



# Exploring The Contributions Of 5-Star Hotels In Bali Indonesia, To Social Development Pillars Of The SDGs: A Descriptive Qualitative Analysis

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## ABSTRACT

The Sustainable Development Goals (SDGs) are a global development agenda designed to address economic, social, environmental, legal, and governance challenges. Tourism, including the hospitality industry, is a key sector highlighted within the SDGs framework. This study aims to examine the role of five-star hotels in Bali in advancing the SDGs, particularly focusing on the social development pillar. Using a descriptive qualitative method, the findings reveal that both five-star hotels in this study have implemented several relevant indicators of the SDGs' social pillar. Hotel A supports SDG 1 (No Poverty) through local employment and social security programs; SDG 2 (Zero Hunger) by distributing food packages to employees and their families; SDG 3 (Good Health and Well-being) through employee welfare programs; SDG 4 (Quality Education) via career development; and SDG 5 (Gender Equality) by promoting women in management roles. Meanwhile, Hotel B emphasizes SDG 1 through Corporate Social Responsibility (CSR) initiatives, SDG 3 by providing health insurance, SDG 4 through staff training, and SDG 5 by fostering an inclusive work environment. These findings demonstrate that the hospitality sector can contribute significantly to the SDGs in Indonesia, particularly in Bali as a major tourist destination. The measures taken by these hotels can serve as a model for sustainable social development practices within the hospitality industry.

## INTRODUCTION

In 2015, the United Nations, along with 193 heads of state, including Indonesia, adopted the Sustainable Development Goals (SDGs) Agenda, a global framework aimed at addressing the world's most pressing development challenges. The SDGs represent a universal call to action to end poverty, protect the planet, and ensure that by 2030, all people can enjoy peace and

prosperity (United Nations Development Programme [UNDP], n.d.). The SDGs comprise 17 interconnected goals, reflecting the understanding that actions in one area will affect outcomes in others. Hence, sustainable development requires a balanced approach that integrates social, economic, and environmental dimensions (UNDP, n.d.).

One of the sectors highlighted within the SDGs framework is tourism. The Indonesian government has prioritized sustainable tourism development, emphasizing that current activities must consider the needs of future generations. This approach aligns with the principles of the SDGs, which advocate for managing existing resources in a way that ensures future generations can meet their own needs. Beyond offering meaningful tourist experiences, sustainable tourism must also positively impact the local economy and communities (UNWTO & UNDP, 2017).

Within the Indonesian context, tourism is considered a critical sector expected to significantly contribute to achieving the SDGs. The development of hotels and the growth of the hospitality sector play a pivotal role in social, economic, and environmental development. As highlighted by Pertiwi and Harmawan (2022), while the sector offers positive economic contributions through job creation and income generation for local communities, it also has potential negative environmental impacts, such as pollution and excessive resource consumption. However, from a social perspective, hotels have the capacity to contribute significantly to the well-being of local communities through more targeted efforts. For example, inclusive employment policies, training and skill development programs, community empowerment initiatives, and Corporate Social Responsibility (CSR) activities can enhance the quality of life for local residents (Jones et al., 2016).

This study is motivated by the need to explore the contributions of the hospitality industry in supporting the SDGs, particularly focusing on the social pillar. The research was conducted in five-star hotels in Bali, chosen because Bali is an iconic tourist destination in Indonesia, and five-star hotels were selected with the expectation that they could serve as models for other hotels. This study is essential as it provides a more comprehensive understanding of how five-star hotels in Bali contribute to social development in the region. The findings of this research can serve as a foundation for developing more supportive policies for social development in the tourism industry from the perspectives of government, business operators, and the community. Furthermore, there is a paucity of references or studies specifically addressing the role of the hospitality industry in each of the SDG pillars. This study will examine the roles of five-star hotels in Bali in supporting the social pillar of the SDGs, focusing on the social pillar indicators set by the United Nations.

## LITERATURE REVIEW

Sustainable tourism encompasses three core pillars: economic, environmental, and social. The social pillar of the SDGs emphasizes community well-being, social justice, human dignity, and fair and ethical working conditions (Jill, 2021). Every individual within a society should have the opportunity to achieve long-term social well-being. The social pillar includes five key SDG goals: No Poverty (Goal 1), Zero Hunger (Goal 2), Good Health and Well-being (Goal 3), Quality Education (Goal 4), and Gender Equality (Goal 5) (United Nations World Tourism Organization [UNWTO], 2015). Each of these goals has specific indicators to measure their achievement.

For Goal 1, No Poverty, the tourism industry holds a strategic position in driving economic growth and creating employment opportunities at various levels, which can contribute to poverty alleviation. The sector also has the potential to enhance entrepreneurship and small and medium-sized enterprises (SMEs), as well as empower women and youth (UNWTO & UNDP, 2017). Regarding Goal 2, Zero Hunger, tourism can stimulate agricultural productivity by promoting local products at tourist destinations and integrating them into the tourism value chain. Agro-tourism, one of the emerging segments, can complement traditional agricultural activities and provide additional income to local communities (UNWTO & UNDP, 2017).

Goal 3, Good Health and Well-being, also receives significant attention, as tourism can contribute to ensuring healthy lives and promoting well-being for people of all ages. Revenue from the tourism sector can be reinvested into public health services, improving maternal and child health and preventing diseases (UNWTO & UNDP, 2017). For Goal 4, Quality Education, the tourism sector requires a skilled and trained workforce. Investment in education and vocational training within this sector can produce a qualified workforce, especially for vulnerable groups such as youth, women, and indigenous communities (UNWTO & UNDP, 2017). Lastly, for Goal 5, Gender Equality, tourism offers employment opportunities and business prospects for women, making it one of the sectors with the highest number of female workers and entrepreneurs (UNWTO & UNDP, 2017). Given the strategic role of the hospitality sector in achieving the social pillar of the SDGs, this study aims to examine the contributions of five-star hotels in Bali in supporting this pillar. The study is expected to provide deeper insights and serve as a basis for developing policies that support social development in Indonesia's tourism industry.

## METHODS

The research approach employed is a descriptive qualitative approach with a case study strategy, wherein the researcher serves as the primary instrument for data collection and also acts as an evaluator (Moleong, 2009). The qualitative approach was chosen to obtain a comprehensive and holistic understanding of the phenomenon under study, and to answer the research questions effectively. The type of case study used is an intrinsic case study, which is conducted out of an interest in a specific case, aiming to achieve a thorough understanding of that case (Poerwandari, 2001). Nawawi (2003) explains that in case study research, data is obtained from various sources, and the findings are applicable only to the specific case being studied. The researcher analyzes interview results from the informants and compares them with the indicators present in the social pillar of the SDGs to derive accurate conclusions. The study was conducted in two five-star hotels in Bali. Hotel A, located in Gianyar, was established in 2015, while Hotel B, located in Jimbaran, Kuta, was established in 2016. The informants in this study were the General Manager of Hotel A and the Marketing Communication Manager of Hotel B.

## RESULTS

As a premier tourism destination, five-star hotels in Bali hold significant potential to contribute positively to the environmental, social, and economic pillars of sustainability; this study specifically focuses on the social pillar of the SDGs. By integrating the principles of the SDGs, these hotels are expected to create more sustainable impacts, not only for their businesses but also for the surrounding communities and environment. Interviews with key personnel from Hotel A and Hotel B revealed how these five-star hotels respond to and implement the social pillar of the SDGs within their operations. The implementation of the social pillar of the SDGs in Hotels A and B is presented in the following table:

**Table 1 Implementation Of The Sdgs Concepts In Hotels A And B According To Hotel Representatives**

No.	SDGs Goal Point	Implementation of SDGs Concept in Hotel A	Implementation of SDGs Concept in Hotel B
1.	No Poverty	<ol style="list-style-type: none"> <li>Hotel A employs local community members as hotel staff.</li> <li>During the COVID-19 pandemic, Hotel A did not lay off employees but</li> </ol>	<ol style="list-style-type: none"> <li>The company helps the local community through CSR or to several foundations for charity.</li> <li>Health insurance</li> </ol>

		<p>reduced salaries in accordance with reduced working hours.</p> <p>3. Health insurance through BPJS Kesehatan for all employees.</p> <p>4. Employment insurance through BPJS Ketenagakerjaan for all employees.</p>	<p>through BPJS Kesehatan for all employees.</p> <p>3. Employment insurance through BPJS Ketenagakerjaan for all employees.</p>
2.	Zero Hunger	Hotel A distributes food packages to the families of employees on a regular basis.	Not directly related to the company; no concrete actions have been taken.
3.	Good Health and Well-being	<p>1. Establishes harmony among employees</p> <p>2. Provides regular food packages to employees' families</p> <p>3. Provides a prayer room within the hotel, and</p> <p>4. Allows time for employees to pray.</p>	The company provides medical insurance for staff; during the company's anniversary, there is free medical check-up for employees and their families, as well as blood donation events.
4.	Quality Education	Offers career development opportunities for every employee and provides training sessions for each employee.	The company provides regular training for staff and interns based on daily work requirements and requests, or those related to the company's vision and mission.
5.	Gender Equality	A significant number of women hold managerial positions in Hotel A.	Gender equality is highly promoted within the company, exemplified by a female General Manager, with mutual support and respect among all genders.

Source: Researcher Interviews (2023)

The social pillar of the SDGs encompasses goals related to social welfare, such as ending poverty, eliminating hunger, ensuring good health, providing quality education, and achieving gender equality. Each goal under the social development pillar of the SDGs is associated with specific indicators to measure its achievement. In this study, data from interviews will be analyzed using the indicators for each SDG goal.

### No Poverty (SDG 1)

Hotel A significantly contributes to achieving SDG 1, No Poverty, through the following measures:

- Employment and Economic Well-being: Hotel A employs local community members as staff, which helps reduce the rate of extreme poverty (Indicator 1.1.1) and lowers the percentage of people living below the national poverty line (Indicator 1.2.1).

- Social Protection: The provision of health insurance (BPJS Kesehatan) and employment insurance (BPJS Ketenagakerjaan) for employees contributes to social protection (Indicator 1.3.1).
- Crisis Response: Hotel A did not reduce its workforce during the COVID-19 pandemic but instead adjusted salaries according to reduced working hours, demonstrating a commitment to the economic stability of its employees (Indicator 1.5.1).

Hotel B takes a different approach by contributing through Corporate Social Responsibility (CSR) programs, such as donations to charitable foundations that support local communities. These initiatives support SDG 1 by:

- Community Support: CSR donations help reduce extreme poverty and support the welfare of local communities (Indicators 1.1.1, 1.2.1).
- Employee Social Protection: Like Hotel A, Hotel B provides health and employment insurance for its employees (Indicator 1.3.1).

### **Zero Hunger (SDG 2)**

Hotel A supports SDG 2 by regularly distributing food packages to employees' families to:

- Reduce Food Insecurity: This initiative reduces the prevalence of inadequate food consumption (Indicator 2.1.1) and decreases moderate or severe food insecurity among employees' families (Indicator 2.1.2).

Meanwhile, Hotel B does not yet have a program directly related to achieving SDG 2.

### **Good Health And Well-Being (SDG 3)**

Hotels A and B demonstrate their commitment to SDG 3 through various initiatives:

- Mental and Physical Health at Hotel A: Hotel A creates a supportive work environment and provides prayer facilities, contributing to employees' mental health (Indicator 3.4.2). Additionally, distributing food packages helps reduce infant and child mortality rates (Indicators 3.2.1, 3.2.2).
- Healthcare Services at Hotel B: Hotel B provides health insurance and free health check-ups for employees and their families, supporting essential healthcare coverage (Indicator 3.8.1) and contributing to the reduction of mortality rates from non-communicable diseases (Indicator 3.4.1).

### **Quality Education (SDG 4)**

Both hotels promote quality education through training and career development programs:

- Career Development at Hotel A: Hotel A offers continuous training programs that help enhance employees' skills (Indicators 4.4.1, 4.3.1).
- Regular Training at Hotel B: Hotel B conducts on-demand training that supports sustainable development and the development of relevant skills (Indicator 4.7.1).

### **Gender Equality (SDG 5)**

Both hotels are committed to achieving gender equality in the workplace by:

- Women in Managerial Positions at Hotel A: Increasing the number of women in managerial positions helps reduce gender disparity (Indicator 5.5.2).
- Female Leadership at Hotel B: Having a female General Manager and fostering an inclusive work environment supports gender equality (Indicator 5.5.1).

## DISCUSSION

This study demonstrates that Hotels A and B in Bali significantly contribute to the social pillar of the SDGs, particularly in achieving the goals of No Poverty (SDG 1), Zero Hunger (SDG 2), Good Health and Well-being (SDG 3), Quality Education (SDG 4), and Gender Equality (SDG 5). These findings are consistent with previous studies that highlight the role of the hospitality sector in promoting social development in local areas.

Research by Jones et al. (2016) found that hotels play a critical role in promoting economic and social well-being by employing local residents and supporting Corporate Social Responsibility (CSR) programs. This aligns with the findings for Hotel A, which employs local communities as staff, and Hotel B, which focuses on CSR programs and charitable donations. This study reinforces the argument that hotels can serve as positive agents of social change, particularly in tourism-dependent regions like Bali, where this research is situated.

Regarding the goal of Zero Hunger (SDG 2), previous research by Smith and Henderson (2017) emphasized the importance of the private sector's role in ensuring food security through direct community support. Hotel A's regular distribution of food packages to employees' families illustrates a practical application of this concept. However, Hotel B's contribution to this goal is still suboptimal, indicating room for further development in their CSR strategies to be more proactive in addressing food security.

Research on workplace health, such as that conducted by McKenzie and Robertson (2018), highlights the importance of a supportive work environment for physical and mental health. This study supports this notion, showing that for the goal of Good Health and Well-being (SDG 3), Hotel A focuses on employees' mental well-being by providing prayer facilities and designated prayer times, while Hotel B provides health insurance and regular health check-ups for employees and their families.

For the goal of Quality Education (SDG 4), research by Parker et al. (2019) indicated that training and career development for employees in the hospitality sector can enhance productivity and employee retention. Both Hotel A and Hotel B offer relevant training programs for their employees, aligning with these research findings.

Gender Equality (SDG 5) is also an important goal supported by this study, which found that both Hotel A and Hotel B implement proactive gender equality policies. Research by Miller and Baker (2020) underscores the importance of women's roles in leadership positions within the hospitality sector, and the findings of this study confirm that promoting gender equality can be achieved through supportive corporate policies.

Overall, this study finds that five-star hotels in Bali, such as Hotels A and B, have significant potential to contribute to sustainable social development. With the right strategies, such as expanding CSR programs, enhancing employee welfare, and promoting education and gender equality, the hospitality sector's contributions can be further expanded. Future research is recommended to evaluate the long-term impact of these initiatives on local communities to ensure their sustainability.

## CONCLUSION

This study shows that five-star hotels in Bali, particularly Hotel A and Hotel B, have a significant contribution to the achievement of the social pillars of the Sustainable Development Goals (SDGs). Hotel A demonstrates its commitment to the SDGs through various initiatives, such as providing employment opportunities for local communities, offering social and health insurance, distributing food packages to employees' families, providing training and career development programs, and promoting gender equality in the workplace. On the other hand, Hotel B emphasizes the role of Corporate Social Responsibility (CSR), providing health insurance, employee training, and fostering an inclusive work environment to support SDG goals. These

findings affirm that the hospitality sector, especially five-star hotels in major tourist destinations like Bali, has great potential to support sustainable social development. The measures taken by these two hotels can serve as examples of best practices for other hospitality businesses in implementing business strategies that are not only profitable but also support community well-being. Moving forward, a more structured approach and continuous evaluation of the impact of these initiatives are needed to ensure the sustainability of their contributions to social development goals at both local and national levels.

## SUGGESTION

This study has some limitations, such as focusing only on five-star hotels in Bali and using a descriptive qualitative approach that may lead to perception bias. Future research should expand the scope to include a broader range of hotel categories and locations and employ a mixed-method approach to obtain more comprehensive and representative results regarding the hospitality sector's contribution to the social pillars of the SDGs.

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