



Employee training contributes to service quality and therefore sustainability

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Abstract

The truism is that training contributes to employee growth and satisfaction but how does it impact on service quality? The objective of this study was to examine the relationship between human resources, employee productivity and sustainability within the golf club sector of the hospitality industry. The study aims to dispel the idea that training is not essential for both employee and organisation. The study used a mixed method approach with both quantitative and qualitative data to establish resource efficiency within golf clubs to ensure sustainability. Firstly, the questionnaire to the club managers provided data about the general human resource and employee information. Secondly, the interviews established the resources necessary to satisfy the needs of the members, which assist the clubs to remain sustainable. Training remains a necessary part of employee retention and staff development but also contributes to improved service quality. The retention of members and employees satisfies the aspects of economic and social sustainability, as there is an improvement in the business finances, as well as a positive impact on the community. The study reconfirms the necessity to upskill employees. Training is viewed as an incentive to the employee but contributes to the sustainability of the clubs because productivity and service quality is improved.

Keywords: employee training and development, human resources, club management, hospitality management, service quality

Introduction

The aim of the study was to determine the relationship between employee training and their ability to provide excellent service, both being important for a golf club to remain productive and sustainable. Maintaining service quality and member satisfaction cannot be neglected as these contribute to retaining and perhaps encouraging new members, both contributing to the sustainability by providing a source of revenue for the club. Service quality refers to an output, which aims to satisfy customer needs (McMullan & O'Neill, 2010:30).

The golf industry has both recreational and sporting value, which provide numerous employment prospects, commercial, as well as tourism opportunities (IFM, 2009:2). The services that clubs render will be determined by their members needs and wants, as member satisfaction and retention lead to support for a club, which in turn leads to sustainability. An



accepted idea within the hospitality industry is that satisfied customers result in repeat customers that contribute to a successful business (Gracia, Bakker & Grau, 2011:458). "Member service is an approach or methodology; aimed at enhancing member well-being and everything you do as a club to satisfy member requirements" (Hubbard & O'Neill, 2007:318). Koenigsfeld, Kim, Cha, Perdue and Cichy (2012:633) explain that the manager should have a set of competencies to manage the club effectively and human resources (HR) is one of these competencies.

Human resource management (HRM) within hospitality is the one area that does not service the guest directly but focusses on the employees. Within the HR management function, training and upskilling of employees is vital, not only to the development of employees but also to contribute to the sustainability of the organisation (Mzimela & Chikandiwa, 2017:13). This support function aims to improve the efficiency and effectiveness of the employee to improve customer service which may result in greater revenue collection (Bersin, 2008:23).

Literature review

There has been an expansion of the hotel industry globally, which relates to the emergence of new subsectors such as back packing and sports tourism, and all of this leads to greater guest movement and travel experiences (McMullan & O'Neill, 2010: 29). Within the hospitality industry, a small segment exists which includes recreational activities provided by sporting clubs, casinos, resorts and private clubs (Barrows & Powers, 2009:4). This varying exposure has contributed to guests and/or club members, experiencing the hospitality environment differently. This movement of guests has exposed club members to differing service offerings, educating them and changing their perspective on service quality. The private clubs usually operate in a restricted profit orientated market (Lillicrap & Cousins, 2010:3), requiring the retention of quality service for members to remain loyal, so that the clubs can remain sustainable (Hubbard & O'Neill, 2007:37). The value of tourism, both for local and national government, is undisputed for its increase of full- and part time employment opportunities, as well as the increase in revenue, which is generated from tourists spending foreign-exchange (McMullan & O'Neill, 2010:29). Management therefore needs to upskill employees so to meet the varied new demands of the guests.

Employee development

Human resources should not be neglected in a service orientated organisation as it is the personal touch including professionalism and efficiency that contributes significantly to customer service excellence. Traditionally, the hospitality industry has been characterised by poor wages, poor working conditions with long unsociable hours, and with little development in the form of training and human resource management (Boella & Goss-Turner, 2013:24). From an HR perspective, performance management is managed by using a performance appraisal process, which should be linked to the organisation's business objectives. In order to promote productivity within the workforce, management should be supportive by using strategic policies relating to empowerment, reward systems or performance related remuneration levels (Boella & Goss-Turner, 2013:24). Just as retaining guests is easier than finding new guests; the same may be said about employees.

It is better to spend time on the selection of capable employees, rather than to develop them in order to retain them. Boella and Goss-Turner (2013:93-94) indicate that employees need to feel that they are contributing to the organisation. Gustafson and Cannon (2007:279) agrees but adds that training can assist in maintaining the club's competitive advantage. A needs analysis and regular performance appraisals indicate which programmes are required (Mzimela & Chikandiwa, 2017:12), assisting the organisation to identify strengths within individuals, and employees then view the process as positive motivation. Gustafson and



Cannon (2007:279) emphasises that training is an on-going process that aims to train employees for efficiency in their current position and development for future opportunities. This also provides an opportunity to identify areas requiring attention and employees for further development. The most common areas of training are usually within these five topics, which are:

- Skills training – which includes employees in the kitchen and other F&B departments;
- Management training – this can include a variety of management orientated programmes for various levels of management;
- Housekeeping training – the extent of housekeeping offerings will vary amongst the clubs. This training may include a smaller group of employees because of the specialty involved. Various supervisory levels of management may be required to attend hygiene courses;
- Financial training – various supervisory levels of management may be required to attend basic finance courses in order to make the individual a more effective manager. Frequently, a smaller group of employees would be expected to attend because of the specialty involved; and
- Human Resource (HR) management training - various supervisory levels of management may be required to attend basic human resource courses in order to make the individual a more effective manager. Frequently, a smaller group of employees because of the specialty involved.

Not only is training and development perceived as a positive motivation, but it can improve productivity. Mzimela and Chikandiwa (2017:12) note that the absence of a training culture within an organisation can be unfavourable to the performance within that organisation.

Productivity is an elusive topic within hospitality companies (Jones, 2007:1). Some have tried and succeeded in improving employee productivity outputs through training, employee recognition and remuneration, empowerment and coaching. The concepts of productivity and quality are these days researched together, whilst previously each one was considered individually, as the two concepts were regarded as being in conflict (Benavides-Chicón & Ortega, 2014:165). Increased competition within and amongst the hospitality industry players has forced management to consider service quality, as well as productivity. Programmes have been initiated to improve competitiveness and ensure business survival to contribute to the overall economy (Benavides-Chicón & Ortega, 2014:166). Finn and Lamb (1991:483) describe how consistent provision of service quality ensures company profitability, encourages productivity, therefore, reducing costs, improving market share and providing a return on investment.

In order for an organisation to achieve quality service and improved labour productivity, Benavides-Chicón and Ortega, (2014:169, 172) specify five constructs that relate to each other and that should be in place; leadership, people, strategy, partnerships, resources and process, and products and services (PPS). Benavides-Chicón and Ortega (2014:166) explain that competition helps to encourage sustainability, but that employee productivity is an essential factor. Service organisations that focus on productivity, quality and customer perceptions experience a positive link between each element, resulting in sustainability.

Performance management processes include recognition of employees, which is a powerful tool in motivating employees. Employees have a desire to feel respected by their colleagues, resulting in a positive contribution to the individual and the team (Armstrong, 2007:37). Regardless of the strategies that are used in performance measurement, management should aim to deliver regular, positive feedback to employees which assists in driving an improvement plan of the business, as well as the growth and development of an individual (Armstrong, 2007:12; Benavides-Chicón & Ortega, 2014:169). Employees should be empowered, to take initiatives to satisfy guests and contribute to their experience, by providing training programmes (Casado, 2014:17). Furthermore, management's commitment to continual



motivation, upliftment of employees, as well as a structured training schedule, leads to improvement in service quality. The influence of strategy has an effect on two constructs; firstly, quality and secondly, product, processes and services (PPS) (Benavides-Chicón & Ortega, 2014:170). If there is a positive variation in PPS, then there is an increase in productivity. When management commits to implementing Total Quality Management (TQM), a course on quality management will have a marked improvement in employee productivity and service quality (Benavides-Chicón & Ortega, 2014:170).

Another management concept is Employee Relationship Management (ERM). Losing a customer and a valuable employee affects the business. Satisfied employees who trust their employer will work together, tell others about their satisfaction and are willing to achieve results required by management (Strategic Momentum, n.d.). Benavides-Chicón and Ortega (2014:171) stress that the motivation of labour and continual labour empowerment has a value, which may not be used or is misunderstood by management to be a crucial component in the improvement of service quality. Armstrong (2007:35) clearly defines training as a systematic provision of development activities that encourage learning and continual up-skilling in order to improve employees' careers. Well selected training programmes for identified individuals are well received motivators. Mullins and Dossor (2013:136) conclude that low productivity, the inability to transform, inadequate facilities, insufficient financial resources and limited employee development are common constraints. Realistic positioning of a performance objective can motivate employees to achieve more, but if performance levels are set too high, employees will feel dissatisfied (Mullins & Dossor, 2013:136).

Employees find it easier to satisfy loyal customers, who in turn motivate the employee because of the appreciation of their attentive service, which then prioritises good service, encouraging greater customer satisfaction (Schiffman & Wisenblit, 2015:41). Jones (2007:1) mentions "productivity is not everything, but in the long run it is everything". He explains two areas where changes have had a positive impact on the productivity of the employees, namely functional flexibility and the introduction of information technology. Multiskilling refers to the training of employees to do more than one task within the organisation, which leads to greater efficiency amongst employees, greater employee retention, especially with part-time employees, and the development of stronger team work (Jones, 2007:3).

Service-centeredness can save the organisation expenses because employee skills that lead to good customer service, also lead to greater job satisfaction and therefore increased productivity. In many instances, customers are willing to pay more for better service (Dale, Van der Wiele & Van Iwaarden, 2011:13; Pine II & Gillmore, 1998:99), yielding a higher return on investment on behalf of a club. In private clubs' new members often leave within the first two years. It is an ongoing challenge to recruit and maintain membership numbers (Back & Lee, 2009:529). Hence, an organisation needs to focus on customer retention by examining consumption patterns, levels of customer profitability and strategies that appeal to each type of guest or member (Schiffman & Wisenblit, 2015: 46). Regardless of the type of guests that frequent the establishment, employees should be aware of cultural differences. Ross, France and France (2007:158) refer to culture as values, attitudes and morals that mould human behaviour. These are relatively consistent but will differ between groups of people because of location and mind-set within a community. If members are from similar communities with common beliefs, a club culture is likely to develop.

The relationship between quality and productivity within the hospitality industry indicates that process, products and services (PPS) are a vital strategy in any organisation (Benavides-Chicón & Ortega, 2014:170). Consequently, organisations have seen the need for service evaluation tools to measure guest satisfaction. Monitoring ensures that the day-to-day operations and strategies, which affect long term procedures, lead to more effective decision-making. The establishment needs to examine trends, desires and expectations, the details of guest satisfaction, the nationalities of the guests, and then train employees to be sensitive to the cultural preferences of those guests (Pingitore, Huang & Greif, 2013:6). In clubs, marketing



strategies have changed where the emphasis on relationship building to improve business standing, confirms a link between satisfied customers and improved financial results.

Service Quality

Service quality cannot be discussed without referring to SERVQUAL. The service quality questionnaire, which was developed by Parasuraman, Zeithaml and Berry in 1985, and cited in Finn and Lamb (1991) and Lewis (2011:242), assists in collecting service quality perceptions from customers. The SERVQUAL questionnaire aims to determine customers' expectations of service versus service that is delivered. This model was developed as a tool to evaluate performance in the service industry. Its aim was to measure reliability, responsiveness, assurance, empathy and tangibles (Maylor, 2000:250). An organisation should use the information collected from a SERVQUAL questionnaire to guide internal change to improve service to the customer (Dale, *et al.*, 2011:12). Jain and Gupta (2004:25) explain that the SERVPERF scale has fewer items to examine and has considerable support but SERVQUAL still has greater application. Cronin and Taylor's (1992) (cited by Jain & Gupta, 2004:28) study confirms SERVPERF's usefulness in several sectors but both scales are still valuable service quality measurement tools, with SERVQUAL marking the beginning of service quality study and literature (Jain & Gupta, 2004:28).

Service that is consistently excellent will lead to satisfied members who are likely to remain club members and will encourage others to join (Hubbard & O'Neill, 2007:317). The inability to deal with poor service can result in a reduction of customer loyalty by 15-30%, with one dissatisfied customer influencing up to 50 people (Dale *et al.*, 2011:13). Dale *et al.* (2011:13, 18) continue by stating that quality leads to improved business performance, whilst the cost of poor quality is higher. Quality service encourages customer loyalty, however, there are a number of requirements that will assist this such as a preferable location, a variety of F&B offerings, and employee 'people skills' (Chen McCain, Jung & Hu, 2005:466).

Customers will penalise bad service but will happily reward good service. Dixon, Freeman and Toman (2011:2) explain that some companies 'go over the top' with their customer service. For example, when there is a problem all the consumer wants, is a simple but quick resolution. Often the organisation thinks that loyalty is derived from quality products and brands but Dixon *et al.* (2011:3) clarify that exceeding service expectations will increase loyalty. They also stress that poor service increases greater disloyalty, clearly indicating that there is a difference between customer satisfaction and loyalty. By building on customer loyalty, the outcome has a threefold benefit; customer service is improved, customer service costs are reduced and the number of customers leaving the organisation are less. Dixon *et al.* (2011:6) conclude that loyalty is improved by interacting with and solving customer problems, speedily and simply.

Back and Lee (2009:530), Gracia *et al.* (2011:458), and Schiffman and Wisenblit (2015:44) concur that customer loyalty develops when there has been a positive customer experience of perceived service quality. These loyalties result in guests returning to support the establishment and responding with positive recommendations. There are two precursors to loyalty: firstly, the perception that service is good, and secondly, that a positive view of the establishment will affect the future actions of the guest. Guest satisfaction is an emotional response and discrepancies in the perceived or expected levels of service are based on a customer's historic experiences (Gracia *et al.*, 2011:459). Customer loyalty is a process of rational development. Guests analyse the experience, then have an emotional reaction to the service experience, which is projected into an evaluation of the establishment. The research of Gracia *et al.* (2011:462) concluded that there is a close link between quality service and customer loyalty, that service quality and positive emotional responses from customers were closely related and the customer's positive response will lead to loyalty.

A club member's positive opinion of the service, results in a positive emotional response, which increases loyalty (Gracia *et al.*, 2011:459; Machado, 2014:144). Quality service is a concept which has no parameters, as its consideration will be different for each individual and



at different times (Machado, 2014:124); resulting in club managers needing to focus constantly on fulfilling expectations of their members (Hubbard & O'Neill, 2007:317). When employees show understanding and thoughtfulness, the guest is happier, highlighting the importance of customer-centric service (Gracia et al., 2011:464). It is clear that service centeredness will result in satisfied members, who remain loyal to the club. Quality service can result in financial profitability with a positive outcome for the club, which in turn influences sustainability.

Performance management

The main purpose of performance management is to improve results of an organisation, departments and individuals. It is a shared understanding of what needs to be done by management to manage and develop the employees (Armstrong, 2007:392). Whereas performance refers to the ability, motivation, and opportunity to use a talent to achieve acceptable performance levels of employees (Mullins & Dossor, 2013:285). Information is plentiful concerning the larger hospitality organisations, but scant when dealing with performance and measurement of productivity in smaller operations (Bergin-Seers & Jago, 2007:144). The main challenges that small businesses experience are a lack of resources, economic instability and insufficient expertise within the field of operations. The size of the operation is irrelevant, but management's ability to monitor key performance assists in survival. Management's role in a smaller hospitality operation is different to that in a larger business in terms of how resources are structured and varied (Back & Lee, 2009: 528; Bergin-Seers & Jago, 2007:144). Various tools of performance management are available. A well-known tool is Drucker's 8-key areas which is a useful system to analyse organisational objectives in a holistic manner (Mullins and Dossor, 2013:135). Table 1 condenses the main points of Drucker's 8-key areas, note however that four of the eight key areas relate to human resources (indicated with * in the Table 1), either directly or indirectly.

Table 1: Drucker's 8-key areas (cited in Mullins & Dossor, 2013:135)

Key Areas	Explanation
Market position	The nature of the business, facilities and services will attract a specific customer and competitors.
Innovation	How the business reacts and adapts to the external environment; changes within technology, business practice and customers.
Productivity*	How the business uses technology, new systems and techniques to improve production, therefore, increasing productivity.
Profitability	The business needs to measure its profitability, making use of forecasting and strategic planning in order to measure returns on investment.
Resources: physical and financial	Refers to the size and location of premises, financial and budgeting and planning.
Performance and development of manager*	The ability and direction of the manager will lead his employees in the right direction, strengthening them to success.
Performance and attitudes of workers*	Growth and attitude of employees that are well managed encourages good work and customer relations.
Public and/or social responsibility*	How management reacts to internal (employees) or external (government, public and customers) forces and whether viewed as important or not.

Sustainability incorporates customer satisfaction, positive guest perceptions and the environment (Chong & Verma, 2013:7). Okumus, Altinay and Chathoth (2010:102) mention that the strength of any business is how the organisation utilises resources, competencies and capabilities to develop a strategic plan for continued sustainability. Strategic management is a concept that has developed over several decades. The perception is of the analysis of general management encompassing general business management, interactive social relationships and processes, systems and organisation within the business (Okumus et al., 2010:6).

Okumus, et al. (2010:5) refer to a strategic management framework, which the organisation needs to progress through stage by stage, while identifying strengths and weaknesses, opportunities and threats, and analysing each to form a strategy. Once the strategy has been

formulated, implementation and control follow (Okumus et al., 2010: 5). The process of strategic management is continual, as strategy control and feedback will result in the re-evaluation of goals and objectives within the organisation, then starting the cycle again. Initially, a management strategy should focus on conceptualising an approach of structured progression, thereafter the focus should move to developing an organisational culture, which leads to a focus on resources. In the 1990s, strategies lead to a focus on globalisation, networking and strategic alliances. In the 2000s, the emphasis was on corporate social responsibility (Okumus et al., 2010:5-7, 9). The ultimate objective of the organisation is to be competitively advantaged so to ensure sustainable business practices. The business is exposed to constantly changing both internal and external environments. An organisation then needs to assess the changes at different levels in order to implement strategic control (See Figure 1). Analyses, formulation and implementation of these three levels enables the organisation to remain competitive and ultimately to be sustainable.

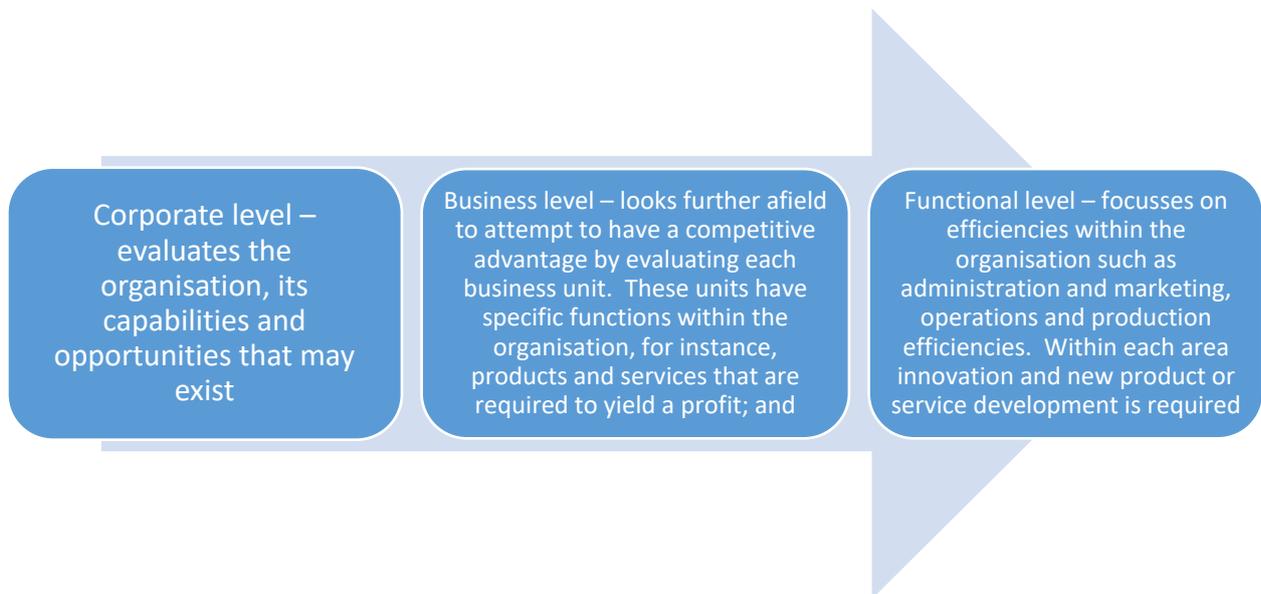


Figure 1: Levels of corporate control (Adapted from Okumus et al., 2010: 73).

Sustainability was initially referred to as corporate sustainability, with the emphasis on business practices being ecologically and environmentally friendly. This concept then developed into Corporate Social Responsibility (CSR), but each country viewed this responsibility slightly differently (Strydom, 2015:16). For example, in the United States of America, Chile, and Brazil, the fair treatment of employees was the focus; whereas in India, China and Russia, the distribution of safe, quality products were the aim. In South Korea and Turkey, the objective was to have large businesses to uplift the community (Strydom, 2015:16). In the South African context, CSR includes improving the working and living conditions for the people in the surrounding area. Erasmus, Strydom and Rudansky-Kloppers (2017:149) expands on this, explaining that this includes elevating issues regarding housing, health, education, the environment and empowering the previously disadvantaged. Erasmus et al. (2017:149) notes that CSR, corporate social investment (CSI) and corporate citizenship are used interchangeably in some literature but each focus on a specific area within the business. The positive side of sustainability allows the business to work through good and difficult times. Training grows the employees, improving confidence and flexibility, encouraging employees to use their initiative in various situations, striving for improved service quality. Mead and Andrews (2011: 431) express how the CSR theory and practical implications are relatively broad, infiltrating many aspects of the business such as:

- Corporate governance, strategic planning and decision making and how this impacts the business, its employees, the community beyond, and the environment;

- Protection of stakeholders by adherence of regulations;
- Impact of pollution and exploitation of the environment, including waste management;
- Protection of employees and customer contracts; and
- Protection of data and privacy of information.

It should be noted that three of the five aspects relate to employees within the business.

The view of the business activities should include the organisation's ethics and diversity policies, and from the employee and customer's perception, the health of the community around the business, and continuing corporate governance (Strydom, 2015:16). The view of sustainability developed into a process of examining the entire organisation from the conservation of culture, care of the environment, extending to a responsibility towards the community and financial longevity. The organisation should view the activities from 'inside-out' and 'outside-in'; utilising the opinions from experts outside the business and employees from within. The culmination of these opinions will result in a business that improves peoples' lives, protects the environment, encourages employee loyalty, and contributes to the bottom line (Van Lill, 2015:4). Figure 2 illustrates the concept of Benavides-Chicón and Ortega (2014:166) that there is a link between the various aspects of the business, which include quality service, customer perspective and productivity, resulting in sustainability.

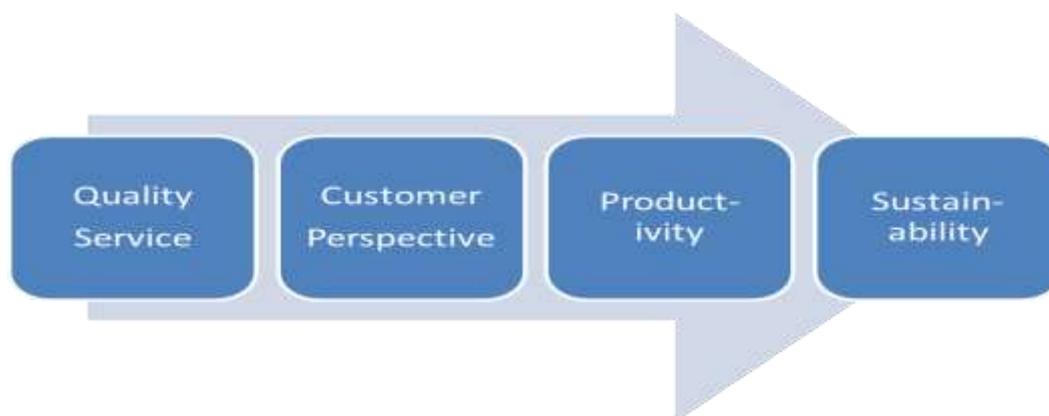


Figure 2: Linkage that results in a positive association
(Adapted from Benavides-Chicón & Ortega, 2014:166)

Although the concept of sustainability has been discussed for several years, the encouragement of organisations to report on their sustainable practices is a positive initiative to review all aspects within the organisation. These aspects have developed into improved social policies such as providing housing, which has uplifted communities together with sustainable practices for the environment (Bärlund, 2004:2). Good business practice considers the organisation holistically, and not as a single entity. The longevity of the organisation should be the goal of every manager, as there is a responsibility to the employees, stakeholders and the community at large. In an age where waste is not acceptable, frugality is expected, allowing the manager to streamline all aspects of the business whilst still focusing on efficiency and customer retention. For the club managers, with their varied areas of expertise, sustainability allows them to examine and, subsequently, highlight areas of potential growth. An organisation that creates personal connections with customers, meets their needs with processes of business management, and offers a variety of facilities or products that change periodically, will encourage repeat business and remain sustainable in the long term (Benavides-Chicón & Ortega, 2014:170; Schiffman & Wisenblit, 2015:159).

Sustainability is a word that has been manipulated until it fits a purpose. The concept is all-encompassing when evaluating all business activities to ensure that the organisation can strategically manage the process of achieving sustainability. The key aspects of sustainability



are economic, social and environmental, but underpinning these is the protection of employees and stakeholders, the surrounding community in which the business operates as well as the environment. Important too, is that the activities of the business that require other external inputs, need to follow sustainable procedures. Initiatives that require the business to report on its activities will assist the organisations in their goal for compliance in each area; resulting in activities that will not be detrimental to the environments and communities in which they operate.

Methodology

The research design and methodology made use of a mixed methods design, which included the collection of quantitative and qualitative data. To provide the numerical facts about the golf club industry in Gauteng, South Africa, a questionnaire was used to collect the quantitative data. To collect the qualitative data, semi-structured interviews were conducted with purposively selected club managers. Leedy and Ormrod (2013:258) note that selecting a mixed methods approach should occur when neither quantitative or qualitative adequately collects the required data to achieve the research objectives. With each golf club being similar but offering members different facilities or services, mixed methods assists to identify the nuances of the various clubs. A process of triangulation compared the findings in the data to the secondary data collected in the literature review.

All data, primary and secondary, quantitative or qualitative, require collection, collation, analysis and synthesis in order to achieve the objectives. It is these analyses of the data that is essential to filling in the information gap that has been identified (ACAPS, 2012:3; Brynard, Hanekom & Brynard, 2014:2; Leedy & Ormrod, 2013:77). The questions relating to productivity, revenue and the number of employees assisted to indicate the levels of performance in golf clubs. To remain sustainable, a golf club should operate within a budget while it still meets required performance and service levels demanded by the members. The data collected in the management interviews was guided by semi-structured questions to determine the opinions of the managers. These were to identify internal and external factors that may affect the sustainability of the club, whilst recognising trends within the industry, both locally, nationally and globally.

Ethical clearance was obtained and the respondents for both the quantitative and qualitative data collection methods, were voluntary, anonymous and over 18 years old. For the qualitative interviews, club managers were invited to partake in the interview voluntarily. The researcher explained the reason for the interviews and participation was voluntary and no incentives were offered.

Results

A total of 27 clubs were included in this study, with 17 golf (63%) and ten country (37%) clubs, located throughout Gauteng, with the oldest club having been in existence since 1894, whilst the newest club was established in 2009. The midpoint was a club established in 1947. Just as age varies so do the number of members with the smallest having 225 members and the largest with 9741 members of which 6800 are active members. The common types of members were golfers (53.8%) and town/regular members (27%), social and country members (11.8%), with the newest category, homeowners (1.9%) and other members (5%). The variety of facilities that are available to the members vary from club to club, with the golf course being the main feature and then a variety of other sporting facilities as well as food and beverage (F&B) amenities. Most of the clubs have banqueting (85%) and conference rooms (86%) with the larger clubs, having several of these. Seventy-nine percent (79%) of the clubs have at least one or two bars. All the clubs have a halfway house (quick service outlet halfway or before the turn in the golf course), with 66.7% having a roving refreshment cart with a variety of other F&B options. For the purposes of understanding the different clubs, they are divided into categories according to their revenue generation. Each club has different facility offerings,



a varying number of F&B outlets as well as pricing strategies. These categories are 0-5 million Rand, 5-15 million Rand and >15 million Rand. The most profitable clubs are not necessarily the largest but could have more revenue generating outlets and/or stricter budget controls.

Within **employee development**, the questions relevant to this section related to, enquiring about the training programmes that are offered more frequently, whether the training is regarded as beneficial for the employee and the club. Factors which hinder the provision of training were also investigated. The most common areas of training which were discussed in the literature are skilling -, management -, housekeeping -, financial -, and human resource management training (see Table 2). It should be noted that besides the skills training, the other areas are included in a variety of management-orientated programmes for various levels of management. Within Table 2, the training information is cross tabulated with the revenue generated at each club.

Table 2: Types of training

Types of training	Most commonly provided training (% of total sample)	0-5 Million Rand	5-15 Million Rand	>15 Million Rand
Skills	91%	75%	100%	88%
Management	44%		36%	75%
Housekeeping	9%		9%	13%
Financial	26%		36%	25%
HR	26%		27%	38%

In Table 2, 24 (91%) clubs encourage skills development training. When cross tabulating the results, most of the training that occurs is in the clubs that are in the revenue group of more than R15 million. The three main areas of staff development are skills, management and HR training. Within the revenue category of between R5 - 15 million, there is skills training (100%) but management and financial training is encouraged. In the R0-5 million group only skills training is reported. It needs to be highlighted that outsourcing is common within the hospitality industry but in this sample of clubs, most activities are in-house. It should be noted that 75% of clubs keep green keeping in-house, while 61% of food and beverage outlets and 42% of the security functions are outsourced. Therefore, it is the responsibility of the outsource company to train their own staff and any training that may be needed for the outsource partners is not investigated in this study. The relationship between staff numbers and information and communication technology systems (ICT) was established; with the managers indicating that there is often no reduction in the employee numbers and may result in additional employees if efficiency is not maintained.

When asked 'if staff development/training was beneficial?', and what hindrances there are for training, the managers responded as follows (Table 3):

Table 3: Benefits to and hindrances for training

Is staff training beneficial?		Reasons for not training	
Never	4%	Lack of funds	75%
Seldom	0%	Insufficient time	54%
Sometimes	35%	Shortage of interested staff	8%
Always	61%	Other	0%

Of all the managers, 16 (61%) of the 27 club managers, indicated that training is always beneficial, but the lack of funds (75%) and insufficient time (54%) are the most common reasons for not training. One manager detailed his explanation, indicating that currently R 100 000,00 is spent on training per annum, but more training could be included. For example, training the waitrons to improve cost efficiencies, or training to improve turf-grass cultivation



practices. Employee motivation is regarded as an empowering tool. These results confirm that managers realise that training is a necessity and a powerful tool to improve employee productivity. Boella and Goss-Turner (2013: 93-94) and Jones (2007:2) agree that empowerment and a reward system improve employee productivity, which is necessary for continued economic sustainability.

Revenue and Operating Costs

The responses to the question ‘For the financial year 2013/2014, does your revenue cover your operating costs?’ are that seventeen (65%) of the managers, indicated that for the financial year 2013/2014, their revenue did cover their operating costs; while nine (35%) of the club managers specified that they do not (Table 4). There was one manager that did not respond to this question. The following question enquired about the current labour cost percentage for the financial year end (2013/2014). In Table 5 the results indicate a minimum labour cost of 20% with a maximum of 65%, with a median of 38%. The labour cost percentage should be compared with budgetary requirements of the club.

Table 4: Operating cost versus revenue

	Yes	No
For the financial year 2013/2014, does your revenue cover your costs?	65%	35%

Table 5: Current labour cost percentage

	Minimum	Maximum	Median	Interquartile Range
Labour Cost Percentage	20%	65%	38%	19%

The next question “Who benefits from sustainability in the club industry?” explored whether managers see sustainability existing throughout the industry, or only for the club. Of the seven respondents, all mentioned that the club and its members benefit first and foremost. The employees and the community in which they operate stand to benefit too.

Club 3 - *Members receive a direct benefit as well as our employees*

Club 6 - *Continuation of jobs for the community.*

Club 7 - *The entire community benefits – the members, the members’ guests, staff and suppliers.*

Sustainability refers to the organisation operating in the present, without activities being detrimental to future generations (Bärlund, 2004:1; Mead & Andrews, 2011: 429). At each club, there are both permanent and outsourced employees who contribute to the social aspect of sustainability (Bärlund, 2004: 1, Mead & Andrews, 2011:429).

Discussion

One of the objectives of the study was to examine the relationship between productivity, performance management and service quality. In order for any business to remain sustainable, the reporting of performance and productivity levels is required by management to report to the committee and club members (Benavides-Chicón & Ortega, 2014: 170; Bergin-Seers & Jago, 2007: 144). In this form of reporting, the aspects of sustainability are discussed, but the economic well-being is regarded as the most important aspect. Performance measurement exists, but within the hospitality sector this measurement is challenging. Tools to assist the process are TQM (Total Quality Management) and CRM (Customer Retention Management), but the needs of the members may be identified with the use of SERVQUAL. If the club is in a good financial position, then other aspects of sustainability can be focused on. Social responsibility, as a business principle, has gained greater awareness by managers,



and with club members being involved, the group is larger than simply comprising the club employees.

The following recommendations should be incorporated into the planning of future club activities. Performance management programmes are available through larger businesses or institutions such as CRM and TQM but may require adaptations for the service industry. The clubs should implement a reporting system such as GRI (Global Reporting Initiative) or BSC (Benchmarking and Balanced Scorecard), which will make management accountable to the committee, members and other stakeholders. These processes should be closely examined and adapted by the committee and club management to satisfy member needs. The importance of service quality was established in multiple literature references (Chen McCain, Jung & Hu, 2005:466; Dale et al., 2011:13, 18; Dixon et al., 2011:3; Hubbard & O'Neill, 2007:317) and remains an important aspect within the hospitality industry. The up-skilling of employees is regarded as necessary, as employees are considered a valuable resource for profitability. This is reinforced by both the current literature, as well as the collected data from the managers. Time constraints and insufficient funds are indicated as being *inter alia*, the two main hindrances of additional training. The data indicated that employee numbers comprise of both in-house and outsourced employees, making productivity measurement more challenging in the service industry.

Study Limitations

Through the research process, limitations within the study become apparent and therefore, need to be addressed.

- Owing to logistic constraints of this study, it was not possible to send the questionnaire to all golf and country clubs in South Africa. However, due to the low response rate (45%) to the questionnaires that were distributed, generalisations cannot be made for all golf and country clubs in South Africa. Considerations such as the nature of the service industry, as well as the location of the club will require the manager to be mindful of what a club's specific members will require.
- Even though the club industry is a sector within the hospitality industry, a generalisation for the entire industry cannot be made, but may highlight areas of focus for other hospitality managers.
- Each club is different in size, offerings and services, which they provide to members, which may result in clubs having different levels of service.

Conclusion

The retention of members and employees satisfies the aspects of economic and social sustainability, as there is an improvement in the business finances, as well as an impact on the community. Businesses that have concentrated on the concepts of CRM and TQM are working towards making the organisation more sustainable, as these theories encompass all facets of the business from product to customer. The satisfaction of the member incorporates both tangible and intangible aspects, making the hospitality industry reliant on performance management strategies in order to remain sustainable. The tangible aspects refer to the buildings and other facilities that the member will utilise. Facilities should be maintained regularly and renovated at frequent intervals to keep up to date with aesthetic trends.

The functional systems that are used at the club should be maintained, as these will satisfy guests and make employees' tasks more efficient to allow the focus to be on member satisfaction which is critical for sustainability. The intangible aspects of the club relate to the guests' comfort and the employees' ability to satisfy members and exceed their expectations. Regular training and motivational programmes equip employees with the necessary skills to accomplish their tasks, leading to greater member and employee satisfaction, as well as productivity. By focusing on the social and economic responsibility of the club, and working



towards the achievement of sustainability, this will hopefully and most likely, result in the longevity of the business.

Training is a business support function, with the aim of improving effectiveness and efficiency within the employee's job task, with the ripple effect of improved customer relations, customer retention and increased revenue (Bersin, 2008:22). Bersin (2008:101) states that there is an improvement in management career and leadership development as well as employee motivation.

Regarding performance measurement, the necessary tools should be implemented to provide valuable guidelines for strategic management so that the club can remain sustainable. The most appropriate way to measure success and efficient performance in the service industry is to determine customers' perceptions of satisfaction and enhance the real quality provided. As the service is being performed, the customers' perceptions continually shift. Hence, "Was our service quality satisfactory?", remains an important question (Albrecht, 1995).

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