

ECONOMIC RECOVERY PLAN (PENJANA) TOWARDS CORPORATE SUSTAINABILITY PERFORMANCE: A CASE STUDY OF HOTELS IN KLANG VALLEY

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ABSTRACT

The Government's Economic Recovery Plan outlines a pathway for a sustainable jobs-led recovery. It focuses on four key pillars: sustainable public finances, supporting a return to work, re-building sustainable enterprises, and supporting a balanced and inclusive recovery. There are a lot of sectors affected because of Covid-19 and the most affected is tourism since this sector is totally closed. The aim of this study was to examine the effect of economic recovery plan (PENJANA) toward corporate sustainability development. This study utilized quantitative research, with questionnaire to gather information. The population and sample of this study were three-star to five-star hotels in Klang Valley, focusing on their corporate sustainability development. The unit analysis of this study is organization. SPSS was used to analyze the data and the analyses performed in this study were frequency analysis, exploratory analysis, reliability analysis, correlation, and regression analysis. The finding shows that, economic recovery plan implemented by the governance shows a significant effect toward corporate sustainability. However, this study is limited to a small number of sample due to Covid-19. Hence, for the further research, it is important increase the generalizability of the finding by involving a large number of samples from various states in Malaysia including Sabah and Sarawak.

Keywords: Economic recovery plan; Corporate sustainability Performance; Hotel; Klang Valley

INTRODUCTION

Since its outbreak which was first identified in Wuhan, China in December 2019, the COVID-19 pandemic has affected more than 14 million lives, claiming nearly 600,000 deaths around the world. As it is rapidly spreading around the world posing as a threat to the people's health, it has also become a threat to the economic, social, and environmental wellbeing to the entire human population (Chakraborty and Maity, 2020). As businesses are slowing down, world gross domestic product (GDP) is expected to shrink toward an opposite direction, plunging at -4.9% this year (International Monetary Fund, 2020). United Nation (UN) agency (2020) claimed that the world is expecting a cut of 305 million full-time jobs by the second quarter of 2020 due to the drop in income. As a result, many countries are obliged to develop their economic recovery plan initiation.

The virus did not spare Malaysia. On the 25th of January 2020, the first three cases were detected on Chinese travelers arriving via Singapore (Reuters, 2020). The number of cases remained low until a cluster of the virus infections linking to an international religious event near Kuala Lumpur was reported (Ministry of Health, 2020). Ministry of Health Malaysia (2020) reported that Malaysia had recorded the highest cumulative number of confirmed COVID-19 infections in Southeast Asia, breaching the 2,700 cases mark by the end of March 2020, claiming more than 40 lives. As a response to curtail the soaring number of COVID-19 cases, Malaysia implemented the movement control order on the 18th of March 2020. The order included restrictions on mass movement and gatherings, restrictions on entry of tourists and foreign visitors by closing the borders, closure of non-essential government and private sector premises, and closure of all learning institutions from kindergarten to universities. The slogan "Just Stay at Home" has been communicated to promote social distancing, so that the exposure to the possibility of being infected by the virus could be curbed.

Social distancing, self-isolation, and travel restrictions have led to major socioeconomic impacts. The number of unemployed persons had spiked by more than 160,000 from March 2020 to April 2020 (Department of Statistic Malaysia, 2020). Due to the closure of many business operations throughout the MCO, Selangor accounted for the highest job losses with 32% involving construction, finance and insurance, ICT, manufacturing, professional and technical, and tourism sectors. Having to lose source of income or being on the verge of termination brings in uncertainty and insecurity which can disrupt mental health as the person begins to develop anxiety and depression (Shanmugam et al., 2020). Relevantly, in the time of isolation during the Middle East Respiratory Syndrome (MERS) epidemic in 2015, MERS patients and non-patients who were in isolation in South Korea had symptoms of anxiety and feelings of anger (Jeong et al., 2016). In Malaysia, according to Women's Aid Organization, the Talian Kasih hotline, which is for the public to make complaints on domestic abuse and enquire on psychological support, oversaw a 57% increase in calls from February 2020 to March 2020, in which domestic violence is one of the contributing factors to the spike. Stress and the condition of not being able to travel lead to higher cortisol levels that cause a person to feel less calm and content.

The three main challenges for businesses in sustaining themselves during this crisis are salary payment, no customers, and rental payment (Department of Statistic Malaysia, 2020). Heavy impacts are seen in tourism industry of which the losses suffered amounted to around RM45 billion. The labour forces affected the most are those in the services sector such as hospitality, food and beverage, the arts, entertainment, and recreation. The lost revenue associated with the tourism and tourism-related service sectors in the Republic of Korea due to the 2015 MERS outbreak was estimated around US\$2.6 billion and the losses were permanent because visitors cancelled rather than postponed their travel (Joo et al., 2019). The tourism industry needs convincing measures from the government to improve market confidence and reduce the risk of being contracted with the coronavirus (Assaf

and Scuderi, 2020). Three main elements that need to be scrutinized to enhance the tourism sector are travel grants, soft loans, and extension of the moratorium period.

LITERATURE REVIEW

Economic Recovery Plan

Economic recovery plan is defined as an action by the government to encourage private sector economic activity (Chappelow, 2020). Hayes (2020) suggested that economic recovery plan comes in a form of package consisting targeted and coordinated efforts to increase government spending to stimulate an economy out of a recession or depression, hence, it is called a stimulus package. Taylor (2018) stated that stimulus package is a pool of temporary deficit-expanding programs to kickstart the economy. Stimulus is defined as the application of policies and measures that brings impact to the short run economic activity and long-term structural change, while also preserving, protecting, and enhancing the environmental and natural resources both short-term and long-term (Allan, et al., 2020; Agrawala, Dussaux, & Monti, 2020).

To stimulate a struggling economy, government increases spending, offers tax cuts and rebates, lowers interest rates, and provides the incentives or financing facilities to pull out specific key sectors out of a recession or thwart an economic slowdown (Taylor, 2018; Chappelow, 2020; Hayes, 2020). A stimulus package can be in the form of either a monetary stimulus or a fiscal stimulus, or both, in which money injection into the economy leads to powerful multiplier effects that will indirectly encourage private sector consumption and increase investment behaviour (Liu, Pan, & Tian, 2016; Taylor, 2018; Chappelow, 2020).

Monetary and fiscal stimuli mainly involve the cutting of interest rates and taxes, and the increase in bank loan supply, and thus increasing money in circulation. When interest rates and taxes are cut, there is more incentive for individuals and companies to borrow as the cost of borrowing is reduced, especially in times of increased supply of bank loan (Liu, Pan, & Tian, 2016; Hayes, 2020). Lowering interest rates could also weaken the exchange rate of a country, leading to a boost in exports, and thus more money enters the economy (Hayes, 2020). Stimulus package consists of targeted and timely societal transfer payments which include unemployment assistance, nutritional aid, health and welfare payments, and moratoriums. Another major component of stimulus package involves federal government transfers to state and local governments to be used for the purchase of goods and services, building of infrastructure, and financing of facilities (Taylor, 2018; Gonzalez-Urbe, 2020).

When the government injects more money into the economy, it restores aggregate demand and decreases unemployment rate as there is more money in circulation, and this can motivate private sector consumption and business investment spending (Chappelow, 2020; Hayes, 2020). Stimulus in the form of hiring subsidy results in the fall of unemployment rate (Kato & Miyamoto, 2015). Increased government direct lending may cure the inverse effect of financial crisis on corporate investment by enabling companies to obtain more bank loans. Companies from key sectors are more likely to receive government-supported bank loans and in turn involve more investment activities (Liu, Pan, & Tian, 2016). Meanwhile, loan guarantees give access to companies that cannot cover banks' collateral requirements in times of financial crises, hence enabling these financially constrained companies to retain workers and reduce employee layoffs (Lefavor, 2017). Companies that increase their borrowings also increase profits, survival, productivity, and employment (Gonzalez-Urbe, 2020).

Ill-timed stimulus package may cripple economic recovery and weaken the exchange rate of a country, impacting long-term economic growth. Hence, it will force the government to increase various taxes, cut government spending, reduce social security spending, or decrease unemployment benefits and pensions (Hayes, 2020; Agrawala, Dussaux, & Monti, 2020). Furman, Geithner, Hubbard, and Kearney (2020) suggested that stimuli favouring bigger companies with less business risks and siphoning funding solely on employee retention programs would result in negative long-term effects. Favouritism and credit misallocation by the government result in non-participation, and in this situation, the government has missed their stimulus package's targeted outcomes and beneficiaries (Nhlumayo, 2017; Cong, Gao, Ponticelli, and Yang, 2020).

Corporate Sustainability Performance

Corporate sustainability is defined as meeting the needs of a company's current stakeholders without conceding its ability to meet the needs of future stakeholders (Joshi & Li, 2016). It also refers to a systematic business approach and strategy that results in the long-term economic, social, and environmental impacts, which are informally referred as profits, people, and planet (Joshi & Li, 2016; Bergman, Bergman, & Berger, 2017; Beattie, 2019). Corporate sustainability performance is defined as the result of a company's proactive strategies and management of its economic, social, and environmental aspects (Saufi, Daud, & Hassan, 2016; Zimek & Baumgartner, 2017). Corporate sustainability is a voluntary business activity, in which risks of economic, social, and environmental dimensions are managed (Bergman, Bergman, & Berger, 2017). However, Joshi and Li (2016) argued that it is an obligation of companies and their managers to pursue policies, operational decisions, and lines of action that are desirable in terms of the objectives and values of society.

Environmental and social performance of the company affect its economic performance, and hence owners' expected return. Being so much higher on the investor and regulators' agenda, managers are obligated to integrate sustainability practices and comprehensively take financial and non-financial performance into consideration (Joshi & Li, 2016; Allan, et al., 2020). Companies that align sustainable economic, social, and environmental activities with the needs of stakeholders inside and outside the company have a positive influence on competitive advantage and financial performance, thus facilitating value creation (Taliento, Favino, & Netti, 2019; Stahl, Brewster, Collings, & Hajro, 2019). However, businesses are reluctant to integrate

sustainability core into their business strategies and are slow in adopting sustainability initiatives because the costs of investing in sustainability issues (Njoroge & Mbura, 2019).

The interdependence between the economic capital and social and environmental resources integrates the social and environmental dimensions into business practices to enhance the long-term shareholder value of a company (Bergman, et al., 2017). Through the capabilities and capacities of managers in the implementation of corporate sustainability strategies and activities, systemic sustainability performance can be increased to support a global sustainable development (Bergman, Bergman, & Berger, 2017; Zimek & Baumgartner, 2017). Ethically addressing, implementing, and communicating economic concerns such as operational efficiency and cost reduction, societal concerns such as stakeholder engagement and legitimacy and welfare, and environmental concerns such as environmentally conscious markets and emission reductions will improve sustainability and sustain innovation and growth (Joshi & Li, 2016; Bergman, Bergman, & Berger, 2017; Taliento, Favino, & Netti, 2019).

Economic Development

Seidman (2010) defined economic development as a process of creating and utilizing physical, human, financial, and social assets to generate improved and broadly shared economic well-being and quality of life for a community. Krueger and Myint (2016) suggested that economic development encompasses both quantitative and qualitative transformation of simple economies into modern economies, in which product, people, and place are combined for the market. Meanwhile, Feldman, Hadjimichael, Kemeny, and Lanahan (2015) suggested that the economic development is a set of actions aimed at boosting the prospects of lagging regions and poorer economies. The Malaysian Government outlined the sustainable actions, in line with UN Sustainable Development Goals, in which the use of modern technology, global connectivity, trade enhancement and facilitation, and digitalisation improvements are explored, thus creating sustainability performance.

Joshi and Li (2016) suggested that sustainability performance can influence financial performance, whereby its disclosure allows market participants to assess and influence the company and its stock price. High composite of sustainable economic actions is associated with high financial performance which can influence the company's market value. Return on equity and return on investment are more affected by sustainable economic actions evaluation, thus attracting more investments from stakeholders and a greater support toward the economic development (Joshi & Li, 2016; Taliento, Favino, & Netti, 2019). In ensuring economic development, businesses focus on aspects such as sustainable growth that considers future generations, resource management and cost saving initiatives, long-term profitability focus, sustainable stakeholders' satisfaction, and suppliers' reliability (Njoroge & Mbura, 2019).

Social Development

Social development is a societal movement that uplifts the levels of energy, efficiency, quality, productivity, complexity, comprehension, creativity, mastery, enjoyment, and financial, social, and ecological accomplishments over a long-term time horizon (Jacobs & Asokan, 1999; Stahl, Brewster, Collings, & Hajro, 2019). In a socially sustainable society, people are not subject to structural obstacles to health, influence, competence, impartiality, and meaning making (Zimek & Baumgartner, 2017). Uplifting the society is done through outcome-based support and productivity-linked assistance, including entrepreneurship, upskilling, reskilling, technology adoption, and asset ownership through corporate sustainability strategies relating to wages, working hours, working conditions, and gender equality (Zimek & Baumgartner, 2017; Razak, 2017).

Social development is achieved by enhancing the accessibility to skills training, providing quality employment opportunities and entrepreneurial support (Government of Malaysia, 2017). Workforce based on employees' competence generates value. Enhanced private sector participation and magnified role of women in government programs can contribute significantly to non-governmental organizations, civil society organizations, and other social causes such as supporting the community while also building leadership competencies in participants and increasing retention (Government of Malaysia, 2017; Stahl, Brewster, Collings, & Hajro, 2019). Creating societal values increases sustainability performance and this performance is dependent on the sustainability activities of a company (Zimek & Baumgartner, 2017). Other than government's motivation, elevated alignment between organizational and employee goals leads to more highly motivated employees, and this would result in more sustainable companies that generate greater financial and social returns for all stakeholders (Stahl, Brewster, Collings, & Hajro, 2019; Agrawala, Dussaux, & Monti, 2020). Increased efficiency along with higher corporate reputation reflect greater confidence in human capital, boosting labour productivity (Taliento, Favino, & Netti, 2019).

Environmental Development

Environmental development is the direct result of investment in infrastructure, green technology, land, and environmental practices in order to minimize environmental impacts and conserve the resources for future generations (Saufi, Daud, & Hassan, 2016; Allan, et al., 2020; Agrawala, Dussaux, & Monti, 2020). Investing in the environmental development helps to increase the efficiency of the economy by reducing pollution via introducing green innovative technologies (Saufi, et al., 2016). The effects of global climate change through workplace-driven pollution can be mitigated through the support of environmental projects (Stahl, Brewster, Collings, & Hajro, 2019; Agrawala, Dussaux, & Monti, 2020). Environmental projects and practices promote eco-learning, continuous environmental innovation, stakeholder integration, and shared environmental vision, all of which contribute directly to the company's environmental performance and indirectly to economic performance (Joshi & Li, 2016).

Departing from using unsustainable natural resource would not only reduce environmental impacts and supply risks, but it also improves operational efficiency, and only companies with unique resources and management capability can realize the financial

benefits (Joshi & Li, 2016; Agrawala, Dussaux, & Monti, 2020). Economic level strongly related to business targets, in which businesses economically benefit from reduction of greenhouse gas emissions, resource efficiency as well as decrease of water consumption and waste output (Zimek & Baumgartner, 2017). Guaranteeing future access to energy enhances competitive advantages (Saufi, Daud, & Hassan, 2016). Public endorsement of renewable-energy projects benefits businesses as it decreases unit production costs over time (Agrawala, Dussaux, & Monti, 2020). Environmental awards, public release of toxic release inventory data, disclosures of environmental liability information and sustainability-related events disclosure influence sustainability indices, hence influencing stock market reactions (Joshi & Li, 2016).

METHODOLOGY

This study utilized quantitative research method, and questionnaire was used to gather the information. The population and sample for this study were the hotel management of three-star to five-star hotels. Based on the responses rate, only 29 questionnaires were returned out of the 91 sets of questionnaires distributed. The choice of hotel as a sample for this study was because hotel is a part of tourism industries most effected during the COVID-19 pandemic (Assaf and Scuderi, 2020). Organization was used as a unit of analysis which is, each hotel only answers one questionnaire. The questionnaire was adapted to match the current environment and five-point Likert scale was used. To answer all the research objectives, Statistical Package for Social Sciences (SPSS) were used to examine the data. The analysis used in this study were frequency analysis, exploratory factor analysis, reliability analysis, correlation analysis and regression analysis.

RESULT

This analysis covers the demographic profile of the study sample comprising hotel star rating, region, number of employees, number of years in the hospitality industry, and severity of effect of COVID-19 pandemic on the business. It consists of the analyses of frequency and percentage.

Table 1: Demographic Analysis

Characteristics	Percentage (%)
Hotel star rating	
3-star	20.7
4-star	44.8
5-star	34.5
Region	
Kuala Lumpur	65.5
Selangor	31.0
Putrajaya	3.4
Number of Employees	
1 – 50	20.7
51 – 100	24.1
More than 100	55.2
Number of Years in the Hospitality Industry	
1 - 5 years	20.7
6 - 10 years	31.0
More than 10 years	48.3
Severity of Effect of COVID-19 Pandemic on the Business	
Very Minor	3.4
Highly Moderate	6.9
High	27.6
Very High	13.8
Extremely High	48.3

Based on Table 1, the majority of the respondents were 4-star hotels, being 44.8% of the 29 respondents. 5-star hotels were the second highest at 34.5%, and 3-star hotels were the lowest at 20.7%. The highest percentage of hotels which responded to the survey were from Kuala Lumpur region, at 65.5%. The hotels from the Selangor region came in second at 31%, and the lowest were from hotels in the Putrajaya region. As for the size of the workforce, 55.2% of the hotels had more than 100 employees. Coming in second, 24.1% of the hotels had 51 – 100 employees. Coming in last, 20.7% of the hotels had 1 – 50 employees. The majority of the hotels had been in the hospitality industry for more than 10 years, at 48.3%. Meanwhile, 31% of the hotels had been in the industry for 6 – 10 years, and lastly, 20.7% of the hotels had been in the industry for only 1 – 5 years.

In terms of the severity of the effect of the pandemic on the business, 48.3% of the hotels experienced an extremely high severe effect upon their businesses. In second place, 27.6% of the hotels experienced high severe effect. Coming in the third place, 13.8% of the hotels experienced very high severe effect. Next, 6.9% of the hotels felt highly moderate effect, and lastly, only 3.4% felt a very minor effect of the pandemic upon their businesses.

Factor Analysis

This analysis was used to expose the relationships among the variables which can cluster those inter-correlated variables into a few factors. Hence, Kaiser-Meyer-Olkin (KMO) Test is a measure of the appropriateness of data for factor analysis. However, a value more than 0.60 is considered adequate (Glen, 2016).

Table 2 shows the factor analysis result for each variable used in this study. The result indicates that the Kaiser-Meyer-Olkin (KMO) values are as follows: the independent variable, PENJANA scored 0.93, while for the dependent variables, economic development scored 0.919, social development scored 0.665, and environmental development scored 0.669. The values for PENJANA and economic development are between 0.9 and 1.0, which means that the variables are marvellous. However, the values for social development and environmental development are between 0.6 and 0.69, and therefore, they are mediocre. In Bartlett's test of Sphericity, a significance level of 0.000 indicates that the p value is < 0.05. Therefore, the items in this variable have a strong relationship between each other.

Table 2: Factor Analysis

Variable	KMO and Bartlett's Test		Extraction Component
	Kaiser-Meyer-Olkin Measure of Sampling Adequacy	(Bartlett's Test of Sphericity) Sig.	
PENJANA	0.930	0.000	0.802
			0.775
			0.824
			0.575
			0.71
			0.794
			0.799
			0.517
Economic development	0.919	0.000	0.603
			0.812
			0.715
			0.687
			0.762
Social development	0.665	0.000	0.834
			0.819
			0.894
			0.895
			0.627
Environmental development	0.669	0.000	0.839
			0.762
			0.764
			0.936
			0.768
			0.819
			0.565
			0.711
			0.88
			0.802
0.906			
			0.936

Rotated component matrix in Table 2 shows the variables with factor loadings whose absolute values are greater than 0.40. One of the most popular cut-offs for "good" factor loadings onto a primary factor is 0.40 despite several different cut-off levels being provided in the current practice (Howard, 2016). According to the analysis of data, all items were valid and acceptable. Hence, the PENJANA, economic development, social development, and environmental development variables retained all their items as follows: eight (8) items for PENJANA, six (6) items for economic development, six (6) items for social development, and 10 items for environmental development.

Reliability Analysis

This analysis is to determine the extent to which the items in the questionnaire are related to each other. Cronbach's Alpha values of 0.7 or higher indicate adequate internal reliability.

Table 3: Reliability Analysis

Variable		No. of Items	Cronbach's Alpha
Independent variable(s)	PENJANA	8	0.876
Dependent variable(s)	Economic Development	6	0.763
	Social Development	6	0.866
	Environmental Development	10	0.941

Based on the Cronbach's Alpha analysis, all variables are considered reliable because they achieve alpha value of more than 0.7 as indicated in Table 3. The variable of environmental development has the highest alpha value of 0.941, followed by social development whose alpha value is 0.866, and lastly, economic development scored an alpha value of 0.763. As for PENJANA, the scored Cronbach's Alpha value is 0.876, which is considered good.

Correlation Analysis

Correlation involves the measurement of association, or relationship, or correlation between two variables, and it demonstrates an association or the state of being corresponded, in which the variables may be positively or negatively related, or unrelated at all (Obilor & Amadi, 2018). In this study, Pearson correlation was used. Pearson correlation evaluates the linear relationship between two continuous variables. A relationship is linear when a change in one variable is associated with a proportional change in the other variable. According to Hinkle, Wiersma, and Jurs (2003), the interpretation of the size of correlation is as follows: 0.90 to 1.00 (-0.90 to -1.00) = very high; 0.70 to 0.90 (-0.70 to -0.90) = high; 0.50 to 0.70 (-0.50 to -0.70) = moderate; 0.30 to 0.50 (-0.30 to -0.50) = low; and 0.00 to 0.30 (0.00 to -0.30) = weak.

Table 4: Correlation Analysis

		#1	#2	#3	#4
1. PENJANA	Pearson Correlation		0.276	0.497**	0.505**
	Sig. (2-tailed)		0.148	0.006	0.005
	N		29	29	29
2. Economic development	Pearson Correlation			0.595**	0.578**
	Sig. (2-tailed)			0.001	0.001
	N			29	29
3. Social development	Pearson Correlation				0.895**
	Sig. (2-tailed)				0.000
	N				29
4. Environmental development	Pearson Correlation				
	Sig. (2-tailed)				
	N				

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

Table 4 shows the relationship between PENJANA and the sustainability performance of hotels. Firstly, this study aims to study the relationship between PENJANA and economic development. Based on the result, however, PENJANA and economic development are not significant since the p-value is 0.148 which is more than 0.05. Secondly, this study aims to study the relationship between PENJANA and social development. Based on the result, there is a significant relationship between PENJANA and social development at 0.01 significance level. The relationship between these two variables is moderate due to the Pearson correlation value of 0.497. Lastly, this study aims to study the relationship between PENJANA and social development. Based on the result, there is a significant relationship between PENJANA and environmental development a 0.01 significance level. The relationship between these two variables is high due to the Pearson correlation value of 0.505.

Regression Analysis

This analysis is to test, predict, and explain the nature of relationships between the independent variable and the dependent variable. Furthermore, the determination of the statistically significant contribution of the independent variable toward the dependent variable can be indicated by the coefficients.

The result in Table 5 indicates that $R = 0.491$, $R^2 = 0.241$, adjusted $R^2 = 0.213$, and $F = 8.561$, with $p < 0.05$. The correlation coefficient between the independent and dependent variables is 0.491. It is indicating that the two variables are moderately

positively correlated. Therefore, it represents a moderate contribution to corporate sustainability performance. The coefficient of determination of 0.241 indicates that the independent variable explains 24.1% of the variation in the dependent variable. The adjusted R² is 0.213, indicating the result of this study is not generalizable to other population. Given that the adjusted R² is close to the R² value of 0.241, the regression model does not fit the data very well. The F-test is 8.561 at $p < 0.05$, indicating a minimal significance of association between the variables. In viewing the B (Beta) coefficients, the positive sign on the factor is an indication that PENJANA has a positive effect on corporate sustainability performance.

Table 5: Regression Analysis

Independent Variables	Unstandardized Coefficients (B)	Standard Error	t-Value	p-value
(Constant)	18.778	18.364	3.531	0.002
PENJANA	1.355	0.463	2.926	0.007
R				0.491
R ²				0.241
Adjusted R ²				0.213
F				8.561
Sig.				0.007

Dependent Variable: Corporate Sustainability Performance

DISCUSSION

According to the respondents, the economic recovery plan will help to reduce burdens especially the operation and management cost. Due to the economic downturn, it is indicated that the respondents created spin-off technologies that could be profitable. As an alternative to making sure that the company can generate income, some of the hotels have been offering work-from-hotel packages where guests are offered rooms and essential amenities such as Wi-Fi and television for virtual meetings (Kamel, 2020). In a different context of management, some hotels have also come up with a different approach of selling food from the hotel kitchen via drive-through (Daud, 2021) and online services such as Food Panda, and Grab Food. Due to strict movement control order standard operating procedure, it is also indicated that the hotels have been working with the government officials to protect the interests of their organizations. Hence, it shows that, the economic recovery plan is more towards stabilizing the financial condition of the organization and not totally contributing to the economic development. This is aligned with the result of this study which shows that the relationship of economic recovery plan is not significant to the economic development

In terms of social development, the result shows that the economic recovery plan has a significant relationship with social development. This is because, to assure the safety and health environment to the employees and customer, the hotels have improved the safety planning. For example, OYO Hotels and Homes have been implementing thorough hygiene procedures that involve minimal contact service, training of on-ground teams, health screening, and appropriate disinfection (Gilbert, 2020). Also, it was indicated that the hotels are concerned with the visual aspects of the facilities. It was also indicated that the hotels have been moderately communicating with the public and the local community to convey their recognition on the social development, the need to fund initiatives for the locals, and the protection of rights of the local people.

Lastly, the finding also shows significant relationship between economic recovery plan and environmental development. Also, with the presence of PENJANA amidst the pandemic, the hotels have been able to reduce energy consumption. The respondents also indicated that, along with environmental partnerships, they have been able to mitigate the environmental impacts, thus reducing the impacts on animal species and natural habitats. Furthermore, the hotels have been able to reduce wastes and emissions from operations, products, and services. The hotels have also been taking voluntary actions for environmental restorations such as reducing the use of paper, using energy-saving air conditioner, and installing smart curtains (Kamel, 2020). To further ensure sustainability of the environment, the hotels have indicated their reduced purchases of non-renewable materials while improving the use of less polluting energy sources. The hotels also indicated that they have been conducting environmental audits and public disclosure related to the environment, and acknowledging their employees' training and immunity.

CONCLUSION

According to the results obtained in this study, in principle, it was found that PENJANA is effective towards corporate sustainability performance. This is because the respondents indicated that the government initiatives were evidence that the Malaysian government is concerned to help the employers and employees in the hospitality industry. This is in line with the confirmation made by the Malaysian Finance Minister that under PENJANA, a total of 322,177 employers and 2.64 million employees have received benefits through the Wage Subsidy Programme (Bernama, 2021). Other than that, PENJANA was indicated as a direct relief to the employers. As a result, the respondents also indicated that PENJANA has been able to help in covering the operation costs of business activities during the pandemic and subsequently, the recovery of the economy of the

tourism industry. Hence, the most important thing is that the initiative implemented by the government helps the tourism industries in corporate sustainability performance.

Further, the results show that the financial aids were moderately sufficient. Malaysian Association of Hotels CEO, Yap Lip Seng suggested that the wage subsidies should be expanded for the hotels to stay afloat (Nambiar, 2020). Meanwhile, the respondents also indicated that PENJANA has been moderately effective in smoothening and creating significant changes to their business activities. However, this study was limited into small number of sample size, specifically, only 29 hotel were involved in this study. Hence, it is important for the next study to increase the number of sample size in order that the outcome could be generalized for the hotel's sustainability in Malaysia.

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