

Employee Perception on the Environmental, Social, and Governance (ESG) strategies in hospitality in Guangdong-Hong Kong-Macao Greater Bay Area

*Miss WONG Wing Yan , BA (Hons) in Culinary Arts and Management,
Department of Hospitality and Business Management*

Supervisor: Ms Joyce WONG, Lecturer

Introduction

The contributions of social businesses to society, particularly within the hotel sector, have been highlighted to enhance brand value and attract customers. Consequently, pertinent individuals must comprehend Environmental, Social, and Governance (ESG) principles to enhance their professional responsibilities. ESG frameworks underscore societal responsibility via corporate environmental management and governance transparency (Bae, 2022). This paper uses a renowned Mainland company as a case study to examine its ESG practices and the impact of environmental governance on employee retention.

Objectives

- To educate the future practitioners and related hospitality professionals about Environmental, Social, and Governance (ESG) principles.
- To promote environmental protection by encouraging resource conservation, such as in the use of electricity and water resources, and the use of different renewable energies.
- To understand the hospitality industry in the Guangdong-Hong Kong-Macao Greater Bay Area, including the ESG standards and how the company's environmental protection policies affect the satisfaction and turnover rate of employees.

Methodology

The respondents have signed an informed consent form before participating in the survey. This form ensures that they understand the purpose of the study and that all data will be kept confidential. The moderating questionnaire was designed in November, with data collection scheduled to run from December to January 2024. The questionnaires were collected by Google Forms, and approximately 120 valid responses were collected. The questions covered topics related to sustainable development, procurement and various types of food waste. In order to improve accuracy, multiple-choice questions were used as the standard. Through this questionnaire survey, respondents' understanding of Environmental, Social, and Governance (ESG) can be accessed.

Results

Correlations		
	MS_Avg	ES_Avg
MS_Avg	1	.713**
ES_Avg	.713**	1

Notes: ***p<0.001, **p<0.01, *p<0.05

Regression			
Model	Standardized Coefficients	t	Sig.
	Beta		
1	(Constant)	-0.25	0.803
	MS_Avg	0.713	8.504 0
a. Dependent Variable: ES_Avg			

Notes: *p< 0.05; **p< 0.01; ***p<0.001
Multiple R= .713a; R2= 0.508; F= 72.321; significant F= <.001b
Dependent Variable: ES_Avg

Regression and Correlation Tests reveal a strong, statistically significant correlation between Employee Satisfaction (ES_Avg) and Management Strategies (MS_Avg). The Regression Test shows a standardized beta coefficient of 0.713 (t = 8.504, p < 0.001), implying that management strategies are a powerful predictor of employee satisfaction. Management strategies by themselves explain approximately 51% of the variance in employee satisfaction, a high rate of influence. Correlation Analysis also verifies this positive association (r = 0.713, p < 0.01), which suggests that organizations with better management styles also have greater levels of employee satisfaction.

Conclusion

ESG practices are becoming increasingly essential for sustainable development in the hospitality sector across China, Macau, Hong Kong, and the GBA, although their implementation varies based on regulations, priorities, and available resources. China lacks cohesive ESG standards; Macau encounters labour and environmental challenges, whereas Hong Kong excels in compliance but falls short in support for SMEs. The GBA highlights the challenges of integrating ESG across borders. There is a correlation between robust employee satisfaction and ESG principles, as transparency and equitable practices enhance morale. However, digital ESG assessment and its long-term effects require further investigation. Ultimately, ESG fosters sustainable and inclusive development within the hospitality sector and beyond.