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SUSTAINABILITY OF ACCOMMODATION BUSINESS IN BALER, NORTHERN PHILIPPINES*

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Abstract. This study aims to describe the current situation of the accommodation industry in Baler, Northern Philippines, evaluating it in terms of business and environmental sustainability. The author used the Input-Process-Output (IPO) paradigm for business operations assessment and compliance of performance with environmental laws. The study used descriptive research involving seventy-four (74) Department of Tourism-accredited establishments. A four-point Likert scale method was employed. The study results revealed that facilities for persons with disabilities (PWDs) and senior citizens lack quality; specific equipment is inaccessible, and water filtration systems are unavailable. The accommodation industry makes a significant contribution to the economy of Baler. However, there is a substantial increase in water consumption, energy consumption, and solid waste consumption. Therefore, the accommodation industry still needs changes, which can be implemented via additional investments and technology transfer, enhancing business and environmental sustainability. The LGU-Baler and accommodation industry may adopt the proposed business operational plan. A similar study may be conducted in the whole province of Aurora.

Keywords: business; accommodation; environmental sustainability; operational plan; tourism; tourism industry

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1. Introduction and Literature Review

This study assesses the tourism program of Baler, Aurora, in northern Luzon, Philippines, designed for the accommodation industry to enhance business and environmental sustainability. Baler is the birthplace of surfing in the Philippines, regarded as a favourite destination for surfers. Seventy-seven per cent of the province is covered by thick forests of Sierra Madre on one side and surrounded by the Pacific Ocean on the eastern part. This municipality has been unravelled as a top tourist destination in the Philippines. Baler hosts 1.2 million tourists yearly and stretches 31.66 kilometres of shoreline, an estimated foreshore area of 569.827 square meters. The seashore is possibly contaminated, which is unsafe and harmful for swimming, surfing, and other activities. Unexpected and uncontrolled development along the shoreline will result in environmental deprivation and

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depletion of resources. This study may utilize the research results for discussions with Aurora Provincial Tourism Office and Baler Municipal Tourism Office.

Accommodation is a base of the tourism industry, forming a vital and fundamental part of tourism. The accommodation industry needs to find new ways to differentiate itself. One obstacle to sustainable tourism development's success is unclearly defined stakeholders' responsibilities in the destination. Managers of accommodation enterprises consider themselves responsible for protecting and developing the environment (Necati et al., 2021). Rural tourism is currently one of the most dynamic segments of tourism demand, and rustic accommodation is one of the most demanded. The attitude of rural establishment managers has a decisive influence on the behaviour of their clients regarding ecological respect and stewardship of water and energy (Sanchez-Ollero & Mondéjar-Jiménez, 2021). Small accommodation businesses dominate the rural hospitality industry. They provide simple or complex services and seek to be sustainable and competitive. Companies are based in areas where tourist resources abound and must be more efficient. Dimitriadou et al. (2021) claim that the business's size, working days, and various activities affect its efficiency, while the business's age and engagement in agriculture do not influence it.

The study on the sustainability of services shows that the material support required for the provision of services: goods used and processed have to meet the demands of guests, i.e., physical facilities, restaurants, swimming pools, laundry rooms other material systems have to be modernized. The interaction between services and the environment originates from sources of materiality and manifests itself through environmental aspects in the product life cycle stages (Volpi & Paulino, 2018). The study on limitations to sustainable resource management in the global south provides evidence that there are six key challenges: financial and non-financial constraints; service nature of the industry; limiting policy and infrastructure environment; poor employee commitment/buy-in; and skill and knowledge inadequacies. These results provide a holistic foundation for addressing the challenge of low sustainability uptake in context (Idahosa & Ebhuoma, 2020). The accommodation industry controls costs through sustainable practices (Vasanicova et al. 2021). It motivates consumers to choose accommodations that try to protect the environment. The appropriate strategies should be implemented, and the information about the environment and cost-sharing must be measured (Asi, 2019). The accommodation industry is an important sector of tourism. This article establishes a more explicit connection between industry and ecological improvement. It discloses the increasingly widely held resourcefulness to include ecological thoughts in the operation of hotels and the obstacles that may impede ecological concerns among small and medium size hotels (Kasim, 2008). The progress of the accommodation industry had positive results in reducing damaging influences (Molina-Azorin et al., 2017). Accommodation owners are concerned about sustainability and encourage resource protection (Ioannidis et al., 2021).

The accommodation industry is not considered as one of the most sustainability-aware sectors. The lack of awareness is connected to issues related to societal development facets (Cavagnaro, 2009). Challenges arise when tourists and businesses do not pay sufficient attention to the deterioration of their surroundings. The accommodation sector tried to control operational costs continuously through ecological rules preventing water and energy depletion and motivated consumers. Consumers are encouraged to become involved in selecting accommodations that follow locations' security and lessen its damaging effect (Huttche et al., 2002). There is an obvious need for green programs (Kim, Barber & Kim, 2018; Svagzdiene et al., 2020; Wei et al., 2021).

The accommodation industry is becoming more and more intricate, exposed by the increase of information and progressive technologies, ecological degradation, pollution, clients' preferences, demands, and factors generating more considerable instability in the worldwide economy (Javier & Elazigue, 2011). Economic growth fueled by tourism encourages the government to devise public policies aimed at regional development, embracing the economic, social, and environmental aspects (Achmad & Yulianah, 2022). Increasingly stringent environmental regulations and consumer awareness of environmental protection and sustainability affect the hotel industry (Kuo

et al., 2022). The results of studies confirm the importance of sustainable initiatives in resource management with the following rank: food, water, energy, and waste management. The effects of green marketing orientations for increasing the competitive advantage and improving the sustainability of the hospitality industry during the COVID-19 pandemic are receiving more attention. The hospitality industry attempts to assimilate green marketing and move toward sustainable development; administrators pay their efforts to improve the natural environment, save resources, and communicate their brand orientation (Ho et al., 2021).

A study on the role of accommodation enterprises in developing sustainable tourism is expected to contribute significantly to the field. Deficiency of planning, mainly performing ecologically sustainable business practices and the necessity of an effective governance system are among the implications (Celik & Cevirgen, 2021). A sustainability-oriented service innovation model is recommended, recognizing the characteristics of a service industry where innovation can be an organic process led by humans for humans and consequently fuzzier in its progress than the clearly defined steps suggested. This model seeks to assist researchers and practitioners in better measuring the innovative advancement of service firms and develop more relevant strategies to ease transitions towards sustainable business practices (Warren, Becken & Coghlan, 2018). Given the central role of small accommodations in the tourism industry in Australia, this study investigated the drivers and challenges of small accommodation providers engaging in sustainability practices. The main drivers in implementing sustainability were cost reduction, societal legitimization and lifestyle values. Key challenges included personal, financial and operational. Small accommodation providers identified an opportunity to influence guests' sustainable behaviour, but their limited knowledge and concern for a negative impact on guest experience prevented them from implementing strategies. (Hassanli & Ashwell, 2018). The lower-level hotel operators should be more committed to achieving environmental sustainability by conducting specific training programs to increase the ecological awareness of hotel staff and guests' engagement in reducing the hotels' environmental degradation (Abdou, Hassan & El Dief, 2020). The study using SEM (Structural Equation Modeling) findings: (1) absorptive capacity, team culture, and competitive intelligence awareness have a significant impact on learning capability (Hossain et al., 2021). Innovation strategy in the industry emphasizes standardized services, service quality, product introduction readiness and technology usage. Innovation strategy positively relates to economic sustainability performance (Njoroge, Anderson & Mbura, 2019). The study on business model innovation highlights how implementing integrated management practices benefits clients, management, employees, and shareholders. Companies' involvement in corporate social responsibility activities represents a return of these benefits to the local community (Presenza, Petruzzelli & Natalicchio, 2019). The criticality of the hotel sector to its growth and the relationship between a turbulent business environment and sustainability provide the rationale which proposed a new strategy for achieving sustainable business excellence under a harsh climate. The results confirm that leadership excellence positively affects intellectual capital. It is also found that intellectual capital positively affects service quality, supply chain, hotel impact and strategy (Metaxas, Chatzoglou & Koulouriotis, 2019).

Green hotels are ecological buildings in which managers set up programs to save water and energy and reduce solid waste, thereby saving resources and facilitating the preservation of the environment. Green hotels are introducing environmental standards and using environmentally friendly new technologies, thereby significantly protecting habitats and achieving better operational results (Kostić Ratković & Forlani, 2019). The primary reason for entrepreneurs to enter into business is self-enhancement. Some entrepreneurs mention both self-enhancement and self-transcendence motives. Most entrepreneurs do not mention sustainability as part of their business goals. Anyway, they have implemented several corporate social responsibility measures. When referring to sustainability, entrepreneurs mainly explain it as actions that are good for the environment (Vrenegoor, Jong & Cavagnaro, 2020).

Sustainable growth is promoted by lowering staff costs and, to a lesser extent, by the investments made per employed person. For the corporate governance of these companies to recover growth in terms of sustainability,

managerial decisions should be made to increase sales, profitability and added value (Berinde & Corpădean, 2019). Research on employees' and guests' sustainable business attitudes and practices demonstrated that employees and guests experienced a great extent of sustainable business attitudes and highly practised sustainability. When employees were categorized according to their sex, age, and civil status profile, a non-significant result was revealed on the extent of sustainable business attitudes. When guests were grouped according to civil status profile, a highly significant impact was shown on the importance of sustainable business attitudes. Guests significantly differed when grouped according to sex, age, and highest educational attainment. Sustainable attitudes were significantly associated with sustainable business practices. Employees and guests possess the right positive, sustainable business attitude and could translate it into their actions, thus practising sustainability (Alfaras & Alfaras, 2021). Researchers' review of the articles identified the most dominant contributors to academic research and the publications which most prominently feature research on the subjects relevant to hotel sustainability (Kim et al., 2018).

Accommodation owners are mindful of welfare and sustainability and stimulate resource stewardship. Industry owners are taking steps to address ecological problems to implement correct programs. It also showed the immense contribution of clientele. The economic contribution of the accommodation industry gives prominence to public support from policymakers. Challenges to business operations are the financial constraints, marketing strategies, employee management, guests' preferences and stakeholders' interests. New technologies that contribute to sustainable development are achieving better results. The review of related literature shows interventions made by business enterprises, government, and stakeholders have better results regarding business sustainability and the environment. The assessment of business operations and environmental sustainability must still be emphasized, and look into more profound studies for effective and efficient use of resources. More studies of this kind are recommended to improve the accommodation industry while maintaining environmental sustainability for future generations.

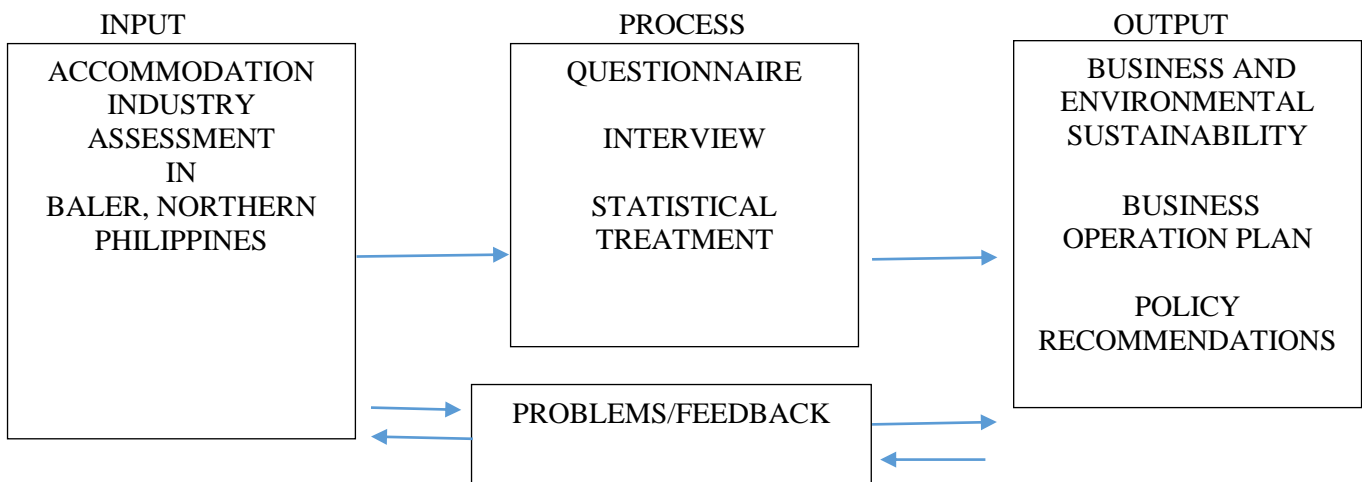


Figure 1. Research Paradigm
Source: Hackman, 1987

The study paradigm used the Input-Process-Output (IPO) model, as shown in Figure 1. The inputs consist of assessing and evaluating the accommodation sector industry in Baler and its existing environmental sustainability. First, characteristics of the accommodation sector industry were described in terms of location, capacity, ownership, type, service/amenities offered, legal requirements, accreditation, affiliation, and waste disposal management. The assessment of the accommodation sector industry for business operation was done in terms of

organization and management, marketing, technical operation, finance, compliance with environmental laws, the impact of the accommodation sector on economic growth, and the positive and negative impact on environmental conservation.

2. Methodology

2.1 Data collection method analysis

The study used descriptive research in Baler, Aurora, as the tourism centre in the northeastern part of the Philippines for January–March 2022. It involved seventy-four (74) respondents as the owners, administrators, managers and senior technical staff of the business establishments of different hotels, resorts, transient houses, inns and Mabuhay accommodations. This survey's participants are exclusive to the Department of Tourism accredited establishments. All of them are complete in legal requirements from the national government and local government unit of the municipality Baler in Aurora Province. It used one set of questionnaires for respondents to gather data. Part one of the survey describes the accommodation sector for location, capacity, ownership, classification, accommodation type, years of operation, services, amenities, legal requirements, affiliation, and waste disposal management. Part 2 includes assessing business operations and compliance with environmental laws. Business operations embrace organization management, marketing, technical and finance. Part 3 is devoted to the impact of economic growth and ecological conservation, classified into positive and negative aspects.

2.2 Instrument validated

The respondents were given a questionnaire and asked to rate each question on the extent to which it was measured and intended for. A four-point Likert scale was used to evaluate its clarity, objectivity, and administrability. Weighted means for each component were utilized. Experts from the Municipal Tourism Office, the Provincial Tourism Office, the members of the Faculty of Tourism and Hospitality Management at Aurora State College of Technology, and an Ecological Expert from the same school validated the instrument. After incorporating suggestions and recommendations, the overall mean of validity is 4.43, described as "Excellent." Weighted means for each component were utilized. In addition, it was tested for reliability on 20 Department of Tourism - accredited accommodation establishments. Finally, Cronbach's alpha was determined to establish the test's internal reliability using SPSS (Table 1).

Table 1. Questionnaire's Cronbach Alpha Scale for Internal Consistency

	Cronbach's Alpha	Internal Consistency
Organization and Management	0.713	Acceptable
Marketing	0.813	Good
Technical	0.815	Good
Finance	0.782	Acceptable
Pandemic Related Problems	0.819	Good
Compliance with Environmental laws	0.869	Good
Economic Growth	0.853	Good
Environmental Conservation (Positive Impact)	0.957	Excellent
Environmental Conservation (Negative Impact)	0.961	Excellent

3. Results

The results are summarized in the tables presented below.

Table 2. The capacity of accommodation establishments

Number of Rooms	Frequency	Percentage	Rank
1-10 Rooms	40	54.00	1
11 – 20 Rooms	21	28.00	2
21 – 30 Rooms	9	12.00	3
31 – 40 Rooms	0	0	
41 – 50 Rooms	2	3.00	4.5
More than 51 Rooms	2	3.00	4.5
Total	74	100.00	

It can be seen from Table 2 above that fifty-four per cent (54%) of accommodation establishments have a 1 – 10 room capacity. The accommodation sector industry in Baler is just starting to grow. Most establishments cannot cater to a significant volume of guests to conduct large conferences and big events. They collaborate with other hotels to accommodate guests for having prominent participants at important events. Only three per cent (3%) of the respondents have more than 51 room capacity in hotels and transient houses. It is a tiny percentage of the need to accommodate the influx of guests going to Baler. There is a shortage of accommodation establishments during Holy Week, and long weekends are the peak tourism season.

Table 3. Ownership and Classification

Ownership and Classification	Frequency	Percentage	Rank
Single Proprietorship	59	80.00	1
Partnership	6	8.00	3
Corporation	9	12.00	2
Total	74	100.00	

The data in Table 3 revealed that eighty per cent (80%) of the type of ownership is a single proprietorship. It is inexpensive and easy to form compared to partnerships and corporations. The necessary licenses and other requirements are simple and minimal. Twelve per cent of the ownership type is the corporation. The corporation can generate more considerable capital through shares of stocks, and it features a limited liability scenario. A corporation also has the unique advantage of adequately separating the owner from the business.

Table 4. Type of Accommodation

Type of Accommodation	Frequency	Percentage	Rank
Resort	21	28.00	1
Inn	17	23.00	2
Hotel	14	19.00	3
Lodge	13	17.00	4
Transient House	5	7.00	5
Others	2	3.00	6
Villas	1	1.50	7.5
Apartel	1	1.50	7.5
Total	74	100.00	

3.1 The general profile of accommodations

Table 4 reveals that twenty-eight per cent (28%) of accommodation types is a resort. Tourists prefer to stay in a resort because the estate is located on the front beach, for which Baler is famous. Resort offers attractions, activities, and entertainment for all ages. Resorts' accommodations are situated in the coastal barangays of Sabang, Zabali, Buhangin and Reserva. The second type of housing is an inn, which comprises twenty-three per cent (23%) of accommodation types. Fifty-four per cent have a 1-10 room capacity, most ownership is a single

proprietorship, and 12% are corporations. 28% is a resort type, 23% is an inn, and 19% are hotels. 50% range from 6-10 years of operation. The service offered is provided in Table 5 below.

Table 5. Services Offered

Services/Amenities Offered	Frequency*	Percentage	Rank
Air-Conditioned Rooms	73	99.00	1
Parking Area	67	91.00	2
Free WIFI	61	82.00	3
Kitchen/s	57	77.00	4
GCash Payment Method	45	61.00	5
CCTV Camera	43	58.00	6
Hot and Cold Showers	36	49.00	7
Fan Rooms	33	45.00	8.5
Function Halls/ Meeting Rooms	33	45.00	8.5
Tour Guide	29	39.00	10
Swimming Pools	26	35.00	11
Surf Guides	25	34.00	13
Free Breakfast	25	34.00	13
Security Guard/s	25	34.00	13
Restaurant	22	30.00	15
Lifeguard/s	21	28.00	16
Laundry Services	18	24.00	17
Surf Shop	16	22.00	18
Safety Cash Vaults	15	20.00	19
Souvenir shop	11	15.00	20
Accept Major Credit Cards	10	14.00	21
Transportation Services	9	12.00	22
Bank Payment	4	5.00	23

3.2 Compliance with services and amenities

Accommodation establishments are integral in promoting tourism, providing quality accommodations that meet or exceed clients' expectations. The accommodation industry is a considerable challenge with the growing number of travellers. Every time clients feel contented with the products and services offered by establishments, the possibility of a repeat visit is evident. Creating lasting relationships leads to customer loyalty and retention. This makes the accommodation sector competitive in giving services, facilities, equipment, and amenities. All the accommodations surveyed comply with basic legal requirements of business operation, like a mayor's permit, environmental compliance certificate, and barangay clearance. They are registered with DTI and BIR. Twelve per cent of them are SEC-registered. The accreditation office of the local government unit helps the DOT monitor each accommodation establishment in complying with the standards set for the industry. This protects the consumers from unreliable or even fly-by-night operations and poor services. They demonstrate commitment to the highest level of duty and care.

Table 6. Assessment of the Accommodation Industry in terms of Business Operation for Organization and Management

Organization and Management	Weighted Mean	Verbal Interpretation	Rank
There are high work ethics of employees	3.38	Strongly Agree	1
There is trustworthiness in employees	3.35	Strongly Agree	2.5
There is a harmonious relationship between employees	3.35	Strongly Agree	2.5
The work function of employees is just proper and well-defined	3.31	Strongly Agree	4
There is capacity building for employees	3.22	Agree	5
There are maintained competencies among employees	3.15	Agree	6
There is easy recruitment of employees	3.08	Agree	7
There is a low replacement of employees	2.50	Disagree	8
Average Weighted Mean	3.17	Agree	

3.3 Accommodation industry for organization and management

Table 6 shows that the average weighted mean of business operation for organization and management is 3.17 with a verbal interpretation of agree. It signifies that the accommodation sector industry prioritizes the welfare of its staff or personnel for the business to maintain its sustainability and expansion. High work ethics score the highest weighted mean in organization and management. It shows that employees derive greater satisfaction from work because they are fully engaged in daily activities. It is a good indication that staff in the accommodation industry are competent in giving services to customers. The second highest score is the trustworthiness of employees. A sign of good morale and motivation for accommodation sector workers in Baler. Above the composite mean score likewise is the work and function of employees are just right and well-defined. It is a good indication of increasing individual and organizational effectiveness toward achieving goals and objectives. The capability of employees in terms of skills and knowledge has a low mean score. Easy recruitment of employees is also a low mean score. It shows a need for more qualified and competent employees suitable for their job functions. The lowest weighted mean score on organization and management is the standard replacement of employees. It shows that there is a high turnover of employees.

Table 7. Assessment of business operation

Business Operation	Weighted Mean	Verbal Interpretation	Rank
Good customer service	3.45	Strongly Agree	2
Available online reviews and social media marketing	3.28	Strongly Agree	3
Compliance with health and safety protocols	3.53	Strongly Agree	1
Competitive marketing strategies	2.47	Disagree	4.5
Friendly facilities for PWDs and senior citizens	2.43	Disagree	8
Water filtration systems for pools and sewerage systems	2.35	Disagree	9
Sufficient cash flow for business expansion	2.46	Disagree	6.5
Available brochures and signages in strategic areas	2.47	Disagree	4.5
Workplace guidance on employees exposed to COVID 19	2.46	Disagree	6.5

3.4 Business operations, organization, and management

Table 7 shows the average weighted mean of business operation for organization and management is 3.17, with a verbal explanation of agreement. It signifies that the accommodation sector industry prioritizes its staff for the business to maintain its sustainability and expansion. Above the weighted mean score is the work and function of employees are just right and well-defined, a good indication of increasing individual and organizational effectiveness towards achieving goals and objectives. The lowest weighted mean score on organization and management is the typical replacement of employees. It shows that there is a high turnover of employees. The highest weighted mean score in business operation for marketing is the maintained good customer service. It shows that there are better customer service programs. The score of enabling to cope with market trends is below the weighted mean score, asserting that most accommodation establishments need to be updated on market developments. The competitiveness of marketing strategies has the lowest weighted mean score.

Table 8. Assessment of the Accommodation Industry in terms of Business Operation for Marketing

Marketing	Weighted Mean	Verbal Interpretation	Rank
There is maintained good customer service	3.45	Strongly Agree	1
There are available online reviews and social media marketing	3.28	Strongly Agree	2
There is an appropriate response to changing guests' preferences and expectations	3.23	Agree	3
Able to keep up with market trends	3.22	Agree	4
Marketing strategies are competitive	2.47	Disagree	5
Average Weighted Mean	3.13	Agree	

Table 8 reveals that the average weighted mean of business operation for marketing is 3.13, with a verbal interpretation of agree. It implies having additional marketing strategies to cope with the trends at the international level to become globally competitive. The highest weighted mean score in business operation for marketing is the maintained good customer service. It shows that there are better customer service programs. The availability of online reviews and social media marketing is also above the composite score. It implies that they are modernized by using the internet and social media for marketing strategies. The weighted score on response to guests' preferences and needs is below the composite score, revealing that skills and competencies in public relations are not competitive. Employees need more than employees level of education to fulfil their functions. The management needs to regularly give training and seminars to staff relative to their work functions. The weighted mean score of enabling to cope with market trends is below the composite score, asserting that most accommodation establishments are not updated on market developments. It costs much more money to gain new clientele than to maintain relationships with existing clientele; prioritizing hotel customer retention is essential. The competitive marketing strategies in the accommodation industry have the lowest weighted mean score. This denotes that having competitive marketing strategies is not their priority. Staying ahead of the competition and remaining relevant within the rapidly changing accommodation industry is crucial to creating a competitive advantage.

Table 9. Assessment of the Accommodation Industry in terms of Business Operation for Technical

Technical	Weighted Mean	Verbal Interpretation	Rank
There are available quality services provided at their highest level.	3.09	Agree	1
There are available facilities that are friendly to PWDs and senior citizens.	2.43	Disagree	5
There are accessible modern equipment and facilities.	2.91	Agree	2
There are available water filtration systems for pools and sewerage systems.	2.35	Disagree	4
There are available transportation services for customers.	2.77	Agree	3
Average Weighted Mean	2.71	Agree	

3.5 Accommodation industry in terms of business for the technical operation

Table 9 shows that the average weighted mean of business operation for technical is 2.71 with a verbal interpretation of agree. It describes that business establishments should provide facilities and amenities that follow the standards required by the government agencies like the Department of Tourism and international organizations to pursue sustainable and green tourism. Regarding business operation problems for technical, the availability of quality services has the highest weighted mean score. Providing low-quality services will fail customers' expectations and make them feel like they do not deserve the worth of money they spend. It boils down to making them think they are disadvantaged and building customers' distrust of the hotel.

3.6 Facilities for PWDs, senior citizens, water filtration system and energy consumption

Included also in Table 9 is that they score disagree as the verbal interpretation of availability of facilities to PWDs accommodation establishments. Access to modern equipment and facilities is below the weighted mean score showing that owners need to prioritize investments. Hotel amenities can make or break a guest's stay and can be the reason they leave positive or negative feedback. The availability of filtration systems for pools and sewerage is below the weighted mean score. They disagree on its verbal interpretation. This equipment is a high cost. Electricity, drinking water, and wastewater account for forty per cent of the operating expenses. The rising inflow of tourists is the main reason for this situation. Overuse of electricity contributes to the scarcity of energy supply, increases overall electricity costs, and causes brownouts. The shortage of electricity and water is felt in the locality. There is a regular occurrence of brownouts and a lack of potable water.

Table 10. Assessment of the Accommodation Sector Industry in terms of Business Operation for Finance

Finance	Weighted Mean	Verbal Interpretation	Rank
Expenses and operating costs are just proper	3.18	Agree	1.5
There is a sufficient fund for the business	3.18	Agree	1.5
There is simplicity in the tax process	3.15	Agree	3
There is an efficient budget management	3.14	Agree	4
It is an effective, clear, and standard accounting system	3.09	Agree	5
There is sufficient cash flow for business expansion	2.46	Disagree	6
Average Weighted Mean	3.03	Agree	

3.7 Accommodation sector industry in terms of business operation for finance

Table 10 shows that the average weighted mean score is 3.03, with a verbal interpretation of agree. Assessment of business operations for finance indicates that the owners and administrators should strengthen and establish the financial system of the business, to make its entire process effective and efficient. The weighted mean score of sufficient funds for business is higher than the composite mean score. It shows this industry's promising business growth in Baler municipality. They can make decisions for business expansion, especially after the pandemic, and help the locality's economy grow. The weighted mean score on efficient budget management is above the composite mean score, which shows that the management and administrators of the businesses allow overseeing and have an enhanced understanding of whether the company has enough revenue to pay its expenses. The weighted mean score on practical, clear, and standard accounting systems is below the mean. It shows that majority of the business establishments need better accounting practices. They need help sourcing records and documents, leading to delayed reporting and analysis. It shows the need for more funds for business expansion. They score disagree on verbal interpretation regarding the sufficiency of cash flow. It offers a need for more funds for capital in the operation of their businesses.

Table 11. Assessment of the Accommodation Sector Industry in terms of compliance with environmental laws

Compliance with environmental laws	Weighted Mean	Verbal Interpretation	Rank
There is compliance with RA 9003 Ecological Solid Waste Management Act of 2000	3.39	Strongly Agree	1
There is compliance with RA 8749 Philippine Clean Air Act of 1999	3.36	Strongly Agree	2
Hotel guests support environmental laws	3.35	Strongly Agree	4.5
Staff are dedicated to the observance of environmental laws and regulations	3.35	Strongly Agree	4.5
There is compliance with RA 9275 Philippine Clean Water Act of 2004	3.35	Strongly Agree	4.5
There is compliance with RA 6969 Toxic Substances, Hazardous and Nuclear Waste Control Act of 1990	3.35	Strongly Agree	4.5
Management and staff have environmental knowledge and skills	3.31	Strongly Agree	7
There are internal environmental programs and policies	2.50	Disagree	8.5
There is a budget allotted for environmental concerns	2.50	Disagree	8.5
There is government assistance in the implementation of environmental policies	2.49	Disagree	10
Average Weighted Mean	3.095	Agree	

3.8 Accommodation sector industry in terms of compliance with environmental laws

Table 11 shows the average weighted mean of compliance with environmental regulations is 3.095, with a verbally agreed interpretation. It means the government should strengthen the enforcement of environmental programs for all stakeholders of the accommodation sector industry. The Republic Act (RA) 9003, or the Ecological Solid Waste Management Act of 2000, has the highest weighted mean score regarding implementation. Compliance with RA 9275 Philippine Clean Air Act 1999 has a high weighted mean score. The score for environmental skills and knowledge of management and employees is above the composite mean score. It describes a high awareness level among the workers in this industry regarding environmental concerns. There should be a continuous information dissemination campaign to all management and employees of the

accommodation sector industry regarding the ecological sustainability of the municipality and the province of Aurora. Internal environmental programs and policies need to be improved in most business establishments. The budget allotted for environmental concern and government assistance to support the implementation of environmental programs have the lowest weighted mean score. There is a presence of many environmental laws. The problem is the need for more performance and enforcement.

Table 12. The positive impact of the accommodation sector industry on the environment

Compliance with environmental laws	Weighted Mean	Verbal Interpretation	Rank
There is compliance with RA 9003 Ecological Solid Waste Management Act of 2000	3.39	Strongly Agree	1
There is compliance with RA 8749 Philippine Clean Air Act of 1999	3.36	Strongly Agree	2
Hotel guests support environmental laws	3.35	Strongly Agree	4.5
Staff are dedicated to the observance of environmental laws and regulations	3.35	Strongly Agree	4.5
There is compliance with RA 9275 Philippine Clean Water Act of 2004	3.35	Strongly Agree	4.5
There is compliance with RA 6969 Toxic Substances, Hazardous and Nuclear Waste Control Act of 1990	3.35	Strongly Agree	4.5
Management and staff have environmental knowledge and skills	3.31	Strongly Agree	7
There are internal environmental programs and policies	2.50	Disagree	8.5
There is a budget allotted for environmental concerns	2.50	Disagree	8.5
There is government assistance in the implementation of environmental policies	2.49	Disagree	10
Average Weighted Mean	3.095	Agree	

3.9 Positive impact of the accommodation sector industry on the environment

Table 12 demonstrated that the average weighted mean score of the positive impact of the accommodation sector industry for environmental concern is 3.226, with a verbal interpretation of moderate impact. Strong coordination with accommodation sector stakeholders is needed. It generates income that often makes it possible to protect and preserve the natural resources that have the highest weighted mean score in terms of positive impact on environmental conservation. There is a presence of environmental awareness among the concerned stakeholders. It is good to understand the ecological understanding of the owners, administrators, and management of the accommodation sector industry in Baler, Aurora. It shows a good indication of the long-term environmental sustainability of the municipality and adjacent areas.

Table 13. Negative impact on the accommodation sector industry

Environmental conservation	Weighted Mean	Verbal Interpretation	Rank
There is an increase in water and energy consumption	3.26	Strong impact	1
There is an increase in solid waste	2.89	Moderate impact	2
There is crowding and congestion	2.73	Moderate impact	3
There is an increase in pollution (air, water, noise, etc.)	2.68	Moderate impact	4
There are disruptions in wildlife behaviour and feeding and breeding patterns	2.53	Moderate impact	5
There are destructions of flora and fauna, deforestation	2.47	Moderate Impact	6
Average Weighted Mean	2.76	Moderate Impact	

3.10 Negative impact of the accommodation sector industry on the environment

Table 13 revealed that the average weighted means score of the negative impact of the accommodation sector industry on the environmental concern is 2.76, with a verbal interpretation of moderate impact. It shows that the sustainability of this industry should be prioritized to make it a long-lasting sector of the municipality for the benefit of many generations to come. They scored strong impact as ranked number one and the highest negative impact of the accommodation sector industry regarding environmental conservation. There is an increase in water and energy consumption. Overall, electricity, drinking water, and wastewater system account for as much as forty

per cent of the operating costs of the accommodation sector. The rising increase of tourists is the main reason for this situation in Baler.

Table 14. Impact of economic growth and environmental conservation

Impact	Weighted Mean	Verbal Interpretation	Rank
Contributes significant income to the municipality	3.43	Strong Impact	1
Gives significant employment to the locality	3.42	Strong Impact	2
Increase investments in business	3.32	Strong Impact	3
Significant improvements in infrastructure	3.31	Strong Impact	4.5
A significant development in telecommunications	3.31	Strong Impact	4.5
Generates income to protect and preserve natural resources	3.28	Strong Impact	6
Presence of environmental awareness	3.26	Strong Impact	7.5
Increase in water and energy consumption	3.26	Strong Impact	7.5

3.11 Economic growth impact

Table 14 shows that the average weighted mean for impact on economic growth is 3.358, with a verbal interpretation of substantial impact. It implies the accommodation industry's significant contribution to Baler's economy. The average weighted mean score of the positive impact of the accommodation sector industry for environmental concern is 3.23, with a verbal interpretation of moderate impact. The Baler Comparative Report on income and employment generation from 2018 until 2021 showed an average of 11% yearly to the total income of the municipality (Table 15). It also generated full employment of 10,704 for the same period.

Table 15. Tourism Industry in Baler, Aurora Comparative Report, 2018-2021

Year	Employment Generated	Income Generated from Tourism (Philippine Peso)	Total LGU Collection (Philippine Peso)	Percentage To Total Income
2018	2,695	4,246,095	43,813,015	10%
2019	2,749	5,977,635	48,403,934	12%
2020	3,100	7,059,841	44,218,151	16%
2021	2,160	2,474,371	41,185,378	6%

Table 16. Proposed business operational plan for the accommodation industry in Baler, Northern Philippines

Goals	Program Activities	Responsible Unit	Budget (Philippine Peso)	Timeline
Effective Employee Retention Program	Competitive compensation Additional benefits Continuous opportunities Performance recognition	Owners Administrators	200,000 or more	Annually
Customer Relationship Management	Competitive adaption Simplified booking Accessibility High tech system	Owners Administrators	50,000 per establishment	Annually
Cash Flow for Business Expansion	Use monthly business budget Access credit line	Owners	10,000 for each training	As need arises
Good Housekeeping Program	Reduce air, water, and noise pollution	Administrators LGUs, DENR	150,000 each	2023
Facilities for PWDs and Senior Citizens	Provide PWDs friendly facilities Well-equipped medical emergencies	Owners Administrators	100,000 to 2 million	Annually
Effective Waste Management Program	Implement the 5 R's program Reduce waste consumption	Owners, LGUs	50,000 or more	2023 onward
Green Program	Use environmentally friendly	Administrators	50,000 or more	2023 onward

	properties	LGUs Department of Tourism		
Water Management Program	Minimize water and energy consumption	Owners, LGUs Community	50,000 or more	2023 – 2026
Water Filtration Efficiency Program	Provide high-quality water Provide a pool safety plan	Administrators	50,000 to 2 million	2024 onward
Water Sewerage Treatment Program	Provide water sewerage treatment facility	LGUs, National Government Agencies	10 million to 100 million	2024 - 2030

Tourism had a very significant contribution to the economy of Baler. There is higher output in production and higher expenditure that circulates within the local economy and adjacent municipalities and provinces like Nueva Ecija and Nueva Vizcaya for the municipality of Castaneda. The proposed business operational plan for the accommodation industry in Baler, Northern Philippines, is presented in Table 16 above.

4. Discussion

Prior studies on this kind of research show that the growing concern about environmental sustainability influences consumer demand and business operations. Clients are more environmentally aware, and they demand friendly products and services. Consequently, the accommodation industry currently faces a growing clientele required to achieve levels of ecological awareness. Thus, businesses strive to implement ecologically friendly and socially responsible practices to gain a good advantage while preserving commercial achievement. There is a need to make a more robust execution of environmental laws and policies by the government. Strong coordination with accommodation sector stakeholders and local government units is needed.

The results of this study revealed the following peculiarities, which may have practical value. Sixty-seven per cent (67%) of accommodation establishments are located along the seashore. Fifty-four per cent (54%) have a 1-10 room capacity. The majority of the ownership is a single proprietorship. Twenty-eight per cent (28%) of accommodation types is a resort. Fifty per cent (50%) range from 6-10 years of operation. All the hotels and resorts comply with the basic legal requirements, such as the Department of Trade and Industry, Business Process Licensing Office of Local Government Unit, and Bureau of Internal Revenue. Forty-five per cent (45%) are registered with the Department of Labor and Employment. Thirty per cent (30%) have insurance packages for employees, equipment, and guests. In addition, all businesses are accredited by the Baler Municipal Tourism Office and the Department of Tourism. Front desk staff of the accommodation industry are competent in their functions.

Marketing using social media and online reviews is accomplished and widely used. The industry is compliant with the safety protocols implemented by the local government unit. They need additional marketing strategies other than the use of the internet. The business establishment needs more facilities and equipment for PWDs and senior citizens. Water filtration systems need to be present for pools and sewerage systems. Business operations need more funds for positive cash flow for working capital. There needs to be more implementation of internal programs and policies for business establishments regarding compliance with environmental laws. The allotment intended for the environmental project of business establishments may be studied. The accommodation industry generates significant income for the municipality, with 11% of the total income of the municipality of Baler for the period 2018 – 2021. This industry increased water, electricity, and pollution in the municipality.

5. Conclusions

The accommodation business in Baler is significantly growing due to increased tourist arrival, especially since the pandemic has ended. This affects the environmentally-related problems, pollution, resources needed, and the local government's budget for supporting this industry. This sector gives the municipality a significant income and is a primary source of livelihood for the locality and even adjacent areas. The tourists prefer to stay on the beachfront, wherein this area is famous for. Regarding business operations, there is a need to improve the marketing strategies of the accommodation businesses. The management should prioritize upgrading the skills and competencies of staff by giving training and seminars. The additional privileges provided to staff would enhance their productivity, loyalty and a lower overall turnover of employees. Although there are some studies on the sustainability of the accommodation industry regarding the involvement and implementation of environmental policies of the local government, there should be more profound attempts focussing on this aspect. Assessment of business operations in terms of management, financial and technical operations still has to be performed. Inefficient use of resources could also affect the further shortage and, ultimately, condition climate change, loss of biodiversity, pollution, and poor health.

This research focused only on Department of Tourism-accredited accommodation business establishments. In the future, a similar study may be conducted in the whole province of Aurora.

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