#### HALAL STANDARD: ISSUES IN HOTEL INDUSTRY

Noraida Abdul Karim<sup>1a</sup>, Ainnin Sofea Azeman<sup>2b</sup>, Nadir Syafika Binti Noor Iskandar<sup>3c</sup>, Nur Ainina Mohd Ariffin<sup>4d</sup>, Faliza Mahamed Ali<sup>5e\*</sup>

<sup>a</sup>Faculty of Hotel and Tourism Management, Universiti Teknologi MARA Kampus Dungun, 23100 Sura Hujung, Dungun, Terengganu, MALAYSIA.

norai297@uitm.edu.my

<sup>b</sup>Faculty of Hotel and Tourism Management, Universiti Teknologi MARA Kampus Dungun, ainnin@uitm.edu.my

> Self-employed, Kg Tambang, Kuala Rompin, Pahang nadirasyafika3@gmail.com

<sup>d</sup>Four Finger Outlet, Bandar Indera Mahkota, Kuantan, Pahang <u>elnina3698@gmail.com</u>

<sup>e</sup>Faculty of Hotel and Tourism Management, Universiti Teknologi MARA Kampus Dungun, <u>faliz719@uitm.edu.my</u>

\*Corresponding Author: faliz719@uitm.edu.my

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#### **Abstract**

The hotel plays an important role in the growing halal tourism industry. The Success of tourist visits often depends on how acceptable the hotel is, where they are staying with Muslim norms and facilities to conduct ibadah (worship) such as Sala (praying). Most hotels must take a holistic approach to obtain the Halal certification for their service operations practices. However, the services sector, such as tourism, has yet to tap into this lucrative market event though halal travel is gaining popularity globally. The research aims to identify the challenges for Halal hotel development in Malaysia and recognize the factors that meet Halal standards. Data collection was assembled through content analysis, review of journals, and articles by previous researchers. The implicit recommendation is that the industry builds division and integrity in ensuring Halal levels through Halal Insiders to ensure Halal compliance, which impacts organizational performance. The results of this paper will also indicate the importance for hoteliers to have the knowledge and prepare for the prospects and challenges they might face before developing Shariah-Compliant Hotel in Malaysia. Thus, extensive research is required in this area.

Keywords: Facilities, Halal Issue, Premise, Raw Materials, Shariah Hotel Compliance

#### 1. INTRODUCTION

The Muslim population in Malaysia has driven the strong growth of the halal hotel industry. When running hotel operations in Malaysia, the focus is on Halal aspects such as Halal awareness, food branding, and operating procedures that comply with Halal standards. This implies that the hotel industry's demand for Halal products and services is becoming more substantial. The halal industry is not only about slaughtering animals under Islamic law; it also includes Halal food, Halal lifestyle and even Halal services (Alserhan, BA, 2010). "Halal certification" is the process of certifying products or services declared by Shariah law. A halal certification and verification system are critical in providing Muslim consumers with an assurance of halal quality. There are many different Halal standards: local standards (either developed by a national standards development body or by the Halal Certifying Organization (HCO) itself), regional standards (e.g., the Arab Gulf Cooperation Council's Halal standard) and international Halal standards (IHI Alliance and SMIIC). The HCO provides auditing and certification services for which it charges a fixed or a volume-based fee. It is a product certification, addressing primarily the ingredients and production process, which allows the producer to put a Halal logo of the HCO on the product packaging.

# 1.1 Halal Certification Bodies

Halal certification assures all Muslim consumers that the product complies with the Shariah laws, and for non-Muslims that the Halal products are quality products based on Halalan toyyiban (Halal and wholesome) concepts as it integrates the Good Manufacturing Practices (GMP) and HACCP. The Malaysian Halal Certification Bodies Malaysia is one of the countries whose Halal certification is issued by the government, unlike in other countries whose certificates are endorsed by their respective Islamic associations. The Malaysian Halal certification and logo are issued by a federal body and several state bodies. At the federal level, the authority for certifying Halal products and services is the Department of Islamic Development Malaysia (Jabatan Kemajuan Islam Malaysia – JAKIM) under the Prime Minister Department. JAKIM handle the Halal certification process for products for the domestic market and international market. JAKIM's Halal logo is among the world's most widely recognised and respected symbols of Halal compliance.

At the state level, the certification authorities are the State Islamic Religious Department (Jabatan Agama Islam Negeri- JAIN) and State Islamic Religious Council (Majlis Agama Islam Negeri- MAIN). They are given the authority to issue the Halal certificate for the domestic market. Malaysia has launched several standards (mentioned in Annexure I) to regulate Halal products and services. Malaysia has been cited as the world's best example in terms of a justification for Halal food by the Codex Alimentarius Commission, which is

responsible, under the United Nations, for regulations of food preparation globally. The Malaysian model has been regarded as the role model for developing world Halal food industries (Musalmah, 2005).

To create a halal hub department, the Halal Industry Development Corporation (HDC) then took over the management of all Halal certification activities on 2<sup>nd</sup> April 2008. As of January 2012, only one Halal logo was accredited and approved in Malaysia. Malaysia's Department of Islamic Development is the country responsible for issuing the Halal logo (JAKIM). At the same time, the State Islamic Religious Council can issue certificates and the JAKIM Halal logo (Zakaria & Ismail, 2014).

Malaysia has maintained its position as the top halal travel destination in the world. The country came first again in the list of top 'Muslim-Friendly Destination of the Year (OIC)', according to the MasterCard-Crescent Rating Global Muslim Travel Index (GMTI) 2022 (Chester Chin, The Star). The GMTI monitors the overall performance of the Muslim travel market. This encourages the growth of Halal hotels in Malaysia, better adapting it around the world, and enhances confidence in the use of Islamic aspects.

# 1.2 Hotel Halal Certification

A hotel is an establishment of the services such as accommodation, food and drinks for temporary residents who intend to stay at the hotel (Medlik & Ingram, 2000 in Zulkifli et al., 2013). The halal hotel is not only concerned with food and beverage but should precisely define the hotel's products, equipment, services and activities (Jeffery, 2008 in Sabidin, 2015). However, the services sector, such as tourism, has yet to tap into this lucrative market event though halal travel is gaining popularity globally. There is a need for a standard framework for halal-friendly tourism (Zulkifli et al., 2013). The Malaysian Association of Hotel Owners (MAHO), the Malaysian Association of Hotels (MAH) and the Malaysia Budget Hotels Association (MBHA) have made great efforts to encourage hotel members to apply for halal certification. Hotel kitchens, for example, are the critical area that must provide halal food to guests at designated restaurants. The hotel sector supports halal certification exercises, and hotels' requirements will expand and enjoy more extensive business patronage from local and foreign Muslim guests and the Government (Farhana Binti Sabidin, 2015). Sadly, the majority of hotels in Malaysia failed to get the halal logo certified by the State Religious Department or the Malaysian Islamic Development Department (JAKIM) (Noor Mirwandy Mat Noordin, 2007).

However, according to JAKIM (Department Of Islamic Advancement Malaysia), until now, no legal guidelines or standards are being regulated for the hotelier to fully abide and equipped with the requirement of Shariah-compliant Hotel as a whole which covered the whole premises when applying halal certification. They only have a halal guideline and certificate on food and beverage outlets but do not cover the entire premise and management (Yuni Aryanty & Ain Othman, 2010). Applying for a halal certificate is simple and could be made online and offline, but most hoteliers do not bother applying for halal certification. Malaysian does not own hotels in Malaysia. Only a few were 'made in Malaysia' hotels. The hotel operation is managed by foreigners such as Hilton Hotel, Shangri La Hotel, Sheraton Hotel and Ritz Carlton Hotel. They are significant investors in the Malaysian hotel industry. They made the hotel system, operation, regulation and policies for many years. Due to this, they are not aware enough to obtain halal certification (Farhana Binti Sabidin, 2015)

The review of Halal elements in any Hotel service in Malaysia should be tightened further to minimise the Halal aspects counterfeit. The goal is to support more detailed work practices and halal standards for Malaysian industrial hotels and their entire premises. While Halal certification is an option for hotels, many choose to incorporate the Halal logo into their operations to capture the larger tourism market, especially tourists from the Middle East and the Gulf countries. There is evidence that in 2011 it supplied nearly 500,000 tourists from the region. Due to this trend, many hotels are increasingly tailoring their offerings to Muslim guests.

According to JAKIM (Department of Islamic Advancement Malaysia), there are currently no legal requirements or standards that can be set for a hotelier to fully meet the requirements of a Shariah-compliant hotel in its entirety and complement. Cover all places when applying for halal certification. It must emphasise how important halal standards are to the hospitality industry in Malaysia. This can increase public confidence that all practices and activities comply with Sharia law, whether in their products, tools, operations, methods or practices. Therefore, the research objectives of this study aim to identify the challenges for halal hotel development in Malaysia and to recognise the factors that meet halal standards.

# 1.3 Halal Issue in Hotel Industry in Malaysia

According to Idris and Abdul Wahab (2015), Malaysia is one of the countries that introduces the halal tourism industry to tourists who travel to this country. However, it was comparatively easy for a halal tourist industry

to establish itself in a majority-Muslim country where the requirements of Muslims are well understood and well-appointed. Moreover, there was a need to reassure their international Muslim guests that their services were indeed halal, as cited by Gabdrakhmanov et al., 2016. In addition, Samori and Rahman (2013) stated that the Malaysian government established the national accreditation body, the Department of Islamic Development Malaysia (JAKIM). This body determines if a hotel meets apply halal requirements for their business. Thus, as many as 102 hotels in Malaysia have been accepted as halal by JAKIM.

In addition, competition is one of Malaysia's most significant influencing factors in the halal hotel industry. With over 102 hotels mentioned by JAKIM and many more hotels seeking to provide Halal services, Muslim travellers visiting Malaysia have more options (Battour & Ismail, 2016). Thus, it's challenging for halal hotels to find and keep staff. Although this is challenging, even work is known to be seasonal and to have unusually exacting requirements. One of the requirements is that the staff must be Muslim, as applied to Islamic regulations and trained in hospitality or catering (Battour, 2018).

Moreover, two factors provide good prospects for halal hotels in Malaysia. The industry has been an attraction to international Muslim tourists. There are also great possibilities for developing the domestic Muslim tourist industry by offering the possibility of doubling the source market for halal hotels (Zulkharnain & Jamal, 2012). Besides, the industry has the full support of the government. This is demonstrated by establishing facilities to teach hotel and catering courses to meet the expanding demand of the halal hotel industry, thus providing a regulatory and economic environment in which the halal hotel industry can thrive (Waehama et al., 2018) and the formation of JAKIM (Abu Karim et al., 2015).

# 1.4 Halal Hotel Industry

Malaysian Islamic Development Department (JAKIM), Malaysian Institute of Industrial Research and Standards (SIRIM) and Halal Industry Development Corporation (HDC) play a vital role in halal certification efforts. JAKIM is pursuing the effort to promote the halal environment among Malaysian hotels by having a halal roadshow around Selangor. In addition, hotels and resorts offered accommodations and marketed to Muslim tourists as Shariah-compliant. It included products and services that complied with Islamic rules, including hotel staff attitudes and uniforms.

Besides, as a Muslim majority country, Malaysia was considered a convenient and perfect destination. It is because it enables to cater to almost all the Muslim tourists who have visited Malaysia's needs in the form of halal foods, accommodations and good service. Thus, the hotels in Malaysia are recently equipped with the necessary facilities for Muslim tourists. In the hotel room, they provide a qibla direction, a prayer mat and serve halal food or drinks. Moreover, it is important that the hoteliers are aware of the JAKIM Halal certification for the establishment and only serve halal accommodations to attract more Muslim tourists locally and internationally. According to Suhaiza Zailani et al. (2011), there is a need to develop more halal tourism products and services together with Shariah-Compliance hotels as it can grow the potential market in future.

#### 1.4.1 Raw Materials

According to Kolovoes (2006), raw materials manufacturers have used a basic in their natural, modified, or semi-processed inputs for the production process to be later modified or converted into finished products. In addition, the processing of Halal Food refers to the sources of halal food and beverages. Raw materials processed materials and additives must be Halal certified. Moreover, hotels must provide Halal-certified food ingredients and supplements and Halal-certified suppliers or subcontractors to supply these products. The list of materials must match those given in the application form. Thus, according to Gunardi and Hashim (2019), chickens, ducks, and the like must be obtained from suppliers/abattoirs that have received Halal certificates from The Halal Industry Development Corporation.

## 1.4.2 Premise Practices

Halal Industry Development Corporation defines premises as a building or other structure, permanent or otherwise, together with the land on which the building or different construction is located. It also includes any adjacent land relating to the preparation, cutting, processing, handling, packaging, storage, distribution and sale of all types of food. The term premise refers to the activities and behaviour of the hotel to maintain the cleanliness of the building or other buildings. It is acceptable for halal operations, such as floors, drainage systems, walls, ceilings, doors, windows, changing rooms, lighting systems, ventilation, etc. The premises should be designed, constructed or renovated so that the technological process limits the risk of product contamination and is suitable for its intended purpose. Thus, floor plans should allow for good workflow, staff flow and excellent hygiene and safety measures, including preventing pest infestation and cross-

contamination between and during work. The site must also be in good working order and condition to avoid entering pests and eliminate potential breeding grounds. The site should also be kept in good condition and repaired to limit pest access and eliminate possible breeding grounds.

## 1.4.3 Facilities Practices

Proper facilities management is critical for a company's operations to run smoothly. Managing a company's facilities is essential for increasing productivity by relieving management of the obligation of maintaining the working environment. There are numerous advantages to outsourcing your facilities management needs. Many companies are beginning to realise the value of efficient facility management. By streamlining procedures, appropriately managed facilities help organisations function more effectively and efficiently. Facilities management improves productivity, assures compliance with health and safety regulations, and ensures that all assets operate well.

These facilities include water, storage, freezing, sinks, toilets and transportation equipment which must be hygienic, free from all pollution and not mixed with other non-halal materials. For example, vehicles such as bond trucks may only be designed and suitable for halal food and meet hygienic and hygienic conditions. In addition, the storage of wet and dry raw materials must be separated, well organised and systematic (Gunardi & Hashim, 2019).

# 1.5 The Perspectives and Challenges in Developing Halal Hotels In Malaysia

Malaysia is an ideal and convenient destination due to its Muslim population. It enables to meet practically all the needs of Muslim travellers in terms of halal cuisine, lodging, and high-quality service. For example, Muslim tourists from the Middle East can view Arabic-language signs all over the Kuala Lumpur International Airport (KLIA), and there will be Arab-speaking staff on hand to assist them. Malaysians are well-known for being friendly and helpful.

Malaysia has recently built hotels, restaurants and shopping malls to meet the demands of travellers. Most visitors to Malaysia come from the Middle East and other West Asia. As a result, hotels in Malaysia have lately been outfitted with the required amenities for Muslim visitors, such as a Qibla direction, a prayer mat, and the ability to provide halal food and beverages. Shopping malls, which are frequently located near hotels, usually have many halal

eateries and prayer rooms, making shopping more comfortable for Muslim travellers. Even Kuala Lumpur Street in Arabia, which serves numerous Arab and Middle Eastern foods and cultures, has been given the Arabic moniker.

Besides that, Halal food is hygienic, safe and provides quality assurance in Islam, requiring that items be prepared clean, safe and correct which it's met these requirements to get JAKIM Halal Certificate. Halal foods and accommodations are a major concern for Muslim travellers, particularly those from West Asia. In this regard, JAKIM statistics show that only 101 hotels across Malaysia have applied for Halal certificates from JAKIM or MAIN, while the rest have not (Zailani et al., 2011). Therefore, it is important to raise awareness of Malaysian hoteliers to certify their hotels with JAKIM Halal certification and offer Halal accommodation to attract more Muslim tourists at home and abroad. While some prospects for developing Shariah-compliant hotels, some challenges can arise in developing Halal hotels in Malaysia. Hotel developers and hoteliers will have problems positioning the hotel and promoting it to non-Muslim guests or tourists (Jeaheng & Al-Ansi, 2019). Next, hotel developers and hoteliers must satisfy their guests from both Muslim and non-Muslim groups and avoid conflicts between them. In other words, the customer must come first. Some hoteliers have suggested that Shariah-compliant hotels should not shy away from non-Muslims but benefit them. For example, policies against alcohol, gambling, and smoking bans benefit physical and mental health.

## 2. RESEARCH METHODOLOGY

The research method applied in this study used a descriptive design based on secondary data. Research design is done for research problems when the researcher does not have past data or several studies for reference. Sometimes this research is informal and unstructured. It is the first research tool to provide a hypothetical or theoretical idea of the research problem. It will not offer a concrete solution to the research problem. This research is conducted to determine the nature of the problem and help the researcher develop a better understanding of the problem. Research is flexible and forms the basis for future research. Research requires researchers to examine various sources such as published secondary data, data from other studies, monitoring research items and opinions about companies, products or service status on blogs.

A secondary analysis of the data is used in this data collection. Data are collected from a relevant article that has explained the research objectives regarding the issue in Halal Hotel in Malaysia. Between March and July 2021,

secondary data was collected and applied in this research study. Theme analysis is considered the most appropriate for any analysis that aims to discover using interpretations. It provides for data analysis with a systematic dimension. It enables the researchers to combine a frequency analysis of a theme with one of the entire materials.

This research uses thematic analysis to identify the challenges in developing halal hotels in Malaysia. Thus, to recognise factors that comply with Halal Standard. The thematic analysis is a sort of qualitative analysis. It analyses classifications and presents themes (patterns) related to the data. It explains the data in detail and, through interpretations, deals with various subjects (Boyatzis, 1998). Theme analysis is considered the most appropriate for any analysis that aims to discover using interpretations. It provides for data analysis with a systematic dimension. It enables the researchers to combine a frequency analysis of a theme with one of the entire materials. The research theme is also used to classify prevailing attributes used in previous studies and hypotheses related to the relationship between hotel providers.

## 3. RESULT AND DISCUSSION

This research studies the halal tourism industry, which has grown into one of the fast-growing industries that may bring Muslim tourists to Malaysia in two ways domestically and internationally. In this approach, various facilities have been developed to capture the attention of Muslims and provide cheap services in compliance with the standards outlined in Islamic law. In Malaysia, halal concept hotels have evolved to meet the needs of the rising Muslim population, and many Muslim tourists have benefited customers by highlighting the concerns and issues they encounter. Competition in the hotel sector, which is currently growing, is also challenging. However, the Malaysian government has been sensitive to issues that address the problems and has found a solution by implementing features of sharia into the hotel industry's management today. Malaysia was the first of the two countries to have a halal tourist industry. Although it was comparatively easy for a halal tourist industry to establish itself in a majority-Muslim country where the requirements of Muslims are well-understood, there was the need to reassure their international Muslim guests that their services were indeed halal.

The findings of this chapter will highlight the challenges of developing halal hotels in Malaysia and recognise factors that comply with Halal standards.

# 3.1 Issues Developing Halal Hotels in Malaysia

Elasrag (2016) mentioned that Malaysia has already been identified as one of the world's most prominent Halal destinations. In today's ultramodern days, there are various obstacles to implementing the Halal feature into hotel services. To imply this Halal element in terms of raw materials provided to tourists, they must comply with shariah and be based on natural sources, modifications used by manufacturers in generating the finest meals, and Halal. There are many challenges in developing Halal Hotels in Malaysia. People nowadays are prone to follow trends which are more toward the west, which is quite contrary to the Islamic law of Muslims. It also leads to a challenge for visitors, and the Halal feature should be highlighted in Malaysia because half of the firms still consider this a minor thing. The food provided must also meet the prescribed safety standards. Organisations of all sizes, large and small, should follow established food safety requirements. Thus, good food should be free from contamination that is hazardous to people in terms of hygiene (Kamboj et al., 2020).

# 3.2 Halal Hotel Industry

Most studies have found support from previous research regarding the factors that comply with Halal Standard in the Hotel industry. It shows many points of view and opinions that were argued by the previous researchers on the factors that comply with the Halal Standard. The result of this study is that we will find out that there are factors that are halal standards in the hotel industry.

## 3.2.1 Raw Materials

Hotels must provide Halal-certified food ingredients and supplements and Halal-certified suppliers or subcontractors to supply these products. The list of materials must match those given in the application form. Thus, chickens, and ducks, for example, must be obtained from suppliers or abattoirs that received Halal certificates (Gunardi & Hashim, 2019). In addition, the supply of Halal raw materials, especially meat products and seems scarce. The proportion is high here which about 70% of food processing raw materials are imported. The supply of raw materials is also a major problem in Malaysia (Arif & Sidek, 2015). Unstable agricultural production regulations and the environment will affect the supply of raw materials. This can result in the halal food industry failing to meet consumer expectations and demands. Given this need, small business owners must seize opportunities to take advantage of increased profits for the halal industry.

Besides that, to ensure that these raw materials meet Malaysian Halal standards and suppliers should always contact the Malaysian certification body JAKIM.

Furthermore, for the raw material aspect, it can be said that after the origin of the animal has been identified through the category of Halal animal consumables. Another aspect that must be considered is ensuring the animal is slaughtered by following the legal slaughter provisions. However, the ingredients come from animals undergoing a halal slaughter process. Thus, the Shariah auditors must work closely with Veterinary Services Department (VSD) representatives to conduct abattoir inspections (Arif & Sidek, 2015). According to Rasi et al. (2017), supply chain management integrates suppliers, manufacturers, dealers and customers where suppliers supply raw materials to manufacturers who produce finished products and coordinate deliveries to customers.

Moreover, the concept of halal cannot be restricted to simply meaning 'pork-free' food. Gelatine, enzymes, lecithin, and glycerine are examples of food contents. At the same time, additions include stabilisers, flavourings, colourings and breadcrumbs. They contribute to foods that have been modified or added to halal food by suspicious compounds or animal enzymes, which are prohibited under Islamic law (Majid et al., 2015).

## 3.2.2 Premise Practices

In this case, according to Razalli et al. (2013), the term premise refers to the activities and behaviour of the hotel to maintain the cleanliness of the building or other buildings. It is acceptable for halal operations, such as floors, drainage systems, walls, ceilings, doors, windows, changing rooms, lighting systems and ventilation. The premises should be designed, constructed, or renovated so that the technological process limits the risk of product contamination and is suitable for its intended purpose. The layout of the room should allow for appropriate workflow and staff flow. Protection against pest attack and cross-contamination between and during activities is a basic hygiene and safety standard. The site should also be kept in good condition and repaired to limit pest access and eliminate potential breeding grounds.

This standard sets the rules of thumb for the food industry in the preparation and processing of halal food, including food additives, and is intended as a minimum requirement for food products, grocery stores or businesses in Malaysia. In general, according to MS 1500: 2004/2009, there are seven

important requirements for the preparation of a halal kitchen, namely the source of halal food and drinks, must be halal based on animals and vegetables and halal and non-halal slaughter of food - Halal animals should not be slaughtered together, processing, handling, and distribution of products must comply with Halal regulations, and storage, presentation, and presentation of products such as equipment, types of machines and other materials used must not be made of non-Halal materials. Thus, Halal Tayyiban concept, packaging and labelling must be carefully checked by JAKIM, a legal requirement which was revised in 2009 according to MS 1500:2004.

However, even though these basic needs or standards are provided to related sectors or establishments, it has been stated that not all apply. In addition, the MS 1500:2004 updated in 2009 provides GMP (Good Manufacturing Practices) and GHP (Good Health Practices) compliance (Good Hygiene Practices). This standard should be used in conjunction with MS 1480, the standard for food safety according to the hazard analysis and critical control point (HACCP) system, and MS 1514, the standard for general principles of food hygiene and to strengthen its implementation. Both requirements apply to the food processing and preparation chain regarding cleanliness, sanitation and food safety. Besides that, this guideline emphasises Halal food sources, including animals (both land and marine), plants, mushrooms, microbes, natural minerals, chemicals and beverages.

This standard also addresses the requirement for genetically modified foods. Aside from the Shariah law standards for selecting permissible food sources, the criterion also emphasises that the food is safe and not poisonous, intoxicating, or harmful to one's health. The slaughtering requirements for poultry and ruminant animals are also laid forth in the standard. The standard now requires physical separation of Halal and non-Halal production, preparation, and handling operations. The distinction also applies to storage activities, where Halal products must be clearly labelled to prevent them from being combined or contaminated with non-halal products.

The practice is restricted to the guest's room. Certain facilities and amenities include a Qibla direction, the Quran, a prayer mat, a prayer schedule, a toilet, halal toiletries, halal in-room food, Islamic in-room entertainment, and non-alcoholic beverages offered in the rooms (Stephenson, 2014). Furthermore, because smoking is considered haram in Malaysia, the hotel must have both smoking and non-smoking rooms (Razalli, 2019).

Even though Malaysia is a Muslim country, no special halal legislation has been implemented. The government, on the other hand, has recently tried to introduce the Halal Act in the future. To regulate halal products, the Malaysian government passed legislation such as the Trade Descriptions Act of 2011, Food Act 1983, Animal Rules 1962 Consumers Act and Customs Act 1998, which contains a description of the import and export of halal meat. These Acts were generally created to safeguard consumers from a trade or commercial operations that do not follow halal guidelines. MS 1500:2009 is a new standard that legal authorities like JAKIM and the State Islamic Religious Council (JAIN/MAIN) use.

There were numerous initiatives of cleanliness practice being taken at the food premises in terms of cleanliness, hygiene, and pest management. Among these was the implementation of a regular cleaning routine. The cleaning schedule's effectiveness and implementation are crucial in this scenario. The halal executive had difficulty ensuring that the workers followed the cleaning schedule and lacked the means to ensure that all their personnel followed it. The key challenge in enforcing the cleaning schedule is whether the employees usually follow the schedule (Hassan et al., 2015).

#### 3.2.3 Facilities Practices

Malaysian hotels can now indirectly provide various services and activities aligned with Islamic beliefs. Some hotels, for example, promote traditional halal cuisine and host a Ramadhan bazaar, a Ramadhan buffet, and a prayer room where Solat Tarawih can be performed. However, establishing a Shariah-compliant hotel in a short amount of time is quite challenging. It takes time to make it come into existence. In Malaysia, it was reported that only 101 hotels throughout Malaysia have applied for the Halal logo certificate from JAIM to certify their restaurant and cafe (Battour & Ismail, 2016). Several hotels, dubbed 'friendly Muslim hotels,' provide minimal facilities to meet the needs of Muslim travellers. Most of them are in Kuala Lumpur, Shah Alam, and Kelantan, PNB Darby Park Hotel and Putra Hotel in Kuala Lumpur, UiTM Hotel in Shah Alam, and Ansar Hotel in Kelantan being among them.

Many writers or scholars include some religious properties of a place or hotel in their publications. Shariah hotels must meet the needs of Muslims in the hospitality industry by requiring hotels to provide Qibla indicators, a copy of the Quran in every room, prayer room, and to serve halal food. The form of jewellery does not reflect signs or symbols of living things and furniture arrangements following Sharia principles (Battour & Ismail, 2016). The hotel's

financial operations must use Shariah-compliant contracts, and property owners must pay for sunsets.

Yuni Aryanty (2010) further states that sharia hotels are defined as hotels that comply with Sharia standards that go beyond the dry concept of Islamic hotels. This further demonstrates that the hotel's core values are based on Islamic principles in every element, from cleanliness to bookkeeping. Halal Hotels, such as the one stated above, could serve as a model for other hoteliers that want to emulate their efforts. Malaysia, for example, has been at the forefront of halal tourism and hotel development. It has successfully attracted Muslim tourists from all over the world to visit every year as a Muslim country and prominent Muslim tourist destination.

The main factor that needs to be focused on in maintaining Halal hotels friendly to Muslim travellers comes from all the journals gather facilities. The facilities given are also an extra issue in the modern world, which reveals various elements such as western countries with a lower level of Islam than Malaysia, where most people are Muslims and assist other Muslim visitors. Islamic features should be adopted in all aspects of Muslim-friendly hotels to attract more outbound and domestic visitors.

## 4. CONCLUSION

The halal hotel industry plays an important role in improving the country's economy in terms of tourism because the population of Muslim consumers who visit is increasing daily. In addition, Malaysia is famous for the largest population of Muslims who improve and develop the halal industry. Thus, the hotel sector requires good Halal certification processes to compete with hotels in Malaysia and worldwide. To summarise and relate to our objectives, the certification and the halal standard is the main challenge for all hotel organisations to comply with the standard. The organisation should evaluate the importance of their facilities and policies to urge their staff to provide outstanding service to clients and maintain quality performance. Although the relation between facility, staff policies, service quality, employee job satisfaction, and pro-social service behaviours appear to be well defined, this study is the best beginning in determining whether this component exists in the context of Halal-based service operations practices.

Through this study, the authors found that the main factor that complies with Halal standards is perfectly related to raw material, premise practice and facilities practice. Another aspect shown during the reading is important for Halal practices to become a relationship and affect the performance of an organisation. However, it has become a challenge for visitors, and Halal features should be highlighted in Malaysia as well, as half of the companies still consider this a small matter. In addition, the food provided must also meet established safety standards. Organisations of all sizes, large and small, must comply with specified food safety requirements. We have also been able to recognise factors that comply with halal standards. Three factors comply with halal standards: raw materials, premises, and facilities practices. Raw materials, processed materials, and additives must be certified Halal. The hotel must provide Halal-certified foodstuffs and additives and Halal-certified suppliers or subcontractors who supply these products.

The term premise refers to the hotel's activities and behaviour in keeping buildings or other structures clean and acceptable for Halal operation. It includes areas such as floors, drainage systems, walls, ceilings, doors, windows, locker rooms, lighting systems, ventilation, preparation of halal cuisine based on animals and plants. Moreover, halal and non-halal animals should not be slaughtered, processed, handled and distributed together. It should comply with halal rules, product storage, display, and delivery. Furthermore, any equipment, machinery and other materials used must not be made from non-halal materials. It must also be hygiene, sanitised and follow food safety procedures to comply with the concept of halal Tayyiban. Thus, packaging and labelling must be carefully evaluated by JAKIM.

The facilities provided are also an additional problem in the modern world, which features various elements such as western countries with lower levels of Islam than Malaysia, where most people are Muslims and help other Muslim visitors. Shariah-compliant hotels must meet the needs of Muslims in the hospitality industry by requiring hotels to provide Qibla indicators and place a copy of the Quran in every room occupied. In addition, the guestroom must also have a prayer mat, prayer rooms or living rooms, halal food, ornaments that do not depict any signs or symbols of living and a furniture layout that meets sharia principles. Therefore, it fits with the government's intention to become a global halal hub as stated in (the 3rd Industry Master Plan 2006-2020) which prepared certain aspects to be improved from time to time.

The findings of this study are merely the first step toward a better knowledge of Halal certification standards and hotel performance. More research is needed to determine the links between Halal certification practices and organisational effectiveness. Thus, a more thorough study needs to be conducted to find out the challenges in producing the Halal hotel industry and the factors that trigger issues in the hotel industry in Malaysia. To begin,

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future researchers can broaden the scope of the study to include different hotels, organisations, or industries to improve the validity and universality of the findings. Aside from that, it is suggested that future researchers adopt a qualitative strategy for data collection, such as interviews. Other elements that may have a major impact on organisational performance, including packaging, labelling, advertising, and regulatory requirements, may be tested in future studies. In addition, the recommendations for monitoring the raw material obtained and prepared by the hotel management in charge of JAKIM to avoid infractions of the raw materials that must be supplied. The parts and integrity in assuring the concentration of halal must be built by the industry through the inner individuals of halal within the preparation of keeping up halal compliance that influences the organisational performance.

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