Challenges and Growth Trajectory of the Hospitality Industry in South Africa (1994-2020)

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Abstract

This article provides a reflection on the challenges and growth trajectory of the hospitality industry in South Africa during the period 1994 – 2020. The overview specifically focused on the challenges and growth in the hospitality sectors such as tourism, food and beverage and hotel industries. The review also captured general trends and perennial challenges that plagued the hospitality industry as a key sector in South Africa during the period under review. Analysis of documented evidence revealed that research studies published during the period under review on the performance of the hospitality industry in South Africa put considerable emphasis on skills and job satisfaction within the industry. Low wages, skilled personnel and working hours still pose a serious threat within the industry. Furthermore, governmental efforts which were essentially aimed at the fundamental transformation of the hospitality industry in South Africa appear to be yielding desired results.

Keywords: Hospitality industry, government, transformation, skill acquisition, job satisfaction

Introduction

The hospitality sector in South Africa has grown rapidly over the last decade and is now regarded among the sectors changing and improving the economy (Sucheran 2021). The hospitality sector includes tourism, food and beverage and hotel industries. About 9.9% of total employment in South Africa comes from the tourism industry (1,497,500 jobs) and an increase of 11.5% is projected by 2025 (World Travel and Tourism Council (WTTC), 2015). Most of the sectors within the hospitality industry are characterised by small, micro and medium-sized enterprises accounting for over 90% of the sector. The majority of hotels, accommodation and restaurants are small enterprises with employee numbers of less than 10 people (Taal, 2012). Restaurants contribute substantially to the growth of the hospitality industry in South Africa (Statistics South Africa, 2009). According to Taal (2012), restaurants represent the largest subsector in the hospitality sector, providing 45 000 jobs which translate into 7.6% of total employment within the hospitality sector.

The hospitality industry requires not just a huge number of workers but also skilled workers in order to function effectively. Keep and Mayhew (1999) observed that the hospitality sector is plagued with low wages, unfriendly long hours, unacceptable shift patterns, unequal opportunities and females always complaining about low wages when compared with their male colleagues. In addition, there are poor or no clearly defined career paths, unacceptable recruitment practices, high levels of labour turnover, low presence of trade unions and difficulties in recruitment and retention (Nankervis & Debrah, 1995). All over the world, the tourism and hospitality industries are currently facing a serious problem of sourcing, getting and retaining quality employees and as a result led to a shortage of skilled personnel that is necessary for improving tourism and hospitality businesses (Baum, 2008; Richardson, 2009). According to Duncan, Scott and Baum (2013), there are serious problems in enticing and retaining qualified employees to work in tourism and hospitality industries where consumer expects to see changes due to the ever changing environment. There are different reasons for this dilemma and this can be associated with a transient workforce, poor salary structure, a perceived and real lack of formal qualifications at all levels and a high ratio of female, minority, part-time and casual workers (Deery, 2002; Deery & Shaw, 1999). This state of affairs is further aggravated by widely entrenched perceptions that hospitality employment primarily consists of low skilled jobs, negative lifestyle issues including a substantial percentage of hours worked outside normal business hours, and social stigma associated with working in this industry. A skilled, enthusiastic and committed workforce is largely perceived as vitally significant to the success of business enterprises in the tourism and hospitality sectors (Kusluvan & Kusluvan, 2000).

Several research studies have demonstrated that the number of employees within the tourism and hospitality industry with tertiary qualifications is lower when compared with other sectors (Australian Bureau of Statistics, 2006). In particular, tourism and hospitality management graduates do not stay for long in the hospitality industry or may at times decide not to work in the industry upon graduation due to low job satisfaction, poor working conditions and lack of motivating factors resulting in high staff turnover and wastage of trained and experienced personnel (Doherty, Guerrier, Jamieson, Lashley and Lockwood, 2001; Jenkins, 2001). The industry comprises of diverse groups of individuals with different qualifications and cultures, in some instances, the industry is also characterised by a high population of migrant labour (whether temporary or permanent) which is currently becoming a norm but however, negatively affecting the output and contributions of the sector to economic sustainability and growth (Pantelidis & Wrobel, 2008; Wickham, Moriarty, Bobek and Salamońska, 2008). The 16th Annual Survey on Hospitality Industry (2014) showed that South Africa's economy may be facing some challenges, however, growth is expected within the hospitality sector in the next five years as a result of an increase in the numbers of inbound travellers into the African continent (Hospitality Outlook, 2014-2018). The public sector is however concerned about the increased reliance on imported labour to fill skilled positions, reorganization of the sector, managerial problems and other governmental interventions. The highlighted problems bedevilling the sector contributed to revenue losses for South Africa and resulted in the sector being littered with low paying job opportunities.

Purpose of the review

The purpose of the review is to provide a comprehensive reflection on the growth trajectory of the hospitality industry in South Africa during the period 1994-2020. The review is guided by the following research questions:

- How has the South African hospitality industry developed during the period 1994-2020?

- What developmental gains were achieved within the hospitality industry in South Africa during the period 1994-2020?
- To what extent were fundamental challenges (if any) regarding the growth prospects of the hospitality industry in South Africa alleviated during the period under review?
- How has the economic recession and COVID-19 pandemic impacted on the growth prospects of the hospitality industry in South Africa during the period under review?

Methodology

A conceptual analysis method was adopted and involved a systematic review of literature on the emergence and growth of the hospitality industry in South Africa (Cronin, Ryan & Coughlan, 2008). Qualitative data was generated using search engines such as google and science direct. A review of identified articles was undertaken with a view to obtaining information on the emergence and growth of the hospitality industry within the broader South African context. Information gathered from reviewed articles on the growth trajectory of the hospitality industry was confined to studies conducted in South Africa during the period under review. Information was also drawn from corporate industries' annual reports, industry documented reports and archived reports compiled by the South African Tourism Department. Within the context of this review, the hospitality industry encapsulates all businesses in the sector such as hotels, tourism and accommodation sector. While requisite additional information was obtained from other sources such as prior research reports, newspapers, magazines, government and non-governmental organisation statistics, the internet was largely a predominant source of information (Hague & Wilcock, 2015; Schutt, 2009; Benson, 2009). This review provided meaningful opportunities to identify existing gaps in key research findings which could be built upon and further tested as part of avenues for new research ideas and initiatives (Crouch & Housden, 2012).

Emergence and growth of the hospitality sector in South Africa

As the economic hub of South Africa, Johannesburg witnessed significant growth in the number of hotels prior to the dawn of democracy. Two styled continental hotels in the form of "Waldorf' and "Marlborough" were established in 1955 and declared ready for business in 1957 (Rogerson 2018). As reported in United Transvaal Directory 1933-1945 and Rand Pretoria Directory 1950-1960, the numbers of hotels in Johannesburg grew from 80 in 1933 to 103 in 1960. The slow rate in the establishment of new hotels might be attributed to the poor state of the hotel industry in South Africa during the 1940s and 1950s (Crocker, 1950; Rogerson, 2011). However, Rogerson (2018) asserts that the increase witnessed later within the hospitality industry could be attributed to key factors such as non-availability of hotels for wealthy residents and visitors by city hotels as well as the effect of apartheid legislation which led to the emergence of many ''non-white hotels. In general, there were complaints about the poor facilities in many hotels in Johannesburg, poor service and managerial inefficiency during this period.

There was a surge within the hospitality industry due to actions embarked upon by the new government after the dawn of democracy in 1994. For instance, the Department of Tourism, South Africa completed and accepted the SADC Tourism Development Protocol in 2002. Furthermore, international tourism agreements were signed with some countries both in Africa and outside the region. This development assisted South Africa to join various international tourism organisations such as the United Nations World Tourism Organisation (UNWTO), the Regional Tourism Organisation of Southern Africa (RETOSA), the Indian Ocean Tourism Organisation (IOTO) and the African Travel Association (ATA).

The Department of Tourism moved swiftly and identified various factors affecting the growth of tourism industries in the country (Bek, Binns & Nel, 2004; Houghton, 2011). The report compiled by the Department of Environmental Affairs and Tourism (1994 – 2009) showed that issues around access to market, air access, skills, public transport, transformation, information, innovation, product development, investment and small, medium and micro-enterprise (SMME) development are major problems affecting the industry (DEAT, 2008). However, the Department of Environmental Affairs and Tourism worked with other governmental departments to address some of the issues raised above. For instance, issues of visa restrictions were constantly reviewed by the Department of Home Affairs.

The Department of Transport also developed the Land Transport Strategy in an endeavour to identify barriers to tourism growth arising from the National Land Transportation Transitional Act. Issues of security were also identified and the Police Department was engaged to assist in this regard. Other policies were formulated in the early 2000s to stimulate the growth of the hospitality sector in South Africa. Such policies included the qualitative transformation of the tourism economy through skills training, infrastructural development, establishment and improvement of skill training centres (Technical and Vocational Education and Training colleges and Sector Education and Training Authorities) and increased black ownership (Rogerson, 2005). Big tourism establishments were encouraged to support SMME development (Kirsten & Rogerson, 2002). Furthermore, the 2011 National Tourism Sector Strategy was promulgated to encourage local municipalities to engage in tourism planning for development (Rogerson, 2013). Concerted efforts by the Department of Tourism yielded positive results over time. This is captured in the excerpt that follows."Foreign arrivals to South Africa have grown significantly since the end of apartheid. From 3.7 million foreign arrivals in 1994, this figure increased to 9.6 million in 2008. This represents a faster growth rate than the compounded annual growth rate. The reduction in the restrictions placed on tourism in South Africa has played an important role in increasing the attraction of the country as a destination for foreign travel (DEAT, 2010). Hosting the Soccer World Cup in 2010 provided a significant boost to the hospitality industry in South Africa. The Department of Tourism in South Africa described the hospitality industry as one of the major drivers of economic growth through job provision (Department of Tourism, 2018). The World Travel and Tourism Council (2018) reported that the contribution of the tourism sector in South Africa resulted in 2.8% of real gross domestic product (GDP), with a total of R139 billion and further projection of R145,3 billion in 2019. However, there were challenges and difficulties encountered during the developmental stages. This review article evaluates the extent to which these challenges have been addressed with a view to stimulating the growth of the hospitality sector.

Within the context of this review, the hospitality sector encapsulates facilities such as hotels, bars, restaurants as well as Bed and Breakfast outlets (Cambridge Dictionaries Online, 2014). Generally, the hospitality industry is faced with different challenges associated with method of operations and service delivery (Gursoy, 2018). Consumer decision-making process and the factors that are likely to influence their decisions has been a major driver in the development and transformation within the hospitality industry (Lu & Gursoy, 2017). The industry is regarded as a sector that offers unique fully integrated experiences that are constructed using goods and/or services as enablers of the experience (Yoon & Lee, 2017). Trends and changes in consumer needs and wants from hospitality operators will lead hospitality sectors to develop more innovative ideas to better understand customer needs with respect to experiences (Park, Lee & Kim, 2017).

According to Le, McDonald and Klieve (2018), the interactions between tourists, the hospitality industry and employees is an important part of the tourist's total experience. The

key to success within the hospitality industry is the presence of high-quality employee that can deliver, operate and manage tourist products at different levels of the business (Crotti & Misrahi, 2015). Thus, the education sector will have to play a key role in equipping graduates with requisite skills while fostering sustainable relationships with business practitioners (Maile & Olowoyo, 2019). In an ever-evolving world, the education system should respond swiftly to the needs and expectations of different role players (employers and employees) within the hospitality industry (World Tourism Organization, 2004). In South Africa, the hospitality sector is evolving with increasing number of visitors who are visiting the country for business and leisure purposes. The country featured in the list of top tourist destinations on the African continent with approximately 10.5 million arrivals recorded in 2018 which represented a 1.7% growth (Mordor Intelligence, 2020). The growth within the sector has seen tremendous increase over the years. For instance, the average daily revenue growth was 7.9% in 2017 and a further 1.2% increase in 2018. During 2019, the guest night arrivals showed a 1.5% increase leading to a rise in the overall occupancy rate and revenue per available room (Mordor Intelligence, 2020).

Development and transformation of the hospitality industry in South Africa
The pace of transformation in the tourism sector is slow despite the immense contribution the sector makes to economic growth and development. Issues of concern include global competition and the inclusion of previously disadvantaged people in the sector (DOT, 2015). The unequal ownership structure of the tourism sector should be addressed through a programme of transformation and consolidated support for the development of black-owned tourism enterprises (Rogerson, 2004). The surge of black-owned businesses within the hospitality industry is a result of the support from national government to bolster black economic empowerment and the general structure of ownership of the tourism industry (Rogerson, 2004).

The Department of Tourism has identified five key areas that require government support to grow the hospitality sector. These key areas are ownership structure, acquisition of management control, skills development enterprise and socio-economic development (DOT, 2017). At a developmental level, there is a critical need for the provision of transport infrastructure and improvement of infrastructure in training institutions (Sathekge, 2012). Developments in this regard would serve to bolster South Africa's economic growth and prosperity. Various policies have been promulgated by the South African government to support the hospitality industry. These policies include National Development Plan (NDP) 2030, Revised National Tourism Sector Strategy (NTSS) 2020, NDT Strategic Plan 2015/16 – 2019/20, and the Amended Tourism B-BBEE Sector Code (DOT, 2017). It is imperative to point out that TVET colleges were created with a specific mandate to impart skills to graduates to become more functional in vocational studies (DHET, 2005). Additional training programmes within the hospitality industry that have since been announced by the Minister of Tourism in 2017 includes learnership programmes, women empowerment, and leadership training (Xasa, 2017).

The transformation policy is also supported by various funding opportunities by the government. For instance, the National Department of Tourism has established a Tourism Transformation Fund (TTF) in collaboration with the National Empowerment Fund (NEF). The fund is a combination of the NDT grant funding capped at R5 million and debt financing which is used to accelerate transformation while unlocking potential capital investment in the tourism sector. The TTF currently amounts to R120 million which is aimed to be capitalised to an amount of R360 million in the medium term (DOT, 2017). The transformation policy is envisaged to facilitate a review of the minimum wage within the hospitality industry. For

instance, the minimum wage in the food and beverage sector was fixed at R8.34 per hour in metropolitan areas and at R7.06 per hour in rural municipal areas during the period 2011-2012 (Statistics South Africa, 2012). Such wages contribute to low morale and unwillingness to stay and hence pursue a sustained career within the hospitality industry (Olowoyo & Maile, 2019).

Changes in policies and labour laws that affect the hospitality industry

The emergence of South Africa as a democratic nation in 1994 witnessed an increase in tourism as a result of changes to the biased policies and legislation under the apartheid era that affected the structure and efficiency of employment within the hospitality sector negatively (Rospabé, 2002). In 2003, the South African government introduced a Broad-Based Empowerment Bill that will help to assist with economic transformation with aim of increasing black people participation in order to change the current outlook of the hospitality industry which was predominantly whites (Department of Trade and Industry 2003). Prior to this in 2001, the Tourism Business Council of South Africa (TBCSA) and the representative organization of private sector tourism issued a charter of empowerment and transformation which represents a commitment to the goal of furthering black economic empowerment in the hospitality sector (TBCSA 2001). The first South African Industry Empowerment and Transformation Annual Review was published in 2002 (TBCSA, 2002) and the second in 2003 (TBCSA, 2003). Further to this, part of the action taken was to have a database of all black-owned hospitality industries, availability of government handbooks that will specify different government initiatives and a method to monitor the progress achieved so far (DEAT 2008).

The employment restructuring addressed the issues of inequalities among different racial groups and genders. Some of the policies included the Labour Relations Act of 1995, the Employment Equity Act (EEA), the Skills Development Act of 1998 and the Promotion of Equality Act and Broad-Based Black Economic Empowerment Act (BBBEE) of 2003, Occupational Health and Safety Act (Horwitz 2013). There were other laws that were introduced to regulate issues relating to the employment of staff, minimum wages, the working conditions, the employment relationship and the termination of the employment agreement within the hospitality industry (Business Partners 2017).

Education and training impact within the hospitality industry

The hospitality sector provided jobs for youth, particularly young females in the country (Vettori, 2014). In essence, the hospitality industry provides jobs for different categories of people such as women, immigrants or young people with low education levels (Fernández & Pena-Boquete, 2007). However, the industry is characterised by unskilled individuals and inappropriate working conditions (Vetorri, 2014). This situation is not peculiar to South Africa as other countries such as Vietnam reported graduates' lack of skills and poor preparation for the workplace (Tran, 2013). The improvement of hospitality students' entrepreneurial skills is vitally significant in safeguarding the future of tourism and development of the hospitality industry (Tsai, Tsang & Cheng 2016). The realisation of this key strategic imperative requires hospitality instructors to change their traditional teaching methods to enable hospitality students to find more creative solutions to hospitality planning-related problems and resolve challenges that they may encounter in their future careers (Hu,Wu, Jia, Yi, Meyer & Kaufman 2013).

It is important to address the issue of skill shortage within the hospitality industry because the slow growth rate, associated with the expected increase in the need for skilled employees has created an imbalance between employee supply and demand in the hospitality

industry (Pearlman & Schaffer, 2013). Milman and Dickson (2014) assert that sourcing skilled workers and their retention have become two major problems confronting the hospitality industry. The hospitality managers and owners may therefore need to invest more in their workers in order to stay within the employ. This investment can be guided by portfolio theory proposed by Sharpe (1964) which stipulates that an investment return is linearly related to the market return.

During the period of uncertainty, companies may need to reduce production, employee compensation and, in a prevalent way, corporate investments (IMF, 2012). This restructuring may serve to engender structural rigidities within the economy such as economic recession, economic uncertainties, and lack of policy direction on key issues which may dampen the growth of the sector (Akron, Demir, Díez-Esteban & GarcíaGómez 2020). Policymakers, politicians, and regulatory bodies should be committed to credible announcements and consistent behaviour in order to minimize uncertainty (Dejuan & Ghirelli, 2018). A reduction in investment will reduce the ability of hospitality firms to meet the demand, decrease the revenue, create less satisfied customers and lead to job losses (Turner & Hesford, 2019). When uncertainty arises, the hospitality industry will be severely affected as customers may prefer to postpone or even cancel their consumer decisions (Madanoglu & Ozdemir, 2019).

Pervasive challenges afflicting the hospitality sector in South Africa

Addressing skills shortages is a key requirement for achieving reduction in unemployment and poverty rates (Accelerated and Shared Growth Initiative for South Africa, 2006). Kaplan (2004) highlighted the need for an integrated approach to skills development for the hospitality sector in order to harness the economic benefits that the tourism sector can offer. The tourism industry is perceived as one of the sectors that require turnover with respect to skills shortages (Maumbe & van Wyk, 2011) and this may be due to rapid growth and the labour-intensive nature of the industry (South African Tourism, 2008). Maumbe and van Wyk (2011) indicated that the major obstacle to achieving economic growth through the tourism industry in South Africa is critical skills shortage. In support of this notion, Saayman (2013) posits that much has not changed with regard to the alleviation of skills shortages within the hospitality industry. Poor service in the hospitality industry can be linked to a lack of training and inadequate supply of skilled workers (Saayman, 2013). Olowoyo and Maile (2019) observed that the problem of skills shortage still persists within the hospitality industry. In a study to determine the relevance of the current curriculum and the employers' satisfaction on TVET colleges graduate, Olowoyo and Maile (2019) found that skills development and acquisition still remains elusive within the hospitality industry. They also established that TVET college students may still need further training in order to enhance their skills levels after graduation to ensure that they become productive when carrying out their duties within the hospitality industry. At another pragmatic level, the study conducted by Wakelin-Theron (2019) showed that tourism graduates lack work readiness and requisite experience. This problem can be attributed to inadequate facilities in the higher education institutions, limited levels of training and lack of required structure to support interns by providing supervisors and mentors to guide students doing practical work.

A study conducted by Wesseles, Du Plessis and Slabbert E. (2017) on the key competencies and characteristics of managers within the South African tourism industry recommended that managers need to be trained in a different manner and higher education institutions need to revise their training methods and selection strategies to address the needs of industry. In a study conducted by Ezeuduji, Chibe and Nyathela (2017) on students' perceptions of the hospitality programme in two South African universities attained similar

findings. In particular, the study showed that students are unhappy with the curriculum as it does not address the needs of hospitality industry. The provision of hospitality training at TVET colleges and Universities is hampered by the packaging of course material and course content which lacks essential aspects for the industry resulting in skills gaps (Cathsseta, 2010). Wakelin-Theron (2019) argues that in addition to curriculum change, students' backgrounds, geographical location, and lack of financial support to advance practical work experience, graduates' lack of or limited exposure to the latest technology and world of work, are other factors limiting their abilities to acquire skills required within the hospitality industry. Training equipment in TVET colleges are obsolete and require complete overhaul (Olowoyo & Maile, 2019). Furthermore, the admission criteria and the structure of the internship programme hinders skills acquisition by TVET college graduates (Olowoyo & Maile, 2019). According to Sebola, Roberson and Vibetti (2019), hospitality training ought to be provided on a sustainable basis to ensure coherent acquisition of the necessary skills required by the hospitality industry. A study conducted by Sebola et al. (2019) on the attitudes of employees within the hospitality industry towards the training programme in South Africa recommended that hospitality training must be carefully designed to be effective for coherent attainment of specific objectives and outcomes. They further emphasised that the training program should focus on clearly defined goals so that employees can recognize that the goals are closely related to their everyday tasks. A positive attitude towards training can only be realized if the content leads to greater satisfaction, improvement of performance and increased wages (Fu & Deshpande, 2013).

Job satisfaction has been identified as one of the key factors affecting employee performance within the hospitality industry. Job satisfaction has been defined by Chu, Hsu, Price and Lee (2003) as a positive and pleasant emotional state that emanates from employees' evaluation of the job. Lau (2000) posits that happy employees provide greater productivity which serves to improve quality of service delivery. The South African hospitality industry is not regarded as a provider of decent work (Coughlan, Haarhoff and Moolman, 2015). Low morale and poor motivation levels contribute to high employee turnover within the hospitality industry (CATHSSETA, 2010). The inability to provide decent work accounts for skills shortage within the hospitality industry (Richardson 2008; NDT, 2011).

Factors such as long working hours, low remuneration, lack of specific career path, negative image of the industry and lack of clarity on required formal qualification specifications for some aspects of the jobs, have all contributed to loss of interest in the industry (Richardson 2008; Kleynhans & Sibanyoni, 2015). According to Kruger (2014), remuneration, job happiness and turnover intent are among factors that determine job satisfaction among managers within the hospitality industry. Income is an important factor contributing to job satisfaction (Kruger, 2014). Kleynhans and Sibanyoni (2015) lament the fact that the majority of employees are not happy with their poor salary packages including benefits and opportunities for advancement. Arjona – Fuentes et al. (2019) showed that working conditions in the hospitality industry need to be restructuring and reimagined to address low wages, long working hours and part-time employment arrangements. This type of working condition leads to employee dissatisfaction (Poulston, 2008). Kusluvan et al. (2010) point out that the human resource sector within the hospitality industry is unprofessional, under-developed and inferior as compared to those in other industries and this weakness affects employee commitment, satisfaction and motivation.

Employment in the tourism sector covers present financial needs and does not protect employees against possible future unemployment, illness, or old age (Tsangu, 2017). Sturman (2001) points out that the food and beverage sector employs a greater proportion of

low-skill or part-time employees and this practice has a detrimental impact on the performance of the sector. In this regard, Mafini and Mejuri (2017) recommend that employees should be consulted when making a decision, regular review of salaries, provision of challenging work and better chances for promotion, more training and development and ensuring a healthy family life if employers want to retain and improve skills within the hospitality industry.

The impact of economic recession and COVID-19 pandemic on the growth prospects of the hospitality industry in South Africa

The South African government announced that the country will be moving to total lockdown on the 27th of March 2020 in a move to curb the spread and prepare hospitals for the surge in the numbers of individuals that may be affected by COVID-19 (SABC News 24th of March 2020). The widespread of the COVID-19 literally brought to a halt the hospitality industry (Stehlik, 2020). Due to the pandemic and measures taken by the South African government, there was a decline in job postings and employment throughout South Africa. The implication of the above was that there were restrictions on movement outside the living homes and this had a dire consequence on demand for services such as restaurants, theatres, sporting events and hotels (The Conversation Africa, 2020). The hospitality industries in South Africa were not allowed to operate during this period. However, when the country moved to alert level 3, certain activities were permitted within the hospitality industry. The restaurants were allowed to open under strict restrictions and compliance with COVID-19 regulations (Minister Department of Tourism, 2020). Part of these regulations included documenting the numbers of people within the vicinity, the wearing of a mask, use of sanitisers and regular cleaning of the premises, above all, they were only allowed to operate till around 9:00 pm in the evening.

The Business Insider Magazine (2020) reported that Covid-19 may lead to about 1,6 million job losses in South Africa alone this year, and the majority of the job losses will be in the hospitality industry. The Tourism Business Council of South Africa (TBCSA) reported last month (September 2020) that over R68-billion in tourism were lost since South Africa's national lockdown. Statistics SA (2020) also revealed that in May 2020, all accommodation types recorded large negative year-on-year growth in income from the accommodation. Income from accommodation decreased by 77 percent from March to May 2020 compared with March to May 2019. The Department of Tourism indicated that 30% of the country's restaurants had already closed permanently, with the hotel industry expected to lose over 500,000 jobs (DOT, 2020). In January 2019 alone, the sale of food at restaurants, coffee shops and fast-food outlets contributed R4,7 billion to the economy of South Africa. However, the situation may not remain the same this year due to restrictions on travel not only in South Africa but from other countries as well. In South Africa, the hospitality industry is heavily reliant on international tourists and restrictions from both the European and North American countries may affect the business negatively. The Nedbank growth forecast for the year 2020 was down by 6,6% which has a negative effect on the economy (Business Insider, 2020). The implication of the new law as a result of COVID-19 in South Africa may dictate that the business owners adopt new strategies and behavioural changes in their line of business. One of those strategies will be the use of electronics as a means of delivery especially for the restaurant's owners

Customers are requested to place an order over the internet and this may be delivered at the doorsteps. For hotels and other Bed and Breakfast outlets, the front desk personnel require training on how to get information from the guest. The information may include the travel history, symptoms of sickness for the past few weeks and places visited. For the

business to survive after COVID-19, business owners need to think about new ideas and mostly adopt e-commerce into their business models. However, all hope is not lost within the hospitality industry post-COVID-19. There are calls made by the South African government and different banks on a soft loan scheme for small and medium enterprises, but it will need to be in conjunction with business bankers who have an eye for innovation and the bigger picture. Furthermore, COVID-19 should be viewed as an eye-opener for the need for training on innovative ideas within the hospitality industry (Stehlik, 2020). Furthermore, the hospitality industry must appeal to the first set of tourists that they are evolving innovative ideas in their businesses and further demonstrate that hotels could be havens of safety as regards to health issues and that they are complying with the regulations put in place by the government and willing to go an extra mile for sanitation, cleanliness and hygiene (Southern and Eastern African Tourism, 2020). It is therefore important for hospitality industries to be working on different strategies that they are willing to undertake in order to boost their businesses in an ever changing world.

Conclusion

Despite all the developments and transformations that were put in place to change the complexion and structure of the sector, issues such as ownership, management control, skills development, enterprise and supplier development, socio-economic development, and stakeholder partnership and collaboration still remains a big elephant in the house. Urgent attention to these problems is important in building a bridge to enhance the pace of transformation, to facilitate and integrate industry-wide processes to catalyse transformation in the sector and map out a comprehensive set of targeted actions for transforming the sector beyond B-BBEE compliance (DOT, 2013). There are various formidable challenges afflicting the sustainable growth of the hospitality sector in South Africa. While governmental policy interventions yielded results, more concerted efforts are required to transform the hospitality landscape. The hospitality sectors play a pivotal role in job creation and this capacity ought to be harnessed to accelerate socio-economic development. However, this mission can only be realised through meaningful enhancement of human capital development.

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