

IMPACT OF GREEN PRACTICES ON FIRM PERFORMANCE: EVIDENCE FROM HOSPITALITY SECTOR IN SRI LANKA

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Abstract

Due to the boom in tourism, hotel investments have been trendy. It is no longer uncommon for tourists to consider new and unusual tourist issues such as environmental protection, waste treatments, energy efficiency, greenhouse gas emissions, water consumption, and renewable energy. Hotel and hospitality professionals have come to associate "green" and "sustainability" with the industry. The environmental impact of corporate green practices is increasingly on the minds of hotel guests and potential customers. Because of this, companies invest heavily and spend plenty of marketing dollars to promote green management. Even though Green reporting or Green Practices are not mandatory requirements, hoteliers keep moving towards the green to get the maximum benefits from customers' perceptions. The relationship between adopting green practices and how those will impact companies' performance has been extensively studied. However, there is a gap in Sri Lankan research in this area. This study primarily investigates the impact of Green Practices on the performance of the Hotel Industry in Sri Lanka. A descriptive research design will be used in this study, and a closed-ended questionnaire will be used to collect data. The approach for this study is Deductive. As the analyzing aid, Statistical Package for the Social Sciences (SPSS) will be used since it is a more convenient data analysis software that most researchers widely use. The population for the study will be the hotels ranked 3, 4, and 5 stars, and among those, 100 hotels will be taken as the sample. Using the findings of the studies, hotel owners and managers will be able to be eco-friendly by initiating more green practices. Ultimately, it will lead to a better firm performance by attracting new customers. There is no doubt that Sri Lanka's hotel industry plays a vital role in driving economic growth.

Keywords: *Firm Performance, Green Practices, Hotel Industry, Star ratings*