



The Effect of Supply Chain and Organizational Culture on adoption of Green Practices by Restaurants and Hotels of Thailand

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Green and sustainable practices are growing for both businesses and individuals. Green practices in the tourism and hospitality industry are increasingly important due to environmental circumstances. The environment is being negatively affected by numerous hotels and restaurants because of their increasing utilization of natural resources. It is claimed that many restaurants and hotels are not involved in green practices. This study intended to investigate the influence of supply chain and organizational culture on the adoption of green practices by restaurant and hotels of Thailand. Responses were collected from 250 owners and managers of restaurants and hotels. Analysis of data was conducted by using PLS software and found that supply chain and organizational culture have positive influence on the adoption of green practices in the hospitality industry. This study is vital for practitioners, policy-makers and academic researchers based on an empirical investigation of the existing work on G-Practices adoption.

Key words: *Supply chain, organizational culture, green-practices, hospitality industry.*



Introduction

With the increase in the tourism sector, not only the hotel and restaurant business industries have enlarged but also the entire service sector has expanded. Continuous expansion in the hotel and restaurant industry results in greater environmental and societal implications. The environment is being negatively affected by numerous hotels and restaurants because of their increasing utilization of natural resources. These include air, water and noise contamination, natural resources reduction and environmental pollution, the damage of biodiversity, encroachment and over construction (Graci, 2009; Graci & Kuehnel, 2011). Immanuel Williams the manager of Cristal Hotel Abu Dhabi claimed that the hotel industry is regarded among the largest industries of waste generation globally.

Hence, hotel and restaurant facilities have higher negative impacts as compared to other types of similar size buildings (Babu, Kaur, & Rajendran, 2018). Likewise, negative impacts from the hotel industry take place when there is unreasonable usage of natural resources (Chan & Hsu, 2016). It has been calculated that 75 percent of environmental impacts made by hotels and restaurants may be associated with the over utilization of non-durable items, energy, water and all waste emitted into the air, soil and water (Moliner Velázquez et al., 2010; Robinot & Giannelloni, 2010). Thus, this is a waste of natural resources and it creates management operational costs. Furthermore, Tang, Shang, and Shi (2013) highlighted that tourism has become a major contributor to the rising greenhouse gas (GHG) emissions and subsequently a “non-negligible contributor to climate change”.

Currently, climate change and global warming are major environmental issues worldwide that can cause immeasurable destruction of the planet and all life, and people everywhere are concerned about this. As a result, all nations will be forced to jointly solve the problem of global warming. According to Banerjee, Iyer, and Kashyap (2003), the relationship between companies and the environment relies upon the issues that firms face associated with their operational plans and strategies. Eco-tourism has become the point of focus for all stakeholders because of the severity of the problem that must be addressed in the context of environmental impact. Regulatory authorities, non-governmental organizations (NGOs), local ecologists, customers and workers have experienced a sharpened consciousness of the environmental influence caused by society. Thailand’s leading movement is the Green Leaf Foundation (GLF) which is a non-profit organization. GLF aligned with the global drive to “go greener” to work with hotels, hotels association, suppliers, governments and NGOs, aims to help hotels and restaurants implement more eco-friendly practices.

The businesses face a public with increasing awareness about the corporate social responsibility and consciousness that should be demonstrated by hotel owners and investors regarding societal and ecological influences associated with the hotel business. The hoteliers



express genuine concern towards green initiatives (Céspedes-Lorente, de Burgos-Jiménez, & Álvarez-Gil, 2003). For example, reports from the literature indicate that there is an increased popularity in environmental initiatives among hoteliers. Environmentalism is growing among consumers (Luu, 2017) such that it is prompting businesses to realize a sense of community and emerging “corporate environmentalism”, particularly in the tourism sector (Han, Hsu, & Lee, 2009; Han et al., 2011). Rachita Sood, Director of JW Marriott Chandigarh said “The implication is that guests require the industry to influence both the making of these products and their consumption in an environmentally safe manner. At the same time, it becomes imperative for the industry to reduce its air, water and solid waste pollution, degradation of natural resources, and loss to biodiversity”.

Similarly, in Thailand, the Natural Resource & Environmental committee of Thailand, Thai Chamber of Commerce has explained that the great powers of other foreign countries have started to take into consideration the ongoing contemporary environmental problems. In general, people have started to care more about the environment and their surroundings. It can be said that our world is stepping from the information age or a knowledge-based society to a green society that is a society of good health concerned with global warming, hazardous waste, water, noise, and air pollution. Individuals and consumers have started demanding that manufacturers or entrepreneurs embrace social conscience and responsibility (de Leaniz, Crespo, & Gómez-López, 2019). They should produce not only good quality products at low costs, but they should also possess responsibility for the environment in being more environment friendly. Those who have been affected either directly or indirectly are more demanding. Thus, this creates pressure for the manufacturers or entrepreneurs in that they must strive to deal with these environmental issues (Teng, Lu, & Huang, 2018).

Moreover, Brown (1996) argued that it is not possible for the hotel industry to ignore environmental responsibilities for long as there will be increasing pressure on these issues from all stakeholders. Illustratively, the “green tourist” will require “green” residence, more concentrated laws for the appropriate waste disposal and ever-increasing expenses of energy will require a decrease in consumption. This is consistent with the studies of Foster Jr, Sampson, and Dunn (2000) who note that restaurants as well as the tourism industry are being pressured by many forces to be green. As a consequence, this can reduce resource usage (i.e. energy, water, and waste) that management has mainly concentrated on maximizing operational efficiency, i.e. minimize costs to maximize profits (Yeh, Ma, & Huan, 2016).

More recent studies have shown that consumers are getting more and more sensitive regarding the responsibility of business in the protection of the environment. Some studies indicated that customers will respond with more favourable attitudes and concerns toward eco-conscious hotels (de Leaniz et al., 2019; Teng et al., 2018). For instance, the Hotel Melia manager observes that nowadays customers have more environmental concerns and choose hotels that



they consider eco-friendly (Lee et al., 2010). According to Butler (2008), customers expect hotels to become increasingly green conscious. As a consequence, many hoteliers now recognize the needs and expectations to adopt green practices that offer to prospective green clients and to improve customer satisfaction (Foster Jr et al., 2000). If there is a failure to adopt green practices in a hospitality, it can lose prospective clients to other green hotels (Butler, 2008) and will have the risk of losing market share (Novacka et al., 2019). Likewise, employees today do seem happy to work for an employer in a green working environment (Novacka et al., 2019). This environmental trend has further encouraged hotels to adopt new green practices that enable them to minimize their possible negative environmental and social impacts. In fact, sustainability and environmentally responsible tourism business have become valuable marketing tools and techniques necessary for growth. To deliver sustainable solutions, hotels that are going green are taking steps toward cutting down on the utilization of energy, water, and other natural resources while providing money saving benefits as well as improved company competitiveness (Legrand, Chen, & Sloan, 2013).

In the past, most hotels and restaurants have given priority to energy management that is motivated with expressing a desire to cut costs rather than acting with concerns for potential negative impact. They deliver on the environment by implementing environmental management (Hsieh, 2012). Maintaining environment friendly practices is one of the fastest growing trends. Going green is top priority for most organizations today; many organizations have adopted environment friendly practices, and there is empirical evidence that proactive environmental strategies pay off (Mensah, 2014; Novacka et al., 2019).

It is crucial to go “green” for hotel and restaurant SMEs in answering demand for more corporate responsible behaviour and increasing attraction that meet the needs of green customers and employees in order to achieve long-term competitive advantage and a favourable future. Likewise, the adoption of a green agenda for Thailand ensures that the destination of the Thai tourism industry retains international competitiveness. Ms. Sasi-Apha Sukontarat, Executive Director of TAT’s Product Promotion Department says that “hotel SMEs by keeping pace with the latest trends in global tourism, strengthen Thailand’s global image as a dynamic and relevant ‘brand’”. Furthermore, it provides a number of benefits from environmental initiatives in response to the rising concerns over sustainable tourism. Indeed, fostering sustainable tourism principles through green practices is complimentary to tourism development (Khatter et al., 2019).

Currently, many hotels are taking steps to recycle and reduce the usage of energy, thereby reducing costs, increasing profitability, bringing economic benefits to local communities, conserving the cultural and natural resources of the destination areas, and taking some steps towards sustainability (Eltayeb, Zailani, & Ramayah, 2011). Although, this industry could help to improve the economy of a state, still environmental management and sustainability is the



issue of significance in the hospitality industry (Khatter et al., 2019). Consequently, large-scale trends toward a shift in investments and management decisions towards more green and sustainable practices, facilities and systems will reflect these changes. The importance of the growing demand of these types of change needs to be discussed and can eventually lead to a number of research initiatives that have been examined as emerging issues in the hospitality industry in the Thai context.

Among the environmental issues, there has been limited research regarding pro-environmental behaviours of SMEs in the Thai hospitality sector. The majority of research has focused on environmental management in different countries and in the different kinds of industries. This study is motivated by the lack of empirical research in the extant literature on green practices adoption among hospitality in the Thai context. It remains therefore unanswered whether hospitality can survive and prosper in a dynamic and uncertain environment under such pressure. The different types of drivers or pressures with different size companies will tend to have different relative levels of importance for companies going green. Consequently, this paper will develop a framework to identify the supply chain practices in implementation of green practices in the hotels and restaurants of Thailand.

Literature Review

Over the past decade, “green” has become the word of choice for those who are aware of environment protection (Kasayanond, Umam, & Jermstittiparsert, 2019). Green choices are growing for both businesses and individuals. Going green will benefit both the environment and business (Charoenwiriyaikul, Burananuth, Reungjarungpong, & Jermstittiparsert, 2019). An increasing number of businesses are realizing that operating more sustainably also saves them money and in most cases, results in an expanding customer base. There is a wide variety of opinions in the literature on the definition of green practices. Gupta and Sharma (1996) defined green practices as management policies and principles in the way that environmental inputs and outputs are efficiently managed by managers for a friendly environment. Additionally, Nyirenda, Ngwakwe, and Ambe (2013) defined that these are methods, strategies and procedures designed for the reduction of environmental effects associated with operations of business.

More specifically, Jauhari and Manaktola (2007) stated that practices are those where organization have the commitment to support the environment positively by reducing harmful impacts of organization regarding environment as well as reducing energy consumption, saving water and lessening dense waste. Zhang and Yang (2016) views green practices as the embracing of the three ‘Rs’ of the environmentalism that are reduce, reuse and recycle. Further, Jackson and Victor (2011) has identified that green practices are the ones which can cancel out the negative effects concerning the use of energy, water, waste and indoor air quality. Green



practices include buying and using energy efficient equipment, recycling of aluminium, paper, plastic, and other materials, reducing air pollution, and using reusable, biodegradable and organic products (Nyirenda et al., 2013).

There are difference opinions expressed in the research however the core idea is similar in that “green practices” are associated with and dependent on the core idea of mixing the harmful contaminated materials in the environment. Accordingly, Herremans and Reid (2006) highlighted the elements responsible for environmental contamination and these are over-population growth, extra consumption of natural resources, demand increment and world-wide competition. Brown (1996) with the support of numerous studies, argues that the prevailing threats for environment are dangerous for the sustainability of environment globally. Brown (1996) indicated that in the 1980s and early 1990s, the focus was mainly on a global environmental concern in the manufacturing industry. All industrial systems are affected from environmental pressures including processes, inputs and operations (Elkington, Hailes, & Knight, 1992).

Nevertheless, a global environmental concern has moved into more care in the service industry such as in tourism (Chung & Parker, 2010). The service industry has come under a lot of scrutiny which has found that it moved too slowly to take steps to decrease environmental impact. According to Sloan, Legrand, and Chen (2005), natural resources required for the usage of hotel customers are creating long lasting impacts on environment, society and culture. By taking this matter into consideration, hospitality industry owners must accept greater responsibility. Kostova, Roth, and Dacin (2008) explained seven environmental dimensions of green practices that include water organisation, energy proficiency, wastes, procuring policies, transportation noise, air cleansing and global integration. Furthermore, Chou, Chen, and Wang (2012) added dimensions of green practices by contamination saving, ecological health, recycle and reprocess plans, green buying, green raw material, maintainable foods, and green structure of constructions. Within the hotel industry, there are dissimilar ways for environmental issues to be expressed in practice. So far, it is apparent that hotels commonly adopt environmental practices that are identified through water, waste, and energy management (Mensah, 2014; Mensah & Dei Mensah, 2013). Very little attention is devoted to items outside of those areas.

For the aim of the current study, “green practices” are defined as practices or activities that can be adopted by an organization striving for reduced environmental impact of operation. Changes to the company’s products and processes are included in these practices or initiatives. Therefore, green practices have a point of focus on three key areas as the most common practices regarding environmental management and further categories as determined by tourism Thailand, which are air purification and health promotion as well as environmental management system, have been added. In this study, green practices are conceptualized as



consisting of six features that include energy proficiency, water preservation, waste administration, air cleansing, health promotion and environmental management system

Supply Chains

Supply chain pressures are strong external force in driving organizational and behavioural change (Chin et al., 2012; Ciliberti, Baden, & Harwood, 2009). Mentzer et al. (2001) made definition of supply chain as “a set of three or more entities (organizations or individuals) directly involved in the upstream and downstream flows of products, services, finances, and/or information from source to customer.” Broadly, companies can utilize their buying power as a purchaser to force suppliers. This has been identified as a key component for the success in influencing large companies and SMEs to change their environmental behaviour. In industries, the interchange between purchasers and sellers creates innovation inducements to remain competitive and to react quickly to market trends (Garza-Reyes & Kumar, 2018). Therefore, it is driven by incentives to encourage buyers to require their suppliers to improve environmental performance that would be effective.

Environmental performance is used for the selection of the supplier. Company’s expectations for environment responsibility are distinctly conveyed to each supplier (Ahi & Searcy, 2013). Suppliers should be educated by the company about environmental issues and be involved in the early stages of product development. Companies can utilize their buying power to have impact on their suppliers or open the door to adopt a variety of strategies, putting pressure on supply chain and the way in which that pressure is applied may influence how their suppliers respond (Green et al., 2019). Supply chain management strategies can vary in the extent to which environmental performance criteria are included when making purchasing decisions, the specificity of the required environmental management systems, and the supplier’s compliance with such requirements checked by the buyer company (Lerberg Jorgensen & Steen Knudsen, 2006).

The government has difficulties in regulating SMEs directly. So, government policy pressure through the supply chain may prove to be an important and effective complementary strategy (Zhu & Geng, 2013). Yet, there is a need for supply chain pressure to be connected with a spiritual partnership for preventing suppliers to perceive new and heavy persecution on acquiring data. The use of established working relations with suppliers to achieve quality management goals could go well beyond any current practices. Using unregulated practices that sort out low performers and create pressure on them but were unproductive in improving standards, setting meaningful goals and setting priorities for action (Gunningham & Sinclair, 1997).

In the results of the interviews and the workshop conversation, it was recognised that environmental management is being increasingly influenced by supply chain pressures in the coming years. The data required to report on environmental activities from the suppliers are beginning to be requested by many big companies (Wu, 2013). This will force the need for reporting methods and offer an actual financial incentive for the businesses involved. If large firms are creating pressure on buyers and their SME suppliers regarding CSR in the future, it is possible to believe that SMEs will face difficulty in complying unless companies help them reach the respective goals (Suheil, 2015). An empirical study by Baden, Harwood, and Woodward (2009) on the attitudes and behaviours of 103 SMEs in UK justifies the view that mostly inclusion of social and environmental requirements as preconditions to supply chains that would increase their motivation to engage in CSR (82% for environmental criteria and 55% for social criteria). Meanwhile, Studer et al. (2008) studied SMEs in Hong Kong and revealed that the most efficient influencer for social and environmental change was supply chain pressure.

In contrast, Kidd, Richter, and Li (2003) summarized research from 1994-1996 and reported that there have been little or no significant effects on SME behaviour from supply chain pressure and environmental management strategies. He suggested that there are limits on both potential “drivers” in how much future practice in SMEs is likely to be influenced by them. In some sectors in their supply chain, many small suppliers form an absolute barrier to change. In addition, Baden et al. (2009) found that if SMEs do not get their expected rewards for meeting customers’ requirements, they are less likely to adopt more progressive practices to better environmental performance. This may raise concerns about a “ceiling effect” from supply chain pressure. Empirical studies have produced somewhat mixed results, but overall there has been consistent evidence of the relationship between supply chains and environmental management. Researchers have identified and mentioned the importance of supply chains as a critical factor of environmental management and performance (Suheil, 2015; Zhu, Sarkis, & Lai, 2012). In the literatures, supply chains have only gained little attention from the researchers in the hospitality industry. Very few studies have attempted to investigate supply chains as adoption driver. Without this pressure, it can see environmental issues very low among companies’ priority. Therefore, supply chains are surmised to influence the adoption of green practices positively. Based on the above discussion this study hypothesis as under:

H₁: Supply chain has significant association with the adoption of green practices by Restaurants of Thailand.

Organizational Culture

Organizational culture is defined as contributed merits and leading to the specific social and psychological surroundings of organizations. It is also functioning conventions and



management manners (Denison et al., 2006). This is as existing designs of ethics, attitudes, views, expectations, outlooks, actions, connections, customs, and feelings in any organization (Belak, 2016). Organizational culture is interpreted as fundamentally patterned assumptions that are conceived, exposed, or established by a group of people as they learn to tackle the problems of exterior adaptation and interior coordination (Kumar & Sharma, 2018). Taormina (2008) interpreted organizational culture as "a complex set of values, beliefs, assumptions and symbols that explain how a firm conducts its business". Organization culture can also be examined in terms of shared feelings and the norms of behavior. Additionally, researchers have noted that strong cultures have mighty power. So, Naqshbandi et al. (2015) hypothesized that strong cultures contribute many advantages to the organization and they include the ability to maintain employee commitment to something larger than self. It enables employees for the provision of guidelines by which organizational members can choose suitable actions, and the creation of sources of meaning and identification for the organizational participants.

However, the relevance of organizational culture has still been questioned in terms of an empirical study by Hofstede et al. (1990). It was found that culture has often been thought of as a "fad" among managers, consultants, and academics. These researchers ultimately believed that organizational culture has resulted in on organizational theories. Nonetheless, organizational culture has been uncovered by Zahra, Hayton, and Salvato (2004) as a crucial means in strengthening the performance of organizations through acquiring greater loyalty and flexibility from employees. That most contemporary organization considers organizational culture as a vital element of good performance as theorized by Alvesson (2011). However, cultural of each organization have differences on opinion forming and this might has effect on the association of market and environmental performance (Schalk et al., 2010). Thus, organization culture can be considered as an important moderating factor that affects the relationship between supply chain and adoption of green practices (Adalsteinsson & Gudlaugsson, 2007).

In short, organization culture can be indicated as style of managers and ways of operations. It shares customs and beliefs systematically that have possible influence on management hierarchy of a business. For this study, organizational culture will be evaluated by four elements included in dimension model that are participation, reliability, adaptability, and mission. The aspects of organizational culture in detail are similar with the study of Krajcsák (2018). These are involvement being related to taking part in business operations and events specified as an effective policy which is created in an organization to deliberate power for its executive staff, to stimulate its employees towards desired mission. The staffs at all level in the organizations, whichever position they hold, for example, executives, section leaders, or common staffs are involved in the success and all had the desire of ownership. With this supposition, Mohammad Mosadegh Rad (2006) stated that it will relate the job under staffs' responsibility together with the organization's aspiration. Rebelo and Gomes (2017) examined

the consistency as one of the important qualities to create a strong culture that have the elements of progressiveness, consistency, collaboration, and integration.

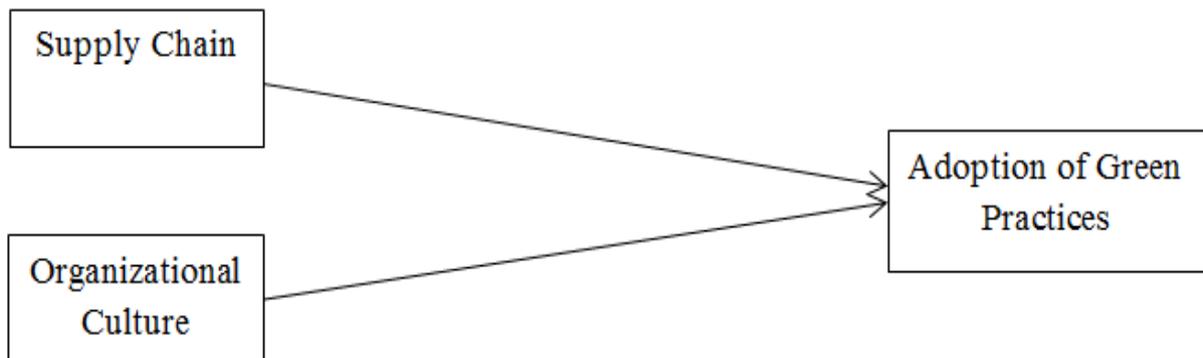
Furthermore, according to Zhou et al. (2018), behavioral customs are determined as the core value regarding leaders and followers, if they are firmly embedded. Although there has been the difference in staffs' perspective consisted to some extent in the organization and any desirable goal of organization can easily be completed. According to Asree, Zain, and Rizal Razalli (2010), consistency is originated from the general attitude based on the stability and internal integration. Jain, Jain, and Jain (2015) mentioned adaptability is seemingly contradictory in the context that less responsive business inclines to be a well-collaborated one. Moreover, there has been some evidence illustrated that internal integration and external adaptation will not exist at the same time. Nevertheless, a business may adopt appropriate strategies from experiences and mistakes. More importantly, its capacity to recognize what should be changed for a better. Whenever the mission has already been created in the organization meaning that organization can be helped to urge effective aim included the purpose and direction by mission. Additionally, Raymond and Hall (2008), pointed out that the organization can be helped to identify its objectives to achieve its already established mission. Hence with the change in the basic mission of an organization, organizational culture will accept the change ultimately. Based on above literature it is hypothesis as under:

H₂: Organizational culture has significant association with the adoption of green practices by Restaurants of Thailand

Research Framework

The proposed research framework of this study is presented Figure 1 below.

Figure 1. Proposed research framework





Methodology

Research design refers to, as stated by Sproull (2002), a research conducted plan which normally requires aspects to be investigated and procedures to be used. This is very much similar with the research design description of Zikmund (1991), who explains that it is a strategy identifying both the means and methods of data collection and data analysis. A quantitative research design is used in this study. Quantitative method research provides tools that measure concepts, plans and designs that deals with issues concerning population and sampling (Hair et al., 2007). Added to this, a quantitative research method uses a deductive model in examining the variables relationship and in accepting or rejecting the relationship (Cavana, Delahaye, & Sekaran, 2001). The quantitative method is used as it has comprehensive measurement accuracy and statistical control. So, in this study the cross-sectional design is chosen in order to one-time collection of data from the large size hotels in Thailand. The target population of present study is the entire group of four stars and five stars hotel in Thailand. There are 1,642 four/five stars hotels in Thailand according to Tourism Authority of Thailand (TAT) and Thai Hotels Association (THA). A total of 250 four/five stars in Thailand used as a sample.

Analysis and Discussion

This section presents the analysis of data. The data was analysed by using SMART-PLS-SEM statistical software. The data was analysed by using a two stage approach, the first stage assessed the measurement model and the second stage, the structure equation modelling.

Measurement Model

Testing reliability and validity of the measurement scales is an important step before using them in subsequent analyses. It is necessary to ensure that the scales measured the target constructs with an acceptable level of reliability and validity. The following section will thus discuss validity and reliability. For the assessment of reliability “Cronbach’s Alpha” and construct reliability was used. The researcher establishes the criteria thresholds used in this study to be in line with generally used rules of thumb that are 0.7 for “Cronbach’s Alpha” and CR. Discrimenet Validity was measured through “Fornell-Larcker” criterion. In this method, the “square root of AVE” for the assessment of validity was used, see Figure 2 below for Measurement Model Assessment.

Figure 2. Measurement Model Assessment

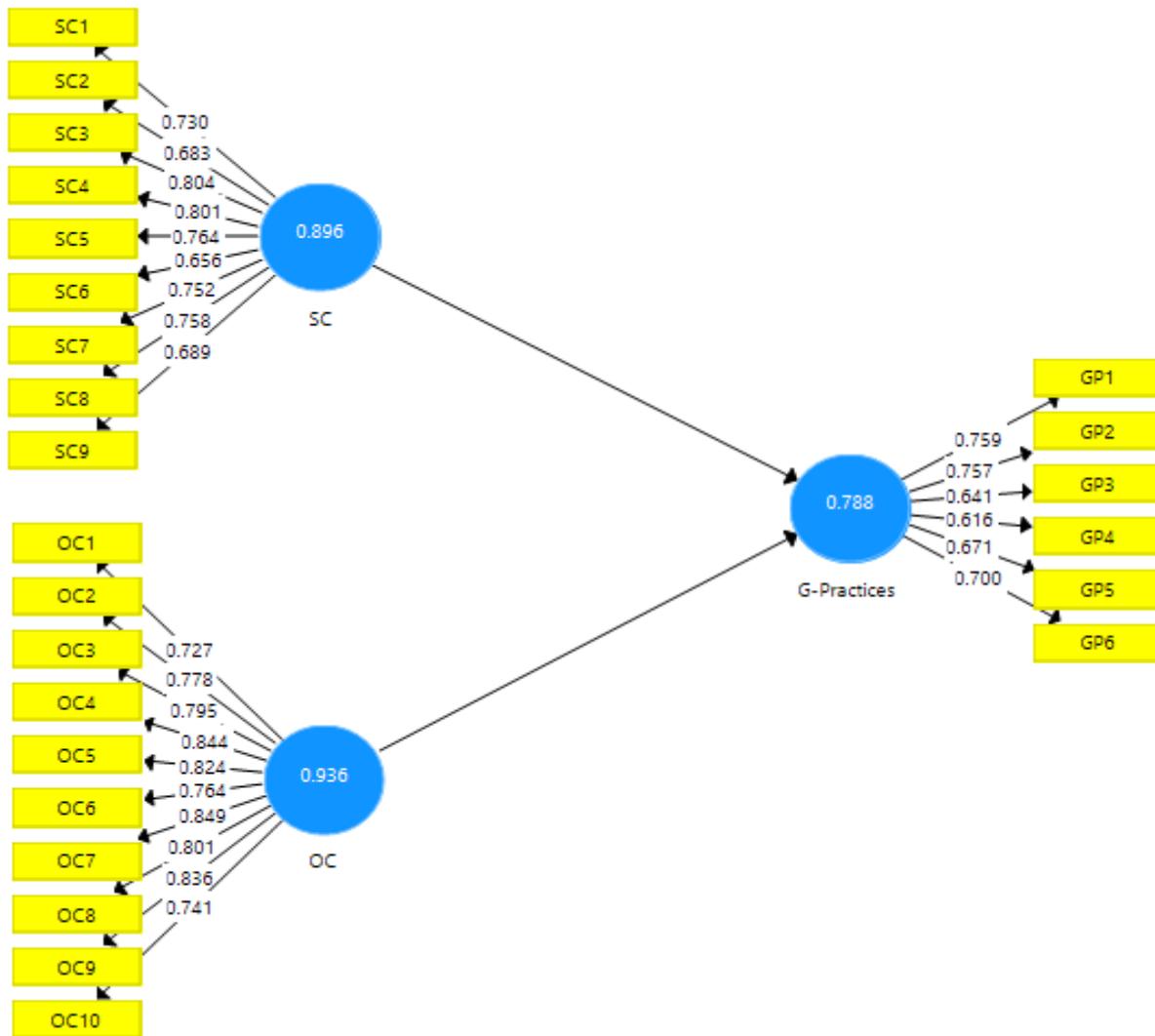


Table 1 below presents the values of alpha and CR.

Table 1: Values of alpha and CR:

Sr#	Constructs	alpha	CR
1	Green Practices	0.788	0.846
2	Supply Chain	0.896	0.915
3	Organizational Culture	0.936	0.946

Table 2 below presents that the “square root of AVE” for the investigation of Validity of constructs.

Table 2: Discriminant Validity

Sr#	Constructs	1	2	3
1	Green Practices	0.693		
2	Supply Chain	0.587	0.797	
3	Organizational Culture	0.614	0.586	0.739

Structural Model

The assessment of structural model was carried out for hypothesis testing. PLS structural modelling was applied for the testing of hypotheses. The findings of structural modelling demonstrate that supply chain has positive significant effect in the adoption of green practices by Thai hotels and restaurants. This is aligned with the findings of Studer et al. (2008) in Hong Kong SMEs which showed that the most efficient influencer for social and environmental change was supply chain pressure. As in the study of Yu and Bell (2007), in general Chinese SMEs under supply chain pressure presented a better environmental or social performance than others. Green growth attracted industrial manufacturing players and deployed throughout the value chain and across the entrepreneurial ecosystem. There is strong competition, with more suppliers vying for market share and remaining in business. Supply chain pressure has become a more competitive driver in the green products supply, and the relationships between manufacturers and their component suppliers have become increasingly important. Moreover, results found that there is a significant positive relationship between organizational culture and adoption of green practise. The finding are aligned with the study of Cordano, Marshall, and Silverman (2010) in the context of the environmental management programs in the U.S. wine industry. Thus, the findings support H1 and H2. The results of structure model are presented in Figure 2 and Table 3 below.

Figure 3. Structural Model Assessment

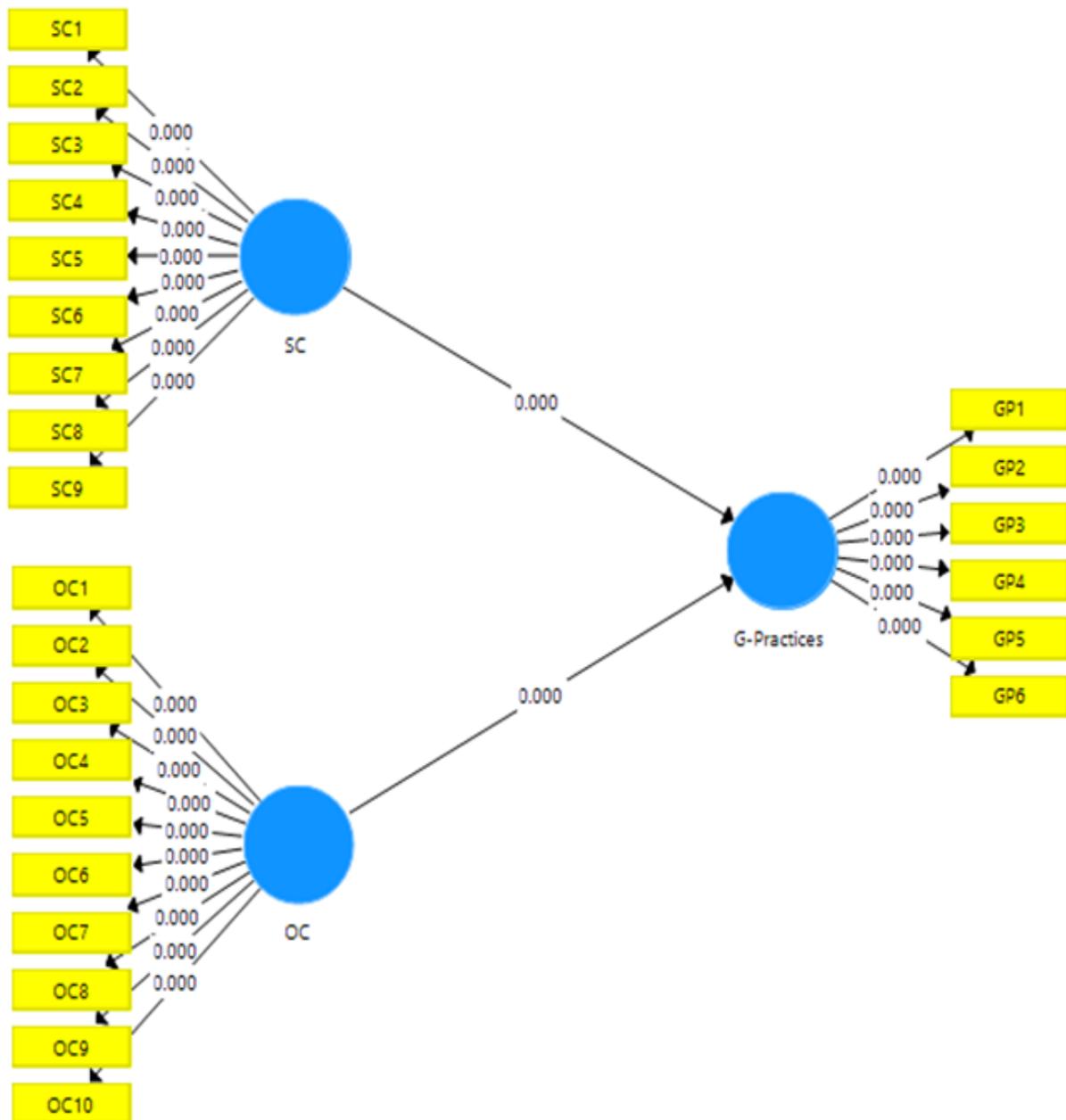


Table 3: Structural Model Assessment (Direct Results)

	(β)	(STDEV)	T Statistics	P Values
SC-> G-Practices	0.227	0.076	3.658	0.000
OC-> G-Practices	0.530	0.070	7.570	0.000



Conclusion

The objective of the study was to investigate the influence of supply chain and organizational culture on green practices adoption by Thai restaurants and hotels. This study has confirmed the significant influence of supply chain and organizational culture on the adoption of green practices in hotels. The results reported are aligned with previous results that supply chain pushes green practices adoption in SMEs. Indeed, a company that uses supply chain to improve its sustainability can be expected to be more likely to invest in green initiatives, all the same, this depends on the circumstance. This study indicates that supply chains have a positive influence on the adoption of green practices. This might be because information sharing in supply chains has become more efficient for long-term cooperation and coordination. Many companies beat their competitors by using their supply chains. Even if the decisions of SMHs to adopt green practices are stimulated by external pull factors, the author likewise finds that company decisions about their environmental operations can be constructed by internal push factors such as owner-manager attitudes and environmental awareness. Green practices are a great way to help reduce legitimacy gaps between the organization's actions and society's expectations. The principle of institutional theory is to obtain a return on investment in a company. This guides the investment decisions for practitioners. In modern fundamental changes, companies must look beyond financial gain. They are seeking legitimacy directly from the firm's stakeholders rather than optimizing financial returns for shareholders alone. This study has given beneficial implications for practitioners, policy-makers and academic researchers based on an insightful review of the existing work on green practices adoption.



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