

Strategic talent development for sustainable ESG performance in hospitality: Evidence from Vietnam

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INTRODUCTION

The hospitality industry is under increasing pressure to align organizational practices with Environmental, Social, and Governance (ESG) principles in response to heightened stakeholder expectations and regulatory demands (Lin et al., 2024; Lu et al., 2025). While ESG initiatives are widely discussed at the strategic and reporting levels, their successful implementation largely depends on employees who operationalize sustainability through daily service encounters (Legendre et al., 2024). However, existing research has predominantly focused on environmental performance and technological solutions, leaving limited understanding of how human capital development supports ESG outcomes in service-intensive hospitality contexts (Makoondlall-Chadee & Bokhoree, 2024).

From a managerial perspective, hospitality organizations often face challenges in preparing employees to deliver ESG-driven service consistently across operations (Lin et al., 2024). Despite growing recognition of ESG's strategic importance, the integration of sustainability principles into talent management remains underexplored. Addressing this gap, the present study explores how hospitality organizations nurture future-ready talent to support ESG performance, with a particular focus on luxury hotels in Vietnam.

The objectives of this study are:

- To explore managerial perceptions of ESG-driven talent development in the hospitality industry.
- To identify key talent management practices that support sustainable service delivery.
- To examine challenges in aligning human capital strategies with ESG goals.

LITERATURE REVIEW

ESG Practices in Hospitality: Strategic and Operational Perspectives

Prior research on ESG in hospitality has largely emphasized environmental initiatives, governance mechanisms, and sustainability measurement, highlighting their roles in operational efficiency and firm performance (Kaminskyi et al., 2025; Lu et al., 2025). Practices such as energy efficiency, waste reduction, and compliance systems are frequently discussed as drivers of competitive advantage (Makoondlall-Chadee & Bokhoree, 2024). However, much of this literature remains macro-oriented, focusing on firm-level strategies and disclosure rather than the operationalization of ESG principles through employee behaviors and service routines (Legendre et al., 2024; Lin et al., 2024). This gap is particularly salient in hospitality settings, where frontline employees play a central role in shaping guest experiences and sustainability outcomes.

Theoretical Foundations of Talent Management and Sustainable Service Performance

The relationship between talent management and ESG performance can be explained through multiple theoretical perspectives. The Resource-Based View suggests that human capital can serve as a source of sustained competitive advantage when it is valuable and difficult to imitate (Barney, 1991). In hospitality, employees' service skills and ethical orientation are critical resources for achieving ESG objectives. Human Capital Theory further posits that investments in training and development enhance employee competencies and long-term organizational performance (Becker, 1964). Additionally, Stakeholder Theory emphasizes firms' responsibilities toward multiple stakeholder groups, reinforcing the importance of socially responsible talent practices in supporting ESG performance (Freeman, 1984).

Together, these theories underscore the strategic role of talent development in embedding sustainability within service operations.

Integrating Talent Development and ESG Performance: A Conceptual Perspective

Emerging studies highlight the importance of leadership, employee engagement, and sustainability-oriented training in translating ESG strategies into operational outcomes (Filimonau et al., 2023; Renwick et al., 2013). In hospitality contexts, green human resource management practices, such as sustainability-focused training, empowerment, and ethical leadership, have been linked to employees' pro-environmental and socially responsible behaviors (Alreahi et al., 2023). However, empirical research integrating ESG and talent management remains fragmented, particularly within luxury hospitality settings in Vietnam. This study addresses this gap by examining managerial perspectives on how future-ready hospitality talent can be nurtured to support ESG performance.

METHOD

A qualitative research design was adopted to gain in-depth insights into managerial perspectives on ESG-oriented talent development (Creswell & Poth, 2018). Semi-structured interviews were conducted with 3 General Managers, 4 Human Resource Managers, 33 and employees from five internationally branded luxury hotels located in Vietnam. 40 participants, with more than five years of working experience in five luxury hotels operating in Vietnam, hold direct responsibility for talent development and ESG initiatives within their organizations. Interviews were conducted online, recorded with consent, and transcribed verbatim. The data were analyzed using thematic analysis to identify recurring themes related to ESG-driven talent development (Braun & Clarke, 2006).

FINDINGS

Three key themes emerged from the data analysis. The first theme, leadership-driven ESG integration, highlights the importance of senior management commitment in embedding sustainability into talent strategies. Participants emphasized that leadership role modeling and clear alignment between ESG priorities and human resource policies foster employee engagement and accountability.

The second theme, sustainability-focused training and service design, reflects the role of structured learning programs and operational practices in supporting ESG implementation. Hotels invested in sustainability-oriented training and adjusted service processes to reduce resource consumption and encourage guest participation in sustainability initiatives.

The third theme, ethical service culture and employee accountability, underscores the importance of cultivating organizational values that promote ethical behavior and personal responsibility. Such cultures encourage employees to internalize ESG principles and contribute actively to sustainability objectives.

IMPLICATIONS AND CONCLUSION

The findings reinforce prior research emphasizing leadership commitment and organizational culture as key drivers of sustainability implementation in hospitality (Filimonau et al., 2023; Renwick et al., 2013). This study extends existing literature by demonstrating that talent development functions as a strategic enabler of ESG performance rather than a supporting mechanism. Integrating ESG principles into leadership practices, training systems, and service design enhances the consistency and effectiveness of sustainability implementation in service-intensive contexts.

Academically, this study contributes to hospitality and sustainability literature by integrating human capital perspectives into ESG research. Practically, the research focuses on internationally branded luxury 5-star hotels, as these properties typically have more formalized ESG agendas, stronger service standards, and structured talent development systems, making them an appropriate setting. It provides actionable insights for hospitality leaders and educators to embed ESG competencies into talent development and service training, supporting more effective operationalization of sustainability strategies.

This study is limited by its qualitative design and focus on five luxury hotels in Vietnam. Vietnam was chosen as the research context because its fast-developing hospitality sector is facing growing demands for sustainable and ESG-oriented practices, providing a timely and meaningful setting to examine how luxury hotels cultivate future-ready talent. Future research may adopt mixed-method approaches, include frontline employee perspectives, or explore other hospitality segments.

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