

Tourism and Decent Work in Botswana: from private sector to a collectivist model.

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Abstract

This paper explores human resource management and employment relationship in tourism and hospitality management. Specifically, human resource management policies are examined in a broad and holistic manner that links employment relationship to socio-economic outcomes on workers welfare. A realist philosophy is used alongside case study methodology to explain underlying structures and mechanism that shape employment practices and pay. Results confirm critical human resource factors that are common in the tourism industry and hospitality. Most prominently lower pay and the lack of union representation. Since this is a case based exploratory research the results are not generalized to Botswana in entirety. Nevertheless, the implications of the findings indicate a need to revisit the private sector model with a view to consider other alternative pro-poor perspectives that would improve the quality of life for workers and promote their motivation. Stakeholder theory and community based cooperatives are possible options in this regard.

Keywords: Decent work, human resources, employment relationship, Botswana

INTRODUCTION

Tourism and hospitality is a global trade spinner generating billions of dollars annually. According to the United World Tourism Organisation (UNWTO) in 2010 for example international financial receipts amounted to U\$ 919 billion (<http://mkt.unwto.org/en/barometer>). This growth is reflected in the immense revenue which accrues to several countries (See Figure 1). Because of its huge natural resource potential, increasingly governments see tourism as a crucial leverage for socio-economic development. To this extent it has been identified as a leading industry for most developing countries which generate employment in the rural areas, where there is a challenge of declining agricultural output (Levy and Lerch 1991).

However, despite the enormous revenue generated from tourism, the majority of people who live within these natural resources remain

on the periphery and vulnerable. Communities who own the tourism resources remain poor since they benefit less and people working in the tourism industry earn low wages and are exposed to bad working conditions. Research has revealed that in this industry, jobs are characterised by long working hours for very low salaries coupled with general job insecurity (Piso, 1999; L.J. Bothma and K. Thomas, 2001). Such a working environment is a far cry from the ILO decent work environment (<http://www.ilo.org/global/lang-en/index.htm>) standards and fall short of meeting government's desire of creating an equitable society and prosperity for all people of Botswana in the year 2016 (Republic of Botswana, 1997), a theme that resonates well with the UN Millennium Development Goals of poverty eradication.

Therefore local economic development (LED) is an imperative for harnessing tourism resources but it not sufficient to make

significant impact unless it is done in a sustainable manner combined with a pro-poor approach (Rogerson, 2003) so that the majority of African people who are poor can benefit. This means countries need to develop their tourism sector with a deliberate policy agenda focus which advocates for, and promotes empowerment of, ordinary people. Such a policy could emphasise decent employment and community based eco-tourism to improve the general livelihoods of society.

In this paper an assessment of tourism is linked to employment relationship and human resource management. A broad integral analysis is used to explain contextual issues which shape the management of tourism employment and its outcomes for instance the nature and level of remuneration. It is argued that focusing mainly on the economic objective and financial returns as a measure of progress for tourism is missing the target. As Kaynak and Marandu (2006:227) have found in their research on Botswana's tourism market potential, the industry provides employment to impoverished communities in remote areas of the country where other forms of paid employment opportunities are limited.

Consequently, there is need to situate economic returns from tourism in a wider framework of socio-economic distribution to advance the improvement people's livelihoods. That is, the benefit that is derived by people who work in the sector and make significant contributions to its impressive financial performance must be considered in the context of decent employment. Moreover, the critical role played by management in the tourism and hospitality industry is explored as a central factor in winning commitment and motivation of workers.

BACKGROUND

The UN World Tourism Organisation (UNWTO) encourages governments to consider a holistic approach to tourism development. In this strategy, tourism policies should not merely provide foreign revenue for governments but they should also address pertinent issues such as inequities in the distribution of resources (<http://www.world-tourism.org/>). This vision is relevant for Africa where many people live in poverty and suffer diseases despite the fact that the continent is endowed with abundant natural resources.

If properly harnessed tourism and hospitality industry can serve as an important vehicle for uplifting and empowering ordinary people by providing decent employment and helping in community based eco-tourism to improve the general livelihoods the marginalised communities. But this requires a deliberate social policy orientation towards addressing the uneven distribution of wealth. The UNWTO has for instance developed seven mechanisms which could help achieve a desired outcome. One approach which resonates with the objective of this paper is mechanism four, which calls for "establishing and running of tourism enterprises by the poor or community based enterprises" (<http://.unwto.org/step/mechanisms/en/ms.php.2/1/2008>). Looking at the revenues accruing from tourism and its contribution to gross domestic product (Figure 1) there is a worrying gap between accrued income and its distribution to society.

See. Figure 1

The situation is bad for Africa where living standards are low. Compared with other continents Africa still lags behind in terms of international tourism receipts. However, there is a steady growth of income. For example, in 2000 Africa received \$10.5 billion. This figure doubled in just five years to a record \$21.5 billion (UNWTO-Tourism Market Trends, 2006). These positive returns need not only to be seen as an improvement in the aggregate economy. More importantly it has to be reflected in people lives, especially workers who are behind this impressive performance and the communities within natural resources areas.

TOURISM IN BOTSWANA

Besides its reputation for diamond mining, perhaps Botswana is also renowned for its major pristine tourism attraction - the beautiful Okavango Delta. Another premier tourist attraction is in the Chobe enclave lying on the mighty Zambezi River, a shared pool by several Southern African countries, where there is free movement of aquatic and savannah wilderness. This is where Kasane Township lies. In recent years Botswana tourism has grown rapidly, thus making it the second largest economic contributor to the Gross National Product (Mbaiwa, 2005). In this respect Botswana has placed high expectations on the possible benefits it can derive from its abundant natural resources. The National Development Plan, for example,

has identified tourism as crucial for economy development and growth (Republic of Botswana, 2003, National Development Plan 9). The strategic importance of tourism is seen from a government position which identifies tourism as a potential sector that can help diversifying the economy away from Botswana's diamond dependence (Bank of Botswana, 2006; Kaynak and Marandu, 2006; Marobela, 2007).

One area where tourism contributes concretely is in improving people living conditions through employment creation. According to the UNWTO, "tourism has become one of the world's most important sources of employment". Government of Botswana faces the daunting challenge of providing employment opportunities. The central statistics labour force survey reveals that currently unemployment rate is 31.6 percent (Republic of Botswana, 2008).

Botswana's economic growth, which is based on diamond mining, which contributes most to the gross domestic product (GDP), has been a great disappointment in terms of employment creation. For example, it is estimated that only around 6000 people in Botswana work in diamond mines. The same problem of relatively low employment rates affects the tourism and hospitality industry. A recent study of Botswana's employment trends shows that of the 232, 492 people employed by the private sector, only about 15 000 are working in hotel and restaurants – the centre areas of tourism and hospitality (Republic of Botswana, 2008). Undoubtedly this is very little contribution to employment bearing in mind that the tourism and hospitality sector comes second after diamonds in contributing to the gross economy. Therefore if not harnessed in a sustainable manner, tourism and hospitality is likely to perpetuate Botswana's economic paradox which is characterised by a jobless growth, which manifests itself mainly as widespread poverty and leads to the high level of inequality in our society.

Theoretical Perspectives of HRM in Tourism and Hospitality

There are many definitions of human resource management (HRM) which provide conflicting accounts of what constitutes human resource management, hence it is difficult to have a definitive view of HRM (Foot and Hook, 2005). This confusion stems from the fact that HRM is itself a contradictory discourse. Most of these definitions tend to portray HRM as concerned

mostly with the employees. For example it is common to see mission and vision statements projecting people as the most "valued asset" (Jackson, 2002). Moreover, it is believed that both management and employees have a common dream or shared values (Weymes, 2005). On the surface this seem to be the case as visions and missions conjure up an image of real caring organisations. A close scrutiny might reveal something different. Legge (1995) suggests that it is mere rhetoric of enterprise culture which uses people to advance competitive advantage. Contrary to conventional HRM discourse, a Marxist analysis of HRM suggests a fundamental contradiction of interests between capital and labour. Because of this intrinsic conflict in the workplace, management is needed as an agent of capital. This could be justified as Wilson and Greenhill, (2006:380) are of view that there is human exploitation by managers over workers. Underlying this exploitation is the quest for profit maximization via control the employment relationship through management. Such agency relationship is necessary to ensure the realization of "surplus value" or the continual flow profit (Thompson, 1989).

Under capitalist ownership the worker is no less than a cost factor-input in the business equation, which has minimal residual payment in order to maximize profits. Because the worker has neither ownership right nor a say in the distribution of production outcome, it is difficult to get his/her fullest commitment to the organisation. In other words if workers feel left out they resist. At the heart of this is the antagonism between capital and labour, namely the issue of ownership of the means of production (production system) and the attendant relations of work which are exploitative (Marx, 1976). The failure of both traditional and contemporary management perspectives to provide decency at work has occupied both management scholars and practitioners for sometime (Nord, 1974), consequently the search for new ways of 'humanising' management. A broad conceptual framework of studying tourism which we find closer to stakeholder theory is Veal's (2006) inter-disciplinary work based on environmental linkages. Veal identifies six elements that form part of the environment and argues that all the components of the environment work together in a systemic manner. In Figure 2 we extend Veal's model beyond the environment to recognise the diverse stakeholders in tourism and hospitality. We bring the other dimension, comprising of

workers collectives and cooperatives to emphasise the need to consider alternatives that recognise the central role played by community and workers in generating wealth from tourism and hospitality.

It is not enough to build the community a small hall as some form of tokenism and neither is it sufficient to allow employee to buy small shares in the company. Such ownership schemes are of less significance as they still fall short of real ownership which gives them ultimate financial power and control over the resources. Real economic power does not change with stakeholder theory because ownership still remains a private affair. It is the shareholder not the stakeholder who calls the shot.

See **Figure 2**.

A principal constraint of application of stakeholder theory is that it does not address the issue of the separation of ownership from control of the production system which is linked to extraction of surplus value and exploitation (Jossa and Cuomo, 1997). Unless fundamental issues such as the convergence of shareholder and stakeholder interest are addressed organizations will remain haunted by the dark side human resource management. In comparison to normative models of private sector, the workers collectives and cooperatives are sensitive to the concerns of the poor and responsive to the need for decency in work and equality.

RESEARCH DESIGN AND METHODOLOGY

Modern Management research acknowledges the importance of philosophical paradigms before methodology (Dixon and Rogan 2003; Marobela, 2004). In this study Critical Realism (Bhaskar, 1978; Sayer, 2000) is used as the underpinning philosophy. Critical realism was found appropriate because it emphasizes the need for a deeper understanding of underlying causes in order to explain events that manifest at surface levels. Case study methodology shares a common thread with realist philosophy because they both emphasize context bound research.

In this respect the impact of socio-economic and political contexts are crucial in managing organizations on the ground. Similarly, in tourism and hospitality, structures and generative mechanisms shape the way human resource management (HRM) and employment relationship are mediated by both

management and trade unions. For example, labour laws articulated at higher political structures ultimately become policies which both the employer and labour have to grapple with as shop-floor level.

The research method adopted was an exploratory case study. Hussey and Hussey (1997:65) define the case study as "a research study which focuses on understanding the dynamics present within a single setting". In this study our focus is on understanding the contextual factors which shape tourism and more specifically the impact on the employment and human resource practices in tourism and hospitality sector in Kasane, a high cost tourism location in Northern Botswana. The main interest is not to generalise and make any predictions but to explain causal factors behind human resources management, employment practices and to understand the link to pay.

The social dynamics of a single or two cases are shaped by contextual factors. For instance, the nature of politics, state of the economy and the labour market are central in understanding the behaviour of both the employers and employees in tourism employment relationship. Realism with its emphasis on understanding structures, mechanism and relations helps to explain how the wider socio-economic and politico factors shape the employment relationship at organisational level. The human resource and employment practices cannot be separated from the labour market which in turn is influenced by political economy and associated to nature of the economic structure. Similarly workers and institutional structures like trade unions have to be appreciated as key stakeholders who have coping mechanism of resistance. Understanding the deeper issues which quantitative research bury in figures is critical in exploring the underlying motives. For example workers perceptions and experiences of management fears convinced us against interviewing of managers to safeguard their job security. A combination of research methods and techniques were used to collect data. Primarily both primary and secondary data were used. These included among others: observation, personal interviews and focused groups discussion. In line with case study methodology which deals with a smaller case, we used purposive sampling. A total of 52 respondents participated in the research, all of them workers mostly the lower class who worked in five different hotel lodges. As stated

earlier the intention was not to seek representative sample as a basis for generalisation for statistical purposes. Rather the objective was to appreciate the distinctive peculiarity of this case and going back to theory build an analytic generalisation (Yin, 1994). A more detailed study is needed to make generalised findings across the country. Even then the trend may differ

FINDINGS

The findings are based on a theme based analysis following from interviews, discussion and narratives from workers. Consistent with global tourism employment patterns, the majority of the respondents were females and fairly young. As expected the conditions of pay and pay are not impressive at all. The case reveals job insecurity and lack of trade union representation.

PAY RATES

Results show that majority of respondents fell within the salary bracket of BWP 500-1000 (US\$40-70). Table 1, shows a collective representation of the respondents' salary levels. When asked on whether they are paid for overtime as well as working during public holidays, 30.8% of the respondents gave a response of a "yes" they are being paid for over time and for work during public holidays, 61.5% responded otherwise that they do not get paid for overtime work as well as work during public holidays, 1.9% stated that they are sometimes paid and 5.8% did not provide a response to the question. The majority of these respondents indicated that they work overtime without pay hence this amounts to exploitation of workers according to the employment act.

MULTI-TASKING

When questioned on whether the activities/tasks workers carry out as part of their job are the ones that they agreed upon initially in the employment contract. One of the respondents who is a receptionist by profession disclosed that though some duties that she performs as part of her job were initially agreed upon in the employment contract, some of them that she is told to carry out at times are not defined in her job description citing waitressing and checking stock from the delivery truck as one of the

duties not agreed upon. Similar concerns were raised by other employees like the gardener and the drivers.

WORKING CONDITIONS

Commenting on the working conditions in which they operate under most of the respondents were dissatisfied and felt that they are working under poor working conditions. One of the respondents who rated the workplace as poor, a cook by profession, lamented:

[...] "it is not safe because we are not protected against accidents that may happen due to machines that we use for cutting meat in terms of clothing and not hygienic because you touch different foods with the very same hands which may lead to contamination." To back up his story one of his colleagues also lamented on the safety issue by disclosing that the workplace is very small and cramped which becomes excessively hot because there is no proper ventilation.

In addition to that, another respondent who holds the position of a cleaner disclosed that for her, though she is employed on a full time basis she has never signed an employment contract or a confirmation letter. This is in breach of the employment law of Botswana (Employment Act, 2003) because she has been working for the company for almost two years without any contract. According to her this situation makes it very difficult when she wants to take loans from banks because there is no proof of employment and she does not know if she is entitled to pension or gratuity. Though some said their relationship with management was good and that management only becomes harsh with reasons. Others however revealed that they do receive unnecessary harsh treatment from management and as premises for supporting their option one respondent revealed that she has been insulted on more than one occasion by a supervisor and nothing was ever done about it. She mentioned that she did not query the matter because she fears losing her job hence she is forced to succumb to the treatment as she needs the job to support her family.

TRADE UNION AND JOB SECURITY

Most of the workers do not have union membership status. This could illustrate the lack of interest in the trade unions leadership to recruit and organise workers or the fear of losing jobs by workers. Another factor is the

inability to afford union fees because they are being paid close to nothing. The lack of trade unions poses a major challenge for workers. Employers know this, and take advantage of it by looking for a flexible, compliant workforce who will not question his/her employers. Employees were found not sure how secure their jobs are and some did not know what benefits are available to them. This was illustrated by the fact that when asked about the benefits which they are entitled to, respondents gave different answers even though they belong to the same organization. This shows a clear lack of communication by top management to impart knowledge on their employees on what is available and not available to them. One respondent was quoted saying: [...] *"I have never signed any employment contract so I don't know what am entitled to whether its pension or gratuity."* [...] *"we get free breakfast and lunch but really this are not benefits that one can be happy about."*

DISCUSSION

According to Mbaiwa and Darkoh, (2006) the worthiness of tourism and hospitality must be seen from the viewpoint of its beneficiaries. These beneficiaries are the stakeholders both internal and external to the organisation. Baum et al. (1997:222) have argued that tourism has close connection with the labour market where it draws resources. Labour as such is supposed to be a central player and beneficiary. Yet as assessed from the benefits derived by working people the results are not satisfactory. Despite positive statistics which indicates rising employment, in real terms however the quality of life for the workers has not profoundly changed. This is true especially for the developing nations (Diekie, 2003) and to a lesser extent in developed countries (Purcell, 1996). The main challenge is how organisations can use human resource development strategy to create decent paying and fulfilling jobs. It is evident from our study that the level of pay is very low in the tourism and hospitality sector.

The researchers came to a conclusion that hotels and lodges do not provide liveable wages to their employees' as majority of the respondents that took part in the study indicated that they earn a salary/ wage of between BWP 500-2000. Comparing government minimum wage for tourism which is P700.00 (\$100.00) this wage scale cannot at all meet the basic needs considering the current cost of living that is on the rise. Based on the responses submitted by the

respondents, most of the employees do not belong to trade unions. The researchers conclude that due to lack of union representation at the work place, employees are exposed to poor working conditions, low pay and insecure employment. In our view the presence of trade unions is essential. They could for example help on such issues like job insecurity, multitasking and overtime pay which were cited as concerns by workers. Because trade unions require monthly subscription fee considering the level of salaries, most probably the majority of workers as indicated early, could not afford to pay.

CONCLUSION AND FINAL REMARKS

Tourism and hospitality has a potential for growth in this country. This is why government has identified it as a future strategic player in the economy. Its impact is particularly felt in terms of employment creation in the rural areas where there are less employment opportunities. However, we need to be careful to ensure that its benefits actually reach the ordinary workers who depend on it as a main source of income. However, the quality of jobs matters. For many workers, working in the tourism industry is like a curse.

Any assessment of tourism employment creation must be in line with the International Labour Organisation (ILO) call for "decent work for all" (<http://www.ilo.org/>). Furthermore, it is worth noting that fundamentally the decency of work revolves around the rights of workers and humane employment conditions and best management practices.

Though this research was confined to Kasane, it is fair to suggest that results reflect general picture of workers situation in the tourism and hospitality. In recent years there has been a ground swell of discontent about living conditions of tourism employees. Members of the public, members of parliament and the hotel employees themselves have complained about the bad employment conditions of workers in this sector. Poor remuneration, long working hours, poor or lack of benefits, part-time/causal work, low unionisation and job insecurity, racism are some of the problems faced by tourism workers. Therefore, there is need for government, to consider ways protecting workers through legislation for example raising minimum wage to a decent pay rate. Also trade unions should broaden their membership base and include workers who are vulnerable to exploitation by employers such as those working in the

tourism sector. For this reason it will take a huge toll to realise the noble vision of decency at work.

In light of the challenges of skewed income distribution and rampant exploitation, associated with the private sector model, we feel it is imperative to consider alternative models such as community based natural resource management and workers cooperatives. Government of Botswana has already shown interest and willingness to support collectivist community tourism projects. However, these initiatives should be broadened to include workers who reside and work in tourism rich communities to encourage them to form collective ownership and promote fairer distribution and equality. Of course these models have challenges such as personal motivation but it can be improved to suit contemporary challenges of sustainable ecological management through shared resources as opposed to private accumulation of community wealth by a few elites.

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Economic Growth (GDP) & International Tourist Arrivals

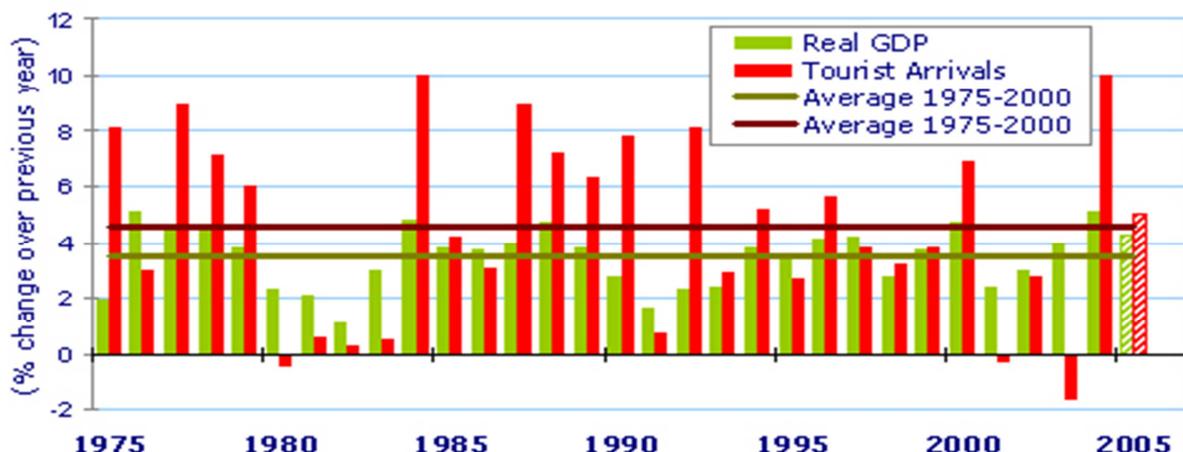


Figure 1. Source: World Tourism Organization; International Monetary Fund

Table 1: **Monthly income**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	P500-P1000	22	42.3	42.3	42.3
	P1001-P2000	21	40.4	40.4	82.7
	P2001-P3000	4	7.7	7.7	90.4
	P3001-P5000	2	3.8	3.8	94.2
	Above P5000	3	5.8	5.8	100.0
	Total	52	100.0	100.0	

Figure 2

Adopted from Veal (2006) Tourism and Hospitality

