Halal management system in restaurant operation: Identifying the motivational factors

Nor Ellyna Razali*
Ungku Fatimah Ungku Zainal Abidin
Mohhidin Othman
Siti Fatimah Mohamad
Faculty of Food Science and Technology
Universiti Putra Malaysia, Malaysia
ellyna.edu@gmail.com

Proposed citation:

Abstract
Malaysia is known as one of the top Islamic tourism destinations especially among Muslim Middle East tourists. Various services and halal food offered serve as the main attractions. Although foodservice companies today are growing abundantly, the number of Halal certified restaurants is still limited. Hence, the factors that motivates restaurant in obtaining halal certification and implementing halal management system in the foodservice industries need to be explored. Using a qualitative approach, 15 semi-structured interviews were carried out with halal executives, managers or supervisors from halal certified restaurants. The recorded interviews were transcribed, translated and coded for analysis using Atlas.ti version 7 to identify themes and patterns in the data. The finding of this research shows the customer demand, marketing benefits, external support and pressure, top management commitment and product safety and quality are the motivation factors in implementing halal certificate. This study provides a recent view and knowledge on motivation for implementing halal management system in restaurant industries.

Keywords:
Halal certification, management system, motivations, restaurant operator, qualitative research
1 Introduction

Malaysia population consists of multicultural society with variety of religions and ethnics. Religion is one of the biggest factors in the choices and subsequent selection of foods consumed in certain societies (Dindyal & Dindyal, 2004). In Malaysia, Muslims are the majority of the population that represents the consumer of halal food. Halal is an Arabic word which is referred as “permissible” in English. Muslim is obligated to search for halal food which is classified as hygiene, safe and wholesome to be consumed (Marzuki, Hall, & Ballantine, 2012). Ambali and Bakar (2013) found four genuine predictors of Muslims’ awareness of halal food and products: i) exposure to halal, ii) religious belief, iii) health related reasons, and iv) the role of halal certification (halal logos or labels). Nowadays, Muslim consumers in Malaysia are becoming more sensitive and conscious of halal conformance and have started to question and avoid products that are not halal certified and without the halal sign (Aliman & Othman, 2007).

According to Zulkifly and Othman (2009), one of the attractions for the tourists to choose Malaysia as their vacation destination is local gastronomy product such as food, beverages and food culture. Malaysia positions itself as a popular Islamic tourism country by offering rich Islamic values in most of its services. These includes the availability of Halal food, rich Islamic heritage and culture, friendly Muslim population and Islamic travel trail (Shafaei & Mohamed, 2015). Islamic Tourism Centre (2015) reported, since 2011, Malaysia remains as the top Muslim tourist destinations for four consecutive years and 5.44 million Muslim tourists’ arrivals was reported, which equivalent to 21% of total tourist arrival in Malaysia for the year 2012. Accordingly, there are increment in 2013 and 2014 by 5.7 million and 5.9 million Muslim tourists visited Malaysia based on report by MasterCard-Crescent Rating Global Muslim Travel Index for 2015 (Tourism Malaysia, 2015).

Despite the significantly growing demand for halal food, the number of food provider in Malaysia certified with Halal from the Department of Islamic Development Malaysia (JAKIM) certification is still limited in number. Some of restaurateurs tend to manipulate the use of halal logo in their premise (Ibrahim & Othman, 2014). Recently, there were few cases that halal certification was revoked due to the violation of JAKIM food safety requirements and the certification could not be maintained. From the year 2010 until March 2012, JAKIM recalled 39 products and revoked the halal status of 10 hotels and one slaughterhouse (JAKIM, 2012). To date, less is known about the motivation for halal certification in the food service establishment. Therefore, this study aims to identify the restaurant operators’ perspectives on the motivation for implementing halal food management system in restaurant.

2 Literature Review

Muslims are required to follow specific dietary laws that determine which foods is Halal (permissible) for their consumption as stated in the Holy Quran. In general,
everything that is Halallan Toyyiban (pure, clean, wholesome) and pleasing to the taste is allowed for Muslims to eat it. In Islam, food is divided into the concept of halal (permitted) and haram (prohibited). Doubtful (syubhah) things should be avoided as there is a grey area between clearly lawful and unlawful (Riaz & Chaudry, 2004). The halal concept has been used as a guideline for Muslims in determining a better product and service. Halal certification has contributed to the growth of food marketing and tourism industry (Marzuki, Ball & Ballantine, 2014). According to Yusoff (2004), halal certification is defined as an examination of food processes in its preparation, slaughtering, cleaning, processing, handling, disinfecting, storing, transportation and management practices. Hence, halal certification is a proof that the product has follow the Halal manufacturing procedures and provides assurance to consumers that the product is safe for Muslim consumption (Nakyinsige, Che Man, & Sazili, 2012).

Studying on the factors in the implementation of Halal certification is essential as it provides insight view to the researchers and other stakeholders in order to encourage the implementation of the certification (Tunalioglu, Cobanoglu, & Demet Karaman, 2012). Besides that, it is important to rank the factors as it gives in-depth understanding on the critical factors in implementing food safety certification (Fotopoulos, Kafetzopoulos, & Gotzamani, 2011). A few literatures on factors in implementing Halal certification have been reported from previous studies in food manufacturing industries (Che & Daud, 2014), Small Medium Enterprise (SME) industries (Ahmad et al., 2017), and also review on implementation of Halal certification in the food companies (Talib, Hamid, & Chin, 2015). In recent years, the number of studies in restaurant industry has increasing, but the studies focused more on consumerism such as criteria selection for dining (Razak, Iberahim, & Kamaruddin, 2016) and factors influencing the consumer confidence (Ahmad et al, 2013). However, studies investigated on restaurant managers have focused on their perspective, knowledge and expectation on Halal certification (Marzuki, Hall, & Ballantine, 2012; Marzuki, Hall, & Ballantine, 2014).

The motivation factors in halal certification implementation are extracted from other forms of halal assurance system, Hazard Analysis and Critical Control Points (HACCP) and food safety system since there are limited literatures about critical factors of halal certification in the restaurant. According to Fernando, Ng and Yusoff (2014), one of the top motivation factors among Malaysia food companies is to increase product safety and quality. Aside from food safety and quality, studies have shown that food companies are committed to implement certification as an effort to protect the consumers from any potential foodborne diseases (Macheka et al., 2013). Besides, the Islamic attributes suggested by halal certified restaurants increase the confidence and demand of Muslim customers and also conforming to halal standards (Marzuki, Hall, & Ballantine, 2012). The customer satisfaction based on trust increases the confidence level among the Muslim customers when deciding to visit an eating premise also reported by Al-Nahdi et al. (2009) and Wan Omar, Muhammad and Che Omar (2008). Another factor that drives the motivation of the firms to implement certification is it can improve their image and reputation (Talib et al., 2015).
Several challenges and difficulties faced by the restaurateurs to comply with halal requirement due to lack of knowledge, cost of implementation, changes in management, supplier issues, governance issues and lack of monitoring and enforcement (Rahman et al., 2012). Generally, studies on motivation in implementing Halal certification in the restaurant were not comprehensively done. The literature on halal food management system in restaurants is still limited. Nonetheless, the provision of halal food is an extremely significant issue for consumers as well as restaurants (Marzuki, Hall, & Ballantine, 2012).

3 Methodology

3.1 Research design

Qualitative approach was used in exploring the issues in more depth. Semi structured interview was conducted to gain more understanding into different views on motivation factors in the implementation of halal management system. This study used exploratory design to understand and be more familiar with the phenomenon or situation (Gill, Stewart, Treasure, & Chadwick, 2008).

3.2 Data collection

A total of 15 participants from four groups of people were involved in this study: halal executive, restaurant manager, supervisor and owner of casual dining restaurant. All participants were from Halal certified casual dining restaurant in Klang Valley area from the JAKIM Halal Malaysia Directory lists the casual dining restaurant. A purposive sampling method was used in selecting the participants based on their area of expertise and year of experience in the food service industry. Selected participant is a person who oversees halal in his/her operation and has at least a year experience in the food service sector (Table 1). The development of interview protocol was guided by the literature on the implementation of food safety and quality systems. In-depth interview questions were constructed to identify the motivation factors for implementation of halal food management system in the restaurant. The interviews were conducted in Malay or English. The participants were briefed about the study objectives and informed that the interviews would be audio recorded and transcribed. Each interview session was conducted between 40 to 50 minutes in participants’ work location. Data were collected until data saturation point was achieved.
3.3 Data Analysis

All interview audio-records were transcribed verbatim. The Malay transcriptions were then translated into English and verified by researchers in the research team. The data were coded and analyzed using Atlas.ti version 7 qualitative software to identify themes and patterns in the data. Some themes were pre-determined as the data were collected using specific questions derived from previous literature. New emerged theme from the data were added, thus the analysis was both deductive and inductive (Berg, 2004).

4 Finding

The study identified five main motivation factors in the implementation of halal food management system in restaurant industry: i) customer demand, ii) market expansion, iii) external support and pressure, iv) top management commitment, and v) product safety and quality.

4.1 Customer demand

Most participants perceived that customer demand is the main motivation factor. Customer forces and their growing concern for halal food had given some pressures and encouragements to the restaurants in obtaining halal certification. According to Nasaruddin et al. (2012), the level of consumer awareness on doubtful ingredients in foods is increasing. Participants have mentioned that customers always ask and look for halal certification before they decide to patronize a restaurant. They further explained that their customers are more confident in selecting services when their restaurant have
obtained halal certification. Below are examples of quotations related to customer demands from the interviews:

“Because with the certificate, the customers will be more confident with how we get the ingredients and what we serve to the customers, so customers won’t be hesitated to dine in.” [M02]

“The main reason is the customers, because customers are selective today. They are not like before where it is enough if they see a beautiful and neat restaurant. It doesn’t matter if the restaurant is beautiful and neat. Without halal, the customers will be hesitated to dine in. I mean for the Muslim customers.” [S02]

4.2 Marketing benefits

Expanding the target market is mentioned as one of the elements that motivates the implementation of halal certification in food premise establishment. Expanding market is the factor which encourages restaurateur in applying halal certification. Halal could attract not only the Muslim but also non-Muslim customers who search for cleanliness in their restaurant selection.

“And then now the customers are more aware of halal food, so that’s why we seek for halal certification. With halal we could attract more customers.” – (S02)

“From my observation I notice that the Chinese also had started to find halal food. Because they know right now the halal is together with toyyiban. They the Chinese even they do not know what are the toyyiban but they trust the cleanliness.” – (OT02)

In addition, with halal certification visibly placed in the premise, the restaurant can be easily recognized by the customers who are looking for halal restaurant.

“So after they applied halal, they would not have the problem of telling the people that this is halal. There’s no need to do so. You display the logo and InshaAllah people are convinced that it’s halal.” – (HE01)

According to Marzuki, Hall, and Ballantine, (2012), halal markets are likely to become one of the great market forces in the upcoming decades. The market expansion covers the diversifying races and hence broadens the current target market which can also drive the business growth.

4.3 External support and pressure

Government policies related to Halal certification could also directly or indirectly encourage the restaurant to implement halal management system. This factor was also
stated as motivation for the other sectors of food companies (Chen et al., 2014; Milios et al., 2013; Othman, Ahmad, & Zailani, 2009; Wilcock, Ball, & Fajumo, 2011;). Even though the implementation of Halal certification is not mandatory, the restaurants were motivated to be certified because it can facilitate them to get a financial support from the bank as well as facilitate them when they have to deal with any government bodies that require Halal certification as a prove.

“Customer is not always the main motivation. If we want to make a loan with Perbadanan Nasional Berhad (government-linked company) for franchisor, it is encouraged to apply halal.” (HE02)

“So, there were a lot of benefits by having Halal certification especially when we have to deal with any government bodies. They need all these certificate. If you do not have the halal certificate, it will cause difficulty to the process.” – (HE03)

The recognition of JAKIM as a trusted institution and competent certifying body was also mentioned by the participants in the interviews as the motivation factor for the halal management system implementation. Halal product verification made by JAKIM also becomes their strength as restaurant can sell their product confidently without hesitation. The following quotations support this claim:

“One more thing about implementing halal, InshaAllah JAKIM is a trusted institution. Just trust them. Because they are trusted.” – (HE01)

“It is true that we don’t have the right to stop people from eating there, but if we have JAKIM logo, that will become our strength.” (OT01)

“Ok, the main motivating factor as we all know of course we say we’re a Muslim and we are selling food products, we can speak verbally to the public “mine is halal” , but who can confirm that our products are halal. Without JAKIM halal logo or without JAKIM who comes to check our products to verify that we use halal products ... Nobody can say “ok, I’m selling this product and it is halal” OT01

4.4 Top management commitment

Top management interest and commitment on Halal certification is one of the drivers of Halal implementation. Everything begins with their awareness regarding the marketing value of Halal certification which inspired them to apply the Halal certification. Although some companies’ top management are non-Muslim, their interest in Halal certification would greatly influence halal implementation. Participants mentioned that the support, involvement and cooperation given from the top management made the whole process of halal system implementation easier. The following quotes provide supports regarding the role of top management:
“...our top management felt that Halal is a need. The need for halal is because of consumers ...there are many Muslim customers around this Shah Alam area.” (HE04)

“Most important is for us to cooperate even they [top management] are non-Muslim Chinese and we are Malay or Muslim. We have their [top management] full support.” (HE01)

According to Che and Daud (2014), a successful implementation of halal system should be developed with the continuous involvement and support from top management by the creation of strategic vision and clear halal quality values. More importantly, top management must keep abreast with the recent halal requirements to ensure they understand and support any changes required in halal program (Ahmad et al., 2016).

4.5 Product safety and quality

Several participants described product safety and quality as the motivation factor because Halal certification requires emphasis given to the elements of quality, healthy, clean and hygienic environment practices in the workplace. These elements coincide with the good practice in the restaurant from the production process until the food is served on the table. The following quotations illustrate the impact of product safety on motivation for halal implementation:

“Halal is not only for the products or the food, I mean in the slaughtering process and everything... No. It actually means that the products are hygienic, and our operation too. That guarantees safety when the customers dine in. No food poisoning and everything.” (M02)

“Malays who opened restaurants usually want to have halal [certification], regardless of any kinds of foods, as for example mixed rice or what not, if the kitchen is unclean, we will not get the halal, it must be clean, cleanliness reflects the degree of halal... it is supposed to be that way.” (HE02)

Some of the Muslim restaurant managers also mentioned that the motivation in implementing halal management system is the importance of stringent rules, purity and ethics as a good Muslim follower.

“....but actually halal is not about we are not selling non-halal products but it is more about cleanliness, cleanliness is the determinant of our halal.” (HE02)

Participants agreed that a thorough monitoring done by JAKIM on halal product supplies also enhance motivation in implementing halal in the premise.
“For us, sometimes even if we said that we are halal, we still did not know the ingredients used and that’s what we are concerned about. Like for us, JAKIM checked with me where I get our chicken from. From there, JAKIM asked us to make sure that each month our supplier has Halal certificate. JAKIM will do the monitoring on our food supply and from where the supply of meat is.” (OT01)

Marzuki, Hall and Ballantine (2012) study reports that restaurant managers agree Halal certification help in portraying a clean and hygienic restaurant image food because halal food emphasized that cleanliness and hygiene is related to food safety.

5 Conclusion

The findings of this study provide a recent view and insight on what encourage and motivate casual restaurant operators to implement halal food management system in their business. Five motivation factors related to customer demand, market expansion, external support and pressure, top management commitment, and product safety and quality were identified from the perspectives of restaurant halal executives, supervisors, managers and owners. The information on these motivation factors could facilitate the authority such as the Department of Islamic Development Malaysia (JAKIM) and other relevant government agencies in their attempt to motivate more food service establishments to implement halal certification. Furthermore, the findings obtained from this study could assist restaurateurs in directing their efforts, time and resources on important information which can be the basis for effective decision making. Finally, this study enhances the understanding of current halal practices in the restaurant industry and inspires more implementation of Halal certification among the uncertified businesses.

Several limitations to this study need to be acknowledged. Only the perspectives of operators from casual restaurants were studied. Future research can also include other types of restaurant that operate in different nature of the business, target markets, size of operations, and availabilities of the resources. Additionally, future research is suggested to explore the views of food handlers or front-line employees on their motivation to perform practices in halal implementation, so that a wider view on the topic could be captured.

6 About the authors

Nor Ellyna Razali, Ungku Fatimah Ungku Zainal Abidin, Mohhidin Othman and Siti Fatimah Mohamad are academic staff from the Faculty of Food Science and Technology, Universiti Putra Malaysia, Malaysia.
7 References


Hellsten, U. & Klefsjo, B. (2000). TQM as a management system consisting of values, techniques and tools. TQM Magazine. 12(4), 238-244


