

An analysis of the food and beverage sector



***“If more of us valued food and cheer and song above hoarded gold,
it would be a merrier world”.***

(Bilbo Baggins, “the Hobbit”. John R.R. Tolkien, 1937)

2.1. Introduction

The hospitality industry is one of the major components of the tourism industry (Saayman, 2007:16; Ottenbacher, Harrington & Parsa, 2009:265) and consists of the accommodation and catering aspects of the tourism industry. In other words, hospitality is the provision of meals, beverages and accommodation (Page & Connell, 2009:227; Pizam, 2009:183). In South Africa, the accommodation sector contributed to a 7.7% increase in the total tourism income, while the food and beverage sector alone contributed to a 6.8% increase in the total tourism income for the country during the period March 2011 to March 2012 (Statssa, 2012a:23-25). According to Statssa (2010:29), the food and beverage sector employs a larger workforce (308 500 employees) than does the accommodation sector (143 588 employees), thus indicating that the commercial food and beverage sector is the largest employer in the tourism and hospitality industry. Page & Connell (2009:227) however state that, despite this, the food and beverage sector is extremely under-regarded (Slattery, 2001:22).

Wood (1997:198) opines that hospitality work, such as that in the food and beverage sector, is often exploitative, demeaning, poorly remunerated, unpleasant, uncertain and taken as a last resort or because it can be tolerated in the light of wider social and economic commitments and constraints. Page & Connell (2009:256) state that the tourism experience or product is directly

depended on people for its delivery, thus implying that the human factor in the service sector is a key element for success. Due to the perishability of services, the intangibility and the importance of the employees in making experiences memorable and enjoyable is critical (Page & Connell, 2009:257). Schneider & Bowen (1995:33) are therefore rightfully apprehensive of the idea that the place in which people work should create a suitable service climate or culture. If the appropriate climate is not created, employees will fail to focus on serving customers, which will lead to dissatisfied customers, smaller long-term profits and, ultimately, market value will suffer. This emphasises the importance of managing employees and their working conditions to improve the quality of their work.

According to Crick & Spencer (2011:469), food and beverage service employees are of such significance that employee performance should be seen as the critical dimension of quality. Crick & Spencer (2011:469) continue and argue that, as far as customers are concerned, the performance of the employees represents the service rendered. Farrell, Souchon & Durden (2001:5) add that the customer's service perception is based on the service quality implementation of the employees, while the employees' service quality implementation represents service delivery. This inevitably leads to the following three questions:

(1) How effectively are food and beverage service employees managed to ensure service delivery and productivity? (2) Can improving the working conditions of employees improve their performance? (3) Could Quality of Work Life be a possible solution for improving perceived service delivery and productivity?

To provide possible answers to these questions, Figure 2.1 offers a representation that will be followed in the forthcoming literature chapters. As shown, this chapter will focus on the commercial food and beverage sector with specific reference to the different types of establishments and their employees. Further, the management of the sector as well as the employees in that sector will be discussed to ensure that the complexities and challenges faced by the sector are understood.

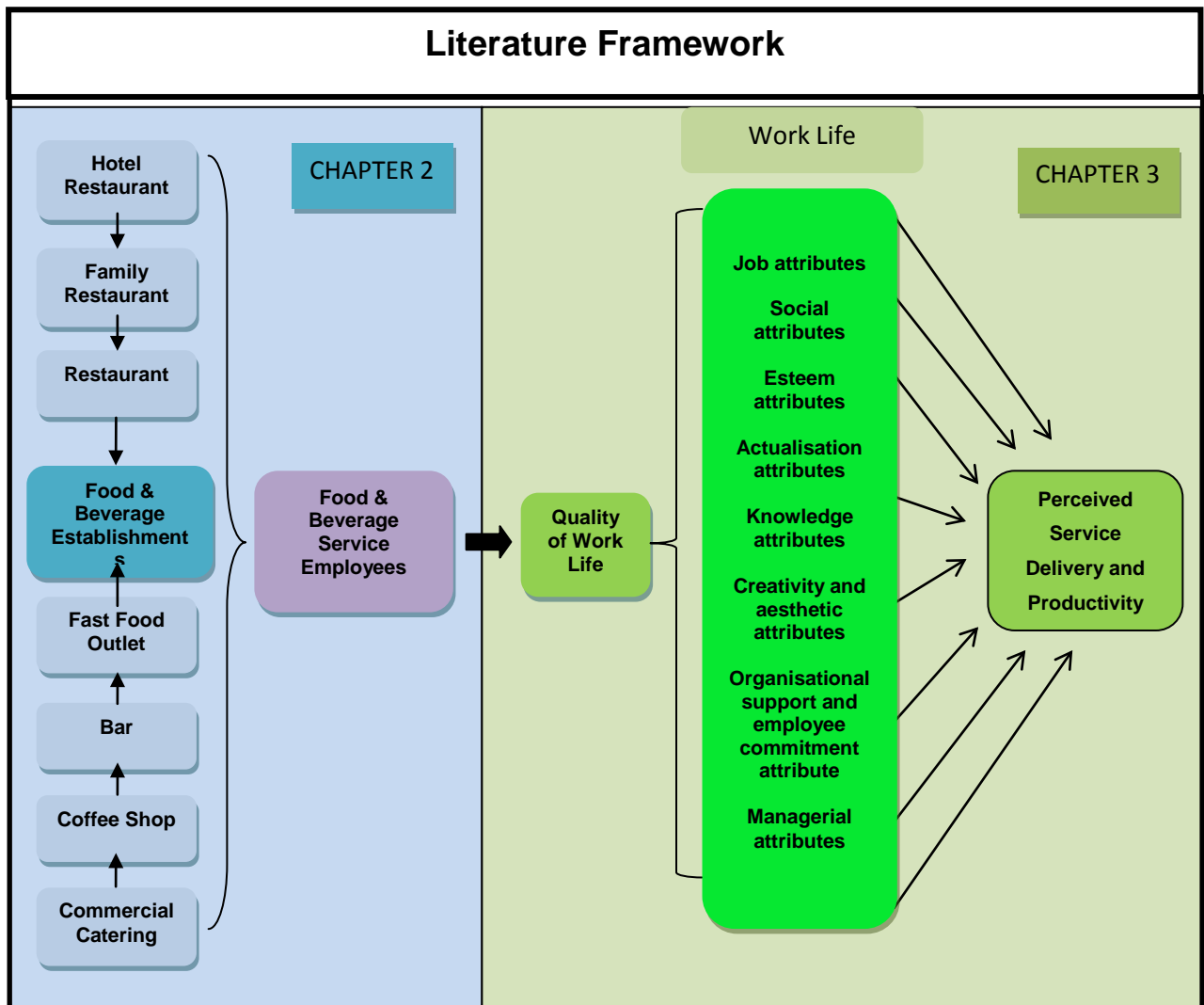


Figure 2.1: Layout of literature review

The aim of this chapter is, therefore, to provide a background to the food and beverage sector with specific reference to management, to explore the challenges faced by employees in terms of their working conditions, to investigate the importance of employee management and how to determine how these influences employee performance. The aim of chapter 3 is to focus on the work life domains that contribute to Quality of Work Life and the manner in which it contributes to perceived service delivery and productivity.

2.2. The food and beverage sector

Foods and beverages are not only instrumental in meeting basic human needs, but have also grown into a significant component of the overall tourism and hospitality industry (Cook, *et al.* 2010:182). The provision of food and beverage away from the home forms a vital part of the hospitality industry and the global economy as a whole. However, the food and beverage sector is characterised by the diversity of component establishments (Davis *et al.*, 2008:1). These

descriptions of the food and beverage sector as stated by Page & Connell (2009:643) are appropriate in that they are the two associated sectors that provide nourishment services for guest.

As seen in Figure 2.2, the hospitality industry is composed primarily of the accommodation sector and the food and beverage sector. The food and beverage sector is again divided into subsidised (that is, non-commercial) and commercial food and beverage.

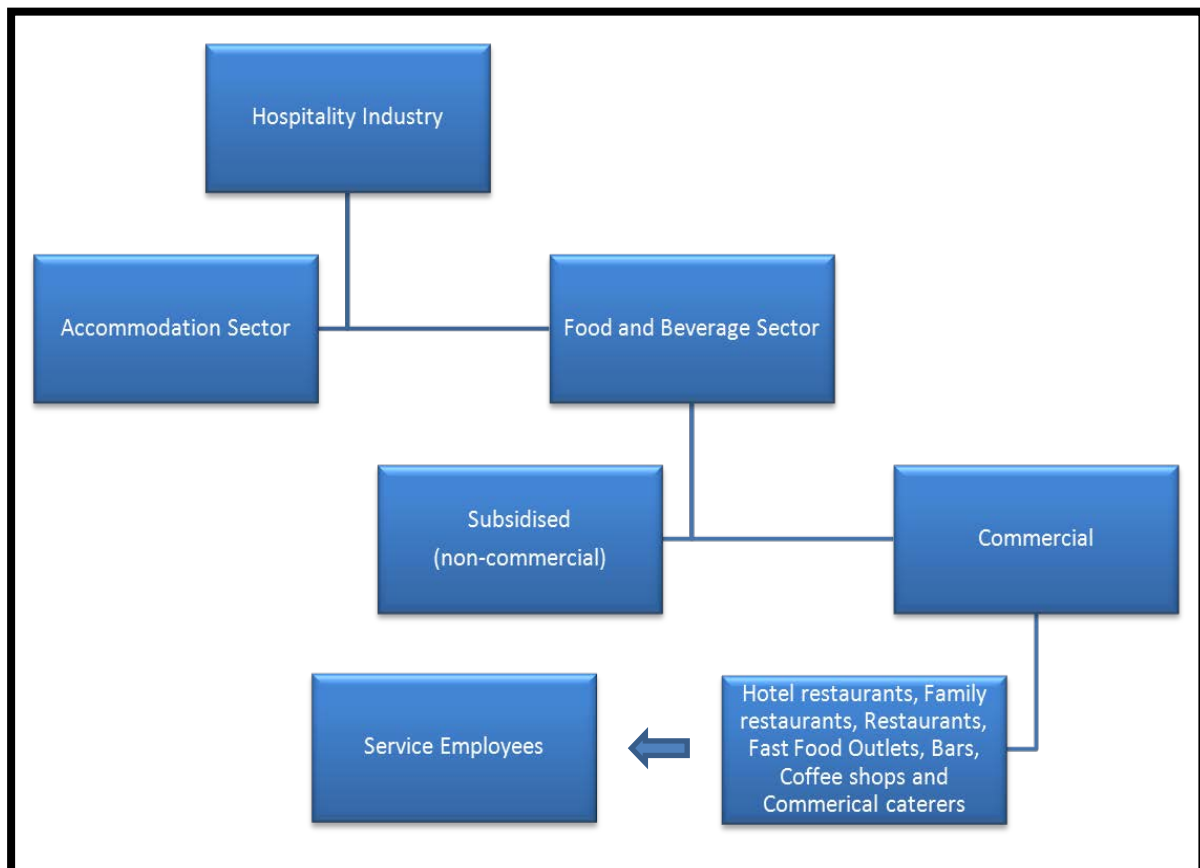


Figure 2.2: Hospitality industry adaption

Source: Adapted from Davis, Lockwood, Pantelidis & Alcott (2008:21)

The commercial food and beverage sector, according to Davis *et al.* (2008:9), is market orientated, meaning that there are two main markets, the open market (hotels, restaurants, pubs and fast food) and the restricted market (travel catering, clubs, contract food service and function and event catering). Page & Connell (2009:227) agree, stating that the commercial food and beverage sector has many sub-groups, including restaurants, hotel restaurants, fast food outlets, bars, coffee shops and commercial catering establishments, all of which generate a substantial amount of money, influence economic prosperity and employ a significant labour force. This large-scale labour force, however, also creates certain management challenges. The commercial food and beverage sector is a combination of various types of establishments, as

seen in Figure 2.2. To understand better the complexities of the sector, a few key concepts must be understood to gain insight into the workings of the sector. The following establishments form part of the commercial food and beverage sector and a brief description of each is given below:

- Hotel restaurants are supplementary services for the hotel and are classified as commercial because their goal is to make a profit, which will complement the rest of the hotel operations (Ninemeier & Perdue, 2005:9).
- Family service restaurants appeal to families desiring familiar or comfort food, featuring relatively traditional menus (Ninemeier & Perdue, 2005:178).
- Restaurants are for-profit foodservice operations, as their primary business involves the sale of food and beverage products for a profit (Ninemeier & Perdue, 2005:9).
- Fast food is the sector of the catering industry primarily concerned with the preparation and service of food and beverage, for immediate sale to, and quick consumption by, the customer (Davis *et al.*, 2008:61).
- Bars are significant benefactors to the industry, seeing that bars are only focused on the sale of beverages and the provision of entertainment (Davis *et al.*, 2008:50).
- Coffee houses (shops), as stated by Davis *et al.* (2008:70), feature a large comfortable sitting area where customers may purchase hot beverages and cold snacks for, primarily, in-house consumption or take away.
- Commercial caterers, in accordance with Ninemeier and Perdue (2005: 11), are for-profit businesses that produce food for groups at off-site locations. Some caterers have banquet space available for on-site use by groups desiring food services.

These establishments form the basis of the food and beverage sector and contribute to the overall tourism and hospitality experience of tourists by meeting certain psychological or social needs, all of which influences the tourist's satisfaction. The food and beverage sector contributes much to the competitiveness of a tourism destination, as a culinary tourist tends to be a more affluent traveller, meaning that participating in such a competitive sector requires employees that will ensure competitive advantage (Du Rand, Heath & Alberts, 2008:99; Cook *et al.*, 2010:182). Thus, it becomes necessary to look at the different food and beverage service employees, also as illustrated in Figure 2.3. Consequently, the different job categories of employees and their functions will be discussed in the next section.

2.2.1. Food and beverage service employees

The many different types of commercial food and beverage establishments attract different employees, who all have to be managed correctly to ensure efficient and effective service

delivery. The food and beverage service employees' service delivery in the food and beverage sector should therefore be seen as the critical dimension of quality (Crick & Spencer, 2011:469). Crick & Spencer (2011:469) argue that as far as customers are concerned, the employees' performance represents the service. An investigation into the different employees will ensure that the complex nature of the industry is understood. As seen from Figure 2.3, the different, commercial, food and beverage service employees (Lillicrap *et al.*, 2002:14-18) include, but are not limited to, the following as listed below:

- **Food and beverage manager:** Responsible either for the implementation of agreed policies or for contributing to the setting of catering policies, depending on the size of the establishment.
- **Restaurant manager:** Responsible for the organisation and administration of particular food and beverage service areas as well as for setting the standards for service and training of staff on or off the job.
- **Maître d':** Responsible for accepting any bookings and for keeping bookings up to date, reserving tables, allocating reservations to particular stations and for greeting guests and accompanying them to their table.
- **Head-waiter:** Responsible for, and in charge of all staff service, as well as the pre-preparation duties required for efficient service.
- **Station head-waiter:** Overall responsibility for a team of staff serving a number of sets of tables (also known as "a station"). The station head-waiter must have a good knowledge of food and wine.
- **Station waiter:** Works under the supervision of the Station Head-waiter at the station. Should be able to carry out the responsibility of the station head-waiter and relieve him/her on off days: together they provide speedy and efficient service.
- **Assistant station waiter:** Is next in rank after the station waiter and will assist where necessary.
- **Waiter:** Mainly fetches and carries, but may do a little service of vegetable or sauces, offers rolls, places plates and assists in clearing tables. During preparation, s/he will largely perform cleaning and preparatory tasks.
- **Trainee or "commis":** The main responsibilities here include keeping the sideboard well stocked and assisting with "fetching and carrying" and performing preparatory cleaning tasks. In general, an apprentice waiter.
- **Carver:** Responsible for the carving trolley and the carving of joints at the table as well as for plating the portions carved with the appropriate accompaniment.
- **Floor service employee:** Responsible for a complete floor(s), depending on the size of the establishment, and undertakes the service of all meals and beverages in rooms (room service).

- **Lounge employee:** Deals with lounge service in first class establishments, by providing all-morning coffees, afternoon teas, perhaps aperitifs and liqueurs before and after lunch or dinner and for keeping the lounge clean and presentable.
- **Wine butler or “sommelier”:** Responsible for the service of the alcoholic drinks during the service of meals, frequently expected to recommend a suitable beverage, thus increasing overall sales. Has a thorough knowledge of all drinks and the best wines to accompany certain foods. An understanding of the local liquor licensing laws is a prerequisite.
- **Cocktail bar employee:** Responsible and well versed in the skills of shaking and stirring cocktails with an excellent knowledge of all alcoholic and non-alcoholic drinks, together with those ingredients necessary for making cocktails, as well as the licencing laws.
- **Buffet assistant:** In charge of the food buffet in the dining room including the overall presentation, the carving and portioning of food and its service.
- **Cashier:** Responsible for billing and taking payments.
- **Counter assistant:** Found in cafeterias, where they would stock the counter and sometimes serve or portion food for customers.
- **Table clearers:** Responsible for clearing tables where there are no waiters or *commis*, usually with specially designed trolleys.
- **Catering employee:** Responsible for all event/function orientated duties, often augmenting the numbers of permanent staff, where additional staff are hired on a casual basis.

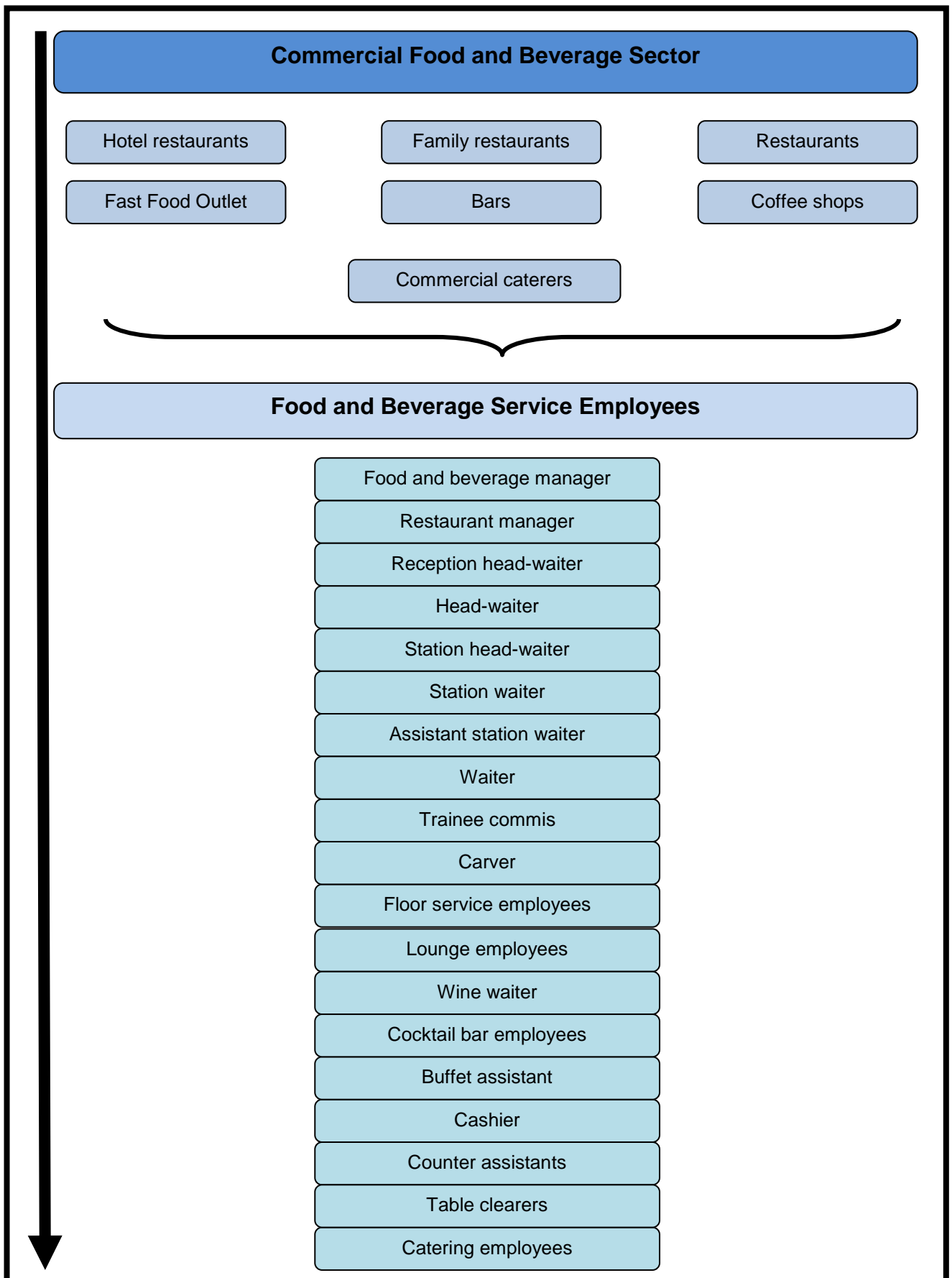


Figure 2.3: Commercial food and Beverage sector
Source: Adapted from Lillicrap *et al.* (2002:14-18)

The employee requirements will vary from establishment to establishment depending on size, location, type of establishment, service quality expected and monetary allowance. “The people make the place”, is one of the main arguments made by Schneider & Bowen, (1995:33), stating that people *are* the organisation in which they work. This led to an understanding that organisations and the people who work in and manage them are not separate entities. One of the human resource role outcomes is to increase employee commitment, this can be achieved by motivating employees’ intrinsic need to improve and develop themselves (Lundberg, Gudmundson & Andersson, 2009:897).

The following section will investigate the characteristics of the food and beverage sector, for there are many challenges faced in the sector. Employee management incorporates the implementation of strategies, plans and programs vital for the attracting, motivating, developing, rewarding and retaining of the best employees to reach the organisation’s goals and objectives (Tanke, 2001:4). This is, however, far easier said than done as, argued by Baum (2007:1383), as well as by Zhang & Wu (2004:424). The high stress-levels of the work, the numbers and cost of the required employees with the necessary skills to deliver quality services, in (often) poor working conditions with relatively low remuneration makes the implementation much harder than would otherwise have been expected. However, over the past 20 years there have been many improvements, although Baum (2007:1384) advises that in the food and beverage sector, productivity still remains low, working conditions remain poor and remuneration levels are still low.

2.2.2. Characteristics of the food and beverage sector

According to Rogers (2005:302), the food and beverage sector faces many formidable challenges such as consumers demand for high quality food, owners and shareholders demanding increased efficiency, increases in food prices, operating and labour costs, as well as the almost inevitable government regulatory requirements. These are, unfortunately, not the only constraints and challenges faced. Other challenges include long working hours (Bohle *et al.*, 2004:22), high employee turn-over (Gustafson, 2002:106), lack of experienced labour force (Marchante *et al.*, 2000:6), diminished wages (Lo & Lamm, 2005:23) and a dearth of opportunities for growth (training) (Aghazadeh, 2007:744). Together, they contribute to the most important challenge faced in the South African food and beverage sector that is, attracting and retaining suitable employees. Further, the South African labour market has a shortage of skilled employees and is characterised by very low worker productivity (George, 2008:21). This aspect should be addressed as the assumption is made that low worker productivity directly influences the quality of service delivery. Crick & Spencer (2011:465) argue that these challenges magnify the difficulty of *controlling quality* because of the multidimensional nature of services provided,

the *multicultural setting* and interaction that employees have with different cultures and the burden of *working long hours* and the *longer duration* of emotional, aesthetic and labour efforts for sustained service by employees. The role that people play in the vital progression of the global food and beverage sector therefore influences the overall service experience and delivery (Baum, 2007:1383).

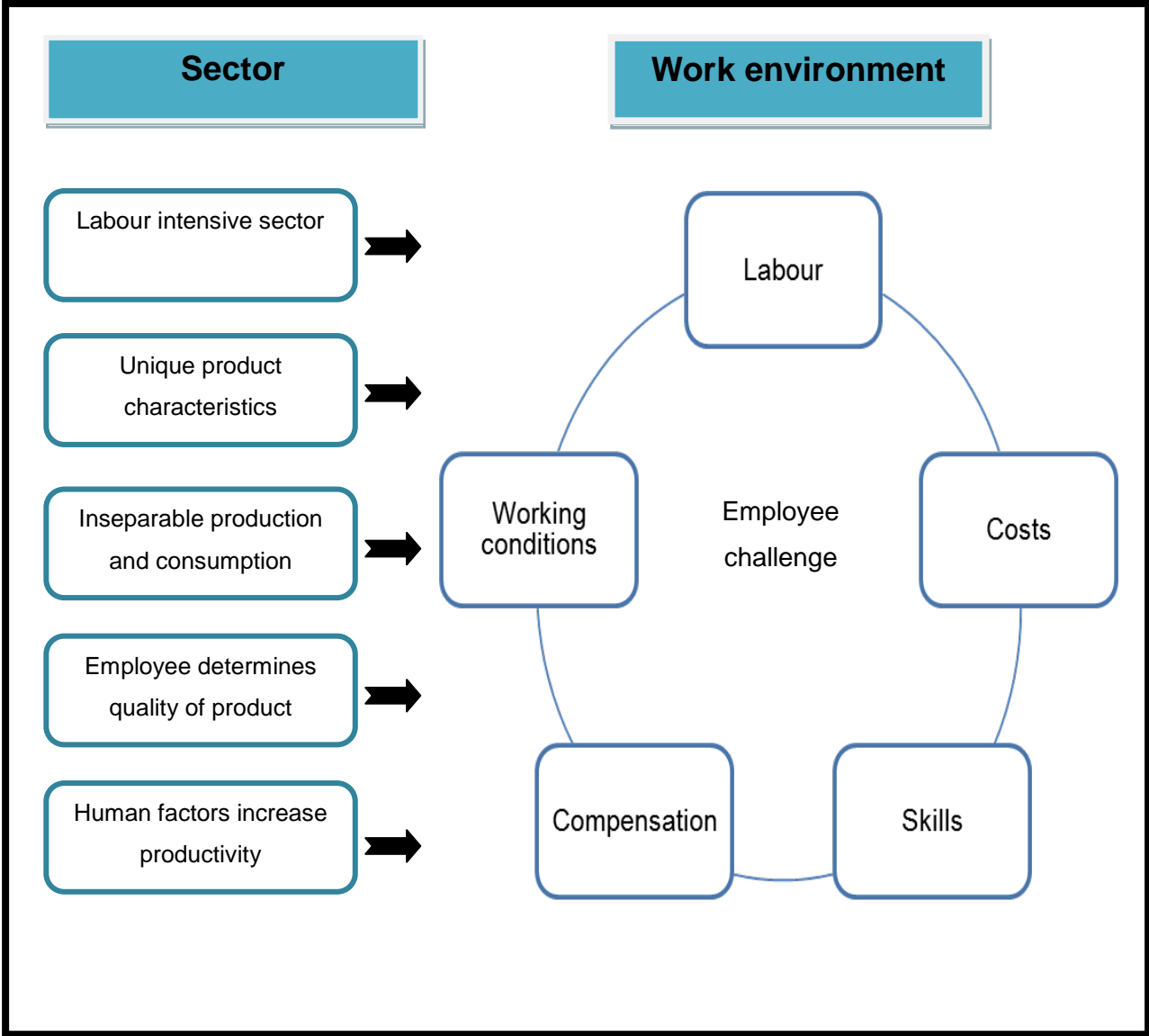


Figure 2.4: Work environment challenges of the Food and beverage sector
Source: Adapted from Pizam (1982:51-59); Marchante et al. (2000:6); Gustafson (2002:106); Bohle et al. (2004:22); Lo & Lamm (2005:23); Baum (2006:76); Aghazadeh (2007:744)

As shown in Figure 2.4, the food and beverage sector is characterised by many challenges, for the challenges are related to the sector itself, as well as being related to the working environment of the service employees. The sector related challenges include, but are not limited to, work intensity, unique product characteristics, inseparability of production and consumption,

the role that employees have and the human factor that influences productivity. The common work environment challenges faced in the food and beverage sector include the following (Baum, 2007:1383):

1. Labour

The food and beverage sector is the most labour intensive sector of the greater hospitality industry and is referred to as a “people” sector. It is largely reliant on service rather than products to differentiate establishments for competitive advantage; the role of employees in delivering quality service is thus essential. Problems seem to arise in the interpersonal relationships of employees who influence the service perceptions of quality and value (Ingram, 1999:141).

2. Costs

Successful establishments depend on effective revenue management for annual profits, the food and beverage sector is the same. This is, however, complicated by high employee turnover (Cho, Woods, Jang & Erdem, 2006:267; Dermody, Young & Taylor, 2008:4) as well as the accompanying costs. These can include recruiting, employing and training of new employees, as well as the prevailing economic climate, the nature of the establishment and the type of employee (Schultz, 2001:296). With this in mind, Cho *et al.* (2006:267) provides four methods for decreasing turnover rates:

- (1) developing a motivated workforce by training,
- (2) offering competitive compensation,
- (3) showing workers that they are respected and valued, and
- (4) providing rewards tied to performance.

3. Skills

The food and beverage workplace is widely characterised and dominated by a low skills profile or rather, by an uneducated, unmotivated, untrained, unskilled and unproductive employee (Baum, 2006:347). Employees must therefore be trained to be loyal, flexible, tolerant, amiable and responsible, for at every successful food and beverage establishment, it is the employees who stand in front of the guests and, too often, it is a poorly trained, minimum wage inductee on whom the reputation of the establishment relies (Ford, Sturman & Heaton, 2012:205).

4. Compensation

According to Sturman (2001:70), the hospitality industry has long been labelled as one that pays its workers less than other industries do. Of course, this also applies in the

food and beverage sector. Compared to other industries, the food and beverage sector employs a greater proportion of low-skill or part-time employees. Those workers generally earn less pay than skilled or full-time workers do. If the food and beverage sector does not attract or retain talented employees because of low pay, the long-term costs associated with attracting and retaining employees may far outweigh any short-term benefits associated with payroll savings (Sturman, 2001:76).

5. Working conditions

Herzberg's (1987:8) two-factor theory explains the behaviour of employees who struggle in unpleasant working conditions, and once more emphasises the importance of good working conditions if employees are to function optimally. Working conditions are created by the interaction between employees and their physical work environment, of which there are three sub-elements, the physical working conditions, psychological working conditions and the physical layout (van Dyk, 2001:62). The physical working conditions refer to the place of work and the availability of facilities in which the employee works and must function effectively; the psychological working condition refers to the psychological effect of work pressure and expectations; and the physical layout of the job refers to the neatness, organisation, convenience, attractiveness and stimulus values of the working environment as experienced by the employees (Diaz-Martin, Iglesias, Vázquez & Ruiz, 2000:133).

These challenges have to be met and overcome. This can be accomplished by improving and maintaining employee management practices that are aimed at satisfying the needs of the employees to reduce stresses and improve working conditions. Employee management policies and practices have a strong relationship with high performance of organisations (Haynes & Fryer, 2000:240). For this reason, an understanding of the importance of employee management is needed.

2.3. Employee management

The critical dimension for the successful delivery of services are people and, according to Baum (2007:1383), success lies in the recruitment, management, training and education of employees while still valuing, rewarding, supporting, teaching and improving career development opportunities for employees. Tanke (2001:4) agrees, and states that when providing services to guests, a manager's primary resources are the employees. It is further argued that all managers have the primary responsibility of human resource management. The hospitality industry is very labour intensive and even though people are difficult to manage, it is the role of the

management to ensure that the employees are managed correctly to gain competitive advantage (Tanke, 2001:4; Chapman & Lovell, 2010:78).

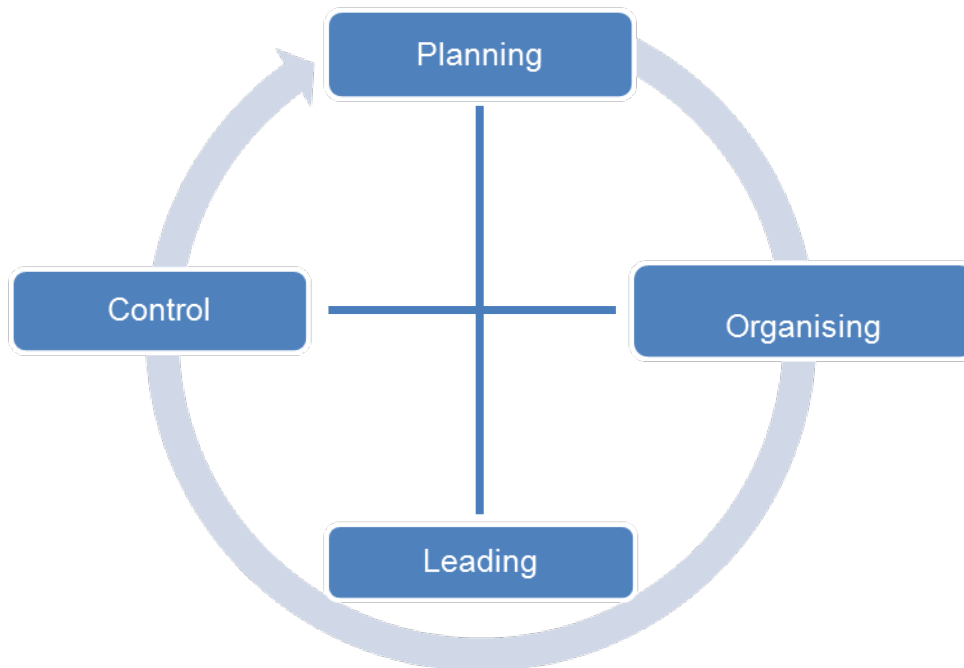


Figure 2.5: Process approach to management

Source: Adapted from Kroon (1990:59) and Saayman (2009:59)

According to Saayman (2009:59), management is a process approach (Figure 2.5), that describes management as the activity regarding the instrumentation of people, work and systems in achieving business objectives. Page & Connell (2009:645) agree, stating that management is a process of getting things done by using the four primary tasks of planning, organising, leading and control of people and resources. These four tasks form a critical part of the process approach to management and can be regarded as the key functions of management, as shown in Figure 2.5. These four tasks are briefly discussed below.

- **Planning**

Planning is the setting of goals and determining through what means the goals will be achieved (Page & Connell, 2009:112). Barrows *et al.* (2012:541) agree and indicate that planning is the work that managers (and employees) do to visualise the future in a concrete way and to determine the course of action needed to achieve goals. These descriptions indicate that the setting of goals is one of the most important elements of planning. This will be elaborated on subsequently. According to Saayman (2009:117), there are three (3) distinct types of planning, shown in Figure 2.6, which is integrally related to the three (3) different levels of management.

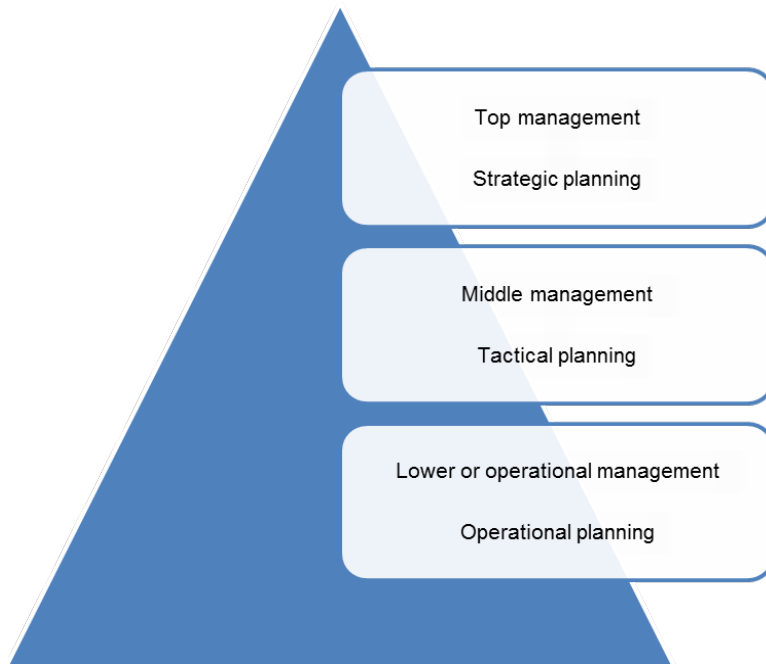


Figure 2.6: Levels of planning

Source: Adapted from Saayman (2009:117)

As shown in Figure 2.6, different levels of management require different types of planning. Top management utilises strategic management, which is long-term in nature, includes all aspects of the business and determines policies. Tactical planning, as used by middle management, is medium to short-term and has a close relationship with operational planning. It identifies the strong and weak points of service provision, develops the organisational structure to reach aims and allocates the resources in the business. Operational planning is short-term in nature, is based on functional problems, monitors the level of service provision and creates opportunities for feedback.

- **Organising**

Work functions are broken down into task and assigned to individuals. This component also includes the design, structuring and co-ordinating of all business components to reach objectives (Page & Connell, 2009:112; Saayman, 2009:60).

- **Leading**

Leading involves the inter-relationship of staff, as well as the motivation of staff, to reach business objectives (Saayman, 2009:60). It is the method of motivation and influencing staff to perform tasks effectively (Page & Connell, 2009:112; Alonso & O'Neill, 2011:76).

- **Control**

This task is the method of gathering information on what has to be done, as well as controlling the members of the organisation, and thereafter using the data collected to correct deviations from the agreed plans. Control defines the process of the organisation and the effectiveness of the business as a whole (Page & Connell, 2009:112; Saayman, 2009:60).

These tasks all have a common purpose and that is to reach or achieve the goals and objectives of the establishment. This is, however, a continuous process and management should be aware of the risks that can be avoided if proper management is implemented. Describing goals and objectives is therefore necessary to understand the impact of management on the performance of the establishment.

- **Setting goals**

Setting goals gives management the opportunity to clarify their expectations for employees. At the same time better performance may be motivated as challenging and attainable goals are reputed to lead to higher performance levels (Ford *et al.*, 2012:247). There are, however, a few *caveats* to note when goals are being set. These are referred to as the SMART principle, where goals must be **S**pecific, **M**easurable, **A**ttainable, **R**esult orientated and **T**ime bound. If used correctly, goal-setting can be an excellent motivational tool (Page & Connell, 2009:647).

- **Objectives**

Objectives specify what an organisation desires to accomplish, and should be seen as the way in which the goals will be reached (Tanke, 2001:36).

As previously mentioned and discussed in section 2.2, the food and beverage sector is characterised by many challenges. These challenges can be improved upon with the correct management and particularly the setting of realistic, but challenging, targets, goals and objectives (van Dyk, 2001:59; Barrows *et al.*, 2012:548; Ford *et al.*, 2012:248).

According to Kusluvan, Kusluvan, Ilhan & Buyruk (2010:187-191), the most researched job attitudes and behaviours include turnover, job satisfaction, work motivation, job stress and organisational commitment (Smith, Gregory & Cannon, 1996:4). Setting objectives based on these attitudes are crucial to improving service delivery and performance goals. To formulate objectives, it is necessary for management to recognise and understand the influence of various aspects as they relate to job attitudes. These aspects, in return, can have either a beneficial or

a detrimental effect on establishment performance and employee service delivery. These aspects are summarised in Table 2.1.

Table 2.1. Antecedents and Consequences of Major Job Attitudes/Behaviours

Attitude	Influential aspect	Related to	Literature
Turnover	The work itself; routine work; long, irregular, and unsociable working hours; workload; role ambiguity; role conflict; work-family conflict; resource inadequacy; pay; benefits; reward systems; job satisfaction; organisational commitment; life satisfaction; supervision; recruitment and selection; promotion and career development opportunities; orientation; training and development opportunities; job security; social relations with co-workers and managers; management styles; skills and practice; organisational culture; labour shortages; stress and burnout; personnel management practices; career planning and management; skill acquisition through job hopping; better jobs and work conditions within tourism; mobility and career progression; better employment opportunities in other sectors of the economy; instability of tourism demand; subjective norm; discrimination at the workplace; false expectations; performance-based dismissals; moving to another location; communication; intrinsically transient staff; changes in ownership and leadership; turnover culture; union loyalty; labour management participation program; incentive plans; pre-employment tests; image of the industry; social status of jobs; appreciation; employee participation and empowerment; change of owners or managers; change of key personnel; physical working conditions; poorly managed small and medium-sized enterprises; turnover culture; unmet employee expectations; secondary labour market personnel who want to work temporarily; personality; employees' personal circumstances; justice; managers' behavioural integrity; organisational support; employment status; demographic factors such as age, education, and tenure.	Profits, turnover costs, quality and consistency of services, placement recruitment training costs, profitability, productivity and efficiency of continuing staff, drained resources, employee morale, teamwork, reputation of the firm, unfulfilled business objectives	Cho <i>et al.</i> (2006); Farrell (2001); Kusluvan & Kusluvan (2004); Lam, Lo & Chan (2002); Milman & Ricci (2004); Pizam & Thornburg (2000); Rowley & Purcell (2001); Tracey & Nathan (2002).

Job satisfaction	<p>Pay and benefits; reward systems; recognition; employee participation and involvement; routine/ repetitive work; role conflict; role ambiguity; role clarity; opportunities for promotion and career development; negative affectivity; work overload; unchallenging and meaningless work; employee training and development; supervision; management/leadership styles; work involvement; job security; empowerment; employee selection; orientation and training; career management; performance evaluation; supervisor social support; co-worker social support; peer cohesion; organisational culture; organisational climate; resource adequacy; service orientation; work environment; mutual respect; knowledge sharing; justice; perceived organisational support; long working hours; nights and weekend schedules; stress; demanding supervisors and duties; work-family conflict; quality of life; unsocial working hours; company politics; labour shortages; employee motivation; unmet employee expectations; co-worker attitudes; communication with managers and with co-workers; demographic variables such as age, tenure, and education; congruence of national culture of managers and employees.</p>	<p>Organisational commitment, employee communication, customer satisfaction, customer focus, job performance, turnover, positive employee behaviour, employee satisfaction and intent to remain</p>	<p>Arnett, Laverie & McLane (2002); Donovan, Brown & Mowen (2004); Fienstein & Vondrasek (2001); Karatepe, Avci, Karatepe & Canozar (2003); Lam (2003); Lam, Baum & Pine (2001); Lam, Zhang & Baum (2001); Milman & Ricci (2004); Sarker, Crossman, & Chinmeteepituck (2003); Spinelli & Canavos (2000); Testa (2002).</p>
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<p>Work motivation</p>	<p>Pay, respect, job security, being a part of organisation, employee recognition and appreciation for accomplishments, tactful discipline, job security, interesting work, feeling of being “in on things,” sympathetic help with personal problems, opportunities for advancement and development, working conditions, personal loyalty to employees, relationship with supervisors, bonus, demographic factors, rewards, work environment, the work itself, personality traits, job design, gain sharing, behaviour modification techniques, leadership behaviours, employee group cohesiveness, long working hours, nights and weekend schedule, stress, demanding supervisors and duties, time for family and social activities, quality of life, routine, company politics, management, labour shortages, demotivated employees, poor co-worker attitudes and behaviours.</p>	<p>Service quality, organisational performance, employee accuracy and timeliness, improved employee performance</p>	<p>Hays & Hill (2001); Henry, Butcher, Browne, Hinds & Jayawarderna (2004); Steers, Mowday & Shapiro (2004).</p>
<p>Job stress</p>	<p>Workload, politics in the workplace, misuse of time by other people, being undervalued, recognition and appreciation of employees, career and promotion opportunities, supervisor attitudes and behaviours towards employees (guidance, communication, pressures, favouritism), communication practices of management, staff shortages, management style, turnover, justice, trust, job security, organisational culture, organisational structure, management’s concern over employees’ family-related problems, irregular working hours and shifts, inadequate tools and equipment, long working hours, role conflict, role ambiguity, participation in decision making, consultation and communication, pay and compensation, inadequate feedback, work reutilisation, job autonomy, interpersonal relationships with co-workers, unpleasant and arrogant co-workers, unhealthy working conditions,</p>	<p>Employee performance, physical and psychological well-being, turnover, job strain, absenteeism, productivity, job satisfaction, sick days, on-the-job accidents,</p>	<p>Cho et al. (2006); Farrell (2001); Kusluvan & Kusluvan (2004); Lam, Lo & Chan (2002); Milman & Ricci (2004); Steers, Mowday & Shapiro (2004).</p>

	performance evaluation, boring jobs, constant interaction with other people, difficult-to-please guests, too many changes, lack of time for family and social activities, limited holidays, meeting high customer expectations, workplace communication.	employee morale, job satisfaction	
Organisational commitment	Compensation, satisfaction with organisational policies, work conditions, advancement and career development, union loyalty, job satisfaction, mentorship, subjective norm, the job itself, HRM practices, interpersonal and procedural justice, managers' behavioural integrity, supervision, training, morale, customer contact, leadership behaviours, employee group cohesiveness, perceived organisational support, unmet expectations, unchallenging and meaningless work, communication with managers, communication with co-workers.	Job involvement, service orientation, intention to quit, turnover, discretionary service behaviours, guest satisfaction	Feinstein & Vondrasek (2001); Lam (2003); Lam, Lo & Chan (2002); McGunnigle & Jameson (2000); Susskind, Borchgrevink, Kacmar & Brymer (2000);

Source: Adapted from Kusluvan, Kusluvan, Ilhan & Buyruk (2010:187-191)

As shown in Table 2.1., all these job related aspects have a major influence on the working environment of employees as well as on the satisfaction that employees experience at their place of work. Satisfaction with the working environment is closely related, and contributes to, Quality of Work Life, which is an extensively researched topic on the improvement of the working conditions of employees. Quality of work life is a process by which organisations respond to employees' needs by developing the mechanisms needed to allow the employees to share fully in making the decisions that design their lives at work (Kiernan & Knutson, 1990:103).

Thus, the effective management of employees and their working environment, as well as addressing those sector specific challenges, is something that cannot be disregarded, particularly in a service sector such as the commercial food and beverage sector. With this in mind, the next section will discuss the challenges faced by the South African food and beverage sector.

2.4. South African food and beverage sector

The South African food and beverage sector is currently experiencing challenges that greatly influence the quality of service delivery and productivity. These challenges include, but are not limited to, employment, wages, service delivery and education and training. This section elaborates on these challenges. Thereafter, some of the future developmental opportunities of the South African food and beverage sector are investigated.

2.4.1. Current challenges

According to Statistics South Africa (2012a:2), the food and beverage sector grew during the period between February 2011 and February 2012 in the country. This growth was most prominent amongst take-away and fast food outlets (3.9%), restaurants and coffee shops (3%) and catering services (1.9%). Although there appears to be growth in the country, concerning the food and beverage sector, these figures only represent 10% of the total population surveyed (Statssa, 2012a:7). Investigating four (4) very distinct improvement opportunities namely employment, wages, service delivery and education and training, will shed some light on the current national situation.

2.4.1.1. Employment

According to the National Treasury (2011a:39-40), South Africa faces a chronic employment crisis that affects all sectors of the economy. Creating millions of jobs and getting more people

into economic activity is the crux of government's agenda. Employment is not only about earning an income; it is the pre-condition for a decent life. President Jacob Zuma (President of South Africa) announced in the 2011 State of the Nation Address, the importance of government's focus on job creation. One of the most pressing concerns for South Africa is the lack of jobs for young people. The unemployment rate among individuals below 25 years of age is about 50% and, potentially, this problem will lead to exceptionally negative consequences for South Africa. The South African government has identified sectors for the New Growth Path where tourism, and its associate sectors, should create 225 000 new jobs by 2015 (National Treasury, 2011b:48). Tourism was also identified as a developing skills development area, contributing to the desired job creation that will decrease poverty that, in South Africa, has currently become marginally more widespread, particularly in the rural areas. The largest segment of the population is unemployed and the majority live in informal settlements and/or rural areas where poverty is still common (Mashigo, 2012:330). The reduction of poverty through job creation is, however, not the only problem that should be addressed, seeing that a job is just a means to an end, and, for many South Africans, that end is a salary.

2.4.1.2. Wages

In the food and beverage sector and in the hospitality industry in general, wages have always been poor, as most hospitality and food and beverage establishments make use of unskilled and largely uneducated employees. According to the South African Department of Labour (2007:5), the salaries for employees in the food and beverage sector, can be determined by using the following formula:

Minimum wage + CPIX + 2%.

The minimum wage of food and beverage employees for the term 2011-2012, according to the Department of Labour (2011:online), is fixed at R8.34 per hour in area A (metropolitan) such as Bergvliet, Buffalo City, City of Tshwane, Emalahleni, Richtersveld, Nama Khoi, Johannesburg and others. In area B (rural municipalities), the wages are fixed at R7.06 per hour. The consumer price index (CPIX) for August 2012 is set at 5.0% (Statssa, 2012b:1). This means that in rural areas, employees' salaries will be determined as follows:

R7.06 + 5% + 2% = R7.55 per hour.

The Department of Labour (2007:9) states that employees must work 45 hours a week, unless overtime is specified, thus

45 hours x R7.55 x 4 weeks = R 1359 per month.

This poor payment does not allow for much, if any, personal saving and growth. South Africa is one of the world's most unequal societies in respect of the differences between affluent and the poor, so rapid growth and speedy poverty reduction is necessary. Sustained economic growth and labour absorption is needed (National Treasury, 2011a:40). Low wages, in turn, contribute to a degree of resentment, leading to poor service delivery, as employees become demotivated by the lack of their own economic empowerment.

2.4.1.3. Service delivery

Service delivery in South Africa has recently been scrutinised by authors such as Mle (2012:297); Manyaka & Sebola (2012:300); as well as Mafunisa, Sebola & Tsheola (2012:209). In 2010, South Africa experienced one of the most devastating strikes in recent years. This strike cost the country up to R1 billion daily as well as having a massively negative effect on the country's image and shaking the confidence of potential (and existing) investors (Mle, 2012:297). This indicates the dramatic effect that service delivery has on an economy.

South Africa has adopted performance management as a tool to achieve effective management. There are, unfortunately, shortcomings with this tool that lead to poor service delivery. The main weaknesses would seem to be inadequate managerial and technical skills, lack of training and development and an inability to enforce the system and a substantive performance culture (Manyaka & Sebola, 2012:300). According to Mafunisa, Sebola & Tsheola (2012:209), service delivery protests are becoming a more pervasive aspect of the current changing political landscape in South Africa. Lately, not even a week passes without headlines on service delivery protests in one area or another. This is despite the fact that the African National Congress's (ANC) 2007 Polokwane Resolutions adopted a more pro-poor stance concerning issues of socio-economic development. It is possible that the lack of service-delivery that leads to protests and confrontation could be improved by adopting stringent management measures and pro-active strategies to improve management's performance, and employees' job satisfaction.

2.4.1.4. Education and training

According to the South African Department of Basic Education (2011:21), the South African education situation is concerning as the estimated performance for 2011-2012, concerning the National Senior Certificate (NSC), looks desolate, with only an estimated 44% of matriculants receiving their NSC. By the age of 22, 56,6% of youth are neither attending any educational

institution, nor working, while just 28,7% are working and 14,7% are still attending an educational institution. The youth of South Africa is at risk of becoming unemployable and falling into chronic, systemic poverty (Statssa, 2011a:iii). Approximately 59,3% of the unemployed in South Africa do not have a NSC. This figure alone indicates that skills and training should be addressed immediately (Statssa, 2012a:xv). This lack of skills and training influences the entire South African labour force, especially the food and beverage sector, which is notoriously characterised by low skill level employees.

There are, however, organisations who focus on the improvement of the food and beverage sector by improving education and training. The leader in skills development, education and training in South Africa for the food and beverage sector is, without a doubt, the Culture, Art, Tourism, Hospitality and Sport Education and Training Authority (CATHSSETA, 2012:online). CATHSSETA is the Sector Education and Training Authority (SETA) established under the Skills Development Act (No 97 of 1998), the Skills Act, for the Tourism, Hospitality and Sport Economic Sector.

A SETA's main function is to contribute to the raising of skills, to bring skills to the employed, or those wanting to be employed, in their sector. According to FoodBev (2010: online) sector education and training authority (SETA), their function is to promote, facilitate and incentivise skills development. The purpose of the SETA's is described in the Skills Development Act (SDA) and aim to:

- develop the skills of the South African workforce;
- improve the quality of life of workers and their prospects of work;
- improve productivity in the workplace and competitiveness of employers; and
- promote self-employment.

CATHSETA does this by ensuring that people learn skills that are needed by both employers and communities. These goals are focused on the employees, as they are the most important aspect to consider in the food and beverage service sector. Examining the important contribution that employees have on establishments' success, and the overall service delivery and productivity is thus crucial.

2.4.2. Future developmental opportunities

The following factors all influence the overall economic prosperity of South Africa and consequently, the food and beverage sector. Some of these factors raise challenges that must be managed correctly to ensure that, in the future, the adverse influence of these challenges are reversed to become positive growth opportunities.

2.4.2.1. South African competitiveness

The World Economic Forum (2012:4) defines competitiveness as the set of institutions, policies and factors that determine the level of productivity of a country. The level of productivity, in turn, sets the level of prosperity that can be achieved by an economy. The productivity level also determines the rates of return obtained by investments in an economy, that in turn are the fundamental drivers of its growth rates. In other words, a more competitive economy is one that is likely to grow faster over time. The concept of competitiveness thus involves static and dynamic components: although the productivity of a country determines its ability to sustain a high level of income, it is also one of the central determinants of its return on investment (ROI), which is one of the key factors explaining an economy's growth potential.

In the Global economy (measured out of 142 countries), South Africa is currently 50th in terms of competitiveness; however it is the highest ranked country in Sub-Saharan Africa and is rated 2nd highest in the BRICS (Brazil, Russia, India, China and South Africa) economies. The factors that benefit together with the factors that challenge South Africa's competitiveness are shown in Table 2.2. As shown, South Africa is faced with challenging factors that include wage determination, the relationship between employers and employees, the costs associated with crime and violence as well as those associated with maintaining the health of the workforce.

Table 2.2. South Africa's competitiveness in the global economy

Beneficial Factors	Score out of 142 countries
<ul style="list-style-type: none"> • Large economy 	25 th
<ul style="list-style-type: none"> • Market efficiency 	32 nd
<ul style="list-style-type: none"> • Financial market development 	4 th
<ul style="list-style-type: none"> • Business sophistication 	38 th
Challenging Factors	
<ul style="list-style-type: none"> • Wage determination 	138 th
<ul style="list-style-type: none"> • Labour-employer relationship 	138 th
<ul style="list-style-type: none"> • Costs of crime and violence 	136 th
<ul style="list-style-type: none"> • Health of the workforce 	129 th
Problematic factors for doing business	
Inefficient government bureaucracy (19.6%)	
Inadequately educated workforce (16.8%)	
Restrictive labour regulations (16.1%)	
Corruption (11.5%)	

Crime and theft (9.8%)
Inadequate supply of infrastructure (8.0%)
Poor work ethic in national labour force (5.5%)
Access to financing (3.5%)
Policy instability (3.2%)
Foreign currency regulations (1.9%)
Poor public health (1.8%)
Inflation (1.1%)
Tax regulations (0.8%)
Tax rates (0.5%)
Government instability/coups (0.0%)

Source: Adapted from the World Economic Forum (2012:39; 2012:332)

The World Economic Forum identified the factors that either benefit or challenge the South African economy (2012:39), as well as identifying the problematic factors (2012:332) of doing business. Government inefficiency, bureaucracy and an inadequately educated workforce are the most pressing matters. The challenges discussed in the next section are the most prominent. Even though they are already recognised by Government as needing improvement, some of them will take up to 20 years to rectify.

2.4.2.2. Employment

In his 2012 State of the Nation Address (SONA), President Jacob Zuma declared that 2011 was the year that employment had improved, and that unemployment had decreased from 25% to 23.9%. However, improvement in unemployment, even a 1.1% decrease, is neither sufficient nor sustainable. Daniels (2012:23) states that 800 000 scarce-skill vacancies are available, but the available graduates do not possess the necessary skills to fill them. If this is the case, and it is acknowledged that graduates are struggling to find employment, then the unskilled or uneducated labour force must be even worse off. The Department of Labour (2012:20) states that there are two notable features of the country's unemployment crisis. They believe that, firstly, the unskilled are, simultaneously, the most likely to be the first to lose their jobs in periods of employment contraction and the least likely to be hired in periods of employment expansion. Secondly, the youth, which currently constitutes 75% of the unemployed, are the dominant, identifiable unit within this group of long-term unemployed individuals. One industry that was identified by the New Growth Path as offering hope is tourism, as it incorporates scarce skill development, and as has already been seen, the option of absorbing unskilled workers. Government's plan to decrease unemployment is fused together in multiple strategies and

targets that must be reached by 2013, of which the Unemployment Insurance Fund (UIF) is one of the most referred to (Department of Labour, 2012:47).

As education and skills development play such a vital role in decreasing unemployment, the next issue to be discussed is education and training.

2.4.2.3. Education and training

The problem with the schooling system in South Africa (Selebalo, 2012:online) is that the focus falls primarily on the introduction of pupils to Grade R rather than on ensuring that pupils complete their National Senior Certificate (NSC). Currently, approximately 56% of pupils drop out of formal schooling before reaching Grade 12. Further, the current pass rate is between 30% and 40% with the majority (93%) of Grade 12 pupils passing their final examination with less than 50%. The dismal pass rates, together with the limited capacity of tertiary institutions, allow a mere 10% (approximately) of South African pupils to attend universities. This is further complicated by 640 000 graduates who are still unemployed because, even with a university diploma or degree, they do not possess the necessary skills. The gap between quality education and industry expectations in terms of skills needed should therefore be narrowed, for example, by encouraging students to follow vocational pathways as this would be of great assistance to providing the skilled workforce South Africa urgently needs (Daniels, 2012:23). One possible solution for the South African food and beverage sector could be to establish government subsidised vocational schools for training and skills development in, for example, hospitality management, food and beverage operations and food preparation to name but a few of the short-skills areas.

The problem is, however, tenaciously rooted in the Early Childhood Development Phase. Despite the Department of Basic Education (2012:3) striving for quality learning and teaching for all, as well as seeking learner performance that measures up to desired standards by prioritising and aligning the Delivery Agreement and the *Action Plan to 2014: Towards the Realisation of Schooling 2025*, South Africa's schooling system performs well below its potential. Improving basic education is a prerequisite in South Africa to achieve its long-range developmental goals. It was perhaps for this reason that improving the quality of basic education was declared as the first of 12 outcomes representing the top priorities for government (Department of Basic Education, 2012:7).

2.4.2.4. Infrastructure development

The South African Government has, according to Sathekge (2012:15), announced a R4 trillion infrastructure development plan over the next 20 years, subsequent to the Presidential Infrastructure Development Conference held on the 19th of October 2012. The plan focuses on localisation, job creation and rural development. COSATU (Congress of South African Trade Unions) supported both the plan and the government's practical approach. The most prominent developments include the provision of transport infrastructure and social clusters, such as higher education infrastructure and schools (Sathekge, 2012:15). South Africa's economy is intended to benefit from these developments in terms of growth and prosperity. The growth to be experienced by South African industries, including tourism and hospitality, will subsequently filter into many sub-sectors of the economy, not least of which is the food and beverage sector.

2.4.2.5. Future trends

The major future trends that have to be considered in the hospitality industry, and therefore the food and beverage sector, include food culture, health and wellness products, dining out, as well as applied technology. Thus, these trending issues are discussed below.

- **Food culture**

Schumacher (2010:10) states that "small is beautiful", and that small is something more than weight-management driven portion control. It is a conscious reaction to bigger is always better, and a rejection of excess. Consumers are coming to appreciate that there is wisdom in smaller portions, as they savour and appreciate that less is more. However, the expansion of national cuisines from the migrant populations, and of course, the inherent dangers of the fast food culture should be monitored (Lukovitz, 2012:online).

- **Health and wellness**

According to the Hartman group (2011:12), there is currently a greater focus on a person's genetic makeup and their response to specific foods and ingredients. They believe that personalised nutrition will likely be a major theme throughout the 21st century and while the complexities of individual genetics, including diet and specific health risks, are unravelled and understood. This is sometimes explained as "nutritionism", referring to the nutritional value of food as the sum of all its individual nutrients, vitamins, and other components. Another aspect of the term is the implication that the only point of eating is to promote bodily health (Pollan, 2009:16). This has prominent influences on take-aways, as consumers are becoming more

health conscious (Stensson & Hensley, 2011:online). The food and beverage sector should look at health options on their menus to ensure that consumers return to their establishments.

- **Products**

The following product categories have been separated to indicate the importance of product development in the food and beverage sector.

Beverages

Noone (2012:online) states that consumers have become discriminating when it comes to beverages, regularly seeking interesting (that is, new) varieties. Carbonated soft drinks (CSDs) are increasingly seen as a treat rather than everyday liquid refreshment. Another example is that a few top coffee outlets have begun packaging their cold brewed coffee in glass bottles for ice coffee moments (Lukovitz, 2012:online). The growth of boutique coffee houses is a world-wide phenomena.

Super fruits

According to Beverage World (2012:online), fruits and juices are proving a new favourite among athletes and health-focused consumers looking to reduce inflammation, speed recovery and promote overall health as juices contain many antioxidants (Hartman Group, 2011:28).

Dairy

Innovative consumers concerned with seeking high-quality fat for their diet seek grass-fed dairy products made from Jersey, Guernsey and Brown Swiss cow breeds, as they produce milk with higher levels of butterfat with greater nutritional value. Rich in vitamins A and D, omega 3s and conjugated linoleic acid, which protect against disease and stimulate the immune system, milk from grass-fed cows is experiencing an upsurge in demand (Hartman Group, 2011:29).

Snacking

According to SymphonyIRI group (2012:online), snacking is now seen as an integral part of a healthy lifestyle. The desire for less processed, “real foods” and global flavours is shifting as consumers are looking for snacks containing naturally occurring protein and fibre (Hartman Group, 2011:33).

- **Dining out**

Consumers are looking for less luxurious and formalised establishments, and rather seek casual, democratic environments that express warmth and authenticity. Service here may be

less formal, encouraging a more relaxing experience, the perfect environment to be nourished. Nevertheless, this relaxed dining atmosphere does not extend to the kitchen, where ambition and creativity flourish and ingredients and talent shine, and the pressures to meet the expectations of the diners cause stress levels to peak (Hartman Group, 2011:43).

- **Technology**

There are iPads, Facebook, Twitter and a phenomenon known as “The Cloud”. Growth in technology is a good thing, and it is happening at a rapid pace, so the food and beverage sector needs to stay up-to-date with advancements in technology. Technology has changed the way that society works, plays and communicates with the world (Clarion computers, 2012:online). Technological advancements relating to the consumer, as well as the sector itself, are discussed below.

Technology for consumers

Smartphones that are used to scan Quick Response Codes could possibly be an innovative way to incorporate additional product information as, for example, scanning codes gives the consumer access to nutritional values and product information (Hartman Group, 2011:51). Smartphones enable consumers to login to Facebook and mobile phone applications, and to online review sites. These show that the social media-aware consumer (that is, frequent users of at least one social media tool, including Facebook, Twitter, mobile phone applications such as Foursquare or Urban Spoon, or online review sites such as Yelp) are more active as customers of the restaurant sector (Stensson & Hensley, 2011:online).

Technology for the food and beverage sector

According to Veenhuizen (2011:online), future kitchens will include a few new and improved developments. These developments are briefly discussed below.

Sous-vide cooking

The biggest change in restaurant kitchens in the past 10 years has been the take-up of *sous-vide* and low-temperature cooking. *Sous-vide* or Cryovac machines extract the air from a bag containing the food, and can compress the food under pressure. Immersion circulators are water baths with digital thermostats and paddles designed to keep the poaching liquid at an even and degree-specific temperature for up to days at a time. The two machines are usually used in tandem, although some chefs use the compression machine simply to compress fruits, or poach things directly in the water bath without bagging them. This is both the future, and the end of the commercial microwave (Mortensen, Frost, Skibsted & Risbo, 2012:76).

Steam and Combi-ovens

In the same way that induction cooking has made stovetops faster, cooler, cleaner and “greener”, advances in oven technology have also led to changes. Steam ovens are now customarily used by restaurant chefs to retain food colour, to keep the food nutrients high and to minimise shrinkage caused by cooking. Early steam ovens forced chefs to choose either fast and healthy steam-cooking or the crisping and browning capabilities of traditional convection ovens. The alternative was to install an oven of each type in the kitchen. However, new generation combi-ovens are capable of producing both steam and hot, dry air, thus allowing chefs, professional or otherwise, to not only bake their cake, but, if the recipe calls for it, to steam it too.

Cooling systems

Advances in kitchen technology are not limited to the warm end of the thermometer. From manufacturers such as Liebherr and Samsung comes a new refrigerator temperature zone (colder than the rest of the fridge, but not freezing) that dramatically reduces food spoilage. The wine-lover is not forgotten. Dedicated wine fridges allow space-poor oenophiles to stash prized bottles at temperatures and humidity levels ideal for cellaring. For the true enthusiast, there are now multiple temperature zone models available that allow wine to be table-ready at a number of different temperatures.

- **Green initiatives for the food and beverage sector**

Environmentally friendly, “green” or eco-friendly refers to policies and guidelines to make consumers aware of eco-friendly initiatives and products, and so to minimise the harmful impact on the environment (Wearing & Neil, 2012: 37). According to deBlanc-Knowles (2003:online), food and beverage establishments consume more energy per square meter than does any other sector, consume large quantities of water and energy and produce large amounts of both liquid and solid waste. This had led to more food and beverage establishments implementing green initiatives. Graci & Dodds (2008:253) indicate that research suggests that there are different factors that affect environmental commitment for the various sectors. Some recommendations that were made by Roos, Kruger & Saayman (2011:62) for hotel managers in South Africa include the implementation of environmental policies, that education and training in environmental issues should form part of employee induction programs and the use of more natural, non-toxic cleaners and sanitisers be emphasised. These recommendations are applicable to the food and beverage sector, also.

According to Kasavana (2008:140), a healthier environment and workspace has led to many food and beverage establishments renewing their interest in building materials, interior

decorating schemes and waste management strategies. Some of the eco-friendly approaches that are used now in the food and beverage sector are, according to Belli (2010:online), the use of eco-trays such as a wine barrel top as a serving platter, recycled green glass cake platters, tree stump cutting board and wine bottle cheese platters. These eco-friendly products and initiatives are not just functional, but are aesthetically pleasing. Not only do they create an appealing atmosphere, but also they are financially beneficial for the establishment. Related areas of compliance include a re-lamping campaign involving the installation of fluorescent lighting (with a possible 75% saving), using gas for cooking instead of electrical, installing energy-efficient hand-drying units, and a reduction in air-circulating usage as a result of a no-smoking policies. Many hotels are now recycling their used soap bars from wash-hand basins and baths. The reduction in the amounts of garbage generated, combined with the ability to donate food savings to community and school projects, will also demonstrate social responsibility (Kasavana, 2008:140; Tzschentke, Kirk & Lynch, 2008:127). Additional benefits of environmental management, as indicated by Kirk (1995:3-8), include increased profitability, increased customer satisfaction and improved employee satisfaction. Improved relationships between the establishment and the community may improve public relations and thus can be used as a marketing advantage.

However, these eco-friendly initiatives create further management complications as employees have to be trained and educated to be "greener", more ecologically aware. The food and beverage sector can no longer ignore their impact on the environment, and green initiatives should be incorporated into their business strategies.

The opportunities and future trends, as discussed above, are vital for the expansion and protection of South Africa's economy. The economy as a whole is divided into many different industries with associated sub-sectors. Tourism is a leading sector and the food and beverage sub-sector is a prominent contributor to the South African Gross Domestic Product (GDP). Although the challenges faced by the food and beverage sector are significant and must not be underestimated, they could possibly be minimised by astute strategic planning, incorporating the growth strategies and plans, as set out by government, also.

2.5. Conclusion

The aim of chapter 2 was to evaluate how effectively food and beverage service employees are managed for service delivery and productivity, if improving the working conditions of employees could improve perceived performance and might Quality of Work Life be a possible solution for improving service delivery and productivity?

The discussion throughout this chapter has demonstrated the importance of management in the food and beverage sector, as well as for managing food and beverage service employees. Effective management is vital, as the food and beverage sector is burdened with many challenges that influence the overall working conditions of employees and, further, their overall job satisfaction. The job satisfaction experienced by employees is closely related to Quality of Work Life, which enables employees to design their own level of job satisfaction, in turn contributing to improved perceptions of service delivery and productivity.

The influence that Quality of Work Life has on Perceived Service Delivery and Productivity of food and beverage service employees, will be thoroughly discussed in the next chapter (refer to Figure 2.1).