

## Environmental Leadership and profit hotel Related to Green Hotel

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### Abstract

The objective of this research is to find out the effect of environmental leadership (EL) and Hotel Profit on green hotel. An ex post facto method has been used by selecting 8 sample for each cell. Reliability of EL was .9039, and GH was .93. Data analyzed by two-way ANOVA. Research results revealed that there was green hotel significant difference between those hotel who have most transformational leadership compared to transactional leadership. Moreover, there was significant interaction effect between environmental leadership and profit hotel on green hotel.

**KEYWORDS:** environmental, leadership, profit, hotel, green hotel

### Introduction

According to Robbin and Judge, there are three pivotal behaviors that achieve organizational goals within an organization, i.e., individual behavior (staff), task group behavior and structural group behavior. A variable of behavior in an organization is leadership. The leader role must contain environmental leadership to implement the function and role of environmental management and concern, in order to reduce the natural system and the national system.

Profit defined as gain occurs when the total revenue of a company is more than the total cost. A financial loss for the investor is when he or she is not able to earn the whole or partial capital, or for the manager being unable to earn the payroll for the work that has been done. Profit gained from the labor will be sent as the payroll after calculating the operational costs. Profit in the business term can be negative, which means that there is a loss, and positive means that there is a gain after all the operational costs, or zero, which means there is a balance between revenue and cost. Profit distributed is a net profit from the gain after the total cost is subtracted from the total revenue.

The management of an organization is also required to be able to coordinate all the resources owned by the organization effectively and efficiently, and is also required to produce decisions that support the achievement of organizational goals and accelerate the development of the organization with regard to hotels. Good planning can help in the assessment of the profit gained and will be optimized. The amount of profit is one of the main indicators of success in hotel management.

Planning hotel profit in the short term is to do with the analysis of Cost-Volume-Profit (CVP). This method uses an analysis based on the variability of the sales revenue and the cost of the volume of activity. Thus, it can be used optimally as a means of short-term planning. Cost-Volume-Profit analysis can be used in service industries, such as hospitality. The hospitality industry uses CVP for decision making of various actions, both in the realization of the budget and profit forecasting. CVP reviews the relationship between profit, volume and costs which have occur in one cycle of hotel income.

Based on the explanation above, and concerning the existence of hotels in around Jakarta, we felt that it was very important to do research of the problems within the environmentally friendly hotels (green hotels) by using the environmental leadership variable and profit towards green hotels.

**Research Methodology**

Based on the formulation of the problems mentioned earlier, the purpose of this study is to know: 1) Differences between the green hotel in the value of implementing transformational environmental leadership with transactional.2) Differences in green hotels between those who have high hotel profits with low hotel profits.3) For hotels that have a high profit, hotels are more green if the applied environmental leadership is transformational compared with the transactional ones.4) For hotels that have low profits, hotels are more green if the applied environmental leadership is transactional compared to the transformer.5) Effect of interaction between environmental leadership and hotel profit on green hotel.

This research used a quantitative approach, survey, and ex post facto technique 2x2 adopted from John W. Best This research observed the relationship between variables, i.e., green hotel as the dependent variable, and environmental leadership (A): transformational (A<sub>1</sub>) and transactional (A<sub>2</sub>); and (2) hotel profit that consisted of high (B<sub>1</sub>) and low (B<sub>2</sub>) as independent variables.

**Fig. 1. Design of the Research**

		Environmental Leadership (A)	
		Transformational (A <sub>1</sub> )	Transactional (A <sub>2</sub> )
Profit Hotel (B)	High (B <sub>1</sub> )		
	Low (B <sub>2</sub> )		

From the total population retrieved, the next step was sampling with a purposive sampling technique with certain considerations. This technique can be defined as a process of sampling by determining in advance, the number of samples to be taken. Next, the sample selection is based on the desired objectives of researchers, its provisions do not deviate from the characteristics of the sample set. Finally, we selected 5 (five) employees and 1 (one) manager from 110 for each hotel in around Jakarta.

The number of samples was determined by 30 hotels (27%) that were considered to represent the entire population. Hotels that had a higher profit hotel were 31 in number, and 30 hotels had a lower profit. Researchers gave questionnaires related to environmental leadership and hotel profit. The result was a score in order of the highest to the lowest rank. Afterwards, it was determined into two groups on the ranking score.

In the next phase, sampling was conducted in order to determine how the group performed with the provisions of environmental leadership transformational with the proportion of 27% as a group (high score) with 9 hotels, and the proportion of 27% of the samples with the environmental leadership transactional as a lower group (low score) with 9 hotels. Afterwards with simple random sampling in every cell of 1 to 4 hotels were disposed, thus, each cell had 8 hotels; and then, each was multiplied by 4. Thus, 32 hotels were sampled.

Based on these proportions, the employees were given the green hotel test. With the proportion of 27%, 8 hotels gained as much as defined as a group of environmental leadership, transformational with a profit of a high rise hotel ( $A_1B_1$ ), and 8 hotels were defined as a group of environmental leadership, transformational with profit inferior hotel ( $A_1B_2$ ), as well as groups of environmental leadership, transactional with profit high hotel as many as 8 hotels ( $A_2B_1$ ), and environmental groups transactional leadership with a hotel profit lower by 8 hotels ( $A_2B_2$ ).

### Research Findings and Discussion

**Table 1. Results Summary**

Y	A <sub>1</sub>	A <sub>2</sub>
<b>B<sub>1</sub></b>	$n_{(1.1)} = 8$	$n_{(2.2)} = 8$
	$\sum Y_{(1.1)} = 900$	$\sum Y_{(2.2)} = 652$
	$\bar{Y}_{(1.1)} = 112.50$	$\bar{Y}_{(2.2)} = 81.50$
	$\sigma_{(1.1)} = 5.632$	$\sigma_{(2.2)} = 6.211$
	$\sigma_{(1.1)}^2 = 31.714$	$\sigma_{(2.2)}^2 = 38.571$
	$\sum Y_{(1.1)}^2 = 101.472$	$\sum Y_{(2.2)}^2 = 53.408$
<b>B<sub>2</sub></b>	$n_{(2.1)} = 8$	$n_{(1.2)} = 8$
	$\sum Y_{(2.1)} = 869$	$\sum Y_{(1.2)} = 925$
	$\bar{Y}_{(2.1)} = 108.63$	$\bar{Y}_{(1.2)} = 115.63$
	$\sigma_{(2.1)} = 4.596$	$\sigma_{(1.2)} = 3.662$
	$\sigma_{(2.1)}^2 = 21.125$	$\sigma_{(1.2)}^2 = 13.411$
	$\sum Y_{(2.1)}^2 = 94.543$	$\sum Y_{(1.2)}^2 = 107.047$

Based on the two pre-requisite tests, so, it was known that the test used for hypothesis numbers one, two, and five were two-way ANOVA tests. For the 3rd and 4th hypotheses, two groups tests were used, i.e., Tukey test. The two-way ANOVA test results can be viewed in the table below:

**Table 2. Two-Way ANOVA**

Source of Variances	df	SS	MS	F <sub>calculation</sub>	F <sub>table</sub>		
					$\alpha = .05$	$\alpha = .01$	$\alpha = .001$
Between Groups	3	5,870	1,956	74.65**	2.95	4.57	7.19
Within Group	28	734	26.2				

Environmental Leadership	1	1,152	1,152	43.96**			
(A) HotelProfit(B)	1	1,830	1,830	69.84**	4.16	7.53	13.29
Int. A * B	1	2,888	2,888	110.22**			
<b>Total</b>	<b>31</b>	<b>6,604</b>					

\*\* p< .01

Based on the findings of the first hypothesis, it was indicated that the null hypothesis "There is a difference between green hotel that implemented transformational and transactional environmental leadership" was rejected, with the rejection of  $H_0$  criteria:  $H_0$  was rejected if the  $F_{cal}$  had more value than  $F_t$  ON  $\alpha = 0.05$  significance.  $F_{cal} = 60.046$  and  $F_t$  (within  $\alpha = 0.05$ ) = 4.16. Thus,  $F_{cal} > F_t$  (4.53 > 4.16), the  $H_0$  was rejected and  $H_1$  accepted.

Based on the hypothesis test for the second hypothesis, it resulted in the null hypothesis that "there is difference between high-profit green hotel and low-profit green hotel" were rejected. The  $H_0$  rejection criteria: if  $F_{cal}$  had more value than  $F_t$  on significance level  $\alpha = 0.05$ .  $F_c = 45.918$  and  $F_t$  (on  $\alpha = 0.05$ ) = 4.16, thus,  $F_{cal} > F_t$  or  $5.86 > 4.16$ ;  $H_0$  was rejected and  $H_1$  accepted.

The third hypothesis was "for high profit hotel groups, green concept became more tangible if transformational leadership implemented more than transactional leadership". The hypothesis test used was Tukey test with the rejection criteria: if  $Q_{cal} > Q_t$ . The results showed that  $Q_{cal} = 10.43$  and  $Q_t = 4.05$ . Thus,  $H_0$  were rejected and  $H_1$  accepted.

The fourth hypothesis was "for low profit hotel groups, green concept became more tangible if transformational leadership implemented less than transactional leadership". The hypothesis test used Tukey test with the rejection criteria: if  $Q_{cal} > Q_t$ . The results shown in Figure 7 showed that  $Q_{calculation} = 4.38$  and  $Q_t = 4.05$ . Thus,  $H_0$  was rejected and  $H_1$  accepted.

The fifth hypothesis resulted in the null hypothesis "There is relationship between *Environmental Leadership* (A), and *Profit Hotel* (B) towards *Green Hotel* (Y)" and was rejected. The  $H_0$  rejection criteria: if  $F_{cal}$  had more value than  $F_t$  on significance level  $\alpha = 0.05$ .  $F_{cal} = 74.940$  and  $F_t$  (on  $\alpha = 0.05$ ) = 4.16, thus,  $F_{cal} > F_t$  or  $74.940 > 4.16$ ; the  $H_0$  was rejected and  $H_1$  accepted. These findings supported what have been studied by Putrawan<sup>23</sup> which stated that any activities related to greening something would be based on concepts of sustainable development and basically will be determined by people environmental views which it is called New Environmental Paradigm (NEP).

### Conclusion

According to the results, it can be taken into conclusion that there was a difference between the green hotel and leadership and profit hote difference between the green hotel, whose employees had transformational environmental leadership and transactional environmental leadership. There was a difference between the high profit hotel and low profit hotel.

There was also a perception of the employees towards the green hotel that was not affected by environmental leadership, but by profit of the hotel (high profit – low profit).

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