Challenges and prospects of small and medium-scale enterprises in the catering and hospitality industry in Johannesburg, South Africa

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Abstract

Small and medium-scale enterprises (SMEs) are very often the backbone of the tourism and hospitality industry globally, and investigating their challenges and prospects is important. There is a growing number of catering services establishments in South Africa and more so in Johannesburg which is the hub of the country. This research sought to establish the success of SMEs in the catering sector and hospitality industry in Johannesburg, using a mixed methodology research designs. Structured interviews were held with an open-ended questionnaire schedule used to collect primary data. The interviews allowed participants to discuss personal perceptions and experiences. The research used a simple random sampling method to select subjects, who comprised caterers represented by organisations via catering services outlets, and participants were sourced from Johannesburg Metropolitan’s Supply-chain database. Literature was reviewed, and conceptual information and research objectives were explored when developing questions for issues as studied. Secondary data was collected via textbooks, academic journals, general print media, internet web-pages and available relevant sources in the sphere of academia. Results could support or dismiss research questions, or provide total dimensions perceived as being unorthodox. Data was interpreted using descriptive and inferential statistics. Research findings showed that catering service establishments adopted some business models in their operations. The first conclusion drawn was that findings are consistent with theories on the area as used within catering, hospitality and tourism. Theoretical frameworks that assisted in crafting a business model were applicable to the catering sector, and the hospitality, and tourism industries amongst others. The recommendation of the study is that SMEs which have built their reputations in catering services and in the hospitality industry from a previous regime should shadow, impart skills and up-skill ‘newly-formed entrants’ in such sectors.

Keywords: Catering, small medium-scale enterprises, hospitality, tourism, business-model.

Introduction

The research is premised on the notion that Catering Services (CS) as a phenomenon is broad, takes place within the Tourism sector and the generic Hospitality industry and is also a ‘stand-alone’ field of study, yet more often it is considered to be an ‘additional sub-sector’. Catering services as part of Hospitality and Tourism as will be discussed. Central to the existence of catering services are businesses in the form of small medium-sized enterprises (SMEs) as well as Small, Medium and Micro Enterprises (SMEs and SMMEs respectively). A synopsis of the business’ sphere in continental regions (European Union, United Kingdom, United States of America or United States, Asia, Malaysia, and BRICS: Brazil, Russia, India, China and South Africa) reveal two categories, namely Small and Medium-sized Enterprises, including Small Medium and Micro Enterprises (SMEs), which are recognised to comprise of a typical generic organisation within the broad spectrum (see http://www.nationalcreditregulator.gov.org). Each of these help to create employment and reduce poverty through their exertions and they also boost GDP (Bolwell & Weinz, 2008)/
SMEs and SMMEs operate within a wide variety of contexts in the economic sector. In this research, the distinct parts of economy are Tourism, Hospitality and Catering Services. Whilst the latter forms a core-part of this research in question, it should be emphasised that Catering Services in themselves are regarded as either an SME and or SMME in this study. In a South African context, an SME is identified by the number of its employees: if between fifty (50) and ninety (90), with a turnover between R2m and R4,5m it is an SME. The SMME is also defined by the very employees’ numbers: if less than twenty (20), it is a Micro enterprise, and if between hundred (100) and two hundred (200) it is a Medium-sized enterprise. A turnover is less than R150k in the case of Micro and between R4,5 to R50m in the case of Medium-sized enterprise. This is the view that is advanced by the National Credit Regulator (see http://www.nationalcreditregulator.gov.org). It is also supported by Statistics South Africa (StatsSA) in that, it seems that Caterers are based on the size-range from small to big companies, that could be classified into categories defining a specific kind of business in operation (see http://www.beta2.statssa.gov.za).

Thus, the official definition of SME has been construed as an autonomous and independent organisation comprising different types not limited to the close corporations and not-for-profit organisations and entirely detached from government’s control. Its management, by virtue of them being founding members, often tend to be owners, where the enterprises have sister-companies and/or related businesses normally based at various locations and regions in a specific economic industry or sub-industry (see http://www.nationalcreditregulator.gov.org).

Contrasting definitions offer a window to peek into the realm of entrepreneurship. But more so, they also show that the views are varied as far as the above concepts are concerned from the global viewpoint to continental, country-specific outlooks and South Africa’s, to be exact. The following scopes are worth considering, i.e. Tourism, Hospitality and Catering in that chronology. The service-based industry as it encapsulates a variety of few other related establishments and it is mostly intangible, inseparable and perishable. These are the views shared by Li Li, Gray and Dimitrios (2013). As such, managers in the Hospitality industry face a more complex work environment than colleagues within the manufacturing industries for example, and hence the industry is dominated by medium and small-sized businesses throughout Europe particularly (Li Li et al., 2013). A similar sentiment is condoned by a view that the purpose of Hospitality organisations is primarily commercial, i.e. to make a profit, not to be hospitable, though it is reasonable to suggest that being hospitable and also providing most enjoyable experiences can encourage repeat business and commercial success (Pullman & Rodgers, 2010).

**Literature Review**

**Theoretical Grounding**

Hospitality theories are briefly discussed in conjunction with SMEs and SMME-oriented theories that are interdisciplinary in their approach, which is ‘orthodox’ in relation to entrepreneurship. Such theories are Experiential Learning, Psychological (Need-for-Achievement), Sociological (Weberian) and also Economics (i.e. Schumpetarian) Theories.

Experiential Learning Theory moves from the premise that training, growth, competent-driven entrepreneurs and business supervisors are central to enterprises, their ability to generate profit, and become productive in the specific sector while the business is self-sustained (Kolb, 1984). Through practical training, an individual is able to pick up cues via enthusiasm, and possesses an ability to learn, understand processes and apply learning acquired in the work environment. Such a procedure is called meditative reasoning (Li Li et al., 2013). The Experiential Learning Theory was utilized by two Gastronome Pioneers-turned-Chefs within the Catering sector and the Hospitality industry in general, in their personal respective businesses, i.e. restaurants, hotels, enterprises and academies as entrepreneurs and authors, (Inversini, Manzoni & Salvemini, 2014). Daniel Boulud for example, studied Haute Cuisine at
renowned establishments in his home province, i.e. L'Auberge du Pont de Collonges, Nandron and Chez La Mère Blanc. It was in the catering establishments that learning all-encompassing meals were crafted and wine culture developed due to entry-level job streaming, according to Traditional Apprenticeship used at the time that had elements of an Experiential Learning theory (Capdevila, Patrick & Laurent, 2015). Similarly, Ferran Adrià started cleaning dishes at a beach restaurant, and was also exploring some elements of Experiential Learning Theory during the execution of his duties at work (Inversini et al., 2014).

The major competing theories within similar area or scope are A-Need-for-Achievement, as derived from Psychology, whilst a Weberian option has its roots in Sociology, and then there is the Schumpetarian view that has evolved from Economics (Dedekuma & Akpor-Robaro, 2015). All these theories are discussed shortly in relation to Experiential Learning Theory, while noting strengths and weaknesses. Catering Theory is very relevant to research and also applicable. The latter will be conjoined with Hospitality Theory as there seems to be a ‘thin-line’ between the two theories mainly because their underlying principles are similar. This viewpoint is corroborated by Foskett and Paskins (2011) in that the point of departure is based on Commercial Catering which lumps hotels (Accommodation sector), restaurants (In-house), caterers (Off-Premise, e.g. Chain-Catering companies) and other forms together, as all are in business classified as belonging to Services-provisions.

The Theory of Hospitality and Catering suggests that firstly, CSEs (Hospitality and Catering) in any form would not be rendered devoid of clientele that offer a well of profits for persistent financial opportunities of deliverance. The client is also part of various facets during the execution phase in Hospitality and Catering Service and is a judge of quality service offered; secondly, attaining the acceptable symmetry amongst patterns of demands, resources’ schedules and operation need manufacturing prowess and competencies is very important; thirdly, generic-Hospitality and Catering Services’ requisite is an integrated approach in manufacturing skill-sets and services operating around-a-clock (Foskett & Paskins, 2011). Hence, a common or generally accepted procedure for a classified Hospitality industry is void, yet scientific literature from other writers’ analyses seem to focus on two genres, i.e. Food and Beverages and Accommodation, being different from other industries (Langvinien & Daunoraviciute, 2015).

Ryan (2014) alludes to the example wherein a historical fact from China relates to its hospitality industry which entails the scripted formula type in SUI (c. 581-618 CE) as well as the TANG (c. 618-907 CE) empires that to date have described the industry rich narratives. Such statements affirm that this theory has been applied for a long time in different forms of the Accommodation within Hospitality and Catering industry, with an intention to provide a satisfactory qualitative and return-oriented service to the client via the product-offering and quality service provision (Nicolaides, 2016). Similar sentiment shared by Mullins and Dossor (2013), seems prevalent in the approach as espoused by Ryan (2014), regarding the Hospitality industry being the concept possessing more similarities than differences when compared to Catering. The Hospitality sector includes a bigger chunk within sophisticated financial systems while increased competitive factors put pressure on the management and owners towards executing the most appropriate business model so that a company could be competitive. Factors for the success of enterprises are relations toward clients in the hospitality services industry, market-price propositions, initiatives and applied science (i.e. technology) amongst others (Ryan, 2014).

The major competing theories within similar scope account for A-Need-for-Achievement, as derived partly from the Psychology domain as a field of study, while a Schumpetarian approach has evolved from the Economics’ sphere of influence. A Weberian approach has its roots in Sociology. The propositions of such theories are outlined below to explain the entrepreneurship concept in the case of Experiential Learning Theory. Emanating from Psychology, A Need-for-Achievement Theory, as advocated by David McClelland, a person
will be drawn towards business crucially via intrinsic reasons to attain for an attainment’s sake, motivated by a psychological need to achieve (Dedekuma & Akpor-Robaro, 2015).

People pursuing entrepreneurial-like careers are in need of achievement, (Dedekuma & Akpor-Robaro, 2015). The common factor with this theoretical framework is that of competent-driven entrepreneurs. The assertion is that an ‘internal-locus of control’ displays individual dispositionS in believing that eventualities ‘outcomes are inside personal abilities by influencing that result and via accepting own responsibilities regarding capacities’ outcomes. It includes competencies as opposed to assigning success as a fluke, or a stroke of good-luck. More so, a company’s foresight regarding how it would perform in the required place in markets becomes a departure-point regarding planning and strategic implications. Thus, such a foundation represents the potential for success of a business (Forsman, 2008). However, all the ingredients as mentioned above would also need the involvement of all staff members to succeed and bring about the results which are anticipated (Širec & Močnik, 2010).

Another confirmation of the views as shared above is that A-need-for-Achievement Theory clarified that people generally have the willpower to be successful, achieve, attain, exceed and or acquire. Hence, business-oriented people are propelled by such pressure; evidently for relationship between achievement, motivation and entrepreneurship, the only convincing personal trait or factor related to the new venture creation, is the inner-self (internal Locus of Control) whereby everything else begins (Simpeh, 2011). The personality traits in question are touted to be steady attributes that an individual displays in many circumstances, i.e. the static innate characteristics or even capabilities of the person that usually drives one on to be entrepreneurial. Certain qualities or behavioural attributes linked to business people are such that opportunities normally become driving-forces; there is an innovativeness display and initiatives, skills-set to manage, entrepreneurship knowledge and being high in optimism. This is a total diversion from the other two initial theories so far, similar sentiment is shared by Dedekuma and Akpor-Robaro (2015) in that entrepreneurship is principally an economical occurrence.

A theoretical framework driven by Joseph Schumpeter (1934) advanced an argument that includes Economical facets. Such a perspective views business people as coming from and behaving in a particular manner due to the need to acquire economically. Essentially, the economical reason is the foundation of business in its entirety. The extreme view by such an Economic Theory is also far-divorced from the Experiential Learning Theory, as it is centred around economic benefits more than anything else. However, the final interdisciplinary Theory has its roots in Sociology as a field of study and it holds the viewpoint that Max Weber (revered as the pioneer of this perspective) was interested in. The aspects that assisted the birth of development in entrepreneurial ascent, as espoused by Dedekuma and Akpor-Robaro (2015) are noted. Given a standpoint of Sociology, Max Weber identified that growth and entrepreneurship development are mostly found on the cultural values and system which then impact people’s ways of behavioural conduct (Swedberg & Agevall, 2005). In essence, the argument is that values in society have become the essential components that describe the extent to which entrepreneurship grows, including how business people generally behave. The Weberian viewpoint is that cultural practice in the form of religious’ belief consists of a higher degree of effect in motivating for the emergence of business people (Dedekuma & Akpor-Robaro (2015).

The reason behind this is that attitudes and behaviours of people are determined by these facets more often than not, including their general approach to life. The perspective was drawn from the historical religious belief that advocates working hard, exploration of potential financial benefits or leading the lives through planning, dedication and serving the Almighty (Dedekuma & Akpor-Robaro, 2015). However, a similar though slightly varying viewpoint is advanced by Širec and Močnik (2010), that an individual possesses three dimensions of social capital, namely structural capital, the system which encompasses the relationships among
people; relational capital, or quality relationships that involve specific individual, and cognitive capital, referring to the extent that a person allows sharing of similar structures and values making for a collective in society. Examining entrepreneurship development is not homogenous, as disparities exist amongst prerequisites indicating such growth in research, and also varied in measuring of organisational development in an extended period of time (Kahraman & Demirkol, 2017), nonetheless it is essential as new small businesses are vital for economic growth and innovative capacity building in many counties (Ribeiro-Soriano, 2017).

**Catering and Hospitality Business Models**

By definition a business model describes how a company function constructs value-add and offers ingredients regarding a performance. Business Models (BMs) have become common when designing concepts and are used as instruments for performing tasks (Inversini et al., 2014). Particularly business models are characterised by the origins, constructs and functions including outcomes. In essence, it is more about a question centred on why, i.e. any motivating reasons for a start-up. The designs (constructs) and operations (functions) are concerned about the how, who and what questions i.e. types of potentials identified to be focused on the target role-players that includes all the relevant acts (value-chain) needed as prerequisites. Thereafter, results become measured outcomes in respect of values or value-add as a reward. This view is corroborated by Langvinien and Daunoraviciute (2015), in that the definition which encapsulate business models stresses value as created, captured as well as delivered, albeit that various scribes categorise a business model through various manners, such as scientific literature, generic and specific business models classifications.

The Off-Premise-Catering Model moves from a premise that catering services should meet requisites in terms of target-market varying in budget expectations (low), from a client that has limitless funding, but is expecting great quality and quantity. The up-market customer is one who has no limit on funds and requires top-notch services, crème de la crème meals, most finer luxurious utensils, equipment, décor and other fine details and above all service quality. It is in-between the two ends where the midpoint target-market needs the quality and quantity which is not below the lower budget-client, yet also not so closer toward the up-scale customer as well. Basically, it is the mid-scale clientele that is striking a balance between two extremes of the scale (Thomas & Hansen, 2013). So, catering (i.e. Off-Premises) is viewed as an art and a science, where the Art creates Foods and Moods, while both caterers and clients work hand-in-glove to turn the idea as envisaged into practicality. Science concentrates on processes such as ensuring that the resources, fees and human labour are available to execute the event. Successful catering services (the Off-Premises) recognise the value of two facets i.e. both Art as well as the Science in ensuring an optimum balance (creativity and also profits). There is only a single chance to pull-it-off in catering (i.e. Off-Premises). Similar sentiment is shared by Halvorsen (2004), that catering is a business for goal-oriented people who are fond of and find problem-solving challenges pleasurable. It is seldom like being the ringmaster travelling with the circus, guiding performers and guests through a series of events which appear to be wonderfully spontaneous, yet are in fact as a result of dozens decisions taken practically. Some of the kitchens wherein the food is produced include those in a motel, guesthouse, cafeteria, pub and or bar. Mostly, the kitchen is not available at locations where meals would be served (see http://www.catalogimages.wiley.com).

Almost the same, but similar in an instance encompassing an Off-Premises Business Model with some slight variants, is the Performance-Catering Model. A point to make here is that it can ‘take various routes to arrive’ at desired destination, a goal in almost any circumstance is to observe best possible solutions with least number of shortcomings. The Performance-Catering Model has for example been a part of China’s catering industry since 1990s. In 1991, the catering industry had been keeping a double-digit growth as income levels for
urbanised and rural-oriented residents, unending increments and lives of people that have been led on a fast-lane, dining-out or take-away are both now preferred options (Gou, Shen & Chai, 2013). Currently supply-chain is not only composed of a mere product, but of product-offerings, logistical services and other aspects. Product-offering becomes just one among various services linked toward other crucial aspects of a business, i.e. it means the focus must be put on products, food-safety, food-quality and business’ onus. To comprehend requirements that entail buying foods with value-add within the Catering sector of the hospitality industry, there is a role played by suppliers and purchasers in such a relationship which is of trade-exchange (Astner, Stigzelius, Anderson & Mark-Herbert, 2011).

This sign of relative interdependency is usually witnessed when a value-chain is enacted as materials become procured by a purchaser from the supplier; this is a clear sign of symbiotic relationships. The Performance-Catering Model can be viewed as a comprehensive supply-chain that is founded through services and the supply-chain that is oriented towards service, yet viewed as critical in increasing competition in catering services. However, businesses throughout the supply-chain that is aimed at catering services require more work which symbolises its very nature when executing any events, e.g. building stable partnerships, ensuring benefit and information-sharing. Hence, most businesses within a supply-chain make all role-players winners (Ma & Ling, 2005). For the supply-chain to be maximised and integrated, its performance-evaluation model needs some firm structure. The organisation’s view regarding its structure when dealing with complicated interfaces within supply-chain as a result of measurement based on performance through supply-chain’ service framework is the foundation for its development in the first instance as an application in Hospitality. As opposed to a commercial one a catering supply-chain is directed at various services comprised of characteristics’ product-offerings such as food-safety, diversity, products' timeliness, price-stability, data-sharing, logistics-capability and customer-satisfaction (Gou et al., 2013; Nicolaides, 2016). It seems that logistics play a vital role in such instances.

A chef studies Professional Cookery gradually, exploiting innovation as well as competency. Haute Cuisine (the quality cooking flowing from traditional French Cuisine style) is perpetually done within creativeness, constant experiments, changes in a menu to produce some of the pleasing products, and emotionally characterised through symbolic as opposed to functional value. Seldom inspiration is also extracted from Arts to prepare meals, yet that is usually an issue that sets artistry versus financial gains apart, and from the chef’s point of view as an artist such a paradox or tension presents itself during period when executing his or her duties. A creativeness of the environment strives for competition regarding Cuisine (Haute included), and it is brought about by innovation attributed to custodians, e.g. gastronomes, chefs, cuisine-curators, amongst other aspects, including but not limited to the capacity in bringing novelty towards the market. Such a predicament has always been labelled as being paradoxical due to such opposing perspectives made up of contradictory, very interrelated- elements (Langviniene & Daunoraviciute, 2015).

In most cases, creativeness and artistic expression in pursuit of Culinary Arts was a driving-force. However, such creativity can be twofold; firstly, its application could be the introduction of a new product-variation; secondly, to establish a relatively new product-offering that defies applicable regulations currently (Capdevila, Patrick & Laurent, 2015). Such a supporting viewpoint heralds two Gastronomes-turned Chefs in relation to Creative-Catering Individual Business Model. Originally, the organisational concept, i.e. a business model was thus extended to an individual level through studying the career-progression of the Spanish Chef, Ferran Adrìa by Svejenova, Planellas and Vives, (Inversini et al., 2014). The trio moves from a premise that Individual Business Models are sets of activities, organising, and strategic resources that individuals employ to pursue personal interests and motivations, for the creation or capturing value within a process.
The person in totality has become the central part of the value-chain in the innovation sector generally, where a Business Model is always based on personalities, including brands which define a certain individual, thereafter an Individual-oriented Business Model. Similarly, the latter business model is particularly relevant to another career, that of the French Chef Daniel Boulud. It offers an opportunity to analyse a look-up that comprises a complicated Creative-Catering Individual Business Model. Daniel Boulud encountered such complications whilst managing opposing tensions (Paradoxes in a case of Spanish Chef, Ferran Adrià), during the course of such an illustrious career in order to achieve both short and long-term success. Staying with an idea of success, such elements seem logical in isolation, yet are viewed as irrational when appearing simultaneously (Inversini et al., 2014). It entails a notion of innovation as pitted against standardisation, older against newly-acquired knowledge, thorough against additional-creativity, personal-assertion against communication and routine against change (Narangajavanavita et al., 2016).

Research Methodology

In this research, a sample survey design was utilised. The main reasons for this choice of design in the study are twofold: firstly, it was due to predetermined information needs of the study as reflected earlier by research objectives; secondly, the survey approach allows for reasonable collection of large amounts of data from a sizeable population in a highly economical way (Creswell, 2012). Information was obtained using a questionnaire administered to a sample; data is standardised and allows for comparisons to be made. The survey allowed the collection of quantitative data and the strategy was deemed appropriate since it also allows for generalisation of findings from a sample to large population at a lower cost (Babbie, 1990).

The researcher chose to use mixed methods research or an abductive approach under a pragmatist philosophy (Lincoln & Guba, 2000; Mertens, 1998). This approach used both deductive and inductive approaches to overcome the shortfalls of either of the two. The research adopted the Interpretivist philosophy firstly, to explore, explain and interpret a phenomenon and secondly, to address research questions at different levels and also clarify a theoretical perspective at varying degrees based on results. It has to be highlighted though, that the single most critical reason to exploit a positivistic paradigm was because of the theoretical framework that can be developed to explain and generalise cause and effect relations among variables (family-ownership and CSEs' success in a study) as corroborated by Saunders, Lewis and Thornhill (2007). A latter principle particularly, describes the trends are based on a big number of people (Creswell, 2012), although abductive logic is about observation and seeking an explanation.

The research was conducted in Johannesburg (also known as Joburg, Jozi, the City of Gold, and eGoli) metropolis by covering its townships, suburbs, cities and outlying areas within the Gauteng Province of South Africa. Stats SA's 2011 census suggests the City of Johannesburg had a population of 4 434 827 with an unemployment rate of around 25%, although most of the youth (19.2%) acquired some form of higher education. Gauteng is known to be a wealthiest Province, with Joburg being a Gauteng Provincial Capital and the largest city in South Africa. The actual size of a population which was meant to be studied in such research was 318 based on the notion that a study was supposed to be conducted within Johannesburg and the surrounding areas with information type, only available and accessible via Johannesburg Municipality. The next phase was to explore credible means of identifying the participants that were targeted for the study. Considering that the study was purely about CSEs, a caterer could be classified within the category of Social and Corporate, i.e. wherein events such as weddings, birthday parties, charities and reunions are deemed to fall. Research utilised the pure simple random sampling method of selecting subjects. However, a deduction here was made that participants represented the CSEs from a variety of caterers, which form
some kind of the strata, although this is not necessarily intentional.

A sample size determination formula as developed by Krejcie and Morgan and as per Creswell (2012), was deemed to be useful and has been applied in the research; about 175 registered (with Companies and Intellectual Property Commission) CSEs formed part of a sample for the study to represent a population of exactly three hundred and eighteen (318) SMEs in both CSEs and Hospitality industries in Johannesburg. The samples were selected from urban, peri-urban and rural municipality’s jurisdictions through geographical locations’ by contacting CSEs. The population in this context refers to an entire group of people, events and or things of interest that a researcher wishes to investigate (Sekaran, 2003).

Figure 1. Illustration of Data-Collection Process

Interviews and questionnaires were survey instruments utilised to collect data during a whole process of this study. The questionnaire was designed specifically for the purpose of conducting both the pilot study and actual research so it was not adapted and or modified around any of existing instrument, yet advanced references via theoretical frameworks and the literature-review (Sekaran, 2014). So, the consideration was given in a questionnaire to the specifics. It was comprised of six (6) parts, divided into themes: finance, customer-orientation, health, and safety, education, customer-service and participants’ demographic profile. The designed questionnaire’s content was meant to achieve the following; firstly, to ensure that it was understood and interpreted by subjects; secondly, that subjects were able to complete the questionnaire within a reasonable amount of time; thirdly, and also more importantly, to yield required data as envisaged or otherwise, and finally, so that information as collected could be collated, analysed and explained as feedback too. Questionnaires were administered and delivered directly to the targeted store-managers, supervisors, business-owners within on-premises or off-premises outlets and CSEs that took part in a study around the Johannesburg Metropole. The research was conducted in July and September 2017 as depicted (Figure 1).
Data Analysis

The study used Descriptive Analysis in order to analyse all five (5) research questions, while the Cross-case Analysis was explored. Both the independent and dependent variables were analysed in the research including circumstances whereby other variables (moderating and confounding and mediating variables) were considered to have played some roles as part of content analysis. This study needed the right statistical data analysis tool or procedure so as to ensure that data is accurately analysed, could be generalised to the entire population and in the main, interpreted correctly for anyone to extract its implication (Dillard, 2017).

The initial phase in such a process to analyse data included the verbatim transcription of the data gathering in a field and through observation. Critically, the researcher had to be familiar with the texts utilised through immersion in such data so that they were accurately analysed, which formed the second phase in this process. Subsequently, the information was coded in the third phase i.e. data was narrowed into the few themes via both deductive and inductive approaches. Themes were categorised and aggregated together to formulate the major ideas, in a database (Creswell, 2012). Correlation between variables was identified for comparison, including differences and similarities in the fourth phase of data analysis.

Finally, results were forecast, which concluded all phases of data-analysis in the research. A point of note is that a survey design’s mandate is to describe trends and correlate variables (Creswell, 2012). The following statistical procedures for the data analysis were exploited: firstly, measures of central tendency are the summarised figures that represent a single value in a distribution of scores. So, the summary of scores are expressed as the average score, called the arithmetic mean, i.e. the sum of all numbers’ list divided by overall items on the list. The usefulness of a mean is that it determines a universal trend of data-set or else it provides the snapshot of the data.

Secondly, the variance which indicates the dispersion of all scores around a mean was used to derive certain scores as the chosen formula. Thirdly, the standard deviation is another tool for data analysis and it served as an indicator of dispersion or spread of scores. Its meaning and understanding became more evident during a distribution of scores on a graph, which signifies clearly statistical analysis’ appropriateness explored in the study as corroborated by Creswell (2012). If data is spread more widely from a mean it then manifests a high standard deviation, whereas if it is low it signals more data aligned with the mean (Dillard, 2017).

This procedure was user-friendly, and had clear instructions to gather data and produced highly structured summarised data, whilst the multidisciplinary team could work on the same project. Descriptive statistics was used in the research and specific reasons were advanced for its choice. The analytic-framework was the set of codes which are organised into categories, developed jointly by researchers involved in analysis that is often used to manage and organise data. The framework created a new structure for the data that is helpful to summarise, in a way which it can support the answers to research questions rather than present the full accounts as originally given by subjects (Gale et al., 2013).

This analytic-framework was by no means tied to different research stances but it referred to the multiple methods of analysis such as the phenomenology, or grounded theory, which can be conducted utilising such an approach as well (see http://www.abbarker.wordpress.com). The study explored a combination approach for the following reasons: firstly, it is able to explore both the deductive and inductive methods in data analysis at once; secondly, it is open, reflective and also inclusive regarding new themes appearing in data; finally, pre-existing theories can be applied to themes that have been generated, while data is being continuously analysed.
Research Findings

SMEs Outlook

It is worth reiterating the economic standing of South Africa (SA) in relation to other economies in the world, and more so, because South Africa operates on a global stage and is a current member of Brazil, Russia, India, China and South Africa, i.e. BRICS. Thus, the economic systems of western countries with which the country associates itself are combinations of the market economy and socialism. Even though the perfect end-product of the latest method is not available and deemed applicable, South Africans accept the current compromise as opposed to an either, or, type of scenario. More specifically, the appreciation which is centred on what is deemed to be offering some notable benefits for the South African populace at least for now (Du Toit, Erasmus & Strydom, 2010).

Development of SMMEs has a significant part to play in respect of SA’s growth and that of SMMEs being perceived as a viable option. SMMEs-LED (Local Economic Development) is an emerging theme in the literature on SA-LED with SMMEs’ growth being perceived as a viable option. However, despite prominence as accorded to SMMEs in South Africa’s broad development vision, and many local level development strategies, SMME-LED is markedly under-represented and little discussed. SMMEs are also recognised as key to fostering an attainment of the sustainable economic development and through it therefore, follows the employment creation achievement and poverty alleviation as per Sibanda (2013). Roles of SMEs and SMMEs respectively are perceived from various quarters as being primarily to create jobs, secondarily, reduce penury and ensure or at the least consider growing business.

SMEs’ scaling up may be sought following the start-up phase, but also at other moments in a life of the firm; for example, to remain at the leading-edge in the specific sector and industry the wide range of business transactions conducted are based on the strategic objectives. Such mechanisms are provided platforms in some continents so that businesses can thrive, thereby contributing to economic stability, while creating employment in the process (OECD, 2018). An essence of the premise herein manifests SMEs’ growth phases where potential for sustainability, success and profitability could be imminent, depending on the nature of small businesses in question. In the European Union (EU), the Agricultural Ministry launched the Project, Bioschools in Czech Republic during 2009 and its realisation meant that a specific SME had to oversee and manage it.

The objective was to aid in Meals-Catering in the school. However, challenges were brought by suppliers in the main and parents who were not so actively participating by encouraging children to embrace the project (Dědina et al., 2014). This is the example of how SMEs and SMMEs are able to grow and develop due to the government’s initiatives and interventions, whilst using other institutes and agencies (Schools), including such communities (Parents as the consumers on behalf of school-children). In Sweden, most end-users have embraced the organically-produced food, and in 2007 its consumption increased as a direct consequence of governmental intervention which heightened accessibility and purchase. In essence, the government has created a conducive environment that supported this intervention more so within the realm of Public Catering (Astner et al., 2011). Clearly, from such an exercise the approach in question for SMEs and SMMEs to improve their performance should mean a concerted effort to strategically ensure that the value-chain encapsulates all stakeholders so that outcomes benefit the intended target-market. In addition efficient information flows are critical to a well-functioning value chain, and information flows must be open and not only between members of one group or ad-hoc for example transmitted by word-of-mouth, and characterised by poor trust (ASI, 2017).

With that preamble about SMEs and SMMEs the following research-results were sourced.
Demographic Profiles

Descriptive and Analytic Data Summary

In this study, the Participants’ Demographic Profiles depict Gender, Race or Ethnicity, Age-range, Employee-type, and Business-relationship in that order as listed in the questionnaire instrument. Table 4.1.1 shows that there were 27% males and 72% females in the sample. Race or ethnicity was divided into five categories, namely, African, Coloured, Indian, White and Other. This representation of 83% Africans, 5% Indians, 0% White and 5% Other, was noted. It has to be hinted as well that the category, ‘Other’ could mean anyone in the South African context, which has since become a melting-pot of Africa, diaspora and the world at large. Hence, the point made is that, ‘Other’ is inclusive of ‘any’ demographic profile which might not have been covered in accompanying categories.

An obvious case is that Africans are in a majority in the study perhaps because they are also in the majority in South Africa. The age-range demonstrates that the second highest number of participants, at 27%, were the 19-29 year group, whilst there were 30% in the 30-40 year range. 22% was the third highest for the 41-51 age range, showing a very minimal difference in gaps while a second lowest was at 11% for 52-62 years. A lowest number of participants in terms of age range was 5% for the 63-73 range, which is not a surprise at all considering that the generally accepted retirement-age, is between 60 to 65 years for personnel in active (Full-time) employment.

A final category under business relationship is depicted as such; junior staff was in a majority at 0.38% as participants signalling the possibility of the new entrants in active employment. At 0.27% is the senior personnel that participated in the study as potentially the employees that have been with the CSEs for an extended period of time. There is a tie at 16% between owners of businesses and management, which is no surprise at all, since some (to an extent many) CSEs are managed by owners as corroborated by literature review. The case in point is the research within the sphere of Tourism, whereby most of the Bed and Breakfast (B&Bs) outlets are owned and managed by the close-knit families, following the study as conducted wherein the pioneering of B&Bs in Gugulethu and Langa townships (Cape Town: Western Cape Province) offered interesting viewpoints regarding the ownership of businesses and or relative success as such (Joseph, 2013).

It is appropriate to revisit research questions namely: firstly, what are the growth challenges being encountered by SMEs in the Catering and Hospitality industry in Johannesburg, South Africa?; secondly, what is the skills-set’ status of employees in a Catering industry?; thirdly, what is the relationship between the family-ownership and the success of Catering Services Enterprises?; fourthly, what are the potential growth and development prospects of SMEs in the Catering and Hospitality industry?; finally, what business’ sustainability-prone Model would be suitable and prefereably ideal for SMEs in the Catering industry?

Continues…
Table 1. Participants Demographic Profiles

<table>
<thead>
<tr>
<th>Category</th>
<th>Frequency</th>
<th>Percentage</th>
<th>Overall%</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Gender</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Male</td>
<td>50</td>
<td>0,27%</td>
<td>99%</td>
</tr>
<tr>
<td>Female</td>
<td>130</td>
<td>0,72%</td>
<td></td>
</tr>
<tr>
<td><strong>Race or Ethnicity</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>African</td>
<td>150</td>
<td>0,83%</td>
<td>98%</td>
</tr>
<tr>
<td>Coloured</td>
<td>10</td>
<td>0,05%</td>
<td></td>
</tr>
<tr>
<td>Indian</td>
<td>10</td>
<td>0,05%</td>
<td></td>
</tr>
<tr>
<td>White</td>
<td>0</td>
<td>0%</td>
<td></td>
</tr>
<tr>
<td>Other</td>
<td>10</td>
<td>0,05%</td>
<td></td>
</tr>
<tr>
<td><strong>Age-range</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>19-29</td>
<td>50</td>
<td>0,27%</td>
<td>98%</td>
</tr>
<tr>
<td>30-40</td>
<td>60</td>
<td>0,33%</td>
<td></td>
</tr>
<tr>
<td>41-51</td>
<td>40</td>
<td>0,22%</td>
<td></td>
</tr>
<tr>
<td>52-62</td>
<td>20</td>
<td>0,11%</td>
<td></td>
</tr>
<tr>
<td>63-73</td>
<td>10</td>
<td>0,05%</td>
<td></td>
</tr>
<tr>
<td><strong>Employee-type</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Family</td>
<td>10</td>
<td>0,05%</td>
<td>98%</td>
</tr>
<tr>
<td>Intern</td>
<td>0</td>
<td>0%</td>
<td></td>
</tr>
<tr>
<td>Part-time</td>
<td>40</td>
<td>0,22%</td>
<td></td>
</tr>
<tr>
<td>Full-time</td>
<td>120</td>
<td>0,66%</td>
<td></td>
</tr>
<tr>
<td>Contract</td>
<td>10</td>
<td>0,05%</td>
<td></td>
</tr>
<tr>
<td><strong>Business-relationship</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Owner</td>
<td>30</td>
<td>0,16%</td>
<td>97%</td>
</tr>
<tr>
<td>Junior Staff</td>
<td>70</td>
<td>0,38%</td>
<td></td>
</tr>
<tr>
<td>Senior Staff</td>
<td>50</td>
<td>0,27%</td>
<td></td>
</tr>
<tr>
<td>Management</td>
<td>30</td>
<td>0,16%</td>
<td></td>
</tr>
<tr>
<td>Shareholder</td>
<td>0</td>
<td>0%</td>
<td></td>
</tr>
<tr>
<td><strong>Total =</strong></td>
<td>900</td>
<td>4,9%</td>
<td>98%</td>
</tr>
</tbody>
</table>

Research Question: 1

A first question measured variables such as *customer-service, supply-chain and performance of Catering Services* part of a Business Model using an interval scale of measurement. This is in line with the first research question dealing with growth challenges encountered by SMEs within the Catering and Hospitality industry in Johannesburg.

The scores in the distribution table suggest that there is more agreement than disagreement with the statements advanced in the questionnaire. The statistical analysis as exploited in the category is the cross case since it is able to examine themes, similarities, differences across cases, facilitates dialogues, knowledge and above all, comparisons can be made in such a process as well. Case studies continue to be comparatively under-utilised sources of expertise. Cross-case analysis is a very useful research method that can mobilize knowledge from individual case studies.

It is suggested that utilization of case knowledge occurs when a researcher accumulates case knowledge, compares and contrasts cases, and in doing so, produce new knowledge (Stake, 2006). Similar sentiment is corroborated by Welman et al. (2009), and also Van Wynsbergh and Khan (2007) in that the variability and or range of the distribution of scores around the mean signifies standard deviation. This particular variable is also in congruence, overlaps and links to the fifth research question.
Table 2. Questionnaire – Part 1

*N is sample size; M is the total of all tabulated scores and SD, is a standard deviation.

Research Question: 2

A second research question measured health and safety, balanced diet, customer service orientation, and quality of Catering Services’ Enterprises based on product-offerings by using an interval scale of measurement. Such questions dealt with trends in the Catering and Hospitality industry as encapsulated in the first research question and overlap with the fourth one that queries the potential growth and development prospects of SMEs in the Catering and Hospitality industry. All the participants’ responses demonstrated in Table 4.3.1 suggested that there is an overwhelming consensus (Agree and Strongly Agree) on food-price and health-safety as essential aspects of a business, at 0.94 and 1.37 respectively.

Table 3. Questionnaire - Part 2

*A (Agree); SA (Strongly Agree); D (Disagree); SD (Strongly Disagree); N is sample size; M is the total of all tabulated scores and SD is a standard deviation.
Research Question: 3

The third research question reads as follows: what is the skills-set status of employees in the Catering industry and which skill-set which accounts for business sustainability and profitability? Hence, the third category in Part 3 measures education, skills, experience, knowledge and expertise including management of CSEs by personnel. Results show a shift in sentiment shared by participants on different variables as per the statistics. The consensus from the subjects is that staff members have acquired an emergency order-processing mandate, formal training in book-keeping and accounting. Such a category that deals with education, skills and general or specific requisite knowledge that is necessary and critical expertise for a key member of staff in order to function productively in an enterprise.

<table>
<thead>
<tr>
<th>PART: 3</th>
<th>Category: Education, Skills, Knowledge, Experience, Expertise and Management of the CSEs.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Variables</td>
<td>(N)</td>
</tr>
<tr>
<td>-----------</td>
<td>-----</td>
</tr>
<tr>
<td>12. The Staff has acquired Formal-training in Business-management.</td>
<td>180</td>
</tr>
<tr>
<td>13. The Staff has acquired emergency Order-processing mandate.</td>
<td>180</td>
</tr>
<tr>
<td>14. Formal training in Book-keeping and Accounting has been acquired.</td>
<td>180</td>
</tr>
<tr>
<td>15. Enough Resources have been afforded to the Staff to conduct Business.</td>
<td>180</td>
</tr>
<tr>
<td>16. The Personnel is well-trained and has relevant Qualifications in a CS' field.</td>
<td>180</td>
</tr>
<tr>
<td>17. Product-costing and Pricing are the Skills that the staff possesses.</td>
<td>180</td>
</tr>
<tr>
<td>SUMMED SCORES =</td>
<td>180</td>
</tr>
</tbody>
</table>

Table 4. Questionnaire - Part 3

*A (Agree); SA (Strongly Agree); D (Disagree); SD (Strongly Disagree); N is a sample size; M is a total of all tabulated scores and; SD is a standard deviation.

Research Question: 4

A fourth question measured customer-satisfaction, customer-loyalty, customer-return as well as logistics within Catering Services and it used the Ordinal scale of measurement. Participants’ responses are presented as follows: the Off-Premises Catering Service was viewed as an approach that requires a low Budget-expenditure due to more logistics involved by the majority (1.10), while the opposite view was held to be the case by 0.87 scores. The On-Premises Catering Services was confirmed as needing a higher Budget because of less logistics involved by a majority with scores at 1.05, and whilst the converse was affirmed to be applicable at 0.94 scores.

The operational strategy that puts customers first in the value-chain was agreed to by 1.24 of the scores whereas about 0.66 tended to disagree. A notion of marketing the service and or product-offering by customers has been revealed as a variable with which successful word-of-mouth propaganda could be achieved by resultant high-level work; this seems to ring true as per the scores in agreement (1.24), contrary to those in disagreement (0.66).
The fifth research question inquired: Which business-sustainability model would be ideal for SMEs in the Catering Services industry? In Part 5, it measures, business-knowledge, generic business’ administration of CSEs and funding. It is centred on up-keep, management, administration and also general overseeing of the business, its sustainability and profitability. It is clear from such affirmation that businesses remain afloat although this funding shortage is the general concern, yet relevant information is mostly available and at CSEs’ disposal. This affirmation by the scores regarding statements as put forward in the form of variables, are measured from responses as elicited by respondents. It shows, therefore, that the access to Capital Finance is lacking in the bid to assist most businesses to function optimally. As such, every perceived challenge in variable does not have a link to business’s demise, longevity or sustainability including profitability as depicted.

**Table 6. Questionnaire - Part 5**

*N is sample size; M is the total of all tabulated scores and SD is a standard deviation.*
Inferential Statistics

In line with this category is a research question that has been dealt with in Part 3: what is the skills-set’ status of employees in Catering industry? The results agree that enterprises have adopted a specific Business Model, shown by Research Questions 1 and 5. As stated before, the independent variable is the family-management of the business i.e. CSEs where business-success is an indicator, with strategic planning, setting, implementation, reviewing, and feedback operationalised. A technique of correlation is seldom explored to test statistical significance of association. Other cases utilise regression analysis to describe relationships precisely by means of an equation that has at least some predictive value.

Regression to the mean usually happens because of sampling error, while a good sampling technique is to randomly sample the population. So, if an asymmetrical sample is conducted, results might be abnormally high or low, for the total and therefore would regress back to the mean. Therefore, regression to the mean could happen due to unrepresentativeness of the scores, and small sample percent of either the highest one (1), or the lowest ten (10) percent of a population (see http://www.statisticshowto.com). A formula applied to find a percent for any set of data is depicted below:

Percent of regression to the mean = 100 (1-r), where r is the correlation coefficient.

Thus, a percent of regression to a mean takes into account the correlation between variables for instance, if r=1 (i.e. perfect correlation), then 1-1=0 and then the regression to the mean equals zero. In other words, if the data has the perfect correlation, it would never regress to the mean. Having a zero r, there is a 100 percent regression to the mean and therefore data with a zero r will always regress to a mean (see http://www.statisticshowto.com).

Considering that a mere 0.5% of family members and 0.16% of ownership is minimal, thus a point to be made as per Scatterplot 4 is that such correlation between variables (Business-ownership and its success) is fairly perfect at 3.24 and 3.21 scores.
The depicted scores are deemed to be average respectively for the participants derived from individual scores of respondents accounted for during tabulations, and also used via the MS-Excel formula to calculate regression. Furthermore, scores signify variables in a comparison as also expressed before in terms of a probable association and or relationship. In statistical terms, correlation is utilised to denote an association between two quantitative variables and the association is linear, i.e. when one variable increases or decreases, the fixed amount for a unit increase or decrease in the other (see http://www.bmj.com).

Usually a regression line, defined as a line of best-fit for all the points of scores on the graph is explored to this effect. This line comes closest to all of points on the plot and is calculated by drawing a line that minimises a squared distance of points from the line (Creswell, 2012). Essentially, regression a line is concerned about associations or relationships, cause-effects, and so on.

A correlation does not really mean a causal-relationship. A significant correlation shows that two factors vary in a related way either positively or negatively and if there is any connection, it may be indirect (see http://www.bmj.com). It is clear from Scatterplot 4, that there is such a
relationship however, it cannot be ascribed to possess some type or any of a cause-effect. In essence, even such a regression line bears testimony in that it is not linear as it is normally expected to be as depicted in Regression Line 4. Thence, it could be safely stated that there might be other confounding variables accountable for correlation, as shown in Graph 4 (see http://www.archive.bio.ed.ac.uk).

Conclusion

Generally findings are much in sync, i.e. consistent with current theories utilised in the hospitality industry and in particular tourism as the sub-sector. Thus, the conclusion is that a Performance Catering Business Model seems to be the most currently relevant, explored and suitable business strategy for CSEs in the Hospitality industry. A Performance-Catering Model is the All-Encompassing Catering Business Model. The point to note is that a catering services oriented value chain process is perceived to be a Performance-Catering Model in disguise. The contemporary catering supply chain is highly service-oriented, and not merely products supply chain. It now includes product service, logistic service, customer service and other considerations. Consequently the traditional supply chain performance evaluation is not suitable for the catering industry and a Performance-Catering Model is desirable. In a nutshell, an All-Encompassing Catering Model moves from a premise that all boxes have to be ticked by a Caterer from that moment when a client has opted to secure the services from a particular SME during planning and execution phases. More so, shortly after conducting of an event’s post-mortem, and when one or more deals are offered by newly acquired customers (added to a database) derived from the successfully planned and executed recent gig or event. Such is the proposed business-sustainability Model for Catering, also called Panoptic (i.e. all-encompassing) Catering Model mainly because it is a Performance-Catering Model by extension. Its processes resemble a vicious-cycle as it is a case with the latter from a start to finish. It then takes-over from where the Performance Catering Model stopped, and it repeats a similar process over and over again. The common denominator, which as per the afore-listed narrative is a vicious-cycle-process.

In terms of logistics, the Panoptic Catering Business Model advocates for, and proposes that before or specifically on the actual day of an event, caterers should ensure that the thorough preparations (all due diligence) are conducted prior to and timeously regarding kitchen facilities on-site including but not limited to serving-stations. Thus, in addressing other contributions of the study, it is worth going back to some research questions, research objectives and ultimately research findings from the participants’ responses as listed below, which constitute the conclusions:

- SMEs have crafted, implemented and or also adopted operational strategy which puts customers first in the value-chain. Creative Individual Business Model including both Off-Premises and On-Premises Catering Models respectively are suited for the different Caterers including the Off-Site and In-House (canteens, cafés, pubs, etc.) options.
- Food, through healthy-dining, has become the lifestyle for customers in CSEs arena, with quality as the central focus that plays the most pivotal role within SMEs’ outputs and Occupational Health and Safety has become core sensitive issue due to Food-Diseases outbreaks. Thence, Off-Premises Catering Model, On-Premises Catering Model and a Creative Individual Business Model are better placed to deal with such issues.
- CSEs’ Staff in the majority have not acquired any kind of formal education; however, up-skilling and on-the-job-training have occurred, to the extent that practical learning has been modelled as another learning method. So, the Traditional Models such as internships and shadowing are explored in CSEs while Experiential Learning Theory has also proved to be highly relevant.
Recommendations

Operations Practice

Research recommendations are twofold, to be change-oriented and/or further study the issue. Limitations do offer a tool to utilise as some form of dipstick for prospective researchers to conduct similar research or even to replicate it. Such Limitations provide the critical bridge for a researcher to conduct future studies (Creswell, 2012). It is extremely crucial to consider limitations such as those highlighted as a means to advance recommendations for SMEs within the Hospitality industry.

Firstly, the Catering Services in Johannesburg, in Gauteng Province of South Africa, is highly multi-layered, and fragmented one, comprised of both formal and informal profiles, as per economic and environmental strata of business owners, with varying backgrounds and target-markets. Thus, the historical political landscape of South Africa could have contributed to the disparities in CSEs, as the demographics define operations, customers’ databases of SMEs and related facets in the Catering and Hospitality industry. Secondly, there seems to be an overwhelming general reluctance from most of the office-bearers to share information regarding registered SMEs in the Catering and Hospitality industry and by some institutes e.g. Companies and the Intellectual Property Commission. Therefore, the hiccups as observed are because some enterprises have not been registered in specific categories e.g. catering, hospitality, tourism, leisure and others, that is one of many hurdles to consider in order to secure information about CSEs. Thirdly, SMEs within the Catering and Hospitality industry in Johannesburg, seem to have registered with different unions and the research could not delve into this aspect at all, and this is a limitation of this study as well as it could be a new angle to be taken by prospective future researchers. Fourthly, CSEs operate in silos, individually and via sub-groups, yet are not together given the absence of the unifying centre, i.e. there is neither a regulatory structure nor any professional body governing CSEs’ interests that may guide mobilisation for action when such is needed and this too is a serious limitation.

Finally, SMEs that have built a reputation in the Catering and Hospitality Industry from the previous apartheid regime seem very reluctant to allow internships or shadowing, to impart skills, up-skill and uplift newly formed entrants in other sectors. A willingness to share knowledge and expertise to CSEs owned by previously disadvantaged individuals is unfortunately lacking in some parts and needs to be encouraged. Research in this area could lead to appropriate interventions or further determinations as to how to mitigate failures.

Policy Change

Recommendations within the area of policy changes include the following: firstly, it could assist government, especially the relevant departments, such the Ministry of Small Business’ Development are more involved, and if imbalances that exist in the CS’ sphere are noted, so that support is offered to assist SMEs and SMMEs as well to allow a seamless take-off. If CSEs that are currently contracted to government (including all the departments and state-owned enterprises) have some agreements in writing for sub-contracting work to include assistance and learnerships for emerging and new entrants in the market, that would equally be of immense help. Ultimately, quality management, which is sensitive to the operational and financial characteristics of SMEs and SMMEs, may be a means of achieving competitive advantage and drive a more secure financial future for them.

CSEs that have acquired more experience from the previous dispensation, yet still provide services to government at the moment should be required to also sub-contract work to the new entrants, and as such, some clauses should be included in the agreement entered into by all parties. Measures could be put into place for monitoring, and consequences meted out if there is a non-adherence to such an agreement. Monitoring should be conducted by
government officials and in cases whereby an agreement is not followed then punitive measures have to be taken against perpetrators. In such instances, information-sharing, training, skills-transfer, and shadowing on the job could happen to avoid many glitches. The CSEs would have more opportunities to grow, develop, and be empowered in a process. Thirdly, the absence of a single CSEs' Regulatory Institute in a sector has been noted and some CSEs are not even registered with the Companies and Intellectual Property Commission, and yet do provide services to customers, unknown to the latter. The catering part of the Hospitality industry is also facing challenges in further increasing its technological capabilities, and focusing more on innovation and linking strategies on investment and physical assets is also a challenge for many. There are the usual challenges posed by lack of training, technical assistance, business processes and information systems knowledge which also require thought. There is a great need for a comprehensive sectoral policy so that for example, from a technical perspective, while food production is in a reasonably healthy state, a severe constraint could be food safety. Insufficient food safety practices are globally viewed as a major obstacle to pass. Consequently, the issues of training, occupational health and safety also come into the picture, since not all CSEs employ trained, experts and academically qualified Gastronomes or Chefs involved in preparing Food for customers. Crafting of a policy and implementation thereof on matters as raised above could go a long way in assisting SMEs in the Catering and Hospitality industry particularly, because most of CSEs surveyed do not require much of financial assistance, as they are already in operation.

Finally, catering per se, is segmented academically and practically, when viewed policy-wise in South Africa and is within a generic Hospitality industry, including other sub-sectors such as guesthouses, motels, cafés, hotels, bars, pubs, restaurants and others. Urgent action requires that the umbilical-cord should to be cut off thereby allowing for the creation of a stand-alone CSE’ institution in SA. Such an arena can also accommodate newly found trend in CS’ sphere, for Foodies, Food-Bloggers, Food-Enthusiasts, Food-Lovers, Professionally-unqualified-Chefs, and others. The group has its interface and base in social media platforms, i.e. Facebook, Twitter, Instagram, What’sApp and would need to be embraced as well in efforts to enhance the prospects of small and medium-scale enterprises in the catering and hospitality industry in South Africa. If employed, such ideas may be appropriate for more African countries as well. If solid practices emerge these have the possibility to revolutionize the CSEs and stimulate the competitive environment.

References


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