



Article

# **Exploring Sustainable Human Resource Practices and Framework in Star-Rated Hotels**

Jennifer Kim Lian Chan 1,\* D, Steward Giman Anak Stephen 2 and Andi Tamsang Andi Kele 3 D

- Borneo Tourism Research Centre, Universiti Malaysia Sabah, Kota Kinabalu 88400, Malaysia
- School of Business, AMC College, Kota Kinabalu 88400, Malaysia; steward@amccollege.edu.my
- Faculty of Business, Economics & Accountancy, Universiti Malaysia Sabah, Kota Kinabalu 88400, Malaysia; andi@ums.edu.my
- \* Correspondence: jenniferchan@ums.edu.my

Abstract: Extensive attention has been paid to environmental issues when evaluating the sustainability of organisations, and little attention has been paid to sustainable human capital practices. The literature shows contradictions and gaps among theoretical propositions, empirical findings, and the realities of human resource management (HRM). Theoretical approaches and empirical studies state that effective HRM is essential, yet in actual practice and employment conditions, the importance of effective HRM is not reflected. Thus, this paper aims to determine the critical emerging issues that affect human resource practices and management in the current employment context, as well as proposes a sustainable human resource framework for the hotel industry. Data were collected via in-depth focus group interviews with 40 respondents from operational, supervisorial, and managerial positions in the Malaysia hotel industry. The proposed model of sustainable human resource practices can yield a wide selection of tangible and intangible benefits. The findings benefit the hotel organisations by identifying the needs of their employees, a more in-depth point of view, and their thoughts about their organisations. This paper provides a new perspective of sustainable HRM practices by applying resource-based view theory on managing people as the "resource", specifically in the hotel industry.

Keywords: human resource management; sustainability practices framework; hotel industry



Citation: Chan, J.K.L.; Stephen, S.G.A.; Andi Kele, A.T. Exploring Sustainable Human Resource Practices and Framework in Star-Rated Hotels. *Sustainability* **2021**, 13, 9024. https://doi.org/10.3390/ su13169024

Academic Editor: Hyo Sun Jung

Received: 7 July 2021 Accepted: 5 August 2021 Published: 12 August 2021

**Publisher's Note:** MDPI stays neutral with regard to jurisdictional claims in published maps and institutional affiliations.



Copyright: © 2021 by the authors. Licensee MDPI, Basel, Switzerland. This article is an open access article distributed under the terms and conditions of the Creative Commons Attribution (CC BY) license (https://creativecommons.org/licenses/by/4.0/).

#### 1. Introduction

The concept of sustainability is often perceived as resource development that is subjected to a wide range of factors. It is also deemed as a management philosophy infusing all levels of policy and practices relating to tourism. There has been extensive research based on the sustainability pillars (economic, environment, and social cultural aspects) in the context of tourism, especially in ecotourism. Sustainable human resource practices are vital to ensure sustainable growth and quality service provision by the tourism and hospitality business operators. When assessing organisation sustainability, extensive attention has been paid to environmental issues, and little attention has been paid to sustainable human capital [1,2]. Simply, the nature of tourism and hospitality businesses are service oriented and labour intensive. Similarly, having competent human resources for the business operators to stay in the competitive environment is necessary. Furthermore, with the current COVID-19 pandemic and the "new normal", human capital plays a vital role in the recovery of tourism and hospitality businesses.

As the hotel industry is a highly labour-intensive industry, it relies heavily on the skills and performance of its employees to carry the valued products and services of the business to the guests. The performance of its human resources is recognized as a significant and determining factor in organization sustainability [3]. Therefore, the element of human resources in the hotel industry has become a critical success factor in determining sustainable human resource management [4]. Consequently, the issue

Sustainability **2021**, 13, 9024 2 of 15

of employee retention remains a key challenge in Malaysia's hotel industry [5]. The provided evidence does not have a strong framework that is able to help hotels manage their employees, especially in terms of retaining them and managing generational gaps. Not much on the topic of sustainability has been discussed either [6].

In 2015, the United Nation Sustainable Growth Summit adopted the 2030 Vision for Sustainable Development, which highlighted 17 Sustainable Development Goals (SDGs) aimed at ending poverty, fighting inequalities and discrimination, and tackling climate change by 2030. While only the eighth objective (decent employment and job creation) explicitly applies to the workplace and the work climate, it is arguable that a large amount of the SDG objectives impact the tourism workforce and workplace in one manner or another, specifically in the hotel industry [7]. Evidently, the sustainability of an organization is largely attributed to its human resources and the organization itself [8,9].

Studies on HRM that relate to the hotel industry in the Malaysian context have not been discussed and are limited [10]. As noted by other researchers [7,8], academic studies focussing on sustainable HRM in the hotel industry are limited and ought to have further discussion. Most of the existing studies have looked into the hotel industry and were conducted in a Western context. These studies excluded the sustainability of HR and focused on certain issues such as employee turnover intention and staffing issues [9–11], hotel employee retention issues [11,12], and organizational performance [13–15]. The literature has documented limited empirical studies on HRM matters such as turnover, motivation, and operations in the Malaysian hotel industry [11–13].

Likewise, a report by the Economic Transformation Program 2010—Reviving Up the Tourism Industry—stated that the tourism industry contributes as much as 14% of the total workforce in Malaysia [16]. The report also added that Malaysians working in hotels and restaurants make RM 1,084 per month on average compared to the RM 2,114 made by people working in financial services and the RM 2,621 made by people working in the oil, gas, and energy sector. Due to this gap in wages, it has become one of the main reasons why the hotel industry is experiencing high employee turnover [11]. This fact is supported by the rate of employee turnover in the hotel industry in Malaysia as stated in Table 1.

<b>Table 1.</b> Rate of employee turnover in the hotel indus
--

•,	D : 47 (0/)
Year	Rate of Turnover (%)
2018	5.0
2017	4.5
2016	4.2
2015	3.4
2014	2.8
2013	2.4
2012	2.1
2011	2.0
2011	2.0

Source: Department of Statistics Malaysia, 2019. Adapted with permission from [17], WCED, 1987.

In the same vein, the current model and practices of human resource management in the hotel industry have several limitations. First, the traditional HRM models that are currently being applied are not suitable, as the nature of the hotel business is different from other service organizations. Second, the changes in the demographic profile of the workforce in term of work attitude and behaviours need to be considered. Older generations such as Baby Boomers and some members of Generation X are being replaced by the Generation Y and Millennials generations [18]. Likewise, there is "constant evolved in response to economic, political, socio-cultural and technological factors" [18] that shapes HRM and practices. The changes influencing HRM and practices and the existing HRM model may not fit well in the context of such changes, especially considering the sustainability of HRM. In view of these factors, there is a need for a review of the current HR model that is currently being used in the hotel industry [1,6].

Sustainability **2021**, 13, 9024 3 of 15

The findings of this study would benefit HR practitioners in managing human resources (HR), especially in retaining employees in their organization. It would also benefit them in identifying the current key emerging issues that affect HR practices and management. Additionally, the study would help organizations to identify what the needs of their employees are, a more in-depth point-of-view, and their thoughts about their organizations. This study focuses on issues that are linked to sustainable HRM in the hotel industry. Therefore, the findings from this study would provide insightful information on issues and changes required by the human resource management in the hotel industry.

This paper is a pioneering investigation that seeks to understand current HR practices, examine the underlying key factors influencing them, and subsequently, developing a holistic and integrated model of HR management that reflects changes in the social and economic environment and demographic profile of the workforce in the hospitality industry. It addresses the initiatives of Entry Point Project 10 (EPP10)—Tourism and Hospitality Cluster. The proposed model serves as a guide to enhance HR practices and human capital development and to achieve sustainable HR planning as outlined in EPP10—Tourism and Hospitality Cluster with respect to human capital in Malaysia. The existing workforce (Generations Y and X) have undergone a significant shift in values, expectations, career paths, and opportunities due to social and economic changes in Malaysia, thus influencing HR development and practices [15]. Tourism HR practices are "ambiguous and inflexible" [16], are often unplanned and unstructured with a lack of cohesive strategy, and are often known for "ad hocism", which affect recruitment, retention, training, and career progression [17]. Due to this, the importance of research into tourism/hospitality HR practices or models has been highlighted [17–19]. The complexity of the employment structures and the contradictions between existing HR theoretical propositions that are not reflected in actual employment have highlighted the need to research and develop a new model.

#### 2. Literature Review

The term sustainability is one of the most often used terms across several fields in the twenty-first century and holds various meanings. Sustainability has been primarily shaped by three stakeholder groups: business strategy scholars, ecologists, and the United Nations' World Commission on Environment and Development [17], which is often known as the Brundtland Commission.

Current approaches to sustainability in human resource management and human resource-related literature focus on one or more sources of sustainability [18]. Human resource management is a field that is constantly evolving and changing. The argument for linking human resource management to environmental concerns is that it promotes sustainability and has established a new paradigm in this field [19].

Additionally, an organisation's human resources department plays a critical role in fostering an enterprise-wide culture of sustainable growth [20]. SHRM considers the social, economic, and ecological aspects of an organisation's objectives when conducting human resource functions. SHRM is in the ideal position to provide leadership and to drive innovation to persuade organisational stakeholders to adopt more sustainable attitudes and practices [21]. It has the potential to play a critical role in the adoption of a sustainable mindset in business organisations [20].

Furthermore, according to the resource-based perspective, SHRM provides a long-term competitive advantage by executing value-enhancing methods that set companies apart from their rivals and that are difficult to imitate. The resource-based perspective states that an organization's competitive advantage is determined by its resource availability and the efficient utilisation of those resources [22]. The authors of [23] believe that human resources have the potential to be sources of long-term competitive advantage, but they also point out that in order to do so, personnel must be highly competent and motivated. In other words, a high-quality workforce is necessary. This could be a survival approach for organisations that depend highly on their workforce, particularly in the service industry.

Sustainability **2021**, 13, 9024 4 of 15

SHRM also enables implementation in a way that does not jeopardise the interests of future generations of the workforce [24].

#### 2.1. Issues Affecting Sustainable Human Resource Management

There are several critical issues that HRM face that affect sustainable HRM in the hotel industry. This section addresses the key issues affecting sustainable HRM, a critical one of being employee turnover. The hotel industry suffers from high employee turnover among staff, caused by a lack of employee satisfaction with current industry HR practices, which leads to their decision to leave the industry and to move on to other industries that offer better employment opportunities and salaries [25] Employee turnover is an acute problem in the hotel industry [26], which also affects sustainable human resource management. There are no specific methods or HR models to reduce employee turnover to an acceptable rate. Another issue faced by HR in this industry is the lack of a workforce supply [27], whereby there are not enough skilled workers to fulfil the needs and demands of the industry due to the low numbers and poor transfer rate of graduates into the industry [28].

Given the extensive changes as well as the interests of employees and organisations, HRM models are viewed "as a means rather than an end" [29]. In other words, the HRM models presented in past studies have generally been more concerned with organisational performance, whereas the essence of the organisation itself has been neglected, i.e., the employee. Thus, there is a need to review and redevelop the current HRM models into "employee-based" ones without neglecting the organisation environment [7]. The position of employees has become more significant as research on HRM and management has expanded, illustrating the perception that HRM primarily influences primarily through its impact on employee attitudes and behaviour. This has produced a range of "internal" models describing the role of the employees in connecting HRM and efficiency. Traditional HRM approaches have become ineffective, as the demographic profile of the workforce in the industry has changed. Earlier generations, such as the Baby Boomers (1946–1965) and certain parts of Generation X (1965–1981), are being replaced by Generation Y (1977–1982) and Millennials (1982–2003) [30]. Since these generational elements have changed, the implementation of earlier models may be losing relevance.

Moreover, Salleh et al [31] stated that while youth make up the majority of the working population today, they are underrepresented in global issues. The forum identified that youth view the sense of purpose, career opportunities, and growth as compensation and social impact as the main issues that they are currently facing. Additionally, youth evaluated other drawbacks they have observed, including a lack of experience necessary to acquire one's first job, severe competition, and job availability.

New technologies are constantly emerging in the work market, and new professions are being developed to meet market demands [32]. Technology is a catalyst for promoting and influencing the future of jobs and igniting an inventive movement [33]. The fourth industrial revolution has facilitated rapid technical advancement, compelled collaborators to seek adaptability, and rapidly created a new labour market, especially in the service industry, such as the hotel segment.

The issues of employee retention, technological changes, the implementation of new rules and regulations, labour shortage, and the constantly changing expectations of customers shape human resource practices in the hotel industry [34]. Furthermore, the embodiment of the aforementioned issues into the new proposed model can help organisations retain employees. Additionally, recognition of this emerging issue can help employees to work and optimise their potential within their organisation [35].

## 2.2. Sustainable Human Resource Management

In Malaysia, tourism has been one of the fastest-growing industries of the past decade [36]. For this industry to remain sustainable, the role of each individual (both current and future employees) within an organisation is important, and this is managed by the HR department. The authors of [37] identified three elements within sustainable

Sustainability **2021**, 13, 9024 5 of 15

HRM: a sustained supply of future employees, workplaces that provide good employee treatment, and employee engagement in corporate social responsibility practices. This element of sustainable HRM is supported by other researchers who have linked sustainability in HRM to tourism [7,30]. If companies engage themselves in regenerating and developing resources that they consume today and that they will need in the future, this can lead to sustainable business behaviour [7]. These resources refer to the members of the organisation. The act of regenerating and developing also encompasses the human capital of the organisation in terms of staff training and development [31]. Stankeviciute and Savaneviciene [32] summarised and rationalised the concept of sustainability in human resource management on the basis of three categories: normative, efficiency-oriented, and substance-oriented, as outlined in Table 2.

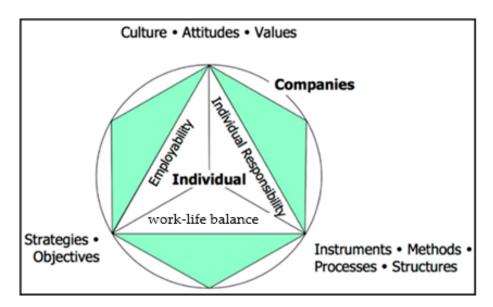
Table 2. Sustainability of human resource management (HRM).

Sustainability of HRM	Normative	Efficiency-Oriented	Substance-Oriented
Main advantages	The relevance of relationships between business and society is underlined.	Understanding can easily be linked to familiar ways of thinking about resources and integrating social and economic objectives in the organisation.	Understanding can easily be applied to decision-making processes by differentiating between human resource consumption and reproduction.
Main critical points	The concept of "needs" is difficult to operationalise for corporate decision-making, particularly considering the needs of future generations.	Suggestions on how to develop resources are not provided.	Accordingly, tension may occur in efficiently and effectively balancing human resources today, thereby sustaining the human resource base for the future.

According to the review in Table 1, all three elements of sustainability in HRM highlight two challenges for organisations. First, a vast number of organisations have felt external pressure to become economically, ecologically, and socially sustainable; second, these organisations have also felt internal pressure, directing attention toward the problem of human sustainability. Henceforth, it is worth highlighting that various streams of the literature have applied the notion of sustainability for human resource issues, providing different understanding by employing different rationalities of sustainability for HRM and, thus, supporting sustainability as an appropriate concept for HRM.

Implementing sustainability principles in the hotel industry involves a high level of skill and know-how, driving a growing demand for employees to be constantly informed and equipped with information [38]. The authors of [39] proposed a model of sustainable HRM that focused on creating a professionally prepared and educated workforce, recommending a three-dimensional emphasis on tourism sector personnel, hosts, and tourists. This allows capitalising on current hotel sustainability trends and limitations [40]. Figure 1 presents a model of sustainable human resource management.

Sustainability **2021**, 13, 9024 6 of 15



**Figure 1.** Model of sustainable human resource management. (Adopted with permission from [39]. (Jithendran & Baum, 2000, Page 7).

As illustrated in Figure 1, Jithendran & Baum [39] have argued that sustainable HRM should not only focus on the organisational level but also on the individual level. Sustainable HRM, as shown in the diagram above, comprises two perspectives: individual and company. Sustainable HRM consists of a few factors from the company's perspective, such as instruments, methods, processes, structures, goals, objectives, culture, attitude, and values. On the other hand, employability, individual responsibility, and work–life balance are all individual aspects. Employability refers to career planning and development an organisation's employees. Individual responsibility refers to the employer's viewpoint on employee management. Work–life balance considers the employee and their social wellbeing. This viewpoint is reinforced in [40], where it was noted that a company's attention should be directed toward the organisation and the wellbeing of its employees.

#### 2.3. Conceptual Framework

The conceptual framework was developed on the basis of the model in [39] that underscores the relationship between an individual/employee and a firm. Compensation and benefits; recruitment and selection; training and career development; and working environment [41–44] are vital in sustainable human resource management, as presented in Figure 1. The development of individual personnel is emphasised as a function of organisations and their environment. The conceptual framework indicates that, for the organisation to have sustainable human resources, the organisation (working environment, organisation practices, and strategic goals) and the individual (career development, work–life balance, and rewards) must coexist. Therefore, each component should be fully utilised to become sustainable and competitive. Accordingly, the retention aspect is gained in the presence of a good working environment and the attractive compensation and benefit packages offered by the organisation [45].

Indeed, people (human resources) are assumed to have a strategic and relevant role in organisations. Previous studies [39,46,47] have acknowledged that sustainable HRM should explore the development of a professionally trained and educated workforce. This study adopts the model in [39] to develop a new conceptual framework, which is shown in Figure 2. This paper suggests that there are two components of sustainable HRM: the firm and the individual. For the individual, the aspects of sustainable HRM include employability [48], work–life balance (WLB) [48], and reward [49]. Employability refers to the career planning and development of employees in the organisation. Rewards encompass incentives and compensation implemented for employee motivation. Work–

Sustainability **2021**, 13, 9024 7 of 15

life balance considers the employee and their social wellbeing. From the perspective of companies, sustainable HRM consists of a few elements, such as working environment [50], organisation practices [51], and strategic goals [52].

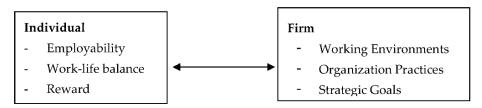


Figure 2. Conceptual framework of sustainable human resource management.

#### 3. Method

This paper is an exploratory study aimed at identifying key retention factors and examining the existing human resource practices in the hotel industry. An inductive approach was adopted to tackle the research objectives, which were exploratory, subjective, and contextual, within an interpretative paradigm. A qualitative approach was selected due to the subjective, individualistic, and contextual nature of the paper in exploring the perspectives of HR professionals and practitioners in the hotel industry. As this study utilized purposive sampling, respondents were selected based on their demographic profile, employment status, and work experience as well as on the recommendations of the HR/Training Leader for the selected hotels, as reported in Table 3 below. The HR departments and Training Managers ensured that the selected respondents consisted of employees with diverse backgrounds and who were from different departments. The employees were from three levels of functions, namely managerial, supervisorial, and operational. The focus group interviews consisted of 6-8 respondents for each session. All interview sessions were held in a specific meeting room allocated by the HR department at the respective hotel premises. The interview questions were validated using pilot testing. Interview questions were distributed to five HR managers in Sabah hotels to clarify the language and relevance of the questions.

Table 3. Profile of Respondents.

No.	Rating	Department	Respondents	Age	Responde	ents Gender	Respondent	s Total
		Front Office	1	18–34	5	Male	3	
		Housekeeping	0	35-39	3	Female	7	
		Accounting/Finance	2	40 - 54	2			
		Food and Beverage (F and B)	1					
	5-Star	Kitchen	0					
1	Hotel	Sales and Marketing	1					
	Hotel	Security	1					
		Engineering and Maintenance	1					
		Sports and Recreation	1					
		Landscaping	1					
		Marina	1					10
		Front Office	2	18–34	6	Male	6	
		Housekeeping	1	35-39	4	Female	8	
		Accounting/Finance	2	40-54	4			
2	4-Star	Food and Beverage (F and B)	2					
_	Hotel	Kitchen	1					
		Sales and Marketing	3					
		Security	1					
		Engineering and Maintenance	2					14

Sustainability **2021**, 13, 9024 8 of 15

	Cont.

No.	Rating	Department	Respondents	Age	Responde	ents Gender	Responde	nts Total
		Front Office	2	18-34	9	Male	7	
		Housekeeping	1	35-39	4	Female	9	
		Accounting/Finance	2	40-54	3			
	3-Star	Food and Beverage (F and B)	2					
3	Hotel	Kitchen	1					
	Hotel	Sales and Marketing	4					
		Security	2					16
		Engineering and Maintenance	2					
			Total					40

The data collection method used for this study was in-depth focus group interviews to address the research questions. This method provides the researcher with details about human behaviour, emotion, experience, and personality characteristics that quantitative studies cannot match and hence, increases the credibility and validity of the data [53]. An in-depth interview can be described as a form of conversation with a purpose [54,55]. The in-depth focus group interviews were conducted in a group at the respective hotels where one facilitator addressed the respondents with the selected questions. Each interview session lasted 45–60 min with permitted tape recordings and note taking by the researchers. The respondents then answered the questions according to the questions prepared for this study. The interview was tape-recorded by the researcher. The findings were then processed using the three-step method. The first step was note transcribing using a tape recorder. The second step was based on notes taken during the interview session with the assistance of the facilitator. From the second step, the key themes or key findings were labelled according to the research ideas so that results could be drawn accordingly.

Data were collected via in-depth focus group interviews with 40 respondents from operational, supervisorial, and managerial positions in the hotel industry across four states of Malaysia, namely, Sabah, Kuala Lumpur, Penang, and Pahang. Different groups from different departments were identified as diverse respondents within the targeted population. The sample size was determined as a function of data saturation, whereby there was consistency and repetition of responses from the respondents [55], implying a lack of novel themes.

#### 4. Results

A total of 40 respondents from different departments of 3–5-star-rated hotels were involved in the research, as presented in Table 2.

4.1. Emerging Key Issues Affecting Human Resources Practices and Management in the Current Employment Context

Table 4 presents the emerging issues from the managerial level in three-, four-, and five-star hotels. Table 5 presents the emerging issues from the supervisorial level in three-, four-, and five-star hotels.

Sustainability **2021**, 13, 9024 9 of 15

**Table 4.** Emerging issues from the managerial level.

5-Star/Respondents and Responses	4-Star/Respondents and Responses	3-Star/Respondents and Responses
<ol> <li>Career Advancement</li> <li>Promotion to a higher level</li> <li>(Respondent HSM1)</li> </ol>	<ul><li>1. Career Development</li><li>- Career development programs</li><li>(Respondent FT1)</li></ul>	<ul><li>1. Training and Development</li><li>In-house and external training</li><li>(Respondent PIM1)</li></ul>
Training and Development     Provision of Mandarin class training for employees (Respondent HSM1)	<ul><li>2. Benefit Packages</li><li>- Panel doctors, paternity leave, matrimonial leave (Respondent TPHM2)</li></ul>	2. Benefit Packages - Staff meals, canteen, annual leave, and panel clinic (Respondent TPSH4)
3. Productivity - Better understanding of the workforce to attract better candidates and retain present employees for the company's future (Respondent DS3)	3. Compensation - Bonuses now given to staff (Respondent HGSU2)	3. Compensation - Recognition for staff and service employees (Respondent TPHS2)

**Table 5.** Emerging issues from the supervisorial level.

5-Star/Respondents and Responses	4-Star/Respondents and Responses	3-Star/Respondents and Responses
Career Advancement     Succession plan is secured; employees know where they are heading and can see future career plan (Respondent STARM1)	Career Development     Cross exposure, work with sister company (Respondent FS7)	Training and Development     More training needed (Respondent CS1)
2. Training and Development - Training, e.g., training within or across divisions, cross exposure attachment to another hotel (target for 2015 = 15%) (Respondent STARD)	2. Benefit Packages - I will stay here because of what I get (Respondent TPHM2) - Welfare of staff, work closely with staff, benefits (Respondent FS3)	Benefit Packages     Provision of staff facilities and welfare such as food and transportation (Respondent SCS1)
3. Benefit Packages - Benefits matter; no point of higher salary if not happy (Respondent HS2)	3. Compensation - Benefits for staff and associates, can earn points (Respondent FS4)	3. Compensation - Staff welfare should be improved, especially medication, bonus should be provided every year, reward and appreciation for staff, e.g., annual dinner (Respondent SCS2)
		Working environment     Less stress compared to previous company (Respondent CS4)

As outlined in Table 4, the emerging issues from the supervisorial level in the five-star hotels were career advancement, training and development, and benefit packages. In the four-star hotels, the respondents pointed out several issues related to career development, benefit packages, and compensation in their organisation. As for the three-star hotels, the issues faced at the supervisorial level were training and development, benefit packages, compensation, and working environment. Tables 3 and 4 show that most hotels had common issues in their organisation, e.g., the benefit packages and compensation offered to their employees. In the three-star hotels, an additional issue pointed out by the respondents was the working environment. While many factors influence an employee's decisions to change jobs, an excellent benefit package could impact their decision to stay [56]. Many prospective employees measure a job offer by its compensation and benefit package. Thus, a solid and attractive benefit package would attract employees in their search for security and stability. A generous benefit package communicates to top talent that the company cares about its employees and is stable enough to offer such benefits [57].

#### 4.2. Proposed Sustainable Human Resources Framework for the Hotel Industry

The development of this framework began by identifying themes guided by the research objectives of this study. The key themes were extracted and coded to develop the main

Sustainability **2021**, 13, 9024 10 of 15

themes. From the emerged themes, the previous model of sustainable HRM was referenced to develop a novel sustainable human resource framework, as shown in Figure 3.

From Figure 3, it can be observed that the proposed model emphasises employees and the organisation instead of merely considering HRM functions and roles. This can be seen in the cohorts of "Employee" and "Organisation Resources and Strategic Objective". From the organisation perspective, this implementation contributes to economic value, organisation flexibility, and viability [58]. From the employee perspective, HRM should focus on monetary rewards and compensation, working environment, and training and development. The proposed framework underpins the organisation and employee perspectives. Therefore, it can be postulated that the framework in Figure 3 is relevant to the current demographic workforce of the hotel industry. Furthermore, the model's variables emerged through empirical data gathered from hotel employees, representing an authentic and organic source. Hence, it is more reliable and relevant for HRM in the hotel industry.

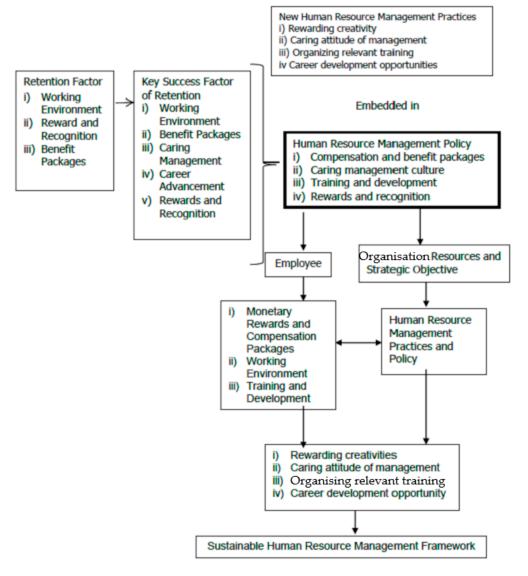


Figure 3. Proposed framework for sustainable human resource management.

The relationship between the previous sustainable human resource management model in [38] and the newly proposed model shows a similar pattern, whereby values in the "companies" pillar of the former is consistent with the "training and development" cohort of the latter. These factors can be implemented by and applied to organisations in the industry. It is undeniable that retaining employees in the long term would benefit the

Sustainability **2021**, 13, 9024 11 of 15

hotel industry while also benefiting the employees in terms of their skills and knowledge. The findings from this study and the proposed model are essential for HR specialists to consider and implement in their respective organisations.

#### 5. Discussion and Conclusions

This paper achieved its research objectives, which were (i) to determine the key emerging issues that affect HR practices and management in the current employment context and (ii) to propose a sustainable HR framework for the hotel industry. Emerging issues affecting human resource practices were identified according to the types of hotels and respondents. From the managerial level, the emerging issues in the five-star hotels were career advancement, training and development, and productivity. In the four-star hotels, the emerging issues were career development, benefit packages, and compensation. In the three-star hotels, the emerging issues were training and development, benefit packages, and compensation. Emerging issues from the supervisorial level in the five-star hotels were career advancement and training and development. In the four-star hotels, the emerging issues that were identified were career development, benefit packages, and compensation. In the three-star hotels, the emerging issues were training and development, benefit packages, compensation, and the working environment.

From the proposed model shown in Figure 3, a comparison of HR practices from previous HRM models can be made. The Guest Model of HRM emphasized differentiation, quality, and cost of management, while the proposed model in Figure 3 emphasized new HR practices, namely rewarding creativity, caring management, relevant training, and career development opportunities for employees. For the Harvard Model, the model emphasizes on the responsibility of the managers in ensuring that organizations achieve their strategic goals by maximizing HR activities such as recruitment, selection, appraisal, and promotion. The Ulrich Model was specifically meant to organize human resource functions in organizations. However, this model was designed for large complex organizations, especially those with geographically dispersed operations and only a certain adaptation of the model was suited for organization management. As for Herzberg's Motivation-Hygiene Model, this model was used to study the effect of motivation on employee attitudes in the workplace.

Above all, the existing HR practices and HRM models seem to focus on the functions, responsibilities, and strategic goals of organization rather than the creativity and career management of the employees as an important element for sustainability. The findings contribute to existing literature on the sustainability human resource practices and management. In terms of education, it offers new perspectives for sustainable human resource management.

This study also revealed some improvements suggested by the managerial respondents across five-, four-, and three-star hotels. In the five-star hotels, the managers suggested compensation and benefits, training and development, and caring management as areas that need to be improved. In the four-star hotels, the managerial respondents suggested empowerment, training and development, and caring management as areas that need to be improved. In the three-star hotels, the managerial respondents suggested training and development, the role of human resources in the organisation, and career advancement as areas that need to be improved.

The proposed sustainable human resource framework for the hotel industry is presented in Figure 3 and comprises four components. The first component consists of retention along with the key success factors of retention (working environment, benefit packages, reward and recognition, and caring management). The second component involves rewarding creativity, a caring management attitude, and organising relevant training and career development opportunities. The third component includes the following new human resource practices being embedded into the human resource management policy: compensation and benefit packages, caring management culture, training and development, and rewards and recognition. Finally, the fourth component denotes that em-

Sustainability **2021**, 13, 9024 12 of 15

ployee behaviour must be in line with the organisation's resources and strategic objectives. When management applies these policies and practices with respect to their employees, the organisation will gain competitive advantages, thus leading to sustainable human resource management.

A few pertinent findings were presented in this study along with new human resource management practices that can be applied for retaining and attracting new employees. These are rewarding creativity, caring management attitude, and organising relevant training and career development opportunities. Next, the proposed model can yield a wide selection of benefits that are of tangible and intangible in nature, representing a comprehensive approach to successful sustainable HR practices in the hotel industry. In summary, sustainable HR practices and RBV can be viewed as features of the modern integral management model, whereby continuous dynamic interaction brings about the potential for improved competitive advantages as well as the opportunity for HR to prove its legitimacy and strategic position.

This paper contributes to developing sustainable human resource management in the hotel industry by identifying existing HR practices that influence current hotel employment and developing a novel framework. Unlike existing HR models, which are based on the understanding of different theories [59–61], the proposed framework in Figure 3 was developed using the resource-based view theory. With the current change in workforce demographics and other pertinent issues, this model can serve as a guideline for organisations to attract and retain new employees. In doing so, the concept of sustainability in human resource practices can be implemented by the organisation.

The findings add to the existing literature on human resource management sustainability in the hotel industry. A previous study [3] stated that research on sustainable human resource management is still at a "pioneering, if not emerging phase". The authors of [15] justified the importance of HRM sustainability by highlighting important aspects, such as the economic and social environment of the organisation. This paper addressed previous findings and proposed a relevant model for HRM sustainability in the hotel industry that is in line with the use of this term in other fields [19].

This study provided insight into managing HR personnel and benefits along with solutions for retaining employees within the developed framework, especially considering the dynamic environment. Despite the industry facing unprecedented demographic, economic, and competitive challenges on a global scale, with layoffs and cutbacks becoming commonplace, several analysts have projected that the tourism industry will be the fastest-growing segment of the economy over the next 10 years and will account for at least three out of every ten new jobs created. Developing an effective talent acquisition strategy is a challenge, especially within the hotel and tourism industry, due to the shortage of professional and skilled employees.

This study revealed several managerial implications for human resource management and practices within the hotel industry. First, policies need to be aligned with a diverse range of personal employee needs. In developing these policies, some essential employment aspects need to be considered, such as marital and parental status, job responsibilities and the ability to fulfil work demands, department team cohesiveness, and the number of employees per department. Potent factors such as competition, technological innovations, professionalism, and demographics can shape the process of organisational adaptation [15]; thus, these factors should be considered when formalising the process. Above all, younger employees are focused more on remuneration, training and development, career advancement, challenging work, growth opportunities, and recognition; therefore, older employees will have mentoring opportunities.

The development in sustainable human resource practices in the hotel industry provides a new direction for managing and retaining employees. The model highlights more holistic and relevant new human resource management practices, which include rewarding creativity, caring management attitude, and relevant training and career development opportunities within the organisation. Ensuring that these new human resource man-

Sustainability **2021**, 13, 9024 13 of 15

agement practices are embedded into organisational policy will involve employees and resources, whereby organisations can make use of resource-based theory. The involvement of employees and resources allows HR practices to function properly, leading to their sustainability. Applying sustainability as a comprehensive approach for human resource management practices can enable a better understanding of stakeholder relationships, including employees as the core and precious capital of organisations [19]. It effectively contributes to the long-term viability of organisations, as it embeds new human resource management practices, which also serve to enlighten the new working environment and, thus, ensure the sustainability of HR in the hotel industry.

There are a few limitations to this study. First, this study only involved four states/regions in Malaysia: Sabah, Penang, Kuala Lumpur, and Pahang. It did not cover the whole of Malaysia due to budget and time constraints. This limitation can be overcome in a future study by covering all of the states in Malaysia to confirm the findings and results of the current study. Second, the use of a qualitative method was a massive, time-consuming exercise that led to a major increase in the cost of conducting the survey. In addition, data analysis and interpretation were complex due to the multifaceted nature of the operational, supervisorial, and managerial respondents, thus requiring critical examination, careful interpretation, and challenging synthesis. Third, the respondents who participated in this study included employees with less than 3 years of working experience. Accordingly, their responses might not comprehensively reflect the true beliefs, attitude, and responses of the industry. Furthermore, their genuine insight may not have been provided during interviews due to personal reasons.

A few recommendations are proposed. First, future researchers can adopt mixed methods or quantitative methods of data collection. Sustainable human resource management practices can also be expanded by adding factors such as demographic changes, government regulations, and technological advances by using quantitative approaches. Second, future researchers can adopt other theories related to human resource management. Resource-based theory was used in this study; however, others include Maslow's model or Herzberg's two-factor theory. This may further expand the framework or reveal new findings in sustainable human resource management practices. Finally, future studies can cover all states in Malaysia to confirm the findings and further validate the framework.

**Author Contributions:** Conceptualization, J.K.L.C.; literature, J.K.L.C. and S.G.A.S.; methodology, J.K.L.C. and S.G.A.S.; writing—original draft preparation, J.K.L.C. and S.G.A.S. and A.T.A.K.; writing—review and editing, J.K.L.C., S.G.A.S. and A.T.A.K.; supervision, J.K.L.C. All authors have read and agreed to the published version of the manuscript.

**Funding:** This research was funded by the Ministry of Higher Education Malaysia, grant number FRG0374-SS-1/2014.

**Institutional Review Board Statement:** Not applicable.

Informed Consent Statement: Informed consent was obtained from all subjects involved in the study.

Data Availability Statement: Not applicable.

**Conflicts of Interest:** The authors declare no conflict of interest.

### References

- Baum, T. Sustainable human resource management as a driver in tourism policy and planning: A serious sin of omission? J. Sustain. Tour. 2018, 26, 873–889. [CrossRef]
- 2. Baum, T.; Kralj, A.; Robinson, R.; Solnet, D.J. Tourism workforce research: A review, taxonomy and agenda. *Ann. Tour. Res.* **2016**, 60, 1–22. [CrossRef]
- 3. Zopiatis, A.; Constanti, P.; Theocharous, A. Job involvement, commitment, satisfaction and turnover: Evidence from hotel employees in Cyprus. *Tour. Manag.* **2014**, *41*, 129–140. [CrossRef]
- 4. AlBattari, A.R.; Mat Som, A. Employee Dissatisfaction and Turnover Crises in the Malaysian Hospitality Industry. *Int. J. Bus. Manag.* **2013**, *8*, 62–71.
- 5. Koh, S.Y. Retrieved from Employee Retention Remains a Key Challenges in Malaysia. 9 January 2015. Available online: https://www.towerswatson.com/.../Employee-Retention-Remains-A-Key-Challenge-in-Malaysia (accessed on 17 February 2021).

Sustainability **2021**, 13, 9024 14 of 15

6. Harrington, R.J.; Chathoth, P.K.; Ottenbacher, M.; Altinay, L. Strategic management research in hospitality and tourism: Past, present and future. *Int. J. Contemp. Hosp. Manag.* **2014**, *26*, 778–808. [CrossRef]

- 7. Baum, T.; Cheung, C.; Kong, H.; Kralj, A.; Mooney, S.; Thi Thanh, H.N.; Ramachandran, S.; Ružic, M.D.; Siow, M.L. Sustainability and the tourism and hospitality workforce: A thematic analysis. *Sustainability* **2016**, *8*, 809. [CrossRef]
- 8. Aminudin, N. Corporate Social Responsibility and Employee Retention of 'Green' Hotels. *Procedia Soc. Behav. Sci.* **2013**, 105, 763–771. [CrossRef]
- 9. App, S.; Büttgen, M. Lasting footprints of the employer brand: Can sustainable HRM lead to brand commitment? *Empl. Relat.* **2016**, *38*, 703–723. [CrossRef]
- De Prins, P.; Stuer, D.; Gielens, T. Revitalising social dialogue in the workplace: The impact of a cooperative industrial relations climate and sustainable HR practices on reducing employee harm. *Int. J. Hum. Resour. Manag.* 2018, 31, 1684–1704. [CrossRef]
- 11. Schmit, M.J. *Global Trends Impacting the Future of HR Management: Engaging and Integrating a Global Workforce;* The Economist Intelligence Unit Limited: Alexandria, The Netherlands, 2015.
- 12. Al-Ababneh, M.M. Employees' perspectives of service quality in hotels. Res. Hosp. Manag. 2016, 6, 189–193. [CrossRef]
- 13. Dhamija, P. Human resource management: An effective mechanism for long term sustainability. *Clar. Int. Multidiscip. J.* **2013**, *2*, 74–80.
- 14. Wan, H.L. Current remuneration practices in the multinational companies in Malaysia: A case study analysis. *Res. Pract. Hum. Resource Manag.* **2008**, *16*, 78–103.
- 15. Triant, F.; Ayse, K.Y. The Risk Management Framework to Strategic Human Resource Management. *Res. J. Financ. Econ.* **2010**, *6*, 67–72.
- 16. PEMANDU. Economic Transformation Programme (ETP): A Roadmap for Malaysia; PEMANDU: Kuala Lumpur, Malaysia, 2010.
- 17. WCED World Commission on Environment and Development. Our Common Future; Oxford University Press: Oxford, UK, 1987.
- 18. Department of Stastistics Malaysia. Labour Force Survey Report; Department of Statistics Malaysia: Kuala Lumpur, Malaysia, 2019.
- 19. Tan, F.M. Organizasational support as the mediator of career-related HRM Practices and affective commitment: Evidence from knowledge workers in Malaysia. *Res. Pract. Hum. Resour. Manag.* **2008**, *16*, 8–24.
- 20. Ahmad, H.; Ibrahim, B. Leadership and the Characteristic of Different Generational Cohort towards Job Satisfaction. In Proceedings of the 4th World Congress on Technical Vocational Education and Training, Melaka, Malaysia, 5–6 December 2014; Johor, M., Ed.; Elsevier: Amsterdam, The Netherlands, 2014; pp. 14–18.
- 21. Chan, J.K.L. Embracing Changes in Human Resource Practices and Transformative Approaches in Managing Multigenerational workforce. In Proceedings of the International Conference on Economics 2017 (ICE 2017), Kota Kinabalu, Sabah, 28–29 November 2017; pp. 324–333.
- 22. Mazur, B. Sustainable Human Resource Management: The Attempt of Holistic Approach. Econ. Manag. 2015, 7, 7–12.
- 23. Ehnert, I.; Wes, H. Recent developments and future prospects on sustainable human resource management: Introduction to the special issue. *Manag. Rev.* **2012**, 23, 221–238. [CrossRef]
- 24. Rowley, C.; Abdul-Rahman, S. The Management of Human Resources in Malaysia: Locally-owned Companies and Multinational Companies. *Manag. Rev.* **2007**, *18*, 427–453. [CrossRef]
- 25. Wright, P.M.; McMahan, G.C. Theoretical perspectives for strategic human resource management. *J. Manag.* **1992**, *18*, 295–320. [CrossRef]
- 26. Bonn, M.; Forbringer, L. Reducing turnover in the hospitality industry: An overview of recruitment, selection, and retention. *Int. J. Hosp. Manag.* **1992**, *11*, 47–63. [CrossRef]
- 27. Conlin, M.; Baum, T. Comprehensive human resource planning: An essential key to sustainable tourism in island settings. *Class. Rev. Tour.* **2003**, 115–129. [CrossRef]
- 28. Baum, T. HR management in tourism: A small island perspective. Int. J. Cult. Tour. Hosp. Res. 2012, 6, 124–132. [CrossRef]
- 29. Kusluvan, S.; Kusluvan, Z.; Ilhan, I.; Buyruk, L. The human dimension a review of human resources management issues in the tourism and hospitality industry. *Cornell Hosp. Q.* **2010**, *51*, 171–214. [CrossRef]
- 30. Gruescu, R.; Nanu, R.; Pirvu, G. Human Resource Management in the Tourism Industry. *Bull. Univ. Agric. Sci. Vet. Med. Cluj-Napoca Hortic.* **2008**, *65*, 168–173.
- 31. Salleh, N.Z.; Hamid, A.B.; Hashim, N.H.; Omain, S.Z. Issues and Challenges in Malaysian Hotel Operations. In Proceedings of the 3rd Asia-Euro Tourism, Hospitality and Gastronomy Conference, Subang, Malaysia, 4–26 November 2010; Taylor's College, Taylor University Lakeside Campus: Subang, Malaysia, 2010; pp. 1–14.
- 32. Zainol, N.; Tazijan, F.; Rashid, P.D. Employees Dissastification and Turnover Crises: A Study of Hotel Industry, Malaysia. *SSRN Electron. J.* **2015**, 1–2. [CrossRef]
- 33. Sum, V. Stock Returns and Employee Turnover. SSRN J. 2010, 23, 123–125. [CrossRef]
- 34. Katunian, A. Sustainability as a New Approach for the Human Resource Development in Tourism Sector. *Public Policy Adm.* **2019**, 18, 405–417.
- 35. Goh, E. A workforce to be reckoned with: The emerging pivotal Generation Z hospitality workforce. *Int. J. Hosp. Manag.* **2018**, 73, 20–28. [CrossRef]
- 36. Ulrich, D.; Dulebohn, J. Are we there yet? What's next for HR? Hum. Resour. Manag. Rev. 2015, 25, 188–204. [CrossRef]
- 37. Rosewarne, S. Transnationalization and the Capitalisation of Labor: Female Foreign Domestic Workers. In *Women Migrant Workers: Ethical, Political and Legal Problems*; Meghani, Z., Ed.; Routledge: New York, NY, USA; London, UK, 2016; pp. 194–223.

Sustainability **2021**, 13, 9024 15 of 15

38. Haque, A.; Khan, A.H. Factors Influencing of Tourist Loyalty: A Study on Tourist Destinations in Malaysia. In Proceedings of the 3rd Asia-Pacific Business Research Conference, Kuala Lumpur, Malaysia, 25–26 February 2013; pp. 1–16.

- 39. Jithendran, K.J.; Baum, T. Human resource development and sustainablity-The case of Indian tourism. *Int. J. Tour. Res.* **2000**, *2*, 403–421. [CrossRef]
- 40. Mazur, B. Managing bicultural organizations in Podlasie region. In *Studia z Zarządzania Miedzykulturowego*; Społecznej Akademii Nauk: Białystok, Poland, 2009; pp. 295–304.
- 41. Marimuthu, M.; Arokiasamy, L.; Ismail, M. Human Capital Development and Its Impact on Firm Performance: Evidence: From Developmental Economics. *J. Int. Soc. Res.* **2009**, *2*, 265–272.
- 42. Ramlall, S. A review of employee motivation theories and their implications for employee retention within organisations. *J. Am. Acad. Bus.* **2004**, *5*, 52–63.
- 43. Dawson, M.E.; Abbott, J. Hospitality Culture and Climate: Keys to Retaining Hospitality Employees and Creating Competitive Advantage. In *International CHRIE Conference-Refereed Track*; Paper 3; UMass Amherst: Dallas, TX, USA, 2009.
- 44. Heneman, R.L. *Implementing Total Rewards Strategies: A Guide to Successfully Planning and Implementing a Total Reward System;* SHRM Foundation: Vancouver, WA, USA, 2007.
- 45. Zaugg, R.; Blum, A.; Thom, N. Sustainability in Human Resource Management, Evaluation Report; IOP-Press: Bristol, UK, 2001.
- 46. Stankeviciute, Z.; Savaneviciene, A. Sustainability as a concept for Human Resource Management. *Econ. Manag.* **2013**, *18*, 837–846. [CrossRef]
- 47. Ehnert, I. Sustainable Human Resource Management: A Conceptual and Exploratoy Analysis from a Paradox Perspective; Springer Science and Business Media: Berlin/Heidelberg, Germany, 2009.
- 48. Sung, J.; Ashton, D. Linking Strategy, Skills and Performance Outcomes; Sage Publication: Oliver Yard, London, UK, 2005.
- 49. Irshad, M. Factors Affecting Employees Retentions: Evidence from Literature Review. Abasyn J. Soc. Sci. 2014, 4, 84–102.
- Chew, J.; Girardi, A.; Entrekin, L. Retaining Core Staff: The impact of human resource practices on organisational commitment. J. Comp. Int. Manag. 2005, 8, 23–42.
- 51. Gartenstein, D. Why Is Strategic Planning Important to an Organization? 23 June 2015. Available online: https://yourbusiness.azcentral.com/strategicplanning-important-organization-4103 (accessed on 17 February 2021).
- 52. Bradley, C. How Benefits Can Help with Employee Retention and Recruitment. Available online: http://www.winstonbenefits.com/The-Employee-Benefits-Blog/bid/205492/How-Benefits-Can-Help-with-Employee-Retention-and-Recruitment (accessed on 18 February 2021).
- 53. McClain, B.; Madrigal, D. Strengths and Weaknesses of Quantitative and Qualitative Research. 3 September 2012. Available online: http://www.uxmatters.com/mt/archives/2012/09/strengths-and-weaknesses-of-quantitative-and-qualitative-research.php (accessed on 17 February 2021).
- 54. Loftland, J.; Loftland, L.H. Analyzing Social Setting; Wadsworth: Belmonth, CA, USA, 1995.
- 55. Burgess, R.G. Elements of Sampling in Field Research: A Source Book and Manual; Allen and Unwin: London, UK, 1982.
- 56. Kim, S.K. Sustainable Development and Local Society: Environment, Efficiency, and Human Security. In *The 5th International Student Forum*; Faculty of Economics, Oita University: Oita, Japan, 2011; pp. 1–7.
- 57. Barney, J. Firm resources and sustained competitve advantage. J. Manag. 1991, 17, 99–120.
- 58. Brazdauskas, M.; Gaigalaite, L. Sustainable Hotels as Learning Organizations: Innovative Approaches towards Employee Training. *J. Creat. Bus. Innov.* **2015**, *1*, 99–106.
- 59. Fahy, J. The Role of Resources in Global Competition; Routledge: London, UK, 2001.
- 60. Ehnert, I.; Brandl, J. Towards a paradox perspective for HRM: Integrating Research and Moving Ahead. In Proceedings of the 28th EIASM Workshop on Strategic HRM, Copenhagen, Denmark, 14–15 April 2013; Unpublished Paper.
- 61. Kroon, B.; Freese, C. Can HR Practices Retain Flexworkers with Their Agency? Int. J. Manpow. 2013, 34, 899–917. [CrossRef]