy conservation, water usage reduction, and sustainable sourcing. Economic Impacts focused on cost efficiency, revenue enhancement, and risk management. Stakeholder Engagement covered employee involvement, community interaction, and regulatory compliance. Innovation and Adaptation highlighted technological innovations, process improvements, and product redesign. Each theme encompassed specific strategies and practices that contribute to both sustainability and profitability. The findings demonstrate that the hospitality industry is actively integrating sustainability into its core operations through diverse strategies that address environmental, economic, and social aspects. Successful implementation of these strategies is dependent on technological innovation, effective stakeholder engagement, and robust economic management. This integration not only aids in compliance with environmental standards but also enhances competitive advantage and market positioning.

Keywords: Hospitality industry, Sustainable resource management, Environmental sustainability, Economic profitability, Stakeholder engagement, Innovation in hospitality.

1. Introduction

In the rapidly evolving hospitality industry, the integration of sustainable resource management strategies is becoming increasingly critical for competitive advantage and long-term viability. The challenge of balancing economic success with environmental and social responsibilities requires an innovative approach towards strategic management (Bavik, 2020; Jones & Comfort, 2020; Kalargyrou & Costen, 2017; Nikadimovs & Rodčenkova, 2021; Susanto et al., 2022). Research has highlighted that the hospitality industry, characterized by high consumer visibility and significant environmental impact, is under growing pressure to adopt sustainable practices (Gutiérrez et al., 2015). The industry's unique position makes it essential for firms to implement strategies that not only drive economic growth but also advance environmental and social goals. The concept of sustainability in entrepreneurship and its dichotomy of economic versus ecological logic is well-articulated by Clercq and Voronov (2011), who discuss the integration of these often conflicting logics within business practices (Clercq & Voronov, 2011).

Strategic management in hospitality has evolved significantly, adapting to the increasing demands for sustainability while striving to maintain profitability and market competitiveness (Harrington et al., 2014). These adaptations are evident in the ways businesses manage their human, physical, and environmental resources. For instance, Tavitiyaman, Qu, and Zhang (2011) discuss how industry forces influence the adoption of competitive strategies that focus on resource management, which directly impacts hotel performance (Tavitiyaman et al., 2011).

Human resource practices, particularly those that emphasize 'green' policies, play a crucial role in facilitating sustainable practices within the industry. Palguna (2021) emphasizes the importance of Green Human Resource Management (GHRM) practices in fostering an environmentally friendly workplace culture that supports sustainable business operations (Palguna, 2021). Similarly, Santhanam et al. (2017) and Zhang (2023) highlight the impact of strategic HRM practices on employee retention and turnover, indicating that effective HRM strategies are fundamental to sustaining these initiatives (Santhanam et al., 2017; Zhang, 2023).

Moreover, the implementation of specific sustainability practices, such as water resource management, has been examined in contexts where environmental pressures are particularly pronounced. Kinyanjui (2019) provides insights

into how hotels in regions facing ecological stresses implement and evaluate water management strategies to mitigate the impacts of climate change (Kinyanjui, 2019).

Additionally, the luxury segment of the hospitality industry, often criticized for excessive consumption, has seen significant strides in integrating sustainability into its operations. Marinakou and Giousmpasoglou (2019) explore talent management and retention strategies within luxury hotels, illustrating how these establishments balance high-quality service with sustainability demands (Marinakou & Giousmpasoglou, 2019).

This study aims to build on the existing literature by providing a detailed analysis of semi-structured interviews with key stakeholders in the hospitality industry. The goal is to uncover how these professionals navigate the complexities of implementing sustainable resource management strategies, the challenges they face, and the outcomes they achieve.

2. Methods and Materials

2.1. Study Design and Participants

This study adopted a qualitative research methodology to delve into resource management strategies in the hospitality industry, focusing on the intersection of profitability and sustainability. The qualitative approach was chosen due to its effectiveness in exploring complex phenomena and understanding the deeper insights and motivations behind industry practices.

Participants were selected using purposive sampling to ensure a diverse representation of the hospitality industry. This included managers, sustainability officers, and operational staff from various hotels and resorts known for their efforts in balancing economic and environmental goals. Initial contacts were made through industry networks and professional associations, and subsequent snowball sampling techniques were employed to identify further participants.

Interviews were conducted until theoretical saturation was achieved, meaning no new themes or insights were emerging from the data. This saturation point was determined during the data analysis phase, where the data was continuously reviewed and compared against emerging themes and categories.

All participants were informed of the study's purpose, the voluntary nature of their participation, their right to withdraw at any time, and the measures taken to ensure

confidentiality and anonymity. Written informed consent was obtained from all participants prior to the interviews.

2.2. Measures

2.2.1. Semi-Structured Interview

Data was collected exclusively through semi-structured interviews, which were designed to allow both the interviewer and the interviewees the flexibility to explore the questions in depth. The semi-structured format was selected to enable a balance between obtaining comparable data across different interviews and allowing for personalized responses that could highlight unique practices and viewpoints.

The interview protocol comprised open-ended questions that prompted discussions on current resource management practices, decision-making processes related to sustainability, challenges faced in implementation, and the impacts of these practices on business outcomes. Questions were designed to elicit both factual information and personal opinions.

2.3. Data Analysis

Data collected from the semi-structured interviews was transcribed verbatim and analyzed using thematic analysis. This involved coding the transcripts to identify patterns and themes related to resource management strategies. The analysis was iterative, with codes and themes refined throughout the process to ensure they accurately represented the data. To enhance the credibility and reliability of the findings, multiple researchers were involved in the analysis process to provide checks and balances against potential biases.

3. Findings and Results

In this qualitative study, a total of 25 participants from the hospitality industry were interviewed to explore resource management strategies. The demographic breakdown of the participants was as follows: 15 were male and 10 were female, representing a diverse age range from 25 to 55 years old. The majority (12 participants) were between 35 and 45 years old. Participants held various positions within the industry, including 8 managers, 5 sustainability officers, 4 operations staff, and 8 in other roles such as marketing directors and compliance officers.

Table 1

The Results of Qualitative Analysis

Main Themes	Subthemes	Concepts (Open Codes)
Sustainable Practices	Waste Management	Recycling initiatives, Composting, Single-use plastic reduction
	Energy Conservation	LED lighting, Energy-efficient appliances, Renewable energy sources
	Water Usage Reduction	Low-flow fixtures, Rainwater harvesting, Water recycling
	Sustainable Sourcing	Local sourcing, Organic products, Fair-trade certification
Economic Impacts	Cost Efficiency	Budget allocation, Return on investment, Cost-saving strategies
	Revenue Enhancement	Green certifications, Eco-friendly branding, Sustainable tourism
	Risk Management	Compliance risks, Environmental impact risks, Reputation risks
Stakeholder Engagement	Employee Involvement	Training programs, Incentive schemes, Staff feedback mechanisms
	Community Interaction	Local community hiring, Community projects, Cultural sensitivity
	Regulatory Compliance	Legal standards, Industry guidelines, Audit and compliance checks
Innovation and Adaptation	Technological Innovations	IoT in energy management, Automated waste sorting, Water reclamation tech
	Process Improvements	Workflow optimizations, Eco-friendly logistics, Green procurement processes
	Product Redesign	Biodegradable materials, Reusable products, Packaging redesign

Our study identified four major themes concerning resource management strategies in the hospitality industry: Sustainable Practices, Economic Impacts, Stakeholder Engagement, and Innovation and Adaptation. Below, we detail these themes, the associated subthemes, and the supporting concepts identified during the data analysis.

3.1. Sustainable Practices

Waste Management: Participants emphasized initiatives such as recycling, composting, and reducing single-use plastics. For example, one manager stated, "We've drastically cut down on our plastic waste by introducing

biodegradable alternatives and encouraging recycling among guests and staff."

Energy Conservation: This subtheme includes the adoption of LED lighting, use of energy-efficient appliances, and integration of renewable energy sources. A sustainability officer shared, "Switching to LED lighting throughout our properties not only reduced our energy consumption but also significantly lowered our utility bills."

Water Usage Reduction: Strategies here involved installing low-flow fixtures, implementing rainwater harvesting systems, and recycling water. "Our rainwater harvesting system covers about 30% of our water usage, which is crucial in our water-scarce region," noted a facility manager.

Sustainable Sourcing: Focused on procuring local, organic, and fair-trade certified products. A hotel executive commented, "Sourcing locally not only supports the community but also reduces our carbon footprint and improves our brand image among eco-conscious travelers."

3.2. *Economic Impacts*

Cost Efficiency: Interviewees discussed effective budget allocation, achieving a favorable return on investment, and employing cost-saving strategies. "Implementing energy-saving solutions has involved upfront costs but the long-term savings are undeniable," explained a financial analyst.

Revenue Enhancement: Emphasized leveraging green certifications and eco-friendly branding to boost sustainable tourism. "Our green certification has definitely attracted a new market segment interested in sustainability," a marketing director revealed.

Risk Management: This included managing compliance, environmental, and reputation risks. "Staying ahead of environmental regulations and managing risks proactively is essential for maintaining our operational license and reputation," stated a risk manager.

3.3. *Stakeholder Engagement*

Employee Involvement: Strategies here included training programs, incentive schemes, and staff feedback mechanisms. "We involve employees in sustainability training which empowers them and improves implementation," a human resources manager reported.

Community Interaction: Participants highlighted the importance of hiring locally, supporting community projects, and respecting cultural sensitivities. "Our engagement with the local community not only helps in local

development but also enriches our service offering," remarked a community relations officer.

Regulatory Compliance: Involving adherence to legal standards and industry guidelines, backed by rigorous compliance checks. "Regular audits and compliance checks ensure we meet all regulatory requirements," a compliance officer noted.

3.4. *Innovation and Adaptation*

Technological Innovations: Included the use of IoT for energy management, automated waste sorting systems, and advanced water reclamation technologies. "Innovative tech like IoT has revolutionized how we manage and conserve resources," an IT specialist commented.

Process Improvements: Covered workflow optimizations, eco-friendly logistics, and green procurement processes. "We continuously look for ways to streamline operations to make them more eco-friendly," an operations manager stated.

Product Redesign: Focused on developing biodegradable materials, creating reusable products, and redesigning packaging. "Redesigning our product line to be more sustainable has opened up new market opportunities for us," a product development manager shared.

4. **Discussion and Conclusion**

The qualitative analysis of semi-structured interviews with key stakeholders in the hospitality industry revealed four main themes central to resource management strategies: Sustainable Practices, Economic Impacts, Stakeholder Engagement, and Innovation and Adaptation. These themes encompass a range of categories addressing various aspects of resource management, including waste management, energy conservation, cost efficiency, revenue enhancement, employee involvement, community interaction, technological innovations, and process improvements.

The Sustainable Practices theme included categories such as Waste Management, Energy Conservation, Water Usage Reduction, and Sustainable Sourcing. Waste Management focused on recycling initiatives, composting, and reducing single-use plastics. Energy Conservation was highlighted through the adoption of LED lighting, energy-efficient appliances, and the use of renewable energy sources. Water Usage Reduction was addressed by implementing low-flow fixtures, rainwater harvesting, and water recycling systems. Lastly, Sustainable Sourcing emphasized the importance of procuring local, organic, and fair-trade certified products.

The Economic Impacts theme was broken down into categories such as Cost Efficiency, Revenue Enhancement, and Risk Management. Cost Efficiency involved strategies for budget allocation, achieving a favorable return on investment, and cost-saving strategies that directly affect the bottom line. Revenue Enhancement explored the benefits of green certifications and eco-friendly branding, which attract a niche market segment that values sustainability. Risk Management discussed the management of compliance risks, environmental risks, and reputation risks, ensuring that the business maintains its operational license and public trust.

Under the Stakeholder Engagement theme, categories included Employee Involvement, Community Interaction, and Regulatory Compliance. Employee Involvement highlighted the importance of training programs, incentive schemes, and feedback mechanisms that encourage staff participation in sustainability efforts. Community Interaction was about engaging with the local community through hiring practices, supporting community projects, and ensuring cultural sensitivity. Regulatory Compliance dealt with adhering to legal standards and industry guidelines to avoid legal pitfalls and maintain industry standards.

Finally, the Innovation and Adaptation theme encompassed Technological Innovations, Process Improvements, and Product Redesign. Technological Innovations covered the integration of advanced technologies such as IoT in energy management, automated waste sorting, and water reclamation technologies. Process Improvements were about optimizing operations to enhance eco-friendliness and efficiency, involving logistics and procurement processes. Product Redesign focused on developing sustainable products, including the use of biodegradable materials and redesigning packaging to reduce environmental impact.

One of the primary themes identified was the intensive focus on sustainable practices that also support economic objectives. Participants highlighted several strategies such as waste management, energy conservation, and sustainable sourcing which are crucial for reducing operational costs and enhancing the environmental profile of the establishments. This aligns with the findings of Gutiérrez et al. (2015), who demonstrated that sustainability initiatives can significantly contribute to a hotel's competitive advantage by not only curbing costs but also by enhancing brand reputation among eco-conscious consumers. The current study extends this understanding by showing how specific practices like

energy-efficient lighting and water recycling contribute directly to cost efficiency and resource conservation (Gutiérrez et al., 2015).

The significant role of human resource management in facilitating sustainability practices was another critical finding. The involvement of employees in sustainability initiatives, as reported by participants, enhances the implementation of these strategies. This is supported by Palguna (2021), who discusses the importance of Green Human Resource Management practices in promoting an environmentally friendly organizational culture (Palguna, 2021). Moreover, the strategic management of human resources, as discussed by Zhang (2023), provides further evidence that thoughtful HR practices can mitigate turnover and increase employee engagement with sustainability goals. This study corroborates these findings by demonstrating that training and incentive schemes specifically designed around sustainability can enhance employee participation and commitment (Zhang, 2023).

Innovation emerged as a crucial theme, particularly the adoption of technological advancements and process improvements to support sustainable practices. Participants cited the use of IoT for energy management and automated systems for waste management as key innovations. These findings echo those of Tavitiyaman et al. (2011), who identified how technological innovations could significantly influence resource management strategies and thereby enhance overall hotel performance (Tavitiyaman et al., 2011). The adaptive responses to environmental challenges, such as those documented by Kinyanjui (2019), also support this study's findings that technological and process innovations are vital for effective sustainability in resource-strained settings (Kinyanjui, 2019).

The current study highlighted the importance of stakeholder engagement in enhancing the sustainability efforts of hospitality businesses. This involves not just internal stakeholders like employees but also external ones such as the local community and regulatory bodies. The integration of community interaction into business practices, as highlighted in this research, finds support in Marinakou and Giousmpasoglou (2019), who discuss how luxury hotels incorporate local culture and community into their operations to enhance sustainability and customer experience (Marinakou & Giousmpasoglou, 2019). Furthermore, the adherence to regulatory standards and proactive compliance management aligns with the observations made by Harrington et al. (2014), emphasizing strategic management's role in future-proofing hospitality

businesses against potential sustainability-related challenges (Harrington et al., 2014).

This study explored the resource management strategies within the hospitality industry, focusing on how these practices balance profitability and sustainability. The key themes identified were sustainable practices, economic impacts, stakeholder engagement, and innovation and adaptation. Sustainable practices such as waste management, energy conservation, and water usage reduction were highlighted as crucial for both environmental stewardship and cost efficiency. The role of human resources in promoting sustainability was emphasized, with strategic HR practices being pivotal in employee engagement and retention. Innovations, particularly in technology, were identified as essential for improving resource management efficiency and overall sustainability. Finally, the importance of stakeholder engagement, including community interaction and regulatory compliance, was underscored as vital for the holistic integration of sustainability into business operations.

The findings of this study illustrate the intricate balance that hospitality businesses must maintain between driving economic gains and advancing sustainable practices. The adoption of comprehensive resource management strategies is shown to contribute significantly to operational efficiency, regulatory compliance, and enhanced competitive positioning. This study contributes to the growing body of literature that supports the integration of sustainability into business strategies, not only as an ethical imperative but as a core component of modern business operations in the hospitality industry.

While this study provides valuable insights, it has several limitations. The reliance on qualitative data from semi-structured interviews, though rich and detailed, may not capture the full spectrum of practices across the broader hospitality industry. The sample was confined to a specific subset of hospitality businesses, which may limit the generalizability of the findings. Additionally, as the study focused on current practices and perceptions, it may not fully anticipate future trends or changes in regulatory and economic landscapes that could impact resource management strategies.

Future research could expand on this study by incorporating quantitative methods to validate the impact of sustainable practices on business performance across a more extensive array of hospitality businesses. Longitudinal studies could provide deeper insights into the long-term effects of these strategies on both profitability and

environmental outcomes. Additionally, comparative studies across different regions or types of hospitality operations could highlight unique challenges and innovative practices, offering a more comprehensive understanding of global trends.

For practitioners in the hospitality industry, this study underscores the importance of integrating sustainable practices into all aspects of business operations. Managers should focus on developing robust training programs to enhance employee engagement with sustainability initiatives and leverage technology to optimize resource management. Additionally, fostering strong relationships with local communities and regulatory bodies can enhance both the social and environmental impact of their sustainability efforts. By adopting a strategic approach to resource management that aligns with both business and sustainability goals, hospitality businesses can secure a competitive edge while contributing positively to society and the environment.

Authors' Contributions

Authors contributed equally to this article.

Declaration

In order to correct and improve the academic writing of our paper, we have used the language model ChatGPT.

Transparency Statement

Data are available for research purposes upon reasonable request to the corresponding author.

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Declaration of Interest

The authors report no conflict of interest.

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Ethics Considerations

In this research, ethical standards including obtaining informed consent, ensuring privacy and confidentiality were considered.

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