

# Research Horizon

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## The Effect of Participative Leadership Style and the Implementation of Green Hotel Management on Environmental Performance

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### Abstract

This study explores the influence of participative leadership style and the implementation of Green Hotel Management on environmental performance in Semarang hotels. In this context, leadership style plays an important role in directing and motivating employees to achieve organizational goals, especially in the implementation of green hotel programs. This quantitative study involved 150 hotel employees who had worked for one year, and used Structural Equation Modeling (SEM) with the help of AMOS 2.0 software to analyze the data. The results showed that participative leadership style and the implementation of green hotel management individually and simultaneously had a positive and significant influence on environmental performance. This finding is in line with previous studies showing that leadership that supports green programs and the implementation of green hotel practices can improve environmental performance. Based on these results, this study recommends that communication regarding green practices and cost implications should be carried out frequently to increase employee awareness, which can ultimately strengthen the success of implementing green hotels in Semarang.

### Keywords

Green Hotel Management, Participative Leadership, Environmental Performance, Hospitality Industry, Leadership Style.

## 1. Introduction

The tourism industry plays an important role in improving the economy and welfare of local communities, but must be carried out without sacrificing the ability of future generations to meet their own needs (Irawan, 2023). In this context, sustainable development is key. Sustainable development is an integrated and organized effort to improve the quality of life by managing resources wisely, including the provision, development, utilization, and maintenance of natural and cultural resources (Ardiansyah & Chandra, 2021). Saputra et al. (2024) the importance of collaboration between government, industry, and communities in ensuring sustainability. This approach must protect the environment, preserve local culture, and improve community welfare by utilizing resources responsibly. Thus, sustainable tourism development not only pursues economic benefits, but also maintains a balance between economic, social, and environmental benefits in the long term. Through this approach, the tourism industry can provide a sustainable positive impact for current and future generations, maintaining welfare without damaging existing resources.

Several hotels in Indonesia have successfully implemented the concept of environmentally friendly green hotels, making them part of the ranks of leading green hotels (Darmaputra et al., 2020; Decuyper & Schaufeli, 2020). This achievement shows that the hotel industry in Indonesia is increasingly aware of the importance of environmental sustainability in its operations. The success of implementing a green hotel does not only depend on the environmental initiatives taken but is also influenced by the leadership style within the organization. At Hotel Semarang, for example, an effective leadership style has been shown to play a crucial role in achieving the goal of implementing a green hotel (Sarwar et al., 2020). Leadership that supports innovation and is oriented towards sustainability can encourage the entire team to be actively involved in environmentally friendly practices. The implementation of a green hotel not only has a positive impact on the environment but also improves the hotel's image and competitiveness in the market. With strong leadership and a commitment to sustainability, hotels in Indonesia can continue to develop into pioneers in the environmentally friendly hotel industry.

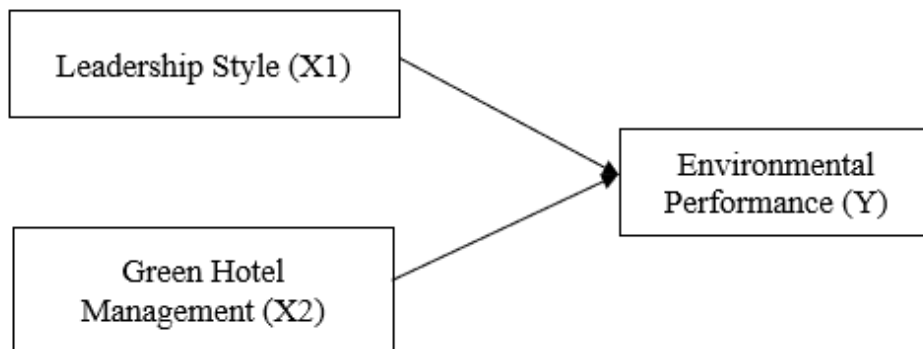
Leadership style has a significant correlation with work engagement, such as job satisfaction and organizational citizenship behavior, and can be used to lead teams towards achieving organizational goals. Leadership style includes the methods used by managers in organizing and influencing their employees to achieve organizational success, including in the implementation of green hotel management (Kaya & Karatepe, 2020; Chua & Ayoko, 2021). Pratama et al. (2023) emphasized that an effective leadership style plays an important role in encouraging employee involvement in green initiatives. In addition, Raya (2021) added that managers with the right leadership style can create a work environment that supports innovation and sustainable practices. Thus, the selection and implementation of an appropriate leadership style not only contributes to employee satisfaction and performance but also to long-term success in hotel management that is oriented towards environmental sustainability. An effective leadership style is key to achieving strategic goals in the hospitality industry that increasingly prioritizes green practices. The implementation of the green hotel program was collected to analyze the effect of participatory leadership style and the implementation of green hotel management on environmental performance. This study aims to answer several important questions. Participatory leadership style has a positive effect on environmental performance. Does the implementation of Green Hotel Management have a positive impact on environmental performance and participative leadership style and the implementation of Green Hotel Management together contribute positively to environmental performance.

## **2. Literature Review**

The Green Hotel Management policy implemented by the company is greatly influenced by the individual factors of each employee. The greater the motivation of employees to implement green hotel practices, the better the performance they will produce (Cheema & Javed, 2017). Individual motivation plays a crucial role in the success of an eco-friendly hotel program, as motivated employees will be more actively involved in eco-friendly initiatives and comply with existing policies. Antika & Suryani (2024) highlight the importance of employee motivation in supporting the implementation of green hotel policies. Motivated employees are not only more effective in implementing eco-friendly practices but are also more likely to contribute to the achievement of the company's sustainability goals. Ababneh (2021) adds that the direct impact of Green Hotel Management policies on employees includes increased job satisfaction and engagement. Successful sustainability programs affect employee performance by increasing satisfaction and a sense of responsibility for the environment, which in turn contributes to the overall success of the ongoing eco-friendly hotel program (Zhang et al., 2021).

Participative leadership style has a positive correlation with the implementation of green hotel practices and environmental performance. In this approach, employees are actively involved in various organizational activities, including the decision-making process (Rehman et al., 2021; Chen et al., 2022). Participative leadership encourages managers to seek opinions, suggestions, and ideas from employees, which in turn increases their involvement in sustainability programs. Ren et al. (2022) emphasized the importance of socializing green hotel management programs and paying serious attention to employee training and development. Effective training programs and good communication regarding green hotel practices can strengthen employee commitment to environmental initiatives. By involving employees in decision-making, this leadership style not only increases employee satisfaction and motivation but also strengthens the implementation of green practices in hotels (Nasir et al., 2022). Overall, participative leadership style and adequate training contribute significantly to environmental performance by ensuring that all team members feel involved and committed to sustainability goals. This approach supports a more effective and sustainable integration of green hotel practices.

Green hotel or eco-friendly hotel is a form of hotel development and management that focuses on sustainability and environmentally friendly concepts (Chung, 2020). This concept includes the implementation of various practices designed to reduce negative impacts on the environment through various initiatives. According to Alvianna et al. (2022), the main goal of a green hotel is to save energy and reduce pollution. This is achieved by using efficient technology, renewable resources, and better waste management. With this approach, green hotels contribute to reducing the carbon footprint and environmental impact of their operations. Ardiansyah & Chandra (2021) explain that green hotel management includes aspects of environmentally friendly design and construction as well as daily operational practices that focus on energy efficiency and emission reduction. This concept aims to create a healthier environment for guests and staff while supporting environmental sustainability. Overall, green hotels are an important step in the hospitality industry to integrate sustainability into every aspect of its operations, making it a more environmentally friendly and responsible choice (Darmaputra et al., 2020). Yasamis (2011) positive impact if a company uses environmental management practices. By using the environmentally friendly concept, it can save resources and save costs required in the company's operational activities. The company can gain a competitive advantage in the implementation of environmental management (Wang et al., 2023).



**Figure 1.** Example

Hypothesis 1: Leadership style has a significant effect on environmental performance

Hypothesis 2: Green Hotel Management has a significant effect on environmental performance

### 3. Method

The research method used in this study uses quantitative research methods. Quantitative research is a research strategy such as experiments and surveys that require statistical data and an approach that is primarily post positivistic in developing knowledge. The population in this study were Hotel employees in Semarang who had been working for more than 1 year. Data collection from this study used questionnaires. Understanding the application of Green Hotel Management with 150 respondents. The value is acceptable if it is less than or equal to 0.08 which indicates goodness of fit. GFI - Goodness of Fit Index is a value that has a scale of 0 (poor fit) to 1.0. An X<sup>2</sup> value of less than 2.0 or 3.0 indicates that the model and data are considered to have an acceptable fit. The Comparative Fit Index is assessed from a range of 0-1, where a value approaching 1 indicates a high level of fit. A good CFI value is considered greater than or equal to 0.9. The variables in this study measure independent variables, this study uses Structural Equation Modeling (SEM) and AMOS.

### 4. Result

The Loading Factor Value Test aims to assess the effectiveness of the questionnaire in measuring the intended variables. The Confirmatory Factor Analysis technique is used to test the validity of this measuring instrument, carried out with AMOS. CFA ensures that the indicators in the questionnaire accurately represent the construct being measured. An indicator is considered valid if its loading factor value is more than 0.5, which indicates a significant contribution to the construct being measured. A high loading factor value indicates that the indicator effectively describes aspects of the construct being studied. This test is important to ensure that the questionnaire can be used to collect accurate and relevant data on the variables being analyzed.

**Table 1.** Loading Factor Value

Variable	Indicator	Loading Factor	CR	AVE
Leadership Style	GK1	0.696	0.835	0.584
	GK2	0.857		
	GK3	0.697		
	GK4	0.672		
Green Hotel Management	GHM1	0.581	0.847	0.537
	GHM2	0.635		
	GHM3	0.912		
	GHM4	0.954		
	GHM5	0.598		
	GHM6	0.533		
Environmental Performance	EP1	0.645	0.756	0.547
	EP2	0.736		
	EP3	0.511		
	EP4	0.715		

In testing in this study, the indicator value is declared valid if the loading factor value is above 0.5. Based on the AMOS output results on the path diagram and the standardized regression weight estimation scale, it can be seen that of the 14 indicators of the Leadership Style, Green Hotel Management, and Environmental Performance variables, none are below 0.5. This indicates that all indicators are declared valid, so that the model evaluation process can be continued. According to Ghozali (2008), each indicator in the research variable is considered reliable if the Composite Reliability coefficient value is greater than 0.7. The results show that Leadership Style has a Composite Reliability value of 0.835, Green Hotel Management is 0.847, and Environmental Performance is 0.756. The three variables show a Composite Reliability coefficient value  $\geq 0.7$ , indicating good reliability. In addition, the Variance Extracted value for Leadership Style is 0.584, Green Hotel Management is 0.537, and Environmental Performance is 0.547. All variables obtained a Variance Extracted value  $\geq 0.5$ , indicating that the indicator is greater than the latent variable.

**Table 2.** Goodness of Fit Test Results

Category	Index Name	Criteria	Results	Criteria
Absolute Fit	Chi-square	p-value > 0.05	55.371	Good
	RMSEA	p-value < 0.08	0.014	Good
	GFI	p-value > 0.90	0.943	Good
	AGFI	p-value > 0.90	0.890	Not good
Incremental Fit	CFI	p-value > 0.90	0.999	Good
	TLI	p-value > 0.90	0.997	Good
Parsimonious	Chisq/df	p-value < 3.0	1.025	Good

The results of the goodness of fit test above indicate that the model is acceptable because all SEM calculation results have values in accordance with the predetermined cut-off value limits. Thus, it can be concluded that the model in the study is suitable for use as an SEM analysis model. Hypothesis testing with Structural Equation Modeling, based on confirmatory factor analysis and goodness of fit estimation criteria are met so that the model can be accepted, the next step is to analyze the structural relationship of the model by testing the hypothesis proposed in this study. In this study, the researcher used Structural Equation Modeling analysis using AMOS and SPSS software. The researcher will describe the theoretical model in a path diagram based on data obtained from the results of the

questionnaire conducted by respondents. Cheung et al. (2021) The structural model testing model is to analyze the relationship between latent variables, both independent and dependent, which cannot be measured directly and require indicators to measure them. There are two criteria for testing the hypothesis, namely the first by using the Critical Ratio (CR) value of 1.96 with a significance level of 0.05 and the second by looking at the probability value  $p < 0.05$ . If the probability value of each indicator is less than 0.05, it can indicate that the hypothesis is accepted.

**Table 3.** Hypothesis Testing

Category	Name	S.E	C.R	Estimate
Environmental performance bro	Leadership style	0.058	2.613	0.031
Environmental performance bro	Green Hotel Malang Element	0.092	3.072	0.101

The first hypothesis in this study tested the positive effect of participative leadership style on environmental performance. The results of the analysis showed a critical ratio value of 2.613, which exceeded the critical limit value of 1.96, and a probability value of  $p = 0.00$ , which was less than 0.05. This indicates a positive and significant effect of participative leadership style on environmental performance. Therefore, the hypothesis stating that leadership style affects environmental performance can be accepted. This finding is supported by research by Kardoyo et al. (2020), which shows that leadership that supports environmentally friendly programs can influence employees through the implementation of effective environmental policies. Participative leadership, which involves employees in decision-making and the implementation of environmentally friendly policies, contributes to improved environmental performance. Saptaria (2022) emphasized that leadership has a positive effect on environmental performance and financial performance. Leadership that supports sustainability initiatives can increase employee motivation and engagement, which in turn improves the hotel's environmental performance. These findings indicate that participative leadership style not only helps in the implementation of environmentally friendly policies but also contributes to the achievement of better environmental outcomes.

The second hypothesis in this study tested the positive effect of implementing green hotel management on environmental performance. The results of the analysis showed a critical ratio value of 3.072, which exceeded the critical limit value of 1.96, and a probability value of  $p = 0.00$ , which was less than 0.05. This indicates a positive and significant effect of implementing green hotel management on environmental performance. Thus, the hypothesis that implementing green hotel management affects environmental performance can be accepted. This finding is in line with the research of Irani et al. (2017), which showed that implementing environmentally friendly practices in hotels contributes to improving environmental performance. These practices include more efficient energy use, reduced water consumption, and better waste management. Research by Yusoff et al. (2020) and Raza & Khan (2022) also support these results, indicating that effective green hotel management can significantly reduce environmental impacts. Pham et al. (2020); Pereira-Moliner et al. (2015) showed that the integration of participative leadership style with the implementation of green hotel management together contributed to better environmental performance. This combination increases the effectiveness of green initiatives and supports the achievement of more sustainable and positive results in hotel environmental management.

## 5. Conclusion

The results of the test and analysis show that participative leadership style significantly improves environmental performance. With a critical ratio value of 2.613 and a probability of  $p < 0.05$ , the first hypothesis is accepted, indicating that the better the leadership style applied, the better the environmental performance achieved. This finding is supported by previous studies showing that leaders who support environmentally friendly programs can motivate their employees to support the policy, thus having a positive impact on environmental performance and financial performance. The second hypothesis that tests the effect of implementing Green Hotel Management on environmental performance is also accepted, with a critical ratio of 3.072 and  $p < 0.05$ . This shows that good implementation of Green Hotel Management makes a significant contribution to improving environmental performance. This finding is consistent with previous studies showing that environmentally friendly hotel practices, such as energy efficiency, water management, and waste reduction, can improve environmental performance. The third hypothesis tests the combined effect of participative leadership style and the implementation of Green Hotel Management on environmental performance, and the results are also accepted. This study concludes that the combination of the two factors has a significant positive effect on environmental performance, in accordance with various studies showing the importance of leadership and environmentally friendly practices in improving organizational environmental performance. Therefore, it is important for hotel management to continue to develop a participatory leadership style and encourage environmentally friendly hotel practices to achieve better environmental sustainability goals.

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