Responsiveness of Restaurateurs towards the Implementation of Environment-friendly Practices

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ABSTRACT

An adoption of an environmentally friendly management approach is one of the popular issues addressed in many industries including the restaurant industry. This study empirically examines the internal and external drivers and barriers that may contribute to the responsiveness of restaurateurs towards implementation of environmentally friendly practices. Using semi-structured interviews with the independently owned casual upscale restaurants operators, some meaningful insights were obtained. Restaurateurs, perhaps like most individuals are concerned about the environment, but are not fully aware and educated about the present condition of the environment. Inadequate knowledge coupled with intermittent green supply chain has resulted into a half-hearted commitment towards the preservation of the environment. This circumstance indicates that in order for significant effort cannot be shouldered solely by responsible authorities. The business community, corporate or individually owned needs to resume a more active role in fostering environment-friendly practices (EFPs) which in turn can serve as a “win-win” situation for all parties.


INTRODUCTION

The impact of development and industrialization over the century had taken a definite toll on the environment. Human activities had unwittingly contributed to global warming and decrease in the ozone layer (Llaurado, 1994). The widespread practices of capitalism for commercialization of commodities to complement modernized lifestyle has slightly over ruin the nature, exploitation of minerals, fisheries and forest products (Reagan, 2006). The environmental disasters caused by corporations’ negligence have raised public’s concern and the awareness had begun as early as in the 1960’s (Kotler, Bowens & Makens, 2006). One of the incidents that could have propelled this awareness was the case of Shell allegedly destructing thousands of acres of land of the Ogoni—the people of Nigeria in 1958, and their on-going conflicts that is still reported to date (Wheeler, 2002). In response to these environmental ‘accidents’, there has been an emphasis on companies to run their business responsibly (Saha & Darnton, 2005). This business practice is coined the term Corporate Social Responsibility (CSR) depicting business approaches that are concerned with society’s well-being (Lamb, Hair & McDaniel, 2004). Initial reaction to environmentalism would usually appeal to the conscience. The idea of “doing my bit” for the world is a natural response to the notion of preserving the environment (Tzchenkte, Kirk & Lynch, 2004). However, most businesses which respond to environmental issues had done so only in marginal ways (Welford, 1998).
In line with the above notion, adoption of an environmentally friendly management approach is one of the popular issues addressed in many industries (Blum, 1997; Bader, 2005; Enz & Siqwaw, 1999; La Vecchia, 2008; Stipanuk & Ninemeir, 1996). Driven by government regulations, changing consumer demand, advocacy by NGOs and international organizations (Mensah, 2005), rising water, energy and waste disposal charges, need to control guests’ desire for use of energy, strong advocacy for high environmental values, and need to seek accreditation (Tzschentke et al, 2004), the industries’ major players have taken the necessary steps to undertake the implementation of environmentally friendly practices. However, the pressure to adopt environmental management in the service sector pales in comparison applied to those in manufacturing sector (Grove, Fish, Pickett & Kangun, 1996) due to its inherent characteristics. Service lacks tangibility (not physically present), lacks perishability (cannot be physically stored), highly heterogeneous (influenced by human factor) and characterized by inseparable transaction between service provider and customer (Kotler et al, 2006). These characteristics contribute to the long held perception of service sector as, ‘soft’, or ‘smokeless’ industry (Kasim, 2005).

Paradoxically, the service sector is relies on physical components to operate. The airline transportation for instance requires a plant and numerous other physical elements with the likes of lawn maintenance, which counts on tools and chemicals (Grove et al, 1996), or that of hotel services, which may necessitate a wide variety of tangible utensils, equipment and infrastructure. In line with that the hotel industry is among the most energy-intensive sectors of the tourism industry that consumes valuable raw materials, generates wastes (Iwanoski & Rushmore, 1994) and releases a number of undesirable emissions including carbon dioxide (CO2), chlorofluorocarbons (CFCs), noise, smoke and smells. As an example, the overall consumption of gas by the UK hotels for heating and hot water resulted in 5 million tons of CO2 emission every year which costs £130 million each year (Kirk, 1995). The action plan for sustainable tourism development, Agenda 21, adopted in the Rio Summit 1992, has been regarded as a key factor for the hospitality industry to acknowledge the importance of environmentally friendly management (Chan & Lam, 2001). Initiatives in different parts of the world can be seen as a response to Agenda 21. Several European Union countries had Environmental Initiative Association (EIA) imposed on tourism projects. Canada pioneered the Green Tourism Association (GTA) in application of eco-tourism and sustainable tourism principles since 1996 which covered planning aspects in promoting Urban Green Tourism (UGT), infrastructure, education and awareness (Gibson, Dodds, Joppe & Jamieson, 2003).

In the U.S. the coalition of 80 environmental investors and advocacy groups collaborated together to form the Coalition for Environmentally Responsible Economies (CERES), has also influenced environmental management in the hospitality industry. Among its initiatives are the founding of Green Hotels Initiative (GHI), and Green Meetings Initiative, developed and supported by the US Environmental Protection Agency (EPA) (Mensah, 2004). There are some positive evidences in some of the developing countries as well. The Caribbean region is taking full advantage of eco-tourism which includes sub-sectors such as agro-tourism, adventure tourism, sports tourism, heritage tourism, health tourism and community tourism. The Caribbean Tourism (CTO) and Caribbean Hotel Association (CHA) had delivered programs in tourism education and training, which encouraged conservation of the environment (Jayawardena, 2002). In Malaysia, the legislations and regulations conservation of the environments are available and evolving, however, the enforcement still relatively rhetoric and bounded by bureaucratic tendencies (Kasim, 2005). There have been reports of companies practicing Environmental Management Systems (EMSs), but they are usually among large corporations (Thompson & Zakaria, 2004).

According to Grove et al, (1996) ecological considerations towards tangible aspects of service products in the restaurant industry could have a major impact on the environment. When McDonald’s changed the materials used in making the beverage straw, it eliminated
100 tons of solid waste per year. When it removed corrugated dividers from its cold cup shipping cases, it resulted in 2,000 lb reduction in wasted materials. In all, McDonald's efforts to turn green had removed tens of millions of pounds (in weight) from the waste stream (McDonald's Corporation, 1990). With the exception of McDonald's Corporation, there is an acute dearth of environmental studies within the restaurant industry. With that, this study examines the internal and external drivers and barriers that may contribute to the responsiveness of restaurateurs toward implementation of environmentally friendly practices (IEFPs).

**METHODOLOGY**

As the main objective of this study was to investigate the responsiveness of restaurateurs toward implementation of environmentally friendly practices, a qualitative approach through face-to-face interviews was considered the best method for the data collection process. The sample of population was among the independently owned casual upscale restaurants in Penang city, Malaysia. In this contact, independent casual upscale restaurant is referring to restaurants that have one or more owners and are usually engaged with operations directly. These restaurants are not affiliated with any national brand or name, and consequently offer the owner the greatest independence, creativity and flexibility as well as the greatest risk (Chon & Sparrowe, 2000; Walker, 2008). These restaurants normally offer fine dining with full table service, focusing on quality rather than price. In addition, casual dining restaurants are described as services that are relaxed, with capable service staff projecting friendly informality in their dealings with guests while maintaining professional efficiency and offering table service (Brown, Hepner & Deegan, 1994; Walker, 2008). With that notion, identification of the restaurants is done by brief physical observation made during tour of Penang Island. Decision whether they fit the criteria were based on these factors: (1) the restaurant should have, if not all, most of the following characteristics: full table service, aesthetically pleasant interior designed with a concept, tables with linen setting, above-average quality cutleries and crockery and air-conditioned (2) the food and beverage are priced slightly higher than the norm (3) the restaurants do not belong to any franchise groups, for example McDonald’s, KFC, Chilli’s, Secret Recipe, Dave’s Deli, Sushi King and etc.

The interview composition is partially structured face-to-face interview where the interviewer poses a few predetermined questions called interview guide but has considerable flexibility concerning follow up questions (Dane, 1990). This type of interview has a series of questions that are in general form of an interview schedule but is able to vary the sequence of questions and focus predominantly open questions about a specific situation or event that is relevant to and of interest to the researcher (Bryman, 2004). In relation to that, three semi-structured questions addressing the objectives of the study were developed under the headings: i) restaurateurs’ environmentally conscientious ii) restaurateurs’ responsiveness towards implementing environmentally friendly practices iii) auxiliary support system to green supply chain.

**DATA COLLECTION PROCEDURE**

Following the tour, there were 37 restaurants identified to be independently owned casual upscale restaurants. All managers or owners of the identified restaurants were initially contacted via telephone and email in getting permission to conduct the interview. Out of 37 establishments, only 5 restaurateurs’ agreed to participate with the rest refused with the reason do not entertain any solicitation other than business. The dates, time for the interviews were then arranged based on the convenience of the restaurateurs. With mutual time agreed by both parties, the interview sessions with the all respective restaurateurs’ were undertaken. Prior to interview session, the respective restaurateurs’ were briefed and informed on the anonymity and confidentiality. In absent of any obvious problems, the
interviews were successfully undertaken within five days with the full cooperation from all five restaurateurs. All interview lasted between thirty minutes to one hour with all sessions were tape-recorded. Information was then transcribed using pen portrait analysis. This is the part where all the words, expressions, pausing were stated in the text form clearly and definitely replicating the ‘voice’ form. The process was done properly to prevent lost of the important ideas.

ANALYSIS AND RESULTS
Restaurant Profiles
With the nature of casual upscale restaurants business, all restaurateurs have been in this business operation for more than 10 years with staff capacity from 10 to 26. All restaurants cater for customers ranging from middle to upper class with combination of local and western food. Worth mentioning that all five restaurants are using full table service with pleasant ambience, concept and the price of food and beverages are slightly higher than the normal restaurants. Most importantly all of them are independently owned. The profiles of all restaurants are simplified and presented in Table 1:

<table>
<thead>
<tr>
<th>Restaurateur</th>
<th>Years Established</th>
<th>No. of Employees</th>
<th>Nature of Business</th>
<th>Types of food</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>10</td>
<td>21</td>
<td>Restaurant</td>
<td>Local and Western</td>
</tr>
<tr>
<td>2</td>
<td>15</td>
<td>12</td>
<td>Restaurant</td>
<td>Local and Western</td>
</tr>
<tr>
<td>3</td>
<td>10</td>
<td>14</td>
<td>Restaurant</td>
<td>Local and Western</td>
</tr>
<tr>
<td>4</td>
<td>12</td>
<td>10</td>
<td>Restaurant</td>
<td>Local and Western</td>
</tr>
<tr>
<td>5</td>
<td>10</td>
<td>17</td>
<td>Restaurant</td>
<td>Local and Western</td>
</tr>
</tbody>
</table>

Restaurateurs’ Environmentally-Friendly Conscience
On the first question, the internal organizational factor is assumed to have influence on the restaurateurs’ responsiveness towards implementation of environmentally friendly practices. Most of the restaurateurs appear to be environmentally conscientious and express that they are concerned about it and consider the environment to be an important aspect in their lives. Eloquently conveyed by restaurateur 4 that;

*Of course I care about the environment. It’s our legacy to the future generations.*

Despite that, an atypical discovery was found in one of the interviews conducted. It is important to explain the circumstance at length to fully understand the mentioned discovery. Restaurateur 1 obviously missed the meaning and concept of the study and assumed that the question was “surroundings” related rather than “environment” related. Quoted verbatim, the restaurateur said;

*Yes, I do care about my surroundings. I make sure that my surroundings are orderly and clean always so that my customers are confident with the cleanliness of this restaurant.*

Misunderstanding could perhaps be an understatement in this scenario. It could be assumed that the level of environmental awareness of this particular restaurateur is very low. On the environmental issues restaurateurs consider themselves educated about it and their source of information comes from the reports in the newspaper and magazines related to foodservice industry. They were also aware of the program called “Pollution Prevention”. However, was they were non-committal in answering exactly where they retrieve the information about the program.

**Restaurateurs’ Propensity towards Playing an Active Role in “Green” Management**

It was expected that the restaurateurs to be responsive towards implementation of environmentally friendly practices since they consider themselves educated about
environmental issues. Most of them would establish the Environmental Management System (EMS) at their establishment. Restaurateur 2 with a positive outlook towards the implementation of establishing EMS for instance expressed:

*I really like the idea. I train my staff to be cautious with energy usage anyway because it saves my overhead costs.*

In addition, their foremost priority was to conserve energy as a mean to minimize the overhead cost. Nevertheless, when reminded that environment friendly practices encompasses many other aspects other than energy conservation, most them remained uncompromising towards the idea of establishing EMS (Energy Management System), albeit was quick to add that some form of assistance should be provided by the authorities or NGOs to set such a project in motion. When probed further, it appeared that pecuniary concerns ultimately took precedence, as can be observed by remarks made by restaurateurs 4

*This concept requires spending. I don’t even know if this business will be around in the next five years. It’s day by day, and at the end of the day, we just want to cash out on our paycheck.*

Restaurateur 5 on the other hand notes that:

*I don’t think so. The restaurant business is highly volatile. Furthermore, the economy is not exactly rosy at the moment.*

Restaurateur 3 initially felt ambivalent at the idea of establishing EMS, and in the end dodged the issue by dismissing the restaurant’s role towards the environment. He commented:

*It’s a small business, I don’t think we’re responsible for all the pollution problems in this country*

When asked what is considered to be the top three priorities in the company policy, money, reputation and sustainability of the operation are the most popular answers given by the restaurateurs. As explicated by restaurateur 4 that:

*My top three priority list is first, making money, second, upkeep a good reputation and third, making sure that my employees are taken care of.*

On the same note, restaurateur 5 expressed:

*What’s important to me? I want to create lasting impression on my customers, so that they’ll come back. If being environmentally friendly can do that, I would seriously consider.*

As a whole, restaurateurs felt that it is essential that any type of system upgrading or revamp should first and foremost support the basis of business set up; which is to make profit and provide in terms money and livelihood for them and employees. It is unanimous among restaurateurs that implementation of environmentally friendly practices is not a priority. However, the concept of implementing it is not necessarily undesirable, should there be evidence that doing so would boost profitability. Restaurateurs’ hesitations towards implementation of environmentally friendly practices are justifiable and legitimate. Investing in implementation of environmentally friendly practices can be taxing when there is a need to change to ‘all things environmentally friendly’.

The cost to implement these guidelines were not stipulated, but undoubtedly the costs could prove to be overwhelming for restaurateurs to comply as implementation costs could entail in: changing into energy efficient electrical appliances and water efficient system; switching to higher priced organic products that are three times more than usual prices (Ahmad, 2006); purchase of environmentally friendly materials such as chlorine free paper
products; switching to non-toxic cleaning and chemical products; and investing into green power energy source (example installation of solar panel).

Ultimately, restaurateurs cost consideration boils down to the value of implementation of environmentally friendly practices. It can be inferred that the major cost consideration apprehensions are: viability, value for money and cost effectiveness. Restaurateur for instance expressed;

*Sure, I would consider investing, but if you’re selling me this idea, you have to convince me that the returns are worth the investment.*

Restaurateur 4 point his concerned that;

*You have to understand, I’m not against the idea………..but how much are we talking about here?*

Restaurateur 3 point of view conveyed the underlying cost consideration:

*There is a restaurant along this road. The management of that restaurant spends hundreds of ringgit just to purchase fresh flowers daily, so that they can create an opulent ambiance. I totally agree with their method because a restaurant business needs to create a lasting impression on their customers. There are so many things that I need to buy just to maintain, what more improve the services and the ambiance of this restaurant. So, to answer your question earlier (the possibility of investing on EMS), to delve into implementation of environmentally friendly practices, it needs to make sense to me, in dollars and cents. The returns must exceed the investment.*

It can be deduced that restaurateurs strive to continually satisfy their customers, and although the restaurant business heavily rely on intangible services, auxiliary physical aesthetic’s (i.e. table setting, lighting, wall designs, etc.) role in enhancing dining experienced cannot be discounted. Hence, rather than spending on what is perceived as ‘unproven’ concept such as IEFPs, restaurateurs believe that there is more pressing need to utilize the money to maintain or improve the services and ambiance of their restaurants which could be beneficial for business in attracting customers.

Employee connectedness does not appear to have a prominent significance in restaurateurs’ responsiveness towards implementation of environmentally friendly practices. Employees’ involvement is encouraged, but only to a certain point because management would prefer employees to focus on task at hand. Rewarding employees is subjective, and do not necessarily come in the monetary form. Restaurateur 2 mentioned that acknowledging their ideas and contributions, even with a simple ‘pat on the back’ can elevate their motivation and make them feel appreciated, stating also:

*Surely I would. Whenever I want to introduce anything new, whether it’s new menu or promotion, I need their involvement and commitment.*

Restaurateur 1 was not very keen with constantly involving employees in the decision making process, hence felt that any changes or implementation of environment friendly practices, should be up to management to decide the best execution method. He stressed what is prioritized in the training program at the establishment to be the following:

*Handling staff is not exactly easy. Good food and service is what I stress on. It’s difficult just to keep them motivated to do that. If I want to train them to recycle, it must not take away focus from their core job.*

In supporting the above notion, all restaurateurs felt absolutely no pressure in implement the environmentally friendly practices due to the ineffectual pressure from the stakeholders (i.e. customers and community). As indicated by restaurateur 3
No, customers have not pressed me to be environmentally friendly. Their concerns are usually related to the service or food.

Restaurateur 1 also stated that:

That is a really odd question. No one has ever raised the issue. Show me an environmentally friendly restaurant that has been certified. I don't think there is any. How can I be under any pressure to be environmentally friendly when there is no need to be (environmentally friendly)?

Restaurateurs were so bemused by the question whether their customers and/or community has ever taken up the issue of running an environmentally friendly restaurant, that he offered to share a somewhat related incident. Restaurateur 2 expressed;

I was approached by a relative who works for a company that sells energy efficient lights. I'm still considering.

Auxiliary Support System to Green Supply Chain

An aspect of a wholly environmentally friendly restaurant employs a macrobiotic mode at every level of its operations, which includes purchase of all products, produce, items, ingredients and substance. The results of the interviewed were relatively unenthusiastic opinion towards organic products. This could be due the impression left by statement which asked whether restaurateurs would consider switching to organic products which are higher priced. Interestingly, restaurateur 3 has a reverse attitude towards organic products which suggest that he is not opposed the fundamental idea of products that are produced in its most natural form. In verbatim, the restaurateur said;

I read somewhere that organic produce has a fresher, rich taste. If it enhances the guests’ experience, I'll definitely switch...why not.

Even more than the issue of price, most restaurateurs concerns had to do with the availability and diversity of organic products. The nature of the restaurant business demands that ingredients that make up the menu be readily available. A restaurant’s reputation can be at stake when orders cannot be fulfilled due to shortages of ingredients. This can occur from time to time, but switching to organic products that have limited supply, no matter its conspicuous advantages, is a risk that restaurateurs are not willing to take. In addition, restaurateur 4 conveyed that utilizing an organic product is not pragmatic, as explained:

Supplies need to be easily available and abundant......the price need to be if not cheaper, at least the same......and varied, diverse so that we can choose the best. If this green supply can offer that, then I'm on board.

Restaurateurs 5 on the other hand noted that

Organic is good. I know that. In fact, most diseases today are food related that are doused with preservatives and chemical pesticides. But still the price should not burden us. If you go to any hypermarkets, organic food takes up only limited shelf. You can't even find them at the sundry shops. When faced with certain emergencies, I sometimes get my ingredients at the shops. I can’t be running to the hypermarkets every time. It's not practical.

As for partaking suppliers input by consolidating, or even consulting, restaurateurs appear to be uninterested at the idea. It is the restaurateurs’ belief that they should not get involved in the suppliers’ affairs and their association should be limited only to business. Furthermore, the fast paced nature of the restaurant business restrict establishment of a lengthy camaraderie, as explained by restaurateur 5:
Educate my suppliers? I just do not have time for that, and I don't think they have time to spare either.

It could be said from the above analysis that the availability and diversity of the organic products is perhaps the more important issue than the restaurateurs’ acceptance of the products.

DISCUSSION AND IMPLICATION

This study highlighted a range of interesting and significant findings. Restaurateurs are relatively receptive toward the concept of IEFPs. However, there is reason to believe that most of them are superficial and motivated by the need to be politically correct. Restaurateurs, perhaps like most individuals are concerned about the environment, but are not fully aware and educated about the present condition of the environment. Thus, inadequate knowledge, coupled with lack of convergence of the limited knowledge had resulted into a half-hearted commitment towards the preservation of the environment. Restaurateurs are essentially business operators whose priorities are inherently focused on revenue, costs and profits. They view IEFPs as detrimental to the principal goals of profitability, maintaining markets, controlling costs and efficient production. Furthermore, the start-up capital cost is a major concern for the restaurateurs and those with greater resources that possess the financial and human resources are believed more capable of bearing the costs associated with environmental and overall business improvement. Also, even if they believe that IEFPs can be beneficial in the long run, restaurateurs are apprehensive whether their investment will produce the desired results in time since the restaurant business is perceived to be highly unpredictable and competitive that the possibility of their business closing down is not ruled out. Apart from profitability matters, restaurateurs are also concerned with making lasting impressions, perpetuate a wonderful dining experience and create an impressive ambiance for their customers. Thus, the concept of environment friendly practices needs to appeal to them as to how it can propel their business to greater heights.

Restaurateurs are also receptive towards environmentally friendly products. However, the green supply chain is intermittent. Organic products are scarce, hence unable to meet their demands that require diversity and abundance. This external factor is perhaps not easily resolved at national level. Green supply chain need to be a sequence of distribution that spreads on globally. Furthermore, green supply chain management (GSCM) is a relatively new concept and just taking root in Malaysia. Presuming all other factors available are stimulating to embark on being environmentally friendly, it would not be viable for restaurateurs to immerse themselves into “green management” when green supply chain is lacking and flawed. A restaurant business usually attempt to maintain their food cost within 21 percent to 28 percent range, but with such a high price to pay for organic products, restaurateurs may not readily accept adoption of environmentally friendly practices although their conscience might persuade them otherwise.

Restaurateurs could perhaps balk at the idea of tripling (since organic products could cost three times more than normal vegetable) their food cost just so that they can be “environmentally friendly”. There is some comfort knowing that the Ministry of Agriculture Malaysia is taking pro-active measures to integrate environmentally sensible form of farming within the industry, however, the question remains whether the development of green supply chain in Malaysia can expand rapidly enough to reach the mass market.

From the above situation, it could be suggested that the responsible authorities should somewhat increase in fostering environmentally friendly practices (EFPs) throughout the nation. They ought to formulate a trajectory with properly examined and carefully planned modus operandi in diffusion of IEFPs at all levels. It is believed that the restaurant industry can be affected if such a trajectory takes place. A trajectory that can be emulated is “mimicry
in a strongly institutionalized environment", which means emulating successful EMSs (Environmental Management Systems) from other organizations or in this case other countries. Netherlands is an exemplary nation that has successfully mastered the integration of promoting environmentally friendly practices into their mission statements and product development (Boons, Baas, Bouma, Grone and Blansch, 2000). Alternatively, relevant authorities are proposed to initiate a program like EcoScan initiated by the Flemish Institute for Technological Research (Vito) located in Flanders, Belgium (Vercalsteren, 2001) that identifies the internal, external and product positioning of small independent businesses which intend, or are already operating environmentally friendly establishments. Convergence of all applicable aspects from these successful activities and programs can be adapted into the Malaysian’s restaurant industry setting would create a ground-breaking business model that is sensitive to the environment.

As conclusion, responsibility of disseminating environmentally friendly practices cannot only be shouldered by the authorities alone. The business community, corporate and private organization should also resume a more active role in formulating realistic environmental policy goals in line with the government policies which in turn can serve as a “win-win” situation for all parties. In addition regulations can offset potential innovation, corporate awareness, expand research and reduce uncertainty, reduce the cost of innovation-based solutions and consequently, render a less intimidating depiction of what implementing environmentally friendly practices means entirely.

REFERENCES