

Institutional forces and the adoption of green practices among small and medium sized hotel in Southern, Thailand

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Abstract: There have been some encouraging trends in recent years towards green and sustainable practices. Green practices from basic initiatives to certification schemes are increasingly important for companies to be socially responsible in the tourism and hospitality industries. There are a number of factors driving the demand for green. In the hotel industry, it appears that small and medium-sized enterprises (SMEs) are not actively getting involved with green practices. The question is whether or not SME owner-managers of hotels are ready to keep up with the changes in the changing market environment. The purpose of this article is to investigate the factors that have an impact on the adoption of green practices among small and medium sized hotels (SMHs) in Southern Thailand using Institutional theory as a conceptual framework. The study adopts a quantitative analysis method. A questionnaire survey is a method used to collect the data from hotel owner-managers in Phuket and Krabi. Our analysis shows that only owner-manager attitudes positively influence the adoption of green practices and funds availability moderates the relations between regulations, green consumers and competitors with the adoption of green practices.

Key words: Green practices; Small and medium sized hotels; Institutional theory; Southern Thailand

1. Introduction

Thailand covers an area of 513 120 km² and it only has a population of 66 million (Wikipedia). Thailand has interesting places to travel and amazing things to do: mysterious temples, beautiful islands, nice beaches, delicious foods, unique culture, Muay Thai Kickboxing course. All of these attract people from all over the world. This study focuses on Phuket and Krabi, which are located on the south west coast of the Andaman Sea and are the top five most-visited tourist destinations. Actually, tourism in Thailand plays an important role in economic and social development. Tourism is becoming the pillar industry in Thailand. According to the Office of Tourism Development's data, tourism was contributing 983 billion Baht to Thai GDP with 9-10 percent of total GDP in 2012. Thailand can attract more than 15.5 million tourists who visit it every year. The industry generates hundreds of billion Baht in revenue. Obviously, tourism is becoming a leading industry of the Thai economy. Hotels and accommodation are important parts of the tourism sector. They are sources of job creation and can generate country tax (Leonidou et al., 2013). The backbone of the Thai economy is not formed by big corporations but by a large number of SMEs. According to data from a government agency, SME operators constitute more than 80 percent of total

hotels and resorts in Thailand. However, there is a downside to almost everything, and tourism in Thailand is no exception. Besides those positive effects, tourism also has some negative effects on the environment and society. The increase in tourism has led to more hotels and a general expanse of the service sector. The expansion of hotels continually leads to the wider environmental and social impacts to the earth from the rapidly growing consumption of natural resources causing severe damage.

Currently, global warming and climate change have become a pressing issue affecting all people and economies. Ecotourism, in turn, has become a trend because people and governments are beginning to realize the scope of the problem and to take action to protect and preserve the environment. Governmental agencies, non-governmental organizations, local environmentalists, consumers and employees have heightened awareness of society's impact on the environment. The businesses then face pressure for social responsibility and there has been a growing awareness among hoteliers and investors regarding the social and environmental impacts of hotel development and operations. Demand for green products and services from customers continue to grow (Clark, 2009).

In all of this, it is crucial for hotel SMEs to go "green" in order to reduce their environmental impact and satisfy the increasing the needs for green customers that can establish the business sustainable future and turn it into a competitive

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edge. For business today, the adoption of green practices can put such organizations in a better position than competitors to comply with the increasing external pressures concerning climate change. It also enhances the company's image, which indirectly enables companies to increase their market share (Poksinska et al., 2003).

In Thailand relatively few researchers have been undertaken work on this area. There is still a need for research on the drivers leading to the adoption of green practices (G-Practices hereafter) in the SMEs, especially in tourism. Further, there are very few studies on institutional pressures on the adoption of G-Practices in the hotel industry in Thailand. Moreover, a limited number of previous studies have considered funds availability as a moderating role. Given the rising importance of green issues, this study, therefore, tries to fill the gaps in research by exploring the factors that influence the adoption of G-Practices among SMHs in Southern Thailand and the moderating role of funds availability in this relationship.

1.1. Green Practices

The literature offers a wide variety of definitions of 'green practices'. Green practices as defined by Gupta and Sharma (2002) are environmentally friendly management principles in which the efficient use of environmental inputs and/or outputs is enabled at the executive level. Montabon et al. (2006) define environmental management practices as the techniques, policies and processes that decrease the environmental impacts within the operation of an organization. Manaktola and Jauhari (2007) further view green practices as the commitment to supporting environmental practices that purport to limit or ameliorate the company's harmful effects on the environment, while conserving energy, saving water and diminishing solid waste. Opinions differ slightly from author to author, but the main idea remains the same. Researchers agree that the various conceptions of "green practices" rest on the main idea of practices that dilute the harmful effects of business on the environment. For the purpose of this study, G-Practices are defined as practices or initiatives that are implemented by a company striving for minimizing the environmental footprint of its operations. G-Practices are conceptualized as technical practices and environmental management systems (EMSs).

1.2. Related concepts and theories

Scott (1995) indicates that, in order to survive, organizations must conform to the rules and belief systems prevailing in the environment (DiMaggio and Powell, 1983; Meyer and Rowan, 1977), because institutional isomorphism, both structural and procedural, will earn organizational legitimacy (Dacin, 1997; Suchman, 1995). This study employed Institutional theory as a conceptual framework in

order to understand the factors that influence the level of G-Practices adoption. It provides a model to test the Institutional theory/G-Practices adoption relationships.

1.3. Institutional theory

Institutional theory focuses on addressing the relationship between organizations and their environments. According to Institutional theory, organizational decisions are not driven purely by rational goals of efficiency, but also by social and cultural factors and concerns for legitimacy. It has been suggested that organizations may change and adopt the norms of society to appear legitimate to that society (DiMaggio and Powell, 1983, 1991; Meyer and Rowan, 1977). The inclination toward homogeneity is called "isomorphism". DiMaggio and Powell (1983) considered three closely linked mechanisms that create isomorphism in organizational strategies, structures and processes. These components are normative, coercive, and mimetic. These theorists (DiMaggio and Powell, 1983, 1991; Meyer and Rowan, 1977; Meyer and Scott, 1992) believe that a fundamental drive of change in internal practices might be to bring to, or maintain the legitimacy of, the respective organization. Suchman (1995) characterizes legitimacy as "a generalized perception or assumption that the actions of an entity are desirable, proper, or appropriate within some socially constructed system of norms, values, beliefs, and definitions." The concern for economic efficiency often falls behind the concern for conformity and legitimacy (DiMaggio and Powell, 1983). The organization's push towards a solely economics-based position today seems to go against the trend of social expectations and the positions adopted by a growing number of organizations. The strength of Institutional theory lies in offering explanations of why legitimated practices are selected that are unlikely to yield an obvious economic return (Berrone et al., 2010; DiMaggio and Powell, 1983; Meyer and Rowan, 1977). Institutional theory provides the researcher's theoretical lens through which to identify and examine influences that promote the survival and legitimacy of organizational practices, including factors such as competitive and customer pressures motivating many companies to imitate industry leaders. In this study, we develop multi-item scale to separately measure normative, coercive and mimetic pressures respectively.

Normative pressure stems from "professionalization as the collective struggle of members of an occupation to define the conditions and methods of their work" (DiMaggio and Powell, 1983: 152). There are two sources of professionalization which DiMaggio and Powell see as important to isomorphism. One is formal education in a university and the second, the expansion of professional networks of personnel within organizations resulting a group of

professionals or individuals (i.e. managers and key staff) who hold a similar status in organizations, and have the same opinions is built that may “shape organizational behavior” (DiMaggio and Powell, 1983). Normative influences come from social values and norms (Scott, 1995). Professions try to form normative control through the regulation of norms in the organizational field. The professional environment defines what is valued and expected by organizational members. Compliance is enforced through a sense of social responsibility in the members of professions (Scott, 2001). Thomas (1989) points out that a company will depend on professional specialists when dealing with environmental change and uncertainty.

Cheng and Yu (2008) propose that the organizational adoption of new practices is related to personality traits of owners and managers. Social origin and educational imprint have an effect on an individual's values, priorities and perspectives. For this reason, it is likely that these aspects also have an effect on the way a person performs individually and collectively. In this study, the representative actors of normative pressures (perceived internal) are owner-manager attitudes and employees.

Coercive pressure is a form of pressure that derives from the form of systems, persuasion, policies, rules and regulations. Coercive isomorphism is considered coercive pressure as it results from formal and informal forces exerted on organizations by other organizations that they are dependent upon, and from the expectations of society (DiMaggio and Powell, 1983). For instance, policies or sanctions are used by government to hold companies under control represent a form of coercive isomorphism. In addition, rules and regulations set through law are necessary and beneficial for organizations to live up to these sets of policies and to obtain legitimacy. Scott (1987) suggests that power and inducement relationships allow external parties to influence management practice. Coercive pressures such as government regulations or laws (DiMaggio and Powell, 1983) and customers (Teo et al., 2003) put on organizations.

Among the researchers, Jennings and Zandbergen (1995) initially apply Institutional theory to describe the adoption of environmental management practices by companies. They argue that coercive forces (e.g. regulations and regulatory enforcement) are the major driver for companies' environmental management practices and companies have implemented similar practices in each industry, leading them to become more alike one another. Consistent with most institutional theorists, Jennings and Zandbergen claim that companies that share the same organizational field are affected in similar ways by institutional forces that make companies resemble each other.

Some companies are coerced into considering the adoption of practices or activities to minimize a legal penalty (Grewal and Dharwadkar, 2002) and sanction (Scott, 1995). In times of economic uncertainty, there is an increased focus on the role of

government, whilst the external environment alters and requires the business to make adjustment accordingly (Bohdanowicz, 2006; Le et al., 2006). Prior studies also stress the role of government in encouraging environmental management practices among hotel companies (e.g. Kasim, 2007; Rivera, 2004; Rodríguez and Del Mar Armas Cruz, 2007) and SMEs (Kasim, 2009; Tzschentke et al., 2008). Companies need to follow the regulations in order to fulfill compliance.

Manaktola and Jauhari (2007) stated that a company's environmental performance has become one of the product attributes for consumers' purchase decision. This environmental performance includes G-Practices used by companies such as water disposal or use of an alternate energy source, etc. There is a sign of increased awareness of the environmental ills done by regular business among people. Prior studies revealed that demand of environmentally compatible products and services from consumers continues to grow (e.g. Clark, 2009; Environmental Leader, 2009; The Star, 2010). Many more clients are seeking out ethical companies through their purchase (De Pelsmacker et al., 2005). Thus, the representative actors of coercive pressure are regulations and green consumers.

Mimetic pressure is a form of pressure that tends to make organizations become similar. It arises when organizations face environmental uncertainty and anxiety (Scott, 1995). Mimetic isomorphism suggests that uncertainty fosters imitation. Mimetic isomorphism decreases uncertainty and increases an organization's legitimacy for the purpose of survival (DiMaggio and Powell, 1983; Meyer and Rowan, 1977).

In addition, mimetic isomorphism can provide the organization's perceived benefits as enjoying the rewards and benefits that are perceived to accrue (Cyert and March, 1963). Mimetic pressures emerge from the pragmatic need to copy the behaviors of successful competitors in the industry (Rivera, 2004); however, small companies mimic each other. According to Jennings and Zandbergen (1995), green programs put into practices by companies without considering the impacts merely because the company faces competitive pressure. In this study, mimetic pressure is pressure from competitors.

1.4. Conceptual framework

This proposed framework emanated from a thorough review of literature on the Institutional theory and institutional pressures. The framework also identified the moderating effects to adopting G-Practices due to challenges of funds availability. The framework of this study is displayed in Fig. 1.

1.5. Hypotheses

Prior studies suggest that the adoption of G-Practices is not influenced by external factors such as customers but other research indicates that the motivation for the adoption of environmental

management are often due to pressure from customers (e.g. Le et al., 2006; Wee and Quazi, 2005), suppliers (e.g. Gadenne et al., 2009; Morrison et al., 2000), government legislation, and competitors (e.g. Chan and Wong, 2006; Khanna and Speir, 2007). There is, therefore, some inconsistency in these

findings. As a result, the following hypotheses were proposed to increase our understanding of the impetus behind the adoption by hotel owner-managers in Thailand.

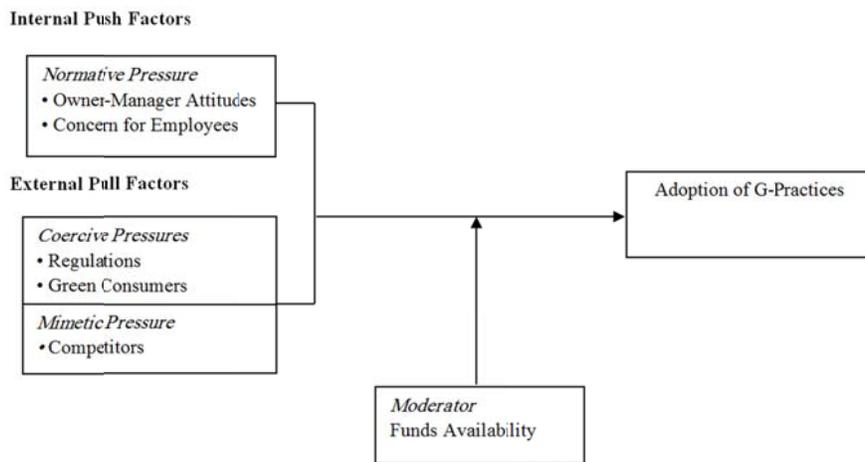


Fig. 1: Conceptual framework

H1a: There is a positive and significant relationship between owner-manager attitudes and the adoption of G-Practices.

H1b: There is a positive and significant relationship between concern for employees and the adoption of G-Practices.

H2a: There is a positive and significant relationship between regulations and the adoption of G-Practices.

H2b: There is a positive and significant relationship between green consumers and the adoption of G-Practices.

H2c: There is a positive and significant relationship between competitors and the adoption of G-Practices.

H3a: There is a negative and significant relationship between funds availability and the adoption of G-Practices.

H4a: Funds availability moderates the relationship between owner-manager attitudes and the adoption of G-Practices.

H4b: Funds availability moderates the relationship between concern for employees and the adoption of G-Practices.

H5a: Funds availability moderates the relationship between regulations and the adoption of G-Practices.

H5b: Funds availability moderates the relationship between green consumers and the adoption of G-Practices.

H5c: Funds availability moderates the relationship between competitors and the adoption of G-Practices.

2. Methodology

Instruments used to collect the data were self-administered questionnaires. Phuket and Krabi were

chosen as the area for the collection of data. The unit of analysis was organizations. Hotel owner-managers were contacted by phone to request their cooperation. In this study, the size of hotels was measured by average room rates. With regard to prices, hotels below 500 Baht will be classified budget hotels, 500-999 Baht hotels are classified as above budget hotels, and 1,000-1,499 Baht hotels are classified as midscale hotels. To determine the sampling frame, a list of hotels was obtained from the tourismthailand.org/marketing database. The sampled hotels were selected from currently operating hotels in order to identify a range of hotels from budget accommodation to midscale hotels as SMHs where the total population was 611 SMHs. 236 hotels were selected to participate in the survey through the methodology of proportionate stratified random sampling and then random sampling was utilized in order to pick the specified number of participants from each of the seven strata (each district). The questionnaires were personally delivered to the respondents. A total of 157 questionnaires were received, resulting in 66.5% return rate. Twelve questionnaires were incompletely filled in. The remaining number of valid questionnaires totaled 145.

The questionnaire in this study was developed from a thorough literature review, which were designed to capture respondents' perceptions of the factors influencing G-Practices adoption in SMHs in Phuket and Krabi. Content validity of questionnaires was established by a panel of experts in the field of study. The questionnaire was refined based on a review by the Tourism Authority of Thailand (TAT) and three academic experts and was then pilot-tested to ensure the reliability and validity of the scales. Thirty participants participated in the pilot

study. After making the necessary corrections, a 41-item questionnaire was used for the study.

2.1. Factor analysis and reliability analysis

Before hypotheses testing, measurement validity and reliability tests were conducted. Content validity was examined before data collection by presenting the scale items to three academics as well as TAT who examined the scale items, and all necessary changes were made. To examine convergent validity, factor analysis was used. To test internal consistency, Cronbach’s alpha was used.

When factor analysis was performed upon items, seven variables were measured. We followed the suggestion of Hair et al. and considered a factor loading per item greater or equal to .50 as practically significant. Only two items (G-Practices) had factor loadings/communities of less than .50. These two items were eliminated from the measures of G-Practices adoption. Table 1 show that the factor analysis resulted in six factors that measure the independent variables.

Upon the completion of the pilot study, a Cronbach’s alpha test was calculated to verify the reliability of the instrument. The Cronbach’s alpha coefficients for study variables exceeded .70. Pallant (2010) and Hair et al. (2010) suggested .70 as the accepted value for Cronbach’s alpha. None of the items were dropped out of the analyses. Multiple regressions was employed to analyze the collected data. This was achieved by using the Statistical Package for the Social Sciences (SPSS) Version 20.

3. Results and analysis

3.1. Demographics of participants in this study

All questionnaires were handed out to 236 hotel owner-managers in Phuket and Krabi. Of the 145 responses, 111 (76.6%) were from the manager. In terms of gender, 58.6% were women and 41.4% were men. The respondents’ age ranged from 20 to 69 years old. 47.6% of the respondents were between the ages of 30 and 39, and only 9.7% were younger than 29 years of age. The majority of

respondents (72.4%) held bachelor’s degrees, while 16.6% possessed master degrees. 44.8% of respondents had more than 6 years of working experience in their current position, while approximately 11.7% had less than 1-year working experience. The mean number of employees was 47 employees, while the mean number of rooms was 71. Regarding to the location, the largest number of respondents were located in Krabi city (37.9%), followed by Phuket city (30.3%), Kathu (22.8%), Koh Lanta (7.6%) and Thalang (1.4%) respectively. The results revealed that 22.2% of the hotels are not certified with any green organization, 0.9% of the hotels are certified with International Organization for Standardization (ISO) and 1.7 % of the hotels have green leaf certification. Table 1 presents the correlation matrix and descriptive statistics of the measures.

3.2. Descriptive statistics and correlation analysis

Table 1 shows means, standard deviations, and correlations for the variables examined in this study. The mean and SD scores of variables (highest rank to lowest rank) are as follows: attitudes ($M = 4.60, SD = 0.664$), regulations ($M = 3.65, SD = 0.993$), competitors ($M = 3.64, SD = 0.890$), G-Practices ($M = 3.41, SD = 0.855$), concern for employees ($M = 3.35, SD = 0.841$), green consumers ($M = 3.31, SD = 0.855$), and funds availability ($M = 2.77, SD = 0.758$). The Pearson product moment correlation method was applied. The results of the correlation among drivers ranged from -0.031 to 0.712 are shown in Table 2. This indicates that all independent variables except funds availability are positively correlated with the adoption of G-Practices. Funds availability does not have a significant direct relationship with the adoption of G-Practices. Hence, it is concluded that the more pressure a company has, the higher the level of G-Practices adopted. Furthermore, multicollinearity does not appear to be a problem in this study.

Table 1: Descriptive statistics and Pearson correlation matrix of study variables

Variable	Mean	SD	1	2	3	4	5	6	7
1. ATT	4.60	0.664	1						
2. EMP	3.35	0.841	-0.043	1					
3. REG	3.65	0.993	0.103	0.636**	1				
4. GRC	3.31	1.009	-0.031	0.712**	0.575**	1			
5. COMP	3.64	0.890	0.251**	0.572**	0.674**	0.690**	1		
6. FA	2.77	0.758	0.121	0.087	0.053	-0.096	0.113	1	
7. GP	3.41	0.855	0.230**	0.422**	0.448**	0.398**	0.476**	-0.033	1

Notes: * Correlation is significant at the 0.05 level (2-tailed).

** Correlation is significant at the 0.01 level (2-tailed).

ATT= Attitudes; EMP= Employees; REG= Regulators; GRC= Green Consumers; SC= Supply Chains; LC= Local Communities; COMP= Competitors; FA= Funds Availability, GP=G-Practices.

3.3. Regression analysis

Regression analysis is conducted to test the hypotheses presented in this study. Multiple regression analyses are utilized to examine the

effects of internal push factors, external pull factors, and funds availability on the adoption of G-Practices. Table 2 shows the results of the multiple regression analysis conducted to test the internal push factors, external pull factors, and funds availability on the adoption of G-Practices. The results indicate that

attitudes ($\beta = 0.18, p < 0.05$) are a significant predictor of G-Practices adoption, providing support for H1a. All other independent variables of Institutional theory do not seem to have significant effect on the prediction of the G-Practices adoption.

Table 2: Results of multiple regression analysis

Variable	β	t-value	p-value
Attitudes	0.236	2.386	0.018*
Concern for employees	0.224	1.956	0.052
Regulations	0.129	1.416	0.159
Green consumers	0.004	0.040	0.968
Competitors	0.203	1.756	0.081
Funds availability	-0.120	-1.415	0.159

Notes: R = 0.555; R²=0.308; Adjusted R²=0.278
Significant levels at * $p < 0.05$ and ** $p < 0.01$

3.4. Moderated regression analysis

Moderated regression analysis is conducted to test the moderating effect hypotheses. Table 3 shows the results of moderator analysis conducted to test moderator effects. The results indicate that funds availability negatively moderates the relationship between regulations, green consumers, and competitors with the adoption of G-Practices ($b = -0.19, p < 0.01, b = -0.16, p < 0.05, and b = -0.18, p <$

0.01, respectively), supporting H5a, H5b and H5c. This can be concluded that the relationship between pressures (from regulations, green consumers and competitors) and G-Practices adoption is stronger at low levels of constraint funds. Accordingly, at high levels of constraint funds, difference in pressures has smaller effect on G-Practices adoption.

Table 3: Results of moderated regression analysis

Variable	Beta	t-value	p-value	R ²
Funds availability	-0.0715	-0.5699	0.5697	0.0571
Attitudes	0.3099	4.0219	0.0001	
Interaction	0.0438	0.2006	0.8413	
Funds availability	-0.1829	-1.6052	0.1107	0.2091
Concern for employees	0.3997	4.3577	0.0000	
Interaction	-0.1731	-1.7803	0.0772	
Funds availability	-0.1503	-1.6293	0.1055	0.2534
Regulations	0.3350	4.9055	0.0000	
Interaction	-0.1972	-3.1608	0.0019**	
Funds availability	-0.0766	-0.6552	0.5134	0.1908
Green consumers	0.3551	5.7780	0.0000	
Interaction	-0.1561	-2.2159	0.0283*	
Funds availability	-0.1617	-1.6859	0.0940	0.2677
Competitors	0.4247	5.9237	0.0000	
Interaction	-0.1847	-2.7191	0.0074**	

Notes: Significant levels at * $p < 0.05$ and ** $p < 0.01$

4. Discussion

Our findings of this study bear both theoretical and practical implications. In terms of theory, it not only applied Institutional theory to understand the adoption of G-Practices but also extended the theory to include green issues in the hotel industry. In terms of practices, it appeared to show a somewhat intuitive result that only attitudes influence the adoption of G-Practices in hotels while we found no evidence for the significance of other drivers.

This empirical study supports the notion that institutional pressure has a significant influence on

the adoption of G-Practices (Jennings and Zandbergen, 1995). Prior study linking institutional pressure to environmental management practices has been concentrated on the manufacturing sector in the U.S. (Delman and Toffel, 2004). Hence, this study empirically contributes to the knowledge on institutional pressures, in particular on business adaptation in the hotel sector and non-Western case; by exploring the factors affecting the company's decision to adopt G-Practices by SMHs in Thailand, our findings weight to the limited research (e.g. Erdogan and Baris, 2007; Hu, 2007; Rivera, 2004; Sampaio et al., 2011), which suggest that attitudes are significant in predicting the adoption of G-

Practices. However, the results also show that concern for employees, regulations, green consumers, and competitors may not have significant influence on the company's decision to adopt G-Practice in the Thai hotel industry. Further, this result can make a contribution to TAT and Thai Hotels Association (THA).

The moderating role of funds availability on the adoption of G-Practices has also been given further credence by this study. In this study, funds availability moderates the influence of institutional pressures on the adoption of G-Practice in the hotels. Analyses were conducted for each of the predictor variables to understand the individual effects of institutional pressures. We find funds availability negatively moderates the relationship between external pull factors, but not any of internal push factors (such as attitudes and concern for employees) on the adoption of G-Practice. We also find funds availability dampens the relationship between pressures (from regulations, green consumers and competitors) and the adoption of G-Practices. This is consistent with Hoskin's (2011) findings who found that lack of resources is a very important barrier for environmental improvement in New Zealand's SMEs; so we just need some kind of governmental support. Governmental support and incentives might be a financial support scheme and/or it might be some other forms of technical advice, information and training programs.

The results of this study corroborate that of Tzschentke et al., 2008 who indicated that the influence of attitudes is proven to be a deciding factor that determines hotel companies' environmental management. We find that the other factors don't have any influence on the decision to adopt G-Practices. Interestingly, among internal push factors, owner-managers demonstrate their environmental attitudes to put into action. Considering the nature of the predominance of SMHs, top managers' attitudes toward environmental issues and ethical motives behind sustainability thus can be an important factor that predicts green initiatives in the hotel (Park et al., 2014). However, it seems employees have low personal concern for environmental issues.

Among external pull factors, all variables were not significant. Government agencies in Thailand were not perceived as having a significant influence on the adoption of G-Practices in SMHs. This suggests that government agencies may not be proactive enough and their influence of enforcement on environmental compliance is weaker than expected. Indeed voluntary environmental programs sponsored by third parties have proven to be effective in improving environmental performance. They have been found to be a more cost-effective approach to environmental management (Daley, 2007). We also find no evidence that green consumers and competitors are significant in motivating companies to adopt G-Practices. Hotel prices signal consumers' biggest concern. It also appears these owner-managers have not yet

perceived them as a formidable force in the market, exerting a strong influence on the adoption decision. This implies these external pull factors are likely to be perceived as having little or no influence. This finding, thus, is at odds with the existing literature (Al-Shourah, 2007; Kasim, 2007; Khanna and Speir, 2007).

Whereas environmental management systems (ISO14001) and green leaf certification are used as a matter of course in big hotels (e.g. Aonang Villa Resort at Krabi, The Royal Paradise Hotel at Phuket), they are often seen as irrelevant and/or too expensive to implement by many SMEs (Gunningham, 2003).

5. Conclusions and implications

This study confirms the significant influence of internal push factors such as attitudes on G-Practices adoption of SMHs. It has also revealed that funds availability negatively moderates institutional pressure on the adoption of G-Practices. As a result, owner-managers can achieve higher levels of G-Practices adoption with high pressures from regulations, green consumers and competitors, and low constraint funds than with low pressures but high constraint funds.

However, findings from this study show that regulators in Thailand are not proactive enough and their influence on the level of adoption of G-Practices in SMHs is weaker than expected. Although regulations are frequently cited as a key actor leading to the adoption of G-Practices, it did not appear to be a major factor when compared with other actors.

Obviously, more than 90% of SMHs do not yet take responsibility for developing and implementing an environmental management system. However, it has to be acknowledged that some leading SMHs (midscale hotels) are improving their environmental performance and quickly reaching international benchmarks. The Go green and CSR campaign are promoted by the government to Thai society, but may need stronger stimulation. The rising number of activities, award schemes, seminars, and consulting services geared to ensuring improved environmental performance of SMHs across Thailand are definitely a fabulous way to go.

Conversely, SMEs often fail to take up consultancy while it is readily available and of good quality (Hitchens et al., 2003). This is symptomatic of a major problem that regulators, advisory bodies and researchers face particularly that SMEs are notoriously difficult to reach and influence (Rowe and Hollingsworth, 1996). By forming a good and effective communication link between governments, THA and SMHs, it is an important first step in stimulating environmental behavior change.

Based on our analyses and results, there are several implications for public policy. First, it suggests that relying solely on market forces to lead hotels to go green may be inadequate. These forces may either not be inductive or simply lead some

companies to make symbolic efforts to go green. It is thus crucial to improve related rules and regulations, and push stricter enforcement of regulations and stronger monitoring in the future to motivate green behavior change. Further, strict regulations in the future are likely to induce green innovation and technology. The use of meaningful incentives can encourage the creation of innovative and cost-effective methods to improving G-Practices by companies. Second, it raises SMH owner-managers' awareness of green issues by providing education and training. Emphasis should be put on proactiveness in taking green initiatives to gain competitive advantages and save costs. Third, we recommend increasing the role for Thai Local Government Organization and related agencies in communicating and campaigning on good practices effectively. Finally, our findings suggest that public policy efforts for promoting improved G-Practices should be directed towards SMHs that would otherwise have fewer incentives. This implies a fuller engagement of regulators with the tourism sector, especially SMHs.

Further, funds availability is an important moderating factor for the relationships between institutional pressure and G-Practices adoption and must be understood and taken into account by hotel owner-managers when dealing with environmental issues. Furthermore, it is intended that the findings will inspire others to further investigation of this area of study.

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