

Perceived service delivery and productivity in the food and beverage sector in Potchefstroom

Adam Herman Viljoen

21068690

B.COM TOURISM HONOURS

Dissertation submitted in fulfillment of the requirements for the
degree Magister Commercii in Tourism Management at the
North West University (Potchefstroom Campus)

Supervisor: Dr S. Kruger

Assistant supervisor: Prof M. Saayman

November 2012

I would like to dedicate this study to my mother, who has always believed in me and inspired success. I appreciate your attentiveness, support and love. Thank you for shaping me into who I am.

Declaration of independent work

I, Adam Herman (Armand) Viljoen, identity number 8902285201082 and student number 21068690, hereby declare that this research submitted to the North West University, for the Master study: ***Perceived service delivery and productivity in the food and beverage sector in Potchefstroom***, is my own independent work; and complies with the Code of Academic Integrity, as well as other relevant policies, procedures, rules and regulations of the North West University; and has not been submitted before to any institution by myself or any other person in fulfilment (or partial fulfilment) of the requirements for the attainment of any qualification.

ARMAND VILJOEN

DR. STEFAN KRUGER

Supervisor

PROF. MELVILLE SAAYMAN

Assistant supervisor

Financial assistance

Financial assistance from the North West University (NWU) is gratefully acknowledged. Statements and suggestions made in this study are those of the author and should not be regarded as those of the NWU.

Acknowledgements

- All praise to God, who has blessed me with ample opportunities in my life and with the necessary skills to complete this study.
- To my study leaders Dr. Stefan Kruger and Prof. Melville Saayman, thank you for your advice and leadership as well as your sturdy guidance, uncountable recommendations, that have made this study, what it is today.
- Dr. Martinette Kruger, who has been a good friend, constant motivator, and major contributor to this study. I appreciate all that you have done, the advice that you have given, the many long nights of debate and your wisdom. You have given life to my words and creativity to my thoughts.
- To all the lecturers and faculty members of the tourism department, I thank you for being there if and when I had to talk or seek advice.
- To my mother, Dap and my brother, Jean, thank you for your ever available confidence in me, your motivation and support.
- To my fellow master's students and dear friends (Corné and Kiera) this would have been a very dull year without you. Thank you for always listening, giving advice and just being there whenever I needed you.
- To my other friends (too many to name) thank you for your support and understanding when it was necessary for me to work.
- To my family thank you for your support and believing in me, especially when I could not believe in myself.
- To all food and beverage service employees in Potchefstroom who completed a questionnaire, I don't know any of you, but I appreciate the input.
- Dr. Suria Ellis for the statistical data analysis of the research.
- Mr. Malcolm Ellis for the language editing.
- Prof. Annette Combrink for the translation of the abstract to Afrikaans.
- My fieldworkers who helped in the collecting of data Ms. C. Pretorius, Ms. K. Seymour and Ms. Y. Van der Merwe.

Abstract

Perceived service delivery and productivity in the food and beverage sector in Potchefstroom

The importance of management in the food and beverage sector as well as managing food and beverage service employees are crucial aspects that influence quality service delivery. The food and beverage sector is a large service orientated segment of the greater tourism industry, and effective management of employees is therefore necessary since employees are regarded as the primary resource through which establishments deliver services. One might further argue that an employee is “the service” that customers pay for, and that the employees make the intangible service, tangible by their efficiency. The food and beverage sector is however burdened with many challenges such as long working hours, poor remuneration and unskilled employees that influence the overall working conditions of employees and furthermore 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 that will contribute to improved perceived service delivery and productivity. Investigating the needs of employees and how they perceive their own service delivery and productivity is a very important consideration as these contribute to job satisfaction. The rationale is that Quality of Work Life contributes to the perceived service delivery and performance of employees as satisfied employees tend to be more hardworking, more productive and will offer better quality services, especially in a service-orientated sector such as the food and beverage sector.

The primary goal of the study was to determine the perceived service delivery and productivity in the food and beverage sector, by investigating how commercial food and beverage service employees in Potchefstroom, North-West Province of South Africa, perceive their own service delivery and productivity. In order to reach the goal of the study a self-administrated questionnaire was distributed among food and beverage service employees at various types of establishments such as hotel restaurants, family restaurants, restaurants, fast food outlets, bars, coffee shops and commercial caterers. A total of 224 questionnaires were obtained and included in the statistical data analysis. The data was captured and analysed in the Statistical Package of Social Sciences (SPSS), while Amos was utilised for the Structural Equation Model (SEM). The statistical analysis used in this study consisted of three (3) stages. Firstly, the profile of the respondents, the work life domains and the employees’ business environment was compiled with the help of two-way frequency tables and illustrated with the help of Figures and Tables. Secondly, an Exploratory Factor Analysis (EFA) was done on the work life domains and

Finally a Structural Equation Model was performed to indicate the relationship between the work life domains and the influence thereof on perceived service delivery and productivity. The Principal Axis Factor analysis identified seven factors namely *job attributes*, *social attributes*, *esteem attributes*, *actualisation attributes*, *creativity and aesthetic attributes*, *organisational support and employee commitment* and *perceived service delivery and productivity*. Service and productivity business environment attributes scored the highest mean value (4.00) and this was followed by the esteem work life domain (3.68).

Structural Equation Models were performed to indicate the relationship between the work life domains, business environment attributes and the influence thereof on perceived service delivery and productivity. The correlations between the factors in the final SEM indicated that though there exists correlations between *organisational support and employee commitment* and *actualisation attributes*, between *actualisation* and *job attributes*, and between *organisational support and employee commitment* and *job attributes*. *Creativity and aesthetic attributes* and *job attributes* indicated correlations, while, *organisational support* and *creativity and aesthetic attributes* correlated. *Actualisation* and *creativity and aesthetic attributes* correlated as well. This indicates that food and beverage managers have to improve the working conditions of employees as well as provide the appropriate level of recognition to the hardworking employees. Management should consider the recommendations that are made in terms of job satisfaction of food and beverage service employees, as it possesses the ability to influence organisational performance and success.

This research was the first study conducted among employees in the commercial food and beverage sector. It made a considerable contribution to literature as, there is to date, limited research available on the influence that Quality of Work life has on the perceived service delivery and productivity of employees in the food and beverage sector. Furthermore, this research provides valuable insights into the job satisfaction and perceived service delivery and productivity of South African food and beverage employees and how best to manage these employees with South African working conditions in mind. There is, however, ample opportunity to expand this type of research in many other tourism industries or sectors, to understand the degree to which employees' perceptions of their own service delivery and productivity might influence organisational performance. Expanding this research will therefore be invaluable as organisational performance is the main objective of all commercial establishments as it contributes to the improvement of the sector and its competitiveness and profitability.

Key concepts: food and beverage sector, food and beverage service employee, job satisfaction, perceived service delivery and productivity, Quality of Work Life

Opsomming

Waargenome dienslewering en produktiwiteit van die voedsel- en dranksektor in Potchefstroom

Die belangriekheid van bestuur in die voedsel- en dranksektor sowel as die bestuur van voedsel- en drankdienstewerknemers is aspekte wat die kwaliteit van dienslewering beïnvloed. Die voedsel- en dranksektor is 'n groot diens-georiënteerde segment van die groter toerisme-industrie, en effektiewe bestuur van werknemers is dus nodig, aangesien werknemers beskou word as die primêre bron waardeur besighede dienste lewer. Mens kan verder argumenteer dat 'n werknemer "die diens" is waarvoor die kliënt betaal en dat die werknemers die nie-tasbare diens tasbaar maak deur hulle doeltreffendheid. Die voedsel- en dranksektor het egter groot uitdagings soos lang werkure, swak betaling en werknemers sonder die nodige vaardighede wat 'n invloed het op die oorkoepelende werkomstandighede van werknemers en dus hulle algehele werkbevrediging. Die werkbevrediging wat deur werknemers beleef word is nou verwant aan die Kwaliteit van Werklewe, wat dit moontlik maak vir werknemers om hulle eie vlakke van werksbevrediging te ontwerp wat sal bydra tot verbeterde waargenome dienslewering en produktiwiteit. 'n Ondersoek na die werknemers se behoeftes en hoe hulle hulle eie dienslewering en produktiwiteit sien is 'n baie belangrike oorweging aangesien dit bydra tot werksbevrediging. Die rasionaal is dat Kwaliteit van Werklewe bydra tot die waargenome dienslewering en produktiwiteit van werknemers aangesien tevrede werknemers neig om meer hardwerkend te wees, meer produktief op te tree en geneig is tot die lewering van beter kwaliteit dienste, veral in 'n diens-georiënteerde sektor soos die voedsel- en dranksektor.

Die primêre doel van die studie was om te bepaal wat die waargenome dienslewering en produktiwiteit van die voedsel- en dranksektor is deur ondersoek in te stel hoe kommersiële voedsel- en drankdienstewerknemers in Potchefstroom, Noordwesprovinsie, Suid-Afrika hulle eie dienslewering en produktiwiteit waarneem. Om hierdie doel te bereik is 'n selfdoenvraelys onder voedsel- en drankdienstewerknemers by verskeie soorte ondernemings soos restaurante, hotel-restaurante, gesinsrestaurante, kitskosplekke, kroeë, koffiewinkels en kommersiële spyseniers versprei. In totaal is 224 vraelyste bekom en ingesluit in die statistiese data-analise. Die data is omvat en ontleed in die Statistical Package of Social Sciences (SPSS), terwyl Amos gebruik is vir die strukturele vergelykingsmodel (SEM). Die statistiese ontleding wat in hierdie studie gebruik is het bestaan uit drie (3) stadia. Eerstens is die profiel van die respondent, die werklewe-domeine en die werknemers se besigheidsomgewing saamgestel met die hulp van twee-ryging frekwensietabelle en geïllustreer met die hulp van Figure en Tabelle. Tweedens is 'n Verkennende faktor analise (EFA) gedoen op die werklewedomeine en uiteindelik is 'n vii

strukturele vergelykingsmodel uitgevoer om die verhouding tussen werklewedoemene en die invloed daarvan op persepsies van dienslewering en produktiwiteit te bepaal. Die hoof-as faktor analise het sewe faktore geïdentifiseer, naamlik *werkattribute*, *sosiale attribute*, *agtingsattribute*, *aktualiseringsattribute*, *kreatiwiteits- en estetiese attribute*, *organisatoriese ondersteuning en werknemerstoewyding* en *waargenome dienslewering en produktiwiteit*. Diens- en produktiwiteit in terme van besigheidsomgewingsattribute het die hoogste gemiddelde telling behaal (4.00), gevolg deur die agtingswerklewedoemene (3.68).

'n Strukturele vergelykingsmodel is uitgevoer om die verhouding aan te toon tussen die werklewedoemene, besigheidsomgewingsattribute en die invloed daarvan op waargenome dienslewering en produktiwiteit. Die korrelasies tussen die faktore in die finale SEM dui aan dat daar groot korrelasies bestaan tussen *organisatoriese ondersteuning en werknemertoewydings- en aktualiseringsattribute*, tussen *aktualiserings- en werkattribute*, en tussen *organisatoriese ondersteuning en werknemertoewyding en werkattribute*. *Kreatiwiteits- en estetiese attribute* en *werkattribute* het korrelasies getoon, terwyl organisatoriese ondersteuning en *kreatiwiteits- en estetiese attribute* gekorreleer het. *Aktualisering* en *kreatiwiteits- en estetiese attribute* het ook gekorreleer. Dit dui aan dat voedsel- en drankbestuurders die werksomstandighede van hulle werknemers moet verbeter en vir hardwerkende werknemers 'n toepaslike vlak van erkenning moet gee. Bestuur moet oorweeg om die aanbevelings wat in terme van werksbevrediging van voedsel- en drankwerknemers gemaak word te aanvaar in die lig van die feit dat dit die vermoë besit om organisatoriese prestasie en sukses te beïnvloed.

Hierdie navorsing is die eerste studie wat gedoen is onder werknemers in die kommersiële voedsel- en dranksektor. Dit het 'n besondere bydrae gemaak tot die literatuur, aangesien daar tot op datum baie beperkte navorsing beskikbaar is oor die invloed wat Kwaliteit van Werklewe het oor die waargenome dienslewering en produktiwiteit van werknemers in die voedsel- en dranksektor ervaar. Hierdie navorsing het ook waardevolle insigte gelewer oor die werksbevrediging en waargenome dienslewering en produktiwiteit van Suid-Afrikaanse voedsel- en drank werknemers en hoe hulle bestuur behoort te word binne die konteks van Suid-Afrikaanse werksomstandighede. Daar is egter nog heelwat geleenthede om hierdie tipe navorsing uit te brei na ander toerisme-industrieë of sektore, om die omvang te verstaan van werknemerspersepsies oor hulle eie dienslewering en produktiwiteit wat 'n invloed kan hê op organisatoriese prestasie. Uitbreiding van hierdie navorsing sal dus uiters waardevol wees aangesien organisatoriese prestasie die hoofdoel is van alle kommersiële instansies omdat dit bydra tot die verbetering van die sektor en sy wedyweringsvlakke en winsgewendheid.

Sleutelkonsepte: Kwaliteit van Werkslewe, voedsel- en dranksektor, voedsel- en drankdienswerknemer, werksbevrediging, waargenome dienslewering en produktiwiteit



Table of Contents

It is fairly easy, I said. “All you need is one teaspoon of effort, two tablespoons of determination and three cups of motivation. Mix it together, bake with faith and season with love”.

(Armand Viljoen, 2012)

Chapter 1: Introduction, problem statement, objectives and method of research

1.1 Introduction	1
1.2 Background to the study	3
1.3 Problem statement	6
1.4 Goals and objectives	7
1.4.1 Goals	7
1.4.2 Objectives	7
1.5 Method of research	8
1.5.1 Study focus	8
1.5.2 Questionnaire	9
1.5.3 Sampling method and survey	10
1.5.4 Statistical analysis	10
1.6 Key concepts	11
1.6.1 Food and beverage sector	11
1.6.2 Food and beverage service employee	12
1.6.3 Perceived service delivery and productivity	12
1.6.4 Quality of Work Life	13
1.7 Chapter classifications	14

Chapter 2: An analysis of the food and beverage sector

2.1 Introduction	16
2.2 The food and beverage sector	18
2.2.1 Food and beverage service employees	20
2.2.2 Characteristics of the food and beverage sector	24
2.3 Employee management	27
2.4 South African food and beverage sector	36
2.4.1 Current challenges	36
2.4.1.1 Employment	36
2.4.1.2 Wages	37
2.4.1.3 Service delivery	38
2.4.1.4 Education and training	38
2.4.2 Future developmental opportunities	39
2.4.2.1 South African competitiveness	40
2.4.2.2 Employment	41
2.4.2.3 Education and training	42
2.4.2.4 Infrastructure development	43
2.4.2.5 Future trends	43
2.5 Conclusion	47

Chapter 3: An analysis of quality of work life and perceived service delivery and productivity

3.1 Introduction	49
3.2 What is Quality of Work Life?	52
3.2.1 Developing work life domains	54
3.2.2 The importance of job satisfaction in Quality of Work Life	56
3.3 The relationship between Quality of Work Life, job satisfaction, perceived service delivery and productivity	58
3.3.1 Perceived service delivery	59
3.3.2 Productivity	63
3.4 A summary of previous research	64
3.5 Conclusion	69

Chapter 4: Empirical analysis and results

4.1 Introduction	70
4.2 Statistical analysis	70
4.3 Results	72
4.3.1 Demographic profile	72
4.3.1.1 Gender	72
4.3.1.2 Age	73
4.3.1.3 Relationship status	74
4.3.1.4 Level of education	74
4.3.1.5 Length of service	75
4.3.1.6 Unit employed	76
4.3.1.7 Added benefits	77
4.3.1.8 Future prospects	78
4.3.2 Work life domains	78
4.3.2.1 Job attributes	79
4.3.2.2 Social attributes	80
4.3.2.3 Esteem attributes	80
4.3.2.4 Actualisation attributes	81
4.3.2.5 Creativity and aesthetic attributes	81
4.3.3 Business environment	82
4.3.3.1 Organisational support and employee commitment attributes	82
4.3.3.2 Service delivery and productivity attributes	83
4.3.4 Results of the factor analysis	84
4.3.5 Results of the Structural Equation Model	86
4.4 Main findings of the fitted Structural Equation Model	91
4.5 Conclusion	93

Chapter 5: Conclusions and recommendations

5.1 Introduction	94
5.2 Conclusions	95
5.2.1 Conclusions drawn from the literature study	96
5.2.1.1 Conclusions with regard to the literature in Chapter 2: An analysis of the food and beverage sector	96
5.2.1.2 Conclusions with regard to the literature in Chapter 3: An analysis of Quality of Work Life and perceived service delivery and productivity	98
5.2.2 Conclusions with regard to the survey	101
5.3 Recommendations for managing the perceived service delivery of commercial food and beverage employees	105
5.4.1 Additional recommendations based on employees perceptions	107
5.4 Recommendations for future research	108

References

References	110
-------------------	------------

Appendixes

Appendix 1: The questionnaire	135
Appendix 2: Concept article on the perceived service delivery and productivity in the commercial food and beverage sector	142
Appendix 3: Proof of Language editing	170

List of figures and maps

Chapter 1: Introduction, problem statement, objectives and method of research	1
Figure 1.1: The relationship between Quality of Work Life and perceived service delivery and productivity	4
Map 1.1: Map of South Africa, indicating Potchefstroom with an A	8
Chapter 2: An analysis of the food and beverage sector	16
Figure 2.1: Layout of literature review	18
Figure 2.2: Hospitality industry adaption	19
Figure 2.3: Commercial Food and Beverage sector	23
Figure 2.4: Work environment challenges of the Food and Beverage sector	25
Figure 2.5: Process approach to management	28
Figure 2.6: Levels of planning	29
Chapter 3: Empirical analysis and results	49
Figure 3.1: Layout of literature review	50
Figure 3.2: System approach to management	51
Figure 3.3: Maslow's needs hierarchy	52
Figure 3.4: Quality-satisfaction-performance cycle	57
Figure 3.5: Relationship between Quality of Work Life and perceived service delivery and productivity	59
Figure 3.6: The Inverted Service Triangle	62
Chapter 4: An analysis of quality of work life and perceived service delivery and productivity	70
Figure 4.1: Gender	73
Figure 4.2: Age	73
Figure 4.3: Relationship status	74
Figure 4.4: Level of education	75
Figure 4.5: Length of service	76
Figure 4.6: Unit employed	76

Figure 4.7:	Future prospects	78
Figure 4.8:	Proposed Model of Quality of Work Life on Employee Perceived Service Delivery and Productivity	87
Figure 4.9:	Adapted Model of Quality of Work Life on Employee Perceived Service Delivery and Productivity	89
Figure: 4.10:	Fitted Structural Equation Model of Quality of Work Life on Employees Perceived Service Delivery and Productivity	91
Chapter 5: Conclusions and recommendations		94
Figure 5.1:	Basic commercial kitchen layout	106

List of tables

Chapter 2: An analysis of the food and beverage sector	16
Table 2.1: Antecedents and Consequences of Major Job Attitudes/Behaviours	32
Table 2.2: South Africa's competitiveness in the global economy	40
Chapter 3: Empirical analysis and results	49
Table 3.1: Previous research summary	65
Chapter 4: An analysis of quality of work life and perceived service delivery and productivity	70
Table 4.1: Added benefits	77
Table 4.2: Job attributes	79
Table 4.3: Social attributes	80
Table 4.4: Esteem attributes	80
Table 4.5: Actualisation attributes	81
Table 4.7: Creativity and aesthetic attributes	82
Table 4.8: Organisational support and employee commitment attributes	82
Table 4.9: Service delivery and productivity attributes	83
Table 4.10: Pattern matrix of exploratory axis factor analysis with Oblimin rotation and Kaiser Normalization on items measuring Quality of Work Life domains and business environment	84
Table 4.11: Factor analysis of Quality of Work Life domains	85
Chapter 5: Conclusions and recommendations	94
Table 5.1: Overview of demographic profile	101
Table 5.2: Overview of work life domains	102
Table 5.3: Overview of business environment attributes	104
Table 5.4: Fitted SEM model	104