

**Background:**

Sustainability has become a central priority in the global hospitality industry, increasingly recognized as both a moral imperative and a driver of competitive advantage. In Albania, a country experiencing rapid tourism development, sustainability adoption remains inconsistent, challenged by limited financial resources, weak institutional frameworks, and fragmented managerial approaches. While international research highlights the benefits of sustainability for operational efficiency and market positioning, little is known about how Albanian hospitality managers perceive, implement, and economically evaluate such practices.

**Purpose:**

This doctoral thesis investigates the dynamics of sustainability adoption in Albanian hotels by exploring three main dimensions: managerial perspectives, operational challenges, and economic outcomes. The overarching objective is to advance theoretical understanding of sustainability integration in a developing economy context and to provide practical insights for managers and policymakers. Specifically, the research aims to identify the drivers and barriers to adoption, assess the financial implications of sustainable practices, and contribute recommendations for enhancing competitiveness through green transformation.

**Method:**

The study employs a mixed-methods design. The qualitative phase includes semi-structured interviews with hotel managers and an in-depth case study comparing conventional and sustainable operational models across energy, water, and waste management. The quantitative phase uses a structured survey administered to a broad sample of Albanian hotels, with data analyzed through Partial Least Squares Structural Equation Modeling (PLS-SEM). This approach allows testing of hypothesized relationships between financial capacity, managerial attitudes, sustainability adoption, and performance outcomes.

**Conclusion:**

Findings reveal that financial strength is the decisive enabler of sustainability adoption in Albanian hotels, while lack of resources, institutional incentives, and staff training remain critical barriers. Managers generally acknowledge sustainability's importance but prioritize short-term cost considerations, leading to partial or selective adoption. Hotels that integrate sustainability more comprehensively achieve improved efficiency, cost reduction, and market competitiveness, thereby confirming its long-term economic viability. The thesis contributes to theory by linking managerial perspectives and organizational resources to sustainability outcomes in a transitional economy, and to practice by

providing actionable recommendations for managers, policymakers, and industry stakeholders.